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PROCEEDINGS AND DEBATES OF THE 97th CONGRESS, FIRST SESSION

SENATE—*Tuesday, February 3, 1981*

(Legislative day of Monday, January 5, 1981)

The Senate met in executive session at 10:15 a.m., on the expiration of the recess, and was called to order by the Honorable MACK MATTINGLY, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Father in heaven, we come to Thee today in gratitude for the gracious love and provision which Thou hast lavished upon us.

As we enter this week of hard work, with decisions to make that often have cosmic implications, help us to keep our priorities in order.

None of us is here by accident. Behind the diligence of staffs, supporters, and our own individual campaign efforts, behind the votes of the people, we recognize divine appointment, for Thou hast said: "Promotion cometh neither from the East or West or South. But God is the judge: he putteth down one and setteth up another." Grant us the grace to exercise our accountability to Thee.

We know how often families are casualties to the demanding business of government and the often seductive forces of power and privilege and position which we enjoy. Help us as husbands and wives to submit to each other out of reverence for the Lord. Help us as husbands to love our wives as Christ loved His church and laid down His life for her. Help us to be good models whom our children may safely follow.

Help us to be accountable to the people who gave us our mandate and to the world which looks to this body for responsible leadership.

Help us to be good stewards of our health—to care for our hearts and minds and bodies with proper food and exercise and rest.

We ask this in the name of Him who is incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 3, 1981.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MACK MATTINGLY, a Senator from the State of Georgia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. MATTINGLY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized, as in legislative session.

Mr. BAKER. I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WELCOME TO THE REVEREND RICHARD C. HALVERSON, CHAPLAIN OF THE U.S. SENATE

Mr. BAKER. Mr. President, I wish to take this opportunity to welcome the distinguished Chaplain of the Senate on his first official appearance here and his delivery of the invocation to the Deity for us. I bid him welcome.

As Alfred Lord Tennyson wrote in his work, "The Passing of Arthur"—

More things are wrought by prayer
Than this world dreams of.
Wherefore, let thy voice rise
Rise like a fountain for me night and day.

We in this Chamber have been fortunate to raise our voices in daily prayer for a good many years, Mr. President. And in all actions, successful or not, public or personal, we have been the better to have begun each day with bowed heads, beseeching the guidance of the Lord.

And I am supremely confident that Reverend Halverson, the pastor of the Fourth Presbyterian Church of Bethesda, will continue to steer our hearts, minds, and deeds to the light and the path of our Father.

I would like to express my appreciation and that of the Senate to the congregation of the Fourth Presbyterian Church for sharing their distinguished pastor with us, and I am certain I speak for every Member of the Senate in wishing Reverend Halverson well.

Mr. President, I yield to the distinguished Senator from Oregon not more than 4 minutes.

Mr. HATFIELD. I thank the distinguished majority leader for yielding.

WELCOME TO SENATE CHAPLAIN RICHARD HALVERSON

Mr. HATFIELD. Mr. President, it is my great privilege this morning to welcome Dr. Richard Halverson on the first day of his official duties as the U.S. Senate Chaplain. Proverbs 21: 21 states that "He who pursues righteousness and kindness will find life and honor." I know of no man in this city over the last quarter of a century who more emulates the wisdom of Solomon in this regard. It is unusual to find in this hectic age a person both upright and kind—and Chaplain Halverson being that person is supremely suited to be our pastor and friend for the challenges ahead.

Dr. Halverson was born in Pingree, N. Dak. He graduated from Wheaton College in 1939, and Princeton Theological Seminary in 1942. His LL.D. degree was received from Wheaton in 1958. Since 1958 he has served as pastor of the Fourth Presbyterian Church in Bethesda, Md. Previous to this prestigious call he was the minister of leadership education at Hollywood, Calif., Presbyterian Church, 1947–56; pastor of Coalinga, Calif., Presbyterian Church, 1944–47; and director of the Forest Home Conference Center while he served the Linwood

Presbyterian Church in Kansas City, Mo., 1942–44.

As many of us know firsthand, he has also been active as an associate of the Fellowship Foundation's prayer breakfast movement since 1956. He has been a part of our Senate family as a close friend and pastor through our regular contact with him at the Wednesday morning gatherings in the Vandenberg Room. Dr. Halverson has been more than just an outstanding and compelling expositor of scripture to us. He has been a close friend and faithful brother to whom we have turned and entrusted our deepest thoughts and concerns, whether we be Catholic, Protestant, or Jew.

As many know, Chaplain Halverson is the chairman of the board of World Vision, one of the finest and most effective world relief organizations. His compassion for those who suffer from injustice or tragic circumstances both here and abroad has grown in part from his world travels, during which he has seen firsthand the suffering of those in war torn and impoverished lands. There are some who do not see that the problems are that great or that important, because they do not have the eyes to see or the hearts to understand. There are others who see and feel but cannot respond, because they have isolated themselves from the suffering of others. And then there are those, like Chaplain Halverson, who do their part in serving "the least of these My brethren."

Dr. Halverson has written 10 books. Two of the most widely read are "Living Fellowship—A Dynamic Witness," and "Man to Man," which is a compilation of his biweekly devotional letter, "Perspective." Several of the most compelling of these I am submitting for printing in the RECORD.

Dr. Halverson and his faithful helpmate, Doris, have three children, Chris, Steve, and Debby, and three grandchildren.

Whenever my family and I have worshipped at Fourth Presbyterian Church, we have heard Dr. Halverson greet the congregation with, "It is such a pleasure to be with you this morning." We return that greeting to you today, Chaplain Halverson. It is a great pleasure for all of us to be with you here this morning. May God bless you richly in your ministry here amongst us.

You honor us greatly by accepting our invitation to be our chaplain, for you have lived a life of ministry as you have quietly and unostentatiously never forgotten whom you represent. You have given your life to more than ecclesiastical forms or institutional religion or buildings. You represent the person of Christ and His love to us. Welcome to your new parish.

Mr. President, I thank the majority leader for yielding me these very brief moments. I ask unanimous consent that the material I spoke of be printed in the RECORD as designated.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PERSPECTIVE

JUNE 4, 1980.

Dear Friend: Man builds institutions . . . God is building a Fellowship! Man builds monuments to himself . . . God is building an eternal family. Man organizes to build a name for himself . . . That's Babel! (Genesis 11). God is building a perfect city of everlasting love . . . That's redemption! Man's institutions divide and alienate . . . God's plan is to reconcile and unite.

In God's redemptive purpose all institutions will be destroyed—including ecclesiastical institutions . . .

But mankind will be one!

"For he has made known to us in all wisdom and insight the mystery of his will, according to his purpose which he set forth in Christ as a plan for the fullness of time, to unite all things in him, things in heaven and things on earth."—Ephesians 1:9–10.

"And I saw the holy city, new Jerusalem . . . and I heard a great voice from the throne saying, 'Behold, the dwelling of God is with men.

" 'He will dwell with them, and they shall be his people, and God himself will be with them;

" '. . . he will wipe away every tear from their eyes, and death shall be no more, neither shall there be mourning nor crying nor pain any more . . .' "—Revelation 21:2–4.

Blessings and love,

RICHARD C. HALVERSON.

PERSPECTIVE

NOVEMBER 9, 1977.

DEAR FRIEND: If you're going to fight . . . Fight for the relationship—not against it! Fight for reconciliation—not for alienation. Fight to preserve the friendship—not to destroy it. Fight to win your spouse—not to lose him/her. Fight to save your marriage—not to cash it in. Fight to solve the problem—not to salve your ego! If you're going to fight . . . Fight to win . . . not to lose! Lasting relationships are not negotiated . . . they are forged.

That means heat and pressure.

It is commitment to a relationship which sustains it . . . not pleasant feelings.

Treat a relationship as negotiable—it is easily lost.

Consider it non-negotiable—a way is found to make it work.

Authentic intimacy comes only through struggle.

"Love is patient and kind; love is not jealous or boastful; it is not arrogant or rude.

"Love does not insist on its own way; it is not irritable or resentful; it does not rejoice at wrong, but rejoices in the right.

"Love bears all things, believes all things, hopes all things, endures all things . . . Love never ends."—1 Corinthians 13:4–8.

Blessings and love,

RICHARD C. HALVERSON.

PERSPECTIVE

AUGUST 16, 1978.

DEAR FRIEND: AMERICANISM MAY BE IDOLATRY!

If I am uncritical of my country—one very basis ingredient is missing from my allegiance.

"My country right or wrong" may be the mark of loyalty . . . or it may betray abdication from personal responsibility.

Blind acceptance of my country's wrongs is as treasonable as collaboration with her enemies.

Either way I am contributing to her destruction!

Romantic, sentimental, childish attitudes toward America do not constitute allegiance.

Mature, critical, constructive attitudes do!

The process whereby romantic acceptance is turned into constructive citizenship is disillusionment.

Just as my childish belief in a Santa Claus who descended the chimney to deliver presents carried in a sleigh drawn by reindeer was dissipated through disillusionment . . .

So my childish views of American history must be dissolved and replaced by the truth about her faults and failures . . .

If I am to be a faithful, responsible citizen.

Many of those who professed to believe in the self-evident truth that "all men are created equal and that they are endowed by their creator with certain unalienable rights . . ." were slave holders . . .

Who refused to practice what they professed and therefore denied what they said they believed.

True allegiance does not require me to approve such hypocrisy!

Nor does it free me from the obligation to do whatever I can to change the immeasurable evil which has issued from it.

"Rulers are not a terror to good conduct, but to bad. He (the ruler) is the servant of God to execute his wrath on the wrongdoer."—Romans 13:3, 4.

Blessings and love,

RICHARD C. HALVERSON.

PERSPECTIVE

APRIL 26, 1978.

DEAR FRIEND: "The hurrier I go . . . the behinder I get!"

The plight of the man who lets enthusiasm victimize him.

He doesn't possess zeal . . . zeal possesses him!

Mistaking hysteria for urgency, a man may run off in all directions at once . . . his energy and effort so diffused that its force is spent long before a purpose is achieved . . .

Like hitting a target with a head of cabbage.

Acting in haste—without taking time to let his zeal soak in prayer and counsel—his projects peter out . . . abortive because premature!

Without the seasoning, maturing process of prayerful reflection, ideas—no matter how good—generally lack the strength of fulfillment.

Patience is more than a human virtue . . . it is of the Spirit of God . . . and it is of the essence of Christian greatness.

Let the idea spawn . . . it will produce off-spring!

Heed the counsel of one of the most profound devotional writers. He knew the "mind of Christ" and speaks out of deep, seasoned, tempered wisdom.

"Never act in a panic, nor allow man to dictate to thee. Calm thyself and be still. Force thyself into the quiet of thy closet until thy pulse beats normally and the scare has ceased to disturb.

"When thou art most eager to act is the time when thou wilt make the most pitiable mistakes.

"Do not say in thine heart what thou wilt or wilt not do, but wait upon thy God until He makes known His way.

"So long as that way is hidden, it is clear that there is no need of action . . . and that He accounts Himself responsible for all the result of keeping thee where thou art."—F. B. Meyer

"They that wait upon the Lord shall renew their strength: They shall mount up with wings as eagles, they shall run and not be

weary, they shall walk and not faint."—Isaiah 40:31

Blessings and love.

RICHARD C. HALVERSON.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, how much time do I have remaining under the standing order?

The ACTING PRESIDENT pro tempore. The majority leader has 3 minutes remaining.

Mr. BAKER. Mr. President, I believe there is a requirement for time on the other side of the aisle. I am prepared at this point to yield that 3 minutes to the control of the distinguished minority leader so he may honor that request if he wishes.

Mr. ROBERT C. BYRD. Mr. President, I thank the majority leader.

THE GRAIN EMBARGO

Mr. ROBERT C. BYRD. Mr. President, in the past several days President Reagan and Secretary of State Haig have engaged in some tough talk with regard to the Soviet Union. They are on the right track, and I applaud their efforts. Let us make certain that this tough talk is backed up by our actions.

On February 2, Secretary of Agriculture John Block repeated his opposition to the grain embargo imposed on the Soviet Union by the United States, and indicated that he will recommend to the President that the embargo be lifted. I understand that a special meeting of the Cabinet has been scheduled to consider this question. I have written a letter to the President reiterating my strong support of the embargo, and conveying to him my serious reservations about any proposed termination of it.

Our Government must clearly show that the United States has the will, and the firmness of purpose, to deal effectively with complex international problems. In this light, it is imperative that the grain embargo be maintained.

President Carter imposed the grain embargo by Executive orders which became effective on January 7, 1980, and were subsequently renewed by him 1 year later. The facts that led President Carter to impose the embargo are well known.

In late December 1979, the Soviet Union invaded the independent nation of Afghanistan. This was the first time since the end of the Second World War that the Soviet Union had directly invaded a previously independent and unoccupied nation. Such unabashed aggression is by its nature antithetical to the principles of all free nations. The Soviet action has had a direct effect on the strategic balance of South Asia and the Near East. Pakistan, a pivotal nation, is threatened by the Soviet military action. By entering Afghanistan, the Soviet Union has put its aircraft within striking range of the vital oil facilities and resources of the Persian Gulf. This is a grave development for the United States, which depends on the uninterrupted flow of oil from the gulf region for one-quarter of its supplies. Our European and Japanese allies are even more dependent on the Persian Gulf region for their oil supplies.

None of these facts has changed since the imposition of the embargo in 1980. The people of Afghanistan remain under the military subjugation of the Soviet Union. The grain embargo remains. An appropriate response to Soviet aggression.

The purpose of the embargo should be clarified, and that is, to levy a cost on the Soviet Union for aggressive behavior. The embargo was imposed because "business as usual" with the Soviets could not be condoned in light of the invasion of Afghanistan. The embargo should not be seen as ineffective if it fails to force the Soviet Union to end its adventure in Afghanistan. Rather, the effect of the embargo should be measured against more realistic goals: Those of forcing the Soviet Union to recognize the seriousness of its actions in the eyes of the world, and hindering the Soviets' pursuit of a variety of economic and political gains. In this context, the embargo has been quite effective.

The evidence shows unmistakably that serious costs have been incurred by the Soviet Union as a result of the embargo. The Defense Intelligence Agency has estimated that the Soviets have expended more than $1 billion over normal levels for grain from suppliers other than the United States since the embargo began. In short, the Soviets are using their scarce foreign exchange to pay gouging prices for poorer quality grain. These high prices have been paid out of desperation for any additional source of supply. Despite vigorous Soviet efforts to make up the shortfall caused by the sales suspension of 17 million tons of American grain, they have been unable to do so.

Soviet President Brezhnev himself admitted this fact in a speech to the Central Committee of the Communist Party in October, 1980. Brezhnev reviewed the shaky state of Soviet agriculture, and implied that the situation would worsen. He was correct, for the 1980 Soviet grain harvest is estimated by the U.S. Department of Agriculture at 185 million tons—50 million tons under the planned level of 235 million tons, and about 10 million tons under the current projection of actual Soviet needs for this year. As a result, the reserves of grain in the Soviet Union have been reduced to levels that are vulnerable even to moderate supply disruptions. The leverage of the embargo increases under these circumstances.

The average Soviet citizen knows full well the effect of the embargo, and did not need a warning from President Brezhnev that bad times may be ahead. Bad times are already present for Soviet consumers. The rations of meat in the Soviet Union are averaging 20- to 25-percent lower than in other Warsaw Pact nations, including Poland. That fact is not lost on the Soviet leadership, nor on the people of the Soviet Union.

At present, it is these incremental pressures and pains that are the true value of the embargo. In the longer run, its value can be seen clearly as a bargaining chip. It cannot be a pleasant prospect for the Soviet leadership to contemplate a substantial reduction in their national standard of living in 1981 because of the weather. A poor harvest this year could drive their reserves down to crisis levels. A domestic problem of this magnitude may bring about restraint against foreign adventures. This is the cutting edge of the embargo.

The 5-year grain agreement between this country and the Soviet Union expires on September 30, 1981. The United States is fulfilling its obligations under international law by providing the base level of 8 million tons of grain to the Soviet Union. The Soviets have moved as rapidly as they can to purchase and transport this amount to the Soviet Union. Since October, when the fifth year of the agreement began, the Soviets have imported 3.8 million tons of grain from the United States, and intend to import another 2.8 million tons by the end of February. Before 6 months of the fifth agreement year have elapsed, the Soviet Union will have lifted almost its entire allotment from this country.

Moreover, the Soviets should understand that their aggression could adversely affect any future discussion of a long-term grain agreement.

The effect of the grain embargo on our own farmers has been minimal and transitory. Farm exports exceeded $40 billion in 1980, an all-time record. The Commodity Credit Corporation acted swiftly last year to purchase contracts for grain originally destined for the Soviet Union. As a result, grain prices are currently at higher levels than before the embargo was imposed. The gradual introduction of the commodities intended for the Soviet Union has preserved the price of grain.

World grain supplies are expected to be relatively low this year. If the embargo is suddenly lifted, inflationary increases in grain prices are likely to occur. A general rise in the cost of all food to the American consumer would follow, as occurred late in 1973 and 1974. In that instance, massive sales of grain to the Soviet Union depleted American stockpiles to low levels. Removing the embargo could similarly trigger an inflationary wave.

I hope that President Reagan will consider these factors in his deliberations on the status of the grain embargo. In seeking to discourage and condemn reprehensible actions by the Soviet Union, the embargo promotes the vital interests of the United States.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I yield now to the Senator from Mississippi, including the time yielded to me by the majority leader.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

Mr. STENNIS. Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. The Senator has 13 minutes.

Mr. BAKER. Mr. President, will the distinguished Senator yield briefly to me?

Mr. STENNIS. I am happy to yield to the distinguished majority leader.

ORDER FOR PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that, following the special orders that have been provided for earlier, there be a period for the transaction of routine morning business not to extend beyond 20 minutes, in which Senators may speak for not more than 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Mississippi is recognized.

A PLAN FOR OUR ECONOMY AND SOLVING THE BUDGET CRISIS

Mr. STENNIS. Mr. President, I respectfully thank the two leaders for yielding to me at this time and making these arrangements.

Mr. President, I shall not detain the Senate for very long, of course. I have recently attended the hearings conducted by our esteemed friend from Oregon (Mr. HATFIELD), chairman of the Senate Appropriations Committee. These proceedings heard from the noted and outstanding economists of the Nation regarding our financial structure, the inflation, and the need for a balanced budget and what steps could be taken. I want to commend again the chairman of the committee for holding these hearings and I want to share with the membership something of the testimony and give my impressions on this very vital matter.

Mr. President, I am greatly concerned as to the immediate situation regarding the intolerable interest rates that our people are having to pay, from the smallest to the largest, for the day-to-day endeavors that they have to engage in to make a living, to pay their debts, to adjust to new situations. On my recent visit to Mississippi, I called for one gentlemen—he did not call me; I called for him to please come by the office. Modest, honest, successful in a small business for years and time tested in every way, he had withstood the storms and the ups and downs of our economy.

He told me that he had to pay $3,000 a month in interest, alone—$3,000 a month in interest alone—for the current, on-the-ground, small stock of automobiles that he had on hand. I asked him what that would do to his business.

He said, "Well, after some months, I will go bankrupt."

It impressed me very much because I know that man was telling me the truth.

Mr. President, I am not fully versed in the science of economics, but it is only commonsense that small businesses cannot survive at these interest rates. A new business cannot start on such rates. Paying these kinds of rates means that many businesses now fairly successful will be forced into bankruptcy. The records bear this out. Dun and Bradstreet reported that business bankruptcies were already higher last fall than even during the worst of the terrible 1974–75 recession. The loss of jobs and real earning power which follow business failures will damage and will of course continue to damage our economy severely. No individual, no small business, no large business, or no new business can get ahead paying 20 percent interest. This also applies to a young couple starting out with plans for a home, a savings account, and a family.

These high interest rates reflect the serious state of our economy. The rates and the effect they are having on our economy are of great concern to me as they are to many of my colleagues.

I came here then to these hearings, attended all of them, and put forward the question always to these economists:

What about these interest rates and what should be done in addition to what is being done now?

They had no criticism of Mr. Volcker. They did not try to lay the blame on someone else. But they were unable to come up with a single concrete suggestion as to any quick or medium-length program that would meet this problem of the uncommonly high interest rates with which no one can live.

They were all expressly asked the question if they favored any kind of control of prices, wages, or interest rates in this problem. They said that they were not—they were not—in favor of any such move. They all said, in substance, that there had to be an adjustment of our fiscal affairs so as to eliminate the huge budgets, to bring in line our outgo and our income.

This impressed me very much, that not one of these gentlemen could make a suggestion that they were willing to try to move or to risk their reputation on.

I was more and more convinced by their testimony as a whole in the 4 days of the hearings that the Congress and the President must take a strong leadership role in a concerted fight against this inflation and must demonstrate to the American people that the Government and its leadership is determined to make a hard, painful, far-reaching decision to gain control of the economy, and that would have to include reduced Government spending.

I believe that we now still have time to meet this situation, but we are at a point of crisis, where something must be done. I am not an economist, but as a practical matter, I think the economy cannot continue with these twin devils of high inflation and high interest rates. I clearly see that stability is absolutely essential.

Last year, interest rates bounced from 10 percent up to 20 percent twice in a 12-month period. This is without precedent. How can anyone plan for the future? How can anyone meet conditions when outstanding notes come due—whether it is for a home or for past debts or whatever, whether it is an individual, a small business, or a large business?

I know of a successful small corporation, a good business, with sound practice, successful for 30 years, which has to pay 19 percent interest now for their current operation.

These things that have happened have taken a terrible toll on business confidence. I am not just talking about the businessman. I am talking about everyone, because everyone is in business to a degree, the business of making a living.

All the American public, including the ordinary businessman and responsible people from all groups, have lost a great deal of their confidence in the economy and in the Government's ability to cope with the situation.

That is the gravest part of the matter, as I see it. There have been too many disruptions in our economy—the two oil price shocks in this decade, the two deep recessions which occurred in 1974 and last year, and greater and greater Government deficits have simply shaken the confidence of the American public. They do not know what to believe or which way to turn.

Witness after witness told the committee that the main cause of the inflation was psychological—that the public expectations of further inflation was the driving force and cause of the double digit inflation rate which our economy has experienced. Nearly all of the witnesses urged that the Congress take control with a stronger hand on Government spending—there was a strong consensus that Government spending should be reduced and the budget brought into an approximate balance within 2 or 3 years.

I am not an extremist on this. I always have said that it could not be done in 1 year. It would damage the machinery of our economy to try to stop this thing instantaneously, almost like a runaway car. Stopping it all of a sudden means a crash and breaking up everything. So it is with our economy.

All agreed that we could not balance the budget in 1 year, but that if we effectively worked and actually moved toward a balanced budget that the financial markets would respond and interest rates and inflation would be reduced.

We have not been idle in the past. I am talking about the Congress and the former President. A great deal was done here last year, but much of it was not consummated. Conditions now are different. There is no election pending. We have time now to analyze and to plan. We must go deeper here.

I have been on the Appropriations Committee a long time. Perhaps I had not fully realized that about 75 percent of the total budget outlay now is not subject to effective review on an annual basis through the appropriations process alone. The entitlement portion of the budget—and that certainly is a portion that has a place—will now require an in-depth review and the exercise of political courage for some reasonable reductions to be made.

To reduce Government spending we will need to look at the entire budget across-the-board. As we all know, a great portion of our annual spending comes about from the so-called fixed portion of the budget. I mean by that the payments which are mandated by current law. These are the most rapidly growing part of the budget. They cannot be changed by the appropriations process alone, but only by amendments to the authorizing legislation.

I do not favor an all-out fight now to abolish all these programs. I say it is necessary to review them; I favor an across-the-board modest reduction aimed at controlling inflation and killing high interest rates. Such an across-the-board reduction would be fair, would be moderate, and yet the total dollars saved under this method would go a long way in meeting the demands for destroying this excessive inflation and these high deficits.

Mr. President, let me emphasize how difficult I believe this process will be and why I believe that the strongest possible and most concerted effort must be made if we are to succeed. For example, last spring when it became clear that Government spending was going to go out of control, the leadership of both Houses, and the administration, met for 8 days with the objective of choosing a method to balance the budget. We worked hard, we made some tough decisions, and when I came away from the meetings I was confident that this working group had honestly tried to put together a working plan to hold Government spending in line. We made substantial progress, but there was not enough emphasis on indexed entitlement programs, and there was not sufficient consideration given to adopting an across-the-board reduction that would have had small impact on individual programs but would have, in sum total, been an appreciable reduction. The summer brought unexpected events and continued inflation and unemployment, which took a heavy toll on spending, particularly in those programs indexed to inflation and unemployment.

So now, even after that special effort and diligent work to reduce the fiscal 1981 budget, we will still have a deficit of nearly $60 billion.

I emphasize that that came after this tremendous effort on the part of a great many Members of the House and the Senate, and then the President of the United States.

Inflation strikes in many places. It forces individuals into higher and higher tax brackets, taking even more money from our households, forcing our working families to go further into debt and giving up any savings they may have managed to put aside. The decline in personal savings has devastated the capital markets and dried up one major source of the funds which are needed to provide housing, modernize our industries and invest in new enterprises.

The lack of investment funds for our economy has contributed to a serious decline in productivity and has hurt the ability of many of our main businesses to compete in international markets Automobiles and steel are good examples of businesses that need modernization and improved productivity.

During the hearings last week there was considerable discussion of how we can get the economy going again. On this particular point there was a wider range of views. Some advocated a 3-year tax cut, the so-called Kemp-Roth plan, which would give a tax cut to individuals, but others advocated targeted tax cuts for businesses that would stimulate investment. There were differences as to whether we should have a tax cut first without a guarantee of Government spending cuts, or whether we should reduce expenditures first and then look for a tax cut.

Last year, prior to the November 1980 election, I spoke on our Nation's economic problems and gave my position on adopting a "mere tax reduction." It was clear then, as it is now, from my experience, that we must pass the expenditures cuts first, or at least along with a tax cut, if we expect to reduce government spending. I believe it is virtually a legislative impossibility to pass meaningful expenditure reductions after a tax cut has been put into law. Such a bill would lack the votes, even with President Reagan's support, along with the support of many of us in the Congress.

However, I believe that a reduction of taxes to stimulate investment will be timely if it is a part of a program to fight inflation and coupled with a reduction in Government spending. That is not new for me. I announced that on the floor and in my mail and elsewhere before the 1980 election. That is the commonsense viewpoint, as I see it. Those two will have to travel along together.

Individuals also should have personal income taxes reduced in some degree as soon as possible to compensate for the personal income lost and other special burdens they carry.

But it seems to me that after we actually review and understand this massive economic problem that demands broad treatment, for us to merely move in and toss in a 3-year tax reduction plan, and little more, is greatly inadequate. In fact, it would be an abdication of our responsibilities as Members of Congress to do the easy thing of reducing taxes and then largely back off for 2 or 3 years and "wait and hope" for good results.

We might keep trying, but I do not think it is possible to pass a meaningful spending reduction measure if we already have written into the hard law a guaranteed 3-year tax reduction that is going to bring in less and less revenue, when those expenditures are still left on the books, and they will continue to rise rather than be reduced. Like it or not, the two must go together.

That will be my position—driving all the time to eliminate waste, wherever found and however difficult to identify.

To be explicit, I regard this grave inflation menace so seriously that I will work to move forward and support a plan, whatever its source, if I think it will produce desired results. I advocate the following: A review of all major expenditures with a view of making reductions wherever reasonably possible, especially in the field of annually recurring expenditures. This review would include consideration of across-the-board reductions in so-called entitlements, including the indexed ones that automatically accelerate substantially more expenditures each year. One possible course is to revise the "index" which determines the amount of the automatic increases. After a consideration of the full picture as outlined, and the making of whatever reasonable reductions in Federal spending as may be required, and an all-out drive against waste, a timely tax reduction plan should follow. Let the adjustments in expenditures and the benefits of tax reductions work hand in hand and for the betterment of the entire problem.

Finally, I believe President Reagan has a great opportunity to set our economy on a new course. I believe he will try. I am convinced of that, after listening to him and talking to him in person. I am very hopeful that he takes a firm leadership position and holds on with great determination to his announced objectives of bringing inflation under control and revitalizing the economy. I will give him my support wherever I can, and I urge my colleagues to join me in giving intensive consideration to his budget when it is delivered to us for legislative action. I believe the American people sense the serious state of our economy and they are looking to the President and to the Congress for the hard decisions that are necessary to afford the leadership demanded by present conditions. The people have the capacity. Their record proves it.

Today, the United States, militarily and economically, is the strongest nation ever to exist in the history of the world. No other nation compares.

We do not have any margin to spare; but if we keep our military preparations ongoing, with our technology, our skilled workers, and our great American spirit which is still alive, we can rise to these challenges, whatever they are.

However, there is no time to lose. There is no easy way to find. Politically, it will be a painful way for us, but we must remember our economy makes it painful for our people, for those whom we represent.

So, Mr. President, I am ready, in my humble way, in my way to do what I can to bring about these results. I think the responsibility is on all of us. It makes no difference whether we just got here last month or when we came. Let us not look for an easy way. There is no magic in this thing. It will have to come the hard way, but it is the price that we are willing to pay and the reward to our people will be great and the security of our Nation will be made certain.

I thank the leadership very much for this time, and I yield the floor.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Rhode Island (Mr. CHAFEE) is recognized, as in legislative session, for not to exceed 15 minutes.

Mr. STEVENS. Mr. President, is there another special order?

The ACTING PRESIDENT pro tempore. There are two additional special orders to follow.

Mr. STEVENS. Mr. President, I ask unanimous consent that the special order for Senator CHAFEE be placed at the bottom of the list.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, what is the next special order?

The ACTING PRESIDENT pro tempore. The Senator from Arkansas.

Mr. BUMPERS. Good.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. BUMPERS. Mr. President, how much time do I have?

The ACTING PRESIDENT pro tempore. Not to exceed 15 minutes.

THE CRIMINAL JUSTICE CONSTRUCTION REFORM ACT

Mr. BUMPERS. Mr. President, on January 21, 1981 Senator DOLE introduced S. 186 entitled the Criminal Justice Construction Reform Act. Very briefly, this bill provides for technical and financial assistance to State and local governments to undertake comprehensive criminal justice construction programs. Under this legislation, State and local government entities would be eligible to receive Federal grants for construction and modernization of criminal justice facilities; the grants would be used to improve State prison facilities, rural courthouses, detention centers, halfway houses, reformatories, and community-based facilities. To the extent allowed under State law, convict labor could be used in the construction process.

The bill authorizes two alternative funding sources for the necessary construction funds: First, State and local entities would be authorized to sell revenue bonds to generate funds; it is our hope that the tax advantages of these bonds would make them attractive to investors. Second, the bill calls for a direct Federal appropriation of up to $6.5 billion spread over the next 7 years; these Federal moneys, I emphasize, would not be made available to supplant State or local funding efforts, but only to increase the amounts of funds available for construction and renovation of these facilities.

Mr. President, in these inflationary times when all of us agree that we must make every effort to cut unnecessary spending, a legitimate question, and one which ought to be addressed straightforwardly, is why we are introducing a bill which calls for the expenditure of even more Federal money. The answer is that the needs of States and local governments for additional funding in this area are critical; one need look no further than the recent tragedy which occurred at New Mexico Penitentiary for evidence of the volatile potential existing in many State prisons, and I can tell you that without some kind of Federal assistance the kind of underfunding and overcrowding which led to the New Mexico riot is not going to be resolved.

One does not have to go any further back than the New Mexico penitentiary riots last year for the evidence of the volatile potential existing in New Mexico State prisons, and I can tell Senators that there are more New Mexico riots looming on the horizon unless some action is taken.

Mr. President, the current problems that are being experienced by the Arkansas prison system provide a graphic illustration of what I am talking about. Now, the single most important fact about the Arkansas prison system is that, due primarily to progressive leadership by a series of Arkansas Governors over the last 10 years—and I might add parenthetically that I was one of those progressive Governors—the Arkansas prisons are light-years ahead of where they were in the 1960's.

The improvements can only be described as striking and dramatic. The Arkansas prisons have gotten a lot of adverse national publicity and at one time we were alone in this. Now we are joined by almost every State in the Nation in that category. Some of our criticism was certainly legitimate, accurate, and as usual, some of it was not. But overall, the prison system is much better now than it has ever been. The prisoners are, for the most part, humanely treated. They are well fed, and some of those bizarre, outrageous incidents of 15 years ago have largely been eliminated, although it would be unfair to say that by the very nature of a prison system, we will ever totally eliminate all of those.

The Arkansas Board of Corrections has provided dedicated and creative leadership, and we have had a series of progressive prison administrators. I hope and have every reason to expect that the future leadership will continue to be progressive and innovative.

I might digress by saying Winston Churchill said one time that you can tell more about a society by the condition of their prisons than any other single institution.

Mr. President, having said all of this, it will be misleading to imply that the Arkansas prisons still do not have very serious problems, as do most States. We have been under a Federal court injunction for years, and I think it is a safe statement that the conditions there still do not meet minimum constitutional standards.

Now why is this so? Why—with so many people dedicated to providing decent prison facilities—why can not the prison be brought up to minimum constitutional standards?

The answer, Mr. President, is lack of money. Arkansas is not a wealthy State, and there simply is not enough money to construct and staff a prison facility which would meet minimum constitutional standards. The current physical plant at the Cummins unit of the Arkansas prison is woefully inadequate to meet current needs. The Arkansas Department of Corrections tells me that the facility ideally should house about 900 inmates; they claim that the absolute maximum should be 1,350. Mr. President, yesterday 1,644 inmates were being held at the Cummins unit, which is 744 more than should be. The prison is literally bursting at the seams. I want to point out that most of these prisoners are not doing time for petty theft; they are rapists, robbers, burglars, grand larcenists, and murderers. Many of these inmates are rough characters, and when you get 1,644 of them in a facility designed for 900, you are sitting on a time bomb.

The incidence of violence, including rape of other inmates, increases dramatically; inmates become angry and frustrated due to lack of privacy and crowding, and guards become overtaxed, less effective, and generally more edgy. Mr. President, the State of Arkansas simply does not have the money to construct the facilities to adequately house these prisoners; the State has other pressing needs which cry out for more money—education is a good example—and I do not see on the horizon the money necessary to provide a constitutional prison system in the State of Arkansas.

City and county jails in Arkansas are in a similar condition. There are 150 local jails in Arkansas, and anywhere from one-half to two-thirds of them do not meet minimum standards. Overcrowding is the rule rather than the exception; and multiperson cells are common. Now, Mr. President, it is important to keep in mind that when we talk about prisoners incarcerated in city and county jails, we are talking mainly about persons who are being held for trial; these individuals have not been found guilty of any crime. The average stay for these persons is about 6 months, and they are there because they cannot make bail in most instances.

In April 1979, and these are the latest figures I could come up with, there were 1,063 incarcerated in county facilities and 371 in city facilities in Arkansas; and these persons are being housed in buildings designed for about half that many. Now, Mr. President, the city and county officials in Arkansas are trying to deal with this problem; they know that many of these facilities would not survive a court challenge, and in the last few years 59 jails have closed voluntarily because of this. But those which are still open need financial help.

The situation on the national level is just as alarming. Although State prison populations nationwide have leveled off somewhat, over the past 5 years the prison population has increased by about a third. Corrections authorities in many States house some prisoners in local jails because of overcrowding in State-operated facilities. As of April 1, 1980, prisons in 32 States were under court order to end overcrowding. Chief Justice Warren E. Burger in his 1980 annual yearend report recognized these problems and issued the following challenge:

> What these events reaffirm is that our criminal justice system is in need of fundamental change; specifically, we must focus more attention on the conditions of incarcerated persons. As I noted in my February 3, 1980, State of the Judiciary Address, just one day after the New Mexico tragedy, and I reemphasize here "we have a system of justice that provides each criminal defendant the most elaborate due process, free counsel, and the most expansive trials known anywhere; yet when the trial is over we simply cast the guilty into nineteenth century penal institutions." I said then, and repeat here, "to put people behind walls and bars and do little or nothing to change them is to win a battle but lose a war. It is wrong.

It is expensive. It is stupid." I intend to press this subject in 1981.

Mr. President, I am as committed as anyone to cutting Federal spending and balancing the Federal budget, and I intend to vote accordingly on various spending measures. We cannot sit idly by, however, and allow these needs to go unmet. Congress must address these problems because the States are having trouble solving them. You know as well as I do that funding prisons is not popular back home; many Americans inaccurately perceive these overcrowded prisons as country clubs where the inmates do nothing but sit around and watch TV while they wear clothes, eat food, and sleep on beds, provided at taxpayers' expense.

When I became Governor of my State, I had fallen victim to all that coffee shop talk, and after 3 months in the Governor's office, I went to visit our prisons, and what I saw there kept me sleepless for about 6 nights. I invite anybody to take a similar trip. I promise you you will be disabused of any such notions.

But my point is that this erroneous perception is there, and we will not be getting much mail from the folks back home urging us to pass this bill. And, I can tell you, those who hold elective office at the State and local level would have a much tougher time politically than we will have if this kind of bill were being voted on at a local level.

Well, I will not go on, Mr. President, but I want to point out that the exponential increase in the crime rate in this country demands that criminals, particularly the repeaters, be taken off the streets. I do not propose an argument here on the economic, social, and cultural reasons for crime—that is another subject—but I simply want to state what we all know, that we are bonding repeaters because we do not have any place to put them. We are paroling and commuting inmates prematurely in order to make room for the newly sentenced criminals, and in order to comply with court orders to eliminate overcrowding.

It is a revolving door and society is paying a very high, precious economic price—much greater than the cost of this bill—and a price in grief and fear which is incalculable in dollars.

To do nothing in the face of what we all know to be the facts is a gross abdication of our responsibility.

Mr. President, I plan to introduce one or two more bills this session dealing with an effort to reduce the crime rate in this country. I consider it one of the very highest priority problems of the 1980's. We cannot continue to allege that we are the freest nation on Earth and simultaneously be held captive to our fears of being a victim of a criminal act.

So, in closing, I urge all of my colleagues to join Senator DOLE and me in urging the passage of this bill.

Mr. President, I yield back the remainder of such time as I have remaining.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The Senator from Virginia (Mr. HARRY F. BYRD, JR.) recognized for not to exceed 15 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I yield 3 minutes to the distinguished Senator from Rhode Island (Mr. CHAFEE).

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

S. 391—INTELLIGENCE IDENTITIES PROTECTION ACT OF 1981

Mr. CHAFEE. Mr. President, I want to thank my distinguished colleague from Virginia for yielding to me these 3 minutes.

Mr. President, I rise today to reintroduce the Intelligence Identities Protection Act of 1981, and to ask this body for its speedy consideration and passage.

As many of my colleagues will recall, this legislation was reported from the Senate Intelligence Committee last August by an almost unanimous vote of 13 to 1. It was subsequently referred to the Senate Judiciary Committee where it was eventually reported out with several amendments. Unfortunately, the press of events before our national elections prevented this bill from coming to the floor before the 96th Congress adjourned, and it did not ever come to a vote.

The purpose of the Intelligence Identities Protection Act is to strengthen the intelligence capabilities of the United States by prohibiting the unauthorized disclosure of information identifying certain American intelligence officers, agents, and sources of information. In short, the bill places criminal penalties on those enemies of the American intelligence community engaged in the pernicious activity of "naming names."

Mr. President, in my judgment, governmental protection of the identities of American intelligence officers, agents and informants is an idea whose time has come. In fact, it is long overdue. The Republican Party platform for 1980 contains a plank supporting legislation "to invoke criminal sanctions against anyone who discloses the identities of U.S. intelligence officers." Mr. William Casey, recently confirmed as Director of Central Intelligence, has indicated to me in both public and private that he supports this type of legislation. The ongoing Democratic administration supported this bill last year. In fact, our bill was the only formulation actively supported by the Justice Department. In a letter to the Senate Intelligence Committee dated July 19, 1980, former Deputy Attorney General Renfrew stated that this formulation of intelligence identities protection—

> Substantially alleviates the constitutional and practical concerns expressed by the Justice Department with regard to earlier versions of the bill. . . .

Support for this legislation also comes from a broad bipartisan base of Senators with extensive knowledge and experience in intelligence and national security affairs. I am particularly pleased that the chairman of the Senate Committee on Intelligence, BARRY GOLDWATER, is an original cosponsor of this bill. He is joined by an impressive array of my distinguished colleagues on both sides of the aisle who have supported this legislation in the past, and who have agreed to cosponsor this bill with us again today.

Mr. President, passage of this legislation is essential if this country is to restore at least a modicum of effectiveness to its clandestine service and operations. Its passage will begin to show that this Nation intends to reverse the adverse trend of recent years, and will work to rebuild an efficient, effective, responsive and professional intelligence community to serve as the first line of defense in today's unstable and hostile world. Finally, Mr. President, the expeditious passage of this legislation is vital to the lives and safety of those Americans who serve this Congress and this Nation on difficult and dangerous missions abroad.

Mr. President, from the time George Washington dispatched Benjamin Franklin to France in 1776, the Government of the United States has sent American citizens abroad on difficult and dangerous missions in pursuit of the goals of our Nation. Franklin's secret mission to France was instrumental in securing European support for the fledgling American Revolution, and he risked being hanged for treason by the British if captured.

It was fortunate for our Nation that Franklin was not apprehended on his way to France by the two British warships sent to intercept him at the mouth of the Delaware River. It was also fortunate for our Nation that the treachery of another American, Dr. Edward Bancroft, who served as Franklin's principal secretary and as a double agent for the British, was unable to destroy his vital mission for America. For Franklin would eventually secure the treaties of amity and commerce, and of alliance, with France which provided sustenance and support to our newborn Nation.

Mr. President, the growth of this great Republic over the course of two centuries has not diminshed our need for clandestine operatives and operations abroad. Now, more than ever, we need to know what is going on in the world so that our leaders can make informed decisions. That is why, in 1947, the assignment of clandestine agents abroad was institutionalized by President Truman with the formation of the Central Intelligence Agency, and a permanent cadre of covert agents was created. Intelligence collection and the assignment of American agents—our fellow citizens—to posts abroad have had the support of every administration and every Congress, including this one that is in session, since 1947.

In the last 5 years, however, certain Americans have made a profession of ferreting out the identities and publishing the names of our agents, with the result that their lives and the lives of their families and friends are placed in jeopardy.

In December 1975, Richard S. Welch, CIA station chief in Athens, Greece, was brutally murdered in front of his home as he returned from a Christmas party at the American Ambassador's residence. Welch's assassination occurred within a month of the time that he was publicly

identified as CIA station chief in the Athens Daily News. The information for the News story came from Philip Agee's Counterspy magazine.

I have a special feeling for this brutal murder because the Welch family comes from Rhode Island. Richard Welch grew up in Providence where he was an honor student at Classical High School, and a member of the track team. He went on to Harvard, graduating in 1951 magna cum laude with a degree in Greek and classical languages. Welch's mother and wife were both from Rhode Island, and a brother and sister still live there today. His uncle, Joseph S. Wholey, was the probate judge in Smithfield and former clerk of the family court.

The first point I am trying to make in all of this is that Richard S. Welch was not some thick-thumbed goon in a trenchcoat, as CIA officers are so often characterized, but a well-educated, able, and intelligent family man. He gave up what could have been an easy life at home in Rhode Island for an important, though dangerous, series of assignments overseas. He believed in the primary mission of the CIA, which is to collect foreign intelligence so that U.S. policymakers can make informed judgments at home. He died for these beliefs because a small clique of treasonable individuals make their living by "naming names."

A second, and equally important point, is that it has been more than 5 years since Richard Welch was brutally murdered, and yet the Congress has done nothing legislatively to address the problem of "naming names." At the time of the Welch assassination, Counterspy magazine claimed it had leaked the names of 225 alleged CIA agents. Now, 5 years later, Louis Wolf of the Covert Action Information Bulletin can boast that he has helped to disclose the names of more than 2,000 American intelligence officers stationed around the world.

This same Louis Wolf was responsible for revealing the names of 15 alleged CIA officers in Kingston, Jamaica, last July. Within 48 hours of the announcement, the home of one of the men named, Richard Kinsman of the U.S. Embassy, was fired upon with submachine guns and an explosive device. Four days later, another assassination attempt was made—this time on Jessie Jones of the U.S. Agency for International Development, who had also been named by Wolf.

Newspaper reports from Jamaica have stated that the names, addresses, telephone numbers, and automobile license plate numbers of all 15 people named by Wolf were distributed throughout Kingston on wall posters. As a result of this situation the U.S. Embassy was forced to relocate all persons and families named. The cost of this unexpected relocation must be measured in more than taxpayers dollars; it must be measured in the jobs evacuated, the experience lost, the children traumatized and the lives disrupted.

It is difficult for those of us here in this country, most of whom have never served in a foreign service post abroad, to visualize what it must be like to see anti-American hysteria and violence stirred up through the vicious and irresponsible acts of people like Louis Wolf. The helplessness and frustration which these Americans and their families must feel are beyond my abilities to describe. However, these feelings were poignantly described in a letter from Mrs. Kinsman to me last summer, and I ask unanimous consent, Mr. President, that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 16, 1980.

DEAR SENATOR CHAFEE: The incident in Jamaica of July 4th which threatened the lives of my family and particularly my husband, Richard Kinsman, after his "exposure" by an American as Chief of Station for the C.I.A. was, to say the least, deplorable. I take strong issue with those who suggest that Congress should hesitate to censor such anti-intelligence propaganda, and I was enormously heartened to read (in Jamaica's Daily Gleaner) that you will seek to introduce legislation in Congress which will prohibit further exposures of our country's intelligence officers.

Only in the United States, Senator Chafee, are a Louis Wolfe and the editors of a Covert Action Magazine free to travel to a foreign country to hold a press conference and appear before an entire nation on television for the purpose of implicating fellow Americans as intelligence agents. Only in the United States are they free to distribute pamphlets with the names, photographs, local addresses, telephone numbers and car registration numbers of these American agents and foreign service officers. And finally, after having set up their fellow citizens for harassment and possible death, they are free to return to this Land—sleek and smug behind the safety of our great Constitution—free to continue their traitorous objectives, free to write, free to speak and free to vote.

To question and criticize the activities of our Nation's agencies among ourselves and within our boundaries is all very well and good. But to flaunt our country's liberties in order to expose and endanger the lives of our foreign service officers overseas under the pretext of certain "ideologies" is completely sinister and un-American. It is difficult for me to understand why our country's laws continue to protect these unprincipled few (Phil Agee, Louis Wolfe, etc.)—and moreover, why American lives must be jeopardized in exchange for their rights.

I question also how far our Central Intelligence Agency must compromise its effectiveness for the sake of a Louis Wolfe's constitutional liberties. Where do America's priorities really belong in this controversy?

As an American who loves my country and values my freedom, I urge you, Senator Chafee, to pursue legislation which will defeat those factions in America who are dedicated to destroying our intelligence agencies, and who deliberately seek to harm American officers and their families serving our Nation abroad.

Sincerely yours,

Mrs. N. RICHARD KINSMAN,
U.S. Government Evacuee.

Mr. CHAFEE. Mr. President, this is an intolerable situation. The Congress has a responsibility to place criminal penalties on those who are in the business of exposing our agents without, at the same time, threatening the critic of intelligence policy or the journalist who might reveal the name of an agent in the course of a news report.

We in no way want to threaten a critic of our foreign policy or our intelligence policy. We in no way want to inhibit journalists who might reveal the name of an agent in the course of a news report. Those are not the people we are trying to get at. In my judgment, and the judgment of most experts who have carefully examined the legal provisions of this legislation, the Intelligence Identities Protection Act of 1981 meets the dual standard of protecting freedom of the press and freedom of speech and, at the same time, protecting the lives of our agents.

Mr. President, the opponents of this bill claim that its passage would threaten any journalist or editor who decides to publish "lawfully obtained information about intelligence agencies." This is latently false and misleading. The Intelligence Identities Protection Act would criminalize, under very limited circumstances, only the unauthorized disclosure of information identifying certain individuals engaged or assisting in the foreign intelligence activities of the United States. The legislation does not assault the first amendment. It does not threaten public discussion. It will not stifle debate about our country's foreign policy or intelligence activities, and it would not prevent the exposure of allegedly illegal activities or abuses of authority.

Disclosures of intelligence identities by persons who have not had authorized access to classified information would be punishable only under specified conditions, which have been carefully crafted and narrowly drawn so as to make the act only applicable to those engaged in an effort or pattern of activities designed to identify and expose intelligence personnel.

Not only has the crime been narrowly drawn in the Senate bill, but a series of elaborate defenses against prosecution have been erected to protect the journalist and intelligence critic. For example, in a prosecution, the Government would have to prove each of the following elements beyond a reasonable doubt:

First, that there was an intentional disclosure of information which did in fact identify a "covert agent";

Second, that the disclosure was made to an individual not authorized to receive classified information;

Third, that the person who made the disclosure knew that the information disclosed did in fact identify a covert agent;

Fourth, that the person who made the disclosure knew that the United States was taking affirmative measures to conceal the covert agent's classified intelligence affiliation;

Fifth, that the disclosure was made in the course of a pattern of activities that was intended to identify and expose covert agents; and

Sixth, that the person making the disclosure had reason to believe that his activities would impair or impede the foreign intelligence activities of the United States.

Mr. President, what further defenses

against prosecution could be asked for by those who claim they have first amendment concerns? What more can be done to protect the legitimate journalist and critic of intelligence policy than to provide this long and detailed sequence of specific defenses?

A careful examination of the issues and a weighing of the clear and present danger to our Nation's intelligence capabilities resulting from unauthorized disclosures of intelligence identities against the carefully and narrowly drawn prohibition in the Intelligence Identities Protection Act has resulted in overwhelming approval of this legislation last year by the Senate Intelligence Committee. Members of this committee have closely examined the contending arguments and have concluded that this legislation can help prevent damage to our crucial intelligence sources and methods of collection without impairing civil or constitutional rights.

I believe that the vast majority of the American people know that an effective intelligence service is essential to national survival in an increasingly unstable world. Passage of the Intelligence Identities Protection Act will be an important protection for our intelligence officers in the field who daily sacrifice the comforts of home to serve their country under difficult and dangerous circumstances, and to those around the world who risk liberty and life itself to cooperate with our country in keeping our leaders, and those of the free world, well informed.

Mr. President, I urge my colleagues to act on this vital piece of legislation before more names are named, before more lives are threatened, and before more missions are destroyed.

In closing, Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

S. 391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Identities Protection Act of 1981".

SEC. 2. (a) The National Security Act of 1947 is amended by adding at the end thereof the following new title:

"TITLE VI—PROTECTION OF CERTAIN NATIONAL SECURITY INFORMATION

"PROTECTION OF IDENTITIES OF CERTAIN UNITED STATES UNDERCOVER INTELLIGENCE OFFICERS, AGENTS, INFORMANTS, AND SOURCES

"SEC. 601. (a) Whoever, having or having had authorized access to classified information that identifies a covert agent, intentionally discloses any information identifying such covert agent to any individual not authorized to receive classified information, knowing that the information disclosed so identifies such covert agent and that the United States is taking affirmative measures to conceal such covert agent's intelligence relationship to the United States, shall be fined not more than $50,000 or imprisoned not more than ten years, or both.

"(b) Whoever, as a result of having authorized access to classified information, learns the identity of a covert agent and intentionally discloses any information identifying such covert agent to any individual not authorized to receive classified information, knowing that the information disclosed so identifies such covert agent and that the United States is taking affirmative measures to conceal such covert agent's intelligence relationship to the United States, shall be fined not more than $25,000 or imprisoned not more than five years, or both.

"(c) Whoever, in the course of a pattern of activities intended to identify and expose covert agents and with reason to believe that such activities would impair or impede the foreign intelligence activities of the United States, discloses any information that identifies an individual as a covert agent to any individual not authorized to receive classified information, knowing that the information disclosed so identifies such individual and that the United States is taking affirmative measures to conceal such individual's classified intelligence relationship to the United States, shall be fined not more than $15,000 or imprisoned not more than three years, or both.

"DEFENSES AND EXCEPTIONS

"SEC. 602. (a) It is a defense to a prosecution under section 601 that before the commission of the offense with which the defendant is charged, the United States had publicly acknowledged or revealed the intelligence relationship to the United States of the individual the disclosure of whose intelligence relationship to the United States is the basis for the prosecution.

"(b)(1) Subject to paragraph (2), no person other than a person committing an offense under section 601 shall be subject to prosecution under such section by virtue of section 2 or 4 of title 18, United States Code, or shall be subject to prosecution for conspiracy to commit an offense under such section.

"(2) Paragraph (1) shall not apply in the case of a person who acted in the course of a pattern of activities intended to identify and expose covert agents and with reason to believe that such activities would impair or impede the foreign intelligence activities of the United States.

"(c) It shall not be an offense under section 601 to transmit information described in such section directly to the Select Committee on Intelligence of the Senate or to the Permanent Select Committee on Intelligence of the House of Representatives.

"(d) It shall not be an offense under section 601 for an individual to disclose information that solely identifies himself as a covert agent.

"PROCEDURES FOR ESTABLISHING COVER FOR INTELLIGENCE OFFICERS AND EMPLOYEES

"SEC. 603. (a) The President shall establish procedures to ensure that any individual who is an officer or employee of an intelligence agency, or a member of the Armed Forces assigned to duty with an intelligence agency, whose identity as such an officer, employee, or member is classified information and which the United States takes affirmative measures to conceal is afforded all appropriate assistance to ensure that the identity of such individual as such an officer, employee, or member is effectively concealed. Such procedures shall provide that any department or agency designated by the President for the purposes of this section shall provide such assistance as may be determined by the President to be necessary in order to establish and effectively maintain the secrecy of the identity of such individual as such an officer, employee, or member.

"(b) Procedures established by the President pursuant to subsection (a) shall be exempt from any requirement for publication or disclosure.

"EXTRATERRITORIAL JURISDICTION

"SEC. 604. There is jurisdiction over an offense under section 601 committed outside the United States if the individual committing the offense is a citizen of the United States or an alien lawfully admitted to the United States for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act).

"PROVIDING INFORMATION TO CONGRESS

"SEC. 605. Nothing in this title may be construed as authority to withhold information from the Congress or from a committee of either House of Congress.

"DEFINITIONS

"SEC. 606. For the purposes of this title:

"(1) The term 'classified information' means information or material designated and clearly marked or clearly represented, pursuant to the provisions of a statute or Executive order (or a regulation or order issued pursuant to a statute or Executive order), as requiring a specific degree of protection against unauthorized disclosure for reasons of national security.

"(2) The term 'authorized', when used with respect to access to classified information, means having authority, right, or permission pursuant to the provisions of a statute, Executive order, directive of the head of any department or agency engaged in foreign intelligence or counterintelligence activities, order of any United States court, or provisions of any rule of the House of Representatives or resolution of the Senate which assigns responsibility within the respective House of Congress for the oversight of intelligence activities.

"(3) The term 'disclose' means to communicate, provide, impart, transmit, transfer, convey, publish, or otherwise make available.

"(4) The term 'covert agent' means—

"(A) an officer or employee of an intelligence agency or a member of the Armed Forces assigned to duty with an intelligence agency—

"(i) whose identity as such an officer, employee, or member is classified information, and

"(ii) who is serving outside the United States or has within the last five years served outside the United States; or

"(B) a United States citizen whose intelligence relationship to the United States is classified information, and—

"(i) who resides and acts outside the United States as an agent of, or informant or source of operational assistance to, an intelligence agency, or

"(ii) who is at the time of disclosure acting as an agent of, or informant to, the foreign counterintelligence or foreign counterterrorism components of the Federal Bureau of Investigation; or

"(C) an individual, other than a United States citizen, whose past or present intelligence relationship to the United States is classified information and who is a present or former agent of, or a present or former informant or source of operational assistance to, an intelligence agency.

"(5) The term 'intelligence agency' means the Central Intelligence Agency, a foreign intelligence component of the Department of Defense, or the foreign counterintelligence or foreign counterterrorism components of the Federal Bureau of Investigation.

"(6) The term 'informant' means any individual who furnishes information to an intelligence agency in the course of a confidential relationship protecting the identity of such individual from public disclosure.

"(7) The terms 'officer' and 'employee' have the meanings given such terms by sections 2104 and 2105, respectively, of title 5, United States Code.

"(8) The term 'Armed Forces' means the Army, Navy, Air Force, Marine Corps, and Coast Guard.

"(9) The term 'United States', when used in a geographic sense, means all areas under the territorial sovereignty of the United States and the Trust Territory of the Pacific Islands.

"(10) The term 'pattern of activities' re-

quires a series of acts with a common purpose or objective.".

(b) The table of contents at the beginning of such Act is amended by adding at the end thereof the following:

"TITLE VI—PROTECTION OF CERTAIN NATIONAL SECURITY INFORMATION

"SEC. 601. Protection of identities of certain United States undercover intelligence officers, agents, informants, and sources.

"SEC. 602. Defenses and exceptions.

"SEC. 603. Procedures for establishing cover for intelligence officers and employees.

"SEC. 604. Extraterritorial jurisdiction.

"SEC. 605. Providing information to Congress.

"SEC. 606. Definitions.".

● Mr. BENTSEN. Mr. President, I am pleased to join Senator CHAFEE and several of my colleagues in sponsoring legislation designed to protect the identities of our intelligence officers.

I am new to the Select Committee on Intelligence, Mr. President, but not to the important issue of protecting the identities of our intelligence officers and agents from unauthorized disclosure.

I was the first Member of the Senate to introduce agent identity protection legislation back in 1975; I have remained actively interested and involved in this problem ever since. Just a year ago I had the privilege of testifying before the Intelligence Committee on my bill (S. 191) intended to protect the confidentiality of the identities of certain CIA employees.

In one of his first policy pronouncements after becoming Secretary of State, General Haig stressed that combating international terrorism would be a major policy priority of the Reagan administration.

I think that is a commendable objective, and I want to help. I would suggest that one of the first places to start is with a stronger, more secure, more effective intelligence capability. Our intelligence officers are in the front line in the battle against terrorism. They operate in a dangerous, risky environment. And when their names, their addresses, their license plate numbers are brought to unauthorized public attention by a cadre of anti-intelligence zealots who have undertaken a vendetta against the CIA, America's security suffers accordingly. Lives of brave people who perform important work are placed in jeopardy. Questions are raised about our ability to protect sources and work with friends to stem the tide of terrorism.

I sincerely believe, Mr. President, that this type of legislation is urgently required. I recognize that, even with the first amendment safeguards that have been built into this legislation, some will question sanctions against those who expose intelligence agents without access to classified information.

I am prepared to consider these objections in the context of committee hearings, but I am also determined to get on with the urgent business of protecting the lives and credibility of those who serve America in the dangerous environment of intelligence.

Mr. President, I can understand why some people in this democracy would be opposed to certain actions or policies of our intelligence agencies. But I find it very difficult to understand why an individual would make a conscious effort to learn the identity of an agent, from classified or open sources, and then seek retribution by making that information public. I think we need legislation to insure that our agents cannot be identified, compromised, and endangered with impunity.

If we can accord this measure of protection to the men and women who provide much of our early warning capability against terrorists and our adversaries, then I believe we can reinforce our own security and strengthen the cause of freedom throughout the world.●

Mr. CHAFEE. Again I want to thank my distinguished colleague from Virginia for yielding me this time, and I thank the Chair.

RECOGNITION OF SENATOR HARRY F. BYRD, JR.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

CONSTITUTIONAL AMENDMENT TO PROVIDE FOR A BALANCED BUDGET

Mr. HARRY F. BYRD, JR. Mr. President, I am today proposing an amendment to the Constitution which would require a balanced budget and a limit on Federal spending except in times of national emergency. There will be other proposals along this line. I want to say for the record that I am not concerned whether my proposal is adopted or some other proposal is adopted. I think it is important that there be a mechanism to force some discipline on the Congress of the United States.

By coincidence, the news wires in the anteroom of the Senate Chamber a few moment ago reported the results of a poll taken by the New York Times and the Columbia Broadcasting System. The result of this poll shows that Americans in overwhelming numbers, 70 percent, think balancing the budget is more important than a large tax cut.

Mr. President, I have great confidence in the collective judgment of the American people. Along with this 70 percent of the American population, I am convinced of the importance of the Nation's balancing its budget.

This Government has had only two balanced budgets in 20 years; it has not had a balanced budget in 12 years. As a result, we have high inflation which will get worse unless Government spending is brought under control.

Mr. President, someone must pay for this spending. Congress has gone on over a period of years as if no one has to pay for it. But it is paid for either through direct taxation, which is high, or by the cruel and hidden tax of inflation which hits hardest those on fixed incomes and those in the lower and middle economic groups.

There is no longer a debate as to whether or not fiscal restraint is needed.

All our leaders pledged themselves to this goal. The question before the President is now to achieve restraint. Some place all responsibility on the new administration and the new Congress.

I have great confidence in the sincerity of our new President, and I look forward to working with him and with my colleagues to get control of Federal spending. At the same time, I recognize the power of the pressure groups which will be laboring to maintain the skyrocketing growth rate in Government spending, which has ranged from 10 to 17 percent over the last several years.

Mr. President, as an example of how difficult it is going to be to get Federal spending under control, just a few days ago the Director of the Office of Management and Budget proposed, and it became public knowledge through a leak to the news media, that there be a reduction in foreign aid. In the current year the foreign aid being provided by the American people to 100 different countries totals some $6 billion.

President Carter in his last budget recommends that that go to $8 billion. The Director of the Office of Management and Budget proposed that that $8 billion be cut by $2.6 billion. Within 48 hours after the proposal by the Director of the Office of Management and Budget, David Stockman, the pressure for foreign aid began to build, and the press now reports that the Office of Management and Budget no longer will seek a reduction of $2.6 billion in foreign aid but will seek a substantially smaller reduction.

Well, Mr. President, if the administration and the Congress cannot resist pressure from those who favor more foreign aid, how can the administration and the Congress resist pressure to reduce in domestic areas of the budget?

I believe that we need to establish a firm legal commitment—a firm legal commitment—to a balanced budget and a ceiling on Federal expenditures.

Some would seek to accomplish this by simple statute—that is, by passing a bill rather than amending the Constitution. I have had some experience with that, and to advocates of this approach, I can only say, "Good luck." I was the sponsor of a provision enacted in October of 1978 which banned deficits in fiscal year 1981 and thereafter. It was passed by an overwhelmingly majority in both the Senate and the House. It was signed into law by President Carter. That law has simply been ignored. Congress, in effect, has violated its own law. So I think that dramatizes the need for a constitutional amendment.

I do not rule out any and all statutory approaches to our fiscal problems—in fact, last week I introduced three measures to tighten procedures under the Congressional Budget Act—but it has been demonstrated that no simple statute can guarantee fiscal restraint.

In opposition to a balanced budget amendment, it has been argued that "we ought not to put fiscal policy in the Constitution." In my view, the goal of a balanced budget is not a fiscal policy but rather fiscal integrity.

By the same token, deficit spending is not a policy, either. It is a gimmick—a bonanza for politicians who can vote for billions for spending programs without the discomfort of voting the taxes to pay

for them. They let the payment come in the form of more inflation.

Also, it is important to note that my proposed constitutional amendment permits the setting aside of the balanced budget requirement and the spending limit by a two-thirds vote of the Senate and the House. Thus those who feel that emergency circumstances—not limited to war—demand a deficit in a particular year need only persuade two-thirds of the Congress of the merits of their case.

Will it be difficult to make this case successful? Frankly, let us hope so.

I have set the limit on Federal spending for any fiscal year at 20 percent of the previous calendar year's gross national product. Thus the amount of permitted expenditures is not dependent on any projection of future gross national product.

It is a stiff requirement, I admit, but I feel that it should be stiff. Under normal circumstances, it could reasonably be anticipated that about 5 years would be required for congressional approval of my amendment and ratification by the States. That is adequate leadtime to adjust the budget to the more reasonable level which I am proposing.

In the last Congress a balanced budget constitutional amendment was approved by the Subcommittee on the Constitution of the Senate Committee on the Judiciary. It was defeated by a single vote in the full committee—defeated by only one vote in the Judiciary Committee last year.

However, since that time there has been an election which has significantly changed the political and philosophical atmosphere in Washington. Because of this, chances for a balanced budget are enhanced in the present Congress.

The need is great. In the current year our spending is $83 billion above 1980, and that increase comes on top of an $85 billion increase for 1980 over 1979. Accumulated deficits have been so great that the national debt will pass one trillion dollars next year, and the interest on it will consume $106 billion—more than half the cost of national defense.

We cannot continue on this course. Nor, if we succeed in controlling spending now, can we run the risk of once again sinking into irresponsibility. Congress has demonstrated—Congress has demonstrated conclusively—that it cannot discipline itself. There must be a constitutional rein on spending.

Mr. President, I send to the desk a joint resolution. I ask unanimous consent that it be printed in the RECORD and appropriately referred.

The PRESIDING OFFICER (Mr. DURENBERGER). Without objection, it is so ordered.

The joint resolution follows:

S.J. RES. 26

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid for all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several states within five years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. Beginning with the first fiscal year after the ratification of this article, the Congress shall assure that the total outlays of the Government during any fiscal year, not including any outlays for the redemption of bonds, notes or other obligations of the United States shall not exceed the total receipts, not including receipts derived from the issuance of bonds, notes or other obligations of the United States.

"SEC. 2. Beginning with the first fiscal year after the ratification of this article, the Congress shall assure that the total outlays of the Government during any fiscal year shall not exceed 20 percent of the gross national product during the calendar year immediately preceding the beginning of such fiscal year.

"SEC. 3. In the case of a national emergency, Congress may determine by a concurrent resolution agreed to by a rollcall vote of two-thirds of all the Members of each House of Congress, that either Section 1 or Section 2 of this Article may be set aside for the fiscal year designated in such concurrent resolution. Both Section 1 and Section 2 may be set aside for the specified fiscal year, provided that a separate concurrent resolution setting aside each Section is agreed to by a rollcall vote of two-thirds of all the Members of each House of Congress.

"SEC. 4. The Congress shall have power to enforce this Article by appropriate legislation.".

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. If the Senator will withhold, the Senate will now proceed to morning business.

Is there further morning business?

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOHN T. McEVOY

Mr. HOLLINGS. Mr. President, I present a resolution commending the services of the former director of our Budget Committee staff, John T. McEvoy. This is to be coordinated with our new chairman, Senator DOMENICI, who is presenting a similar resolution relative to Mr. Boyd, who served as the minority staff director.

Quite to the point, John McEvoy worked for us as the director of the staff for the District of Columbia Committee, and had other responsibilities. I watched him closely in the role as director of the Budget Committee staff, and I have never seen a more capable, more dedicated staff director on this Hill in the past 14 years. He had a touch for getting right to the heart of the problem, working in a bipartisan fashion, working with both sides of the Capitol, with the House Members, with our Budget Committee members here on the Senate side, and developed the most professional group I had ever seen working together.

I think that was the one significant factor in taking that committee from Senator Muskie, that we were able to keep everybody on board, and, generally speaking, it is still the McEvoy staff today.

Mr. President, I send the resolution to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 58) commending John T. McEvoy.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 58) was agreed to.

The preamble was agreed to.

The resolution with its preamble reads as follows:

S. RES. 58

Whereas the Senate wishes to express its appreciation to John T. McEvoy, who has served the United States Senate since 1965;

Whereas John T. McEvoy served as Staff Director of the Senate Committee on the Budget from 1977 through 1980, and as Chief Counsel of the Committee on the Budget from 1974 through 1976;

Whereas John T. McEvoy served as Staff Director and Chief Counsel of the Senate Committee on the District of Columbia from 1969 to 1972;

Whereas John T. McEvoy has discharged the difficult duties and responsibilities of his positions with the greatest efficiency and devotion which have earned for him our respect and affection: Now, therefore, be it

Resolved that John T. McEvoy is hereby commended for his long, faithful, and exemplary service.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to John T. McEvoy.

ADM. JAMES B. STOCKDALE

Mr. HOLLINGS. Mr. President, I have the privilege of knowing Adm. James B. Stockdale, the Medal of Honor winner and senior American prisoner of war in Hoa Lo prison, the "Hanoi Hilton" in Vietnam.

Admiral Stockdale served as our president at the Citadel, and I became one of his friends and supporters there.

I note with regard that he is now at Hampden-Sydney College in a special professorship.

Mr. President, now that the hostages are home and the immediate crisis is behind us, analysis is turning more to the lessons we can learn from the experience we have just been through. The need for policies which discourage this kind of terrorism is clear, and toward that end policymakers and citizens alike are turning their attention.

Last week on the op-ed page of the Washington Post there appeared a column which I believe merits the attention of anyone seriously pondering the problem. It was written by Adm. James

B. Stockdale, who brings to his writing not only a penetrating intellect, but also 7½ years' experience as the senior American prisoner of war at Hoa Lo prison—known more widely as the "Hanoi Hilton."

In his article, Admiral Stockdale takes issue with a number of assumptions widely held in the policymaking councils of Government, but which, according to the admiral, contradict reality and actually interfere with the kind of policy required by the situation. Whether you agree or disagree with Admiral Stockdale's analysis, it compels attention. It is written from the perspective of one who "has been there." I happen to believe there is much in what he writes, but I am happy to let Admiral Stockdale argue the merits of the case, and this he does with clarity, cogency, and, I believe, real compassion.

Mr. President, the outpouring of emotion this country experienced last week makes it clear that we speak as one people determined not to allow repetition of the recent ordeal. Now we must translate feeling into policy. Toward that development, Admiral Stockdale makes a studied and admirable contribution, and I commend it to my colleagues. For this reason, I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HOSTAGES AS "EXTORTIONIST THEATRE"

As an eight-year beleaguered and bludgeoned captive of Hanoi who spent most of that time in solitary confinement, I have in recent months been bombarding audiences from the eastern seaboard to Ohio to California with the message that America has been inviting future hostage disasters by so naively providing both actors and audiences in support of the new worldwide art form, "Extortionist Theater"—most recently successfully produced by Iran. Every outlaw power and terrorist group in the world surely took note of how Jimmy Carter's queasiness about the threat or use of force, and our national demand for continuous TV hostage soap opera, provided the positive and negative terminals of a power source into which they could plug a few American captives for profit and prestige. We got ourselves into this tempting and vulnerable position by backing into what became a national stance roughly attuned to a misguided popular sentiment that fell out of highly questionable if not false assumptions about the basic nature of the captivity problem. On my road show, I contrasted some of these assumptions with the reality I knew behind barbed wire and proceeded to tear them apart. The sample below will give you an idea of what I mean.

False Assumption No. 1: "We must not hammer the captors or they'll take it out on the captives." Ask any of the 400 Americans in the prisoners' organization in Hanoi and they'll tell you that our North Vietnamese jailers were never more sweet than right after Col. Bull Simon's Son Tay helicopter rescue attempt (when he shot up a couple hundred of them, and they in turn, for security reasons, felt obliged to bring us leaders out of solitary and put all prisoners together in better living conditions in the big prison downtown), or during the B52 bombings in December 1972 when formerly abusive guards dropped their posturing and meekly broke precedent by bringing us tubs of hot coffee each dawn). Our bones got broken as often as not during America's sporadic bombing pauses when we were showing national "good will." Does the Iranian experience correlate with this? I think it does. Being nice to the enemy so he'll be nice to your captives is still a bush-league idea.

False Assumption No. 2: "We as a country are doing best by the captives if we support the infusion of 'a little bit of home' into their lives by sending visitors, at least during the Christmas season." Rev. Do-Good, or even William Sloane Coffin and Ramsey Clark, some Americans believe, are better than nobody. To fully realize the evil these people do, the damage they wreak on the morale and self-respect of the captives, one has to appreciate the tremendous ennobling and uplifting effect the overcoming of shared hardships has on a band of prisoners over time. In Hanoi, the greater the degradation and torture and the more years we withstood this together the deeper grew the bonds of mutual respect and love for each other. Our world literally became our band of brothers, and personal pride and reputation among our peers our total life's investment. Captors became symbols of tinhorn fakery.

Imagine now the stage of Extortion Theater onto which enter "the friendly representatives of the people back home"—all of whom are necessarily admitted as supplicants, as apologists. Moreover, these visitors are psychologically committed to dragging the captives before cameras as actors in the supplicant role. "Let the people at home see you" or "The intelligence people want to see you," they probably say. Though feeling humiliation, few captives can muster the emotional energy to take on these American finks as enemies. Each has enough enemies to concentrate on even though these so-called friends are on the make, and they destabilize and damage the prisoner's life. Sometimes these finks damage his most prized possession: his reputation. Ramsey Clark came to Hanoi and incited American prisoners of war to violate their Code of Conduct and got a few takers. When does he account for that and for the disinformation he spread about the situation in Iran?

False Assumption No. 3: "Any release is a good release; if they'll agree to return 5 out of 52 next week encourage it." Thank goodness this is often identified as a poor bargaining idea as seen from Washington; what our politicians and countrymen in general need to understand is the true and total perniciousness of early releases as seen from within that band of brothers behind barbed wire. Each person who walks out ahead of the others leaves behind him a trail of lifelong grudges and broken unity, and he installs within himself a time bomb of depressive remorse.

The early release idea also has the potential of providing the producers of Extortionist Theater with a grand finale act featuring the captives scrambling for places in line to go home by scoring high in an anti-American propaganda production contest. Hanoi had something like that in mind for us POWs, but I and others finessed that finale with strict orders to all Americans that there would be no exception to the Code of Conduct's prohibition against accepting parole. I also outlawed the accepting of amnesty. After our release, my constituents demanded justice in the form of prosecution of the few who bugged out in violation of my orders. Funny thing, though; I couldn't find anybody in Washington who understood the problem.

These problems and a dozen more like them need to be understood if we are going to truly shut down Extortionist Theater on "a never again" basis. This country has to get itself in hand, get its actors off the stage and get our audiences ready to shed not tears but rotten eggs and at least a credible threat of bombs and bayonets the minute the next bunch of punks tries to pull our chain by taking prisoners.

A MARKET FOR HEALTH

Mr. WALLOP. Mr. President, one of the reasons we now have a Republican Senate is our advocacy of new ideas and our reaffirmation of old values. Basic to our approach is the concept that people are best able to fulfill their destinies in a free environment. From an economic perspective, we are seeking to return to the principle of free and open markets as a means to unfetter industry, expand jobs, and improve the quality of life.

This process involves the deregulation of industries which formerly had been burdened and protected by Government regulation. For instance, in the 96th Congress we deregulated the airline and trucking industries. Though the return to a competitive atmosphere had been a shock to some, it has been a health development for our economy.

One industry which remains heavily regulated is health care. The Government is involved in the development of health resources, in the planning of health systems, in the delivery of services, and in the payment for personal care. The industry itself diverges from the principles of supply and demand. While there are numerous suppliers of medical services, the demand is often not controlled by the consumer, but rather by the provider. This has turned the whole concept of a free market on its head.

Recently, a new approach has been proposed to establish a market-oriented health system. This competitive approach is in response to the existing regulated system.

Several prominent members of the administration, such as Richard Schweiker, Secretary of Health and Human Services, and Dave Stockman, Director of the Office of Management and Budget, are proponents of competition. Senators DURENBERGER, HATCH, and EOREN have sponsored procompetition proposals. It is an innovative idea which will be the wave of the future for health care. Rather than expanding Federal control over health through such outdated ideas as national health insurance, we can obtain the goal of adequate health care at a reasonable price through competition. I look forward to the debate on this policy.

I ask unanimous consent that several articles discussing the current problems in health policy and the competitive approach be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ONE ECONOMIST'S "PRO-COMPETITIVE" PLAN FOR HEALTH CARE

No field of endeavor in the United States is more complex, intricate, and surprising than that of the health-care delivery system. It seems to combine elements of Immanuel Kant's "Categorical Imperative" with Conan Doyle's "Sherlock Holmes," and Lewis Carroll's "Alice in Wonderland."

Consider the experience of Alain C. Enthoven, PhD., Stanford U.'s Marriner S. Eccles, Professor of Public and Private Management, and the leading theoretician for a "pro-competitive" as opposed to a "pro-regulatory" approach to the delivery of health care.

Former Health, Eduaction, and Welfare Secretary Joseph Califano called Dr. Enthoven to Washington in the spring of 1977 to work out a proposal for a universal health insurance program.

The result was Dr. Enthoven's Consumer Choice Health Plan, which seemed perfectly tailored for former President Carter's liberal campaign promise to enact a comprehensive national health insurance program.

Despite its tailoring, the plan was rejected by the Carter administration, and now Dr. Enthoven looks hopefully to President Reagan's conservative administration for Consumer Choice Health Plan support.

Furthermore, he is encouraged by presidential appointments such as that of Richard Schweiker as Secretary of Health and Human Services, and David Stockman as director of the Office of Management and Budget, both of whom have expressed support for elements of his plan.

Only in the health care delivery field could such disparate expectations be engendered by a single proposal. Only in medicine are the elements of private sector service, and public sector responsibility so closely interwoven.

Essentially, Dr. Enthoven's plan aims to provide a type of socialistic medicine for the consumers of health care built upon a type of free market competition among the providers of health care.

He asserts that the freedom of choice concept, which assures patients the right to select the physicians they want, and which has been the linchpin of the health-care delivery system in this country from its inception, actually leads to anti-competitive behavior.

The insurance reimbursement systems developed since the 1930s encourages physicians to compete among themselves only on the issues of quality or preference, and not on the issue of price, he points out.

In place of that system, Dr. Enthoven wants one in which quality and price are inextricably locked. His model is best realized in the state of California, which has a number of physician group practice plans, such as the Kaiser Foundation Health Plan, competing for patients with service plans, such as Blue Cross-Blue Shield and individual practice plans.

"As a strategy, Consumer Choice Health Plan has a lot to offer everyone," Dr. Enthoven says. "A broad spectrum ought to agree on it. It endorses private enterprise competition, but makes government see that everyone is adequately covered."

He thinks the Reagan Administration will be attracted to his plan not only because it favors competition over regulation in the health-care delivery system, but also because it offers the hope of gaining control over escalating health-care costs.

"What's happening now is that the tax burden is excessive," Dr. Enthoven says. "Reagan says we've got to cut taxes to restore incentives. It's a basic economic need.

"But there's also pressure to increase defense spending, which is another genuine need. There has been a loss of skilled technicians in the services, and the whole system has been weakened.

"So the question is, How are we going to get from here to there? And the answer is that the out-year entitlements will have to be changed. One place to change is health.

"Physicians have to recognize this," Dr. Enthoven says. "The government will control these health-care costs. Taxpayers are paying 40 percent of the total now, a figure approaching $100 billion each year. We'll either have competition bills in Congress, or we'll have direct controls by government."

Dr. Enthoven's plan would effect a number of radical changes in the delivery system. First it would break the health-insurance tie to employment by assuring continuous enrollment in health plans of choice, regardless of job status.

This would be effected by basic changes in tax subsidies for health insurance. Premiums would be based on "actuarial costs" for given individuals, rather than an employee group experience.

Furthermore, employer contributions to health insurance would be reported as taxable income, with tax credits offered employes to offset additional taxes.

The unemployed or working poor would receive vouchers for health care, with government contributions based on a scale sliding from full support down to the standard percentage tax credit for fully employed taxpayers.

Additional mechanisms would fold Medicare beneficiaries, and other special categories, into the system. Since tax credits and premiums would be based on national actuarial averages, a method for flattening out regional differences over a period of time would be instituted.

The plan also calls for open enrollment for health-care plan subscribers, guided by government-supplied information, for community rating, and for a list of basic health services to be offered by all plans. Some plans could be enriched by offering additional services along with copayments or deductibles.

Dr. Enthoven describes the probable results of enactment of his program in "Health Plan", his book on the subject:

"Gradually, competitive pressures would have their effect. People would gradually change to more economical health plans. Less economical health plans would have to find more effective cost controls.

"Newly trained physicians in specialties in excess supply in a given area would find no health plans interested in contracting with them, and they would have to look for work in areas where their services were needed.

"Primary-care physicians would assume more of the responsibility for the total costs of care for their patients, and specialists whose costs were judged by such primary-care physicians to be excessive would find themselves obliged to negotiate lower fees in order to retain their referrals.

"Individual practice associations would tighten utilization controls, and more carefully balance the speciality mix of their participating physicians to the needs of their enrolled populations. Prepaid group practices would continue to grow."

Without question, the traditional fee-for-service physician is the villian in Dr. Enthoven's scenerio.

"Why do physicians like the fee-for-service system?" he asks. "Because it is compatible with the maximum amount of freedom and independence for the physician.

"There will have to be a loss of physician freedom to control the costs of health care," he asserts.

One of the puzzles of the health-care system in the United States relates to its apparent inertia. A national health insurance system has been debated since the time of President Truman. A number of different interests, including those represented by the American Medical Association, have offered plans for NHI, but no plan has been adopted.

In recent years, deficiencies of the system have been debated by employers, economists, legislators, government administrators, hospital administrators, insurers, and physicians. Very little has been said by health consumers, also known as patients.

Could it be that they are satisfied?

Much has been said about physicians as controllers of the health-care delivery system. It has been noted that while they are not the main recipients of health-care costs, they are the primary generators of costs.

Could it be that they are generating costs in the interests of their patients?

Dr. Enthoven stands in awe of the accomplishments of medical art, science, and technology. A skiing accident virtually crippled him some years ago. His physicians tried to manage the problem medically for a period of time, and finally suggested he undergo a laminectomy, a surgical procedure to correct the problem.

As Dr. Enthoven recalls, the operation restored freedom of movement to him. Before that, he had been bent over, dependent on a cane. Afterwards he was able to move like anyone else.

America has been in the forefront of such development in recent decades. Furthermore, the benefits of the art, science, and technology of modern medicine are more liberally extended in America than any other country, an increasingly important consideration for an increasingly aging population that hopes medicine will assure a high quality of life through restorative procedures aimed at mitigating the effects of arthritis and other degenerative diseases associated with aging.

Could it be that the unique freedom and independence available to physicians attracts the best and the brightest to their ranks, and that their discipline helps assure a uniquely high level of health care?

Dr. Enthoven thinks that his plan is in tune with historic movement, that it is responsive to the desire of many younger physicians to practice in multispecialty groups. He points out that close collaborative efforts among specialists can assure patients of a high level of care.

But could it be that patients hang onto the old system of health-care delivery because they trust their own personally picked physicians as they trust no others?

Most observers would agree that health care could be delivered more economically than it is in the United States. Europeans deliver care in a uniquely different way. When patients are hospitalized in England or France, they lose contact with their family physicians. The hospital staff takes over the management of their care, and they lose the personal advocacy of their own attending physician. What they gain in efficiency, they may lose in quality.

The question finally turns on a sense of values. The coronary bypass operation costs as much as an expensive automobile, and now the question before society is: Which do you value more?

In societal terms, the question is: What percentage of gross national product should we devote to health care? In 1950, the percentage hovered around 5 percent. Today it hovers around 10 percent.

Dr. Enthoven concedes, "There's no magic number. The right number is the number people want it to be."

During the past decade the question has been: Can we contain the percentage of GNP devoted to health care without containing the expanding benefits to be derived from the health-care system? That's a question that Presidents Nixon, Ford, and Carter circled without confronting. No one seems willing to alter radically the system by which health care is delivered.

Could it be that no one wants to change it because it seems to serve its constituents, the patients, well?

WHY HEALTH CARE IS A COSTLY DISGRACE

(By William R. Rassman, M.D.)

The health-care system is a disaster. It is supervised by well-meaning but ignorant bureaucrats, inept and incompetent nursing administrators, and legislators who, with the welfare of their constituents in mind, unknowingly force the price of health care out of sight. The physician has withdrawn and turned inward in order to survive an ever-

expanding medical bureaucracy. The result is a system that rewards inefficiency, discourages innovation, and penalizes cost-conscious providers of health care and consumers.

It is unfortunate that physicians are trained solely in the science and art of medicine. At no time does the physician acquire, either formally or informally, any exposure to economic realities. His study of economics is confined to learning by trial and error the mathematics of medicare, medicaid, and insurance carriers. This process often turns the physician into an embittered introvert.

The health-care system is designed to capture the consumer dollar. Except for the limited but expanding health maintenance organizations, successful health-care services solicit business and profit from that business, whether such profit is warranted or not. This system is undermined by both the consumer and the provider of services. The former, trying desperately to stave off illness, infirmity, or death, seeks the latter for treatment and/or reassurance. In moderation this situation is acceptable and affordable; in excess it becomes the disaster we live with today.

In the health-care field, doctors, dentists, chiropractors, nurses, pharmaceutical houses and druggists, therapists, insurance carriers, and hospitals profit from the expanded use of their services. Each depends on the other to feed the fear of failing health. As a result, the cost of health care runs into the hundreds of billions today. In a country where a vitamin deficiency is a rare disease, we lay out well in excess of $1 billion for its annual cure. Our affluent society will spend any amount on any promise, real or imaginary, to assure perpetual health and/or immortality.

INDUSTRY IS A LOSER

Every illness reinforces the fear of losing one's health, and the system that treats the disease rewards its abusers. A person who develops pneumonia, for example, is most frequently educated as to its greatest risk, not as to its usual benign course with adequate treatment. More often than not, the patient is hospitalized for an extended period of time at a profit to the health-care industry. The dread of becoming sickly drains the patient's energy well in excess of the disease. Upon discharge from the hospital, there is a prolonged convalescence. The insurance industry, which covers the abuse initially, also profits from the perpetuation of the disability. Industry and society become the losers. The consumer appears to have received the very best care. His or her health appears to have been saved. The patient regards the doctors and nurses as the champions of health and blesses the insurance carrier for averting economic ruin.

In many cases, an $80 illness with a loss of 3 to 5 days of work has been turned into a $1,000-plus illness with 3 to 10 times that loss of work. The consumer demands the best and the most expensive. The physician is trained to give it. To do less would place the physician at odds with his colleagues, with his education, and with his own economic health. To do less would bring the health-care industry to its knees, increase unemployment, and lessen the patient's physician image. Industry and the consumer bear the highest price. The inflationary effects of lost work days and fictitious disabilities have jacked up the cost of every service and product sold on the U.S. market and drained the consumer's pocketbook.

WIDESPREAD IGNORANCE

Apart from, but closely tied to, the monetary area, the greatest toll is the quality of the care that the public receives. We pay premiums for the best in medical care but receive only an illusion of it. Poorly organized, the hospitals throughout country, spend countless dollars on the administrative side of medicine at the expense of quality medical care and thousands of lives each year. But these lost lives are buried according to federal guidelines—with proper hospital records and with complete medicare and Blue Cross services "paid in full."

This system affects everyone who pays taxes or an annual health-care premium. Legislators see the system's flaws in the rising annual cost of health care. But they do as legislators always do—they try to legislate the flaws away and thereby expand the bureaucracy. The bureaucrats act on the legislation and make the bureaucracy tighter. Nursing administrators, separated from patients and illness for years, try ineffectively to handle a chronic shortage of nurses by writing new rules.

If there is a single criminal, it is widespread ignorance. The teaching of bodily functions is as absent from a public school education as are economic subjects from a doctor's curriculum. We seem to stress the impractical and theoretical at the expense of information that might serve daily use. The national education system and the medical profession must bear the responsibility for this omission together.

The national system of health care needs a major overhaul. It must be deregulated. It must reward efficiency and penalize abuse. It must incorporate the knowledge of the physician so that the public is served and its health is not sacrificed. It must look for tangible results on health and costs together. Education and health maintenance programs should be basic to the overhaul. With more than $200 billion annually spent on health care and its spinoffs, it stands side by side with today's energy crisis.

A NEW CANDIDATE FOR ALLOCATING RESOURCES TO HEALTH CARE

(By Clark C. Havighurst, JD)

Only two applications for the nasty and thankless job thus advertised have been received. Both came on letterheads bearing the name "The Private Sector," but a minute's scrutiny disclosed that the applicants had very different qualifications for the position. One applicant, who volunteered to serve without pay, had impressive technical credentials and presented strong references from close friends of the employer. The other applicant, whose backers (mostly PhDs) have never cut a cost or removed an appendix. had only a scanty record of past employment in the health care industry, and clearly intended to use nonexperts to make many crucial decisions. The employer has been reliably reported to be leaning toward the latter applicant. Many wonder why.

The first of our hypothetical applicants is, of course, the health care establishment, a loose affiliation of organized medicine, the hospital industry, commercial and nonprofit insurers, and so forth. Acting through such mechanisms as the Voluntary Effort and PSROs, this candidate generally defends the industry's past performance while promising to behave even more responsibly in the future. In effect, the industry offers to police itself, thus assuring that all care is "necessary" and that all fees and charges are "reasonable."

In contrast, our second applicant is not a person or a group but is instead a process—"competition"—which allocates resources in accordance with consumers' demands. These demands are transmitted to producers (providers) not by regulatory flat but by means of price signals and the appearance and disappearance of market opportunities. Lately, competition has attracted interest as a leading candidate for the resource-allocation job, replacing regulation—which until recently seemed the only prospect, not because its performance was impressive but because it had friends in high places. This article will elaborate on competition's credentials.

WHAT ABOUT THIRD PARTIES?

Consumers need financial protection against large expenses, but the prevailing types of health coverage do not exhaust the possibilities. Competition's sponsors think that there are alternatives that can significantly change the economic incentives of patients and providers and thus result in lower costs.

HMOs are only the most familiar of many possible alternatives to conventional open-ended third-party plans. Other options include insurance plans that have significant deductibles and copayments or that embody carefully administered exclusions from coverage that leave the patient to pay for services that fall in the many gray areas between essential and unnecessary care. Plans that limit the patient's free choice of fee-for-service provider seem particularly promising, since competition can motivate plans to find and enlist the participation of the most efficient providers. Both consumers and efficient providers could benefit from such arrangements.

FUTURE DIFFERENT FROM PAST?

While the market for health insurance has been competitive in some respects, there are reasons to think it has not responded to consumers' true wishes. For one thing, the tax law, by excluding employer health plan contributions from employee taxable income, encourages workers to pay as many medical bills as possible through insurance; out-of-pocket payments to cover deductibles or coinsurance must be made with after-tax dollars. A ceiling on the tax exclusion for employer contributions, such as has been proposed in Congress, would cause people to be more selective in their insurance purchases.

Increased experimentation in the design and administration of financing mechanisms is also likely. Before the recent election, employers and unions were beginning to seek more cost-effective coverage; they can be expected to be even more demanding now, since it is clear that, under the new Administration, government will no longer claim responsibility for controlling health care costs and will look instead to the private sector. Moreover, antitrust enforcement has improved the climate for insurer innovation by reducing the risk that organized providers will retaliate against plans that undertake new ways of doing business.

WILL CHANGES BE SWEEPING?

One cannot predict reliably what changes competition will in fact bring. Indeed, if we knew precisely what people want, we could legislate that result and be done with it. Because competition is not a means to a specific end but is a process for discovering and giving effect to consumer preferences, the magnitude of its effect depends on how well or poorly the system is currently performing. Fortunately, there is no need for agreement on this issue before competition is embraced as the appropriate policy choice. The decision to strengthen competition and consumer choice is simply a decision to submit the matter once and for all to "the people."

CAN CONSUMERS CHOOSE?

It is probably fair to say that consumers are ignorant and irrational about medical care—as they are about most things. But in a competitive market they have the chance to pool their resources and to hire agents to help them make decisions. Employers and unions can help by selecting a short menu of health plans from which the individual employee chooses. Health plans, on the other hand, can help individual consumers choose high-quality but cost-conscious providers. Health plans can also do much to clarify the choices required—such as by a predetermination of benefits scheme that lets patient and

doctor know in advance the precise coverage available. Finally, the physician helps the patient make the final choices, employing technical expertise in advising on the expenditure of the patient's resources.

Ignorant and irrational though he may be, the consumer is our best candidate for the decision-making job. Regulators are also ignorant and irrational since they cannot know what consumers want badly enough to pay for and are unable, in an intensely political and symbol-ridden environment, to bring cold rationality to bear. The health care industry, on the other hand, has a conflict of interests that must surely disqualify it for the job of allocating resources between health care and other uses.

WHITHER PRIVATE PRACTICE?

It will flourish. Although conventional insurance will probably change so as to make patients more conscious of many costs, most patients will ultimately rely on physicians to help them decide how their money can best be spent. I would venture that most care would still be provided on a fee-for-service basis and that most key decisions will be made within the doctor-patient relationship. Although there will necessarily be a renewed necessity for professional advice on how to manage disease within sometimes stringent resource constraints, the doctor's duty will run exclusively to his patient. It is hard to see how the cost problem could be placed in better hands.

THEORY AND PRACTICE IN MINNEAPOLIS-ST. PAUL

(By Walter McClure, Ph. D., Linda Krane Ellwein, and David Aquilina)

Competition is rapidly developing in the health care system of many communities, but Minneapolis-St. Paul appears to have made the most progress toward a competitive medical market.[1] Seven HMOs now compete vigorously with each other and with fee-for-service physicians in the Twin Cities. Over 360,000 people are enrolled in the area's HMOs—about 19 percent of the metropolitan population. Since 1974, HMO membership has grown by an average of 30 percent each year. While several communities have higher HMO enrollments than Minneapolis-St. Paul, none has greater provider involvement. Approximately 80 percent of the area's physicians and most of the hospital's participate in one or another of the HMOs. Also, more employers appear to be offering HMOs on an equitable, multiple-choice basis to employees here than elsewhere.

DIVERSITY IN PREPAID PLANS

The striking organizational diversity of the Twin Cities' HMOs demonstrates that a variety of prepaid plans can develop successfully in a community. St. Louis Park Medical Center, once a wholly fee-for-service multispecialty group practice, sponsors MedCenter, which also contracts with other physician groups. The Nicollet-Eitel Health Plan is a joint venture of Eitel Hospital and the Nicollet Clinic, another multispecialty group. SHARE, originally sponsored by a railroad employee mutual benefit association, is an independent, community-based plan with salaried physicians. It is currently the area's only federally qualified HMO. Group Health Plan, the Twin Cities' oldest and largest HMO, is a consumer cooperative with salaried physicians. Coordinated Health Care contracts with St. Paul Ramsey Hospital, a public general hospital, for staff physicians and hospital services and has established affiliations with four other physician groups for primary care. HMO Minnesota, the Blue Cross-Blue Shield plan, contracts with independent physician groups and solo practitioners. Physicians Health Plan, initially developed by the Hennepin County Medical Society but now a separate corporate entity, is an IPA with more than 1,500 physicians.

Many large Twin Cities firms now have more than half of their employees enrolled in HMOs (Table 1). Most major employers offer three or more prepaid plans in addition to a conventional insurance plan. Employers contribute roughly the same dollar amount to whichever option is selected, with the employee paying any balance due on the premium. Thus, HMOs compete directly with each other as well as with traditional insurers and providers, and employees have an incentive to be cost-conscious when choosing a health plan.

Footnotes at end of article.

TABLE 1.—HMO ENROLLMENT IN SELECTED TWIN CITIES FIRMS

Company	Open enrollment period	Number eligible [1] employees	Percent enrollment	Number HMO's offered
Minneapolis Star & Tribune	1/80	2,400	76	3
Hennepin County	1/80	7,026	74	4
General Mills	1/80	2,880	72	3
Prudential	6/80	2,574	72	3
Deluxe Check	11/79	1,096	64	3
Honeywell	5/80	19,000	62	6
Super Valu	3/80	1,000	60	4
City of Minneapolis	1/80	4,500	50	3
Dayton-Hudson	2/80	6,900	44	3
Control Data	1/80	15,000	40	5

[1] The number of employees eligible for HMO health benefits, not the total number of employees.

Source: Linda Krane Ellwein, "Health Care Trends: Minneapolis-St. Paul Summary Highlights," InterStudy (August 1979, updated 1980).

INCENTIVES FOR COST-EFFECTIVENESS

According to market theory, the presence of strong, reputable health care plans competing in a fair market with traditional physicians (i.e., where all consumers have an equitable, multiple choice of plans) should create strong incentives for physicians to practice effectively.* Initially such incentives should be strongest on physicians in the health care plans because they must win consumers, offering comprehensive benefits and quality service, and maintaining competitive premium prices. Reputable and efficient physicians will attract consumers to their plans, whereas inefficient physicians will find themselves losing patients. Eventually, as sound, efficient plans win ever-increasing numbers of consumers, even traditional physicians not participating in health care plans must become cost-effective to halt the loss of patients to health care plans.

How well does the evidence in Minneapolis-St. Paul bear out these theoretical incentives on prepaid plan and traditional physicians? The evidence that competition has created cost-effective incentives on HMO physicians seems strong. Competition has clearly forced HMO physicians in Minneapolis-St. Paul to control utilization and costs tightly, particularly hospital services. In 1977, area HMOs hospitalized members at an average rate of 544 days per 1,000 (compared to 860 days for comparable Blue Cross-Blue Shield insured groups), and in 1979 the HMOs achieved an average utilization of 452 days per 1,000 HMOs with large numbers of solo practitioners. Physicians Health Plan and HMO Minnesota, reduced their hospital days per 1,000 by 21 percent and 25 percent respectively. In 1977, the average monthly cost-per-enrollee in Twin Cities HMOs was 27 percent below the average for all federally qualified HMOs, even though Minnesota law requires HMOs to provide more benefits than does federal law.[2] From 1947 to 1978, the SHARE plan held its monthly per-member cost constant, despite a 38 percent increase in the Twin Cities' consumer price index.

*Technically we define a health care plan as a prepaid plan, organized in any way, in which participate a discrete set of providers who are not so numerous or influential as to command monopoly power in their service area. It is such health care plans which generate competition in a fair market with other providers. Most HMOs, though not all, meet this definition. Many other kinds of plans besides HMOs also meet it. Because HMOs are most commonly known and in the wish to avoid being overly technical, we have simply used the term HMO to stand for all such plans throughout this article.

TABLE 2.—HOSPITAL DAYS PER 1,000 ENROLLEES: TWIN CITIES HMO's

	1977		1978		1979	
	Days/ 1,000	Percent change	Days/ 1,000	Percent change	Days/ 1,000	Percent change
Group Health	497	−2.0	482	−3.0	465	−3.5
MedCenter Health Plan	418	[1] +36.6	355	−15.1	370	+4.2
Nicollet-Eitel Health Plan	454	−24.6	447	−1.5	332	−25.7
Coordinated Health Care	720	0	624	−13.3	553	−11.4
SHARE Health Plan	389	−13.5	423	+8.7	412	−2.6
HMO Minnesota (metro average)	690	−1.3	468	−32.2	523	+11.8
Physicians Health:						
Plan	640	NA	511	−20.2	507	NA
HMO metro average	544	[2] −6.3	473	−13.1	452	−4.4

[1] MedCenter's 1976 data does not include psychiatric and chemical dependency days. Thus, the 1977 percentage reflects changes in reporting, not utilization.
[2] Calculation excludes 1976 and 1977 MedCenter data due to reporting changes.

NA—Less than 1 percent change.

Source: L. Ellwein, "Summary Highlights" and "Statistical Report on HMO's in Minnesota" (St. Paul, Minnesota.)

MORE BENEFITS AT LOWER COST

The HMOs have contained costs sufficiently to be able to provide many employee groups with more comprehensive benefits at lower premiums than regular insurance. For example, all six HMOs initially offered by Honeywell to its employees in April, 1978 had lower premiums and broader benefits than the company's Blue Cross-Blue Shield insurance plan. Consequently, 33 percent of Honeywell's employees immediately switched to HMO membership. Currently, 62 percent of the firm's employees are HMO members, up from 45 percent in 1979. Indeed, the rapid growth of HMOs in the area shows that consumers will readily accept prepaid plans if they have sound, reputable providers and if they offer attractive benefits and premiums.

As a result of competition, employers can offer their employees a choice of health benefit options, allowing consumers to select plans that provide convenient access to care and more benefits at a lower cost. Through the HMO premium, which now functions as the price mechanism for provider competition, physicians are able to identify their relative efficiency to consumers and gain patients on that basis. HMO hospital utilization rates imply that many Twin Cities physicians have substantially changed their practice patterns. Since the overwhelming majority of physicians have chosen to continue to participate in HMOs, it seems that most do not perceive more conservative hospital utilization to be detrimental to quality patient care.

PROMISING PRELIMINARY EVIDENCE ON COSTS

The evidence that competition has begun to have an impact on community-wide utilization and costs, while promising, must be regarded as preliminary. The increasingly competitive health care system has developed only recently in the Twin Cities. In 1971, Group Health was the area's only HMO, and all seven have been operational for only five years. Thus, the market is still evolving and it is too early to expect definitive results.

But even at this early stage it appears that physician practice patterns are changing as a result of effective market forces, and they may be affecting community utilization trends. Since 1974, total hospital admissions and patient days have declined, despite substantial increases in inpatient psychiatric care and chemical dependency, attributable mainly to expanded insurance coverage recently mandated by Minnesota law. Excluding psychiatric and chemical dependency inpatient days for local residents, which increased 6.9 percent and 30 percent respectively, hospital inpatient days decreased 11.3 percent from 1976 to 1978.[4] Overall from 1974 to 1979, admissions-per-1,000 fell 6.9 percent while inpatient days-per-1,000 decreased 4.4 percent. Regarding costs, in 1978 total hospital expenditures and per capita expenditures in the Twin Cities rose 9.5 percent and 9.4 percent respectively, compared to national averages of 12.6 percent and 11.8 percent.[5] Since 1975, the medical care component of the CPI has consistently increased more slowly in Minneapolis-St. Paul than in most other cities, despite sharp increases in the overall CPI during the past four years (Table 3). While it seems unlikely that competition is the sole cause of these trends—they had begun to some degree before competition took hold and have been observed to some extent in other cities—according to local providers competition is now a substantial factor in their continuing strength here.

TABLE 3.—ANNUAL PERCENT CHANGE IN CONSUMER PRICE INDICES (1975-79)

	Annual percent change			
	All items		Medical care component	
Year	Minneapolis-St. Paul	U.S. city average	Minneapolis-St. Paul	U.S. city average
1975	8.5	9.1	10.7	12.0
1976	6.2	5.8	7.8	9.5
1977	7.1	6.5	8.1	9.6
1978	9.1	7.7	8.1	8.4
1979	11.9	11.5	6.8	9.9

Source: L. Ellwein, "Summary Highlights."

MANY ISSUES YET UNRESOLVED

As the competitive health care system in Minneapolis-St. Paul continues to change and develop, many issues are yet to be resolved. Questions center on whether or not reductions in physician supply and hospital beds will be precipitated by sustained competition; whether or not competing HMOs will serve the poor and elderly if given the opportunity and correct incentive to do so; whether or not low hospitalization rates and constructive competitive behavior will persist over time; and whether or not government will eliminate regulations which conflict with market forces.

Problems can and should be expected, particularly in the initial stages. For example, some HMOs may experience cost-control problems and temporarily falter or even fail. Although one function of a market is to discipline or, if necessary, weed out weak competitors, it may shake confidence in competition. There may also be problems with selection, such that one HMO might temporarily get a mix of lower- or higher-risk enrollees than other HMOs. Or, as traditional providers increasingly feel the pinch of HMO competition, they may attempt to raise prices and increase utilization as well as services for those patient populations—Medicare, Medicaid, small employers—which do not as yet have a multiple choice of health plans. If equitable, multiple-choice arrangements are extended to all consumers, the theory predicts that, given time, the market should gradually bring such problems under control. Whether or not multiple choice will be extended to all; whether or not the market will be given time to work; and whether or not it will work as predicted within a reasonable time, only time itself—and hard work—will tell.

These qualifying statements aside, the direction of competition in the Twin Cities is encouraging. Thus far, it appears that physicians practicing under positive incentives created by a structurally sound, private competitive market can contain costs while providing quality care.

FOOTNOTES

[1] Christianson, J. and McClure, W.: Competition in the Delivery of Medical Care, N Engl J Med, October 1979

[2] McClure, W.: On Broadening the Definition of and Removing the Regulatory Barriers to a Competitive Health Care System, J Hlth Pol, Fall 1978.

[3] Data Management Branch, Office of Health Maintenance Organization, DHHS: Quar Rep, December 1977.

[4] Metropolitan Health Board, Regional Summary-Hospital Patient Origin: 1974, 1976, 1978.

[5] Appel, G.: Statement of the Council of Community Hospitals and the Minnesota Hospital Association; Hearings before the Senate Finance Committee, 96 Cong, Sess 2, March 1980.

THE DREAM OF RAPHAEL LEMKIN

Mr. PROXMIRE. Mr. President, whatever progress we make is usually dependent on individual efforts. In fact, it is always people, of course, who make the progress. In making progress to outlaw genocide, one person's name stands out, a man named Dr. Raphael Lemkin. He was a prominent jurist from prewar Poland. Dr. Lemkin was the man who coined the term "genocide," meaning, of course, a program of deliberate murder and destruction of an entire ethnic or racial group—the classic example being Hitler's genocidal destruction of Jews in World War II and pre-World War II Europe.

Dr. Lemkin was a Jewish refugee from Nazi persecution. He was one of only 2 survivors out of a Polish Jewish family numbering 70 persons, who were destroyed by the holocaust—starved to death, worked to death, gassed to death, shot, deliberately murdered.

Dr. Lemkin emigrated to the United States, where he became a special adviser on foreign affairs to the War Department and a respected scholar. This man dedicated his life to establishing genocide as an international crime that must be banished from civilized society. He was a major factor in winning the support of the Western powers at the Genocide Convention and having it ratified by the United Nations General Assembly. It is interesting that one of the other people who cooperated with him and worked so hard to achieve this was the father of Senator CLAIBORNE PELL.

Mr. President, this was a historic accomplishment by single individual who, at that time, did not represent any government, but his relentless struggle for a great idea has resulted in tremendous progress for the fulfillment of a noble dream.

What progress has Dr. Lemkin made? Well, when he died 21 years ago, over 80 countries had ratified the convention. Today, that number stands at 85. Every major country in the world, except the United States of America, has ratified the Genocide Convention. Of course, as we know, every President since Harry Truman, Republican and Democrat, has called for it. I was delighted to see that the Secretary of State, Alexander Haig, in his confirmation hearing, supported the Genocide Convention and said it was a matter of serious embarrassment to us that we had not ratified it.

The one country which Dr. Lemkin looked to for moral leadership in the postwar era, the United States of America, balks at ratification—balks at a treaty outlawing the planned, premeditated murder of an entire race.

Mr. President, I do hope that with the support of the Reagan administration, this Senate—and it is the only body which has to act. The House does not have to act, no other body has to act, but the Senate does have to act. Certainly, it will be a fitting testimony to an extraordinary man and to our own cherished tradition if we were to finally join

the contracting parties and ratify the Genocide Convention.

Mr. President, I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the time for morning business be extended by 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

DR. RICHARD C. HALVERSON

Mr. ARMSTRONG. Mr. President, today, the Senate welcomes as its new Chaplain one of the most distinguished clergymen of America, Dr. Richard C. Halverson. Most of the Members of this body are already acquainted with Dr. Halverson and know that he has served with great distinction as a member of the Hollywood Presbyterian Church in Hollywood, Calif., and for the last 23 years as senior minister of the Fourth Presbyterian Church in Bethesda, Md. Perhaps less known is the leadership he has provided to World Vision, of which he is chairman of the board, an organization to which he has devoted himself with great effectiveness and great persistence in feeding hungry people around the world and ministering to their needs.

Dr. Halverson is a distinguished author. He has written a number of books. For more than two decades, he has written a newsletter which is circulated to a large number of people around the world. He is, in every way, truly a man of great distinction.

But, Mr. President, while I think it is an honor to welcome Dr. Halverson to the Senate because of what he has accomplished, I would like to express my own feeling of personal enthusiasm for the new task which he undertakes, which is based not so much on what Dr. Halverson has accomplished, but on the person he is—a man of great personal warmth and understanding. His life exemplifies the indwelling of the Holy Spirit—a life of love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control, just as the Holy Scripture has suggested.

Mr. President, there are people all over this country who are praying that soon, the Senate will be filled with true believers, that there will be a majority of believers elected to this body and the other body, and that the Government will be filled with those believers. I honor those prayers, but it is my reading of history that God does not tend to work through majorities: That, on the contrary, it is usually his purpose to work through small numbers of people—often through only one man or woman in a difficult circumstance.

We recall that when God was preparing to destroy Sodom because of its wickedness, Father Abraham did not say, "Will you save my city if I can elect a majority of believers to the city council?" He said, "Will you save the city if there are just a handful of believers?" Again and again, that same pattern has been created throughout history.

When, in God's good time, it was the moment for slavery to be abolished in England, it was a handful of members who devoted themselves to a life of prayer and advocacy who abolished this evil.

When the time came in the moment of God's plan to bring the gospel to the new world, again it was not thousands who came, or even hundreds, but often just a handful, often through great sacrifice and hardship.

Over and over again, through secular and Biblical history, God has worked through small numbers of men.

Mr. President, it is my conviction that Dr. Halverson is such a man, a man who has yielded to the Lord for his purposes. It is my belief and my prayer that, through him, this body and its entire constituency will be blessed, I hope that all Senators will join me in wishing him well in the new ministry which he undertakes, beginning today.

I hope that they will join my family and me in praying that, as he does so, Dr. Halverson will be granted extraordinary perception and insight and great spiritual strength, and that his love of Christ will be contagious and will be spread through all of those with whom he has contact, that he will be blessed with a long and fruitful ministry of the Senate and that thereby, the Senate, the staff, their families, and all will be blessed.

EXTENSION OF MORNING BUSINESS

Mr. STEVENS. Mr. President, there are two other Senators seeking recognition in morning business. I ask unanimous consent that that period be extended for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WEICKER. Mr. President, I ask unanimous consent that the following members of the staff of the Select Committee on Small Business be allowed the privilege of the floor during the introduction of the omnibus Small Business Capital Formation Act of 1981: Robert J. Dotchin, James J. O'Connell, Alan L. Chvotkin, and Thomas Cator.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT S. BOYD

Mr. DOMENICI. Mr. President, I send a resolution to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 59) commending Robert S. Boyd.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOMENICI. Mr. President, this resolution has been cleared with everyone in the Senate.

We all know that the budget process is alive and surviving and kicking. When it started, there were many who did not believe it would be around.

If Senator Bellmon were here today, I am sure he would say that, while he received great commendation for his part in maintaining this process, the minority staff director, Bob Boyd, who joined the staff in February of 1975 and was its minority counsel through all its years until now, deserves a great deal of the credit for its success.

We all know that a rather significant bipartisan effort existed; and many believe that without it we would not have the process today—the process which many look to with great enthusiasm in these changing times as part of a process to make major and bold changes in our fiscal policies.

So, today, I ask the Senate to adopt a resolution which indicates our appreciation to Bob Boyd for his many years of service to the committee and to the Senate and to the American people. He will be leaving to take a job in the financial community. We wish him well.

Speaking as one who served on that committee for most of the years he was the minority counsel, I am confident that if this fiscal process works—a process we want to use now to make major changes in our approach to the Federal Government's fiscal policies—much credit will be due to him for his untiring efforts as minority counsel.

Mr. President, I ask that the Senate adopt the resolution which is pending at the desk.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 59) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 59

Whereas, the Senate wishes to express its appreciation to Robert S. Boyd, who has served the United States Senate as the first Minority Staff Director of the Committee on the Budget; and

Whereas the said Robert S. Boyd at all times has discharged the difficult duties and responsibilities of his office with high efficiency and abiding dedication; and

Whereas his unsurpassed fidelity and his unfailing dedication to his career have earned for him our affection and our esteem: Now, therefore, be it

Resolved, That Robert S. Boyd be hereby commended for his faithful and exemplary service to his Country and to the United States Senate.

Sec. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to Robert S. Boyd.

THE CHAPEL OF THE FOUR CHAPLAINS

Mr. BAKER. Mr. President, today marks the 38th anniversary of an act of heroism on the part of four U.S. Army chaplains during the sinking of the SS *Dorchester* in World War II. After the war, a Chapel of the Four Chaplains was established in Philadelphia to commemorate this event, and an annual banquet is held to honor individuals for outstanding service to the Nation. Dr. Karl B. Justus, executive director emeritus of the Military Chaplains Association, has written a fine article about the four chaplains, their story, and the ongoing work of the chapel. I am happy to share Dr. Justus' article with my colleagues today, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CHAPEL OF THE FOUR CHAPLAINS

Today, 3 February, 1981, marks the 38th anniversary of the sinking in the North Atlantic of the troop transport, SS *Dorchester*, not far from the coast of Greenland. It is fitting and appropriate that the date of 3 February, 1943, be remembered for all time for on that occasion history recorded the most dramatic, unforgettable example of heroism, supreme sacrifice and brotherhood that America, and the world, has ever known.

The SS *Dorchester*, laden with 900 young American soldiers, close enough to Greenland so that her convoy had departed, plowed her way through wintry, storm-tossed waters toward a destination she would never reach. A Nazi U-Boat, stalking the *Dorchester* undetected, fired a torpedo that struck the vessel amidship and exploded in the boiler room. Some troops died instantly; others were trapped below decks; still others, thrown from their bunks, rushed up the ladders to the main deck. There, in the cold and dark of night, confusion and terror gripped the minds and hearts of the young soldiers. In the mad exodus, some had lost or left their life jackets below.

In the midst of this frantic scene moved four men of God, Army Chaplains. George L. Fox and Clark V. Poling, Protestant Chaplains; John P. Washington, a Catholic Priest, and Alexander D. Goode, a Rabbi. With a calmness borne of inner strength, the Chaplains moved about quietly to encourage and comfort the fear-filled troops as the stricken vessel rapidly began to sink. Finally, as men went over the side, the Chaplains saw four soldiers without life jackets. Without a second thought the Chaplains gave their life jackets, their only hope for self-survival, to those soldiers. As the storm-tossed deck sank beneath the waves, the four chaplains stood with arms linked together—each in his own way praying to the One God—and quietly went down with the ship.

As long as time shall last, this dramatic event will be told from generation to generation as the greatest example of the brotherhood of man for, truly, as the four chaplains are remembered, "this was their finest hour" as they laid down their lives for their friends.

After World War II a renowned minister, Dr. Daniel Poling, the father of Chaplain Clark Poling, founded and established the Chapel of the Four Chaplains in Philadelphia, Pennsylvania. From the time of its dedication in April, 1951, by the late President Harry S. Truman, Dr. Walter H. White, Senior Chaplain of the Chapel since its founding, has been the key figure in the building and extension of the Chapel's program—conveying brotherhood, ecumenicity based on "unity without uniformity," and understanding through schools, churches and synagogues and community organizations.

Tonight at the Marriott City Line Hotel in the City of Brotherly Love, several hundred citizens will gather for the annual banquet of the Chapel in memory of the famed Four Chaplains, a further effort to memorialize them and keep alive the magnificent ideal they represent. Each year some of this nation's outstanding citizens are honored for their service to the nation—and among them are some of America's finest sons and daughters.

On the occasion of this evening's banquet, two of America's outstanding soldiers will be honored. General William Childs Westmoreland, United States Army, Retired, will be awarded the Chapel of Four Chaplains Gold Medallion. General Westmoreland, statesman, distinguished professional soldier, Commander of our Armed Forces in Vietnam at the peak of the fighting, is being recognized for his long service to our Country.

The other honoree is Chaplain (Major General) Kermit D. Johnson, Chief of Chaplains, United States Army, who will be awarded the Chapel's Rabbi Louis Parris Hall of Heroes Gold Medallion. Chaplain Johnson initially began his career as an Infantryman. After the Korean War, while continuing his service in the U.S. Army Reserve, he decided to study for the ministry. Following his formal study and ordination, he again entered upon active duty—this time as an Army Chaplain. His has been a distinguished military career as a "Soldier of God" for which the Chapel honors him tonight.

In the past year, plans, ideas and long-cherished dreams to promote the dramatic story of the Four Chaplains at a higher, wider level throughout the nation have been gaining momentum. It is hoped that in the year 1981 these plans will take shape with the promised help and interest of some of America's leading citizens and certain national service organizations, Civitan being one since it has sponsored Clergy Recognition Week in the nation during February—mainly growing out of a Civitan program in memory of the Four Chaplains.

At the forefront of the Chapel's wider efforts have been three men in particular who, through their individual and joint efforts, have brought to the Chapel—to be honored in the past year at special Vesper ceremonies—some of the country's most distinguished citizens from the areas of government, veterans organizations, educators and religious leaders, business men and service organizations' leaders.

These men are: Mr. Lucien Katzenberg, Jr., a distinguished, successful businessman in Philadelphia who, as a Trustee of the Chapel, has given much time and money over a long period of years to advance the central ideal of the Chapel. Another, Mr. John L. Koenig, also a Trustee of the Chapel who, as a U.S. Marine veteran, and as an Energy Public Affairs Consultant, has worked tirelessly for the Chapel; and the third is Dr. Karl Bennet Justus, Executive Director Emeritus of The Military Chaplains Association, a veteran Navy Chaplain of World War II, who has devoted most of the last two decades to the military chaplaincy in America and to the building of brotherhood and understanding in the nation and who, now, is working as a consultant for the Chapel in concert with Mr. Katzenberg, Mr. Koenig and Dr. Walter White.

As the Four Chaplains are remembered on this date in many parts of America, it seems desirable and appropriate "Lest We Forget" that they be remembered as a part of this day's Congressional Record.

TIME LIMITATION AGREEMENT—NOMINATION OF FRANK C. CARLUCCI TO BE DEPUTY SECRETARY OF DEFENSE

Mr. BAKER. Mr. President, this request has been cleared on both sides of the aisle. I have just conferred with the minority leader, and I believe that with one addition which I will state the agreement is without controversy.

Mr. President, I ask unanimous consent that when the nomination of Frank C. Carlucci is pending before the Senate it be subject to a time limitation of 2 hours, divided as follows: 1 hour divided and controlled by Mr. TOWER and Mr. STENNIS, 1 hour under the control of Mr. HELMS, plus 15 minutes under the control of the Senator from New York (Mr. MOYNIHAN).

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, the distinguished majority leader is referring to a time agreement that would be 2 hours and 15 minutes in its totality, am I correct?

Mr. BAKER. The minority leader is correct, and it provides specifically for 1 hour for the Senator from North Carolina, plus 15 minutes for the Senator from New York, and then another hour equally divided between the Senator from Texas (Mr. TOWER) and the Senator from Mississippi (Mr. STENNIS).

Mr. ROBERT C. BYRD. Mr. President, I thank the Chair.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. PROXMIRE. Mr. President, what is this unanimous consent for?

Mr. BAKER. This is the Carlucci nomination.

Mr. ROBERT C. BYRD. Mr. President, there is no objection on this side.

Mr. BAKER. Mr. President, I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank all Senators.

JOINT REFERRAL OF NOMINATION OF VICE ADM. B. R. INMAN TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

Mr. HATCH. Mr. President, I ask unanimous consent that the nomination of Vice Adm. B. R. Inman, U.S. Navy to be Deputy Director of Central Intelligence and to have the rank of admiral while serving be referred jointly to the Committee on Armed Services and the Select Committee on Intelligence, with each committee restricted to the consideration of that portion of the nomination in its jurisdiction.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEPARTMENT OF LABOR

NOMINATION OF RAYMOND J. DONOVAN TO BE SECRETARY OF LABOR

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the nomination of Mr. Raymond J. Donovan to be Secretary of Labor.

The nomination will be stated.

The legislative clerk read the nomination of Raymond J. Donovan, of New Jersey, to be Secretary of Labor.

The PRESIDING OFFICER. Time for debate on this nomination is limited to 4 hours, to be divided among and controlled by the Senator from Utah for 2 hours, the Senator from Massachusetts for 1½ hours, and the Senator from Wisconsin for one-half hour.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

I. INTRODUCTION

Mr. HATCH. Mr. President, today the Senate will fulfill its constitutional mandate on the nomination of Raymond J. Donovan to be the next Secretary of Labor. On January 29, following 2 days of extensive hearings, based upon what I believe has been the most thorough and exhaustive background investigation ever conducted by the Federal Bureau of Investigation on a Cabinet nominee, the Committee on Labor and Human Resources reported Mr. Donovan's nomination to the full Senate. The vote of the committee at the executive session on January 29 was yeas 11, nays 0, and 5 members voting present.

Because of the concerns of some members of the committee over certain allegations regarding Mr. Donovan, I agreed to the request that a report to the Senate be prepared by the committee. I believe such a report was unnecessary, and is highly unusual, if not unprecedented, in the case of Cabinet nominations. However, I aquiesced out of a desire to proceed with this nomination in a bipartisan manner and to accede to every reasonable request of those members of the committee.

I feel—and I hope Senator KENNEDY, the ranking minority member, shares this feeling—that I have done everything in my power to deal with every concern expressed by the members of the committee.

Each Member received yesterday, in addition to a complete record of the confirmation hearings of January 12 and 27, 1981, a report of the Committee on Labor and Human Resources on the Nomination of Raymond J. Donovan of New Jersey to be Secretary of Labor, together with additional views of Senators KENNEDY, PELL, EAGLETON, RIEGLE, and METZENBAUM.

One further item, Mr. President. When the printed report of the committee was delivered by the Government Printing Office, it was determined that four paragraphs had been inadvertently omitted from the additional views. In order to remedy this deficiency, an addendum to the report was immediately prepared and distributed to each Member of the Senate. I can assure you, Mr. President, that this oversight by the Government Printing Office was simply that—an oversight.

II. BACKGROUND AND QUALIFICATIONS

On December 16, 1980, then President-elect Reagan announced his intention to nominate Raymond J. Donovan of New Jersey to be the Secretary of Labor. In due course, that announcement was received by the Senate and referred to the Committee on Labor and Human Resources. Raymond J. Donovan has been the subject of extensive investigation by the committee.

Mr. Donovan is 50 years of age and resides in Short Hills, N.J. He is and has been since 1959 associated with Schiavone Construction Co., 1600 Paterson Plank Road, Secaucus, N.J. At the present time, he serves as executive vice president of Schiavone Construction Co.

Mr. Donovan is a unique product of the American experience. He is one of 12 children of David and Eleanor Donovan. He received his grammar school education in Bayonne, N.J. He then spent 3 years of high school and 2 years of college at St. Joseph's Preparatory Seminary in Holy Trinity, Ala., and 2 years of college at Notre Dame Major Seminary in New Orleans, La.

Mr. Donovan at one time intended to become a priest in the Roman Catholic Church. Through his attendance at seminary, he has the equivalent of a bachelor's degree, with a major in philosophy and a minor in theology.

After leaving Notre Dame in 1952, Mr. Donovan supported himself in the insurance business as a salesman and later as an assistant bond department manager. In 1957 Mr. Donovan was married to the former Catherine Sblendorio. From September 1958 to January 1959, Mr. Donovan worked for the Norton Insurance Agency of Englewood, N.J., as bond department manager. One of Mr. Donovan's duties at that time was to become familiar with contractors in the area in order to secure their bonding business for his employer. One of the men that Mr. Donovan met during the course of his business was Ronald Schiavone, who in 1956 had started the Schiavone Construction Co. with $20,000 that he had saved during his career as a civil engineer. Although Mr. Schiavone was operating out of the bedroom of his home at the time, in February 1959 Mr. Donovan left his position at the Norton Insurance Agency and invested his total savings—some $5,600—in Schiavone Construction Co. Since that time Mr. Donovan and Mr. Schiavone and the other officers of this company have guided it to a great success. In these past two decades Schiavone Construction Co. has performed approximately one billion dollars' worth of contracts.

Mr. Schiavone, the president of Schiavone Construction Co., graduated from Dartmouth College and received a masters degree in civil engineering, also from Dartmouth. Joseph DiCarolis, senior vice president—field operations, is a graduate of Princeton University with a degree in civil engineering. Richard Callaghan, senior vice president—internal engineering and design, is a graduate of Cornell University with a degree in civil engineering. Morris J. Levin, secretary—corporate counsel, has a degree in civil engineering from Brown University and is a graduate of Seton Hall Law School, admitted to practice in the State of New Jersey.

During the time Mr. Donovan served at Schiavone Construction Co., he worked on a day-to-day basis not only in the financial and business end of the company, but in the labor-management relations field. During this period he conducted negotiations and dealt with union representatives on a variety of problems. Mr. Donovan is not, therefore, a theorist in the field of labor relations. Mr. Donovan is a man with practical, on-the-job training; a man uniquely qualified by his background, his education, his commitment to the President, and by the fact that the President trusts him implicitly, to be Secretary of Labor.

III. FIRST HEARING

Pursuant to its normal procedure and prior to the committee's first hearing on Mr. Donovan's nomination, the FBI conducted a background investigation which covered Mr. Donovan's entire adult life since graduation from high school. During this investigation some 49 persons, consisting of current and former supervisors, coworkers, business associates, and social acquaintances were interviewed. They attested to his loyalty, responsibility, the fact that he is hardworking, dynamic, capable, and responsible, and they all recommended him for a position of trust and responsibility. During the initial background investigation the FBI noted that the central files of the FBI contain no pertinent information on Raymond J. Donovan. It did note that Schiavone Construction Co. is the indirect subject of a current FBI investigation based on allegations that a union president misused pension and welfare funds and received kickbacks of laundered money for awarding "sweetheart" contracts. The Schiavone Construction Co. and Raymond Donovan are not targets of this investigation and the FBI has found no criminal wrongdoing with regard to them.

In a supplemental FBI report dated January 7, 1981, the Director of the FBI advised the committee that two allegations had come to the Bureau's attention regarding Schiavone Construction Co. The first allegation was that in 1967 Schiavone Construction Co. made a payment to the Kantor Supply Co., reportedly a dummy company involved in illegal money laundering activities. The second allegation was that Schiavone Construction Co. had been criminally extorted by an officer of Teamsters Local 282 in New York City.

During the January 12 hearing before the Committee on Labor and Human Resources, Mr. Donovan was questioned extensively by all members of the com-

mittee present on his personal background, his attitude toward the problems in the Department of Labor, and subsequently answered in writing, a number of questions propounded by committee members pertaining to Mr. Donovan's views on the problems he will face at the Department of Labor. This material may be found on pages 182–224 of the hearing record.

The committee also delved deeply into the Kantor Supply Co. allegation and the allegation concerning extortion of the Schiavone Construction Co.

The Kantor Supply Co. allegation is based on an allegation by Irving Kantor, a now deceased organized crime figure, who said that at the behest of Joe Biancone, another organized crime figure, Kantor set up a money laundering operation called the Kantor Supply Co. According to Mr. Kantor, he would deliver blank invoices to various companies who would then remit a check payable to Kantor Supply Co. although no goods or services had been ordered from, nor had any been delivered by, Kantor Supply Co.

Kantor testified in connection with the grand jury proceedings in 1970 that on one occasion he gave a blank invoice to Schiavone Construction Co., and implied that he had picked up a check at the same time. The Schiavone Construction Co. records indicated that a check had been issued to Kantor Supply Co., on August 30, 1967, in the amount of $13,000. An internal memo filed with this check stated the check was for the right to dump landfill material at a particular site in connection with work Schiavone Construction Co., was doing on the New Jersey Turnpike. The memo authorizing the payment was initialed by Mr. Donovan. It now appears that Mr. Kantor may not have owned the property where he claimed to have dumping rights, although the ownership rights are still unclear.

Mr. Donovan testified that he had no involvement in the selection of the site and that payment was made after the dumping had been completed.

To date Schiavone Construction Co. has never been asked to remove fill from any site where it dumped, nor has it in this case. So far as Schiavone Construction Co. and Mr. Donovan are concerned, this transaction was in the regular course of business, and it was not until several years later that any questions were raised about it.

It is interesting that when Mr. Donovan and Mr. Schiavone read in a Newark newspaper that there was an investigation concerning the Kantor Supply Co., their reaction was immediate. Mr. Schiavone and Mr. Donovan sought a meeting with the U.S. attorney and explained the background of the $13,000 check. They explained that Schiavone Construction Co. had never done any work for the city of Newark. The U.S. attorney was operating on the assumption that Kantor Supply Co. money was being used to unduly influence public officials in the city of Newark.

Schiavone Construction Co. officers, including Mr. Donovan, volunteered to be interviewed and they were interviewed. Schiavone Construction Co. also made available voluntarily any materials that it had in the way of books, checks or records. The U.S. attorney later subpenaed the company's books and records, and three large truckloads of materials were supplied. All were reviewed by the U.S. attorney and by the Internal Revenue Service. After 3 years of examination, the Schiavone books and records were returned by the U.S. attorney, and the IRS sent a "no change" letter signifying that the company's taxes had been accurately and fully paid.

The testimony by Mr. Donovan and the facts brought to the attention of the committee mandated our conclusion that Mr. Donovan had no specific knowledge of this transaction and had no reason to question it at the time. Schiavone Construction Co. did, in fact, dump fill, as it had contracted to do, and whether or not Kantor Supply Co. may have been a conduit for political payoffs to Newark officials, Schiavone Construction Co., since it did no work in the city of Newark, stood to gain nothing from such a payoff. The committee concluded that the Schiavone Construction Co. was, at most, an innocent participant in Mr. Kantor's nefarious scheme.

The second allegation considered at the January 12 hearing was the hiring by Schiavone Construction Co. of Joseph Murray, the chauffeur for Harry Gross, the business agent with Teamsters Local 282 in New York City.

In 1977, while Schiavone Construction Co. was working on the 63rd Street subway excavation job on a two shift basis, a decision was made to experiment with a third shift. As soon as the third shift began, Mr. Gross demanded that a working Teamster foreman be assigned to the shift. This was initially refused by Schiavone Construction Co. Thereafter, when the decision was made to continue the shift on a permanent basis, Mr. Gross again made his demand. Joseph DiCarolis, the vice president in charge of field operations, sought the advice of William Finneran, the executive director of the General Contractors of America, the heavy construction trade association for metropolitan New York City of which Schiavone Construction Co. was a member. Mr. Finneran's office advised Mr. DiCarolis that Schiavone Construction Co. was a party to a multiemployer bargaining agreement with Local 282 and that one of the provisions of that agreement stated, "If the job is a multishift job, there shall be a WTF (Working Teamster Foreman) for each shift." Based on this advice, Mr. DiCarolis acceded to Mr. Gross' demand.

The man chosen by Local 282, Mr. Murray, was paid but he did not work. Ordinarily, a working Teamster foreman is responsible for assuring that only Teamster drivers come to a job site, policing the collective bargaining agreement and conducting safety checks on the trucks. None of these duties inure to the benefit of the contractor; they inure to the benefit of the union. In this instance, no hauling could be done at night because of the antinoise restrictions in New York City; therefore there was nothing for Mr. Murray to do. Nevertheless, Schiavone was required to place him on the payroll, and did so.

Mr. Gross is currently under investigation by the U.S. attorney in New Jersey. Mr. DiCarolis and two other Schiavone Construction Co. employees were subpenaed to testify before a grand jury concerning Mr. Gross. The other two employees appeared briefly to identify documents, and Mr. DiCarolis testified for approximately 5 minutes and recalls that he said Schiavone Construction Co. had not been extorted. Mr. Donovan became aware of the grand jury shortly before the January 12 hearing because Mr. DiCarolis had not felt that the matter needed to be brought to the attention of Mr. Donovan.

Subsequent to the January 12 confirmation hearing, Senator KENNEDY and I were advised by Judge Webster that allegations concerning Mr. Donovan and the Schiavone Construction Co. had been made by a protected witness of the FBI, Ralph Michael Picardo. I therefore directed the FBI to use every resource at their command to run down each allegation that had been made which was material to Raymond Donovan's nomination and to keep Senator KENNEDY and me fully apprised of all developments.

In carrying out its portion of the investigation, the FBI utilized 62 special agents, 8 supervisory personnel, and other support personnel, comprising 1,400 man hours in interviewing people and correlating information. This took place in 14 field offices as well as FBI headquarters. The FBI contacted 20 informants and protected witnesses—12 in New York and 8 in New Jersey. As an example of the thoroughness of the FBI investigation, the FBI utilized 26 special agents, including three special agent accountants, one of whom was a CPA, in reviewing the records of the principal Schiavone enterprises.

These agents examined 20 cash disbursements journals, 90,000 cancelled checks and an equal number of invoices for the period 1965–70. Records were available at Schiavone Construction Co. to cover the entire period in question—1965–66. As testified by Mr. Francis M. Mullen, Executive Assistant Director, Investigations, Federal Bureau of Investigation, the prospects of the FBI having missed any records relating to the transactions alleged by Mr. Picardo were "extremely remote."

In my opinion, and the opinion of at least 10 other Senators on the committee, Mr. President, the FBI investigation of the allegations made against Mr. Donovan by Mr. Picardo and the other sources was as thorough, as detailed and as extensive as could be asked. Although there was a limited amount of time in which to conduct this investigation, Mr. Mullen stated that shortage of time was not an inhibiting factor. The FBI simply used more resources to accomplish the task in the shorter period of time.

Ralph Michael Picardo is a paid informer who is presently under the FBI's protection. At one time Mr. Picardo was protected by the U.S. Marshal's office, but because of complaints that he made against the U.S. Marshal's office, he is

presently being handled by the FBI, which pays him maintenance expenses and provides protection. Mr. Picardo has lived a life of crime. He is the first person to admit it. He was charged with contempt of court in 1968, passing bad checks in 1969, theft from interstate shipment in 1969, and murder in 1974. In 1974 Mr. Picardo was convicted of murder in the second degree and was sentenced to serve 15–20 years in prison. During that period, an attempt was made on Mr. Picardo's life, and thereafter Mr. Picardo became a protected informant and witness for the Federal Government.

Mr. Picardo has testified in four cases for the FBI and is deemed by the FBI to be a "reliable" informant. It should be pointed out that the FBI defines a "reliable" informant as an individual who over a period of time furnishes information which is later verified. It has been pointed out that when Mr. Picardo testified previously, his testimony was corroborated by someone else or something else. As I will point out later, Mr. President, in this particular instance none, I repeat none, of Mr. Picardo's charges against Mr. Donovan could be corroborated, despite the massive investigation by the FBI.

The allegations against Mr. Donovan and Schiavone Construction Co. were considered in a detailed hearing by the Committee on Labor and Human Resources on January 27, 1981. At the commencement of that hearing Senator KENNEDY made available for the record a copy of the January 23, 1981 report of the FBI which may be found on pages 233–251 of the hearing record. It should be pointed out that in a few instances names were excised from the report in order to protect the confidentiality of the informants, and in one case, which I will discuss later, full paragraphs were stricken from the report prior to its being placed into the record.

The allegations considered by the FBI and examined at the January 23 hearing consisted of allegations by Mr. Picardo as well as a number of allegations from other sources. Because of the limited time, Mr. President, I do not propose to respond in detail to all of the allegations, but I would commend to the attention of my colleagues pages 25–27 of the committee report, which summarizes some of these allegations and sets forth the findings of the FBI and the committee in regard to the allegations. I will point out, however, that each and every allegation made against Mr. Donovan was explored, discussed, probed, and I believe resolved in his favor in that hearing. No allegation was shied away from; no issue was ducked; no question was left hanging.

Some of the allegations of Mr. Picardo and the other anonymous sources were not subject to resolution by normal investigative techniques. I will deal with those allegations a bit later, Mr. President. Some of Mr. Picardo's allegations were, however, subject to investigative scrutiny by the FBI, and in each and every instance these allegations proved to be false.

For example, Mr. Picardo stated that he believed Schiavone paid for "labor peace" during the construction of the Port Authority landfill in 1971 or 1972, which subsequently became the Newark Airport. As the FBI report and Mr. Donovan both point out, Schiavone Construction Co. did not do work on the Port Authority landfill in 1971 or 1972. Mr. Picardo, I submit, was flat-out, dead wrong. Not mistaken, not just close; but completely and totally wrong.

In another instance, Mr. Picardo states that in late 1969 or early 1970 he was told by Salvatore Briguglio—now deceased—that Moscato Contractors was run by organized crime elements and were subcontractors for Schiavone Construction Co. frequently as a means of assuring "labor peace." Mr. Donovan denies any knowledge of Moscato Contractors, and an FBI search of the Schiavone Construction Co. active and inactive vendor cards found no card for a Moscato or Moscato Contractors. In addition, the FBI Newark field office could not even find a Moscato Contractors operating in New Jersey, let alone find a connection between Moscato Contractors and Schiavone Construction Co. Again, I submit, a specious, false, and thoroughly disproved allegation.

In another instance, Mr. Picardo indicated that in 1968 when he was part owner of the Taylor Trucking Co., Taylor Trucking Co. would often haul the same shipment of precast concrete to a Schiavone construction site as many as 20 times, receiving payment for the shipment on each occasion. Mr. Picardo alleged that these overpayments were a means of buying "labor peace." Mr. Picardo stated that this story would be corroborated by another witness of Utica, N.Y., if he could be located. This other witness was located by the FBI and recalled phony invoices for precast concrete slabs used for curbs on the Long Island Expressway and for the construction of a building at Lake Success. He further stated that it was common knowledge that "ghost loads" were being billed for the Long Island Expressway. However, he stated he could not furnish any specific information because he never saw any paperwork or payoffs relating to them.

Mr. Donovan pointed up in his testimony that Schiavone Construction Co. has never done work on the Long Island Expressway, nor was it involved in any building at Lake Success. As a matter of fact, Schiavone Construction Co. does not erect buildings.

Mr. Picardo further claimed that Schiavone Construction Co. received public contracts through a man he believed to be a State senator named Musto. William Musto, State senator of the State of New Jersey and the current mayor of Union City, is the subject of a current FBI investigation. The FBI found no evidence to support Mr. Picardo's allegation. Mr. Donovan pointed up that Schiavone Construction Co. has never done work in Union City, N.J., and in fact does not do work for municipalities. Another specious allegation.

The foregoing allegations by Mr. Picardo are the only allegations he made that were susceptible of corroboration by normal investigative techniques. In each case the FBI followed the leads supplied by Mr. Picardo; in each case these leads turned out to be useless and the allegations proved to be false.

The more troublesome aspect of Mr. Picardo's allegations involve his tale during the period 1965–66 while he was employed by Salvatore Briguglio, a now deceased organized crime figure. Picardo states he called on Schiavone Construction Co. approximately 10 times, and on each occasion would give a blank invoice in exchange for a check drawn on a Schiavone account for approximately $500. Mr. Picardo states that on three or four of these occasions he was given this check by a man he called "Ray".

I do not intend to belabor the many instances in which the threads of Mr. Picardo's fabric was unravelled during the hearing an January 27. However, this one point I do feel merits elaboration. Mr. Picardo's physical description of the man he knew as "Ray" included the detail that "Ray" wore plastic framed glasses. I specifically asked the FBI to requestion Mr. Picardo on that point and I specifically asked my chief counsel to ask Mr. Picardo that detail. Mr. Picardo sticks to that version. The fact of the matter is this. Ray Donovan has never worn plastic framed glasses in his entire life. He only began to wear silver metal framed glasses 4 years ago. Previously he only wore reading half-moon glasses at home when he was reading. These were half lens glasses with black metal frames. Mr. Picardo's story unwinds with the telling.

Mr. Briguglio and Mr. Donovan are the only people who could verify this allegation by Mr. Picardo. Mr. Briguglio is dead, Mr. Donovan denies emphatically even knowing Mr. Picardo and denies emphatically that he was ever extorted or that Schiavone Co. was ever extorted.

The FBI in an effort to corroborate this story, conducted a massive investigation of the books and records of the Schiavone Construction Co., as I previously indicated, and was unable to find any checks payable to the companies Mr. Picardo stated he utilized in submitting fraudulent invoices. It is Mr. Picardo's story that suggests that checks and invoices were the scheme utilized. As pointed out in questioning by Senator EAGLETON, in this sort of shakedown the normal procedure would be to use cash. Nevertheless, Mr. Picardo stated that checks on the "Schiavone" account were utilized, and the FBI, despite hundreds of man-hours of searching some 90,000 checks and invoices, was unable to find any checks or any invoices during the period in question and cannot therefore corroborate in any way Mr. Picardo's allegation. I ask my colleagues to judge closely this allegation given the amount of time and effort put into its investigation.

Another allegation made by Mr. Picardo was that in 1971 or 1972 he saw the person he now identifies as Ray Donovan having lunch at Archer's

Restaurant with Salvatore Briguglio and Tommy Eboli. He stated further that he was told several days after the lunch that the person he saw with Mr. Briguglio and Mr. Eboli was "Ray, one of the executives from Schiavone."

Mr. Briguglio, as previously pointed out, is deceased. Tommy Eboli is also deceased. Information reported to the FBI indicated that Archer's Restaurant, Fort Lee, N.J., was reputed to be a meeting place for individuals associated with organized crime. Mr. Donovan, the only living witness to this event other than Mr. Picardo, emphatically denies knowing Mr. Briguglio or Mr. Eboli and, of course, denies having lunch with them at Archer's or any place else. Mr. Donovan states he did at one time have lunch at Archer's with his partners, and he recalls that while there he saw Phil Rizzuto, the baseball player. I ask you to weigh the reliability of this allegation given the weight of the false allegations from the same source.

The last series of allegations which the committee had to deal with and which, as I will later point out, caused difficulty to those members who provided additional views, had to do with a statement in the FBI report that "sources" indicate that Schiavone Construction Co. is "mobbed up." And further that Schiavone Construction Co. is closely alined with organized crime elements through its contacts with Jopel Construction Co., headed by William Masselli. One of these same sources alleged that Mr. Donovan was acquainted with organized crime figures through Mr. Masselli, both socially and through business.

The FBI pointed up that these informants were generally considered to be reliable but most, if not all, were criminals. None of the informants was able to give any further particulars as to the charges. No names, no dates, no places, no times. Only hearsay. The representatives of the FBI who supervised the investigation in a conference with Senator KENNEDY and me, indicated that it is not unusual for informers to report rumors and unfounded hearsay which, so far as they know, is correct simply because they have heard it.

It is noteworthy that of the 20 sources contacted by the FBI in the New York area, only three sources had heard anything about Schiavone Construction Co. and Raymond Donovan. The other 17 sources had no adverse information at all. It is also noteworthy that the FBI was unable to further investigate these charges simply because they are nonspecific and generalized in nature.

Mr. Donovan, in his testimony, stated that Schiavone Construction Co. has done business with Jopel Construction Co. and that Jopel Construction Co. is a minority business enterprise so certified by the New York Transit Authority. Further, that Schiavone Construction Co. first became aware of Jopel Construction after a subcontractor about to go bankrupt had asked that Jopel take over its contract with Schiavone Construction Co. Mr. Donovan stated that he knows Mr. William Masselli from having seen him on the job site at most three times in his life; that he has never had any social contact with Mr. Masselli, and was unaware until he saw the FBI report that Mr. Masselli had any ties with organized crime.

The other difficult allegation which the committee investigated was a report by a protected witness of the FBI, one Patrick Kelley, which was made orally to the FBI and reported to me and to Senator KENNEDY prior to the commencement of the hearings. The FBI also testified about this allegation during the hearing. According to the FBI, on January 26, Mr. Kelley telephonically advised the FBI that he had heard that the Schiavone Construction Co. had ties with the Genovese crime family and further that he had heard Ray Donovan's name in a conversation pertaining to bid rigging.

Although Mr. Kelley did provide the FBI with the names of several individuals who were present during the conversation, Mr. Kelley could provide no names, no dates, or no contracts to corroborate Schiavone ties to the Genovese family or to attempted bid rigging. Nor did he indicate that the other named individuals could do so. The FBI, as the investigative arm of the executive branch, made an institutionalized decision at that time, that Mr. Kelley's leads were general and nonspecific in nature and did not merit further investigation. With all due respect to any member of this body who feels otherwise, as chairman of the Committee on Labor and Human Resources, I am not prepared to second guess the FBI and ask them to expend another 1,400 hours in pursuing puffs of smoke floating about New Jersey and New York. Their decision, as embodied in this letter to me, dated February 2, 1981, is sufficient for me, and I believe for any other fair-minded U.S. Senator. This letter reads as follows:

DEAR MR. CHAIRMAN: In response to your letter this morning regarding the investigation of Raymond J. Donovan and the information furnished to the FBI by Patrick Kelley, I wish to make you aware of the following:

Patrick Kelley originally came to the FBI's attention in connection with the background investigation of Mr. Donovan, as a result of information furnished by representatives of your Committee. It was pointed out that Mr. Kelley, who is in the witness security program, ran a major construction company in New Jersey for some years, knows of mob activities of many kinds involving construction companies throughout Northern New Jersey and would know about the activities of the Schiavone Construction Company (SCC) and Raymond J. Donovan.

After several unsuccessful attempts to reach Mr. Kelley, he telephonically contacted the FBI on the afternoon of January 26, 1981. He advised that SCC has a reputation for having connections with organized crime elements; however, he was unable to identify anyone at SCC who had those contacts. He stated he did hear Mr. Donovan's name mentioned only once. This was during a meeting he attended with three other individuals during which road contracts in New Jersey were being discussed. One of these individuals, whose last name he could not recall, mentioned Mr. Donovan's name in connection with bid-rigging to obtain these contracts. Mr. Kelley furnished no additional information concerning this meeting and did not identify the contracts involved or the time during which they were sought, nor did he elaborate on Mr. Donovan's role. When questioned further, Mr. Kelley could not provide any additional information regarding Mr. Donovan.

The information obtained from this interview was furnished orally to representatives of your committee, who originally provided the information to the FBI and was also commented upon during testimony on January 27, 1981, before the Committee. A review of the files of the Newark and New York offices gives no indication that Mr. Donovan, acting alone or on behalf of SCC, was involved in bid-rigging concerning contracts.

As I stated during my testimony before the Committee on Labor and Human Resources on Tuesday, January 27, 1981, the FBI conducted a background investigation which I believe was more than adequate to determine Mr. Donovan's suitability for the position of Secretary of Labor. No additional information has come to the attention of the FBI which would warrant further effort in a criminal or applicant-type investigation. As I have indicated, both in my testimony and in prior communications to you, the preponderance of information developed was entirely favorable to Mr. Donovan.

Sincerely yours,

FRANCIS M. MULLEN, Jr.,
Executive Assistant Director, Investigations, Federal Bureau of Investigation

IV. DISCUSSION

The Raymond J. Donovan confirmation hearings could well have come directly from the pen of Alan Drury in writing "Advise and Consent". The hearing has been replete with informed sources, convicted murderers, informants and the denizens of an underworld which each of us knows exists, but with which we are unfamiliar. This has been a trying experience for the members of the committee, but it has been a particularly trying experience for Raymond J. Donovan and his family, as well as the officers and employees of the Schiavone Construction Co.

As I have participated in this process, Mr. President, I have often been reminded of the wisdom of our forefathers when they adopted the sixth amendment to the Constitution of the United States, which provides that an accused shall enjoy the right to be confronted with the witnesses against him. In this case, Ray Donovan—though, admittedly, not an "accused" in the sixth amendment sense, has not had the advantage of confronting the witnesses accusing him. In fact, with the exception of Mr. Picardo and a few others mentioned in the FBI report he does not even know the names of those who have made charges against him. He has never met them, has never had the chance to test their knowledge and, because these are protected informants, he will never have that opportunity.

The Committee on Labor and Human Resources has likewise been denied the normal tools for ascertaining the truth—the ability to cross-examine, the opportunity to observe the demeanor of a witness and the chance to test his knowledge. We also have been confronted with a phenomenon in this hearing, Mr. President, which I have not experienced during my entire Senate experience—namely, that an allegation once made, no matter how remote, no matter that it is based on rank hearsay, no matter that it is utterly conclusionary, can never be totally discarded because, at least some Senators argue, it cannot be disproved.

An obvious example of this dilemma is Mr. Picardo's statement that he was told

by Salvatore Briguglio in late 1969 or 1970 that Schiavone Construction Co. was making direct cash payoffs to Briguglio and that he was receiving them from "Ray, the boss at Schiavone." Mr. Donovan, of course, denies that he knew Mr. Briguglio; he denies as well making any payment to Mr. Briguglio, cash or otherwise. But under the reasoning of some Senators, this does not disprove the allegation. Since Mr. Briguglio is dead, there is simply no way the FBI, Mr. Donovan, or this committee can proceed further, and yet some members would argue that this casts a cloud on Ray Donovan, a cloud that casts a question on his ability to serve as Secretary of Labor.

Those members of the committee who voted favorably on Mr. Donovan's nomination have refused to accept this litany of despair. We do not feel that unsupported, hearsay, conclusionary, allegations made by a convicted murderer or unnamed source should overcome all the other evidence that the committee had to consider.

This committee has had the benefit, as I have pointed out, of a massive FBI investigation. The FBI further testified that a review of all of their court ordered wiretaps over a 10-year period directed at organized crime in the New Jersey area, which included the trucking industry, revealed no mention of Raymond Donovan or the Schiavone Construction Co.

The committee had the knowledge that the supervisory official of the FBI, which had ongoing investigations into Jopel Construction, into the Gross matter, and access to untold amounts of information concluded from their investigation, and I quote Mr. Mullen as late as January 29:

> I stand by the results of this investigation, which surfaced no information which would reflect unfavorably upon Mr. Donovan in any manner.

In addition, both the FBI Director and the FBI testifiers testified that they felt that their investigation had resolved itself in favor of Mr. Donovan. Furthermore, those who testified for the FBI said that had there been a criminal investigation they would have discontinued it a long time ago for lack of evidence.

In addition to the FBI investigation, the committee had the benefit of a long and intensive examination of Mr. Donovan, a man who has never been arrested, has never been charged with any crime, has never been the target of any investigation, and who has never appeared before a Federal or State grand jury. Mr. Donovan, unlike Mr. Picardo, who refused to testify publicly before the committee or in an executive session, freely took an oath and freely answered all the questions put to him by all members of the committee. We had the opportunity to see him, to test his knowledge, to expose him to cross-examination, and I think it is fair to say, Mr. President, that Mr. Donovan passed these tests with flying colors.

One additional fact—letters of support for Mr. Donovan were received from Judge Frederick B. Lacey, U.S. District Court for the District of New Jersey; Lawrence A. Whipple, senior judge, U.S. District Court for the District of New Jersey; and a telegram from Judge Herbert J. Stern, U.S. District Court for the District of New Jersey. These letters are pertinent because U.S. District Court Judges do not normally participate in confirmation proceedings. The letters from these three judges are particularly important because Judge Lacey and Judge Stern were both U.S. attorneys who conducted investigations of construction firms in New Jersey, including the Schiavone Construction Co. and both support Ray Donovan's confirmation. Judge Whipple had the occasion during a bankruptcy proceeding, in which Schiavone Construction Co. was a proponent, to observe the testimony of Raymond J. Donovan, who testified on behalf of the company. As Judge Whipple points out in his letter of January 26, 1981, which is found on page 325 of the hearing record:

> During the course of this proceeding there was raised a question of a current Grand Jury investigation of the books and records of Schiavone Construction Co. which conceivably could affect the ultimate outcome of the reorganization proposals. I inquired of the then United States Attorney, Herbert J. Stern and requested information as to the status of the investigation. Mr. Stern visited my chambers and informed me that the company had in effect a clean bill of health and accordingly I noted on the record of that proceeding that fact. It was my opinion then and is now, that Schiavone Construction Co. was a company that could be depended upon and was a reputable and reliable proponent in the reorganization proceeding.

Yes, Mr. President, the committee has had hard, solid evidence, and every bit of that evidence has led to the conclusion of the 11 members who favorably reported Mr. Donovan's nomination to the Senate.

I respectfully disagree, Mr. President, with one member of the committee who observed that in his opinion Mr. Donovan did not have a "towering reputation" in the labor field. Mr. Donovan is not from the groves of academe. Neither has he published widely on the subject of labor-management relations. But this is not to suggest for a moment that he is not qualified by real, honest-to-goodness on-the-job training to become one of the great Secretaries of Labor.

Mr. President, I do not feel that only academics—or only union leaders, for that matter—can well serve at the Department of Labor. I think Mr. Donovan, though he probably would describe himself as a common man, is uncommonly qualified and for that reason I support him wholeheartedly.

I am sure many of my colleagues are aware that after our hearing on January 27 Mr. Picardo appeared on the "Today" show on NBC network television and in an interview restated some of his allegations. This may well have been good theater, Mr. President, but it was hardly becoming of a man who had refused to testify before the committee unless certain impossible conditions were met. And Mr. Picardo stated nothing on the "Today" show that he had not been previously thoroughly investigated by the FBI. After I learned of Mr. Picardo's appearance, I inquired of Mr. Mullen about the appearance, and received from him a letter dated January 29, which reads as follows:

Hon. ORRIN G. HATCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATCH: In response to your inquiry this morning regarding Ralph Picardo's appearance on the Today Show which occurred this morning, I wish to make you aware of the following information:

Mr. Picardo's appearance was undertaken by him without the support or concurrence of the FBI. Mr. Picardo made arrangements for his appearance on his own, and while we cannot prevent him from dealing with the media he is doing so entirely on his own accord.

I have observed Mr. Picardo's appearance and wish to restate that the background investigation of Mr. Raymond Donovan, conducted by the FBI, was thorough and complete, and the short time frame did not detract from the overall investigation inasmuch as we utilized substantial resources. I stand by the results of this investigation which surfaced no information which would reflect unfavorably upon Mr. Donovan in any manner. No new information has come to my attention since my testimony before the House Committee on Labor and Human Resources on Tuesday, January 27, 1981, to mitigate any statements made during my testimony.

Sincerely yours,
FRANCIS M. MULLEN,
Executive Assistant Director,
Investigations.

I can think of no more fitting conclusion to my remarks than to reemphasize a point Mr. Mullen made in that letter; namely, "... this investigation ... surfaced no information which would reflect upon Mr. Donovan in any manner." Mr. President, Mr. Donovan has survived the most grueling investigation of any Cabinet nominee, certainly in my lifetime. He deserves not only the support, but the admiration of the Senate, and it is my hope that very shortly we will show him by our votes that he is believed by this body so that he may go forward and carry on the great duties that await him.

Mr. President, I think it would be a shame, all things considered, the extent of the investigation, the extent of the committee work, the extent of the opportunities to observe and examine Mr. Donovan, if we took the word of hearsay testimony and the word of a convicted murderer over that of Mr. Donovan.

I think there is no question that all of us who believe that Mr. Donovan should receive this nomination are relying heavily upon the total investigation and what the FBI has found. There is no question about it.

On the other hand, I believe everybody there who observed Mr. Donovan personally had to feel as I did, that this is an exceptional individual and we believe an honest person.

I think it is time to bring this matter to a close.

Certainly there are others who want to speak to it, but at this time I ask for the yeas and nays on this nomination.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I also ask unanimous consent that various letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DISTRICT COURT,
DISTRICT OF NEW JERSEY,
Newark, N.J., January 26, 1981.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR SENATOR HATCH: I am presently serving as Senior Judge in the United States District Court for the District of New Jersey, having been the former Chief Judge of this Court. During my tenure as District Judge, I was assigned the Imperial "400" case, a reorganization matter in which Schiavone Construction Co. was one of many proponents. I had the opportunity to observe and reflect on the testimony of Raymond J. Donovan who was one of the majority stockholders and an officer of the company. Mr. Donovan testified at great length and was exposed to vigorous cross-examination by other attorneys representing proponents and by attorneys representing the Securities and Exchange Commission. His veracity and truthfulness was never questioned and he impressed me as an honest, credible and truthful witness.

During the course of this proceeding there was raised a question of a current Grand Jury investigation of the books and records of Schiavone Construction Co. which conceivably could affect the ultimate outcome of the reorganization proposals. I inquired of the then United States Attorney, Herbert J. Stern, and requested information as to the status of the investigation. Mr. Stern visited my chambers and informed me that the company had in effect a clean bill of health and accordingly I noted on the record of that proceeding that fact. It was my opinion then and is now, that Schiavone Construction Co. was a company that could be depended upon and was a reputable and reliable proponent in the reorganization proceeding.

In my judgment, based upon my experience over the years in innumerable criminal and civil trials, that Mr. Donovan as a witness is one in whose word and testimony I would believe. It may be also noted that the books, corporate records and financial statements of Schiavone Construction Co. were examined in minute detail, marked in evidence and at no time was there any indication of any improper holding of stock by unnamed parties or any improper or illicit dealings by officers of the company.

I am available to testify on behalf of Mr. Donovan at any time before your Senate Committee, but again I reiterate, that this man has a reputation in the community beyond reproach. I unhesitantly recommend him for confirmation as Secretary of Labor.

Very truly yours,

LAWRENCE A. WHIPPLE,
U.S. District Judge.

U.S. DISTRICT COURT,
DISTRICT OF NEW JERSEY,
Newark, N.J., January 26, 1981.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR SENATOR HATCH: I have been asked to address this letter to you.

While United States Attorney, engaged in directing the City of Newark prosecution and grand jury investigation, I suggested, and the grand jury authorized, issuance of subpoenas to virtually every large construction firm in Northern New Jersey, for production of records and testimony of their principals. In some instances criminality was uncovered; and in certain cases, we encountered "stonewalling" or resistance. Such was not true of Schiavone Construction Co. or its principals from whom my office received complete cooperation.

To my knowledge, Mr. Raymond J. Donovan is a responsible businessman who enjoys a reputation for honesty and integrity in the State of New Jersey and elsewhere.

Sincerely,

FREDERICK B. LACEY.

JANUARY 26, 1981.

Hon. ORRIN G. HATCH,
U.S. Senator, Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

At the request of Joseph Nolan, attorney for Schiavone Construction Company, I am confirming that during my tenure as United States Attorney for New Jersey, 1971 to 1973, the books and records of the Schiavone Construction Company were examined by members of my staff and investigative agents. No evidence of any wrongdoing was found.

Sincerely,

HERBERT J. STERN,
U.S. District Judge.

BUILDING AND CONSTRUCTION
TRADES DEPARTMENT,
Washington, D.C.

Hon. ORRIN G. HATCH,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

On behalf of the Building and Construction Trades Department of the AFL–CIO we urge you to expedite the confirmation of Mr. Donovan as Secretary of Labor. There are many urgent matters pending at the Labor Department of vital interest to workers which will not be processed without a Secretary of Labor. It is our information that although Mr. Donovan does not concur in all of our views that he is a reasonable and fair person with a great deal of integrity, therefore, we again ask you to expedite his confirmation so that the business of the Labor Department can be conducted without delay.

Sincerely,

ROBERT A. GEORGINE,
President.

JANUARY 12, 1981.

Senator ORRIN HATCH,
Dirksen Office Building, U.S. Senate,
Washington, D.C.

DEAR SENATOR HATCH: I sincerely trust that Mr. Donovan will be confirmed for the appointment to serve as Secretary of Labor. My organization leaders in New Jersey indicate that he has genuine insight and sensitivity with reference to the self help principles and the need for employment training that we know to be most cost effective.

I feel certain that the Senate should concur in the judgment of the President-elect that Mr. Donovan will serve effectively in the public interest. Thank you.

Sincerely,

Rev. LEON SULLIVAN,
Chairman, CIC of America.

INTERNATIONAL UNION OF
OPERATING ENGINEERS,
Washington, D.C., January 26, 1981.

Hon. ORRIN G. HATCH,
Chairman, Labor and Human Resources Committee, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR HATCH: I am taking the liberty of writing to you in support of the confirmation of Raymond Donovan as Secretary of Labor.

Mr. Donovan brings an abundance of practical experience and managerial skills to the Executive Branch of our Government. In particular, I refer to his labor relations experience. Mr. Donovan enjoys an excellent reputation both in the business community and organized labor.

The leaders of our local unions, as well as other unions in the building trades who have dealt with him in labor matters, advise me that he is honest, fair and a man of great integrity.

In the decade ahead it is apparent that the construction industry will play a key role in the literal rebuilding of America and in establishing a sound and healthy economy. I firmly believe that Mr. Donovan has much to offer in contributing to the achievement of this goal.

In summary, I endorse without qualification Mr. Donovan's confirmation.

Sincerely,

FRANK HANLEY,
General Secretary-Treasurer.

BROWN, CONNERY, KULP, WILLE,
PURNELL & GREENE, ATTORNEYS
AT LAW AND PROCTORS IN ADMIRALTY,
Camden, N.J., January 26, 1981.

Re Raymond J. Donovan Labor Secretary Designate

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR SENATOR HATCH: I served as Chairman of the New Jersey Commission of Investigation from January 1974 to February 1979. The Commission has the responsibilities of publicly exposing wrongdoing by fact-finding investigations and of recommending new laws and other remedies to protect the integrity of the political process.

The paramount statutory responsibilities vested in the Commission are set forth in Section 2 of its statute. This section provides:

2. The Commission shall have the duty and power to conduct investigations in connection with:

(a) The faithful execution and effective enforcement of the laws of the state, with particular reference but not limited to organized crime and racketeering.

(b) The conduct of public officers and public employees, and of officers and employees of public corporations and authorities.

(c) Any matter concerning the public peace, public safety and public justice.

The public record confirms that the Commission functioned aggressively in response to this mandate.

I can state for the record that I know of no improper or illicit dealings on the part of Raymond J. Donovan or Schiavone Construction Co. To my knowledge, Mr. Donovan is an honest and credible businessman, who enjoys an excellent reputation.

I will be happy to amplify any statements personally if you feel it necessary.

Respectfully yours,

JOSEPH H. RODRIGUEZ.

ALLENHURST, N.J.,
January 26, 1981.

Re Raymond Donovan, U.S. Secretary of Labor Designee.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR SIR: Please be advised that the undersigned enthusiastically and without reservation recommends to your Committee the confirmation of Mr. Raymond Donovan as United States Secretary of Labor.

It has been my happy experience to know Ray as a close personal friend for a period of time in excess of fifteen years.

We have mingled socially and our families have been together on many special occasions.

During these many years, I have never heard anything which would impinge upon the good name or reputation of Mr. Donovan. He is a man who lives by his personal word and I would trust him implicitly in any situation. He possesses the highest degree of integrity and honesty—is a dedicated family man—and loves his Country.

In order for you to know my background, may I respectfully inform you that I am an Attorney at Law, licensed to practice in the States of New York and New Jersey—a former Professor of Business Law at Fordham University and St. Peter's College (New Jersey)—and recently (January 1, 1981) retired as a Superior Court Judge of New Jersey, after serving nine years on the Judiciary. Naturally, my endorsement of Raymond Donovan is as a private Citizen.

In my opinion, the Citizens of the United States will be well served if Raymond Donovan, is, in fact, confirmed as our next Secretary of Labor.

Respectfully,

MAURICE A. WALSH, Jr.

SHRINE OF SAINT JOSEPH,
Sterling, N.J., January 26, 1981.

Senator ORRIN G. HATCH,
Chairman, Senate Labor and Human Resources Committee, Senate Office Building, Washington, D.C.

DEAR SENATOR HATCH: I hereby testify from long, personal knowledge, that Mr. Raymond Donovan is a man of deep personal and professional integrity and honesty. A deeply religious man, he is fully committed to his Faith and to its moral principles.

Over the many years that I have known him, he has shown always strength of character and moral stature. His personal and family life, as well as the conduct of his business and other affairs, have been distinguished by his character and moral principles. Combined with these qualities is a mind and intelligence of substances and depth. His administrative abilities are evident as his success in the management of his business affairs most amply manifest.

The above qualities taken together with the warmth of his personality, his interest in and concern for those who must labor for their and their families' substance, make him ideally suited for the task our President asked of him.

From 1967 on, for a period of twelve years, I served as Custodian General of a Missionary Society (Missionary Servants of the Most Holy Trinity). During that period of time, Mr. Donovan has been a member of our Lay Advisory Board. For the last six years he has served as Chairman of the Board.

In his capacity as member, and later as Chairman, he has served us and our work unstintingly, giving generously of his time, energy, and wise counsel. In all of this he has shown time and again, personal commitment and deep concern for the poor and disadvantaged whom we serve in this Country through our ministry.

The Federal Government, and we the People whom it serves, are fortunate to have men of caliber willing, at great personal sacrifice, to give of themselves in service and devotion to the American People.

I highly recommend Raymond Donovan as such a one. He will bring distinction to the Office of Secretary of Labor. Our Country and its working men and women will be well served by a man of such integrity, wisdom and prudence.

With sentiments of personal esteem, I remain,

Yours sincerely,

Rev. STEPHEN QUINN.

Mr. KENNEDY. Mr. President, I yield myself such time as I may require.

I regret that I am unable to support the nomination of Raymond J. Donovan to be Secretary of Labor. Mr. Donovan is obviously a nominee of ability, and in many respects he has had an admirable career. From modest beginnings, he has risen to the top of his profession, and he now occupies a high position in the construction industry. He has received generous commendations from many who know him, including well-known and respected persons in many different areas of endeavor.

However, the Cabinet position to which Mr. Donovan has been nominated carries one of the highest obligations in public service. The Secretary of Labor is responsible for the well-being of millions of American workers and their families. He must possess a high degree of independence and sensitivity on issues which intimately affect the quality of life for the Nation's working men and women. Although the record demonstrates Mr. Donovan's success in business, I believe the record fails to show that the nominee possesses that degree of independence and sensitivity essential in a Labor Secretary at this critical period in our Nation's history.

In the past two decades, Mr. Donovan has been one of the leading officers in one of the leading firms in the construction industry in New Jersey. During much of that period, the industry has been beset by unusual pressures from corrupt individuals to engage in activities that impair effective labor relations and undermine the very administration of law enforcement and criminal justice. In that environment, the record before us, even accepting Mr. Donovan's testimony and rejecting the specific allegations against him, fails to demonstrate a sensitivity on his part that would permit him to function in his Cabinet post with full effectiveness.

For example, Mr. Donovan testified that he had senior executive responsibility in his firm for labor relations, but he also testified that he was never informed when a subordinate officer and close colleague, who worked in the adjoining office, was called before a Federal grand jury investigating labor organizations in connection with the firm's work on a subway project in New York City. Surely, even if we fully credit Mr. Donovan's testimony, we must believe that a responsible construction firm, concerned about its integrity, would be managed so that grand jury appearances of high level employees are reported immediately to the chief officer of the firm with responsibility in the relevant area. Yet, Mr. Donovan testified that he had no knowledge of these events.

In connection with the firm's work on a New Jersey Turnpike project, Mr. Donovan approved the payment of a $13,000 check to what was later shown to be a fictitious supply company set up to channel cash to organized crime figures. In spite of the large amount involved, no bills or invoices from the supply company were found in the records of Mr. Donovan's construction firms—no invoice, lease or any other written document from the company with which Schiavone was doing business.

How often are thousands of dollars authorized for expenditure without any written documentation from the seller, Mr. President? Is that not a system which lends itself to abuse, where thousands of dollars are authorized and expended to people, who walk in off the street, offering services, with no check of their legitimacy? Is there not a higher obligation by the Schiavone Company so they do not end up being induced to dump on municipal lots where they should not? This kind of sloppy administration is an exception to the norms of any legitimate business transaction. Surely, a responsible officer concerned about the integrity of his company would have taken appropriate steps to insure adequate documentation of significant transactions.

Other allegations against Mr. Donovan raise similar questions and demonstrate a similar lack of sensitivity and perception in dealing with critical issues. During the course of the hearings, we heard testimony about a group of six individuals, who are considered to be reliable sources for the Federal Bureau of Investigation. None has any motives to mislead the FBI in this case. Each is independent of the other, and they made some general charges and some specific ones. Mr. Donovan denies each of them.

Accepting his denials, one must conclude that six individuals with reliable track records, some having been key witnesses in successful prosecutions, independently of one another, manufactured general and specific allegations against the Schiavone company. Why would they do it? There is no readily apparent answer. But even conceding that they are wrong, and even accepting the sworn testimony of Mr. Donovan, we do have the two instances which I have referred to—one involving the Kantor Supply Co., and the other in connection with the 63d Street subway construction project. I shall include the complete report in the RECORD, Mr. President.

I ask unanimous consent that the additional views of Senators KENNEDY, PELL, EAGLETON, RIEGLE, and METZENBAUM be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF SENATORS KENNEDY, PELL, EAGLETON, RIEGLE, AND METZENBAUM

I. INTRODUCTION

The nomination of Raymond J. Donovan to be Secretary of Labor presents a complicated case and a difficult decision. It is almost unique in the history of presidential nominations to the Cabinet because of the number and gravity of the allegations against Mr. Donovan. These allegations are even more disturbing because they come in areas over which the Secretary of Labor has direct jurisdiction—the integrity of labor organizations, the soundness of union pension funds, and the Department's important role in the co-ordinated federal effort against organized crime. Mr. Donovan, in sworn testimony before the committee, vigorously denied each and every allegation.

For over a month, both the Majority and the Minority of the Committee have worked to resolve these allegations on the basis of a complete investigation and with fairness toward Mr. Donovan. The Federal Bureau of Investigation has been unable either to corroborate or to disprove the many serious charges against Mr. Donovan. As members of the Committee, we believe that our colleagues in the Senate are entitled to a thorough review of the available information before deciding how to vote on this nomination. That is why we requested a Committee report on this nomination, and why we have agreed that the full hearing transcript be printed and available to all members.

In this section of the report we have attempted to summarize those areas which are most troublesome to us.

II. SUMMARY OF MAJOR ALLEGATION AND QUESTIONS

A. IRVING KANTOR CASE

In a deposition given to the Newark, N.J., U.S. Attorney's Office on January 2, 1970, Irving Kantor, dying of amyotrophic lateral sclerosis, stated:

1. That he created a phony company called Kantor Supply for the purpose of receiving checks in return for false invoices—invoices for services never rendered.

2. That he cashed the checks, kept 5 percent for himself and turned the rest over to people who we now know were associated with organized crime.

3. That these people *directed him* to go to the Schiavone Construction Company to deliver a blank invoice and pick up a check, which he did.

Kantor's deposition makes it clear that his business with the Schiavone Company was similar to all the other transactions in the phoney account. The reasons for all these transactions, according to Kantor's trial testimony, was "certain contractors had to pay cash to his (Mr. Joe Bioncone's) boss" (organized crime figure, Tony Biordo).

The check in question in this case was in the amount of $13,000 and it was approved for payment by Raymond J. Donovan and deposited in the phoney Kantor Supply account.

Mr. Donovan testified that the money was payment for the right to dump materials on a site in close proximity to an ongoing construction job on the New Jersey Turnpike. He testified that the $13,000 was the going rate, the dump site was used and that the transaction was a legitimate business expense. He testified that the arrangements would have been made by the field superintendent, in the routine course of doing business, and would have required only a routine phone approval, by one of Schiavone's executives.

The superintendent on the job at the time, Mr. Charles Keener, acknowledges the initial contact was made through him, but states that the full arrangements for completing the deal were made at Schiavone headquarters. He did not recall who at the headquarters was involved.

It has subsequently been shown that Irving Kantor did not own the lot for which he was paid $13,000; that no written contract or lease for use of the property existed; that no documents of any kind from the Kantor Supply Company—no bills, no invoices, were in the Schiavone Company's records. The only documentation available is the check signed by Mr. Schiavone, and an internal document indicating Mr. Donovan approved the payment.

It is now believed that the lot upon which the materials were dumped was a Municipal lot, owner by the city of Newark.

The question involved in the Kantor case is whether the Schiavone Construction Company made a $13,000 payoff, approved by Mr. Donovan, in order to illegally dump material on a municipal lot and thus save the considerable cost of transporting the material to another lot further from the job site, or whether the $13,000 was paid to dump on a lot which Schiavone believed was owned by Irving Kantor, who falsely represented to them that he owned the lot.

B. 63D STREET CONSTRUCTION PROJECT

On January 10, 1981, Mr. John Keeney, Deputy Assistant Attorney General, Criminal Division, Department of Justice, approved as entirely accurate the contents of the following memorandum prepared by staff of this committee:

"As part of an ongoing investigation of a Teamster Local in New York City, three employees of the Schiavone Construction Company were questioned and appeared before a grand jury. The three employees are:

1. Joseph DiCarolis, Senior Vice-President.

2. Mario Capagrasso, Job Superintendent at the 63d Street subway project, New York City.

3. James LaBrel, Superintendent of 11:00 p.m., 7:00 a.m. shift at 63d Street subway project, New York City.

The Justice Department reports that these employees informed them that a "ghost" employee, Mr. Joseph Murray, was placed on the payroll from November 1977 to June 1978. This was done pursuant to a meeting between Harry Gross, the business agent of the Teamsters Local, and Mr. DiCarolis. At that meeting Gross demanded that Mr. Murray be placed on the payroll on the 11:00 p.m. to 7 a.m. shift, as a price for labor peace. The Department reports that Mr. Murray was Mr. Gross' chauffeur.

The Department further reports that Mr. Gross had ghost employees placed on the payrolls of three other companies. Mr. DiCarolis had never been subpenaed to appear before a grand jury.

In testimony before the Committee Mr. Donovan stated that:

1. Mr. DiCarolis is a close personal friend as well as a close business colleague whose office is adjacent to his own.

2. Mr. DiCarolis never informed him that he, DiCarolis, had been subpenaed to appear before the grand jury; never informed him that other employees appeared before the grand jury; never informed him that records at the 63rd Street job site were subpenaed by the Justice Department.

3. Mr. DiCarolis recently told him that he had not been extorted but had been simply complying with the terms of a collective bargaining agreement in hiring Mr. Murray. That agreement requires a teamster working foreman to be the first person hired when a new shift is begun. Mr. Donovan stated that Mr. DiCarolis checked with Mr. William Finneran, General Manager of General Contractors Association and that Mr. Finneran told him the contract required him to hire whomever the Union designated—in this case, Mr. Murray.

4. He personally checked with Mr. Finneran who verified this. On page 153 of the hearing transcript Mr. Donovan stated:

. . . I talked to Mr. Finneran on Saturday at his home in White Plains. He recalls the conversation and recalls the advice, totally in the context of him being asked to give advice, not in a theoretical way, but in a practical way.

"Bill, is this what it called for and do we have to put this guy on." That's his memory. He can't pin down the date of that conversation.

The Justice Department told the Committee staff however that Mr. DiCarolis never mentioned the General Contractors Association to the U.S. Attorney's office nor the fact that Mr. Murray was hired simply to fulfill a collective bargaining agreement. In fact Mr. John Kenney approved the contents of the following memorandum prepared by committee staff:

According to the Justice Department, Mr. DiCarolis, in his discussion with the U.S. Attorney's office, made no mention of the General Contractors Association (G.C.A.) as his reason for giving in to Gross's demand that he put a working teamster foreman on the 11:00 p.m. to 7:00 a.m. shift. Mr. DiCarolis told the government attorneys that because of the noise factor, New York City laws prohibit the use of trucks on job sites after 11:00 p.m. He said he cited this to Mr. Gross indicating that since no trucks were used, no teamsters would be used and there was therefore no requirements for a teamster working foreman. He told the government attorneys that when Gross persisted in his demands, he relented to maintain labor peace.

Further, Mr. William Finneran told committee staff that he did not receive a call from Mr. DiCarolis on this matter, but believes his associate Ted King did and told him about it. Mr. King told committee staff he doesn't remember the call, but that he couldn't be sure that he hadn't received one.

Finneran stated he told Donovan that he believed someone had been called, and if they were they would have read Mr. DiCarolis the contract which requires having a Teamster working foreman on any shift. Mr. Finneran advised committee staff that he would advise any contractor not to pay for someone who was not coming to work.

Mr. Donovan acknowledged that Mr. Murray never came to work.

The questions raised by this incident are:

Was the Schiavone Company a victim, along with other companies, of an extortion scheme requiring a ghost employee who never came to work to be placed on the payroll or was the company simply carrying out a collective bargaining agreement?

Why did Mr. Donovan inaccurately testify about his conversation with Mr. Finneran?

Is it reasonable to believe that Mr. DiCarolis, a close personal friend and business associate, in an office adjacent to Mr. Donovan's, did not inform Mr. Donovan of the first Grand Jury subpoena he had ever received, particularly since it concerned Schiavone business?

C. RALPH PICARDO

On January 14, 1981, the Committee received the following information from William H. Webster, Director of the Federal Bureau of Investigation:

A protected government witness, who has provided reliable information in the past and has furnished valuable testimony in three successful prosecutions, advised on January 13, 1981, that he became involved with the Schiavone Construction Company (SCC), Secaucus, New Jersey, in late 1967 or early 1968. This witness stated he visited SCC on fifteen to twenty different occasions to pick up payments for "labor peace" in the guise of billings for truck rental which never took place. This witness stated he delivered the bills and received payment from an individual whom he identified as Raymond Donovan.

Bureau Findings: Cannot be corroborated or disproved; Eboli and Briguglio are both deceased.

3. *Allegation:* Mr. Picardo states that Briguglio told him that he was receiving direct cash payoffs from "Ray, the boss of Schiavone".

Bureau Findings: Cannot be corroborated or disapproved.

4. *Allegation:* Mr. Picardo stated that his truck company, Taylor Trucking, hauled slabs for the Precast Concrete Company to a Schiavone work site. "Mr. Picardo stated that Taylor Trucking would often haul the same slab of precast concrete to the SCC site as often as twenty times, receiving payment for the haul on each occasion. He stated he would be paid directly by Precast Concrete, as would Armand Faugno, who was selling "labor peace" at that time to Precast Concrete. The money to make these payments was obtained from the overpayments by Schiavone Construction Company to Precast Concrete for goods not received."

Michael Anthony Gretchin, a driver for Mr. Picardo, told the FBI that Picardo usually referred to the individual at Schiavone as "Ray" but used the name Donovan once. (Picardo states he didn't know Ray's last name at that time.) According to the FBI Report:

Gretchin stated, that for bookkeeping purposes, he was paid for driving Picardo by being a ghost driver for loads that were not shipped. The ghost loads were on Coastal Trucking and concerned precast concrete items for the Long Island Expressway.

Mr. Donovan testified that his company did no work on the Long Island Expressway.

Bureau Findings: The FBI testified they could neither corroborate nor disprove the allegations with regard to the Precast Concrete Company's dealings with Schiavone.

The FBI testified at the Committee hearings that Mr. Picardo has been a reliable informant and has been an important witness in four successful prosecutions. They intend to use him again as an important witness in an upcoming prosecution. They can detect no motive for Mr. Picardo to intentionally mislead them in this case. Finally, the FBI testified that although they had not corroborated Mr. Picardo's allegations, they had not disproved them either.

D. FIVE OTHER FBI INFORMANTS AND SOURCES

Five other FBI sources, all of whom are described as reliable, who are independent of one another, and who have no known motives to mislead the FBI in this case, have made very similar general allegations against the Schiavone Company. These sources allege that the Schiavone Construction Company is, as reported in the FBI report, "mobbed up", that is, that executives of the Schiavone Company allegedly have social and business contacts with organized crime figures.

The FBI testified that these general allegations may or may not be true, that they could neither corroborate nor disprove them.

Three of these sources made specific allegations as well.

According to the FBI Report:

One source indicated the upper management of SCC is closely aligned with organized crime elements through its contacts with Jopel Construction headed by William Masselli, who is an alleged self-admitted "soldier" in an organized crime group. This source alleges Mr. Donovan is acquainted with organized crime figures through Masselli on a business and social basis.

The FBI can neither corroborate nor disprove these allegations.

Another one of these sources, contacted by the FBI after their report to the committee was completed, alleged that the Schiavone Company had a reputation of having ties with the Genovese organized crime family. This source mentioned the following three members of the Genovese family as having ties with the Schiavone Company.

1. Joey Adams
2. Peter LaPaco
3. Tino Fiumara

This source further alleged that he heard Raymond Donovan's name mentioned in a conversation as a contractor who obtained state contracts by bid rigging on behalf of the Schiavone Company. Also present at the alleged conservation were Sam Malfitano and an employee of his named Mike.

The FBI reports it has conducted no investigation of the allegations from this source who is acknowledged by the FBI to be reliable. A former Justice Department official who dealt closely with this source describes him as extremely reliable.

Another one of these five sources said he was advised that two other individuals were "bagmen" for Sal Briguglio and made pickups from Raymond Donovan. This source further alleges that he is aware of payoffs from the Schiavone Construction Company to Anthony Provenzano and Sal Briguglio. This source also reports having seen Briguglio at Sid Allen's restaurant with an individual later identified to him by Briguglio as "thick with Donovan."

One of the two other alleged bagmen is dead. The other denied these allegations to the FBI. The FBI has neither corroborated nor disproved these allegations.

E. TRUCKING INDUSTRY NEGOTIATOR

A trucking industry negotiator told the Committee staff that on two separate occasions at two different restaurants he saw Sal Briguglio having lunch with another individual identified for him as "a Schiavone representative".

ADDITIONAL VIEWS OF SENATOR RIEGLE

In addition to joining in the additional views of Senators Kennedy, Pell, Eagleton, and Metzenbaum, I would like to include in this report the remarks I made when voting present on Mr. Donovan's nomination in Committee on January 29, 1981:

REMARKS OF SENATOR RIEGLE WHEN VOTING PRESENT IN COMMITTEE

I think it is clear from what has been said so far that this is a matter that we are all struggling with in our own way. It is not a clear-cut matter, at least in my mind. I think for those of us who experience the confirmation process, and this is the second time for me and I know for some colleagues it is the first time—others like Jennings Randolph have been through this a number of times—this is an area where there are precedents in law and our early national history about our advise and consent authority that requires a great deal of thought and independent judgment as to exactly how it is to be exercised.

This situation is different but it has some parallels. I do think that a confirmation vote, is a ratifying vote, speaking personally, and I will have to, in my own mind, feel clear about casting a ratifying vote. I have to be able to feel comfortable and sound about adding a positive and affirmative statement of my own to that of the judgment of the President who submitted this nominee.

I think the issue, the larger issue, has perhaps not been spoken about as much as a lot of the details that relate to it. I see two reasons why this is a matter of enormous consequence for the country.

One is that the Labor Department is an essential department within the gvoernment. It is the place where the problems and realities of working men and women across the United States are dealt with and handled, and it is essential that the person in that job be someone of extraordinary ability as well as someone where there is absolutely no material reason to have any question about them in any fashion at all. It is an important department. It does not get as much public attention perhaps as some of the others, but that makes it no less important in my mind.

The second point I would raise is the potential risks to the country if in fact any of the allegations that were made in this case had foundation. We have not had an absolute, clear-cut disposition one way or the other as I have listened to the FBI testify in this matter as recently as our last hearing here.

But the thing that concernes me—and I particularly want to share this with my Republican colleagues; I once served on that side, so I do not feel completely removed from your circumstance—the thing that concerns me is the possible risk to the country if we ever were to err in judgment wherein either organized crime or any element of organized crime or anyone who was susceptible to organized criminal elements should ever penetrate the Cabinet of the United States or the inner circle of the Presidency of the United States. If that ever were to occur, I think it would be a very dangerous breach of the national security.

I am not suggesting that this is the case with this nominee. I am suggesting that is my worry and my concern.

Senator Eagleton has made the point—and I agree with it—that if this nominee were a person of towering reputation and stature in this field over a period of years, I would give that considerable weight. That is not the case here. That is not in any way to take away from Mr. Donovan's other qualifications: the fact that he has worked hard; that he has been successful in the private sector; that he is a family man. These are certainly admirable aspects of his makeup and circumstances and things that one would expect, I think, in any Cabinet officer.

But in the absence of the kind of towering reputation in the labor field, I think we must look even more carefully when any doubts are raised.

Like some others who have spoken here, I want to reserve a final judgment in this matter until we actually are at the point on the Senate Floor where the debate is finished and we are ready to vote. I want to read the Committee record carefully. I think this is one time that our colleagues in the Senate should be urged to read the record. They should have, I think, sufficient time to study the record and I hope they will.

To conclude my thoughts, I must say that I am troubled about this nomination. I have tried to spend as much time here in the Committee during the course of the testimony, both when Mr. Donovan has been present and other witnesses have been present, to try to assess what has been said by everyone who has testified here. I do think that we are at a point now where the issue has to transfer from this Committee's jurisdiction to the Senate Floor. I think we have gone as far as we usefully can at this point and I think it is now a matter for decision by the Senate as a whole.

I still have material, unresolved doubts in my mind and they may never be satisfied.

But I want to continue to review this matter with great care and reserve a final judgment until we are on the Senate Floor. But I would hope that the reservations that some of us have will be a signal to the country and to our colleagues that this is a matter that requires very close attention and the most careful consideration, and I trust that it will receive that.

Mr. KENNEDY. Mr. President, because I give both of these cases such heavy priority and because I believe that the testimony that was given by Mr. Donovan himself, referring to both of these cases, shows, really, insensitivity to one of the important areas to which a Secretary of Labor is going to have to give important priority, I am led to the conclusion of a "nay" vote on this nomination.

First of all, in the Irving Kantor case, in a deposition given to the Newark, N.J., U.S. attorney's office on January 2, 1970, Irving Kantor, dying, stated that he created a phony company called Kantor Supply for the purpose of receiving checks in return for false invoices, invoices for services never rendered; that he cashed the checks, kept 5 percent for himself, and turned the rest over to people we now know were associated with organized crime; that these people directed him to go to the Schiavone Construction Co. and deliver a blank invoice and pick up a check, which he did. Kantor's deposition made it clear that his business with Schiavone was similar to all the other transactions in the phony account. The reasons for these transactions, according to Kantor's trial testimony, was "that certain contractors had to pay tribute to his (Joe Bioncone's) boss," (organized crime figure Tony Biordo).

The check in question in this case was in the amount of $13,000 and it was approved for payment by Raymond J. Donovan and deposited in the phony Kantor Supply account.

Mr. Donovan testified that the money was payment for the right to dump materials on a site in close proximity to an ongoing construction job on the New Jersey Turnpike. He testified that the $13,000 was the going rate, the dump site was used and that the transaction was a legitimate business expense. He testified that the arrangements would have been made by the field superintendent, in the routine course of doing business, and would have required only a routine phone approval, by one of Schiavone's executives.

The superintendent on the job at the time, Mr. Charles Keener, acknowledges the initial contact was made through him, but states that the full arrangements for completing the deal were made at Schiavone headquarters. He did not recall who at the headquarters was involved.

It has subsequently been shown that Irving Kantor did not own the lot for which he was paid $13,000; that no written contract or lease for use of the property existed; that no documents of any kind from the Kantor Supply Co.—no bills, no invoices, were in the Schiavone Co.'s records. The only documentation available is the check signed by Mr. Schiavone, and an internal document indicating Mr. Donovan approved the payment.

It is now believed that the lot upon which the materials were dumped was a municipal lot, owned by the city of Newark.

So we have a situation, Mr. President, where apparently, any individual could come up to the superintendent who was working on the job, and say that he had a lot on which dumping would be welcomed. There was no review of whether that individual did, in fact, own the lot, or any investigation about the individual whatsoever. That superintendent called back to the headquarters and got approval for the payment of a check for some $13,000, a decision made internally. Mr. Donovan made the statement that he could not remember the instance, but he may or may not have approved it. The internal document within the Schiavone Co. does bear the initials of Mr. Donovan; and eventually, the fill was dumped on that lot, which eventually was shown to be a municipal lot.

No bill was given or sent by the Kantor Supply Co. No invoice was received. The only document was an internal document of the Schiavone Co.

We have to ask ourselves about the payment of $13,000. We know now that it was basically paid into a phony account that was used by organized crime figures. We know that on the basis of sworn testimony.

We have to ask ourselves whether that is the way to do business. Mr. Donovan has indicated that that is the way of doing business in the construction business with regard to dumping fill. But we have to ask ourselves whether that is the way in which any company or any corporation should be doing business, with that sizable amount, $13,000, and whether that is the best way of doing business.

Quite clearly, in a climate and in an atmosphere, as we have seen, where a number of construction companies have been the targets of organized crime, not only in northern New Jersey but also in other parts of the country, doing business in this way would make such a company a target for organized crime. That is why I believe that instance is of importance and is of concern, even accepting the explanations that were given by Mr. Donovan during the course of the hearings.

The second instance was the 63d Street construction project.

On January 10, 1981, Mr. John Keeney, Deputy Assistant Attorney General, Criminal Division, Department of Justice, approved as entirely accurate the contents of the following memorandum prepared by staff of this committee:

As part of an ongoing investigation of a Teamster Local in New York City, three employees of the Schiavone Construction Company were questioned and appeared before a grand jury. The three employees are:

1. Joseph DiCarolis, Senior Vice-President.

2. Mario Capagrasso, Job Superintendent at the 63d Street subway project, New York City.

3. James LaBrel, Superintendent of 11:00 p.m., 7:00 a.m. shift at 63d Street subway project, New York City.

The Justice Department reports that these employees informed them that a "ghost" employee, Mr. Joseph Murray, was placed on the payroll from November, 1977 to June, 1978. This was done pursuant to a meeting between Harry Gross, the business agent of the Teamsters Local, and Mr. DiCarolis. At that meeting Gross demanded that Mr. Murray be placed on the payroll on the 11:00 p.m. to 7:00 a.m. shift, as a price for labor peace. The Department reports that Mr. Murray was Mr. Gross' chauffeur.

The Department further reports that Mr. Gross had ghost employees placed on the payrolls of three other companies. Mr. DiCarolis had never been subpenaed to appear before a grand jury.

This was the first time he ever was subpenaed.

In testimony before the committee Mr. Donovan stated that:

1. Mr. DiCarolis is a close personal friend as well as a close business colleague whose office is adjacent to his own.

2. Mr. DiCarolis never informed him that he, DiCarolis, had been subpenaed to appear before the grand jury; never informed him that other employees appeared before the grand jury; never informed him that records at the 63rd Street job site were subpenaed by the Justice Department.

This was in spite of the testimony that was given by Mr. Donovan that he had prime responsibility within the company for labor-management relations and for all labor matters relating to that company.

3. Mr. DiCarolis recently told him that he had not been extorted but had been simply complying with the terms of a collective bargaining agreement in hiring Mr. Murray. That agreement requires a teamster working foreman to be the first person hired when a new shift is begun. Mr. Donovan stated that Mr. DiCarolis checked with Mr. William Finneran, General Managers of General Contractors Association and that Mr. Finneran told him the contract required him to hire whomever the Union designated—in this case, Mr. Murray.

4. He personally checked with Mr. Finneran who verified this. On page 153 of the hearing transcript Mr. Donovan stated:

". . . I talked to Mr. Finneran on Saturday at his home in White Plains. He recalls the conversation and recalls the advice, totally in the context of him being asked to give advice, not in a theoretical way, but in a practical way.

" 'Bill, is this what it called for and do we have to put this guy on.' That's his memory. He can't pin down the date of that conversation."

The Justice Department told the committee staff however that Mr. DiCarolis never mentioned the General Contractors Association to the U.S. Attorney's office nor the fact that Mr. Murray was hired simply to fulfill a collective bargaining agreement. In fact Mr. John Keeney approved the contents of the following memorandum prepared by committee staff:

According to the Justice Department, Mr. DiCarolis, in his discussion with the U.S. Attorney's office, made no mention of the General Contractors Association (G.C.A.) as his reason for giving in to Gross's demand that he put a working teamster foreman on the 11:00 p.m. to 7:00 a.m. shift Mr. DiCarolis told the government attorneys that because of the noise factor, New York City laws prohibit the use of trucks on job sites after 11:00 p.m. He said he cited this to Mr. Gross indicating that since no trucks were used, no teamsters would be used and there was therefore no requirements for a teamster working foreman. He told the government attorneys that when Gross persisted in his demands, he relented to maintain labor peace.

Further, Mr. William Finneran told committee staff that he did not receive a call from Mr. DiCarolis on this matter, but believes his associate Ted King did and told him about it. Mr. King told committee staff he does not remember the call, but that he could not be sure that he had not received one.

Finneran stated he told Donovan that he believed someone had been called, and if they were they would have read Mr. DiCarolis the contract which requires having a Teamster working foreman on any shift. Mr. Finneran advised committee staff that he would advise any contractor not to pay for someone who was not coming to work. Mr. Donovan acknowledged that Mr. Murray never came to work.

The questions raised by this incident are:

Was the Schiavone Co. a victim, along with other companies, of an extortion scheme requiring a ghost employee who never came to work to be placed on the payroll or was the company simply carrying out a collective bargaining agreement?

Why did Mr. Donovan inaccurately testify about his conversation with Mr. Finneran?

Is it reasonable to believe that Mr. DiCarolis. a close personal friend and business associate, in an office adjacent to Mr. Donovan's, did not inform Mr. Donovan of the first grand jury subpena he had ever received, particularly since it

concerned Schiavone business, and particularly since it related to labor relations?

The issues raised by Mr. Donovan's nomination are serious and complex. They are virtually unprecedented in the history of Senate consideration of nominees to the Cabinet. In reaching my decision today, I have sought to examine the material available to us in the most favorable light for Mr. Donovan. But by that standard, I cannot vote to confirm his nomination.

Mr. President, what I have tried to do in the consideration of this nomination is to recognize that there have been a number of individuals who have been reliable sources for the FBI, some of whom continue to provide testimony which will be used in trials and all of whom are recognized as reliable. They have made statements; they have made allegations. Some have been specific with regard to Mr. Donovan; some have been general with regard to the company and Mr. Donovan's activities in the company.

Mr. Donovan has denied those statements and those comments, and he has done so in sworn testimony before the committee.

I do not rest my vote on those allegations and those charges. I believe that if those were the only allegations and the only charges and given the results of the investigation by the FBI it is entirely appropriate to give the benefit of the doubt to the nominee.

There may be others in the Senate who might draw different standards on it, but with regard to my own position I am willing to give the benefit of the doubt to the nominee since the allegations have not been substantiated, although a case can certainly be made that they have not been disproved either. Yet they may be of sufficient concern to Members who they feel they would have to vote "nay" on this nomination particularly given the fact of the extremely important responsibilities that a Secretary of Labor does have in reviewing union pension funds and other criminal justice activities such as labor racketeering, that fall within the jurisdiction of Department of Labor.

But what I basically rest my vote on are the two instances which I have mentioned here—the testimony of Mr. Donovan himself and the explanation that he has given with regards to those instances which I think indicate a flawed sensitivity to the dangers of the criminal activity. The failing to establish within his own company procedures or processes which would flag any threat to the basic and fundamental integrity to the company and whereby company officials would be alerted to such a threat.

It does seem to me that a Secretary of Labor should have that degree of sensitivity, knowledge, understanding, and perception if he is going to manage one of the most importat jobs in our Government, such as the Secretary of Labor.

Mr. President, I retain the remainder of my time.

Mr. HATCH. Mr. President, I yield 7 minutes to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, it is my privilege, today, to speak on behalf of Raymond J. Donovan, President Reagan's nominee for the Cabinet Office of Secretary of Labor. I have chosen to speak for Mr. Donovan only after serious consideration and examination of the evidences gathered at the hearings conducted by the Labor and Human Resources Committee.

First, as one who is new to the Senate, I feel the weight of this choice and it is responsibility with a special awareness. I count this decision and stance as one of my most important in these first days of office.

Second, I think that we all recognize that the American people are, at this time, trying to build up faith and trust in their Government once again. If we were to make a mistake and err in judgment in this, or any of our Cabinet confirmations, the consequences of disappointment and cynicism would be painful for us all.

Third, my position as chairman of the Subcommittee on Labor makes this particular confirmation especially important to me. The person holding this position must be someone who we can trust and someone who has unquestioned integrity.

Mr. Donovan brings certain business qualifications which are almost unequalled. He has proven that a person can rise up and make the American dream a success. He is a person who has taken a small investment and turned it into a large successful business enterprise, and he not only helped himself but also helped many individuals who he now employs.

I believe Mr. Donovan's firm, as reported in the committee, employs something like 1,500 individuals. These individuals each are probably making in excess of $20,000 per year.

I think it is vitally important that the Secretary of Labor be able to represent and benefit both sides, the management side and certainly the labor side.

I think Mr. Donovan's insight in this area will be exceptional.

Throughout the testimony and the charges that were made, one of the important things that came out of the hearings was the involvement of admitted extortionists and even a convicted murderer like Mr. Picardo with some labor union which was shocking to myself and I believe to my colleagues on the committee.

I am hopeful that one of the top priorities of the Labor Committee will be an investigation into these kinds of allegations of widespread labor abuse and what their potential effects would be on business and consumers.

For this reason, I believe it is imperative that the Secretary of Labor be someone who will work wholeheartedly with the committee in this effort.

For the record, I shall read Mr. Donovan's testimony on this from the hearing.

The chairman of the committee said to Mr. Donovan:

Do you believe the Government's focus on organized crime's influence on the labor movement is overstated, understated, or just about right at the present time?

Mr. Donovan said:

I don't know the extent of these investigations, so I couldn't comment on whether it's overstated or understated.

I would say this, that if this type of crime exists, it should be rooted out and, as Secretary of Labor, I assure you that I will root it out.

The chairman then said:

Then do you see yourself as an active secretary in regard to pursuing organized crime's influence on the labor movement?

Mr. Donovan replied:

Yes; on the grounds of morality, but also on the grounds that they are impeding the right of the wage earners of this country.

The chairman then said:

And I presume that if there are companies that are involved in organized crime, that you would be just as interested in pursuing investigations pertaining to them as well?

Mr. Donovan said:

That is correct, Senator.

So here we have a man who has been nominated by President Reagan and reviewed by our committee to be Secretary of Labor. At a time when trust in the basic institutions of our Nation is so crucial, I feel that in this confirmation decision, it would be especially destructive to ignore one of our basic premises of justice * * * that a man is innocent until proven guilty. In this situation, Mr. Donovan has testified before us of his innocence, he has opened up all his companies financial records for review, and he has been thoroughly investigated by the FBI. All of these have testified to nothing other than his innocence and good character.

No supportive evidence has been found or produced that would incriminate Mr. Donovan in any way whatsoever.

I believe the essential question is who do we believe, Mr. Donovan and the FBI, or unnamed sources or sources that refuse to come before the committee and testify?

To conclude my statement, I feel that not to confirm Ray Donovan as Secretary of Labor would do an injustice to ourselves and to those we represent.

To look at a man and declare him guilty because of some convicted criminal's allegations would be a miscarriage of justice. We would make a mockery of our heritage and discredit ourselves before Mr. Donovan and before the people of this country.

Mr. President, at this time I compliment Senator HATCH, the committee chairman, for his sensitive effort in the investigation and also that of the FBI. Mr. Webster's group had 27 individuals thoroughly reviewing and investigating all the allegations that were made and could find nothing to Mr. Donovan's detriment.

I cast my vote in support of Mr. Raymond Donovan to be our new Secretary of Labor, and I urge my colleagues to join me in his confirmation.

The PRESIDING OFFICER (Mr. DANFORTH). The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I understand I have 30 minutes and I yield myself 30 minutes.

I have a short statement which will take me about 2 minutes to deliver, but before I do that I want to say to my good friend, the chairman of the committee and manager of the nomination, Chairman HATCH, I am going to have a series of questions to ask him about the nominee.

Mr. President, Mr. Donovan may or may not be Snow White. What concerns this Senator is whether or not under his secretaryship of the Department of Labor we can have the kind of viable, strong, effective labor movement this country needs. Economic democracy is not simply a matter of being able to vote in an election. Economic democracy is being able to have a union that will represent employees and will enable them to have a real voice in their salaries, their wages, their working conditions.

It is so important that the Secretary of Labor provide that kind of leadership in this country because we have had a declining representation in the work force by organized labor for many years. In 1953 almost 30 percent of the work force was in organized labor. By 1970 it had declined to 25 percent; by 1978 to 22 percent. It has been going down steadily. One of the reasons for it, of course, is many parts of the country have an open shop, deny the right of a union to have security with a union shop.

That is one thing that concerns me about this nominee. But, Mr. President, I think we should recognize that while the President of the United States was elected as a conservative—and he is a conservative—he is also, as he has said many times in the campaign, the only President who has ever been the president of a union.

I think President Reagan appreciates the strength in a society having a strong union movement. I think anybody who was skeptical about that should reflect on what has happened in Poland in the last year. The biggest event of 1980, in my judgment, in Poland, was the tremendous strength and courage shown by the union movement, and certainly if there is a beginning of freedom in that country it is going to come from the fact that there is another site of power besides government, and that is the union movement. It is equally important in our country.

Mr. President, the nominee for Secretary of Labor, Mr. Raymond Donovan, when approved, will run a very, very large Department.

The Budget Authority proposed for fiscal year 1982 is $37 billion. The outlays for fiscal year 1982 are estimated at $34.5 billion, an estimate based on a very optimistic figure for unemployment and unemployment benefit payments. It could be very much higher.

This is a department which in fiscal year 1981 will employ 22,300 people. The new budget is proposing an increase in personnel for the Department to 22,600, or a 300 increase.

This Department runs a vast array of public programs. It has a large network of employment and training programs including CETA, which is often controversial and about which many questions have been raised.

It pays out billions in unemployment benefits.

It prepares the unemployment figures, and compiles the Consumer and Producer Price Indexes upon which social security payments, retirement benefits, and wage contracts depend.

It spends $242 million a year for salaries and expenses for the Occupational Safety and Health Administration, one of the most controversial of all Federal agencies.

It enforces the mine safety laws and regulations, the black lung program, the minimum wage laws and regulations, and other programs.

It generates as many or more regulations than almost any agency of the Government and is responsible for vast amounts of paperwork in the surveys of its agencies and in the enforcement of its programs.

In other words this agency epitomizes virtually every issue that President Reagan and his administration ran on in the last election.

Here is a big spending bureaucracy—$34.5 billion; with thousands of employees—22,600; which puts out reams of regulations for OSHA, mine safety, and minimum wage; and which is one of the three or four agencies which generate the most paperwork.

I therefore looked forward to the answers to the questions which I submitted to Dr. Donovan, and to every other one of the President's nominees, inquiring what he was going to do to carry out President Reagan's campaign promises to cut the budget, cut personnel, and vastly reduce the burden of regulations and the onerous nature of paperwork.

I did ask him those questions. Now I want to ask the chairman of the committee, the manager of the nomination, the Senator from Utah (Mr. HATCH) about the answers to these questions.

I first asked Mr. Donovan where he would cut his budget for fiscal year 1982, and what his budget priorities would be if he were required to make cuts of 10 percent or more, and here is what he said:

> It would be inappropriate for me to comment specifically on these matters at this time. In general I believe that specific reductions can be made within the Department in areas where programs are less effective or less well focused on those truly in need.

Mr. President, for an administration which was going to hit the ground running it is indeed a most vague and general reply.

May I ask the chairman if, in his additional testimony, Mr. Donovan gave any indication of what specific cuts he might make in the Department of Labor budget?

Mr. HATCH. Of course, his testimony can speak for itself. In the record we have filed I believe he did indicate he would try to run a tight ship at the Department of Labor, and that his sympathies were with the distinguished Senator from Wisconsin in cutting down on unnecessary expenses and budgetary expenditures.

Mr. PROXMIRE. Did he make any more specific information—provide any more specific information in personal conversations? I know the distinguished chairman worked very hard on this nomination, as well as other nominations, and had a number of conferences with the distinguished Secretary-designate.

In those conversations was there any indication where he would cut the budget?

Mr. HATCH. Yes; in a number of conversations he has indicated to me he is a fiscal conservative, that he believes the Department of Labor needs to be run in a fiscally conservative way; that he will try to cut out waste, fraud, mismanagement; and if there is any corruption, cut that out, and that he will act in an all-around responsible managerial way.

He cited to me personally on more than one occasion the extensive experience he has had as a manager of his own business, and which is not insignificant, because his business has completed, as I recall, about $1 billion in contracts completed, and still has around some $700 million of contracts in esse, doing about $150 million a year. So he is familiar with large amounts of money, with management systems, with computer systems, and with the need to tighten up and stop unnecessary spending. He has indicated he will try to do that.

In addition, although not directly related but, perhaps, nevertheless, indirectly related, he has indicated that he is as interested as the distinguished ranking minority member and I am in trying to cut down the fraud and abuse and criminal activity of both business and labor unions which can rip off the working men and women of America. So I presume there will be an effort along those lines to investigate criminal elements within the business and labor movement in America.

Mr. PROXMIRE. I very much appreciate the answers, and I believe the Senator from Utah is doing an excellent job with, unfortunately, limited information.

Mr. HATCH. I thank the Senator.

Mr. PROXMIRE. I really regret that the nominee was unable to specify any area. For example, Secretary Schweiker, Secretary Pierce, and others were able to cite specific areas where they would make reductions and indicated they had a goal that they would move toward.

In this case the nominee just gave us generalities, which are reassuring, I guess, to some people, but to me they are the kind of generalities that every Secretary of Labor we have ever had would make.

Mr. HATCH. Well, he has expressed—maybe I am not doing the nominee justice—his desire to cut back in the abuse of funds in, I think, a number of areas. I think he has been very guarded, since the Department of Labor is a very complex and very difficult Department to administer, in coming out with any specific major programs.

He has, for instance, indicated to me personally that since the GAO has estimated that the Davis-Bacon Act, for instance, is costing somewhere between $700 million to $3 billion we estimate in

unnecessary taxpayer costs, that he will certainly look at that.

He is certainly going to look at OSHA, he is certainly going to look at EMSHA, and he is going to look at all of these various functions and tighten them up.

Another area where I have had some indications is in the misuse of funding with regard to unemployed compensation. These are areas that he is going to have to get into. He had very little materials at the time of his examination to be really able to say much more specifically what he is going to do.

Mr. PROXMIRE. Mr. President, I am disappointed because the President campaigned for a long time on making these cuts. He has appointed a man obviously of ability, a man who has been a very successful businessman. It would seem to me that somebody who had been associated with dealing with unions, as he has, would have some, and the Labor Department would have some, definite ideas of where to make reductions.

I asked him about personnel cuts. I asked:

What is your goal for cutting total employployment in your department? Where, how many, and when would these cuts take place?

He replied that he would examine that in relation to program policies. I gather that means if the policies and programs he had to carry out would need additional people, then he would try to get additional people. I found that to be a very general and unsatisfactory answer.

But I want to ask the chairman of the committee if Mr. Donovan, either in his testimony before the committee or in personal conversations, gave the committee any indication of where he might cut the personnel of the Labor Department or even if he could get along without the 300 additional people which the Carter administration had recommended be added to the Labor Department?

Mr. HATCH. Mr. President, I cannot say that that was part of the testimony before the committee, but I can say, personally, that he indicated he will tighten up the Department in every way he can.

He does feel, if I interpret our conversation correctly, that there are areas of overlap; that there are areas where employees are not needed; and that there are areas where a change in legislation would alleviate the need to have as many employees as they have.

I cited the Davis-Bacon Act in par'ticular. The Davis-Bacon Act, as we know, sets the prevailing wage rates all over the country.

He is not prepared to say that he would do away with the Davis-Bacon Act or do away with some people, or would like to do away with OSHA or, for that matter, any other function of the labor bureaucracy, but he has said he will look those over very carefully and try to save the money that the GAO has said could be saved.

Mr. PROXMIRE. Mr. President, let me call to the chairman's attention what he said to me in response to a question. I asked him this:

According to several newspaper accounts, the Labor Department cited your company for failing to comply with the Davis-Bacon law, the federal statute that requires the paying of prevailing wages to workers on federally financed construction projects. Mr. Donovan, do you favor the retention of our current Davis-Bacon statute? If not, what modifications do you propose to make, or do you favor the total abolition of this law?

Here was his answer:

Again, I discussed this at the hearing. I do not believe that repeal of Davis-Bacon is necessary but I do feel that substantial improvements in the fairness with which the law is enforced can be obtained by administrative changes. I agreed at my hearing to discuss those changes with the committee at the appropriate time.

Mr. HATCH. I think that is a fair and correct statement of what he said before our committee.

Mr. PROXMIRE. Of course, that might take more money.

Mr. HATCH. Well, it may. On the other hand, he said the same thing with regard to OSHA before our committee, that he does not feel it appropriate to repeal OSHA, but it might be tightened up administratively.

I also interpreted from his demeanor and the way that he answered these questions before our committee that, by tightening up and administratively changing these functions, he meant to save the taxpayers money, and that included having a program at least as good, if not better, to have personnel tightened up as well.

Mr. PROXMIRE. One of the problems of this agency, as the Senator well knows, this department, is the enormous amount of regulations and the burden those regulations impose. I asked him this:

What Department regulations will you end or curtail? What is your timetable for achieving these cuts in regulation?

Here was his answer:

The Labor Department operates its programs and enforces its laws under a vast number of regulations. I do not doubt that some are overly detailed, burdensome, unnecessarily costly or simply not needed. I will be reviewing the regulatory process and the major regulations. It is not possible now to say with certainty that a timetable for reduction in regulatory burden will be developed by March 1.

That seems to me to be not only unable to respond as to any regulations that he would repeal or modify, but not by March 1, more than a month away from the time I asked this question, did he feel he would be able to come up with a timetable—not answer, but a timetable as to how he would reduce this burden of regulation.

May I ask the chairman of the committee if, in his public testimony or private conversations, Mr. Donovan gave any specific answers as to where he would cut excessive regulation.

Mr. HATCH. Mr. President, if I were in Mr. Donovan's shoes, I would have answered it exactly the same way, even though I have done almost nothing in many respects, from the committee standpoint, that deals with all of these matters in the last 4 years and, frankly, for a long time before that. Because I think he is just being conscious with regard to very complex programs and an agency that he has not had any real basic contact with up until now. He is not a person who has served in the Labor Department and, therefore, he is being cautious, I think, in his answers.

Mr. PROXMIRE. As a businessman, he is obviously familiar with these regulations.

Mr. HATCH. As a businessman.

Let me cite one instance he has definitely said he has tried to tighten up and make less combative, and that is the area of OSHA. He feels that—if I am interpreting him correctly in stating what he has basically said to me personally—that OSHA has been a combative, oppressive, overregulating agency. He feels OSHA should become a companion to business and labor and a cooperative companion to alleviating unsafe work place conditions in America. He believes that can be done within the framework of better regulations, rather than overregulation as has been the case in the past.

Mr. PROXMIRE. Mr. President, let me ask the chairman about OSHA specifically. Here is my question to him, followed by his answer. I said:

Mr. Donovan, your own construction company, Schiavone Construction Company of Secaucus, New Jersey has been cited for violations 135 times over the last six years by the Department of Labor's Occupational Safety and Health Administration with 57 of these violations being determined as serious. In light of your company's record, could you explain your views on the role of OSHA and what changes you intend to make in its programs?

Now, here is a situation where, as I say, his company was not violated once or twice or 10 or 15 times, but 135 times, 57 of which were considered to be serious. Here was his answer:

My views on OSHA were gone into in detail at the hearing. In general I believe the OSHA law is obviously important and necessary to protect the health and safety of workers, but that enforcement policy could be modified to be less adversarial and achieve much better results.

So he, again, failed to be specific. He is very, very general, although here is a man who has had the most intimate and direct and, I suppose, embarrassing association with OSHA. He has been found to be in violation repeatedly, and yet he has no idea how it should be improved.

Now, I sympathize with a person who has been in violation if they feel and they can show why their violations are violations that are inconsequential and that if they abide by the law they would be very costly. But he does not indicate any changes he would make.

Mr. HATCH. Mr. President, the indication he gave to us is that he would change OSHA to become more cooperative in labor and business in resolving workplace safety.

Here we have a company that is 22 years in existence and that has done $1 billion worth of work. There are not many construction companies that have done that much, not only in New Jersey but throughout the country; $700 million under construction right now and $150 million a year in the heavy-duty con-

struction business, and that is one of the most dangerous businesses there are.

These people have done sewer projects, tunnels, all kinds of highway construction projects, and so forth. They have dealt with a wide variety of employees and presently have almost 1,500 employees working for them. So the fact that they have been cited or have had difficulties with OSHA is certainly not unusual in the field that they are in.

Mr. PROXMIRE. I think that is right. But, again, as I say, these violations, it seems to me, are somewhat surprising for a man who is to be Secretary of Labor. The important thing is he does not have any idea how to change it. I have checked with competent people and they tell me that is not a good record for a company their size. They may be right or wrong, but you would think that being cited over and over again 57 times for serious violations, they would say, "These are violations of regulations which are unreasonable and wrong." If that is the case, we ought to know it.

Mr. HATCH. I will say this: If I have interpreted him correctly, he feels that OSHA has been an oppressive agency, a combatant agency, confrontational in its approach toward business, and that many of the regulations OSHA has issued have been ridiculous in nature.

It was not our intent as a committee, nor will it ever be, to go into every detail concerning OSHA regulations with regard to approving the confirmation of anybody.

Frankly, if we started doing that on each of the items over which the Department of Labor has control, we would never finish the confirmations. I might add, Mr. Donovan feels like we almost never finished it right now.

Mr. PROXMIRE. I am only taking 30 minutes.

Mr. HATCH. Mr. President, I do not mean on the floor. I mean it has taken the longest of any Cabinet-level official.

Mr. PROXMIRE. I realize that. That was not on the substance of his job, though. That was not directly related to it. It may or may not have been a good inquiry, but I am not making a criticism of that.

Mr. HATCH. I have no criticism of the Senator's suggestions. I think they are valid. Certainly, I hope that the new Secretary of Labor, assuming Mr. Donovan is confirmed here today, will get into these regulations and do a banner job of doing what is right for the people of America.

Mr. PROXMIRE. Mr. President, I might also say the nominee was very vague and nonspecific when I asked him what paperwork he could cut out.

Mr. HATCH. If the Senator will yield, I do not know of any Senator in this body who has not been vague and without substantive suggestions on what to do about paperwork.

As the Senator knows, when they set up the Commission on Paperwork, it wound up with more paperwork than most agencies.

Mr. PROXMIRE. That is correct.

When I asked for a timetable by March 1, he was evasive as to whether he could even get around to getting at the job by March 1, indicating what he would look at what he thought they might consider eliminating or reducing.

I appreciate the fact that it is very difficult, but it seems to me that does not excuse the Secretary of Labor from saying he does not have any ideas on how to cut paperwork. That is not the Senator's job or my job, but it is his job.

Mr. HATCH. If the Senator will yield, I agree it would be nice if some of us had the answers to that, but I will repeat that no one in this august body has an idea on that. I think it would have been well to have been able to give the Senator a due date. Personally, I find him more acceptable for being cautious on a matter like that, knowing the wide parameters that that involves.

Mr. PROXMIRE. One suggestion that I have is the suggestion, after working with GAO, that we should do away with every single form over a period of 5 years. We would schedule a certain number of forms to go out each month. Otherwise, they would have to be justified. Some of these forms just go on and on and on.

Mr. HATCH. I agree.

Mr. PROXMIRE. One of the programs that has been most heavily criticized at the Department of Labor has been the CETA program. It and the Labor Department have been the recipients of two of my "Fleece of the Month Awards," once when the officials of Ventura County, Calif. spent $385,000 to take a survey or census of the horses, cats, and dog population in the county. When we inquired about whether such spending had an important priority, the CETA or Labor Department regional office in San Francisco told us they did not interfere with what a city or county wanted to do with the funds. What Ventura County wanted Ventura County got.

Here is the question I asked him about CETA along with his reply:

Question. Mr. Donovan, I have been one of the many critics of our current Comprehensive Employment and Training (CETA) programs. What proposed changes would you offer to improve the operation of these costly and wasteful programs?

Response. CETA is a large number of complex and varied programs. There is little doubt that some, especially the subsidized jobs programs, have been justly criticized. I do not think that all CETA programs can be characterized as costly and wasteful. A detailed examination of the CETA programs and delivery systems will be an early priority.

I ask the chairman, did Mr. Donovan at any time indicate anything more specific than that very vague and general answer saying that he would look at the problems? Did he indicate any notion where he might make reductions?

Mr. HATCH. He said:

CETA is one of the most important pieces of legislation administered by the Department of Labor. I will refrain from making preliminary judgments on any provisions at this time until I become better informed on how effective the various titles have been in carrying out their objectives.

I am sure that I and my staff will be working closely with members of the committee and with those on the House Committee on Education and Labor as we strive to improve the employability of our disadvantaged citizens and to make the labor market work more effectively for individuals with employment handicaps.

With regard to private sector involvement, he said:

I do view employer and union participation as vital to the success of the employment and training efforts under Title VII. I cannot comment at this time on what percentage of CETA funds should be allocated to PSIP

CETA, ALTERNATIVES TO THE PROGRAM

As with CETA in general, I would like to withhold specific program recommendations until I have had a better opportunity to review our total effort. I would like to withhold my evaluation of targeted jobs tax credits, workfare and direct wage subsidies for a later time. I believe I have already touched on the issue of a subminimum wage for youth.

Generally, I look favorably on on-the-job training programs and apprenticeship.

Basically, that is what he said before the committee with regard to CETA.

Mr. PROXMIRE. But I think that was a very general response.

Mr. HATCH. It was.

Mr. PROXMIRE. There is one other area I would like to ask the distinguished Senator about. I asked the nominee about right-to-work legislation. I am very concerned about right-to-work legislation. In our State, both the Republican Party and the Democratic Party oppose the right to work and favor the union shop. They think the open shop is a mistake and feel that the right to work destroys union security and makes it very difficult for unions to grow in this country. One of the reasons why I pointed to this decline in union membership, the relationship to the work force, has been because this is something we all ought to be concerned about. Our unions are not getting stronger, but weaker. The overwhelming majority of our unions are honest and responsible. Some of them are bad actors.

By and large, this is an essential part of our economic democracy. I asked:

Your nomination was applauded by Reed Larson, President of the Right to Work Committee which has been seeking a constitutional amendment outlawing union membership as a condition of emp oyment. According to a report which appeared in the Washington Post on Wednesday, Dec. 17, 1980, Carter Clews, a spokesman for a Right to Work Committee, is quoted as saying the following about you, "We submitted specific questions to him through his friend—questions about where he stood on issues important to us. He comes down in our favor on every one." Mr. Donovan, what is your position with regard to a constitutional amendment outlawing union membership as a condition of employment? Do you favor changing Section 14b-Taft-Hartley Act from, allowing to requiring, states to have right to work laws?

His response was:

I do not favor a constitutional amendment outlawing union membership as a condition of employment. I do not favor changes in section 14b.

That seems to directly contradict the responses he reported in the Washington Post as having given to the top right-to-work people. It concerns me about whether he has changed his position or what his position at the present time really is.

Mr. HATCH. I do not think the conclusions of the distinguished Senator from Wisconsin are accurate. The fact

is that Mr. Donovan and his company have been union employers for all of their 22 years. The only time they have employed any nonunion people has been when union tradesmen were unavailable. That was with union permission.

Second, this is one of those rare occasions in the lives of all of us where not only does he have the support of Reed Larson of the National Right-to-Work Committee, but of a number of unions, including Bobby Georgine.

Mr. PROXMIRE. The unions are going to have to live with him. They know he will be confirmed. They are tough and realistic people.

Mr. HATCH. That is why I am a little bit shocked to find that the distinguished Senator from Wisconsin is believing that unions are already out of business today because they are tough people who do understand these things. But keep in mind, he not only has the support of Mr. Larson and the National Right To Work Committee, but he has the support of Bobby Georgine, who used to be the president of my union, the International Wire and Wood Lathers Union. He also has the support of the Operating Engineers, the Building and Construction Trades Department of the AFL–CIO, and others.

All I can say is he has said before our committee that he is not for a national right to work law, but he is also not for repeal of 14b, which permits States to make a determination as to whether or not they can enact a State right to work law or not. I think he was accurate with regard to his statements in that matter.

He also expressed his belief that the union movement is important, as the Senator from Wisconsin has expressed and with which I agree. It would be a tragedy if this country did not have a union movement to represent the segment of the workers that they represent in this country.

Mr. PROXMIRE. Mr. President, my time is almost up. Let me finish by saying that I commend my good friend, the chairman of the committee, for his responses to these questions, but, frankly, I cannot go for this nominee. I do not know enough about the charges that have been debated in great detail.

Frankly, I cannot vote for this nominee because he has been totally unresponsive to the questions I asked. It is a big department, generating an enormous amount of paperwork, with many regulations, 22,000 employees, and a $34 billion budget. He cannot indicate where he would make reductions. On the basis of that record, concerning OSHA and open shop, I am concerned that we would have a weakened labor movement. For those reasons, I will have to vote against the nominee.

Mr. HATCH. Mr. President, if I can respond, I am disappointed that the Senator from Wisconsin feels that way. On the other hand, I know that he does a lot of work on this floor and has to make up his own mind, as all of us do. I respect his right to do so, as ranking member of the minority on the committee.

The PRESIDING OFFICER. All time of the Senator from Wisconsin has expired. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as the Senator from Michigan desires.

Mr. RIEGLE. Mr. President, I thank the Senator for yielding.

Mr. President, colleagues, this is a complex and difficult matter that is before us today. I think the time that the committee has taken and the content of the committee record shows that we have been dealing with this and struggling with it for some period of time. I think each Senator ought to carefully review this record and try to make his or her own judgment about it. As a matter of fact, it was the view of the committee and the chairman that we bring the matter to the floor at a time which would allow the committee hearings to be printed in their entirety and available for Members to review. I think that was an important step and I think it reflects, in part, the gravity of this particular matter.

I think that, in many ways, this nomination tests the advise and consent responsibility far more than most, because it involves difficult matters of judgment, where all the facts that we might wish to have are not necessarily present. That is why I think each Member has to try to familiarize himself or herself with the information here as we in the committee, of course, had the opportunity to do during the hearings and cross examination, and with the materials that were made available to us.

There are two items here that I think elevate this nomination to a different level of concern and importance. One has to do with what has gotten intense public attention—namely, allegations that have been made by FBI informants, a couple of them known by name, others anonymous informants, but, nevertheless, termed by the FBI as reliable informants. They have, one way or another, suggested certain criminal wrongdoing, either by Mr. Donovan or by his company or both, or some association with criminal elements.

The FBI came to the committee with these charges. As a matter of fact, the committee was on the verge, I believe, of completing its work some time ago when that information was brought to us by the FBI—as, properly, it should have been. That set in motion an effort to examine these allegations, to try to find out what facts could be found and what the truth might be. Within the time that we have had, and I think it has not, by any means, been an excessive period of time, an effort has been made to run these matters down. The information about that is contained in the record. I shall make some other references to it before I finish.

In any event, that certainly is a very unusual situation, highly sensitive, important. It needs to be handled with great care and with great thoroughness and is quite out of the ordinary.

Mr. President, I think the most important aspect of these charges and allegations that have been made lies not just in the content of the specific allegations, although, clearly, they carry their own important weight in terms of the specific allegation that is made. I am more concerned, myself, about the possible implications of ever finding ourselves in a situation where anyone who had criminal contact, criminal association, any kind of link in any way to organized crime elements, was in any kind of vulnerable position to be subjected to possible influence or harassment by those elements. I think the possibility of ever allowing that situation to arise in terms of someone going into the Cabinet of the President of the United States is a matter of national security of the highest order.

We expend enormous sums of money, as we need to, in terms of our defense expenditures and our foreign policy expenditures, to protect against any kind of subversion from outside our country. It is as important that we be equally vigilant with respect to any possibility of something of that kind happening from within our country, from enemies within, whether it be organized crime or anyone else. When that question is raised—when it is raised—when the allegations are made, the FBI comes in and indicates to us that informants that they find reliable have made charges that raise this issue, then we have no choice but to proceed with the greatest care and the greatest deliberation in trying to find out exactly what the facts of the matter are.

If we were ever to err in our judgment by allowing that kind of breach of national security, that kind of penetration into the Cabinet of the United States, then we would have, I think, done enormous damage to our country and to our future.

So that question, which is a question that is there, has been there over the years, will be there in the future, with respect to who comes forward as a Cabinet nomination, regardless of administration, regardless of party, is an issue that has to be looked at in its own right and not overly personalized. Our task, I think, is to depersonalize it and set those matters aside—set aside party, set aside the individual, set aside the geography—and to think only in terms of the question of the seriousness of the charges and what their inference might be and how accurate those charges might be.

So we have gone that road as best we can. The FBI has done its work within the limits of the time available to it. They have come back to us and, in essence, have said the following:

They cannot prove these allegations. They cannot find tangible evidence to support these allegations that have been made. On the other hand, they also are clear in saying that they cannot disprove these allegations. Of course, it needs to be said that it is tougher to disprove in this case than it probably is to prove. But who is to say, depending upon the situation and depending upon the facts in the particular allegation?

In any event, the hard evidence that could resolve this matter absolutely and with finality, one way or the other, is not at hand. I wish it were. But it is not at hand today, as we stand here.

When we pressed the FBI, as we did repeatedly, on their belief in the credibility of their informants, which now number seven or eight different instances—some say six, but it is six or more—they said to us the following:

The six informants are each independent of the other, in the judgment of the FBI. They are not connected to one another and, therefore, they are separate independent sources.

Second, in each case they see these sources as reliable sources, sources that in the past have been accurate, have been dependable in the evidence they have provided, and in one or two instances, were key figures in cases that were brought where successful convictions were obtained in court.

So, again, having no way to judge these persons other than by virtue of what the FBI has to say about them, we have had to rely on their assessment of the credibility or possible credibility of these witnesses.

Therefore, we are left with the situation in which the hard evidence is not available, and yet we have this pattern—unique, to my knowledge; I do not know of any other situation like it which has arisen in the 200-year history of this country—where we have that kind of informant information brought forward on a voluntary basis by a number of sources said by the FBI to be reliable.

So there we stand. How does one, then, come down on this issue?

In addition, the other issue that has to be weighed here with some care, totally apart from what I have just spoken of, is the question of formal, professional background and qualifications for this assignment. Of course, that goes to the question, I suppose, of how one views the Secretary of Labor, the importance of that Department, the importance of the functions of that Department. I happen to think that that is an essential Department in our Government, one of the most important.

It is the place where the problems and realities of working men and women have to be dealt with each day. I believe that in that assignment we should have people of towering reputation and credentials.

What do I mean by that? I mean someone who is well known in this field, not just necessarily in a small area, but someone who has distinguished himself enough that he would have something of a regional reputation in the field, if not a national reputation; someone who has well-defined opinions on the key issues in this field; perhaps someone who has spoken about it in the past or someone who has written articles about it; someone who is clearly acknowledged to be one of the top people in this field in the country.

If we were to have that—and we do not have that in this case—I would think that would be a significant fact in my mind. It would be something I would put weight on. We do not have that here.

What we have is a man who is highly successful in his firm, successful in the private sector, a family man—admirable and important accomplishments—things we would expect in any Cabinet officer—but a person very largely unknown in this field by most people in the field, regardless of party, regardless of region, regardless of philosophy.

I recall that when the nomination was first made, a number of people were surprised because this person was not well known to them. That is another part of this case that needs to be stated.

The next question that arose in my mind was the degree to which the President of the United States, on the basis of his intimate, personal knowledge and perhaps close contact over the years with this particular nominee, would have the kind of proximity and relationship to be able to know, on a personal basis, some things about the nominee that would not necessarily be apparent just by the record or the list of accomplishments that one might see, in the field of labor issues, labor law, and so forth. As nearly as I have been able to determine, there is not a close personal relationship there.

Mr. Donovan performed an important responsibility in the Reagan-Bush campaign, and there is clearly an association on that basis. That is a different situation from that which one might find, say, in the case of William French Smith, with whom the President obviously had a kind of long-time and close familiarity, which would lend a certain additional element to the nomination, and that is not present to the same degree in this case.

I believe that everybody who cares about this nomination should read this hearing record carefully because of a number of matters that arose and were mentioned—I mean not just issues of substance but charges that were made and the circumstances surrounding them—to try to reach their own judgment as to what those say and do not say.

I have struggled with this, as have my colleagues who voted "Present" in the committee the other day. It is a complex and troubling situation. I must say to my colleagues that, having thought about this subject over the weekend for many hours—and I believe this is true of all colleagues on the committee, on both sides—I still have material, unresolved doubts in my mind. I do not want to have them. I would much prefer not to have them. To the extent that they may eventually go away, that would be a burden lifted at least from this Senator's feelings about the matter. But the issues are serious enough that they must be dealt with, in a sense, apart from personalities.

That is where the hard part comes in, when we are called upon to make these decisions and to cast these votes. In that connection, I suppose I am most concerned with the possibility—it may even be a probability—that in casting a vote against this nominee, that vote would be misunderstood by the public and by the press in terms of what it was intended to convey or mean.

I am very sensitive about the fact and I am concerned about the fact that given the nature of the allegations that have been made in this case it would be very easy to draw the inference that a vote against was somehow a vote that said that the allegations that have been made here were true. I indicate flatly to everyone who is within the sound of my voice that my vote should not be interpreted that way.

The allegations are unproven. The FBI has indicated that they were unable to either prove or disprove the allegations.

So we do not have a nice crisp sharp definitive kind of resolution of that matter that it would be so much better for us to have if that were possible.

So we have to make the judgment in this case individually on everything else we have short of that. So I have attempted to do so which is my duty under the Constitution as it is the duty of all of us.

I think this has not been a pleasant experience for anyone, cerainly not for Mr. Donovan, his family, or members of the committee. It is not comfortable today. And who knows how long it will be before it ever is, if it ever is?

This nominee is going to be confirmed today and I wish him well in undertaking and discharging these important new duties.

Regardless of how we each may vote here and how we resolve these issues and questions in our own mind, that is today's business. Tomorrow's business is different.

Once this confirmation has occurred it is time for him to start doing his job and for us to do it together and to do it cooperatively, all of us, regardless of how we may have voted and whatever our final judgment in the matter. I certainly intend to do so. I intend to work with this nominee, this Cabinet officer, constructively, cooperatively, openly, and directly, in the same way that I have tried to deal with these matters with him in the committee.

We carry different responsibilities in these matters and we all have the obligation to discharge them as best we can.

I thank the Senator for yielding.

Mr. HATCH. Mr. President, I yield such time as he may need to the distinguished Senator from New Jersey and as soon as he is finished such time as he may need to the distinguished Senator from North Carolina.

Mr. WILLIAMS. I thank the Senator from Utah.

Mr. President, at the outset I wish to state something of a personal nature about the chairman of our committee, the Senator from Utah who has most recently become the chairman of the Labor and Human Resources Committee.

This was the first major matter to come before our committee, the nomination of Ray Donovan to be Secretary of Labor, and I said at the hearings, and I wish the record to reflect it now, I commend the manner in which the Senator from Utah has discharged his responsibility as chairman of the committee.

This has been, I believe, the most investigated nomination in terms of background study and inquiry. It has broken all records, I understand, and it was under the overall committee direction of the Senator from Utah. He did it with skill, fairness, and completeness and that has been observed and editorialized about.

I ask unanimous consent to have printed at this point in the RECORD an editorial from the Newark Star Ledger that does applaud the committee and its work and thoroughness in this nomina-

tion hearing and in exercising our advise and consent responsibility.

There being no objection, the editorial was ordered to be printed in the RECORD, as follow:

[From the Star Ledger, Jan. 29, 1981]

VIEWPOINT—RIGOROUS REVIEW

One of the major criticisms of the nominating process for Cabinet members is that the Senate hearings on appointees are not sufficiently searching. The reviews of nominees' backgrounds and the questioning at hearings are perfunctory, more or less a pro forma proceeding.

The confirmation of Bert Lance, President Carter's choice to head the Office of Management and Budget, is frequently cited as an egregious example of Senate laxity, the failure to undertake rigorous probes before nominations are clear for confirmation.

Mr. Lance resigned under heavy pressure after allegations surfaced about his free-wheeling style as president of two Georgia banks before he entered government service.

The laissez faire attitude that marked the confirmation of Mr. Lance and a number of other Cabinet nominations was markedly missing in the Senate committee confirmation hearing on President Reagan's nomination of Raymond J. Donovan as Labor Secretary.

Mr. Donovan was subjected to a rigorous grilling and a full-scale FBI review of his business activities and the operations of his New Jersey construction company.

Despite the questionable sources of the accusations, the Senate committee directed the FBI to undertake a thorough and wide-ranging investigation. A task force of 70 agents interviewed 124 persons and examined thousands of documents but did not find any evidence to support the allegations.

Mr. Donovan was understandably bitter, characterizing the accusations as "unfounded, scurrilous and groundless." However, there are positive aspects to the meticulous review of his nomination. It provided an independent perspective that refuted attacks on his character and integrity . . . and the allegations should now be laid to rest.

Moreover, the comprehensive Donovan inquiry was done before, not after, his confirmation, serving to remove any residual doubts of a reprise of the lamantable Lance affair. It established the appointee's fitness to serve as a member of the Reagan Cabinet.

Mr. WILLIAMS. The editorial's conclusion is that the nominee should be confirmed but it speaks well of the committee's work, and I commend the chairman and of course the thoroughness of our ranking minority leader also.

Mr. HATCH. I thank my dear friend from New Jersey.

Mr. WILLIAMS. Mr. President, the past few weeks have undoubtedly been extraordinarily difficult for the nominee, Ray Donovan. Over a period of many years Secretary-designate Donovan has built up a reputation in my home State, New Jersey, for integrity and dependability. This reputation is founded both on his effectiveness as a businessman and on numerous charitable endeavors which have aided so many of the people of New Jersey and indeed the Nation.

Now, however, Ray Donovan's integrity and veracity have been called into question because of a series of well publicized charges emanating from the most questionable sources possible. None of these accusations has been substantiated, but the mere airing of them has served to delay the confirmation of Ray Donovan and, at least temporarily, to call into question his fine reputation. Needless to say, the past several weeks have been a nightmare for Ray Donovan and his family.

It is my hope that this whole process of accusation and investigation has at last come to an end; that we will vote today to confirm Ray Donovan and allow him to move on to the vital business of representing the working people of this country.

Both the majority and minority reports contain detailed discussions of the various allegations made against Mr. Donovan and the FBI's investigation of them. I think it would be redundant for me to reiterate each of these accusations and the FBI's findings in relation to them.

However, looking at the allegations in broader perspective, particularly Mr. Picardo's, we can see that they fall into three general categories.

First, there is information supplied by Picardo which the FBI found to be inaccurate. For example, Picardo's description of the Donovan office—where he supposedly bought "labor peace" from Picardo—was not only not corroborated by any other witness, it was contradicted by those familiar with the location and set-up of Donovan's office.

The second and broadest category contains allegations which are on their face demonstrably false or ludicrous and could easily be tested by a cursory investigation. For example, Picardo stated that Schiavone Construction was "known in the construction community as being the only construction company in the State of New Jersey and if you also were in the construction business you were a subcontractor to Schiavone."

Ray Donovan vehemently denied this and the FBI evidently felt that the claim was too insubstantial to look into. My own staff checked into it and found that Schiavone was not only not the dominant firm in the State, it was not even in the top five. According to the prominent construction industry periodical Engineering News, Schiavone was, during calendar year 1979, the eighth largest construction company in New Jersey in terms of the dollar value of contracts awarded. It was awarded contracts worth approximately $56 million. The largest construction company in New Jersey was awarded contracts worth over $3 billion.

Picardo and others have made numerous similar allegations which Donovan denies. The bulk of these charges involve claims which could be pursued and, if true, easily verified. By and large the FBI found such matters not worth pursuing. However, because these matters are so readily verifiable, it would be utterly illogical and self-defeating for Ray Donovan to lie about them. Any such falsehood by Donovan could be easily revealed. Indeed, title 18, section 1621 of the United States Code specifies criminal sanctions be applied to anyone who gives false testimony under oath to a competent tribunal such as our committee. It strains credulity to think that Ray Donovan would risk his livelihod and freedom, as well as his chances for confirmation, by lying about such matters. On the other hand, I think it notable that none of Ralph Picardo's allegations were made under oath.

Finally, there is a third category of accusations. These are the basic charges. Did Ray Donovan meet with Ralph Picardo? Did he buy "labor peace"? The FBI was unable to substantiate any of these allegations. Yet, they have not been conclusively disproven and it appears that there is no way they can be.

This proving of the negative we all know is the most difficult and impossible thing in the world to do.

These unverified and unverifiable accusations are the crux of the case against Ray Donovan. They lie at the center of a matrix of clear falsehoods constructed by Ralph Picardo and others against Ray Donovan and, given the lack of proof, the believability of these charges hinges on the relative credibility of Ray Donovan and his accusers.

Ray Donovan, as I stated before, is a reputable businessman with an enviable reputation for honesty and dependability. For this reason many of the construction tradesmen from my State have come out in support of Mr. Donovan despite the fact that they have fundamental philosophical differences with him.

Ralph Picardo is a confessed murderer, extortionist, and arsonist. He has also been found guilty of falsifying records, kiting checks, and passing worthless checks. Commission of any one of these crimes would alone be sufficient reason to question one's veracity.

Mr. Picardo, though, did all these things and more. For him, deceit and betrayal have been a way of life. What reason do we have to rely on his credibility? Why should we give him a veto power over Ray Donovan's career and life?

I cannot imagine that any of us would seriously claim that Ralph Picardo is trustworthy. However, many of my colleagues have wondered why he would lie about Ray Donovan. Mr. Donovan himself was asked this at his hearing and was at a loss to come up with an answer. I am similarly without insight. However, I simply do not believe that this body should be terribly concerned with understanding the mind and motivations of a murderer. Deceit and betrayal are clearly habitual with this man, and I do not believe we have to probe any further into his motivations.

In short, the question before the Senate, over and above the pending nomination of Mr. Donovan, is whether this body shall meet its responsibilities and decide the nomination on the facts in the record before us.

The record as put forth in the committee report is an abundant statement of the situation. Our members can rely on it to decide the issue. Our decision should be based on this record rather than upon the innuendo and the easy slanderings of informants too cowardly to come forward and speak, under oath, before the man they accuse.

Have we learned nothing from our history of two and three decades ago?

In every court in this land, juries are told to weigh the testimony of these types of people with great caution and skepticism. Yet here we do not even have their sworn testimony.

Mr. President, I know Mr. Donovan well. I feel honored and proud to vote in favor of his nomination. My vote is based on the record before us. I say he deserves nothing less than this vote of confirmation which is, for me, a vote of full confidence. I believe he will serve as Secretary of Labor with honor and with distinction.

It is true, as the Senator from Wisconsin developed, that the basics of the business of Secretary of Labor were not fully explored with Mr. Donovan. One of the reasons was because the hearing process was pretty much occupied—we were pretty much occupied with—this flood of suggestion from unknown, unseen, unheard people out there in that misty land of informers and others associated with informers.

So we did not get into the tough questions of CETA, OSHA, and ERISA, and some of the other things that I, as a former chairman of the committee, would liked to have done, because I think in that process it would have been helpful to Mr. Donovan to know the depths of our feeling on all of the matters that are before our Labor Committee. These are necessary matters for us to thrash through, consider, fight for or reject as we join the mission of trying to make the working people of this country's lives better through the opportunities given us in our roles in Federal Government.

I thank the chairman of the committee for the time he gave me to make this statement in support of Ray Donovan.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Alaska.

Mr. STEVENS. I ask unanimous consent, Mr. President, that the Senator from Utah yield to the Senator from North Carolina such time as he desires, not to exceed 15 minutes.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. Mr. President, it is my pleasure, in my first speech to the U.S. Senate, to speak on behalf of the nomination of Ray Donovan to be Secretary of Labor.

I, too, as has the distinguished Senator from New Jersey, would like to commend Senator HATCH for taking the most difficult and troublesome Cabinet nomination we have had and conducted extremely fair and extensive hearings, which he has done with great competence, and it reflects greatly not only upon himself but, in my judgment, upon the entire U.S. Senate.

We had extensive hearings. The findings seem to boil down to this: Mr. Donovan is competent for this job. Mr. Donovan was not questioned upon the issues in terms of being deficient in his position there. The whole cloud surounding this nomination centered around charges from the underworld about alleged connections with underworld figures.

In response to that, the Federal Bureau of Investigation dispatched 26 agents to explore these charges. These charges all came back unsubstantiated.

Mr. President, I ask you as a matter of elementary fairness what else can you do? To contend, as some do, that a cloud still exists over Ray Donovan is, as Senator WILLIAMS has suggested, and as I noted in the committee hearings, to give a veto power over Cabinet appointees to the underworld because all they have to do is surface some informer who says that so and so did this and that and the other thing. The FBI checks it out, but you say, "Never mind, that does not count. I go on the basis of suspicion, cloud, innuendo."

What you are really doing, I repeat, is giving veto power to the underworld on any potential nominee who comes before the Senate. In fact, the problem goes deeper because, in effect, what you are doing is giving the power to advise and consent to the underworld. You are relinquishing it to them. In my judgment, we are ignoring our constitutional responsibility and obligation.

I repeat what more would you ask as a matter of elementary fairness that a man do? He is charged, the FBI investigates and finds nothing. Would you still hold it against him? I doubt if the American people would, and I see no reason why the U.S. Senate should.

Beyond that, I think it raises serious problems about civil liberties and the rule of law under the U.S. Constitution where a man, again with the character and background of a Picardo, can come out, make accusations found to be unsubstantiated, and ruin the career of a distinguished, able, and accomplished American.

Let me ask you if you were in Mr. Donovan's position, would you not feel that way, that civil liberties were jeopardized and that the rule of law seemed to be jeopardized? I think so.

Ultimately here you get down to the simply most fundamental thing about the American system of justice, elementary fairness. What is reasonable and fair?

I leave you with this thought: If this Senate should—which it will not, I believe—turn down Ray Donovan, I would leave you with this as a U.S. Senator looking forward to this continued problem of confirming people to serve in public life, how are you going to get good people to offer themselves to serve in Government where if their name is presented and then someone again like a Picardo surfaces and says this kind of thing, the FBI clears you, but they still say there is a cloud of doubt over you? You will not be able to get qualified people to serve in these jobs.

Those people who are against Mr. Donovan's confirmation and who will oppose him in this vote today I feel very strongly owe a very extensive explanation as to how they justify it, as a matter of elementary fairness, as a matter consistent with civil liberties and the rule of law under the U.S. Constitution. They have an enormous burden to bear.

It is my pleasure, then, to speak on behalf of Mr. Donovan and to inform my colleagues that I intend to vote for his confirmation and I urge them to do likewise.

Thank you, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. BRADLEY. Mr. President, will the Senator from Tennessee yield to me?

Mr. BAKER. Mr. President, I am happy to yield such time as the distinguished Senator from New Jersey may require.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I thank the majority leader.

Mr. President, as I said when I introduced Raymond Donovan to the Labor and Human Resources Committee, President Reagan honors Mr. Donovan and New Jersey with this nomination.

I did not know Mr. Donovan personally before the President nominated him in December. Since then, however, I have talked at length with him and with a good number of New Jersey residents who have been well acquainted with him for many years. On the basis of those discussions I can report that Mr. Donovan's reputation for character and integrity is excellent. The committee's record is also filled with favorable comments from many New Jersey citizens—including a former head of the State special commission on investigations and three Federal district court judges, two of whom were U.S. attorneys.

Mr. Donovan and I do not share the same views on all policy areas, and we probably will disagree on some significant decisions during his tenure as Secretary. But I believe we will work together because in his career Mr. Donovan has earned a reputation for fairness and honesty, a reputation he can put to good work for the country as Secretary of Labor.

Mr. Donovan's nomination has received great scrutiny, to put it mildly. I am pleased that all of the allegations, which were investigated intensively by the FBI, were not substantiated.

It is appropriate to keep in mind that during the committee hearings the Secretary-designate totally denied them. During the committee's examination, the Secretary-designate was asked to speculate about the reasons for the controversy and he referred to the "New Jersey syndrome," suggesting that although allegations against him were groundless, they were accorded undeserved credibility because of suspicions about the construction industry generally and the construction industry in New Jersey particularly.

I understood what he was getting at, and I think a lot of other people did, too. After all, for years the television comedian and the talk show host have been making jokes about New Jersey—its air, its water, its people, its government. These largely unfounded remarks disturb me greatly.

The point is that public perceptions of a situation often do not square with the facts. Distorted perceptions should be corrected whenever and wherever possible.

In fact, Mr. Donovan's nomination gives me the opportunity to correct the misimpressions that too frequently are associated with our State and to point out many of its outstanding features.

One reason why pictures of New Jersey are distorted is because much of what people know, they see on television. Because New Jersey lacks the commercial VHF TV station of its own, it is seen by the rest of the world—as well as many of its own residents—through the eyes of television stations based in New York and in Philadelphia. It is one of only two States in the country with such a problem. New Jersey residents know more about what is happening in New York City and Philadelphia than they do about the events in Trenton or Newark. Too frequently the only time New Jersey is seen on commercial TV is to cover a major disaster or crime—the big story. Small wonder people develop the misimpressions they do.

Another reason why pictures of New Jersey might be distorted is because we New Jerseyites have not told our story loud enough about what is good about New Jersey. Today I will try to correct that.

New Jersey is a State of incredible diversity. It is the most densely populated State in the country, yet two-thirds of its land area is still flat farmland, heavy forest, and rolling hills. Over 7,900 farms and a million acres of pineland wilderness are as much New Jersey as Newark, Jersey City, and Trenton. Seven and a half million people reside in New Jersey and one-quarter of the Nation's population lives within a 250-mile radius. Our freight transport complex is the greatest in the country. Our two ports, Newark-Elizabeth and Camden are among the most active in the Nation—we are the containership capital of the world.

New Jersey's work force is also one of the Nation's most highly trained. There are more scientists and engineers per capita than any other State. We also lead the Nation in privately funded research and highest concentration of research facilities—over 10 percent of all research and development dollars are spent there. We have more than 725 industrial research laboratories in addition to those affiliated with our many universities, such as Princeton and Rutgers.

Our students are trained at 21 4-year and 22 2-year colleges. Worker productivity is among the highest in the country. We have the Nation's third largest concentration of corporate headquarters—90 of the 100 largest corporations in America are located in New Jersey. New Jersey is: first in pharmaceuticals; second in chemicals; fifth in rubber and plastics; sixth in instruments and related products; seventh in food and food products; stone clay and glass products; leather and leather products; apparel; and miscellaneous manufacturing; eighth in electrical machinery; printing and publishing; ninth in paper and allied products and textiles; and tenth in fabricated metals. New Jersey is also tenth in export of manufactured goods and second in export of steel and iron scrap.

Our State has also a magnificent 128-mile coast line complete with lovely barrier islands and the country's biggest recreational fishing industry. This leads to an important tourist industry which thrives not only along our coastal communities but along the beautiful Delaware River, as well.

So, Mr. President, I am pleased and proud that today's confirmation process gives me the opportunity to dispel a little bit of the "New Jersey syndrome" frequently affecting the way other people see New Jersey.

Mr. President, I am confident that Ray Donovan will represent the best of New Jersey and will be a credit to the President, to our country, and to New Jersey. I will proudly vote for his nomination.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which was published in the Record, Hackensack, N.J., on February 2, 1981.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From The Record, Hackensack, N.J., Feb. 2, 1981]

THE "JOISEY" FACTOR

"If you're in the contracting business in this country, you're suspect. If you're in the contracting business in New Jersey, you're indictable. If you're in the contracting business in New Jersey and you're Italian, you're convicted."

Raymond J. Donovan, President Reagan's nominee to be secretary of labor, was facing yet another grilling before the Senate's Labor and Human Resources Committee last week when his temper finally got the best of him. Accused by an FBI informant (who refused to appear before the committee) of having made union payoffs in exchange for labor peace at his construction firm, Mr. Donovan stated publicly what a great many New Jerseyans have been thinking privately for years.

We don't know whether there's a grain of truth to the allegations against Mr. Donovan. (The committee apparently didn't think so; by an 11-0 vote, with five Democrats abstaining, it approved his nomination and sent it to the full Senate for a confirmation vote this week.) But we do know what it's like to say, "I'm from New Jersey."

"Joisey"? You from "Joisey?" What kinda cancer you got? Seen any good chemical-dump explosions lately? Jimmy Hoffa buried near you? Imagine the grief Mr. Donovan must take when he tells people he's not only from New Jersey; he's from Secaucus—and he owns a company called Schiavone Construction! It's as good as identifying himself as a hit man for the mob.

We doubt that Mr. Donovan's past business dealings have been brought into question simply because he owns a construction firm, or because he hails from New Jersey, or because his business partners are of Italian descent. But we suspect that more than a few people have judged him guilty on these very grounds. What he said to the committee last week needed to be said. And we're glad he said it.

The PRESIDING OFFICER (Mr. RUDMAN). Who yields time?

Mr. KENNEDY. Mr. President, I am prepared to yield to the Senator from Ohio what time he might need but I just want to indulge myself for 1 minute and say that I love New Jersey as well as the distinguished Senator from New Jersey. I have nothing but the fondest recollection of the voters of New Jersey, particularly during the Presidential primary this past year.

So I just want to let all of us know that the Senator's ringing words were welcomed by not only the Senate but I am sure by the good citizens of that State, which is well represented by their two Senators.

Mr. BRADLEY. Mr. President, I look forward to supplying the Senator with a gross of these New Jersey tomatoes for his lapel.

Mr. KENNEDY. Mr. President, I would rather have them for my dinner table.

Mr. President, I yield to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, the nomination before us today confronts this body with extremely difficult choices.

One choice—and the one I would much prefer to make—would honor the President's prerogative of selecting his own Cabinet and give to Mr. Donovan the benefit of the doubt with regard to the allegations that have been made against him.

But the second choice, Mr. President, is to raise the question of whether we can in good faith confirm a nominee to an office of high public trust about whose background there remain so many serious questions and doubts.

It is important that we review the public record of the hearings held in connection with the confirmation.

According to an FBI report submitted to the Committee on Labor and Human Resources, no fewer than six sources.

The Washington Post story today revealed an additional source, so there are seven sources—all described by the FBI as reliable, have alleged that Mr. Donovan has had contact with individuals involved in organized crime. A reliable source, by the way, has been defined as a person whose information is accurate and can be collaborated approximately 90 percent of the time.

If we had such reports from one or two individuals, it would perhaps be possible to dismiss them. But when seven different reliable informants independently provide the same general information, I do not believe that we can afford to ignore the possibility that a real problem might, in fact, exist.

No one would suggest that all seven of these informants were engaged in a master conspiracy to make up these stories. How, then, did it happen that all the sources, each having specific kind of story to relate, would have come forth with such allegations?

Mr. Donovan has denied any wrongdoing, and he is entitled to the benefit of the doubt. He has denied any relationship or liaison with organized crime figures. He has withstood the tough questioning of committee members. And, in

all fairness, he should be commended for his perseverance.

But it is also true, Mr. President, that the committees' consideration did not fully answer the questions raised about Mr. Donovan. The FBI, to be sure, "did not develop information to substantiate the allegations made against Mr. Donovan." But the Bureau was also unable to disprove many of the serious accusations—and their failure leaves this Senator, for one, with lingering doubts regarding the nominee.

It should be pointed out that although the FBI was not able to find a corroborating witness, and according to reports that I have received three of those possible witnesses met their deaths. The fact is the FBI was not able to disprove the allegations.

There are many pending questions, among them whether Schiavone Construction knowingly hired a "ghost employee" and was involved in an extortion scheme.

Whether Mr. Donovan inaccurately testified about his conversation regarding this situation with Mr. Finneran, a general manager of General Contractors Association.

Whether it is reasonable to assume that three Schiavone employees, one of whom was a close personal friend and business associate whose office was adjacent to Mr. Donovan's, would not inform the nominee of a grand jury subpena regarding Schiavone business.

That, indeed, strains the credibility of the testimony heard before our committee.

We must also ask about allegations that the Schiavone Construction Co. made a $13,000 payoff with Mr. Donovan's approval in order to illegally dump material in a municipal lot.

We must also ask whether a new allegation is true, that the Schiavone Construction Co. has ties with the Genovese organized crime family.

These are lingering questions—questions that have not, in my judgment, adequately been answered.

I am concerned, Mr. President, about voting for a Cabinet member whose confirmation would undermine public confidence in public officials.

I can only say that with all of the accusations that have been made, it is difficult to say that one does not have lingering doubts.

Some of these arguments that have been made are compelling, in this Senator's opinion. They weigh heavily against Mr. Donovan's confirmation.

But there will be a number of Senators who will argue that no wrong-doing has been proven, that we should protect due process and individual civil rights—that a man is innocent until proven guilty. Therefore, we should vote to confirm the nominee.

Mr. President, I want to address myself to that subject. We are not sitting as a jury in a criminal case where a man must be proven guilty beyond a reasonable doubt. We are not even sitting as a jury in a civil case where, in order to prevail, you must have a preponderance of the evidence.

No, we are sitting as the U.S. Senate with a solemn obligation to advise and consent to the appointment of a nominee to a Cabinet-level position.

It is our role to decide whether the nomination should be confirmed. And whether it is in the Nation's interest.

This Senator does not believe that it is.

This Senator believes that there is no greater problems facing our Nation today than the lack of confidence that the people have in their Government and in the people who hold public office, whether by appointment or by election.

I do not believe that we should add to their doubts, that we should raise more concern. That we should confirm a man who has raised so many doubts in the minds of the committee, as well as, the minds of the American people.

I came here this session determined in my own mind to vote to confirm all of the President's nominees unless there were strong and convincing reasons not to do so. I have voted to confirm all of the nominees with the exception of one.

I do not believe it is our role to act as judge and jury as to whether Mr. Donovan has been involved in criminal activities. It is our role to decide whether his nomination is in the Nation's interest.

I do not believe that we should vote against a nominee solely based on his or her philosophical views. Therefore, I have voted to confirm all but one of the nominees to date.

In this case, I believe that there are compelling reasons to question the merit of Raymond Donovan's nomination as Secretary of Labor.

Do I need to say what is an obvious fact. The whole question of organized crime in certain small elements of the labor movement is a matter of major concern to our country? Do I need to point out that there are investigations which the Department of Labor and the Department of Justice are engaged in respect to racketeering in the labor movement?

How can we, under those circumstances, justify coming to the floor of the United States Senate and putting into office, confirming for Secretary of Labor, a man who raises more questions of the same kind?

The cloud of suspicion and doubt that strikes at the heart of the candidate's potential credibility in office is, in my opinion, sufficient reason for this Senator to vote nay. With all of the doubts that have been raised, I believe that the President of the United States could find another, more appropriate, appointee. I believe that confirming Mr. Donovan would unduly burden the President and his new administration.

In this time of economic crisis and declining confidence in public officials in our Government, I believe it would be a disservice to the public, the President, and this Nation for an official who will play such an important role to be tainted by doubt or suspicion.

Under those circumstances, Mr. President, I do not rise to urge any other Member to vote one way or the other, but this Senator will feel that he is performing his responsibilities as a Member of this body by voting nay in connection with Mr. Donovan's confirmation.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HATCH. Mr. President, I yield to the distinguished Senator from Florida such time as she needs.

Mrs. HAWKINS. Mr. President, I rise to support the nomination of Mr. Raymond Donovan to be Secretary of Labor. As a member of the Senate Labor and Human Resources Committee, I have listened to hour after hour of debate concerning Mr. Donovan's qualfiications and background. I have carefully reviewed the Federal Bureau of Investigation's report on the allegations made by Mr. Ralph Picardo, a convicted murderer currently being held under the FBI's protected witness program. Throughout the Labor and Human Resources hearings on the confirmation of Mr. Donovan, I have observed Mr. Donovan and listened to him rebut allegations against his character and that of his company, the Schiavone Construction Co.

The investigation by the Senate Labor and Human Resources Committee into the fitness of Mr. Donovan to assume the important position of Secretary of Labor has been the most exhaustive of all invesigations into President Reagan's Cabinet nominations. The Federal Bureau of Investigation utilized 26 special agents, in 14 field offices, who spent 1,400 manhours interviewing 124 witnesses. The Schiavone Construction Co. voluntarily opened up 15 years worth of books and records to the FBI. Mr. Donovan personally cooperated in the FBI's investigation of his personal life from the time he graduated from high school.

The Federal Bureau of Investigation thoroughly investigated all charges made by Mr. Picardo and others. Despite their exhaustive investigation and the efforts of the Senate Labor and Human Resources Committee, the FBI was unable to come up with any evidence to corroborate any of the allegations made against Mr. Donovan or the Schiavone Construction Co. In fact, the FBI report was able to disprove many of the allegations and found glaring discrepancies in others. For example:

1. Mr. Picardo originally stated that he had made about ten pick-ups from Mr. Donovan. He later amended his statement to say that he only dealt with "Ray" on three or maybe four occasions.

2. Mr. Picardo stated that he went up a flight of stairs to reach "Ray's" office. The F.B.I. reported that before 1968, Mr. Donovan's offices were located at street level. No steps were involved. Today, his offices are located down from the foyer entrance level.

3. Mr. Picardo stated that "Ray" wore plastic glasses. Mr. Donovan testified that he had only begun to wear metal frame glasses full time within the last six months. He also stated that the glasses that he occasionally used to read were aluminum half glasses.

4. It was alleged that the Schiavone helicopter flew candidates Reagan and Bush around New York and Pennsylvania without reporting the cost of the helicopter as a campaign contribution. The F.B.I. reported

that the Reagan-Bush Committee paid in full for its use of the SCC helicopter.

5. It was alleged that Schiavone construction company worked on the Newark Federal Building with a subcontractor named Valentine Electric and that Valentine Electric was connected to organized crime. The F.B.I. determined that Schiavone did no work on the Newark Federal Building and that Schiavone has never dealt with Valentine Electric.

6. It was alleged that Ray Donovan consorted with known criminal elements during a NFL football game. The F.B.I. dismissed this allegation out of hand because they had been monitoring the junket and knew that Mr. Donovan did not attend.

7. It was alleged that Thomas Dinorsica, also known as Tommy Adams, was on the Schiavone Construction Company payroll while he was in prison. The F.B.I. check of the Schiavone payroll found no mention of Dinorsica or Adams.

8. Mr. Picardo claimed that Schiavone Construction Company received public contracts through the influence of a New Jersey State Senator named William Musto. The F.B.I. could find nothing to associate Mayor Musto of Union City, New Jersey, with Schiavone or Mr. Donovan. Schiavone Construction Company has never done work in Union City and does not seek municipal contracts.

9. Mr. Picardo stated that Schiavone paid for "Labor Peace" for the construction of the Port Authority landfill job in 1971 or 1972. The F.B.I. determined that Schiavone never worked on this job.

Mr. President, I shall not burden the valuable time of the Senate with a recital of the allegations that have been disproved by the Federal Bureau of Investigation. The Senate Labor and Human Resources Committee has extensively investigated all charges and allegations against Mr. Donovan since the first hearing on January 12, 1981. I am sure that all Senators have carefully read the 378 page hearing record on Mr. Donovan's confirmation.

It is sufficient to point out that neither the Federal Bureau of Investigation nor the Senate Labor and Human Resources Committee were able to find any corroborative evidence of the various allegations made against Mr. Donovan or his company, Schiavone Construction Co. Indeed, Mr. Francis Mullen, Jr., who led the FBI investigation, stated that had the investigation been a criminal one, they would have abandoned it long ago.

I also seriously question Mr. Picardo's motives in refusing to appear before the Labor and Human Resources Committee out of fear for his life.

On many pages in the record of Mr. Donovan's hearings, we are urged as committee members and the FBI constantly tells us to be careful, that Mr. Picardo is in jeopardy of his life. Yet Mr. Picardo agreed to appear on a national network television program the morning of the committee's confirmation vote of Mr. Donovan.

Several Senators refrained from favorably reporting Mr. Ray Donovan's nomination out of committee because of the inability of the Federal Bureau of Investigation to disprove each and every allegation made by criminal informants. In an attempt to determine the truth, the committee examined in detail each charge that was specific enough to suggest further inquiry and each charge that lent itself to resolution by investigative techniques. The allegations that remain are so vague that they do not lend themselves to be proved or disproved. They involve such vague charges as the allegation that the Schiavone Construction Co. was "mobbed up." The Senate Labor and Human Resources Committee and the FBI have exhausted all resources available to them in an attempt to corroborate these vague charges. They were unable to find any evidence to corroborate the vague allegations made by criminal informants.

It is now the responsibility of the individual Senators to make a judgment on the validity of the allegations made against Mr. Donovan and the Schiavone Construction Co. based upon the hearing record before them.

I shall cast my vote in favor of the confirmation of President Reagan's nominee, Raymond Donovan, to be Secretary of Labor. I am convinced that the Labor and Human Resources Committee and the Federal Bureau of Investigation have fully investigated all allegations against Mr. Donovan and have found no evidence to challenge his fitness to serve in the high office of Secretary of Labor. If evidence appears later to challenge Mr. Donovan's fitness to serve the Government, it will not be due to a lack of diligence on the part of the Senate Labor and Human Resources Committee. I doubt if many Senators would be willing to open up the last 15 years of their personal and business life to such close scrutiny.

Before I end my statement, Mr. President, I want to take this opportunity to applaud Senator HATCH for his efforts as chairman of the Senate Labor and Human Resources Committee. I can find no fault with Senator HATCH's fair and objective handling of this difficult issue. Senator HATCH painstakingly went through each and every allegation made against Mr. Donovan and his company, no matter how vague the allegation or unreliable the source. He gave each Senator ample opportunity to question the witnesses to the Senator's satisfaction. I thank the chairman for the fairness and objectivity he demonstrated throughout the confirmation process.

I urge my fellow Senators to vote for the confirmation of Mr. Donovan's nomination.

Mr. HATCH. Mr. President, I yield such time as he needs to the distinguished Senator from Indiana.

Mr. QUAYLE. I thank the distinguished chairman.

Mr. President, today we are asked to confirm the nomination of Raymond J. Donovan as Secretary of Labor. The Committee on Labor and Human Resources has spent many, many hours investigating and questioning Mr. Donovan. We have heard from other witnesses including those who participated in the intensive investigation of unfounded allegations against Mr. Donovan.

We are asked to confirm a man from New Jersey who comes from a working class family—who was orphaned as a teenager—attended Holy Trinity Seminary in Alabama and graduated from Notre Dame Seminary in New Orleans in 1952. Ray Donovan has achieved success in the heavy construction industry which is highly competitive.

He terms his success in the business world as the realization of the American dream. In 1959, he joined Schiavone Construction Co., a company with assets of less than $20,000, with an initial contribution of $5,600 from his own savings. Today, this firm is the 277th largest construction operation in the Nation.

During his time at Schiavone Construction Co., Mr. Donovan has devoted a great deal of his time to labor-management relations, including negotiations and union relations. According to one union official, Mr. Donovan has a reputation as being "demanding but fair."

With this background, it is evident that Mr. Donovan possesses the skills to lead and manage the Department of Labor with its approximately 24,000 employees.

Once Mr. Donovan's name was submitted to this body for its advise and consent, the Committee on Labor and Human Resources, under the leadership of our able chairman the Senator from Utah (Mr. HATCH), undertook full-scale hearings and investigations into the background and qualifications of the nominee.

Serious allegations have been made against Mr. Donovan which prompted the committee to request the Federal Bureau of Investigation to conduct a thorough investigation into the issues raised.

On January 27, 1981, Mr. Francis M. Mullen, Executive Assistant Director of Investigations, appeared before the committee and reported—

This investigation has been the most extensive of any current Cabinet nominee. We have reviewed every allegation that has been provided to us and have conducted additional investigation whenever the allegations were sufficiently specific to warrant it. This additional investigation did not develop information to substantiate the allegations made against Mr. Donovan.

The FBI interviewed a total of 124 individuals, and the investigation took over 1,400 man-hours to complete. Officials at Schiavone Construction Co. cooperated to the fullest extent providing company records for examination by the FBI. The special agents examined 20 cash disbursement journals, 90,000 canceled checks and an equal number of invoices for the period in question.

No records were located to substantiate the allegations made against Mr. Donovan.

During the committee hearing on January 27, I questioned the FBI witnesses to verify that there was no specific information to collaborate the charges of misconduct made against Mr. Donovan. Mr. Mullen as I have stated, said that there was no information to substantiate the allegations.

Mr. President, it is important that we consider who are those who have made the allegations against Mr. Donovan. The chief accuser is a convicted murderer with a record as an extortionist and an embezzler. Other accusers also possess criminal records.

The bottom line is that the FBI could not substantiate any of the charges. Today, as we act on this important Cabinet nomination, either we believe the Federal Bureau of Investigation and the denials of wrongdoing by Ray Donovan, or we choose to believe the unsubstantiated allegations of a convicted murderer and other hoodlums.

I fear, as has been said by Senator WILLIAMS and Senator EAST, that what we may be doing is giving an inordinate amount of influence and prestige to a bunch of bums.

The argument has been made that a cloud has been cast over Ray Donovan. There is no doubt about it—a cloud has been cast over this nominee. But who has cast this cloud? This body has to determine who has cast the cloud on the integrity and the honesty and the character of Ray Donovan. The cloud has been cast by a bunch of hoods and criminals.

In my opinion, Ray Donovan has emerged from extensive hearings and thorough investigation as a better person, as a man who is prepared to serve America with integrity, fairness, and dedication.

Mr. Donovan is perceived to be an outsider who has not been to Washington. He has been here for a while, and he certainly has a greater understanding of the inner workings of Washington now than he had before he came here. He did not seek this job. President Reagan asked him to be the Secretary of Labor.

I hope this whole ordeal not only has strengthened the character of Mr. Donovan, and I am sure it has, but also that it has strengthened the character of his family, which I am sure is stronger after this exhausting and excruciating examination and very unfair allegations and public conduct and character assassinations that have not been substantiated.

I believe Ray Donovan. I believe the FBI. I will proudly cast my vote to confirm Ray Donovan's nomination as the next Secretary of Labor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield such time as he may require to the Senator from Georgia.

Mr. NUNN. I thank the Senator from Massachusetts.

Mr. President, it is with great regret but nevertheless a firm conviction that I must vote against the nomination of Raymond J. Donovan to be Secretary of Labor.

By doing so I do not mean to cast judgment on the veracity of the various allegations that have surfaced regarding Mr. Donovan and his construction company or on his personal integrity. I do believe, however, that any person confirmed as Secretary of Labor must be above suspicion, especially of any activity which bears even a hint of organized crime or labor racketeering.

The Department of Labor bears a heavy duty to detect, investigate, and bring about the prosecution of offenses over which it has jurisdiction under the Landrum-Griffin Act, the Taft-Hartley Act, the Employee Retirement Income Security Act, and other statutes with special application in the labor-management area.

These duties include the detection and prosecution of crimes such as payoffs, kickbacks, embezzlement of union and trust funds, extortion, and other related criminal activities. These are the types of crime in which organized criminals and labor racketeers specialize. They all victimize the millions of labor union members who must rely on the Department of Labor to protect their dues, their pension funds, their health and welfare benefits, and the very integrity of their unions.

The Permanent Subcommittee on Investigations, of which I was honored to serve as chairman in the 96th Congress and as vice chairman or acting chairman before that, has had a continuing interest in how the Department has performed this duty.

The subcommittee has been active in this area since the days when our distinguished colleague, the late John L. McClellan of Arkansas, investigated corruption in the labor-management area in the 1950's. Although those inquiries led to a much broader look at organized crime in America, the subcommittee has continued its work on labor racketeering in particular.

In 1976 our subcommittee uncovered a massive labor union insurance fraud scheme involving the laborers and Teamsters Unions. As a follow-up to that investigation, we held hearings in 1978 on the Labor Department's efforts to enforce the labor laws and to assist the Justice Department's organized crime program. Those hearings showed that the Labor Department's efforts, especially those aimed at organized crime and labor racketeering, had been a hollow, half-hearted exercise, and there is nothing new about that. It has been going on for a long number of years.

At that time, the Labor Department promised a new cooperative effort with the Justice Department. As a result of our inquiry, a special organized crime unit was established by the Department's Inspector General, and the number of Labor Department investigators assigned to the Organized Crime Strike Force was greatly increased. We were told by Secretary Marshall that an important investigation of the Teamsters Central States Pension Fund was proceeding, and that the Department would turn over all criminal evidence it found to the Justice Department.

The Teamsters Union has been of special interest to the subcommittee since Senator McClellan's historic investigations revealed the influence of organized crime on this huge and influential organization. The Teamsters Central States Health and Welfare Fund was a victim of the insurance fraud scheme we discovered in 1976.

The huge Central States Pension Fund has been the subject of allegations of serious mismanagement or misconduct almost since the fund was created in 1955. Among these were allegations that millions of dollars of fund assets were invested in enterprises controlled by organized crime, and that large loans were freely given to associates of known organized crime figures.

The Labor Department promised our subcommittee a thorough and comprehensive investigation. After a civil suit was brought by the Department against the fund's trustees in 1978, Secretary Marshall promised that the investigation would then focus on "third parties"—that is, on a search for evidence from persons outside the fund such as borrowers and persons associated with those borrowers.

Last fall, just in September of last year—and I hope all my colleagues on the other side of the aisle will pay careful heed to the timing of this investigation—we had a very thorough investigation of the Department's investigation of the Teamsters Central States Pension Fund. What we found was very disturbing. Not only was the investigation fraught by problems of management and competency, it had failed to turn over any significant criminal evidence to the Justice Department.

Officials of the Department apparently decided to forego their responsibilities under ERISA to investigate criminal activities. As a result, criminal leads were never vigorously pursued by the Department's Special Investigations Staff, and cooperation with the Justice Department dried up.

In other words, the Department's performance of its duties once again left much to be desired.

Our subcommittee, now under the chairmanship of our distinguished colleague from Delaware (Mr. ROTH), is engaged in an investigation of corruption in the International Longshoremen's Association (ILA), and we expect to hold extensive hearings beginning on February 17.

We have been looking into this investigation now for over 12 months, most of which I was chairman.

One look at the ILA indicates that in the last 2 years more than 100 persons, including ILA officials and corporate executives, have been convicted of various racketeering, obstruction of justice, extortion, tax evasion, and labor law violations. Many of these persons were convicted of conspiracy to control the waterfront industry through a pattern of racketeering, including payoffs, kickbacks, buying and selling contracts, extortion, threats, and intimidation.

As I said earlier, the Labor Department has prime responsibility to detect and prosecute these very criminal activities, yet it was not the Department which conducted this investigation and prosecuted these people. These cases were made by the FBI and the Justice Department.

The subcommittee has expanded on the Justice Department's outstanding work. We expect to show in our hearings a much more pervasive influence and control of the waterfront industry by organized crime, working through the ILA, than was presented by the Department in the various criminal trials.

As Federal District Judge Leonard B. Sand of the southern district of New

York said when sentencing one of the defendants—

> The evidence . . . has clearly shown the existence of an unholy alliance among corrupt officials of the International Longshoremen's Association, past and present, seemingly respectable waterfront company executives, and professional full-time racketeers.

A disturbing aspect of this case, and one which we intend to explore, is the continuing influence of the convicted union officials over the ILA, both directly and indirectly. In spite of this clear pattern, to my knowledge, the Labor Department has taken little real or active interest in this case.

If I am incorrect on this assumption, I will certainly desire to be corrected.

Mr. President, as a distinguished Federal prosecutor said not too long ago that "organized crime in labor is probably the most serious problem in the criminal field." The work of the Permanent Subcommittee on Investigations has convinced me that this assessment is more than likely true. It also has convinced me that the Labor Department's efforts to combat this menace have fallen far short of what they should be and what they must be in the future.

I am not at all sure that the Labor Department institutionally is the proper agency to investigate criminal activities in the labor-management area, since its primary constituency consists of the very people it must investigate. However, that conclusion is certainly not one that all people share at this time. Until we have had a chance to address this more fundamental issue in detail, we must insist that the Labor Department officials from the Secretary on down, be above the slightest suspicion of any involvement whatsoever with organized criminals, labor racketeers, or their associates.

Mr. President, the hearings of the Permanent Subcommittee on Investigations last fall, which will be printed and released with a report in the next few weeks, are replete with convincing evidence that the Labor Department investigators now on the scene investigating this very day are discouraged and demoralized because of the perception that top officials in the Labor Department are not interested in working vigorously in pursuing criminal law violations by both labor officials and by business officials who are corrupted.

This is the case now and has been the case even under Secretary Ray Marshall, a man whose integrity and character are in no way questioned, and I wish to make that abundantly clear. I do not question the former Secretary's integrity or character. What we are describing here is a pervasive problem within the whole institution of the Department of Labor. And I ask my colleagues in the Senate what signals will we be sending to the people in the Labor Department who are now investigating the Teamsters pension fund? What signals are we going to be sending by this vote today? What signals will we send to those in the Labor and Justice Departments investigating the International Longshoremen's Association?

Our job here in the Senate is not that of a court or a jury. We are not charged with the responsibility of judging Mr. Donovan's guilt or innocence of the charges made, and I repeat, I make no such judgment here today. We are charged, and it is our duty under the Constitution, with determining under the current circumstances, with the serious allegations that have been made, under the circumstances with the Labor Department having many matters now pending involving the very unions that these allegations have been made about, under those conditions and under those circumstances and with the background of Labor Department investigations that has been so dismal over the last couple of decades, whether considering all those facts, Mr. Donovan should be heading the Department of Labor.

Millions of working men and women have a stake in the Labor Department. They must know that the Department will do everything within its power to insure that their unions are not corrupt and welfare benefits are protected from plundering by racketeers. They can have this confidence only if they have undiluted trust in the top leadership of the Department of Labor.

With all the clouds that have hung over the Department during the past decade, we should not add another by confirming Mr. Donovan.

Mr. HATCH. Mr. President, I remark to the distinguished Senator from Georgia that Mr. Donovan has made it very clear that he has pledged to work with us in the Senate to root out crime and underworld corruption.

I yield now to the distinguished Senator from West Virginia such time as he needs.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, over the past 4 or 5 weeks the nomination of Raymond Donovan to be Secretary of Labor has been pending before the Labor and Human Resources Committee.

It has been my responsibility to serve on this committee since 1959—the 86th Congress. Over this period of time I have served as a member of the Labor and Human Resources Committee, and as a member and chairman of the Environment and Public Works Committee, and the Committee on Veterans' Affairs, and on other Senate committees. I have participated in scores and scores of hearings on nominations pursuant to the constitutional mandate of the Senate to advise and consent with the President of the United States on nominations.

Mr. President, the scrutiny given by the committee—and when I speak of the committee I speak of members of the committee, members on both the majority and minority sides—has been, perhaps, the most thorough I have witnessed as a committee member during my years of responsibility in the Senate.

The committee conducted 2 full days of hearings. Over 13 hours of testimony and questioning Mr. Donovan, the nominee, and representatives of the Federal Bureau of Investigation yielded the extensive, in-depth transcript and report all Members have before them.

The chairman of our committee, Mr. HATCH of Utah, and the ranking minority member, Mr. KENNEDY of Massachusetts, have, in my opinion, cooperated to assure a fair, well-reasoned, and bipartisan investigation of the nominee and of the allegations raised with respect to the nominee.

As the bequest of all the members of the committee, under the lead of Senators HATCH and KENNEDY, the Federal Bureau of Investigation launched an intensive investigation of matters brought to the attention of the committee. Sixty-two agents expended over 1,400 man-hours in interviewing individuals, reviewing records, and correlating information.

One hundred and twenty-four witnesses were interviewed by the Bureau in this process. The investigation encompassed 14 field offices as well as the FBI headquarters.

In testimony before the committee, the executive assistant of Bureau characterized the investigation as being both thorough and exhaustive. This investigation was in addition to the investigation conducted by the committee staff and, in great part, in conjunction with it. It was with this background, Mr. President, that the members of our committee met in executive session and voted to report the nomination to the Senate for consideration of all Members.

At that session, on January 29, on the basis of the information before the committee, I voted to report the nomination of Mr. Donovan.

Several members of the committee, in accordance with their right, chose to vote "present".

They indicated, and very properly so, that they needed additional time in which to analyze certain testimony and to study it very carefully before casting a vote "yea" or "nay" on the nomination.

I am sure that all of the members of the committee, including the Senator now speaking, have utilized the last several days to further study the voluminous testimony that was before the committee.

In this process I have not found any substantiated reason to vote against the nomination of Ray Donovan.

I shall support the nominee on the rollcall. I shall do it believing that what I do will be right. I add that I hope it will prove to be so.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I am now managing Senator KENNEDY's time. I yield 2 minutes to Senator CRANSTON from California, and I will then use such time as I may need.

Mr. CRANSTON. I thank the Senator very much.

Mr. President, I intend to vote to confirm the nomination of Raymond J. Donovan to be Secretary of Labor.

Disturbing allegations have been made about Mr. Donovan by some FBI informants which suggest that he may have been associated unlawfully with individuals identified by the Bureau as being in-

volved in organized crime activities. But I am equally troubled by the dubious nature of the sources of the allegations and the inferences of guilt by association.

The allegations against Mr. Donovan have not been substantiated by the FBI or by the committee. I am not convinced either that Mr. Donovan has totally removed all shadow of doubt about his conduct—but, I repeat, there has been no solid evidence that his conduct has been other than honest and above board.

The proper course for the Senate, I believe, is to approve Mr. Donovan's nomination.

If, as some of my colleagues believe, the allegations require further investigation those investigations should be undertaken by the Department of Justice as would be the case had they been raised subsequent to Mr. Donovan's assumption of office as Secretary of Labor.

Mr. President, I have seen, as we all have, fine careers damaged and even ruined by allegations which never were proven in a court and never supported by substantial corroborating evidence. In one case I am personally familiar with Herman Silas, whom I recommended to be U.S. Attorney for the Eastern District of California was forced to resign because an FBI informer alleged that he had taken a bribe. No evidence that I know of ever was offered other than the evidence of several lie detector tests. Mr. Silas failed two tests and passed a third. He was required to take the tests or face being asked for his resignation. Mr. Donovan I note refused to take a lie detector test.

I support Mr. Donovan's right to refuse because I distrust the results of such examinations.

We live today in a time of suspicions which too often turn out to be correct. We cannot afford to deny our suspicions or to pretend that they do not exist. But we can and should demand a high standard of proof and a thorough investigation before we act upon our suspicions.

I do not think that we have been offered sufficient proof to reach a conclusion regarding the truth of the allegations about Mr. Donovan. In that case a vote to confirm is not a judgment about the allegations. It is simply a decision to approve him for the job of Secretary of Labor. Any investigation into the allegations should and will continue unaffected by this vote.

For these reasons I will vote "aye."

The PRESIDING OFFICER (Mr. SCHMITT). The Senator from Missouri.

Mr. EAGLETON. Mr. President, in my years in the Senate, no nomination has troubled me as much as Mr. Donovan's.

I believe very strongly that any President, regardless of party, must be given the widest possible discretion in designating his Cabinet. The President faces the awesome responsibility of leading the country. Both history and logic dictate that he should be entitled to assemble the team of men and women whom he wants to help him do that job. In the past, I have voted to confirm Cabinet nominees about whom I had some misgivings simply because the President wanted them and I thought he was entitled to have them. This deference to the President's Cabinet choices should not be absolute, but it should be very strong.

As the minority report notes, the Donovan nomination "is almost unique in the history of Presidential nominations to the Cabinet because of the nature and gravity of the allegations." The allegations charge that Mr. Donovan and Schiavone Construction Co., of which he is executive vice president, have engaged in various practices which violate the law, such as making illegal payments to secure "labor peace," submitting to extortion and bid rigging. The allegations also charge generally that Mr. Donovan or Schiavone Construction Co. have close ties with various organized crime figures. These are some of the most serious charges that could be leveled against a prospective Cabinet member.

In response to the committee's concerns about the allegations, the FBI has conducted an intense investigation of the charges against Mr. Donovan. The FBI apparently spared no expense, but has operated under extraordinary time constraints, in the glare of publicity in a politically charged atmosphere. While the Bureau has vouched for the reliability of its informants who have leveled charges against Mr. Donovan, the FBI has neither corroborated nor disproved most of the major allegations involved in this case. Frankly, given the time pressures, this is not a surprising outcome. It is almost impossible to corroborate within a short period of time serious allegations of the sort leveled here. In fairness to Mr. Donovan, it is almost impossible, given any period of time, to disprove allegations of this sort.

The basic issue then is whether Mr. Donovan should be confirmed for the Cabinet in light of the numerous serious—albeit uncorroborated—allegations from six independent sources identified as reliable by the FBI which have surfaced linking Mr. Donovan or Schiavone Construction Co. with organized crime and illegal conduct.

Having carefully reviewed the FBI report, I find many of the allegations against Mr. Donovan to be unconvincing. The credibility of Mr. Donovan's chief accuser, Ralph Picardo, is suspect, and many of the details of his story were shown to be inaccurate. Thus, in my mind, the statements of Mr. Picardo standing alone would not be sufficient to cause me to vote against Mr. Donovan. However, Mr. Picardo's statement does not stand alone. There are at least six other independent—albeit uncorroborated—allegations by other informants deemed reliable by the FBI. Therefore, it is the Picardo statement, plus the statements of the six other reliable, informants, plus the Kantor matter, plus the 63d Street matter, plus two other aspects of Mr. Donovan's testimony before the committee—which I will describe later—all of which in the aggregate cause me to oppose Mr. Donovan's confirmation.

As to Mr. Donovan's testimony before the committee, I have the following to say. I find it difficult to believe Mr. Donovan's testimony that he was unaware until recently that Joseph DiCarolis, the senior vice president at Schiavone Construction Co. and a close, personal friend of Mr. Donovan's, was subpenaed to appear before a grand jury and produce Schiavone's business records for that grand jury in connection with an investigation of a teamsters local in New York City.

I am further troubled by an apparent discrepancy in Mr. Donovan's testimony to the committee in the course of the January 12 hearing. At that hearing, in connection with the allegations surrounding the 63d Street construction project and the "ghost employment" of Mr. Murray, Mr. Donovan testified to the committee that he had talked with Mr. William Finneran, executive director of the General Contractors' Association, on the preceding Saturday and that Mr. Finneran recalled a conversation with Mr. DiCarolis at the time of Mr. Murray's hiring clarifying the status of Mr. Gross' request to put a man on the payroll who did not actually do any work.

Mr. Finneran subsequently told the committee staff that he told Mr. Donovan that he did not receive a call from Mr. DiCarolis on this matter, but believed that his associate had received the call and told him about it. The inaccuracy of Mr. Donovan's testimony on the substance of so recent a telephone conversation is particularly troubling to me.

Obviously, all of the foregoing does not prove beyond a reasonable doubt or a substantial doubt that Mr. Donovan is guilty of any criminal wrongdoing. But the sum aggregate of the material adduced at the committee hearings does leave me with some significant doubts about Mr. Donovan and Schiavone Construction Co., and the question becomes whether those doubts are serious enough grounds to oppose Mr. Donovan's confirmation. I think that they are, for several reasons.

First, most close observers of Government, both here in Washington and outside, subscribe to the view that there is a hierarchy among Cabinet positions. In such a hierarchy, the position of Labor Secretary would fall within the lower echelon. To some people, this might suggest that a nominee for Labor Secretary might be acceptable despite concerns which would dictate a "no" vote if the same person had been named to a more powerful Cabinet position.

Given the allegations surrounding Mr. Donovan, I doubt whether the Senate would confirm him if the President had nominated him to be Attorney General of the United States. The possibility that the Nation's chief law enforcement officer might have, or has had, some times to organized crime would be unacceptable to the Senate. Yet, the Secretary of Labor occupies one of the most important law enforcement positions in this country. He cooperates closely with the Attorney General in Government strike force efforts against organized crime and racketeering. He has played a crucial role in taking the lead in investigations of the possible misuse of workers' pension funds, such as the inquiry into wrongdoing by the Central States Pension Fund and organized crime. He has the prime responsibility for enforcing

the Landrum-Griffin Act. As the minority report notes—

These allegations [against Mr. Donovan] are even more disturbing because they come in areas over which the Secretary of Labor has direct jurisdiction: the integrity of labor organizations, the soundness of union pension funds and the Department's important role in the coordinated effort against organized crime.

Under these circumstances, the fact that the Labor Secretary is not of the "super Cabinet" rank does not justify the confirmation of Mr. Donovan.

Second, in certain circumstances, a person's qualifications for a position are so exceptional and unique to warrant confirmation even where various doubts about the nominee's past exist.

When President-elect Reagan nominated General Haig for Secretary of State, there were many Democrats who expressed concern about Haig's role in Watergate, bombing of Cambodia, and the wiretaps of newsmen and Government officials in 1969. However, General Haig's exceptional qualifications to be Secretary of State far outweighed those doubts for most Senators, including this one.

The doubts about Mr. Donovan are obviously much different. But the Haig case is instructive in this sense. If the allegations about Mr. Donovan had not surfaced, I would have voted for his nomination without any particular enthusiasm. He is a successful businessman, but he brings no special qualifications or experience to the position of Labor Secretary. As a member of the Labor and Human Resources Committee since 1969, I have worked closely with every Labor Secretary—Democrat and Republican. In my mind, discounting the allegations completely, Mr. Donovan does not measure up to the standard of excellence set by some very distinguished recent occupants of the position: Ray Marshall, William Usery, John Dunlop, and George Schultz. Since the allegations have surfaced, in balancing the cost and benefits of confirming Mr. Donovan, I find a real potential for very substantial costs—or risks—and very little benefit. His qualifications are not so compelling that we should overlook or downplay the allegations. If anything, in light of his limited qualifications, the allegations assume an especially significant proportion.

Third, ultimately, I believe that it is necessary to balance the possibility that some of the allegations against Mr. Donovan might be true against the seriousness of the allegations if they actually prove to be true.

In this case, we are talking about the possibility that a Cabinet Secretary might have a compromising relationship with some elements of the organized crime community. If this relationship existed and were undetected, the lawful process of government could be seriously damaged. If such a relationship were subsequently detected, it could have a devastating, detrimental effect on the public's already diminished confidence in our Government. The dangers inherent in this kind of a relationship—if it exists—are so enormous we should avoid them even if the possibility of the "worst case" materializing is judged to be relatively low.

The Senate is going to confirm Mr. Donovan as Labor Secretary. Obviously, I join with all other Members in hoping that the allegations against Mr. Donovan are what he considers them to be; namely, baseless and scurrilous. I hope that the nominee will prove to be a distinguished Cabinet member. However, because of the seriousness of the allegations, and because the FBI investigation has not resolved my doubts in a satisfactory fashion, I feel compelled to vote against his confirmation.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I yield 4 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of President Reagan's nomination of Raymond J. Donovan of New Jersey to be Secretary of Labor.

While I have not had the pleasure of prior personal acquaintance with Mr. Donovan, I have become familiar with his reputation as a successful, hard working, smart businessman who is knowledgeable and experienced in labor-management relations. He has played a key role over the past two decades in building the Schiavone Construction Co., into a multimillion dollar-volume firm, a company that increased its sales by an incredible $150 million last year, and is now one of the Nation's largest construction businesses.

As executive vice president of his company, Mr. Donovan has specialized in handling matters involving financial institutions and labor-management relations. He has earned the respect and admiration of his peers for his knowledge, ability, dynamism, and good character. Mr. President, those in the ranks of both business and labor who have worked with Raymond Donovan over the years regard him as hard-nosed, confident, and fair. Having once worked as a unionized employee, he understands the problems and concerns of the working man, can talk their language effectively, and has a feeling of compassion for people that tempers his toughness as a businessman.

Mr. President, I am pleased that the Secretary of Labor-designate has expressed his support for State right-to-work laws. He has indicated his willingness to take a careful look at the Davis-Bacon Act, which I have long felt should be repealed or substantially revised. In general, he approaches the position to which he has been nominated with an appreciation for the important responsibilities of the office, with enthusiasm, and with an open mind.

Of course, Mr. President, I am not unmindful of the serious allegations that have been made against Mr. Donovan by several sources, including Mr. Ralph Ricardo, a paid FBI informant with a long criminal record including a murder conviction. I have carefully followed the news accounts of these charges and the intensive FBI investigation which was conducted at the request of the chairman and ranking member of the Senate Labor and Human Resources Committee. I am familiar with the substance of the committee hearings held before and after the Ricardo accusations and with the favorable committee report which we have before us today.

Mr. President, with respect to Mr. Donovan, the FBI has conducted the most thorough investigation of any Cabinet nomination by President Reagan, having interviewed a total of 124 persons, examined 20 cash disbursement journals of Schiavone Construction Co., and scrutinized 90,000 canceled checks and invoices. Not a scintilla of evidence has been found to substantiate or corroborate the charges of union payoffs or possible linkage between Mr. Donovan (or his firm) and organized crime.

Mr. President, in my judgment, it is most unfair to hold Mr. Donovan responsible for the inability of the FBI to absolutely disprove the serious charges raised against him by a man whose character and reputation are highly suspect. Moreover, since there is absolutely nothing in the hearing record, and no evidence that has come to light since the hearings of which I am aware, to corroborate these allegations, I believe the Senate is bound to dismiss them. Mr. Donovan has vigorously and unhesitatingly denied these charges. He has an excellent reputation and character in all respects, is well qualified for the position, and has the ability to be an outstanding Labor Secretary. I, therefore, hope that the Senate will vote to confirm him for this position.

In closing, Mr. President, I commend the able chairman of the committee (Mr. HATCH) for the outstanding work he has done in this matter.

Mr. HUMPHREY. Mr. President, it is with pleasure that I rise to support the confirmation of Raymond J. Donovan to be the next Secretary of Labor. Mr. Donovan is the choice of President Reagan, and I believe that the President's choice will bring a new vision and a new direction to the Department of Labor.

Mr. Donovan has achieved the American dream. Several decades ago, he invested his entire savings of $5,600 in a new construction company. That company, the Schiavone Construction Co., based in Secaucus, N.J., has prospered and performed about $1 billion worth of contracts during the last 20 years, and now has a backlog of $700 million worth of contracts.

Businesses do not grow and prosper by themselves. Success requires a great deal of hard work, many sleepless nights and innumerable personal sacrifices. Success requires sound management and cool heads. Mr. Donovan has succeeded. He did not do it all alone. He worked alongside of Ron Schiavone, the president of Schiavone Construction Co. I am proud to note that he is a graduate of Dartmouth College in my own State of New Hampshire. Ron Schiavone and Ray Donovan have both succeeded and they are a credit to our free enterprise system.

Ray Donovan knows the Federal Government must be reformed if this Nation is to survive. He once stated that "We must get back to work, in both the business and labor communities, and get

Government out of the forced partnership that has been pushed upon it. A good place to start would be to look at the regulations on both industry and labor that have added to our noncompetitive position in such things as auto manufacturing and steel."

In his testimony before the Labor and Human Resources Committee, Mr. Donovan further noted that:

My preference is not going to be measured by the number of rules or regulations issued, but the results achieved. I am interested in results whether it be in the area of better management relations, better health and safety, equal access to the workplace, or a more rapid transition from unemployment to work. In my view, it is results, not programs, that count.

Mr. President, I really think that these comments are right on the mark, and I believe that Mr. Donovan would work well with President Reagan as he attempts to bring more commonsense to the Federal Government.

Mr. Donovan is a courageous man. He, his family, and friends have had to cope with the media show engendered by allegations raised by unsavory individuals. In view of the importance of the office which Mr. Donovan would occupy, these allegations required a thorough investigation. Such a thorough investigation was conducted. The FBI devoted over 1,400 agent hours and the IRS spent 29,000 man-hours. Neither of these agencies is noted for being anything but thorough and ruthlessly professional. In addition to the FBI and the IRS, the Senate Committee on Labor and Human Resources, ably chaired by my friend, the Senator from Utah (ORRIN HATCH) asked very tough questions and conducted its own thorough review. Absolutely nothing was found to substantiate any of the allegations made against Ray Donovan or his company.

It would have been easy and readily understandable for Mr. Donovan to withdraw his name from consideration. He, his family, and friends suffered greatly while faceless individuals and known criminal elements attempted to besmirch Mr. Donovan's good name. That Ray Donovan persevered during these difficult times is truly impressive. In the end, all the investigations simply confirmed that Ray Donovan is a successful businessman, who is labeled tough, but fair, in his labor negotiations and who is an outstanding citizen.

In short, after careful consideration of all the issues involved, I find every reason to support President Reagan's choice to be Secretary of Labor. To do otherwise would, in my view, mean that we had abandoned this Government of the people to the whims of certain criminal elements. I, therefore, urge my colleagues to join me in confirming Raymond J. Donovan as Secretary of Labor. I look forward to working with Ray Donovan in the difficult times ahead. And I think that Ray Donovan looks forward to working with the Congress. In his testimony before the Labor and Human Resources Committee, he had this to say about his future dealings with the Congress:

Although this is the first time I have ever appeared before this distinguished group, I am hopeful that it is only a beginning of what we both will eventually judge to be a productive and pleasant relationship. Certainly no Secretary of Labor can perform his function in a sensitive and competent manner if he is unable to relate to the Members of Congress charged with the responsibility of passing legislation which the Secretary of Labor must administer. I would like to take this opportunity to pledge to you that I will do everything I can to work in a cooperative fashion with you and to seek your counsel on major questions affecting the Department of Labor. I cannot promise I will always take your advice, but I can promise that I will weigh it seriously.

Mr. President, these words of Ray Donovan confirm once again that President Reagan has made a wise selection, and I urge my colleagues to confirm this nomination.

Mr. President, I simply want to say, in closing, that I think Mr. Donovan has proven himself to be a very brave man indeed. It is a wonder to me that somewhere during the proceedings during which he was dragged through the mud, he did not simply rise from his seat and say, "To hell with it. I do not need this, my family does not need it, nor do my associates." But he stuck with it, and he has, in my view, been exonerated by the FBI and the committee, itself.

Mr. President, some Members of the Senate feel that enough allegations have been raised that this nomination should not be confirmed, even though those allegations have not been proven by the FBI. I am afraid that what these Members are proposing is that we allow Presidential nominees to be vetoed, in effect, by any person or number of persons, any single person or party who, for their own reasons, based or otherwise, decide they do not like a particular nominee.

If Mr. Donovan's nomination was defeated on this basis, some very low individuals would have achieved the torpedoing of his nomination. I think that would be a bad precedent to set. I thank the Chair.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

I should like to propound a question to the Senator from Utah, if I may, as we conclude the consideration of the nominee. That is, should the Committee on Labor and Human Resources or the members of the committee receive allegations of the nature and the substance of those that have previously been referred to the FBI, what would be the intention of the chairman of the committee?

Mr. HATCH. As far as I am concerned, if there are substantial allegations, I think we would have to refer them to the FBI to check out and to do away with. As the Senator knows, this has been a very difficult set of hearings, a very difficult set of investigations. The Senator knows his investigators and my investigators have worked together in a bipartisan way to try to resolve this. I think we have looked at every possible problem there has been. Some of them are unresolvable.

I think what it comes down to is a good-faith effort on our parts to make sure that the people of this country are protected and that any allegations of a serious nature should be referred to the FBI. I shall continue to do that as we have relied on the FBI in the past.

Mr. KENNEDY. Mr. President, I thank the chairman of the committee. It will certainly be my intention, and I know I speak for our colleagues, to make this a bipartisan or nonpartisan effort. I welcome those assurances from the chairman of the committee that, should there be brought to the attention of the committee those kind of allegations or charges, in fairness to the individual or the Cabinet member, we shall have them resolved by the Bureau the best that we can.

Mr. HATCH. As my dear friend knows, Mr. President, we have tried to do that in the past and will do that in the future, not only for the present, for Mr. Donovan, but for the committee and for our country as well. I think it is something that has to be done.

I might, in that regard, stress that the FBI role in this matter has been crucial. We have relied heavily upon them. They have basically said two things: That their examination has resolved itself in favor of Mr. Donovan; secondly, that if this had been a criminal investigation, they would have discontinued it long ago.

They have, I think, vigorously gone after the things we have asked them to investigate.

Before I yield to the distinguished Senator from Illinois, there is one other thing. That is that I think Mr. Donovan has made a very important set of points to us before the committee. I asked this question:

Do you believe the Government's focus on organized crime's influence on the labor movement is overstated, understated, or about right at the present time?

Mr. DONOVAN. I don't know the extent of these investigations, so I couldn't comment on whether it's overstated or understated.

I would say this, that if this type of crime exists, it should be rooted out and, as Secretary of Labor, I assure you that I will root it out.

The CHAIRMAN. Then you do see yourself as an active Secretary with regard to pursuing organized crime's influence on the labor movement?

Mr. DONOVAN. Yes; on the grounds of morality, but also on the grounds that they are impeding the right of the wage earners of this country.

The CHAIRMAN. And I presume that if there are companies that are involved in organized crime, that you would be just as interested in pursuing investigations pertaining to them as well?

Mr. DONOVAN. That's correct, Senator.

The CHAIRMAN. I might mention, as chairman of the Labor Committee, it is my intention to perform extensive oversight of many Department of Labor-related programs, and I shall be making a number of specific requests for internal Department of Labor documents.

Now, what is your attitude toward congressional oversight of executive branch activities at the Department level, and in particular, in this area of criminal activity and other improper activities?

Mr. DONOVAN. I welcome it.

The CHAIRMAN. Would you cooperate with the committee as we go into these matters?

Mr. DONOVAN. I assure you that I will.

I think it is important to note that Mr. Donovan has made a good impress on on the committee and I believe certainly has more than adequately answered the allegations that have been made against him. Unfortunately, in these matters, where people step down to take public official positions, we do have allegations that seem to come out of the woodwork. In this particular case, we have had an overabundance of them. As I have said earlier, I think most of them have been done away with by proof and on the others, we have to accept Mr. Donovan's word. I do.

At this point, Mr. President, I yield such time as he needs to the distinguished Senator from Illinois.

Mr. DIXON. I thank the chairman of the Committee on Labor and Human Resources for yielding me a very brief time for a statement, Mr. President.

I am voting affirmatively for the President's nomination of Raymond J. Donovan as Secretary of Labor. However, I cast this vote with reservations. Allegations made against Mr. Donovan have not been substantiated. This being the case, I think it would be unfair to vote nay. The FBI has investigated and has not been able to corroborate the charges made—charges which have been outlined in some detail in the report of the Committee on Labor and Human Resources.

In the absence of such verification, Mr. President, I feel compelled to give Mr. Donovan the benefit of the doubt. Although I am casting my vote in the affirmative, I am left with a continuing sense of unease.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I yield 30 seconds to the Senator from Rhode Island.

Mr. PELL. Mr. President, the issue before the Senate this morning presents me with a difficult choice, a choice between believing one or another of two incredibly divergent bodies of information. In fact, in my 20 years in the Senate I do not recall having to resolve such direct and fundamental conflicts as in the information before me.

On the one hand, the Committee on Labor and Human Resources has listened to the testimony of Mr. Donovan. He impressed me as an honest man and his vigorous defense of his reputation was very credible to me.

On the other hand, the committee received grave allegations about Mr. Donovan made by as many as eight different sources. Most, if not all, of these sources have connections with organized crime, but they are otherwise seemingly unconnected.

I realize that neither the FBI nor the committee has been able to substantiate any of these allegations. But I am also aware of no evidence which suggests any reason why these sources would falsely accuse Mr. Donovan.

I am concerned that we not unjustly accuse a man based upon purely hearsay evidence but I am also deeply concerned about the serious nature of the allegations which have been made against Mr. Donovan.

The Secretary of Labor has a vital role in the Federal Government's efforts to combat organized crime. There is no proof to link Mr. Donovan with any criminal conduct. However, there is a cloud of smoke surrounding his nomination which could seriously impair his ability as Secretary of Labor to protect the interests of the working men and women of our country.

This choice is a particularly difficult one for me. I have thought long and hard about this matter.

In my view, there is a cloud of doubt about Mr. Donovan which causes an unnecessary and unacceptable risk in confirming him. Therefore, I intend to vote against his confirmation.

I pray that time will show my worry unfounded and that Mr. Donovan will give our Nation the service we wish.

Mr. DECONCINI. Mr. President, the allegations that have been raised regarding Mr. Donovan, and the Federal Bureau of Investigation's apparent inability to either contradict or confirm at least some of those allegations places me in somewhat of a quandary—for I would like to support the President's nominee. I know that the Labor and Human Resources Committee's staff, its chairman, Senator HATCH, and ranking minority member, Senator KENNEDY, and other members of the committee have spent innumerable hours wrestling with the charges that have been made—yet no clearcut answers have emerged.

I concur with several of my colleagues who have expressed concern that while the nominee possesses exemplary management skills gained in the private sector, is a successful businessman as evidenced by his company's dramatic increase in business over the past two decades, and has participated in community oriented activities, he is relatively inexperienced with many of the programs that he as Secretary of Labor must administer. In most cases I would not consider this issue to be of great significance in determining whether or not to support the nominee for most Presidential nominees, including this one, possess the mental capabilities to quickly attain the requisite skills for administering an agency such as the Labor Department.

However, when considered in conjunction with doubts by existing allegations, and that these allegations relate to areas which the Secretary of Labor has jurisdiction—such as the Department's role in fighting organized crime—greater weight must be given to all facets of the nominee's record.

Perhaps if more time were available for the FBI and the committee to investigate the allegations would be repudiated. However, I know that the administration and the Senate majority wish to have the Cabinet members confirmed as expeditiously as possible. Thus, with this cloud of uncertainty, along with the previously mentioned concerns, dominating the record at the time that the Senate is meeting its constitutional obligation of advice and consent, I must oppose the confirmation of the nominee.

● Mr. LEVIN. Mr. President, I have been deeply troubled by the record which has emerged in the hearings on Mr. Donovan's nomination to serve as Secretary of Labor. I have reviewed the FBI report of their investigations, I have read the committee report, and I have looked at the hearing record as well. Based on that material, if I were to vote on my sense of smell, I would vote "no." But I have been an attorney too long to allow myself to make decisions on that basis. My training teaches me that allegations of wrongdoing need be proven, not just made, and in this case the proof is not adequate.

While I feel compelled by the lack of proven allegations to vote in favor of the nominee, I believe there should be a continuation and completion of the FBI investigation into the various charges which have been made. I trust that those of my colleagues who were skeptical enough to vote "no" will consider initiating such a request so that, one way or another, no unnecessary cloud will cover the term of office of the Secretary of Labor.●

Mr. MITCHELL. Mr. President, the maxim of our system of justice which holds that every person is presumed innocent unless facts to the contrary are established, leads me to cast an affirmative vote for the nomination of Raymond J. Donovan to be Secretary of the Department of Labor.

I do not do so without some serious misgivings; although the fact of guilt has not been proven, the FBI has been unable to disprove the many allegations made in connection with this nomination.

Allegations linking organized criminals and their activities with one of the highest offices in our Government present the Senate with a serious situation.

The post of Cabinet member is one of the highest honors our Government has to offer. It places the officeholder in the President's inner circle. Through its stewardship of a major agency, it reflects one of our Government's highest priorities.

In this instance, the post in question heads the department to which the working men and women of the country look for the protection of their legitimate interests. The Department of Labor has a mandate as broad as any in Government and, no less than any other agency's, its Secretary must be able to discharge his duties without there being any cause to doubt his integrity.

The very serious allegations aired during the confirmation hearing on Mr. Donovan cannot help but concern all Members of the Senate.

It is doubly unfortunate that the FBI was unable to dispel completely any basis for these allegations: It is unfortunate for the sake of Mr. Donovan himself, whose reputation has not been enhanced; and it is unfortunate for our Government, because policymaking positions ought to be in the hands of individuals of unquestioned integrity.

As a former judge, I cannot and will not disregard the most basic tenet of our system of justice: Guilt must be proven beyond a reasonable doubt. Innocence must be presumed in fact as well as in theory.

It is perhaps regrettable that in the discharge of his responsibility the President has felt the need for assistance in his Cabinet by a nominee over whom so many questions hang. But that is the President's decision, and under our system of government he is entitled to make that decision.

In the discharge of my responsibility, I will consent to the nomination—but I will advise that the serious nature of these charges makes it imperative that the President recognize that he has a special responsibility to act promptly should future action be necessary. If evidence later indicates that perjury—or any other criminal act—has been committed by Mr. Donovan in connection with this nomination, or prior thereto, I expect the President to immediately discharge Mr. Donovan and to refer the matter to the Department of Justice for appropriate proceedings. This is a serious expectation—but I believe charges of this gravity demand a serious response.

My vote for this nominee does not reflect approval of the notion that "not proven guilty" is a sufficiently high standard for an aspirant to Cabinet rank. It reflects my judgment that allegations which have not been corroborated are an insufficient basis on which to deny the President his choice of a Cabinet officer.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. HATCH. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back——

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is, Will the Senate advise and consent to the nomination of Raymond J. Donovan, of New Jersey, to be Secretary of Labor? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), and the Senator from Montana (Mr. MELCHER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 17, as follows:

[Rollcall Vote No. 19 Ex.]

YEAS—80

Abdnor	Glenn	Moynihan
Andrews	Goldwater	Murkowski
Armstrong	Gorton	Nickles
Baker	Grassley	Packwood
Bentsen	Hatch	Percy
Biden	Hatfield	Pressler
Boren	Hawkins	Pryor
Boschwitz	Hayakawa	Quayle
Bradley	Heflin	Randolph
Bumpers	Heinz	Roth
Burdick	Helms	Rudman
Byrd, Harry F., Jr.	Humphrey	Sarbanes
	Inouye	Sasser
Chafee	Jackson	Schmitt
Cohen	Jepsen	Simpson
Cranston	Johnston	Specter
D'Amato	Kassebaum	Stafford
Danforth	Kasten	Stennis
Denton	Laxalt	Stevens
Dixon	Levin	Symms
Dole	Long	Thurmond
Domenici	Lugar	Tower
Durenberger	Mathias	Wallop
East	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Williams
Garn	Mitchell	Zorinsky

NAYS—17

Baucus	Hart	Nunn
Byrd, Robert C.	Hollings	Pell
Chiles	Huddleston	Proxmire
DeConcini	Kennedy	Riegle
Dodd	Leahy	Tsongas
Eagleton	Metzenbaum	

NOT VOTING—3

Cannon	Cochran	Melcher

So the nomination was confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. HATCH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so order.

Mr. KENNEDY. Mr. President, I ask unanimous consent to proceed for just 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed for 1 minute.

Mr. KENNEDY. While there are Members of the Senate here——

The PRESIDING OFFICER. Will the Senator suspend? May we have order in the Senate, please?

Mr. KENNEDY. I want to indicate to my colleagues and to acknowledge the leadership of the Senator from Utah on this particular Presidential nomination.

I want to join in congratulating Mr. Donovan and to give him the assurances that we will look forward as members of the committee, and I, as a Member of the Senate, to working closely with him.

I want to thank the Senator from Utah, the chairman of the Committee on Labor and Human Resources, for the way in which this nomination was handled.

It has been a difficult nomination for a variety of reasons and from a variety of different points of view, but he has handled it with great statesmanship, and I think all of us want to acknowledge the role he has played.

I want to congratulate Mr. Donovan on winning the nomination this afternoon.

Mr. HATCH. Mr. President, I would likewise compliment the distinguished Senator from Massachusetts for the great deal of cooperation he gave and for the bipartisan effort we were able to put together in considering this matter, and again I would likewise extend my congratulations to Secretary Donovan at this time.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, what is the business now before the Senate?

DEPARTMENT OF DEFENSE

NOMINATION OF FRANK C. CARLUCCI, OF VIRGINIA, TO BE DEPUTY SECRETARY OF DEFENSE

The PRESIDING OFFICER. The clerk will state the next nomination on the Executive Calendar.

The legislative clerk read the nomination of Frank C. Carlucci, of Virginia, to be Deputy Secretary of Defense.

Mr. BAKER. Mr. President, is there a time limitation on this nomination?

The PRESIDING OFFICER. The Senator is correct. There is a time limitation.

LEGISLATIVE PROGRAM FOR THE REMAINDER OF THE WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for not to exceed 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I take this time to inquire of the distinguished majority leader as to what the program will be for the rest of the day and for the rest of the week, if he is able to tell us.

Mr. BAKER. Mr. President, will the distinguished minority leader yield to me for a moment? I am happy to respond to his request. The business now before the Senate is the nomination of Frank Carlucci. There is a time agreement on that nomination. If my memory serves me correctly it is 2 hours and 15 minutes.

Following on after that I expect we will reach the hour of 6:15 p.m. or thereabouts, and I hope the Senate will recess over until Thursday.

On Thursday, Mr. President, I hope we will be in a position to consider other nominations which are on or may reach the Executive Calendar, and following after that it would be my expectation or my hope as well that we would receive a message from the House in respect to the extension of the debt limit.

If that is the case then I would expect the Senate to proceed to the consideration of that House-passed message or a companion measure.

I would fully expect the Senate would be in late, perhaps as late as 10 o'clock or later, on Thursday in order to try to deal with that measure, and to be in session on Friday as well.

The necessity of that, of course, is

obvious since we are advised that the requirements of the Treasury Department are such that they say we must dispose of this issue before the Senate goes out, if indeed it does go out, for the Lincoln Day recess.

So I would hope we could complete consideration of the debt ceiling matter on Thursday afternoon, Thursday evening and on Friday.

If that is the case, and if we have disposed of it, then we would go out, assuming that a recess resolution is adopted, at the close of business on Friday, and return then on the opening of business on the 16th.

Mr. ROBERT C. BYRD. If the Senate has not completed action on the debt limit extension by the close of business on Friday, is it the intention of the distinguished majority leader to have the Senate in on Saturday or Monday or would the Senate go over until the following Monday?

Mr. BAKER. Mr. President, I appreciate the inquiry, but an absolute surplus of optimism requires that I answer the minority leader by saying I am confident we can finish consideration of the debt limit extension by Friday afternoon or Friday evening. Of course, if we cannot, we will have to reconsider, but I express my absolutely deep optimism.

DEPARTMENT OF DEFENSE

NOMINATION OF FRANK C. CARLUCCI TO BE DEPUTY SECRETARY OF DEFENSE

The Senate resumed consideration of the nomination.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The parliamentary situation is the nomination of Mr. Frank C. Carlucci to be Deputy Secretary of Defense. We are under a unanimous-consent agreement. The Senator from Texas has 30 minutes.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time consumed be charged against no one's time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, today we are considering the nomination of Mr. Frank C. Carlucci to be the Deputy Secretary of Defense. This is an enormously important position, although it is called a sub-Cabinet position, Deputy Secretary of Defense.

Mr. STENNIS. Mr. President, may we have order, please?

The PRESIDING OFFICER. The Senator will suspend, the Senate will come to order. Staffs will slow down in their meanderings around the Chamber, and we will have order.

The Senator from Texas.

Mr. TOWER. The Deputy Secretary of Defense has responsibilities that are at least commensurate, if not greater, than those of many Cabinet officers. It is on his shoulders that the day-to-day responsibility for the operation of the Department of Defense falls. I believe that the President of the United States has made a wise selection in nominating Mr. Carlucci for this important position.

Very importantly, he has the complete confidence of our new Secretary of Defense, Mr. Weinberger. Mr. Carlucci has a distinguished record of public service, having served as a Foreign Service officer where he particularly distinguished himself as Ambassador to Portugal in very difficult and trying times and represented American interests there—indeed, I think the interests of the alliance—in a very credible and significant way.

He has also served his country as an officer in the U.S. Navy and other positions in the executive branch. He served in the Office of Management and Budget, he has served as deputy in the Department of Health, Education, and Welfare, and brings, of course, a considerable amount of administrative experience to this particular job.

I think that the important thing is that he knows his way through the power structure in this town. He knows his way through the maze of the bureaucracy. And I think, therefore, by virtue of that experience, he can accomplish a great deal early in his tenure as Deputy Secretary of Defense.

Mr. President, I urge the Senate to act favorably on the nomination of Mr. Carlucci.

Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I rise in enthusiastic support of this nomination of Mr. Carlucci to be Deputy Secretary of Defense. I think it is an excellent appointment and I congratulate the President on this choice.

Mr. Carlucci is an extremely able man, with many, many years of distinguished service with our Government.

As has been mentioned by the Senator from Texas, his career in the Foreign Service was most able. I have had the privilege during the past 4 years to work closely with Mr. Carlucci, during which time I have served on the Intelligence Committee and Mr. Carlucci has been a Deputy Director of Central Intelligence. There he has conducted himself with brilliance. He is thoughtful; he is bright. He is not only intelligent—we see lots of intelligence around this Capitol—but I think in addition he is a very wise person.

Some have suggested that he has not worked closely with the military in the past; that he does not know weapons systems; that he has not been in the manufacturing business; and that he has not been high in the echelons of the Pentagon in the past.

Well, Mr. President, I have had a chance to observe the Pentagon activities at a pretty close range for 4 years and I think that the characteristics that Mr. Carlucci brings to this job are the type of characteristics that are needed there.

As the distinguished Senator from Texas just mentioned, he knows his way around the Government service. He knows the inner workings of the bureaucracy. He has wisdom and judgment so that he will call forward the many talents that are available to him. He will soon learn the different weapons systems and the technical parts of the job, but most of all he will bring this wisdom and this decisiveness. What you need over there is somebody who can make up his mind and make it up quickly, and certainly Mr. Carlucci can do that.

I think it is a splendid appointment and I support it wholeheartedly. I thank the distinguished Senator from Texas for yielding me that time.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Will the Senator yield me a few minutes?

Mr. TOWER. I would prefer that the distinguished ranking member be permitted to speak at this point, if the Senator from Arizona could withhold for a moment.

Mr. GOLDWATER. Yes.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I understand that I was given some time to have control of.

The PRESIDING OFFICER. The Senator from Mississippi has 30 minutes.

Mr. STENNIS. I yield myself 3 minutes, Mr. President.

Mr. President, our committee went into this nomination with thoroughness. The nominee is well known in Government circles here in Washington, where he has a reputation of being a "can-do" man, a hard worker, with a good background of knowledge accumulated, with talent and with considerable drive, you might say, and purpose, as he follows his duties. He has also had some experience in diplomacy.

I base my judgment largely on the experience that he has had, not directly in the military, but he is well versed in the Government activities and he is a fast learner and a hard worker. He will grasp the special problems, I think, in the Department of Defense with thoroughness and with rapidity and will be in a position where he can be of great service to the Secretary of Defense. And this has grown to be such a vast job, a vast amount of work in decisionmaking, consideration of problems and facts that go with it, that the Secretary of Defense needs someone to whom he can delegate not only the day-to-day responsibilities, but the higher level responsibilities of the office, delegated to a degree.

I understand that these gentlemen have worked together and understand each other and really represent major aspects of a team.

So I am satisfied with the nomination and hope and believe that it will work well.

I have no further comments. I yield the floor, Mr. President.

Mr. TOWER. Mr. President, I yield 3 minutes to the distinguished Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. I thank my chairman.

Mr. President, I have heard it reported that conservatives are opposed to Mr. Carlucci's appointment. While there may be doubts in some people's minds about my conservatism, I still cling to it and refuse to budge one inch from it and I want to back Mr. Carlucci.

I think the big problem here with the people who are reportedly opposing Mr. Carlucci is they do not know him. Having served in the CIA, he is not a man that would be known, although he was our Ambassador to Portugal. He has done a wonderful job for our country as Ambassador. In fact, I think I can safely say if it had not been for his efforts we would have lost Portugal to the Soviet interests.

He has had a long experience in government. He brings to the Department of Defense something that I think can be used very well, and that is managerial experience and the understanding of the intricate operation of government in this town.

In fact he made a good comment while we were questioning him before the committee. He said:

> While I do not bring to the post of Deputy Secretary either direct Pentagon experience or experience in the Defense industry, I do bring a knowledge of the Soviets' work, what their capability is, and how our military strength might be applied in pursuit of our foreign policy goals. It seems to me that this should be the starting point for the planning process that leads to our procurement, manpower, and training program.

I think that, if he had said nothing else, Mr. President, is an indication of Mr. Carlucci's thinking, an indication of his background, an indication of his great desire to do for our country that which so badly needs being done; namely, build up a military strength, while not overwhelmingly strong compared to others, at least strong enough for us to stand on our own two feet and not have to be shoved around and spat upon by countries such as we have just experienced.

I have no difficulty at all as a conservative Member of this body in backing Mr. Carlucci, and I would hope that my colleagues would look upon him favorably. I think he will do a fine job for our country. His background is exactly what we need. The fact that he does not have military experience does not bother me because we have had many a man in the Pentagon who has done outstanding work, who probably did not know one end of a rifle from another. But they have done good work because they had management experience. They understand the Government and they understand what it takes to get along in this town to get the job done. Mr. President, I intend to back him and I urge my colleagues to do the same. I yield the floor.

The PRESIDING OFFICER (Mr. D'AMATO). Who yields time?

Mr. TOWER. Mr. President, I yield to the Senator from Virginia such time as he may require.

Mr. WARNER. Mr. President, I thank the distinguished chairman of the Armed Services Committee.

I wish to join with my fellow conservative, Senator BARRY GOLDWATER, in unqualifiedly supporting the nomination of Mr. Carlucci.

As the distinguished Senator from Arizona will recall, it was my privilege to introduce Mr. Carlucci before the Senate Armed Services Committee. He is a resident of Virginia and, therefore, a constituent. I did not lightly take this obligation to introduce him. Quite to the contrary, it was a privilege for me to do so because I had known the nominee for over a decade, both personally and professionally in Government service.

During the period of time that I served in the Pentagon, on several occasions we had the opportunity to work together on some of the most sensitive issues brought before the Department of Defense.

I respect the concerns expressed by some of our colleagues regarding this nomination. I join with the distinguished Senator from Arizona in observing that I think those concerns arose initially from a lack of knowledge. But since that time our colleagues in a very diligent way have informed themselves about the nominee; have taken the opportunity to meet with him personally. I am hopeful today that there will be expressions of support from some of those who initially had concerns.

This distinguished American brings to the office a very unique and broad base of experience. It will enable him to assume extraordinarily heavy burdens and responsibilities as Deputy Secretary of Defense.

In my conversations with him some 2 weeks ago, I asked him would he represent to me, as he did to the distinguished chairman of the Armed Services Committee, that as he counseled with the Secretary of Defense respecting appointments to the key policy positions in the Department, would they consider persons who have a clear record of experience and accomplishment in the defense area? That commitment was given and it has been fulfilled in large measure. Already the Senate has confirmed the nominations of two distinguished Virginians, the Secretary of the Army, Jack Marsh, a former Member of the U.S. Congress, and as Secretary of the Navy, John Layman, a man with unquestioned credentials in the area of national defense.

I look forward to the opportunity this afternoon to join my distinguished chairman as we engage in colloquy with Members of the Senate regarding this nomination. I am confident we can remove any lingering concerns about the nominee and then proceed to a vote which I hope will overwhelmingly confirm this distinguished American as Deputy Secretary of Defense.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from Maryland.

Mr. MATHIAS. I thank the Senator from Texas.

Mr. President, it was recently my privilege to attend the Atlantic Conference which this year was convened in Portugal. While I was in Portugal I was reminded very forcefully of the remarkable job that Frank Carlucci had done for the American people as U.S. Ambassador to Portugal. I think it is in no small part due to his skill, his sensitivity, his knowledge, and his intelligence that we have today in Portugal a strong and a vigorous NATO partner. It is a remarkable achievement for a man who has served as Frank Carlucci has served, in a number of important posts. More recently I have observed his work at close range in the Central Intelligence Agency. I think his entire life has fitted him admirably to assume the duties outlined for him as Deputy Secretary of Defense.

I am happy to join with the distinguished Senator from Virginia and the distinguished Senator from Arizona in urging Senators to vote to confirm his nomination.

Mr. TOWER. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time consumed be charged against the time under the control of the distinguished Senator from North Carolina (Mr. HELMS).

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I have the honor and personal satisfaction to rise on this occasion to speak in support of the confirmation to the office of Deputy Secretary of Defense of one of the truly distinguished public servants of this generation, Mr. Frank C. Carlucci.

For a long time, Mr. President, there prevailed a lamentable stereotype of men and women who entered the Foreign Service of the United States as persons who had chosen an agreeable, even soft, life of social amenities and political abstractions. The hard realities of life of the second half of the 20th century have certainly dispelled that notion forever. Just this past week the Nation has witnessed one of the great, moving events in American life: the return of the men and women held in illegal imprisonment by the Government of Iran for 444 days. They were led out of that country by a Foreign Service officer, Mr. L. Bruce Laingen, the Chargé d'Affaires, who several times was individually given the option to leave that captivity. He refused, he declined to leave, until he could lead his entire Embassy staff—as he described it thereafter, his Embassy-in-exile—out with him. That is an example of personal courage, fortitude, discipline, and professionalism that has been equaled by other FSO's in our time, some of whom did not come back—Ambassador Dubs, Ambassador Noll, Ambassador Melody.

The outstanding courage of these men has been equaled in situations of the greatest personal danger on two continents by Frank Carlucci of the U.S. Foreign Service, most recently the Deputy Director of Central Intelligence of the United States.

I have had the honor, Mr. President, to know Ambassador Carlucci over a

period of some 15 years and have found him throughout an exemplar of those qualities one would wish to see in an American Ambassador, in a second-ranking officer of our intelligence community, and in the role of a Presidential appointee to the Department of Health, Education, and Welfare to which he brought an understanding of American life that served him so well as a representative abroad of the United States.

Mr. Carlucci's record is, of course, well known to the Senate and, I think, admired by it. I shall draw attention only to three aspects of his career.

The first is his experience as a Foreign Service Officer in the Congo, the nation now known as Zaire. There, in the course of a sudden unexpected assault upon a group of American officials by a mob with the specific purpose of attacking and injuring American officials because they were American officials, Frank Carlucci maintained control of what, for a lesser man, would have been an uncontrollable situation.

This was not an experience that a person could anticipate, could have prepared for in the specific. One prepares for these moments by a personal formation of character, responsibility and courage.

In that crisis in the Congo, Frank Carlucci instructed the naval enlisted man who was driving the vehicle in which he was riding to stay with the vehicle. He personally helped the other Americans away and then managed that situation to a successful, quiet conclusion—only to find, when it was all over, that he had been stabbed in the back and had not even noticed, in the melee of the moment. Let me reassure Mr. Carlucci that the assault on him will not be repeated today on the floor of the U.S. Senate, despite what might be some forebodings.

Later in his career, at a moment of the utmost peril to the North Atlantic Alliance, it fell to Mr. Carlucci to be the U.S. Ambassador to Portugal when the long dictatorship of Dr. Salazar had come to an end. This was the time when the colonial empire of Portugal was collapsing, when enormous numbers of expatriate Portuguese nationals were returning, and this was the time when a very deliberate, and deadly assault upon the regime was launched by the totalitarians of the left—by the Communist forces, most specifically. The result was civil war and then the prospect of extraordinary instability on the Iberian Peninsula, on the southern flank of NATO, at the very center of North Atlantic concerns.

Only a master of a forceful and foresightful diplomacy could have helped bring that nation through to the stability which it finally attained, the stability of a democratic society, a society which clearly associates itself with the values and the purposes of the western democracies. Ambassador Carlucci did that.

In the annals of diplomacy of the last generation, there has not been, to my view, an equivalent feat—a feat, as I say, of forceful and farsighted diplomacy, vigilant of the interests of the Nation and of the western alliance, sensitive to the concerns of his host country.

It is not without some relevance to the position for which he is now being considered by the Senate that, following his service in Lisbon, he received from the Department of Defense the Distinguished Civilian Service Award for his tenure in those perilous years, 1975 to 1977. I ask the forbearance of the distinguished Presiding Officer so that I may read into the RECORD at this point several passages from the citation which was presented to Ambassador Carlucci on that occasion.

The Department of Defense thanked him for "the soundness and integrity of his advice and counsel to the Department of Defense."

Mr. President, it is not unusual for a person receiving that award to have the soundness of his counsel acknowledged but it is significant that the Department of Defense chose to single out the integrity of his counsel, for nothing is more difficult in turbulent times like that than for an Ambassador to say what he thinks to be so, even when his counsel may be unwelcome. It is only in the aftermath of long and difficult crises that this quality of integrity can shine out in one man's advice.

He was praised, for his "extraordinarily effective action during a period of revolution in Portugal when the nature of that country's relationship with the United States and to the North Atlantic Treaty Organization was at stake."

The citation called his work "instrumental in preserving the relationship in the face of formidable obstacles."

Once again, Mr. President, a reference to the personal courage of the man. He was praised for his "dedication, even at the risk of personal danger." To those of us who were aware at the time, and I had the honor to be American Ambassador in another place at that time, that personal danger was pervasive and it was deadly.

There were not many persons the totalitarian left in Portugal would rather have seen come to a most dismal end. As Ambassador, Frank Carlucci knew this. He could have left. He stayed. When he did finally return to the United States, his mission had been accomplished.

Mr. President, after having served the Republican administration in that instance, he was chosen, very wisely, by the newly elected Democratic President to become the second-ranking officer of the U.S. intelligence community. I have been a member of the Select Committee on Intelligence from that time. I have had numerous opportunities to judge Mr. Carlucci's work. We in the committee have the specific responsibility of oversight for it. He has performed again with perfect honor. Once again, if we were to give out citations from our committee, I do not doubt that there would be unanimous judgment that if there was one quality to his counsel, it was its integrity.

Again the party has changed, and a new President has chosen him for what must be judged the highest office he will have yet held, that of Deputy Secretary of Defense.

In a long institutional experience in these matters, I cannot think of anyone who has come to the office of Deputy Secretary better equipped to understand the ultimate purpose of the Department of Defense, which is the protection and the advancement of American interests in the world at large. That has been his discipline; that is his profession. He has performed it superbly.

His nomination is altogether worthy of confirmation by the U.S. Senate. The President and the Secretary of Defense are to be commended for their choice in the first instance. I cannot doubt that he will be approved overwhelmingly.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time consumed be charged to the time under the control of the Senator from North Carolina (Mr. HELMS).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. HELMS. Mr. President, on January 20 I was regretfully in the position of voting against a nominee submitted to the Senate by President Reagan, a man who probably would have been well qualified for any other Cabinet post, but about whom I had some concern in connection with his nomination as Secretary of Defense. That nominee, of course, was Mr. Caspar Weinberger. I also stated at that time that I would feel obliged to vote against the nomination of Mr. Frank C. Carlucci III as Mr. Weinberger's deputy.

Mr. President, Secretary Weinberger has made clear that he considers Mr. Carlucci as part of a package deal, essential, as he sees it, to the proper functioning of his secretaryship. A little history may be in order.

Mr. Carlucci first worked for Mr. Weinberger when the latter became Director of the Office of Management and Budget in 1971. Mr. Carlucci first became Associate Director of OMB, and, within 10 months, was made Deputy Director, the No. 2 slot.

In February 1973, Mr. Weinberger became Secretary of the Department of Health, Education, and Welfare. His first action was to insist that Mr. Carlucci follow him, and Mr. Carlucci did so, becoming Under Secretary for HEW. In hearings before the Senate Select Committee on Intelligence in January 1978, Mr. Carlucci described what happened as follows:

> I do not consider myself attached to any particular organization. I consider myself a career government servant. . . . To the best of my knowledge, I was selected for the job of Undersecretary of HEW by Secretary Caspar Weinberger, who made a strong recommendation to the President. I had worked for Mr. Weinberger when he was Director of OMB. I had been his Deputy then, and he

asked me to accompany him to HEW. My own understanding is that there was some resistance in the White House to my moving to HEW, but that Mr. Weinberger made a sufficiently strong pitch to the President that my appointment was accepted.

Now that Mr. Weinberger has become Secretary of Defense, he once again expresses his strong preference for Mr. Carlucci as his personal Deputy.

So much for the history.

Mr. President, after the strong mandate from the people on November 4, for a change in direction of our defense policy, one would think that President Reagan's Cabinet officers would be seeking associates who are committed to changing the direction of our defense policies, and who would repudiate the assumptions and operations of the past. Mr. Weinberger, however, has gone out of his way to find a Deputy who carries with him the burden—perhaps unconsciously—of the failed policies of the past.

Indeed, Mr. Carlucci is a nominee who prides himself upon being a career professional, who has always kept his skirts free and clear above the supposedly dirty field of politics. Mr. Carlucci has been a lifetime Foreign Service officer—indeed, even a career minister, the highest rank of the Foreign Service. He is a member of the Council of Foreign Relations, that is to say, the very epitome of the foreign policy establishment.

Even when Mr. Carlucci worked for Republican administrations, he expressed disdain for using the legitimate mechanisms of the law to impose policy decisions upon the bureauracy. Indeed, it was a point of pride for him that Secretary Weinberger, with his assistance, made no attempt to impose political or philosophical principles upon HEW, which even then with a rogue elephant out of control. As he told the select committee in 1978:

I might point out, though, in HEW my recollection is that we had a higher percentage of career people appointed to Assistant Secretary level jobs or the equivalent than in the history of the agency.

Mr. President, this is a somewhat strange boast from an individual at a policymaking level of the Government. All of the Assistant Secretary level slots are, in fact, political appointments, in recognition of the fact that different political parties are presumed to have different philosophies of government; and that in giving the executive branch to one party or the other, the people expect that the approach to government will change. I am not talking about a "spoils system" approach to government. I am talking about the acknowledgment that policy decisions are made by individual Government officials. Moreover, policy decisions are not made just on the basis of "merit" and "efficiency," but according to the principles which those individual officials embrace.

The practical effect of Mr. Carlucci's policy at HEW was to perpetuate the philosophies of the "career" people in disregard for the principles which the American people had endorsed in the polls.

I have studied carefully every shred of evidence available to me, and it is my judgment that Mr. Carlucci's own words indicate his recognition that the previous administration had no reluctance about appointing party loyalists to policy levels in HEW to implement their prevailing philosophy; yet Mr. Weinberger and Mr. Carlucci made no attempts to change the direction of that agency, using the perfectly legitimate tools that are built into the system. It should be noted that very often so-called "career" people are high ranking members of the other party who held appointed jobs that they were able to convert into civil service status. But in any case "career" means an HEW activist committed to the goals of the welfare state. Retaining and indeed promoting such bureaucrats to the top policy levels in HEW is evidently one of the accomplishments of the Weinberger-Carlucci administration of HEW that Mr. Carlucci wanted to be placed prominently on the record.

Mr. President, it is a reasonable question to inquire, therefore, whether Messrs. Weinberger and Carlucci expect to follow a similar policy at the Department of Defense. The distinguished junior Senator from Virginia, who is my friend, has assured us that the Secretary and the nominee "are looking at people with a solid Defense background for key policy positions in the Office of the Secretary of Defense." I am sure that such is the case, just as at HEW they appointed bureaucrats with solid HEW background to the Assistant Secretaryships there in 1973. But, the question is whether these officials with solid Defense backgrounds will be careerists who are expert at the failed policies of the past, or whether they will be experts who have a different philosophy and the desire to turn things around.

It is noteworthy that Mr. Carlucci has cast himself in the role of a nonpolitical public servant who is able to serve any President or any party with any philosophy with equal alacrity. When he was seeking to become Deputy Director of the CIA in 1978, he had absolutely no compunctions about joining the Carter administration in a policy role even though the dismal actions of President Carter's policies were already evident then.

In January 1978 President Carter had already signed away the Panama Canal; begun to move against Rhodesia; canceled the B–1; began to cut back unilaterally on other deployment and development of key strategic systems; and was plunged headlong into the negotiations that would lead to the abortive SALT II.

Having joined the Carter administration, Mr. Carlucci sat through the destabilization of Iran, the exile of the Shah, the derecognition of the Republic of China on Taiwan, the signing of SALT II, the detention of the hostages in Tehran, the ousting of President Somoza and the installation of the Sandinistas in Nicaragua, the promotion of land reform in El Salvador resulting in the death of 10,000 people, and the rise of Soviet nuclear superiority. Throughout all these tragic scenes, Mr. Carlucci sat as a good civil servant, who had but to resign to protest. He did not.

Instead Mr. Carlucci portrayed himself as a technician, untouched by sordid political concerns. At his CIA hearing, he testified:

Like most Americans I have my political preferences, but as a career civil servant, I have never expressed them in public. During my years in domestic agencies, I consistently turned down requests to make political speeches or even to appear at political events.

He also asserted that when he served as Director of the Office of Economic Opportunity he made grants on the basis of what he called "merit," even when he knew that the White House did not favor the grants; but "merit," especially in an agency so heavily sensitive to ideology as OEO, is an extremely subjective thing.

The point is, the so-called "merit" grants advocated by Mr. Carlucci often went to leftwing groups—even though such "merit" grants were against White House policy. What seemed to rankle Mr. Carlucci is that, as an appointed policymaker, he was expected to take direction from the President. One exchange on this point is the 1978 hearing which is particularly remarkable:

I was invited to a meeting sometime in 1972 where a presentation was made to agency heads on the desirability of making as many grants as possible to groups favorable to the Administration. . . . I did not hear anything illegal being urged on the agency heads at that meeting. Nevertheless, I found the entire procedure distasteful and resolved never to attend a similar meeting in the future. . . .

I tried to make my decisions on the basis of merit . . .

I might say parenthetically his concept of "merit" is that of an unelected bureaucrat. He said:

I tried to make my decisions on the basis of merit even when this entailed making grants that I knew the White House did not favor.

Mr. President, evidently he saw it as a question of who was running the store, who was setting policy. In his mind, he was.

Even though Mr. Carlucci admitted that the policies being urged by the Nixon administration were completely within the law, Mr. Carlucci took it upon himself to override that policy on the basis of his own subjective perception of "merit."

It is particularly interesting to examine exactly what some of these grants were that Mr. Carlucci made on the pretext of merit. He cited them himself in 1978:

I can cite grants, for example, Senator, that I made when I was Director of OEO, as I said in my statement, which I know were not looked upon favorably by the White House. The Antioch Law School, for example, is a case in point. The legal services program of Hines County where the State Republican chairman objected, and where I overrode the Governor's veto to institute a program is another example. . . . There are other cases. There was the community action agency in Oakland, California, and there is the rather well known case of a California rural legal assistance program.

Well, now, Mr. President, let us look a little deeper.

This rather well-known case of the California rural legal assistance pro-

gram is especially pertinent because Mr. Carlucci's adversary in this matter was none other than the then Governor of California, Ronald Reagan. The project was one of the more notorious horror stories in the OEO legal assistance program, and also one of OEO's largest grantees. It specialized in assistance to prisoners to overturn the prison discipline systems, and in aid to Cesar Chavez and the United Farm Workers of America. The story is best told in Mr. Carlucci's own words in 1978:

About the time I was nominated to be Director of OEO, Governor Reagan vetoed the California rural legal assistance program, which was considered to be one of OEO's better legal assistance programs and was solidly supported by the organized bar. The Governor produced a lengthy report. I think it was close to 500 pages, detailing charges against the program. I, as Director of OEO, had the statutory authority to override the Governor's veto.

I think it is fair to say that the Governor made representations at the White House level to see that his veto was sustained. I took the position that I was the one with the statutory authority, and that I would look into the charges and make a judgment. I succeeded in working out a temporary grant, a 6-month grant, with Governor Reagan, while we could look into the charges. I then appointed a commission consisting of three former State supreme court justices who held hearings on the program throughout the State of California.

During the process, I think it is fair to say that there was considerable pressure on me, most of which was exerted either through the then Vice President, Spiro Agnew, or through the then Attorney General, John Mitchell. I can recall on one occasion telling or sending a message to Mr. Mitchell through one of his subordinates that I was running OEO and I did not work for him, that I worked for the President, and if he wished to give me any orders, those orders had to go through the President.

Similarly, at one point I went to John Erhlichman in the White House and said that I was Director of OEO. If I was to continue as Director of OEO, I wanted the authority to negotiate with Governor Reagan on his program, without being undermined. Otherwise, I saw no point to my remaining Director of OEO.

Mr. President, I have quoted this passage at length from the 1978 hearings so that not only the context but the full flavor of Mr. Carlucci's attitude toward elected officials and to Cabinet officers higher than he in the administration may be correctly deduced. At each point, he speaks with the supreme assurance that he, as a professional, as a career civil servant, has the expertise to overrule what he considers to be political pressure.

Mr. President, that may sound good to some, but underlying all of this is the fact that the only way the people can speak in this country is through their elected representatives.

Many times on this floor we hear Senators get up and decry faceless bureaucrats, people who are not subjected to the will of the people. Here we have a nominee with a record, as I will develop shortly, of saying, in effect, "I am supreme and what the people have asked for when they went to the polls really does not matter."

I am not going to call it arrogance. The Chair and other Senators will have to put their own interpretation on it, but I will ask the question, how far will this go in the Defense Department? Whose judgment will prevail? Will the White House judgment prevail? Will the judgment of the President of the United States, who ran on a platform dedicated to rebuilding this country's national defense capability, prevail? That is the question.

Let me go back, however, to those OEO grants. What was really at stake in Mr. Carlucci's OEO grants was not whether the legal services program was going to be politicized but whether it was going to be held accountable to the taxpayers. For what he was using the taxpayers' money to finance was left of center, even Marxist, advocacy in revolt against the policies of elected officials and legislative representatives—in short against the will of the people, as expressed in our system. If we do not believe in this system, Mr. President, we ought to change it.

Thus by using neutral, supposedly nonpolitical mechanisms at OEO and HEW, Mr. Carlucci was actually an effective protagonist of social revolution. Some may want that. But the fact remains that he was not answerable to the people. Not surprisingly, his diplomatic career reflects the same predilections. When he served in the Congo, for example, he had the close confidence of Prime Minister Patrice Lumumba, the pro-Soviet leader who destroyed the pro-Western government of Moise Tshombe in the Republic of Katanga.

Mr. Carlucci was able to get Lumumba to release a number of prisoners from jail—a worthy feat for a diplomat, were it not that he seemed to have an affinity for the far left, because he subsequently also established a warm relationship with Lumumba's successor, Cyrille Adoula, another socialist who vowed that he was committed to the permanent class struggle.

The same technique of preempting Marxist-Leninism by backing Marxist leaders was evident in his activities as Ambassador to Portugal. Mr. Carlucci now speaks rather grandly of how he saved Portugal from communism. I did not engage in any debate with him. It seems to me that the record is fairly clear that he did so by giving the full backing of the U.S. Embassy to the far left Socialist, Mario Soares, while giving every appearance of spurning Mr. Sa Caneiro, the leader of the far more moderate Social Democratic and Social Democratic center groups.

In 1976, the magazine Washingtonian wrote of Mr. Carlucci in the period:

Carlucci steps carefully among the land mines of his diplomatic assignment. His supporting a predominantly Socialist government, many of its coalition-cabinet members Marxists. Despite this coloration, this current government is rightfully thought of as Centrist. It sits in the middle of a political spectrum that swings from the Maoist left (Mao might flinch) to the extreme right (some Fascists have literally donned the black shirt). The American-supported government's economic program is, however, to the left of that of Allende's Chile, which we sought to destroy only two years ago.

Mr. Carlucci's policy may have been in the center of the socialist spectrum, but yet it was far to the left of Allende. It left no room for traditional values.

After Mr. Carlucci left, the Portuguese were able to vote down Mr. Soares, the exponent of what is known as "Eurocommunism;" but Mr. Sa Caneiro died tragically in a plane crash only a few weeks ago. And I think that it is evident that Portugal's moderates have not yet recovered from Mr. Carlucci's ambivalent effort and, Mr. President, ambivalent is the most charitable word that comes to mind.

So while posing as a technocrat, Mr. Carlucci expunges politics to promote an ideological goal—his goal. Technocrats are necessary to the functioning of government, of course, just as plumbers are necessary to the functioning of plumbing. Yet one should never put a plumber in charge of the architecture of a building.

On the other hand, there seems to be a fact of life that in the bureaucracy one stays alive by sidestepping responsibility for policy decisions, preferring collective failure to individual success. One's friends are fellow technocrats, or "careerists," and one's loyalty is to the career system that makes employment possible. But more is involved in Mr. Carlucci's case than just the bureaucratic mentality. For an activist, the bureaucratic technique is a way of disguising one's philosophy.

Mr. Carlucci was quoted in the Washingtonian as saying:

It's easy to think that putting out fires should be a priority in a new job. But, in fact, choosing your staff should always be first. People make all the difference.

Mr. President, left-wing ideology is itself a kind of technology, a technology for manipulating society through preconceived doctrines. Because this technology of the intellect is in rebellion against traditional society and existing values, its practitioners form common cause with one another against the less enlightened. A technocracy is inevitably leftist because it seeks to alter the social structures through state power. Only when technocrat comes up against traditional political power does he bristle, because politics can generate strength to oppose his designs.

Thus the methods, goals, and assumptions of the technocrats consistently implement the leftist program, while remaining aloof from public discussion of political philosophy. Although when seeking to enter a Democratic administration in 1978 Mr. Carlucci maintained that his political preference should not be expressed in public, he nevertheless expressed his distaste for giving political—that is to say philosophical—direction to the grant program at OEO under President Nixon. At the same time, he implemented technical approaches to the

grant process which he knew would undermine the President's position.

It is in this light that his testimony on January 13, 1981, needs to be examined. Throughout the hearings on his nomination as Deputy Secretary of Defense, Mr. Carlucci refused to be pinned down on any issues which touched upon political philosophy. Each time he was asked pointblank about such issues, he adroitly redefined the question so that it could be answered in nonpolitical terms and on a much more restricted basis.

When the distinguished Senator from South Carolina, Mr. THURMOND, asked Mr. Carlucci whether he agreed with the Republican platform's call for military superiority to assure our national security and preserve peace throughout the world, he dismissed the question rather slightingly:

Senator Thurmond, one can get into a lot of debate about the buzz words that are used in this business. Secretary-designate Weinberger referred to an imbalance that exists in our strategic forces. I think that is the case.

That is what he said.

Mr. President, any political party platform, including the Republican platform of 1980, is essentially a philosophical statement, but for Mr. Carlucci, such statements are, as he put it, "buzz words." The notion that the Soviets have obtained an imbalance in strategic forces is precisely the kind of static, technical analysis that misses the real point and the real problem; namely, the Soviets' dynamic drive for superiority. The failure to concede the dynamism in the Soviet efforts rests at bottom on the assumption that Soviet expansionism is merely a historical development which can be deterred by increasing our technological strength and our perceived willingness to use that strength. This sterile analysis was evident in the passive rhetoric of Mr. Carlucci's description of the rise of that Soviet strength. He said:

Numerous and serious adverse balances have arisen. More significantly, the trends are running against us. This creates a dangerous situation which must be reversed immediately.

Balances? Balances? Imbalance? What are we talking about, Mr. President?

Well, in his words, these adverse balances "have arisen"—and I am using his words—as though he were rather impassively describing a natural phenomenon. In point of fact, an "adverse balance" is not a balance at all. It is a mindset that thinks of military strategy in terms of technical analysis and it fails to grasp the significance of that. The significance being that history is made by individuals and by the will of individuals. So we are not dealing with impersonal "trends" when we talk about the development of the Soviet war machine. We are talking about a calculated plan, created by human intellects, driven by an antagonistic philosophy.

Moreover, the Soviet plan has met with American leaders who have gone on talking about balances and even adverse balances even though the moment of balance has long since past. So what we have is a mindset which refuses to acknowledge that the Soviets have anything else in mind but an equilibrium necessary for self-defense.

This nostalgia for that long outdated ideology of the foreign policy establishment was most evident when Mr. Carlucci responded to the distinguished senior Senator from South Carolina. He said:

The indicators are such that whether you call it superiority, or essential equivalence, one can never make an absolute judgment . . . The prime concern is that the trends are running against us.

What was most evident in Mr. Carlucci's testimony was the sense of helpless futility, as though the United States were caught in the flood of irreversible trends. Despite lip service to the notion that these trends must be reversed, Mr. Carlucci still appeared to be a captive of the theory of the United States as a helpless giant.

In talking about defending the Persian Gulf, for example, Mr. Carlucci said:

It seems to me that it is highly desirable to have bases around the world. We had a number of bases in the 1950's and the 1960's. But the political reality is that our ability to have bases around the world is diminishing, and we have to live with that political reality.

Once again the implication is that no one in the United States is at fault for the decline in U.S. leadership, and particularly not the career professionals who conduct our foreign policy. The reason we can no longer have bases around the world is directly related to the U.S. withdrawal from strategic areas, such as Taiwan, Korea, Panama, the Caribbean, and South Africa, at the same time that we allowed the Soviet concept of a strategic drive for superiority to be countered only by our own blind adherence to the concept of a static balance.

For too many years, the career foreign policy establishment—under Presidents and Secretaries of State of both parties—has kept sacred as an article of faith the belief that military superiority is of no strategic value, and that it would be irrational for either the Soviets or the United States to seek superiority. The doctrine of "essential equivalence" still lurks in the establishment's mind as the only decent method of operation, and "superiority" is an impractical, political buzz word.

Therefore, even when Mr. Carlucci is talking about reversing the trends, he is talking about returning to "essential equivalence," to the cherished notion of "balance," not to superiority.

In talking about SALT II, Mr. Carlucci gave the impression in the hearings that he was against the treaty, even though he had refused to take any position on it as Deputy Director of the CIA. Thus he said:

Let me clarify that as a senior official in the intelligence business, I did not take a position on SALT. I did not take a position either for or against the treaty. I made no public statements. I did not testify. I did not lobby. I had nothing to do with SALT, other than to sit in on the briefings that were given to Admiral Turner in preparation for his testimony. The committee will recall that he confined his testimony to giving an assessment of the intelligence community's ability to monitor each SALT provision.

This is the kind of bureaucratic distinction upon which career public servants base their career. Mr. Carlucci's private position, however, was somewhat different:

My personal view is that the SALT II treaty was based on a set of defense programs that were projected at the time the treaty was negotiated. Hence, it might well have been appropriate to freeze in what the Senate Committee Report refers to as certain asymmetries.

Mr. President, as a matter of fact, the Armed Services Committee report on SALT nowhere refers to "certain asymmetries." What the report said was the following:

Unwarranted notions about Soviet cooperation, the unfounded assumption that SALT treaties reflect Soviet restraint and forebearance, and overly optimistic hopes that the Soviet threat to our security is being lessened are inconsistent with the facts and undermine efforts to summon the resolve to arrest the decline in our military posture. In our judgment, the SALT II treaty presently before the Senate fails to meet the criteria laid down in 1972 when the Congress adopted an amendment to the resolution authorizing the interim agreement that called for equality in any future SALT treaty.

Furthermore, Mr. President, by a 10 to 0 vote, the committee adopted the following conclusion:

After extensive examination of the military implications of the treaty, the Committee concludes that the SALT II treaty, as it now stands, is not in the national security interests of the United States of America.

Clearly, Mr. Carlucci was attempting to minimize the impact of the committee's report by downgrading the forceful rhetoric of that conclusion. That conclusion, Mr. President, was frequently quoted by the President of the United States during his recent political campaign.

But a careful reading of his testimony results in an even more startling conclusion: Mr. Carlucci is saying in that quotation that the SALT II treaty was an effort by the Carter administration to substitute a SALT treaty for an adequate defense program. He is giving his personal opinion that SALT II was "appropriate" under the circumstances where the American people did not have the will to be strong. Despite all the intelligence information available to him as Deputy Director of the CIA, Mr. Carlucci continued to associate himself with an administration that adopted a policy of defeat. Instead of resigning to oppose that policy publicly, he took the position that it was not his responsibility to express an opinion.

Now that Mr. Carlucci is seeking to join the Reagan administration, he must try to reconcile his past position with the present view of that administration. When he served President Carter, he says he thought that SALT II was appropriate under the Carter policies; but now he has discovered a change that makes SALT II no longer necessary:

Since that time, we have had very substantial change in attitude in this country. We have had the Afghanistan invasion. SALT II has been withdrawn from consideration. Our country has given President-elect Reagan a very strong mandate to restore our defense capability. If you intend to restore your defense capabilities, you do not want to be frozen in to certain asymmetries. I think that the essential point in the Senate Armed Services Committee report is just that, we need to have the flexibility to build up our Defense establishment.

Of course, Mr. President, that was not the essential point in the report. The essential point was that the treaty itself was deficient and unequal. The Armed Services Committee came to that conclusion before the invasion of Afghanistan, and before President Reagan received his mandate. The committee did not need to wait for those changes in circumstances to perceive the danger of SALT II, but apparently Mr. Carlucci did.

Moreover, Mr. Carlucci took strong exception to a key point in the Armed Services Committee's report on SALT II. The report said:

It is beyond the capacity of our national technical means of verification to establish sufficiently the facts about SALT compliance with a number of important terms of the SALT II treaty. The treaty, therefore, cannot be said to be verifiable, or even adequately verifiable. However confident we might be that the Soviets would not cheat, or that the consequences of their cheating would be minimal, or that they would not cheat to a degree that would alter the strategic balance, the fact remains that there are a number of provisions of the treaty, the compliance with which we cannot even expect adequately to monitor, much less verify.

The distinguished Senator from Iowa (Mr. JEPSEN), asked Mr. Carlucci pointblank, "Do you disagree with that?" Mr. Carlucci did disagree with the conclusion of the committee, for his answer was: "I think we have a very substantial monitoring capability." Of course reasonable men can have reasonable differences; but given such opinions, it is not surprising that he thought SALT II was "appropriate" before Afghanistan.

Indeed, his estimate of the CIA's capability was higher than that of the Republican platform, as endorsed by the President in the campaign. The platform read as follows on the CIA:

At a time of increasing danger, the U.S. intelligence community has lost much of its ability to supply the President, senior U.S. officials, and the Congress with accurate and timely analyses concerning fundamental threats to our nation's security. The morale and public confidence have been eroded, and the American citizens and friendly foreign intelligence services have become increasingly reluctant to cooperate with U.S. agencies. As a result of such problems, the U.S. intelligence community has incorrectly assessed critical foreign developments, as in Iran, and has above all underestimated the size and purpose of the Soviet Union's military efforts.

Once again, the distinguished Senator from Iowa asked Mr. Carlucci whether he agreed with that estimate, and Mr. Carlucci replied:

I believe that the CIA is a highly effective intelligence organization, with some of the most dedicated people in Government in it. I believe they perform well, and I believe they give us excellent intelligence.

Mr. President, this was clearly not a straightforward answer. The distinguished Senator pressed him again on whether or not he disagreed with the platform, and he once again tried to divert his answer. After the third attempt by the Senator, Mr. Carlucci replied: "I disagree with certain parts of it, yes." No doubt his confidence in the CIA as it existed under his leadership as Deputy Director had an effect on his estimates of the Soviet threat, and the nature of the trends running against us. But his weakness here is the same weakness noted before, namely, his confidence in the professional career establishment as against the judgment of the political sphere.

Mr. President, if I might venture a conclusion, a tentative conclusion, to be sure, I would say that Mr. Carlucci appears to look upon our relations with other nations as a process devoid of content or philosophy. Once one enters upon the process, one is guided by the rules and logic, or lack of them, of compromise and concession, without regard to the fundamental principles of this Nation.

I do not think that is what the American people were saying on November 4. I am confident that is not what Ronald Reagan was saying to the voters in his campaign for the Presidency last year. I do not believe people voted to disregard the fundamental principles of this Nation, and I do not think Ronald Reagan ever advocated that.

When the distinguished Senator from Alabama (Mr. DENTON) began to explore Mr. Carlucci's attitude toward possible conflicts that might arise between one's personal views and supporting an administration's policy, the Senator received a reply which is startling in its simplicity. It certainly makes it very hard to define; his own principles or his philosophy. For Mr. Carlucci said:

My own philosophy is that we all have to compromise in the governmental process. That is what it is all about.

Compromise in this desperate hour in our history?

This philosophy is what makes the Carlucci appointment a keen disappointment.

The appointment process by its very nature is an uneven one, but many Americans thought that there were some standards below which the process could not fall. Yet Mr. Carlucci will undoubtedly be approved for one of the most important jobs in the administration ostensibly for carrying out the Reagan philosophy.

I think so often that the No. 2 job, Mr. President, may be even more important on many occasions and in some respects than the job of Secretary of Defense itself.

Let us go back to the hearings before the Armed Services Committee in January.

When the distinguished Senator from Washington (Mr. JACKSON), asked Mr. Carlucci how the responsibilities of managing the huge procurement programs, and research and development would be divided, Mr. Carlucci for once was candid. This area, of course, is the most sensitive for the issue of revitalizing our defense capability, for procurement and research are at the center of restoring military and technical superiority. Mr. Carlucci replied:

The way Secretary-designate Weinberger and I intend to operate, and the way that we have operated in the past, is that we have virtually interchangeable responsibilities. We don't divide up the pie, so to speak. Matters come to me in the first instance, and then I decide whether to send them on to him.

Does this mean, Mr. President, that Mr. Carlucci will be the permanent acting Secretary of Defense?

I think all of us would hope not. I will go further than that. I hope I am wrong in reaching these conclusions about Mr. Carlucci's philosophies. He is a nice man. He is obviously a very intelligent man. It is painful to me to oppose any nominee. Yet I hope that we do not have an assured technocrat substituting his own ideas for the policy of the Reagan administration.

Ronald Reagan was elected President of the United States based upon philosophies and assurances that he, himself, gave to the American people. They did not vote for Mr. Carlucci. They did not vote for Caspar Weinberger. They voted for Ronald Reagan and what Ronald Reagan said he believed in. They did not vote for some faceless bureaucrat, who is not answerable to the people; who, indeed, is not even known to the vast majority of the people by name or by identification.

That is my concern. That is the reason I am here speaking this afternoon in what may well be a futile gesture. But at least I want it on the record that in my judgment the American people have made a decision. They have selected the philosophy of Ronald Reagan on economic matters, on defense matters, on all matters. I do not want those philosophies to be watered down by someone who has never been and never will be answerable to the people.

If Ronald Reagon is wrong, let it be charged against him, but let the charge be that he made an error of judgment, not, as the case so often has been in years gone by, that the bureaucracy overruled him.

The time, Mr. President, is now, to express one's conclusions based upon the public record so that people can focus on this problem. I hope it can be said

that it is far better to define the issue in this way than to let it fester behind the operations of the Department of Defense, or any other department.

Nothing could matter less, Mr. President, than the opinion of Senator HELMS. What really counts is what happens hereafter in the Defense Department. It is on the basis of that that people will ultimately judge.

I say again that if my concerns are not in order, I will be the first to stand on this floor and admit that my concerns are not in order.

But, having them and feeling them, I felt obliged to come here today and make it a matter of record that I am a concerned Senator.

Mr. President, I ask unanimous consent that the entire article from the Washingtonian magazine of April 1976 which I have quoted from earlier be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. As the Chair knows, the Washingtonian magazine is a respected journal, not known for its bias in its features, and in this article, entitled "Where Is Carlucci?" by Marie Ridder, the magazine throws rather interesting light on his support of socialism in Portugal.

Mr. President, I reserve the remainder of my time. I thank the Chair.

EXHIBIT 1

WHERE IS CARLUCCI?

(By Marie Ridder)

The noonday view of Lisbon's harbor was spectacular from the crowded, airy porch. Cool drinks were passed by waiters immaculate in white jackets. The host was Frank Carlucci III. American ambassador to Portugal. The guests in their dark business suits looked like prosperous lawyers and doctors, but they were members of Portugal's Supreme Revolutionary Council and not one of them would have accepted an invitation to lunch at the American Embassy ten months before. They probably would not have been asked.

These guests had, 18 months before, toppled the 50-year-old facist regime of Antonio de Oliveira Salazar. It had seemed so simple in 1974: Happiness would come with the elimination of Salazar's repressive government. But the revolutionaries couldn't agree on Portugal's future. Now, a year and a half later, some were Communists and others, like Foreign Minister Melo Antunes, had put together a left-of-center Socialist program.

However, divided among themselves, these men had shared a common reluctance to be seen at the American Embassy. After Chile, Vietnam, and Cuba, no one wanted to be tarred with the brush of association with Uncle Sam. Their relaxed presence at this lunch showed the success of a particular ambassador and the advantage of a change in American points of view.

America has come a long way from the rigid, John Foster Dulles view that all radical revolution is a threat to the United States. Dulles once refused to shake hands with a Communist named Ho Chi Minh. Now an American ambassador entertains the revolutionary left in his home. That may be the beginning of the end to a foreign policy Senator Frank Church says is "controlled by our fears and not our faith," one that has left us "the sentinel of the status quo. We need," he says, "a foreign policy that is willing to accept the grays, to be tolerant of the emerging, and to be patient with those somewhere in the middle." Americans must be realistic: Only 25 of the 143 members of the United Nations are considered to be democracies.

French Socialist leader Francois Mitterand who harbored the Portuguese Socialists during the long night of Salazar told me. "Portugal may signal a change in America's attitude, a new tolerance for different approaches to democracy. Unhappily, the American image has been tarnished by your foreign policy, not only in Vietnam but all over the world. The old image of the US as the champion of free thought and free action has been supplanted by one that sees the US creaking along with old-fashioned ideas and out-dated policies. Unhappily we see you as constantly bolstering the right, sometimes facists, often militarists. The Portuguese are wary of becoming another Chile. But in fact, the US has come, not rapidly, but come nevertheless, to an understanding of Portugal. And that fact has been appreciated."

Secretary of State Henry Kissinger considers Portugal of great importance to East-West relations. He has been concerned that a Communist Portugal could upset the delicate balance of "detente." A year ago he told associates, "It might be too late to save Portugal from the Communists." Immediately after the Revolution of the Flowers, Kissinger began to take a gloomy view of the Portuguese situation. Mitterand says of this period, "What is so extraordinary is that everyone, particularly the United States, began worrying about freedom for the Portuguese at precisely the point they had finally achieved those freedoms."

Kissinger discounted the optimistic reports of the American ambassador in Lisbon, a political appointee, Stuart Nash Scott. A New York Republican lawyer, a friend of Richard Nixon's, he nevertheless reported that the Portuguese were capable of developing a democracy. There was, he told Washington, a real opposition to a Communist takeover. Kissinger put those reports down to naivete and appointed his own man.

He chose Frank Carlucci, 44, an experienced diplomat, fluent in Portuguese, a contemporary of the new leaders. Kissinger was surprised that Carlucci's reports were the same as Scott's—at odds with the Secretary's pre-formed opinions.

In Washington, Carlucci has been able to keep at bay those in the State Department and on the Hill who want to stir the Portuguese potpourri. He knows this small country, the size of Indiana, is a point of interest for a wide variety of non-Portuguese reasons. Last summer, for example, the President said that Senate investigations of the CIA prevented us from sending funds to the Portuguese Socialists—though it seemed to have no effect on funds going to South Africa for Angola. Conversely, several Senators are convinced the CIA has financed rightwing Portuguese groups in exile. Others, like Frank Church, cite Portugal as an example of a country we should help.

Frank Carlucci asks the Portuguese how they would like to be helped. He insists that the Portuguese make their own plans for some 80 million dollars in AID loans. And he keeps an eye open for any American personnel or money not under the control of the US Embassy. Unlike many heads of mission, he knows what the other hand is doing.

Carlucci joins a group of able younger career officers—Wells Stabler in Spain and Jack Kubisch in Greece are two others—whom Kissinger has sent to trouble spots. Gerald Ford came to office unhampered by promises of ambassadorships to large givers, so the Secretary of State has had a freer hand in making appointments.

But Kissinger, pessimistic about the Western European countries' ability to make decisions and stick to commitments, practices a form of personal diplomacy; his indifference to traditional diplomatic procedures has discouraged many Foreign Service officers. One recently resigned ambassador says Kissinger's lack of faith in European Socialist governments led to his mistrust of, and inability to help, the Portuguese moderates. Consequently our Portuguese policy since the revolution has been an untidy mixture of despair and overeagerness to participate.

It is possible that Kissinger's aloofness is just what the Portuguese Socialists needed and wanted. The U.S. has funneled some funds to the Socialist leader Mario Soares through Western European countries. Probably not much, some say not enough, but as one looks at the crazy quilt of Portuguese politics the last 18 months, it's possible to say we may have played it all just right. A prominent Socialist leader said of Carlucci: "I appreciate the fact he has never given me advice, that is, in the way a father would give advice to a son, but has been available to share my concerns, to worry with me that the extremes to the left and the right will overwhelm this fragile government."

Carlucci steps carefully among the land mines of his diplomatic assignment. He is supporting a predominantly Socialist government, many of its coalition-cabinet members Marxists. Despite this coloration, the current government is rightfully thought of as Centrist: It sits in the middle of a political spectrum that swings from the Maoist left (Mao might flinch) to the extreme right (some Fascists have literally donned the black shirt). The American-supported government's economic program, is, however, to the left of that of Allende's Chile, which we sought to destroy only two years ago.

For Carlucci, as for most Americans who worked abroad after World War II, this is a new kind of mission. Because of the radical complexion of the duly elected government, he must be ready to offer, but be careful not to press, what has become a fatal stigma in many parts of the world—American friendship. That's a large gulp for an American diplomat brought up in that brief, happy time between the Marshall plan and Vietnam.

One must, therefore, come to Portugal without thinking in terms of absolute American power but to guard our options. Portugal is important to the United States because it is a member of NATO and because either a Communist or extreme right wing takeover could influence the delicate balance of a Spain without Franco or a troubled Italy.

The newest name for what once was called the domino theory is the epidemic theory. Carlucci points out that Portugal and Spain share a large, indefensible border, that what happens to one Latin people can influence another.

Deputy Chief of Mission Herbert Okun says, "We should try as best we can to prevent outside influence, whether it be monies from Russia or monies from the very few, very rich Portuguese in exile from interfering in this process. The Portuguese are trying to find a new modus vivendi. It is an attempt of a people who had been without self-government for 49 years to find their own way."

"For once," he adds, "we're on the side of the good guys."

Okun characterizes the months since the April Revolution "as the longest revolution in history or the slowest floating crap game in Europe."

The first few months were a time of pure joy. The future had at last arrived. But it soon became apparent that love, enthusiasm, and goodwill were insufficient to govern a country.

The Communists who had maintained an underground organization throughout the dictatorship were the only group with a disciplined following and a specific program. They prepared for takeover. They organized the unions, befriended the military, took over the farms, the press, and the bureaucracy. By last summer it looked as if the Communists had won. But they had misjudged the Portuguese people.

By September 18, when the sixth government was formed, the Socialists had succeeded in forcing the Communists out of the government. They had, however, inherited the economic chaos, military insubordination, and a confused and disillusioned people. The Revolution never had a defined goal or strong leader. It meandered, mostly left.

Premier Jose Pinheiro de Azevedo's regime can be called "government under extreme pressure." Portuguese say it is their "last chance to avoid civil war" in a country with a strong conservative backing in the north and a dedicated group of Communists in Lisbon and the agricultural Alenteje.

It is said of the Premier that he is a man "who stands tall in a deep hole." He has survived six months of strikes, a left wing military coup, and a serious economic crisis. He and the country's president, Francisco Costa Gomez, are dedicated to keeping a parliamentary democracy afloat.

Clearly, it has not been an easy time to be the American ambassador. Since the beginning the Portuguese have proclaimed their desire to be independent of outside influences. Only the Communists have openly courted help. The Russian Embassy has escalated a tiny staff to some 150 people. Russian engineers and Russian buyers and sellers have turned up in great numbers. The Communist-controlled press extols their generosity while daily condemning the U.S. ambassador as a tool of the CIA and warning the public that Portugal could easily become a second Chile.

What the Soviets and Americans have in common is that they both have replaced elderly ambassadors with young, energetic, Portuguese-speaking emissaries. The change was so startling a Portuguese newspaper asked editorially, "Have we changed? What is the new attraction of Lisbon?" A Socialist leader, having been wined and dined on consecutive days in the American and Soviet embassies, noted, "How remarkable the reaction on both sides was so similar."

News from Lisbon on the front pages or television invariably pictures some new confrontation. The media cruise the city looking for street demonstrations or tanks. There are confrontations, but so far only three soldiers have been killed. The rhythm of everyday life goes on.

The open informality of the U.S. embassy reflects the low key, no-nonsense character of its ambassador. All the staff speaks Portuguese. "It's easy," says Carlucci, "to think that putting out fires should be a priority in a new job. But, in fact, choosing your staff should always be first. People make all the difference."

Portugal is an opportunity to watch a people attempt to form a new society. It offers a chance to watch a revolution while remaining comfortable. Restaurants are excellent and cheap. Hotels are empty because tourists nervously avoid the country. Public transportation is good and the Portuguese airline flies on time. The mail and the telegraph work better than at home.

Portugal is flooded with refugees from Angola. Many of them, living in camps outside the city, jobless, allowed to bring only a crate of treasured possessions, are embittered at the lack of support Angola has received. For them, Lisbon is not a happy place.

But for Americans, Lisbon remains a sunny city, where cafes serve marvelous port, where a sunset stroll or short ride takes one to breathtaking views and glorious beaches.

There is some debate as to whether Kissinger or Donald Rumsfeld, an old chum from the wrestling team at Princeton, chose Carlucci for Portugal. "Does it matter?" asks Carlucci. "I can hardly imagine it was a big thing between them."

It does not matter now because by the time Carlucci was appointed to Portugal he had proved himself a public servant of extraordinary talent. His career in the Foreign Service has been gilded with awards for superior service but has, nevertheless, suffered from the very initiative that has won the awards.

Carlucci has had reason to be disillusioned. The hero of one of his first assignments—in the Congo—was Clare Timberlake. But Timberlake was relieved of his post and given a dead-end job as a teacher in an Army War College. Carlucci says, "I assumed at the time, and have never had reason to change, that Tim was ruined because he called it as he saw it—perhaps too loudly."

In 1965, Frank Carlucci himself fell victim to a comedy of African errors. He was expelled by Zanzibar on the grounds that he was plotting to overthrow the government of this new third world nation.

The evidence? Carlucci was overheard telephoning his superior about plans to celebrate the new African nation's first anniversary. "Bring in some big guns," said the young officer, hopeful that Soapy Williams, Assistant Secretary of State for African Affairs, might attend.

The deliberate misinterpretation of that conversation was acknowledged by the prime minister of Zanzibar, who was using this incident as a chance to parade his power over the great USA. Washington appreciated that fact but Carlucci nevertheless was made to pay. He sat around Washington without an assignment for months. The Director General of the Foreign Service, Joseph Palmer, told him he would have to "fit into the system. You have a tendency to freewheel."

When assignments were offered, Carlucci was not permitted to accept them. Palmer was waiting for a place in some large embassy where Carlucci would be buried. "He kept waiting for an opening for a transportation officer," Carlucci says.

Jack Tuthill, later Carlucci's boss in Brazil, paraphrases Mark Twain. "God protects fools and our Foreign Service. One can hardly imagine why such an able guy endured this."

Carlucci still cannot understand what he had done that marked him as so upsetting an influence. But if anonymity is the hallmark of success, he failed early, first by rescuing Americans stranded in terrorized Stanleyville, and then by making friends among the leadership in his assigned area.

In early 1963 President John Kennedy gave a dinner for the new President of the Congo—Abdoula. On JFK's right sat the flamboyant African head of state. On his left, Secretary of State Dean Rusk. As the guests seated themselves, Abdoula turned to Kennedy. "Where," he asked, "is Carlucci?"

"Where is Carlucci?" asked Kennedy. "Who is Carlucci?"

"Who is Carlucci?" went down the table, from the Secretary to the Undersecretary to Assistant Secretary in charge of African affairs to the desk officer until finally somewhere far below the salt, someone said. "Oh yes, Frank Carlucci." He rushed to call Carlucci's home where the young political officer, just returned from the Congo, was dining with his family. He couldn't, he said, dine at the White House because he had no black tie. The Presidential answer came back: "The hell with what he's got on. Tell him to hurry."

Abdoula embraced Carlucci and relaxed. He began a steady stream of conversation in his native tongue. Carlucci, translating to Kennedy, summarized a lengthy monologue with the words, "Mr. Abdoula says the Congo has lots of problems." Kennedy thanked him for his brevity.

It was a Kennedy appointee, a non-Foreign Service ambassador, Lincoln Gordon, who finally prevailed on Palmer to send Carlucci to Brazil. But even then the Director General specified that Carlucci be assigned to the already overstaffed political section. Not many months later Carlucci emerged as a Special Assistant to the Ambassador.

Carlucci was told to cut embassy personnel by at least 30 percent. "We had special AID study groups, special military study groups . . . we had colonels coming out of our ears," he recalls.

"Frank's Operation Topsy eliminated a lot of military brass, the caddies at the golf course, and the drivers in the carpool. It also abolished Frank's job," recalls Herbert Okun.

It did not contribute to Carlucci's anonymity. The Foreign Service handed him yet another award and was about to put him out to pasture at MIT. He was passing through Washington on his way to Boston when Rumsfeld asked him to take a leave of absence from the Foreign Service to become Director of OEO. Carlucci hesitated because he knew little of domestic politics. But he took the job, possibly for the same reasons he stayed in the Foreign Service. In a recent speech to the American Club in Lisbon, he said, "Institutions are slow to change but that does not mean that with constant pressure they can't be changed."

"There are a few ways an individual can effect change," he adds. "He can be elected to political office or he can work for the government."

From OEO a succession of jobs catapulted him through the hierarchy to become deputy director of OMB and then to the post of Under Secretary of HEW. "Carlucci," says Charlie Cooke, an HEW colleague, "believes in the professional in government. He believes the government can be made to respond to professionalism. He has made it do so."

Talking to Carlucci one is reminded of Great Britain's concept of a civil servant, a man who pursues an honorable career in service to the government. Sometimes he can mold policy until it becomes his own. But within the boundaries of what he considers acceptable he can perform equally effectively for either a Tory of Labor government. The institution he serves is paramount. The concept can only work in a country where the differences in public policy are minimal. Thus Carlucci wrote a Nixon Administration Health Bill but could probably write a somewhat different one for a Democrat with the comment that the differences are less important than the similarities.

Why did Carlucci leave his job at HEW, one that entitled him to a place at Cabinet meetings and gave him a chance to contribute to the social policies of the nation? Be-

cause he did not see this era as one with a chance for any victories. "I am not sure," he says, "that this is a period when effective action will be taken on the two issues I consider most important—Comprehensive National Health Insurance and a guaranteed annual income. They are both essential. They will come, but not immediately."

"I am," he adds, "a Foreign Service officer. This may be the most interesting assignment in the world today."

He denies substantial disagreement with Kissinger, saying, "The Secretary follows events in Portugal in exacting and excruciating detail. If we have looked at these events differently it is because my primary interest is in the internal affairs of the country; his in the overall picture. It is the job of an ambassador to develop his own point of view and then share it with the Secretary, so he in turn can have as broad a spectrum of knowledge as possible."

Carlucci's current advice to the US government is to hang loose. He feels that this Lisbon government is surviving better under severe strife than we had reason to hope, that Premier Azevedo is more decisive than we expected him to be. He says provisional President Francisco Costa Gomez has become a fine politician. "It's not a good time to make future predictions," he says. "We have no choice but to be optimistic."

Portugal's turmoil could continue for years. It was 1912 to 1926 when the Portuguese last attempted democracy. Portgual had ten governments in that period. The coups were non-violent but resulted in financial chaos for the country.

This is a harsher time, one in which Portugal's political alignment is of more intense interest to East and West. It may be a long period of high tension.

It may also be a period of change in American foreign policy. State Department officials are reluctant to specify how much our new view of ourselves has influenced our activities abroad. "Five years ago," an Assistant Secretary says, "we would surely have had soldiers in Angola. Now we try to find alternatives, but as long as the Russians back their side, it is difficult to say whether any softening in American approach is good or bad."

The Department of State has clearly stated that the United States is against a Communist takeover of any Western European country. "But," says Deputy Assistant Secretary of State James Lowenstein, "we make a distinction between Socialists, even those who are Marxists and members of the Communist Party."

We have, under men like Carlucci, begun to develop a greater tolerance for the emerging, radical, non-Communist left. Portugal may be the first test of this new sensivity but it won't be the last. "Most of the Western world is moving to the left," Mitterand told me. "If the United States wants to avoid being left behind it must hear what new things are being said. Portugal is a good place to begin."

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HELMS. I yield.

Mr. WARNER. Mr. President, the statement to be made by the distinguished Senator from South Carolina may be charged to the time under the control of Mr. TOWER.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, the Armed Services Committee has carefully considered the nomination of Frank C. Carlucci III to be Deputy Secretary of Defense and has recommended approval by a 16 to 0 vote.

In private conversations with me, and in public testimony, Mr. Carlucci displayed a clear recognition of the Soviet threat as well as the goals of the Soviet Union as demonstrated in their promotion of communism throughout the world. This understanding undoubtedly is a product of his service as Deputy Director of the Central Intelligence Agency. In addition, Mr. Carlucci also made unequivocal statements in favor of increased defense spending to rebuild our military forces.

Further, I am reassured by his statement—

Our Army Reserve Forces are what can only be described as in critical shape.

And he described this situation as "one of our most urgent problems." The understanding demonstrated by these answers indicates support to correct them.

Mr. President, in closing, I support President Reagan's nomination of Mr. Carlucci for this key position and feel it is important to move ahead with this confirmation process in order that solving our military problems can get under way.

Mr. President, I only reached this conclusion after I talked to Mr. Carlucci in person and received his views on these various matters of importance to our national defense and became convinced that he will work with President Reagan and Secretary Weinberger to carry out their policies and will cooperate with them to the fullest.

I thank the Senator very much and I wish to thank my able friend from North Carolina for yielding to me.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time if the Senator from Mississippi is prepared to yield back his and the Senator from North Carolina is prepared to yield back his.

Mr. STENNIS. Mr. President, that is agreeable to me. I yield back my time.

Mr. CRANSTON. Mr. President, I strongly support the nomination of Frank Carlucci to the very important post for which his name has been submitted to the Senate.

I have known Frank Carlucci for a number of years. Our relationship began with a confrontation of sorts which was presently resolved. Over the years I have come to have very great respect, very high admiration for the abilities of Frank Carlucci.

He and Caspar Weinberger will make a magnificent team in the Department of Defense. I am delighted that his name was submitted, and I am delighted that he will be confirmed to that important post, and I wish him well in it.

Mr. TOWER. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. TOWER. They have not?

The PRESIDING OFFICER. They have not.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is, Will the Senate advise and consent to the nomination of Frank Carlucci to be Deputy Secretary of Defense? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Montana (Mr. MELCHER) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 6, as follows:

[Rollcall Vote No. 20 Ex.]

YEAS—91

Abdnor	Garn	Murkowski
Andrews	Glenn	Nickles
Armstrong	Goldwater	Nunn
Baker	Gorton	Packwood
Baucus	Grassley	Pell
Bentsen	Hart	Percy
Biden	Hatfield	Pressler
Boren	Hawkins	Proxmire
Boschwitz	Hayakawa	Pryor
Bradley	Heflin	Quayle
Bumpers	Heinz	Randolph
Burdick	Hollings	Riegle
Byrd, Harry F., Jr.	Huddleston	Roth
	Humphrey	Rudman
Byrd, Robert C.	Inouye	Sarbanes
Chafee	Jackson	Sasser
Chiles	Jepsen	Schmitt
Cohen	Johnston	Simpson
Cranston	Kassebaum	Specter
D'Amato	Kennedy	Stafford
Danforth	Laxalt	Stennis
DeConcini	Leahy	Stevens
Denton	Levin	Thurmond
Dixon	Long	Tower
Dodd	Lugar	Tsongas
Dole	Mathias	Wallop
Domenici	Matsunaga	Warner
Durenberger	Mattingly	Weicker
Eagleton	Metzenbaum	Williams
Exon	Mitchell	Zorinsky
Ford	Moynihan	

NAYS—6

East	Helms	McClure
Hatch	Kasten	Symms

NOT VOTING—3

Cochran	Cannon	Melcher

So the nomination was confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. TOWER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, if I may have only a brief moment, it appears that there are a number of Senators in the Chamber who may have statements or other business to transact. I ask unanimous consent that as in legislative session there now be a brief period for the transaction of morning business not to exceed 30 minutes in duration in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

CRUDE OIL DECONTROL: THE IMPACT ON CONSUMERS

Mr. PELL. Mr. President, within hours of President Reagan's decision to decontrol crude oil and gasoline, fuel prices posted by some major refineries surged as much as 5 to 6 cents a gallon on home heating oil, gasoline, and diesel fuel. Company spokesman for one refiner said this increase in the cost of products was "a direct result of the decontrol order by President Reagan." Most other major refiners have since Wednesday, January 28, posted similar, although smaller, increases in their prices for crude oil products.

Mr. President, the price increases by major refiners is in direct contradiction to the assertion by Energy Secretary James B. Edwards that decontrol would result only in a small cost to consumers. The impact, to the contrary, is significant. It is already having a severe detrimental effect upon consumers, particularly those in Rhode Island who rely upon home heating oil and whose energy costs are already 26 percent higher than the cost to heat their homes in the 1979–80 winter season.

In announcing the decontrol action, Secretary Edwards said that the action would increase local fuel costs by 3 to 5 cents a gallon. "I hope it doesn't cost consumers anything, but there may be some small cost," he said.

The truth is that the action is costing consumers plenty.

In Rhode Island, for example, the order by President Reagan resulted in a 5-cent increase in the cost of No. 2 home heating oil within the period of 1 week alone. As of January 26, the average price for No. 2 oil in Rhode Island was $1.20 a gallon and it rose to $1.259 a gallon as of February 3. The price for gasoline rose, from a statewide average of $1.29 a gallon for regular to $1.32 a gallon, and from $1.32 a gallon to $1.43 a gallon for unleaded.

Mr. President, in my view, the administration and Secretary Edwards completely misjudged the impact that immediate decontrol of gasoline and crude oil would have upon consumers across the country. The decontrol process should have followed the schedule proposed by President Carter, especially for crude oil. That process would have ended controls in an orderly manner by September of this year. As a result of this premature action, badly needed funds will be drained from families to oil companies and the U.S. Treasury—an estimated $8 to $16 billion for oil companies and an estimated of $3 to $10 billion for the U.S. Treasury.

I believe, Mr. President, that in view of the abrupt price increase for crude oil products and the severe winter weather this year, we have a responsibility to return some of these windfall revenues from decontrol to the consumers.

It is a matter of simple justice. Decontrol is really an added tax on the consumers. The Reagan administration may be intent on using this financial bonanza to balance the Federal budget, but I believe we must have some concern also about the family budgets that have been suddenly and abruptly unbalanced by the inflation of home heating costs.

That is why I have introduced legislation to provide energy tax relief to consumers. The measure I have proposed, S. 329, would give consumers a tax credit of up to $300 to offset the increased costs of home heating, caused in large part by Government policy changes.

I hope that my colleagues will join me in support of this legislation.

Mr. President, I ask unanimous consent that articles from the Providence Journal, the Washington Post, the New York Times, and the Wall Street Journal, which discuss the refiners' price increases following decontrol be printed in the RECORD immediately following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SEVERAL REFINERS RAISE FUEL PRICES

Several major refiners raised wholesale fuel prices yesterday, a day after President Reagan ended price controls in the oil industry eight months ahead of schedule.

The largest increase was posted by the Standard Oil Company of California, the nation's fourth-largest oil company. Its Chevron USA division raised wholesale gasoline prices 6 cents a gallon and heating and diesel fuel prices 5 cents a gallon. A Chevron spokesman said the rise was "necessary because of the increased costs of crude oil resulting from the Government's decontrol program."

Other refiners increasing wholesale prices by one-half cent to 3 cents a gallon, depending on region and fuel type, included the Exxon Corporation, the Mobil Corporation, the Shell Oil Company and the Sun Company.

Exxon raised wholesale prices of gasoline, home heating oil and diesel and jet fuel as much as 3 cents a gallon. Shell raised heating oil and diesel fuel prices 1 cent a gallon west of the Rockies and 3 cents a gallon elsewhere.

Shell and Sun said their moves did not result from the President's action. Exxon said its rise reflected past increases in the cost of crude oil.

FUEL PRICES SURGE UP TO 6 CENTS A GALLON IN WAKE OF PRESIDENT'S DECONTROL ORDER

(By Steve Mufson)

Fuel prices surged as much as six cents a gallon in the wake of President Reagan's order to decontrol crude oil and gasoline prices.

Standard Oil Co. of California increased its wholesale prices on gasoline by six cents a gallon and on heating oil by five cents a gallon, effective today. A company spokesman said the increases were "a direct result" of decontrol that had been ordered by the President on Wednesday.

David Stockman, director of the Office of Management and Budget, said Tuesday that "this is an ideal time to do it (decontrol prices)" because of current adequate fuel supplies. He estimated gasoline prices would rise from three to five cents a gallon at the pumps over the next few months because of Mr. Reagan's action. In announcing the decontrol move, Energy Secretary James Edwards echoed Mr. Stockman, predicting that prices would rise between "three cents and a nickel."

Meanwhile, many other oil companies were also boosting prices on gasoline or heating oil or both. Most insisted, however, that there wasn't any connection between the increases and President Reagan's decontrol action. They said that the increases stemmed from the higher costs to refiners for both domestic and foreign crude oil supplies. These costs have been climbing in recent months.

Even so, in the two days since the President's order, at least nine major oil companies in addition to California Standard have decided to increase the price of either gasoline, heating oil or both. The increases by the other companies range between one cent and three cents a gallon.

President Reagan's decontrol order immediately raised domestic crude oil prices to world levels and thus ultimately raises the average cost of crude oil for U.S. refiners by $4 a barrel. While that could translate into a 10-cent-a-gallon price increase, it isn't yet clear how much of that increase will be passed through to consumers or when. Plentiful supplies of gasoline and heating oil as well as sluggish demand for oil products might hold prices down, industry members have been saying.

Nevertheless, oil companies moved with rare unanimity to raise prices in the past couple of days. Exxon USA, a unit of Exxon Corp. and the nation's leading seller of gasoline and heating oil, raised its gasoline prices by three cents a gallon east of the Rocky Mountains and two cents a gallon in the Rocky Mountains and West Coast regions. Exxon also raised heating oil prices three cents a gallon except on the West Coast where it raised prices 1½ cents.

Exxon's increases were effective yesterday. The company claimed that the price boosts weren't related to the President's decontrol order. A company spokesman said "we don't know and we can't speculate about when the impact of the order will be felt on prices."

Texaco Inc. and Sun Oil Co. have decided to boost gasoline and heating oil prices today but haven't yet disclosed by how much.

Shell Oil Co., an affiliate of the Royal Dutch/Shell Group, raised heating oil prices yesterday by three cents a gallon east of the Rocky Mountains and by a penny on the West Coast.

Atlantic Richfield Co. increased gasoline prices three cents east of the Rocky Mountains and a penny on the West Coast, effective today.

Standard Oil Co. (Ohio) boosted gasoline and heating oil prices by three cents a gallon at 12:01 a.m. today.

Conoco Inc. raised its gasoline and heating oil prices a penny a gallon in eight states in the South and Southwest.

Mobil Corp. increased heating oil prices Wednesday by a penny a gallon in the Northeast and by two cents a gallon in other parts of the East.

Union Oil Co. of California raised gasoline prices on the West Coast and the Rocky Mountains by a penny a gallon yesterday.

SOME ENERGY EXPERTS PREDICT $1.53-A-GALLON GASOLINE HERE BY JUNE

(By Phil McCombs)

Washington area gasoline and heating oil prices increased more than a nickel a gallon during the last three weeks, and oil analysts predict that the Reagan administration's removal of controls on gasoline and domestic crude oil prices last Wednesday will add another 10 cents to local prices in the next few months.

This analysis by energy experts tends to contradict the assertion by Energy Secretary James B. Edwards at his press conference on Wednesday that decontrol might increase local fuel costs by 3 to 5 cents. "I hope it doesn't cost [consumers] anything, but there may be some small cost," Edwards said.

Some analysts predicted the average cost of gasoline could reach $1.53 per gallon by June.

Gulf, Sunoco and Texaco, which together supply a quarter of the gasoline used in the Washington area and a good deal of the heating oil, yesterday raised prices on those products here between ½ cent and 3 cents a gallon. Exxon and Amoco, which supply about half the gasoline market here, raised gasoline prices 3 cents and 2 cents a gallon respectively earlier in the week.

Spokesmen for all these companies except Texaco said price increases by the Organization of Petroleum Exporting Countries last December, and not decontrol, had caused these latest price increases. The OPEC increases still have not been completely passed through to consumers. Texaco's statement yesterday was ambiguous on whether decontrol helped spur its latest increase.

"Undoubtedly there will be more increases now that we've had decontrol," a Sunoco spokesman said.

Although Energy Secretary Edwards said that decontrol means the federal government will reap $3 to $4 billion from the windfall profits tax, officials in the District of Columbia, Maryland and Virginia said that decontrol will increase their losses of gasoline tax revenue in their jurisdictions.

This will happen because decontrol will tend to raise fuel prices, which will in turn promote conservation by price-sensitive consumers—the whole point of immediate deregulation. Since D.C., Maryland and Virginia all have a set tax per gallon rather than a percentage tax, fewer gallons sold means less revenue.

Fuel conservation driven by higher prices helped make gasoline tax revenues in the District drop $3.2 million or 15 percent between 1979 and 1950, according to Billy D. Cook, an analyst in the city's Department of Finance and Revenue. Cook projects that gasoline tax revenues will drop another $1.4 million next year as conservation continues.

Maryland collected $14 million less in 1980 than in 1979 for the same reason. In Virginia, revenues went up a little but only because the gasoline tax went from 9 to 11 cents a gallon in mid-year.

A Washington Post price survey shows that the average price of a gallon of gasoline here now is $1.36.9, an increase of 5.4 cents a gallon or 4 percent over the price recorded just three weeks ago. Home heating oil here went up 6.9 cents or 6 percent during the same period to an average of $1.23.4 a gallon.

These sharp price increases took place during a time when the American Petroleum Institute reports that worldwide and U.S. stocks of crude oil and petroleum products remain higher than normal—a circumstance that oil analysts say should slow the pass-through of the increased cost of decontrolled oil to consumers.

That slowdown means that the 8 to 10 cents a gallon that decontrol adds to the refiner's cost may not be completely passed through to consumers until next spring or summer, experts say. However, they say, 3 or 4 cents of that may be passed through fairly soon.

"Look for a gradual phase-in [of the increase]. Most of it will be passed through by early June," said Mark Emond, editor of the Lundberg Letter, a respected petroleum marketing newsletter.

A U.S. Energy Department analyst who asked not to be identified said that decontrol means, "You'll be seeing no abrupt rise in prices, but a gradual increase up to what the market will bear."

Domestic crude oil prices were being gradually decontrolled in a program that would have fully decontrolled them by Oct. 1 this year. The Reagan administration's action simply moves that process forward several months and means that consumers will sooner be paying the higher prices that they wouldn't have had to pay until October.

In other words, analysts say, consumers would have been paying the 8 to 10 cents a gallon extra by October in any case, so that the net increase in their fuel bills will not be high because the Reagan administration moved forward the date of total decontrol.

But the price of gasoline should indeed be high by the summer driving season when increases caused by decontrol are added to increases from OPEC price rises and continually inflating refiner operating costs that oil companies try to pass through.

Lundberg's Emond estimates that all these factors will make gasoline 16½ cents a gallon more expensive by June. That figure, added to the current average Washington price, would make the average price here in June $1.53.4 a gallon.

Experts said yesterday that while the Iran-Iraq war has cooled and those countries are again exporting crude oil, a new blowup in the Middle East could send prices skyrocketing at any time by drying up world oil supplies.

GASOLINE AND OIL PRICES EXPLODE

(By Thomas S. Mulligan)

PROVIDENCE.—A three-pronged onslaught has driven gasoline and fuel oil prices to all-time highs.

Jack Frost, oil price decontrol and OPEC are the three prongs, according to Santo Amato, the state's emergency fuel allocation officer.

The cold weather—there have been 36 percent more degree days of cold this winter than last—has resulted in a very quick reduction of the region's fuel oil reserves, and once those are exhausted, retailers must look to their domestic suppliers or OPEC, Amato said.

The effects of OPEC's Jan. 1 price increase and of President Reagan's Jan. 28 order for an immediate end to government oil price controls are being felt simultaneously right now, he said.

To wit:

Mobil raised its gasoline and fuel oil prices by 5 cents a gallon across the board, effective today. Getty's 4-cent increase took effect yesterday, and Sunoco's 4-cent hike came over the weekend, Amato said.

Rhode Island's average price of a gallon of No. 2 fuel oil was $1.25 yesterday, up from $1.21 last Thursday. The fuel cost $1.02 when the season started, Amato said.

Yesterday, for the first time, a gasoline price of more than $1.50 per gallon turned up during one of Amato's surveys of Rhode Island service stations. The dubious record was set by an East Greenwich gas station that was charging $1.51 for unleaded premium, Amato said.

Fuel supplies are very good at the moment. Even though the degree days (the difference between the day's average temperature and 65 degrees) are up 36 percent, the demand for No. 2 fuel oil has increased by only 16 percent, Amato said.

Conservation is mainly responsible for the smaller-than-expected demand. Amato said, adding that the number of oil-to-gas conversions has been too small to significantly affect that statistic.

DONALD WILLS DOUGLAS

Mr. GOLDWATER. Mr. President, this morning's papers carried very sad news of the passing of Donald Douglas, of California.

I have known his family as long as I can remember. In fact, I can remember my very first interest in aviation stemmed from going into the Douglas hangar in Santa Monica, Calif., to watch him build some of his first aircraft.

Mr. Douglas built the Navy around-the-world aircraft that in 1924 made its successful trip around the world. He is responsible for the DC–2 followed by the DC–3 aircraft. He was really the grandfather of American commercial aviation. There were over 10,000 of the DC–3's—or as we knew them in the war the C–47's—made, and 3,000 of them are still flying. They also constructed the DC–10 and made many, many other contributions to aviation.

Mr. Douglas was 88 years old. He was not young by any stretch of the imagination. But the contributions he made to aviation the world over will be remembered forever and ever.

I just wanted to express my feelings for him and to express my condolences to his family.

I thank the Chair.

LEWIS LEHRMAN

Mr. BAKER. Mr. President, a great many theories have been espoused as to the source of America's current economic morass. An equal number of theories as to how we shall recover have been similarly voiced.

On either score, I have neither read nor heard of such an erudite and concise analysis of our economic outlook than that offered by Mr. Lewis Lehrman in the January 18, 1981, editions of the Washington Post.

As my colleagues are well aware, Mr. Lehrman is a most distinguished business leader in New York City and a highly recognized and respected analyst of American economic and foreign policy.

In his Post article, Mr. Lehrman explores the causes of and suggests remedies for the unacceptable inflation rate in the United States.

I am encouraged to note that at least one of the suggestions he made in the

Post article, the decontrol of oil prices, has already been enacted.

I would commend Mr. Lehrman's work to my colleagues' attention and, therefore, request unanimous consent that the text of his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO END INFLATION

(By Lewis E. Lehrman)

The budget should be balanced, the Treasury should be refilled, public debt should be reduced, the arrogance of officialdom should be tempered and controlled. . . .

—Marcus Tullius Cicero, 106 B.C.

Inflation is the transcendent issue of our times. Inflation is to our generation what depression was to our parents and grandparents. Inflation, if not stopped, will revolutionize our nation and its social institutions.

There are at least two separate schools of thought about how to end inflation:

First, there are professional policy analysts who believe that overdemanding working people create inflation by spending too much money. President-elect Reagan captured the perversity of this elitist view when he asked why it is inflationary when working people spend money—but not inflationary when the goverment spends it. In the past, these same analysts have recommended a remedy for inflation: simply reducing the number of working people, i.e., recession and unemployment, in order to reduce or "fine tune" private demands for goods and services.

A true understanding of inflation begins with a second and entirely different view of its causes and origins.

In this view, the correct one, the government causes inflation, not the oil sheiks, not the oil companies, not greedy labor or avaricious big business. Inflation is a monetary and a financial disorder, engendered by the federal government. This interpretation explains why working people voted on Nov. 4, 1980, to reduce the size of government, not to restrict further the world of work and enterprise.

In this view of inflation, the remedies logically follow from the analysis of the defects. The remedies constitute a coherent economic policy:

(1) Reduce as rapidly and humanely as possible the federal budget deficit, especially on current account. Reorganize the government capital account, including federal credit programs, such that government demand for credit is substantially less than the volume of total savings available in the market.

(2) Reform the tax structure and restore work incentives in order to encourage the production of new goods, which will help to balance supply and demand conditions and thereby to mitigate inflation. The tax legislation must reduce marginal income tax rates and capital gains rates. Tax reform must abolish the insane distinction between taxes on savings and taxes on wages (so-called "unearned" and earned income). Savings are, in part, stored wages and must be taxed the same way, or savings will evaporate.

(3) Renovate the regulatory policy. Decontrol of energy prices would be the symbol of serious intent to sweep away excessive impediments to commerce and economic growth.

(4) Encourage the Federal Reserve System to moderate creation of money and credit, such that the supply of new credit is strictly consistent with the demand for credit by producers who need it to create new goods and services during the same market period.

(5) Commit, publicly and unequivocally, to a free and open world trading order under American leadership. The indispensable conditions for achieving such an open world order are twofold. At the earliest possible moment, perhaps January 1982, the president should announce his intention to restore a stable dollar to the world by creating a gold-based currency. Second, the president should call for an international monetary conference, to be held in January 1983, to reform the world monetary system, to uphold an open trading system, to contain the rising tide of protectionism.

Each of these five policies is, by itself, necessary. But, alone, each will be unavailing. Therefore, all should be done together, for only together will the new economic policy be sufficient.

The new financial policy to end inflation would rely on the creation of real economic growth and more jobs—not on unemployment and reduced demand—in order to produce more goods, not less.

In Britain, Prime Minister Margaret Thatcher has chosen instead the course of austerity—restrictive monetary policy, public sector deficits and timid tax policies—along with the painful consequences of unemployment and bankruptcy. What pathos there is in this apostle of the free market, presiding over the disassembling of British industry and almost 9 percent unemployment—the worst level since the Great Depression.

President-elect Reagan can avoid the Thatcher trap. But he must move soon and with profound understanding and conviction about the course to be followed.

There are six months in which to decide and to act. There is a way out of the maze of inflation. But in this particular crisis, the economic stabilization plan must not be characterized, as in past emergencies, by price and wage controls. On the contrary, the new program for economic renewal will deal with the crisis by a systematic reformation of economic institutions. Economic recovery must rely upon a reawakened nation, market institutions, free prices, mobile factors of production and a stable currency.

It is true that, in the absence of sound policy, we shall survive the crisis too. It is the lot of businessmen and working people to accommodate and to survive. But to what end? Eight percent unemployment? Twenty percent interest rates permanently? Ten percent inflation rates? Bankruptcy? Wage and price controls?

It cannot be that these are the results we desire. Our goal is an end to inflation. President Reagan was elected to do it—and now he must.

THE REVEREND EDWARD L. R. ELSON

Mr. MOYNIHAN. Mr. President, it is good that our predecessors in this distinguished body saw fit to appoint a chaplain. To him falls a task of great importance, for he is the one who daily directs our attention from the profane to the sacred, from the secular to the eternal.

For 12 years, the Reverend Edward L. R. Elson has borne that responsibility, prodding us always in a gentle and eloquent tone to look beyond the daily preoccupations that lay claim to our every waking moment. He has succeeded in what for many would have been an impossible and frustrating job.

Before Reverend Elson came here on January 9, 1969, he had already distinguished himself as a churchman. As pastor of Washington's National Presbyterian Church since 1946, he was widely respected for his abilities in the pulpit, his administrative talents, his scholarship, and his deep commitment to public service. In 1959, Christian Century, a quite prestigious magazine, bestowed on him a very special honor indeed, calling him "one of six outstanding representatives of the contemporary pulpit."

As Senate Chaplain, the 39th we have had, Reverend Elson has done much more than offer the daily prayer, as required by rule 3.3 of the standing rules for conducting business. He has always been available to answer informational requests, as well as to give counsel on some of the greater issues of the day.

Last April, Jim Castelli, the Washington Star's religion editor, noted that our good chaplain "is steeped in history and tradition." And so he is. He baptized Dwight D. Eisenhower in 1952, the only minister in our history to have brought that sacrament of Christian initiation to a man about to become our Commander in Chief. He has preached to more Secret Service officers than any other clergyman, and he went on special international missions for Presidents Eisenhower, Kennedy, and Johnson.

I understand that Reverend Elson is especially proud that he brought the first woman minister to the Senate in 1971. There were other firsts as well: The first Roman Catholic nun, and the first American Indian "holy man." His invitations to these people tell us something about his openness to others, his sensitivity to other religious traditions, and his willingness to be a creative pioneer.

As he takes his leave today, we offer him our thanks for his service, his spirit, and his friendship. We are all better for having had him here over these years, and I dare say that we will miss him. For myself, I wish him great happiness in the years ahead, and hope that he will return here from time to time to bring us his words and inspiration that we will always need.

DR. MARTIN LUTHER KING, JR.

Mr. MOYNIHAN. Mr. President, on January 15, I joined with more than 5,000 people in Buffalo's Lafayette Square to honor Dr. Martin Luther King on what would have been his 52d birthday. We came together to rededicate ourselves to the principles of racial equality, integration, and justice. Dr. King's life was an inspiration; his words a beacon of hope; his actions an exemplar of steadfastness and determination; his death a national tragedy. Many who scarcely knew him are daily influenced for good by what he did, what he said, what he stood for.

For Dr. King achieved something that few others have. He created a movement that was both visionary and pragmatic, spiritual and political, vigorous yet nonviolent. It has succeeded. It is succeeding. It confounded those who thought segregation and discrimination to be immutable facts of American life. It struck down century old barriers. It gave hope and concrete improvement to millions. It proved that oppressed persons can or-

ganize themselves, lead themselves, and advance themselves. It gave new meaning to equality as it eroded the walls of inequality. And it demonstrated that this could be accomplished without violence or hatred.

Martin Luther King, Jr. was a force for reconciliation and healing. Just as his memory endures undiminished, so does the need for the forces it evokes. Walter Lippmann wrote:

The final test of a leader is that he leaves behind him in other men the conviction and the will to carry on.

By that standard, as by others, Dr. King was a leader.

In Buffalo, I saw evidence that his inspiration lives on. Among the speakers were two youngsters, Anna Lynn Furst and Derick Houston. Both must have been infants when he died, but they understand his message, and are influenced by it. Their words are eloquent beyond their years. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

DR. MARTIN LUTHER KING, JR.

(By Anna Lynn Furst)

Members of the clergy, distinguished citizens, and fellow students of this city: We are here to celebrate the birth of Doctor Martin Luther King, Jr.

Dr. King was a man who devoted his adult life to the principles of brotherhood and equality. Not just brotherhood within the black population and not just brotherhood within the white population, but brotherhood within America. Equality for all Americans.

Dr. King played an essential role in helping blacks to achieve the equality promised them almost one-hundred years before the civil rights movement even started. Before the 1950's and 60's, the United States had been extremely slow in removing the glaring racial injustices thrown upon one group of our American population.

Our country needed a man like Dr. King to revive the hopes of blacks. He went about this in a very brave and noble way. He said that blacks must not drink from the cup of bitterness and hate, but must conduct themselves with dignity and discipline. Though the end to his struggle may never have been in his sight, he persevered. He was sentenced to jail and he was deluged with criticism. He saw blacks being killed for no reason and he saw blacks being denied equal education. For an ordinary man, that could only hinder his cause, but it made Dr. King's stronger and revived even more hope within his followers.

Though a great deal was still to be accomplished after his death, without him, America would not have received the rude awakening it needed.

And that is why we are here today, to commemorate a man whose unselfish motives were only for good, only for the benefit of all human beings.

It is indeed a great honor for me to have been chosen to represent the high school students in the city of Buffalo in paying tribute to a truly great American and an even greater human being.

A TRIBUTE TO DR. MARTIN LUTHER KING, JR.

(By Derick Houston)

When we think of Rev. Martin Luther King, Jr. we think of those who came before him who symbolized his leadership and spirit—Sojourner Truth, Frederick Douglass, Abraham Lincoln, Mary McLeod Bethune, Paul Lawrence Dunbar, and William DuBois.

We are reminded of his contemporaries such as Mohandas Gandhi, Andrew Young, John F. Kennedy, Robert Kennedy, Roy Wilkins, Whitney Young.

Today we see his dreams of universal brotherhood and his belief in God's wish that each man reach his full potential being carried on by people such as Rev. Jesse Jackson, Benjamin Hooks, Rev. Ralph Loew of the Chautauqua Institute and our own Rev. Bennett Smith as well as many educators, public spirited citizens, and community leaders. Many of these people, including you in the audience, are here today.

When I think of Rev. Martin Luther King, Jr. I think of the March from Selma to Montgomery, Alabama, the March to the Lincoln Memorial in Washington, D.C. the moral wrongs of the Viet Nam War, Operation Bread Basket, The Southern Christian Leadership Conference, nonviolent demonstrations, the philosophy of nonviolence and the winning of the Nobel Peace Prize.

When I as an eighth grade student think of Rev. Martin Luther King, Jr. I think of him as a man of honor, trustworthiness and vision, a friend of mankind and a model to look up to.

The Rev. Dr. Martin Luther King, Jr. was an author and educator who stood for universal excellence and for being responsible as a citizen of the world.

When we think of the achievements of Dr. Martin Luther King, Jr. we are reminded of the quote from President John F. Kennedy who said, "Ask not what your country can do for you, ask what you can do for your country."

I and my friends at School 80 took a pledge to excel which was written by the Rev. Jesse Jackson. This pledge exemplifies Dr. King's philosophy of the achievement of excellence that students must aspire to so that they can be responsible citizens. The pledge to excel reads:

We will take the opportunity to learn all that we can about life. We will help our school and community by exercising discipline and by becoming a positive thinker. We will sacrifice some of our wants of today, so that we may satisfy most of our needs of tomorrow. We will learn the secrets of success and practice them daily. We must be motivated to accept responsibility because nobody will save us from us but us.

We all have the "Force" to achieve as Obi-Wan-Ken-Obi said in the movie Star Wars, to achieve and develop to our full potential. Let all of us adults and children pledge to do our best, to leave this world a better place because we were here and to do this in the name of Rev. Dr. Martin Luther King.

THE UNITED STATES AT THE UNITED NATIONS, 1977–80

Mr. MOYNIHAN. Mr. President, almost from the moment the United Nations was created, Americans have disagreed over how we should conduct ourselves in that organization. Its affairs have always been of the most intense interest to us, not merely because of the large American role in creating the U.N., but because it embodied a great deal that the United States hoped to achieve in the world. Only of late. with the appearance of a majority in the General Assembly that seemed hostile to democratic principles, have some of us tried to shrug off the U.N. as a peripheral arena of world politics.

This has not been my view, and for the current number of Commentary magazine I have written an analysis of the ideas that have for the past 4 years held sway over American policy at the U.N. It is more than a discussion of ideas, however; it records their consequences as well. Unfortunately, the record is not a happy one. In this period, the hostility to American purposes that we had seen before in the General Assembly became increasingly powerful in the Security Council as well—in other words, in the body that matters within the U.N. This happened in large measure owing to American acquiescence, with the result that the Security Council itself became the instrument for an assault on the principal achievement of President Carter's foreign policy—the Camp David peace treaties.

This piece treats past policy, but it looks to the future as well, for the United States has now to deal with the United Nations as we find it. We must deal with the burden of a series of resolutions that come close to denying the legitimacy of Israel as a state; they represent, at the same time, a major obstacle to the American pursuit of peace in the Middle East. To dismantle the indictment of Israel, and to retake the initiative in pursuit of peace will require the most disciplined and patient diplomacy.

I ask unanimous consent that this article, "Joining the Jackals: The U.S. at the U.N., 1977–1980," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOINING THE JACKALS

(By Daniel P. Moynihan)

A defeat so overwhelming as that which Governor Reagan inflicted on President Carter soon takes on the air of the inevitable. Before it does it may be useful to record that those who were defeated in no way looked upon the outcome as fated. To the contrary, the view in the White House was that things were going well until March 1, when Ambassador Donald F. McHenry voted in favor of a particularly vicious anti-Israel resolution in the Security Council of the United Nations, followed three weeks later by the appearance of Secretary of State Cyrus R. Vance before the Senate Foreign Relations Committee in which he refused to disavow the vote. Thereafter, in this view, everything spun out of control. The Carter administration left Washington convinced—and proclaiming—that defeat was brought on by malevolent incompetence at the U.S. Mission to the United Nations and the inability of the Secretary of State to control the Mission. What they did not proclaim and only dimly understood was that they themselves had put in place the ideas which helped bring them down; that indeed in that sense the outcome was fated.

Set forth by President Carter and others, the sequence of events was as follows. Senator Edward M. Kennedy's challenge to the President began poorly. On March 18 the two met in Illinois, the first industrial state to hold a primary. The President won handily. If Kennedy could be beaten a week later, in New York, his candidacy would collapse. A private poll conducted by Dresner, Morris & Tortorello Research in late January and early February showed the President leading the Senator 54 percent to 28 percent among probable Democratic primary voters in New York, with only 13 percent undecided. Yet in the end, Kennedy won, 59 percent to 41 percent.

In a gracious gesture, after the results were in, Lieutenant Governor Mario M. Cuomo, who headed Mr. Carter's campaign in New York, called the President to apolo-

gize. "No," said Mr. Carter as reported in the New York Times, "it was the United Nations vote." In an interview with Meg Greenfield of the Washington Post on March 27, Mr. Carter, speaking of an incumbent's problems in running for reelection, repeated the point:

. . . Then to make a mistake like we did on the UN vote and have the Secretary of State testify a few days before the election. . . .

The same theme was sounded, finally, in a postmortem by Steven R. Weisman and Terence Smith of the Times after the national election:

This blunder, in which the administration first voted in favor of a March 1 resolution rebuking Israel on settlements in Arab-claimed territory and then disavowed it, cost the President dearly among Jewish voters in the March 18 [sic] New York primary. Senator Kennedy carried the state and attracted new contributions to his campaign, which carried on through the last batch of primaries on June 3.

"New York was our chance to knock Kennedy out of the box early," said Mr. [Robert S.] Strauss, the campaign chairman. "We blew it with that vote."

Jody Powell told the Times reporters that in consequence, "We sure as hell spent a lot of time and money fighting him that would have been better spent against Reagan."

Now it will be clear that there are many reasons President Carter lost the election, of which the UN vote was only one and scarcely the most important. What is important, however, is that the administration had looked upon its United Nations record as a huge success. Other policies had failed, and that proved costly. But this had succeeded, and proved costly. When the fall of a President is involved, and possibly also the fall of a party, some notice should be taken. For I do not conceal my judgment that so long as the ideas underlying the Carter administration's UN policy are dominant within the Democratic party, we Democrats will be out of power.

In normal circumstances UN affairs play a marginal role in United States foreign policy, the simple reason being that American foreign policy is normally preoccupied with the Soviet Union, and the UN, with its profusion of small, even mini, states, is the last setting in which two powers would wish to conduct their affairs. But four years ago, to the incoming Carter administration, the main attraction of the UN as a setting in which to conduct foreign policy was precisely the prominent role Third World nations play in UN affairs, and the North-South axis of the place. This was a setting in which the cold war could at last be put behind us. In his first major foreign-policy address, given at Notre Dame on May 22, 1977, President Carter reported that the United States had overcome its "inordinate fear of Communism," and proposed that the two powers now join in a cooperative effort to improve North-South relations, specifically through economic assistance to the developing nations. In the meantime, the name of the UN Ambassador was promoted to second place on the directory of the State Department building, immediately below that of the Secretary.

In his Notre Dame speech, as in his appointments, President Carter brought together two strains in Democratic thinking on foreign affairs. The first was the old tradition of liberal internationalism—the extension of domestic standards of social justice to the world at large—exemplified by President Harry S. Truman's Point Four program or President John F. Kennedy's Alliance for Progress.

But there was another and newer strain of thought, one much at odds with the traditions of Truman and Kennedy. This was the view that had emerged in the course of the Vietnam war to the effect that the United States, by virtue of its enormous power, and in consequence of policies and perhaps even national characteristics that were anything but virtuous, had become a principal source of instability and injustice in the world. We were, in short, a status-quo power, and the status quo we were trying to preserve was abominable. By contrast, a more positive future was available to mankind if it could break out of the American dominion. Much has been written of this, and one need not expand. For my part the most evocative and excruciating memory of the onset of this point of view was the day that a group of former Peace Corps volunteers, protesting the war, ran down the American flag at Peace Corps headquarters in Washington and ran up that of the Vietcong.

Through the 1970's this view grew in strength within the Democratic party. It was most often to be encountered when issues of defense were involved. In an article written in November 1980, R. James Woolsey, who served with distinction as Under Secretary of the Navy in the Carter administration, described how leaders of many of the interest groups that claim to represent the traditional Democratic constituencies have convinced themselves over the last decade or so that they must be the enemies of increased American military power.

He explained why these constituencies had come to feel this way:

"What you spend on tanks you can't spend on schools or welfare, nor can you keep it. This is, however, an ageless problem of government. . . . Perhaps more important, the agony of Vietnam introduced a new element and led the interest-group spokesmen and many liberal Democratic politicians to attack the *existence* of American military power as a way to curtail its exercise. Throughout much of the 1970's, the halls of the Senate Office Buildings, for example were jammed with young staff members looking for a weapons system to have their Senator oppose. They, and their friends in the executive branch, are now typing up their resumés in no small measure because the voters understood what many of the elected officials did not—that caution in using military power is wise, but unilateral restraint in obtaining it in the face of a massive build-up by a potential enemy is extremely dangerous."

There was a precise corollary to this doctrine of self-denial in defense, and it flowed from the idea that the political hostility which the United States encountered around the world, and especially in the Third World, was, very simply, evidence of American aggression or at least of American wrongdoing. The aggression could be military, but just as often it would be diagnosed as economic (the role of the multinational corporation) or ecological (plundering the planet to sustain an obscenely gross standard of living). Often it would be presented as nothing more specific than *not* being "on the side of history" or "the side of change." No matter, the prescription was the same. If the United States denied itself the *means* of aggression, it would cease to be aggressive. When it ceased to be aggressive, there would be peace—in the halls of the United Nations no less than in the rice paddies of Southeast Asia.

As tanks and missiles were the instrument of military aggression, so ideas were the means of diplomatic aggression—specifically that array of attitudes, judgments, and prejudices which led Americans to suppose they represented on balance a successful society, one model of how developing societies, if fortunate, might turn out, and in the interval a fair standard by which to measure the merits of other societies.

Here, in the interest of what lawyers call full disclosure, let me acknowledge that, from the first, those members of the Carter administration responsible for policy at the UN, and more generally for relations with the developing nations, regarded my own brief tenure as U.S. Permanent Representative at the UN in 1975–76 as the prime example of American diplomatic aggression.

This was notably the view of C. William Maynes, who left the Carnegie Endowment for International Peace to become President Carter's Assistant Secretary of State for International Organization affairs. It was the view of the Ambassadors who came and went at the U.S. Mission beginning with Andrew Young and ending with Donald McHenry. In an interview published in September 1980, contrasting his performance with mine, Ambassador McHenry said:

"I don't believe in confrontation politics, I don't believe in name-calling. I do believe in communicating with them (i.e., Third World nations), in stating my views, listening to theirs, respecting their views, expecting them to respect mine."

A few weeks later, on October 1, 1980, taking issue with a New York *Times Magazine* article entitled "How the Third World Runs the UN," he returned to this theme:

The article was reminiscent of the speeches about the "Tyranny of the Majority" that one of my predecessors used to deliver when he represented our country at what he later called "A Very Dangerous Place."*

Yet there was a fateful avoidance of reality in the new administration's view: a denial that there is genuine hostility toward the United States in the world and true conflicts of interest between this nation and others—an illusion that a surface reasonableness and civility are the same as true cooperation.

To be sure, if there are conflicts of interest among states, there are also truly shared interests, and even genuine friendships. The world, alas, is complex, and although the new men of the Carter administration professed to understand complexity where others had missed it, they were in fact great simplifiers. They trivialized the sources of real conflict between the United States and other nations, and they exaggerated our ability to resolve them to everyone's satisfaction.

Again, one notes a parallel with the approach of the new administration to defense and foreign policy. One of the first (and fateful) decisions of President Carter was to appoint Paul Warnke as negotiator for the strategic-arms-limitation talk with the Soviets. Warnke in his celebrated article "Apes on a Treadmill" had set forth the thesis that the Soviets essentially imitate American behavior in defense matters. Thus just as the

* It would be hard to pack more misinformation into a single sentence. It was President Gerald R. Ford, in an address at the opening of the General Assembly in the fall of 1974, who warned the UN against "the tyranny of the majority"; at the close of that session Ambassador John A. Scali repeated the warning. If I ever used the phrase, which I do not recall doing, it was only to cite them. As for "A Very Dangerous Place," in 1978 I published a memoir about the UN with a passage on the first page: "I had first gone to Washington with John F. Kennedy and then stayed on with Lyndon Johnson. There I learned as an adult what I had known as a child, which is that the world is a dangerous place—and learned also that not everyone knows this." My editor thought *A Dangerous place* would be a good title; but I was not referring to the UN. As seamen are taught of the sea, the UN is not inherently a dangerous element, but is implacably punishing of carelessness.

United States could turn enmity into friendship merely by avoiding "confrontation politics" in its dealings with the Third World, so the United States could change Soviet behavior simply by changing its own.

But if these ideas had a parallel structure, they did not prove equally durable. Although President Carter had campaigned in 1976 on a pledge to cut the defense budget, his promise did not survive the first encounters with reality—the reality of conflicting interests and genuine danger. Instead, it was buried, and (admittedly modest) increases in defense spending commenced. The same readiness to retreat from unrealistic approaches was evident in the area of human rights (and indeed, here the administration's retreat was almost overeager). But if in these areas reality obliged the administration to think better of the ideas by which it had hoped to guide policy, no such perceptions ever managed to penetrate our approach to the United Nations. We would unilaterally change the whole international atmosphere simply by avoiding "confrontation politics." The United States would make amends for its past failures by a greater responsiveness, by greater openness, by at last understanding the problems of others and their perspectives. Thus the psychological arrogance that lay behind the seeming humility of our new relations with the Third World—it was we who still determined how others behaved—remained intact.

At the UN the arrogance of this view was particularly risky, for those convinced of the abuse of American power found themselves representing the United States at a time when our power was in fact much reduced. Whether American interests could, even so, be protected would depend on how well this decline was perceived, on the suppleness of the new tactics that would be brought to bear, and above all on the ability to sense failure when it struck one across the face. The new administration was conducting an experiment of a sort; much would depend on whether it could tell the difference between good results and bad.

Before defeat in the 1980 election forced a different conclusion upon them, the Carter people were of the opinion that the experiment had been a brilliant success. From the 1980 Democratic platform—prepared in cooperation with the staff of the National Security Council—one learned that when the administration came to power in 1977, relations with the Third World were at their nadir. The United States appeared hostile and indifferent to the developing world's aspirations for greater justice, respect, and dignity. All this has changed.

Testifying before a House Subcommittee on March 27, 1980 (two days, mind, after the New York primary), Assistant Secretary Maynes spoke even more glowingly of changes that had come over the UN: ". . . the UN has become the crossroad of global diplomacy.

". . . [It] now appears to be less unfriendly and dangerous a place than some have led us to believe. It is also possible that we will find there a greater spirit of cooperation than before—not just in condemning the lawless but also in advancing the rule of law. But these promises may come to naught unless we adopt a more mature stance toward the UN itself.

"We must remind ourselves that the United States needs the UN at least as much as it needs us."

One might have thought this assessment would be reflected in votes in the General Assembly or the Security Council. But it was not. Worse, the ideas of the new administration stood in the way of seeing opportunities to be seized and understanding problems to be met.

This was perhaps to be expected. The heavy emphasis on North-South relations, after all, was surely a way of coping with, or at least diverting attention from, the difficult realities of the post-Vietnam world. "American imperialism" had been defeated. Our defeat had been caused, to be sure, by overreaching and after a point it could not perhaps have been avoided. But its consequences, all the same, would have to be lived with, and adjusted to; foremost among them would be a major opening for, and stimulus to, *Soviet* imperialism. Susan Sontag has recently acknowledged how little she and others in the anti-war movement had understood this equation:

"It was not so clear to many of us as we talked of American imperialism how few options many of these countries had except for Soviet imperialism, which was maybe worse. When I was in Cuba and North Vietnam, it was not clear to me then that they would become Soviet satellites, but history has been very cruel and the options available to these countries were fewer than we had hoped. It's become a lot more complicated."

But the perception of such complexity was beyond the powers of the U.S. Mission to the UN under the Carter administration. Its members could not see the signs of a new phase of Soviet policy: military support for Ethiopia in 1977, coups in both Afghanistan and South Yemen in April 1978, the invasion of Cambodia in December 1978. Unable to explain all this or to fit it to the purposes they had set themselves, American diplomats at the UN grew increasingly silent.

It also emerged that our representatives had little sense of the UN Charter as law that had to be upheld, and to be expounded. A superb opportunity came in the fall of 1977 when the Soviets switched sides in the Horn of Africa. Abandoning Somalia, they actively entered the war in the Ogaden, an ethnically Somali territory, on the side of Ethiopia. Of a sudden the Somalis were pounding on our doors begging for help, pleading for us to understand the "nature of the Soviet threat," Soviet "neocolonialism," the "Soviet plot to encircle the Gulf," the "Soviet contempt for human rights and the rights of small nations."

Now it happens that in 1975 the principal sponsor of the resolution that declared Zionism to be a form of racism was none other than Somalia (acting in its then capacity as an especially fawning satellite of the Soviets). After the resolution was adopted, I rose in the General Assembly and addressed the following words directly to the Somalis:

"Today we have drained the word 'racism' of its meaning. Tomorrow terms like 'national self-determination' and 'national honor' will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made . . . it is the small nations of the world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?"

With the Somalis bleating in terror, pleading for help, did the U.S. Mission to the UN make a single reference to their behavior in 1975, and our response? None. This would have been to engage in "confrontation," a practice of the discredited past.

The United States helped found the UN, mostly wrote the Charter, has largely paid for the place. U.S. representatives have an obligation to insist that there are standards written into that Charter. Occasionally we would stand up for them. In 1978 William J. vanden Heuvel, the U.S. representative to the UN in Geneva, actually objected to the appointment of a KGB officer as director of personnel for UN activities in that city. (The appointment was a clear violation of article 100 of the Charter.) But there were few such instances. Not even when UNESCO, that embodiment of a decent liberal optimism, set about developing an international regime for state control of the press under the insolent euphemism of "A New World Information Order" did we engage in "confrontation." No, never. And so it went.

But the crucial turning point came with Camp David, which involved an irony worthy to be called tragic. Perhaps the most impressive achievement of Henry Kissinger as Secretary of State had been to cooperate with Anwar Sadat in maneuvering the Soviets out of Egypt. Together Sadat and Kissinger had had to stand against the efforts of Soviet policy to scuttle the new pro-American alignment of Egypt and the step-by-step peace negotiations, which had scored a major success with the second disengagement agreement of May 1975. The Zionism-is-racism resolution in November of the same year was itself one part of this sabotage campaign.

That the UN and its Third World majority could be manipulated for the purposes of an assault on American policy was much more poorly apprehended after Kissinger's departure. In fact, in its desire to dissociate itself from the past, the Carter administration set out to bring the Soviets back. The still startling Soviet-American communiqué (issued jointly but plainly Soviet-drafted) of October 1, 1977 proposed to reconvene the Geneva Conference, a meeting under UN auspices at which the two nations would be cochairmen and to which all interested parties would be invited. To Sadat the meaning of this was clear; a veto in the hands of the radical forces, immediate stalemate, ultimately perhaps his overthrow. And so to avoid going to Geneva, he went to Jerusalem (where, he had every reason to know, a deal was waiting to be struck with the Begin government). This set in motion the events that ended with the Camp David accords of 1978, and the Egyptian-Israeli peace treaty of 1979—Carter's single greatest achievement, albeit purchased only by a reversal of his original "Geneva" approach and by shifting negotiations over the Middle East away from the UN.

Inevitably forces at the UN would resent this. Thus it is not too much to say that the supreme test of the Carter policy at the United Nations was whether that body would leave him alone to make peace between Israel and its neighbors. Had his diplomats, through their new approach, acquired sufficient influence with the far-flung nations of the Third World to persuade them to stay out of disputes with which most of them had in any event only the remotest connection?

The answer was not long in coming. First, the remaining Arab states, with Iraq only momentarily absent, convened a "confrontation summit" in Damascus to fight the Camp David settlement. Iraq soon was brought in, and before the year was out leaders of all Arab states except Egypt had met in Baghdad to form a "rejection front" against Egypt and Israel. Simultaneously the Soviet Union (returning to the tactics it had used in 1975 to counter its expulsion from Egypt) escalated its campaign to delegitimate Israel by identifying it with the Nazis.

Having been sounded in 1971 with a two-part article in Pravada entitled "Anti-Sovietism is the Profession of Zionists," this theme was steadily elaborated and diffused. (The original Pravada article, for example, asserted that the massacre at Babi Yar had been a collaboration of Nazis and Zionists.) Once the idea had been set, it proceeded to be popularized on television, in novels, and finally in children's publications. Thus the October 10, 1980 issue of Pionerskaya, Pravda.

a tabloid-size weekly for children aged nine to fourteen who belong to the Soviet youth organization, Pioneers:

"Zionists try to penetrate all spheres of public life, as well as ideology, science, and trade. Even Levi jeans contribute to their operations: the revenue obtained from the sale of these pants are used by the firm to help the Zionists.

"Most of the largest monopolies in the manufacture of arms are controlled by Jewish bankers. Business made on blood brings them enormous profits. Bombs and missiles explode in Lebanon—the bankers Lazars and Leibs are making money. Thugs in Afghanistan torment schoolchildren with gases—the bundles of dollars are multiplying in the safes of the Lehmans and Guggenheims. It is clear that Zionism's principal enemy—is peace on earth.

". . . The United Nations described Zionism as a form of racism and racial discrimination. More and more people today are beginning to realize that Zionism is present-day fascism."

This propaganda seemed to possess the Soviets internationally as well as at home, and they began to insist that other nations join in the campaign to treat Israel as an outlaw state, indeed a nonstate, an entity without the rights of statehood. It began to work. In 1978 Cuba became head of the "nonaligned nations." A summit meeting of these states in Havana between September 3 and 7, 1979 adopted a resolution that declared:

"The heads of state or government reaffirmed that racism, including zionism [sic], racial discrimination, and especially apartheid constituted crimes against humanity and represented violations of the United Nations Charter and of the Universal Declaration of Human Rights [Paragraph 237, Final Declaration of the Conference]."

In June 1980 at the ministerial meeting of the Organization of African Unity, held in Freetown, Sierra Leone, Israel was referred to in official documents merely as the Zionist entity." And on October 8, 1980 the Soviets signed a Friendship Treaty with Syria of which Article 3 declared:

"The High Contracting Parties, guided by their belief in the equality of all peoples and states, regardless of race and religious beliefs, condemn colonialism, racism and zionism [sic] as one of the forms and manifestations of racism, and reaffirm their resolve to wage relentless struggle against them."

This was perhaps the clearest statement to date of the Soviet Union's opposition to the very existence of the state of Israel, but its essential purpose had been evident for at least a decade.

No less evident was what the United States Mission to the United Nations should have done. The Arab nations were split; the United States was, in effect, allied with the largest of them, Egypt, and in the cause of peace in the Middle East. The Soviet Union, though it might declare that "thugs in Afghanistan" were "tormenting schoolchildren" for the profit of Zionists, had established itself beyond all question as a brutal conqueror of Third World peoples and as an anti-Semitic regime of near demented proportions. The moment to fragment or silence the opposition was at hand.

Faced with this assault on the UN Charter, on peace, on decency—and, not so incidentally, on the President of the United States—what did our people do? They took the other side.

To persons whose deepest conviction was that Third World nations were hostile to the United States because of our own neocolonial behavior; whose strong disposition was to believe that the Soviet Union in almost all instances supported the true liberationist forces in the former colonial world while the United States, on the wrong side of history, backed brutal but doomed dictatorships—the events from 1977 to 1980 could make no sense. It became ever more difficult for such people to understand and support their own government's policy. For had not the Camp David framework, its peaceful appearances notwithstanding, called forth a more sustained disagreement between the U.S. and the Third World than even the "confrontationist" policies of the past? To understand this one had to entertain the possibility that the opposition we encountered there was not a matter of long-held grievances against our abuses of power. One had to entertain the possibility that there were those whose great fear was that in seeking peace we might succeed.

Confused, and after a point not altogether straightforward, the strategy of our diplomats in New York, backed up in the Department of State, started to undergo a subtle and disastrous transformation. They had begun with the proposition that if the United States put itself on the "right" side of history, we would find the nations of the world, most of which of course were "new," coming over to our side in turn. Unaccountably, however, they were still not on our side. To the contrary, some were actively seeking to undo the greatest diplomatic achievement the administration had to its credit, and none—not one—was objecting to or trying to impede such efforts. Evidently, then, we must still be on the wrong side. Reasoning thus, our diplomats prepared themselves to vote for the Security Council Resolution of March 1, 1980 and (though this was certainly not their intention) to help bring down the administration they served.

The chain of resolutions passed in condemnation of Israel by the Security Council in 1979–80 forms a complex story. Yet to follow it only a single point needs to be understood. It is that, as a direct result of American policy, the Security Council was allowed to degenerate to the condition of the General Assembly.

Under the UN Charter the General Assembly reaches decisions by majority vote, but its decisions are purely recommendatory (Article 10). By contrast, the Security Council has power. In situations where it determines that there is a "threat to the peace, breach of the peace, or act of aggression," the Council "shall make recommendations, or decide what measures shall be taken. . . ." These include "such action by air, sea, or land forces as may be necessary. . . ." The Security Council, in a word, may make war. And for that reason the Security Council does not operate by majority vote. Any permanent member may veto any action, simply by voting No. However, in the face of the increasingly vicious Soviet-Arab assaults that followed Camp David, the United States began to abstain. I have represented the United States on the Security Council; I have served as President of the Security Council. I state as a matter of plain and universally understood fact that for the United States to abstain on a Security Council resolution concerning Israel is the equivalent of acquiescing.

The first abstention in the sequence we are now tracing occurred on March 22, 1979 when the Council, in a resolution directed against Israel established a three-member commission "to examine the situation relating to establishments in the Arab territories occupied since 1967, including Jerusalem." The phrasing here was ominous: "Arab territories . . . including Jerusalem." Jersualem is the capital of Israel. How could its capital be in the territory of others?

Equally ominous, although at this point restrained, was the reaffirmation of earlier Council statements that the Fourth Geneva Convention "is applicable to the Arab territories occupied by Israel since 1967, including Jerusalem" and the strict injunction upon Israel "as the occupying Power, to abide scrupulously by the 1949 Fourth Geneva Convention." Now, the Fourth Geneva Convention on the Protection of Civilian Persons in Time of War is one of a series of treaties designed to codify the behavior of Nazi Germany and make such behavior criminal under international law. This particular convention applied to the Nazi practice of deporting or murdering vast numbers of persons in Western Poland—as at Auschwitz—and plans for settling the territory with Germans. The assertion that the Geneva Convention also applied to the West Bank played, of course, perfectly into the Soviet propaganda position that "Zionism is present-day fascism."

Within a year the new commission had submitted two reports. In response to these, on March 1, 1980, a resolution (465) was submitted to the Council that was as viciously anti-Israel—and as destructive of the Camp David accords—as any that had ever been encountered or could readily be devised. Israel was found to be in "flagrant violation of the Fourth Geneva Convention": the first nation in history to be found guilty of behaving as the government of Nazi Germany had behaved. It was determined that all measures taken by Israel to change the physical character, demographic composition, institutional structure or status of the Palestinian and other Arab territories occupied since 1967, including Jerusalem, or any part thereof, have no legal validity. . . .

In a word, according to Resolution 465, Israel is an outlaw state, guilty of war crimes. (Not the Vietnamese invaders of Cambodia, or the Soviet in Afghanistan. Israel!) Its alleged capital is not its capital at all—"Jerusalem or any part thereof"—and it is in illegal occupation of territory now for the first time designated "Palestinian."

Here, then, was the triumph of everything the Soviets and the "Rejectionists" had stood for: the repudiation of everything Sadat, and for that matter Begin and Carter, had sought. Yet the United States voted in favor of this resolution. Shortly thereafter the administration stated that this had been a "mistake." It was no mistake at all. Resolution 465 reflected the view of the majority of members of the United Nations, and the U.S. Mission there had simply come to accept that view. Their conception of the world, by now shared in Washington, gave them no alternative.

Once the vote was cast there came the shock of recognition, in Washington at least, that this was what that conception led to. But still they clung to it. The White House, sensing the disaster and the dilemma, did not want any testimony given before Congress. The State Department insisted, and so on March 20 the New York Times reported:

VANCE REBUFFS CALL FOR FULL DISAVOWAL OF UN'S ISRAEL MOVE

Yet it was more than that. Vance would neither disavow the episode nor acknowledge it. He could not bring himself to admit consequences he could not desire of a policy he could not repudiate.

The operative paragraphs of Resolution 465 began by stating that the Security Council:

1. Commends the work done by the Commission in preparing the report. . . .;

2. Accepts the conclusions and recommendations contained in the above-mentioned report of the Commission;

Yet Vance in his testimony on March 20 suggested that nothing, really, had happened, that voting for the resolution did not imply support for the commission report which had occasioned it.

Senator Paul R. Sarbanes of Maryland went directly to this point:

Senator SARBANES. Mr. Secretary, the resolution that was passed and for which we voted, accepts the conclusions and recommendations contained in the report of the

commission established by Security Council Resolution 446.

Do I take your assertion to be that the word "accepts" there means nothing more than "receives"?

Secretary VANCE. You do correctly understand.

Senator SARBANES. Why wasn't the word "receives" used? I would understand the word "accepts" to carry with it some element of subscribing to the conclusions in the recommendation.

Secretary VANCE. No; it was merely intended to connote receives. Accepts—they hand them to me, they are accepted.

I joined in the questioning:

Senator MOYNIHAN. Very frankly, . . . Mr. Secretary, I am concerned with our reputation for plain dealing.

Did anyone at the U.S. Mission to the United Nations tell you that in a Security Council resolution, the word "accepts" should be read to mean "receives"?

Secretary VANCE. Yes; I have been told that.

Senator MOYNIHAN. You have been told that?

Secretary VANCE. Yes.

Senator MOYNIHAN. Sir, I once served as U.S. Permanent Representative there. I can tell you that I could not conceive telling a Secretary of State that the word "accepts" should be read to mean as in a letter, "Dear Sir, I have received your letter of" so and so.

The first paragraph, the preambular paragraph of a Security Council resolution starts out always, "Taking note of." This is the paragraph that says, "We have received."

"Accepts," on the other hand, is a slight variation on the word "endorse." It would be the only way it would have been understood in my time there, sir.

I think you have been misinformed, sir, and I think you have been done a disservice.*. . .

Something quite extraordinary was happening here. It is of course possible that the members of the U.S. Mission had simply not told the truth to the Secretary of State. (They had evidently been less than candid on some other questions concerning the resolutions—informing him, for example, that references to Jerusalem had been excised from the text when they had not.) But how could a lawyer of Cyrus Vance's ability believe such an untruth save that at high and low levels alike the men of our government were deceiving themselves? The Carter administration had failed in its objectives at the UN; but to admit that failure was to cast in doubt the view of the world that justified the very existence of the administration. And to protect itself from having to face this failure, the administration had begun to undermine Camp David itself—its one great success.

The March 1 vote, then, was a disaster and should have stimulated a reappraisal of the route by which the administration had traveled to it. Israel had been permanently damaged, and (unless their perceptions are perilously dulled) other allies of the United States permanently warned. Yet no more was said than that it was a mistake, and only a partial mistake at that. The administration never thought its way through the matter. Those publicly most identified with these policies had already begun to leave—first Ambassador Young, then Assistant Secretary Maynes, and finally Secretary Vance himself. But the policies persisted. By the end of the Carter administration the pattern had become all but impossible to overcome. One can measure it this way: on nine substantive votes on the Middle East taken in the Security Council between January 1979 and August 1980 the United States abstained seven times.

Just once we cast a veto—striking down a Tunisian resolution of last April 30 which called for the creation of a Palestinian state. This resolution, one might note, unlike the one we voted for on March 1, did refer to "secure and recognized boundaries"—the language of Resolution 242—but only for the Palestinian state. Not for Israel.

To be sure, we occasionally made our unhappiness known. In August 1980, for example, Secretary of State Edmund S. Muskie went to New York and defended the American approach to a Middle East peace settlement based on the Camp David accords:

"Let me . . . repeat our belief that this constant recourse to debates and resolutions that are not germane to the peace process—and even harmful to it—should stop."

A salutary sentiment, but what must the other members have thought? For Secretary Muskie was asking on behalf of the United States for the end of a process that it was perfectly within our power to end. If we believed such resolutions to be harmful to the peace process, we were free to veto them. We were free to deny them the force of law they acquire when they pass. The same point could be made of such American statements on the March 1 resolution as this one by President Carter:

"While our opposition to the establishment of the Israel settlements is long-standing and well known, we made strenuous efforts to eliminate the language with reference to the dismantling of settlements in the resolution."

Yet when the strenuous efforts failed, the U.S. Permanent Representative had only to raise his hand, to vote No, and the resolution would have failed.

Having committed itself, however, to solidarity with the majority at the UN, the Carter administration could not bring itself to exercise the veto. Thus in our flight from "confrontation" did we end not by understanding the perspectives of others, but by adopting them.

In so doing, we have acquiesced in a very great deal.

After March 1 the application of the Fourth Geneva Convention became a routine of Security Council resolutions. It was invoked in Resolutions 460 (May 8, 1980), 469 (May 20, 1980), and 471 (June 5, 1980), all three of which dealt with Israel's expulsion of two Palestinian mayors in the wake of terrorist attacks on Israeli civilian settlers. Where once there was the routine affirmation of Resolution 242, we now have routine indictments of Israel for Hitlerian crimes.

The U.S. abstained even when Israel's sovereignty itself was at issue. The last Security Council resolutions in this cycle of attacks on Israel were adopted in the summer of 1980 and dealt specifically with Jerusalem. Resolution 476 of June 30, 1980 warned Israel about its pending legislation on the annexation of East Jerusalem. One might well question the prudence of this Israeli law—and many have done so—but it was something else again to find that in Resolution 476 (as in its successor Resolution 477 of August 20) Israel had become the "occupying power" of its own capital. Both resolutions, in fact, seemed to include the entire city of Jerusalem within this charge. And Resolution 477 went still further: it declared the Basic Law on Jerusalem, by then passed, to be null and void. It declared in effect that Israel was not entitled to fix the location of its own capital city, and called—in a wholly unprecedented step—on member states to withdraw their embassies from this capital (which all did).

An epilogue of sorts took place in the third week of December 1980, as the Carter administration and the 35th General Assembly began winding down. On Monday, December 15, the General Assembly adopted five resolutions on the Middle East more virulent and anti-Semitic than perhaps anything the U.N. had yet seen. The debate was obscene. Thus the Ambassador of Jordan speaking of the Ambassador of Israel:

"The representative of the Zionist entity is evidently incapable of concealing his deep-seated hatred toward the Arab world for having broken loose from the notorious exploitation of its natural resources, long held in bondage and plundered by his own people's cabal, which controls and manipulates and exploits the rest of humanity by controlling the money and wealth of the world."

The occasion was the receipt of the most recent Report of the Committee on the Exercise of the Inalienable Rights of the Palestinian People, a body established by General Assembly resolution on November 10, 1975, the same day Zionism was declared to be a form of "racism and racial discrimination."

The first of the resolutions was breathtaking:

Security Council Resolution 242 of 22 November 1967 does not provide an adequate basis for a just solution for the question of Palestine.

One of the more dishonest (and debilitating because profoundly misleading) assertions of the U.S. Mission during the Carter years was that the 1975 Zionism resolution was somehow brought about by the United States. Having resisted, America was judged to have provoked. That resolution passed 67 to 55 with 15 abstentions. This resolution, potentially far more destructive, was adopted 98 to 16 with 32 abstentions.

The United States said nothing. No American delegate went to the podium to offer the smallest demur. Next, a resolution denounced the Camp David accords, declaring that the General Assembly "Expresses its strong opposition to all partial agreements and separate treaties which constitute a flagrant violation of the rights of the Palestinian people, the principles of the Charter. . . . [etc]."

The United States said nothing. The last of the resolutions reasserted Israeli violation of the Fourth Geneva Convention. This time the United States, by abstaining, said all there was to say.

There was something of note in the sponsors of the resolutions. The familiar Soviet-leaning or Soviet-dominated nations were present: Afghanistan, Cuba, Lao People's Democratic Republic. But present also were Nicaragua and Zimbabwe, two Third World nations with which the Carter administration had presumably established relations of friendship and respect.

As for North-South relations, on Wednesday of that week Ambassador McHenry acknowledged that the General Assembly's Special Session on economic development which had convened in September has come to nothing. Finally, on Friday, December 19, the United States voted for a Security Council resolution condemning Israel for the expulsion of two Arab mayors (an expulsion which followed upon parliamentary debate, trials before an independent judiciary, and the usual processes of a possibly wrong-headed but stubbornly democratic society).

* A brief review of UN documents will make clear that "accept" has the everyday meaning of "endorse." After the first commission report was submitted in July 1979, it became the subject of Security Council Resolution 452, in which the Council voted to "accept" its recommendations. The members of the commission easily understood what this meant. They wrote in their second report (which in turn became the subject of Resolution 465) that they had taken particular steps "bearing in mind that the Security Council, in Resolution 452 (1979), had *accepted the recommendations* contained in the commission's first report . . ." (emphasis added).

Ambassador McHenry explained that the Fourth Geneva Convention "prohibits deportations, whatever the motive of the occupying power."

In an editorial entitled, "Joining the Jackals," the Washington Post, which had supported the President for reelection, described this American vote against Israel in the Security Council on that Friday as representative of "the essential Carter." Now the President himself was being held to account.

American failure was total. And it was squalid. These men, in New York and Washington, helped to destroy the President who appointed them, deeply injured the President's party, hurt the United States, and hurt nations that have stood with the United States in seeking something like peace in the Middle East. They came to office full of themselves and empty of any steady understanding of the world. The world was a more dangerous place when at last they went away.

Those who now take office must deal with the aftermath of this massive failure of policy. The Security Council resolutions are time bombs. Ticking. The case has all but been made that Israel is an outlaw state, and indeed the General Assembly has now called on the Security Council to consider imposing sanctions against it. It will take the toughest-minded diplomacy to dismantle the indictment now in place—thanks to the Carter administration; thanks to those who brought the Democratic party to such confusions. The new administration will have to deal also with the whole question of the Third World. It should be clearer now that hostility toward the West, toward the United States, is abiding and, it may be, burgeoning.

Yet it remains for the United States to evolve a mode of dealing with the UN majority, and this in some measure turns on what kind of countries we think them to be. Irving Kristol has put the matter at its bleakest:

"The radical-nationalist ideologies of these nations, so far from being a prelude to the liberal-constitutionalism we revere, are a kind of epilogue. They—or at least their ruling elites—have seen our present and reject it as their future. So long as we refuse to confront this reality, we do not have a clear vision of the world the U.S. inhabits. And so long as there is no such clear vision, there can be no coherent foreign policy."

My own view is more sanguine: consider India, Sri Lanka, Trinidad and Tobago, Jamaica. There are others—many others. Still, with the experience of these four years, we should at least have learned that foreign policy cannot be conducted under the pretense that we have no enemies in the world—or at any rate none whose enmity we have not merited by our own conduct. For it was this idea more than anything else, perhaps, that led the Carter administration into disaster abroad and overwhelming defeat at home.

ENERGY AND THE DEVELOPING NATIONS

Mr. PERCY. Mr. President, the most recent increases in OPEC oil prices passed with the usual murmurs of distress about the ever-rising cost of petroleum. While we are coming to understand the effects of high oil prices on our economy in the form of inflation, unemployment, and other ills, we still do not fully comprehend how expensive oil will affect that portion of the globe put in the most dire straits by $35 to $50 a barrel oil: the developing world. In much of the Third World, oil bills have all but arrested economic development in the past few years.

In the United States we can consider a combined energy strategy of conservation and production that should allow us to keep our oil consumption constant. In the Third World, that is not an option. Development, as traditionally conceived, will demand some 3 to 4 million barrels a day of additional oil by 1990. That oil will have to come out of a world supply which most analysts feel will at best remain in tenuous equilibrium with the developed world's oil demand through the end of this century.

The United States has two vital interests in the energy problems of the developing world. First, there is our continuing concern about improving economic conditions in the poorer nations of the world. Economic development is a necessary foundation for the stability and political development that we in this country have so long sought to foster in the third world. If the developing nations continue to spend much of their scarce foreign exchange on imported oil. then a future of economic growth and improving social conditions will remain forever beyond the grasp of many nations.

Second, improving the developing world's energy future directly improves our own. In all likelihood, the United States will remain a substantial oil importer for most of this decade. Our allies, who do not have the tremendous potential domestic energy resources that we do, will remain dependent on imported oil for an indefinite time to come.

As the developing world comes to demand more oil from the international oil market, pressure for price escalation will become more intense. While the rich nations of the world will surely be able to outbid the poor for the oil they need, this prospect is both unpleasant and expensive. Our commitment to help solve the Third World's energy problems will test not just our compassion for the world's poor, but our farsightedness in serving our own national interest as well.

Our assistance in solving the energy problems of the developing world must come in several different forms. We can start by assisting the poorer nations in developing their indigenous sources of conventional oil and gas. Many nations have deposits of conventional fossil fuels that are too small to provide the potential exports that attract the multinational oil companies, yet are large enough to aid in meeting domestic needs. We can share some of the expertise developed within our Government in exploring new and enhanced production areas—tertiary oil recovery, oil shale, tight gas, and so on.

Next, we can share with the developing world some of America's great energy wealth. We have enough coal within the United States, including my own State of Illinois with the Nation's largest reserves, to fill our needs as well as those of many other nations through the end of this century and beyond. All we have to do is find a way to get it efficiently from the ground to the nations that can use it. With coal, the problem is not supply—we could double production in Illinois overnight—but demand.

Private industry should be able to create the markets it needs. But before the private sector can act, the Government needs to assist in improving America's transportation infrastructure of roads, railroads, and ports, to a degree that will assure we can get our product on a cost-competitive basis to its potential markets overseas.

As we develop new technologies for our own use in the solar and renewable energy fields, we should always look to how they might be adapted to the needs of the Third World. Today, the developing world depends on wood for a substantial part of its energy needs. Unfortunately, the increasing demands of population combined with the gradual deforestation of many areas of the world mean that wood will soon be in short supply for many nations. We can assist in the development of conservation and reforestation programs for the lesser developed nations. Finally, we need to reevaluate the full panoply of our foreign assistance programs. The world has changed drastically since the first tenfold oil price increase in 1973–74. I am sure that all of our assistance programs have reoriented their priorities to reflect that change.

Energy in the developing world can no longer be considered as just a foreign assistance issue. Energy problems make us feel what we have long said in a variety of contexts: We live in an interdependent world. Energy problems in the Third World will likely lead to energy problems in our world. Energy in the developing nations must become part of a combined U.S. energy policy that stresses working through the international system to solve our domestic problems. There can be no isolationism in American policy in the 1980's so long as we, our developed allies, or the developing nations that we would like to see establish stable, strong economies continue to import oil.

An article recently appeared in the International Herald Tribune that concisely sums up the current energy problems of many Third World countries. I ask unanimous consent that Jonathan Power's article "Third World Nations Caught Between Old, New Energies" be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIRD WORLD NATIONS CAUGHT BETWEEN OLD, NEW ENERGIES

(By Jonathan Power)

OTTAWA.—The Third World countries are not by world standards great energy users, but their energy needs are growing at such a rate that they appear to face even more serious problems of adjustment than the industrialized countries. The OPEC meeting in Bali was another painful turn of the screw.

A superficial glance may suggest to some that their requirements are small enough to be manageable. After all, it takes a year for the average Third World person to consume as much energy as the average North American does in a day. The average North American uses about 1,000 times as much commercial energy as the average Nepalese and 800 times as much as the average Upper

Voltan. The average Dutchman, who is the average European, although less rapacious than the North American, consumes 266 times as much as the average Ethiopian and 31 times as much as the average Pakistani.

The truth is, however, that oil-importing developing countries have been increasing their energy consumption at a faster rate than have the industrialized countries. During the 1960s and early 1970s, Third World energy consumption grew by 8 percent a year. It stagnated in the next two years but after 1975 resumed growing at about 5.5 percent annually.

This year, oil import bills of developing countries are estimated to be slightly less than $70 billion. Leaving on one side the impact of disrupting events like the fall of the shah and the Iran-Iraq war. OPEC will want to see prices rise until they reach the cost of coal gasification. This means that by 1990, the Third World oil bill could be over $266 billion.

In an ideal world of brave and imaginative diplomatic agreements, it might be reasonable to suppose that this process of rising prices might be ameliorated. After all, it is stated OPEC policy to try to create an oil regime where prices increase smoothly rather than in sharp jumps, where developing countries get priority in the marketplace, and where OPEC loans at commercial rates of interests are available. There will also be more OPEC aid. In the real world only some of this is likely to come to pass.

None of these measures, moreover, will gainsay the fact that too many developing countries have programmed their modernization on a course that is quite simply suicidal. Whatever the terms of relief, they just cannot afford an oil-based economy. Or to put it more soberly, as did a report prepared by leading energy experts for the recent meeting in Ottawa of the North-South round table, "It makes little long-term sense for a developing country to make a transition to oil just at the time it must undertake a transition from oil to successors."

It is going to be a rough period for the developing countries. Not only are they trapped by the rising price of oil. They are hamstrung by the diminishing supply of traditional fuels. Sixty percent of their population (2.5 billion people) live in the rural areas, where the principal fuels are firewood, crop residues and animal dung.

In Africa, for example, firewood accounts for more than four-fifths of the total energy used. It is not used merely for home cooking and heating, but for rural industries. In Tanzania, vast quantities are used for curing tobacco and in Mali for smoking fish. In Brazil, charcoal is used in large amounts for steel production.

MEAGER INCOME

According to one estimate, the amount of wood used in the developing countries in a year (and this excludes China) "would stand at least 20 feet high and 20 feet wide and extend completely around the equator" Given present rates of deforestation, Senegal will be bare of trees in 30 years, Ethiopia in 20 and Burundi in seven. Much of the world is running out of trees. The prices of firewood and charcoal are skyrocketing, even faster than the price of oil. Many families spend a sizeable fraction of their meager income on firewood. Others walk miles every day to find wood.

In short, the Third World countries are trapped between the old and the new. They cannot afford imported oil, and they are dangerously near to having exhausted their wood at home.

For the urban and industrial area where people and businesses will find it difficult to do without oil, the developing countries need to step up the rate of oil exploration at home. The experts of the North-South round table argued that large numbers of developing countries can expect to become small to medium oil producers.

The big oil companies are not always interested in locating smaller fields that will have an output significant in international terms but important for local markets. The World Bank has recently launched a large loan program to make this possible.

However, the vast majority of the people of the Third World live far from a town. They desperately need a form of renewable energy, not piped to them in some expensive grid system, but one they can make use of on their own doorstep. This, in the jargon, is called "soft energy"—bio-gas, methanol, wind and solar power. Such a development can only come with a technological leap that enables these systems to be mass-produced on an economic scale.

Amazingly, although there are experiments here and there, not one Third World country has made a decision to give priority to developing "soft energy." Meanwhile, more of the imported "hard stuff" will be the undoing of developing countries.

THE REVEREND RAYMOND C. BAUMHART OF CHICAGO'S LOYOLA UNIVERSITY

Mr. PERCY. Mr. President, it is with great pleasure that I rise in tribute to the Reverend Raymond Baumhart, who celebrated his 10th anniversary last summer as president of Chicago's Loyola University, and who will be honored here in Washington this weekend at the Loyola alumni dinner.

A native Chicagoan, Father Baumhart was ordained a priest in the Society of Jesus in 1957. Since his ordination, he has enjoyed a career in academic life of extraordinary achievement and service to his church, his community, and countless numbers of students.

He was the first priest ever to receive a doctoral degree in business administration from Harvard University and, over the years, he has combined his business expertise with his pastoral skills in unique and productive ways. He has written extensively on business ethics; he serves on the board of directors of the Jewel Companies and Continental Illinois Bank; he has served on the Council of Better Business Bureaus.

Most Chicagoans, however, know him as the leader of one of our outstanding educational institutions. During this first decade of his presidency, Father Baumhart has steered Loyola University through a period of significant physical growth, a major reorganization and upgrading of its administrative capabilities, and an expansion of academic coursework that all have strengthened the university's position as a major Jesuit education institution and national center for medical research.

A recent Loyola publication indicates that Father Baumhart has led Loyola to these accomplishments while consistently operating with a balanced budget in the face of staggering inflation rates and unending economic pressures. From my own personal experience as a trustee of another great Chicago institution, the University of Chicago, I can testify to the extraordinary skills required to bring about such an achievement.

The real measure of an educator, however, is felt in the quality of his students and the mark they make in the world. In this respect, Father Baumhart once again has every reason to be proud. Loyola graduates have entered all walks of life strengthened and inspired by the example he has set. In Father Baumhart's own words:

> Loyola's constant aim is to present society with competent men and women who are intellectually aware, whose lives express the values which they embrace, and who spend themselves in service to their fellow man.

There is no question that Loyola's "constant aim" has been met under his very able and distinguished leadership.

CONFERENCE OF LEAGUE FOR THE ADVANCEMENT OF STATES EQUAL RIGHTS

Mr. HATCH. Mr. President, our recent history has seen an increase in sectional conflicts unparalleled since the Civil War years. Some of these pressures are political, as population shifts West and South. Some of them are economic, as energy consuming States attempt to protect themselves against what they see as unfair competition from energy-producing States. Still others result from the disparity in land ownership between East and West. It remains a little-known fact, in the East, at least, that the vast majority of the land of the 17 Western States is not privately owned, but is held in Federal ownership.

The result of this disparity is often antagonism, as land uses are dictated by policies adopted in Washington, often by those with little familiarity with Western problems, always by those influenced by a citizenry that visits our Western wonderlands, but does not live there permanently. Western miners, ranchers, sportsmen, and water users come to feel that their interests are subsidiary to those for whom our land is a playground, not a workplace.

One manifestation of these sectional conflicts is the sagebrush rebellion. Unfortunately, the rebellion is not clearly understood, in either the East or the West. That is at least partly because the rebellion is not a single thing, but a political-emotional response to a situation, with different meanings for different people and groups.

In an effort to explore and better define the rebellion, the League for the Advancement of State Equal Rights held a conference in Salt Lake City, Utah, which I had the opportunity to attend. The conference lasted several days, and offered to all interested parties and groups an opportunity to meet, to discuss and define the issues on which all can agree and on which none can agree. I found the conference most fruitful, and at such time as the proceedings are published, which I hope will be soon, I hope all Senators will take the time to read them, in an effort to gain insight into what is happening in the West.

Mr. President, the Salt Lake City radio station KLUB broadcast three editorials, commenting on the LASER conference, and on the issue of the sagebrush rebellion. I found their comments insightful and informative. In particular, KLUB seems to have a sense of the importance of the issue, and of the folly of trying to

ignore it. As they noted in the second of these three editorials, neither the governor of Utah nor the Federal land managers attended the conference, and their absence marred what was otherwise a tremendously productive exchange of views. To quote KLUB directly, "there is little to be gained by ignoring the sagebrush rebellion." That is also true for us. I urge all Senators to consider these thoughtful editorials, and to that end I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

PUBLIC AFFAIRS BROADCAST DECEMBER 8, 1980
SAGEBRUSH REBELLION—I

Recently the League for the Advancement of States Equal Rights, better known as LASER, held a conference here in Salt Lake City to explore the issues surrounding the so-called "Sagebrush Rebellion." The conference attracted four Senators, at least ten Congressmen, and some State legislators from virtually every county in the West.

It was immediately obvious there is little unity among its supporters as to exactly what the "Sagebrush Rebellion" is. As we see it, there are at least four groups. There are the radicals, who want private ownership of all public lands. There are those who simply want to see more local control over the land, and who therefore support transfer of title over at least some federal land to the States. There are the environmentalists, who pretty much like the way land control has been going for the last few years. And there are the economists, who would apply market tests to both wilderness withdrawal and grazing rights.

In addition to these fairly well-defined groups, there is the rest of us: confused about the issue, but aware of its importance, and seeking additional information. In that respect, the LASER conference was most welcome. It provided a real opportunity for all the parties to talk to each other, and to us. Whether or not the "Sagebrush Rebellion" is going anywhere, it is essential that we all understand where different groups want to take it. Tomorrow we will look at another important phase of the conference.

PUBLIC AFFAIRS BROADCAST DECEMBER 9, 1980
SAGEBRUSH REBELLION—II

Yesterday we spoke about the Sagebrush Rebellion, and the contribution of the recent conference in Salt Lake City towards a greater understanding of it. That contribution was not as complete as it might have been, however, because of the failure of two of the interested parties to participate. We can best identify those parties by asking two questions:

First, Where was the governor? It seems to us the state of Utah has real interest in the Sagebrush Rebellion, and an obligation to watch it—to be involved in its formulation. Nothing is to be gained, as we see it, by boycotting meetings and discussions on the future of land management in the West. The environmentalists attended the conference, and made their contribution to the debate. But Utah was not represented as a state.

Second, Where were the Feds? We understand that officials in the federal land management agencies were explicitly instructed to stay away from the LASER conference. That is a short-sighted and counter-productive attitude. Certainly it is not pleasant to subject yourself to stringent criticism, and there was certainly stringent criticism of the feds at the conference. At the same time, some of the criticism was ill-founded, and could have been tempered or countered by the presence of knowledgeable officials of the Forest Service or Bureau of Land Management.

There is little to be gained by ignoring the Sagebrush Rebellion. We urge the governor and federal agents to accept their responsibilities, and participate in the debate. Tomorrow we will discuss the meaning of the rebellion.

PUBLIC AFFAIRS BROADCAST DECEMBER 10, 1980
SAGEBRUSH REBELLION—III

For the past two days we have discussed certain aspects of the Sagebrush Rebellion in connection with the recent conference held in Salt Lake City. Today we would like to comment on what it all means.

It means, we think, that there are enormous sectional conflicts building in the United States. A majority of Alaskans recently voted to reconsider Statehood. All over the West, states are asserting a claim to land held by the Federal government. Producer states fight consumer states in Congress over energy regulations. And recent maps of presidential electoral results show the South and West dominant, with that dominance to increase after the upcoming re-apportionment.

These pressures might all be manageable in good times, but these are not good times. The economy is faltering. Individuals question the worth of what they do. Ethnic and linguistic differences are courted and accentuated by politicians. The potential is there for serious conflict, even for violence, over control of land and resources.

In that respect, we think the LASER conference made a real contribution. If our countrymen back East start listening to what is said at conferences like this one, and, in referenda, like the Alaskan one, we have a better chance of accommodating the various interests, and avoiding real dissension. We repeat what we said yesterday about the importance of these issues. They will not go away, and it is essential for all of us, and our elected officials, to join the debate before it grows into a schism that could consume us all.

LET'S HEAR IT FOR THE ELECTORAL COLLEGE

Mr. HATCH. Mr. President, once again, despite the usual dire predictions, our Nation's electoral system worked this past year to effect the efficient transfer of Presidential authority. Although this fact is not likely to be persuasive to those whose conception of Democratic rule is a purely arithmetical one, I do think that it is occasionally worth mentioning that our much-maligned system has again performed its constitutional task admirably.

Most visible of the strengths exhibited this election by the electoral college was its contribution toward the preservation of a strong two-party system, and the prevention of large numbers of electorally potent splinter parties. The Independent candidacy of Representative John Anderson lost much of its momentum, as had the candidacy of Governor George Wallace 12 years earlier, as voters increasingly came to perceive votes for his candidacy as being wasted votes. Under a system of direct election, third and fourth and fifth party candidates would be provided incentives since each vote cast for such candidacies would make it more difficult for any major party candidate to receive sufficient votes to avoid a Presidential election runoff.

One of the major achievements of this past Congress, in my opinion, was the decisive rejection of the proposal to amend the Constitution to provide for direct election of the President and Vice President. At this point in the RECORD, I ask unanimous consent to insert a short article by an individual whose testimony on this matter contributed significantly to this result. Prof. Walter Berns, the author of the following item originally appearing in the Wall Street Journal, is currently a resident scholar at the American Enterprise Institute.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 8, 1981]

LET'S HEAR IT FOR THE ELECTORAL COLLEGE

(By Walter Berns)

Where the Electoral College is concerned, nothing fails to succeed like success. Once again it produced in 1980 a clear and immediately known winner; once again it gave us a constitutionally legitimate President. Once again it served to discourage third-party candidates, thus strengthening the two-party system which has served this country so well. And once again, in succeeding rather than failing, it failed to silence its critics.

The Washington Post didn't even wait for the votes to be counted before remounting its familiar assault on our method of choosing a President. In its November 5, "Morning-After" lead editorial, the Post again complained of an "absurdly dangerous" method of presidential selection, of the possibility that "runaway electors exercising their constitutionally given free choice [might] plunge the nation into political chaos," of a "relic" that will sooner or later "self-destruct," and of a "bomb waiting for the right circumstances to go off." (And all this when the only sound some of us heard was the popping of Republican champagne corks!)

As usual, these written complaints were accompanied by variations of that humorous Herblock cartoon, two since the election—the umpteenth one in the series—showing the Electoral College as the white-haired old man with the ear trumpet saying, as he strains to hear the results, 'Don't expect me to get this right, bub," or words to that effect.

BIASED ELECTORAL COLLEGE

As in the past, the old man did get it right in 1980, but by doing so may only have added to the complaints that we can expect to hear in the future: The Electoral College is, so the critics will say, biased in favor of one of the two major parties. Worse (but this sotto voce), it now has a built-in bias in favor of candidates of the Republican Party.

Tom Wicker sounded this alarm in his New York Times column of November 28, and repeated it on December 19. "Earlier this year," he wrote on the 28th, "the Electoral College came under its quadrennial scrutiny because John Anderson's independent campaign threatened to deny any candidate an electoral majority and throw the decision into the House of Representatives. That didn't happen, but the election produced other reasons—particularly for the Democrats—to take a hard look at this political anachronism."

Whereas it used to be said that the system favored the Democrats, who could be expected to win the populous Eastern states with their large blocs of electoral votes, a "hard look" at the new political geography shows 17 Western states, typically underpopulated, typically Republican, and each casting, among its electoral votes, two votes

that represent nothing more than the fact that it is a state. These two "extra" votes may be constitutional, but, say the critics, it is not democratic; Presidents, like the legislators in the Supreme Court's reapportionment decisions, should "represent people, not trees or acres." To represent people, Presidents must be elected directly by the people.

Why has the Constitution not been amended to permit direct popular election, or, as the Post asked the question, why does the nation continue to tolerate the Electoral College? Because, in fact, "there is no national consensus on what should replace it." True enough; but there is also no consensus that it should be replaced. As some of us have made a career of telling what used to be Birch Bayh's Subcommittee on the Constitution, there are good reasons why Presidents should not be chosen by direct popular vote.

The framers of the Constitution knew this and we ought to know it. They knew that we were—and we still are—a nation of minorities; they knew that we were—and we still are—a union of states with diverse interests (with different kinds of trees and acres, if you will). And they knew—and we have reason to know—that a President chosen by a simple numerical majority of the people might neglect the legitimate interests of those minorities and states.

"If the majority be united by a common interest," said Madison in Federalist 51, "the rights of the minority will be insecure." The American idea of democracy cannot be expressed in the simple but insidious formula, the greatest good for the greatest number. What the greatest number regards as its greatest good might very well prove to be a curse to those who are excluded from it. The American idea, which is expressed in the Declaration of Independence and embodied in various provisions of the Constitution, is that government is instituted to secure the rights of all. It was the considered judgment of the framers that a system of indirect rather than direct popular elections would be likely to produce Presidents politically free to do their constitutional duty, which was and is to secure the rights of all.

Admittedly, the Electoral College does not work exactly as the framers intended, but, in combination with our party system and the winner-take-all practice instituted by the laws of every state except Maine, it has worked in a manner approximating the intention. In practice, the electors are not independent, but neither are they simply dependent on the people at large.

Since the days of Martin Van Buren, the inventor of the modern party system, electors have been instructed by the political parties which, despite the proliferation of presidential primaries, continue to screen the candidates and, to that extent, to narrow the range of choice available to the voters. What is significant here is that, unlike the typical voter, who must depend on impressions gained from the press, party leaders are likely to have first-hand knowledge of the strengths and weaknesses of the candidates; furthermore, they will be more likely to take account of the variety of interests within the country.

In fact, they will be required to do so: Because of the Electoral College, popular votes are counted (or aggregated) not at the national level (where a minority interest is likely to be less visible) but at the state level, where the vote of any particular minority looms larger. So long as a minority is not distributed evenly throughout the country, but is concentrated in particular states, it is in its interest to oppose direct popular elections; most civil rights leaders have understood this. Is there, then, not something to be said for an electoral system that threatens to penalize a party and its candidate for failing to respect the rights of respectable minorities?

A THREATENING SYSTEM

Of course, it is possible that some minority might be over-represented, just as it is possible that (because each state, regardless of its population, has at least three electoral votes) some states might be over-represented. But the critics have not been able to demonstrate that this has happened. What is demonstrable is that the presidential candidates have had to pay attention to the rights of minorities and the interests of states (with their peculiar trees and acres): Only twice in the 20th Century (the elections of 1960 and 1976) has the candidate with an electoral majority failed to win a majority of the states. Is there not something to be said for a system that threatens to penalize sectional candidates?

These arguments are not likely to convince the critics who think that political legitimacy can be conferred only by simple popular majorities and would design their electoral systems accordingly. To the extent that they live in the Northeast, however, which is suffering a relative loss of population and a real loss of representation in the House of Representatives, they might be moved by an appeal to their political interests narrowly defined.

Mr. Wicker, for example, acknowledges that the electoral power of the "Republican" Sun Belt will increase as its population increases. The time might come when "Democratic" Rhode Island, Connecticut, and—who knows?—even New York with its peculiar trees and acres might need those two "extra" electoral votes. At that time he might be more inclined to appreciate that a President has the constitutional duty to represent everyone: those who vote for him, those who vote against him and even those who do not bother to vote.

CRIPPLING PACE

Mr. HATCH. Mr. President, the principle of "affirmative action" has once again reared its extremely ugly head in the area of Federal Government hiring. In the waning days of the Carter administration, it reached agreement with a number of "public interest" groups on a consent decree that would insure that minority groups, such as blacks and hispanics, were hired by the Government in precise proportions to the group's representation in the population as a whole. In achieving this end, the Government would scrap its present PACE (professional and administrative career examination) examination, the entry examination for Federal Government professional employees. The Government would be required to experiment with new tests until one were discovered that would insure that equal proportions of racial and ethnic groups were hired. Whether or not such a test then had much to do with identifying Federal job performance would apparently be a secondary matter.

At this point in the RECORD, I ask unanimous consent to insert an excellent editorial on this subject from Barron's, as well as several editorials appearing in other newspapers. The Barron's editorial by Mr. Peter Brimelow is an outstanding summary of the background events leading to the PACE controversy.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Barron's, Jan. 19, 1981]

CRIPPLING PACE—IN GETTING A GOVERNMENT JOB, RACE OUTSCORES MERIT

(By Peter Brimelow)

This week in Washington, the incoming Republicans finally get to pry the grasp of the Carter Administration from the helm of the ship of state. In key respects, they are going to find it lashed to its present course. In fact, it is growing increasingly clear that the Democrats have been lashing away frantically ever since Nov. 4, while their successors have been strutting about inspecting their new quarters and preening at their reflections in the chronometer.

In this frenzy of suit-filing, regulation-issuing and general statist activity, one episode stands out. Ten days ago, Associate Attorney General John H. Shenefield, on the Administration's behalf, signed a consent decree designed to settle an affirmative action suit charging racial discrimination against the federal government's own Office of Personnel Management. Under the terms of the agreement, which Reagan transition officials vainly sought to delay until they took office, the federal government is committed to abolish the Professional and Administrative Career Examination (PACE). PACE will be replaced with some method of assessment aimed at ensuring that the numbers of Hispanics and blacks getting jobs is roughly proportionate to those applying: in other words, a quota.

PACE is the most important government service exam. It determines who should enter federal employment at the GS5–GS7 level, which currently commands $12,266 to $17,776 a year. These include responsible positions like customs inspectors, immigration and revenue officers and the like. They form the backbone of the public service. PACE itself dates only from 1975, when it was introduced in lieu of the old Civil Service Exam, with the specific purpose of seeing to it that more minorities qualified for jobs. However, in 1979, while 42 percent of whites taking PACE obtained a passing grade of 70 percent or more, only 13 percent of Hispanics did so, and a mere 5 percent of blacks. A score of over 90 is usually needed to secure a post: this was achieved by 8.5 percent of the whites, 1.5 percent of the Hispanics, and 0.3 percent of the blacks. To the NAACP Legal Fund and the Lawyers' Committee for Civil Rights, such results could only mean that the test itself was biased. Accordingly, in January 1979, they sued the government on behalf of a group of blacks and Hispanics who had failed to pass the previous April.

It would be pointless here to review the various arguments which can be made in defense of PACE. The idea, for example, that it represented a conscious conspiracy to discriminate against blacks and Hispanics is obviously absurd. Whatever else may be said about U.S. bureaucrats as a species, they can scarcely be accused of being anti-minority. They would choke on their Kennedy buttons at the very thought. Yet this is what the consent decree implicitly concedes. Similarly, in normal circumstances, the fact that many studies have shown PACE to be an accurate indicator of future job performance would be crucial. It requires a doctrinaire mindset to believe that a test could work so well for the majority, and yet with minorities still yield the by-no-means-marginal discrepancies that are at issue here.

But the point is that circumstances are not normal. In this country today, arithmetic is destiny. A system of racial (and sexual) quotas has been fastened on the American people with the speed and cunning of a policeman handcuffing a drowsy drunk. For as many American institutions as the Federal government can reach, neither the absence of intent to discriminate nor the efficacy of methods like aptitude testing in helping them pursue their own affairs offers

protection. If they are adjudged to be employing the wrong numbers of women and certain favored minority groups (the "protected classes"—Chinese, for example, but not Armenians), the full weight of the bureaucracy descends, and a legal and administrative ordeal begins in which the accused is viewed as guilty until proved otherwise. All of this has come about with astonishing rapidity in the 12 years since the Nixon Administration first conceded the principle of quotas, to its eternal shame, in its Philadelphia Plan settlement of racial disputes within the construction industry. Associate Attorney General Shenefield's action in the PACE case is merely the latest, though not the least offensive, step.

Those 12 years have seen race relations in America become a sort of socialist Enterprise Zone. Politics are squarely in command, and all sorts of absurd authoritarian nostrums are swallowed unquestioningly. There is no need here to point out what an aberration this is in American history. Nor is there need to illustrate at length how disastrous quotas are in practice and principle alike. As it happens, illustrating this disaster is an area of academic endeavor virtually dominated by Professor Thomas Sowell, the acerbic black economist who teaches at UCLA. Sowell repeatedly has emphasized the fallacy of assuming, in the face of all American experience, that in the absence of discrimination, all social groups will distribute themselves across the universe of opportunities in the same way. More complex forces are at work.

However, sociology is unnecessary. The kind of race-conscious quotas envisaged in the PACE consent decree and all other affirmative action programs are quite simply illegal. They are contrary to the letter of the 1964 Civil Rights Act, its spirit as carefully established by scrupulous colloquy on the floor of the Senate at the time of its passage, and substantial subsequent precedent. And we have the testimony of Sen. Daniel P. Moynihan (D., N.Y.), writing in the December 1980 issue of Harper's Magazine, that classification by race was not what was meant when, as Assistant Secretary of Labor in the Administration of Lyndon Johnson, he helped draft the implementing Executive Order on Equal Employment Opportunity. "This was just the sort of thing we assumed we were working against."

The incredible truth is that the federal bureaucracy has literally turned the 1964 Civil Rights Act inside out. What forbade race-conscious action by the government—except for strictly defined remedial purposes—is now interpreted as mandating it, in favor of the "protected classes," even where no discrimination ever existed. The bureaucracy has been able to do this partly because it won the endorsement of minority group leaders who switched so smoothly from urging no discrimination prior to 1964, to discrimination in favor of their constituencies afterward, that nobody noticed the fundamental shift in their position.

But the ultimate reason that quotas have continued to spread is the U.S. Supreme Court. That tribunal avoided confronting the conflict between the affirmative actors' ambition and the manifest intention of the 1964 Act as long as it could. The first such case, *Defunis* v. *Odegaard*, was declared moot on a technicality in 1974. Four years later, the Court split badly in *Regents of the University of California* v. *Bakke*, declaring rigid, numerical quotas illegal, but suggesting that federally aided institutions could take some "notice" of race. This contradiction was resolved in 1979, when the liberal majority in the Court took a deep breath and said (in *Steelworkers* v. *Weber*) that discrimination in the form of "voluntary" quotas against whites was acceptable after all.

Unlike the Civil Rights rulings of the Warren era, the Court split on Weber. In a dissent of unparalleled bitterness, Justice Rehnquist condemned the majority's opinion as Orwellian in its attitude to truth. Last year, again over strong protests, the Court majority, in *Fullilove* v. *Klutznick*, ruled that Congress could "set aside" portions of federal public works funding exclusively for minority contractors, despite the Equal Protection guarantee of the Fourteenth Amendment.

All of which proves that Supreme Court justices are human. Whatever they decided on Affirmative Action would be revolutionary. Either quotas would continue to spread in what had previously been a free society, or the fast-growing new class of affirmative action administrators and beneficiaries would be suddenly cut off at the knees. Momentum (and the justices' friends) lined up with the latter. However, it remains an unedifying episode. And the justices recognize it in the desperation with which they avoid directly admitting what they have done. Quotas are acceptable if not "rigid," if "voluntary," if "remedial," none of them logically tenable distinctions, all invitations to further litigation.

There is a tendency in the business world to view affirmative action as merely an irritating tax, part of the tribute to be rendered unto Caesar. Even apart from its costs in terms of added inefficiency, and its addition to the "regulatory burden" (see *Barron's*, Dec. 15, 1980), this is a fundamental mistake. The cast of mind that wants to know what color your employes are is inherently totalitarian, and will not rest until all aspects of society are under state control. Moreover, quotas are a zero-sum game, and the white majority—particularly the white male—loses.

The PACE case will provide an early test of the Reagan Administration. Attorney General William French Smith is a socially prominent lawyer who unfortunately was associated with the University of California when it operated the quota system attacked by Bakke. It seems unlikely that he would want to rock the boat by attacking quotas, even if there are reefs on the horizon. Nevertheless, he should immediately tell U.S. District Court Judge Joyce H. Green, who has taken the PACE consent decree under advisement, that the deal is off. Public opinion polls have repeatedly shown majorities of blacks, as well as whites, opposed to quotas. Smith can afford the risk that some Bohemian Grove waiter will spit in his soup.

Now that the Supreme Court has held that the 14th Amendment is no barrier to racial preference, the principle of Equal Protection may have to be shored up with another Constitutional Amendment if the country is not to dissolve into factions squabbling over the spoils. The Chairman of the Senate Judiciary Committee's Constitution subcommittee, Sen. Orrin G. Hatch (for whom the writer, until joining *Barron's*, served as economic counsel), plans shortly to hold hearings on the issue.

Under the current statute, there is no room for compromise on the issue of quotas. They are incompatible with the 1964 Civil Rights Act. They must be abolished. Some say that the power to discriminate racially (for example, in hiring social service workers for inner cities) would add a flexibility helpful to ethnic accommodation. Perhaps so—but the fault lies with the 1964 Act, and the solution must be amendment, not selective enforcement. The utlimate question raised by affirmative action is not one of race relations. It is whether this is a government under law.

[From the Wall Street Journal, Dec. 16, 1980]

RETURN OF THE SPOILSMEN?

Remember the good old days of the spoils system, when most federal jobs were handed out by the winning politicians? Thanks to whatever was the 1883 equivalent of Common Cause, we have come a long way from that, to the point where some 90 percent of federal toilers are part of the civil service system. The spoils system aided party and government discipline but the civil service system is cleaner and fairer, most people seem to believe.

Now, however, with the ascendancy of affirmative action, we are hearing of a new philosophy which has the merits of neither. It calls for applying racial quotas to government jobs in pretty much the same way the government has applied racial quotas to industry hiring. It's tearing apart those poor social reformers who have embraced "merit" hiring for federal workers and affirmative action for everyone else.

All this has come to a head in a dispute over the Professional and Administrative Career Examination (PACE), which replaced the Civil Service exam in 1975 for higher level workers, such as customs agents, claims adjusters and the like, earning $12,000 to $17,000. PACE was intended to give minority workers a better shot at these jobs. But the NAACP legal fund and the Lawyers' Committee for Civil Rights filed a suit in Washington saying PACE also was discriminatory. The case is not scheduled for trial until next June, but word recently leaked out that another of the Carter administration's famous consent agreements might be in the works to establish a quota precedent before the Carterites depart Washington. In essence, the government would agree to hire personnel in rough proportion to the ethnic and racial mix of the candidates who took the PACE exam, regardless of the relative score.

Raw statistics show a gross imbalance in test performance between whites and minorities. Seventy is considered a "passing" grade on the exam, but because of the keen competition, a score in the 90s is generally needed to land a good federal job.

Data from 1978 show that of white test-takers, 42.1 percent achieved scores of 70 or above and 8.5 percent were in the 90s. By contrast, 5 percent of blacks got scores of 70 or above, and only 0.3 percent were in the top bracket. Hispanics fared somewhat better, with 12.9 percent in the 70-or-above range and 1.5 percent on the top rung.

In an effort to prove the test's "validity," costly follow-up studies were conducted in a half-dozen of the 118 job categories connected with the exam. The studies showed a strong correlation between performance on the test and on the job. Of course, the studies did not gauge the performance of those who failed to get jobs, the plaintiffs point out.

Intra-government battling has erupted over the threat to alter the PACE exam. Agencies such as the Internal Revenue Service like the exam because it turns out good "numbers crunchers." But some social service agencies claim the exam does not provide enough minority candidates for work in, say, central cities. In fact, the Social Security Administration now uses a different test geared to its specific needs.

Justice and OPM officials deny they are seeking a last-gasp consent decree precedent but admit that staff recommendations are "on the desk" of Associate Attorney General John H. Shenefield. Not unexpectedly, the Reagan transitioners are not happy about being locked into such a deal.

Several thoughts occur. When there are 200,000 applicants for 5,000 federal openings a year, comparative pay and benefits obviously are too high. The competition problem and the federal budget would be aided by bringing them in line with industry.

Lest anyone be depressed by the minority showings on the PACE tests, it should be noted that they do not reflect the true quality of the minority labor force. Because there is affirmative action in industry and not in

government, industry is snatching many of the best qualified minority workers before they consider government work.

Finally, whatever the merits of the case, we doubt that the Constitution intends the Executive Branch to pass laws through consent agreements. If there is any such plan afoot, we hope it fails.

[From the Washington Post, Dec. 11, 1980]

DON'T RIG THE TEST

There is something that goes profoundly against the grain about the notion of fiddling with a supposedly objective test until it passes the "right" people. This would be the effect of the consent decree that government attorneys are hurrying to negotiate with a group of black and Hispanic complainants who charge that PACE (Professional and Administrative Career Examination), the entry exam for professional positions in the federal government, discriminates against minorities. The agreement would not simply require that any racially or ethnically based or non-job-related questions be eliminated—an obviously reasonable requirement. It would go much further than this to require that the government experiment with new tests for each job type until one is found that guarantees that roughly the same proportion of blacks, whites and Hispanics pass the test as decide to take it (never mind whether the test then measures anything to do with job performance). This would continue until blacks and Hispanics constitute 20 percent of the work force in the 118 job categories covered by the exam.

The exam in question was in fact developed and introduced in 1975 with the specific purpose of meeting legal challenges to other employer-used tests. Agencies have been relatively happy with the quality of the people they have gotten by way of the exam, although some have complained that they cannot find enough minority candidates among test-passers. Only 5 percent of blacks and 13 percent of Hispanics taking the exam pass (compared with 42 percent of whites), and very few of these have scored in the range from which most of those who pass are hired.

Government lawyers are eager to settle the case because they think it is not worth the time and money to try to establish and defend the usefulness of the exam for 188 job categories and that, even if this were done, an existing internal government regulation could require them to abandon it in favor of other procedures that would produce a more racially and ethnically balanced group of passers. They also point to the fact that the exam is now used to recruit less than 30 percent of the employees hired, because agencies now rely more on "upward mobility" promotions from lower-level federal jobs to fill these jobs without a test. So they are ready to yield.

We think this would be wrong. If it is agreed that it is good to have a federal work force that is more or less representative of major groups in our society, there are a lot of other ways to achieve this—ways that not only are more likely to give us the better quality, more efficient bureaucracy we need in this complicated and money-tight day and age, but are much less demeaning to all involved. You can, for example, do as the Social Security Administration has done—give up the idea of a broad-based qualifying test for advancement through the whole range of federal jobs and use instead a special selection procedure geared to each occupation—customs inspector, tax collector and so on. And you can develop compensatory education programs to make sure that everyone has a fair chance to qualify, and set up outreach procedures so that all qualified and possibly interested persons are given a chance to compete.

But if you want or need a government service composed of persons chosen on the basis of a test, you should not rig the test to produce a certain result or otherwise cynically tinker with the qualifying process.

TIME TO END THE SOVIET GRAIN DRAIN

Mr. GRASSLEY. Mr. President, I think we have had ample time to realize that the Soviet grain embargo is not working. It was reimposed by the previous administration. It is my understanding that the new President, President Reagan, and the Cabinet are now considering the lifting of that grain embargo.

I urge that that grain embargo be lifted not only for the reason of the President's commitment to the farmers of America during the last election but, more importantly, because that grain embargo is not working.

Mr. President, there is growing resentment among American farmers, who have too often been sacrificed to compensate for bungled leadership in Washington. This week the Cabinet will consider the pros and cons of lifting the Soviet grain embargo, as pledged during the 1980 campaigns. I urge President Reagan and his Cabinet to deliver on that pledge, for reasons outlined in the following article I have written for the Cherokee Daily Times of Cherokee, Iowa:

TIME TO END THE SOVIET GRAIN DRAIN

America's year-long grain drain on the Soviet Union has so far failed to seriously disrupt the Soviet diet, but has certainly left a bitter taste in the mouths of American farmers.

Reports trickling out of Moscow at Christmas indicated Russian consumers were amply supplied with holiday loaves, and were munching away on their beloved black bread. Muscovite bakeries were kept in business by Australian, Canadian, European and Argentine farmers, who eagerly snatched up aborted U.S. grain sales to the Soviets.

American farmers are the ones who have reaped a bitter harvest from an ill-designed marriage of farm and foreign policy, which now offers one more reason for by-passing economic warfare in the future. As history proves, economic sanctions rarely succeed in coercing other nations to cave in to outside political demands.

Even small, landlocked, politically ostracized Rhodesia withstood the British-American trade boycott of its controversial regime. In fact, the embattled minority government somehow managed to increase its productivity until overwhelmed by internal guerrilla warfare—not by external economic pressure. Only when the targeted nation or population group can be physically isolated from alternative sources of goods and services, as through a blockade or severance of transportation lines, do such tactics produce significant political gains.

However, some embargo enthusiasts point to Iran as proof of the effectiveness of economic sanctions, such as the freezing of Iranian dollars in U.S. banks, and the American ban of grain sales to Russia. As this argument goes, it was Iran's desperation to regain multi-billions of dollars frozen in U.S. banks that finally unshackled the U.S. hostages.

But Iran's "hostage" dollars cannot be viewed in isolation from other factors. The Iranians face an economy reduced to shambles, they're riddled by internal strife and anarchy, they're debilitated by their war with Iraq, and they were confronted with an incoming U.S. Administration unlikely to treat them gently. With that scenario, it's unrealistic to claim that external economic pressure was the overwhelming factor which forced an end to criminal detention of U.S. diplomats. Without being compounded by such complex socio-political and economic pressures, the grain embargo against Russia is like aiming a pea shooter at an elephant.

Pragmatism alone demands an immediate end to the Soviet grain embargo. Such tactics may appear tough, and may stimulate patriotic fervor at home, but in reality are mostly cosmetic and rarely effective in resolving international power struggles.

In fact, the embargo has been somewhat masochistic, delivering a self-inflicted wound to our own economy. American farmers were already facing depression conditions in early 1980, when their own government impulsively severed them from a major market. Adding insult to injury, the Carter Administration failed to coordinate the embargo with allies, who promptly pulled an economic coup by moving in on a major market for U.S. grain.

Tragically the Soviet embargo deflected attention from a prime factor behind the Soviet cannibalization of Afghanistan, which was America's own incoherent, inconsistent, weak-willed foreign policy. For years the U.S. has pursued foreign policies based on apology, retreat, and self-abasement, and such trends have provoked an onslaught of challenges to this nation and its people. Rather than being rooted in the reality of American power, the embargo was a pitiful substitute for strategic and moral strength—a frantic attempt by a vulnerable giant to strike back at global bullies.

In the long term, that strike may leave a bruise or two. Analysts now claim that within the next year, the embargo, coupled with disastrous crops in Russia, could finally take its toll on the Soviet diet and economy. But such selective politicization of the agricultural market unjustly batters one small slice of the U.S. population.

American farmers should not forever be sacrificed to compensate for international tensions nurtured by bungled leadership in Washington. Any price paid for America's geopolitical successes, failures, or stalemates must be fully shared by 220-million residents—not borne by a minuscule 2.8 percent who are farmers.

So this is one farm-country Senator calling for a moratorium on politically motivated agricultural embargoes, except in the case of genuine national emergency or war. Now that the White House is occupied by a leader of resolve and will, we must telegraph a message to the world that our foreign policy will rest upon more than a tiny 2.8 percent segment of our population.

And, we must guarantee that we will counteract the Soviet lust for global domination more effectively than by shooting ourselves in the foot.

It's time for this slumbering giant to flex its bulging muscles, and to guarantee swift and sure retribution for any aggression unleashed against this nation and its people.

Fortunately, we now have a President who promises precisely that.

FOOTBALL'S GRAND OLD MAN

Mr. PERCY. Mr. President, just a few days ago the National Football League presented its season's grand finale, the Superbowl. The cities of Oakland and Philadelphia were well represented on the gridiron. As for the Chicago Bears, I guess the phrase, "wait until next year," applies once more.

On the morning of Superbowl Sunday, I read an article about a man who is very dear to Chicago football fans, George

"Papa Bear" Halas, a pioneer of the National Football League and coach for 40 years of the Chicago Bears. He was appropriately recognized for his contributions to football and the city of Chicago.

George Halas is a winner. He is the winningest coach in the history of football and a man whose creation—the National Football League—has become an American institution. More importantly, he is a man who has brought much happiness to Americans, particularly Chicago Bear fans, and I, being a loyal Bear fan, can attest to this.

At age 85, George Halas continues his efforts to better the game he loves so much. He is an inspiration to all American sports enthusiasts. Therefore, Mr. President, I ask unanimous consent that the article " 'Papa Bear' Remembers When Pro Football Wasn't So Super" which appeared in the January 25 edition of Parade magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"PAPA BEAR" REMEMBERS WHEN PRO FOOTBALL WASN'T SO SUPER

(By Ron Rapoport)

Eight times a year, George Halas—the winningest coach ever in the history of football—sits in his private box high above Soldier Field and cheers lustily for the Chicago Bears, the team he coached for 40 years.

If he takes his eyes off the artificial surface of the playing field, Halas—the venerated "Papa Bear"—can gaze upon the 60,000 or more fans filling every available seat of the newly refurbished stadium. Or he can look at the television cameras which, because the game is practically certain to be a sellout, are sending images of the Bears to approximately half the households in the Chicago area. And he can think about how the game has changed in his lifetime.

Today is Super Bowl Sunday, but Halas remembers when there was no Super Bowl—in fact, no National Football League. At 85, he is the last survivor of a group of men who posed for the camera in 1920 on an automobile running board in a showroom in Canton, Ohio, after forming an organization that would became the NFL. From that perspective, the scene below him is almost beyond belief.

Where once he had to rush about trying to scare up a few thousand dollars to keep the Bears alive, today they, like every other team in the NFL, are worth at least $20 million.

Where once players' salaries averaged $100 per game, today many of the players are earning six figures annually.

Where once fans viewed professional football with profound indifference, today most tickets to Bears home games are snapped up long before the season begins.

"It isn't the same thing," Halas says of the modern version of the game he helped found. "The big crowds, the new stadiums, television—the fact that you get $5 million a year for doing nothing, just to display our game."

Halas' perspective is unique in the history of sports. Though it has been 13 years since he retired as coach of the Bears, and though he turned the day-to-day operation of the club over to general manager Jim Finks in 1974, he remains active as the team's president and board chairman, and in NFL councils as well.

"He's a living Abner Doubleday or Dr. James Naismith," says NFL Commissioner Pete Rozelle, referring to the legendary founders of baseball and basketball. "The only difference is he's still around to see all the changes. In fact, he's played an active role in the evolution of the game. But he has to be amazed at the changes. You can tell that he does make comparisons with the past."

Finks points out what those years mean that separate Halas and his fellow owners and executives:

"So many guys have gotten into the game in the last 10 or 15 years, and the way it is now is all they've ever known. You can count on two hands the guys with 20 years in the league, and that only takes you back to the 1960s. All they know is it's been on TV, and the stadiums are generally full. The days of getting out and hustling season tickets, of begging cities to take you for pre-season games—they can't identify with that. And how many guys in the league can remember traveling to games by anything other than planes?"

Asked if he ever feels like the last survivor of a particular breed, Halas replies wistfully, "I don't know of anyone else. I wish there were."

While Halas marvels at professional football's climb from its precarious early days to its present exalted status, he is not happy with everything he sees. Whereas in the 1920s and 1930s there was not enough money, Halas worries that now there may be too much.

"A couple of owners, with all their money and their great desire to have a championship team, may go out of bounds as far as salaries are concerned," he says of those clubs that have huge corporate assets at their disposal. "The families that own teams are in trouble."

For Halas, such troubles would be nothing new.

In the early 1920s, when he first took over the Bears from their original backer, Decatur, Ill., businessman A. E. Staley (the team was then known as the Staleys), the country was going through a recession. Halas had little more than a name, the rights to some players and $5000 that Staley gave him "out of the goodness of his heart."

For years, the team made little money, and when a partner needed to sell his half interest early in the Depression, it was all Halas could do to raise $38,000 to buy him out. "I borrowed $5000 from a player and the rest from friends," he recalls. "That was the only way to get money. The banks were closed."

Even when the Bears won the NFL title in 1932, he says, they lost $18,000. Halas had to pay off such stars as Red Grange and Bronko Nagurski with notes.

Halas is also disturbed by professional football's increasing potential for violence. As a long-time member of the NFL rules committee, he seems almost to long for the days when changes were made only to open up the game and make it more interesting rather than to make it safer.

"In those days, we didn't have dangerous weapons like the present-day helmet," he says. "With the leather helmet, there didn't seem to be the possible violence there is now. But the huge mask on the headgear, and its hardness, give the feeling of security that causes players to use it as a weapon."

While he's still intensely involved with football, Halas has mellowed. Just about everybody who remembers him in his coaching days has noticed it. There is more patience now, almost a sweetness, as he recalls the past—a striking contrast with the Halas of old, who could chastise a player or berate a referee with the best of them.

"In the early days, our relationship wasn't so good," says Rozelle of the period after he was first named NFL commissioner in 1960. "He was such a crusty, aggressive person. Once, after I just got the job, he popped off about something, and I called him into my office. I felt like I was just a little kid—I was 33 or 34—and here I was dealing with the man who had invented pro football. But if he asked for authority, he also gave it. He knew it was important to have a strong commissioner, and I think he played a major role in my being accepted."

Halas has outlived not only all the men who helped him organize the game, but also his wife and his son, George Jr., who was president of the Bears when he died last year. Today, Halas lives alone in a spacious apartment on Chicago's lakefront. A registered nurse, Sam Watson, comes in daily to help him with the exercises he has had to do since surgery in 1978 to remove a blood clot from his right leg. He has used a cane since then, but moves about smartly nonetheless.

Halas still takes an active role in many of the team's affairs. He attends practice once a week and handles complaints about tickets, requests for autographs, pictures, donations and interviews. He's always on the lookout for new ways to promote his beloved Bears.

Recently, for instance, Halas became enchanted with the voice of tenor Luciano Pavarotti. He made some remarks at a charity dinner honoring Pavarotti and hopes to persuade the singer to return the favor by recording the team's theme song, "Bear Down, Chicago Bears."

Halas is something of a social whirlwind. He is in great demand at civic and charitable affairs. In addition, he and seven old friends regularly get together with their wives and girlfriends. They call themselves the Super Eight. Halas looks forward to their meetings because, he says, "you can pour your heart out. You can say anything."

Another event dear to his heart is the annual Bears alumni dinner, when former players party at a hotel ballroom after a game.

Halas loves all this mingling. "There'd be no fun in slowing down." he says, "About the only thing I miss is the action on the field."

Proof that Halas intends to keep up his hectic pace may have come one morning last fall when a new employee showed up for work in the Bears business office in Chicago's Loop.

"I've worn one secretary out." Halas says with a grin. "So now for the first time I'm going to have two."

GEORGE HALAS NAMES THE SIX MOST IMPORTANT CHANGES IN PROFESSIONAL FOOTBALL SINCE ITS INCEPTION

1—Rules. Two of the most important rules changes came out of the 1932 game between the Chicago Bears and Portsmouth that determined the league championship. Bronko Nagurski faked a plunge into the line, then backed up and threw a two-yard pass to Red Grange, who scored the winning touchdown. Portsmouth coach Potsy Clark insisted that Nagurski hadn't been five yards behind the line of scrimmage when he threw the ball as the rules then required. The next season, the rule was changed, allowing the ball to be passed from any spot behind the line.

Also, because the sidelines that day were very close to the stadium wall, the idea of placing the ball on a hash mark 10 or 15 yards in from the sidelines whenever a player went out of bounds grew out of that game. Both these rules changes played a key role in opening up the game to more offense.

2. Stadiums.—Every team in the league now plays in a new or modernized stadium designed specifically to accommodate football, such as the Astrodome in Houston, Tex.—the first indoor super stadium, opened in 1965. Gone are the days when teams would play in parks built only for baseball or on unimproved fields that were often little more than vacant lots.

3. Equipment.—The evolution of the helmet is the most significant equipment change. The Bears' Bill Hewitt, who played

in the 1930s, used to take off his helmet whenever he thought Coach Halas might not be looking. Since 1943, a league rule has required every player to wear one at all times. The old helmets were leather, while today's helmet is so hard that players often use it to make tackles. Thus a piece of protective equipment sometimes causes injuries. "The helmet needs to be redesigned so it can't be used as a weapon," Halas says. "I'm working on it."

4. Television.—TV has both provided professional teams with huge amounts of revenue and spread awareness of the game far beyond the confines of the stadiums. Close-up interviews make "personalities" of players and enable them to discuss details of the game. When the Bears play at home, there may be 64,000 fans in Soldier Field, but another 1.5 million people in the Chicago area will be watching on television.

5. Attendance.—A crowd of 2500 or 3000 was the norm for most Bears games in the 1920s, while a big rival, such as the Chicago Cardinals or Green Bay Packers, might draw up to 10,000. Today, the Bears and nearly every other NFL team could easily sell enough season tickets to fill each seat before the first game is played. "We hold back 5000 tickets for every game," says Halas. "A lot of people don't have the money for season tickets, but we are interested in the guy who can only afford a single game, too."

6. Salaries.—Today players can price themselves right out of the league, Halas says. Detroit Lions superstar running back Billy Sims, for example, earns an estimated $500,000 per year. In the 1920s, the Bears had a limit of $1800 per game to be divided up among the 18 players on the team. If one player was paid $125, another had to settle for $75. "I used to tell players that football was only a stepping stone," says Halas. "I told them that if they got a better job, they should take it and quit playing football."

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 22, 1981, the Secretary of the Senate on January 30, February 2, and February 3, 1981, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on January 30, February 2, and February 3, 1981, are printed at the end of the Senate proceedings.)

1982 BUDGET OF THE DISTRICT OF COLUMBIA—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 29

Under the authority of the order of the Senate of January 22, 1981, the Secretary of the Senate on January 30, 1981, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the 1982 Budget of the District of Columbia.

I am informed that the proposals for Federal payments to the District of Columbia reflected in this document are consistent with those shown in the 1982 Budget of the United States submitted to Congress by President Carter on January 15, 1981.

RONALD REAGAN.

THE WHITE HOUSE, *January 30, 1981.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–293. A communication from the Clerk of the United States Court of Claims, transmitting, pursuant to law, the Court's Judgement order in the case of The Consolidated Federal Tribes of the Colville Reservation v. the United States No. 181–C; to the Committee on Appropriations.

EC–294. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the military family housing maintenance function at Luke Air Force Base, Arizona, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–295. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the family housing maintenance function at Malmstrom Air Force Base, Montana, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–296. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the vehicle operations and maintenance function at Wright-Patterson Air Force Base, Ohio, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–297. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the family housing maintenance function at Peterson Air Force Base, Colorado, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–298. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the military family housing maintenance function at Hurlburt Field, Florida, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–299. A communication from the Deputy Assistant Secretary of the Army (Installations and Housing), transmitting, pursuant to law, the annual report of the Department of the Army for contracts awarded without formal advertisement for fiscal year 1980; to the Committee on Armed Services.

EC–300. A communication from the Director of the Selective Service System, transmitting, pursuant to law, the report of the Selective Service System for the period April 1 through September 30, 1980; to the Committee on Armed Services.

EC–301. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the commissary shelf-stocking and custodial services function at Carswell Air Force Base, Texas, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–302. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Spain for defense articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–303. A communication from the Acting General Counsel of the Department of Energy, transmitting, pursuant to law, notices of meetings related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC–304. A communication from the Acting Assistant Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, notice of the designation of certain waters in the lower Florida Keys as a marine sanctuary; to the Committee on Commerce, Science, and Transportation.

EC–305. A communication from the Chairman of the United States International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the United States International Trade Commission for fiscal year 1982; to the Committee on Finance.

EC–306. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the compliance of the Agency with the Government in the Sunshine Act during 1980; to the Committee on Governmental Affairs.

EC–307. A communication from the Archivist of the United States, transmitting to the Secretary of the Senate a report on the Archives' work on Senate and House records during the quarter ending September 30, 1980; to the Committee on Governmental Affairs.

EC–308. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Effectiveness of U.S. Forces can be Increased Through Improved Weapon System Design"; to the Committee on Governmental Affairs.

EC–309. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a monthly report listing the reports of the General Accounting Office for the previous months; to the Committee on Governmental Affairs.

EC–310. A communication from the Mayor of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the capital improvements program of the District of Columbia; to the Committee on Governmental Affairs.

EC–311. A communication from the Acting Commissioner of the Immigration and Naturalization Service, transmitting, pursuant to law, copies of orders entered in 1,598 cases under section 212(d)(3) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–312. A communication from the Chairman of the Federal Mine Safety and Health Review Commission, transmitting, pursuant to law, the Freedom of Information activities of the agency during 1980; to the Committee on the Judiciary.

EC–313. A communication from the General Counsel of the Council on Wage and Price Stability, transmitting, pursuant to law, the agencies' report on activities under the Freedom of Information Act for 1980; to the Committee on the Judiciary.

EC–314. A communication from the Secretary of the Department of Education,

transmitting, pursuant to law, final regulations of the Department on special impact aid provisions for local educational agencies that claim entitlements based on number of Indian children residing on Indian lands; to the Committee on Labor and Human Resources.

EC–315. A communication from the Acting Director of ACTION transmitting, pursuant to law, a copy of a final regulation of the agency relating to prohibitions on electoral and lobbying activities; to the Committee on Labor and Human Resources.

EC–316. A communication from the Acting Director of the United States Office of Personnel Management, transmitting, pursuant to law, an interim report on the effects of age discrimination in employment on the Federal civil service; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–14. A petition from a citizen of Arlington, Virginia relating to a suit filed to alleged corruption, fraud, and waste in the Department of Labor; to the Committee on Governmental Affairs.

POM–15. A resolution adopted by the Board of Supervisors of the County of San Luis Obispo, California, favoring the repeal of section 1937aa.1a of the United States Code, containing the language minority requirements of the Federal Voting Rights Act of 1965, as amended; to the Committee on the Judiciary.

POM–16. A petition from a citizen of Dallas, Texas, transmitting a copy of a judgment rendered by the United States District Court, Southern District of Indiana, affecting former railroad employees; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services, without amendment:

S. Res. 60. An original resolution authorizing expenditures by the Comittee on Armed Services; referred to the Committee on Rules and Administration.

By Mr. SIMPSON, from the Committee on Veterans' Affairs, without amendment;

S. Res. 61. An original resolution authorizing expenditures by the Committee on Veterans' Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Mr. PERCY. Mr. President, from the Committee on Foreign Relations, I report favorably a nomination list of Foreign Service information officers which has previously appeared in the CONGRESSIONAL RECORD and ask, to save the cost of printing them on the Executive Calendar, that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 5, 1981, at the end of the Senate proceedings.)

By Mr. HATCH, from the Committee on Labor and Human Resources:

Raymond J. Donovan, of New Jersey, to be Secretary of Labor (Ex. Rept. 97–3).

By Mr. GOLDWATER, from the Select Committee on Intelligence:

Vice Adm. B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

By Mr. TOWER, from the Committee on Armed Services:

Vice Adm. B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WALLOP (for himself, Mr. BUMPERS, Mr. PRYOR, Mr. SIMPSON, Mrs. KASSEBAUM, Mr. CANNON, and Mr. GOLDWATER):

S. 351. A bill to amend the Federal Mine Safety and Health Amendments Act of 1977 to provide that the provisions of such act shall not apply to the surface mining of stone, clay, and sand work; to the Committee on Labor and Human Resources.

By Mr. PACKWOOD:

S. 352. A bill to amend the Internal Revenue Code of 1954 with respect to the definition of political contribution; to the Committee on Finance.

By Mr. JEPSEN:

S. 353. A bill to amend the Older Americans Act of 1965 to provide special emphasis for employment opportunities for the elderly with skills relating to home repair, to provide for demonstration projects under which private business is encouraged to employ the elderly with skills relating to home repair, and to provide assistance to the elderly for the installation of security devices in their residences, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DIXON (for Mr. PERCY):

S. 354. A bill to amend the Export Administration Act of 1979; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER:

S. 355. A bill to amend the title V financial assistance program, the Railroad Revitalization and Regulatory Reform Act of 1976, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. THURMOND:

S. 356. A bill for the relief of Gunter Herbert Kromp and Velma Jean Kromp, his wife; to the Committee on the Judiciary.

S. 357. A bill for the relief of Anup and Lauleen Mody; to the Committee on the Judiciary.

S. 358. A bill for the relief of Gert Richard Heber; to the Committee on the Judiciary.

S. 359. A bill for the relief of Reina Estela Olvera; to the Committee on the Judiciary.

By Mr. WEICKER (for himself, Mr. DURENBERGER, Mr. NUNN, Mr. BAUCUS, Mr. PACKWOOD, Mr. ANDREWS, Mr. GLENN, Mr. HATCH, Mr. HAYAKAWA, Mr. HUDDLESTON, Mr. PRYOR, Mr. JEPSEN, Mr. TOWER, and Mr. THURMOND):

S. 360. A bill to amend the Internal Revenue Code of 1954 to improve productivity and employment by promoting capital investment in small business, and for other purposes; to the Committee on Finance.

By Mr. THURMOND:

S. 361. A bill for the relief of Emi Ohta; to the Committee on the Judiciary.

S. 362. A bill for the relief of Frans Nicolaas Mustert; to the Committee on the Judiciary.

By Mr. JEPSEN:

S. 363. A bill to amend the Older Americans Act of 1965 to assure that the nutrition projects under that Act may include meals in a congregate setting or home delivered meals, or both, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DOMENICI:

S. 364. A bill to authorize the Chief of Engineers to undertake repairs and renovations to certain water diversion structures of historical character, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ZORINSKY:

S. 365. A bill for the relief of Kazimiera Chrostek; to the Committee on the Judiciary.

By Mr. LAXALT:

S. 366. A bill for the relief of Mercedes Navarro; to the Committee on the Judiciary.

S. 367. A bill for the relief of Kuan Sheng Fong a/k/a Pete K. S. Fong; and Shyr Yuh-Yu Fong a/k/a Nancy Fong, his wife; and Suen Wei Fong, a/k/a Sylvia Fong, his daughter, and I. Chun Fong a/k/a Victor Fong, his son; to the Committee on the Judiciary.

S. 368. A bill for the relief of Evelyn Nunez; to the Committee on the Judiciary.

S. 369. A bill for the relief of Ludina V. Dave; to the Committee on the Judiciary.

S. 370. A bill for the relief of Cecilia Dagmang; to the Committee on the Judiciary.

S. 371. A bill for the relief of Wilma Tupas Beltran; to the Committee on the Judiciary.

S. 372. A bill for the relief of Doctor Mahmooda Haquani; to the Committee on the Judiciary.

S. 373. A bill for the relief of Angelica C. Estela; to the Committee on the Judiciary.

S. 374. A bill for the relief of Rosita A. Genio; to the Committee on the Judiciary.

S. 375. A bill for the relief of Irma A. Gunda; to the Committee on the Judiciary.

S. 376. A bill for the relief of Gisella Maria Johanna Dunfield; to the Committee on the Judiciary.

S. 377. A bill for the relief of Estrellita Tapans; to the Committee on the Judiciary.

S. 378. A bill for the relief of Elena Padua; to the Committee on the Judiciary.

S. 379. A bill for the relief of Lily T. Paragas; to the Committee on the Judiciary.

By Mr. GLENN:

S. 380. A bill to amend title 38, United States Code, to extend by twelve months the period during which funds appropriated for grants by the Veterans' Administration for the establishment and support of new State medical schools may be expended; to the Committee on Veterans Affairs.

By Mr. BAUCUS:

S. 381. A bill to amend title 28 of the United States Code to establish within the Department of Justice an Office of Audit and an office of Professional Responsibility; to the Committee on Governmental Affairs.

By Mr. SCHMITT:

S. 382. A bill to amend title 5, United States Code, to improve procedures for the promulgation of agency rules; to the Committee on the Judiciary.

By Mr. ANDREWS (for himself and Mr. BURDICK):

S. 383. A bill to provide for the reinstatement and validation of United States oil and gas lease numbered M 16402 (ND) Acq; to the Committee on Energy and Natural Resources.

By Mr. ARMSTRONG:

S. 384. A bill entitled the "Federal Expenditure Control Act of 1981"; to the Committee on the Budget and the Committee on Governmental Affairs, by unanimous consent pursuant to the order of August 4, 1977.

By Mr. INOUYE (for himself, Mr. MATSUNAGA, and Mr. RANDOLPH):

S. 385. A bill to amend the Rehabilitation Act of 1973 to provide for comprehensive study of the rehabilitation needs of the Pacific Basin, emphasizing the need for

trained rehabilitation personnel, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 386. A bill to direct the Secretary of Education to identify and address the unique needs of immigrants in the United States taking into account that immigrants are concentrated in a select number of identifiable titles, and for other purposes; to the Committee on Labor and Human Resources.

S. 387. A bill to direct the Secretary of Labor to identify and address the unique needs of immigrants in the United States taking into account that immigrants are concentrated in select number of identifiable cities, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HATCH (for himself and Mr. TOWER):

S. 388. A bill to reinstate the tax treatment with respect to annuity contracts with reserves based on a segregated asset account as they existed prior to issuance of Revenue Ruling 77-85; to the Committee on Finance.

By Mr. HATCH:

S. 389. A bill for the relief of Howard B. Schmutz; to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. DANFORTH, Mr. BENTSEN, Mr. DURENBERGER, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. MATSUNAGA, Mr. BAUCUS, and Mr. SYMMS):

S. 390. A bill to amend the Trade Act of 1974 to provide for an additional Deputy United States Trade Representative; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. GOLDWATER, Mr. BENTSEN, Mr. DANFORTH, Mr. DOMENICI, Mr. GARN, Mr. GLENN, Mr. HAYAKAWA, Mr. JACKSON, Mr. LAXALT, Mr. LUGAR, Mr. NUNN, Mr. PRESSLER, Mr. ROTH, Mr. SCHMITT, Mr. SIMPSON, Mr. WALLOP, Mr. THURMOND, Mr. HATCH, and Mr. HUDDLESTON):

S. 391. A bill to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying agents, informants, and sources and to direct the President to establish procedures to protect the secrecy of these intelligence relationships; to the Committee on the Judiciary.

By Mr. HARRY F. BYRD, JR.:

S.J. Res. 26. Joint resolution to amend the Constitution to provide for a balanced budget; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WALLOP (for himself, Mr. BUMPERS, Mr. PRYOR, Mr. SIMPSON, Mrs. KASSEBAUM, Mr. CANNON, and Mr. GOLDWATER):

S. 351. A bill to amend the Federal Mine Safety and Health Amendments Act of 1977 to provide that the provisions of such act shall not apply to the surface mining of stone, clay, and sand work; to the Committee on Labor and Human Resources.

AMENDMENT OF FEDERAL MINE SAFETY AND HEALTH AMENDMENTS ACT OF 1977 RELATING TO SURFACE MINING OF STONE, CLAY, SAND, OR GRAVEL

Mr. WALLOP. Mr. President, I am today introducing along with Senators BUMPERS, PRYOR, SIMPSON, KASSEBAUM, GOLDWATER, and CANNON the 1981 version of legislation intended to bring some commonsense to efforts to protect the safety and health of workers involved in surface mining operations.

Under current Federal laws, all mining operations are required to comply with the safety and health standards of the Mine Safety and Health Act. While the objective is one which I support, the means to achieve the objective are an onerous burden on the surface mining industry. Therefore, to relieve what a reasonable person can only regard as a frivolous and inflationary regulatory burden, we are proposing to transfer sand, gravel, and stone surface mining operations from the Mine Safety and Health Administration to the Occupational Safety and Health Administration.

Those who know me may be surprised that I have proposed increasing the regulatory responsibilities of OSHA. Let me point out that I have never objected to sensible and necessary public regulatory activity. That is precisely why I am sponsoring this legislation, to make some sense out of our efforts to insure safe working conditions for surface mines.

America's mining industries have been regulated by the Federal Government for more than 70 years. Congress has taken an active legislative role in controlling the health and safety of this Nation's miners. Since 1910 and the passage of the act which created the Bureau of Mines within the Department of the Interior, eight legislative efforts have been made to monitor the mining industry. They include the enactment of the Federal Coal Mine Health and Safety Act in 1941, the Federal Metal and Nonmetallic Mine Safety Act of 1966, the Federal Coal Mine Health and Safety Act of 1969, and the establishment of the Mining Enforcement Safety Administration in the Department of the Interior in 1973. In 1977 the passage of the Federal Mine Safety and Health Amendments Act repealed the Metals Act of 1966 and amended the Coal Act to encompass all types of mining operations with no variance regardless of type of mine involved. This change was made by merely adding "other mines" after each section in the 1969 Coal Act.

Deep mine coal operations are extremely dangerous. Wyoming has not been spared the tragedy of coal mine disasters. Tough safety and health standards are needed. However, it makes little sense to apply the same deep mine safety requirements to surface mining operations. For instance, the MSH Act requires safety training for mine employees. However, the training is directed to underground operations. For a surface miner, such training is a waste of time and money. Such standards create frustration among those affected, and weakens public support for the standards. At the same time, the standards create severe inflationary pressures on the surface miners. The costs, of course, are borne by the consumers. In 1979, I calculated that the effect on Wyoming surface miners of MSHA coverage would add 10 percent to the cost of the finished product. But, unnecessary costs also hamper expansion of surface mining operations, thus decreasing jobs and economic growth.

Our proposal is one approach to eliminating a problem while pursuing a worthwhile public purpose. It is not the only solution. For instance, we could amend the MSH Act to establish a multitrack safety and health system to reflect the differences between surface, underground, and coal mines. In the 96th Congress, Chairman GAYDOS of the House Labor Subcommittee indicated that amending MSH Act may be desirable. This may well be the point where we end up.

Last year, we were successful in obtaining Senate approval for the proposal being reintroduced today. Unfortunately, the House did not accept our amendment, despite the strong bipartisan support in the Senate. I would urge both the House and Senate Labor Committees to promptly act on this matter.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(h)(1) of the Federal Coal Mine Health and Safety Act of 1969, 30 U.S.C. 802(h)(1), as amended by the Federal Mine Safety and Health Amendments Act of 1977, is amended by inserting after "preparation facilities." the following new sentence: "Such term shall not include the surface mining of stone, clay, sand or gravel.".

Mr. PRYOR. Mr. President, I am pleased to join Senator WALLOP, Senator BUMPERS, and others in introducing legislation to relieve the stone, clay, sand, and gravel industries from the burdensome and excessive regulations now being imposed by the Mine Safety and Health Administration. It is similar to legislation we introduced during the last Congress and passed in the Senate as an amendment to the ERISA bill. Unfortunately, the amendment was later dropped by the House of Representatives.

At the time the sand, gravel, stone, and clay industries were brought under the jurisdiction of the Mine Safety and Health Administration in 1977, few recognized that these industries were primarily small mom-and-pop ventures. Ordinarily, sand and gravel operations have fewer than 7 employees, and crushed stone quarries have fewer than 11 employees. The duties performed and hazards present for such surface mining operations are vastly different than for deep underground mines. These small operations should not be held to the standard for large and highly technical industries. We must seek to remedy this inequitable situation.

This legislation would remove these industries from the jurisdiction of the Mine Safety and Health Administration and place them under the standards of the Occupational Safety and Health Administration. The safety and health of the employees will continue to be carefully protected, and the program will be administered in a more appropriate manner.

As this Congress moves forward, it is my hope that we will explore this issue in depth and thoroughly review the Mine Safety and Health Administration regulations as they pertain to the sand,

gravel, clay, and stone industries. I will continue to work toward this end and seek the support of my colleagues.

● Mr. BUMPERS. Mr. President, today Senator WALLOP introduced a bill to exempt the surface mining of stone, clay, sand, or gravel, from regulation under the Mine Safety and Health Act. This bill is similar to S. 625, which passed the Senate on June 29, 1980, as an amendment to S. 1076, the ERISA bill, but it was dropped in conference. S. 625 had 42 cosponsors in the Senate, and a House bill similar to S. 625 had 218 cosponsors. Despite the broad base of support, neither the House nor the Senate bill was enacted into law during the 96th Congress.

Additionally, Mr. President, this issue received a great deal of attention in both Houses during the appropriations process in the final days of the 96th Congress. On August 27, 1980, the House of Representatives, during consideration of H.R. 7998, the Labor/HEW appropriations bill, adopted an amendment which prohibited the Mine Safety and Health Administration from using any funds to regulate these surface mining industries. As you know, Mr. President, the Labor/HEW appropriations bill was never considered by the Senate Appropriations Committee, and Congress was forced to pass two continuing appropriations resolutions. The first resolution expired by its terms on December 15, 1980; that date, Congress passed a second resolution appropriating funds for many Government programs until June 5, 1981.

During consideration of this second continuing appropriations resolution, which was numbered House Joint Resolution 644, the Senate Appropriations Committee at my behest adopted language similar to that which was included by the House in the Labor/HEW bill, to wit, that the Mine Safety and Health Administration was prohibited from using its funds to regulate the surface mining industries in question. When the continuing resolution came to the Senate floor on December 10, 1980, this amendment survived floor attack and was included in the continuing appropriations resolution which was passed by the Senate a few days later. This amendment and others, however, were stripped from the bill in order to reach agreement with the House on the pay cap issue.

Mr. President, I am setting out this history in some detail so that our new Members will realize that this surface mining exemption passed the Senate twice, and the House once, during the 96th Congress. It has broad support in both Houses and similar bills have already been introduced in the House of Representatives this session. It is our hope that the Senate Labor and Human Resources Committee will give this bill its attention, so that the will of the Congress on this issue will not again be frustrated as it was last session.

Now, Mr. President, I would like to explain briefly the substance of this bill and the policy reasons which support its passage. The bill simply exempts the surface mining of stone, clay, sand, or gravel, from regulation by MSHA; and the legal effect of this exemption is that these surface mines would automatically be regulated by the Occupational Safety and Health Administration.

When Congress passed the Mine Safety and Health Act of 1977, it was responding to public alarm over the continued incidence of coal mining disasters. Fresh in the minds of many Congressmen and Senators was the tragedy that occurred at the Scotia mine, where 23 miners and 3 Federal inspectors lost their lives. Congress reacted by combining all coal, metal, and nonmetal mining operations under one authority, the Federal Coal Mine Safety and Health Act of 1977. It created the Mine Safety and Health Administration (MSHA), a new office under the Department of Labor, to coordinate the safety, training and enforcement functions and it equipped the new agency with an impressive array of powers with which to execute the act. For the 5,452 coal mines which had previously been regulated under the Coal Act of 1969, the changes incorporated in the 1977 act are important, though not drastic. For the 15,847 metal and nonmetal operations which had been under the authority of the Metal and Nonmetal Act of 1966, however, the changes are indeed overwhelming.

So, although the 1977 act was a valuable step forward in some respects, in other respects, especially as it relates to the operations of surface mines, it signified the epitome of poorly conceived policy. That act was primarily aimed at coal mining, which everyone agrees is a dangerous business, but swept in with the regulation of coal mining was the regulation of all other kinds of mining, too, regardless of whether those other kinds of mines had safety records that bore any similarity to the safety records of underground mines.

The surface mining of stone, clay, sand, or gravel, simply stated, has little similarity to the mining of coal; yet, these businesses, most of which have fewer than 10 employees, are subject to the same onerous standards, regulations, and enforcement mechanisms mandated for the coal mining industry. Now, Mr. President, this just does not make sense either as a matter of logic, or as a matter of policy.

I want to set out a few statistics which graphically illustrate why these surface mining businesses do not belong under MSHA's jurisdiction. In the sand and gravel business, for example, 6,000 of the 7,600 operations employ fewer than 10 persons, and 3,000 of these employ fewer than five persons. By any standard, these are small businesses, and they are having a rough time withstanding the administrative and regulatory burden imposed upon them by MSHA.

On December 3, 1980, ABC World News Tonight reported on Elmer Kanecht's sand and gravel business in Springfield, Ill. In 1978, MSHA began fining this sand and gravel business; among other things, Mr. Kanecht was ordered to post a speed limit sign on a private access road used only by himself and his two employees. To bring this small business into compliance with the other requirements MSHA imposed would have cost Kanecht in 1 year more than $30,000, and that year, he had grossed $34,000. So, Kanecht went out of business, even though he had had a 10-year perfect safety record. Other examples could be cited; MSHA is regulating some of these small businesses to death, and some of them simply can not stay in business.

Mr. President, another critical fact is that these industries are relatively safe. During the first 6 months of 1980, the accident rate for sand and gravel was 4.48 injuries per 200,000 man hours. For crushed stone, the rate was 6.19. By comparison, the figure for all coal mining was 10.4. These surface mines are safer than many other industries which are not as heavily regulated; for example, sand and gravel mines have better safety records than the industry which manufactures clocks, watches, and watchcases; it is better than the health services industry; and it has a better safety record than social services. Now, Mr. President, mines which have better safety records than social services have no business being regulated by MSHA.

Some of my colleagues may think it strange that these surface mines would actually prefer to be regulated by OSHA. I think this fact illustrates the seriousness of the problem from the perspective of the industries; MSHA is giving them such a hard time that they actually prefer OSHA, which, as all of us are aware, has also been severely criticized in this body. All of us want the mining industry to be safe, and MSHA should come down hard on a mine that is not; no one can disagree with this. My point, however, is that these surface mines are safe, and they should not fall under MSHA's jurisdiction.

If this bill is enacted, Mr. President, the surface mining of stone, clay, sand, or gravel, will automatically fall under the regulatory authority of OSHA under current law. OSHA currently has regulatory authority under Federal law for all employees working for employers operating in interstate commerce, and, by the way, that is just about everyone; OSHA's authority does not extend, however, to employees with respect to which other Federal agencies such as MSHA are exercising regulatory authority. By removing MSHA's authority for regulating these surface mines, OSHA will have jurisdiction as a matter of law.

Mr. President, I urge my colleagues to give serious attention to this bill. It is a measure for which the time has come. This same idea has passed the Senate twice and the House once, and I suggest that it is long overdue. If we learned anything from the November elections, we should have learned that the American people want us to take reasonable steps to lessen the regulatory burden. This measure will do just that, and it will do it in a way which will not sacrifice worker safety in the least. I hope my colleagues will join Senator WALLOP and me and the other cosponsors of this bill in rectifying this problem before MSHA regulates the stone, clay, sand, and gravel businesses out of existence.

Mr. President, I ask unanimous consent that this statement appear in the RECORD.●

By Mr. PACKWOOD:

S. 352. A bill to amend the Internal Revenue Code of 1954 with respect to the definition of political contribution; to the Committee on Finance.

CONTRIBUTIONS TO CANDIDATES

● Mr. PACKWOOD. Mr. President, today I am introducing legislation which will make unmistakably clear the intent of Congress to maximize participation in the democratic process by actively encouraging individuals to make contributions to the candidates, parties, and political organizations of their choice. In the past, Congress has recognized that tax credits for political contributions offer just such encouragement. These tax credits were first created with the enactment of the Revenue Act of 1971 and were expanded in the 1978 Revenue Act.

The enactment of the bill I am now introducing was made necessary by a February 12, 1980, private letter ruling by the Internal Revenue Service disallowing the tax credit for what the agency considers "negative campaigns."

I am strongly opposed to such action for several reasons. First, the Service has made an initial determination based upon a very narrow interpretation of statutory language which is highly ambiguous and which allows quite an opposite conclusion. Second, this agency has improperly failed to reflect congressional intent in formulating its conclusion; in fact, the effect of the ruling would be at odds with the intent of Congress. Lastly, I strongly believe that such an administrative action may be in violation of our constitutionally guaranteed rights of political expression.

EXPLANATION OF PROVISIONS

The issue has been raised by the Internal Revenue Service's limited view of the meaning of section 41(c)(1)(B) of the Internal Revenue Code. This section defines the term "political contribution" as one which is given to a candidate, party or political organization for use "to further the candidacy of such individuals for nomination or election" to an elective public office.

The IRS maintained, in the private letter ruling requested by the Democratic Senatorial Campaign Committee (DSCC) and the Democratic National Committee (DNC), that contributions made to the National Conservation Political Action Committee (NCPAC) for use in its target 1980 program were not used to further the candidacy of any candidate within the meaning of section 41. Therefore, reasoned the IRS, individual taxpayers would not be eligible to claim a tax credit for such contributions.

The bill I am now introducing simplifies the statutory language and thus eliminates the possibility for such an exclusionary ruling. In short, the bill insures that the tax credit for political contributions will be available to everyone and will encourage them to make contributions to the candidates, parties, and political organizations of their choice.

FEDERAL ELECTION REFORM

The passage of the Federal Elections Act of 1971 made clear Congress' commitment to prevent the improper use of money in elections. Another important objective was to insure that it is always possible for interested citizens to seek elective office even though they may not have access to large amounts of money with which to run their political campaigns.

The act sought to accomplish these goals in several ways: by restricting the amount of money spent in Federal elections; by limiting the amount of money contributed to candidates for Federal office; by requiring the disclosure of virtually all contributions and expenditures; and by establishing the Federal Election Commission with broad enforcement powers to implement the new law.

There is no question that Congress intent was good and proper, but it is also undeniable that these reform measures were, in part, oblivious to the constitutionally guaranteed rights of freedom of political speech, expression and association. So ruled the Supreme Court in landmark cases such as Buckley against Valeo.

It is interesting to note that at the time Congress "cleaned up" the electoral process through the legislative restrictions of the 1971 act, it also considered alternative proposals to "open up" the process.

To encourage individuals' involvement in the political system as a matter of public policy is important. Congress has rightly recognized the usefulness of tax credits for political contributions in promoting greater participation. In fact, action taken by the House and Senate in the Revenue Act of 1978 expanded the income tax credit for political contributions—the maximum amount was doubled. I was one of the principal sponsors of these provisions. Persons making a political contribution can now claim a credit equal to one-half of the amount of the donation up to $50—$100 in the case of a joint return.

RECENT ADMINISTRATIVE ACTION

Last year, action considered by both the Internal Revenue Service and the Federal Election Commission threatened to severely curtail the availability of the tax credits and to allow them only for certain administratively approved political contributions.

After the IRS made the preliminary determination that political contributions to "negative campaigns" would not qualify for the credit, the DSCC and DNC, on April 3, 1980, filed a petition for rulemaking with the Federal Election Commission. They sought the promulgation of a rule requiring that a notice of the IRS ruling appear on all solicitations for contributions by political committees conducting so-called negative campaigns. Fortunately, the Commission voted unanimously, 6 to 0, to deny the petition on September 25, 1980.

As of this date, however, the IRS ruling remains unchanged. On May 15, 1980 I wrote to then Treasury Secretary G. William Miller to express my opposition to the ruling and to request that a corrective ruling be announced.

The Treasury Secretary responded to me on June 18, 1980 and, in short, refused to move on this matter, citing the fact that the Treasury would be "reluctant to interfere in the administration of the Code."

In addition to introducing this bill today, I have written to the new Secretary of the Treasury, Donald T. Regan, again requesting the issuance of a corrective ruling and seeking the Treasury's support for this bill. I ask unanimous consent that a copy of my letter to Secretary Regan, as well as a copy of former Secretary Miller's reply to me of last June, be printed in the RECORD at the conclusion of my remarks.

1980 ELECTIONS

The petitioners sought the IRS ruling because several "liberal" Senators were principal targets of NCPAC's target 1980 campaign. While NCPAC generally accepts contributions to help conservative candidates, the target 1980 campaign was administered separately for the purpose of opposing "liberal" candidates.

I completely understand the concern that certain of my colleagues may have about the effectiveness of campaigns designed to challenge them in their bid for reelection. I understand because I too was threatened in 1980 to be targeted for defeat by certain "conservative" single interest organizations. Most notable among those that chose to oppose my reelection were those groups who disagree with my "pro-choice" position on the issue of abortion.

I have long supported election reforms which I believed would bring about the increased participation of millions of Americans, diminish the influence of single interest groups and which would strengthen the political parties.

But the course of action chosen by the DSCC and the DNC is wholly unacceptable. While we may be working toward the same goals, I find the path pursued by them to be completely at odds with the shared objective of enhancing participatory democracy. In my view, this is a classic case of where the end clearly does not justify the means.

The aim of the DSCC and DNC was to diminish the influence of those organizations which jeopardized the reelection of incumbent Senators. The strategy was to lessen the groups' effectiveness by reducing the flow of money into their coffers. Administrative action was sought which, in effect, discouraged political contributions to NCPAC and other groups who would wage similar anti-incumbent campaigns.

So, by request, the IRS entered the picture and subsequently determined that contributions to NCPAC's target 1980 effort are not used "to further the candidacy of any candidates." Thus, tax credits would not be permitted for these donations.

STATUTORY AMBIGUITY

As mentioned earlier, the IRS ruling is based on its interpretation of section 41(c)(1)(B) of the Internal Revenue Code. This section defines the term "political contribution" as a donation or gift of money to:

Any committee, association, or organization (whether or not incorporated) orga-

nized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, state or local elective public office, for use by such committee, association or organization to further the candidacy of such individual or individuals for nomination to such office.

Also, a "candidate" is defined in this section as:

With respect to any Federal, state or local elective office an individual who—(A) publicly announces before the close of the calendar year following the calendar year in which the contribution or gift is made that he is a candidate for nomination or election to such office, and (B) meets the qualifications prescribed by law to hold such office.

The IRS, in reaching its conclusion that contributions to so-called "negative campaigns" do not meet the test of furthering the candidacy and therefore do not qualify for the tax credit, has taken an extremely narrow interpretation of this section. In my view, these definitions are ambiguous enough to permit an opposite conclusion.

Clearly, a so-called negative campaign would meet the criteria of being "operated exclusively for the purpose of influencing * * * the nomination or election of one or more individuals who are candidates" for public office.

But does such a campaign "further the candidacy" of one of the individuals involved? As a matter of commonsense, it seems that any expenditure against one candidate does, in fact, further the candidacy of that candidate's opponent. That is, waging a campaign to oppose the reelection of an incumbent constitutes an expenditure to boost the chances for election of his challenger or challengers. Further, it defies commonsense to think that any organization would, after careful evaluation, concentrate its resources, financial or otherwise, on opposing an incumbent if it did not think that some candidate, explicitly identified or not, would benefit from their efforts and possibly mount a successful challenge to the incumbent.

Moreover, even in those cases where there is no obvious challenger to an incumbent at the time a "negative" expenditure is made, such an expenditure could still be considered as "furthering the candidacy of a candidate."

For example, let us assume money is spent in 1981 to oppose an incumbent and no political challenge has been begun by another candidate. Let us also assume that a political opponent does surface in 1982. The money spent in 1981 would still be considered to "further the candidacy" of the person who waited until 1982 to announce because, according to this section, a candidate is someone who "publicly announces before the close of the calendar year following the calendar year in which the contribution or gift is made that he is a candidate for nomination of election to such office."

Thus, I do not think it unfair to conclude that the IRS' narrow interpretation of the statute is clearly debatable and its ruling is highly arbitrary. The bill I am now introducing eliminates this ambiguous language to clarify this matter permanently.

CONGRESSIONAL INTENT

Further, I believe the IRS has improperly failed to reflect the intent of Congress in coming to a conclusion based on ambiguous statutory language. I believe that the IRS private letter ruling is in direct conflict with congressional intent.

Tax credits for political contributions were first provided for as part of the Revenue Act of 1971. This particular provision was added as an amendment offered by our former colleague from Rhode Island, Senator Pastore, on the floor of the Senate.

During debate on his amendment Senator Pastore informed the other Senators that it was his intent to "provide an incentive for the small contributor" and that he believed that this mechanism was "an opportunity for the ordinary citizen to work his will in an area that all too often has been the special province of the large contributor or the vested interest."

The IRS fails to recognize the role of "negative" contributions as a legitimate part of broad citizen participation in campaigns. For example, "negative" campaigning may be the only way to initiate the process of an electoral choice in a district or State served by a well-ensconced, powerful incumbent. Congress did not intend "negative campaigning" to dominate or to be favored. On the other hand, there is no evidence that it was to be discouraged or driven out by IRS interpretation.

Further, the IRS position creates definitional uncertainty. Defining "negative campaigning" is difficult. Even the IRS—which seeks to impose the term on us—has not made an attempt to fully define it. This requires citizen participants to constantly seek to appraise the "negativeness" of their actions. The resulting confusion will chill free participation in campaigns and it will reduce the amount of political speech. These results are clearly contrary to the intent of Congress.

On May 5, 1977, I testified before the Senate Committee on Rules and Administration on the topic of political campaign financing. That same day I, along with Senators BAKER, NUNN, and TALMADGE, introduced legislation liberalizing the tax credit for political contributions. This legislation was reported by the Senate Finance Committee on May 18, 1977. The concept embodied in the bill could be summarized by an excerpt from my remarks upon its introduction:

What we should be doing in this Congress is not trying to figure out how we can limit and eventually prohibit free choice in private contributions to campaigns. We should be trying to figure out how we can encourage private contributors.

Congress recognized that tax credits for political contributions offer such encouragement. The Senate Finance Committee adopted an amendment to the Revenue Act of 1978 which doubled the maximum amount of the tax credit for political contributions. A tax credit can now be taken on one-half of a contribution up to a maximum of $50, or $100 in the case of a joint return. This provision was sanctioned by a House-Senate conference committee and was signed into law.

The Senate Finance Committee report gives the best indication of the rationale behind the provision:

The Committee believes that the credit for political contributions can be an effective means of encouraging individuals to participate actively in the electoral process by donating to the candidate or party of their choice. The credit, in effect, reduces the cost of an eligible contribution to the donor. In addition, it has the same value at all income levels, and is available regardless of whether the individual itemizes deductions. Moreover, since the credit is small, it probably has the greatest incentive effect with respect to contributors of moderate amounts.

To further expand individual participation in the electoral process, through the encouragement of political contributions, the Committee believes that it is appropriate to increase the maximum amount of the credit for political contributions.

Thus, in making the tax credits available for political contributions, Congress moved to actively encourage greater participation in the electoral process and the public discussion of political issues. In contrast, the IRS letter ruling would result in a disallowance of the tax credit and would actually discourage participation.

As a member of the Senate Finance Committee, and as one of the principal authors of that legislation, I believe that discouraging participation by curtailing the availability of the tax credit for political contributions is totally at odds with the intent of Congress.

The bill I am introducing now will make it unmistakeably clear that Congress intends to make the tax credit available to everyone for contributions they make to candidates, parties and political groups of their choice.

CONSTITUTIONAL CONFLICT

Mr. President, I believe that there are serious constitutional issues raised here as well.

In *Buckley* v. *Valeo*, 424 U.S. 1 (1976), the Supreme Court held that broad citizen participation in the electoral process is vital. I believe that the IRS ruling is contrary to this philosophy.

In the Buckley case, the appellants argued "by analogy" to the religion clause of the first amendment that public financing of campaigns, however meritorious, violated the first amendment. The Supreme Court had held that the religion clause—"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof"—require the state to remain neutral in matters of religion.

The Court held that the analogy was inapplicable because "instead of abridging, restricting, or censoring free speech," it promoted the use of public funds "to facilitate and enlarge public discussion and participation in the electoral process, goals vital to a self-governing people."

I believe that the Court may react differently to the same argument, as applied to the IRS private letter ruling. It would be totally inconsistent with the goals of "facilitating and enlarging public discussion and participation." Its net effect will be to discourage political contributions and involvement.

The IRS interpretation rewards "positive" contributions and fails to reward "negative" contributions. In a relative sense, then, the so-called negative campaign contributions of individuals would be burdened by the imposition of an administrative restriction on the availability of the tax credit. This would be at odds with the protections granted under the first amendment, as evidenced in the Court's ruling in *Speiser* v. *Randall*, 357 U.S. 513, 536 (1958):

Plainly a community may not suppress, or the state tax, the dissemination of views because they are unpopular, annoying or distasteful. (citations omitted) If the Government may not impose a tax on the expression of ideas in order to discourage them, it may not achieve the same end by reducing the individual who expresses his views to second-class citizenship by withholding tax benefits granted to others. When government denies a tax exemption because of a citizen's belief, it penalizes that belief.

This principal has been reaffirmed in other of the Supreme Court's decisions. In Buckley it was noted that:

The Court's decisions on *Mills* v. *Alabama* . . . and *Miami Herald Publishing Company* v. *Tormillo* . . . held that legislative restrictions on advocacy of the election or defeat of candidates are wholly at odds with the guarantees of the First Amendment.

Presumably, administrative restrictions are not privileged. This idea was further elaborated upon in the Buckley decision, where the Justices observed:

It is argued that the ancillary governmental interest in equalizing the relative ability of individuals or groups to influence the outcome of elections serves to justify the advocacy of the election or defeat of candidates imposed by . . . expenditure ceilings. But the concept that government may restrict the speech of some elements of our society in order to enhance the relative voices of others is wholly foreign to the First Amendment, which was designed to secure "the widest possible dissemination of information from diverse and antagonistic sources," and "to assure unfettered interchange of ideas for the bringing about of political and social changes desired by the people." (*New York Times Company* v. *Sullivan*, 376 U.S. 254 (1964), at 266, 267, quoting *Associated Press* v. *United States*, 326 U.S. 1, 20 (1944).

Mr. President, I am pleased to say that the American Civil Liberties Union has joined me in opposing the IRS determination on constitutional grounds. The arguments of the ACLU are articulated clearly in a letter to me of May 6, 1980 from Mr. Arthur Eisenberg on behalf of that organization. I would like to share the contents of that letter with my colleagues, and I ask unanimous consent that the letter be printed in full at the conclusion of my remarks.

CONCLUSION

Mr. President, I have spoken here today in opposition to the administrative action taken by the Internal Revenue Service. I believe this action to be wrong. It fails to reflect the intent of Congress and seriously jeopardizes our constitutionally protected rights of political expression.

It is absolutely vital that this issue be addressed. I am hopeful that Treasury Secretary Regan will announce a corrective ruling and that this important piece of legislation wins enactment at the earliest possible date. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill and the letters were ordered to be printed in the RECORD, as follows:

S. 352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subparagraph (B) of section 42(c)(1) of the Internal Revenue Code of 1954 (defining political contribution) is amended by striking out "to further the candidacy of such individual or individuals for nomination or election to such office" and inserting in lieu thereof "for such purpose".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to taxable years ending after December 31, 1971.

COMMITTEE ON FINANCE,
Washington, D.C., January 30, 1981.

Hon. DONALD T. REGAN,
Secretary, Department of the Treasury, Washington, D.C.

DEAR MR. SECRETARY: I write to you to express my strong objections to an Internal Revenue Service private letter ruling issued on February 12, 1980.

The particular ruling to which I refer made a preliminary determination that contributions to so-called "negative campaigns" would not qualify for the standard tax credit under 26 U.S.C. 41. A "negative campaign" was arbitrarily defined as one which is for the purpose of defeating specified candidates for elective office.

I strongly disagree with the conclusion reached by the Service for several reasons. First, the position of the Internal Revenue Service is based upon a narrow interpretation of highly ambiguous statutory language. In my view, the statute allows quite an opposite conclusion.

Secondly, in light of the vagueness of the language in the statute, I feel that the Internal Revenue Service has improperly failed to reflect the intent of Congress in making its determination. In fact, the effect of the ruling would be to discourage participation in the electoral process; such action is totally at odds with Congressional intent.

Lastly, I believe, as does the American Civil Liberties Union, that administrative action stemming from this ruling may be in violation of our constitutionally-protected rights of political expression.

On May 15, 1980 I wrote to then-Secretary of the Treasury G. William Miller to express these objections to the private letter ruling and to request that a corrective ruling be announced as soon as possible to minimize the harm this may have on Congressional efforts to broaden citizen participation in the democratic process.

I was disappointed when Secretary Miller refused to make such a corrective ruling. I have attached a copy of his reply to me, dated June 18, 1980, for your consideration.

I intend to introduce legislation to clarify the statutory language so that the intent of Congress will be clear: to encourage greater individual participation in the electoral process and the public discussion of political issues.

I am hopeful that the Department of the Treasury will now issue a corrective ruling and that the legislation I introduce to clarify this matter once-and-for-all will have your support.

I appreciate your consideration in this and look forward to hearing from you.

Cordially.

BOB PACKWOOD.

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 18, 1980.

Hon. BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR BOB: Thanks for your letter of May 15 concerning the recent Internal Revenue Service private letter ruling on tax credits for political contributions to so-called "negative campaigns."

As you know, the Internal Revenue Service has a long-standing practice of issuing rulings stating the Service's position on the application of the internal revenue Code to particular factual situations. The issuance of private letter rulings falls within the ambit of the Service's responsibility for administering the tax laws and unlike regulations, does not require concurrence by the Secretary.

Commissioner Kurtz has carefully reviewed this matter and believes that the Service's ruling is the proper interpretation of the wording of the statute supportable by the legislative history.

In the absence of a clearly erroneous interpretation, or conflict with a major tax policy goal, the Treasury is reluctant to interfere in the administration of the Code.

Your letter also raises broader constitutional issues based upon the statute as applied by the Service. Under the circumstances, these would seem primarily questions for the courts.

Of course, if Congress wishes to provide a tax credit for contributions to "negative campaigns," a change in the statute is always the appropriate way to do so.

Best wishes.

Sincerely.

G. WILLIAM MILLER.

NEW YORK CIVIL LIBERTIES UNION,
New York, N.Y., May 6, 1980.

Hon. BOB PACKWOOD,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: The Internal Revenue Service, in a letter ruling dated February 12, 1980, has taken the position that, pursuant to Section 41 of the internal Revenue Code, persons will not be given tax credits for political contributions to those organizations that merely criticize or oppose candidates where such organizations do not affirmatively promote rival candidates. The IRS ruling rewards electoral advocacy where the speech promotes the election of candidates and it penalizes political statements that exclusively oppose the election of candidates.

I am writing on behalf of the American Civil Liberties Union and its New York State affiliate, the New York Civil Liberties Union, to express our deep concern with this recent IRS ruling. We are concerned, first, that this ruling serves to reinforce a statutory regime, under Section 41 of the Internal Revenue Code, in which the federal government is penalizing and, in effect, censoring political speech based upon the content of the speech and the political affiliation of the speakers. In this respect, Section 41, as interpreted by the IRS, plainly conflicts with our First Amendment tradition, a tradition that is built upon the proposition that government cannot disfavor political speech or organizations that it deems unworthy but must, instead, remain neutral with respect to the expressive or speechmaking activity of all its citizens. We are also concerned that this ruling renders Section 41 excessively vague and, therefore, violates First Amendment "vagueness" principles.

In order to fully demonstrate the constitutional difficulties presented by the recent IRS ruling, it may be useful, at the outset, to briefly sketch the statutory formulation set forth in Section 41 of the Code, and to identify how Section 41 will apply in a variety of situations.

Under Section 41 of the Code, tax credits can be taken for political contributions in three general circumstances: First, for direct contributions to "a candidate for nomination or election to any Federal, State, or local elective . . . office." 26 U.S.C. 41(c)(1)(A); Second, for contributions to national, state, or local committees of a national political party.[1] 26 U.S.C. 41(e)(1)(C), (D), (E); Third, where a contribution is given to any "organization . . . operated exclusively for the purpose of influencing . . . the election of one or more candidates . . . [where the contribution is given] for use by such . . . organization to further the candidacy of such individual or individuals." 26 U.S.C. 41(c)(1)(B).

It was subsection 41(c)(1)(B) that was the subject of the February 12 IRS ruling. And in interpreting this subsection, IRS emphasized the language of the provision which suggests that in order to qualify for a tax credit the contribution must be made "to further (a) candidacy. . . . . " (emphasis supplied). In seizing upon the requirement that contributions under 41(c)(1)(B) must be made in "furtherance" of a candidate's election, the IRS ruling combines with the statutory language of 41(c)(1)(C), (D), and (E) to establish various categories of political speech, some of which will be favored with a tax credit others of which will not. The categories depend entirely upon two criteria: The content of the speech and the popularity of the political organizations engaging in the speech. For example, under the specific circumstance of the February 12 IRS ruling, contributions to a political action committee such as the National Conservative Political Action Committee (NCPAC) that engages in negative[2] political campaigning are not entitled to tax credits. But, contributions to the national committee of the Republican or Democratic Party would be entitled to tax credits, even if the Republican or Democratic national committees were to engage in precisely the same sort of negative political campaigning as that undertaken by NCPAC. Similarly, contributions to the national committees of the Socialist Party, U.S.A.[3] would not be eligible for a tax credit where the Socialist Party engages in precisely the same sort of negative campaigning as that undertaken by the Republicans and Democrats because that organization does not qualify as a committee of a national political party, as defined by 26 U.S.C. 41(c)(3).

The disparity in treatment under Section 41 is thus manifest. The Republican and Democratic political parties (and other major political parties) can engage in both affirmative and negative political campaigning. Smaller or less popular political parties are penalized for engaging in negative political campaigning as are all political action committees that are not organized as political parties. This disparity of treatment—based as it is, both upon the content of the political speech and the popularity of the political parties undertaking to speak—violates the First Amendment.

The Supreme Court has repeatedly insisted that "[a]bove all else, the First Amendment means that government has no power to restrict expression because of its message, its ideas, its subject matter or its content." *Police Department* v. *Mosely* 408 U.S. 92, 95 (1972). Moreover, the First Amendment is offended as much by statutory disincentives as by direct prohibitions based upon content or subject matter. As Justice Douglas pointed out in *Speiser* v. *Randall*, 357 U.S. 513, 536 (1958) (concurring opinion):

" 'Plainly a community may not suppress, or the state tax, the dissemination of views because they are unpopular, annoying or distasteful.' [citations omitted] If the Government may not impose a tax upon the expression of ideas in order to discourage them, it may not achieve the same end by reducing the individual who expresses his views to second-class citizenship by withholding tax benefits granted others. When government denies a tax exemption because of the citizen's belief, it penalizes that belief. That is different only in form, not substance, from the 'taxes on knowledge' which have had a notorious history in the English-speaking world. . . "

The First Amendment's prohibition against governmental favoritism regarding the content of speech extends to a prohibition against the state favoring or disfavoring certain speechmakers because of their political affiliation or favoring others because of the popularity or social utility of their ideas. This basic theme has been consistently articulated by the Supreme Court. Thus, in *NAACP* v. *Button* 371 U.S. 415, 445 (1963), the Court observed:

"The Constitution protects expression and association without regard to the race, creed or political or religious affiliation of the members of the group which invokes its shield, or to the truth, popularity or social utility of the ideas and beliefs which are offered."

This theme has been most frequently invoked where the state has either created a public forum or where a governmental entity is supervising First Amendment access to a public facility. For example, when a municipality regulates speechmaking access to the streets, sidewalks, parks, or a public auditorium, it cannot make content-based judgments about who may or may not speak or what may or may not be said. It is axiomatic that in such circumstances the First Amendment's command of governmental neutrality limits the municipality to judgments based only upon "time, place, or manner." *Cox* v. *Louisiana* 379 U.S. 536, 558 (1965); *Niemotko* v. *Maryland* 340 U.S. 268 (1950); *Fowler* v. *Rhode Island* 345 U.S. 67 (1953).

The constitutional requirement of governmental neutrality has also been applied to the imposition of tax exemptions. For example, California enacted a statute requiring that any person seeking a property tax exemption must sign a statement on the tax return declaring that such person does not advocate the unlawful overthrow of government. Persons refusing to subscribe to such a statement were denied tax exemptions. In *Speiser* v. *Randall, supra*, the Supreme Court invalidated the California enactment. The *Speiser* decision, is most often cited, for the proposition that vague statutes and procedures affecting First Amendment freedoms are suspect because they force persons to "steer far wider of the unlawful zone" than is necessary. *Id.* at 526. In fact, at the heart of the *Speiser* decision is the notion that government may not use its tax laws to favor certain political positions and disfavor others.

In *Police Department* v. *Mosley* 408 U.S. 92 (1972) the Supreme Court held a Chicago ordinance unconstitutional where the ordinance prohibited all forms of peaceful picketing within 150 feet of a public school except for picketing arising out of a labor dispute. The *Mosley* decision rested upon the observation that the Chicago ordinance selectively granted the right to picket based upon the content of the speech and the labor affiliation of the speakers. In this regard, the Court declared, *supra*, at 96:

"[U]nder the Equal Protection clause, not to mention the First Amendment itself, government may not select which issues are worth discussing or debating in public facilities. . . . There is an 'equality of status in the field of ideas,' and government must afford all points of view an equal opportunity to be heard. . . ."

Section 41, as presently interpreted by the IRS, thus, violates the neutrality principles underlying the Supreme Court decision in *Speiser* and articulated by the Court in *Mosley*. Section 41 favors the most popular political parties over the smaller parties. And it rewards certain kinds of political statements while penalizing other attempt at electoral advocacy.

While the primary thrust of our concern is with the violation of First Amendment "neutrality" principles presented by the February 12 IRS ruling, we are also concerned that the ruling raises First Amendment "vagueness" and "overbreadth" problems. The First Amendment is not only offended by governmental favoritism. It is also violated by laws that are imprecise and that, therefore sweep too broadly with respect to express activity. The dangers inherent in vague or overly broad statutes that affect speech are threefold: First, the individual who is subject to the statute will be uncertain as to that speech which is proscribed and that which is not; Second, public officials who must enforce the laws will be similarly confused about the reach of the statute; Thirdly, vague and overly broad statutes will confer excessive discretion upon public officials who may wish to use the statutes to single out unpopular views for discriminatory enforcement. See *Gooding* v. *Wilson* 405 U.S. 518 (1972). The IRS attempt to distinguish "affirmative" from "negative" electoral advocacy suffers from all of the vices inherent in a vague and overly broad statute. It is entirely unclear how and where one would draw the line between an "affirmative" and "negative" political campaign. And for this reason, as well, we believe the present IRS interpretation of Section 41 renders it unconstitutional.

In sum, Section 41, as presently interpreted and applied by the IRS, suffers from considerable constitutional imperfections. We, therefore, urge that you undertake all appropriate legislative action in an effort to rectify these deficiencies.

Sincerely,

ARTHUR EISENBERG.●

[1] A national political party is defined as a political party whose presidential candidate appears on the ballot in ten states. Where the contribution is made during a presidential election year, the determination of whether a party qualifies as a national political party is made by examining the election ballots in that presidential year. Where the contribution is made during a nonpresidential election year, the determination of whether a party qualifies as a national political party is made by examining the election ballots in the preceding presidential election.

[2] Negative political campaigning was described in the IRS letter ruling as "an independent expenditure program directed in opposition to the nomination and election of several identified . . . candidates for elective public office." IRS letter of February 12, 1980, Index No. 0041.00-00 at p. 1.

[3] The Socialist Party, U.S.A. with a venerable political tradition, dating back to the presidential candidacies of Eugene Debs, would not qualify as a national political party under 26 U.S.C. 41(C)(3) because its presidential candidate appeared on the ballot in only seven states during the 1976 election.

By Mr. JEPSEN:

S. 353. A bill to amend the Older Americans Act of 1965 to provide special emphasis for employment opportunities for the elderly with skills relating to home repair, to provide for demonstration projects under which private business is encouraged to employ the elderly with skills relating to home repair, and to provide assistance to the elderly for the installation of security devices in their residences, and for other purposes; to the Committee on Labor and Human Resources.

OLDER AMERICANS AMENDMENTS OF 1981

● Mr. JEPSEN. Mr. President, at a time when this country's natural resources

seem to be shrinking, it is unfortunate that we are overlooking one great national resource—the elderly. Millions of trained and experienced older Americans make up a significant reservoir of talent in this country. For this reason, I am reintroducing a measure I originally introduced in the 96th Congress which was not considered then because of time constraints.

This new bill amends the Older Americans Act to provide special employment opportunities for the elderly. In addition, it would provide assistance to the elderly for the installation of security devices in their residences.

America cannot afford policies that deliberately ignore people still capable of making significant contributions to the productivity of this Nation. If we do, we stand to create an even bigger problem as the number of young workers shrinks in comparison to the growing number of dependent older beneficiaries who must be supported.

With unemployment reaching record levels, it will be difficult, but not impossible, to encourage older Americans to continue working. There are jobs they can fill, and they want to work. Unfortunately, Federal policies discourage them from doing so.

When I say jobs, Mr. President, I am not talking about "make-work" jobs, but real jobs. Jobs where older Americans can use their skills and experience to help train younger workers. Jobs where older Americans can make a contribution to the improved productivity of this Nation. Jobs that they can take pride in holding.

We do a great deal of talking in this country about the work ethic. We place a great deal of emphasis on the importance of working and of making a contribution to society. For the most part, work and its relation to self-worth is an ideal which is deeply engrained in an older person's mind. Why is it, then, that just because someone reaches an arbitrary age, society says: "You can't work anymore. You can't contribute to society. You're too old to be retrained." What we're really saying is, "You're not useful anymore."

Mr. President, I am not saying we should force people to keep working if they do not want to, but we should make every effort to encourage those who do.

My bill will not totally solve this problem, but it will send a clear signal to all workers, young and old, that the Federal Government recognizes the vital role older Americans can continue to play in our society. Furthermore, it shows them that there is some meaning behind these words. I urge my colleagues to join me in this effort.●

By Mr. DIXON (for Mr. PERCY):

S. 354. A bill to amend the Export Administration Act of 1979; to the Committee on Banking, Housing, and Urban Affairs.

AGRICULTURAL EXPORT PROTECTION ACT OF 1981

Mr. PERCY. Mr. President, today I am introducing along with my distinguished colleague from Illinois, Senator ALAN DIXON, the Agricultural Export Protection Act of 1981. The sole purpose of this legislation is to prohibit restrictions on the export of agricultural products to any country for foreign policy or national security reasons, unless such an embargo is in conjunction with an across-the-board ban on all trade with that country. Never again would the agricultural sector of our economy be singled out by Presidential order alone to bear a disproportionate share of the burden made necessary by difficult foreign policy decisions.

On January 4, 1980, when President Carter, in response to the brutal invasion of Afghanistan, canceled contracts for the sale of 17 million metric tons (MMT) of U.S. corn, wheat, and soybeans to the Soviet Union he signaled a willingness on the part of this country to use food as a "tool" or "weapon" in furthering U.S. foreign policy objectives. This was, to my knowledge, the very first time the United States had embargoed or suspended sales of agricultural products to any major trading market for foreign policy purposes. I am confident this action was not taken lightly, but it has had, nonetheless, a tremendous impact on the farming community in this country.

President Carter exercised his authority under the Export Administration Act of 1979, as amended, to impose Government restrictions on U.S. exports for both foreign policy and national security reasons. According to the act, the Congress had a 30-day disapproval mechanism for any foreign policy controls placed on the export of agricultural products. However, by exercising the authority for national security controls as well, the President effectively avoided a congressional review and possible veto of his action.

On January 2, 1981, President Carter, in one of his last official acts as President, extended the partial embargo on grain shipments for another year. This action is currently under extensive review by the new administration.

It is not my purpose here to debate or discuss the pros and cons of whether the grain embargo should be extended or rescinded. This is an action that the President must consider and has the sole authority to execute. In addition, I believe there is wide recognition that there exist circumstances in which the economic benefits and the presumption against Government interference with participation in international commerce by U.S. citizens are outweighed by the potential adverse effect of particular exports on the national security, foreign policy, or economy of the United States. While the general need for export controls has been consistently reaffirmed by successive administrations and Congresses, the way in which controls are administered has generated considerable controversy.

The so-called grain embargo has engendered a great deal of rhetoric, especially during the recent Presidential campaign; it has been the subject of heated debate all across America. The debate centers not on this particular action alone, but on the whole question of the use of food as a tool in the conduct of foreign policy.

Representing our Nation's largest agricultural exporting State, I have felt a special responsibility to monitor this particular foreign policy action. The farming community in Illinois and the agricultural machine industry centered in Illinois, have been particularly outspoken on the subject of grain embargoes, including this one. This past year, I have met with farm families, in their homes, to discuss this issue and other matters of particular interest to farmers. In addition, at two meetings of my agricultural advisory committee last year the grain embargo was the major topic of discussion.

From these discussions, one message is communicated loud and clear. Upon reflection, it is an understandable concern and one that leads me to this action today. The tens of thousands of Illinois farmers, and their fellow farmers across the country, are patriotic Americans. They support a strong national defense and a strong America. However, the American farmer is puzzled and confused about a society that restricts trade in their product while allowing business as usual in the trade of other nonagricultural goods, particularly, when it is their product alone that meets basic human needs.

I am introducing today the Agricultural Export Protection Act to amend the Export Administration Act in such a manner as to preclude in the future, the restriction of agricultural exports in other than a total trade embargo. If for some foreign policy or national security reason agricultural products were singled out for export control, the prior approval of both Houses of Congress would be required. There is every justification for congressional involvement when a sudden change of policy is made with respect to agricultural commodity exports. In effect, the adoption of this legislation would say to all farmers and their customers around the world that if we embargo agricultural products for foreign policy reasons, one group will never again be asked to bear the full burden of such an action.

Mr. DIXON. Mr. President, I am pleased to join my distinguished senior colleague from Illinois, Senator PERCY, in introducing legislation requiring the President to get congressional approval before implementing any future selective embargoes of agricultural commodities for foreign policy reasons.

The bill amends the Export Administration Act to prohibit the President from imposing an embargo on agricultural exports to any country for foreign policy reasons unless the Congress first adopts a concurrent resolution approving the embargo, or unless the ban on agricultural exports is part of a total embargo on exports to a country.

It also clarifies that the President does not have authority to embargo agricultural exports for national security reasons; Congress never intended the national security embargo authority to apply to food. The bill does not change the President's authority to embargo agricultural commodities if those commodities are in short supply in the United States.

The need for the legislation is clear. American Presidents, both Democratic

and Republican, have imposed three embargoes of agricultural commodities in the last years. Two of the embargoes were designed to insure adequate supplies of grain in the U.S. market at reasonable prices; the third, which is still in effect, is designed to punish the Soviets for their invasion of Afghanistan. There has been considerable controversy over the question of whether any or all of these embargoes succeeded in the short term. Over the longer term, however, I think that the answer is much more clear; the embargoes were, and are, generally poor public policy for a number of reasons.

First, embargoes feed the general impression that the United States is impulsive and an unreliable supplier of goods and services. The result has been that increasingly, nations come to the United States for the purchase of food and other goods and services only as a last resort.

It is particularly important that the United States be seen as a reliable food supplier because of the increasing inability of many of the world's states to grow their own food. Total world grain exports, for example, have risen to over 14 percent of total world grain consumption, up from less than 10 percent 20 years ago.

Foreign countries unable to find other suppliers try to safeguard their purchases from the United States by entering into bilateral agreement with the U.S. Government. Some experts believe that if we continue down this path, we could end up with as much as 65 percent of our supplies allocated under agreements. Another bad crop year, another year of drought, could result in skyrocketing prices, leaving the Government with almost no alternative but to impose further export controls.

Even in the face of rapidly rising worldwide demand for food, however, the United States cannot complacently assume the continuation of its predominant position in world agricultural markets. The United States is the world's largest food exporter, regularly supplying more than half the world's grain exports. But U.S. soybean growers, to cite just one example, face growing foreign competition. Expansion of Brazilian soybean production has enabled Brazil to capture a large share of the world market for soybeans and soybean meal.

Embargoes, or even the possibility of embargoes, make it more difficult for our farmers to meet increased foreign competition. They act to increase the volatility of the marketplace, making it difficult for farmers to plan intelligently. They can result in a period of depressed prices for agricultural commodities, undermining farm income. American farmers are extremely efficient producers, but they operate on a thin margin of profit. A drop in prices due to an embargo can act to make their entire year's work unprofitable.

Embargoes can also have adverse impact on the U.S. balance of payments. They can act to weaken the dollar, already under serious assault. They require taxes and Treasury borrowings to finance. In short, the economic costs include inflation, economic stagnation, and unemployment, the full extent depending in part upon the uncertain duration of the embargoes.

Mr. President, I am not suggesting that an embargo is never sound public policy. I do believe, however, that farmers should not be singled out as targets for export controls except under exceptional circumstances. Agricultural exports are too important to the U.S. economy for decisions on embargoes to be made without prior congressional approval.

The legislation Senator PERCY and I have introduced today will not prohibit the President from ever imposing an embargo on the export of agricultural commodities to any country. It simply says, that if the President wants to embargo only agricultural commodities for foreign policy reasons, Congress must first pass a concurrent resolution of approval. In view of the problems caused by embargoes, I believe it is entirely reasonable to require congressional approval before, rather than after, an embargo is implemented. Further, as I stated earlier, the President would retain his authority under existing law to embargo agricultural exports to a country as part of a total embargo without first seeking congressional approval.

The legislation we are introducing today is sound and does not unduly restrict the President's authority. Although it does not deal with embargoes proposed for short-supply reasons, it does represent a step forward. It helps provide additional assurance to the American farmer that the United States is committed to increasing agricultural exports. I urge its speedy enactment.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7(g) of the Export Administration Act of 1979 is amended by adding at the end thereof the following:

"(4)(A) If the authority conferred by section 6 of this Act is proposed to be exercised to prohibit the export of one or more agricultural commodities to any foreign country other than in connection with a prohibition of all exports to such country, such prohibition may become effective only after the Congress adopts a concurrent resolution approving such prohibition.

"(B) The authority conferred by section 5 of this Act may not be exercised to prohibit the export of one or more agricultural commodities to any foreign country.".

(b) Section 7(g)(3) of such Act is amended by adding at the end thereof the following: "This paragraph does not apply to any prohibition of exports described in paragraph (4)(A).".

By Mr. PRESSLER:

S. 355. A bill to amend the title V financial assistance program, the Railroad Revitalization and Regulatory Reform Act of 1976, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FINANCIAL ASSISTANCE TO RAILROADS

Mr. PRESSLER. Mr. President, I am pleased to introduce this legislation which places Federal financial assistance to railroads in its proper perspective. When title V of the Railroad Revitalization and Regulatory Reform Act of 1976 (4–R Act) was passed, Congress intended that Federal financial assistance to the railroad industry should go to those railroads with meritorious projects for which funds could not be generated in the private money market. Under the original law, the Federal Government would serve only as a bank of last resort. Unfortunately, Mr. President, the legislation has been subsequently amended, and now all railroads are able to receive funds for rehabilitation and improvement financing.

While I have no philosophical objection to helping the Nation's railroad industry obtain desperately needed funds to undertake rehabilitation and improvement projects, I believe the serious issue of financial priorities must be reevaluated in light of these fiscally austere times. The Federal Government is not, and should not be, the prime source of funding for all railroad rehabilitation and improvement financing. Rather, we should insure that the limited funds available are channeled to those rail systems that have exhausted all opportunities in the private sector and who otherwise would not be able to undertake essential improvement programs.

Mr. President, I am not suggesting that blank checks be made out to all rail systems. My bill proposes that those railroads with "meritorious projects" who have difficulty generating funds in the private money market should receive priority status by the Secretary of Transportation when compared to other railroads who have the financial posture to generate capital on the private market. I want to emphasize to my colleagues that my legislation does not subject the Government to the possibility of a default. Existing law already provides that all these financial assistance loans must be secured by the assets of the borrowing corporation or the estate, if it should be a railroad in bankruptcy. Further, the law already provides that if it is a railroad operating under section 77 of the Bankruptcy Act, the Federal Government shall have a lien on the estate which is superior to the claims of all creditors of the estate.

Finally, I should like to point out that those carriers operating under section 77 of the Bankruptcy Act should be given priority consideration for financial assistance by the Secretary of Transportation. A bankrupt railroad, Mr. President, was specifically the class of railroad originally contemplated to receive the most immediate attention when the 4–R Act was originally passed in 1976. Accordingly, the legislation that I am introducing reemphasizes the original intent of the 4–R Act financial assistance programs.

I should now like to point to a situation in which the title V financial assistance program as originally designed by

the 4–R Act proved to be the key factor in helping to "turn around" a bankrupt carrier. The Boston & Maine Railroad, located in the Northeastern United States, is a carrier operating under section 77 of the Bankruptcy Act. This railroad just announced that in calendar year 1980 it had its best financial performance in over 20 years. The career attributes a large part of this success to the improved condition of their physical plant which was made possible with the title V Federal loan program. I should like to quote a porton of a letter recently sent to the Commerce Committee by the president of the Boston & Maine Railroad on this point:

A key element in improving our operational and *financial* performance is the renewed condition of our physical plant, including extensive rehabilitation of the east-west mainline. *It would have been impossible for us to have raised the capital for our heavy rights-of-way rehabilitation in the private market.* Our $26 million FRA loan under Title V of the 4R Act was critical to the rehabilitation program and *infinitely improved our prospects for emergence from bankruptcy.* The government's interest in repayment of the loan in the reorganized railroad is fully protected and is provided for as an intricate part of the reorganization plan. (Emphasis added)

Mr. President, the message from the Boston & Maine Railroad is one of the reasons I believe we must target Federal assistance to railroads needing the most help. It is indicative of the situation that the Milwaukee II, in my own State of South Dakota, is faced with. Specifically, a Milwaukee Road line that goes through the northern part of my State is a substantial part of the Milwaukee II's present structure. If the railroad can raise the funds to rehabilitate this line, it could prove to be an integral element in the midwestern railroad structure and continue competition in the area. Unfortunately, the struggling Milwaukee II has to compete with many financially successful railroads to fund this particular project. Those financially successful railroads should seek funding sources in the private sector where they have a much better commercial posture than the troubled Milwaukee II. Even if the Milwaukee should close its operations at some date, the so-called Miles City main line through South Dakota will eventually be an integral part of some future rail system. The coal movements which will be coming out of Montana and Wyoming in the coming years will need rail service to all points of the country. The Miles City line would be an excellent transportation source for this precious coal which is in demand throughout the country as an alternative source of energy.

In a nutshell, Mr. President, my legislation intends to put the railroad financial assistance program "back on track." I urge my colleagues to support this bill. I look forward to working with the chairman of our full committee, Senator PACKWOOD, and the chairman of the Subcommittee on Surface Transportation, Senator DANFORTH, in this effort.

By Mr. WEICKER (for himself, Mr. DURENBERGER, Mr. NUNN, Mr. BAUCUS, Mr. PACKWOOD, Mr. ANDREWS, Mr. GLENN, Mr. HATCH, Mr. HAYAKAWA, Mr. HUDDLESTON, Mr. JEPSEN, Mr. PRYOR, Mr. TOWER, and Mr. THURMOND):

S. 360. A bill to amend the Internal Revenue Code of 1954 to improve productivity and employment by promoting capital investment in small business, and for other purposes; to the Committee on Finance.

OMNIBUS SMALL BUSINESS CAPITAL FORMATION ACT OF 1981

Mr. WEICKER. Mr. President, I am today introducing, for myself and Senators DURENBERGER, NUNN, BAUCUS, PACKWOOD, ANDREWS, GLENN, HATCH, HAYAKAWA, HUDDLESTON, JEPSEN, PRYOR, THURMOND, and TOWER, the Omnibus Small Business Capital Formation Act of 1981. This comprehensive bill proposes to make important improvements in U.S. tax laws to enable our Nation's smaller businesses to attract and retain the capital they require to survive in this very perilous economic environment and thus continue to play their vital role as our country's principal source of new private sector jobs and innovation.

I ask unanimous consent that a fact sheet we have prepared be printed in the RECORD at this point. I will explain the bill in a moment.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

[Fact Sheet]

OMNIBUS SMALL BUSINESS CAPITAL FORMATION ACT OF 1981

The provisions of the Omnibus Small Business Capital Formation Act of 1981 fall into five broad categories:

I. Capital Formation.—to improve the ability of small business to attract needed capital from external sources of financing by providing greater incentives for investors.

A. Investment tax credit for investments in new stock issues of small businesses. A 10 percent tax credit (up to $1,000 per person) would be provided for an investment in stock issued by businesses with less than $25 million in net worth.

B. Authorize the creation of a new financing instrument, the "Small Business Participating Debenture" (SBPD). The SBPD would be a hybrid security, with elements of equity and debt capital. SBPD's issued by eligible firms (net worth less than $25 million) would bear a relatively low stated rate of interest, but also could involve a distribution of the company's earnings, which would be taxable to the investor at the preferential long term capital gains rate.

C. Capital gains tax reduction for individuals and corporations, with maximum rates reduced from 28 percent to 21 percent. for investments in small businesses.

D. Capital gains "rollover." Gains resulting from the sale of an investment in a small business would not be recognized if reinvested in another qualifying small business within 18 months.

E. An increase in the maximum number of shareholders permissible for Subchapter S corporation election from 15 to 100. This would improve the access of small businesses to new sources of capital.

F. Broker-dealer Reserve. Would permit dealers "making a market" in small business equities to transfer, with deferred tax recognition, up to an aggregate of $1 million in capital gains resulting from the sale of such stock, to a reserve for future market-making activities. This would greatly enhance the marketability of small business stock.

II. Capital Retention.—to permit small businesses to retain a greater share of internally generated capital.

A. Graduation and reduction of corporate tax rates. Would increase the number of brackets to seven and reduce tax rates, particularly helpful for smaller businesses. Present law corporate tax brackets and rates are as follows:

Taxable Income:	*Tax rate (percent)*
$0 to $25,000	17
$25,000 to $50,000	20
$50,000 to $75,000	30
$75,000 to $100,000	40
Over $100,000	46

Under the bill, brackets and rates would be:

Taxable Income:	*Tax rate (percent)*
$0 to $25,000	15
$25,000 to $50,000	17
$50,000 to $75,000	25
$75,000 to $100,000	30
$100,000 to $150,000	35
$150,000 to $200,000	40
Over $200,000	44

B. Accelerated and simplified depreciation tax treatment for more realistic capital cost recovery for smaller businesses. Bill would propose "5–3" classification (from 10–5–3) for equipment and vehicles, respectively, with 10 percent investment tax credit for 5-year class investments and 6 percent credit for investment in trucks and other vehicles. First $100,000 of small business investment not subject to any phase-in period. Bill would not address question of depreciation for structures.

C. Increase in the amount of permissible accumulated earnings from $150,000 to $300,000. Accumulated earnings tax would apply only to amounts in excess of $300,000.

D. Increase in the ceiling on the used property investment tax credit from $100,000 to $250,000.

III. Estate Tax Reforms.—to reduce onerous burden of gift and estate taxes of small businesses.

A. Increase the present estate tax exemption from $175,000 to $600,000.

B. Provide an unlimited gift and estate tax marital deduction.

C. Increase the annual gift tax exclusion from the current limit of $3,000 to $6,000 per year per donee.

D. Make several changes in special use valuation rules for farm land and closely held businesses.

E. Set the value of gifts made within 3 years of decedent's death at the value at the time of the gift rather than at the date of death.

F. Permit the 5 year deferral/10 year installment election for payment of estate taxes, provided that at least 35 percent of the gross estate or 50 percent of the taxable estate is a closely held business. (Present law limitation is 65 percent of adjusted gross estate.)

IV. Employee Stock Options.—bill would permit employees to exercise stock options without tax consequences, as opposed to present law requirement of paying ordinary income tax on "spread" between option price and market price. Employees would be eligible for capital gains treatment when the stock is sold, with option price being cost

basis. This provision would enable smaller businesses to attract better management by encouraging the use of stock options for key employees. Bill would include conditions set forth in H.R. 5829 as reported by Senate Finance committee in 1980.

V. Inventory Accounting for Small Business.—Inflation has effect of creating illusory profits for firms on "first in—first out" (FIFO) inventory accounting, since reported "cost of goods sold" are based on original, lower inventory prices as opposed to more recent, inflated inventory prices. Lower "cost of goods sold" means higher taxable incomes and tax liabilities. Conversion to more realistic "last in—first out" (LIFO) method is very complicated and costly for smaller business. Under the bill:

A. Cash accounting (immediate expensing) would be permitted for businesses with total annual sales of $1 million or less.

B. Tax penalty associated with conversion to LIFO, which results from requirement to take back into income all previously written down inventories, would be payable over 10 year period.

C. Bill would delay until after December 31, 1980, compliance with Revenue Procedure 80–5 and Revenue Ruling 80–60, which require taxpayers to take back into income the value of erroneously written down inventories (Thor Power Tool case), to give small business more time to comply.

Mr. WEICKER. Mr. President, for too long we have paid lip service to small business—which constitutes 97 percent of all businesses in the United States and is responsible for over 7 million of the 9 million new jobs (75 percent) created in the past 10 years. We have talked a lot about small business being an "endangered species" in this era of conglomerate business; horizontal and vertical integration; runaway inflation; stifling interest rates; and economic stagnation. But the fact remains, Mr. President, that we have had much talk but little concrete action.

SMALL BUSINESS: CHRONIC CAPITAL SHORTAGE

Small business in this country has endured for decades under a highly discriminatory tax policy that only aggravates its comparative disadvantage relative to larger enterprises in retaining and having access to capital. Tax deductibility for depreciation is too complex and favors larger capital intensive enterprises; advantageous LIFO accounting rules require costly tax accounting counsel; investment tax credit incentives apply mainly to new capital; and corporate tax rates are not progressive enough to permit adequate capital retention.

On this point, Drs. Hans Stoll and James Walter of the Wharton School, have recently concluded ("Tax Incentives for Small Business"—1980) that:

Certain aspects of the tax law are discriminatory. Specifically, the present corporate income tax fails to give due consideration to intersize differences in the ability of corporations to generate cash flows internally and to gain reasonable access to the capital markets. While small businesses receive some tax benefits . . . that narrow the gap relative to large corporations, the characteristics of many small firms . . . have the effect of raising effective tax rates as compared to large firms.

And, more recently, our deteriorating economic situation has compounded the tax inequities and has begun to have catastrophic effects on the viability of small business. Sources of external capital—on which smaller businesses depend for working capital purposes—have either dried up or become prohibitively costly, and inflation has driven up costs and eroded the cash flows that are the lifeblood of small business. It should be no surprise, therefore, that bankruptcies and absorptions are on the rise, particularly for small business, and the prospects for the foreseeable future are exceedingly grim.

Clearly, our discriminatory tax policy and our economic "stagflation" are a lethal combination that together have nearly shut off the capital lifeline of small business in the United States. In my judgment, Mr. President, we are approaching a watershed for small business; either we will begin urgently to make the tax system more conducive to the attraction and retention of small business capital, along the lines of the bill we are introducing today; or, alternatively, we will continue our policy of benign neglect of the small business capital shortage, in which case we will have more absorptions by the corporate octopus, fewer private sector jobs, and less innovation—it is that simple. In short, we cannot go along as we have and take for granted that the backbone of our free enterprise system will continue to be able to make the contributions it has for so long, because it will not be able to.

I submit, Mr. President, that the appropriate committees of the Congress ought to move with all deliberate speed to give consideration to the omnibus measure we are introducing today to foster improved capital formation and retention among smaller businesses. This is a consensus bill that has the support of a number of the leading small business organizations, including the National Federation of Independent Businesses, the National Small Business/Legislative Council, the National Association of Small Business Investment Companies, the National Association of Wholesalers/Distributors, and the Small Business Association of New England.

It is a carefully tailored and balanced approach to relieving the highly unjust burden of taxation that has become such a major obstacle to small business capital formation and retention. And, most importantly, it recognizes the evolutionary nature of small business development, with its very distinct phases of capital needs and sources, a fact so fundamental to understanding the unique capital problems of smaller business today.

Mr. President, last year the President convened a White House Conference on Small Business and charged it with responsibility for developing recommendations for ameliorating the problems of small business. The final report of the conference, issued in April 1980, confirms the overriding importance of the capital shortage problems of smaller businesses in our country. The report concludes:

The delegates' chief preoccupation was with problems of finding and retaining capital. Capital from outside sources is always more difficult to obtain for small businesses than for large ones, yet small companies—particularly young and expanding ones—rarely have sufficient earnings to support their growth. Current economic conditions have exacerbated the problems.

There was so much interest in capital problems that the delegates would unquestionably have voted several of (the) proposals among their top recommendations if the conference rules had not required them to narrow their selections to five recommendations. All of the five that they finally chose received heavy support and ranked among the nine highest priority proposals at the Conference.

Mr. President, I hope my colleagues will have a chance to examine the final report of the White House Conference on Small Business, so that they might have the benefit of studying the recommendations adopted. Unfortunately, the report belongs in the "more talk" category, not the "action" category. And that is the reason we are introducing the Omnibus Small Business Capital Formation Act of 1981 today. There has been enough study, conferring and analysis. Let us begin to act—to implement what is by now a consensus finding: That tax relief to encourage small business capital formation and to permit more capital retention is long overdue and will be of enormous benefit to our economy.

EXPLANATION OF THE BILL

Mr. President, I would like now to discuss the provisions of our bill in greater detail. The Omnibus Small Business Capital Formation Act of 1981 is divided into five sections: Capital formation; capital retention; estate and gift taxes; employee stock options; and inventory accounting.

As I pointed out earlier, the fundamental premises of this bill are: First, that tax relief to preserve and attract small business capital is essential for U.S. employment and productivity growth; and second, that such tax relief must be based upon the evolutionary process involved in the sources and uses of small business capital. In the formative stages of development of such enterprises, small businesses rely very heavily on personal and individual capital and venture capital companies. As enterprises mature, they command greater access to commercial bank debt capital and, ultimately, to public financing in debt and equity markets.

A properly tailored omnibus tax bill must take account of this evolutionary process to be of benefit to smaller businesses located all along the various stages of the financing spectrum. There should be a recognition of the need to permit greater capital retention among those firms which must rely on internally generated capital. But provision must also be made to create investment incentives for those firms attempting to have access to external capital—particularly equity capital in this high interest environment; and, finally, overarching all else, there must be simplicity and ease of compliance for small business taxpayers. These are the considerations we have been mindful of in the preparation of this bill.

CAPITAL FORMATION

Of profound importance to the smaller businesses of our country, Mr. President, is their ability to raise capital from ex-

ternal sources. Access to external capital—debt or equity—is the central determinant of whether or not a small business will be able to expand; to increase employment; to innovate; to take advantage of the greater productivity associated with economies of larger scale production. Often, break-even points are such that small businesses will not be able to realize profits at all until they reach a stage of operations that can only be financed by outside capital.

The "catch-22" in all this, of course, is that small businesses are denied access to important sources of debt capital or can get it only at exorbitant rates; and are too obscure or too risky to attract individual or institutional equity investors. They find it difficult to obtain equity capital because they are not generating enough capital internally, but they will not self-generate adequate capital until and unless individual and institutional investors are given the incentives to make equity capital available to small business.

The facts bearing out this contention are legion. Well known, of course, are the data which show that from 1969 to 1977, new equity capital raised by companies having a net worth of under $5 million dropped from $1.3 billion and 698 issues to $42 million and 13 issues. While there has been some recovery since 1977, the grim economic situation we now are in can only reinforce the endemic nature of this problem.

A joint industry government committee on small business financing examined these problems very carefully in 1979 and concluded:

> It is the contention of this Committee that the lack of adequate tax incentives has both discouraged and, in some cases, prevented investment in small business by both individual and institutional investors.
>
> One result of tax structure disincentives is the very limited access of small businesses to public securities markets and the subsequent overreliance on short and long term debt for financing innovation, modernization and expansion.

The committee looked into Federal Trade Commission figures for manufacturing corporations and found a very disturbing rise in debt dependency for small businesses, as a result of the inaccessibility of equity capital. The data show that in 1968, for all corporations, total liabilities represented 44 percent of the balance sheet total and stockholders equity accounted for 56 percent. The figures were analogous for companies with assets under $5 million. By the end of 1978, however, while there was only a slight change in the liabilities/equity mix for all corporations, smaller corporations experienced a sharp balance sheet deterioration, with liabilities going up to 55 percent and stockholders equity dropping to 45 percent—down 12 percentage points in 10 years.

The conclusion of the committee about this declining equity/debt ratio is obvious:

> The smaller firms who have yet to gain access to the normal capital markets are the hardest hit. Traditionally, their available sources of capital are borrowings or earnings and as their equity/debt ratios decrease, borrowing becomes increasingly more difficult.

Essentially the same conclusion was reached in 1977 by an SBA-appointed blue-ribbon task force on venture and equity capital, under the chairmanship of William T. Casey, the new Director of the Central Intelligence Agency. The Casey commission concluded:

> It is a matter of acute concern that, in the face of clearly emerging needs and the documented benefits to the U.S. economy, a set of impediments have developed that are preventing smaller businesses from attracting the capital without which they cannot perform their traditional function of infusing innovation and new competition into the economy. Unless those impediments are overcome, the ability of the economy to compete in the world and meet the needs of the American public will be seriously eroded. It is alarming that venture and expansion capital for new and growing small business has become almost invisible in America today.

And so, Mr. President, my cosponsors and I are proposing a number of critically needed improvements in our Nation's tax laws to enable smaller businesses to fare better in attracting equity capital investment. Each of the provisions in this section of our bill would create a new or improved incentive for equity investors to select small businesses for their investments, helping to reduce the dangerous overreliance of many small businesses on debt capital and offering an important new opportunity for growth and development to the smaller businesses of our country—so they can continue their vital role as our principal source of new jobs, innovation and competition.

INVESTMENT TAX CREDIT

Section 101 of the Omnibus Small Business Capital Formation Act of 1981 would provide for a 10-percent tax credit, up to $4,000 per person, for investment in the stock of small and medium-sized corporations. This credit is intended to encourage the participation of individual investors in the capital markets and thus help to solve this enormous equity capital shortage problem for America's smaller business.

The credit would be available only for equity investments in the primary public offerings of firms with net worth under $25 million per year. The credit would not be limited to initial public offerings, but would be available for all offerings provided the size limitations are satisfied.

Mr. President, this is a very carefully targeted incentive. It will not represent a windfall to speculators who fully intended to purchase these equity issues anyway; it will focus benefits mainly at the middle income investors; and the incentive is available only for small business investments.

The justification for enacting this equity investment tax credit is that it will provide a special incentive to both individual and institutional investors to look carefully at small business equity offerings. The decline in the participation of individual investors in the market and the preponderance of institutional activity, together with the slippage of regional broker/dealers, have made it very difficult for smaller businesses to attract interested investors. In addition, recent Federal regulations and interpretations have had a chilling effect on institutional portfolio managers' interest in small business equities.

Accordingly, we believe it highly desirable as a matter of public policy that the U.S. Government should afford this marginal—though important—incentive to purchasers of new equity issues of smaller businesses.

And we are not kidding ourselves that the 10-percent credit will be the decisive consideration in determining whether or not to buy small business equities. But it will help to focus the interest of investors in small business and, most importantly, will give the targeted firms the parity they now lack in competing for the investment dollar with banks, the U.S. Treasury, the "Fortune 500," and the commodities in this highly inflationary and uncertain economic environment. Indeed, Mr. President, it is principally on this basis that we offer this proposal to influence, as it were, the free market allocation of capital.

To the extent that this credit succeeds in channeling more equity capital toward smaller businesses that are not now attracting it, small businesses will be placed on a firmer financial footing and be better equipped to generate the jobs and innovation we all agree are required for the 1980's and beyond.

Mr. President, section 101 is similar to S. 655 which was introduced in 1979 and to S. 3320, introduced during the 95th Congress. It has been studied in Congress and elsewhere, and I believe is an idea whose time has come. The White House Conference on Small Business agreed, Mr. President, and made this tax credit idea one of their top 15 recommendations, asserting:

> Because of the high inflation rate, most sophisticated investors are increasingly looking for immediate tax advantages. Such a credit would provide an incentive for investors and would help balance small companies' excessive debt/equity ratios.

SMALL BUSINESS PARTICIPATING DEBENTURE (SBPD)

Section 102 of our bill would provide the tax incentives necessary to bring into being a new, hybrid type of financing instrument that would enable small business to tap external financing sources they cannot presently reach.

The SBPD would be a debt obligation, in that it would bear a fixed rate of interest, be redeemable at a predetermined price on a future date certain and involve no ownership interest. But it would also have equity characteristics, in that purchasers would receive a share in the company's earnings during the holding period, which would be taxed as capital gains. The stated rate of interest received on the SBPD would be taxable to the investors as ordinary income, but amounts received as a distribution of the company's earnings would be taxable to the investors at the preferential long-term capital gains rate.

The issuing company would be per-

mitted to deduct both the interest paid on the instrument and the portion of profits distributed to the holders of SBPD's.

Now, Mr. President, I have been urging enactment of this idea since I first introduced it, in slightly different form, as S. 1481, in July 1981. In January 1980, the nearly 1,600 delegates to the White House Conference on Small Business voted the SBPD concept as one of their top 10 recommendations. The idea has been endorsed by numerous small business organizations, including the National Small Business Association, the National Association of Small Business Investment Companies, the Council of Small and Independent Business Associations, and the Small Business Legislative Council.

The reason for this widespread endorsement is clear: The SBPD is tailored to fit the unique financing requirements of many small businesses. It is designed specifically for the small business seeking to expand which cannot or prefers not to go the route of a large public equity offering, either because potential investors have reservations about the liquidity of such securities or because small business entrepreneurs prefer not to dilute ownership. The debt route, of course, is prohibitive today for many smaller businesses or, where feasible, must be secured by receivables, inventories or plant and equipment.

In today's high interest debt markets and liquidity-oriented equity markets, therefore, conventional financing vehicles are unsuitable for smaller businesses. It is for this reason, Mr. President, that we propose creation of this new, hybrid vehicle that would open up an important new opportunity for external capital to our smaller businesses.

Mr. President, the SBPD would have the status of a debt security with a stated rate of interest, but would also provide an inducement for the investor by returning to him a share of the company's earnings during the period the SBPD is outstanding. Because the SBPD would provide for a specific redemption date, the issuing company would effectively be paying a premium for the use of the capital, but only for the period of use.

Pursuant to this legislation, a SBPD could only be issued by a domestic trade or business, whether or not incorporated, which has a net worth of less than $25 million. The size limitation imposed on the issuing business is based on the findings made by the 1977 SBA task force on venture and equity capital.

Because the legislation is designed to provide capital for businesses without access to the equity capital markets, only companies which do not have securities outstanding which are subject to SEC regulation would be eligible to issue SBPD's. Additionally, no company may have issued and outstanding, at one time, SBPD's with a face value in excess of $1 million. These size and dollar amount limitations are generally applied by treating the members of a controlled group as one taxpayer.

Pursuant to the legislation, a disposition would be deemed to have occurred if the SBPD is redeemed by the issuing company or if the taxpayer becomes a "related party" to the issuer.

The Chairman of the White House Commission on Small Business, Arthur Levitt, Jr., has articulated the case for enactment of this legislation.

SBPD's offer exciting possibilities. They are essentially debt instruments with an equity feature, but they are not convertible and do not carry any attached warrant. Rather, interest payments would be variable, keyed to a company's profits. The SBPD combines the best characteristics of debt with the best characteristics of equity.

When a company is struggling in its early years, the interest rate could be set low: when the company begins making money, it would pay additional interest from net income just as it would pay in dividends. The terms would be negotiable, allowing rates and payments of principal to vary according to different companies' needs and growth potential.

Small companies would get the advantages of a low initial interest rate and, later, dividend-type payouts that can be deducted against taxes as an interest expense—all without giving up a portion of equity to outsiders.

Investors, or lenders, would get the opportunity to participate in earnings growth, could treat the interest income as preferential capital gains, and eventually would get their money back without having to find a buyer for the security, as they would have to do if they held stock.

SBPD's offer ways around numerous roadblocks in today's debt and equity markets. They would provide a greater incentive for individual investors to provide equity capital, and large companies may find it more attractive to provide more liberal trade credit for their small business suppliers and customers.

I hope very much, Mr. President, that my colleagues will consider this new and promising idea, and let us have the benefit of their support.

CAPITAL GAINS TAX REDUCTION

Section 103 of our bill proposes to reduce the maximum capital gains tax rate from 28 percent to 21 percent, by increasing the present exclusion for determining capital gains subject to taxation from 60 percent to 70 percent, but only in the case of those gains that result from investments in small business securities.

Under present law, enacted in 1978, individuals may exclude from taxation 60 percent of their net long-term capital gains, applying their ordinary income tax rate to the remainder. Thus, the maximum tax rate applied to the entire capital gain is 28 percent. Corporations may elect the preferential capital gains rate of 28 percent or, if less, may treat the gain as ordinary corporate income and pay their applicable corporate tax rate.

Our bill proposes that, in the case of capital gains resulting from the sale of small business securities, the maximum rate shall be reduced to 21 percent, by raising the present law exclusion of 60 percent to 70 percent.

Now, Mr. President, we believe a further reduction in capital gains taxes is vital to unlock capital and channel it into a new, job-creating and productivity-improving investment. As I pointed out above, the capital shortage problem for small business in America today is chronic and of epidemic proportions. Savings rates as a percent of personal income have collapsed in the past decade, reaching an all-time low of 3½ percent in late 1979, compared to over 20 percent in Japan.

The great advantage of further capital gains tax reduction over other alternatives is that it bears directly on both the incentive to free up existing capital investments and the projection of the after-tax effective gains accruing from future investments. Following the 1978 capital gains tax reductions, there was a sharp jump in new equity offerings and in private partnership venture capital investments, both direct results of the capital gains tax cuts. Clearly, a further capital gains tax reduction targeted at small business investments, would go a long way toward bringing much-needed new capital to our smaller businesses. Indeed, the joint industry/government committee to which I referred above, expressed its support for establishing a small business capital gains tax edge:

The recent reduction in the capital gains tax rate is laudable but financing for small business would be encouraged further if the tax rate for gains in equity investments in such businesses were further reduced.

The advantage of limiting capital gains tax reduction to smaller businesses is that we would be providing the incentives to invest where the greatest public policy benefits could accrue—that is, to the principal creators of new jobs and innovation in our country, our smaller businesses.

As a result, the revenue losses associated with capital gains tax reduction would be far less than would be expected from a general capital gains tax cut. The Office of Advocacy at SBA estimates that an 80-percent exclusion for small business investments would cost only a fraction of a general increase in the exclusion—perhaps less than $200 million—an important consideration in our present budget deficit situation.

So, Mr. President, I hope our colleagues will be able to support this targeted capital gains tax reduction, as a most sensible approach to unlocking previous equity capital and channeling it to where it will do the most good for our Nation.

CAPITAL GAINS ROLLOVER

Section 104 of our bill would permit sellers of small business stock to sell their interest for cash and defer any capital gains tax they may owe as a result of the sale, provided they reinvest the proceeds from the sale in another small business within 18 months of the date of sale. This tax treatment would be very similar to what is now available to homeowners who purchase another house within 18 months.

Mr. President, it is critically important that my colleagues understand the intent of section 104. We are not trying to create some sort of artful new tax dodge for small business investors. We are trying to preserve those smaller busi-

nesses that are now being absorbed through corporate reorganizations.

The reason for this is simple: The Internal Revenue Code tax-free reorganization rules permit an owner of a small business to exchange his interest for stock in a larger corporation and enjoy nonrecognition of any gain resulting from the merger. If he sells out for cash, however, he must pay capital gains taxes. In other words, an entrepreneur can defer taxes right now, but only by selling out to another corporation in a stock transaction. Clearly, the tax law favors absorptions by larger businesses, and is a principal reason for the decline of small business in America.

Mr. President, we are seeking to promote small business continuity and, at the same time, moderate what seems to be an ineluctable tendency toward excessive concentration in U.S. business today. If this capital gains "rollover" idea were adopted, a small-business owner could sell out his interest and reinvest in another, and not incur any immediate tax consequences—precisely the advantage he now gets if he exchanges his interest for stock.

This proposal has broad and enthusiastic support, Mr. President. The National Association of Small Business Investment Companies has made the capital gains "rollover" its "top priority"; the White House conference listed this as recommendation No. 4; and the American Institute of Certified Public Accountants, after a 3-year review of tax matters affecting small business, cited the 'present tax law's bias in favor of a major publicly held corporation," in recommending tax deferred sale of small business enterprise investment to encourage "the continued viability of privately held businesses."

In addition, tax deferral of small business capital gains will help tremendously in keeping capital available to our small businesses. The opportunity to rollover capital gains if reinvested in another small business will be a powerful incentive to direct freed-up capital to new and developing smaller businesses.

This view is supported by Drs. Stoll and Walter, in their recently published "Tax Incentives for Small Business." They conclude:

> Deferral of the capital gains tax, conditional upon the reinvestment of realized gains in selected at-risk investments . . . has the added advantage of motivating continued investment in small business. Tax deferral of capital gains, subject to their reinvestment in selected small business categories, generally augments further the available supply of equity funds.

Mr. President, I realize that capital gains rollover, like the credit in section 101 and the SBPD, is a relatively new concept, and for that reason, faces an uncertain fate in the tax-writing committees of Congress this year. But I know our new chairman, the Senator from Kansas (Mr. DOLE), and the gentleman from Illinois (Mr. ROSTENKOWSKI) will not let the newness of these ideas impede an evaluation on their merits. I commend these three propositions to their careful study, and I know they will give them every possible consideration.

SUBCHAPTER S REVISION

Section 105 of the Omnibus Small Business Capital Formation Act proposes to increase the permissible number of subchapter S shareholders from 15 to 100, so that this very advantageous capital-raising vehicle may be of even greater benefit to small business.

Very briefly, Mr. President, under subchapter S of the Tax Code, qualifying corporations may pass net income or loss through to the stockholders, who report it as ordinary income or losses. This avoids the double taxation of corporate income and permits shareholders to deduct corporate losses against other personal income.

However, at the present time, subchapter S companies may have only 15 shareholders, which limits their usefulness to new companies, especially those seeking the start-up capital that is rarely available from banks or public offerings. We believe that raising the permissible limit to 100 shareholders would provide the potential for a greater infusion of new capital into small businesses, which typically take 5 to 10 years to develop into profitable concerns.

In short, Mr. President, section 105 of our bill would widen the scope of this unique capital-raising vehicle, and permit the extension of its advantageous tax treatment to far more small businesses. As Arthur Levitt, the chairman of the White House Conference on Small Business, testified before the Small Business Committee:

> By expanding the limit to 100 shareholders, this vehicle could attract a great deal of capital for a wide variety of new enterprises.

I cannot say with any certitude, Mr. President, that 100 is the optimum number to which to raise the present cap. I know the staff of the Joint Tax Committee recommended 25 last year, and that this was the figure in H.R. 5829, as reported by the Finance Committee. Personally, I believe that figure is too low, and hope the committee will be more flexible in broadening the scope of subchapter S applicability. I know they will want to take into account a very succinct conclusion of the securities dealers' joint Industry/Government Committee:

> Since our inflationary economy necessitates increasing amounts of capital investment for the profitable operation of a small business concern, (Subchapter S) limitations have an adverse impact on the growth of small business corporations. The shareholder limitations hinder business growth and planning by requiring the investment burden and risk to be spread among a small number of shareholders.

BROKER-DEALER RESERVE

Mr. President, section 106 of our bill is very similar to the provision reported by the Senate Finance Committee in H.R. 5829 last September. This would permit dealers and certain specialists making a market in small business securities to defer the recognition of gain of up to a total of $1 million on the gains from the sale of small business stock and place this amount in a reserve earmarked for market-making activities in small business securities.

One of the major obstacles small businesses face in attracting equity investment is the perceived illiquidity of such securities. Often the companies are unknown and their long range prospects impossible to predict with a reasonable degree of accuracy. For this reason, investors are reluctant to invest in such securities unless they can be assured of subsequent marketability. Indeed, in order for a securities dealer to sell a new offering of a small business equity security, the dealer must be willing to come in and support that security in the after market by purchasing those shares which others are unwilling to buy.

This provision of our bill, therefore, would create an incentive for dealers and specialists to establish a market making reserve for small business securities, and thus assure potential investors of the liquidity of such investments.

The committee report on H.R. 5829 is very clear about the benefits of this provision:

> The committee believes that by allowing security dealers to defer the recognition of gain on small business stock in which they make a market, it will encourage dealers to make markets for unlisted securities of smaller corporations. The committee believes that this will make new capital markets available to small businesses.

I hope very much the Senate Finance Committee this year will reaffirm its support for this proposal to aid in the marketability of small business equities.

CAPITAL RETENTION

Mr. President, the various proposals to help smaller businesses attract more equity capital are, as I indicated at the beginning of my statement, aimed primarily at those firms which are at the point in their development where they have a reasonable prospect of "going public" and moving from a state of dependence on internally generated funds to having the ability to tap external sources. As vital as this opportunity may be for such companies and indeed, for our country, it may not help relieve the capital shortages of the majority of smaller businesses, that is, those that do not yet have a prospect of "going public," and thus expect to have to rely either on high cost, secured debt or internally generated capital.

In short, Mr. President, if we are going to remove the present tax obstacles to small business survival in this stagnant, high inflation, high interest rate economy, we will need to do much more than create incentives for equity investment. Specifically, we will need to permit our smaller businesses to retain a larger share of what they now earn, so they can plow these resources back into new investments in jobs and innovation creating production. This is by far the most efficient way to enable our Nation's smaller businesses not only to remain viable enterprises in this decade but also to carry on their traditional role as our main job creators and innovative sources of free enterprise.

The Omnibus Small Business Capital Formation Act of 1981 recognizes the fact that capital preservation and capital attraction are equally important; that each is relevant for small business depending upon the stage at which it is operating along the life cycle of business enterprise financing. Accordingly, our

bill includes a number of important provisions to reduce the present tax burden for small businesses, both directly—by reducing corporate income tax rates; and indirectly—by enhancing the opportunity of smaller businesses to take advantage of depreciation deductions and investment tax credit.

Our contention in proposing the following, Mr. President, is that inflation and the monetary policy means adopted to reduce it are wreaking havoc on our smaller businesses. Credit is either unavailable or available only at a prohibitive rate of interest. And real, after tax earnings are collapsing because anti-inflation policies are reducing economic activity generally, while costs continue to soar. Moreover, inflation makes historical depreciation deductions irrelevant when it comes to replacement and creates illusory taxable profits which disappear when inventories are replaced at current prices.

Larger scale businesses have many ways to deal with stagflation, Mr. President, either by borrowing at prime interest rates or in the commercial paper market or by reaching into retained earnings available for just such periods. In addition, they can take advantage of a whole array of favorable tax provisions including the various fast write-off methodologies and LIFO accounting rules. But smaller businesses rarely can avail themselves of these advantages, so they limp along under straight-line depreciation and historical cost inventory valuation, both of which amount to further turns of the financial vise which is squeezing the economic life right out of them.

Mr. President, I strongly urge my colleagues to study this section of our bill very carefully. If we do not enact some tax relief this year to enable small business to retain more capital, I am convinced we will make it unlikely that many potentially sound businesses will survive in the present and prospective economic environment. So, Mr. President, I submit the following provisions as our best judgment of how to rifle tax relief for capital investment directly into the majority of our smaller businesses—not just because they are deserving of tax relief, but because their financial strength is central to the revitalization of the U.S. economy.

CORPORATE INCOME TAX RATE REDUCTIONS AND BRACKET CHANGES

Section 111 of our bill would increase the number of tax brackets from five to seven, to make corporate taxes more progressive, and would reduce present tax rates, particularly for smaller businesses.

Present law:

Taxable income:	*Tax rate*
$0 to $25,000	17
$25,000 to $50,000	20
$50,000 to $75,000	30
$75,000 to $100,000	40
Over $100,000	46

Under the bill:

Taxable income:	*Tax rate*
$0 to $25,000	15
$25,000 to $50,000	17
$50,000 to $75,000	25
$75,000 to $100,000	30
$100,000 to $150,000	35
$150,000 to $200,000	40
Over $200,000	44

Mr. President, the arguments in favor of this proposal are so meritorious that I need not dwell on them at great length.

First, rate reduction and further graduation was the top recommendation of the White House Conference on Small Business. Fully 67 percent of the delegates cited this as the greatest single need of our Nation's smaller businesses. Clearly, the small businesses themselves realize that of all the possible measures to encourage survival today, direct income tax rate reduction is most beneficial.

Second, and I believe most persuasive, is the fact that since 1978, when the present rates and brackets were enacted, inflation has accelerated and effectively wiped out the benefit of the earlier rate reduction and graduation. In 1979, prices rose by over 13 percent, and in 1980, by over 12 percent, bringing to over 25 percent the combined price increase since 1978. Therefore, tax rate reduction and further graduation can be justified on the basis of the need to stay even with inflation, quite apart from any increased capital retention objectives.

In addition, Mr. President, further graduation, that is, the brackets under the maximum corporate tax rate on incomes over $200,000, is necessary to target the greatest benefit from rate relief on the smallest businesses. The case for this action was succinctly put by the Senate Finance Committee last year when it reported out a comparable additional graduation:

> Aware of the special problems encountered by small businesses in raising money in equity markets and in borrowing funds for investment, the committee believes that additional graduation in the corporate income tax structure for smaller amounts of taxable income is necessary to encourage capital formation by small businesses.

And so, Mr. President, I hope very much that the Ways and Means Committee in the House and the Finance Committee in this body will see fit to recommend to their respective Houses the kind of graduation and rate relief we are proposing today. I am convinced it is our very best hope for relieving the crushing burden of inflation on smaller businesses; for getting them safely through the economic difficulities that clearly lie before us; and for preserving the capital the private sector needs to invest and modernize our free enterprise system.

CAPITAL COST RECOVERY

Section 112 of our bill proposes accelerated and simplified depreciation tax treatment in order to obtain more realistic depreciation allowances for U.S. business. Specifically, we propose replacing the present scheme based on useful life and various permissible methodologies with a 5-year depreciation class for all equipment investments and a 3-year depreciation class for vehicle investments. A 10-percent investment tax credit would be available for investments in the 5-year class and a 6-percent credit would be available for investments in the 3-year class.

Up to $100,000 of equipment investment per year would qualify for the 5-year class without regard to any phase-in period in the legislation. My colleagues will recognize this proposal as the "5–3" parts of the well-known "10–5–3" bill introduced in the last Congress. We make no recommendation for depreciation of structures in our bill, preferring to leave this aspect to our colleagues on the Finance Committee.

Mr. President, by now, most of us are quite familiar with the problems of present tax law as it pertains to depreciation of plant and equipment. Essentially, the prescribed depreciation deduction schedules, based on concepts of useful life, do not permit capital cost recovery adequate to reflect the effect of inflation on replacement costs. Even with permissible variances, including the asset depreciation range system and various double declining balance methodologies, our capital cost recovery regulations are rooted in historical, irrelevant cost regimes. Consequently, depreciation deductions taken over useful life turn out to be far less than actual replacement costs.

For smaller businesses, this problem is far more pronounced, since the value of deductions is related to the firm's tax rate brackets, and since most rely upon a straight line methodology over the useful life of plant and equipment. Depreciation deductions taken in the first years of service, therefore, are the same as deductions taken in the last years, so the irrelevancy of historical cost accounting is exaggerated. Rules for ADR and the more recent attempts to make depreciation deductions more realistic are generally too complex to be of any use to small business.

The critical goal here, Mr. President, must be to accelerate depreciation deductibility—to permit plant and equipment to be written off more rapidly—so as to make depreciation deductions correspond more closely with actual replacement costs. In addition, whatever means are adopted must have ease of compliance. They must be simple enough to permit all taxpayers to avail themselves of them. Otherwise, like so much else in the Tax Code, they will be of little use for small business.

Arthur Levitt put it very well when he testified before the Small Business Committee on small business capital problems last March. Mr. Levitt said:

> The (White House Conference) delegates second most popular recommendation was for a capital cost recovery system to replace the present Asset Depreciation Range regulations. The major advantage to small business of a simplified depreciation system would be its ease of calculation and, I would suggest, its greater relevance to depreciation in a time of raging inflation. I believe that a faster, simplified depreciation system, specifically tailored to the needs of small business, is essential and should be a major legislative priority.

Mr. President, I do not wish to go on at length about the relative merits of "10–5–3" or "5–3" or "10–7–4–2," reported by the Finance Committee last year. It is clear to me that the new administration will be proposing landmark modification of what most of us now agree is an antiquated, irrelevant depreciation tax scheme. The House Ways and Means Committee and the Senate Finance Committee will receive the Reagan administrations proposals and, after due deliberation, make recommendations to their respective bodies.

What concerns me is that whatever scheme we finally enact had better be relevant for small business. Most of them are not capital intensive; most invest in relatively short lived assets; most do not have top accountants and tax attorneys under retainer; and those in the lowest corporate tax brackets get relatively little benefit out of depreciation deductions anyway. If the new regime is not a simple, tailored improvement in the law, most small businesses will continue straight line depreciation and continue failing to recover sufficient deductions to be able to maintain capital investment. Moreover, if there is no coupled tax credit incentive, there is a danger that small business could be worse off tnan under existing law.

So, Mr. President, I hope the bill we introduce today will help focus attention on the urgent need to enact, not just depreciation reform, but depreciation reform meaningful for smaller businesses—and I submit that the place to start is with the "5–3" concept we have proposed in our bill.

ACCUMULATED EARNINGS LIMITATION

Section 113 of our bill would raise the amount of permissible accumulated earnings from the present level of $150,000 to $300,000.

The Tax Code places this limit on retained earnings specifically to prevent businesses from avoiding double taxation of earnings by not paying out dividends to sharehoulders. This policy, of course, has generated numerous costly and time-consuming taxpayer appeals from IRS challenges, particularly among businesses who future capital needs are uncertain and which do not pay out dividends.

In 1975, the then-existing limit of $100,000 was raised to $150,000. Since then, inflation has completely eroded the real value of the 1975 increase, so that today a further adjustment is warranted. Moreover, as it is highly unlikely that this arbitrary ceiling will be removed altogether, Congress may not look at this ceiling again for another 5 years. Accordingly, our bill proposes to raise this ceiling to $300,000, to enable smaller businesses to take advantage of future capital investment opportunities by retaining sufficient earnings without engendering protracted controversy with IRS.

TAX CREDIT FOR INVESTMENT IN USED PROPERTY

Mr. President, one of the most glaring examples of how the Tax Code discriminates against smaller businesses is the provision which limits the applicability of the 10-percent investment tax credit when the investment is in used equipment. An investment in used equipment qualifies for the tax credit, but only to the extent that the investment is less than $100,000.

It is difficult for me to understand why the distinction between new and used equipment was made in the first place when the investment tax credit was enacted in 1964. The credit applies to an unlimited investment in new equipment, but only up to $100,000 of used equipment. Smaller businesses must rely more heavily on "hand-me-down" equipment, simply because they do not always generate enough earnings or have access to enough capital to be able to afford new equipment. But the tax law favors "new," as opposed to "used," and thus forces smaller businesses making major reinvestment plans either to buy new or forego the credit.

Mr. President, the evidence accumulated by the Senate Small Business Committee in respect of substantial small business dependence on used equipment, particularly in this high technology environment, suggests that as a matter of simple equity for our Nation's small businesses the existing ceiling on used investment should be increased, if not removed entirely. Accordingly, our bill proposes to raise the ceiling from $100,000 to $250,000.

I wish we could propose to eliminate the ceiling entirely, Mr. President. Personally, I share the view of the Machinery Dealers National Association, which testified before the Senate Finance Committee last year, and stated:

> The investment tax credit law does not treat "all firms equally", but rather creates a blatant discrimination against small businesses. I don't believe Congress ever debated the issue of whether it should enact a tax policy that discriminates in favor of large businesses and against small businesses, but it did adopt such a policy by placing a ceiling on used equipment tax credits. The removal of the used equipment ceiling will give all businesses an equal opportunity for the use of the investment tax credit and will amount to a targeted change in our tax laws for the benefit of small businesses which in time will benefit our overall economy.

But I am a realist, and believe it is unlikely that the ceiling will be repealed this year. So, Mr. President, as a matter of elementary justice and for the improved productivity of our economy, I urge on the Finance Committee to adopt on upward adjustment in the used equipment tax credit ceiling to bring it to no less than $250,000. In addition, I would hope consideration could be given to a phased elevation of the ceiling, to reach $500,000 by 1985.

INVENTORY ACCOUNTING

Mr. President, subtitle D of our bill includes three provisions designed to afford a measure of tax relief for smaller businesses in the vital area of inventory accounting.

Thanks to Congressman HENRY NOWAK of New York, chairman of the House Small Business Committee Subcommittee on Access to Equity Capital, who held hearings on this matter last year, attention is at last being focused on the need to make permissible inventory accounting procedures more relevent for small business.

During a time of high inflation, Mr. President, the accounting for inventories can be a principal determinant of whether or not small business tax liabilities accurately reflect real increases in taxable income. Indeed, for labor intensive small businesses, inventory costs are far more important than depreciation deductions and are the principal investment activity.

The fact is that most small businesses are paying far more tax than they should, because their inventory accounting methodologies fail to make proper adjustment for the effect of inflation in producing illusory, though taxable, profits. This occurs because inventory systems based on historical costs of inventory, such as the first-in-first-out method (FIFO), yield artificially low "cost-of-goods sold" figures and, therefore, artificially high nominal taxable incomes. Businesses thus incur high tax liabilities, but replace those inventories at current prices, causing some of the previous nominal taxable income to vanish.

This is why, Mr. President, many larger businesses are converting over to the more realistic "last-in-first-out" (LIFO) methodology, so as to make reported inventory costs more relevant to actual replacement costs. But the vast majority of smaller businesses will not convert to LIFO, because the LIFO rules are very complex and because there are various one-time additional tax penalties associated with conversion. Thus, they are forced to operate under a most inequitable system of inventory tax regulations, which have little relevance for their true inventory costs and which materially damage their ability to retain earnings for capital investment and productivity growth.

The House Small Business Committee hearings on inventory accounting highlighted this problem for small business. The committee states in its report, dated October 2, 1980, the following:

> Tax simplification of the inventory accounting methods, like depreciation reform, aids capital formation by increasing the internal cash flow of a business.
>
> There is, however, a fundamental difference in these two types of tax reform. Accelerated depreciation reform focuses on the needs of capital intensive small businesses. On the other hand, inventory accounting reform aids the vast majority of small businesses, which are primarily labor intensive.

Accordingly, Mr. President, we are proposing today three measures to enable our Nation's smaller businesses to have more realistic inventory accounting for tax purposes.

First, we would permit the smallest businesses—those with sales of less than $1 million per year—to use cash accounting, that is, to expense their inventories as these are purchased. In this way, the FIFO/LIFO distinction would be obviated and the tax deduction would be exactly equivalent to the real cost of the inventory. For these small firms, it would be unnecessary to wait until goods were sold before deducting the inventory cost. I realize the problems some may have with this idea—particularly as it represents a departure from the generally accepted accounting principle that income and the costs of producing that income should be reported contemporaneously, that is, properly matched. Yet we permit small farms to use the immediate expensing method, and for the very same reasons that we ought to permit other small businesses to use it: Simplicity and equity.

In short, Mr. President, I believe we must accept the risks of some income distortion and vigorously pursue potential tax shelter abuse, as prices worth paying to give our smallest businesses a fair chance at realistic inventory ac-

counting in this very severe inflationary situation.

Now with respect to the revenue losses associated with cash accounting—which will be considerable—the Joint Tax Committee will have shortly a revenue estimate for this and the other parts of our bill, and I intend to put that in the CONGRESSIONAL RECORD when available. But, in reference to cash accounting, we will have primarily a one-time effect, as small businesses convert from the accrual method to the cash basis. As a result, out-year revenue costs could be expected to be much less than the first year impact. I might add, Mr. President, that we are following the present effort to simplify LIFO rules to enable more small businesses to adopt LIFO. I encourage that effort as a matter of utmost urgency and hope it will prove successful. I doubt whether IRS will retain much credibility in this area if the LIFO rules are not soon made feasible for small business.

Second, Mr. President, and as a way of facilitating conversion to LIFO, our bill proposes to give taxpayers 10 years to pay off the additional tax liability associated with taking back into income all previous inventory write-downs, which are not permissible under LIFO. The burden of paying this additional tax immediately is often an obstacle to such conversion.

And third, Mr. President, our bill proposes to delay until this year compliance with the IRS regulations promulgated in the wake of the Thor Power Tool decision, which determined that many previous inventory write-downs were in error and must be taken back into income. This is similar to a provision in the tax bill reported by the Finance Committee last year and will give more time for compliance.

ESTATE TAX REFORM

Mr. President, title II of our bill deals with various estate and gift tax reforms that are very familiar to my colleagues and are long overdue. The basic problem is that the continuity of small business is jeopardized by very onerous tax laws that, unfortunately, often fall most heavily on those least able to pay. The experiences of survivors being forced to dispose of estates in order to afford estate taxes are well knows to us all, Mr. President, and I believe we have an emerging consensus on the need to make major improvements and inflation adjustments in the estate and gift tax laws.

Briefly, our bill would raise the present estate tax exemption to $600,000, along the lines of a very gifted proposal made last year by Senator DURENBERGER; provide for an unlimited gift and estate tax marital deduction; increase the annual gift tax exclusion to $6,000 per donee; make certain changes in the special use of valuation rules for closely held businesses; set the value of gifts made within 3 years of a decedent's death at the value at the time of the gift rather than at the date of death; and permit the 5-year deferral/10-year installment election for payment of estate taxes, provided that at least 35 percent of the gross estate or, alternatively, 50 percent of the taxable estate is a closely held business.

EMPLOYEE STOCK OPTIONS

Finally, Mr. President, the Omnibus Small Business Capital Formation Act of 1981 includes a proposal recommended by the Senate Finance Committee last year, on the basis of a bill introduced by the Senator from Oregon (Mr. PACKWOOD).

The proposal would create a new incentive to establish employee stock option plans to enable smaller businesses to attract key management personnel. More specifically, our proposal would change current tax laws to provide that where an employee exercises a stock option, he shall incur no tax consequences on any "paper spread" between option price and market price. And when the employee sells the stock, capital gains tax treatment would apply to any gain between option price and selling price, provided that the employee met certain conditions as are set forth in the bill.

We hope this provision is enacted, Mr. President, because it will give businesses an opportunity to attract the best managerial talent, a sine qua non for small business success.

CONCLUSION

Mr. President, this concludes my remarks on the Omnibus Small Business Capital Formation Act of 1981.

I wish to say only that I hope this bill will receive careful scrutiny by my colleagues in the Senate and in the House, and of course, by the members of our tax-writing committees and their respective staffs. I commend the bill also to the new administration, which I believe can be especially sensitive to the concerns of the small businesses of our country. And, I hope too, that our bill will be considered carefully by the Treasury Department officials who are working now on the administration's major tax package.

I must confess, Mr. President, that I am deeply concerned that we will receive a tax bill about mid-February that will contain only two parts: Individual rate cuts and accelerated depreciation. I agree that both of these are needed, Mr. President, but we should not delude ourselves into thinking that these are all that are necessary if we are really going to revitalize our very sick economy. Small business, as I have said many times, is the backbone of this economy; it is the principal source of our new jobs and innovation; it holds the key to unleashing the dynamism that is inherent in our free enterprise system; and it is in very deep trouble for all of the reasons I have just described.

So, Mr. President, I am saying that we must have a tax bill tilted toward the sectors of our economy that need the most help and, most importantly, that are going to deliver the most bang for the Federal revenue bucks that will be foregone. I fear that a general, nondiscrete tax bill, that dilutes the benefits very broadly over the entire economy, without regard to the special circumstances and unique potentials of small businesses, will not only compound the problems they face in surviving the stagflation of the 1980's, but also will miss the mark as to the real needs of our economy.

Last, Mr. President, I invite my colleagues to consider joining us as cosponsors of this bill, even if they have reservations about one or more of its provisions. The point is that we all are sensitive to what is ailing one of the key sectors of our economy, and we intend to do all we can to bring our shared concerns before the tax-writing committees of the Congress. So I urge my colleagues in the Senate and the House to let us have the benefit of their strong support for one, some, or all of the provisions of this bill, so they can be recorded as having stood up for the small businesses of their States and our country, at this time of their greatest need.

Mr. President, I yield the floor.

● Mr. DURENBERGER. Mr. President, 200 years ago a group of our forefathers held a small get together called the Boston Tea Party to protest taxes on English tea. These small business people dumped tea into the harbor even though the English Government was offering it at a special below-market price on behalf of its monopoly. However, true to the entrepreneurial spirit, those colonists just wanted to be left free to do business as the market dictates.

Throughout our history this same kind of man and woman sailed the Yankee Clippers, invented the light bulb, and flew the first airplane. They provided the ingenuity, the hard work, and the jobs that fueled our economic system. Thank God these people still abound today because they provide the vast majority of new jobs and technological innovations we need to prosper.

It is time we acknowledge with more than just words these profound contributions of small business to our society. It is time to remove the unreasonable burdens placed on the shoulders of the small businessmen and women across this country by our outmoded, inequitable tax system.

In recognition of the importance of small business and its role in our economy, I am proud to join in introducing the Omnibus Small Business Capital Formation Act of 1981. The cosponsorship of this bill by Mr. WEICKER and Mr. NUNN, chairman and ranking minority member of the Small Business Committee, respectively, and Mr. BAUCUS, who is on both the Small Business and Finance Committees attests to the significance of this legislation.

This bill will greatly reduce the tax burden that robs small business people of the incentive to build upon a successful business and to reinvest in it. Additionally, the bill will simplify certain sections of the Tax Code that are now so complicated they are virtually useless to small business.

Small business deserves a far better fate than a complicated, counterproductive tax system that discourages entre-

preneurs from reaching their full potential. President Reagan rightly identified these people as American heroes, and we will do well to help them succeed.

Small business employs 54 percent of our present work force and creates 85 percent of all new jobs in the economy. Small business generates 45 percent of our gross national produce (GNP) and produces over 50 percent of all new inventions, innovations, and patents. The rate of innovation per dollar of investment is up to 24 times greater in small companies than in large ones, a fact that is extremely important in this time of need for greater productivity.

The social and economic importance of the small business community has become increasingly clear in recent years. And there is a growing awareness among small business people of their collective strength. A dramatic demonstration of that recognition came in the White House Conference on Small Business, from which many aspects of this legislation were drawn. In my own State of Minnesota, many of the WHCSB participants continue to meet and explore ways to keep their agenda in the forefront of the minds of the people and Congress. This pattern is being repeated in States throughout the Nation.

Throughout this process we have learned all too well of the barriers that the Federal Government has built in the way of business people. We have found the cost of regulation to be 7-to-10 times greater proportionately for small business. Congress started to address the overregulation problem last year with the passage of the Regulatory Reform Act, the paperwork reduction legislation, and the equal access to justice bill. I intend to see these bills implemented effectively and vigorously from my position on the Governmental Affairs Committee.

The regulatory burden is very real and deserves proper redress, but it is not nearly as significant as the tremendous restraints imposed by our tax system. The overwhelming need to unleash the most vital, creative element of our economic structure is the reason behind this legislation. We must restore a tax system that allows small business to grow and innovate. I am not talking about favoring one segment of the economy over another. I am talking about restoring equality and fairness.

The class life asset depreciation range method of recovering capital is just one example of the present inequity in our tax system. This method, which is generally known as ADR, is a tremendous benefit to those companies that can take advantage of its complex rules. IRS figures show 94 percent of the biggest companies use ADR while only one-half of 1 percent of companies with less than $5 million in assets use it. As a result large companies deduct depreciation at almost twice the rate as smaller businesses.

The corporate income tax rate is generally punitive, and especially so at the lowest end of the spectrum where a larger number of small businesses are clustered. The White House conference report indicates that more graduation in the tax brackets is the single measure that would most help all small corporations.

For some reason we have constructed an estate tax system that creates untold hardship and devours countless hours of planning that could be used much more productively in expanding or maintaining a business. This estate tax burden provides relatively little revenue while also preventing both the small entrepreneur and the family farmer from passing their legacy on to their heirs.

Inflation caused by continued Government overspending has created illusory profits for firms utilizing "first in, first out" (FIFO) inventory accounting. Though basically forced by Government-fed inflation, the current tax system makes such a conversion very complicated and costly for smaller enterprises.

All of these inequalities and more mandate a need for the provisions of the Small Business Capital Formation Act of 1981, which contains reforms in five broad areas. The bill deals with capital formation, capital retention, estate tax reform, employee stock options, and inventory accounting for small business. I would like to outline some of the more important aspects of concern in each area.

The ability to attract capital is essential for small businesses to survive and expand, but the present tax system largely fails to provide adequate avenues for small business to accumulate the needed funds. This legislation reduces the capital gains tax for individuals and corporations for investments in small business. The maximum would be decreased from 28 to 21 percent. History has shown that a rollback of the capital gains tax rate will produce greater investment. This provision should substantially boost investment in small business.

Another major proposal for capital formation allows capital gains "rollover" if the proceeds from the sale of one small business are reinvested in another qualifying small business within 18 months. This is a tremendous inducement for investors and individuals to keep their money invested in the small business arena. It encourages the best entrepreneurs to stay in the small business field by providing a place to invest their gains if they have been successful and decide to sell for some reason.

An investment tax credit for investment in new stock issues of small businesses with less than $25 million in net worth should permit a much broader range of investors to become involved in small business financing. This provision would allow a 10-percent tax credit—up to $1,000 per person—for such an investment.

Other capital formation aids in the bill include an increase in the permissible maximum number of shareholders in a subchapter S corporation, authorization of a new financing instrument called the "Small Business Participating Debenture," which is a hybrid security combining both equity and debt, and creation of a broker-dealer reserve that provides certain tax incentives for brokers dealing in small business securities.

The numerous barriers to small businesses in obtaining outside sources of capital make it imperative that these firms be allowed to retain as much of their earnings as possible. In the area of capital retention this legislation makes a number of major changes including the following reductions and bracket changes in the corporate income tax rate.

Present

Taxable income:	*Tax rate (percent)*
$0 to $25,000	17
$25,000 to $50,000	20
$50,000 to $75,000	30
$75,000 to $100,000	40
Over $100,000	46

Proposal new

Taxable income:	*Tax rate (percent)*
$0 to $25,000	15
$25,000 to $50,000	17
$50,000 to $75,000	25
$75,000 to $100,000	30
$100,000 to $150,000	35
$150,000 to $200,000	40
Over $200,000	44

Additionally, this bill would provide for accelerated and simplified depreciation tax treatment for more realistic capital cost recovery. This bill proposes utilizing the Capital Cost Recovery Act's "5–3" classifications which cover equipment and vehicles respectively. This is important to all business people but essential to small enterprises that find the ADR system too complicated and costly to use.

The bill would allow accumulated earnings to increase from $150,000 to $300,000 before imposition of the accumulated earnings tax. The used property investment tax credit ceiling would be raised to $250,000 from the present $100,000 level.

A variety of changes in estate tax law are set forth in this bill. The entire issue deserves rethinking and an overhaul. This bill starts us along that path. It increases the estate tax exemption from $175,000 to $600,000, provides an unlimited gift and estate tax marital deduction and allows a $6,000 per year donee gift tax exclusion instead of the present $3,000. In addition, changes are made in payment of estate taxes and the valuation of gifts within 3 years of the decedent's death.

The legislation also proposes several changes in special use valuation rules for farmland and closely held businesses. It broadens the participation criteria for the "material participation" test, expands the special use valuation rules in several cases, and reduces from 15 to 10 years the period for recapture if qualified property is converted to a nonqualified use. Other improvements are made in the recapture rule also.

All of these are necessary, equitable changes that rightly allow a small business or family farm to be passed from one generation to the next without a crippling estate tax burden. The current system drains countless hours and costs the owners of small enterprises thousands of dollars for a marginal return to the Treasury.

Under this legislation employee stock

options would again be a viable form of compensation. Employees would be free to exercise stock options without tax consequences as opposed to the current situation in which employees must pay ordinary income tax on the difference between the option and market prices of the stock. This change will give small businesses an excellent tool for attracting and keeping good management, a key to the future prosperity of the small business community.

The final section of this legislation deals with the effects of inflation on the various methods of accounting used by small business. Inflation creates illusory profits for firms using FIFO accounting, which means unfairly high taxable income and tax liabilities. Presently, conversion to LIFO method of accounting is costly and complicated and thus not reasonably available to many small businesses. The Small Business Capital Formation Act of 1981 acts in three ways to lower the barriers in the present law.

First, cash accounting—immediate expensing—would be allowed for businesses under $1 million in annual sales.

Second, the tax penalty for converting to LIFO would be payable over a 10-year period.

Finally, the bill would postpone until after December 31, 1980, the IRS ruling requiring taxpayers to take back into income the value of erroneously written down inventories to give small business more time to comply.

The need for this legislation is overwhelming. It will restore appropriate and fair incentives to the most dynamic sector of our economy. The small entrepreneur creates most of our new jobs, most of our innovations, and produces a huge segment of our GNP. This is not new aid or another Government bailout program. The Omnibus Small Business Capital Formation Act of 1981 gives back the freedom to achieve, grow, and prosper that is absolutely necessary if our economy is to reach its full potential.●

● Mr. NUNN. Mr. President, as ranking Democratic member of the Senate Small Business Committee, I am introducing, together with the chairman (Mr. WEICKER), members of the Small Business and Finance Committees, and others of my colleagues a comprehensive "Omnibus Small Business Capital Formation Act of 1981" as a lifeline for the creation, growth, and survival of small business in the turbulent 1980's.

THOROUGH OVERHAUL OF SMALL BUSINESS TAX PROVISIONS WILL BENEFIT THE ECONOMY

As a long-time committee member, I have witnessed at close range, the tremendous benefits that have flowed to our economy and society from the $2 billion of small business tax relief enacted since 1975. For example, in the 5 subsequent years (1976–80), a total of 12½ million jobs were created by small businesses. During that same period, the number of enterprises has grown by more than 1 million, to a total of over 15 million, of which approximately 97 percent are classified as "small business."

Despite this progress, however, the Nation and its business community confronts a tough new era—inflation has eaten into the capital of both producers and customers; vital fuels and materials, which were formerly abundant, are now costly, and/or scarce; pressing national needs in such areas as defense, transportation and retirement security exert powerful claims on the resources that are available, and competition from abroad is becoming more intense, not only for world markets, but for our own domestic market.

Although small businesses individually are most vulnerable to these difficulties, the small business community as a whole is our secret weapon for coping with these problems. This community contains people of vision, ability, and ingenuity who create and sustain enterprises which are dedicated to solving many of our worst problems. If they succeed, our Nation will succeed.

The framework within which these entrepreneurs operate—the private enterprise profit system—is the greatest engine for material progress that the world has ever seen. However, that engine is now throttled down by a number of basic elements of our tax system—most notably the rate structure, depreciation, inventory accounting, and estate tax limitations—that evolved during quieter less-demanding times, and are now obsolete.

In my opinion, we must have a thorough overhaul of the Tax Code to gear our system to revived productivity, maximum efficiency, and a fresh burst of enterprise for the decade ahead.

If Government can relieve the special and acute problems of new, family-owned, small and independent businesses, we will have gone a long way toward realizing those goals. Small business is disproportionately hurt by these structures of the Tax Code, and because it is such a large and significant part of economic activity, resolving these problems will add great strength and dynamism to the economy.

MAJOR FEATURES OF THE BILL

The "omnibus" bill we are proposing today recommends fundamental structural improvements in the tax laws and regulations governing the raising of capital for the creation, expansion, profitability, and continuity of independent enterprises.

We know that the smaller the business, the less likely it will be able to attract capital. Because of this, retained earnings are the primary source of funds for small business expansion.

The rate of corporate tax determines what will be retained at the end of the year. These "retained earnings" are the largest source of capital for small business. Therefore, the bill would improve the progressivity of the corporate rates up to $200,000 of taxable income. It would cut the bottom bracket from 17 percent to 15 percent—up to $25,000. The next bracket—$25,000 to $50,000—would be reduced from the present 20 percent to 17 percent. Income from $100,000 to $150,000 would be taxed at 35 percent—instead of the current 46 percent—while the tax on income from $150,000 to $200,000 would drop to 40 percent—also from 46 percent. The top bracket would also fall from 46 percent to 44 percent. In short, an equitable tax system should allow smaller firms to retain more of what their efforts have earned in the marketplace, because it is unlikely that they can find capital elsewhere. By doubling—from $100,000 to $200,000—the level beneath which the lower rates would apply, our bill takes a major step in this direction.

In the complex depreciation area, we propose a sweeping simplification by cutting the number of classifications of machinery and equipment from about 130 to 2. This change alone will eliminate the need for about 100 pages of tax regulations. Most equipment could then be depreciated over a period of 5 years, compared to an average of over 10 years under present rules. Motor vehicles could be written off over 3 years.

In addition, investment credit benefits would be increased to 10 percent for the 5-year bracket and 6 percent for the 3-year bracket, a major capital recovery advantage compared to 6⅔ and 3⅓ percent under present law.

The area of inventory accounting, which is even more complicated, was explored in committee hearings last year. As a result we are advancing several proposals designed to simplify the present tangle of rules which are incomprehensible to all but the most highly trained experts. Our studies show that currently, only 3 percent of the business population is able to utilize the "last-in/first-out" accounting (LIFO) allows for adjustment for rising costs. With inflation running at about 10 percent a year, the unavoidability of LIFO accounting is a major drag on small business and the economy.

Our proposals in this area include:

Cash accounting: Permitting firms with less than $1 million in sales to take an immediate deduction for the current value of their inventory so they would not be required to account for it in future years.

Mitigation of the present tax penalty associated with electing LIFO accounting, by allowing the tax due to be spread over 10 years rather than being payable in a lump sum the first year; and

A postponement of the requirements of the Thor Power case for 2 years, so small businesses least likely to be informed of these requirements, will have until 1981 to comply.

The bill also proposes to extend the estate tax reforms initiated by the committee which were enacted in 1976 and 1978. That legislation raised the Federal estate tax exemption from $60,000 to $425,000 for spouses and $175,625 for children and other heirs. But inflation is again making those limitations out of date.

In my view, estate tax laws were conceived to prevent huge aggregations of wealth that could have adverse effects on society. But, the estate tax law of today increasingly imperils the transfer of family businesses from one generation to another. We just do not believe that the estate tax should apply to the average estate of a farmer or small business owner.

Accordingly, the proposals in this bill are to adjust the Federal exemption upward for inflation to $600,000; to make

all transfers between husband and wife free of Federal estate or gift taxes; to increase the annual gift tax exemption from $3,000 to $6,000 for each child—or other recipient—and to make several additional technical improvements in this law.

STRENGTHENING CAPITAL FORMATION

We also advance a series of proposals which are designed to strengthen the processes of capital formation and retention at their most critical points. These include:

Providing a 10-percent credit—up to $1,000—for investing in the equity—ownership—securities of a small business;

Creating a new security called a "Small Business Participating Debenture" to permit a bonus for making capital available in return for the debt securities of a small business;

Reducing the maximum rate of capital gains taxes on funds invested in small businesses from the present 28 to 21 percent;

Permitting a "rollover" of the proceeds of a sale of a small firm if they are reinvested in another small business within 18 months;

Substantially increasing the investment credit for the purchase of used machinery;

Increasing the permitted number of shareholders in a subchapter S corporation from 15 to 100. These corporations give a favorable treatment to the losses that are probable in the early years of a business start-up, and thus attract capital at this critical stage;

Furnishing a marginal incentive for securities brokers to support the trading in securities of smaller and lesser known businesses;

Reviving the stock option as a tool for a cash-poor small firm to attract talented management, by permitting payment of the tax on any gain to be paid when the stock is sold rather than when it is purchased.

SCOPE OF THE BILL

Our intention with these proposals is to include the major promising recommendation of small business organizations and of the White House Conference on Small Business. For example, the above list includes 5 of the top 10 recommendations of the conference, which dealt with capital formation.

We have viewed our role as being responsible for the presentation of small business tax proposals to the Congress so they can be considered as a part of the deliberations on tax policy which will certainly take place this year.

The administration has indicated that it considers tax reduction to be the centerpiece of its economic package. We want the tax-writing committees, the Finance Committee in the Senate and the Ways and Means Committee in the House, to have these recommendations before them in a form they can act upon when they take up that package.

Those committees will then have the tasks of screening, evaluating, costing and refining our proposals. We are the advocates and they will make the final decisions.

We have not addressed in this bill the broader questions of individual tax reductions or the relationship of tax cuts to other fiscal and monetary policies.

However, this bill will make the small business communities' proposals available to the committees at the right time then, we intend to follow through by bringing to the attention of these committees the persuasive arguments in favor of this small-business tax agenda.

SMALL BUSINESS IS THE HEART AND SOUL OF THE ECONOMY

Small and independent enterprise is a vitally important part of the American economy. "Small Business," as defined by the Small Business Administration, accounts for—

More than 90 percent of all new jobs;

Half of the existing employment;

More than 40 percent of the gross national product;

Half of all major industrial innovations;

An influence for human scale, personal service, and high quality in our neighborhoods, communities, and national life; and

A door of opportunity, open to all who dream the "American Dream" of business ownership.

LEADERSHIP OF THE SMALL BUSINESS COMMITTEE IN THE TAX FIELD

In the area of taxes, the Small Business Committee over the last several years has been the spearhead of reviewing and reforming the tax laws to take account of the special problems of the small business community. Our hearings and proposals since 1975 have resulted in many breakthroughs for small business, including:

An increase of the corporate surtax from $25,000 to $100,000, making all rates below $100,000 more progressive than they have ever been. This is saving small businesses over $2 billion per year, and individual companies between 23 percent and 47 percent of what they previously paid in federal corporate taxes;

An increase of the investment tax credit from 7 percent to 10 percent, and nearly tripling it for many small firms by increasing the eligibility of used machinery for that credit from $50,000 to $100,000;

Reforming the federal estate tax in 1976 for the first time in 35 years by tripling the exemption given tax from $60,000 to $175,000; broadening the marital deduction, so a total of $425,000 can pass to a surviving spouse free of federal tax; and providing 15 years for payment of taxes due on a farm or small business; and

Reducing the tax rates on capital gains from a maximum of 49 percent to a maximum of 28 percent, which stemmed from our 3 years of hearings on capital formation. During the 12 months after that change, nearly a half-billion in fresh venture capital was mobilized to finance small business.

SUMMARY

Mr. President, we on the Small Business Committee will do all we can to continue these initiatives and advocacy in favor of major tax changes for small business. The introduction of today's bill is the first step of this 97th Congress. We will continue to do everything possible to gain serious consideration and adoption of as many of the provisions of this bill as possible—so that small business will emerge with a fair share of the tax reductions that are ultimately enacted. If this can be accomplished, our entire economy and all of our citizens will benefit.

This bill has been intentionally targeted to needs of small businesses. It is silent, however, on the large issue of personal tax cuts, and the coordination of those cuts with a meaningful reduction in Federal spending. Since the passage of the Nunn-Chiles-Bellmon amendment in 1978 by the Senate, I have strongly endorsed the principle that tax reductions must be met with corresponding budget cuts. I will continue to work for this principle in the 97th Congress.●

● Mr. GLENN. Mr. President, it is with great pleasure that I rise to join my colleagues in sponsoring S. 360, the Omnibus Small Business Capital Formation Act of 1981. The bill's purpose is clear, simple, and straightforward—namely, to change our country's tax laws in a way that will permit smaller businesses to retain and attract badly needed capital. More specifically, S. 360 would, among other things, lower capital gains taxes, graduate and reduce corporate tax rates, accelerate and simplify depreciation schedules, reduce gift and estate taxes, and liberalize certain provisions contained in subchapter S of the Internal Revenue Code.

It is difficult to overstate the importance of the goal this bill seeks to achieve. Quite simply, the fact is this: Unless we in the 97th Congress are willing to open the capital lifeline to smaller firms, many of them will perish. That would be a tragedy this Nation could ill afford, especially when it is recognized that small business has long been the mainspring of the American economy.

Lest that statement be thought exaggerative, let me cite a few statistics. Small business accounts for 43 percent of the gross national product, 53 percent of all business receipts, 55 percent of all private sector jobs, and more than 50 percent of all industrial inventions and innovations. That last figure is particularly significant. Since economists estimate that up to half of America's economic growth is based on innovation, smaller firms are responsible for up to 25 percent of our economic growth. Perhaps even more stunning is small businesses' record with respect to job creation. The Massachusetts Institute of Technology has found that between 1960 and 1976, 97 percent of all new jobs were created by small enterprises and that 52 percent of those jobs were generated by independent firms with 20 or fewer employees. In short, Mr. President, it is high time we recognized that the economic role played by America's 14 million smaller businesses is every bit as important as that of big business or organized labor.

Just over a year ago, the White House Conference on Small Business was held in Washington. That Conference, attended by almost 2,000 small business people from every State in the Union, concluded its work by producing a list of 15 major recommendations for legislative and administrative action on serious problems facing smaller firms. It

should surprise no one in this Chamber that lack of capital emerged as the No. 1 issue on the list; in fact, of the top 15 recommendations, 5 were capital formation proposals.

In the 12 months that have elapsed since the White House Conference, Congress has managed only modest progress. In response to the Conference's call for regulatory reform, for example, the Regulatory Flexibility Act and the Paperwork Reduction Act of 1980 were signed into law late last year. Other bills, such as those providing equal access to justice and enhancing the SBA's Office of Advocacy, also were enacted before the change of administrations. Commendable as these actions are, they are hardly sufficient. In the area of regulation, for example, the two measures I cited are a far cry from the truly comprehensive regulatory reform advocated by the Conference. As a coauthor of the original "Sunset" legislation, let me say that I hope the 97th Congress will be more willing than its predecessors to tackle the regulatory issue in a truly meaningful fashion.

More to the point, Mr. President, our efforts to date in the crucial areas of capital formation and tax reform have been woefully inadequate. Although many of the provisions of S. 360 were also contained in a bill (H.R. 5829) approved by the Senate Finance Committee late last year, that measure was not considered by the full Senate prior to adjournment.

Meanwhile, economic conditions—including spiralling inflation and soaring interest rates—have steadily exacerbated the capital plight of smaller businesses. This has proven especially true for the almost half million minority-owned enterprises in this Nation which suffer from a chronic shortage of investment capital even in the best of times. For these reasons, it is vital that Congress provide effective relief as soon as possible.

In that connection, let me be clear about where I stand on the legislation my colleagues and I introduce today. I endorse S. 360 because of my wholehearted support for the key concepts contained within it—concepts like reduced capital gains taxes, accelerated and simplified depreciation schedules and estate tax reform. That does not mean, however, that I am unalterably wedded to every provision now contained in the bill.

Indeed, I reserve the right to amend, modify, or delete certain provisions in the bill as circumstances require. I am concerned, for example, that even though a complete cost estimate for S. 360 is not yet available, the revenue loss from this measure is likely to be quite high. Given the necessity of working toward a balanced Federal budget, I believe that we must carefully examine the budgetary implications of any and all future legislation. As cost estimates for this bill become available, it may be that some of its provisions cannot be approved immediately—or that others are too expensive to be sustained in their entirety.

Similarly, Congress may ultimately decide that another depreciation schedule—whether it be the "10–5–3" proposal which I cosponsored or an alternative formulation such as "2–4–7–10"—is better suited to business needs than the "5–3" proposal contained in this bill. It is even conceivable that Congress could pass a tax measure so far reaching and radical in nature that passage of additional tax cuts would be fiscally irresponsible.

But these considerations aside, I believe that S. 360 represents a good faith effort to deal with the most pressing issue facing smaller enterprises today. It constitutes a recognition of the special role played by small business in our economy—and it proffers concrete proposals that address the equally special needs of these firms. Because the bill is consistent with the recommendations of the White House Conference—and because it serves to focus the attention of Congress on small business—I am proud to cosponsor S. 360. Clearly, Mr. President, the tendency to overlook the needs of small business must cease—not simply as a matter of economic justice—but because it is vital to the very survival of our free enterprise system. I urge my colleagues to give this bill the careful attention it deserves.●

Mr. HAYAKAWA. Mr. President, because the problem of capital formation and retention is one of the major problems confronting small businesses in our country, the Senate Select Committee on Small Business began public hearings in February 1978, and continued them after the White House Conference on Small Business, which took place in January 1980.

The committee actively pursued its efforts to improve the situation in the form of statements to the Senate, recommendations to the President, and nearly 40 days of public hearings. Private organizations and public agencies joined in this effort and, as a result, several bills were developed some of which were enacted, including a reduction of the maximum tax on capital gains from 49 to 28 percent. Expert witnesses from the financial and small business communities testified that first, small businesses need assistance and relief from Government policies and regulations and second, capital formation is the prime area of need.

I am pleased to be an original cosponsor of the Omnibus Small Business Capital Formation Act of 1981, which is being introduced in the Senate today, because I believe it is a thoughtful approach to at least some of the solutions we must find if we are committed to keeping small businesses alive and well.

This bill represents a bipartisan effort to alleviate the capital formation ills that beset small businesses. The importance of capital formation to small firms was expressed by White House Conference delegates when they submitted the top 15 priorities to the President. Of these, five had to do with capital formation.

The bill before us today is not the first attempt, of course, to improve the capital formation climate for small businesses. It has been recognized that any meaningful improvement in capital formation conditions required action on several fronts such as income and capital gains taxes, reforms, securities deregulation, and other areas. As mentioned in the committee's 31st annual report, the following legislation was achieved by the committee in the capital formation area during 1980:

Twelve bills on various corporate income tax matters were formulated by the committee, and after hearings by the Senate Finance Committee, were amalgamated into a combined bill (S. 2998). The Finance Committee approved nine of the eleven sections, as well as a depreciation provision. These were incorporated into the major bill of the year, the "Tax Reduction Act of 1980" (H.R. 5829) which did not come before the full Senate for action.

Three bills on estate tax assistance for the continuity of family farms and businesses were combined into S. 2967 but this was not considered by Finance Committee.

Four bills on the securities aspects of capital formation formulated by the Committee were united in the Small Business Securities Acts measure (S. 2990) which was joined with H.R. 7554 and enacted into law as the most comprehensive securities reforms for small business in 40 years (P.L. 96–477).

The Omnibus Small Business Capital Formation Act of 1981 falls into five broad categories: capital formation; capital retention; estate tax reforms; employee stock options; inventory accounting. I am confident the bill will receive careful scrutiny when it is considered in committee and I hope that the momentum established by the introduction of this important legislation will be maintained.

Mr. President. I respectfully request that my statement be inserted in the RECORD in appropriate sequence relating to this bill. Thank you.

Mr. PRYOR. Mr. President, today I join with several of my colleagues in introducing the Omnibus Small Business Capital Formation Act of 1981.

As inflation and interest rates continue to rise, sources of capital for the small businessman have steadily disappeared. He or she is in a severe struggle not just to expand business, but to keep the present operation's ledgers in the black.

To ease this shortage of capital, we are proposing several changes to the current tax laws which are aimed at enabling small- and medium-size businesses to retain and attract the capital necessary for their survival.

Basically, we have broken down the thrust of the bill into five main categories: First, capital formation provisions to stimulate outside investor financing; second, capital retention provisions to permit the small businesses themselves to retain a greater share of internally generated capital; third, estate tax reforms; fourth, employee stock options which could be exercised without tax consequences as there are now; and fifth, a reform of the inventory accounting system currently required of small businesses.

Although this bill bears the label "omnibus," we do not claim it offers all the answers, or perhaps not even the best ones, for helping our small businesses out of the financial plight in which they now find themselves.

However, discussion and action upon this legislation will serve to focus our attention on one of the most serious problems our Nation faces today—an economic climate which threatens the survival of the thousands of small businesses across the Nation which form the very backbone of our free enterprise system.

By Mr. JEPSEN:

S. 363. A bill to amend the Older Americans Act of 1965 to assure that the nutrition projects under that Act may include meals in a congregate setting or home delivered meals, or both, and for other purposes; to the Committee on Labor and Human Resources.

ADMINISTRATIVE CHANGES IN MEALS-ON-WHEELS PROGRAM

Mr. JEPSEN. Mr. President, I am reintroducing a bill today which would codify some administrative changes made in the Meals-on-Wheels program last year. This legislation would allow a local Meals-on-Wheels program to receive Federal funds without having to serve meals at congregate sites.

For the benefit of our new colleagues who may not be aware of this problem, I ask that an article by Mr. Michael Balzane, "Self-Help Gets a Swift Kick," be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SELF-HELP GETS A SWIFT KICK

(By Michael Balzano)

"Resolved . . . that in recognition of the selfless service performed, the president is hereby authorized and requested to issue a proclamation designating the week of September 16 through 22, 1979, as 'National Meals-on-Wheels Week' . . ." With these words, the Congress prepared to celebrate the 25th anniversary of a typically American phenomenon.

But only a few weeks earlier HEW's Administration on Aging (AOA) unveiled draft regulations for a new federal home-delivered meals program; if left unchanged, these regulations threaten to drive Meals-on-Wheels right off the road.

Some birthday present! By any standard, these thousands of neighborhood programs constitute the very model of what has always been valued most in this country; tens of thousands of volunteers identifying a genuine community need, amassing private resources, and meeting that need—with a minimum of bureaucratic fuss and a maximum of effective service.

Every day for 25 years now, and often twice a day, these local, private, non-profit programs deliver hot meals (and often essential ties with the outside world) to the home bound. Most of them are old—but they need not be 60 years of age or older. Many pay some or all of the cost of the meals; others pay none. Local churches and charities make up the deficit. The programs are tailored to virtually individual situations—and apparently they work.

In 1972, responding to no less worthy a need but quite a different one, Congress amended Title VII of the Older Americans Act to authorize a so-called congregate nutrition program. These programs serve a hot meal to senior citizens (60 and over) five days a week in a group—congregate—setting. There is no means test or charge for the meals, voluntary contributions are accepted. Last year these congregate centers served some 500,000 meals a day at an annual cost to the taxpayers of more than $300 million.

So, for about six years now, there have been two nationwide networks providing meals to the elderly, each with a legitimate, different, and apparently complementary purpose; voluntary meals-on-wheels programs serving the homebound, and federal Title VII programs serving the physically mobile. The one was a citizens' effort, locally designed, flexible, and privately supported; the other, necessarily encumbered by federal regulation ranging from the nutritional content of the meals to equal opportunity requirements for the hired staff. The one represented no appreciable drain on the U.S. Treasury, the other a considerable one.

In 1978, Congress began debating the creation of a national, federally funded, home-delivered meals program. It was principally concerned with the nutrition needs of the homebound elderly and saw in meals-on-wheels a logical vehicle for getting the job done.

The legislation was supported by both the National Association of Title VII Project Directors, representing existing federal grantees, and by the National Association of Meals Programs (NAMP), representing a number of meals-on-wheels programs. But the two groups disagreed on how the funds should be channeled. The Title VII directors argued that their network of congregate centers should operate the federal meals-on-wheels services—with the private programs participating only under the authority of Title VII grantees, not as direct recipients of federal grants.

NAMP's case, in contrast, was that the local voluntary programs were already in place, had a proven track record, needed money to meet a growing demand with which charitable contributions were not keeping pace, and ought to be eligible to receive federal grants. They should remain reasonably autonomous, free of burdensome federal regulations, and serve as conduits—draining off almost nothing in overhead—for federal aid to those who need it. What NAMP had in mind was a partnership, not absorption.

Another sort of concern was expressed by local programs that did not themselves want federal funds but feared the impact of a new federal meals-on-wheels program growing out of the Title VII centers. They assumed—quite rightly as it turned out—that the two different services would operate under the same guidelines—that meals would be free and that their own "pay if and what you can" principle would not be able to withstand that competition.

As passed by Congress on October 18, 1978, the meals-on-wheels bill was incorporated into amendments to the Older Americans Act that greatly expanded social services for the elderly. Still, NAMP had solid grounds for believing that it was the intent of Congress to expand meal service to the homebound by using local voluntary meals-on-wheels programs as the main vehicle. Many members of the Senate and House authorizing committees said it was, including the chairmen, Senator Thomas Eagleton and Representative John Brademas: "In awarding funds, first consideration must be given to organizations like Meals on Wheels . . ." (Letter to The Washington Star, July 21, 1978).

Moreover, Congress provided two separate authorizations, one for the existing congregate programs and another for home-delivered meals. This was taken as a signal of congressional intent that meals-on-wheels programs would be eligible for direct grants from the area agencies and not subsumed under the authority of Title VII projects. Finally NAMP was assured by the commissioner on aging that the regulations would specifically protect the local voluntary programs from being forced out of business by Title VII competition.

On July 31, 1979, the draft regulations finally appeared in The Federal Register. The key provision states: "The area agency may only award funds for home delivered meals to a service provider that also provides congregate meals." This flatly rules out all but a handful of the voluntary meals-on-wheels programs from eligibility for direct federal grants—since, by definition, it is not their purpose to serve congregate meals. It also eliminates the possibility of funding any home-delivered meals services in areas where no congregate meal center exists.

So much for congressional intent and signals, and so much for the commissioner's assurances!

A NARROW READING

Now, assuming some rationality in the universe and honorable intentions all around, the question has to be, Why? Why these provisions in the regulations? In a July 12, 1979 letter to NAMP, the commissioner on aging justified them as mandated in the statute itself. He cited a clause that says, with respect to nutrition services: "Each project will provide meals in a congregate setting, except that each such project may provide home delivered meals . . ." Admittedly, this language is susceptible—especially if read in isolation—of the commissioner's interpretation that home-delivered meals may only be provided in addition to, rather than instead of, meals in a congregate setting. But to give it such an interpretation in the face of the legislative history is to conclude that the Congress actually accomplished the precise opposite of what it intended.

If the Congress fails to challenge AoA on its narrow translation of this ambiguous clause, some questions remain: Will the voluntary meals-on-wheels programs be utilized at all under the new law? And are there any provisions, as promised, to protect those local programs that do not want federal funds from inevitable Title VII competition? AoA says yes: "The nutrition services provider must purchase home delivered meals from an organization, where one exists that (1) Demonstrates proven ability to provide home-delivered meals effectively and at reasonable costs . . ." Officials at AoA argue that the intent of this provision is to require Title VII nutrition projects to purchase meals from the voluntary programs. Well, not quite: the wording is such that any organization, even a profit-making catering service, could qualify to provide the meals.

More important by far, reducing the relationship to the terms-and-conditions for "purchasing" meals—as the proposed regulations would—scarcely suggests the partnership that NAMP had in mind. Most of the local programs do a lot more than just provide meals. In addition to screening applicants, the volunteers help their clients establish eligibility for other kinds of assistance, arrange transportation, run errands, write letters, and deliver a host of other services. If participation in the federal program means simply delivering meals, many local groups will want no part of it.

So what future will they have? The experience of Twin Cities Area Meals-on-Wheels of Benton Harbor, Michigan, may be instructive. This four-year-old problem used to serve 40 homebound people two meals a day operating at a monthly deficit of $350 (offset by charitable contributions). The program's director said this to me in a letter dated August 9.

"Approximately three months ago we started receiving phone calls from clients saying, "I didn't get a meal." The people who were calling were not in our program. Upon investigation, we found that a duplicate program sponsored by Title VII was developing in this area and many of the clients didn't even know where their meals were coming from. Since that time we have found a gradual decrease in the number of clients who are requiring our services. This decrease has (reduced us) to approximately 20 meals per day and it is prohibitive for us to continue to

maintain a half-time person, a telephone, an office and the various other overhead items to maintain a program that only serves 20 meals per day."

It seems clear that if the existing Meals on Wheels services choose not to participate in the new federal program—or are not chosen to participate—they probably will not make it. (The board in Benton Harbor, for one, already has decided to terminate its program.)

All of which constitutes a sorry reward for local voluntary initiative. Congress apparently did not carefully assess the impact of the legislative language. And, this failure has doubtless been compounded by an outbreak of extreme bureaucratic literalness in construing the statute and writing the regulations. Unless a way can be found to fund the voluntary effort directly, the law and the regulations are likely to have the unintended consequence of destroying the thousands of community-based programs that have been serving the homebound for so long at just about zero cost to the taxpayer.

SELF-HELP REPUDIATED

Given all the congressional accolades and assurances, why did the private Meals on Wheels programs fare so poorly? One reason surely is that NAMP, an all-volunteer organization, backs the funds and lobbying skills to do battle with the federal legislative/regulatory process, whereas the Title VII organization is amply supplied with both.

A more interesting question is how did another new federal program pass the seemingly suspicious eye of a budget-conscious Congress? The answer is that, during the more visible period of the bill's congressional hearings, the motherhood-and-apple-pie Meals on Wheels vehicle was driven through a Proposition 13 Congress without a roadblock. Then when the bill reached the conference committee, all references to Meals on Wheels were removed. Congressional staff aides working closely with AoA bureaucrats helped to fashion the language that would enable AoA to interpret the law precisely as it did. The members of Congress were simply caught off guard. So the result is that the government ends up repudiating the philosophy of self-help and citizen responsibility!

What is at issue in all this is the nature and purpose of government, and of the federal establishment in particular. It is fair to assume that most Americans continue to believe that the central government's principal responsibility is to undertake great enterprises—to put people on the moon, to protect the nation from its enemies, to establish broad standards of public policy—and that, otherwise, it should do only that which individuals and voluntary groups, localities and states, cannot do as well for themselves.

On this assumption, it would seem that policy-makers have an obligation to fashion an approach for getting meals to the homebound that finds room for worthy national purposes, effective local enterprise, and a productive partnership between them. Surely this falls within the range of human ingenuity.

Mr. JEPSEN. Mr. President, while it is true that the situation described in Mr. Balzano's article has been corrected by the Administration on Aging, there is no guarantee that a future administration would not reverse this position. Consequently, permanent legislation is needed to insure its future existence.

It is clear, Mr. President, that congressional intent has consistently been in favor of helping small community programs. Had the Administration on Aging's original proposal been adopted, small community operated Meals-on-Wheels programs would have been forced to radically change their program or shut down.

I am confident that the present administration will continue to support local programs, but in order to insure the future viability of these programs, I urge my colleagues to join me in making this change permanent.

By Mr. DOMENICI:

S. 364. A bill to authorize the Chief of Engineers to undertake repairs and renovations to certain water diversion structures of historical character, and/or other purposes; to the Committee on Environment and Public Works.

REPAIRS TO CERTAIN WATER DIVERSION STRUCTURES

● Mr. DOMENICI. Mr. President, I am today introducing legislation that was approved last year by the Subcommittee on Water Resources of the Senate Committee on Environment and Public Works. This legislation, however, was never reported to the Senate, as we were unable to complete action on a full water resources bill.

It is a bill designed to assist many small farm families in northern New Mexico. This legislation will assist them in upgrading their water diversion systems, which are known as acequias and are actually political subdivisions under the laws of New Mexico.

But this bill also has importance for purposes of historical preservation. Many of these acequias date back to the 18th century and were significant in the development of the West. They should be preserved for historical reasons and should be preserved and upgraded in the interest of the many families who depend upon them as a livelihood.

This bill makes two changes in existing law. First, it establishes a new system for assisting acequia districts. This portion of the bill authorizes an expenditure of $40 million—to be matched by $10 million that would be provided by the State of New Mexico—to assist in the improvements to these acequia systems.

Second, section 4 goes well beyond the needs of New Mexico. It expands the present law authorizing emergency work by the corps, allowing the corps to rehabilitate water diversion structures, as well as the other types of structures now permitted by law. In 1946, the Congress authorized the Army Corps of Engineers to undertake emergency bank repair work. Seven years ago, in 1974, the Congress expanded this emergency bank repair program of the corps, increasing the annual program to $10 million a year, and raising the individual project limitation to $250,000. Section 4 raises those limits to $15 million yearly, and $350,000 per project. In addition, this amendment adds "water diversion structures" to the "churches, hospitals, schools, and other nonprofit public services" that were included in this program as a result of the 1974 amendments.

These changes are needed because of the flood damage that occurs to small dams and irrigation systems. This will allow the corps to go forward and to rebuild such structures in modern condition, not just rebuilding them as they had been. Such a change would make this emergency repair program far more effective.

Mr. President, I ask unanimous consent that a copy of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that the irrigation ditch system in New Mexico, known as the acequias, dates from the eighteenth century, and that these early engineering works have significance in the settlement and development of the western portion of the United States.

(b) The Congress, therefore, declares that the restoration and preservation of the acequias has cultural and historic value, as well as economic value to the region.

SEC. 2. The Secertary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake, without regard to economic analysis, such measures as are necessary to protect and restore the river diversion structures and associated canals attendant to the operations of the community ditch and acequia associations in New Mexico that are declared to be political subdivisions of the State of New Mexico: *Provided,* That the State of New Mexico shall pay 20 per centum of the cost of any work undertaken under this section: *And provided further,* That not more than $1,000,000 shall be expended for the preservation and protection of any existing diversion structures or associated canal without the submission to the Congress of a report by the Secretary of the Army, acting through the Chief of Engineers, and its approval by a resolution adopted by the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

SEC. 3. For the fiscal year ending September 30, 1982, and thereafter, the sum of $40,000,000 is authorized to be appropriated for the purposes of section 2 of this Act, to remain available until expended.

SEC. 4. Section 14 of the Act approved July 24, 1946 (60 Stat. 653), as amended, is further amended by striking out "$10,000,000" and inserting in lieu thereof "$15,000,000", by inserting after the words "other nonprofit public services," the words "water diversion structures,", and by striking out "$250,000" and inserting in lieu thereof "$350,000".●

By Mr. SCHMITT:

S. 382. A bill to amend title 5, United States Code, to improve procedures for the promulgation of agency rules; to the Committee on Governmental Affairs.

REGULATORY REDUCTION AND CONGRESSIONAL CONTROL ACT

● Mr. SCHMITT. Mr. President, I am today introducing the Regulatory Reduction and Congressional Control Act, which I previously introduced in the last Congress.

This bill would establish a 60-day period in which there would be an opportunity for congressional disapproval of proposed agency rules. The bill, however, carefully avoids imposing the excessive burden of mandating the review of all rules. It simply opens up the rulemaking process to appropriate, but limited participation by the elected representatives of the people. Regulatory law-making as exercised by the executive branch must become more responsive to the Congress,

particularly when its costs have grown to be so great.

Inflation has finally become recognized as our Nation's number one problem, and the significant contribution that Federal regulation has made to inflation has become well known. Regulation is the fastest growing contributor to inflation. The landmark study of Prof. Murray Weidenbaum of the Center for the Study of American Business at Washington University in St. Louis demonstrates that regulatory costs imposed by the Federal Government on the private sector alone amounted to approximately $103 billion for fiscal year 1979. This figure is approximately equal to one-fifth of the Federal budget but is not subject to any systematic procedure of congressional scrutiny.

It is interesting to note in this regard that 34 States have taken steps to improve the legislative oversight of rulemaking on the State level. The laboratory of State experience has provided the Congress with an opportunity to select from among many alternative procedures for legislative review of regulations. State legislators have testified that where such procedures are available, the quality of legislative oversight has significantly improved. Simply the existence of the authority to disapprove proposed rules also seems to have resulted in a more responsive executive branch. This is true even in those States where the legislatures have seldom if ever used their authority to disapprove a proposed or existing regulation. The States are far ahead of Congress in this regard, and it is high time for the Congress to assume its responsibility for the quality and quantity of regulatory law.

Growing public awareness and concern about regulation demands that the Congress examine this problem in detail and pass legislation establishing an orderly and certain process for congressional oversight of the rulemaking process. The bill I am introducing today is designed to accomplish this purpose.

MAJOR PROVISIONS

The major provisions of the bill as reintroduced today are as follows:

First, Federal departments and agencies will be required to make a preliminary economic review of all proposed rules in order to develop a preliminary estimate of any costs these rules may impose on the private and public sectors of our economy.

Second, at the time of final publication, the proposed rule would be transmitted to each House of Congress for referral to the appropriate standing committee. Whether the committee evaluates the rule or not is entirely discretionary. It is important to note that the bill does not require any congressional action whatsoever.

The bill simply provides that proposed regulations will be made available to the Congress before going into effect. All regulations will go into effect automatically after 60 calendar days of continuous session unless one House of Congress has adopted a resolution of disapproval, in which case the rule will not go into effect for an additional 30 days to give the other House an opportunity to act on the resolution. Whether a proposed rule should be evaluated or made the subject of a hearing is a matter for the committee to determine. It need not do anything.

Third, on those occasions when the committee determines that a proposed rule is inconsistent with law or congressional intent, or that a proposed rule represents an excessively costly approach to the problem being addressed, a resolution of disapproval may be reported. In addition, a Member may introduce a resolution to disapprove a proposed rule which would be referred to committee. Should committee fail to take any action on a resolution of disapproval after 45 calendar days of continuous session from the date of its introduction, a motion may be made to discharge the committee from further consideration of a resolution if supported by one-fifth of the Members of the House in which it was introduced. In such a case, the resolution of disapproval would be become privileged business on the floor of either House.

If a resolution of disapproval is passed by one House, it will be sent to the other House of Congress, where, if no further action is taken within 30 days, the proposed rule will be disapproved. However, the other House retains the right to reject the resolution of disapproval, in which case the rule will go into effect. This procedure, unlike the strict one House veto, allows both Houses of the Congress to be involved in any action on a proposed rule.

Fourth, should a rule be disapproved, the department or agency will be encouraged to take a different approach to the problem being addressed and to promulgate another proposal for public comment and congressional review. This procedure is not designed to unnecessarily interfere with the regulatory process, but to insure that regulatory law follows legislative intent and the will of the people.

Fifth, existing rules will also be subject to congressional review. These rules will be subject to a resolution of reconsideration under procedures which are similar to those used for proposed rules. Passage of such a resolution will require, within 180 days, the repromulgation of the rule according to the procedures outlined above.

NEED FOR LEGISLATION

This legislation will provide Congress with a valuable tool for assuring that executive branch rules are a true expression of congressional intent.

Let me review for a few moments the reason that this legislation is required. Recent years have witnessed an unprecedented eruption of regulations and regulatory bureaucracies which impact on almost every facet of the lives of the citizenry.

The American citizen, the small businessman, and Government itself are staggering under an increasingly heavy load of regulations. People have a general perception that the regulatory bureaucracy is out of control. There is a mandate to the Congress to do something about reestablishing control of the regulatory process and to reform existing regulations.

The size of this massive burden can be appreciated by recognizing that at the Federal level there are 44 independent regulatory agencies plus 1,240 boards, commissions, et cetera. These organizations employ over 100,000 individuals responsible for controlling the lives of our citizens. The cost to the taxpayers to finance these Federal bureaucracies is equally large, growing from just over $2 billion in 1974 to an estimated $3,500,000,000 in 1977. The total cost to the economy has been estimated to be as much as $200 billion annually when costs to both the public and private sectors are considered.

There is little question that in recent decades Congress has increasingly given up much control over the "making of law" to the regulatory agencies. This loss of constitutional congressional authority has occurred through the passage of legislation that calls for the "promulgation" of rules and regulations that supposedly will cure some social ill. Subsequent congressional oversight over the rules and regulations so "promulgated" has been inconsistent. While there have been a few examples of good congressional oversight, most has been lost in the press of other duties. Thus, the constitutional concept of the separation of powers between the legislative and executive branches of Government has been seriously blurred and compromised.

Mr. President, the concept of returning to the elected representatives of the people the control over governmental decisionmaking has become a familiar one in recent years. Several years ago the Congress passed the Congressional Budget and Impoundment Control Act to reassert its control over the Federal budget process. The legislation which I am introducing today would likewise employ a set of procedures to reestablish congressional control in the area of regulatory rulemaking by executive branch agencies.

It has been contended that with an administration in power that is committed to less regulation, the Congress has little need for increased control over the regulatory apparatus. This is a relatively shortsighted view that overlooks the fundamental conflict between the bureaucracy and the legislative branch concerning the exercise of regulatory authority. The crucial question facing the Congress is which branch of Government will retain ultimate control over the use of authority granted to the Congress by the Constitution; and subsequently, delegated by the Congress to an assortment of Federal agencies and departments. The regulatory policies of this administration or any other have little bearing on this underlying and fundamental question. The legislation I am introducing, however, answers this question emphatically that it is the Congress that will be responsible for the exercise of delegated lawmaking authority.

A further important point addressed by this bill is that while the public may be spared 4 or more years of activist regulatory policies under the current ad-

ministration, there is no guarantee that a future administration will not once again seize on its regulatory authority as a means of imposing nonlegislated policies on the American public. The existence of a congressional veto procedure would insure that this usurpation of congressional authority cannot ever again occur.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Regulatory Reduction and Congressional Control Act of 1981".

(b) It is the finding of the Congress that the steady usurpation of quasi-judicial and legislative powers by Federal departments and agencies represents a clear and dangerous challenge to the constitutional provisions establishing the separation of powers among the three equal branches of the Federal Government. In making this finding, the Congress has determined that—

(1) there is an urgent requirement for a legislatively approved uniform procedure to oversee the rulemaking activities of the executive branch of the Federal Government, and such a uniform procedure will preserve and protect the constitutional doctrine relating to the separation of powers among the three equal branches of the Federal Government;

(2) there is an urgent need for the legislative branch to supervise the Federal agencies in the exercise of the limited judicial and legislative powers which have been delegated by the legislative branch to the executive branch;

(3) the often arbitrary exercise of the powers granted to the executive branch has seriously eroded the confidence of the citizens of the United States in the executive branch and thereby has weakened the confidence of the citizenry in our system of Federal Government;

(4) there is a need for greater participation by the public in the decisionmaking progress which occurs during the exercise of the properly mandated regulatory powers of the executive branch, and such public participation can best be accomplished by making Federal agencies more responsive to the need of citizens for information and participation in regulation activities;

(5) the citizens of the United States are in need of protection from the often unnecessary, arbitrary, and capricious actions of Federal agencies, particularly when such actions result in significant economic burdens; and

(6) the legislative branch of the Federal Government, the branch of the Government which is closest and most responsive to the needs and will of citizens, must reassert on behalf of the people the constitutional right of the people to be secure from unreasonable and arbitrary actions of the executive branch which result from the usurpation by the executive branch of the powers granted by the people to the judicial and legislative branches of the Federal Government.

IMPROVEMENTS IN REGULATORY PROCEDURES

SEC. 2. (a) Section 551 of title 5, United States Code is amended—

(1) by amending paragraph (4) to read as follows:

"(4) 'rule' means the whole or part of an agency statement of general or particular applicability resigned to implement, interpret, or prescribe law or policy or to describe the organization, procedure, or practice requirements of an agency and includes—

"(A) the approval or prescription for the future of rates, wages, corporate or financial structures or reorganizations thereof, prices, facilities, appliances, services or allowances therefor, or of valuations, costs, or accounting, or practices hearing on any of the foregoing; and

"(B) any amendment, revision, or repeal of such an agency statement.";

(2) by striking out the word "and" in paragraph (13);

(3) by striking out the period at the end of paragraph (14) and inserting a semicolon and the word "and"; and

(4) by inserting immediately after paragraph (14) the following new paragraph:

"(15) 'emergency rule' means a rule which is temporarily effective prior to the expiration of the otherwise specified periods of time for public notice and comment under this subchapter and which was duly promulgated by an agency pursuant to a finding that delay in the effective date thereof would—

"(A) seriously injure an important public interest,

"(B) substantially frustrate legislative policy and intent, or

"(C) seriously damage a person or class of persons without serving any important public interest.".

(b) Section 553(b) of such title is amended by striking out clause (B) and inserting in lieu thereof the following:

"(B) when the agency for good cause finds that public notice and comment are unnecessary due to the routine nature or matter or insignificant impact of the rule, or that an emergency rule should be promulgated.

An agency which finds that clause (A) or (B) of this subsection applies to a rule shall publish in the Federal Register with the final rule a statement of such finding and a brief description of reasons for such finding. The provisions of clauses (A) and (B) of this subsection shall not preclude an agency from—

"(i) inviting persons representing different points of view to submit comments,

"(ii) creating an advisory committee to report, or

"(iii) using such other devices to obtain suggestions,

regarding the content of proposed rules prior to notice of rule making.".

(c) Section 553 of such title is amended by redesignating subsection (e) as subsection (f), by striking out subsections (c) and (d), and by inserting immediately after subsection (b) (as amended by subsection (b) of this section) the following new subsections:

"(c) Except as provided in subsection (e) with respect to an emergency rule, and after notice required by this section, the agency shall give interested persons not less than 60 days to participate in the rule making through submission of written data, views, or arguments with or without opportunity for oral presentation. The agency may extend the 60 day period if the agency determines that such period is insufficient to permit diligent interested persons to prepare comments or that other circumstances justify an extension of such period. After consideration of the relevant matter presented, the agency shall incorporate in the rules adopted a concise general statement of their basis and purpose. When rules are required by statute to be made on the record after opportunity for an agency hearing, sections 556 and 557 of this title apply instead of this subsection.

"(d)(1) Unless a longer period of time is required by law or provided in the rule—

"(A) a rule may become effective immediately—

"(i) if the rule grants or recognizes an exemption to or relieves a restriction from a rule; or

"(ii) if the agency finds, under clause (A) or (B) of subsection (b) of this section, that such subsection does not apply to the rule; and

"(B) any other rule shall take effect in accordance with section 603 of this title.

"(2) Any rule adopted by an agency which is subject to section 603 of this title shall be considered a recommendation of the agency with respect to the adoption of a rule until the recommended rule becomes effective under such section.

"(e) If an agency adopts an emergency rule, the agency shall commence rule making proceedings in accordance with subsections (b) and (c) of this section, except that the period for public participation in the rule making shall be limited to 45 days, and within 15 days after the close of the period for public participation the agency shall issue a recommended final rule to take effect as provided under subsection (d). Unless earlier withdrawn by the agency, earlier disapproved by resolution of Congress pursuant to chapter 6 of this title, or earlier set aside by court action, an emergency rule shall expire on the 90th day of continuous session of Congress (calculated in accordance with section 605 of this title) after the date by which a recommended final rule is required to be promulgated under the preceding sentence.".

CONGRESSIONAL REVIEW

SEC. 3. (a) Title 5 of the United States Code is amended by inserting immediately after chapter 5 the following new chapter:

"Chapter 6—CONGRESSIONAL REVIEW OF AGENCY RULE MAKING

"Sec.
"601. Definitions.
"602. Summary statement; preliminary economic analysis.
"603. Congressional review of agency rules.
"604. Reconsideration of agency rules.
"605. Procedures for consideration of resolutions.

"§ 601. Definitions.

"For purposes of this chapter—

"(1) the term 'agency' has the same meaning as in section 551(1) of this title, and includes the functions excluded from the definition of such term under subparagraph (H) of such section;

"(2) the term 'rule' has the same meaning as in section 551(4) of this title;

"(3) the term 'emergency rule' has the same meaning as in section 551(15) of this title;

"(4) the term 'major rule' includes any rule which the agency, based upon a preliminary review of the economic impact of all proposed rules, estimates—

"(A) will result in increased costs—

"(i) for the national economy, in excess of $100,000,000 in any 1 year or in excess of $150,000,000 in any 2 year period, or

"(ii) for any economic sector, industry, or level of government, in excess of $50,000,000 in any 1 year or in excess of $75,000,000 in any 2 year period;

"(B) is likely to lessen substantially competition, limit market entry, restrain market information, or tend to create a monopoly or monopolistic market power in any line of commerce in any section of the country in any case in which commerce in the relevant market exceeds $100,000,000 per year;

"(C) will result in a direct change in total employment—

"(i) for the national economy, of two-tenths of 1 per centum in total employment, or

"(ii) for any specific industry, regional economy, level of government or category of employees, of ten thousand or more jobs;

"(D) will affect products or services having an annual wholesale or retail value in excess of one-twentieth of 1 per centum of the gross national product;

"(E) is likely to cause serious harm to the public health, safety, and welfare;

"(F) will provide a civil or criminal penalty or forfeiture in excess of $1,000 per offense or $100 per day; or

"(G) will require an inspection of the premises by an agency or representative thereof acting in an official capacity;

"(5) the term 'resolution of disapproval' means a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the disapproves the recommended final rule promulgated by dealing with the matter of , which rule was transmitted to the Congress on .', the first blank being filled with the name of the resolving House, the second blank being filled with the name of the agency issuing the rule, the third blank being filled with the title of the rule and such further description as may be necessary to identify it, and the fourth blank being filled with the date of transmittal of the rule to the Congress; and

"(6) the term 'resolution for reconsideration' means a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the directs to reconsider its rule dealing with the matter of which is found at .', the first blank being filled with the name of the resolving House, the second blank being filled with the name of the agency issuing the rule, the third blank being filled with the title of the rule and such further description which may be necessary to identify it, and the fourth blank being filled with the citation to the rule in the agency records.

"§ 602. Summary statement; preliminary economic analysis

"(a) With the publication of each proposed and recommended final rule, including each emergency rule and major rule, an agency shall prepare and publish—

"(1) a summary statement, written in clear English that is understandable to the lay person, of the problem requiring remedial Federal action for which the rule is being proposed or recommended; and

"(2) a preliminary economic analysis of the rule which estimates to the extent practicable, the costs imposed by the rule upon the various sectors of the economy affected.

"(b) The summary statement and preliminary economic analysis required under subsection (a) of this section shall be published—

"(1) in the case of a proposed rule, with the text of such proposed rule on the date such rule is published in the Federal Register; and

"(2) in the case of a final recommended rule (whether or not preceded by a proposed rule), with the text of the recommended final rule on the date such rule is published in the Federal Register.

"§ 603. Congressional review of agency rules

"(a) The provisions of this section do not apply to—

"(1) a rule of agency organization, practice, and procedure;

"(2) a rule relating to agency management or personnel; or

(3) a rule granting or recognizing an exception or relieving a restriction.

"(b) An agency shall transmit a copy of the complete text of each recommended final rule issued by the agency and the summary statement and the preliminary economic analysis prepared pursuant to section 602 of this title to the Secretary of the Senate and the Clerk of he House of Representatives on the day on which the recommended final rule is published in the Federal Register, and shall designate as a recommended major rule any recommended final rule which meets any of the criteria specified in section 601(4) of this title. A recommended final rule of an agency shall not become effective if within 60 days of continuous session of the Congress after the transmittal of the recommended final rule to the Congress, one House agrees to a resolution of disapproval concerning the rule and at the end of 30 additional such days after the date of transmittal of the resolution of disapproval to the other House, such other House has not adopted a resolution disapproving such resolution.

"(c)(1) Each committee of the Senate and the House of Representatives having legislative jurisdiction over the subject matter with which a recommended final rule is concerned may review any recommended final rule and the accompanying materials transmitted to the Senate and the House of Representatives under subsection (b) of this section for the purpose of determining whether—

"(A) the estimated costs of implementing the recommended final rule would exceed the benefits expected to be derived from the rule; or

"(B) the recommended final rule contains any provision which—

"(i) violates provisions of existing law;

"(ii) is in conflict with judicial decisions;

"(iii) goes beyond the mandate of the law which the rule is designed to implement;

"(iv) is redundant, overlapping, or inconsistent with provisions of another rule;

"(v) would seriously injure an important public interest; or

"(vi) is inconsistent with congressional intent.

"(2) If a committee of the Senate or the House of Representatives determines, with respect to a recommended final rule, that its estimated costs exceed its expected benefits or that it contains a provision which meets the criteria described in paragraph (1)(B) of this subsection, the committee may report a resolution of disapproval of such rule. A committee may report a resolution of disapproval of a rule based on such factors (other than the factors specified in subparagraphs (A) and (B) of paragraph (1)) as the committee finds appropriate.

"(3) This subsection does not affect the right of any Senator or Member of the House of Representatives to introduce a resolution of disapproval with respect to a rule.

"(d) If a resolution of Congress disapproves a recommended final rule which was being promulgated subject to a statutory time limit for rule making, the adoption of the resolution shall not relieve the agency of its responsibility for adopting a recommended final rule, but any statutory time limit shall apply to such renewed rule making only from the date on which the resolution was adopted.

"(e)(1) If a recommended final rule of an agency is disapproved by the Congress, the agency may issue a recommended final rule which relates to the same acts or practices as the disapproved rule. Such recommended final rule—

"(A) shall be based upon—

"(i) the rule making record of the recommended final rule disapproved by the Congress; or

"(ii) such rule making record and the record established in supplemental rule making proceedings conducted by the agency in accordance with section 553 of this title, in any case in which the agency determines that it is necessary to supplement the existing rule making record; and

"(B) may reflect such changes as the agency considers necessary or appropriate.

"(2) An agency, after issuing a recommended final rule under this subsection, shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives in accordance with subsection (b) of this subsection, and such rule shall only become final in accordance with such subsection.

"(f) Congressional inaction on or rejection of a resolution for disapproval shall not be deemed an expression of approval of such rule.

"§ 604. Reconsideration of agency rules

"(a)(1) Each committee of the Senate and the House of Representatives having legislative jurisdiction over the subject matter over any rule of an agency which is in effect may periodically review the rule for the purpose of determining whether—

"(A) the costs of the rule exceed the benefits being derived from the rule; or

"(B) the rule contains any provision which meets the criteria described in section 603(c)(1)(B) of this title.

"(2) If a committee of the Senate or the House of Representatives determines with respect to any rule of an agency which is in effect, that its costs exceed its benefits or that it contains a provision which meets the criteria described in section 603(c)(1)(B) of this title, the committee may report a resolution for reconsideration of such rule. A committee may report a resolution of reconsideration for a rule based on such factors (other than the factors specified in subparagraphs (A) and (B) of paragraph (2)) as the committee finds appropriate.

"(3) This subsection does not affect the right of any Senator or Member of the House of Representatives to introduce a resolution for reconsideration with respect to a rule.

"(b) If either House of the Congress adopts a resolution for reconsideration of a rule which is in effect, the rule shall lapse within 180 days after the date on which the resolution is adopted unless recommended again by the agency. Unless excepted by section 553(a) of this title, the agency shall, not less than 60 days prior to again recommending such a rule, give notice of a proceeding to consider its recommendation. The notice and proceeding shall comply with subsections (b) and (c) of section 553 of this title, except that the provisions of section 553(b)(3) of this title shall not be available to the agency and the agency shall hold a hearing for oral presentations. Any rule recommended pursuant to this subsection within 180 days of the passage of the resolution for reconsideration shall take effect as provided in section 603 of this title, and during the period for congressional review provided in that section the reconsidered rule may remain in effect.

"§ 605. Procedures for consideration of resolutions

"(a) The provisions of this section, paragraphs (5) and (6) of section 601 (a), subsection (c) of section 603, and subsection (a) of section 604 are enacted by Congress—

'(1) as an exercise of the rule making power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions of disapproval, resolutions disapproving a resolution of disapproval in the other House, and resolutions for reconsideration; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(b) Resolutions of disapproval, resolutions disapproving a resolution of disapproval in the other House, and resolutions for reconsideration, shall, upon introduction, be immediately referred by the presiding officer of the Senate or of the House of Representatives to the committee of the Senate or the House of Representatives having legislative jurisidiction over the subject matter of the rule to which the resolution relates.

"(c)(1)(A) If the committee to which a resolution of disapproval has been referred does not report such resolution within 45 days of continuous session of Congress after the date of transmittal of the recommended final rule to which such resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a resolution disapproving a resolution of disapproval has been referred does not report such resolution within 20 days of continuous session of Congress after the date of transmittal of the resolution of disapproval from other House, it shall be in order to move to discharge the committee from further consideration of the resolution disapproving the resolution of disapproval.

"(C) If the committee to which a resolution for reconsideration has been referred does not report such resolution within 45 days of continuous session of Congress after the date of introduction of such resolution, it shall be in order to move to discharge the committee from further consideration of the resolution.

"(2) Any such motion to discharge must be supported by one-fifth of the Members of the House of Congress involved, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a resolution of disapproval, a resolution disapproving a resolution of disapproval in the other House, or a resolution for reconsideration, as the case may be, has been reported with respect to the same rule); and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to the motion is not in order.

"(d)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a resolution of disapproval, a resolution disapproving a resolution of disapproval in the other House, or a resolution for reconsideration shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a resolution with respect to a rule, it shall be in order at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order.

"(3) Debate on a resolution with respect to a rule shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not in order. An amendment to, or motion to recommit the resolution is not in order.

"(e) For the purposes of this chapter—

"(1) continuity of session is broken only by an adjournment sine die; and

"(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of calendar days of continuous session.".

(b) The table of chapters for part I of title 5, United States Code, is amended by inserting immediately after the item relating to chapter 5 the following:

"6—Congressional Review of Agency Rule Making . . . 601".

(c) The provisions of chapter 6 of title 5, United States Code, shall supersede any other provision of law governing procedures for congressional review of agency rules to the extent such other provisions are inconsistent with such chapter.

EFFECTIVE DATE

SEC. 4. This Act and the amendments made by this Act shall become effective on December 1, 1982.●

By Mr. ARMSTRONG:

S. 384. A bill entitled the "Federal Expenditure Control Act of 1981"; to the Committee on the Budget and the Committee on Governmental Affairs, by unanimous consent pursuant to the order of August 4, 1977.

FEDERAL EXPENDITURE CONTROL REFORM ACT OF 1981

● Mr. ARMSTRONG. Mr. President, the changes in Presidential impoundment authority made by the Congressional Budget and Impoundment Control Act of 1974 place severe restrictions on the ability of the President to manage properly the financial affairs of the Federal Government. At a time of great tension between the legislative and executive branches, the Congress acted unwisely to overturn authority and precedent which had served the country well.

The history of Presidential impoundments (what we now call "rescissions") indicates that, in most instances, impoundments have been made to achieve sound management. Whether to prevent deficiencies in accounts, to respond to changed circumstances unforeseen by the Congress, or to prevent duplicate payments from being made, Presidents have used, for the most part, impoundment authority wisely and judiciously with proper regard for the prerogatives of the Congress over appropriation of funds.

Examples of such use of impoundment authority abound:

In 1803, Thomas Jefferson impounded funds meant for gunboat construction after the Louisiana Purchase prevented an imminent conflict;

Martin Van Buren impounded funds which would have resulted in duplicate pension payments;

President Grant prevented expenditure for water projects meant for purely private use;

In 1945, President Truman impounded funds for construction of veterans hospitals until the geographical need could be determined;

President Johnson, in order to achieve congressionally mandated budget ceilings, impounded 2 percent of all payrolls, 10 percent of all non-Vietnam defense spending, and 10 percent of all other nonentitlement Federal spending.

As most of my colleagues will remember, the restrictions which are now in force, restrictions which require congressional approval of Presidential rescission, came at the end of a long and sometimes bitter struggle with the Nixon administration over a series of impoundments made by the President in order to reduce spending. The Congress objected to the severity of the impoundment which it felt virtually eliminated congressionally mandated programs.

While the problem of excessive executive discretion may have been a real one, Congress overreacted and has restricted the President's power unduly. In virtually every State in the Union, the Governor has not only power to prevent spending, but the more powerful line item veto. These powers play an integral part of the Governor's duty to maintain constitutionally mandated balanced budgets. The President of the United States, an executive with far greater responsibilities for the economic well-being of the nations, should have available similar tools.

The changes made in impoundment authority in the Budget Act have virtually ended Presidential discretion over Federal spending. Under current law, the President is required to send requests for rescission of budget authority to the Congress. The Congress then has 45 days in which to draft and enact a bill approving all or part of the President's request. If the Congress fails to act, the President is required to make the funds available for obligation. With this requirement, it is no wonder that congressional inaction has resulted in the approval of only 15 percent of all Presidential rescission requests since 1976. The vast majority of these requests have never reached a vote.

In the face of this record, sending up of recissions has limited appeal. In fiscal year 1980, a year of near record deficit, inflation, and economic chaos, the President sent up only $1.6 billion in rescission requests. The Congress reacted by rejecting through inaction $1.1 billion. Thus, out of a budget of $579.6 billion, a scant $500 million, eight one-hundredths of 1 percent of the total, was saved through the decision of the President that better management could be achieved.

Mr. President, the record clearly indicates the need for change. Therefore, I am introducing the Federal Expenditure Control Reform Act of 1981 which will amend the Budget and Impoundment Control Act to allow the President more flexibility in achieving needed savings.

This bill is quite simple. Under its provisions, the President would continue to notify the Congress of his intent to rescind appropriated budget authority. The Congress would then have 45 days in which to pass a resolution disapproving the rescission. This basic change, to Congressional approval, will alter the climate for Presidential action by requiring a positive, considered action by the Congress in order to require that outlays be made. Thus, the President will be allowed the managerial flexibility required for efficient Government without infringing on the constitutional rights of the Congress to control the public purse.

Mr. President, I believe the case is clear. In this time of reordering the priorities and management of Government, the Congress should act quickly to return to the executive branch one of its most effective tools of management, the ability not to spend the taxpayers money.●

By Mr. INOUYE (for himself, Mr. MATSUNAGA, and Mr. RANDOLPH):

S. 385. A bill to amend the Rehabilitation Act of 1973 to provide for compre-

hensive study of the rehabilitation needs of the Pacific Basin, emphasizes the need for trained rehabilitation personnel, and for other purposes; to the Committee on Labor and Human Resources.

REHABILITATION NEEDS OF THE PACIFIC BASIN

● Mr. INOUYE. Mr. President, today, on behalf of Senators RANDOLPH and MATSUNAGA and myself, I am introducing legislation that would direct the National Institute for Handicapped Research of the Department of Education to conduct a comprehensive study of the rehabilitation needs of the Pacific Basin, especially emphasizing the need for trained rehabilitation personnel.

I was very pleased that at the end of the 96th Congress, during our conference deliberations on the continuing resolution for the Department of Education for fiscal year 1981, the House and Senate conferees became aware of the many unique needs of the Pacific Basin. In fact, it was unanimously agreed that there is such a pressing responsibility that the Department of Education should give this matter a high priority during its planning for new initiatives.

Our Government has, over the past decade, established a positive and, in my judgment, highly productive relationship with the various governmental entities in the Pacific Basin. However, I am afraid that in taking a closer look, and especially in focusing on the health and social welfare needs of the inhabitants of the Pacific region, we would find that we have not been as generous or farsighted as we would like to believe. Rather, we have unfortunately been rather lax. For example, the number of infectious diseases still prevalent and the incidence of certain disease entities, such as childhood leukemia or high blood pressure, far exceeds that which any of us would consider tolerable. Further, I understand that especially in the area of rehabilitation medicine, that the necessary facilities and trained personnel are virtually nonexistent. Accordingly, the legislation that Senators RANDOLPH, MATSUNAGA, and I are introducing today would direct the Department of Education to prepare a comprehensive evaluation of the needs of the Pacific Basin with the hope that we will be able to develop a truly national strategy for long-term action. It is our sincere expectation that during subsequent committee hearings on this measure that the Governors of American Samoa, Hawaii, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific will have the opportunity to actively assist us in developing an innovative approach.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Pacific Basin Rehabilitation Needs Study Act".

SEC. 2. The Congress finds that—

(1) 1981 has been declared the International Year of the Disabled and over the past decade the Federal Government has established a multitude of legal and honorable relationships with the various governmental entities in the Pacific Basin;

(2) transportation, communication, and rehabilitation facilities are rudimentary and the geographic distances involved extraordinary;

(3) in the Marshall Islands nearly half of the individuals 50 or over have diabetes;

(4) the incidence of childhood leukemia on Ponape and Kosrae is ten times the expected rate;

(5) the incidence of high blood pressure in Guam and the Northern Mariana Islands is 35 percent of individuals over 30 years of age;

(6) there are major drug abuse and alcoholism problems, and in the Trust Territory suicide is the primary cause of death for adolescents at a rate for their age group which is the highest in the world;

(7) leprosy, yaws, filariasis, and tuberculosis are still prevalent and remain a serious health threat to the children of the Pacific Basin;

(8) there is an extreme lack of qualified rehabilitation and health personnel, with an absence of any ongoing training programs; and

(9) the long range plan of the National Institute for Handicapped Research expressly cites the pressing rehabilitation needs of the Pacific Basin region.

SEC. 3. Section 202 of the Rehabilitation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(j)(1) The Director, through the Institute, shall conduct a comprehensive study and evaluation of the rehabilitation needs of the Pacific Basin, including the need for trained rehabilitation personnel.

"(2) In carrying out the study and evaluation required by this subsection the Director shall consult with the chief executives of American Samoa, Guam, Hawaii, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and the head of the Alcohol, Drug Abuse and Mental Health Administration and the Bureau of Health Manpower of the Department of Health and Human Servics.

"(3)(A) The Director shall prepare and submit to the Congress not later than one year after the date of enactment of this section a report on the study and evaluation required by this subsection, together with such recommendations as the Director deems appropriate.

"(B) No recommendation may be made pursuant to subparagraph (A) of this paragraph unless the appropriate chief executive approves of the recommendation relating to inhabitants of the territory of that chief executive.".●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 386. A bill to direct the Secretary of Education to identify and address the unique needs of immigrants in the United States taking into account that immigrants are concentrated in a select number of identifiable cities, and for other purposes; to the Committee on Labor and Human Resources.

S. 387. A bill to direct the Secretary of Labor to identify and address the unique needs of immigrants in the United States taking into account that immigrants are concentrated in select number of identifiable cities, and for other purposes; to the Committee on Labor and Human Resources.

EDUCATION GATEWAY CITY ACT AND LABOR GATEWAY CITY ACT OF 1981

● Mr. INOUYE. Mr. President, today, I am introducing two bills which, if enacted, would direct the Departments of Labor and Education to conduct a thorough study of their efforts to address the unique employment and educational needs of our Nation's immigrants.

All of the evidence that I have seen, clearly suggests that within our Nation, there are highly ascertainable pockets of "high immigrant impact" in which these future citizens tend to reside. In fact, I understand that 10 cities presently receive nearly 40 percent of all immigrants and that six States account for nearly 70 percent of the total immigrant population. Further, there is every indication that future immigrants will continue to gravitate toward the same locations. As a result, as a provision of the Health Services and Centers Amendments of 1978, we had a particular provision included that directed the Department of Health and Human Services to focus on their present efforts to insure high quality health services and to report back to the Congress any legislative recommendations that they might have. That report was indeed a most significant document and it clearly stated that these individuals do in fact have a number of unique problems that can be satisfactorily addressed if they are done so in a reasonable and timely fashion.

Accordingly, I feel that it is now time to direct both the Departments of Labor and Education to complete work on similar documents in their jurisdiction.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Gateway City Act of 1981".

SEC. 2. The Congress finds that—

(1) Our Nation's immigration policies are established by the Federal Government and are not under the control of State or local officials;

(2) the report issued pursuant to the Health Services and Centers Amendments of 1978 indicated that there are identifiable areas of high concentrations of immigrants, and 10 cities which represent only about 10 percent of the total United States population currently are receiving nearly 40 percent of all immigrants, and 6 States account for almost 70 percent of the immigrants;

(3) there is every indication that future immigrants and refugees will also settle in these same cities and States; and

(4) such report also indicated that these future citizens did indeed have very real and often unique local problems that can imposed a significant burden on the local public health authorities and that cultural and language barriers were extremely important.

SEC. 3. (a) The Secretary of Education shall conduct a thorough study to identify and assess efforts to be made by the Department of Education to respond to the unique education needs of immigrants in the United States.

(b) In carrying out the study required by this Act, the Secretary shall consult with the Commissioner of Immigration and Naturalization, with leaders in industry in the cities having high concentrations of immigrants, with elected officials from cities hav-

ing high concentration of immigrants, and with representatives of immigrants.

SEC. 4. The Secretary of Education shall prepare and submit to the Congress not later than one year after the date of enactment of this Act a report on the study required by this Act, together with such recommendations, including recommendations for legislation, as the Secretary determines will address the needs of immigrants in cities having high concentrations of immigrants.

S. 387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Labor Gateway City Act of 1981".

SEC. 2. The Congress finds that—

(1) our Nation's immigration policies are established by the Federal Government and are not under the control of State or local officials;

(2) the report issued pursuant to the Health Services and Centers Amendments of 1978 indicated that there are identifiable areas of high concentrations of immigrants, and 10 cities which represent only about 10 percent of the total United States population currently are receiving nearly 40 percent of all immigrants, and 6 States account for almost 70 percent of the immigrants;

(3) there is every indication that future immigrants and refugees will also settle in these same cities and States;

(4) immigration accounts for 12 percent of the actual growth in the labor force each year; and

(5) such report also indicated that the immigrants did indeed have very real and often unique problems that can impose a significant burden on the local public health authorities and that cultural and language barriers were extremely important.

SEC. 3. (a) The Secretary of Labor shall conduct a thorough study to identify and assess efforts to be made by the Department of Labor to respond to the unique employment needs of immigrants in the United States.

(b) In carrying out the study required by this Act, the Secretary shall consult with the Commissioner of Immigration and Naturalization, with leaders in industry in the cities having high concentrations of immigrants, with elected officials from cities having high concentration of immigrants, and with representatives of immigrants.

SEC. 4. The Secretary of Labor shall prepare and submit to the Congress not later than one year after the date of enactment of this Act a report on the study required by this Act, together with such recommendations, including recommendations for legislation, as the Secretary determines will address the needs of immigrants in cities having high concentrations of immigrants.●

By Mr. HATCH (for himself and Mr. TOWER):

S. 388. A bill to reinstate the tax treatment with respect to annuity contracts with reserves based on a segregated asset account as they existed prior to issuance of Revenue Ruling 77–85; to the Committee on Finance.

INVESTMENT ANNUITIES

Mr. HATCH. Mr. President, this proposed legislation is very important not only because it rights a tremendous injustice in the administration of our tax laws, but because it is important to the authority and integrity of the U.S. Senate and the laws of our country. It is a matter of tax laws, but more importantly, also a matter of who makes the law. The Internal Revenue Service has in the specific instance pertaining to this matter usurped that authority in the face of opposition of the U.S. Senate, a U.S. district court decision and the expressed will of the House Committee on Ways and Means.

The specific matter at hand pertains to IRS Revenue Ruling 77–85 that reversed over 70 consistent public and private rulings that covered a time span of more than a decade. This ruling not only strangled an innovative annuity industry to the detriment of the well-being of our Nation's citizens, this ruling, and the IRS actions related thereto constitute a documentable case of arbitrary, capricious, and illegal acts that cannot be acceptable nor tolerable to the Senate.

The merits of this proposed amendment are clearly reflected in the various courts' pronoun ements. The U.S. District Court, District of Columbia declared that:

Revenue Ruling 77–85 is an erroneous and unreasonable interpretation of the internal revenue code, and in view of this fact that substantial deference to the agency's expertise is not warranted by the facts of the case, the court will declare the ruling to be unlawful and beyond the services' statutory authority.

Revenue Ruling 77–85 is unlawful, erroneous, unreasonable, and beyond the services' statutory authority in that its determination that the policyowner, rather than the issuing life insurance company, is the owner of the investment annuity custodial account assets.

The services' decision in Revenue Ruling 77–85 was not contemporaneous with the enactment of section 801(g)(1)(b), does not reflect a longstanding agency position, and is inconsistent with earlier pronouncements and even one subsequent announcement of the agency. Accordingly, substantial deference to the services' expertise is unwarranted in the instant case.

Substantial deference to the services' expertise is also unwarranted because the service was improperly motivated by consideration of tax reform when it issued Revenue Ruling 77–85.

While the appellate court never addressed the merits of this matter, because it based its findings upon a jurisdiction question, the appellate court stated:

This is not a situation where there are no remedies, however. Congress keeps a watchful eye on developments in this tax field and will listen to citizens with a grievance or plea.

Predictably, the failure of Congress to remedy our citizens' very serious grievances and pleas arising from the illegal Revenue Ruling 77–85 emboldened the IRS to issue Revenue Ruling 80–274 that totally destroyed another important segment of the annuity industry, the so-called savers' annuity. The IRS bottomed their new ruling (80–274) upon Revenue Ruling 77–85 that the court had adjudged as being illegal, unreasonable, beyond the IRS' authority and ignorant of the law. (See citation above.) This bill reinstates the taxation of annuity contracts as it existed prior to the IRS' issuance of Revenue Ruling 77–85 and thereby also provides the needed remedy for annuities subject to Revenue Ruling 80–274 because Revenue Ruling 80–274 was bottomed on Revenue Ruling 77–85.

The true victims of these illegal, unreasonable IRS actions are our Nation's citizens who are being illegally denied most innovative and useful annuities that were developed in the public interest. Thus, this is a situation that warrants remedial action by the Senate, action that will also restore the authority of the Congress in the writing of our tax laws—a most important matter that commands our immediate and resolute action.

● Mr. TOWER. Mr. President, I am pleased to cosponsor legislation introduced by Senator HATCH, designed to rectify an injustice caused by the Internal Revenue Service's sudden departure from longstanding procedure in the taxation of investment annuities. This bill is identical to H.R. 743, introduced in the House by Congressman BARBER CONABLE, and to S. 3082 that I introduced in the 96th Congress. Hearings were held on S. 3082 by the Finance Committee Subcommittee on Taxation and Debt Management. Senate procedural constraints subsequent to the hearing precluded further Senate action in the 96th Congress.

This bill would reinstate the tax treatment of annuity contracts with reserves based on a segregated asset account as they existed prior to the issuance of Revenue Ruling 77–85. This ruling was subsequently held unlawful by the U.S. District Court, District of Columbia, on the ground that it constituted an illegal, arbitrary, and conscious act beyond the statutory authority of the IRS, based on an unreasonable interpretation of the Internal Revenue Code. The appellate court, while not addressing the merits of the district court's decision, did invite Congress to provide relief, which this bill is designed to accomplish.

From 1963 to 1965, when the IRS issued basic rulings on the subject of variable, or investment annuities, all relevant departments of the national office of the IRS insisted that an innovative form of annuity upon which the Service had been asked to rule was purely and simply a variable annuity pursuant to the separate account laws that had previously been enacted in 1962.

During the ensuing 12 years after 1965, the IRS reaffirmed its basic position over 70 times, including the issuance of Revenue Ruling 68–488 pertaining to deferred annuities. On March 9, 1977, the IRS issued Revenue Ruling 77–85, which completely reversed its longstanding rulings upon which an important segment of the life insurance industry had relied. The result was, and continues to be, devastating to this segment of the industry.

Several Members of Congress protested this action to the Treasury and the IRS. On April 29, 1977, the Senate passed, by a vote of 57 to 26, an amendment to H.R. 3477, the Tax Reduction and Simplification Act of 1977, which would have deferred the effective date of Revenue Ruling 77–85 for 1 year in order to permit Congress to study the matter and to consider any appropriate legisla-

tion. Unfortunately, this amendment was not adopted in subsequent negotiations on H.R. 3477 by the House-Senate conference committee.

Immediately after the conference committee completed its work, one insurance company, the originator of the investment annuity and whose entire business was destroyed by the IRS's sudden flip-flop of position on this matter, sued the Internal Revenue Service in Federal District Court for the District of Columbia for arbitrary, illegal, and capricious acts.

On November 9, 1977, the court ruled that Revenue Ruling 77–85 was indeed unlawful and beyond the statutory authority of the IRS. Judge Charles R. Richey expressed the "confident assumption" that the IRS would proceed to rectify its error without the need for the issuance of an injunction.

However, the IRS refused, stating that it would appeal any injunction issued and would retroactively tax any annuities sold during the interim of the appellate process, should the IRS prevail on appeal.

The President's 1978 tax program proposed the taxation of all nonqualified deferred annuities in the same way as that imposed upon the investment annuity by revenue ruling 77–85, which, of course, had been declared unlawful by Federal district court.

The President's 1978 tax proposals relating to all annuities were wisely rejected by the House Ways and Means Committee during its consideration of H.R. 12173, to override revenue ruling 77–85, which was approved by committee by a vote of 22 to 14. Due to a procedural constraint at that time, however, H.R. 12173 was not incorporated in the tax bill reported by the committee.

The appellate court declared that it did not have jurisdiction and, therefore, reached no decision on the merits of the case. The appellate court added language, however, inviting Congress to fashion appropriate relief:

> This is not a situation where there are no remedies, however. Congress keeps a watchful eye on developments in the tax field, and will listen to citizens with a grievance or plea.

Shortly after the introduction of S. 3082 last year to remedy this serious grievance and to reaffirm the law clearly ignored by revenue ruling 77–85, the IRS, without giving interested parties the opportunity to be heard, issued revenue ruling 80–274. This ruling wiped out the important "savers' annuity" segment of the annuity industry at great economic loss. Revenue ruling 80–274 contains no rational legal analysis and cites as its authority revenue ruling 77–85, which, as indicated above, was declared by the district court upon its merits as being unreasonable and in contravention of well-established law. The passage of the legislation introduced today reinstates the tax treatment with respect to those annuities subject to revenue ruling 80–274.

Mr. President, the entire matter, quite frankly, is a classic case of the will of Congress being frustrated and subverted by agency action in influencing the legislative process. The advocates of these annuities have a serious grievance which, in my mind, requires a prompt congressional remedy. I believe that the action by the IRS in issuing the manifestly unreasonable and unsupportable revenue rulings 77–85 and 80–274 deserves the attention of the Senate in order to restore these annuities to their proper place, taxwise, under the law and to resolve the severe inequities which have resulted from the Internal Revenue Service's arrogant disregard for sound judicial authority.●

By Mr. HATCH:

S. 389. A bill for the relief of Howard B. Schmutz; to the Committee on the Judiciary.

RELIEF OF HOWARD B. SCHMUTZ

Mr. HATCH. Mr. President, I would like to speak in behalf of my constituent, Mr. Howard Schmutz. In 1973, the National Park Service withdrew a grazing permit on the Grand Canyon National Monument which led to the end of a family cattle operation dating back as early as 1860. The Park Service withdrew this grazing permit on the Grand Canyon National Monument, now the Grand Canyon National Park in the area of Tuckup Canyon where John Schmutz, the grandfather of Howard Schmutz, began this family operation long before December 22, 1932 when the monument was established.

The compensation fee of $129,000 is for the lost value of two springs, known as the Cottonwood and Tuckup Allotments, located in the area designated by the special use permit. Let me stress that this compensation is not for the value of the land or the cattle, but for the lost value of the beneficial use of the springs.

John Schmutz was one of the pioneers of the Grand Canyon area when he discovered the springs in an unsurveyed area and staked a claim to the water rights on January 1, 1914. This claim was filed and recorded on January 19, 1914, in Book II, page 163, in the records of Mojave County, Ariz.

John Schmutz transferred his water rights to his son Marcel Schmutz who continued the family cattle operation until his death in 1973. At that time Howard Schmutz inherited the operation but was denied the continuation of the grazing permit for a 30-square mile area surrounding the springs. Mr. Howard Schmutz recognizes the right of the Federal Government to cancel the permitted use of Government land and only asks compensation for the springs which by law are considered real property in the West where water often determines the value of land.

The National Park Service and the Bureau of Land Management as well as the Arizona State Land Department raised questions as to whether Mr. Howard B. Schmutz did, in fact, have a vested interest in these two springs at the time the NPS designated the land for public use.

On April 8, 1971, the Arizona State Land Department informed Mr. Schmutz that they had no record of his claim to old water rights prior to June 12, 1977, and that they would not issue a certificate of water right. They advised Mr. Schmutz that he would have to update his ownership on his own and present evidence of such ownership to them for recordation at some future date.

It was the opinion of the field solicitor of the NPS in a letter dated June 21, 1977, that if copies of the recorded deeds could be furnished this evidence would establish an unbroken chain vesting colorable title in Mr. Howard B. Schmutz. This evidence was presented to the Western Region in a letter signed by Howard Schmutz on June 25, 1977. This clearly evidences a vested property right to Howard Schmutz and his heirs.

In answer to a request by my office, the western region of the NPS provided an appraisal of the claimed water rights. It is the opinion of the appraiser that the value of the two springs amounts to $75,000. The NPS based this appraisal on two things: Sales evidence showing that the value of a grazing unit was approximately $1,000 per animal unit, and the opinion of an appraiser that the carrying capacity of the Tuckup and Cottonwood Allotments is 75 animal units cow-year long.

This opinion is based on an appraisal made from an airplane while flying over Tuckup Canyon. As you will note in the committee report, the Park Service had already estimated the carrying capacity to be 129 cattle in the special use permit. Therefore, just compensation is $129,000 and not $75,000.

In spite of the established vested property rights, Mr. Schmutz was advised in a letter from the acting director of the U.S. Department of the Interior, Office of Hearings and Appeals, that no provision of law or any regulation would allow the Department to compensate him for the Springs. Had an administrative mechanism for compensation been established at the time the Grand Canyon National Park was formed, my constituent could have been compensated for being denied beneficial use of the springs. May I add that in previous discussions with the western region of the National Park Service, it was also their opinion that Mr. Schmutz should have received some compensation.

On May 3, 1977, the Office of Hearings and Appeals recommended that the only vehicle to accommodate the desire of Mr. Schmutz to be compensated would be private legislation.

The right of the Government to take away the beneficial use of the springs is not in question; However, the right to do so without compensation is not just, especially since these two springs have been vital to the cattle operation of this family for generations.

Mr. Schmutz first asked for the help of Congress in a letter to my predecessor Senator Moss dated November 22, 1973. Private legislation was introduced in the 95th Congress but did not come up for hearings. It was introduced again at the beginning of the 96th Congress and was reported out of the Senate Judiciary Committee with no dissenting votes cast in opposition. When Congress adjourned it was on the agenda of the House Judiciary Committee but was not acted

upon. The House Judiciary Committee staff has assured me that this bill will be acted on early in this new session.

Mr. Howard Schmutz is 63 and suffers from Parkinson's disease and has suffered long enough from the ordeal for trying to receive just compensation. I hope my colleagues in the Senate will act expeditiously and favorably to pass this bill once again.

By Mr. DOLE (for himself, Mr. DANFORTH, Mr. BENTSEN, Mr. DURENBERGER, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. MATSUNAGA, Mr. BAUCUS, and Mr. SYMMS):

S. 390. A bill to amend the Trade Act of 1974 to provide for an additional Deputy United States Trade Representative; to the Committee on Finance.

INCREASE OF NUMBER OF DEPUTY UNITED STATES TRADE REPRESENTATIVES

● Mr. DOLE. Mr. President, today I am introducing legislation, cosponsored by eight of my colleagues to increase from two to three the number of Deputy U.S. Trade Representatives. I discussed the possibility of such an increase with the new U.S. Trade Representative both before and during his confirmation hearings. It is my understanding from our conversations and his testimony that Ambassador Brock believes this increase could be accommodated within the present staff levels of that office. No additional positions would be required. Their total authorized personnel ceiling would remain at slightly over 100, keeping it one of the smallest but most effective organizations in the entire Federal Government.

The present structure of the Office of the U.S. Trade Representative was created in the Trade Act of 1974. Pursuant to section 141 of that act in addition to the Trade Representative, two Deputy Trade Representative positions were created and it was provided that the individuals confirmed in these positions would hold the rank of ambassador. Therefore, legislative authority is required before an additional deputy position can be created.

Mr. President, this additional deputy is needed to continue and enhance the ability of the U.S. Trade Representative to coordinate and implement our trade policy. The growing importance of trade and the increasing complexity of the issues in our trade policy clearly requires that the Trade Representative's Office have additional executive leadership.

In 1975, the year the Trade Act of 1974 became law, total U.S. merchandise trade was $200 billion. In 1980 it was almost one-half a trillion dollars. As a percentage of GNP total trade increased from 7 percent in 1975 to 8.3 percent in 1980, an increase of almost 20 percent.

This growth in trade has necessarily increased the number and complexity of issues facing the U.S. Trade Representative. As a result certain areas of our trade may not have received the attention or detailed consideration they otherwise would have received. For some time I, along with other Senators representing agricultural States, have felt that our agricultural trading interests were not being accorded the priority which they were due. Too often our agricultural trade has taken a back seat to other trade or diplomatic considerations. While this legislation would not require that the new Deputy Trade Representative position be established solely to deal with agricultural issues, it is my hope that position will enable USTR to give more attention and weight to the international trade needs of our agricultural interests.

This legislation is especially important with the upcoming textile negotiations. It is clear that one of the present two Deputy Trade Representatives will be extensively involved in these critical negotiations. The time and attention which will be required in this effort by the deputy stationed in Geneva gives increased importance to meeting the present need for an additional deputy.●

By Mr. CHAFEE (for himself, Mr. GOLDWATER, Mr. BENTSEN, Mr. DANFORTH, Mr. DOMENICI, Mr. GARN, Mr. GLENN, Mr. HAYAKAWA, Mr. JACKSON, Mr. LUGAR, Mr. NUNN, Mr. PRESSLER, Mr. ROTH, Mr. SCHMITT, Mr. SIMPSON, Mr. WALLOP, Mr. THURMOND, Mr. HATCH, and Mr. HUDDLESTON):

S. 391. A bill to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying agents, informants, and sources and to direct the President to establish procedures to protect the secrecy of these intelligence relationships; to the Committee on the Judiciary.

AGENT IDENTITIES PROTECTION ACT

(The remarks of Mr. CHAFEE and Mr. BENTSEN on this legislation appear earlier in today's RECORD.)

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MATHIAS, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 2, a bill to amend the Internal Revenue Code of 1954.

S. 7

At the request of Mr. THURMOND, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 7, a bill to amend title 38, United States Code, to provide a new educational assistance program for veterans and persons who serve on active duty with the Armed Forces after September 30, 1981, and for persons who perform service in the Selected Reserve of the Ready Reserve of an Armed Force after such date, and for other purposes.

S. 20

At the request of Mr. SASSER, the Senator from Nebraska (Mr. EXON) was added as a cosponsor of S. 20, a bill to amend title 18 of the United States Code to prohibit the robbery of a controlled substance from a pharmacy.

S. 32

At the request of Mr. CHAFEE, the Senator from Alabama (Mr. HEFLIN), the Senator from Michigan (Mr. RIEGLE), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 32, a bill to grant a Federal Charter to the Italian American War Veterans of the United States of America.

S. 43

At the request of Mr. SASSER, the Senator from South Dakota (Mr. ABDNOR) was added as a cosponsor of S. 43, a bill to amend the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare and submit, for every bill or resolution reported in the House or the Senate which has certain specific economic consequences, an estimate of the cost which would be incurred by State or local governments in carrying out or complying with such bill or resolution.

S. 46

At the request of Mr. THURMOND, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 46, a bill to amend title 5 of the United States Code to permit present and former civilian employees of the Government to receive civil service annuity credit for retirement purposes for periods of military service to the United States as was covered by social security, regardless of eligibility for social security benefits.

S. 75

At the request of Mr. WALLOP, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 75, a bill to amend the Internal Revenue Code of 1954 to encourage capital investment by individuals and corporations.

S. 93

At the request of Mr. MATHIAS, the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 93, a bill to designate the birthday of Martin Luther King, Jr., a legal public holiday.

S. 141

At the request of Mr. BENTSEN, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 141, a bill relating to tax treatment of qualified dividend reinvestment plans.

S. 154

At the request of Mr. PRYOR, the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of S. 154, a bill to amend title 37, United States Code, to authorize special pay to a member of a uniformed service who performs duties that are unusually hazardous or performed under unusually severe working conditions.

S. 170

At the request of Mr. MOYNIHAN, the Senator from West Virginia (Mr. RANDOLPH), the Senator from Michigan (Mr. RIEGLE), the Senator from Montana (Mr. BAUCUS), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 170, a bill to amend the Internal Revenue code of 1954 to allow the charitable deduction to taxpayers whether or not they itemize their personal deductions.

S. 203

At the request of Mr. PRYOR, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 203, a bill to redesignate the Department of Agriculture as the Department for Agriculture.

S. 255

At the request of Mr. MATHIAS, the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 255, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

S. 258

At the request of Mr. BOREN, the Senator from Nevada (Mr. CANNON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Massachusetts (Mr. TSONGAS), and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of S. 258, a bill to authorize the President to present on behalf of the Congress specially struck gold medals to certain former hostages and the survivors of certain deceased U.S. servicemen.

S. 259

At the request of Mr. GOLDWATER, the Sentaor from North Carolina (Mr. HELMS), the Senator from Vermont (Mr. STAFFORD), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 259, a bill to repeal the earnings ceiling of the Social Security Act for all beneficiaries age 65 and older.

S. 293

At the request of Mr. THURMOND, the Senator from South Dakota (Mr. ABDNOR), the Senator from Utah (Mr. GARN), and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of S. 293, a bill to amend the Food Stamp Act of 1977 to prohibit any household from participating in the food stamp program if such household has one or more members on strike as a result of a labor dispute.

S. 294

At the request of Mr. GLENN, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 294, a bill to establish an Interagency Committee on Arson Control to coordinate Federal anti-arson programs, to amend certain provisions of the law relating to programs for arson investigation, prevention, and detection, and for other purposes.

S. 317

At the request of Mr. BENTSEN, the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 317, a bill to amend the Internal Revenue Code of 1954 to provide faster tax deductions for depreciation and larger investment tax credits in order to help combat inflation and increase the United States position in world trade.

S. 321

At the request of Mr. BENTSEN, the Senator from Arkansas (Mr. PRYOR), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kentucky (Mr. FORD), the Senator from Arizona (Mr. DECONCINI), the Senator from New York (Mr. D'AMATO), and the Senator from Texas (Mr. TOWER) were added as cosponsors of S. 321, a bill to amend section 265 of the Internal Revenue Code of 1954 with respect to the deduction, by certain financial institutions, of interest paid on deposits of public funds where those deposits are secured by tax-exempt obligations.

SENATE JOINT RESOLUTION 3

At the request of Mr. PRYOR, the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of Senate Joint Resolution 3, joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

SENATE JOINT RESOLUTION 20

At the request of Mr. SASSER, the Senator from Kentucky (Mr. FORD), and the Senator from Iowa (Mr. JEPSEN) were added as cosponsors of Senate Joint Resolution 20, joint resolution to designate the month of April 1981 as Gospel Music Month.

SENATE CONCURRENT RESOLUTION 4—CONCURRENT RESOLUTION RELATING TO THE INTERNATIONAL YEAR OF DISABLED PERSONS

Mr. DOLE (for himself, Mr. HATFIELD, Mr. RANDOLPH, Mr. STAFFORD, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BENTSEN, and Mr. HEINZ) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 4

Whereas a new era in recognition of human rights and universal respect for these rights has begun;

Whereas the United Nations General Assembly has declared 1981 as the International Year of Disabled Persons;

Whereas the United States has made great strides during the last decade in improving the lives of 35 million American citizens with physical and mental disabilities;

Whereas there is still much to be done to open doors for disabled persons;

Whereas the United States recognizes the need for further progress in strengthening public understanding and awareness of the needs and aspirations of disabled persons; and

Whereas the United States Council for the International Year of Disabled Persons is coordinating public and private participation during the International Year of Disabled Persons: Now therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should take all steps within his authority to implement, within the United States, the objectives of the International Year for Disabled Persons (1981), as proclaimed by the United Nations General Assembly Resolution 31/123 of December 16, 1976, as well as the goals of the Federal Interagency Committee which coordinates the activities for the International Year of Disabled Persons within the Federal Government.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

● Mr. DOLE. Mr. President, today, along with Senators HATFIELD, RANDOLPH, STAFFORD, MOYNIHAN, BAUCUS, BENTSEN, and HEINZ, I am introducing a concurrent resolution on the international year of disabled persons, in 1981. My Kansas colleague, Congressman WINN, is introducing a companion resolution in the House. We are submitting these resolutions this week, in conjunction with the activities of the U.S. Council for the International Year of Disabled Persons and the Federal interagency committee. This week represents a kickoff for the activities that will follow during the course of this year in many communities throughout the United States. It is our hope that this resolution will serve to focus attention on the significance of 1981, as the 97th Congress proceeds to the legislative business of this session.

Since there is still a lot to be done to assist the needs of handicapped individuals within our society, I ask my colleagues to keep in mind possible legislative initiatives that could be taken to further assist disabled Americans in their efforts to join the mainstream of our society. Although we have made great strides in improving the lives of 35 million Americans, we can still create new opportunities for them.

PUBLIC AND PRIVATE SECTOR COOPERATION

Congress can pass laws that affect the handicapped in their everyday personal and professional lives, and it is always anticipated that such efforts on the part of the public sector will promote in a constructive way an understanding and awareness of the needs of disabled persons, as well as their potential contributions to the society in which they seek to participate. However, ultimately, it is up to the private sector to recognize the unutilized human resources available within our population and to harness these previously unleashed energies and talents to the good of the entire society.

In conjunction with this year, I would like to cite the tremendous cooperation and coordination that exists between the public and private sector here in Washington, D.C., working on behalf of the international year of disabled persons is the U.S. Council for the IYDP, which is a private organization that came into being in order to carry out the objectives of this special year. This dedicated group of individuals is working very closely with its counterpart in Government, the Federal interagency committee for the IYDP. These two organizations symbolize the efforts that ideally should be taking place throughout our society. Government can play an important role in promoting the interests of disabled Americans, but it is really up to the private sector to implement the signals given out by Government.

PROGRESS TO COME

Mr. President, we are now at a time in our Nation's history, when we can look back over the past decade and see the progress that has been made in recognizing the needs of 35 million disabled Americans, and addressing those needs. However, we cannot rest here and commend ourselves on the good work that has been done. There is much that remains to be done, and we must keep moving along the path we have begun.

During the last 10 or so years, we have witnessed the removal of many architectural and transportation barriers, which had previously put handicapped citizens at a disadvantage. They have experienced a vast improvement in mobility accompanied by increased opportunities to join the mainstream of our society. They have been able to participate in

the work force and demonstrate what they are capable of doing, instead of having the emphasis placed on their limitations.

Despite all this progress in a positive direction, our society still has a long way to go in terms of overcoming certain attitudinal barriers that continue to exist. It is my hope that, working together, Government can send the right signals to further enhance opportunities for disabled Americans who deserve to have doors opened for them.

GOALS IN CONGRESS

Mr. President, as we set the goals we hope to accomplish during the 97th Congress, we should keep in mind any legislative opportunities that arise on the floors of both Houses of Congress, which could result in further progress for 35 million Americans who happen to be physically or mentally disabled. Once their path to opportunity has been facilitated, these individuals can join the mainstream of our society and demonstrate what they are capable of doing.

As members of Congress, we can accelerate the integration of our Nation's disabled citizens. Actions that we make on the Senate and House floors can have a tremendous impact on the quality of the lives that handicapped individuals lead in communities across the country. We should do everything in our power to continue to open doors that will permit full participation within our society. This year represents a new beginning for all of us in Congress. Let us accept the challenges that lie ahead and work to enhance the possibility of new beginnings for all of our country's citizens, keeping in mind that 1981 has been designated the "International Year of Disabled Persons", and that we should pay special attention to the needs and potential of handicapped Americans.●

SENATE CONCURRENT RESOLUTION 5—CONCURRENT RESOLUTION RELATING TO THE IMPRISONMENT OF DR. VIKTOR BRAILOVSKY

Mr. LUGAR submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 5

Whereas the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights guarantee to all individuals the right to freedom of thought, conscience, and religion, the right to hold opinions without interference, the right to freedom of expression, and the right to emigrate;

Whereas the Final Act of the Conference on Security and Cooperation in Europe commits the signatory countries to respect individual rights and fundamental freedoms, in particular to "deal in a positive and humanitarian spirit" with the applications of persons wishing to emigrate to rejoin relatives;

Whereas the Soviet Union signed the Final Act of the Conference on Security and Cooperation in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Dr. Viktor Brailovsky was dismissed from his position in the Soviet Union as a computer scientist at the Institute of Electronic Control Machines in 1972 as a result of requesting permission to emigrate;

Where Dr. Viktor Brailovsky has been continually harassed by Soviet authorities for the past eight years;

Whereas Dr. Viktor Brailovsky has been arrested numerous times, imprisoned, and refused emigration;

Whereas Soviet officials have searched Dr. Brailovsky's home and confiscated invaluable scientific papers and Jewish cultural materials;

Whereas Dr. Viktor Brailovsky organized the Moscow Seminar for Jewish Scientists and published the unofficial Jewish journal, Jews in the U.S.S.R., for which he was arrested and kept under investigation in April of 1980;

Whereas Dr. Viktor Brailovsky bravely led a group of over 230 other Soviet Jewish refusniks in an appeal to President Leonid Brezhnev for free emigration of Soviet Jews on the eve of the Madrid Conference in November, 1980;

Whereas Dr. Viktor Brailovsky was arrested and imprisoned in connection with this activity and his other efforts to encourage free emigration;

Whereas Dr. Viktor Brailovsky was in ill health when arrested and has not been receiving proper medical treatment for a serious liver ailment while in prison;

Whereas Soviet authorities have suspended questioning of Dr. Brailovsky and have brought no formal charges against him after two months of interrogation; and

Whereas Dr. Brailovsky is in need of immediate and adequate medical attention: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President, acting directly or through the Secretary of State, should—

(1) continue to express at every suitable opportunity and in the strongest terms the opposition of the United States Government to the imprisonment and treatment of Dr. Viktor Brailovsky;

(2) urge the Government of the Soviet Union to—

(A) release Dr. Brailovsky from prison and provide him with proper medical care, and

(B) permit Dr. Brailovsky and his family to emigrate to Israel to join his brother and his family, in accordance with the Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights; and

(3) inform the Government of the Soviet Union that the Government of the United States, in evaluating its relations with other countries, will take into account the extent to which such countries honor their commitments under international law, especially commitments with respect to the protection of human rights.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he further transmit such copy to the Ambassador of the Union of Soviet Socialist Republics to the United States.

SENATE RESOLUTION 60—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

Mr. TOWER, from the Committee on Armed Services, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 60

Resolved, That in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1981, through February 28, 1982, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of peronnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,569,400, of which amount not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1982.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

● Mr. TOWER. Mr. President, I rise to report a resolution agreed to by the Committee on Armed Services authorizing expenditures for the committee for the year beginning March 1, 1981, and ending February 28, 1982.

In addition, I ask unanimous consent that the organization of ad hoc subcommittees approved today by the Committee on Armed Services be printed in the RECORD following the resolution.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ARMED SERVICES AD HOC SUBCOMMITTEE ORGANIZATION

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Senator Thurmond (Chairman); Senator Warner; Senator Humphrey; Senator Denton; Senator Hart (Ranking); Senator Jackson; Senator Cannon; and Senator Exon.

SUBCOMMITTEE ON TACTICAL WARFARE

Senator Goldwater (Chairman); Senator Thurmond; Senator Warner; Senator Jepsen; Senator Cannon (Ranking); Senator Byrd of Virginia; and Senator Levin.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Senator Warner (Chairman); Senator Thurmond; Senator Goldwater; Senator Cohen; Senator Quayle; Senator Jackson (Ranking); Senator Cannon; Senator Nunn; Senator Hart; and Senator Exon.

SUBCOMMITTEE ON PREPAREDNESS

Senator Humphrey (Chairman); Senator Goldwater; Senator Jepsen; Senator Levin (Ranking); and Senator Jackson.

SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION

Senator Cohen (Chairman); Senator Humphrey; Senator Quayle; Senator Denton; Senator Byrd of Virginia (Ranking); Senator Nunn; and Senator Hart.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Senator Jepsen (Chairman); Senator Cohen; Senator Quayle; Senator Denton; Senator Exon (Ranking); Senator Byrd of Virginia; and Senator Nunn.●

SENATE RESOLUTION 61—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. SIMPSON, from the Committee on Veterans' Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 61

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1981, through February 28, 1982, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed seven hundred forty-eight thousand, six hundred thirty dollars ($748,630.00).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1982.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. SIMPSON. Mr. President, I am pleased to report a Senate resolution authorizing expenditures by the Committee on Veterans' Affairs for the 12-month period beginning March 1, 1981. The budget reflected in this resolution was unanimously adopted by the Veterans' Affairs Committee and represents more than a 10-percent reduction in authorized committee expenditures from the budget authorized last year.

I would point out to my colleagues that the Veterans' Affairs Committee has been operating on a straight-line budget for the past 4 years and has exercised extremely prudent budgetary management in its activities. Yet the committee does intend to absorb the reduction I have already mentioned without any critical reduction in its ability to satisfy its legislative duties. The Veterans' Affairs Committee has more than met its responsibility under Public Law 96-508. To correct the economic difficulties this Nation faces, we in the Congress must show a determination to control our own internal budgetary process, as painful as that may be, before we can expect or require other segments of society to exercise a similar degree of austerity.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence may have permission of the Senate to meet beginning at 2 p.m. this afternoon, notwithstanding the session of the Senate, to consider the nomination of Adm. B. R. Inman to be Deputy Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REV. RAYMOND BAUMHART

● Mr. DIXON. Mr. President, this week in Washington, alumni of Loyola University of Chicago, a great urban institution, are honoring Rev. Raymond Baumhart, who has served as president of the University since 1970.

I wish to add my voice to theirs in offering a tribute to Father Baumhart, under whose stewardship Loyola has flourished, enriching immeasurably the urban society it serves.

Father Baumhart is a man of two worlds: the spiritual and the secular. During his tenure, the needs of each has been well-served by the university.

His commitment to the Jesuit and Christian character of the university resulted in the creation of the office of the university ministry, which now administers one of the largest and most influential programs of its kind in the United States.

His commitment to the university's effective functioning in the secular world led to the creation of the office of the chancellor, the principal conduit through which Loyola maintains communications with the constituency it serves.

Father Baumhart has built upon the proud tradition of this century-old institution of learning. It is an institution that has provided the city of Chicago with many of its most prominent citizens, and which continues, under his splendid leadership, to contribute daily to a vast community.

Mr. President, I commend Father Baumhart and his accomplishments to my colleagues, and I wish him continued success and much good luck.●

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR HEAD START PROGRAM

Mr. BENTSEN. Mr. President, I am pleased to join Senator CRANSTON as a cosponsor of S. 181, a bill to extend until 1986 the authorization of appropriations for the Head Start program.

At a time when many are questioning the wisdom of Federal involvement in educational services, I appreciate the opportunity to lend my support to a program that has proven to be one of the most effective and successful educational efforts ever undertaken with Federal assistance.

Launched in 1965, Head Start has provided educational, medical, dental, social, and nutritional services to 7.5 million children between the ages of 3 and 5 and to their families. Equally important, Head Start centers across the Nation have offered productive work opportunities to nearly 70,000 child development specialists and have utilized the talents of more than 109,000 volunteers, most of whom are parents of the very children enrolled. This year in my State alone, it is anticipated that more than 18,200 young Texans and their families will be able to participate in this worthwhile program.

The Head Start philosophy, Mr. President, is predicated on the belief that all children share certain needs and that children from economically deprived backgrounds, in particular, can benefit from comprehensive preschool programs than enable them to acquire necessary skills prior to entering school. Head Start staff members concentrate on improving each child's basic communication skills, self-esteem and self-discipline, and on teaching the fundamental concepts which underlie instruction in the elementary grades.

To supplement their children's classroom experience, parents are encouraged to become directly involved in planning and operating the Head Start program. Predictably, the results of this effort to include the entire family have paid off—with parents reinforcing the skills introduced by Head Start teachers.

The early charges that Head Start preparation tends to "fade" when a child enters elementary school have proven to be incorrect. Instead, the program has produced tangible educational benefits. When compared to economically disadvantaged children of similar intellectual potential, the Head Start graduates show improved performance on intelligence and general ability tests, have fewer grade failures and special class placements, and achieve higher overall reading and mathematical scores on standardized examinations.

On another dimension, the Head Start program has reached millions of poor American children with much needed health care. In 1979, for example, more than 80 percent of the children enrolled were given full health screenings and, when necessary, nearly all received needed medical attention. In addition, Head Start children receive immunizations at a rate far higher than the national average for children of low income families. Because much of the health care administered in concert with Head Start activities is preventive in nature, long term reliance on publicly supported medical care may be reduced—in short, program evaluators believe that early preventive health care is proving to be cost effective.

Head Start has also made a substantial impact on parents of children enrolled in the program. As partners in the educational experiences of their children, many parents have acquired and honed skills that enable them to remain active members of their communities. Furthermore, in 1979 it was estimated that some 12,000 parents who began as volunteers in the Head Start program have gone on to college and/or to careers in the field of child development.

Finally, I would like to add that in my view, Head Start, in many ways represents the very best about this Nation—the joining together of diverse peoples in a common effort to provide our young

children an opportunity to learn. Thanks to Head Start, more than 7.5 million children have been accorded an opportunity that might not otherwise have been available to them. This is the sort of partnership between the Government and the people, the sort of investment in our future that makes eminent good sense for America.

The program's record of achievement clearly indicates that it is possible to give children from low income families a better and healthier start in life, and that this early assistance has long lasting benefits. Mr. President, at a time when we are searching for ways to cut the Federal budget, it is important that we be mindful of the good and effective programs that have earned our continued support—I believe that Head Start is such a program.●

CELEBRATION OF FREEDOM HONORING THE RETURN OF THE FORMER HOSTAGES TO MICHIGAN

● Mr. LEVIN. Mr. President, today Michigan celebrates the return of Charles Jones and Joseph Subic, Jr.

We do not know, we cannot know, what these men and their families suffered. But we do know, we must know, what their suffering meant to us. It was in many was a symbol of our time: Our powerlessness to protect our families and our interests in a world suddenly gone insane.

When we celebrate with the Jones and Subic families, we celebrate not only their reunion, but our own reaffirmation as a country of the worth of freedom and the possibility of progress. Their return is our return to a sense of hope and faith.

As we celebrate, let us also take a moment to rededicate ourselves to striving purposefully to achieve the courage and the unity which was thrust by fate upon Charles Jones and Joseph Subic, Jr., and to which they so well responded.

Let us take a moment to remember those hundreds of thousands of Americans whose sacrifices in recent decades languish unremembered because they were made at the "wrong" time or the "wrong" place.

Let us take a moment to reflect on the limits of power and reason in a world which at times seems bent on its own destruction.

Let us also remember the steadfastness of purpose of those who lost their lives in an effort to return Charles Jones and Joseph Subic, Jr. and their colleagues to freedom.

And let us acknowledge the debt, now blurred in our tears of joy, a debt which history will more clearly see is owing, to a President who confronted a crisis of a type no other leader has had to face in modern history and who resisted courses of action which might have resulted in today's gathering being a memorial service instead of a homecoming.

Charles Jones and Joseph Subic's behavior in captivity and their actions since their return have provided us in Michigan with a special sense of commitment which sustains us, and a sense of brotherhood which unites us. They lived through bad times, they survived and returned to us. Through them let us discover that we also have the strength and the conviction to live through these times and emerge stronger and with deeper convictions.

Much as we love them, let us when they are ready, set them free from the bonds our pride in them has created, just as they were freed from their bonds in Iran. Let us not keep them as captives of the crowd as they were captives of the mob.

They and their families, who with nobility and dignity shared their fears and suffered their pain, have given us the strength to go on. Let us use that strength to let them go on with the business of their lives and with being free and proud Americans.●

THE REPEAL OF SECTION 222

● Mr. SCHMITT. Mr. President, I am pleased to join Senator GOLDWATER in sponsoring S. 271, the International Record Carrier Competition Act of 1981. It repeals section 222 of the Communications Act of 1934. Section 222, which concerns permissive mergers of telegraph carriers, is essentially a weighty holdover from a time when Western Union had a monopoly over record services. Today, section 222 acts as one of the major impediments to fostering competition in international record services by restricting Western Union to domestic markets.

The modern telecommunications market is vastly different from the monopolized environment of 1943 when section 222 was adopted. In 1979, the Federal Communications Commission (FCC) ended Western Union's monopoly over domestic services. Other carriers are ready and able to compete with Western Union. Moreover, additional Commission actions have expanded other domestic carrier entry into international markets. Conversely, the existing international record carriers (IRC's) have been allowed expanded domestic operations. Thus, we have no further need for a law that arbitrarily divides markets.

Repeal of section 222 would not affect the FCC's authority to oversee the industry to assure full and fair competition in the international market. Section 3 of S. 271 expressly requires Western Union to interconnect on fair and reasonable terms with the IRC's. It, therefore, mirrors section 201 of the existing law. Furthermore, sections 202 and 214 provide the FCC with adequate authority to require that Western Union not discriminate among the carriers in the distribution of unrouted traffic and to place conditions on the certification of facilities to insure Western Union's compliance. Repeal of section 222 alone will not mandate Western Union's entry into the international market. Section 214 of the Communications Act requires a Commission determination as to the timing and conditions of entry.

Customers of international record services are bound to profit from the added competition afforded by this measure—in lower prices and greater service innovation.

I have long believed in the merits of this measure. In the last Congress I cosponsored S. 611 and S. 2827, both of which contained provisions to repeal section 222. I also supported, in full committee, an amendment to H.R. 6228, the Communications Cross Ownership Act of 1980 that sought repeal of section 222. We were able to enact and have signed into law S. 3261, Public Law 96-590, which removes restrictions on Western Union to allow it to serve Hawaii, which was considered an "international point" under the Communications Act.

I think enactment of this measure is long overdue. I urge its expeditious consideration and enactment.●

REVENUE PROCEDURE 80-55 WILL HAVE ADVERSE EFFECT

● Mr. D'AMATO. Mr. President, today I am joining my colleagues Senator BENTSEN and Senator DIXON in cosponsoring legislation, S. 321, that would permit financial institutions to deduct as a business expense interest paid on time deposits, which are secured by pledges of tax exempt securities. This bill is necessary in light of the Internal Revenue Service's recent announcement of Revenue Procedure 80-55, under which this exemption would be withdrawn.

I agree with my colleagues that section 265 of the Internal Revenue Code was never intended to apply to these transactions, which have been going on routinely since that section was added to the code in 1954.

This rule, if put into effect on June 1, 1981, would have an adverse effect on the municipal bond market, which already is severely depressed. It would increase further the borrowing costs of State and local governments, ultimately increasing the burden on local taxpayers. In addition, it would further cut State and local revenues by reducing the amount of interest which could be earned on the deposits of these governments.

Mr. President, the Internal Revenue Service's action would have a severe impact on New York State. I include in the RECORD, a recent letter to me, from Edward V. Regan, State Comptroller of New York, which I believe assesses the potential damage well.

DEAR SENATOR D'AMATO: A recent IRS Rule (Revenue-Procedure 80-55), effective January 10, 1981, essentially provides that commercial banks holding the time deposits of municipalities, which are collateralized by tax exempt obligations, can no longer use the interest payable on the deposits for tax deduction purposes.

This ruling suggests that the collateralization of such deposits is much the same as banks borrowing for the purpose of obtaining such time deposits and, therefore, conflicts with the IRS code.

The effects of this ruling on state and local government depositors could be quite severe. In New York State where banks have historically used their tax exempt obligations as collateral to back up the short-term deposits made by governmental units, it would appear the ruling could have a fourfold effect.

First, banks may decide to purchase fewer

tax exempt obligations because they can no longer deduct for tax purposes the interest they pay public depositors. Second, by purchasing fewer tax exempt obligations, banks would have less collateral and, presumably, would reduce the amount of time deposits they would accept from local governments. Third, the interest payable on such time deposits would probably be reduced because of the loss of tax deduction status. Fourth, cost to your government and, therefore, the taxpayers could be increased because of higher interest rates brought about by an anticipated drop in the number of interested purchasors of tax exempt obligations. Commercial banks are now carefully reviewing what their position will be on accepting time deposits in view of the ruling.

We have met with the New York State Association of Counties, the Association of Towns, the Conference of Mayors and the School Boards Associations who are supportive of our position that this Ruling must be withdrawn in order to continue the banking relationship that we have enjoyed for many years.

Sincerely,

EDWARD V. REGAN.

Mr. President, it is my belief, and the belief of my colleagues, that legislation is the proper relief to make sure this rule is not put into effect, because by so doing, it would avoid needless and costly court battles. The continuance of the present practice under the code, will assure that bond markets in New York and elsewhere have the capacity to improve and expand. It is my privilege to join with my colleagues in cosponsoring this legislation.●

S. 30 MEANS 30 DAYS TO PAY

● Mr. SASSER. Mr. President, earlier last month I introduced S. 30, the 30-day payment bill, as it has come to be called. Both the language and purpose of this bill, "The Late Payments Act of 1981," are quite clear.

It provides that the Federal Government pay its bills on time—within 30 days of the receipt of an invoice. If the Federal Government is overdue on its bills, it should pay interest, as do nearly every American individual or business in cases in which bills are overdue.

Frankly, such a bill should not be necessary. The U.S. Department of the Treasury's fiscal requirements manual requires that Federal departments and agencies insure that payments to contractors are made when due.

However, the Treasury Department itself admitted in a memorandum circulated last September that "many payments are still made 60–90 days late."

Mr. President, such a record has a devastating impact on small businesses, which simply do not have the cash flow capability nor the administrative resources or personnel necessary to cope with long-overdue accounts receivable.

I suggest that there is room for improvement in the Federal Government's record of paying its bills on time and that S. 30, with its stipulation that interest be charged on overdue bills—is just the type of stimulation needed to remedy this problem.

If any of my colleagues have doubts about the extent or depth of this problem, I would like to share with you some information. Prepared recently at my request by the National Audio Visual Association, it provides some rather startling evidence of the poor record of the Federal Government in recent years in paying its bills on time.

I submit for the RECORD this information.

The material follows:

EXAMPLES OF SLOW PAY BY FEDERAL AGENCIES

One engineering firm is owed $800,000 by the Federal government. Payment is 60 days in arrears, costing the firm $8,000 a month.

A contractor with the Department of Health and Human Services is owed more than $90,000 and payment should have been made more than 6 months ago.

A Washington, D.C. government contracting firm had to wait 10 weeks to get paid by the Department of Health and Human Services.

A southeastern military installation has owed a nearby dealer $16,000 for more than 60 days and part of the $16,000 is 12 months overdue. The dealer reports that if an invoice is not filled out correctly, the Federal agency makes no effort to have it completed or to notify the dealer. The government just doesn't pay at all. Many telephone calls have been made to get action.

On November 4, 1980, a military installation in Alaska owed an Alaska dealer for one invoice issued June 12, 1980 and for one issued August 6, 1980.

A northwestern U.S. dealer reports Federal buyers refuse to pay on anything until every item on a lengthy purchase order is received.

An OMB report citing a GAO finding states: The Department of Housing and Urban Development "was cronically late in processing tax bills and making tax payments" to localities on housing properties. "This resulted in exorbitant penalties and even loss of some properties for nonpayment." (This was reported in the Wall Street Journal.)

A GAO report states: 39 percent of the government's bills were paid late. Bills paid late were paid an average of 74 days after the invoice date.

PAYMENTS MADE MORE THAN 30 DAYS AFTER INVOICE DATE[1]

Federal department or agency[2]	Percent of invoices paid more than 30 days late	Percent of dollars paid more than 30 days late
Commerce	23.1	70.5
Interior	30.4	43.6
Environmental Protection Agency	33.1	35.8
Housing and Urban Development	33.3	36.8
Army	34.9	15.9
Transportation	62.6	74.4
House Education and Welfare	69.4	75.0
Civil Service Commission	69.6	33.6
General Services Administration	73.6	56.3

[1] Does not include cases in which a reason was identified as to why payment was not extended within 30 days.
[2] Based on sample of 58 payment centers, 3,263 invoices worth $5,600,000.

Extracted from GAO Report FGMSD–78–16, Feb. 24, 1978.●

QUOTAS IN THE AUTO INDUSTRY

● Mr. LEVIN. Mr. President, today our colleagues Senator DANFORTH and Senator BENTSEN announced their intention to file legislation in the near future which would impose a quota on Japanese imports. As they describe it, the legislation would, for 3 years, restrict the Japanese to a level of 1.6 million cars per year.

While I personally would favor even more stringent limitations, I am delighted to see action of this kind being taken. Last year, Senator RIEGLE and I indicated when the Senate was considering our resolution authorizing the President to negotiate an agreement with the Japanese, that if voluntary action was not taken soon the Congress would be prepared to support mandatory action.

Senator DANFORTH and Senator BENTSEN have proven by their actions that we were correct in that prediction.

I am pleased to see movement in this area. I know that Senator DANFORTH and Senator BENTSEN, as members of the Finance Committee, were impressed by the depths of the depression in the auto industry which was revealed in their hearings last month. The legislation they described today is their response to that condition. It is a response that I support and that I hope the Senate will act on—quickly.●

THE FIGHT AGAINST WASTE SHOULD NOT WASTE EXISTING TALENT

● Mr. EAGLETON. Mr. President, a very interesting article in today's Washington Post serves to underscore the gravity of President Reagan's decision to remove the 15 Inspectors General who had been leading the present war on Government fraud, waste, and mismanagement.

The Post's analysis of the work done by some of the existing Inspectors General shows that they have developed an extensive working knowledge of their agencies and the potential for waste and fraud offered by agency practices. Inspectors General rooted out numerous abuses which, though varied in cost and scope, were all equally inimical to the essential goal of a lean, efficient Federal Government.

Mr. President, I agree with the Post's observation that the Inspectors General know "where a lot of bodies are buried" and that this knowledge could be very useful to the administration's "much-heralded search for waste, fraud and mismanagement in Federal programs." I cited this consideration in a letter I sent to the President on January 22. While it acknowledged the President's statutory power to remove the Inspectors General, my letter expressed concern that wholesale removal of them was inconsistent with the administration's clear commitment to combat fraud and waste.

My letter stated in part:

Based on my experience with the Inspectors General, I can say without exaggeration that it would take many months, or even years, before an appointee could begin to approximate the performance of some of the experienced IGs who have been serving. For that reason, I fear that the indiscriminate removal of all IGs, without a careful case-by-case review, long before capable replacements can be chosen, will inflict a real setback in the battle against fraud and waste.

The letter concluded by urging that President Reagan set an important precedent that "the determining factor for these critical positions is excellence in performance, not political party affiliations."

Mr. President, I remain hopeful that

such a precedent will be set. In announcing the decision to remove the Inspectors General, President Reagan indicated that they could reapply for appointment to their jobs, and aides said the administration desired to appoint IG's who would be "meaner than junkyard dogs" in fighting Government abuse. I am confident that if the administration were to conduct a careful review of the performance of existing IG's, it would find that some of them possess not only the requisite meanness but also a crucial additional advantage: as "old" dogs, they will not waste valuable time learning where the yard or the junk is located.

Mr. President, in this regard, I submit for the RECORD the article entitled, "Fired U.S. Waste-Fighters Bare Government Foulup," which appeared in the February 2, 1981, Washington Post, along with a copy of my January 22, 1981, letter to President Reagan.

The material follows:

FIRED U.S. WASTE-FIGHTERS BARE GOVERNMENT FOULUPS

(By Charles R. Babcock and Patrick Tyler)

There are 15 men and women out there in the federal bureauracy who could tell President Reagan where a lot of bodies are buried as his administration begins its much-heralded search for waste, fraud and mismanagement in federal programs.

They make up the corps of inspectors general at major federal agencies. But, instead of debriefing them, Reagan fired them all last week.

Inez Smith Reid, the inspector general at the Environmental Protection Agency, for instance, could talk about the $133,000 worth of unused airline tickets dating back to 1972 that she found under a secretary's desk during a recent audit.

Thomas F. McBride, the former Watergate assistant special prosecutor who was inspector general at the Agriculture Department, could detail the widespread use of food stamps as an underground currency to buy drugs, illegal weapons and cars.

June Gibbs Brown, the IG at the Interior Department, might volunteer her discovery that a youth camp director in Missouri ordered 1,072 pairs of leg chaps, 3,736 pair of work gloves, 122 stepladders and 1,509 desk calendars, all for a camp that was scheduled to enroll 136 youngsters.

The IGs' tales of waste and fraud range from the trivial to the enormous, from the Energy Department employe who was caught running up $100 in long-distance telephone bills between his office and a pornographic story "hotline" in the Midwest to the mortgage bankers in Puerto Rico who set up phony housing sales to siphon off millions from the Department of Housing and Urban Development.

When Reagan abruptly fired the IGs last week, some Democratic sponsors of the 1978 inspector-general legislation criticized the move as politicizing the fledging corps. Congress' intent, they said, was to create independent, nonpolitical offices in the major executive departments, though the president has right to replace the IGs.

Reagan aides did say the fired inspectors can reapply for their jobs in the new administration if they think they can meet the new president's challenge to rip into waste and fraud like a "junkyard dog." Several IGs are trying to stay on.

During his presidential campaign, Reagan continually declared the elimination of "waste and fraud" a top priority. He tied the success of his entire tax-and-budget-slashing recovery program to finding and cutting tens of billions of dollars in fraud and waste from government programs.

When asked during his televised campaign debate with President Carter how he would cut spending while cutting taxes and increasing the defense budget, Reagan replied, "I believe there is enough extravagance and fat in government."

He cited the Carter Cabinet secretary who once estimated that there was $7 billion of fraud and waste in the Department of Health, Education and Welfare alone, and the General Accounting Office estimate of the "tens of billions of dollars that is lost in fraud alone."

While hard figures on the magnitude of waste and fraud are elusive, several members of the outgoing class of Carter inspectors general agreed in interviews that they barely dented the problem. They also contend that, while fraud is prevalent, mismanagement and inefficiency do the greatest damage to taxpayers' wallets.

Like good bureaucrats, the inspectors say that they would do better if they only had more help, that they don't have enough auditors and investigators to police the multi-billion-dollar programs. Some say they have been hampered by backbiting in their own offices, lack of support from Cabinet officers, or the difficulty of merging sometimes incompatible audit and investigative staffs.

But their biggest complaint is that program managers in the various agencies aren't held accountable for correcting the problems the IGs uncover.

"Cabinet officers need to start demoting and firing program managers for inattention and negligence to waste and fraud issues," said Agriculture's McBride.

Donald L. Scantlebury, director of the GAO's accounting and financial management division, which investigates waste and fraud for Congress, is sympathetic to the IGs' frustration. "I think the [IG] concept is working out well," he said. "But it's a little early to expect dramatic results."

The idea of putting independent inspectors inside the Cabinet agencies was resisted by the executive branch for years. The first inspector general's office was set up at Agriculture in 1962 after internal audits failed to uncover the schemes of Texas fertilizer swindler Billy Sol Estes. But Agriculture Secretary Earl L. Butz abolished the office during the Nixon administration.

The first statutory inspector general was established after a House investigation found that HEW had only 10 investigators to oversee a $118 billion program. A 1978 law set up IGs in 13 additional agencies. The Department of Energy got an inspector general a year later. Because of hiring freezes, however, only about 5,300 of an authorized 5,900 slots for auditors and investigators have been filled.

The Defense Department, which doesn't have an inspector general, does have 18,000 auditors and investigators to oversee a $185 billion budget. By contrast, the Department of Health and Human Services, HEW's successor, has only about 700 auditors and 100 investigators to watch over a $260 billion budget.

Several of the inspectors general regard the required semiannual report to Congress as their greatest weapon against unrepentent federal program managers. "Without that statute we wouldn't last eight seconds," one outgoing IG said.

Some of these reports are filled with undecipherable statistics, while others are highly readable chronicles of program abuse. McBride's latest report, for example, tells of two Greenville, S.C., men who sold five cars and trucks, 32 firearms and some marijuana to undercover agents in return for food stamps. In Gary, Ind., the assistant fire chief was convicted of selling $11,000 in food stamps for $7,000 cash to undercover agents from McBride's office.

Paul R. Boucher, IG at the Small Business Administration, said in a report early this year that five farmers who received $1.4 million in SBA disaster aid loans at 3 percent interest diverted some of the funds to 10 percent interest certificates of deposit, and bought stocks and taxfree municipal bonds with more of the funds.

Richard B. Lowe III, who has been acting IG at the gigantic HHS, said he was upset to learn that the Social Security Administration doesn't have adequate controls to prevent employes with access to computers from diverting benefit checks to themselves.

The greatest cheaters, according to the audits, are not individual welfare or health care recipients, but doctors and pharmacists and other providers of services who overbill the government. A recent HHS audit screen detected abuse in laboratories in the Los Angeles area that led to an FBI undercover investigation called "Labscam" and several kickback indictments.

EPA's Reid, with only 95 auditors, has been trying to police the nation's largest public works project—the $30 billion sewerage construction effort designed to clean up the nation's rivers—and she says she loses sleep over the vast areas of EPA operations she couldn't even look at.

"Because of poor management, the federal government is losing millions, perhaps billions of dollars," she said.

When Energy Department inspector general J. Kenneth Mansfield looked into a synfuels pilot plant built by Ashland Oil, he found that firm had put up a $1 million brick administration building instead of the prefabricated model called for by DOE. As it happened, the elaborate new building was adjacent to an Ashland refinery.

Too late to recover the government's loss, Mansfield called for sweeping management changes on the project, some of which were adopted.

Several of the outgoing IGs voiced the concern that Reagan's pledge to cut billions in waste will fall on its face unless their successors get more help.

To put a serious dent in waste, they said, the president will have to increase support for the program, especially within the Office of Management and Budget and in some agencies where sub-Cabinet administrators have starved the inspectors' budgets, cut travel funds to do audits, refused to place all auditors directly under the control of the inspectors and, in some cases, attempted to head off investigations.

"I personally would not want to continue [in the job] without a commitment that the agency wanted this kind of work done or that they intended to support it," said Interior's Brown. She said she found then-Secretary Cecil D. Andrus a pleasure to work for, but that he was seldom there to back her up when program chiefs ignored her audit findings or refused to recoup challenged expenditures.

Reid said that then-EPA Administrator Douglas Costle never returned her memos. "To this day I don't know what his feeling was about the program," she said.

The day after the Energy Department's Mansfield released a report critical of a top aide to former Energy Secretary Charles W. Duncan, Jr., Duncan called the surprised inspector into his office and asked him to consider a job in Paris, even though the department had no office there.

Most of the fired inspectors have been on the job less than two years, and some of them said they were deeply wounded by Reagan's action.

"I really like my job and want to keep it," said former prosecutor Boucher at SBA, who in the waning hour of the Carter administration blew the whistle on a presidential assist-

ant who got Carter to sign an order quadrupling the size of a minority aid program even though Congress had forbidden it.

A career man in Carter's Senior Executive Service, Boucher sent in his reapplication for the job to Reagan Thursday.

One inspector general summed up his view of Reagan's firing this way:

"Everybody wants a strong IG operation until it starts investigating them. The administration may start out thinking they want junkyard dogs and what they may end up getting is French poodles."

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, D.C., January 22, 1981.

HON. RONALD W. REAGAN,
The President,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I am writing to express my concern about your decision to remove the 15 Inspectors General serving in the various executive departments and agencies.

The legislation creating the offices of Inspector General (which I sponsored) recognizes the President's power to remove the IGs. But the legislation also gives the Inspectors General a unique role in the Executive Branch. These officials do not have programmatic responsibilities; rather they supervise, coordinate and conduct audits and inspections in an effort to improve economy, efficiency and effectiveness in the executive agencies. Given the importance and sensitivity of these duties, the statute creating Inspector General offices is careful to provide several safeguards to assure aggressive, independent IG performance, regardless of the Administration in power.

Given your clear commitment to combatting fraud, waste and mismanagement in the federal government, I am sure that you will insist on having highly-qualified people in these crucial IG positions. I strongly believe, however, that the need for well-qualified, effective IGs can best be served by a case-by-case review of the performance of the men and women who have been serving as Inspectors General, and I am hopeful that the willingness you have stated to consider the present IGs for reappointment will in practice lead to such a careful review.

I believe that you and your Cabinet Secretaries would find that, as a group, the Inspectors General are extraordinary public servants: non-partisan, experienced, fully-committed to the war against fraud and waste, with great knowledge of the departments and the programs they are monitoring. Based on my experience with the Inspectors General, I can say without exaggeration that it would take many months, or even years, before an appointee could begin to approximate the performance of some of the experienced IGs who have been serving. For that reason, I fear that an indiscriminate removal of all IGs, without a careful case-by-case review, long before capable replacements can be chosen, will inflict a real setback in the battle against fraud and waste.

Because this is the first change of administration since the enactment of the Inspector General legislation, your handling of this matter will establish an important precedent. By retaining those Inspectors General who have served with distinction, you can establish clearly that the determining factor for these critical positions is excellence in performance, not political party affiliations. Such action on your part would further enhance the stature of the Inspectors General, increasing their ability to spearhead a concerted effort to reduce fraud, waste, and mismanagement in government.

Sincerely,

THOMAS F. EAGLETON,
Ranking Minority Member.●

LINCOLN NATIONAL LIFE PERPETUATES LINCOLN HERITAGE

● Mr. QUAYLE. Mr. President, as we prepare to observe the birthday of President Abraham Lincoln, it is appropriate to bring to my colleagues' attention a series of significant events sponsored in Washington by a constituent concern, the Lincoln National Life Insurance Co. of Fort Wayne, Ind.

Since its founding over 75 years ago, Lincoln National Life has demonstrated a deep commitment to the perpetuation of the heritage of our 16th President. In celebration of Abraham Lincoln's birthday, the company is to be congratulated as it continues to make a real and continuing effort to live up to the character of the Lincoln name.

To perpetuate the legacy of the great humanitarian, Abraham Lincoln, the company will underwrite the "Lincoln Lectureship Series" at Gallaudet College, the national school for the deaf. The college was established by an act of Congress which was signed by President Lincoln in 1864.

The "Lincoln Lectureship Series," endowed this week, will provide a forum for some of our Nation's prominent scholars and statesmen to share their ideas with the American people. The theme for the series will be based on President Lincoln's famous ideal, as expressed in the Gettysburg address:

> Four score and seven years ago our fathers brought forth to this continent, a new nation, conceived in liberty and dedicated to the proposition that all men are created equal.

On February 5, 1981, Lincoln National Life will provide Washingtonians a first-time opportunity to view an important collection of fine cartoons, posters, and memorabilia on loan from the company's Louis A. Warren Lincoln Library and Museum in Fort Wayne. Entitled "By the People, For the People," the exhibit will be on display through March 31 in the rotunda of the Cannon House Office Building.

I hope that many Senators and their staffs will take the opportunity to view this outstanding collection. It exemplifies the character and times of President Lincoln.

America, this body, and countless people owe a great debt to President Abraham Lincoln. He left the world immeasurably better than he found it, and his contribution to this great Nation and the Capital City has enobled us all.

I commend the Lincoln National Life Insurance Co. and its leadership for its hard work in bringing this fundamental part of our heritage to Washington this week.●

SOME PROPOSALS TO REVITALIZE MONTANA'S ECONOMY

● Mr. BAUCUS. Mr. President, a new administration has taken over in Washington at a time of considerable economic difficulties. Interest rates are still between 18 and 20 percent. Unemployment, low productivity—particularly when compared with other countries such as Japan and West Germany—and a tax system that seems to discourage new investment and increased productivity plague our economy.

Increasingly, Americans recognize that we must take steps to improve the business environment and improve productivity. I have undertaken a number of measures designed to assist the Montana businessman, farmer, and rancher and to revitalize our economy. Let me briefly outline what those measures have been to date.

SMALL BUSINESS OMNIBUS TAX BILL

First and foremost, I am an initial cosponsor of the Omnibus Small Business Capital Formation Act of 1981. This was introduced today. I believe it will be a key piece of legislation and will help insure that small businesses receive the attention they should get. Let me briefly outline the principal points of this piece of legislation. I believe we can pick and choose the best aspects of it that are helpful to Montana and to small businessmen everywhere, and make a particular effort to assure passage.

The provisions of this bill address most of the problems of the small business community, but I intend to take it back to the small business community in Montana for review and analysis. I, too, have some misgivings about certain aspects of the bill, and shall want to listen closely to testimony during hearings.

In some instances, for example in the inventory accounting for small business, the revenue loss may be too great. Nonetheless, let me review the principal aspects of the bill.

CAPITAL FORMATION INCENTIVE

Capital formation is undoubtedly one of the greatest problems facing the small business men or women. I believe measures such as those presented in this bill are responsive to that need. Tax credits for investment and the creation of the small business participating debenture should make it easier for obtaining equity and debt capital.

A reduction in capital gains taxes for small business likewise will help, although this may be taken care of by some proposals that might be forthcoming from the Administration. For example, reducing personal income tax rates will have an effect on capital gains taxes, also.

Access to capital should be improved by changes in the subchapter S regulations and a broker dealer reserve system should enhance the marketability of small business stock. However, here, too, I caution that we have to be careful that we are not creating a new tax-deferred reserve system, which many other individuals and businesses will seek for their own purposes as well, creating unacceptable revenue losses and enormous policy problems.

The bill also permits small businesses to rretain a greater share of internally

generated capital. Changing the graduation of corporate tax rates will be helpful, as will be some form of accelerated and simplified depreciation tax treatment. However, the latter is particularly expensive, and once again, will have to be meshed with a number of existing proposals. Raising the ceiling on used property investment tax credits responds to small businesses' needs, as does increasing the amount of permissible accumulated earnings.

ESTATE TRANSFER PROVISIONS

Estate tax reforms obviously are necessary when the current system forces the small family farmer to sell his farm because he is unable to pass it from one generation to the other and also pay the taxes he owes. Real reform is needed here, and I shall be open to any number of suggestions as to how we might improve the situation. It is interesting that the total revenue loss, if one were to eliminate inheritance taxes completely, would be only $7 billion, and yet that $7 billion must generate more paperwork and regulations and confusion and unhappiness than anyone can imagine.

INVENTORY ACCOUNTING IMPROVEMENTS AND EMPLOYEE STOCK OPTIONS

Changes in inventory accounting for small business has been a subject many people have struggled with and it has still not been resolved. It is complicated and a high-cost item in terms of revenue loss. Nonetheless, I do not believe we should address the issue once again to see if we can find a better way to help small business keep its books.

Finally, the bill permits employees to exercise stock options without tax consequences, which should help small businesses attract better management by encouraging the use of stock options for key employees.

As a member of the Small Business Committee and of the Finance Committee, I look forward to the debate on the various proposals presented by this measure. I am convinced that we in the Senate must pass a good part of this measure, if the small business community in America is to continue to thrive and prosper.

I believe such a measure is particularly important at this time, as the administration studies ways to revitalize our economy. Too often, massive programs do not respond to the needs of many people interested in the subject; often tax measures aimed at the business community end up being helpful to big business. Small business somehow seems to get lost in the maze.

It is my intention to make sure that this bill is not lost. With over 40 percent of our GNP produced by small business, it is essential that we maintain its vitality. Yet so many tax laws and regulations. which can be easily handled by big business, overwhelm small businesses; ultimately they threaten to result in substantial losses, if not bankruptcy.

GOVERNMENT CONTRACTS FOR MONTANA SMALL BUSINESSES

Secondly, I am planing two important conferences for small businesses in Montana. One way to improve the economic outlook is to expand the source of markets for our goods. That is, if we can find more people to sell to and encourage them to buy, we shall bring more money into Montana. And, when we seek new markets, we should not forget the Federal Government itself.

About one-quarter of the Nation's productive output is now consumed by the Federal Government. A quarter of this total—more than $1 of every $20 spent for all purposes in this country—is spent by the Department of Defense, either on salaries or contracts. In fiscal year 1979, these outlays amounted to over $108 billion. Less than $200,000 of this amount—two-tenths of 1 percent—found its way to Montana's economy. Thus, Montana ranked 47th among the 50 States in DOD funds received. By any standard, there is considerable room for improvement.

Selling to the Federal Government is not unlike selling to any other potential new market. However, the U.S. Government has established a policy to encourage Government contracts awards to small firms. This is true of both direct awards and of awards for which some large firm is the prime contractor. The first important step in dealing with the Federal Government is to identify potential markets within it. This requires that Montana businessmen acquaint themselves with such tools as the Commerce Business Daily and other available information about the scope and type of Federal contracts. Every business—including small business—must compete for these contracts and awards must be made to the lowest bidder. But, on the other hand, we must make sure Montanans get their fair share of these contracts.

I shall be sponsoring a major procurement conference in the State early this summer to acquaint Montana businessmen with the opportunities for receiving awards of Federal contracts and to inform them of the procedures and processes to receive these contracts. This conference will lay the groundwork for establishing of relationships and financial arrangements, which will prove both profitable for both the individuals involved and for the State economy as well.

INVESTMENT CONFERENCE FOR MONTANA

Montana's economy has been severely affected by recent decisions made by both the Federal Government and the private sector, and it must respond to the problems caused by these decisions through a variety of actions. The State must have a well-planned and coordinated approach to economic development.

Another way to improve Montana's economic climate is by attracting new and increased investment. To accomplish this, we need to find innovative and effective ways to stimulate investment in the State. Therefore, I am planning to sponsor a second conference this summer on "Attracting New Industry and Investment to Montana."

The confernce will bring together Federal, State, and local officials concerned with investment and economic development with leaders from the private sector and potential investors. Discussions and working sessions will be held on a number of subjects dealing with economic development, including ways to improve coordination between the State policies on taxes, zoning, environmental regulations, et cetera. An overall objective of the conference will be the formation of working groups to come up with specific proposals and initiatives that will encourage the kind of investment Montana needs.

FOREIGN INVESTMENT AND TRADE—THE MONTANA CONNECTION

The last 2 years on the Finance Committee have brought out for me, in sharp relief, the importance of trade and foreign investment to our country.

It is hard to believe or even to be concerned about trade when the subject seems so distant. Yet, when you think about it, every day we deal with matters impossible without that trade. In part, we are in bad shape economically, because, as a nation, we have not been paying enough attention to trade.

Investment is the same; for years we have benefited from large U.S. investments overseas, bringing money home to us, giving us a return on funds going overseas. So, we cannot put on blinders when foreigners seek to do the same thing. If Toyota wants to build a plant in the United States, it means jobs and large expenditures of money in our country. The profit may be repatriated abroad, but we, too, will have benefited, as do foreigners from U.S. investments in their countries. But, we must be careful that those investments do not permit foreigners to control our economy.

We in Montana know that; we sell much of our product abroad and are that much better off for it.

There is a lot more we could do that is imaginative and would contribute to a healthy Montana economy.

For example, some of our banks could consider establishing bank free trade zones. Just north of our border is one of the richest places in the world—Alberta. Many there might like to have a nearby bank offering a free trade zone for financial transactions. As it is now, they probably have to go to New York or Chicago for such services. As a result, the investment money goes elsewhere than Montana.

What is a bank "free trade zone?" It is an international banking facility, which permits foreign deposits free of reserve requirements and allows the facility to borrow money free of reserve requirements from depository institutions located outside the United States. It offers a number of other benefits, all of which are designed to attract investment capital from abroad to our area.

The Federal Reserve System is in the process of seeking comment on proposed rulemaking for such facilities. Each State must also amend its laws to make them possible. New York has already done so, since it has seen the opportunity to enhance its reputation as a world banking center.

We cannot compete with that, but we, perhaps, could offer a regional facility attractive to such countries as Canada. We should think it over.

TOURISM

While speaking of trade, mention must be made about tourism which is

one of Montana's most important industries and is, in fact, a trade item. Last year, I sponsored a conference in Great Falls on trade and tourism in Canada. I continue to think that we can work much more closely with our neighbors, including neighboring States, to promote tourism in the region. The potential is enormous, and I shall continue to do whatever I can to lower trade barriers between the United States and Canada and to help form a solid basis for regional tourism promotion.

Improved customs and immigration service is certainly one way to achieve this objective and I intend to work with the Montana tourism industry to help in that area and in any other area which it feels would be beneficial to it.

GOVERNMENT GUARANTEED LOANS FOR SMALL BUSINESSES—AN EARLY WARNING

Finally, let me mention my interest in reviewing the Government-guaranteed loan programs. I suspect Montana does not receive its full, fair share, and, because of that suspicion, I asked my staff to do some research on these programs.

Currently, the Economic Development Administration is involved in three planning districts in Montana. In addition, there are title IX status grants due to severe job losses from the Malmstrom Air Force Base cuts and the Anaconda Co. shutdown.

The growth council of Great Falls has received two grants: One for $200,000 and a second for $500,000 which is a revolving growth fund grant. In addition, Anaconda has received a $100,000 grant for planning and implementing an approach to dealing with job losses in the Anaconda area.

Presently, there are no public works grants in Montana. Three had been nearing final approval but fell through for various reasons. There are several business loans guaranteed by EDA, but the figures are unavailable.

The Small Business Administration indicates that, in 1980, there were 531 regular SBA loans in Montana, 468 of which were guaranteed. The 531 loans represent $64.1 million; the 468 loans that were guaranteed represent $55.1 million.

There are 13 member institutions in the Federal Home Loan Bank in Montana. These institutions had advances as of the end of 1980 that total $52,808,000.

In spite of these relatively low funding levels, I feel these programs are absolutely essential to the well-being of Montana's economy. I am particularly concerned about the preliminary remarks by the new Director of OMB, Mr. David Stockman, upon assuming his new post, that Government-guaranteed loan programs should be dramatically reduced. Such a proposal, if enacted, would, in my judgment, severely impact on the prospects of revitalizing Montana's sagging economy.

Those are a few ideas. I want to follow-up on them. Tax proposals; promotional conferences; increased trade; more Government procurement in Montana; more Government guaranteed loans, if possible; more tourism; and more information on how to expand business. Other ideas may emerge, and, obviously, not all plans can be implemented at once.

But at least let us try.●

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended not beyond the hour of 7 p.m., and that Senators may speak therein without limitation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there will be no more rollcall votes today.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON THURSDAY

Mr. BAKER. Mr. President, I ask unanimous consent that on Thursday there be orders for the recognition of Senators BAKER, HATFIELD, STEVENS, TOWER, SYMMS, MATSUNAGA, and CRANSTON of 15 minutes each to follow on after the recognition of the two leaders under the standing order.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Later the following occurred:)

Mr. BAKER. Mr. President, I ask unanimous consent that the special orders entered for Thursday be changed to the order of sequence as follows: the first Senator to be recognized will be the Senator from Hawaii (Mr. MATSUNAGA), followed by Senator CRANSTON, Senator SYMMS, Senator HATFIELD, Senator BAKER, Senator STEVENS, and Senator TOWER.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:15 A.M., THURSDAY, FEBRUARY 5, 1981

Mr. BAKER. Mr. President, I ask unanimous consent that on Thursday the Senate convene at 9:15 a.m.

This request has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM FOR THURSDAY NEXT

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate reconvenes on Thursday next, and following after the recognition of the two leaders under the standing order and the recognition of Senators under the special order, the Senate resume consideration of the Executive Calendar and that the order of business at that time be the consideration of Adm. B. R. Inman to be Deputy Director of Central Intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I modify that request. I believe Admiral Inman will be before us in two capacities: that for confirmation as admiral, and also as Deputy of Director of Central Intelligence, one nomination from the Armed Services Committee and reported from the Armed Services Committee, and the other from the Intelligence Committee, and I modify my request by asking that both nominations may be considered in sequence as the first order of business when we return to the consideration of the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER EXTENDING DEADLINE ESTABLISHED BY SENATE RESOLUTION 109 FROM FEBRUARY 1, 1981 UNTIL APRIL 1, 1981

Mr. BAKER. Mr. President, as in legislative session, I ask unanimous consent that the deadline established by Senate Resolution 109 of the 96th Congress, a resolution to direct the Select Committee on Ethics to undertake a comprehensive review of the Senate Code of Official Conduct and Provisions for its enforcement and implementation by which the Select Committee on Ethics is to report the results of its study of the Senate Code of Official Conduct and make recommendations for its revision be extended from February 1, 1981, until April 1, 1981.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I will not object, Mr. HEFLIN has discussed this request with me, and there is no objection.

Mr. BAKER. I thank the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT THE READING OF WASHINGTON'S FAREWELL ADDRESS OCCUR ON FEBRUARY 16, 1981

Mr. BAKER. Mr. President, I ask unanimous consent that the reading of Washington's Farewell Address this year occur on February 16, instead of February 22, as provided in the order of the Senate on January 24, 1901.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, as in legislative session, there are certain matters on the calendar. I wonder if the minority leader is in a position to agree to the consideration of those items at this time?

Mr. ROBERT C. BYRD. Mr. President, there is no objection on this side to proceeding with the items on the general orders calendar.

Mr. BAKER. Mr. President, I thank the minority leader.

INCREASE IN MEMBERSHIP OF THE JOINT COMMITTEE ON PRINTING

The bill (S. 272) to increase the membership of the Joint Committee on Printing, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101, title 44, United States Code, is amended to read as follows:

"The Joint Committee on Printing shall consist of the chairman and four members of the Committee on Rules and Administration of the Senate and the chairman and four members of the Committee on House Administration of the House of Representatives.".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION

The resolution (S. Res. 35) authorizing expenditures by the Committee on Rules and Administration was considered and agreed to, as follows:

S. RES. 35

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1981, through February 28, 1982, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,273,800, of which amount not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1982.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEMBERS ON THE PART OF THE SENATE OF THE JOINT COMMITTEE ON PRINTING AND THE JOINT COMMITTEE OF CONGRESS ON THE LIBRARY.

The resolution (S. Res. 36) providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library, was considered and agreed to, as follows:

S. RES. 36

Resolved, That the following-named Members be, and they are hereby, elected members of the following joint committees of Congress:

JOINT COMMITTEE ON PRINTING: Mr. Mathias of Maryland, Mr. Warner of Virginia, and Mr. Cannon of Nevada.

JOINT COMMITTEE OF CONGRESS ON THE LIBRARY: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Baker of Tennessee, Mr. Pell of Rhode Island, and Mr. Williams of New Jersey.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOLA E. CLARK

The resolution (S. Res. 37) to pay a gratuity to Nola E. Clark, was considered and agreed to, as follows:

S. RES. 37

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Nola E. Clark, widow of Francis E. Clark, an employee of the Architect of the Capitol assigned to duty on the Senate side of the Capitol Grounds at the time of his death, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOSEPH A. CROSS

The resolution (S. Res. 38) to pay a gratuity to Joseph A. Cross, was considered and agreed to, as follows:

S. RES. 38

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Joseph A. Cross, widower of Florence K. Cross, an employee of the Senate at the time of her death, a sum equal to three months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I thank the minority leader. That completes the consideration of the calendar of business under general orders.

It is my understanding that the distinguished minority leader intends to make his presentation to the Senate on the history of the Senate. If I might have the attention of the minority leader for a brief moment, I would ask if it might be agreeable to the minority leader that at the conclusion of his presentation we might provide for the Senate to stand in recess under the order previously entered?

Mr. ROBERT C. BYRD. Mr. President, that would be agreeable.

Mr. BAKER. Mr. President, I make that request at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the minority leader for his cooperation.

THE UNITED STATES SENATE

CAPITOL POLICE

Mr. ROBERT C. BYRD. Mr. President, during the spring and summer months as many as ten thousand persons visit the Capitol Building each day. They come from every state in the Union and from all parts of the world to see for themselves this structure which has become the symbol of the highest ideals of representative government. Those of us who have visited legislative bodies in other nations never cease to marvel at the wide access that visitors enjoy to this seat of government.

Many come with specific issues or grievances that they wish to discuss with those of us whom they have elected to be their representatives. Others simply want to explore, at first hand, this great citadel of democratic government. Just as our visiting citizens have a right to the widest possible freedom of movement and expression in these halls, so do we, their representatives, have the right to conduct our business without undue delay and without fear of restraint or reprisal.

To maintain this often delicate balance, we are fortunate to have the assistance of a dedicated and well-trained Capitol Police force. Today, in my continuing series of statements on the United States Senate, I plan to discuss the development of the Capitol Police from a one-man watchforce in 1801 to its current position as a highly-professional law enforcement organization.

For the first twenty-five years of Congress' residence in Washington, the Capitol was under the protection of a single guard whose charge was simply "to take as much care as possible of the property of the United States." The first guard, Mr. John Golding, and his immediate successors, lacked the customary police authority to make arrests. We must assume that the solitary guards had frequent occasion to wish that they could call on more than simply the force of their individual personalities. We do know that from time to time, the guard had to seek assistance from a detachment of Marines stationed nearby.

By late in 1824, as the construction of the Rotunda neared completion, the number of visitors to the Capitol had increased significantly and, accordingly, so did the need for police protection. The arrival of one of the Nation's greatest foreign friends, the Marquis de La-

fayette, must have placed a great burden on the Capitol guard. On December 10, 1824, as Lafayette became the first foreign dignitary to address a joint congressional session, the guard complained bitterly of his difficulties in expelling from the building "disorderly persons, vagrants and drunks." A fire in the Capitol's library, at Christmastime in 1825, demonstrated the growing necessity for increased surveillance. Fortunately, no one was hurt and only a few books were damaged. The ensuing investigation pointed clearly to the need for systematic professional protection to avoid the recurrence of what might surely have been a disaster.

Action finally came in 1827 when President John Quincy Adams directed that a regular watch force be established. That force consisted of four men—two for daytime duty, one for the nighttime, and one relief man. A year later, on May 2, 1828, the City of Washington's police regulations were extended to include the Capitol and adjacent grounds. Accordingly, the year 1828 appears prominently on the shoulder patch of today's Capitol Police force signifying the date of its "founding." For the next quarter century, however, the force remained small, consisting of a captain and three men. They worked fifteen-hour shifts when Congress was in session and ten hours at other times. Although not required to wear uniforms, the police were directed to be "neat and tidy and present a gentlemanly appearance at all times; to be stern with violators of the laws, but courteous to officials, citizens, and strangers." Due to the force's small size, its area of responsibility was confined to the Capitol building and the walks and drives immediately adjacent to it. In addition to providing general security inside the building, the police served as tour guides and were, by all accounts, knowledgeable and helpful, just as they are today.

A major source of irritation for the police came from the hack drivers who, in their zeal to pick up passengers, refused to keep their carriages within designated areas. The greatest difficulty, however, lay beyond the walkways, over the course of the Capitol grounds.

Although the grounds were surrounded by a large iron fence, the gates of which were closed each evening, their many secluded areas offered ample opportunity for holdups and other crimes. In those days the grounds to the east of the building, covered with more than six hundred trees, sloped upwards to a height of eight feet from the building to the eastern boundary line. First Street was then graded seven feet below the boundary so that it was difficult, if not impossible, to see the Capitol or most of its grounds from the street. During daylight hours a single watchman, usually an elderly man unsuited for arduous duty, patrolled the grounds. At night, it was every man for himself.

During most of the nineteenth century, the Capitol Police had to rely on the District of Columbia's fifteen-member "Auxiliary Guard" to control demonstrations and stop disorderly conduct on the grounds. Unlike the Capitol Police, the Auxiliary Guard did have uniforms, which were grey with flowing capes and a profusion of brass buttons. The "AG", as they were known, were armed with fearsome wooden sticks topped with iron spearheads. The weapon was said to resemble an ancient javelin. Both the Capitol and the city forces were provided with "whirligig rattles" instead of whistles. When twirled, these rattles reportedly emitted a most unearthly noise.

The need for an expanded force became acute by 1851. During that year, construction began on the Capitol extension which was to consist of wings housing our current Senate and House chambers. When completed later in the decade, the extension would more than double the available working space in the building, making it virtually impossible for a handful of men to guarantee the security of members and visitors alike.

As 1851 drew to a close, another fire broke out in the congressional library. This time the damage achieved disastrous proportions. When the blaze was finally contained, more than 35,000 of the library's 55,000 books were destroyed, including two-thirds of Thomas Jefferson's original collection. In a building containing 45,000 gas jets and hundreds of candles, the likelihood of additional fires was exceedingly great.

A year later, in 1852, the Capitol Police force, described as "an ununiformed squad of ancient watchmen" was enlarged to include a captain and eight men. It was then that the term "Capitol Police" first appeared in the statutes, and one might consider 1852 as the real beginning of the evolutionary process through which the small guard force grew into a professional police organization. By 1854, the police, armed with heavy hickory canes, had begun to wear uniforms, possibly borrowed from the military. Not until the start of the Civil War in 1861, however, were they authorized to wear badges, symbolic of their police authority.

The increased activity that came in the wake of the wartime emergency, as well as the continuing construction work on the Capitol extension and the new dome, necessitated further expansion and the issuance of more detailed regulations for the police. Although supplemented by military troops, stationed in and around the building, the force was increased to constitute three six-man watches. Each watch was on duty twelve of every thirty-six hours, with an hour's relief for meals. At that time, the Capitol building was open to the public from sunrise to sunset. Children under the age of twelve were not permitted on the grounds, or in the building, unless, in the language of the regulations, they were accompanied by "parents or some discreet person."

In 1867, as the country slowly struggled to recover from the tragedy of the Civil War, responsibility for the Capitol force was transferred from the Commissioner of Public Buildings to the Sergeants at Arms of the Senate and the House. As one of their first acts, those officials authorized the design of new uniforms to distinguish the police from the members of the general public, many of whom were attired in old military garb, and to instill a sense of esprit among the men. Salaries were raised to $1,000 per year and three men were added to help with the increased flow of visitors to the top of the then recently-completed dome.

With the expansion of the force came the inevitable criticism that it was getting too large and that its membership, which included a large number of Civil War veterans, was not suited to the heavy responsibility of protecting the Capitol. Mark Twain was one of the force's most prominent critics. In February 1868, he speculated that "the days of the picturesque, blue-uniformed, brass-buttoned Capitol Police are numbered." He argued that they cost the government $80,000 per year and were not worth the money. Mark Twain reported that the force's members "have grown fat and comfortable dozing in chairs and scratching their backs against marble pillars." He suggested that protection be provided, when necessary, by regular Army troops.

At the time Mark Twain made his observations, the services of the police were very much in demand. On February 24, 1868, the House voted to impeach President Andrew Johnson. From early March until late May, the Senate sat as a court of impeachment. This unprecedented event drew huge crowds from across the Nation. The police provided added security, screening visitors to ensure that only those with proper credentials were admitted to the Senate galleries. Senators found it difficult to move in and out of the chamber, despite the best efforts of the police to keep the corridors clear.

In 1873, the Capitol Police Board was established, adding the Architect of the Capitol to the force's governing body. The board assumed responsibility for a force consisting of one captain, three lieutenants, twenty-seven privates, and eight watchmen. In addition, it supervised a newly-created and separate guide force. The guides were allowed to offer their services to the public for not more than fifty cents an hour.

A year later, in 1874, Congress appropriated $200,000 for a major redesign of the troublesome and unsightly Capitol grounds. Up to that time the grounds shoddy appearance confirmed Lord Bacon's observation that "men come to build stately sooner than to garden finely." The soil consisted of poor clay which "turned to powder in dry weather and to mortar in wet." The west front of the building had been particularly neglected. From the earliest years, it had been assumed that the city would develop to the east. Consequently, little attention was paid to the western portion of the Capitol until 1873 when Congress acquired seven acres on Capitol Hill's western slope. The Senate and House retained nationally-prominent landscape architect Frederick Law Olmsted to prepare a suitable plan for both the east and west grounds of the building. As work proceeded on Olmsted's plan, Congress adopted a resolution, "to

prevent any portion of the Capitol grounds and terraces from being used as a playground, or otherwise, so far as may be necessary to protect the public property, turf, and grass from destruction and injury." Congress also moved to keep the public from climbing on the exterior statues and walls by making the offense punishable by a $100 fine and sixty days in jail.

Fire continued to plague the building during the last quarter of the nineteenth century. In 1876, a gas explosion ripped through the Senate wing, killing the building's chief carpenter and seriously injuring the superintendent of the Senate folding room. Five years later, another explosion damaged the Senate side of the Capitol.

The most serious, and the last, gas explosion occurred at 5:13 p.m., on November 6, 1898, in the vicinity of the first-floor room now restored as the old Supreme Court Chamber. Two bicycle policemen, stationed at Second and C Streets, Southeast, heard the explosion and saw a sheet of flame rise from the windows along the east front at the basement level. The police officers saved valuable moments by quickly sounding the alarm. Just before the blast, a policeman inside the building detected the smell of gas. As the Capitol was honeycombed with gas pipes, that odor was not considered uncommon. Nevertheless, the officer set out to investigate. Just as he left the Senate side and headed toward Statuary Hall, the accumulated gas, which had leaked from the service pipes beneath the crypt, ignited. The force of the explosion heaved upward the very floor that the officer had just crossed. The resulting fire raced up an elevator shaft adjacent to the Supreme Court chamber, causing considerable damage on both the first and second floors.

Although approximately $25,000 damage occurred to the building and its furnishings, the severest loss was a priceless collection of manuscript copies of Supreme Court decisions for the period 1792 to 1832. The court itself was not slowed by the calamity. It met the following day in the District of Columbia Committee room on the second floor of the Capitol, now known as the Lyndon B. Johnson Room. That room is located across the hall from the Democratic leader's offices, which, in those days, used to house the Senate Finance Committee and the Official Reporters of Debates. By 1900, electricity had replaced gas for purposes of illumination and, thereafter, all gas lines to the Capitol were closed to avoid what was then becoming an altogether too frequent occurrence.

Less than seventeen years later, another explosion rocked the Capitol. On that occasion, however, it was hardly accidental. On July 2, 1915, at 11:40 p.m., Erich Muenter, a former German language instructor at Harvard University, stood in front of Union Station, his eyes fixed intently on the Capitol. At that moment, an ignition device set off three sticks of dynamite which Muenter earlier had placed behind the Senate's telephone switchboard located adjacent to the west wall of the Senate Reception Room. The explosion caused major damage to the room, smashing windows, chandeliers, and mirrors. Officer Frank Jones, a 30-year-veteran of the Capitol Police force, was stationed at the Senate Door on the first floor. The severity of the blast nearly knocked him off his chair. The only other policeman on duty in the Senate wing was Officer George Gumm. Only ten minutes earlier, Officer Gumm had closed a window in the Reception Room just inches from where the dynamite lay concealed. Meanwhile, Mr. Muenter, pleased with his dramatic protest against United States aid to Great Britain in World War I, quickly boarded the midnight train to New York City.

On the following day, the *Washington Star* carried two banner headlines. The first recounted the Capitol bombing and reprinted an anonymous letter in which the writer expressed the hope that the explosion would "make enough noise to be heard above the voices that clamor for war and blood money." The writer, expressing his opposition to America's faltering efforts at neutrality, concluded that "this explosion is the exclamation point to my appeal for peace." The other Page One news story told of the shooting of financier J. P. Morgan, Jr., at his Long Island estate. Morgan was not seriously hurt and his assailant was arrested. His attacker's motive was to strike a symbolic blow against J. P. Morgan and Company, Great Britain's chief purchasing agent in the United States for war munitions and supplies. Morgan's assailant was none other than Mr. Muenter, who, several days later, committed suicide in jail.

Explosions and bombings aside, the life of a Capitol policeman at the end of the nineteenth and into the twentieth centuries contained a large measure of boredom. This was a particular problem late at night, after the building had closed and the members and visitors had departed. Perhaps this situation accounts for a variety of ghost stories that have been told down through the years.

One of the oldest stories is recounted by newsman John Alexander in his book of Washington ghost tales. It concerns the infamous denizen of the Capitol's lower reaches, "Demon Cat." As the story goes, Demon Cat always waits until its victim is alone. The animal's prey are generally members of the Capitol Police force. One victim told of encountering the infamous cat on a winter's eve. As it walked toward the policeman, the cat began to swell.

The guard felt paralyzed as he stared into the glowing, piercing eyes that came closer and closer and grew larger and larger. The animal swelled to the size of a giant tiger, yet never lost its unmistakable cat-like form. Its purring changed to a ferocious snarl. There was a deafening roar as the monstrous animal leaped—with claws extended—toward its victim. The guard couldn't move. His feet seemed nailed to the floor. He covered his face with his arms as the giant animal seemed just inches away from landing on him. He screamed.

Nothing happened. The Demon Cat vanished into thin air as the man screamed.

The trembling guard stood alone, the corridor deserted, the silence pierced only by his breathing. His limp body was covered in a cold, clammy sweat. He felt drained. The narrow marble hallway now reminded him of a tomb. The guard shuddered, tried to pull himself together, and headed back to his desk. For some reason he just didn't feel like finishing his rounds.

This grisly feline was blamed for an elderly guard's fatal heart attack and the cat is reputed to appear only on the eve of a national tragedy, or upon the changing of presidential administrations!

There are other stories of footsteps echoing through darkened halls, belonging, perhaps, to long-since departed members of the police force, still faithful to keeping watch over their posts. In the 1890's, a policeman entered Statuary Hall, the former House chamber, at midnight and allegedly interrupted the entire ghostly membership of a much earlier Congress in solemn deliberation. Shortly thereafter, in the same chamber one New Year's Eve, as the clock struck twelve, the marble and bronze statues were reported to have drifted off their pedestals in order to dance. A terrified guard fled from the chamber and into the still night air. On the following day, he recounted the eerie event to his supervisor. The captain immediately ordered the private to take an extended rest. I have heard, however, that even in recent times, the police tend to avoid Statuary Hall on New Year's Eve!

In 1896, twelve privates were added to the force and seven watchmen's positions were abolished. The outbreak of the Spanish-American War, two years later, served as reason for adding eighteen more privates. Although they were intended to be temporary, in 1901, they became part of the permanent force. So, at the beginning of this century, the Capitol Police force had grown impressively. Including a newly established detective force, it amounted to sixty-seven men. Half the privates were selected by the Senate and half by the House. Of this number, four officers were assigned to the Dome due to its popularity among the tourists. During the height of the season, more than 2,000 persons each day climbed the 390 stairs for a breathtaking view of the surrounding city of Washington. The grounds were, at that time, patrolled day and night by a bicycle squad to give chase to those who drove their two-wheelers at high speeds and to catch, and send to the pound, all unlicensed dogs.

In 1902, the *Washington Star* pronounced the force's evolution complete. In that paper's judgment, the Capitol Police was "the finest body of indoor policemen in the world." Each member of the force was then attired in a natty dark blue regulation army frock coat and was armed with a billy club, pliable handcuffs called "nippers", and a distress whistle. They carried revolvers only when on "important service" or when assigned to the grounds at night.

Apparently not all of the officers liked their "natty" uniforms, for a number of appropriations acts of that period included the admonition that "the officers, privates, and watchmen of the Capitol Police shall, when on duty, wear the regulation uniform."

By 1911, the force was again the target of strong criticism because of its continuing expansion. Several years earlier the Senate and House had opened their new office buildings, those which we know today as the Russell and Cannon Buildings. Together, they required an additional twenty-six officers. For some reason the House took only ten while the less populous Senate claimed sixteen. One senator noted that was because the 391 House members were more orderly than the 92 senators.

The House, following the lead of its Democratic Caucus, reported a bill in 1911 to reduce the size of the force by fifty percent. The measure's proponents argued that most of the recent increase had been intended as temporary due to the Spanish-American War. Senator Clarence Watson of West Virginia agreed with the reduction plan. He noted the presence of many "sleepy-eyed officers sitting around who would never be allowed in a real business institution." He claimed that they were "of no use to anybody, even themselves, except to draw their salaries." Democratic Senator John Sharp Williams of Mississippi concurred, accusing the policemen, whom he believed to be the appointees of the Republican majority, of being "political hangers on." He said "to them we entrust the care of this great national property, and they attend to it with such little efficiency that although there are sixty-seven of them hanging around between here and the House somewhere, somebody came in here the other day and ruthlessly cut one of the pictures in the Capitol all to pieces." Senator Williams was referring to an incident on December 19, 1911, in which a vandal cut a thirty-inch long strip out of the "Battle of Lake Erie" painting, located in the marble stairway to the east of our chamber. In 1955, that same painting suffered a similar outrage.

Unfortunately, the paintings and statuary in this building have frequently been the target of mindless mutilation, a fact which presents a strong argument for an adequate and vigilant police force. Senate Appropriations Committee Chairman Francis Warren expressed the sentiment of a majority of his colleagues in 1912 when he told them he would rather pay the price of a sufficient police force than to risk the consequences of less protection.

After extensive debate in 1912, the Senate decided not to concur in the House's force reduction plan. Senators realized that the younger men, who had been recently hired, would have to be the first fired. That would have left a core of Civil War veterans, most of whom were in their late sixties, the men who were the very targets of the complaints about inactivity. Few senators were willing to take the action necessary to fire these old war veterans, from both the Union and Confederate armies. Their heroic deeds in days gone by were familiar to the senators, many of whom had served as their comrades in that bloody and tragic struggle. The veterans were allowed to remain, and the records of the Senate Democratic Conference indicate that as late as 1918 there were still a few Civil War veterans guarding our doors.

Back in those days, the police were given fifty days of annual leave. One senator thought he saw a way to save funds by reducing the number of leave days to thirty. His plan foundered, however, when another senator explained that those fifty days were from the entire year, barely giving the men each Sunday off! Even today, the official policy of the Capitol Police Board is that leave is a privilege rather than a right. The police manual notes that the "requirements of the force must at all times come first."

The police had great responsibilities on the eve of the First World War. They had to protect the Capitol, then valued at $17 million. The grounds had been expanded to cover fifty-nine acres, and an estimated one million visitors traversed these halls each year. Among the particularly sensitive posts were one in Statuary Hall, to guard against chronic vandalism; the Senate gallery, where two officers worked to reduce congestion; the upper dome, "for the preservation of order, to protect the Dome from defacement, and to guard sightseers from dangerous places."

In addition, there was a turnkey who locked and unlocked each of the Capitol's thirteen doors. Several years earlier, the turnkey in the House Office Building lost his key and every lock in the building had to be replaced. A final important post was the northeast grounds, where a patrol was assigned "to protect the lawns from trespassers and the roadways and plaza from invasion by unauthorized vehicles and from fast driving of all kinds."

As I noted earlier, World War I created the need for additional security. The bombing of the Reception Room in 1915 was directly related to the war. In 1917, when the United States entered the conflict, the Senate attempted to add fifty men for the duration of the emergency. The House, however, refused to go along with the Senate's plan. One Representative interviewed the chief and quoted him as saying that fifty percent of the force was absolutely inefficient due to the patronage system of appointment. He argued that "a large number of the force are entirely unacquainted with the duties of policemen. They do not know how to make an arrest, and a large number are physically incapable of performing the duties of their office."

In 1935, at a time when the area of the Capitol grounds had just been increased from 59 acres to 126 acres, the chief of police appealed to the Senate and House for twenty-four men to supplement his 132-man force. He reported to the House Appropriations Committee that his force was severely handicapped due to the large number of underaged or elderly policemen, and the lack of service standards. He estimated that one-third of the force did all the work. At that time, the men ranged in age from nineteen to seventy-five. One officer was 6'2" and weighed all of 120 pounds. During the previous year, the police had made 600 arrests and there were 112 automobile accidents. One of the force's two automobiles, a four-year-old Ford with 40,000 miles to its credit, was constantly out of service, leaving the other vehicle to make all the rounds, day and night.

The chief recommended that the force adopt the standards of the Metropolitan Washington Police Department and require all new men to be between the ages of twenty-one and fifty. He indicated he would be happy to have World War I veterans because "they know how to shoot and know how to take orders." The House Sergeant at Arms supported the chief's request and added that he saw no need for the additional men unless they complied with the standards. He noted that standards would make the work of the congressional patronage committees easier, allowing them to turn down the unqualified candidates of influential members. Subsequently, both houses agreed to allow the Capitol Police Board to establish specific qualifications. Today, candidates for appointment must be within the twenty-one to fifty-year age bracket recommended earlier. Officers must have a high school education and may not be less than 5'4" nor more than 6'5" in height and of proportional weight.

In setting those standards, the Police Board was well-aware that the Capitol has unfortunately been the setting for periodic acts of violence. As early as 1835, a deranged person attempted to assassinate President Andrew Jackson during his visit to the Capitol. As the president left the Rotunda and headed toward the east front stairs, the man pointed a percussion pistol at him from a distance of less than ten feet. The pistol failed to fire and, as Jackson started to lunge toward his assailant, the man pulled the trigger of a second pistol. It also misfired. Jackson felt certain that Senator George Poindexter of Mississippi was responsible for the attempt on his life, but a special Senate investigating committee found no evidence to substantiate that claim. Several of the president's enemies suggested that due to the improbability of two loaded pistols misfiring, the attempt had been staged to build popular sympathy for Jackson.

Violence has also been directed against members of Congress, requiring increased police protection. Slightly more than a half century after the attempt on President Jackson's life on February 28, 1890, there occurred a confrontation between a former House member, William P. Taulbee, and Charles Kincaid, a correspondent for the *Louisville Times*. Kincaid had charged that the former Kentucky representative had been involved in unsavory dealings. Taulbee encountered the journalist twice during the same day and, on both occasions, pulled his enemy's ear. The second time, Kincaid drew a revolver and shot Taulbee in the head. There are those, even today, who claim that the stains on the marble stairs in the House wing mark the spot where a newsman first drew congressional blood. I have also heard that there is, among the Hill's journalists, a "Kincaid Society," but I did not attempt to learn more of its objectives.

On March 5, 1921, retiring Nevada Senator Charles B. Henderson, who was cleaning out his office in what is now the Russell Building, was shot in his right

forearm. The gunman was a disgruntled constituent who had been nursing a land claim grievance for three decades. Senator Henderson was not seriously hurt and the assailant was arrested.

On the night of February 15, 1924, Senator Frank Greene of Vermont and his wife were walking on Pennsylvania Avenue, a short distance from the Capitol grounds. Just as Senator Greene passed the entrance to an alley, he was hit in the head by a stray bullet from a gun battle between bootleggers and revenue agents. Although the wound had no apparent effect on his intellect, it left him with a severe speech impairment, kept him from participating in debate for the remainder of his Senate term, and ultimately led to his death.

Eight years later, on December 13, 1932, a twenty-five-year-old department store clerk entered the House gallery, waving a loaded pistol in the air. He dangled one foot over the railing and demanded the right to speak. There followed a mad scramble for the cloakrooms. Minnesota Representative Melvin Maas, who had been trained as a psychologist, gently talked the man into turning over his weapon. When asked later by a reporter whether he had experience in handling deranged persons, Mr. Maas observed, "Why not? I've had six years in Congress."

On July 12, 1947, just before noontime, Senator John Bricker of Ohio left his suite in the Senate Office Building and headed for the old monorail subway for a ride to the Capitol. As he boarded the car, a man with a 22-caliber target pistol fired at him twice from a distance of fifteen feet. Neither shot hit Senator Bricker, who had the presence of mind to duck under the car's front seat and to tell the operator to "step on it." Arriving at the Capitol end of the subway, the senator nonchalantly headed for the chamber, stopping only to phone his secretary and neglecting to mention the incident. Meanwhile, the subway car operator returned to the office building terminal, only to find the assailant waiting and very much alone. The gunman quickly fled in a taxi and, thanks to the combined efforts of the Metropolitan and Capitol Police forces, he was arrested within the hour. The man had recently lost his patronage position as a Capitol policeman. (The fact of his previous employment led several cynics to observe that the danger was minimal of his being able to hit the Senator.) The assailant, when questioned as to his motive, said that he was just trying to "refresh" Senator Bricker's memory about a savings and loan association's failure fifteen years earlier in which the man had lost a considerable sum of money.

For as long as there has been an organized Capitol police force, there have been public demonstrations to test that body's training and experience. Many of us recall the Vietnam-era protest marches and rallies that ebbed and flowed across this federal city. More recently, farmers traveled with their families, and often with their tractors and livestock, from the Nation's heartland to deliver to their government a message of concern and frustration. Almost without exception, the Capitol Police have handled these demonstrations with, in the words of the police manual, "coolness and firmness," mindful of the participant's constitutional rights and protection under our laws.

Earlier demonstrations were not always managed with such professionalism and restraint. A good example of this was the march on Washington in the spring of 1894 by General Jacob Coxey and his "army" of five hundred men, women, and children. Coxey, a successful Ohio farmer and businessman, provided an outlet for the frustrations of thousands of unemployed Americans who were victims of the economic distress that gripped the Nation following the Panic of 1893.

On March 19, 1894, Senator William A. Peffer of Kansas introduced two bills embodying Coxey's scheme for national economic recovery. They provided for an elaborate system of public works projects financed by a large new issue of paper money. At that point, Coxey announced his plans to assemble a contingent of 100,000 persons to march from Ohio to Washington as a "living petition" to Congress for his proposals.

On a biting cold Easter morning, Coxey set out with one hundred followers and a forty-seven-man press escort for what was certain to be a well-publicized, if arduous, journey. One observer noted that the "army" consisted "for the most part of men who inspired more sympathy than respect." As Coxey moved toward his ultimate destination, officials in Washington prepared for the worst. Some feared a howling mob of tens of thousands who would attempt to seize the government's supply of gold, silver, and paper currency. Sharpshooters prepared to defend the Treasury Building. Fifteen hundred Army troops were alerted for duty. At the Capitol, two hundred special police were sworn in and the guard in and around the building was doubled.

Senator Peffer and other sympathizers sought in vain to secure adoption of a resolution to establish a special Senate committee to receive petitions from "bodies of citizens visiting Washington" in an effort to curb what he believed was the prevailing notion that the Senate was an "American House of Lords" out of touch with the needs of the people.

When Coxey arrived in Washington, he obtained a parade permit, but was informed that it was illegal to parade on the Capitol grounds, to walk on the grass, and to "display flags, banners, or devices designed or adapted to bring into public notice any party, organization or movement."

Reference to this law did not deter Coxey. Asserting the constitutional rights of free speech and assembly, he gave his "troops" orders to prepare to march.

On May Day 1894, Coxey's Army was joined by twenty thousand generally-sympathetic spectators who lined Pennsylvania Avenue in anticipation of the protest's climactic moments. They were not disappointed. As Coxey approached the Capitol, he found the grounds encircled by a solid phalanx of mounted police. He and two companions left the main body of marchers and headed toward the Senate wing. Mounted police galloped in pursuit, followed by an agitated and curious crowd. Coxey, alone, succeeded in reaching the Senate's front steps where he was surrounded. His request to speak denied, he threw a written statement of protest to nearby reporters, and was quickly led away by the police. The excited crowd of onlookers surged forward, causing the police to charge into their ranks. Fifty spectators were either trampled or beaten. Coxey and the other leaders were soon released and he returned to his headquarters to issue "Special Order Number 1." In it, he proclaimed that:

> Liberty lies weltering in her own blood in the Nation's Capitol City to-night, stabbed in the home of friends and supposed guardians. Free speech has been suppressed and police clubs have taken the place of the scales of justice . . . Brothers, we have entered upon the beginning of the end.

After the May Day drama, Coxey and several key followers were tried for violation of the 1882 Capitol Grounds Act. They were found guilty of trampling the Capitol's grass and Coxey spent twenty days in jail for his trouble.

Although most members of Congress disagreed with Coxey's specific remedies for the Nation's economic difficulties, many deeply resented the treatment he and his followers were accorded. Ohio Congressman Tom Johnson expressed this attitude in denouncing as disgraceful the fact that "the representatives of this Nation should have no better reception for a peaceful body of poor, unemployed men, no matter how erroneous their economic views, than to meet them with the upraised clubs of police."

Nearly four decades later, another "army" made a dramatic march on Washington. Conscripted by the Great Depression's agents of unemployment, starvation and despair, 25,000 World War I veterans and their families traveled here in the spring of 1932 from all parts of the Nation. They came to urge Congress to amend a 1924 act that would have provided veterans' bonuses in 1945. The members of this rag-tag "Bonus Expeditionary Force" wanted their bonuses, amounting to $500 apiece, immediately.

From May until late July, the "Bonus Marchers" lived in camps along the Anacostia River, in abandoned buildings, in garbage dumps, and even in the shadow of this building, near the Library of Congress. Congress adjourned on July 16 without responding to the veterans' demands. As the summer's heat intensified, so too did concern within the Hoover White House that matters might soon get out of hand. Up to that point, the marchers had conducted themselves with restraint. This prompted Will Rogers to observe that they held "the record for being the best behaved of any hungry men assembled anywhere in the world."

The available evidence indicates that the Capitol and Metropolitan Police acted with sympathy towards the veterans. The latter arranged to serve hot meals to the marchers for a nominal cost. Police Superintendent Pelham Glassford counseled the White House to

let the demonstration run its course. President Hoover, however, feared that course might prove to be contrary to the Nation's best interests. Accordingly, on July 28, 1932, he ordered the Metropolitan Police to clear out marcher-occupied buildings on the present site of the National Gallery of Art. In the ensuing encounter, the police killed four veterans. This led President Hoover to order his chief of staff, General Douglas MacArthur, to use whatever force was necessary to remove the marchers from the area. Cavalry troops and tanks arrived from Fort Myer. As the mounted soldiers charged into the demonstrators, one of those trampled was Senator Hiram Bingham of Connecticut, himself a veteran of the World War.

Throughout the remainder of that sad day, the demonstrators were chased, clubbed, gassed, and shot in what Major Dwight Eisenhower, who was then serving as MacArthur's aide, observed was a reaction to a political manifestation rather than to a military threat. By day's end, the marchers' Anacostia camp lay a smoldering ruin. The battered veterans were given police escorts through the neighboring states of Maryland and Virginia to insure that they would not regroup and return.

Although the Capitol Police played no direct role in this sad drama, they witnessed the tragic consequences of an over-reaction to an essentially peaceful protest. Senators William Borah, Hiram Johnson, and Hugo Black, in particular, were outraged by the Army's heavy-handed use of force. They undoubtedly agreed with Representative Fiorello La Guardia's telegram to the president, that "Soup is cheaper than tear gas bombs and bread is better than bullets in maintaining law and order in these times of Depression, unemployment, and hunger."

Over the past twenty-five years, several demonstrations have taken the form of direct assaults on Congress. They have necessitated tightening of security and further expansion and professionalism of the Capitol Police.

On March 1, 1954, four terrorists belonging to a Puerto Rican nationalist group invaded the House of Representatives' gallery and fired approximately thirty shots in the direction of the 143 members then present. Five representatives were wounded and, fortunately, they all recovered.

As a result of that outrage, five plainclothes policemen from the Metropolitan force were stationed in the public galleries of each chamber and visitors since that time have been required to check all packages before entering the House and Senate galleries. Shortly after the attack, the Committee on House Administration, of which I was then a member, met to consider legislation to institute stringent recruitment and training procedures in the then mostly patronage-dominated force. At that time, new recruits were issued revolvers without having had any formal training, although the majority were war veterans. Captain William Broderick told us that he considered only 35 to 40 of his 157-member force qualified to continue serving once the proposed reforms were instituted. He indicated that it took at least two years to train a man to be a professional policeman, and by that time, the patronage appointee had usually moved on to other employment.

Although security was tightened after the 1954 attack, the broader package of reform proposals was not immediately adopted. The Capitol Police came to rely more heavily on the Metropolitan department's professionals for assistance as needed. In 1958 Congress added twenty men to the force to provide security for the newly-opened office building which was subsequently named for Senator Dirksen. By that time the Capitol Police force was headed by a chief and other high-ranking officers who had been permanently-detailed from the Metropolitan force. That arrangement continued until February 1, 1980, at which time these key positions were brought under the exclusive control of Congress.

One event that I remember particularly well occurred in this chamber on September 11, 1967. A few minutes after the Senate convened, five spectators threw from the galleries a number of anti-Vietnam war leaflets. The message in the leaflets promised "sustained disruptions of government apparatus" until the United States withdrew from Vietnam. The demonstrators were arrested and removed.

On the following day, I noted that such action constituted "a threat to substitute anarchy for law and order." I suggested that it was "a contemptible effort at coercion, one that strikes at the foundations of the orderly processes that protect the rights of all Americans, including the group that made the threat." I reminded my colleagues that there was at that time no statute on the books that specifically prohibited demonstrations inside the Capitol. Shortly thereafter, Congress passed and the president signed an act to make such disorderly activities, including forcible entry into the Senate and House Chambers and surrounding rooms, a felony punishable by a fine of up to $5,000 and/or imprisonment of up to five years. I regretted then, as I do today, the necessity for such strict measures, but events before and since have made them essential.

On March 1, 1971, exactly seventeen years after the attack in the House Chamber, a violent explosion ripped through a ground floor rest room in the oldest portion of the Senate wing, not far from the site of the 1898 gas explosion. The device had a force equivalent to twenty pounds of dynamite. Fortunately no one was injured. The damage, amounting to $200,000, consisted of cracked walls, broken windows, weakened floors, and injuries to artwork. A group known as the Weather Underground immediately claimed credit as a symbolic protest against United States policies in Southeast Asia. To date, no one has been brought to justice for that craven act.

Before the bombing, police did not routinely check staff and visitors to the Capitol for weapons or other potentially dangerous devices. In its wake, a number of steps were taken to improve the building's security. As we are all aware, everyone who enters the Capitol and the office buildings, with the exception of members, must allow the police to examine handbags, briefcases, and packages. All employees have been issued photo-identification cards. A closed-circuit television system was installed. With more than one hundred cameras, it permits around-the-clock monitoring of all areas of the building, including the most obscure back halls. The tunnels from the Capitol power plant have been wired with an alarm system. A hazardous device unit was established within the Capitol Police force to respond to bomb threats and to search the grounds as necessary. Electronic metal detectors have been installed at all gallery entrances. I understand that they have produced at least nine guns and twenty-seven knives in recent years. Finally, the size of the police force was expanded from 622 in 1971 to a total current authorization of 1,167 for three shifts. Of that number, less than one percent are patronage employees. The first two female officers on the Capitol Police force were hired on September 16, 1974. After first becoming plainclothes police, Nancy B. Yount was promoted to detective in 1978, and Patricia K. Rinaldi in 1979.

Since 1965, the professionalization of the Capitol Police has been presided over by Chief James M. Powell. At the time of his appointment, Chief Powell was a captain in the Metropolitan Police Department and chief of security on the Senate side of the Capitol. Chief Powell has had a dramatic career in police work. During World War II, as a detective, he broke up a gas ration stamp racket. In 1949, he helped to capture two gunmen who held up the Baltimore and Ohio Express Train. A year later, then Captain Powell was the first plainclothesman on the scene after two Puerto Rican nationalists attempted the assassination of President Truman. Captain Powell and his assistant apprehended one of the assailants. During the 1960's and 1970's, Chief Powell commanded the United States Capitol Police during a period of great national unrest, which included the Poor People's campaign and march on Capitol Hill, and the May Day demonstrations of 1971. We are all very appreciative of the firm but restrained control of these demonstrations which the Capitol Police maintained, providing maximum security and protection for Members of Congress and the Capitol building and grounds.

Today, all members of the force must undergo rigorous training, both in marksmanship and in the latest law enforcement methods. That training includes a special sixteen week program. Of that time, eight weeks are spent at the Federal Law Enforcement Training Center in Glynco, Georgia, with periodic refresher courses. Capitol Police officers must qualify annually on the firing range, a part of the local training area often affectionately referred to as "Rayburn U", located in the basement of the Rayburn House Office Building.

Mr. President, if John Golding, the first Capitol guard, were able to return here today, he would undoubtedly be en-

vious of his successors. No longer merely guards, today's Capitol Police are equipped with the latest in uniforms, weapons, and technical proficiency. With equal dexterity they can be counted upon to control demonstrations and guide bewildered visitors with sensitivity and effectiveness. I think it is particularly appropriate that the Capitol Police manual gives equal emphasis to both functions. When one considers that some seven to ten million people visit the Capitol building each year, one appreciates their tasks all the more.

I think that all members of the Senate, and the Senate staff have found the Capitol Police to be good friends. They are the first to greet us when we arrive each morning, and as we leave at night. Senate work often spills into the late evening and early morning hours, and it is particularly reassuring to see the Capitol Police on those dark nights. The Capitol Police can be counted upon to find a parking space for a hurried staff member at mid-day; to produce a coathanger to open a car door, when the owner has locked his keys inside; to point out a tire going bald and in need of replacement; or to discuss the results of last Sunday's Redskin game. They are a dedicated and valiant group of men and women and we are fortunate to have their service.

I thank the Presiding Officer and the officers of the Senate, the pages and all for their patience. I yield the floor.

RECESS UNTIL 9:15 A.M. THURSDAY, FEBRUARY 5, 1981

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 9:15 a.m. Thursday, February 5.

Whereupon, the Senate, in executive session, recessed at 6:58 p.m. until Thursday, February 5, 1981, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate January 30, 1981, under authority of the order of the Senate of January 22, 1981:

COUNCIL OF ECONOMIC ADVISERS

Murray L. Weidenbaum, of Missouri, to be a Member of the Council of Economic Advisers, vice Charles L. Schultze.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Donald I. Hovde, of Wisconsin, to be Under Secretary of Housing and Urban Development, vice Victor Marrero.

DEPARTMENT OF JUSTICE

Edward C. Schmults, of Connecticut, to be Deputy Attorney General, vice Charles B. Renfrew.

OFFICE OF MANAGEMENT AND BUDGET

Edwin L. Harper, of Missouri, to be Deputy Director of the Office of Management and Budget, vice John Patrick White.

Executive nominations received by the Secretary of the Senate February 2, 1981, under authority of the order of the Senate of January 22, 1981:

DEPARTMENT OF THE INTERIOR

Donald P. Hodel, of Oregon, to be Under Secretary of the Interior, vice James Alfred Joseph, resigned.

DEPARTMENT OF THE TREASURY

R. T. McNamar, of California, to be Deputy Secretary of the Treasury, vice Robert Carswell.

W. Dennis Thomas, of Maryland, to be a Deputy Under Secretary of the Treasury, vice Gene E. Godley, resigned.

Executive nominations received by the Secretary of the Senate February 3, 1981, under authority of the order of the Senate of January 22, 1981:

AGENCY FOR INTERNATIONAL DEVELOPMENT

M. Peter McPherson, of Maryland, to be Administrator of the Agency for International Development, vice Douglas J. Bennet, Jr., resigned.

CENTRAL INTELLIGENCE

Vice Admiral B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

DEPARTMENT OF AGRICULTURE

Richard E. Lyng, of Virginia, to be Deputy Secretary of Agriculture, vice James H. Williams.

DEPARTMENT OF STATE

James L. Buckley, of Connecticut, to be Under Secretary of State for Coordinating Security Assistance Programs, vice Matthew Nimetz, resigned.

Richard T. Kennedy, of the District of Columbia, to be Under Secretary of State for Management, vice Benjamin H. Read, resigned.

Walter J. Stoessel, Jr., of California, to be Under Secretary of State for Political Affairs, vice David D. Newsom.

Richard Fairbanks, of the District of Columbia, to be an Assistant Secretary of State, vice J. Brian Atwood, resigned.

Robert Carl McFarlane, of Maryland, to be Counselor of the Department of State, vice Rozanne L. Ridgway.

DEPARTMENT OF STATE

The following-named person for appointment as a Foreign Service officer of class 1, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

O. Rudolph Aggrey, of the District of Columbia.

For appointment as a Foreign Service officer of class 2, a consular officer, and a secretary in the diplomatic service of the United States of America:

John H. Trattner, of Maryland.

For promotion from a Foreign Service officer of class 3 to class 2:

Dwight N. Mason, of New Jersey.

For promotion from a Foreign Service officer of class 4 to class 3:

Ray L. Caldwell, of Florida.

For promotion from a Foreign Service officer of class 5 to class 4:

Margot Ellen Reiner, of New Jersey.

For appointment as Foreign Service officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Oliver Pastrano Garza, of Texas.

G. Jonathan Greenwald, of Virginia.

For appointment as Foreign Service information officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

William Bach, of Illinois.

Kyra V. Eberle, of New York.

For promotion from Foreign Service officers of class 6 to class 5:

Donald Keith Bandler, of Pennsylvania.

Francis Edward Matthews, of Pennsylvania.

For appointment as a Foreign Service officer of class 5, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Kenneth R. Audroué, of California.

For appointment as Foreign Service information officers of class 5, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Barbara A. Haith Scarlett, of California.

Gilbert K. Sherman, of Maryland.

For appointment as Foreign Service officers of class 6, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Robert L. Fretz, of Florida.

Sally L. Harman, of Virginia.

Constance Elaine Huggins, of Ohio.

Stephen W. Kennedy, of California.

Lisa Ruth Layne, of New Jersey.

William T. Monroe, of Connecticut.

Ronald W. Mortensen, of Wyoming.

Roger Dwayne Pierce, of the District of Columbia.

David Francis Rogus, of New York.

Edward J. Wehrli, of Texas.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Karen Aguilar, of Virginia.

Ruby Apsler, of Washington.

Rayna Aylward, of Illinois.

Philippe I. duChateau, of Virginia.

Ellen M. Fish, of Massachusetts.

Stephen Eric Gangstead, of Iowa.

Janet E. Garvey, of the District of Columbia.

Merianne Glickman, of Illinois.

Theodore H. Jabbs, of North Carolina.

Haynes Richardson Mahoney III, of Massachusetts.

James A. Morgan III, of Florida.

John Allen Quintus, of Virginia.

Mark A. Taplin, of Virginia.

Paula Jane Tarnapol, of Connecticut.

Maureen S. Taylor, of Rhode Island.

For appointment as Foreign Service information officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Jan Hartman-Sevilla, of Florida.

Harriet C. McGuire, of Ohio.

Paul Overby, of Missouri.

Foreign Service Reserve officers to be consular officers and secretaries in the Diplomatic Service of the United States of America:

Alan B. Ammerman, of Florida.

Kay L. Anske, of Texas.

Richard Hanson Appleton, of California.

Marshall F. Atkins, of Tennessee.

Heidi August, of California.

Susan I. Aulds, of Texas.

Algis Avizienis, of Illinois.

Désirée A. Baker, of Illinois.

Jeffrey Jay Baron, of the District of Columbia.

James Warren Bean, of Colorado.

Milton A. Bearden, of Texas.

Bartholomew B. Bechtel, Jr., of Virginia.

James Howard Benson, of Virginia.

Gale Ellen Berghoefer, of Virginia.

John L. Berntsen, of Wisconsin.

Carlos Bigles, Jr., of Puerto Rico.

Stephen J. Blake, of Illinois.

Robert Walter Boehme, of New Jersey.

Betty I. Boothe, of Texas.

Pamela E. Bridgewater, of Maryland.

Steven Alan Browning, of Texas.

Frances E. Butler, of Florida.

Martha Larzelere Campbell, of New Hampshire.

Xavier Castellanos, of California.

Mary Paul Smith Cherney, of Texas.

Richard Jon Chidester, of Texas.

Karen R. Clark, of California.

Lawrence Ellis Cohen, of Pennsylvania.

Margaret E. Colvin, of the District of Columbia.

Robert S. Connan, of the District of Columbia.

Christopher D. Costanzo, of Virginia.

Elizabeth Link Cummings, of Virginia.

Terrence J. Daru, of Florida.

William Craig Davidson, of Colorado.

William Fairbairn Davnie III, of North Dakota.
Christopher William Dell, of New Jersey.
Marc L. Desjardins, of New York.
Richard Gaines de Villafranca, of Illinois.
Philo L. Dibble, of the District of Columbia.
Paul Martin Doherty, of Massachusetts.
Bruce Edward Donnelly, of Illinois.
Mary Ann Dubs, of Maryland.
Anthony A. Dudley, of North Carolina.
Carmen Martinez Ellis, of Florida.
Janice L. Elmore, of Virginia.
James F. Entwistle, of Virginia.
Michael R. Evans, of Utah.
Teresa Matthews Evans, of Virginia.
Gardel MacArthur Feurtado, of Virginia.
Sharon K. Flack, of Texas.
William D. Fleming, of Pennsylvania.
William Payne Francisco III, of Texas.
Roger Alan Frazier, of Virginia.
Jack P. Gatewood, of Texas.
John M. Gieseke, of California.
Doreen Tam Glanville, of Massachusetts.
George Allen Glass, of New Jersey.
Ellen Goff, of Washington.
Ted K. Gong, of California.
David Laurence Gossack, of Washington.
Diane Granzow, of Ohio.
Todd Richard Greentree, of California.
Robert L. Grenier, of Virginia.
Eva Jane Groening, of New Jersey.
Eigil V. Hansen, of New Jersey.
Mary-Margaret Harris, of Virginia.
Joe H. Harton, of Virginia.
Theresa Ann Hebron, of Missouri.
Carol C. Heineck, of Alabama.
Richard Arthur Herold, of Illinois.
Steven Don Hill, of California.
Heather M. Hodges, of Ohio.
Robert Michael Holley, of Florida.
Lyman L. Hubbard, Jr., of California.
Clarence Alexander Hudson, Jr., of Indiana.
Ravic Rolf Huso, of Virginia.
Maria M. Ifill, of California.
Dennis W. Imwold, of Maryland.
Paul W. Isaacson, of Maryland.
Peter Kincaid Jensen, of New Hampshire.
Frances Thornton Jones, of North Carolina.
James C. Kaddaras, Jr., of Massachusetts.
Ann Midori Kambara, of California.
James R. Keith, of Virginia.
William M. Kendall-Johnston, of California.
Kristie Anne Kenney, of Virginia.
Michael David Kirby, of Massachusetts.
Peter J. Kirsch, of Maryland.
Richard E. Kitchen, of Virginia.
Anne M. Koenig, of California.
Howard M. Krawitz, of Michigan.
Kay R. Kuhlman, of Virginia.
Charles F. Lamm, of Florida.
Kathleen Carr Lang, of Virginia.
Wade P. Leahy, of Arizona.
Edward Alex Lee, of the District of Columbia.
Frank M. Lemay, of the District of Columbia.
Robert L. Luaces, of New York.
Paula Reed Lynch, of Indiana.
Margaret E. Lyons, of Maryland.
Paul T. Maddocks, of New York.
George Stephen Malleck, of Connecticut.
Steven Scully Maloney, of Maryland.
Matthias Manz, of New Mexico.
Linda Anne Marcus, of New York.
Robert Nielsen Marquardt, of California.
Awilda R. Marquez, of the District of Columbia.
Marcia M. Marsh, of Texas.
Valentino E. Martinez, of New Jersey.
Glenn Lincoln McCurdy, Jr., of Virginia.
Joseph Sherwood McGinnis, Jr., of Pennsylvania.
Craig W. McKee, of Iowa.
Robert W. Merrigan, of Oregon.
Donnie Paul Minyard, of Oklahoma.
Lawrence Mire, of California.
Ernesto López Molina, Jr., of Arizona.
Ann Clark Montgomery, of New Jersey.
Katherine R. Montgomery, of Pennsylvania.
Héctor Emilio Morales Colón, of Puerto Rico.
Kathleen Murphy, of California.
Patricia A. Murphy, of New York.
Joseph Adamo Mussomeli, of New Jersey.
Nancy Jeanne Neubert, of Vermont.
Douglas Bruce Neumann, of California.
W. Ross Newland, of Virginia.
Bradley D. Nichols, of Virginia.
Janet Mildred Nixon, of the District of Columbia.
Richard B. Norland, of Iowa.
Harry John O'Hara, of Texas.
Dennis J. Ortblad, of Washington.
Thomas Stephan Pabst, of California.
Mary Johnson Parr, of Florida.
Patricia Blanche Payne, of Illinois.
Isaac P. Pearson, of Pennsylvania.
Walter Neill Sherrod Pflaumer, of Pennsylvania.
Eric L. Qualkenbush, of Virginia.
Carlos Kenneth Quinones, of Connecticut.
Jacqueline Ratner, of New York.
Frank Rey, Jr., of Florida.
Lloyd Macauley Richardson, of New Hampshire.
Charles E. Robertson III, of Virginia.
Carol Ann Rodley, of Maine.
Catherine Anne Rolla, of Texas.
Mario Ruggia, of Texas.
Douglas Poe Ryan, of New York.
Susan Elizabeth Salem, of Florida.
Jamari Salleh, of New York.
Robert M. Sargent, of Maine.
David Michael Satterfield, of Maryland.
Fabio Marino Saturni, of the District of Columbia.
Lynn Roger Schiveley, of California.
Kyle R. Scott, of Arizona.
Robert Hayes Seibold, of Pennsylvania.
Michael D. Sellers, of Pennsylvania.
Richard Morey Sherman, of Virginia.
Marc J. Sievers, of New York.
Theodore John Siusarczyk, Jr., of Texas.
Robert H. Small, of New Hampshire.
Renny Travers Smith, of New Jersey.
Thomas James Snead, of New York.
George G. Snider, Jr., of Virginia.
Patty Lynne Specht, of California.
John V. G. Spilsbury, of the District of Columbia.
Ann L. Stanford, of Washington.
Andrew W. Steinfeld, of the District of Columbia.
Antonia E. Stolper, of Connecticut.
Judith Anne Strotz, of Virginia.
Vandoster L. Tabb, of Florida.
Robert Osgood Tatge, of New York.
Holcombe Harper Thomas, Jr., of South Carolina.
Cameron S. Thompson, of Massachusetts.
Nadia Tongour, of California.
Craig Stuart Tymeson, of Florida.
Frank C. Urbancic, Jr., of Indiana.
Paul Biggs van Son, of Florida.
Sharon English Woods Villarosa, of Florida.
Joan Swift Wadelton, of New Jersey.
Lawrence Arthur Walker, of Illinois.
Robert Merwin Watts, Jr., of Connecticut.
Eric R. Weaver, of Maryland.
David Alan Weiss, of the District of Columbia.
Elizabeth Wilcox, of New York.
Alec Wilczynski, of California.
Gary B. Wilkinson, of Virginia.
Robert Eric Williams, of Illinois.
Barney P. Yun, of New York.
James Peter Zumwalt, of California.

Foreign Service Reserve officers to be consular officers of the United States of America:
Robert L. Graninger, of Arizona.
Carroll G. Hollman, of Virginia.
Rudy G. Jackson, of California.
Robert C. Montoya, of Maryland.

Foreign Service Reserve officers to be secretaries in the Diplomatic Service of the United States of America:
John C. Fry, of Maryland.
Frank M. Fulgham, of Maryland.
Richard W. Getzinger, of Maryland.
Marion L. Kellogg, of Hawaii.
Joseph LaPalombara, of Connecticut.
James L. Malcomson, of Arizona.
Gerald H. Zarr, of the District of Columbia.

Foreign Service staff officers to be consular officers of the United States of America:
Carolyn I. Carr, of Texas.
Robert Edward Jacobson, Jr., of California.
Ruth S. Taylor, of West Virginia.
Mary F. Witt, of California.
Charles B. Woodward, Jr., of Virginia.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America, effective September 26, 1980:
Michael T. Scanlin, of Maine.
Daniel Alan Spikes, of Florida.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 3, 1981:

DEPARTMENT OF LABOR

Raymond J. Donovan, of New Jersey, to be Secretary of Labor.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

DEPARTMENT OF DEFENSE

Frank C. Carlucci, of Virginia, to be Deputy Secretary of Defense.

HOUSE OF REPRESENTATIVES—*Tuesday, February 3, 1981*

The House met at 12 o'clock noon.

The Reverend Martin A. Canavan, S.T.L., J.C.L., of the Ukrainian Catholic Seminary, Washington, D.C., offered the following prayer:

Eternal Father, Lord of the nations, we come before You in humility, adoring Your greatness, and praising and acknowledging Your goodness toward each and every one of us and to these United States.

As we commemorate the Proclamation of Ukrainian Independence, we thank You for the freedom, independence, and strength You have bestowed on our country; and pray that You graciously and generously shower Your gifts of wisdom and courage on our President and the Congress that they may always preserve and develop this great gift of freedom and all the other blessings You have bestowed upon us as a nation.

Rejoicing in Your goodness to us as Americans, we come before You, Father, in humble prayer and petition for the freedom of Ukraine and all other nations and peoples on Earth who are unable to live freely and independently. We ask You in Your great mercy to hear our prayer and answer it swiftly and favorably. For You, Father, are the Giver of all that is good and true in our lives as individuals and as a nation—and to You and Your Son, Jesus Christ, and the most Holy Spirit, we give our praise, honor, and adoration—today, always, and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE REVEREND MARTIN A. CANAVAN

(Mr. STRATTON asked and was given permission to address the House for 1 minute.)

Mr. STRATTON. Mr. Speaker, I am very happy to welcome the Very Reverend Martin A. Canavan, of the Ukrainian Catholic Seminary of the city of Washington, here this morning as our guest chaplain.

This is the high point today for the celebration of the 63d anniversary of the freedom of the Ukraine. Father Canavan originally comes from Pennsylvania. He was educated at Catholic University and the Pontifical Gregorian University in Rome. He was a pastor for some time in Philadelphia, and now is serving as spiritual director at St. Josaphat Ukrainian Catholic Seminary.

As Members are aware, the actual anniversary of the independence of the Ukraine is on the 22d of January, but because of our preoccupation with the inaugural festivities it was thought best to defer that celebration until today. Later today, the gentleman from Illinois (Mr. DERWINSKI) and I will be having a special order to commemorate this Independence Day, and we trust that the Members will all participate in expressions of sentiment on this very important occasion. I am delighted that Father Canavan could be with us, and I express our appreciation for his presence here.

ANDERSON BILL TO SAVE MONEY AND ENERGY

(Mr. ANDERSON asked and was given permission to address the House for 1 minute).

Mr. ANDERSON. Mr. Speaker, midway through the 96th Congress, I introduced legislation providing an allowance of 4 cents per mile to Federal employees who use their bicycles while on official business. I reasoned that these employees can now receive 22.5 cents per mile for using their automobiles on those same trips.

We will reimburse somebody 22.5 cents for each mile he spends in downtown stop-and-go traffic, polluting the air, using up gasoline, and adding to the urban congestion. But if this person wants to make the same trip on his bicycle, and we all know that bicycles can move just as quickly as cars in a city, he receives nothing.

It just made good sense to me that we should not discourage the use of bicycles by refusing to reimburse the employee the cost that he experiences in the wear and tear of the bike, while he is using it in the Nation's behalf. I had seen evidence that 4 cents per mile was about how much it costs to operate a bicycle, and that is the same amount the California State government reimburses its employees, so that is what I pegged the figure at.

Because this idea was a new concept, and one deserving of study and deeper thought, our colleague from California, Hon. JOHN BURTON, who chairs the Government Operations Subcommittee with jurisdiction over such matters, requested that the General Accounting Office delve into the issue.

On January 19, the Comptroller General released the GAO study, and I am pleased to say that it endorses this concept. As a matter of fact, it does so in an unusually straightforward manner—

> Federal employees should be reimbursed for official travel by bicycle.

It went on to say, referring by number to the legislation I wrote in the last Congress, and which is identical to the bill I am introducing today:

> The cost of owning and operating a bicycle, based on data provided by several sources and on rates currently being paid by several government bodies, falls between 3 and 5 cents per mile. The 4-cents-per-mile proposal introduced in the 96th Congress (H.R. 6180) would, therefore, be a reasonable rate for reimbursing Federal employees using their bicycles on official travel.

Mr. Speaker, I do not know to what extent bicycles would be utilized given enactment of this legislation. But I do know that for every mile an employee uses his bicycle rather than his car, our Nation saves a little bit of gasoline, the residents of the city will breathe air that is a little cleaner, and the American taxpayer will save 18.5 cents.

I invite our colleagues to join me in cosponsoring this legislation.

STEVE LAUTERBACH DAY IN DAYTON, OHIO

(Mr. HALL of Ohio asked and was given permission to address the House for 1 minute.)

Mr. HALL of Ohio. Mr. Speaker, last month we as a nation celebrated the return of the 52 Americans who had been held hostage in Iran. Now, as the ex-hostages are returning to their home communities, we can honor these brave men and women in a more personal and meaningful way.

One of those ex-hostages is Steve Lauterbach, a native of Dayton, Ohio, in the Third Congressional District. Steve was serving as an administrative officer at the U.S. Embassy in Tehran before the takeover by Iranian students.

All of us in Dayton shared with Steve's parents a sense of hopelessness and anguish over the senseless and outrageous actions in Iran. While Steve was a captive, he received over 100 letters from friends and family back home in the Dayton community.

The residents of the Third Congressional District and I are proud of Steve, who has served his country at great personal sacrifice. I feel a great

joy for Steve and his family who are reunited after his long ordeal.

On Thursday, his fellow Daytonians will show their love and appreciation for Steve. At a small ceremony in Dayton's historic Arcade Square, the mayor of Dayton will present him with a resolution from the city commission declaring Thursday, February 5, as Steve Lauterbach Day in Dayton.

The city will place a city and Federal flag on permanent display in the arcade, in Steve's honor. Also, the Chaminade-Julienne High School band, representing Steve's alma mater, will open and close the ceremonies.

This is our way of saying, "Welcome home, Steve." It is good to have you back.

YELLOW RIBBONS IN TALLADEGA, ALA.

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, the Talladega County Courthouse in Talladega, Ala., stands amid the strong and protective branches of many sturdy oak trees. During hot summer days, many of our local citizens seek refuge from the heat under the tree's shade. But for the past year, the trees have also served as a reminder that some Americans were not free to walk the streets, visit family and friends, or enjoy those basic freedoms and liberties afforded all Americans. The reminder, of course, were yellow ribbons tied to each tree and they signaled Talladega's concern for our American hostages in Iran.

Mrs. Mary Dale Harrison, with the cooperation of county probate judge, W. Forrest Killough, placed the ribbons around the trees last January and her greatest joy was "taking down the ribbons and giving thanks to God Almighty that they are home safe."

All Americans have now given thanks for the hostages safe return. In cities and towns across America, our countrymen joined with the good people of Talladega to pray for our hostages and for their efforts and patriotism; I would like to take this opportunity to pay special tribute. How different the hostages return may have been had it not been for people like Mrs. Harrison to remind us of their plight.

For the reading of my colleagues I submit to the RECORD of this legislative body an article from the Talladega Daily-Home about Talladega County's celebration for the return of the hostages:

TALLADEGANS CELEBRATE HOSTAGE RELEASE

TALLADEGA.—Approximately 600 people faced the cold late Wednesday afternoon to join in a flag-waving, patriotic sing-along "Thanksgiving" ceremony staged at the Talladega County Courthouse celebrating the release of the American hostages from Iran.

The idea of the ceremony was suggested late Tuesday afternoon by Jane Dever.

Ms. Dever said, "I wanted our community to be a part of the whole nation (in celebrating)."

Local government officials and civic leaders made brief remarks filled with references to American pride, and thanks for the safe return of the Americans.

Dr. William Garcia of Talladega College led the crowd in singing "America the Beautiful," "God Bless America" and the national anthem.

But amidst the jubilation there were times of somberness.

Local attorney Ralph Gaines said, "As we are singing and rejoicing as a community the release of the hostages, we must not, we cannot forget the eight brave servicemen who volunteered and gave their lives last April in the rescue attempt.

"Everything has a price . . . those eight men knew they were going on a high risk mission, yet because they wanted their fellow Americans to be free, they gave the ultimate."

Gaines then read the names of the eight killed in the desert of Iran in that attempt when their helicopter crashed into a C-130 transport.

"We must remember those men," he added.

Talladega Mayor Larry Barton then had the Christmas lights on the trees surrounding the courthouse turned on.

"When someone is coming to visit, or coming home," he said, "you usually leave a light on for them. We're turning on the lights to let the hostages know we're proud they're coming home."

Barton said the lights will remain burning until the Americans are back in this country.

The yellow ribbons, now a national symbol for the hostages' plight, will also remain tied around the trees surrounding the courthouse until the hostages are once again back in the United States.

Mary Dale Harrison, who placed the ribbons around the trees last January, said, "I'm real glad it's over and I'll be glad when they get back to the U.S. . . . so I can take down the ribbons and give thanks to God Almighty that they're home safe.

"I never did give up because I knew someday they'd be home."

OLIN "TIGER" TEAGUE

(Mr. KAZEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KAZEN. Mr. Speaker, the integrity and courage that "Tiger" Teague displayed in battle and in public service established his place in our Nation's history as well as in the minds and memory of all of us who served with him in this House.

He was a most extraordinary man, repeatedly wounded in World War II, elected to the Congress while still recuperating from wounds, yet always courageous and courteous as he served his Nation in uniform and then in public office. He was truly an inspiration to all who knew him—a man who could be ferocious in principles but a master of bipartisan diplomacy as he became the principal architect of our Nation's gratitude to our veterans. Even as I honored his combat record that won him decorations from our Nation and our allies, I always admired his determined diligence to reward other veterans while maintaining vigilant protection of all our citizens.

He was a member of the Veterans' Affairs Committee throughout his 32 years of service in this House, was chairman for 18 years, and remained a power on that committee when he left that chairmanship to become chairman of our Science and Technology Committee to play a prominent role in sending men to the Moon and unmanned exploration vehicles farther into outer space that most men dreamed possible.

His voluntary retirement from this House in 1978 left a void that no man could hope to fill, but the inspiration of his service here shall remain for years to come. My wife, Connie, and I shall always treasure our friendship with Tiger, his beloved wife, Freddie, and their children, Jim, Jack, and Jill. We have said our last goodby to Tiger, but his qualities and character will remain with us and inspire us as he did while he was with us.

THE REMOVAL OF AMBASSADOR ROBERT WHITE

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I am deeply concerned about the removal of Ambassador Robert White from his position as Ambassador to El Salvador and the manner in which he is being treated by this administration.

I am concerned for many reasons. Among them are his concern for human rights and land reform, which gained him few friends among the few ruling, wealthy families; and his insistence that there be a serious investigation concerning the brutal murders of four American missionaries, two of whom were from my city of Cleveland.

I hope, if this administration is not particularly interested in human rights, at least it be concerned with serving justice on behalf of our own citizens. What are they finding out regarding the murders of our American citizens? Or, will they go on rewarding those who murder our own people?

TEXAS WINES ARE COMING—A CHALLENGE TO CALIFORNIA

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, a Washington Post article of last Sunday con-

firms what many of us have suspected for a long time: That the best of California wines are equal to or superior to their French counterparts. California wines have finally come into their own.

But I would caution the California winemakers not to become too complacent. A challenge is coming to them from an unexpected source—Texas.

The University of Texas system has been engaged in an experimental viticulture and wine project for more than 5 years now, and the results are beyond everyone's fondest dreams. Grapes grown on university lands in far west Texas—particularly at Bakersfield, Fort Stockton, and Van Horn—are producing some very outstanding wines. Now, I did not say Bakersfield, Calif.; I said Bakersfield, Tex.

I am not an expert, but the professionals tell me that the UT experimental chenin blanc, French colombard, and emerald riesling can hold their own with any comparable California wine. And we are just getting started.

Who knows where it will end? California, look out. Texas is coming on fast.

And that is not just sour grapes, either.

PERMISSION TO FILE REPORT TO PROVIDE TEMPORARY INCREASE FOR NATIONAL DEBT

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on the bill to provide a temporary increase for the national debt.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. BLILEY. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. ALEXANDER. I have not spoken to the minority.

Mr. BLILEY. Mr. Speaker, I reserve the right to object.

Mr. ALEXANDER. Mr. Speaker, I would advise that this matter has been cleared by unanimous consent by the Committee on Ways and Means.

Mr. BLILEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

ADOPTION EXPENSES TAX DEDUCTION BILL

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, today I am reintroducing the adoption expenses tax deduction bill. This legislation will amend the Internal Revenue Code to allow individuals a deduction for certain expenses incurred in connection with the adoption of a child. Deductible adoption expenses include necessary adoption agency fees, court costs, attorney fees, and related expenses.

Similar bills have been introduced in past Congresses to provide for adoption expenses tax deductions but my bill differs from these in that it provides for such deductions only when the adoption has been arranged by a public welfare department or similar State or local public social service agency with the legal responsibility for child placement or by a not-for-profit voluntary adoption agency authorized or licensed by the State or local government to place children for adoption.

This stipulation on placements is an important step forward in the protection of the welfare of the child. The child's welfare should always be the primary consideration in placements. Independent adoption placements may be made by physicians, ministers, or attorneys in States which have not yet enacted authorization or licensing requirements. Yet, in these States, the child may also be placed by someone thoroughly unqualified to do so. These lax State laws allow for abuses by black-market operators. The victims of these placements are not only the children, but the birth parents and adoptive parents whose emotional and financial welfare may be traumatized.

The practices of black-market operators are not a small problem. The 96th Congress held hearings to examine the growth of this black-market business following the drastic reduction of adoptable children. To encourage States to enact legislation prohibiting nonlicensed adoptions and to prohibit deductions for those placements made without the best interests of the child in mind, I have included this clarification of adoptions eligible for deductions.

The adoption process is lengthy, time consuming, and often expensive. Technical procedures and high costs are disincentives to parents hoping to adopt a child. This bill would encourage prospective parents in the adoption process. It will also aid in the placement of foster children into permanent homes and the placement of children with special needs.

The costs of foster care under aid to families with dependent children is estimated to have exceeded $400 million this past year. These costs would be greatly reduced were children placed in adoptive homes. In addition, many special-needs children are hard to place and the search for qualified and caring adoptive parents for these children is costly and lengthy. This bill would provide an incentive for the adoption of these children whose chances for placement are less than average.

I have drafted this bill after lengthy discussions with public welfare agencies, the National Committee for Adoption, the Child Welfare League in New York, and other groups interested in the welfare of children.

I hope that the House will act quickly to pass this legislation and I urge my colleagues to join in support of these goals by cosponsoring this legislation.

APPOINTMENT AS MEMBERS OF TECHNOLOGY ASSESSMENT BOARD

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 92-484, the Chair appoints as members of the Technology Assessment Board the following Members on the part of the House:

Mr. UDALL of Arizona; Mr. BROWN of California; Mr. DINGELL of Michigan; Mr. WINN of Kansas; Mr. MILLER of Ohio; and Mr. EVANS of Iowa.

APPOINTMENT AS MEMBERS OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to clause 6(e), rule X and clause 1(a) rule XLVIII, the Chair appoints as Members of the Permanent Select Committee on Intelligence the following Members of the House: Mr. BOLAND of Massachusetts, chairman; Mr. ZABLOCKI of Wisconsin; Mr. ROSE of North Carolina; Mr. MAZZOLI of Kentucky; Mr. MINETA of California; Mr. FOWLER of Georgia; Mr. GORE of Tennessee; and Mr. STUMP of Arizona.

The Republican Members will be subsequently announced.

□ 1215

INTRODUCTION OF BILL FOR RELIEF OF JEFFERSON COUNTY MENTAL HEALTH CENTER, LAKEWOOD, COLO.

(Mr. WIRTH asked and was given permission to address the House for 1 minute.)

Mr. WIRTH. Mr. Speaker, I am introducing today a bill for the relief of the Jefferson County Mental Health Center, located in Lakewood, Colo. The center provides mental health services for a tricounty area. Unfortunately, the center has suffered a series of administrative misunderstandings with the Internal Revenue Service that can only be remedied through legislation.

The problem developed over the payment of social security taxes by the center. The Jefferson County Mental Health Center, a nonprofit organization, is exempt from employee participation in the social security pro-

gram. However, the employees at the center elected to participate in the program.

Proper forms were filed with the IRS and FICA taxes were deducted and paid beginning in 1963. However, in the course of an IRS review of the center, it was decided by the IRS that the proper form of employee withholding had not been filed.

The IRS informed the center that because of a lack of the proper forms, the center had been wrongfully withholding the FICA taxes. The IRS told the center to reimburse the employees for FICA taxes withheld and that the IRS would reimburse the center.

The Jefferson County Mental Health Center reimbursed 133 employees for a total of $74,128. Shortly thereafter, the IRS informed the center that proper forms had originally been filed and had now been located. Consequently, the IRS said it would not reimburse the center for money it had already returned to employees.

By this time it was too late to get the money back from the employees who had spent the money or were no longer employed by the center.

The IRS cannot remedy this unfortunate situation because it does not have the authority to expend funds without a legal obligation to do so or a statutory authorization. This bill provides that the Secretary of the Treasury determine the amounts withheld and treat these amounts as tax overpayments which are then reimbursable to the center.

The House passed this bill late in the 2d session of the 96th Congress. Unfortunately, the Senate did not have time to consider this legislation, and thus it died in the last Congress. Having come so close to final passage last year, the bill deserves expeditious approval by the 97th Congress. A companion bill will be introduced in the Senate by my colleague, Senator HART. I hope this legislation can be enacted without delay so as to correct the inequities that have arisen as a result of administrative misunderstandings between the IRS and the Jefferson County Mental Health Center.

DAVE STOCKMAN IS RIGHT ON THE MARK

(Mr. YOUNG of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, after less than 2 weeks at work, Budget Director Dave Stockman, has already incurred the wrath of special interest groups by attacking the runaway Federal budget. Mr. Stockman has thrown down the gauntlet by challenging this Congress to live up to its commitment to cut Federal spending immediately.

Some of Mr. Stockman's recommended budget cuts in foreign aid were made public last week, and as we might expect, this proposal was greeted unfavorably by the foreign aid lobby. But, as Mr. Stockman says, if we are serious about cutting the Federal budget, then all programs must be scrutinized. Before we begin trimming domestic programs, we had better be prepared to reduce the dollars that flow out of this country in the form of foreign aid.

As the ranking minority member on the Appropriations Subcommittee on Foreign Operations for the past 4 years, I found many foreign aid programs that could and should be reduced. Mr. Stockman's suggested foreign aid cuts are an excellent starting point. I will be more specific on this in a special order later today.

Regardless, the fact remains that Mr. Stockman has taken the initiative in cutting the budget. No one said that it would be easy, but reducing runaway spending is a most important challenge facing this Congress. I intend to support Dave Stockman in his effort to stop the hemorrhaging Federal budget. Clearly, foreign aid is an appropriate beginning.

A TRIBUTE TO BRYAN ELLIS AND STEVE CROWLEY, KILLED IN DEFENSE OF AMERICAN EMBASSY IN PAKISTAN

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, 1 week ago today Washington opened its arms to greet the returning American hostages. I shared in the overwhelming sense of joy, thanksgiving, and relief felt by all Americans.

I could not, however, help but remember two other heroic Americans struck down in the series of tragedies which befell the United States in November 1979—Army WO Bryan Ellis and Marine Cpl. Steve Crowley who gave their lives in brave defense of the American Embassy in Pakistan. These two men displayed a level of courage in keeping with the finest traditions of the U.S. armed services.

In this time of great national rejoicing, let us not forget the tremendous sacrifice these men have made. Let us commit ourselves to re-creating a foreign policy which will restore to the United States a sense of respect throughout the world. We must never again tolerate an international climate in which angry mobs dare to threaten the safety of American citizens, while host governments sit by idly, unwilling to take timely countermeasures.

Let us learn from the tragic deaths of Warrant Officer Ellis and Corporal Crowley, as we offer to their families our sincerest sympathies and deepest gratitude for the sacrifices they have been called on to make.

INTRODUCTION OF LEGISLATION TO PROVIDE EMERGENCY ASSISTANCE TO U.S. AUTOMOBILE INDUSTRY

(Mr. DUNN asked and was given permission to address the House for 1 minute.)

Mr. DUNN. Mr. Speaker, the U.S. auto industry is at a critical juncture.

For only the second time since its founding in 1908, General Motors, the Nation's largest and most financially secure automobile company, has reported a loss of $763 million for 1980. GM sales were down 13 percent over 1979.

Together the big three U.S. automakers, GM, Ford, and Chrysler, face immediate losses in excess of $4 billion at a time when they face expenditures of nearly $70 billion in retooling expenses to produce more fuel efficient cars.

This is why I have introduced legislation, H.R. 1519, to provide emergency assistance to the auto industry. My bill would provide a limited tax credit toward the purchase, during a 6-month period, of a new American automobile, and an additional credit toward interest paid on a new car loan. The bill also allows faster depreciation and extended carryback provisions for auto manufacturers and their suppliers during a period of 5 years.

H.R. 1518 directs the President to revise and eliminate costly auto regulations, thus allowing the industry to be more competitive. My bill requires that this be done in 90 days. I urge support of the bill.

C-SPAN COMES TO THE LEHIGH VALLEY

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, today for the first time, more than 140,000 of my constituents in the Lehigh Valley area of Pennsylvania are able to view their U.S. Congress in session. At this moment, Service Electric Cable TV is inaugurating the Lehigh Valley's first official telecast of C-SPAN, the Cable Satellite Public Affairs Network.

John Walson, Sr., the company's founder, created the Nation's first cable TV system in 1948. Since then, Mr. Walson has played an important role in many of the innovations that today make public services like C-SPAN possible. Now, with the addition of C-SPAN to its Lehigh Valley system, his company is demonstrating the significant contributions that cable TV can make to the communications field.

I know the citizens of the Lehigh Valley who have access to this service join me in welcoming C-SPAN and the bringing of the proceedings of Congress into peoples' homes. This is a step toward a better-informed public and, as a result, better government.

TRIBUTE TO ART GODI

(Mr. SHUMWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMWAY. Mr. Speaker, to be elected to the presidency of the California Association of Realtors is a great honor, and I am pleased to announce that that honor has been earned by my lifelong friend, Mr. Art Godi. At this time, I would like to ask that my colleagues join with me in recognizing the many accomplishments which have convinced the association's membership that Art was the very best man to fill this responsible post.

Art is uniquely qualified to serve as President of the Association. He has received numerous awards within his chosen profession, including Realtor of the Year—1969—from the Stockton Board of Realtors, and the Stewart B. Mathews Award for an outstanding real estate article in the United States in 1969. He has been extremely active within the California association, having assumed numerous chairmanships and vice-chairmanships over the years. He has also served as director of the National Association of Realtors, and has served on more than a dozen Realtors National Marketing Institute Committees. Art has twice been a U.S. delegate to International Real Estate Federation conventions, and he has been a member of the American chapter of that federation since 1962. The owner of his own real estate company, Art is thoroughly familiar with every facet of his profession. What is more, he is able and willing to share his knowledge: He teaches, writes, and otherwise educates others concerning his field of endeavor in a most effective manner.

Art Godi's contributions are hardly limited to real estate, however. He has consistently remained active in community and political affairs, and has demonstrated leadership ability since he was elected student body president of both Stockton College and Stanford University. He has been active with the chamber of commerce, the Congress of Community Progress, the Commonwealth Club of California, the board of directors of the Better Business Bureau, and the North Stockton 20-30 Club. I am convinced that no matter how thorough I attempt to be in this tribute, I will inadvertently omit at least one of Art's able contributions to his community, his profession, and to those who are privileged to know him.

Above and beyond all else, Art is dedicated to preserving and advancing the free enterprise system, and to enhancing all the qualities which have made our Nation great. He fully understands that each individual must exercise freedom of choice, and that the role of government must not be obstructive.

In short, Art Godi is an outstanding individual on every plateau. He embodies leadership, integrity, intelligence, community involvement, and the ability to utilize all his attributes effectively. I am delighted to congratulate Art and his family upon the occasion of this impressive achievement. He has more than earned the respect of his colleagues in the association, and I am certain that my colleagues will join with me in paying tribute to this outstanding individual.

MODERATE LEADERS LEND SUPPORT TO PRESIDENT DUARTE OF EL SALVADOR

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, Christian Democrat leaders from nations throughout Latin America met in Caracas last week. At the end of their meeting, they issued a document supporting the Government of El Salvador's President Duarte.

These moderate leaders from Latin America stated they support Duarte in his struggle to democratize El Salvador against elements of the oligarchy on the right and the totalitarian left.

They emphasized President Duarte's call for elections as proving that—

> The government he heads is temporary and that he is determined to create, within a short time, the conditions for the people to express themselves with absolute freedom.

This is compared to Nicaragua.

At a time when American foreign policy options are very limited in Latin America, I believe it is wise for us to follow the lead of other moderate leaders in our support of President Duarte of El Salvador and democracy and economic stability.

A PLEA FOR EXIT VISAS FOR SOVIET JEW VIKTOR BRAILOVSKY AND HIS FAMILY

(Mrs. FENWICK asked and was given permission to address the House for 1 minute.)

Mrs. FENWICK. Mr. Speaker, let me say to the Members of the House that I would like to bring to their attention the case of a Soviet Jew, Viktor Brailovsky.

In 1973 the Brailovsky family asked for exit visas, and then the harassment and the trouble started. In November, Mr. Brailovsky had published a little mimeographed paper asking that the Jews be allowed, if they wished, to leave the Soviet Union. He is now in prison with a very serious liver ailment.

I would like to urge strongly that all Members of the House write to the Soviet Ambassador here asking that Viktor Brailovsky get medical treatment, that his wife, Irina, be allowed to visit him, that Brailovsky and his wife, along with their son, Leonid, who is 20, and their daughter, Dalia, who is 7, be allowed exit visas to leave the Soviet Union. Viktor Brailovsky's only crime is to have published this paper concerning the Jews, and I think it is outrageous that he is being treated in this fashion.

TRIBUTE TO THE LIFE OF RALPH G. HAYS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it is my distinct privilege today to give this tribute to the life of Ralph G. Hays, a dear friend of mine from Henderson, Ky., who died Saturday, January 24, 1981, at his home following a long struggle with cancer.

Ralph Hays was a strong, proud American, dedicated to the principles that have made our country great.

Prior to his death, Ralph Hays was serving his fourth term in Henderson as a city commissioner. He was long instrumental in city and county planning and zoning regulations. One of Ralph G. Hays' most cherished desires was to "move in quiet ways" to help the youth of his beloved city. He was a distinguished citizen who worked for many new recreational facilities for the young people of Henderson. He was honored last year by the local chamber of commerce as the Distinguished Citizen of the Year.

Surviving are his wife, Mrs. Buena Hays; three daughters, Becky Hays of Henderson, Yvonne H. Cross of Denver, Colo., and Donna Jean Hays of Henderson; and one son, Jere Hays of Henderson.

Other survivors include his mother, Mrs. Emma Hays of Henderson; one sister, Betty Warren of Louisville, Ky.; and one brother, Bill Hays of Henderson.

Obviously, this Member of Congress was very much a friend and admirer of Ralph G. Hays. However, I speak for thousands in Kentucky who were also friends and admirers of this fine gentleman.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. ALEXANDER) laid before the House the

following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *February 2, 1981.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in the Rules of the House of Representatives, I have the honor to transmit a sealed envelope from The White House received in the Clerk's Office at 3:57 p.m. on Monday, February 2, 1981 and said to contain a message from the President dated January 30, 1981, wherein he transmits the Budget of the District of Columbia for Fiscal Year 1982.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

BUDGET OF THE DISTRICT OF COLUMBIA, 1982—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-17)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the 1982 Budget of the District of Columbia.

I am informed that the proposals for Federal payments to the District of Columbia reflected in this document are consistent with those shown in the 1982 Budget of the United States submitted to Congress by President Carter on January 15, 1981.

RONALD REAGAN.

THE WHITE HOUSE, *January 30, 1981.*

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and to include therein extraneous material, on the subject of the special order today by the gentleman from Illinois (Mr. HYDE).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

□ 1230

FREE VIKTOR BRAILOVSKY

The SPEAKER pro tempore (Mr. ALEXANDER). Under a previous order of the House the gentleman from New York (Mr. FISH) is recognized for 60 minutes.

GENERAL LEAVE

Mr. FISH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I have asked permission for this very special order to bring to the attention of the Congress and the public the serious condition of a jailed leader of the Soviet refusenik movement, Dr. Viktor Brailovsky.

Dr. Brailovsky was arrested last November 13 on trumped-up charges of "slandering the Soviet state." After 8 years of continuous harassment and persecution by Soviet authorities, including numerous imprisonments, interrogations, unannounced searches of his home, and the failure of officials to allow the family to emigrate, Dr. Brailovsky's health has been dangerously deteriorating. When he was arrested and jailed last November, he was suffering from a liver ailment that required close medical attention. According to official letters received by his wife as late as December 31, 1980, Dr. Brailovsky was receiving proper treatment. However, his wife has subsequently learned that his prison interrogation has been suspended due to his serious medical condition. He must receive immediate care or his condition will worsen.

Dr. Brailovsky has been a leader in the Soviet Jewish emigration movement. Despite being under investigation for publishing an unofficial Jewish cultural journal, Dr. Brailovsky bravely led a group of 237 other refuseniks in signing a letter to President Brezhnev last November protesting the refusal to grant exit visas to these individuals. Written on the eve of the Madrid Conference, the appeal had the unexpected effect of leading to Dr. Brailovsky's arrest. It is an affront to the free world and the principles of the Helsinki accords that such an outrageous action could occur.

Dr. Brailovsky is a brilliant scientist. A leader in the field of cybernetics, Dr. Brailovsky has published over 30 documents and been granted 4 patents. As a teacher and researcher at the Institute of Electrical Control Machines until he requested an exit visa and lost his job in 1972, Dr. Brailovsky is widely respected in his field. His wife, also a distinguished doctor of computer science, lost her job as well at that time.

Dr. Brailovsky continued his work by organizing the Moscow Seminar of Jewish Scientists. Every Sunday, prominent Soviet and Western scientists would gather at the Brailovsky home to discuss recent advances in their respective fields. At age 45, Dr. Brailovsky is looked upon as a father figure to many of the younger Soviet refusenik scientists. Without his leadership, the seminar has not met since November 9, and the group has become frightened by the authorities. Recent attempts to hold the seminar have led to threats by the KGB that those remaining will join Dr. Brailovsky in jail.

Aside from his scientific contributions, Dr. Brailovsky was the key to the publication of the unofficial Jewish cultural journal, "Jews in the U.S.S.R." As the only remaining of the five original editors, Dr. Brailovsky became solely responsible for the dissemination of translated excerpts from Western Jewish books and articles, Soviet Jewish history, and Jewish poetry and studies. Others have attempted to carry on this work, but Dr. Brailovsky's leadership is sorely missed.

Dr. Brailovsky has suffered unduly over the past 8 years. In early 1973, Dr. Brailovsky joined eight of his colleagues in a hunger strike to protest the lack of free emigration by Soviet Jews. He was imprisoned for 15 days in 1974 after an attempt to hold an international session of his Moscow seminar. He was also arrested in 1976 for participating in a sit-in demonstration.

In 1976, Dr. Brailovsky was granted permission to leave the Soviet Union. A devoted husband and father, he would not leave without his wife and their two children. In December of that year his home was searched by the KGB. Books on Jewish culture in the U.S.S.R., Jewish and Israeli music tapes, and valuable historical documents were confiscated. Again, in December 1978 the KGB seized material, this time invaluable scientific papers relating to the Moscow seminars. The work of many important Moscow scientists was lost.

In April 1980, Dr. Brailovsky was again arrested, in connection with his publication of "Jews in the U.S.S.R." Kept under investigation and continually harassed, he nonetheless felt compelled to join the November appeal to the conscience of the Soviet leadership to allow him and his family to emigrate. For his wish of freedom, Dr. Brailovsky now may face the same dark fate that others such as Anatoly Shcharansky have suffered.

After several years of apparent conciliation and cooperation in the emigration of Soviet Jews, the Soviet authorities have begun to shut the doors to freedom for many Soviet Jews who simply wish to join the rest of their families outside the Soviet Union. I believe we must take strong action to indicate our displeasure at this latest plan to prevent emigration. The case of Dr. Brailovsky presents an excellent opportunity for the new Reagan administration to indicate its support of

the Soviet Jewish movement and to initiate contacts with Soviet authorities to urge renewed positive action on requests for exit visas.

Mr. Speaker, I will continue to help lead the fight against oppression in the Soviet Union. Soviet Jews such as Dr. Brailovsky and his family cannot endure their present circumstances forever. These people continue to demonstrate extraordinary courage in the face of overwhelming difficulties. The current Madrid Conference present the United States with a firsthand opportunity to let the world know of our concern for Viktor Brailovsky. We must also show our compassion for the thousands of others who suffer in Soviet prision camps, face job reprisals, and professional disgrace, and are forced to live away from their promised, cherished land of Israel.

I thank my colleagues for joining in this special order and for their cosponsorship of a concurrent resolution I will introduce today urging that Dr. Brailovsky receive proper medical attention and that he and his family be permitted to leave the Soviet Union.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. FISH. I would be happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker. I wish to commend the gentleman from New York (Mr. FISH) for his efforts on behalf of Dr. Viktor Brailovsky. I believe it is the responsibility of every Member of Congress to continue to bring to the attention of the Soviet Government the concern we in America have for Soviet refuseniks. These lovers of freedom in a closed society are a thorn in the side of the Communist regime and we must make sure to continue the irritation.

The story of Dr. Brailovsky's attempts to emigrate to Israel is not a new one; he is one of many scientists who has been ostracized from his work and community because of his request. But this gentleman is now in prison and being denied necessary medical attention because of his repeated attempts to publicize the situation of Jews in the Soviet Union.

We must use our influence in the world arena to shine a bright light on the cruel treatment of Soviet citizens by their Government. I urge my colleagues to join with me in supporting this effort and the resolution on behalf of Dr. Brailovsky.

Mr. FISH. I thank my colleague, the gentleman from California (Mr. LAGOMARSINO) very much for his comments.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. FISH. I will be very pleased to yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, let me join my distinguished colleagues in the House in protesting the treatment of Dr. Viktor Brailovsky by the Soviet authorities.

There is no reason at all for this treatment of Dr. Brailovsky. What was his crime? He asked to leave the Soviet Union, together with his wife and children. He was refused permission to go by the Soviet authorities. Since this refusal, Dr. Brailovsky has been active in the work of the Jewish emigration movement. He is the editor of the unofficial journal, Jews in the U.S.S.R. In the eyes of Soviet authorities this compounded his crime. Now Dr. Viktor Brailovsky is under arrest for "slandering the Soviet state," a crime that carries 3 years imprisonment in the labor camps. Dr. Brailovsky has a liver condition, which has not been properly treated during his imprisonment. His wife Irina has no official word on him.

Viktor Brailovsky is the most recent victim of Soviet persecution. His case epitomizes the antisemitism that is official state policy in the Soviet Union today. The Jews of the Soviet Union are persecuted, harassed, imprisoned, their day-to-day existence made miserable, their rights ignored—all because of their race and religion. Not since the infamy of Hitler's Germany has there been such a record.

Viktor Brailovsky was finally given his chance to leave the Soviet Union in 1976—provided he left his wife and children behind. This was the cruel and heartless gesture of the Soviet authorities.

No more tyrannical regime exists in the world today, among the major powers, than that of the Soviet Union. Moscow encourages unlimited terror throughout the world, and is the mainstay of such despots as Kim Il-Sung in North Korea, of Idi Amin in Uganda, of Colonel Qaddafi in Libya. At home Moscow wages unrelenting war against its own people, a war launched by Stalin, and carried on by the successors trained under him.

Anyone who doubts that the Soviet Union is carrying on a program of rampant antisemitism need only look at official Soviet publications. Here is what the newspaper of the Young Pioneers, the Journal of the official Soviet Youth Organization, wrote on October 10, 1981:

> Most of the largest monopolies in the sale of arms are controlled by Jewish Bankers. Business based on blood brings their enormous profits, bombs and missiles explode in Lebanon—The bankers Lazar and Lievs are making money. Thugs in Afghanistan torment schoolchildren with gases—bundles of dollars are multiplying in the safes of the Lehmans and Guggenheims.

I might say the only thugs in Afghanistan using poison gas are Soviet occupation forces.

Soviet communism is the nazism of today. The kind of ravings found in Soviet publications are worthy of the disordered minds of Dr. Goebbels and Julius Streicher. Cartoons carried by Soviet magazines are so vile and revolting some are unprintable in our country.

The plight of Viktor and Irina Brailovsky and their children should remind us poignantly of the plight of Soviet Jews. In 1979, 50,000 Jews were allowed to leave the Soviet Union. In 1980 this figure had fallen to 21,000.

In 1974 the Congress wisely adopted the Jackson-Vanik amendment, which refused the Soviet Union most-favored-nation status until free emigration was allowed. The Soviet Union has not fulfilled that clause. There is little likelihood we will grant the Soviets the most-favored-nation status they so badly want, but we certainly ought not to do so.

It seems to me, Mr. Speaker, that antisemitism is growing in virulence in the Soviet Union.

I believe all who respect and honor human rights have an obligation and duty to protest all antisemitism, whenever and wherever it exists.

Indeed the 20th century is forever stained and darkened by the memory of the holocaust. We must not allow this to happen again—nor can we allow any government or regime to promulgate policies that can lead to such a thing happening again.

Today's special order concerns Dr. Brailovsky, but many others are suffering persecution. We must raise our voices on behalf of all who want freedom.

In the last century, Russia cherished its great writers, cherished them even when they opposed the government. Russia rang with the praises of Tolstoy, Chekhov, Dostoevsky, Pushkin, Gogol, Turgenev. But now, when the greatest writer of our age, Aleksandr Solzhenitsyn, dares criticize the Government of the Soviet Union, he is harassed, arrested, exiled. So much for the glory of Russian literature. The Soviet regime respects nothing but its own power.

But Solzhenitsyn is not silent. His brilliant speech at Harvard in 1978 reminds us in the West how precious our freedom is, how menacing communism is to the very soul of the West. We should heed his warning, now, and those who scoffed and sneered at Solzhenitsyn should be silenced by the triumph of his prophecies.

Mr. Speaker, the Jews of the Soviet Union are not alone in their sufferings. The Baptists are persecuted, the Catholic Lithuanians are persecuted, the Uniates of the Ukraine are persecuted, the Jehovah's Witnesses are persecuted, the Moslems of Central Asia are persecuted, the Buddhists are persecuted in Siberia. Soviet Russia is truly what Lenin called tsarist Russia, "A prisonhouse of nations."

Mr. Speaker, John Donne said:

> No Man Is An Island . . . Whatever Touches Mankind Touches Me.

Mr. Speaker, I am glad we had this special order. I am proud to take part in it. We must continue our vigil on behalf of Jews, Christians, and others who are persecuted for seeking freedom and liberty.

Mr. FISH. I thank the gentleman from New Jersey (Mr. SMITH) very much for his eloquent statement.

Mr. NELLIGAN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I will be pleased to yield to the gentleman from Pennsylvania.

Mr. NELLIGAN. I thank the gentleman from New York (Mr. FISH) for yielding. It is with pride and pleasure that I add my name to the concurrent resolution which the gentleman from New York (Mr. FISH) will introduce today.

Mr. Speaker, the treatment of the 2 million Jews in the Soviet Union—and especially of the thousands of "refuseniks"—continues to be a matter of concern for me.

This sense of apprehension has been heightened in recent weeks because of the case of Dr. Viktor Brailovsky, a leading Russian refusenik who is editor of a Jewish cultural publication.

Dr. Brailovsky and his family have been trying to get out of the Soviet Union since 1972. In a typical Soviet ploy, he was granted a visa in 1976, but his wife and children were denied it. So he remained.

Brailovsky was jailed late last year, apparently for signing a document drafted by 200 refuseniks concerned about abuses of human rights in the Soviet Union.

The official Soviet investigation into his case has been halted after nearly 3 months—with no indication when it will be completed.

According to his wife, Brailovsky has contacted a serious liver ailment that may be the cause of the delays. It is unclear whether he is receiving proper medical attention.

I am hopeful that action on the concurrent resolution will insure that Brailovsky receives the proper attention, and that he will ultimately be allowed to leave the country with his family.

At the same time, quick passage will also make it clear that there has been no lessening of Congress, and the American peoples' concern for the treatment of Soviet Jews.

Mr. FISH. I thank my colleague for his contribution. I express my gratitude to the many Members of the Congress who joined in this special order in an expression of our very deep concern over this matter.

● Mr. COUGHLIN. Mr. Speaker, I join my colleagues today in an expression of mutual concern on behalf of Dr. Viktor Brailovsky, a prominent Soviet scientist and leader of the Soviet Jewish emigration movement.

Since 1972, when Viktor Brailovsky and his wife, Irina, first sought permission to emigrate from the Soviet Union, they have been subject to continuous harassment. Last November, after yet another appeal requesting the free emigration of Soviet Jews, Viktor Brailovsky was imprisoned. While in prison, his physical condition has deteriorated drastically. Now, because of his failing health, our appeal on behalf of Dr. Brailovsky is all the more urgent.

According to the Helsinki agreement in 1975, the Soviet Union agreed to accelerate the processing of exit visas for all minorities, especially in those cases where family reunification is an issue. In 1980, the number of Soviet Jews granted permission to emigrate sharply declined from previous years. Freedom of religion is guaranteed in point 7 of the so-called third basket of the accord, yet Viktor Brailovsky and others continue to be mistreated in violation of the agreement. Not only do the actions of the authorities violate humane considerations, but they also violate Soviet internal law.

Along with many others, I believe that only world opinion can force the Soviet Union to abide by the Helsinki Agreement that it has signed, and live up to the responsibilities of all signatory nations. The lives of Viktor and Irina Brailovsky and thousands of men and women like them depend on our efforts, whether these take the form of letters to the "Prisoners of Conscience," messages to Soviet officials, phone calls, or other actions. Remembering that no one's rights are truly secure unless everyone's rights are protected, we owe it not only to the Brailovskys and others who suffer like them, but to ourselves. It is important to let Soviet officials know that the preservation of individual rights and freedoms, as spelled out at Helsinki, remains vital to all Americans.●

● Mr. MOFFETT. Mr. Speaker, I would like to draw the attention of the Members of the House of Representatives to the plight of Dr. Viktor Brailovsky, an internationally known scientist who now resides in a Soviet jail for a yet to be specified charge. It is clear, however, that his "crime" is his active, unwavering support for Soviet Jews and their right to emigrate.

Dr. Brailovsky has been an eminent leader in the Soviet Jewry movement. He has been editor of the unofficial journal Jews in the U.S.S.R., and was once arrested because of his connection to it. In 1972, he and his wife attempted to emigrate, but their efforts were thwarted. In fact, Viktor Brailovsky lost his job as a result of his desire to emigrate. Dr. Brailovsky has held the prestigious Moscow Sunday Seminar at his home for the last 4 years. And, last November, he and 200 other refuseniks wrote a letter to Soviet President Brehnev requesting the free emigration of Soviet Jews.

It is my firm belief that we cannot idly stand by and permit this abdication of human rights to continue. I strongly urge all of my colleagues to support Viktor Brailovsky's case, as only a strong protest will convince the Soviet Union of our concern over their emigration and human rights policies, particularly as they apply to Soviet Jews.●

● Mr. ANDERSON. Mr. Speaker, although President Reagan has hailed America as on the road to "a New Beginning," unfortunately, the Soviet Union is continuing its persecution of individuals whose sole desire is to practice their Jewish heritage. Yet another victim caught in the cruel web of Soviet domination and denigration is Dr. Viktor Brailovsky.

Viktor Brailovsky has been trying to emigrate with his family since 1972. As usual, as soon as he requested permission to leave, the harassment, investigations, and proclamations that he was privy to state secrets resulted in firm denial of his request. The pattern of treatment that Dr. Brailovsky has received at the hands of the Soviet bureaucracy and the KGB has now become typical, and I suggest to my colleagues that we take a close look at what has happened to Viktor Brailovsky and his family since the decision to request permission to emigrate to Israel was reached.

After the denial to their request came in January 1973, 4 months after application had been made, both Viktor and his wife, Irina, became involved in the Jewish emigration movement, and soon after Viktor organized the "Moscow Seminar of Jewish Scientists." Those Jewish scientists who had been refused permission to emigrate, and unemployed because of this, met together on Sunday afternoons, in the Brailovsky home, in order to discuss the various advances being made in their respective scientific area. Since none could do this alone, having limited access to scientific studies and journals, together they were able to maintain some kind of tie with the scientific community. Western scientists who were in the Soviet Union soon learned of these meetings, and the two groups were able to meet and discuss together. This input by foreign scientists is what probably kept these men and women as up to date in their respective fields as possible. However, since Dr. Brailovsky's arrest, these meetings no longer take place, thanks to the KGB.

Viktor Brailovsky also participated in a 17-day hunger strike that year, to give attention to the denial of emigration to Jews who wished to do so. The following year, 1974, found Viktor imprisoned for over 2 weeks, for having tried to conduct an international session of the seminar.

Finally, in 1976, the exit visa that had been eagerly awaited was approved. But, Mr. Speaker, it was valid only for Dr. Brailovsky, and he refused to leave the Soviet Union without his wife and two children. Soon after this refusal to leave, Viktor was arrested at a demonstration, but soon released. His home was searched by the KGB, and books dealing with Jewish history and culture, along with Hebrew language music tapes, were confiscated. Harassment continued, and during Anatoly Shcharansky's detainment before trial, Viktor was detained and interrogated for 12 hours. In 1978, Viktor and Irina's home was again searched by the KGB, and scientific materials were taken. By this time, Irina too was denied an exist visa.

In April 1980, Viktor Brailovsky was arrested again, and was told that this time, the investigation was aimed at his participation in the cultural publication, "Jews in the U.S.S.R." Along with several others, all of whom now live in Israel, Viktor was an editor of this journal, which contained articles on Jewish history and traditions. But again, he was released, if only for a short time, since it was in November 1980 that the signatories to the Helsinki accords were going to meet in Madrid. On the eve of that meeting, Viktor signed a letter, along with 237 others, demanding that Leonid Brezhnev issue them exit visas. Two days later, he was arrested, and he has not yet been released.

Viktor Brailovsky has been arrested for "defaming the Soviet state." Under Soviet law, Mr. Speaker, a person cannot be held for more than 2 months without going to trial, yet Viktor remains in Butyrskaya Prison to this day. What aggravates this situation is Viktor's poor health. He suffers from a liver ailment, and his wife believes that he has not been receiving his medicine.

As a matter of fact, the investigation into Viktor's alleged crimes has been dropped for the time being, and we believe that this is because his health has deteriorated so rapidly that were the Soviets to bring him to trial now, all the world would see the mistreatment of Viktor Brailovsky at the hands of the Soviet Union.

It is for these reasons that we in Congress have gathered here today, proclaiming to the Soviet Union that we are aware of their inhumanity to Viktor Brailovsky and his family. I assure them that we, as Members of Congress, will not let up in our efforts to free those whose inherent right it is to be free, as well as continue to monitor the Soviet Union's actions in various other arenas. I strongly urge the Soviet Union to allow Viktor Brailovsky to emigrate to Israel with his family.●

● Mr. KEMP. Mr. Speaker, civilized countries treat their men and women of science with respect, honoring them for their contributions and dedication to broadening knowledge in their fields. Civilized countries recognize the importance of intellectual freedom and the disastrous ramifications of repression for everyone involved. Civilized countries do not abuse the very men and women who constitute the finest minds in the land. A civilized country would not have arrested Dr. Viktor Brailovsky as the Soviet Government 3 months ago.

But why not arrest him? He was spreading the disease of valor among those Soviet Jews who dread and fear their state, and this germinating freedom of spirit must be quashed at any cost. The notion that there is something to be gained by protestation is one to be swiftly and terribly denied in the Soviet Union, and Dr. Brailovsky's abusive treatment is meant to demonstrate the refusal of the Soviet Government to validate any of these efforts. Against such odds, who will or can do anything to break the cycle constituted by the denial of exit visas for Soviet Jews and their resulting activism and arrest for what was once a quiet and lawful effort? Will not the Soviets finally discourage all emigration attempts and carry out their systematic program of discrimination against Jews and other minority and religious groups in the Soviet Union?

The answer is an emphatic "no." The people of the Soviet Union have shown enormous strength and determination in fighting this repression and with our help and support, they can prevail. We need to utilize all the tools we have available to fight the abuse of human rights in the Soviet Union and to free the innocent victims of Soviet retribution.

President Reagan has set the stage for a new foreign policy, a policy of strength which recognizes the importance of linkage. The Soviet Government must realize that they cannot abuse the people of that country with impunity, and that the free countries of the world will call them to account for their inhumanity not just with words but with deeds as well. Much has been speculated about the interest in human rights in the Reagan administration, but I submit that President Reagan's policies will further the cause of human rights in the Soviet Union more so than in any previous administration. We will see a rededication to the cause of freedom throughout the world, along with increased esteem for the United States and its leadership role in encouraging freedom and human rights.

I want to express my gratitude to Congressman FISH for coordinating this special order in behalf of Dr. Brailovsky and want to join him in this rededication to the cause of free emigration for Soviet Jews. I urge my colleagues to each make a contribution toward this effort and let your voices be heard in defense of the basic human rights of all peoples.●

● Mr. YATRON. Mr. Speaker, we cannot protest strongly enough to the Soviet Government our concern about their own citizens who are badly treated and harassed. It is the responsibility of everyone who enjoys the benefits of freedom to let their voice be heard when an injustice is committed. This is clearly the case with the Soviet Government's treatment of Dr. Viktor Brailovsky, a prominent scientist and leader to the Soviet Jewish emigration movement.

Dr. Brailovsky has been imprisoned since November, but his harassment by the Soviet Government began 8 years ago. In that time, he has lost his job, been arrested and jailed many times, and his home has been searched and valuable papers of his were confiscated. Until he lost his position, Dr. Brailovsky was considered a leading authority in the area of cybernetics.

Through his wife, it has been discovered that Dr. Brailovsky's health is deteriorating and that he needs immediate medical care. It is tragic that other countries must appeal to the Soviet Government to provide humane treatment to one of their citizens. I am hopeful that all the Members of Congress will join in asking the Soviet leadership to grant proper medical treatment to Dr. Brailovsky and to permit both he and his wife to emigrate to Israel.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join my colleagues in urging Soviet authorities to release Viktor Brailovsky from prison and allow him and his wife and children to emigrate to Israel.

Mr. Brailovsky and his wife, Irina, sought to leave the Soviet Empire in 1972, but were refused permission because Mrs. Brailovsky had access to "secret" information as peculiarly defined by the Communist overlords. In 1974, Viktor Brailovsky was imprisoned for 15 days because he wanted to hold an international session of the Moscow Seminar of Jewish Scientists.

In 1976, Mr. Brailovsky finally received the needed permission to leave oppressive Soviet territory, but was cruelly denied the opportunity to take his family along with him, so he rejected the offer. Later that same year, he was arrested in Moscow, his home was subsequently searched, and much of his property relating to Jewish history and culture was stolen by authorities.

In 1977, Mr. Brailovsky was interrogated for 12 hours at a prison; in 1978, his wife was again cruelly denied permission to emigrate, and, later that year, more of his property was stolen by Government officials acting in the

name of the law. Late last year, he was placed in prison. He remains isolated from his family, his wife is not allowed to visit him, and his brutal captors refuse him proper medical treatment.

Mr. Speaker, every possible step should be taken by our Government to see that officials of the Soviet Communist Empire begin to show some respect for human dignity and allow the Brailovsky family, and thousands of others like them to live in the country of their choice.●

● Mr. WAXMAN. Mr. Speaker, just 1 week ago, America welcomed home 52 hostages after a seemingly endless 444-day ordeal. But the release of the 52 from Iran did not signal the end of political repression nor the dawn of religious freedom throughout the world. We need look only to the north of Iran for ample evidence of officially sanctioned physical and mental mistreatment. Today in the Soviet Union, close to 200,000 Jews are hostages in a sense, persecuted because of their religious beliefs and forbidden to emigrate to freedom in Israel.

Mr. Speaker, I wish to bring to the attention of my colleagues the plight of one such refusenik, Dr. Viktor Brailovsky. On the eve of the Madrid Conference, the Soviet Union jailed Dr. Brailovsky, a prominent scientist and leader of the Soviet Jewry emigration movement. While Dr. Brailovsky was ostensibly arrested for "slandering the Soviet State," in actuality, his true crime was simply his wish to live in freedom in Israel.

A noted cyberneticist, Dr. Brailovsky lost his job and faced continual harassment and frequent arrests by Soviet officials from the moment in 1972 that he first made clear his desire to emigrate to Israel. Although stripped of his professional status, Dr. Brailovsky refused to allow Soviet suppression to interfere with his dedication to science and his intellectual fervor. He proved that while the authorities could attempt to restrain his professional actions they could never suppress his ideas nor his determination. Undaunted, he continued to blaze paths in other scientific fields, such as mathematical statistics, publishing frequently in American journals. He also organized the Moscow Seminar for Jewish Scientists—a group of Soviet scientist refuseniks who met every Sunday at Dr. Brailovsky's home to discuss the latest advancements and achievements in their fields.

Determined that other Soviet Jews should not lose their self-identity nor forget their Jewish culture, Brailovsky also edited an unofficial journal called Jews in the U.S.S.R. The magazine, which contains articles on Jewish history, Jewish poetry and prose, and excerpts from Western books and articles has long been a target of suppression for the Kremlin. Last April, Dr. Brailovsky and his wife were arrested in connection with the publication, and while they were eventually released, both remained under investigation. On November 13, Viktor Brailovsky was again arrested for leading 230 other refuseniks in an appeal to President Brezhnev requesting the free emigration of Soviet Jews. Since his apprehension, Dr. Brailovsky's health has considerably worsened. His wife has been denied permission to visit him and her inquiries as to his physical condition remain unanswered. Despite his rapidly deteriorating health, Dr. Brailovsky still faces the possibility of up to 3 years in a labor camp for his crimes.

How ironic that his arrest should occur on the eve of the Madrid Conference whose very purpose it was to review the Helsinki accords. How ironic that a government which signed these provisions respecting human rights merely 5 years ago, should take a major step backward with the arrest of Dr. Viktor Brailovsky. How disheartening that a man should be incarcerated and punished—denied every right of human decency, merely for his desire to leave for his promised land and for his refusal to be silenced.

Viktor Brailovsky's pain is ours as well. As his health deteriorates, we must give him the quality of emotional support that can only come from a country which itself has been held hostage. We must join together and demand that he receive the proper medical attention. We must join together to see that he is granted his freedom.

Mr. Speaker, as America rejoices in the homecoming of our brave 52, I hope that we will not forget those men and women whose political imprisonment continues. Viktor Brailovsky's case stands out for his courage and dedication, yet throughout the Soviet Union, there are thousands of Jews, who, like our 52 Americans are held hostage—persecuted and forced to live away from their promised and cherished land of Israel. We must not let the Brailovskys of the Soviet Union be silenced. We must see to it that they are freed.●

● Mr. BRODHEAD. Mr. Speaker. I wish to join with many of my colleagues in calling attention to the plight of the Soviet scientist Viktor Brailovsky and urging that he and his family be permitted to emigrate to Israel.

The story of the harassment of Viktor Brailovsky and his family by Soviet authorities began in 1973, when he and his wife Irina were refused permission to emigrate from Russia. The latest development in this story was his arrest on November 13, 1980. Ironically, this arrest was 2 days after the opening of the Madrid Conference on the Helsinki accords, at which the United States has repeatedly called upon the Soviet Union to protect the human rights of its citizens, including the right to emigrate as guaranteed under the Helsinki agreement.

For the Brailovskys, the years since 1973 have been a record of repeated arrests for expressing their support of liberalized emigration policies, confiscation of scientific papers as well as materials relating to Jewish culture and religion, inability to receive permission to teach, and arbitrary and repeated denials of their right to emigrate. And it is particularly distressing to realize that although the case of Viktor Brailovsky has received considerable publicity, the Brailovsky family is just one of many Soviet refusenik families that must endure injustice of this type.

The Brailovskys are being forced to suffer as an example to others in the Soviet Union—especially Jews—who wish to exercise basic human rights. Those of us in Congress who support the cause of human rights for all people must let the Soviet Union know that we strongly oppose the persecution of the Brailovskys and the repression that it represents. We must renew our call upon the Soviet Union to honor the commitment it made at Helsinki and assure that Soviet Government that we will be monitoring their efforts in this area closely. At this time, therefore, I strongly urge that the Soviet Union begin a reform of its policies by freeing Viktor Brailovsky and permitting him and his family to emigrate to Israel.●

● Mr. FAUNTROY. Mr. Speaker, I want to thank my distinguished colleague, Congressman HAMILTON FISH, JR., for requesting the special order to bring to the attention of our Nation the plight of Dr. Viktor Brailovsky, a political prisoner, and prominent Soviet scientist and leader of the Soviet Jewish emigration movement. Dr. Brailovsky was incarcerated last November and is suffering from poor health. He is in need of immediate medical attention for a critical liver ailment and I urge the Soviet authorities to comply with basic humanitarian requirements and provide the needed medical treatment.

Dr. Brailovsky is like many others around the world, a victim of state terrorism consisting of human rights violations directed against those, who, speak out with and on behalf of the poor and the oppressed.

Dr. Brailovsky has been the victim of years of persecution. His crime has been writing on the true plight of Soviet Jewry and seeking to exercise his human right to emigrate from the Soviet Union. For this he has been subject to numerous jailings and his home has been violated on two occasions by the KGB.

Most recently he was arrested and then released in April 1980 for his publication of a cultural journal, Jews

in the U.S.S.R. Since April he has been kept under constant investigation. In November, he joined a group of over 200 other refusniks in a formal appeal to President Brezhnev requesting the free emigration of Soviet Jews in compliance with the requirements of the Helsinki Final Pact.

It is an honor to join in cosponsoring Congressman FISH's resolution stating concern for Dr. Brailovsky's health and urging the Soviet leadership to provide proper treatment. Dr. Brailovsky should also in accord with article 13, paragraph 2, of the Universal Declaration of Human Rights and the Conference on Security and Cooperation in Europe: Final Act—Helsinki Final Act—be permitted to emigrate with his family and join his brother in Israel.●

● Mr. LEBOUTILLIER. Mr. Speaker, I rise to call the attention of the U.S. House of Representatives to the plight of Dr. Viktor Brailovsky, a prominent Soviet scientist and leader of the Soviet Jewish emigration movement.

On November 13 of the last year, Dr. Brailovsky was arrested and incarcerated in Moscow's dreaded Ubtyrakaya Prison, a prison notorious for its role in the political purge of the 1930's and the postwar period. Since that time Viktor's health has dangerously deteriorated. His wife, Dr. Irina Brailovsky, who is also a distinguished doctor of computer science, states that Viktor is not being provided with adequate medical care for treatment of a liver ailment. Moreover, she has been denied permission to visit him and her inquiries regarding his health remain unanswered.

Mr. Speaker, Dr. Brailovsky, his wife and family have all been subjected to continuous harassment by Soviet authorities from the time they first submitted their application to emigrate to Israel in October 1972. From the very outset, Viktor lost his job and shortly thereafter was informed that his request to emigrate was denied on grounds that he had access to "secret information" as a computer scientist at Moscow University.

Arrested and jailed several times since, the Brailovskys' home has been searched twice with valuable scientific studies, Jewish cultural papers, and tapes of Jewish and Israeli music confiscated by the KGB. Last April Viktor was arrested in connection with his publication of the unofficial Jewish cultural journal, Jews in the U.S.S.R., and although released, he remained under constant surveillance. Finally, on November 11, 1980, Brailovsky joined 237 other "refuseniks" in signing an appeal to President Brezhnev demanding exit permits to go to Isreal. Just 2 days later, he was arrested for allegedly "slandering the Soviet state"—a crime punishable by up to 3 years imprisonment—and placed in prison where he is currently detained.

Mr. Speaker, this tragedy is yet another example of what occurs on a regular basis in the Soviet Union. While we in the United States often take many of our freedoms for granted, nothing can be assumed there.

One freedom in particular we tend to assume is the freedom to emigrate. So close is this to our national spirit that when Emma Lazarus wrote her inscription for the Statue of Liberty she called upon the nations of the world to send "your tired, your poor, your huddled masses yearning to breathe free" and "the wretched refuse of your teeming shore."

The spirit of openness contained in these passages says much about us as Americans. It says first of all that we are a land of immigrants. And it says that we naturally expect that those who desire to come to our shores will be allowed to come. What is not recognized in these lines, however, is that the Soviet Union has intertwined the freedom to emigrate into one of the most perverse political systems ever to darken the human record. What we in the United States assume as a natural inalienable right is flagrantly disregarded in the Soviet Union.

On August 1, 1975, in Helsinki, Finland, the heads of 32 European nations, the Soviet Union, the United States, and Canada, signed a document which declared their mutual "respect for human rights and fundamental freedoms." This document declared that "in the field of human rights and fundamental freedoms, the participating states will act in conformity with the purpose and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights. They will also fulfill their obligations as set forth in the international declarations and agreements in this field including inter alia the International Covenants on Human Rights, by which they may be bound."

One of the many principles laid in the Universal Declaration of Human Rights was that "everyone has the right to leave any country, including his own * * *."

Mr. Speaker, no one was more pleased with the Helsinki agreement than Leonid Brezhnev. Addressing the audience, the Soviet Communist Party leader solemnly urged that the principles of Helsinki be "put to practical use and made a law of international life not to be breached by anyone." He also said that:

> We note with deep satisfaction that * * * these principles are imbued with respect and care for man, so that he can live in peace and look forward to the future with confidence.

Since that time, Mr. Brezhnev's own words and actions have made it quite clear that the Soviet Union does not intend to comply with the human rights provisions of the Helsinki accords. In a major address to a national trade union congress on March 21, 1977, Mr. Brezhnev bitterly assailed U.S. support for Soviet dissidents as unwarranted "interference in our internal affairs." He warned that—

> Normal development of relations on such a basis is unthinkable * * *. We will not tolerate interference in our internal affairs by anyone and under any pretext.

Rhetoric aside, there can be little doubt what atheistic Soviet communism thinks about human rights.

Mr. Speaker, I am gravely concerned about the plight of Viktor Brailovsky. We in this Chamber would be false to our own political values and traditions if we were to stand silent in the face of this kind of political oppression. For in the long hard march of mankind, America has been fortunate to occupy a special place in history. We have traditionally stood against the forces of tyranny, injustice, and vice. And we have been honored to offer the world a shining symbol of human freedom. Let us continue that tradition and let out with one voice a cry of protest against this yet another example of tyranny against the spirit of man. In conscience we can do no less.●

● Mr. PEYSER. Mr. Speaker, a few months ago scientist Viktor Brailovsky was arrested on a charge of "defamation of the Soviet State and public order." His alleged crime was editing a magazine, Jews in the U.S.S.R.

Viktor Brailovsky, a doctor of computer science, along with his wife Irina, simply decided to emigrate to Israel 8 years ago. At that time the Soviet authorities denied their application for an exit visa on grounds that Viktor was privy to secret scientific information. This denial would deter many individuals but the Brailovskys waited, renewing the request to emigrate from time to time. According to Irina, "secrecy in science cannot be eternal."

In 1979 Viktor's ban for a visa was lifted but his wife was informed that she could not leave for the same reason that her husband had been denied the opportunity to go to Israel: Purported knowledge of State secrets. It was after this latest development that the family decided that Viktor and his son would emigrate, leaving Irina, her daughter and aged mother in the Soviet Union. They would join Viktor as soon as possible. Just as this most difficult decision was made, the Soviet officials once again denied all members of the Brailovsky family exit visas. Unable to leave, yet determined not to be silenced, Viktor actively urged his fellow Soviet Jews to develop a religious and cultural identity.

In the U.S.S.R. a man who declares his wish to emigrate loses the right to continue his profession. Consequently, Dr. Brailovsky was fired from his job and was termed a "refusenik."

During his years as a refusenik he wrote many theoretical scientific works, four of which were published in American scientific journals. He also joined with other Soviet Jewish physicists, chemists, and mathematicians, who were also denied permission to leave the Soviet Union, and conducted weekly scientific seminars which were held in the Brailovsky's Moscow apartment.

In addition to these seminars Viktor also served as an editor of the journal, Jews in the U.S.S.R. This journal did not pursue political aims but, simply, devoted its pages to Jewish history, culture, and religion. It was clear that Soviet authorities tried to suppress the publication of this magazine as evidenced by a repeated series of searches conducted in the homes of Jewish activists in Moscow, Leningrad, and Riga. Materials intended for publication in the journal were confiscated and Viktor and Irina were summoned for interrogation by the KGB.

On November 11, 1980, the opening day of the Madrid Conference, Mr. Brailovsky, along with 237 other refuseniks, signed an appeal to President Leonid Brezhnev requesting exit visas. It is interesting to note that he was arrested on November 13.

Since the time of his arrest, Viktor's health has deteriorated drastically and, if officially charged, he could remain in labor camp for 3 years.

The arrest of Viktor Brailovsky shows the world that the Soviet Government is trying desperately to dismantle the entire Soviet Jewish culture movement. Moreover, according to the National Conference on Soviet Jewry, the Soviet Jewish emigration rate declined sharply in 1980, by as much as 90 percent in some areas of the U.S.S.R. This further emphasizes the Soviet Union's complete disregard for basic human rights.

As a signatory of the United Nations Universal Declaration on Human Rights and as a party to the Helsinki Final Act, the Soviet Union had indicated its commitment to internationally recognized human rights. It is up to us as Members of Congress to raise our voices and to fight for the freedom of all oppressed citizens of the Soviet Union. Let us not forget Viktor and Irina Brailovsky. May they be allowed to join their loved ones in freedom.●

● Mr. LEHMAN. Mr. Speaker, I would like to thank my distinguished colleague, Congressman HAMILTON FISH, for giving us this opportunity to discuss the urgent situation of Viktor Brailovsky. Brailovsky, a prominent scientist, was arrested on charges of slandering the Soviet state—a crime punishable by up to 3 years imprisonment. He is at this moment in a Soviet prison.

Since his arrest 2 months ago, Viktor Brailovsky's health has worsened. According to his wife, Dr. Irina Brailovsky, Viktor is not receiving adequate medical care for treatment of a liver ailment. In fact, Mrs. Brailovsky has recently discovered that her husband's condition has deteriorated drastically, and in addition she has been denied visiting rights. It is imperative that Dr. Brailovsky receive immediate and adequate treatment before his condition worsens still further.

In October 1972, Viktor and Irina Brailovsky, both doctors of computer science, first applied for permission to leave the U.S.S.R. In January 1973, their request was denied because Irina had had access to secret information as a computer scientist at Moscow University. Since their refusal, Viktor and Irina have been involved with the Jewish emigration movement and Viktor was an organizer of the Moscow Seminar of Jewish Scientists. To protest the absence of free emigration of Jews, in 1973 the Brailovskys, along with eight other scientists, held a 17-day hunger strike. The following year, in 1974, Viktor and other activists were imprisoned for 15 days for attempting to hold an international session of the seminar.

In 1974, Viktor was granted permission to emigrate, but he refused to leave without his wife, son Leonid, and daughter Dalia. October of the same year, Viktor was arrested at a Moscow sit-in demonstration and later released. In December, the Brailovsky home was searched in connection with the start of the Moscow Cultural Symposium. Many books on Jewish culture were confiscated along with tapes of Jewish and Israeli music.

Two years later, in October of 1978, the rector of Moscow University stated that the university had no objection to Irina's emigration and would inform the officials. Despite this, she was once again denied an exit visa. The following month, Viktor was refused a teacher's certificate by the local Ministry of Education. On December 21, 1978, the KGB conducted an 8-hour search at the Brailovsky home confiscating scientific papers and materials relating to the Sunday seminars.

On April 10, 1980, Viktor was arrested and told he was being investigated in regard to the unofficial magazine Jews in the U.S.S.R. On November 11, 1980, the opening day of the Madrid Conference, Brailovsky, along with 237 other refuseniks, signed an appeal to President Brezhnev demanding exit permits. And lastly, on November 13, he was arrested for allegedly slandering the Soviet state, and is now imprisoned awaiting trial which if convicted, would mean a 3-year term in a labor camp.

We must strongly reaffirm to the Soviets our determination to speak out against continued human rights violations and the perversion of the Helsinki commitments which the Soviets have so blatantly disregarded. I hereby reassert my commitment and will urge the Reagan administration to help Soviet Jews whose human rights are violated and who wish nothing more than to live with their families in the place of their choice.●

● Mrs. HOLT. Mr. Speaker, the case of Dr. Viktor Brailovsky reminds us once again of the cruelties practiced by the Soviet totalitarian state. What were the offenses for which he has been imprisoned?

He was active in Jewish cultural affairs, organized the Moscow Seminar for Jewish Scientists, published a journal called "Jews in the U.S.S.R.," and led an appeal to Chairman Brezhnev for free emigration of Soviet Jews.

It is difficult for us to comprehend a system in which such activities are deemed to be criminal, but it is important for us to understand the nature of totalitarian rule. In the Soviet Union, any activity not sanctioned by the Communist Party is discouraged and subject to severe penalty.

The case of Dr. Brailovsky is but one among many. He has been subjected to 8 years of harassment, losing his job, arrested and jailed a number of times, having his papers confiscated by the KGB.

Now he is imprisoned, and we learn that he is not receiving proper medical treatment for a serious liver ailment. I am honored this day to pay tribute to this brave man and join the call for proper medical treatment and for his right to emigrate with his family.●

● Mr. DAUB. Mr. Speaker, I strongly support the concurrent resolution offered by my distinguished colleague, the gentleman from New York (Mr. Fish) which urges the Soviet Union to honor its commitment to international law and to its own Constitution by allowing Dr. Viktor Brailovsky to receive proper medical care and permitting his family and him to emigrate to Israel.

Article 42 of the Soviet Constitution of 1977 guarantees that "citizens of the U.S.S.R. have the right to health protection" and cites that nation's commitment to "reduce the incidence of diseases and insure citizens of a long and active life." I call upon the Soviet Government to give meaning to these words by providing Dr. Brailovsky with the medical treatment he critically needs.

I further call on the Soviet Government to recognize the final act of the Conference on Security and Cooperation in Europe. As a signator to this document, the Soviet Union has agreed to respect individual rights and fundamental freedoms, and its commitment to these principles can be demonstrated by allowing the Brailovsky's to emigrate.

The imprisonment and treatment of Dr. Brailovsky contravenes the basic tenets of universal human rights, and

I am privileged to join in supporting this resolution.●

● Mr. HALL of Ohio. Mr. Speaker, the plight of Soviet Jews is one which should concern not only the Jewish community, but all of humanity because it involves the denial of a basic freedom. When a man such as Dr. Viktor Brailovsky is forbidden to leave a country which has never accepted him or his people because of their religious beliefs, there is a gross injustice.

Dr. Brailovsky is a Jewish computer scientist living in the Soviet Union. When he first applied for permission to emigrate from the Soviet Union to Israel in October 1972, permission was denied. The Soviet Government claimed that his wife, Irina, also a computer scientist, may have obtained "secret information" while working at Moscow University. Since then, Dr. Brailovsky, and his family have suffered 8 years of continuous harassment by Soviet authorities because of his role as editor of the journal, Jews in the U.S.S.R., and his involvement with the Jewish emigration movement and Moscow Seminar of Jewish Scientists, which Dr. Brailovsky organized.

During this period of harrassment, Dr. Brailovsky lost his job, was arrested and jailed numerous times, and his home was searched twice resulting in the confiscation of valuable scientific and Jewish cultural papers. Dr. Brailovsky continued his work in science despite the Government's harassment.

In a recent newspaper article by Mrs. Brailovsky entitled "Let My Husband Go," she wrote:

In our country, a man who has declared his wish to emigrate loses the right to continue with his normal professional pursuits.

According to Mrs. Brailovsky, after "the authorities failed in their attempts to frighten him, to crush him morally and to entangle him in the sticky cobweb of the KGB," they imprisoned Dr. Brailovsky as a final resort.

Dr. Brailovsky now suffers from a serious liver ailment putting him in dire need of immediate and adequate medical treatment. Though Soviet authorities have assured Mrs. Brailovsky that her husband has received medical attention, she has learned that his condition has seriously deteriorated. Could this mean that Soviet doctors cannot sufficiently treat a liver ailment? Obviously not.

Officially, Dr. Brailovsky was arrested for "slandering the Soviet State." However, the only crime committed was Dr. Brailovsky's effort to keep his national heritage alive after being denied permission to emigrate to the land of this heritage. I now ask, "Is this a crime?"

For centuries Jews all over the world have been hoping, "Next year in Jerusalem." For Dr. Brailovsky and the many Soviet Jews like him, it should be, "This year in Jerusalem." No man should be sentenced to death for this dream. This may be Dr. Brailovsky's sentence if he is not given proper medical treatment while he suffers in a Soviet prison.

Therefore, I join my colleagues in cosponsoring a House concurrent resolution expressing the sense of the Congress that Dr. Viktor Brailovsky should be provided proper medical care and granted permission to emigrate to Israel, and urging the President to protest the continued suppression of human rights in the Soviet Union.●

● Mr. GREEN. Mr. Speaker, there are literally hundreds of thousands of people who wish to leave the Soviet Union. Through blatant repression, and in violation of the Helsinki accords, these dissidents are forced to stay in the Soviet Union. One such dissident, who is an outstanding individual, is Viktor Brailovsky.

In 1972 Dr. Brailovsky sought to emigrate. He was turned down and since that time has been constantly harrassed by Soviet officials. Dr. Brailovsky is recognized as an outstanding scientist, yet to punish him for his desired freedom he lost his job. He has been arrested and jailed on many occasions. His home has been searched and ransacked at the will of the Soviet Government.

Now, Dr. Brailovsky's condition has grown even worse. He sits in a jail in the Soviet Union with a very serious liver condition. Without immediate medical attention the life of this courageous man is endangered.

Clearly, this treatment violates the Helsinki accords. Dr. Brailovsky would like to leave the Soviet Union to join his family in Israel. Thus, the Soviet Union is expressly ignoring those aspects of the Helsinki accords that deal with family reunification.

Mr. Speaker, this is outrageous. As a brilliant, courageous, and dignified man, Dr. Brailovsky deserves to be treated as such. To think that the Soviet Union will not allow him to leave is distressing. To think that the Soviet Union will not allow him medical treatment is intolerable.

I am pleased to cosponsor legislation calling for the emigration of Dr. Brailovsky. This dissident, like all others, has a basic human right to freedom.●

● Mr. BINGHAM. Mr. Speaker, the case of Dr. Viktor Brailovsky should concern us all. In a pattern all too familiar Dr. Brailovsky has been subjected to 8 years of continued harassment by Soviet authorities leading up to his imprisonment on November 13, 1980. What is Viktor Brailovsky's crime? In 1972 Dr. Brailovsky, his wife, and their two children, applied to emigrate to Israel. For that crime, the Brailovskys have faced every kind of harassment.

Dr. Brailovsky is a remarkable man. He organized the Moscow Seminar for Jewish Scientists, a group which met weekly to discuss advances in the sciences. In the area of cybernetics, Dr. Brailovsky had received international recognition. Perhaps most important, Dr. Brailovsky was an editor of Jews in the U.S.S.R., a journal devoted to Jewish culture in the Soviet Union and abroad. It was a nonpolitical journal, only concerned with Jewish culture in all its aspects. Nevertheless the journal has been ruthlessly suppressed by the Soviet authorities. Material intended for publication has been confiscated. All editors of the journal, except Brailovsky, have been permitted to emigrate to Israel. Brailovsky waits in prison. I urge the Soviet authorities to permit Brailovsky and his family to emigrate to Israel immediately. Attached is a piece from the Los Angeles Times of December 5, 1980, which testifies to the courage of Viktor Brailovsky:

LET MY HUSBAND GO

(By Irina Brailovsky)

Moscow.—On Nov. 13 my husband, Viktor Brailovsky, was arrested on a charge of "defamation of the Soviet state and public order." Today he is confined in Moscow's Butyrskaya Prison, notorious for its role in the political purge of the 1930s and the post-war period.

Why?

My husband is 45 years old. I am the same age. We are both Muscovites born and bred. Viktor was graduated from the Energetics Institute, chose a career in science and worked in an academic institute. His specialities are in mathematical statistics and cybernetics. He is the author of 40 scientific works. In 1978 my husband was elected a member of the New York Academy of Sciences. He is also a member of American and British mathematical societies.

We have two children—a 19-year-old son and a 6-year-old daughter.

Eight years ago we reached a decision that many Jews in our country are making these days. We decided to emigrate to Israel.

That same year, 1972, the authorities denied our application for an exit visa. The reason given was that my husband supposedly was privy to secret scientific information. We waited, renewing our request from time to time. After all, secrecy in science cannot be eternal.

The years passed. In the spring of 1976, we learned that the ban on my husband's departure had been lifted. But we were simultaneously informed that now I could not be allowed to leave. The reason was the same: purported knowledge of state secrets. (I had been graduated from the mechanics-mathematics department of Moscow State University, and had stayed on to work for the university in applied mathematics.)

After long and painful indecision, we decided that Viktor would leave with our son while I remained behind with my daughter and my aged mother. With this decision, we went to the visa office. But no visa was forthcoming. We wrote a new declaration; once again we obtained all the necessary papers, but these only seemed to disappear in the bureaucratic maze.

Finally, I was able to find out from the rector of my university, Anatoly Logunov, and from two deputy rectors that a special committee had considered my case and had

concluded that I had never been involved in secret work. That was two years ago.

Logunov, as a highly placed Soviet bureaucrat—a member of the Communist Party's Central Committee, a deputy to the Supreme Soviet, a vice president of the Soviet Academy of Sciences—knew perfectly well that he was duty-bound to send the commission's report, which he himself had signed, to the visa office or the Committee for State Security (KGB). He knew very well that our fate and the fate of our children depended on it. Yet he did not forward this report, nor has he to this day.

It became clear that all the claims of safeguarding state secrets were an empty pretext. They just did not want to let us go.

In our country, a man who has declared his wish to emigrate loses the right to continue with his normal professional pursuits. This applies with particular force to an intellectual. If he is a writer, his work is no longer published. If he is a scientist, he is removed from science. My husband lost his position as soon as he breathed his first word about wishing to leave the Soviet Union.

But Viktor Brailovsky would not reconcile himself to the lot of a renegade. He continued with his creative work. Cut off from computer technology, he turned to another field of mathematical statistics and, working with pencil and paper, was able to strike out productively in an underexplored direction.

During his years as a refusenik, he wrote a series of theoretical scientific works, four of which have already been published in American scientific journals.

A scientist cannot exist without a scientific atmosphere or contact with his colleagues. With a group of comrades in misfortune—physicists, mathematicians and chemists who also had been denied the right to emigrate—Viktor Brailovsky took part in the work of the Moscow Sunday Seminar. He became the moving spirit of this seminar, which, since 1977, took place regularly in our apartment.

That, apparently, was my husband's crime. On Nov. 23, for the first time in the eight years of the seminar's existence, a scheduled Sunday session was barred by the authorities. Police and KGB agents blocked the entrance to the building and prevented seminar members from entering.

Viktor Brailovsky was arrested because he wanted to remain true to himself; he did not want to deteriorate spiritually or to submit to the order that he abandon his scientific calling. He was arrested because he hung on and helped others to hang on—dozens of our friends. He was arrested because he remained a pure and honorable man.

My husband is in prison for a reason simple enough to be understood by a child: The authorities failed in their attempts to frighten him, to crush him morally and to entangle him in the sticky cobweb of the KGB.●

● Mr. McGRATH. Mr. Speaker, I would like to take this opportunity to join my colleagues in expressing my dismay over the plight of Viktor Brailovsky.

This case is just one more example of the wanton disdain which the Government of the Soviet Union holds for the basic rights of individuals and international agreements respecting those rights. Soviet actions, including persecution of those who wish to emigrate and imprisonment of such individuals on fabricated charges, are an outrage. Such activities are carried on in complete disregard of the fact that the Soviet Union is a party to the Helsinki accords and many other international documents upholding human rights.

As Members of this representative body of the leader of the free world, we must continue to speak out against the conduct of the Soviet Government. The particular case of Viktor Brailovsky should be brought to the attention of the entire international community.

I sincerely hope that every Member of this House will join in forwarding a strong protest to officials in the U.S.S.R. over the treatment of Brailovsky who has not been permitted to receive visits from family members and is in need of immediate medical attention. The leadership in the Kremlin must be aware that the eyes of many concerned individuals abroad are focused on their activities.●

● Mr. LENT. Mr. Speaker, it is an honor and a privilege to join in this special order in behalf of Dr. Viktor Brailovsky. I commend my colleague the gentleman from New York (Mr. FISH) for introducing the concurrent resolution expressing the sense of the Congress that proper medical care be provided this unfortunate target of the Soviet Government's cruel persecution of its Jewish citizens. I am proud to be a cosponsor of this resolution. I strongly urge every one of my colleagues in the House of Representatives to join in cosponsoring this resolution. I trust it will get quick approval in both the House and the Senate. The need for swift action is urgent. Word from Dr. Brailovsky's wife, Irina, is that the noted scientist's physical condition has deteriorated since his arrest last November because he has not been receiving proper treatment for a serious liver ailment.

Mr. Speaker, the story of Dr. Brailovsky's persecution at the hands of Soviet authorities is a tragic one. Here is a brilliant scientist whose work in cybernetics and mathematics has received worldwide attention. He is a member of a number of British and American mathematical societies, and was elected as a member of the New York Academy of Sciences. He is the author of 40 scientific works.

Yet today this widely known scientist is confined in a Moscow prison made notorious for its role in the political purges of the Stalin era. His arrest last November—ironically just as the Madrid Conference on Human Rights got underway—was the culmination of years of persecution. Dr. Brailovsky seeks only the freedom to practice his religion in the country of his choice—Israel. Yet, from 1972, when he and his wife applied for permission to emigrate, he has undergone continual harassment and ever increasing persecution.

As always with those who apply to leave the Soviet Union, Dr. Brailovsky and his wife—who holds a doctorate in computer science herself—were denied the right to continue their professional careers. However, while they continued to seek permission to emigrate, Dr. Brailovsky also did everything he could to continue his creative efforts in mathematics. Although cut off from computer technology by the Soviet authorities, Dr. Brailovsky went to work with pencil and paper exploring new directions in another field of mathematics. In the 9 years since his formal career was severed, Dr. Brailovsky has, nonetheless, continued to enhance his reputation by writing a series of theoretical scientific works, some of which have been published in American journals.

Nor was this all. Dr. Brailovsky joined a group of fellow scientists who had been denied the right to emigrate and who were barred from pursuing their professional careers. They organized the Moscow Sunday Seminar, discussing latest developments in various fields of science. Noted scientists from other nations who were visiting in Moscow were invited to lecture on new developments. Dr. Brailovsky became a moving spirit in these seminars, and from 1977 they were held in the Brailovsky's Moscow apartment.

And Dr. Brailovsky did still more, though he knew well the terrible risks he was running. He helped edit and publish an underground journal, Jews in the U.S.S.R., devoted to compiling and publishing information about the status of Soviet Jews, as well as articles on Jewish history, culture, and religion.

These activities brought the full force of the Soviet persecution and harassment down upon the Brailovskys. There have been arrests and interrogations by the KGB, the Soviet secret police. Their apartment has been entered and searched. Finally, on November 11, 1980, the opening day of the Madrid Conference on Human Rights, Dr. Brailovsky joined 237 other refuseniks in signing an appeal to Soviet leader Leonid Brezhnev, demanding exit permits. Dr. Brailovsky was seized and thrown into prison 2 days later, charged with "slandering the Soviet State." And there this courageous man is confined today, in desperate need of proper medical treatment.

My colleagues, we must make every effort to get help to Dr. Brailovsky. I call upon you to join in supporting this resolution, so the leaders of the Kremlin will feel the full weight of congressional protest, and will understand that persecution of Soviet Jews is an abomination to us all, as well as a violation of the human rights provi-

sion of the Helsinki accords, which the Soviet Union agreed to in 1975. We who enjoy freedom must help those who have sacrificed so much to win it.●

● Mr. BARNES. Mr. Speaker, world opinion is clearly on the side of prominent Soviet scientist Viktor Brailovsky and his wife, Irina, an equally distinguished computer scientist, both of whom have sought for more than 8 years to leave their homeland and be reunited with family in Haifa, Israel.

But as is so tragically true in this and other similar cases, the Soviets refuse to respond in a positive manner to international expressions of outrage and injustice. Instead, as the Madrid Conference convened in November 1980 to review both human rights adherence to and violations of the Helsinki Accords of 1975, the U.S.S.R. jails a formidable citizen and accomplished author, lecturer, researcher, and inventor on the charge of "defamation of the Soviet State and public order."

Following Dr. Brailovsky's confinement in Moscow's Butyrskaya Prison, I joined some 60 Members of Congress last fall who protested this action to Soviet Chairman Leonid Brezhnev and who asked for his immediate release and the family's right to emigrate. The Soviet reaction to this congressional petition was classic: the letter was ignored.

Mr. Speaker, Dr. Brailovsky was obviously jailed because he was a leader of the Soviet Jewry emigration movement, publisher of the magazine, Jews in the U.S.S.R., and because as a brilliant, though renegade, scientist he organized the Moscow Sunday Seminar with other unemployed physicists, mathematicians, and chemists to regenerate a scientific atmosphere in which to explore new ideas.

Despite several arrests, jailings, hunger strikes, sit ins, and KGB searches since 1972, Dr. Brailovsky managed to continue his creative work, his wife says, producing theoretical scientific works that have been published in American journals. In 1978, Dr. Brailovsky was elected a member of the New York Academy of Scientists. And the Committee of Concerned Scientists, Inc., has aided his attempts to leave the Soviet Union.

I commend my colleague, Representative HAMILTON FISH, JR., for this special order on behalf of the Brailovskys and their two children: Leonid, age 19, and Dalia, age 6. I am also honored to be among the cosponsors of his resolution that asks for proper medical care for Dr. Brailovsky, who suffers from a severe liver disease, as well as for freedom for the family. And I sincerely hope that this 97th Congress will seek new ways to convince the Soviets to expand the emigration movement and to urge our President to continue to repudiate the suppression of human rights.●

● Mr. OTTINGER. Mr. Speaker, I rise to condemn the arrest and imprisonment of Dr. Viktor Brailovsky, an eminent Soviet scientist and the leader of the Soviet Jewish emigration movement. I also rise to strongly support the resolution introduced by our distinguished colleague and my good friend, Representative HAMILTON FISH, which calls on the Soviet Government to allow Dr. Brailovsky and his family to emigrate to Israel.

Dr. Brailovsky was arrested last November because of his leadership in the emigration movement and because he would not allow the Soviet system to shackle his commitment to freedom of scientific expression. According to his wife Irina, Dr. Brailovsky has a serious liver condition which has drastically deteriorated during his confinement. He requires immediate medical treatment. Unfortunately, the Soviet authorities have denied Dr. Brailovsky adequate treatment, and have gone so far as to deny Mrs. Brailovsky permission to visit her husband and information on his health.

Dr. Brailovsky has been prosecuted for 8 years for his active work, not only on Soviet emigration but also in behalf of the entire scientific community. He is the author of 40 scientific works, and in 1978 was elected a member of the New York Academy of Science. He is also a member of American and British mathematical societies. Dr. Brailovsky has applied his research to various fields including medical diagnosis, oil chemistry, and solar activity. Following the loss of his job after he and his wife requested permission to emigrate in 1972, Dr. Brailovsky organized the Moscow Seminar of Jewish Scientists. Each Sunday, at his home, eminent Soviet refuseniks and Western scientists congregated to discuss recent advances in their respective fields. Since his arrest, the KGB has been active in preventing further seminars.

Clearly, the arrest of this prominent scientist is the only way Soviet authorities can control his commitment to the plight of his colleagues and thousands of people who wish to leave the U.S.S.R. In an article for the Los Angeles Times, Irina Brailovsky concluded that:

> Viktor Brailovsky was arrested because he wanted to remain true to himself; he did not want to deteriorate spiritually or to submit to the order that he abandon his scientific calling. He was arrested because he hung on and helped others to hang on—dozens of our friends. He was arrested because he remained a pure and honorable man. Mrs. Brailovsky went on to write that, My husband is in prison for a reason simple enough to be understood by a child: the authorities failed in their attempts to frighten him, to crush him morally, and to entangle him in the sticky web of the KGB.

Mr. Speaker, Dr. Brailovsky has made invaluable contributions to international science. The Soviet authorities are attempting to quash the indomitable spirit that made those contributions possible. I deplore the arrest of Viktor Brailovsky, and I demand he receive the medical attention he so urgently needs. I urge my colleagues to join me in support of this resolution, calling on the Soviets to allow Dr. Brailovsky to emigrate to Israel with his family.●

● Mr. FRENZEL. Mr. Speaker, Viktor Brailovsky is a Soviet Jew who, like so many thousands of other Jews in the Soviet Union, has committed no crime other than to have asked permission to emigrate from the Soviet Union and join his brother in Israel.

Viktor, Irina, his wife, and his two children have been seeking permission to emigrate since 1972. However, their requests have been refused on the grounds that Irina Brailovsky, a computer expert, had access to state secrets.

Viktor Brailovsky and his family have been subjected to repeated government harassment ever since their first emigration request was denied. The Brailovskys have lost their jobs, and Viktor has repeatedly been subject to arrest.

In November, Viktor Brailovsky was once again arrested, and charged with slandering the Soviet state. His slander consisted of signing an appeal to President Leonid Brezhnev for an exit visa, in accordance with the Helsinki agreement which was being reviewed at the Madrid Conference. If convicted, he could be sentenced to up to 3 years in a Soviet labor camp, even though his health is already poor.

I urge the leaders of the Soviet Union to release Viktor Brailovsky, so that he may obtain proper medical treatment for his serious liver ailment. I also remind them of the Soviet Union's delegation to live up to its half of the Helsinki agreement, and permit the Viktor Brailovsky family, and all others who wish to do so, to emigrate to Israel.●

● Mr. GLICKMAN. Mr. Speaker, I have been speaking out on behalf of Soviet dissident scientist, Viktor Brailovsky for over 4 years now. Today, I do so with even greater urgency. Viktor is being held in jail and is being denied medical treatment he desperately needs for a serious liver ailment. His arrest stemmed from his participation in the editing of a journal of Jewish life in Russia which was not officially sanctioned.

Brailovsky, a noted Soviet physicist, has been continuously harassed since he and his family first applied for an exit visa to Israel 9 years ago. In spite of this cruelty, Viktor has courageously maintained an active role in the refusenik community. He sponsored

weekly scientific seminars for dissident scientists like himself until his arrest in addition to his work on the journal which led to his present incarceration.

I call on the Soviet Government once again to stop its inhumane treatment of Viktor Brailovsky and permit him the medical attention he requires. I also urge, in the strongest terms possible, that the Soviets release Viktor and allow him to join his family. Continuation of such action by the Soviets against Viktor and others like him only adds to the barriers to improvement in East-West relations.●

● Mr. SOLARZ. Mr. Speaker, I would like to take this opportunity to state my strong support for Viktor Brailovsky, his wife, and their children in their attempt to emigrate from the Soviet Union to Israel. Their plight exemplifies the persecution of Soviet Jews and the problems they encounter in obtaining emigration visas from Israel.

In October 1972, Viktor and Irina Brailovsky, both doctors of computer science, first applied for permission to leave the Soviet Union. In January 1973, their request was denied because the Government felt that Mrs. Brailovsky had had access to secret information as a computer scientist at Moscow University. After this refusal, the Brailovskys became involved with the Jewish emigration movement, and Dr. Brailovsky was an organizer of the Moscow Seminar of Jewish Scientists. In 1974, Dr. Brailovsky and other activists were imprisoned for 15 days for attempting to hold an international session of the seminar. In 1976, Dr. Brailovsky was granted permission to emigrate alone, but he refused to leave without his wife and children.

Since that time, Dr. Brailovsky has repeatedly been arrested and harassed by the Soviet Government. In 1976, he was arrested at a Moscow sit-in demonstration; in 1980, he was arrested in regard to the unofficial magazine Jews in the U.S.S.R. In both 1976 and 1978, his home was searched; and books on Jewish history and culture and Jewish and Israeli music tapes were confiscated, as well as some scientific materials.

Most recently, Dr. Brailovsky was arrested after he, along with 237 other refuseniks, signed an appeal to President Brezhnev demanding exit permits on November 11, 1980, the opening day of the Madrid Conference. On November 13 he was arrested for allegedly slandering the Soviet state; and if officially charged, this could mean up to 3 years of labor camp. Dr. Brailovsky suffers from a serious liver ailment, and since his imprisonment, his health has deteriorated rapidly. He is in need of immediate treatment. He should be released and allowed to leave with his family for Israel.

It is evident that the Soviets' handling of the Brailovskys' case is not in accord with the international conventions they have signed. The Helsinki agreement clearly states that nations are to make it their aim to facilitate freer movement and contacts among persons.

I am outraged and disturbed by the Soviets' arbitrary and inequitable system which denies basic human rights to its Jewish citizens who wish to emigrate. The situation in the past year has worsened greatly—in 1980, emigration dropped 58 percent from what it was in 1979.

I urge all of my colleagues to continue to fight here in Congress and to speak out against the continued oppression experienced by the Soviet Jews. Soviet Jews should be accorded the full range of human rights the Helsinki Agreement recognized, and particularly the right to free emigration.●

● Mr. HOLLENBECK. Mr. Speaker, as a cosponsor of the House concurrent resolution expressing congressional concern for Dr. Viktor Brailovsky, I rise to join my colleagues in urging the Soviet authorities to comply with previously agreed international accords and provide Dr. Brailovsky with the medical attention his condition demands before allowing him to emigrate to Israel.

It is my understanding, through timely information updates provided to me by the National Conference on Soviet Jewry, that since his arrest 2 months ago Viktor Brailovsky's health has deteriorated. He is not receiving adequate treatment for his liver ailment. He has not been permitted any visitors and his wife has yet to receive any answers to her inquiries concerning his health. Needless to say, all of these denials are in direct violation of the final act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights. Once again, I call upon the Soviet authorities to fulfill their obligations under these accords.

Much to my personal dismay, we all realize that Dr. Brailovsky's predicament is far from unique. Arrested on trumped up charges of slandering the Soviet State, Brailovsky, a prominent refusenik scientist, could receive up to 3 years imprisonment. In actuality, his crime revolved around his role as editor of the unofficial journal, Jews in the U.S.S.R., and as a leading Jewish emigration activist.

While I realize that the Soviets detest interference in what they consider their own internal affairs, they must be made to realize that certain truths transcend mere territorial boundaries and demand an international outcry. I know that I will not relent in my efforts to ease the plight of those, like Dr. Brailovsky, who have been denied their fundamental rights as human beings, and I am sure that a majority of my colleagues in this distinguished Chamber share this same commitment.●

● Mr. LANTOS. Mr. Speaker, I would like to join my colleagues in protesting the illegal imprisonment of Viktor Brailovsky, a leading Jewish activist in the U.S.S.R. and a world-renowned mathematician.

His story, like those of so many other refuseniks, illustrates the brutality of the Soviet regime which continually tramples on basic human rights.

Viktor and his wife, Irina, first applied for permission to leave the U.S.S.R. in 1972. They were refused permission the next year, and Viktor was dismissed from his position at Moscow University. Viktor then joined an informal scientific seminar for unemployed Jewish scientists waiting to emigrate. From 1978 until his arrest 2 months ago, Viktor and Irina hosted these seminars in their apartment.

In 1976, the authorities granted him a visa; however, his wife and children were denied permission. Unwilling to leave his family, Brailovsky continued his activities in the Jewish emigration movement. He edited the samizdat—unofficial—journal, Jews in the U.S.S.R. until its publication was stopped in 1979. Throughout this time, he was repeatedly arrested and his home searched. The KGB confiscated his scientific materials, as well as his books on Jewish culture and history.

His latest arrest came just 2 days after the opening of the Madrid Conference to review the Helsinki agreement. He is being held on alleged charges of slandering the Soviet state, which carries a term of 3 years in a labor camp. His wife reports that he is seriously ill and not receiving medical treatment.

In fact, Mr. Speaker, his only real crime is his desire to join his family. His arrest, in flagrant violation of all standards of international law, is evidence of the total disregard of the Soviets for the Helsinki agreement.

I am today sending a letter to the chief medical officer at the Butyrki prison demanding that Brailovsky be given proper medical treatment. We must not let the Brailovskys of the Soviet Union be silenced. I urge my colleagues to join with me in insisting that the Soviets grant him his freedom and his rights.●

● Mr. DOUGHERTY. Mr. Speaker, I am encouraged by the worldwide outcry on behalf of Soviet dissidents at the Madrid Conference this fall. We have begun seriously to express our concerns to the Soviet Union about their complete disregard for human rights. Unfortunately, civil liberties remain scarce, particularly for those who wish to leave the Soviet Union.

This special order today focuses attention on the plight of the Brailovsky family, which was brought to my attention by a Philadelphia area synagogue committed to their safety. For 8 years he, his wife Irina, and their two children have bravely endured harassment by Soviet authorities. Dr. Brailovsky's work in science and in the Soviet Jewish emigration movement has earned him only imprisonment since last November. Currently he suffers from a serious liver ailment which has been aggravated by his being jailed and for which he is not receiving adequate medical attention.

Like so many others in the Soviet scientific community, Dr. Brailovsky symbolizes the state of abuse endured by thousands of Jews who wish to emigrate. Let me take this opportunity to express my concern for Dr. Brailovsky's health and for the safety of his family. We have learned the value of freedom through the triumphant return of our hostages. Now let us hope that other oppressed people throughout the world may also soon share this joy.

● Mr. FAUNTROY. Mr. Speaker, today I joined my distinguished colleague, Congressman HAMILTON FISH, JR., in a special order on behalf of Dr. Viktor Brailovsky of the U.S.S.R.

The human rights violations being perpetrated against Dr. Brailovsky are, unfortunately, being carried out against other individuals in other parts of our world. In this regard, I want to call my colleagues' attention to a similiar situation which exists in the country of Haiti.

In late November the Haitian regime of president for life, Jean Claude Duvalier, instituted a reign of terror against agronomists, journalists, teachers, and others working with and on behalf of the poor in Haiti. Hundreds have been jailed, many are in hiding, and some with vision have been placed forcibly in exile.

Such state terror tactics close off peaceful efforts at development and portent a vacuum that can all too readily be filled by hostile powers seeking to co-opt the popular demand for reform and social justice.

In this regard I think it instructive to include in the RECORD a letter from Mr. Yvens Paul, a popular Haitian journalist now in hiding which speaks eloquently to the tragedy being inflicted upon the Haitian people by a regime of terror.

Dr. Brailovsky and Yvens Paul are brothers victimized by state terror, the former by state terror of the extreme left, the latter by state terror of the extreme right.

I believe both these cases demonstrate our national interest, as well as the moral requirement, for keeping human rights a prominent factor in our foreign policy formulation.

The above-mentioned material follows:

[From the Miami News, Tuesday, Jan. 6, 1981]

TWO HAITIANS SEEK THEIR FREEDOM

(By Ivens Paul)

My house at Thorland was invaded on Nov. 28 by police in plainclothes who then kidnaped Carlo Dantus, drummer for the Konbit Petit Kay (KPK) theater group.

All my personal papers and working papers were taken away. The men shot at me. This has worsened my health, which has been poor since the tortures inflicted on me Oct. 16 and 19 during my arrest and detention at the Casernes Dessalines.

Ill though I am, I have been obliged to live in hiding since the end of November, in deplorable conditions of hygiene and without medical care. I chose to live in these conditions, without enough food, in order not to be again an innocent victim of the government's systematic destruction of the Haitian democractic movement.

I am writing after atrocious suffering, exacerbated by false accusations of police and the twisted information given out by Radio Nationale.

Four persons supposedly guilty of setting two fires in the capital were presented on the national media: Gabriel Herard, Frantz Dessous, Raoul Acean and Michel Francois (known as Tiotio). Tiotio is a double agent, a government spy who tried to compromise me by bribes at Radio Cacique. Such offers have been made to other independent journalists.

I solemnly declare that we never had any other objective than to transmit news, and truly educate the masses of Haitian people. In the name of human rights, I affirm that the pretexts used by the authorities are unjust. They are part of a long-term maneuver by the political power system.

Day after day I encountered the pawns sent by our government to preach communism. This is an old ploy, well-known. We were all fiercely determined not to fall into their trap. I am certain that the police have no proof against any of my colleagues jailed or deported under the pretext that they are tied to the communist movement.

We are not communists. We are humanists who sacrificed ourselves to bring some light into the darkness that weighs heavily and for too long on our country. It is that effort that earned for us the esteem of so many listeners, readers, admirers.

But it was time for the party to end. The clock struck the hour, and despotism and demagoguery enjoyed their usual victory—without regard for the most elementary human rights, despite Haiti's agreement to international human rights conventions, in contradiction to Haitian law, without respect for the laws of God.

No! I raise my voice again to denounce the illegal acts of the police, who came without warrants into my house, Radio Haiti Inter, Radio Cacique, into the homes of all my colleagues and fellow victims. They were kidnaped, arrested without cause, deported.

I protest this brutality.

I protest the dishonest scenarios presented by the government press to deceive people. For example, I was accused on Radio Nationale of having plotted with people I never met, such as Nicole Magloire and Jean-Jacques Honorat.

Another example: The confessions of Gabriel Herard, Frantz Dessous and Raoul Acean—who has been held in jail since Oct. 16—could have been extracted from them only under severest threats from the political police. As for Michel Francois, his arrest is just a part of the staging.

Our law does not give the police the right to act as judges or justices of the peace. They may ask questions and submit reports, along with any evidence such as firearms. But only the judicial authorities have the right to conduct trials. If we are accused of conspiring against the government, why not bring us before the Tribunal of State Security created to handle such cases?

I do not want this statement to be used to persecute my family, my friends or the actors of the KPK, all of whom are grieved by my absence.

On the contrary, I would like to emerge from hiding, be with those who are close to me, and seek medical assistance.

I would voluntarily appear before a civil judge, in the presence of the public and of honest journalists, if the government would:

Return my passport, work materials and personal belongings.

Release Carlo Dantus, the drummer.

Give a precise explanation of each of these cases: those of journalists, members of political parties and every other individual abandoned without hope of help in the cells of the Casernes Dessalines, the National Penetentiary or elsewhere for political reasons. Among them are: Jacques Price, Sylvio Claude, Marie-France Claude, Cervio Claude, Francois Dominique, Gabriel Herard, Bienvenu Theodore, Viviane Nicolas, Yves Richard, Frantz Dessous, Raoul Acean, Jacques St. Lot, Ernst Benjamen, Augustin Auguste (age 70), Eben-Ezer Jean, Delmont Chouboute, Guy Robert Joseph, Wilfrid Nicholas, Hilaire Joseph, Bien Aime Joseph, Jacques Jean Baptiste.

Reopen Radio Haiti Inter and revoke the exile of citizens Gregoire Eugene, Jean-Jacques Honorat, Nicole Magloire and Yves Richard and journalists Marc Garcia, Elsie Etheart, Richard Brisson, Michele Montas, Jean-Robert Herard, Pierre Clitendre, Anthony Pascal (Konpe Filo), Liliane Pierre-Paul, Henry Alphonse and Harold Isaac.

If my demands are accepted, I ask to be notified through the media, and ask that negotiation be undertaken by the Venezuelan, Brazilian and American chargé d'affaires.

I hope for the happiness of my country, and for the triumph of truth and justice.●

Mr. FISH. Mr. Speaker, I yield back the remainder of my time.

THE LATE HONORABLE EMANUEL CELLER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 60 minutes.

GENERAL LEAVE

Mr. RODINO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Honorable Emanuel Celler.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, a giant of a man in spirit and wisdom, a man whose presence dominated this Cham-

ber for most of his 50 years here—Emanuel Celler—is dead. I rise to pay tribute to him.

Manny Celler, my friend for so many years, served the Nation and the Congress for 25 terms, but his service is better measured in eras. He was first elected from his Brooklyn district in 1922, during the years of the money boom. He was here through the depression years and the New Deal. He saw the rise of fascism, World War II, the cold war, the Korean war. He left here at the end of 1972 when the Nation was in the final throes of the Vietnam agony. He served with nine Presidents: Harding, Coolidge, Hoover, Roosevelt, Truman, Eisenhower, Kennedy, Johnson, and Nixon; and it should be noted he not only served with but closely advised and counseled many of those nine Presidents.

It is significant to realize that Manny Celler's lifetime has spanned about 50 percent of the history of our Republic and he served in Congress for almost a third of the entire history of the Republic.

Manny Celler's half-century here were years of achievement that will stand unsurpassed. More than 300 laws bear his name. But it is for his 22 years as chairman of our Judiciary Committee—a record that may never be surpassed—that a grateful nation will long remember Manny Celler. It was during those years that Manny Celler, with skill, perseverance, and dedication, pushed through Congress four constitutional amendments and five civil rights laws—every significant civil rights law passed in this century. It was in those 22 years that Manny Celler was truly the architect of a social revolution.

Let me list those laws and amendments so that we can appreciate the true measure of this man: The Civil Rights Act of 1957; the Civil Rights Act of 1960; the Civil Rights Act of 1964; the Voting Rights Act of 1965; the Fair Housing Act of 1968; the constitutional amendment allowing the citizens of the District of Columbia to vote in Presidential elections; the constitutional amendment outlawing poll taxes in Federal elections; the constitutional amendment on Presidential disability and succession; and the constitutional amendment lowering the voting age to 18.

Mr. Speaker, as you will recall, after passage of the 1964 act, the House, in a rare tribute, gave Manny Celler a standing ovation. Those were exciting years. The issues were difficult and passions high. Through it all, Manny Celler was a fierce and untiring leader in causes he knew were just and right. It was my privilege to serve at his side. During those many years, during those many battles, Manny Celler generously referred to me as "my right hand." It is an appellation I am proud of and one that I will cherish all my years.

Because he was such a truculent and tenacious advocate for just causes, with a manner sometimes gruff, it could be forgotten that he was a gentle man, a master of words and wit and humor; a humor that was, as often as not, directed at himself. His supply of jokes was inexhaustible. For this, those of us less facile were grateful, for he generously tolerated our plagiarizing his humor for our own purposes.

As he had a way with men, so did he also with children. It was a warm and frequent scene to see Manny Celler gather children about him and charm them with his feats of magic.

Another enviable feature of this multifaceted man was his love of literature and his appreciation of the arts. His appetite for reading was legend, his skill with a sketch pad formidable. He loved the opera, as I do, and I will ever remember the joyous times we spent at the Met drinking in the lilt and grandeur of the music of the masters.

Emanuel Celler was a complete man.

All the tough issues are not behind us. Difficult challenges are ahead, challenges that we in Congress must not avoid, duties that we cannot shirk. It is well then today that we honor Emanuel Celler; that we look back at the man and the principles that were his beacon as he charted the course of history and use them as our guide for the future, for they are timeless in their simplicity, their strength and their applicability.

For the many who were not able to personally attend the funeral, I am going to insert at this point in the RECORD, the remarks—the eulogy—of Judge Irving Ben Cooper which he delivered so memorably on January 18, 1981.

REMARKS OF JUDGE IRVING BEN COOPER

Rabbi Weidner; the family of Congressman Emanuel Celler: Jane, Sidney, Sue, Jill, Jeffrey, Jennifer and the third great grandchild on the way; each of the other members of his family; devoted friends, ladies and gentlemen:

We have gathered here not only to mourn a great loss but to celebrate an exemplary life. This is one of those very rare occasions when words seem inadequate—even hollow. It is much harder to express genuine appreciation than it is to find fault. Where are the words that properly belong here and now? It is impossible when the eyes are blinded by tears. So I shall let my heart speak out.

Our beloved Emanuel Celler pointed the way. He had attained liberation from the self; he gave an excellent account of his existence; his life was devoted to fruitful thinking, a mind well-stored, the spirit enriched and beautified by renunciation, dedication and a boundless loyalty to life. How refreshing and inspiring in a world careless of human, ethical and spiritual values. No noisy fame was terminated when he left us a few days ago, for he lived and worked quietly and with a modesty in which he wrapped his uncommon ability.

I hasten to assure you that no recital of his enduring accomplishment will be offered here. They constitute solid, incontrovertible facts and are an everlasting part of any accurate record of his country. This remarkable group gathered here know it by heart. The New York Times touched on it yesterday. "To get the great civil rights legislation of the 1950's and 1960's took marches, tragedy and determination. Without [him] it would have been impossible to enact the historic statutes striking down discrimination in public accommodations, education, employment, voting and housing. The acts [over a period of ten years] all bear the imprint of [his] conscience and canny parliamentary skill. Emanuel Celler was a champion, as well, of other progressive causes such as antitrust law; he was the proud coauthor of the Celler-Kefauver anti-merger act of 1957."

Those who really knew and loved him know what impelled this indelible record and so very, very much more. You, too, were able to discern that he counted his days not by clock-ticks but by heart-throbs, the throbs of a heart sensitive to the sighs, the wails, the laments of men and women stricken, broken and bereaved.

His labors of love were not sporadic or occasional but constant and habitual and always sustained by a profound sense of the kinship of human pain and suffering and sorrow. Through his benign and far-seeing leadership countless men and women have given in turn of their substance and their selves to extending a helping hand to others. They learned how to do it—and do it well—from him. That alone will keep his memory ever green.

His accomplishments were spiritually inspired. He had faith in the triumph of right over might. He was a servant of his duty and not of his ambition. His vast experience taught him that when it comes to influencing others, "example is not the main thing; it is the only thing."

He took his religion into the thick of the world and put it to work there. He boldly entered the open lists—to win or lose. He respected the faith of others and genuinely believed in the common brotherhood of man. His very being was saturated with the entreaty of Micah: "Do Justice, love mercy and walk humbly with thy God."

Just listen to him: "Sometimes, in my eagerness, I would like to tear the curtains apart to see what our world has become in, say, one hundred years. Will there be compassion and justice and mercy and peace? Will man honor man and, in so doing, honor God? I think so. The seeds are planted—now it is up to us and those who follow us to keep the soil moist, to let the air and the sun in, to prune and to weed so that these seeds bear the brightest of fruit."

Those of us who were privileged to be his intimates witnessed the love, the devotion, the intertwining of heart with heart that were the give and take between Mannie Celler and his beloved Stella, his heavenly wife of 51 years, and his devoted daughters Jane and Judy. Stella forever hovering over him with the tenderest of care and his daughters filled with the pride of his ethically high standards which they well knew he not only spoke about but practiced without let-up. We all beheld the rare beauty that filled his eyes as he would frequently speak briefly but with a full heart—yes, of gratitude—of his three women! And of Sidney who both Mannie and Stella regard-

ed as their son. He gave them the comfort and security of his boundless love and there was plenty over for the legions he cared for.

We can testify to the deep affection and constant concern he evinced for the welfare of every member of his family. No matter what the relationship—near or far—each had a claim on him; that was the way he saw and met it. All relatives were unanimous in hailing him their cherished asset; he was the revered leader of them all. And I would be sadly remiss if I failed to mention one, not a blood relative, but regarded by all a member of the family, dear Mary Dougherty who, for half a century, served him lovingly, faithfully, selflessly. A salute is also due Hattie for decades of devoted assistance to the Congressman and his family.

Our beloved Congressman searched out the truth relentlessly, fearlessly, exhaustively and exhaustingly. He carried himself with dignity and humility. An ardent advocate, a determined and resolute fighter when the occasion demanded, equally important he was a natural peace maker, for he possessed not only an understanding mind but a deep understanding heart—a rare combination, indeed.

He had an inner devotion to causes he regarded meritorious. The late Mr. Chief Justice Harlan Fiske Stone observed:

"I have no thought that men are made moral by the mere formulation of rules of conduct no matter how solemnly bar associations may pronounce them or that they may be made good by mere exhortation. But men serve causes because of their devotion to them."

That was our Mannie—serving causes solely because of his devotion to them.

He looked life full in the face. What do we do about it? Pretend ugly facts do not exist? Say we are too busy with ourselves? Falsely reason that no one person can alleviate all human suffering and therefore it is better to do nothing at all? These excuses are not only available, they are popular.

And what inspiration we get when we contemplate how he made the crushing torments of others his own personal problems! He always realized, and translated that realization into action, that poverty of mind and spirit is as awful as poverty of the body; that, in indifference to misery and helplessness, lies disaster. He firmly and unalterably believed that in a fuller, richer, real democracy everyone counts; he knew the significance of imbuing each person with a sense of belonging.

He saw "the necessity of denouncing with unwearied and even troublesome perseverance a single act of oppression." Others have been surcharged the same way. It was Mr. Justice Oliver Wendell Holmes who wrote, "I have had to deal with cases that made my blood boil and yet seemed to create no feeling in the public or even in most of my brethren."

Our Congressman Celler saw and properly interpreted much: he witnessed the unabridged confessions of the ashamed, the tortured, the heart run riot; he recognized the successful and those waiting for success, the arrogant and the meek, the parasitic and the selfish; he flinched at the powerless oppressed and the overpowering catered to and waited upon by unending lines; he knew that with many, insolence came with security; he recognized those without plans or objective, shutting out the future as a penny held close to the eye shuts out the sun; those who prefer, as John Dewey told us, being good fellows rather than good men. He saw and was crushed by the unfulfilled promises to the struggling; he was saddened by those who have never learned that education, as Abraham Lincoln warned us, is not given for the purpose of earning a living; it is learning what to do with a living after you earn it. Yes, he was fully aware of people who have no resources in themselves and cannot find happiness anywhere.

He grew angry in the cause of decency; he was a man with whom a principle is not a thing you talk about, but a thing you do something about; a man who realized that it is difficult to fight for principles but much more difficult to live by them. Yes, he was a man angry in his convictions; a man unable to compromise with injustice; a man placed among us as a standard against which we can measure our own integrity. He was a man who served with honor and not for honor. His sense of dedication spurred us on.

The more he saw of this waste of human resources, the more he held firm to his principles of what makes life really worth the living.

Desperately needed are such as he who come especially in times of great crisis, do the needed jobs, restore order, carry on quietly, contributing something preciously vital and beyond measure.

He had contempt for those who from time to time in our lives, and throughout the ages, come charging with colors flying and shining shield raised high. The fickle crowd may for a while cheer them as heroes, but the triumph is usually brief and they leave us nothing but "the echo of a name and a suit of rusty armor."

He did not confuse bigness with greatness, price with value, standard of living with standard of life. He appeared to realize that the essence of wisdom is to accept one's limitations and to make the most of one's potentialities; that without moral courage all virtue is merely a manner of speech; and that moral courage is harder than physical courage by as much as the reach of the mind far outdistances the reach of the body. I am sure he knew that "it takes durable values to make life endurable."

He lived what he preached, without compromise, without stint—and he proved by his career that there is nothing more adventurous, more dangerous than to practice what one preaches.

But how soft and tender he became when children were involved—his special and sacred concern. He was determined to teach children to understand the mind of others; to weigh their interests alongside their own without bias of any kind; pointing out what Santayana said, it is "not wisdom to be only wise;" urging them to get rid of false estimates and set up the higher ideals; to convince them that in our social order the ladder of opportunity is not so high above the ground that you must have a ladder of influence to get to the lowest rung.

It was his conviction that children should know the significance of life that is "content with small means; to seek elegance rather than luxury, and refinement rather than fashion; to be worthy, not respectable, and wealthy, not rich. * * *"

He believed with his mentor, Ralph Waldo Emerson, that "the true test of civilization is not in the census nor in the size of the cities, nor in the crops—but in the kind of man a country turns out."

And in Emerson's best essay on friendship we find the beauty and strength and quality of Mannie's devotion to friends. To be the beneficiary of such a friendship was to be possessed of a special benediction. His friends were exceptional and varied, among the great and the simple, the eminent and the humble. He found pleasure in the successes of others and had a strong passion for making his friends admire his friends.

The Congressman too had a sharp taste, a piercing eye for sham, an acid tongue when occasion warranted. But he had gusto, he genuinely liked what he praised and he cared infinitely more for the men and women he liked than he worried about those he did not like.

As insatiable as was his love of quality music and masterful books, so was his search for humor. As he put it, "humor is a great release from turmoil and trial. It is the red thread in the grey linen of life." One of my favorites from his endless collection appeared in The New York Times last Friday: "The many sides of Emanuel Celler came together when he was asked once to assess Congressional success. He spoke with the knowledge of experience, the tolerance of the grand old man, the ear for the colorful of the good phrasemaker: 'To be a successful Congressman,' he said, 'one must have the friendliness of a child, the enthusiasm of a teen-ager, the assurance of a college boy, the diplomacy of a wayward husband, the curiosity of a cat and the good humor of an idiot.'"

As to his estimate of old age: He summed it up this way: "You know age is but a state of mind—some are old at 20—others are young at 80—and remember, old trees bear fruit—and while the candle burns, there is work to be done. I am sure that we all feel there is much good that we can do in the remaining years of life." And thereafter? Here's his answer: his favorite quotation from Robert Browning, "No work begun shall ever pause for death!"

As a poor boy in London, I recall watching the street lamplighter light the evening lamps. He would place his ladder, climb and light the lamp, take down the ladder and go to another, and so on down the street until at last I could see the lamplighter no more, but could tell the way he went by the lamps he has lighted. So it was the Congressman Emanuel Celler. He was constantly lighting the lamps of truth and righteousness. And when the time came for him to move from the scene of action, those of us who remain, though he be lost from our physical view, can tell the way he went through life by the lamps which he lighted along life's pathway.

By his life's work, our Mannie well merits the epitaph originally inscribed upon the tomb of James Abram Garfield, 20th President of the United States.

Life's race well run,
Life's work well done,
Life's crown well won,
Now comes rest.

Our dearly beloved mentor and friend, Congressman Emanual Celler, by act and deed throughout his superlative life, always carried on and went forward in a spirit best examplified by the lines of Theodore Parker:

But give me, Lord, eyes to behold the truth;
A seeing sense that knows the eternal right;
A heart with pity filled, and gentlest ruth;
A manly faith that makes all darkness light.
Give the power to labor for mankind;
Make me the mouth of such as cannot speak;
Eyes let me be to groping men and blind;

A conscience to the base; and to the weak
Let me be hands and feet; and to the foolish, mind;
And lead still further on such as the Almighty seek.

□ 1245

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from New York.

Mr. FISH. I thank my chairman for yielding, and, Mr. Speaker, I am delighted that he is putting Judge Irving Ben Cooper's eulogy in the CONGRESSIONAL RECORD because it gives a real sense of the breadth and scope of the life of Emanuel Celler. Subsequently, in a special ceremony in the eastern district of New York, the chief judge made the point, as the gentleman has in his remarks today, of the enormous contribution to Federal court jurisdiction that Emanuel Celler made.

Mr. Speaker, I well recall his courtesy to me as a freshman member on the Committee on the Judiciary back in 1969, and he will long be remembered for the obvious pride he had in the Committee on the Judiciary and will be remembered for his dignity, his wisdom, his wit, as well as his leadership.

Mr. RODINO. I thank the gentleman for his remarks.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I want to commend the distinguished chairman of the Committee on the Judiciary for taking this time to salute the onetime distinguished dean and chairman of the New York State delegation, Manny Celler.

I know that no one in this Chamber worked more closely with him or knew him more closely than did the distinguished gentleman from New Jersey.

Because of the timing of the passing of former Chairman Celler, there were complications, in terms of paying tribute to him. The gentleman was on hand for the funeral ceremonies. A number of us were not available at that time. The gentleman from New York (Mr. ADDABBO) took a special order, I believe on the 17th or 18th of January, to honor Congressman Celler, and at the end of that week there was also a service held in the Federal courtroom in Brooklyn, on the suggestion of Governor Carey, at which many of Congressman Celler's former associates from the New York delegation and elsewhere were present.

I think it is unfortunate that perhaps not all of these remarks are going to be collected at one point in the RECORD, but we do remember, certainly I remember him in very much the same vein as the gentleman from New Jersey, as a person of great interests, of great wit, and of, certainly, magnificant achievements on the floor of this House during the 50 years that he served in this body. He certainly will be remembered and will be missed, not only by the people of New York, but by the people of the Nation.

Mr. RODINO. I thank the gentleman very much for his remarks.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the very distinguished chairman for yielding to me briefly, and I wish to thank the gentleman for this period in which we evoke the memory of his predecessor, a man who transcended the purely New York or the regional significance but had a great deal of meaning to every one of us in all parts of the Nation even before some of us got to the Congress. Emanuel "Manny" Celler, in my book, is more in the tradition of a jurist. Had he sat on the bench, I think he would have made history as such other famous judges as Learned Hand, also of New York, Justice Brandeis, Justice Holmes, great jurists in their own right. He was a seminal thinker and a great legislator. He was what I call a jurist turned law writer. My own personal association with him antedated my coming to Congress in our efforts down in my State to try to abolish the payment of the poll tax as a prerequisite for voting. And when I did come to the Congress the first resolution I introduced as soon as I lowered my hand from being sworn in was a resolution to abolish the poll tax, and I will everlastingly be grateful to Chairman Celler because I talked to him, he took an interest, and it was less than one and a half Congresses later that we had the successful effort, as the chairman knows, because he took a big hand in that.

So these are the things that come to my mind, and I felt that the least I could do would be to join the distinguished chairman, Mr. RODINO, in evoking the memory of such a distinguished American as Chairman Celler.

Mr. DANIELSON. Mr. Speaker, I join my chairman, PETER RODINO, and the many other friends of Emanuel Celler in memorializing him today. Manny Celler was an outstanding chairman of the House Committee on the Judiciary and his influence on the work of that committee will be felt for a long time to come. But Emanuel Celler was not only a great chairman of the Judiciary Committee, he was also a very great American. He was thoroughly steeped in the philosophy of the Anglo-American system of jurisprudence and in his work he always sought to impart the best traditions of that system. He was always concerned about the need for fairness in the application and enforcement of our laws and worked long and diligently to achieve and maintain the proposals of equal justice under law and the insurance of due process of law for everyone.

The American people and the House of Representatives are fortunate to have had Emanuel Celler as one of the most active Members of the Congress for a period of 50 years. It is hard to realize it but he was a Member of the House of Representatives for more than a quarter of the time that our Nation has been in existence.

I feel that I am fortunate to have had an opportunity to work with Manny Celler for a time on the Judiciary Committee and I will always cherish the memory of that service.

● Mr. BOLAND. Mr. Speaker, Manny Celler was one of the greatest statesmen to have inhabited the Halls of Congress. Each of us who had the honor of serving with him is now and will always be indebted to Manny for his leadership and scholarly counsel.

Similarly, the people of the United States owe Manny a special debt of gratitude for his many contributions to the quality of life in America. As chairman of the House Judiciary Committee, a position he held for 22 years, Manny was instrumental in the passage of numerous civil rights laws and four constitutional amendments. He did much to improve the antitrust laws and the immigration laws. His effective chairmanship of the Judiciary Committee was marked by open mindedness, fairness, and integrity.

On the floor of the House, Manny Celler was an able orator, with tremendous powers of persuasion. His mastery of the English language combined with his sagacity and colorful manner guaranteed him an attentive audience whenever he addressed the House.

After Manny's retirement from the House in 1973, he returned to his law practice. He remained energetic, alert, and productive until his death on January 15, 1981. His death marked the end of one of the most remarkable careers in American political history. Throughout his career, Manny served the people of Brooklyn and the entire Nation with dedication and diligence. The solutions to many problems facing us today will be more difficult to find without the benefit of Manny's wisdom.

I am pleased to have this opportunity to express my own appreciation of Manny's tireless efforts to promote justice. I join my colleagues in honoring Manny Celler, and in expressing to his family our sympathy in their hour of sorrow.●

● Mr. WHITTEN. Mr. Speaker, I would like to join my colleagues in honoring a long-time friend and colleague, Manny Celler, with this tribute today.

Manny Celler was not only an outstanding lawyer and possessed a brilliant mind, but in debate he would take a positive and determined stand. However, he was always gracious and kind, and I never saw him get upset about anything that transpired on the floor of this House. Younger Members and older Members, whether they agreed or disagreed about the issue at point, would always be treated like gentlemen by Manny Celler and, as a result, he was always treated in the same manner. He set a fine example for the younger Members, not only because of his long length of service, but in the way he conducted himself during that period. I know that all of us profited by serving with Manny Celler.

We also extend sympathy to his family and his loved ones and announce again that the country has lost a fine citizen.●

● Mr. ANNUNZIO. Mr. Speaker, I rise to join my distinguished colleague, Hon. PETER W. RODINO, JR., chairman of the House Judiciary Committee, in paying tribute to Hon. Emanuel Celler, who represented the people of the 16th District of New York, located in Brooklyn, for half a century from the beginning of 1923 through the year 1972. His death is a sad loss, and he will be remembered for his vigorous dedication to the cause of genuine political freedom for all Americans.

When he left the House of Representatives at the end of the 92d Congress, Manny Celler was the dean of the House, and I had had the privilege of serving with him 8 years. The respect and esteem in which he was held by his colleagues in both Houses of Congress and from both parties reflect the sentiments of the Nation as a whole. To millions of people he embodied the ideals and aspirations of American democracy as very few men or women in this or any century.

During his brilliant career in Congress, Congressman Celler was a staunch supporter of President Roosevelt's New Deal programs, and consistently opposed the mandate and the existence of the House Un-American Activities Committee. In 1949, he became chairman of the House Committee on the Judiciary, and there began the long struggle for stronger national laws to enforce the civil rights of all of America's citizens.

Chairman Celler won major victories with the passage of the 1957 and the 1964 Civil Rights Acts, and as the chief sponsor and manager of all our country's crucial civil rights laws of the modern era, he achieved, continued success through the decade of the sixties in becoming one of America's notable and effective civil rights proponents.

Manny Celler was a dedicated and devoted American, and a Congressman of outstanding ability, deep compassion, and courage. During the 50 years he served in Congress, he witnessed some of the greatest moments in the history of mankind, and experienced, in a very real sense, the triumphs and tragedies of our Nation. He retired with the assurance that through his efforts mankind had benefited, and there is no tribute higher than this.

Mrs. Annunzio and I extend our deepest sympathy to Emanuel Celler's daughter, Jane, and to her family.●

● Mr. REUSS. Mr. Speaker, it is with much regret that I note the passing, on January 15, of a great Congressman and the former dean of this body, Emanuel Celler. Manny Celler leaves a legislative legacy of awesome dimensions.

Manny Celler became chairman of the Judiciary Committee in 1949 and, except for the years when the Republicans controlled the House, held the post from then until his retirement in 1972. Under his enlightened and compassionate stewardship, that committee began to churn out the civil rights legislation which had been so studiously ignored for almost a century.

In 1957, Manny Celler wrote the first comprehensive civil rights legislation enacted by Congress in 82 years. He was the author of the even more comprehensive Civil Rights Act of 1960. His greatest achievement was not merely the authorship of needed civil rights reforms, but his skill and dedication as a legislator which allowed those bills to be passed.

In 1964, he guided to passage the landmark civil rights legislation which stands as one of the great and lasting accomplishments of the Kennedy-Johnson administration. His outstanding floor leadership on that bill earned him a standing ovation from supporters and opponents alike upon its passage. Emanuel Celler's contributions toward the achievement of civil rights in this country were seminal, and he will forever stand as a giant among the many who have served in this body.●

● Mr. SCHEUER. Mr. Speaker, no Member of this body held the Chair of the House Judiciary Committee as long as Manny Celler did; and very few did as much to advance the passage of the first comprehensive civil rights legislation ever enacted by Congress. Manny will be remembered in history, not only for that contribution to the betterment of our society, but for countless additional achievements as a great Congressman and a great American.

On a less grandiose level but in some respect, an equally important one, Manny Celler was one of the most effective advocates for his constituents that Brooklyn, N.Y., has ever had. For half a century, Manny went to work in Washington on behalf of the citizens he represented; and for half a century, those citizens returned him at 2-year intervals to carry on that effective and tireless work.

All Americans owe Manny an enormous debt of gratitude. The people of Brooklyn are still more deeply in his debt; and those of us who knew him and benefited from his counsel and his leadership are perhaps the most indebted of all.●

● Mr. MINISH. Mr. Speaker, in a half century of service in the House of Representatives, and almost a quarter century as chairman of the House Judiciary Committee, Manny Celler of Brooklyn made his mark on much of the most significant legislation of the 20th century. His earliest involvement in politics dated back to the progressive era, and he brought the most admirable qualities of that time as a legacy to those of us who came along after him.

There is no disputing Emanuel Celler's love for and knowledge of the law, which he practiced from 1912 almost up to the present. He was better able to construct and guide significant legislation, I think, because he added to an encyclopedic knowledge of legal theory a keen insight into human nature: His remarkable personality and the experience of 50 years service in the political arena made Manny Celler a national asset as a legislator. While it is almost impossible to pick out single accomplishments and still do justice to such long and honorable public service, I suppose that what people remember most clearly is how Manny steered the necessary but controversial civil rights legislation of the early 1960's through the House. Only his combination of fearlessness and knowledgeability could have gotten some of those bills through intact, and he performed his duty honorably and well. Yet we must not forget that his masterful performance at that time was just part of a long progressive record from the Teapot Dome through the New Deal to our time. As time brought him power and seniority, Chairman Celler used these assets wisely for the good of the country.

It is no surprise to those who knew him that this remarkable personality continued to practice law actively until just before his death at the age of 92. Age could not break his zest and energy because he was not the sort of person to let it. The same tough determination which helped him to continue his education and to support himself after the loss of both parents within a few months carried him through his long public service and down to his last days.

Manny Celler loved the Congress, in which he served so well. In turn, he has left us an example and a legacy of which we can be proud.●

● Mr. ROSENTHAL. Mr. Speaker, I was extremely saddened the other day

to read of the death of my very dear friend and former colleague, Emanuel Celler, and I want to take this opportunity to pay tribute to him and his outstanding record of service to his country and to his fellow man, and to his State of New York.

Manny Celler served in the House of Representatives for 50 years—a half a century—and during that time rose to one of the most powerful and influential positions in this body, that of chairman of the Committee on the Judiciary, where he shepherded some of the most important legislation enacted in the history of our country in the fields of civil rights, immigration and antitrust. Without his expertise, ability, and influence the Congress would not have been encouraged to adopt such strong proposals, and the country and our citizens would have been deprived of some of their inherent rights provided by the Constitution.

As dean of the House he was beloved and respected by all who knew him, and rightly so. He knew how to maneuver, how to act, and react, how to bring pressure to bear when it was necessary, how to negotiate and compromise, and, most important of all, how to make and keep friends.

When I was elected to the House from the neighboring Borough of Queens, Manny had already been in Congress almost 40 years. He gave most generously of his time and advice, and he was always available to me when I needed his sage advice and counsel, which was quite often during the first days of my service.

He was a remarkable and beautiful man, and a warm and decent human being, always ready to do battle for a just cause, and always ready to help a friend. His kind are too few in this world we live in, and he will be sorely missed by all of us who loved him and admired him for what he was—a highly principled individual, absolutely and completely dedicated to his country and to the people he served for such a long, long period of time. He took his oath of office seriously, discharged his duties and responsibilities with distinction, and his contributions to the quality and integrity of the Congress are unequaled.

I am proud to have been his friend, and to have had the privilege of serving with him in this House.●

● Mr. EDWARDS of California. Mr. Speaker, I would like to thank the gentleman from New Jersey (Mr. RODINO) for arranging today's special order to pay tribute to Emanuel Celler.

When I first became a member of the House Judiciary Committee, Manny Celler was my chairman. I am proud to be able to say that he was also my friend and my mentor. He was truly one of the great chairmen in the history of our committee, and it was an honor and a privilege to serve with him.

Manny exemplified some of the best qualities any legislator can have—a strong sense of commitment and determination, a passion for justice, and an abiding respect for the law and our Constitution. His example and the knowledge that he shared with all of us who served with him have greatly aided me in my work here in Congress.

As my colleagues know, Manny was one of the key forces behind the passage of the great Civil Rights Acts of the late 1950's and 1960's. It has been my privilege to chair the Judiciary Committee's Subcommittee on Civil and Constitutional Rights, and in that capacity to be able to carry forward Manny's efforts to promote the full realization of civil rights for all of our country's citizens.

I would like to insert for the RECORD, two of the many articles which appeared in the press to pay tribute to Manny Celler. I hope my colleagues will find them of interest.

The articles follow:

EMANUEL CELLER

When Rep. Emanuel Celler of Brooklyn was rounding out his half-century in the House (he served longer than anyone but Carl Vinson of Georgia), he knew better than to criticize the seniority system. Combined with his staying power, it gave him charge of the Judiciary Committee for a total of 22 years and made him one of the most influential congressmen of the century. Besides, he claimed, other systems of doling out congressional power (by the whim of the Speaker, or logrolling among the members) were also subject to abuses.

Mr. Celler, who died Thursday at the age of 92, could have served even longer if he had not run afoul of the women's movement. His obstruction of the Equal Rights Amendment, which he thought would cause more trouble than it would solve, was one of the counts against him when he was narrowly beaten in a 1972 Democratic primary by Elizabeth Holtzman. Organized feminists remained unforgiving. They picketed a farewell dinner given him by civil rights groups.

The dean of the House was a genuine hero of the civil rights movement whatever the ERA people might think. He took credit for having written and floor-managed all of the major rights bills since 1957. A grandson of German-Jewish immigrants, he labeled as his "worst" experience in Congress the passage of the 1924 Immigration Act. Forty-one years later, he sponsored the bill repealing that law.

He shepherded several constitutional amendments through the House, including the one enfranchising District residents in presidential elections. He opposed efforts for a prayer-in-schools amendment to override court decisions against the practice.

Mr. Celler also was an advocate of stronger anti-trust legislation, and regularly made the sports pages as one who wanted the laws applied to professional sports. He had worked fruitlessly to keep the Brooklyn Dodgers from abandoning the borough. Another of Mr. Celler's lost causes was gun control.

Through more victories and reverses than most Hill observers can remember, Mr. Celler never lost his zest for legislative battle. A faster-changing Congress could well use more of his durable sort.

[From the New York Times, Jan. 16, 1981]

EMANUEL CELLER, FORMER BROOKLYN CONGRESSMAN, DIES AT 92

(By Maurice Carroll)

Emanuel Celler, who served a half-century in the House of Representatives, died yesterday at his home in Brooklyn. He was 92 years old.

Mr. Celler, one of the most influential New Yorkers who ever served in the House, was defeated in the 1972 Democratic primary in a stunning upset by a political unknown, Elizabeth Holtzman. Only days before his defeat, Mr. Celler had described his opponent as "irritating as a hangnail, which nail I am going to cut off."

The defeat ended one of the longest political careers in the state's history. Mr. Celler continued to practice law until shortly before his death from pneumonia.

When Mr. Celler, 34 years old, brash and bouncy, was first elected to the House, Warren G. Harding was President. The year was 1922.

LED ON CIVIL RIGHTS BILLS

Seven Presidents and 42 years later, Mr. Celler, still bouncy but his brashness mellowed by the years, became the dean of the House. The distinction, he said, had "crept up on me unawares."

Seniority brings power in Congress, and as Mr. Celler's service lengthened, his political sway grew. He became chairman of the Judiciary Committee in 1949, and, except for the years when Republicans controlled the House, held the post from then on.

His committee handled civil-rights legislation in the years of the nation's major advances in that area. In 1957, he wrote and shepherded into law the first comprehensive rights legislation enacted by Congress in 82 years.

He was the author of the more comprehensive 1960 Civil Rights Act, and in February 1964, he guided to passage for the Johnson Administration a law retaining virtually all the elements of a draft that President Kennedy had submitted the year before.

"I feel like I've climbed Mount Everest," Mr. Celler said wearily after the 1964 bill passed, 290 to 130, and the House gave him a standing ovation.

PARLOR TRICKS AND PUNGENCY

In his later years, he remained a peppery, combative, always colorful and anecdotal debater, but his grandfatherly figure—bandy-legged, slope-shouldered, only a thin patch of white covering his tanned dome—came to be matched by a grandfatherly manner.

In private his bright blue eyes twinkling, he played parlor tricks for children, converting linen napkins into rabbits. In public he had the habit of finding stories and pungent phrases to dramatize his points.

During one of his periodic squabbles with Rep. Michael Feighan, the No. 2 Democrat on the Judiciary Committee, Mr. Celler listened, glowering, to a Feighan denunciation of him during a House debate. Then he said icily, "To what the gentleman from Ohio says, I give the thunder of my silence."

Emanuel Celler was born May 6, 1888, in a frame house at Sumner Avenue and Floyd Street in the Williamsburg section of Brooklyn. His father, Henry, owned a whisky business. There was a 25,000-gallon tank in the basement. Young Manny helped paste

"Echo Springs" labels on his father's products.

HEARD WILLIAM JENNINGS BRYAN

His introduction to politics came young, as it did for many in that era, when the clubhouse was a neighborhood social center, the party-sponsored picnic and boatride were major social events and Tammany Hall—in most years—ran the city. In 1896, Henry Celler, a Democratic district leader, hoisted his son to his shoulders to watch William Jennings Bryan speak in Arion Hall. Or so the Congressman remembered, more than half a century later.

The father's business failed at about the time that Manny was graduated from Boys High in 1906. Then, soon after he entered Columbia College, his father died. Five months later, his mother died.

"I became head of the household," Mr. Celler wrote in this 1953 autobiography, "You Never Leave Brooklyn." He went on: "Following his failure, my father had given up his business and become a wine salesman. I took up his route. I went to college in the mornings and sold wine all afternoon until 7 o'clock in the evening."

The schedule did not halt his education. He was graduated from Columbia in 1910 and Columbia Law School in 1912. Two years later, he married Stella B. Baar. By then, he had settled down to law practice in Brooklyn.

FIRST CAMPAIGN IN 1922

In 1922, A Democratic leader asked if Mr. Celler would like to be the party's nominee for Congress from the 10th District, an honor but hardly a prize. The district had never sent a Democrat to Congress.

But the young lawyer enlisted friends, relatives and neighbors and went to work in the old New York style of block-by-block door-knocking and speech-making. He traveled the district speaking from the tailgate of an open truck. A burst of fireworks would be set off and, when a crowd gathered, he recalled, "you'd get up and harangue them."

He won by 3,111 votes.

Over the years, reapportionments stretched, squeezed and shifted the district boundaries, but Brooklyn became ever more Democratic, and the Celler victory become a biennial certainty.

"What did you say my opponent's name is?" Mr. Celler asked one pre-election day in 1966. "Please don't think I'm being immodest," he added quickly. "I just haven't heard who it is this year."

A LIBERAL FROM THE START

From the start, he had been the liberal that his upbringing, and his district, dictated. He supported the major New Deal and Fair Deal programs. He was among the small band that opposed the House Un-American Activities Committee, he pressed antitrust legislation and he regularly scored high on the liberalism ratings compiled by the Americans for Democratic Action.

In 1967, feeling itself faced with the obligation to discipline Harlem's flamboyant Representative Adam Clayton Powell, the House leadership entrusted the first step of the task to a special committee headed by Mr. Celler.

"As a good soldier," he said, "I am willing to take on the task." Someone wished him well. He winced. "I'm entitled to commiserations, not congratulations," he said.

The Celler committee recommended that Mr. Powell be censured, fined and stripped of the seniority that had earned him a committee chairmanship, recommendations that seemed to steer the tricky path between the need to satisfy the public outcry for action against Mr. Powell and the need to devise punishments that would not lay the ground for a court challenge.

HOUSE IGNORED RECOMMENDATION

If the House followed the committee's carefully fashioned plan, Mr. Celler said, Mr. Powell would have no "right of appeal except to the Lord Almighty."

The House did not. The members ran away from their leaders, voting to exclude Mr. Powell and setting up the very clash between Congress and the courts that the Celler committee had tried to avoid.

Over the years, Mr. Celler conducted a variety of investigations. Among the subjects: insurance companies, organized baseball, the steel industry, television.

Like most New York members of Congress, he commuted back to his home city on weekends. He also conducted an active law practice, which Miss Holtzman made an issue in the 1972 campaign.

WIFE DIED IN 1966

His 51-year marriage ended in March 1966 with the death of his wife, and he began spending more time in Washington, where he had one of the biggest and most comfortable offices in the huge Rayburn Building and where he lived in the Mayflower Hotel.

Part of Mr. Celler's endless store of anecdote and analogy came from voluminous reading. He favored biography and the classics. Part stemmed simply from a natural talent for the pungent phrase.

A regular opera-goer, he thought the old Metropolitan Opera House was a monstrosity and, protesting one day at the sudden formation of groups to save it from demolition, he said: "Why the sudden urge? Is it publicity? Some of them probably think Puccini is a name for spaghetti and that Richard Wagner was a baseball player."

It was with apparent spontaneity when he complained that American policy in the Middle East amounted to "Suezcide."

HIS FORMULA FOR SUCCESS

The many sides of Emanuel Celler came together when he was asked once to assess Congressional success. He spoke with the knowledge of experience, the tolerance of the grand old man, the ear for the colorful of the good phrasemaker:

"To be a successful Congressman," he said, "one must have the friendliness of a child, the enthusiasm of a teen-ager, the assurance of a college boy, the diplomacy of a wayward husband, the curiosity of a cat and the good humor of an idiot."●

● Mr. KASTENMEIER. Mr. Speaker, I was saddened to learn of the death of our former colleague, Emanuel Celler, and I would like to join my colleagues in paying tribute to his memory.

When I came to the House of Representatives in 1959 and was assigned to the Judiciary Committee, my chairman, Manny Celler, already had acquired a well-known and well-deserved reputation. Throughout his congressional career, Manny Celler was an advocate of progressive causes and legislation that benefited society. He will be particularly remembered for his leadership role in the writing of the great civil rights laws that were enacted during the 1960's, for his insistence upon the freedom of the marketplace through his pursuit of the breakup of great corporate giants which preyed upon the American economy, and for his devotion to the defense of civil liberties of American citizens.

Manny Celler served 50 years in the House. He was chairman of the Judiciary Committee for 22 years. He also was the dean of the House. We, who served with him, remember him as a wise and kindly man. He was incredibly witty and he had a treasury of anecdotes to fit any occasion. He also was capable of outrage when discussing issues which concerned him deeply. Above all, Manny Celler was a man of great eloquence, particularly when he rose on the House floor to defend the rights of those American citizens who were disadvantaged, mainly because of race, creed, or color.

Chairman Celler had an unusual sense of character. His public life was exclusively dedicated to the House which was the instrument through which he could express has values. And although he was the senior Member of the House, he also took an interest in the activities of junior Members and he generously offered us his wisdom and counsel.

Anyone who knew Manny Celler will remember him warmly. It was a privilege to serve with him, to know him, and to honor his memory.●

● Mr. ANDERSON. Mr. Speaker, I thank our colleague, Mr. RODINO, for arranging this time for us so that we may pay our last respects to a man who was truly an institution here in Congress. I speak of the Honorable Emanuel Celler. I would like to take a few moments to recall the life and accomplishments of this great man, and of the many years of service that Emanuel Celler gave to the people of his district, the House of Representatives, and the Nation.

Although born to a family of meager financial means, Emanuel Celler combined his studies with honest, hard work, and graduated from Columbia College as well as receiving the law degree from Columbia University Law School in 1912. Just 10 years later, elected to the House of Representatives, Manny embarked upon a journey that was to enable him to contribute to the well-being of the people of this Nation probably more than anyone could dream of.

Evidence of this, first and foremost, was his continued reelection to this body. Emanuel Celler never forgot the people who sent him to Washington, and their needs were his primary consideration. Side by side with his caring for his constituents was Manny's need and desire to serve all the people. His niche was established on the House Judiciary Committee, and as its chairman for 22 years, Manny was the key to the civil rights legislation which became law. Equal employment opportunities, equal education benefits, the

right for 18-year-olds to vote, all fell under Manny's domain, and he fought for these things with fervor and zest. Manny Celler was instrumental in giving all Americans a better environment in which to vote, work, and study.

Mr. Speaker, among the many great men and women who have served their Nation here in Congress, I hold none in higher esteem than Emanuel Celler. His determination to bring to the people that which should be theirs, as well as a host of other contributions, makes me regard him as my mentor. We all benefited from having Manny serve with us, and he remains forever an inspiration to all.

My wife, Lee, joins me in extending our deepest condolences to the entire Celler family, as well as the residents of Brooklyn's 16th Congressional District. Manny will be missed by us all, but neither he nor his many accomplishments will ever be forgotten.●

● Mr. STOKES. Mr. Speaker, I would like to thank the gentleman from New Jersey (Mr. RODINO) for reserving this time so that Members of the House of Representatives can pay tribute to perhaps this body's greatest champion of justice, human decency, and civil rights—the Honorable Emanuel Celler. As we all know, Mr. Speaker, Emanuel Celler died Thursday, January 15 at the age of 92.

It is only fitting that we pause at this juncture to pay homage to a man who during his 50 years in Congress gave hope and a fair chance to those who were hopeless and shackled for so many years by this society's prejudices and inequities. Undoubtedly and appropriately, history will credit Emanuel Celler as the chief architect and primary advocate of the major civil rights legislation in this Nation.

Mr. Speaker, Emanuel Celler was the undisputable guiding force who took the struggle for equality and civil rights from the demonstrations, sit-ins and marches in our Nation's streets to the Halls of Congress. He then became the tower of strength and conscience needed to push major civil rights legislation through both the House and the Senate at a time when his efforts were given only a token chance of success.

Courage, foresight, compassion, and leader amongst leaders—all of these words characterize the man who in 1957 wrote and shepherded into law the first comprehensive civil rights legislation in the Congress since Reconstruction. Emanuel Celler went on to become the author of the more comprehensive 1960 Civil Rights Act.

Refusing to rest on what many people called remarkable achievements in the area of civil rights, Emanuel Celler through his position as chairman of the House Judiciary Committee went on to serve as the major strategist for the passage of the 1964, 1965, and 1968 Civil Rights Acts. During this time, Mr. Celler was engaged in many floor battles on behalf of the legislation. Mr. Speaker, many of my colleagues may recall at the age of 75, Emanuel Celler waged an impressive battle on behalf of the 1964 Civil Rights Act. Armed with his legendary oratory and wit, he led a 2-week debate that held together the farthest reaching civil rights bill ever written. The measure covered desegregation in education, employment, public accomodations, and other basic aspects of life.

After the house passed each civil rights bill, Mr. Celler went on to tackle the Senate Judiciary Committee which at that time was dominated by southerners who traditionally kept legislation of this kind bottled up in committee. In every instance, he pressured the Senate to pass the bills despite the opposition of some of the Senate Judiciary Committee members and the threat of filibusters and other tactics.

In addition to his achievements in the area of civil rights legislation, Mr. Celler is noted for his work with four constitutional amendments. The first amendment allowed the citizens of the District of Columbia to vote in Presidential elections. The second amendment effectively banned the levy of poll taxes in Federal elections. The third was an amendment on Presidential disability and success. The fourth lowered the voting age to 18.

Additionally, Mr. Celler was associated with over 400 laws which passed the House including a measure abolishing the use of national origins in setting immigration quotas and the Celler-Kefauver Antitrust Act of 1950 which tightened existing laws.

Mr. Speaker, Emanuel Celler was a bulwark of human decency in this Congress and in this Nation. His achievements in the area of civil rights legislation stand as a lasting monument to his greatness as a legislator and human being.●

● Mr. SCHUMER. Mr. Speaker, I join my colleagues today in honoring one of the most outstanding legislators of the 20th century, a man whose district I am now proud to represent. When Emanuel Celler died of pneumonia on January 15, 1981, he left behind a stunning legislative record in the areas of civil rights, antitrust legislation, and immigration laws, as well as a colorful reputation as an anecdotal orator and a man of pungent wit.

The grandson of German Jewish immigrants, Manny Celler first came to Congress in 1922 as a brash 34-year-old who had wrested the 10th Congressional District of New York from the tight hold of the Republicans, pledging "It's time for a change." With that slogan, Mr. Celler launched an exemplary legislative career that was to last half a century, during which he earned national significance as a political powerhouse and a staunch defender of civil rights.

Mr. Celler's defense of constitutional liberties and his efforts to protect the right of the individual from institutional abuses dominated his legislative career from its earliest days and continued to characterize his legislative service thoughout his 25 terms in office. Mr. Celler demonstrated his opposition to the abuses of monopolies by calling for an investigation of the American Telephone & Telegraph Co. in his first decade of service. By the end of his congressional career, he had conducted investigations into such varied companies as the steel industry, organized baseball, and insurance companies, always combining principled dedication with political finesse. As early as 1938, Mr. Celler opposed the methods of the House Un-American Activities Committee, sensing potential danger to constitutional liberties, and in 1966 he was 1 of 24 House Members who voted against that committee's appropriation. In the first major debate of his career, Mr. Celler opposed the establishment of the national origins quota system under the Johnson Immigration Act of 1924, and 41 years later, he sponsored a bill that repealed that law.

Having secured through seniority the chairmanship of the Judiciary Committee in 1949, Manny Celler became a crucial political figure as the Nation awakened to the need for civil rights legislation. His Civil Rights Act of 1957 was the first comprehensive civil rights bill to be enacted by Congress in 82 years. In 1964, Mr. Celler waged the legislative battle of a lifetime, during which he steered the far-reaching Civil Rights Act of 1964 through a 2-week debate in the House and successfully protected it from formidable political foes in the Senate. Recognizing this substantial achievement, the House awarded Mr. Celler a standing ovation after its 290-to-130 vote in favor of passage, and Mr. Celler, in his descriptive way, acknowledged, "I feel like I've climbed Mount Everest."

Manny Celler's extraordinary legislative accomplishments will figure prominently in the history of the past 59 years, and his incisive yet grandfatherly manner will become a cherished memory for residents of my district, and for all who knew him. It is my hope that his lifelong example of political integrity, determination, and legislative skill will be well remembered by the people of this Nation to whom he dedicated his life.●

● Mr. JACOBS. Mr. Speaker, Emanuel Celler was one of the giants of the House. And he was my first committee chairman.

Thoughts of Churchill would not go away when one was in the presence of

Manny Celler. His English was precise, his grasp of history immense and his concern for justice—the word which is big enough to hold the terms, "human rights", "civil rights" and "fairness"—was awe inspiring.

Those of us who knew and loved Manny Celler know that his majestic being will live on larger than all of Mount Rushmore.●

● Mr. COUGHLIN. Mr. Speaker, it is with a deep sense of loss that I join my colleagues in paying tribute to a former colleague and respected friend, Manny Celler, who passed away on January 15 of this year.

All of us who had the privilege of knowing Manny were deeply saddened at the news of his death. Manny's 50 years of service on the House, as the Representative of the 16th District of New York, leaves a record of accomplishments and achievements that is unlikely to be equaled. His efforts on behalf of the poor and disadvantaged will long be remembered by grateful Americans from all walks of life. As chairman of the Judiciary Committee for 22 years, Manny was in large measure responsible for the passage of the most important civil rights legislation ever considered by the Congress. The landmark 1964 Civil Rights Act, among others, was enacted largely due to Manny's skillful guidance and his tenacity in securing its passage.

I am honored to have had the good fortune to serve on the Judiciary Committee under Manny's leadership during his last term in office, and I extend to his family my most sincere condolences on their loss.●

● Mr. WASHINGTON. Mr. Speaker, I join my colleagues in remembering a great former Member of the House, Emanuel Celler. While I did not have the opportunity of serving in Congress with Mr. Celler, his 50 years in the House of Representative established an outstanding record and earned the respect and confidence of his associates.

As a liberal Democrat, he stood in the forefront in the civil rights era. In 1949, when Mr. Celler took over the chairmanship of the House Judiciary Committee the luck of seniority gave him jurisdiction over civil rights. His appointment came at a time when the anti-civil rights Senators bottled up all the civil rights legislation. Never afraid to differ with his colleagues and peers, he mustered strong majorities in the House and generated pressure to pass the 1964 Civil Rights Act.

A man who worked tirelessly as a legislator, his political energy was channeled to raise the quality of life for those who needed help the most, he had the ability to look perceptively beyond the facts and paperwork to understand the hopes and fears of human beings.

He always spoke with the knowledge of experience. We will miss his courage and wisdom.●

THE 63D ANNIVERSARY OF UKRAINIAN INDEPENDENCE, JANUARY 22, 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. STRATTON) is recognized for 60 minutes.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, January 22 of this year marked the 63d anniversary of the independence of the Ukraine. As we have done regularly for many years, Members of the House have participated in special orders to salute this important anniversary date, to express the hope for a speedy return of the independence of the Ukraine, and to salute, encourage, and commend those Americans of Ukrainian descent.

Of course, as we are aware, because of the various festivities associated with the inauguration of President Reagan, the House was not in session on January 22, and so the gentleman from Illinois (Mr. DERWINSKI) and I selected today instead to render our comments and observations on this most important anniversary.

The Ukraine is, of course, one of the most important of the captive nations, whose plight this Congress annually recognizes pursuant to a resolution adopted more than 20 years ago. It is perhaps true that because the independence of the Ukraine survived for only a relatively short time, between the fall of the czar and the military takeover of the Ukraine by the Bolshevik Government under Lenin, people tend to forget that the Ukraine was indeed at one time a free area with a separate political identity of its own, even though since 1918 it has been incorporated into the territory of the U.S.S.R.

After all, the Baltic States of Estonia, Latvia, and Lithuania are also incorporated within the territory of the Soviet Union. But their independence, which was established as part of the treaty which took czarist Russia out of World War I, continued until the Soviet counterattack against the Nazi forces in World War II, some 22 years later.

Actually the Ukraine has also had a long and distinguished history, with a distinct identity of its own, both geographically and ethnically. In fact, so important was the area, especially in the richness of its agricultural production, that for centuries it has been the target for aggression on the part of whatever European power might believe itself at the moment to be in the ascendancy—by Poland, by Sweden, by Prussia, by Nazi Germany, and of course by the Bolsheviks. Yet throughout all of these invasions and occupations, including the current one, the people of the Ukraine have maintained their fierce love of freedom, their bold sense of independence, and their own individual identity.

In the spring of 1978 our House Armed Services Committee made a 10-day trip to the Soviet Union, the last 3 days of which were spent in the Ukraine, in its capital of Kiev. Although now politically a part of the Soviet Union, it was perfectly obvious to all of us on the trip that the Ukrainian people were a very special breed—more open, more friendly, and much more insistent on their own special identity. It was clear to all of us that not even the harsh controls employed by the Soviets through the KGB could impose the kind of cautious hesitation upon Ukrainians that one encountered on the part of citizens in other parts of the U.S.S.R.

For example, at the time we were visiting the Ukraine, the U.S. Department of Commerce was making plans for holding a trade and agricultural show in the Ukraine. Before our group left the United States we had learned that explanatory pamphlets that the Department had printed up to hand out to visitors to the Kiev trade show had been printed in Russian, rather than in the Ukrainian language—a very important and always a very sore point for any Ukrainian citizen.

We were advised that this failure to print the information in the Ukrainian language, rather than in the hated Russian language, would doom the success of the show. I brought these facts to the attention of the Department before we left, and by the time we reached Kiev the Department had reissued its information pamphlets in the Ukrainian language as well as the Russian language.

Considering what happens in the Soviet Union, that was a very positive assertion of independence on the part of the Ukrainian people, which illustrates the point I have been making.

Fortunately, Mr. Speaker, the oppression which the Soviet masters have imposed on the people of the Ukraine has had a very strong and positive impact on these United States. We have been most fortunate in inheriting the drive, the skills, and the rugged independence of those Ukrainians who could no longer put up with life without the freedom they valued so highly.

As a result, hundreds of thousands—nay, millions—of Americans of Ukrain-

ian descent have made over the years extremely valuable contributions to the growth and development of the United States; and their children and their children's children have continued those great contributions.

We salute these brave Ukrainian American people in this anniversary year and we honor them for their achievements.

At the same time, Mr. Speaker, we must not forget the plight of the people still living in the Ukraine. They share the same hope for freedom and independence in their individual lives that the people of Poland—another captive nation—have been demonstrating so dramatically this past year.

Surely we can hope that this same small breath of fresh air, this same small bright ray of sunshine of freedom, will also break through in the Ukraine in the days ahead.

This is not just a rhetorical statement, Mr. Speaker. Who could have thought just a year ago that what has been happening in Poland could have ever happened behind the Iron Curtain? If it can happen in Poland, it can certainly happen in the Ukraine.

So on this 63d anniversary of the brief but brilliant freedom of the Ukraine, let us simply make this prayer—"God speed the day when the sunshine of freedom shall indeed come once again to the Ukraine."

Under leave to extend my remarks, Mr. Speaker, I include two impressive statements by Dr. Lev Dobriansky, president of the Ukrainian Congress Committee of America.

The statements follow:

HEROES WELCOME TO METRINKO AND ALL OF OUR RETURNEES

DEAR MR. AND MRS. HARRY METRINKO: In this period of glad tidings and on behalf of the entire Ukrainian American community we rejoice with you on the release and homecoming of your beloved son Michael. This is an historic moment for a heroes welcome for him and all the returnees. I feel an even deeper affinity because of Michael's Georgetown background. With all of Gods blessings.

Sincerely,

LEV E. DOBRIANSKY,
President, the Ukrainian Congress Committee of America.

WHY OBSERVE UKRAINIAN INDEPENDENCE DAY?

With the 97th Congress, I extend in behalf of this national committee and myself our warmest felicitations for your most successful leadership in the years ahead. Hopefully, I also look forward to work with you in an area which seems alien to our people and yet is very basic to our national security as well as to our American ideals and principles. UCCA represents the convictions and values of our 2 million Americans of Ukrainian ancestry, small in percentage but long in ideas and experience.

For a quarter of a century Members in every Congress have observed the Independence of Ukraine. This is its 63rd anniversary. Upon the collapse of the Tsarist Russian Empire, the Ukrainian National Republic was established on January 22, 1918, highlighting another phase of independence for the Ukrainian nation. By 1920 it was destroyed in the first wave of Soviet Russian imperialism that in a succession of waves has reached in our day into Afghanistan. January 22nd is the date, but because of our Presidential Inauguration and its aftermath, this singular commemoration has been scheduled for the first week of February.

As Americans, why do we observe this historic event of declared national independence in the area of our prime enemy? The clear answer is seen in these few facts: (1) our America was primarily born in severance from an empire, and those nations today, like Ukraine, seeking independence from the Soviet Russian empire cannot but magnetize our instinctive, spiritual affinity (2) in fact, Ukraine is the largest non-Russian nation both within the USSR and all of Eastern Europe, with a population and territory easily comparable with France (3) its long record of opposition to Soviet Russian domination, marked today by widespread human rights dissidence, is documentarily incomparable in contemporary times and (4) its strategic position in relation to Poland and others in Moscow's outer empire and to the Mideast and South-Asia adds substantially to its Achilles Heel status in the last remaining, major empire.

Through our VOA, Radio Liberty and many other media your address on these and other facts during the "63rd" will doubtlessly go a long way in intensifying our natural alliance with the 50 million Ukrainian nation. It will certainly signal the dire need for policy in this direction. To this day we have no strategy for Ukraine and the other captive non-Russian nations in the USSR—not to irritate or provoke Moscow into any hot war, but to preclude any such confrontation by meeting their primary challenge on the ideological plane. Though we have to recoup our military posture across-the-board, this is not the decisive answer to the Soviet Russian challenge. To put it simply, when we had clear-cut military superiority, Moscow advanced nevertheless. Hopefully, the new Administration will address itself to this most basic problem.

Under the co-sponsorship of Representatives Samuel S. Stratton and Edward J. Derwinski, the "63rd" commemoration will be held in the House on Tuesday February 3. Following this in the Senate (Room 207) a reception will be held under the co-sponsorship of Senators Charles H. Percy and Paul S. Sarbanes on Wednesday February 4. I most warmly invite you to speak out on this fundamental issue of national independence in your respective chamber and to join us at the reception. For, in truth, we haven't begun to realize the opportunities that face us in terms of peace and expanded freedom.

Your participation in this event will be greatly appreciated and with all best wishes,

Sincerely,

LEV E. DOBRIANSKY,
Georgetown University.

Mr. STRATTON. Mr. Speaker, I now yield to my distinguished friend, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I am pleased to join this afternoon with my colleague from New York, Mr. STRATTON, in cosponsoring this special order in recognition of the 63d anniversary of the Proclamation of Ukrainian Independence. Today, we direct attention to the plight of the people of the largest non-Russian country in Eastern Europe being held captive by the Soviets. The people of the Ukraine continue to be victimized within the Soviet borders by the repressive internal policies of the Communist leaders.

We must continue to champion the rights of national, individual, cultural, and religious freedoms for all peoples held captive. The Ukrainian people are among the millions of those who are looking to the United States to live up to that commitment.

Mr. Speaker, I wish to insert several articles which appeared in the Ukrainian Catholic Daily, published in Philadelphia, Pa., which provide background information on this anniversary and on the conditions in the Ukraine. These articles appeared in the January 19 edition of that newspaper.

ANNIVERSARY OF UKRAINE'S FREEDOM AND INDEPENDENCE (A BRIEF HISTORY)

January 22 is the anniversary of one of the most important dates in the modern history of Ukraine that of the rebirth of the independent Ukrainian state.

With the fall of the Russian and Austro-Hungarian empires, both of which controlled Ukrainian territory at the time, the Ukrainians, who for centuries had been resisting foreign domination of their country, took a decisive step towards insuring their national freedom. On January 22, 1918 the Ukrainians declared their full and unqualified independence from all foreign powers.

The Ukrainian Revolution took on, at once, an essentially national character. A Central Council (Central Rada) was established in Kiev and became the center of the Ukrainian liberation movement. It organized the Ukrainian National Army, established Ukrainian schools, introduced Ukrainian administrative and judicial system, and prepared a Ukrainian Constituent Assembly. By these actions it established a full-fledged independent state: the Ukrainian National Republic.

After a heroic struggle lasting three years, the Ukrainian National Republic, as we all know, succumbed to the numerically superior military forces of Communist Russia.

The alien Communist power destroyed the Ukrainian national state and replaced it with a puppet and subservient government with the name of the "Ukrainian Soviet Socialist Republic." Even though it became a charter member of the United Nations in 1945, it is not a true government of the Ukrainian people, but an instrument of the Russian Soviet colonial empire, which enslaves and brutally persecutes the Ukrainian people.

Ukraine, with a population of 50 million, embraces 289,000 square miles, making it the largest country in Europe, in population it ranks fifth, and its natural resources make Ukraine one of the richest European countries. Its capital, Kiev, was the center of eastern European trade and culture long before Moscow was built. Despite its size and wealth, Ukraine is practically unknown; for most people it is "just a part of Russia." This gross misconception stems from the common practice of using the terms "Russia" and "Soviet Union" synonymously.

This is incorrect because Russia is only one of the republics which make up the Union of Soviet Socialist Republics.

Ever since the conquest of Ukraine by Communist Russia in 1920, the Ukrainian people have suffered political and cultural repression, economic exploitation, and all-encompassing Russification. Both the Ukrainian Orthodox and Catholic Churches were destroyed brutally. In an enforced collectivization of Ukraine's agriculture in 1932-33, some 7 to 10 million Ukrainians were starved to death, by the government sponsored famine. During and after World War II, hundreds of thousands of Ukrainians were deported, exiled or annihilated for their support of the Ukrainian Insurgent Army (UPA) and the Organization of Ukrainian Nationalists (OUN), both of which fought against the Nazis and then the Soviet Russian occupation of Ukraine.

On the 63rd anniversary of the proclamation of Ukraine's independence on January 22, 1918 and the 62nd anniversary of the Act of Union on January 22, 1919, whereby all Ukrainian lands were united into one sovereign and independent state of the Ukrainian people, the true ideal of Ukrainian Independence lives on in the hearts and minds of the Ukrainian people, as attested to by writings, memoranda, appeals and trials of Ukrainian patriots-dissidents in Ukraine. In mid-1979, 18 prominent Ukrainian political prisoners and members of the Ukrainian Helsinki Group, appealed to the U.N. to take appropriate steps for Ukraine's secession from the USSR, which they called an "occupation government" installed by Communist Russia. In early 1980 an appeal from the "Ukrainian Patriotic Front" supporting the statement of other Ukrainian dissidents called for the secession of Ukraine from the Soviet Union.

At this time, when the free world is stunned by the Soviet seizure of Afghanistan and Moscow's readiness to move into Poland, the anniversary of Ukraine's Independence is a reminder of the fact that Moscow's aggression and conquest of independent nations is not a novel development.

In past years many U.S. senators and congressmen, governors and mayors paid tribute to the Ukrainian people on the anniversary of Ukrainian Independence in official proclamations and statements, thus giving encouragement and hope to Ukrainians in their struggle for the rebirth of Ukraine's freedom and independence to which they are rightfully entitled under the law of God.

We hope that American officials will again voice their support of Ukrainian aspirations in this crucial year during which the world at-large is threatened by the forces of darkness more than ever before.

UKRAINIAN CONGRESS
COMMITTEE OF AMERICA.

JANUARY 5, 1981.

APPEAL OF THE UKRAINIAN CATHOLIC HIERARCHY ON THE OBSERVANCE OF UKRAINIAN INDEPENDENCE DAY

On January 22, 1918, the Ukrainian people through their legitimate government, the Ukrainian Central Rada in Kiev, proclaimed a sovereign and independent state of the Ukrainian people. The Ukrainian independent state, as we all know, after three years of heroic struggle in its defense, succumbed to the numerically superior military forces of Communist Russia.

The alien Communist power destroyed the Ukrainian national state by replacing it with a puppet regime under the name of the "Ukrainian Soviet Socialist Republic." This "government" is not a true government of the Ukrainian people, but an instrument by which the Soviet Russian colonial government oppresses and persecutes the Ukrainian people.

But the true ideal of Ukrainian independence lives on in the hearts and minds of the Ukrainian people in captive Ukraine: witness the writings, memoranda, appeals and trials of dissidents in present-day Ukraine.

The anniversary of Ukrainian independence has been solemnly observed by Ukrainians in the free world ever since the destruction of the independent Ukrainian state.

This tradition has been kept alive especially in the United States, not only by Ukrainian American communities, but also by the U.S. Congress, and the many governors and mayors who issue annual proclamations in their states and cities in honor of Ukrainian independence.

Just as the 4th of July commemorating American independence is a day important in our history, so too for us of Ukrainian descent and origin is the 22nd of January. Blessed as we are here in the United States with the fullness of independence and freedom, it is incumbent upon us to commemorate the declaration of freedom in Ukraine, the country of our fathers and forefathers.

Therefore we direct our parishes, schools and all other institutions in the United States to observe January 22 as our national holiday. All Ukrainian Catholic schools should be closed on that day, and appropriate programs, concerts and other public gatherings are to be held in our communities. Likewise, the Ukrainian blue-and-yellow flag, along with the American stars and stripes, is to be hoisted on all Ukrainian buildings to let our fellow Americans know that we are observing the 63rd anniversary of Ukraine's declaration of independence.

Our observances of January 22 in America will certainly be known in Ukraine via international broadcasts. Our brothers and sisters in captive Ukraine will thereby be encouraged in their ongoing struggle against the oppressor and for the rebirth of a new independence which they, under the law of God, rightfully deserve.

Archbishop Myroslav, Apostolic Administrator of the Archeparchy of Philadelphia; Bishop Basil, Eparch of the Eparchy of Stamford; Msgr. William Bilinsky, Administrator of the Eparchy of Chicago.

Following these articles is a commentary by Bui Anh Tuan, a columnist for the News World newspaper in New York City. His column of January 14 concentrates on the lack of information that is reaching the United States on the true situation in the Ukraine and in other captive nations.

AMERICAN LEFTIST DISINFORMATION PLOT AGAINST UKRAINE SHOULD END

(By Bui Anh Tuan)

By a happy coincidence, this year's 63rd anniversary of Ukrainian independence will be commemorated two days after President Ronald Reagan officially brings his "mandate for change" into the White House. No contemporary U.S. leader is more aware of the fate of captive peoples inside the USSR than Reagan. That's why two million Ukrainian-Americans and millions of their supporters throughout the world are asking: "Will the Reagan avalanche, with its pledges and expectations, finally be able to bury the fiendish American leftist disinformation plot over Ukraine?"

Last year, as well as the years before last, each January 22 was an occasion for congressional conservatives to pay tribute to Ukraine's incessant struggle for national independence and human rights, and to denounce Soviet illegal occupation of that country of 47 million people whose cultural heritage predates the birth of the United States by some 800 years. As usual, they urged the United States to do something, anything, for Ukraine.

But as usual, their pathetic appeals were just water off a duck's back. The commemoration rite has become so boring, and so hollow, that last January nearly all these eloquent statements of support were not delivered by their authors in person on the floor of Congress! Unfortunately, that's the way it was.

PLOT OF SILENCE

But, for all its flaws, that timid show of solidarity was already encouraging news. At least some 40 statements baring Soviet crimes in Ukraine were inserted in the CONGRESSIONAL RECORD between January 22 and 30, 1980. As for American leftists and liberals, they have, purely and simply, blacked out all reports in connection with the true situation in Ukraine.

So, the first thing American conservatives can do this year for Ukraine is to expose that plot of silence. We must tell the Left, loud and clear, that their all-too-familiar disinformation tactic no longer works. We must tell the liberals that it is high time for them to draw a patriotic line between the liberalism which serves our system of checks and balances and the one which serves the interests of Soviet imperialism.

The liberals have lectured Reagan on the need to pursue the Carter human rights policy. Well, human rights is what Ukraine has needed and still needs.

Ukraine—the largest nationality group within the Soviet colonial empire, which is being forced to produce one-fifth of the Soviet Union's grain and one-fourth of its meat and dairy products—needed human rights long before America's most vocal human rights advocates were even born. "The entire history of Soviet-dominated Ukraine," the Ukrainian Congress Committee of America stated, "is a ghastly record of inhumanity, out-right persecution, terror and genocide; Russification and denationalization plus violations of human rights, on a scale not known in the history of mankind, has occurred."

Those with "Clergy and Laity Concerned" used the human rights label to defeat the Republic of Vietnam. Now, they focus on Latin America, also in the name of God. They have said not a word about Ukraine.

Why is it that, in His name, they failed to see that half of the registered Protestant community in Ukraine were forced to demand emigration because of religious oppression, and that of 53,000 churches in 1917 only 11,000 are left?

THE UKRAINIAN STATE

The Ukrainian state was founded on January 22, 1918, following the end of Czarist rule. That independence was recognized by many nations, including Lenin's Russia. But soon later the same Leninists invaded Ukraine, imposing on it an alien totalitarian police-state regime.

A single political trial in South Korea, the death of a group of terrorists in El Salvador, and the 17-month imprisonment of an Argentinian sculptor-human rights activist have made the headlines. However, not a word has been printed about thousands of arrests and murders in captive Ukraine.

Ala Horska, poetess and literary critic, was murdered by the KGB in Kiev, capital of Ukraine. Volodimir Iwasiuk, music composer, was murdered in Lwiw. Members of the Ukrainian Helsinki groups were given harsh sentences during show trials.

Others have been tortured, incarcerated, and confined in psychiatric asylums were drugs and chemicals are administered. Vivid symbols of Ukrainian resistance to Soviet domination such as Rudenko, Stus, Romaniuk, Matusevych, Marynovich, and Lukyanenko . . . have been relegated into oblivion in the West. So have been Vins, Moroz and other heroes of Ukraine's struggle for human rights who are now in the United States.

After 30 years in Soviet prisons, Yurij Shukhevych is still there. His crime is to refuse to denounce the memory of his father who led a Ukrainian army against both the Nazis and the Soviet forces occupying Ukraine in World War II.

For decades, disinformation agents aided by liberal cat's paws have flimflammed America. Let's hope that next week's commemoration of Ukrainian independence which marks the beginning of the new Reagan era, will also mark the end of that lingering disinformation evil.

In addition, I wish to insert a resolution adopted by the Illinois General Assembly. On the occasion of the convening of the 13th Congress of the Ukrainians of America in October 1980, the Illinois General Assembly passed House Resolution No. 1007, which commends the Ukrainian Congress Committee of America and its president, Dr. Lev Dobriansky, for the dedicated efforts of that organization on behalf of Ukrainian Americans and their relatives in the Ukraine.

[State of Illinois, 81st General Assembly, House of Representatives]

HOUSE RESOLUTION No. 1007

Whereas, the diverse contributions to American life made possible by the variety of our cultural and ethnic origins are a major source of our strength as a Nation; and

Whereas, it is in keeping with the best American traditions that those of our citizens who share a proud common heritage should voluntarily join together in free association, to honor that heritage and to advance shared interests; and

Whereas, citizens of Ukrainian descent throughout America have maintained an inspired interest in the sophisticated culture and language of their former homeland; and

Whereas, for the past 40 years the Ukrainian Congress Committee of America has been instrumental in uniting Americans of Ukrainian descent, and has provided them with an excellent forum for exploring their common concerns and expressing their strong religious and community feelings; and

Whereas, the members of the Illinois Ukrainian Congress Committee of America have contributed richly to the valuable ethnic diversity of Illinois, and have played an active and important role in the varied cultural activities of our State; and

Whereas, their burning dedication to freedom and incessant demand for basic human rights has made the people of the Ukraine an inspiration to the Free World and a constant obstacle in the path of Russian Communist imperialism; and

Whereas, the 13th Congress of Ukrainians of America will convene in Philadelphia, Pennsylvania on October 10, 1980; therefore, be it

Resolved, by the House of Representatives of the Eighty-First General Assembly of the State of Illinois, That we express our concern for the faith and future of the Ukraine, and our appreciation for the many contributions to our State and our Nation by Americans of Ukrainian descent; and, be it further

Resolved, That a suitable copy of this preamble and resolution be presented to Dr. Lev Dobriansky, President of the Ukrainian Congress Committee of America, with our best wishes on the occasion of the 13th Congress of Ukrainians of America.

Adopted by the House of Representatives on November 13, 1980.

Mr. Speaker, the Ukrainians and other captive peoples have paid a drastically high price for voicing their opinions in favor of basic human rights, cultural and religious freedom, and their opposition to the repression and harassment to which they are subjected. We, in the United States, must continue to speak out in the defense of those in the Ukraine and in other oppressed nations held captive by Soviet rule, so that their shattered dreams of freedom will once again become reality.

Mr. STRATTON. I thank the gentleman for his remarks and I appreciate his cooperation on this important occasion.

● Mr. HERTEL. Mr. Speaker, January 22, 1981, marked the 63d anniversary of the independence of Ukraine. It is a date that recognizes the 60-year struggle the Ukrainian people have waged to reclaim their independence from Russian occupation armies which crushed the flowering Ukrainian National Republic and enslaved her people.

Americans and free people throughout the world cannot afford to forget the plight of oppressed Ukrainians. It is a tribute to the spirit of mankind and the ideals of freedom and liberty that Ukrainians have continued to fight for human rights. It is a tragedy that Ukraine's heroic struggle has remained largely unknown although it involves 50 million people embracing 289,000 square miles of rich natural resources. The world must not dismiss Ukraine as just another part of the Soviet Union. For centuries the Ukrainians have resisted foreign domination and persisted, despite brutal persecution, to maintain a sense of national identity. We must strive to support efforts for national self-determination for all oppressed nations. Our support of Ukrainian independence will show that the spirit of freedom can never be extinguished by generations of oppressive tyrants.

The Ukrainian people in the free world celebrated January 22 as their greatest holiday. American cities and States from coast to coast have proclaimed the 22d of January as Ukrainian Independence Day. Therefore, it is in the common spirit of liberty and justice that the American people and particularly the U.S. Congress, join Ukrainian people all over the world in giving moral support to Ukrainians in their struggle for human rights and freedom.●

● Mr. FISH. Mr. Speaker, today marks the 63d anniversary of Ukrainian independence. It is one of great significance for freedom-loving peoples everywhere, and especially Ukrainians living under Soviet domination and oppression. This day also we in the United States can push for strict adherence to the human rights provisions of the Helsinki agreements.

We are all to familiar with the events that led to the fall of the Ukrainian Republic in 1920, when the Red army led by Trotsky finally defeated the gallant and proud defenders of the republic. The Russian tactics of subversion and blatant aggression became the tools of Soviet domination of Eastern Europe. Today, we see the same approach being used by the Soviet Union in its outrageous activities in the invasion and control of the independent republic of Afghanistan.

Mr. Speaker, the Congress and the President are keenly aware of the importance of human rights in the Ukraine and all parts of the world. I have already spoken on the floor of the House today regarding the imprisonment and mistreatment of an eminent Soviet Jewish scientist, Dr. Viktor Brailovsky, whose only crime was his desire to leave the Soviet Union and emigrate to Israel.

While over 2 million Americans are proud of their Ukrainian heritage and live freely in our society, over 47 million live under continuing oppression in their homeland without guarantees of civil rights, without self-government, still fiercely proud of a cultural heritage that predates the establishment of the United States by 800 years.

Mr. Speaker, I join all of my colleagues today in their hope that some day freedom will return to the Ukraine and other nations living under the dark cloud of Soviet rule.●

● Mr. PEYSER. Mr. Speaker, it is an honor and a privilege for me to join with my colleagues in commemorating the 63d anniversary of the independence of the Ukraine. We are here to celebrate and recognize the 50 million captive Ukrainians in the Soviet Union who continue to struggle against aggressive Soviet domination.

The independent Ukrainian National Republic was established by democratic popular vote and national self-determination on January 22, 1918, and was one of the first to proclaim freedom for its people in the area of the traditional Russian empire. Despite its

heroic struggle for over 4 years the Ukraine succumbed to the overpowering forces of Communist Russia. In 1921 a large part of the Ukraine, constituted as the Ukrainian Soviet Socialist Republic, with 32 million Ukrainians, went under Soviet rule and in 1922 became part of the U.S.S.R.

The Ukrainian people in this area are fully aware of the severe, legal, political, and administrative limitations within the U.S.S.R. The people living in this fertile and native land are forbidden to celebrate this date of great historical importance that we recognize and commemorate each year. The Soviet regime prohibits any observance of the anniversary of the Ukraine's independence and it has expeditiously eliminated this date from the annals of the recent history of the Ukraine. Instead, the Kremlin imposed its own anniversary of the establishment of the Ukrainian Soviet State, a date where Moscow brought the Communist puppet government to the Ukraine.

The Soviet secret police, the KGB, have ferreted out a number of clandestine Ukrainian anti-Soviet organizations. Ukrainian intellectuals have been sentenced at secret trials. These arrests are directed at destroying the essence of the Ukrainian national identity. Despite the oppression by Moscow, the spirit and freedom and need for independence of the Ukrainian people is very much alive. These individuals are fighting for their survival as a distinct historic, ethnic, cultural, and political entity. In destroying Ukrainian independence, the Russians did not destroy the soul of the Ukrainian people nor their national ideals and undying yearning for freedom.

Soviet domination over the Ukraine and other captive nations has gone on for many years. The Soviet attack in Afghanistan, in defiance of the provisions of the SALT I agreement, shows the world that their aggressive tactics continue today. The Soviet design for world dominance and expansionism evidenced itself in Afghanistan and a threatening shadow is cast in Poland today. As the Polish people are fighting for basic human rights such as freedom of the press, speech, and religion so do Ukrainians in their struggle to exist as free, independent people. We must reassure those people, who are not accorded their basic human rights, that we do remember them and that we must continue to fight against Soviet repression and domination.

The Ukrainian people, the largest non-Russian group in the U.S.S.R., have not given up hope of regaining their independence. Let us, at this time, continue to show our hope for those courageous people who have been forced to live without freedom.

I am proud to pay tribute to those who still recognize the sovereignty of the Ukraine. As a free nation, we must not forget that the Ukrainian people fight daily to achieve the basic human freedoms they so richly deserve and that we cherish today.●

● Mr. COUGHLIN. Mr. Speaker, I join my colleagues today to commemorate the 63d anniversary of the Ukraine's independence.

Marked today by a long record of opposition to Soviet domination, dissidents from the Ukrainian community continue to battle at great personal risk for those rights which have been denied them since 1920. Nonetheless, despite Soviet domination, the proud spirit of freedom continues to flourish in the Ukraine and the support and commitment of millions throughout the world have not abandoned the just cause of Ukrainian self-determination.

During this time of continuing international turmoil, it is particularly crucial that we, as Americans, reaffirm our commitment to freedom and human rights worldwide. Within the past year alone, the world has witnessed yet another blatant act of Soviet aggression—and the Soviet Union has claimed yet another victim of Soviet domination.

A nation founded on the primacy of individual liberties, the United States must never allow its vigilance and dedication to human rights falter or diminish. Our commitment to personal dignity and national integrity must continue to be exercised as an inspiration to all those who struggle against cruel and harsh oppression. The United States must not forget the plight of the Ukrainians and the millions of others who have been silenced by Soviet repression.

As a Congressman who has strongly supported resolutions to protest continuing violations of human rights, I salute the Ukrainian-American community for its untiring efforts on behalf of the Ukraine. Such determination cannot fail.●

● Mr. DWYER. Mr. Speaker, today, the House of Representatives pays tribute to the Ukrainians, who, 63 years ago, valiantly sought and gained their independence. We salute that proud, resolute people just as we most recently hailed the liberation of our former hostages—freedom fighters, then and now—heroes in their own right.

In New Jersey's 15th District, there is a special regard for the Ukrainians who must struggle still to be free under the cloud of the Soviet bloc. Here, where tens of thousands of Europeans have made their homes—freely—the heritage left behind is never long forgotten.

For our Ukrainian compatriots abroad, we in the 15th District maintain a constant vigil of hope that ultimately they too can be free. They deserve nothing less.●

● Mr. PEPPER. Mr. Speaker, today we observe the 63d anniversary of the Ukrainian nation, which has since become reenslaved inside the modern Russian empire.

There are about 40 million people, who resisted the Soviet takeover during the bloody civil war precipitated by the Russian revolution of 1917, and who still find, today, that the Soviet Government denies them basic, fundamental rights such as freedom of worship, political expression, free association, free movement, freedom from cruel and unusual punishments, and many more.

Let me commemorate the independence of this brave country, which is now held in the hammerlock of Soviet political repression, having first been subjected by the tsars of old Russia, whose spirit lingers on in the Soviet regime of today.

I am introducing today a resolution calling upon the Soviet tsars to permit their brave Ukrainian people a resurrection of free expression of the various religious faiths by which the people may be comforted and heartened. I urge your support and interest for this simple resolution, which might mean a great deal for the people of the Soviet breadbasket, the fertile and once free Ukraine.

H. CON. RES. 53

A concurrent resolution to seek the resurrection of churches and religious freedom in the Ukraine

Whereas the Charter of the United Nations, as well as its Declaration of Human Rights, sets forth the objective of international cooperation "in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion . . ."; and

Whereas in the Constitution of the Union of Soviet Socialist Republics article 124 unequivocally provides that "In order to insure the citizens' freedom of conscience, freedom of religious worship, and freedom of antireligious propaganda is recognized for all citizens"; and

Whereas not just religious or civil repression but the absolute physical extermination of churches, among them the Ukrainian Orthodox, Catholic, Jewish, Pentecostal, Baptist, Seventh Day Adventist, and other denominations, in a nation of over forty-five million brutally violates the basic human rights cited above: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President of the United States of America shall take immediate and determined steps to—

(1) call upon the Government of the Union of Soviet Socialist Republics to permit the concrete resurrection of churches of all the various denominations, such as the Ukrainian Orthodox, Jewish, Baptist, Catholic, Pentecostal, and others in the largest non-Russian nation both within the Union of Soviet Socialist Republics and in Eastern Europe; and

(2) utilize formal and informal contacts with Union of Soviet Socialist Republics officials in an effort to secure the freedom of religious worship in churches as provided for in the Soviet Constitution; and

(3) raise in the General Assembly of the United Nations the issue of Stalin's liquidation of these churches and its perpetuated effect upon the posture of the Union of Soviet Socialist Republics in the light of the United Nations Charter and the Declaration of Human Rights.●

● Mr. HORTON. Mr. Speaker, it is again my privilege to participate in a special order focusing attention on a brief moment of freedom in the history of the Ukraine.

On January 22, 1918, the Ukrainian National Republic was established. Just 2 short years later, units of the Soviet Red army crushed the last elements of opposition and erected a repressive government structure that has maintained Soviet dominance to this day. While infrequent reports appear in the West about Ukrainian dissidents and their efforts to gain freedom, it is clear that the world must continue to promote their cause with ever increasing ardor and determination.

The struggle to dramatize the plight of the Ukrainian people and the other captive peoples in the non-Russian nations in the U.S.S.R. takes on particular importance today in light of Soviet aggression in Afghanistan. Their latest demonstration of disregard for sovereignty and freedom is a grim reminder that left unchecked and undeterred by a militarily strong United States, their ability to expand still further will persist unchallenged. I am encouraged, therefore by the Reagan administration's dedication to a strong defense.

The Ukrainian people are a strong and intensely proud people who, like so many others living in captive nations, look to the United States—through the Voice of America, Radio Liberty, and other sources—and the West for support. Through the observance of their brief experience of freedom from Russian domination, the United States can play an important role in perpetuating their hope and struggle for independence.●

● Mr. BIAGGI. Mr. Speaker, on January 22, 1981, the Nation and the world observed the solemn anniversary of Ukrainian Independence Day. On this occasion, we pause to assess the state of life today in the Ukraine and in other Soviet dominated regions of the world—and our assessment finds that the oppressive influence of the Soviet Union is as strong as ever.

It was 63 years ago when the independence of the Ukraine was declared by the Ukrainian Central Rada. The experience with freedom was a short-lived one—Just 4 years later, the Soviet Communists ruthlessly seized control—installed a puppet government—and have maintained control ever since. The hopes of freedom were dashed by the realities of genocide and persecution.

During these past six decades, the Ukrainian people have had to endure Nazi occupation, then the horrors of Stalin with his purges that resulted in the deaths of millions of Ukrainians. In the past two decades, the Ukrainian people have endured several stages of "Russification" which attempts to impose Soviet influence over every phase of life.

Tragically in this year, we find the situation in the Ukraine to be anything but free. According to Andrei Sakharov, the Ukrainian people comprise only 20 percent of the Soviet population yet they make up 50 percent of all Soviet political prisoners. Furthermore, prison sentences handed down to Ukrainian political prisoners are generally twice as long as those dispensed to other political prisoners.

Yet despite all the adversities, the spirit of the Ukrainian people continues strong—and their yearning for freedom undaunted. It is a struggle which we as the greatest freedom-loving peoples of the world should actively associate ourselves with.

The new administration is properly focusing its early attention on the Soviet Union. We must be concerned about their continued policies of aggression. They remain in Afghanistan. They are lurking, waiting for an opportune moment to crush the Polish labor movement through an invasion. Internally, the numbers of visas granted to Soviet Jews dropped dramatically between 1979 and 1980. The number of captive people under Soviet control continues to grow.

On this occasion, let us continue our hopes that the struggle by the Ukrainian people for freedom can at long last be won—so the next anniversary of Ukrainian Independence Day can be a celebration instead of a somber observance.●

● Mr. OTTINGER. Mr. Speaker, in the last session of Congress, I introduced legislation which recognizes the very significant role Eastern Europeans have played in American society, and reaffirms our Nation's dedication to the acceptance of refugees from Eastern Europe. Today, as we celebrate the 63d anniversary of the independence of the Ukraine, I am reintroducing that legislation.

The history of the Ukrainian people is replete with outstanding achievement, and includes a long record of opposition to Soviet dominance and Soviet human rights abuses. Upon the collapse of the Tsarist Russian Empire, the Ukrainian National Republic was established on January 22, 1918. By 1920, that independent republic was destroyed by Russian aggression. Since that time, the people of the Ukraine have withstood a barrage of Soviet police state administration, constant KGB terror, religious persecution, intensified russification of Ukrainian education and culture, exploitation of Ukrainian economy and industry, and the regular persecution of Ukrainian dissidents courageous enough to speak out against Soviet dominance.

I praise the Ukrainian people for their brave fight against Soviet violations of human rights. I do not believe, however, that the fight should be theirs alone. We in Congress must recognize the gravity of the conditions prevalent in the Ukraine and throughout Eastern Europe and express our support for these courageous people. We must also demand that Soviet authorities cease and desist the continuation of repressive policies and we must ask the United Nations to focus on this critical issue.

Many Ukrainians wish to flee the repression and join nearly 2 million compatriots here in the United States. Ukrainians and other Eastern Europeans who have settled in the United States have immeasurably enhanced the cultural wealth of our society. In the arts, education, business, and medicine, immigrants from Eastern Europe have made important and valuable contributions. While we have admitted refugees from Eastern Europe, they have never received the generous treatment recently accorded to Cubans and Indochinese; Eastern Europeans who do arrive on our shores frequently have great difficulty adjusting to their status.

The resolution which I am introducing today expresses the sense of Congress that refugees from Eastern Europe, who are also the victims of Communist tyranny, ought to be given the same generous treatment as those from Cuba and Vietnam. The people of the Ukraine have faced 63 years of persecution and repression. We must insure that they, and their fellow Eastern Europeans who come to our shores, are afforded every benefit which they deserve. I urge my colleagues to join me in cosponsoring this resolution.●

● Mr. ANDERSON. Mr. Speaker, as the Soviet Union is in the forefront of the affronts registered against many ethnic groups, we cannot forget the grave wrong that was committed by the Soviet Union against the people of the Ukraine. The denial of basic human freedoms by the Soviets has, unfortunately, become an everyday occurence, and the Ukrainian people are among those denied.

It was 63 years ago this past week, that the people of Ukrainia declared themselves an independent and sovereign state. In the city of Kiev, the Proclamation of Independence of the Ukrainian National Republic was issued. Later, Kiev became its capital.

But at the very time that the Ukrainian people were rejoicing in their new-found independence, the Government of the Soviet Union was plotting to rob them of their country. A carefully organized military cam-

paign to absorb the Ukraine into the boundaries of the Soviet Union was begun, and it was to last for over 3 long and bitter years.

Unable to resist any longer, the Ukrainian nation was forced to succumb, and was conquered by the Russian Army. The territory and the people were incorporated as part of the Soviet Union, although the Ukrainian people have never disavowed their national heritage. They continue to be the largest, non-Russian ethnic group within the U.S.S.R.

The desire of the Ukrainian people to be free again has spanned these 60-odd years without interruption. During World War II, the Ukrainian partisans army was formed to fight both the Nazis as well as the Red army, all toward the sole end of obtaining their freedom once again.

Mr. Speaker, the Ukrainian people will never rest until they have regained what is rightfully theirs—their own national homeland, under their own administration. It is for this desire that we commemorate the declaration of Ukrainian independence, with the fervent hope that this dream will someday soon become a reality.●

● Mr. GRADISON. Mr. Speaker, I am very pleased that my colleagues SAM STRATTON and ED DERWINSKI have taken this special order to highlight the plight of the Ukraine, one of the largest of the captive nations with a longstanding devotion to freedom. A group of citizens in Cincinnati, organized as the Ukrainian Society of Greater Cincinnati, have been working to alert Americans to the plight of captive nations and, in particular, Ukrainian prisoners of conscience in the Soviet Union. They are a part of a larger group of Cincinnatians—the Joint Committee of Soviet Occupied Nations—which has worked to publicize this noble cause.

I have been closely involved with the cases of three Ukrainian prisoners of conscience and I wanted to share their plight with my colleagues.

Vasyl Omelianovych Romanivk was arrested at age 19 for being characterized as a nationalist churchgoer. Romanivk's father and brother died in 1944; his father in Siberia from hunger and ill-treatment, his brother in the Ukraine running from his home. Vasyl Romanivk took a theological correspondence course to become a cleric.

During the 1960's, Reverend Romanivk stressed ideas of religious pride and led the fight against corruption in the church. For his preaching, he was charged in 1972 under article 62 of the Criminal Code of the Ukrainian S.S.R.

In prison, Reverend Romanivk has participated in hunger strikes as a protest. It is reported that he has been denied access to a Bible. Reverend Romanivk has applied for papers to emigrate after he is released.

Mr. Shukhevych was arrested and imprisoned at the age of 14 for 10 years. He since received two additional 10-year sentences. Shukhevych was born in Luiu, Ukraine in 1934. His father, Gen. Taras Shukhevych-Chuprynka, was the commander in chief of the Ukrainian Insurgent Army.

It was reported that Yuriy Shukhevych was released in 1956 because of the fact that he was a minor when first arrested. However, he was sent back to Vladimir Prison because the Prosecutor-General Roman Rudenko termed him "the son of a nationalist leader." This seems to be his only offense. In 1979, Shukhevych renounced his Soviet citizenship and joined the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords.

Vyacheslav Chornovil received a degree in journalism from Kiev University in 1960. The Ukrainian Society of Greater Cincinnati traces his problems to his refusal to testify at the trial of some 30 Ukrainian intellectuals in 1966. He had a book published in the West entitled "The Chornovil Papers" which precipitated his arrest and imprisonment for slandering the Soviet state in 1967. He was arrested again in 1972.

Mr. Chornovil is a true believer in human rights and in 1979 he became a member of the Ukrainian Public Group To Promote the Implementation of the Helsinki Accords. Chornovil is currently living in exile in the Yakutsk A.S.S.R. He renounced his Soviet citizenship on March 1, 1975, and applied to leave the country.

Through the works of groups such as the Ukrainian Society of Greater Cincinnati and the Joint Committee of Soviet Occupied Nations, and the continued attention of the Congress, the Soviet Union will know that freedom-loving peoples will never forget their cruel subjugation of nations such as Ukraine.●

● Mr. McHUGH. Mr. Speaker, it is my privilege today to join in celebration of the 63d anniversary of the Ukraine's Declaration of Independence.

This is a day on which Ukrainians throughout the world commemorate the innumerable sacrifices of their countrymen on behalf of the Ukraine's right to a free and independent existence. There are over 2 million Ukrainian Americans in this country, and I am immensely glad that many of them reside in New York's 27th Congressional District, which I am privileged to represent. At the same time that they preserve their homeland's precious cultural, historical, and spiritual heritage, they continue to make invaluable contributions to the flourishing of democracy in the communities of their adopted country.

I salute them for their perseverance, I rejoice with them in the vitality of their spiritual values and their dedication to freedom, and I urge all my fellow citizens to observe carefully their example—for those who take freedom for granted cannot be motivated to preserve its blessings.

In particular on this occasion, I commend the great energy and contributions of the members of the Ukrainian Congress Committee of America. This organization, with branches throughout America, is a national representative body of American citizens of Ukrainian descent. It embraces over 1,200 Ukrainian American organizations, clubs, fraternal lodges, veteran and youth societies, women's and sports groups, as well as cultural, social, church, and political organizations. It is a dedicated and eloquent advocate of freedom and independence for the Ukraine, which has been under the forcible domination of the Soviet Union since 1922. During that period of time, the Soviet record has been an infamous saga of genocide, ethnocide, cultural suppression, religious persecution, economic exploitation, and wanton violation of human and national rights.

As we join this year in commemorating the day on which the people of the Ukraine achieved a freedom that lasted all too short a time, we are reminded of the anguish that engulfed our own country over the past 14 months as several dozen of our fellow citizens were imprisoned by international criminals in Iran, who do not respect principles of international law and cooperation. During this past year, Mr. Speaker, we have also been able to observe the chilling reality of Soviet expansionist intentions in the brutal Soviet invasion of Afghanistan. Yet, given the sordid example of Soviet tyranny over the Ukraine and so many other captive nations, we should not be surprised. What is now important is that we take to heart the lessons which current history teaches us about international treachery—which we have recently experienced in our dealings with Iran and which the people of the Ukraine have for so long suffered at the hands of the Soviets. It is now our vigilance and firmness which must put those lessons into practice, both for our own security and the survival of liberty in a volatile world.●

● Mr. McGRATH. Mr. Speaker, today we commemorate the 63d anniversary of Ukrainian Independence Day. In the midst of these turbulent times of international crises fostered by Soviet aggression and expansionism, it is fitting that we pause for a moment and reflect on our own fortune as citizens of this great Nation. At the same time, we should consider those whose freedom was deprived by a brutal Communist takeover in 1922.

Since that year, the citizens of the Ukrainian National Republic have been subjected to a constant program of repression and denial of basic human rights inspired and carried out by the Government of the Soviet Union. The slaughter of hundreds of thousands of innocent people, the attempts to denigrate and destroy Ukrainian language, culture, and religion, and other official policies enforced by the Soviets, have been courageously endured and steadfastly opposed by the people of the Ukraine. Those who have attempted to protect Ukrainian institutions have been systematically persecuted by the Soviets in flagrant disregard for international agreements respecting human rights of all nationalities such as the Helsinki Final Act.

Today as the military forces of the U.S.S.R. continue their ruthless incursion into Afghanistan and threaten the infant Polish labor movement, let us not forget the captive nations such as the Ukrainian National Republic who remain in the grip of Soviet communism. I urge every Member of this body to redouble his or her resolve to protest the activities of the Soviet Government to coerce people of many nations into a single Russian Communist State. We must use every appropriate forum to support the Ukrainian people in their quest for true independence from Soviet domination.●

● Mr. McCLORY. Mr. Speaker, one of the facts which many Americans tend to forget is that the political entity we refer to as the Soviet Union or Russia is in fact an empire that has absorbed and suppressed many other nations and ethnic groups. While the Russians are the largest single group in this empire, they do not make up much more than half of the total population of the Soviet Union.

After the Russians, one of the largest nationalities in the Soviet Union is the Ukrainians. The Ukraine has a long and proud history. Although it has been united with the Russians, it also has known independence.

Its cultural history is distinctive and brilliant. The Ukraine has historically been close to a diversity of European influences, just as it is relatively close to the main body of Europe geographically.

Ukrainian culture is also ancient. Its capital, Kiev, was the site of a brilliant civilization over 1,000 years ago. In fact, in 1988 many Russians and Ukrainians will celebrate the bringing of Christianity to Russia by St. Vladimir, the Duke of Kiev.

That celebration will not be joined in by the militantly atheistic Soviet State, which represses religion just as it represses all forms of national culture which threaten its political hegemony. It is appropriate, then, that we take today to pay tribute to the courage and historical achievements of the Ukrainian people.

Mr. Speaker, I commend my colleagues, SAM STRATTON and ED DERWINSKI, for taking this special order and I join with them in honoring the people of the Ukraine as well as all Americans of Ukrainian descent.●

● Mr. LENT. Mr. Speaker, January 22, 1981, marks the 63d anniversary of independence for the people of the sovereign state of the Ukrainian Republic. I am pleased to be part of this memorable celebration which commemorates a most significant event. As a nation of people who enjoy personal liberty, we should not be complacent about the greatness of our country or the many freedoms it offers us. The people of the Ukraine are struggling to secure the rights and freedoms that we as a nation fought for and won over 200 years ago. We should join together in saluting the Ukrainians to demonstrate that they are not forgotten by those of us who cherish the freedoms of a free society. Standing firmly and proudly, the people of the Ukrainian Republic have courageously battled continuous Soviet domination. The Ukraine, which is the largest non-Russian nation within the U.S.S.R. and all of Eastern Europe, has a strong and commendable record of opposition to the aggressive imperialism of Soviet Russia. The Ukrainian Congress Committee of America, Inc., serves an admirable function by drawing attention to the plight of those who live through this terrible ordeal.

The Ukrainian spirit remains undaunted and strong in spite of the adverse conditions these people valiantly struggle against. The Ukrainians nurture a flickering flame of freedom that cannot be snuffed out by acts of Soviet imperialism. For their courage and constancy, they deserve our support.●

● Mrs. HOLT. Mr. Speaker, we sometimes forget that the Soviet Union is an empire of many nationalities dominated by the Russians, and the non-Russian people have never abandoned their longing for independence.

It is time for this House to again remind the world of Russian imperialism. The largest nationality under Russian imperial rule is the Ukraine, and today we commemorate the brief period of independence enjoyed by the Ukraine from 1918 to 1920.

When the czarist empire collapsed in 1918, the Ukrainians declared their independence and governed themselves until the Soviet Russian empire swallowed their country in 1920.

But the spirit of independence has never died in the Ukraine. Incidents of dissent continue to arise, and the people cherish their language, their culture, and the hope of independence.

Mr. Speaker, as we celebrate the 63d anniversary of Ukrainian independence, let us express faith that these people and the other captive nations of the Soviet empire will someday be free.●

● Mr. BLANCHARD. Mr. Speaker, I rise to join in this special order commemorating the 63d anniversary of the proclamation of Ukrainian independence.

The fall of the Russian czar was a great moment in Ukrainian history. It was an opportunity for the men and women of the Ukraine to form their own free government. But that joy, that taste of freedom, was shortlived. The government that began so valiantly on January 22, 1918, was wiped from the face of the Earth by the coming to power of the Communist regime.

The freedom enjoyed by the people of the Ukraine between 1918 and 1923 when the Soviets took control will be years always worthy of celebration. At the same time the Soviet domination of the Ukrainian people should never be accepted or tolerated by any freedom-loving individual.

I will continue to hope that freedom will return to the people of the Ukraine and I urge my colleagues to join me in lending support to their cause.

At this point I insert in the RECORD some material recently sent to me by Dr. Anthony Zukowsky, the president of the Metropolitan Detroit Branch of the Ukrainian Congress Committee of America:

UKRAINIAN CONGRESS COMMITTEE OF AMERICA,
Detroit, Mich., January 17, 1981.

HON. JAMES J. BLANCHARD,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN BLANCHARD: As the 97th U.S. Congress begins its sessions, we would like to call your attention to the fact that, in January, Ukrainians, all over the free world, will celebrate the Proclamation of the Independence of Ukraine.

January 22, 1981 will mark the 63rd Anniversary of the Proclamation of the Independence of Ukraine and the 62d Anniversary of the Act of Union, whereby all Ukrainian lands were united into one independent and sovereign nation. Both, the Independence of Ukraine and the Act of Union, were proclaimed by a duly elected parliament in Kiev, the capital of Ukraine, on January 22, 1918 and in January, 1919.

This sovereign Ukrainian nation was immediately recognized by a large number of nations, including France and England. Diplomatic relations were established with them. Recognition was granted, also, by Soviet Russia. But, despite the fact that the Soviet government had officially recognized Ukraine as an independent and sovereign state, communist forces attacked Ukraine both by military aggression and by subversion from within.

For three and one-half years the Ukrainian people waged a gallant struggle in defense of their country, alone and without aid from the western nations and unfortunately were overpowered by numerically stronger and better equipped Russian Bol-

sheviks. They destroyed the Ukrainian National Republic and created a communist puppet government known as the Ukrainian Soviet Socialist Republic.

The entire history of the Soviet-dominated Ukraine is a ghastly record of inhumanity, outright persecution and genocide and in last year's Russification and violation of human and national rights, on a scale not yet known in the history of mankind.

In summing up, the colonial rule of Soviet communism, in Ukraine, can be characterized by the following:

A. During the sixty years of Moscow rule in Ukraine, literally millions of Ukrainians have been annihilated by man-made famines, deportations and executions.

B. Both the Ukrainian Orthodox Church and the Ukrainian Catholic Church were ruthlessly destroyed and their clergy, along with hundreds of thousands of their members, were arrested, persecuted and many killed.

C. All aspects of Ukrainian life are rigidly controlled and directed from Moscow.

D. Permanent violations of human and national rights was instituted in Ukraine. Thousands of Ukrainians have been charged with "anti-Soviet propaganda and agitation," arrested, tried and sentenced to long terms. Many have been tortured and confined to psychiatric asylums where drugs and chemicals are forcefully administered.

All members of the Ukrainian public group to promote the implementation of the Helsinki Accords were arrested, tried and sentenced to from seven to ten years, among them such prominent members as Mykola Rudenko, Oleksa Tykhy, Mykola Matusewych, Myroslaw Marynowych and Lew Lukianenko.

The Russian-Communist enslavement of Ukraine has brought much suffering to the people of Ukraine. In spite of this oppressive yoke, Ukrainians have never accepted foreign domination and are continuing to struggle for human rights, freedom and national independence. The new breed of young and adamant fighters for human and national rights gives us hope that Ukraine will be free again.

The Ukrainian people, in the free world, are celebrating the memorable January 22nd as their greatest holiday. Also, for many years, the 22nd of January has been proclaimed, in our American cities and states from coast to coast, as Ukrainian Independence Day.

Therefore, it is in the common spirit of liberty, faith and justice that the American people, and especially the U.S. Congress, join Ukrainians all over the world in giving moral support to the Ukrainian people in their struggle for Human Rights, Freedom and National Independence for Ukraine.

Sincerely,

DR. ANTHONY ZUKOWSKY,
President, Detroit Branch.

ANNIVERSARY OF UKRAINE'S FREEDOM AND INDEPENDENCE

A BRIEF HISTORY

January 22 is the anniversary of one of the most important dates in the modern history of Ukraine: that of the rebirth of the independent Ukrainian state.

With the fall of the Russian and Austro-Hungarian empires, both of which controlled Ukrainian territory at the time, the Ukrainians, who for centuries had been resisting foreign domination of their country, took a decisive step towards insuring their national freedom. On January 22, 1918 the Ukrainians declared their full and unqualified independence from all foreign powers.

The Ukrainian Revolution took on, at once, an essentially national character. A Central Council (Central Rada) was established in Kiev and became the center of the Ukrainian liberation movement. It organized the Ukrainian National Army, established Ukrainian schools, introduced Ukrainian administrative and judicial systems, and prepared a Ukrainian Constituent Assembly. By these actions it established a full-fledged independent state: the Ukrainian National Republic.

After a heroic struggle lasting three years, the Ukrainian National Republic, as we all know, succumbed to the numerically superior military forces of Communist Russia.

The alien Communist power destroyed the Ukrainian national state and replaced it with a puppet and subservient government with the name of the "Ukrainian Soviet Socialist Republic." Even though it became a charter member of the United Nations in 1945, it is not a true government of the Ukrainian people, but an instrument of the Russian Soviet colonial empire, which enslaves and brutally persecutes the Ukrainian people.

Ukraine, with a population of 50 million, embraces 289,000 square miles, making it the largest country in Europe; in population it ranks fifth, and its natural resources make Ukraine one of the richest European countries. Its capital, Kiev, was the center of eastern European trade and culture long before Moscow was built. Despite its size and wealth, Ukraine is practically unknown; for most people it is "just a part of Russia." This gross misconception stems from the common practice of using the terms "Russia" and "Soviet Union" synonymously. This is incorrect because Russia is only one of the republics which make up the Union of Soviet Socialist Republics.

Ever since the conquest of Ukraine by Communist Russia in 1920, the Ukrainian people have suffered political and cultural repression, economic exploitation, and all-encompassing Russification. Both the Ukrainian Orthodox and Catholic Churches were destroyed brutally. In an enforced collectivization of Ukraine's agriculture in 1932-33, some 7 to 10 million Ukrainians were starved to death by the government-sponsored famine. During and after World War II, hundreds of thousands of Ukrainians were deported, exiled or annihilated for their support of the Ukrainian Insurgent Army (UPA) and the Organization of Ukrainian Nationalists (OUN), both of which fought against the Nazis and then the Soviet Russian occupation of Ukraine.

On the 63rd anniversary of the proclamation of Ukraine's independence on January 22, 1918 and the 62nd anniversary of the Act of Union on January 22, 1919, whereby all Ukrainian lands were united into one sovereign and independent state of the Ukrainian people, the true ideal of Ukrainian Independence lives on in the hearts and minds of the Ukrainian people, as attested to by writings, memoranda, appeals and trials of Ukrainian patriots-dissidents in Ukraine. In mid-1979, 18 prominent Ukrainian political prisoners and members of the Ukrainian Helsinki Group, appealed to the U.N. to take appropriate steps for Ukraine's secession from the USSR, which they called an "occupation government" installed by Communist Russia. In early 1980 an appeal from the "Ukrainian Patriotic Front" supporting the statement of other Ukrainian dissidents called for the secession of Ukraine from the Soviet Union.

At this time, when the free world is stunned by the Soviet seizure of Afghanistan and Moscow's readiness to move into Poland, the anniversary of Ukraine's Independence is a reminder of the fact that Moscow's aggression and conquest of independent nations is not a novel development.

In past years many U.S. senators and congressmen, governors and mayors paid tribute to the Ukrainian people on the anniversary of Ukrainian Independence in official proclamations and statements, thus giving encouragement and hope to Ukrainians in their struggle for the rebirth of Ukraine's freedom and independence to which they are rightfully entitled under the law of God.

We hope that American officials will again voice their support of Ukrainian aspirations in this crucial year during which the world at-large is threatened by the forces of darkness more than ever before.

UKRAINIAN CONGRESS COMMITTEE OF AMERICA.

JANUARY 5, 1981.●

□ 1300

RUSSIAN GRAIN EMBARGO SHOULD BE CONTINUED

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. PEYSER) is recognized for 60 minutes.

Mr. PEYSER. Mr. Speaker, the topic that I wanted to bring out today—and it could not be more timely, because my understanding is that the President and his Cabinet are meeting tomorrow to discuss the issue—is the continuation of the grain embargo against the Soviet Union. This was the embargo that was put in place by President Carter at the time that the Soviet Union invaded Afghanistan.

At that point, Mr. Speaker, the entire world was justifiably deeply disturbed and upset at the move that the Soviet Union had made, and in finding a response that was very meaningful the United States reached the decision that it would embargo the balance of the grain shipments that had been agreed upon to sell to the Soviet Union. We also, at that time, put in place several embargoes on technological equipment, and if the members will recall, we, in effect, embargoed the U.S. participation in the Moscow Olympics.

Now, since that time there have been efforts made right here in the House of Representatives to lift the embargo. Last fall an effort was made, and the House in its wisdom defeated that effort by nearly 100 votes. There are those today, of course, who sincerely feel that the embargo should be lifted at this time.

President Reagan is finding himself in a very difficult situation—but no one ever told him that the Presidency was going to be easy—whereby in his campaign he very clearly stated that it was his intention to lift the grain embargo when he became, or if he became, President. Well, now he has

become President, but with the Presidency has suddenly come both increased information of the impact of the grain embargo on the Soviet Union and also the responsibility of what the lifting of the embargo means to not only the Soviet Union, but to the rest of the world.

First, let us discuss for a minute, Mr. Speaker, as to the meaning of the lifting of the embargo at this time, and the kind of message it conveys. The Soviet Union today still has 80,000 combat troops in Afghanistan. A colleague of ours has just recently returned from China, and was at a meeting with the Foreign Minister of that country. The Foreign Minister said to him, "Are you going to legalize the invasion of Afghanistan by lifting the embargo?"

That is exactly how it would be viewed. I do not want to keep an embargo forever. That is certainly not my intention, and would not be. I think an editorial yesterday in the New York Times spoke very clearly to this point, that we should not be talking about the fact that we are going to embargo the Soviet Union forever, but to lift the embargo, as I said in this one instance of one government's reference to it, but other governments around the world would say, "What is the matter with the United States?"

The big problem that they have been discussing over the years has been that we do not seem to have a foreign policy. We say one thing one day, and then a little time goes by and we say something else even when the situation has not changed.

Now, the argument that I hear is that some of the countries that are saying, "Stay with the embargo," are selling grain to the Soviet Union. Well, I cannot control that, nor can this Congress, but certainly we can take the action that allows our own integrity and our own honesty in the situation to prevail, and I think this is of the greatest importance.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I will be glad to yield.

Mr. FINDLEY. I thank the gentleman, and I thank him for bringing this topic to this Chamber. I can recall when he served as a member of the House Agriculture Committee, that time as a Republican. Now, he is on the other side of the aisle, and perhaps has a little different view of certain things like this.

I am struck by the gentleman's comment as to the response of the outside world should we choose to eliminate the embargo, and the gentleman relates that to the presence of Soviet troops in Afghanistan. Now, I am almost led to the conclusion from the thrust of the gentleman's remarks that he would think it unwise ever to lift the embargo so long as Soviet troops remain in Afghanistan. Is that a fair conclusion?

Mr. PEYSER. I would say that if circumstances do not change from where they are today, that that would be a fair conclusion. However, if the Soviet Union in its dealings with the United States on, say, the opening of rearmament talks or on other areas that would serve the United States well, and wished to use the shipment of grain as a bargaining point, I would certainly say that I think our State Department and the Executive and the President himself should give consideration at that time to a lifting of the embargo.

But, I am talking about where we are today, and today we have no indication of the Soviet Union's willingness to do anything in the area of disarmament; to do anything to help the United States, and they still have these 80,000 troops in Afghanistan.

Mr. FINDLEY. If the gentleman will yield further——

Mr. PEYSER. I will be glad to yield.

Mr. FINDLEY. The gentleman can conceive of circumstances in which he thinks the embargo should be terminated, notwithstanding the fact that Soviet troops remain in Afghanistan. Is that a fair statement?

Mr. PEYSER. I say that that is possible, depending on the circumstances at the time that we would reach that decision. I am saying that it would be possible, if the Soviet Union in this very real world that we are living in, were to make moves and steps that the United States felt were in its advantage, and would serve the purpose of peace in the world; but short of that, I would say that as long as the Afghanistan situation remains alive, with nothing else to counter it, that the embargo should stay in place.

Mr. FINDLEY. I do not wish to intrude heavily on the gentleman's time, but will the gentleman yield further?

Mr. PEYSER. I will be glad to yield. We have plenty of time. I will be glad to yield.

Mr. FINDLEY. When the embargo was first announced, I voiced my concern, my opposition. One of the concerns I had was that President Carter was, in a sense, sending a boy to do a man's job. The grain embargo could cause inconvenience and cost to the Soviet Union, but it was unlikely to be viewed by the Soviet Union as a lever, as an influence large enough to alter its attitude on a major foreign policy undertaking like the invasion of Afghanistan. In other words, it was not a club that would cause the Soviets to back away from this major undertaking. It was more like a powder puff.

I still see it that way, and I would like to make the observation—perhaps the gentleman would like to comment on it—I would be inclined to think that the Soviet Union will invade Poland to save its own purposes within the Warsaw Pact whether we have a grain embargo or not. I doubt that the existence or the absence of a grain embargo would weigh not 1 ounce on either side of that decision by the Soviet Union. I wonder if the gentleman would agree with me on that point?

Mr. PEYSER. Well, I would unfortunately have to strongly disagree with the gentleman on that point. You see, I feel that one of the things that has kept the Soviet Union at this point from invading Poland was the reaction of the world—not just the United States—the reaction of the world at the time they invaded Afghanistan. I believe they were quite shocked to see the reaction of the world expressed in the United Nations in opposition to them; the Third World countries and practically every country speaking in strong opposition.

Now, coupled with that was the action of the United States in moving on something like the grain embargo and on moving on the technological embargo of equipment. I think that it is important not to think for a minute that this has had no impact on the Soviet Union.

Mr. FINDLEY. It may well have had an impact, but what effect has it had on Soviet policy?

Mr. PEYSER. I think the effect it has is that the Soviet troops today: First, have not invaded Poland; second, I recognize that they might if the circumstances in Poland get to such a degree that they will then waive all other considerations, and they could very well make the invasion.

I happen to believe that the grain embargo has been a specific way of showing the Soviets that we mean something. We have said it, and it has cost them. When you look at the figures we are now getting on things like their cattle production, which has been cut back substantially because of the lack of feed grains, because of the bad crops they have had, practically running over 2 years; with their next year's grain production at 180 million metric tons instead of 235 million metric tons that they had anticipated; where they are out in the world almost paying, incidentally, far more for this replacement grain; where they have paid in the last year over $1 billion of their hard currency to try to replace, and they have not fully replaced it.

The figures we got, the argument on this issue, were based on the fact that they had only replaced 45 percent of the grain we were going to be committed to give them. I think we have had a real impact, and it was very worthwhile.

Mr. DASCHLE. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from South Dakota.

Mr. DASCHLE. Mr. Speaker, I thank the gentleman for yielding. I want to commend him for taking this time before the House today to address this issue.

I want to address a point that was raised both by the gentleman from Illinois and the gentleman from New York in regard to what it was that the Soviets reacted to. I do not believe that the Soviets reacted at all to the embargo itself. Rather, I think they reacted to those other world pressures, political that they were, upon the Soviets placed by the entire world within the United Nations, within various other elements.

We have the ability to put upon the Soviets the kind of pressures that they felt. But when it comes to the embargo itself, I would argue very strongly with the gentleman from New York that food should not be a weapon at all. In this case, it has not worked. As a matter of fact, I think the Soviets are laughing all the way to the grain bin when it comes to the hard-learned lesson we have had to suffer for the last year.

The gentleman from New York was talking about the cost to the Soviets in terms of hard currency. He used the figure of about a billion dollars. But the cost to the U.S. Government, according to the Department of Agriculture, was $3.4 billion last year. When we estimate the actual cost to the farmer and to the Government, I have seen estimates of up to $10 billion.

The export price of grain in December 1979 was $120 a ton for corn. By April, that fell to $112 a ton. As a measure of comparison, let us look at Argentina. With Argentina, we saw that $120-a-ton corn rise by April to $160 a ton. We had a $48-a-ton disparity between United States and Argentinian grain.

When we talk about grain and the cooperation we received from our allies, I think we can point to Argentina, Australia, and even to a certain extent Canada, and the lack of cooperation we have had there.

So the net result—the net result of this grain embargo to the Soviet Union during the last crop year was dismal. Out of the 35 million tons they were supposed to get, according to the Department of Agriculture, they received all but 4 million tons—31 million out of 35 million tons over the last year were delivered. This year, with the 34 million tons they are expected to receive, they are going to receive 34 million tons, so if we take that 4 million tons, the cost to the Federal Government was about $1 billion—not the total cost, but the cost per ton to the American taxpayer and to the farmer across this country. What kind of policy is that?

I think the action taken in Afghanistan was inexcusable. I think we need to find areas where we can show the Soviet Union that we are absolutely abhorred by the kind of intervention in another country. But for us to use the embargo which, as the gentleman so eloquently pointed out, is not a weapon at all, clearly demonstrates that we again have stubbed our toe very seriously in our foreign policy.

I think the time to remove that embargo is now and there is an element of fairness in this. The Reagan campaign was laced with arguments, very well put, that the embargo needed to be removed. There are millions of people in this country who at least in part made their decision on whom they were going to vote for on the basis of those arguments. It is only a question of truth and fairness that now the administration is in office, they remove that impediment to proper foreign policy, to proper agricultural policy, and to a fair shake for the U.S. farmer.

Mr. PEYSER. Mr. Speaker, I thank the gentleman from South Dakota (Mr. DASCHLE), and before responding specifically to the gentleman, I yield to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Speaker, I appreciate the gentleman's yielding.

Mr. Speaker, President Reagan is expected to make a decision this week on whether or not to continue the embargo on exports of agricultural commodities to the Soviet Union. This issue is not a simple one; it is not black or white. I urge him not to forget why the embargo is so strongly opposed in the agricultural sector, but, at the same time, I hope he does not let himself be trapped by the rhetoric of last fall's campaign.

Clearly, my record shows that I am no advocate of trade restrictions of whatever type. They create blockages in the international economic system which time and again have meant problems for Americans. I also trust it is clear that I, like all Americans, strongly disapprove of Soviet expansionism. The Soviet move into Afghanistan last year was a travesty, and the potential threat the Soviets now pose to Poland is something we must see does not become a reality.

The President's options as far as what to do about the future of the embargo are not limited to continue or not to continue. Clearly, he cannot ignore the need to alleviate the burden on farmers which he so strongly emphasized during the campaign. But he also needs to remember the theme of consistency in foreign policy which he found lacking in the Carter administration during the campaign.

President Reagan's recent statements about the Soviet Union have been tough, they indicate that we are posturing ourselves in a hardline position vis-a-vis the Soviets. Lifting the embargo without condition at this point would send just the opposite signal. While the administration is talking about reasserting U.S. resolve and muscle around the world, completely lifting the embargo would add to the image of fragmentation and weakness. The Soviets would likely disregard the rhetoric and our allies would be left totally confused.

Fortunately, President Reagan does have another option. He can lift the embargo with conditions. We are all aware that in many ways the embargo has been circumvented. All too many of our allies have not cooperated in stopping their own grain sales to the Soviets. And, when a decision was made by our Government last summer that affiliates of U.S. grain companies could continue sales to the Soviets, the impact of the present embargo was severely minimized and the inequity it imposed on American agriculture was made even more blatant. At that point, I came to the conclusion that we should terminate the embargo.

But, especially in light of the precarious situation in Poland, I think we should lift the embargo conditionally. In announcing his decision, President Reagan should make stridently clear his willingness to reimpose the embargo—in a more effective and equitable fashion—should the Soviets continue their aggressive posture in whatever part of the world. For example, should the Soviets put even one toe inside Poland, they should realize that we will cut off these shipments. This is clearly within his authority under the Export Administration Act.

And he needs to address the problems which the embargo has created. The burden has fallen entirely on the farm sector. That is simply not fair.

In the hurry to put the embargo into place last year, the Carter administration devised an ineffective, bureaucratic program of commodity purchases to help the American farmers who all of us realize were shouldering the economic burden. The program has not worked. Perversely, the preeminence of American agriculture made this embargo a meaningful weapon, and our agricultural producers have been dealt its harshest and most demonstrable blow.

Current law requires an increase in loan rates when an embargo is imposed for reasons of short supply. That would moderate price fluctuations and maintain market levels. But, since this embargo was imposed for foreign policy reasons, that requirement was not activated. Instead, the unworkable and inadequate purchase program was put into place.

We need to extend the application of that price protection provision to all embargoes when the farm bill is reworked this year. Specifically we need

to insure that farmers receive 90 percent of parity loans in the event of an embargo. And, in the meantime, this President who in his campaign recognized rhetorically the hardship which the embargo was causing our farmers has an obligation to see that such price protection is put into place administratively and without delay.

So, as I see it, President Reagan's decision is not simply one of to continue or not to continue the embargo. And it should focus immediately on the need to see that any burden caused by such an embargo is shared by all Americans.

Mr. GLICKMAN. Mr. Speaker, I thank the gentleman from South Dakota (Mr. DASCHLE) raises some interesting issues here. I came out against the embargo predominantly because I felt the bureaucratic nightmare that resulted from the implementing of it and the unfairness of the embargo were outrageous. I still do not like the embargo, and I do not like the fact that farmers were given so little priority in the area of market protection.

But after watching the President call the Russians thieves, liars, and cheats and after seeing what conceivably is going to be the policy of this administration, I say that we have got to decide what is a rational policy to pursue in this area and still protect the farmer.

I have a third option. The gentleman may have talked about this before. That option is that there is a possibility—and we have checked this under the Export Administration Act—that we could lift the embargo conditionally. The President can keep what I call conditional ad hoc authority over all sales over and above whatever the embargo limits are.

For example, he could announce that we would lift the embargo, but should the Soviets put even one toe inside Poland, they should realize that we would immediately cut off shipments.

The reason why I say that is because I think, in all fairness to the President, what we have seen as his extreme position on the question of relieving the embargo is because of his interest in free trade.

I agree with that. These embargoes do not work. The Russians are getting most of the grain they would like to receive from everybody involved, and our agriculture is hurting in this country. But at the same time we have to recognize that this administration is taking a very strong anti-Soviet policy, and after our President calls them every name in the book, then to say, "You can have it all" would probably be an unusual signal to the world, and one that I think is perhaps not particularly prudent right now.

So what I say is this: I say that he ought to lift the embargo but, pursuant to his authority under the Export Administration Act, do so conditionally with strings, and to this extent: to the extent that the Soviets engage in any specific behavior—and he may have to outline the kind of specific behavior he is talking about—that any shipments that would be lifted would be immediately stopped. And in addition, of course, we need to pursue in our own farm legislation methods to protect our farmers in future embargoes, such as 90 percent of parity loans.

But I submit that we may have ourselves in a situation here in which we have campaign rhetoric on both sides that may not result in the best kind of both farm policy and foreign policy.

I want to see this embargo lifted, but let me say that I have taked with many of my farmers and they say that they want to see it lifted, but after hearing the Russians called thieves, liars, and cheats and worse, they ask, what are we going to do? That is not sending a proper signal.

So, Mr. Speaker, all I am saying is that I think we have an obligation to lift the embargo, but, based on the Export Administration Act, I think we can lift it conditionally.

Mr. PEYSER. Mr. Speaker, I thank the gentleman from Kansas, and I yield further to the gentleman from South Dakota (Mr. DASCHLE).

Mr. DASCHLE. Mr. Speaker, let me take just 1 minute because I want to address a point that I think we may have been forgetting. That is that we do not have a complete embargo today. The President may have called them liars and cheats already, yet on the same hand we are exporting many goods to them right now. That is one point raised by the farmers frequently. We should put on a complete embargo if indeed we have one at all. We are not doing that, so in essence we are in the position the gentleman from Kansas has already outlined.

Mr. GLICKMAN. Mr. Speaker, if the gentleman will yield further, we made the decision last year in the House that we would not cut off the Russians entirely from purchasing goods. I believe that was the McDonald amendment that was defeated.

We have a question of symbolism here. One is that the farmers got the shaft in the embargo, and that is clear. There was not any market protection mechanism for them, and I think they were improperly singled out.

Second, the rest of the world, particularly Western Europe and Eastern Europe, may be getting the shaft from the Russians, so somehow we have to combine those two things and come up with some sort of sensible policy to protect our farmers which at the same time does not make Ronald Reagan look like a fool to the rest of the world.

As much as I would like perhaps to see our party predominate in the executive branch, it does not predominate now for 4 years. So I am saying that perhaps we do have a conditional embargo here, and I am saying that symbolically we could devise a policy that says, "It is lifted, but, fellows, you step one toe in Poland, and it slams on back again, and maybe worse." That is just a possible suggestion.

Mr. PEYSER. Mr. Speaker, I would like to respond to those remarks, but first I will yield to my friend, the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the gentleman for his generosity in yielding.

I am very pleased to hear what the gentleman from Kansas (Mr. GLICKMAN) has said. The Export Administration Act clearly gives the President the authority to act as he suggests, but the 5-year grains arrangement with the Soviets does the very same thing because it provides that whenever the Soviet Union should seek to secure commodities beyond the 8 million ton level, they shall make their wishes known in a conference with officials of the U.S. Government, which means that the partial lifting or the interruptible lifting or the flexible lifting of the embargo would be accomplished by terminating it. And that would actually give the President greater leverage than whatever leverage does exist in grain sales.

Mr. GLICKMAN. And to come back again?

Mr. FINDLEY. Yes, to come back again and talk about other issues in connection with this request for sales or to terminate the whole thing, or, even more broadly, terminate the grain sales when Soviet behavior does its worst.

I have never been a fan of using food exports as a tool of international politics. They are very limited in their potential, for one thing, and probably in such circumstances, when the President shall decide yes or no on a particular sale of commodities, there are very few things that could influence Soviet behavior on a rather modest level. And why not use that, inasmuch as we have an international Soviet grain arrangement in place today?

Let us use it to the maximum. The best way to achieve that is to lift the total embargo that now exists on sales above 8 million tons on the interruptible or flexible basis the gentleman from Kansas recommends. I think that makes a lot of sense.

Mr. PEYSER. Mr. Speaker, I thank the gentleman from Illinois (Mr. FINDLEY), and I will yield further in just a minute. However, I do want to respond for just a minute.

Part of what was interjected here is the fact that the President during the campaign made very strong state-

ments on what he would do, and, therefore, because he made those statements and the people elected him, he should go ahead and do it.

Now, I do not really think that that is what the American public thinks. I think the American public recognizes that he could have, with all the best of intentions, while he was campaigning, felt the grain embargo should be lifted, but upon assuming the Presidency—and many of us who have run for public office have found this kind of a problem—he suddenly becomes aware of a couple of things.

One is that in this great moving world of ours situations have changed. We really did not have the Polish situation to the point it is today when the President was campaigning last September and October. The President now has learned some things.

It is interesting for me to note the position of the Secretary of State, Mr Haig, who the President went to great lengths and battles, frankly, to get in place as Secretary of State, because, as we know, it was in the early stages a hotly challenged appointment, but President Reagan said he wanted General Haig. The Secretary of State, Mr. Haig, now does not support the immediate lifting of this embargo.

This is the man who the President has fought for to have in place to play a role in directing foreign policy. And now we have just seen in this last week that Mr. Stockman, one of our former colleagues, ventured into the foreign affairs world by putting an announcement out that he was going to recommend the cutting of foreign aid drastically. Then we saw Mr. Haig immediately move into this situation and demand who was running foreign policy. Mr. Stockman has since backed down from his position, as well he should.

But the point is that we have, as far as I know, the only member of the President's Cabinet today who supports the position of lifting the grain embargo, and that is in the person of the Secretary of Agriculture, Mr. Block.

I would like to caution my friends in the agricultural areas, because I think their people are just as patriotic and just as strong to do what is right for America, if not more so, than anybody else's. I think the battle they fight to see that their product is released so a greater area of profit may be realized by them may not really be reflecting their thoughts, because if the President reaches the decision, as I am convinced he will—and we will know very quickly whether I am right or wrong—from the talks I have had with people within the administration, I am convinced the President is not going to lift the grain embargo.

What I am doing here today, with nearly 70 other Members who have joined with me, including the chairman of the Committee on Foreign Affairs, who has long been opposed to the lifting of the embargo, and some of the very top Republicans on the committee who have also been opposed to lifting the embargo, is to point out the President is going to make a courageous decision because of the campaign and is not going to lift the embargo, and I think very properly so.

Mr. FITHIAN. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I am glad to yield to my friend, the gentleman from Indiana.

Mr. FITHIAN. Mr. Speaker, I thank the gentleman from New York for yielding, and I thank him especially for giving all of us an opportunity to engage in this colloquy.

Let me hasten to agree that the agricultural community is as patriotic as any segment of the American population. As my friend, the gentleman from Illinois (Mr. FINDLEY), well knows, because he comes from another strong farm bureau State, that organization and other farm organizations came out in support of the President's position when the embargo was announced, and that was an act of patriotism.

Their experience with embargoes can hardly be questioned. They experienced one under Ford and Butts on soybeans, and, prior to that, on other grains under other administrations. In each and every case they were harmed seriously economically. But I believe one of the reasons that they exerted and exhibited this kind of patriotism to which my friend, the gentleman from New York, alludes is that the President made an all-encompassing promise that the farmers will not bear this burden alone, and that it would be equally distributed among our people.

The fact of the matter is that for two or three reasons that did not turn out to be the case. First of all, the administration, as is typical of all administrations in the attempt to put on an embargo, with the problem of secrecy and all the other things that are needed, did not have the flexibility to negotiate with our other supplier nations to make it effective. So while this was being contemplated, we were not in a position to negotiate with Australia, Canada, and others, and did not do so, and while the embargo was in place those nations went ahead and concluded long-term grain agreements.

The second point I would like to make is that of the unfairness of which the President obviously was aware in the impending election when he said that all would bear equally, but it simply did not pan out. It works out to the long-term detriment of one segment of our economy. Each time we single out one segment's trade with another nation, any segment that is so easily dependent on foreign trade, once we single that out and impair for whatever reason the normal flow of goods, we raise the question in all of the foreign markets as to whether the United States is and will continue to be a reliable source of supply. Then we answer that question with an overwhelming "no," that we are not any longer a reliable source of supply. And this was no exception to that.

Staying just within the general farm and agribusiness related portion of the economy, I would point out to my friend, the gentleman from New York (Mr. PEYSER), that while we stopped grain sales, we did nothing to stop the sale of phosphates and fertilizers so the Russians could grow more grain. We did nothing to stop the sale of manufactured agricultural implements to assist the Russians, nor did we do anything to stop the sale of manufactured goods of other kinds, other things which most of us really believe—and I refer to the high technology items—would have actually done more damage to the Russians in the first place.

I have a kind of a theory about that, I will say to the gentleman from New York (Mr. PEYSER). I believe that the organized and more powerful interests in our economy are able to translate their viewpoints to Washington with a great deal more effectiveness than a very small minority, less than 3 percent of the people in the country, can accomplish. So those with large organized business interests are able to carry on their trade and their profitability, insure the integrity of their marketing situation, and insure continued relations regardless of how they feel about Soviet foreign policy.

There is still an argument with regard to the ineffectiveness of this particular embargo. My friend, the gentleman from South Dakota (Mr. DASCHLE), pointed out correctly that the Russians essentially got the grain they were trying to get. The Argentines appreciate, I am sure, the 65 cents to 95 cents per bushel on corn in terms of advantage over the world market, so the long-term impact on the market was not nearly what anybody expected it to be.

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The point I would make to my friend, the gentleman from New York (Mr. PEYSER), is from this Member's standpoint, I think the interruption in basic commodity sales abroad is bad policy—always bad policy. You always come out on the short end of the stick and always end up hurting your own people more than you do the Russians in this case. However, if any future administration deems it necessary and goes ahead with it anyway, and we do not have the votes here to stop it, I think one could see the logic then of

saying that all should bear the burden equally, which means that we would stop sales of other kinds of products to the Russians. This was not done. I do not know whether we have the votes here on the floor of the House to do it—we did not the last time—but perhaps another try would make that better. I am just hopeful that the President will take a look at the fact that the Russians are still in Afghanistan, that they are still exerting their pernicious influence around the globe, and that in essence in terms of change or behavioral change of the Russians, the embargo was a failure and it continues to be a failure.

I would think, just as the gentleman has called upon the President to have the courage to change, I would call upon the President to have the courage of his convictions and commitments if there have been no great fundamental alterations. The Polish crisis was already brewing while he was making these statements in October. One can hardly stretch the Russian grain embargo to the point where one could attribute that to the reasons for the Russians not acting in Poland. I think without going into this, it is prima facie that there is a whole host of reasons why the Russians have not gone into Poland, and we believe and hope that those conditions prevail.

But I would hope that the usual syndrome within the administration of OMB, the State Department, and others who have little or no appreciation for the farm economy of this country—and I am not singling this administration out; they had very little appreciation of the farm economy in the Carter administration; I did not see any evidence of it in the Ford administration or the Nixon administration before that—and I would hope that that same kind of coalition within the Government is not this time powerful enough to overrule the President's reasonably good sense of things when during the campaign he pledged to the American people and to the American farmers, and carried farm State after farm State partly as a result, that he would lift the embargo.

I would call upon the President of the United States to uphold his commitment to the American farmers. We are asking him to make all kinds of sacrifices. We will go into a farm bill, and we will have all kinds of difficulty getting a decent farm bill. And I understand that, but I would hope that the President and this new administration would not back into what I think would be a continuation of a sad and sorry mistake in this economy.

The agricultural sector has perhaps appropriately been termed "the soft underbelly of the Soviet economy." Year after year, rigid, ineffective management, capricious weather, and the disincentives to productivity inherent in the Marxist system have combined to create a totally unpredictable pattern of harvests.

When the Soviet Union brutally invaded Afghanistan in December of 1979, the Carter administration responded within weeks by embargoing 17 million metric tons of grain destined for Soviet ports. However well-conceived the intention may have been to concentrate on the weakest link in the Russian economy, the sad fact remains that this decision was made without a prior assessment of the impact such action would have on our own farming community. That impact is known to us all by now: Our farmers suffered a drastic reduction in total income, while food prices kept pace with double-digit inflation.

Farmers have justifiably continued to protest the embargo; such policy sets a bad precedent. It is bound to harm long-range sales prospects, as it will drive traditional customers to other more reliable suppliers.

From the standpoint of foreign policy, the embargo was poorly administered from the outset. The announcement was made unilaterally, without first seeking international cooperation to successfully isolate the Soviets and shut them out of the market. Our action shook the confidence of our allies—while the embargo was in effect, Canada, Australia, and Argentina all concluded long-term grain agreements with the Soviet Union.

Aside from the demonstrable ineffectiveness of the embargo—85,000 Soviet troops are still dug in in Afghanistan—the inconsistency and unfairness of this policy has especially rankled the agricultural community. Although we withheld grain from the Russians, we continued to sell them farm machinery, phosphates and fertilizers, and a variety of manufactured goods. Clearly, the burden of this action was not equitably distributed across the American economy.

An ironic footnote to this whole affair deserves our attention. Although we have been quick to employ trade restraints on basic commodities which can be obtained elsewhere on the world market, we have blithely continued to provide the Soviet Union with samples of American high technology. For your review, I am having inserted in the CONGRESSIONAL RECORD an article which addresses this serious dilemma. By making available American technology—often produced only after years of painstaking and costly research and development—we allow the Soviets to have models which they can effortlessly duplicate domestically. The absurdity of this situation is clear.

My policy has always been one of opposition to embargoes. However, should any embargo become a policy initiative, it should in fairness and in quest of effectiveness be an across-the-board prohibition of all trade, including a cessation of scientific and technological exchange. The worst type of policy is one which singles out a special commodity for embargo, while other businesses are permitted to continue trade as usual.

I hope those of you who presently support the continuation of this unjust policy will weigh these remarks and consider the article I have submitted before you cast a vote on this issue.

The article follows:

SELLING RUSSIA THE ROPE

(By Arnaud de Borchgrave and Michael Ledeen)

For nearly two decades the West has been financing two separate defense budgets: its own, and a steadily increasing part of the Soviet bloc's. Some of president-elect Ronald Reagan's closest advisers insist that the new administration take the lead in establishing more stringent controls on the flow of information and advanced technology to the Soviet Union and other Warsaw Pact countries. But even though Reagan's counterparts throughout NATO countries and Japan agree with the diagnosis, they will be very reluctant to reduce high-technology trading with the communist nations.

In one of his most oft-quoted remarks, Lenin predicted that the capitalist countries would provide the Soviet Union the rope with which it would hang the West. And today, in the words of Senator Henry Jackson—

"* * * our export control system is a shambles. The United States and its allies have been selling the rope to the Soviets. What we haven't sold, we have been giving away in educational, governmental, and technical exchange programs. What we haven't sold or given away, they have been stealing."

In the last 10 years alone, Western countries have sold the Soviets $50 billion worth of goods, including machine tools; power lines; sophisticated technology that has gone into missiles and tanks; command, control, and communications systems; spy satellites; and radar. The Russians also have been able to purchase complete factories, designed and built by Western companies and financed with Western credits, that produce a substantial part of their military stockpile. Restraints on Western shipments to the Soviets actually have weakened in recent years. This is partly because the people and institutions that are supposed to regulate this traffic are generally ill equipped to judge the possible impact of technology transfer; and it is partly because of a blind faith in the virtues of East-West trade.

Last year, for example, Datasaab of Sweden sold the Soviet Union an air traffic control system that is able to detect any kind of airborne object (even if there is no radio signal), and also can determine if the object is a hostile aircraft or missile. The Datasaab system can calculate the flight path of the object, and can predict its location at a specific moment in the future. In short, the "air traffic control system" sold to the Soviet Union has many characteristics uniquely suited to military purposes. This Swedish system, destined for Moscow airport, contains American integrated circuitry and was sent to Moscow with American approval, even though some Pentagon officials expressed concern.

In 1972 the U.S. government approved the sale of 164 Bryant Centalign-B grinders to the Soviet Union. These machines manufacture tiny ball bearings to remarkably precise specifications—a 25-millionth of an inch. Such bearings are indispensable for advanced missile guidance systems. The Russians first had requested the Bryant system in 1960, when the Eisenhower administration approved the sale. President Kennedy's experts concurred the following year, but the president himself canceled the sale after a congressional investigation highlighted the enormous military potential of the technology. One expert told the Senate that:

"Our manufacture of these small devices is no secret—even the manner is not difficult to determine—but the capability to do it well and economically has taken years to develop and should not be sold to a potential adversary. . . . The situation is not one of selling our adversary a club—but machines which help to produce better clubs faster and cheaper."

Ten years later the Russians finally obtained approval from the Nixon administration, on the grounds that the Byrant technology allegedly could be duplicated by other countries (such as Switzerland). The $20 million deal was a bonanza for the Soviets, for it enabled them to produce a new generation of highly accurate ICBMs. The United States now face the possibility of having to spend tens of billions of dollars to defend its own land-based missiles against this new Soviet threat. "It is hard to believe," Lawrence Brady, former deputy director of the Office of Export Administration, told a Senate Committee, "It is hard to believe that machines comparable in quality and scale of production could have been acquired elsewhere, when the Soviets waited 11 years for Bryant to obtain an export license."

Sometimes it may be hard to see the military potential of the sales to the Soviets. But even when the military implications have been all too clear, the American government—like those of other Western countries—has failed to move. In 1977, for example, the government learned that many missile launchers were being produced at the Zil truck factory in Moscow, and that thousands of Zil trucks were being sent to military camps. Earlier, the Zil-131 truck had been used in Vietnam to move material down the Ho Chi Minh trail. Yet the United States continued to license sales of computers, computer parts, and even a laser system for use by Zil at both is truck factory and its laboratory in Moscow. American experts were able to establish that trucks from the massive American-built Kama River project were being used for miltary purposes, and here again there was no action to stop licenses for further support. American participation in the Kama River project—located in Naberezhnye Chelny in the Urals—was finally suspended when Kama trucks were found involved in the Soviet invasion of Afghanistan.

The Kama and Zil cases showed the failure of one of the major theories of detente—that the Soviet Union would become enmeshed in a network of agreements and interlocking interests with the West. Instead, in Senator Jackson's words, the Carter administration "behaved like a brain-damaged spider caught in its own web, unable to extricate itself."

Other Western countries have been similarly obtuse. For example, the West Germans have exported to Russia computer-controlled, multiple performance machines to treat titanium, thus facilitating the development of the most modern generation of Soviet missiles and the new monster Soviet submarine that is almost twice the size of the American Trident. And when the United States tightened export controls after the Soviet invasion of Afghanistan, the French announced plans to have their leading steel manufacturer, Creusot-Loire, build a $350 million electric steel plant in the Soviet Union.

Giovanni Agnelli, head of Fiat, has argued, "It is impossible to prove—with the exclusion of a few high-technology areas—that East-West trade adds more to Soviet power than it contributes to the well-being of the Western economies." Officials in the Commerce Department and in most European ministries of foreign trade seem to agree. But many military experts disagree. So do a striking number of émigrés and defectors from the Soviet bloc. They say Western technology is crucial to the growth of Soviet power. Dr. Igor S. Glagolev, a senior research member of the Soviet Academy of Science until October 1976, when he was granted asylum in the United States, told us that, "Soviet society would be confronted with intolerable strains without all the assistance they have received from Western countries." The Soviets buy much Western technological know-how, but they also get much of it free by exploiting the openness of the West. Roughly 80 percent of all requests to the federal government under the Freedom of Information Act regard industrial and scientific information. Some of these requests come from the Soviet bloc. Various federal departments are deluged with requests regarding patents, manufacturing methods, and engineering designs, and they often have no way to check the true source of the requests. "When I think of the hundreds of bits of information I release each year," a top Pentagon official said, "I shudder to think about the overall picture the Russians are able to obtain of our activities."

Soviet experts attend Western scientific conferences, take specialized course in Western universities, and have access to advanced research projects in Western laboratories. Western researchers have no such opportunities in the Soviet Union. It is interesting to compare the research projects of the 45 graduate students and "young faculty" from the Soviet Union studying here and the equivalent number from the United States studying in the Soviet Union in 1980. Almost all the Soviet projects in America are highly technical in nature (including such subjects as "interaction of ions and plasmas with solid surfaces," "automatic control as applied to space ships," and "principles of analog computer design . . ." while the American scholars in Russia are working on almost exclusively humanistic subjects like "Soviet Tort Law," "A Comparative Semantic Analysis of Verbal Aspect in Russian and Serbo-Croatian," and "Musical Genres in Russian Music."

The Soviets have used sleight-of-hand to stir up enthusiasm for, and reduce objections to, East-West technology transfer. For example, in mid-1972 the Russians put on an exhibition of their latest computer hardware in Moscow. According to Eugene Douglas, an executive of the Memorex Corporation, "Much of the equipment was not operation-ready. Some models were no more than empty shells, dummy machines displayed for effect." These "Potemkin computers" were intended to serve two purposes. First, they were meant to convince Western companies that there was—in the Soviets' own slogan—an "enormous untapped Soviet computer market." Second, they were meant to suggest that the Russians had made such substantial advances in computer technology that there were no longer any national security grounds to deny them our own computer technology. Once the first licenses were granted, all the other computer companies rushed to compete for the new market, thus enabling the Soviets to obtain even more information without actually making costly purchases: they simply asked representatives of one company what set their product apart from those of their competitors.

KGB agents have been caught in Western Europe and the United States attempting to recruit Western computer experts. Belgian computer engineers were contacted by KGB agents in an attempt to obtain microfiches of up-to-date computer designs, and one West German and an American were arrested in America in the mid-1970's in a similar case. More recently, Soviet specialists visiting the Boeing plant in Seattle, Washington, were found picking up metal filings from the floor of the factory by means of special adhesive soles on their soles. Boeing employees watched the Soviets take the metal pieces from their shoes and put them in their pockets. Expressions of concern from Boeing executives were pooh-poohed by State Department officials, who insisted that the Russians be permitted to carry out their visits.

The Russians have even begun to get Western technology by buying controlling interests in Western companies. One of these is Unitronex, located in Des Plaines, Illinois, just outside Chicago: Unitronex is partially owned by a Polish computer-electronic complex known as Unitra, and deals with some of the most advanced computer technology available in America today. None of this is illegal; American companies with foreign communist shareholders are permitted to do business just like any other American firm. According to sources in the Pentagon and the intelligence community, companies like Unitronex can gain access to advanced technology that might be denied for export.

There are now over 25 of these companies in the United States, a development that reportedly prompted a paper on the subject by the National Security Council this past summer. When the NSC study was subjected to an inter-agency review, the Pentagon urged that the names of these companies be published, so that everyone would know who they were. But State Department officials suggested that the government refrain from interference, and stressed the importance of good relations with the Soviet Union.

One of the basic themes of Soviet propaganda in favor of access to Western high-technology transfer is that such access could help the Russians develop their own energy supplies, and thereby reduce their temptation to launch a military strike in the Persian Gulf. This has been one of the central themes in the debate over the so-called "Dresser deal." In 1978 Dresser Industries of Dallas, a leading manufacturer of oil drilling equipment, obtained export licenses to build a $144 million plant to manufacture oil drilling bits in the Soviet Union, and for a computer-controlled electron beam welder that could be used in manufacturing the bits. The licenses were approved by both the Commerce and Defense depart-

ments, but Senator Jackson's Permanent Subcommittee on Investigations challenged the decision. In testimony before Jackson's subcommittee in October 1978, J. Fred Bucy, head of Texas Instruments and chairman of the Special Defense Science Board Task Force, identified the central question:

"There is no policy as to whether the United States considers it to be a good thing or a bad thing to help the Soviets develop their energy resources. Until that decision is made, it seems to me that we need to preserve the option, either to help them or not help. It is my personal feeling that if this drill bit factory goes through, we have, in essence, given that option away."

The Carter administration postponed final approval of the Dresser plan for two years, and the matter apparently was resolved shortly after the presidential elections when National Security Adviser Zbigniew Brzezinski—speaking for the president—announced that the Dresser factory should not be built for the Soviets. Carter's decision leaves the basic issue unresolved; president-elect Reagan will have to address the broader question of whether the West wishes to assist the Soviet energy program.

There is an international organization for controlling exports to the Soviet bloc, known as COCOM—the Coordinating Committee—that includes Japan and all NATO countries except Iceland. COCOM lists certain technologies that cannot be sent to the Soviet bloc without a special exemption. Before the Carter administration, most of the exemptions were granted to West European countries. In recent years, however, the United States has accounted for more than 60 percent of the special cases, thus making it difficult for the American government to demand a tougher stand from our allies. Exports to the East account for only a small part of American foreign trade, but they are far more significant to the Europeans.

The latest European breakthrough is West Germany's swap of technology for Soviet natural gas. The Soviets are attempting to involve most of Western Europe as part of the package, which amounts to some $12 billion. A group of Belgian banks is negotiating with the Soviets for a one billion dollar line of credit, and the country's largest bank has asked the Belgian government to guarantee the credit. The Soviets would use these credits to buy pipe and pipe-laying tractors of extraordinary size (currently under negotiation with the Caterpillar Corporation in Washington), and other equipment, and would repay with natural gas. If this package goes through, West Germany eventually will come to depend upon the Soviet Union for 30 percent of its natural gas, while the Soviets will have all the technology necessary to develop their own resources, and even build a pipeline into the Persian Gulf area.

Reagan favors a policy of linkage in dealing with the Soviets, and technology transfer is expected to play a major role in this policy. Reagan hopes to be able to reduce Soviet adventurism in the third world by threatening to withhold sophisticated technology. But there can be no linkage without full cooperation by all members of COCOM. Technology transfer is one more potentially divisive issue for the already strained Western alliance.

Arnaud de Borchgrave was chief foreign correspondent for Newsweek. Michael Ledeen is executive editor of the Washington Quarterly.

Mr. PEYSER. I appreciate the gentleman's thoughtful statement, and I also appreciate the sincerity of it.

I would like to make an observation regarding the agriculture community. When the gentleman was making the point of the comparative weakness of the 3 percent of the people involved in the agriculture area against big industry who can fight their cases very well, I would like to say, as a compliment to Members on both sides who represent the agriculture community in this Congress, that they have been highly effective in the maintenance of agriculture programs, support programs, target programs, targeting price on various commodities. That they have been highly successful means to me that they are a very effective and outspoken group in this House, but when it reached the question of the embargo, there were 135 votes that voted to lift the embargo, and something is vastly out of line there when you get the activity of being able to pass major agriculture bills, which, incidentally, I supported this past year—one of the few that I have supported in recent years—but they are there to do the job. I am saying I think many of the Members of this House who have voted with the agriculture community, when it comes to the issue of this embargo see something that is far broader. They see the United States of America having made a commitment that was our President's commitment that said, "We will not tolerate what the Soviet Union has done, and one of the best responses is to stop this kind of trade that is so important to them." And I allow that it is important to the Soviet Union. I have just finished a meeting on this matter in researching some of the problems in the Soviet Union, and we find out they are faced with several problems today.

They have major labor shortages, surprisingly enough. They have energy problems, even though they are the biggest oil producers in the world. Their technological programs have been failing miserably, and they have a major agriculture problem. The one consistent problem they have had has been in agriculture. They have had 5-year plans, and 3-year plans, and none of these plans fulfill what they anticipate doing.

I think that we must stand by our guns on this issue merely to show the world that we mean what we say, and, too, to show the Soviet Union that when the President, as someone just said—the gentleman from Kansas (Mr. GLICKMAN) I believe—the President had called the Soviets thieves and other things, that we now do not in effect go to bed with them, because it would make us look absolutely ridiculous. So I believe we must stand with this, and I believe, incidentally, if we put this to a vote in the House—which I hope to be able to do within the next 2 to 3 weeks, assuming the President has not, as I do not believe he will, lifted the embargo at that point—hopefully, within the next 2 or 3 weeks to have a chance for the House to vote, and I think we will see the House vote again to maintain the embargo.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. In trying to balance this out, I will yield to the gentleman, my friend from Illinois (Mr. FINDLEY).

Mr. FINDLEY. I thank the gentleman for yielding. I am struck by a recent comment. The gentleman links the hardship of inconvenience caused to the Soviet Union by the grain embargo with the outrageous action of the Soviet Union in Afghanistan. We are now in the last year of the 5-year grains arrangement. In order to really show our determination on this point, would the gentleman suggest that we now renew that arrangement and that we terminate all the grain sales?

If the basic embargo has been some form of notice or signal or punishment to the Soviet Union, would not a total embargo be even a greater signal to the Soviet Union? In other words, if Soviet troops are still in Afghanistan when the 5-year grains arrangement terminates, would the gentleman recommend that we not have a follow-on arrangement?

Mr. PEYSER. I would say in September when I think the grain deal ends—and I think it is this fall in September—the 5-year period, that prior to that time our State Department would have met with the Soviets and would have reached some agreements or understandings that our State Department and our President felt were the right steps to take in order to be able to continue to deal with the Soviet Union in grain.

However, I would say this, that if the circumstances in September were identical with the circumstances today, in other words, no type of agreements or meetings with the Soviet Union on any of these other issues that are most important, and the Soviet Union remains active in Afghanistan with their combat troops, then I would say if none of those things had happened, then I would support a continuation of—not then an embargo because there would be nothing left to embargo—but the suspension of that most needed item in the Soviet Union.

Mr. FINDLEY. Would the gentleman permit me to respond to that?

Mr. PEYSER. I certainly will.

Mr. FINDLEY. I just have one further question. The gentlemen heard the colloquy involving the gentleman from Kansas (Mr. GLICKMAN) and my own comments about changing the terms of the embargo to an interruptible or flexible basis. Would the gen-

tleman agree with us that this would open up new opportunities which do not exist today for a President to deal face to face with the Soviet Union on matters of interest to them, and perhaps open up the possiblity, minor though it may be, to influence Soviet behavior?

Mr. PEYSER. I would say in answer to the gentleman that I am perfectly willing, if the President of the United States feels that a meeting with the Soviets to discuss this temporary type of lifting based on certain other factors was acceptable to the President, then I, too, would be willing to support that. But it is predicated on that kind of a meeting, not the unilateral lifting now of the embargo and simply then saying I hope we can work something out with the Soviet Union because I see no reason to trust that the Soviet Union is going to do that if we take the action first.

Mr. FINDLEY. But if the grain embargo is terminated today, the Soviets could not buy 1 bushel of corn or wheat without the concurrence of the U.S. administration; does the gentleman recognize that?

Mr. PEYSER. I recognize that, which seems to me another reason not to be overly concerned whether the President does anything with the embargo until he has basically made up his mind whether we are going to trade with them at all on this issue. I think the major decision that must be made is whether it is in the best interests of world peace for the United States in its foreign policy dealings to lift the embargo unilaterally, and I would say it is not.

Mr. ROBERTS of Kansas. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Kansas.

Mr. ROBERTS of Kansas. I thank the gentleman for yielding. I also want to thank my distinguished colleague, the gentleman from New York (Mr. PEYSER), for having this special order.

I am privileged to represent 57 counties out on the high plains which in my district, the big First District of Kansas, grows more wheat than any other State. What my producers do not understand is why we are singling out the farmer's grain as a tool in foreign policy on an exclusive basis. The practical effect in farm country—I am not so sure what the practical effect has been in terms of Afghanistan or Poland, or in terms of foreign policy—I can tell you has been a dollar loss at the elevator in terms of market price. It has been a huge debt load for the farmer to carry. We have had some increase in our market prices, but it has been due to the dry weather—certainly nothing that has been done by anything from Washington.

What my producer cannot understand is why his product alone is singled out for this foreign policy tool, more especially when the Soviets are buying grain from other countries and the embargo is in effect circumvented.

I would just like to associate my remarks—and I will have a statement to follow—with those of my colleague from Kansas who made the point that if the grain embargo is lifted, any new U.S-U.S.S.R. grain sales agreement could insure higher—above 8 million tons—thresholds for Soviet purchases so as to moderate the swings in demand and thus protect U.S. commodity markets as well as strengthen U.S.S.R. dependency on U.S. production. It also should be pointed out that any sales of grain to the Soviets beyond the 8 million tons in 1981 can be negotiated on terms acceptable to the United States, including linkage to any future military actions. Then we have a handle on it. It seems to me that that is the way to go.

Mr. PEYSER. I thank the gentleman for his comments. They certainly are speaking to the problems that his constituency faces, and I appreciate that and I understand it. I am sympathetic with it. I think what we are dealing with here is a problem or a situation that faces the entire United States and the future of U.S. foreign policy at a very early stage of this new administration.

It is, indeed, unfortunate, and I will not challenge any of the gentleman's statements that it has created some hardships in the community that he represents. I accept that, and I am sorry for it, but I feel that anytime that you are dealing with something that affects the entire country, where a segment of the population might possibly be hurt, or a segment of an industry might possibly be hurt, that we in the Congress here, and certainly the President, must act in what we see as the best interest of the entire country and the entire problem. I guess the thing that I keep coming back to is the United States has been plagued with a feeling abroad of weakness in our foreign policy.

I have been very actively involved in NATO and with the North Atlantic Alliance, and I have met with the leaders over there on this issue. They look to anything that shows that the United States is finally standing firm and strong on an issue.

□ 1345

Now, believe me, it does not mean our allies are always right, because our allies in NATO have not been putting in, I do not believe, what they should be putting in, and there are a lot of other problems. But they are people in the Western World who have gotten very concerned over the United States over the last 3 or 4 years and, unquestionably, this is one of the items that defeated President Carter, that feeling that the United States is not strong, we are not respected, we must get our strength and integrity back. And I happen to believe that. And so I think for today—and the gentleman from Kansas before stated very plainly—the difficulties of what has already been said by President Reagan, attacking the Soviet Union most vigorously—they have not been attacked that way by an American President. In fact, I do not know when anyone has spoken that bluntly about what they viewed the Soviet Union, and then in the next breath to say that we are now going to lift the grain embargo I think would make the President and our foreign policy and our supporters around the world really wonder what we were talking about. And that is my concern.

Mr. DASCHLE. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I appreciate the remarks made by the gentleman from New York and, as we close out this colloquy, I think there are really a couple of points that I would like to make sure are clear in the RECORD.

First of all, the gentleman from Kansas has pointed out that it is a matter of concern to those of us from farm States, but by no means is it a parochial issue; by no means is it related only to agriculture. This is a national issue. In my opinion, this is a national mistake.

Second, it is a question of credibility. Credibility for the President and credibility for this country. When we talk about credibility for this country I do not think there is any doubt in any country's collective mind that we are not fooling anyone any more. We know and they know that the Soviets have received the grain that they need. We know and they know that we are already exporting 8 million tons of grain this year to the Soviet Union. We know that they know that grain is going to be shipped to the Soviets in any case.

So when it comes to credibility, I think that the most credible thing that we can do is to recognize what everyone knows, and that is that the embargo has not worked.

Finally, when it comes to the credibility of the President, the gentleman said earlier that he expects people now to have doubts about their leaders when they come into office, that they can change their mind. Well, I think that the people are tired of being promised one thing and then discover later that once the candidate is in office, they have a position entirely different. I believe very strongly that the American people will feel conned once again if indeed that promise made in the rhetoric and the heat of the campaign is not kept. We do not have the right to change promises made intentionally time and time again. I think it is absolutely impor-

tant that we keep the promises that we make in a campaign as we hold public office.

Mr. PEYSER. I thank the gentleman for his remarks.

Mr. FITHIAN. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Indiana.

Mr. FITHIAN. Mr. Speaker, the gentleman's side may prevail on this. Should the gentleman prevail on this, I wonder, as a Representative of an urban State, whether or not the gentleman would support a policy which would truly spread the burden equally, which would, for example, make it necessary for all administrations, this one and future administrations, to raise the loan rate on any embargoed products to a specified percentage of parity if they are going to impair the overseas shipment in sales and thereby destroy a portion of the market. Would the gentleman be susceptible to agreeing to that as an element of fairness to American farmers?

Mr. PEYSER. Mr. Speaker, I would like to respond to my friend and say that if such a situation again comes about, where embargo of food products, whatever they may be, or, for that matter, any major embargo, that it is an obligation of this Government to see that that action does not destroy or sorely affect any segment, and it should be spread throughout the country.

I would find absolutely no problem in that because I do not think that that was the intent, certainly, of President Carter, to sting the grain producers. If in fact they have been hurt by this, it was not a planned hurt. But the point I am saying, to answer the gentleman's question, I would support such a concept, and I think it would be fair and I think the American people would support it.

I would like to touch one other point, and then I will certainly come back to the gentleman, a point we have not touched on, and it is one that I think bears a great deal of thought for Members of this Congress.

At the same time that we passed the grain embargo in this House, we voted for registration for the draft. This was another program put in place because of the Afghanistan invasion. Now, I happened to vote against the registration because I felt the registration program being proposed did absolutely nothing. It provided millions of names on pieces of paper with date of birth and no classification, no examinations, and, according to Selective Service itself, might make a difference of 13 or 14 days in the calling up of any personnel.

But it certainly caused a lot of disruption among the young people in our country and a kind of concern that I do not think it should have caused.

However, the Congress did pass that, and in its wisdom this became signed into law. So we now have in law a registration for a draft. My youngest son just happened to register a week ago.

Now, it seems to me that if we are now going to lift a grain embargo, and we have said to the young people of this country, "Look, you register, because we have a major problem with the Soviet Union," and by registering they are potentially exposing themselves to a draft, which means they are potentially exposing their lives in an international situation of military conflict, how can we ask our young people to do this and then lift the grain embargo, which, to me, plainly says that we feel very strongly about these issues but when a few dollars get in the way of it we are going to let the dollars come back into it but let us keep our young people up there? I think this is a terrible potential reaction of young people in this country if we were to lift the grain embargo today.

Mr. ROBERTS of Kansas. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Kansas.

Mr. ROBERTS of Kansas. I thank the gentleman for yielding.

Mr. Speaker, I would certainly agree with the gentleman's basic point, in terms of example of our young people, but I do not think that is the equation. I know that in terms of U.S. industrial machinery shipments, such as those extended by our corporations in building a new Soviet natural gas pipeline into West Germany, that raises the same kind of question. What my farmers want to know is, why is their product singled out and then, in terms of results, the troops are still in Afghanistan?

I would only add that certainly the situation has changed, with the Soviet troops poised on the Polish border, and no farmer, no producer, no stockman in my district wants to stand in the way of the national interest. But I would also point out to the gentleman that it is in our national interest to keep our food and fiber production machine viable. And in terms of cost of production, my farmers in the high plains still see their price far below the cost of production. As of today, the price of Hard Red Winter in Dodge City, Kans., is $3.86. That is below the cost of production. We cannot continue with this.

I would also point out, in closing, that perhaps the vote total that the gentleman has referred to, in terms of 135 votes, when that was cast during the last session of Congress, I do not really think that was a vote up or down on the embargo so much as it was some votes cast in opposition as to the method; because as I look back on that vote, I think it was an amendment to an appropriation bill, and there was a lot of feeling on both sides of the aisle that that was not the way to do this.

I might also just simply say that there has been a cost to our Nation. Of course, the defense agencies have placed the embargo's cost to the Soviets at about $1 billion, but in terms of lost tax revenue and in terms of the direct outlays alone by the USDA, it has cost our country twice as much, and it still has not worked. I think we should lift the embargo. I think we should establish direct linkage with the Soviet Union, in terms of our foreign policy, and enter into very tough negotiations. I would think that that would be understood by our young people, our senior citizens, and everybody who is on the receiving end of the farmers' food and production machine.

President Reagan and his Cabinet are meeting this week to determine whether our grain embargo has outlived whatever usefulness it might have served during the past year. To me, there is no doubt that it has.

True, the embargo on grain sales did cause the Soviets inconvenience and expense. Perhaps our response to the Soviet invasion of Afghanistan has influenced the Soviet response to the labor situation in Poland. I would hope so, for there seems to be little else that it has accomplished.

In his recent "Dear Colleague" letter, Mr. PEYSER cited Defense Intelligence Agency estimates that the embargo had cost the Soviets $1 billion in the past year, and that costs would continue to rise. In a response, I pointed out that our Government had spent more than that in direct outlays alone. The net cost of retendering grain contracts was estimated by the General Accounting Office to be somewhere in the neighborhood of half a billion dollars. Direct purchases from farmers cost the Government almost $1 billion. And, market price declines cost farmers millions more, leading to losses in tax revenues for the Government.

Because of the selective nature of the embargo, farmers feel that they were singled out to bear the burden of our response to the Soviet invasion, with nothing to show for their sacrifices. Farmers feel that the embargo represents a symbolic, rather than a real, response to Soviet aggression. They feel that any embargo, to be effective, must be all inclusive. President Reagan, himself, said in his recent press conference that the choice was between ending the embargo and expanding it. Certainly expanding the embargo would reduce what little influence we have over Soviet policy toward Poland. With all shipments cut off, they would have nothing to lose by invading that country.

I submit that the embargo, as implemented, was a mistake. We unfairly

placed the burden of our foreign policies on the shoulders of a small segment of our population. True, the Government took some actions to alleviate the effects of this selective action, but many of these actions were a day late and a dollar short. If the embargo was, indeed, a mistake, then we will not correct it by continuing it.

Thank you.

Mr. PEYSER. I thank the gentleman very much for his thoughts, and I want to thank all of those Members who have participated today in this, because, to me, this is both timely and important that we do this today, with the Cabinet meeting tomorrow that is presumably going to reach some decision on this matter. We, I am sure, started out with different opinions, and we are undoubtedly still with different opinions, but at least we have explored many of the issues and avenues of the pros and cons. It obviously is my hope, as I said earlier, that the President will say—and I really believe that it will be an act of courage far greater than lifting the embargo: "Not now. Let us study it so that we know the full implication; let us see where we are going on this issue; let us see if we can get the kind of response from the Soviet Union that we need to guarantee world peace." If he does that, I think he is certainly off to a flying start in his new Presidency.

● Mr. ROE, Mr. Speaker, I rise today in support of this very important resolution urging President Reagan to continue the grain embargo against the Soviet Union.

Over the past year the Soviet Union has embarked on a new program of aggression around the world. The brutal invasion of Afghanistan by Russian soldiers last year should serve as a warning to all nations that the Soviet Union has not changed from its original goal of controlling the world through the use of force and intimidation.

Look for any trouble spot in the world and you will find that the Soviets are deeply involved in trying to expand their sphere of influence at any cost.

Today, Soviet tanks and soldiers stand ready to crush the legitimate rights of Polish workers who have asked their Government for nothing more than decent wages and fair working hours.

While the Russians love to boast of their mighty military powers, they do have a major Achilles' heel. While the population of Russia is increasing at a very rapid rate, the Soviets cannot produce enough food to meet that growth.

Russia has, in the past decade, become one of the largest food importers in the world. And the United States was, up to the point of the embargo's initiation, the largest supplier of wheat to the Soviet Union.

To now resume the grain shipments to the Soviets would be ludicrous. Perhaps more so than at any time, food has become as important a weapon as guns and bullets.

We have the Russians in a very tight spot and they know it. There are many reports filtering out of the Soviet Union of the early slaughter of cattle because there is not enough grain available to feed their herds.

And despite reports from some sources, no other nation in the world but the United States can provide the Russians with the quantities of food they need to meet their nutritional demands.

The Russians must be made to know that if they wish to play the bully they will have to pay dearly for that privilege.

Mr. Speaker, last summer the young athletes of this Nation gave up the chance of a lifetime, to participate in the Olympic games, because of the Russian invasion of Afghanistan.

To now resume the shipment of food to the Soviets while that aggression is still taking place would be an insult to all Americans.●

● Mr. WATKINS. Mr. Speaker, while suspension of grain trade with the Soviet Union may have had immediate foreign policy benefits, continuation of the grain embargo will only seriously affect one group—the American grain producer.

Since the embargo of American exports to the Soviet Union began on January 4, 1980, American farmers have borne the expensive burden of suspending trade to a major customer.

While other facets of the economy continued to function without noticing the financial hardships of the embargo, farmers fretted over mounting bills and attempted to continue operating in spite of a $1 per bushel slash in their markets.

It would be naive and uninformed to assume that the embargo did not have an adverse effect on American farmers, who faced skyrocketing production costs and plummeting incomes last year.

A major incentive to produce was removed from the agricultural scene with the 1980 embargo. We must give grain producers a new incentive this year.

A prolonged drought throughout the Grain Belt, double-digit interest rates and increased debt loads are enough to make anyone quit. But American farmers persist. However, continuation of the embargo could be the final financial burden that will begin to take its toll on American farms.

I think we all agree that the grain embargo did cause the Soviets some expense and inconvenience.

However, the Russians have been able to import 31 of the 34 million metric tons of grain they had planned to import.

And the Soviet troops are still in Afghanistan.

Even though the U.S. Government spent $3 billion in an attempt to minimize the grain embargo, farm income declined 40 percent in the second quarter of 1980. The grain embargo figured heavily in that decline.

Although prices did recover, many farmers in Oklahoma consider the early part of the year as a critical grain selling time in which they must pay land and production expenses.

Farmers were totally unprepared and unaware of the impact of a halt to grain trade with the U.S.S.R. Many farmers had no choice but to sell at drastically reduced prices. Other farmers were able to hold their grain until the market improved.

While the U.S. Government paid $3 billion to offset the effects of the embargo, it is estimated that the embargo cost the U.S.S.R. only $1 billion last year.

In addition to losing $1 per bushel on grain, farmers in my district still face an unsteady and unpredictable position in the highly competitive foreign market for agricultural products.

The Soviet Union had an extremely poor harvest this year, which would be a strong argument in favor of continuing the embargo.

However, we must closely analyze the dramatic shift in the world grain trade pattern since last year.

This year, it is estimated that the U.S.S.R. will import a record 34.5 million metric tons of grain even with the U.S. sanction. The partial participation in the embargo by Canada, Australia, and the European community is eroding rapidly.

While the United States refuses to sell its grain, other grain producing powers are rapidly filling the void.

Trade sanctions will not work unless we have a unified effort from all grain producing nations. Grain is flowing freely from other large exporters. The Soviets are able to import grain in record levels. They are not doing without.

Meanwhile, we are losing valuable world markets.

More than 10 years of Government and private efforts went into developing the Soviet market for U.S. grain. Agricultural products have contributed substantially to improving the U.S. balance of trade since extra world markets were developed.

If agricultural products are returned to a free market, we can hopefully continue to improve our balance of trade.

Agriculture, one of America's most efficient producers, should no longer be punished by this trade sanction.

It is time to get the U.S. economy moving again. And one sure economic stimulator is a healthy agriculture.

Farmers throughout the Third District of Oklahoma and across the Nation are among the most patriotic people in the world. When the grain embargo was announced, Oklahoma farmers took the lumps—by themselves. And they continue to be adversely affected by the dark cloud hanging over their markets.

In future trade sanctions, all facets of the U.S. economy should share in the burden. No other phase of the U.S. economy was or ever has been singled out as a foreign policy tool like grain producers were in 1980.

It would be easy to say that the recent strength in grain prices indicates that the embargo did not affect grain prices. However, recent price strength is due to a prolonged drought, which cut agricultural production in half in Oklahoma.

If current world situations prevail, we may have to give serious consideration to using U.S. products as international bargaining tools. However, every phase of the U.S. economy should share in the responsibility.

Discontinuation of the grain embargo is extremely important in this period of economic uncertainty. We must provide some incentives for the people who produce America's No. 1 product.

Ending the Soviet grain embargo would be an added and welcomed incentive for the U.S. agricultural community.

Thank you for considering my views.●

● Mr. LANTOS. Mr. Speaker, recent remarks by Mr. Block, the newly appointed Secretary of Agriculture, indicate that the administration is considering discontinuing the Soviet grain embargo. I speak to urge the administration to stiffen the embargo rather than weaken it.

This is an important time to demonstrate clearly to the Soviet Union that the position of the United States is firm and unwavering with respect to the Soviet invasion of Afghanistan and all other travesties against human rights currently perpetuated by the U.S.S.R.

To withdraw the embargo at this time would be a mistake which would give the U.S. Government the appearance of hesitancy, lack of assurance, and inability to follow through with conviction. Further, evidence from bipartisan sources indicates that the effects of an embargo will be dramatically felt in the Soviet Union during the coming year as severe grain shortages and increased prices for grain products make a deep impact on the Soviet economy. If the embargo has been less than effective up to now, for a variety of reasons, forceful maintenance of the embargo for the next year should make our message clear. The use of food as a weapon is regrettable; but it is, without question, a more rational weapon than guns in the struggle to restrain the flagrant Soviet transgressions of international norms and human rights.

We must reassure American farmers that the price of this political strategy is not borne inequitably by them. The price stabilization programs, potential for crop acreage diversion programs, along with increased foreign markets in Europe, South America, and Asia have reduced the negative impact on the farm community. However, we should consider the grain embargo only one political tool in our expression of outrage about Soviet policy. Other trade policies need examination.

This is a critical period for maintaining a strong and unified position with respect to Soviet disregard for the rights of individuals and nations. In this field, the embargo, as in others we should work for more cooperative and united efforts with other nations. With Canada, Australia, and Argentina in particular we should move toward friendly cohesion to develop a coordinated food strategy vis-a-vis the Soviet Union.●

REV. RAYMOND C. BAUMHART

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. HYDE) is recognized for 15 minutes.

● Mr. HYDE. Mr. Speaker, I have taken a special order today so that my colleagues might join with me in paying tribute to Loyola University's outstanding leader, Rev. Raymond C. Baumhart in recognition of his 10 years of extraordinary leadership as its president.●

● Mr. ERLENBORN. Mr. Speaker, on Saturday of this week, the alumni of Loyola University of Chicago will pay tribute to the beloved man who has served for 10 years as the university's president, Rev. Raymond C. Baumhart.

The occasion is significant to me for two reasons: As an alumnus of Loyola, I have watched with pride as my alma mater has prospered under Father Baumhart's remarkable leadership during these difficult times for institutions of higher learning; and as a Member of Congress, I respect the intellectual and reasoned contribution he has made to our congressional deliberations on a host of issues.

Father Baumhart has given generously of his time and many talents to Loyola's administration, to its students, and to society. He deserves this special celebration, and I want to join other alumni and Illinoisans in saying thank you to this rare and good man.●

● Mr. ROSTENKOWSKI. Mr. Speaker, I rise in tribute to the distinguished president of Loyola University of Chicago, Rev. Raymond C. Baumhart.

In his 10 years of service as president of Loyola, Father Baumhart has enriched this university as a superb institution of education and medical research. He has clearly demonstrated his skills as an administrator while carrying out his personal commitment to the religious and educational development of others.

The list of his personal achievements clearly illustrates that Father Baumhart is a man of both hard work and commitment. Having received degrees in theology as well as philosophy, Father Baumhart was the first priest to receive a doctoral degree in business administration from the Harvard University Graduate School of Business Administration.

Additionally, he has written extensively on business ethics. Father Baumhart wrote the book "An Honest Profit: What Businessmen Say About Ethics in Business," and he coauthored "Cases in Business Ethics." His articles have appeared in various publications including the Harvard Business Review and Social Order.

Chicago's corporate community has recognized the great value of Father Baumhart's business judgment, and accordingly he is a member of the board of directors of the Jewel Cos. and Continental Illinois National Bank.

But exceeding even his personal achievements has been Father Baumhart's unwavering commitment to the Jesuit belief of the development of the whole person. As he has often stated, intellectual competence is essential and without it one cannot be effective. However, a student's social, moral, and spiritual growth must accompany intellectual competence for one to be of genuine service to our society.

Mr. Speaker, Father Baumhart has contributed and continues to contribute intellectual and spiritual leadership not only to Loyola University but to the entire Chicago community.●

● Mr. YATES. Mr. Speaker, it is a pleasure to pay tribute to Rev. Raymond C. Baumhart, Loyola University's outstanding president, on the 10th anniversary of his presidency.

The entire Chicago community is fortunate to have such a gifted educator. Father Baumhart is an excellent administrator, a strong community leader, and a gifted writer. He brings insight, dedication, and social responsibility to his varied activities. He has served with distinction, enriching the lives of countless students and contributing to the health and well-being of our community.

We wish Father Baumhart well on his 10th anniversary, and we look forward to many more years of his fine leadership.●

● Mr. DERWINSKI. Mr. Speaker, as an alumnus of Loyola University of Chicago, it is a special pleasure for me

to join this afternoon in honoring Father Raymond Baumhart, S.J., for his 10 years of outstanding service to the university as its president. Father Ray has earned the great respect and admiration not only from the academic and theological communities, but from students and laymen as well.

During the past decade of Father Baumhart's presidency, student enrollment has grown to make Loyola of Chicago one of the largest Jesuit universities in the United States and the second largest private university in Illinois. Loyola has become a center of education in the fields of law, medicine, the sciences, business, and the arts as a result of Father Baumhart's dedication to continually improving the educational facilities.

As one who is privileged to know Father Baumhart, he quickly earned my respect for his competence, diligence and resourcefulness in administering to the spiritual as well as educational needs of Loyolans. Father Baumhart possesses that rare quality of instilling an appreciation for the value of education and the development of spiritual awareness. His faith and devotion to his chosen vocation is a source of great inspiration to all who know him.

Father Baumhart has earned a most honored reputation as a scholar, teacher, author, and administrator. In addition to his present duties, Father Ray plays an active leadership role as chairman of the board of the Association of Jesuit Colleges and Universities and is a member of the executive committee of the Federation of Independent Illinois Colleges and Universities.

I know that I speak for all the Members who attended Loyola who know Father Raymond Baumhart, S.J., in expressing our sincere gratitude and appreciation for his leadership as an effective and dedicated educator during this productive period at Loyola University of Chicago. I join in offering my prayers for his good health as he continues God's work.●

● Mr. O'BRIEN. Mr. Speaker, for 10 years Loyola University of Chicago has benefited from the leadership of its president, Father Raymond C. Baumhart of the Society of Jesus. I wish to bring attention to the achievements of this remarkable man.

Father Baumhart distinguished himself at an early age. He served his country during World War II as an officer in the Naval Supply Corps. He earned a bachelor of science degree from Northwestern University and then three separate degrees from Loyola. As a young Jesuit, he taught high school students in Cincinnati. He also was the first priest to receive a doctor in business administration degree from Harvard University. The same path breaking spirit that led him to Harvard later inspired him to become an internationally recognized scholar in the field of business ethics.

Father Baumhart's administrative career began at Loyola in 1963, when he took the post of assistant dean in the school of business administration. He went on to serve as dean of that school and, later, executive vice president of the university. In July of 1970 Father Baumhart became president of Loyola, at the age of 47.

Under his guidance Loyola has flourished. New buildings have been constructed. More students have matriculated than at any time in Loyola's history. Large and generous bequests have been made to the university. New chairs in various departments have been founded. The research done at the university has achieved an unprecedented scope, investigating topics from the neurology of hearing to the Epistles of St. Paul.

Through his many years at Loyola Father Baumhart has always maintained that the university exists to educate the whole person.

Father Baumhart has said:

> There is more to an education at the university level than graduating large numbers of men and women proficient in economics, history, psychology, and a dozen other subjects.

Therefore, he has worked to make all learning done at the university value oriented. Under his administration the university planning committee formulated two documents which enunciate this policy, the "Mission Statement" and the "Statement of Values and Ethics."

Father Baumhart is a committed Chicagoan. He is mindful of Loyola's role in the Chicago community. He has maintained and expanded Loyola's many relationships with its neighbors. He has been an ambassador of good will for the university throughout the city.

In recognition of Father Baumhart's many achievements I am proud to join with other Loyola alumni and friends in celebrating his 10 years of guidance over the university, and in wishing him many more years of accomplishment.●

NUCLEAR INSPECTION TOUR OF THE FAR EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, as I indicated in a statement filed in the CONGRESSIONAL RECORD earlier this year, from January 8 through 18 I traveled to the Far East to inspect various nuclear power and waste facilities. This tour involved 5 days in Japan and 5 days in Taiwan. While the primary purpose of this visit, especially in Japan, was to learn about the status of the commercial use of nuclear power in these foreign countries, I also used the occasion to talk with the officials of these Governments about other matters of foreign and domestic policy.

The overwhelming impression I have of these countries is their successful economic growth and the purposeful linkage of that objective with developing independent sources of energy. Both countries have expanded their economies using the free enterprise system as much as possible and keeping State planning restrictions to a minimum. What this means for the stability of their currencies, unemployment rates, and the continued improvement in the standard of living for the Japanese and the free Chinese people, I will defer to the economists for detailed analyses. But there is no doubt that in general, both countries are in very good shape economically, despite having small land masses and very few natural resources of their own.

Mr. Speaker, although there are many factors contributing to the success stories of these two allies of the United States, as you know, my responsibilities on the Energy and Commerce Committee would cause me to look carefully at their energy policies. Having done so, I believe that these energy policies—keyed to making Japan and Taiwan independent of the OPEC oil cartel—constitute a major reason for the current good health of the Japanese and the free Chinese.

The time spent in Japan was devoted to examining the country's nuclear power developments. Japan presently has 22 nuclear powerplants in operation, with an installed capacity of 15,000 MWe, thereby making it the second largest nuclear power producer in the world. Nuclear power supplies approximately 13 percent of Japan's total electricity and accounts for about 4 percent of its total energy supply. By 1990, Japan's goal is to almost triple the percentage of nuclear power in its energy mix.

As in other countries, there is some opposition to nuclear projects, especially from local populations of proposed nuclear sites. Nevertheless, I believe there are three fundamental reasons why Japan will move forward with its nuclear programs: First, there is a strong consensus in the Government and among the Japanese people in favor of nuclear power because of its critical linkage to their domestic economy and international trade; second, the nuclear industry is well-staffed, and well-financed. It is better integrated with the other Japanese economic sectors—banks, universities and government—than any other Japanese energy producer. The Japan Atomic Industrial Forum is made up of a large cross section of Japan's economic interests going far beyond reac-

tor manufacturers. Accordingly, one can expect an expanded public relations campaign designed to educate the public to the positive aspects and benefits of nuclear power; and third, nuclear power represents the closest energy-independent source that Japan can attain. Toward this end, Japan has a vigorous research and development program in all aspects of the nuclear fuel cycle beginning with exploration for uranium through waste disposal. The principal Japanese organization for undertaking these programs is the Power Reactor & Nuclear Fuel Development Corp.—PNC. PNC is actively engaged in reprocessing spent nuclear fuel at its Tokai-Mura facility, which I visited. Close to a hundred tons of spent fuel have been reprocessed at this facility. Moreover, at the same site, a plutonium fuel fabrication plant is in operation. PNC also has responsibility for the design, construction, and operation of Japan's "JOYO" fast-breeder research reactor. Plans are underway for construction of the 300-MWe MONJU fast breeder prototype reactor and a target date for operation has been set for December 1987. The total cost of construction will be approximately 400 billion yen—$200 million. Twenty percent of the total cost—80 billion—will be borne by the private sector.

Taiwan has an equally, if not more ambitious nuclear program for the future, although due to the difference in industrialization with Japan, it, of course, has far fewer nuclear powerplants now in operation. Nevertheless, by the end of this century, the goal of the free Chinese is to have about half of their electricity emanating from nuclear power.

Their existing powerplants have been built by General Electric and Westinghouse. However, for the first time, the Taiwan Power Co. is now seriously considering purchasing a system bid by a company other than one from the United States. The company in question is a French one. In answer to my inquiries about this possible change in what has heretofore been an exclusively "buy American" policy on nuclear matters, I was given the following answer: recent uncertainties about the consistency and reliability of U.S. commercial nuclear power export policies.

My visit to Taiwan was more general in nature than in Japan, so that the itinerary included more than just nuclear matters. As a result, I was able to talk to President Chiang Ching-Kuo, Premier Sunyun Suan, and several of the Cabinet Secretaries about developments in their areas of responsibility of interest to the United States.

Along with inspecting one of their nuclear powerplants in the Republic of China, I had the unique opportunity to spend a day on the island of Quemoy, where the state of military readiness is indeed something to see. I also met with representatives of the American Institute in Taiwan, the American Soybean Association, and the American Chamber of Commerce to learn more about current conditions in Taiwan, especially following the U.S. derecognition decision in 1978.

As you know, Mr. Speaker, a legislative factfinding trip is more important for what one learns than for what one sees. While I saw some new things—since I had never been to the Orient before—among other things, what I learned in Japan and Taiwan that has particular significance for current U.S. export and energy policies was two-fold: First, in order to get out from under the thumb of the OPEC oil cartel, both countries are offsetting oil as an energy source with nuclear power; and second, not only are we losing business for our people because of the inflexible Nuclear Nonproliferation Act of 1978, but more importantly we are losing control over the sensitive material—plutonium—which becomes more accessible with the development of advanced nuclear technologies around the world. Both Japan and Taiwan would rather work with the United States on constructing nuclear reactors, purchasing enriched uranium, reprocessing the spent fuel, safeguarding the sensitive material, and managing the wastes involved, but for reasons of energy independence, they will go elsewhere if rigid U.S. policies force them elsewhere.

With particular reference to Japan, I would urge my colleagues in the House to read "The Risen Sun," an article by Isaac Shapiro in the winter issue of Foreign Policy magazine pointing out recent changes taking place in Japan which suggest a revival of Japanese nationalism and growing independence in international affairs like the neonationalist movement in France during the 1960's.●

DAVE STOCKMAN IS RIGHT ON THE MARK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. YOUNG) is recognized for 10 minutes.

● Mr. YOUNG of Florida. Mr. Speaker, after less than 2 weeks at work, Budget Director Dave Stockman, has already incurred the wrath of special interest groups by attacking the runaway Federal budget. Mr. Stockman has thrown down the gauntlet by challenging this Congress to live up to its commitment to cut Federal spending immediately.

Some of Mr. Stockman's recommended budget cuts in foreign aid were made public last week, and as we might expect, this proposal was greeted unfavorably by the foreign aid lobby. But, as Mr. Stockman says, if we are serious about cutting the Federal budget, then all programs must be scrutinized. Before we begin trimming domestic programs, we had better be prepared to reduce the dollars that flow out of this country in the form of foreign aid.

As the ranking minority member on the Appropriations Subcommittee on Foreign Operations for the past 4 years, I found many foreign aid programs that could and should be reduced. Mr. Stockman's suggested foreign aid cuts are an excellent starting point, however, we may be able to go even further in reducing some of these programs.

Regardless, the fact remains that Mr. Stockman has taken the initiative in cutting the budget. No one said that it would be easy, but reducing runaway spending is the most important challenge facing this Congress. I intend to support Dave Stockman in his effort to stop the hemorrhaging Federal budget. Clearly, foreign aid is an appropriate beginning.

As an example, one of the suggested Stockman cuts would substantially reduce the U.S. contribution to the International Development Association (IDA), which is the soft loan window of the World Bank. A soft loan is for 50 years with a 10-year grace period. There is no interest charge, rather only a less than 1 percent administrative charge. IDA extends these credits to the so-called least-developed countries. It is important to remember that Mr. Stockman is not suggesting that the United States should pull out of IDA, but rather we should reduce our contribution to it.

This proposed reduction is in reference to the IDA VI replenishment which the Carter administration negotiated. Under the terms of this replenishment, the U.S. share would be $3,240 million or 27 percent, to be paid in three annual installments of $1,080 million, fiscal year 1981-83. There were many of us in the Congress, including both Democrats and Republicans, who advised against such a large U.S. contribution to IDA VI. Consequently, the Carter administration was never able to obtain either the required authorization bill or the appropriation of $1,080 million in fiscal year 1981 as the first installment to IDA VI. The Carter administration in its last days did submit a fiscal year 1981 supplemental appropriation request for these funds and has resubmitted the authorization bill for consideration by the 97th Congress.

There are some who feel that President Reagan and the 97th Congress must enact the necessary legislation for IDA VI because it represents an internationally negotiated commitment which the United States should honor. I would point out that the U.S. Government's participation in the IDA VI negotiations was undertaken with the

full knowledge of all participating nations that these negotiations were contingent upon the United States obtaining both the authorizing and appropriating legislation from the U.S. Congress. This condition was spelled out in the communication delivered by the the U.S. representative participating in the replenishment negotiations when indicating preliminary U.S. acceptance of the terms of IDA VI. Consequently, since the 96th Congress never enacted either the required authorization or the appropriations necessary for U.S. participation in IDA VI, neither the Reagan administration nor the 97th Congress are required to lend support for this questionable initiative.

More importantly, as a result of the current economic crisis confronting our Nation, we must pay close attention to all new proposals which have the effect of increasing Federal spending. In addition, we must be wary of any new proposal which appears to have a minimum impact on short-term outlays but can be extremely expensive in the longer term outlay picture. IDA VI is just such a creature. Projected outlays for IDA VI in fiscal year 1981 are only $18.8 million, but by fiscal year 1983 they are projected to swell to $269 million. For the 3-year period of fiscal year 1984 through fiscal year 1986, IDA VI will cost the United States in outlays approximately $1.43 billion. In this regard it is important to keep in mind that the Reagan administration's most critical period for gaining control over the Federal budget by bringing it into balance is not the fiscal year 1981–82 period, but rather it will be the fiscal year 1984 to fiscal year 1986 period.

There are others who argue that we should support IDA VI because it is good for American business as a result of IDA procurement contracts being awarded to American firms. I do not accept this view. In the first place, while the United States has provided cumulatively 33 percent of all IDA resources, we have received only 15 percent of all IDA procurement of goods and services. In fact, over the last year the United States only received 10.8 percent of IDA's procurement contracts. By way of comparison, Japan provides only 9.9 percent of IDA's resources yet receives nearly 16 percent of all IDA contracts. West Germany provides 12 percent of IDA's resources and receives in return nearly 14 percent of IDA procurements. The United Kingdom provides 12.2 percent of IDA resources and receives 13.8 percent of IDA procurements. In the second place, there are many more cost-effective ways for our Federal Government to assist American business in promoting exports than having to borrow money in order to give it to IDA in the hope that some of our firms will receive procurement contracts.

There are others who would argue that we should support IDA VI because it represents an effective form of cost sharing in assuming the responsibility for helping developing countries. In part this is true because the U.S. share of IDA VI represents a reduction as other countries assume greater roles. However, I would hasten to point out that no other nation comes close to either the U.S. share of the IDA VI replenishment or our historical support for this institution. The truth is that the United States has done far more than its fair share in helping countries less fortunate than our own. In addition, I must point out that while the United States is being asked to provide $3.2 billion, for IDA VI, all of the OPEC countries combined will be contributing less than $700 million to IDA VI. These are the same OPEC countries which are expecting an annual surplus from oil sales in excess of $120 billion in 1980 alone. These are the same OPEC countries whose continued policy of price increases for petroleum is bringing about untold hardship to the governments in the least developed countries. While OPEC's price gouging is doing severe damage to our own economy, it is doing far greater harm to the fragile economies of these developing countries. For this reason alone, I believe it would be a wise and prudent course of action for the United States to insist on renegotiation of the IDA VI replenishment with the expressed purpose of obtaining a reduction in the U.S. contribution and a significant expansion of OPEC financial support for IDA VI.

Another argument frequently heard in support of IDA VI is how critical this replenishment is to the foreign policy of the United States. Clearly, continued U.S. participation in IDA is in our interest. Both Dave Stockman and myself agree with this view, however, that is not the issue. What we are arguing for is a much needed reduction in the level of U.S. support for this particular institution. In terms of promoting U.S. foreign policy through IDA, one has to look carefully at who receives IDA funding. Approximately 41 percent of all IDA lending has gone to one country—India. IDA has provided soft loans to India totaling over $8.3 billion. When you add in Bangladesh, Pakistan, and Indonesia, you can account for nearly 60 percent of all IDA lending worldwide. One has to ask whether 60 percent of the U.S. contribution—$6.4 billion not including the $3.2 billion for IDA VI—going to these four countries is in the foreign policy interest of the United States? In addition, what have we gotten in return for this investment in terms of improved relations with these countries? The fact is that IDA recipients do not consider it U.S. assistance. In the case of India, they seem to go out of their way to distance themselves from U.S. foreign policy. One example of this is in the area of nuclear proliferation—India has already exploded a nuclear device but is unwilling to sign the Nuclear Nonproliferation Treaty. Finally, one should be aware that these same countries receive substantial amounts of additional aid from not only other multilateral institutions, to which the United States is invariably the largest single contributor, but from our many and varied bilateral programs as well.

Any discussion of IDA is not complete without reference to the growing body of evidence that all of the IFI's, including IDA, are expanding far too rapidly. Over the past 4 years I have addressed this issue repeatedly. I have highlighted the concerns expressed in the House Appropriations Committee's investigative staff report on the international financial institutions which was completed in March of 1979. There are a number of other reports which essentially deliver the same message. The quality of the project being funded by IDA is suffering due to the insistent demand for moving projects regardless of need or absorptive capacity of the loan recipient countries.

There is absolutely no question in my mind that IDA can and should do with far less resources. OMB Director Dave Stockman has signaled a willingness on the part of the new administration to fight for restraint in IFI growth, I only hope that we in the Congress have the courage to stand with him in the face of the cries from special interests.●

UKRAINE INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. RITTER) is recognized for 5 minutes.

● Mr. RITTER. Mr. Speaker, I am pleased and honored to participate in this special order to commemorate the 63d anniversary of independence for the Ukraine. As many of you know, the Ukrianian State was founded on January 22, 1918, and survived for several years before the totalitarian regime of the Soviets succeeded in overrunning the Ukraine and imposing on the Ukrainian people the same oppressive and ruthless control that exists today in so many other captive nations.

I have lived in the Soviet Union and observed firsthand some of the abuse and persecution that is heaped upon the Ukrainian people by the Soviet Government. I have observed their independent and indomitable spirit and their strong will to survive, hoping that one day they will truly be free people.

It is very appropriate today to pause and reflect on the condition of these brave people of the Ukraine, to realize that in spite of enormous adversity, there exists deep in their hearts a spirit of independence and freedom. We must help keep that spirit alive and do all we can to speed the time when these people will truly be free. We must insist and keep insisting that the Soviets adhere to the letter and spirit of the Helsinki accords and provide the basic human rights guaranteed by that agreement. We must continue to draw attention to the world community of the persecution and abuse and harsh treatment these captive nations receive at the hands of their oppressors.

Through us, we must insure that the Ukrainian spirit of freedom never dies, that the hopes and dreams of freedom for that nation will be fulfilled. It is not only our responsibility but our duty to do what we can to help them.●

VETERANS EDUCATIONAL ASSISTANCE ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. MONTGOMERY) is recognized for 10 minutes.

● Mr. MONTGOMERY. Mr. Speaker, last week, Congressman HAMMERSCHMIDT and I introduced H.R. 1400 which would establish a veterans' education and training assistance program for certain individuals serving in the Armed Forces.

This proposal is in response to the apprehensions of many Members regarding the failure of the military to achieve its recruitment quotas, and to recruit and retain quality personnel. If approved, the bill will enhance the capability of the Armed Forces to recruit and retain quality personnel, and at the same time, provide education and training assistance to all high school graduates who serve a minimum period of at least 3 years in the Armed Forces. H.R. 1400 also has a number of provisions to enhance recruitment and retention of personnel for the Selected Reserve and National Guard.

As I indicated in my statement when H.R. 1400 was introduced, President Reagan told the delegates to the National Convention of the American Legion on August 20, 1980:

> We must provide the resources to attract and retain superior people in each of the services. We should take steps immediately to restore the G.I. bill, one of the most effective, equitable, and socially important programs ever devised.

Hopefully, the budget amendments for fiscal year 1982 to be submitted by President Reagan next month will include funds to establish a veterans' educational assistance program which will be part of President Reagan's legislative program for fiscal year 1982.

Available information indicates that the best of all possible worlds is one in which the recruit and service member can avail themselves of preservice, inservice, and postservice benefits and provisions for certain eligible service members to transfer their unused educational benefits to their dependents. I believe the provisions of H.R. 1400 will accomplish these purposes, and will provide a tremendous boost to the Armed Forces in its efforts to recruit and retain the kind of personnel the military forces needs to carry out its mission all over the world.

It is anticipated that there will be hearings on H.R. 1400, and similar proposals, in the near future. All Members are invited to join with me in cosponsoring this most important legislation.●

STATEMENT ON JOINT RESOLUTION TO ESTABLISH A COMMISSION ON PRESIDENTIAL NOMINATION PROCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 5 minutes.

● Mr. UDALL. Mr. Speaker, it is apparent to many of us that our Presidential nominating process is out of control and badly in need of reform. Last year we endured primaries in 37 States and hundreds of district and county caucuses in the remaining States.

The length of the preconvention campaign has been exhausting for both the candidates and voters. Aside from the preprimary campaigning, which actually began almost 2 years ago, we have had primaries running from New Hampshire in February to the last set of elections in June. The money involved greatly benefits the wealthier, well-known candidates. The early primaries have taken on an exaggerated importance and as a result, people in California, Ohio, New Jersey, and other late primary States were unable to choose from the full range of candidates. The decreased choices in the late primaries is a major fault with simultaneous, but geographically scattered, primaries that are staged through a 6-month period.

I am introducing a resolution to establish a Commission on Presidential Nominations to provide an urgently needed review of the Presidential nomination process. A similar resolution in the 96th Congress received broad bipartisan support in both the House and the Senate.

The Commission would analyze the current and alternative methods for the nomination of Presidential candidates, the selection of delegates to national nominating conventions, campaign financing, the selection process for Vice President, the effects of the news media, voter participation laws and regulation, and races by independent candidates for President.

The 20 members of the Commission would be appointed—6 each by the President pro tempore of the Senate—on the recommendation of the majority and minority leaders—the Speaker of the House, and the President, and would include the chairpersons of the two national parties serving ex officio. Members of Congress, elected and appointed State officials, and other citizens would be eligible. Its findings and recommendations would be reported within a year of the resolution's enactment in order to allow the Congress to act well in advance of the 1984 elections.

Mr. Speaker, we Americans go through this handwringing with regularity. After each Presidential election, the media, the voters, and the candidates all sag a bit and complain wearily that: First, something ought to be done about it or, second, ask why nothing has been done about it. This is always as far as it goes.

We can change all of that with this resolution that Congresswoman SNOWE and I have introduced today. It merits the attention, and support, of every bone-weary voter, reporter, and candidate who has ever gone through an American Presidential campaign.●

ASSASSINATION OF FEDERAL DISTRICT JUDGE JOHN W. WOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise because it has been said that the reason I have gotten up repeatedly on several subject matters in the last 2 years almost has been possibly because I would get some political mileage and particularly last year being an election year.

Of course, I never worry about it because you will always have that attitude, particularly about politicians that seek reelection every 2 years. And the truth, anyway, eventually, comes out. But I certainly would find very little political mileage in seeking this forum, with television cable coverage such as it is, when my district does not benefit from that kind of cable television service; in other words, my district is not one of the beneficiaries of it, so I would be a mighty poor politician to think I could use this as an instrumentality.

What motivates me is the fact that this is the only forum and the only tool that can effectively be used in registering the voice that one has here as a Member of the House.

I spoke out on what continues to be, in my opinion, the No. 1 issue confronting our Nation. That is the murder and assassination of the Federal District Judge John W. Wood in

San Antonio, Tex., 2 years ago on May 28.

□ 1400

Now, I have spoken out, as I have said repeatedly before, before the assassination of Judge Wood. Just 6 months before that almost to a day, there was the attempted murder of Assistant District Attorney James Kerr. And the murder of Judge Wood is unprecedented in the annals of American judiciary. We just simply have not had that kind of crime committed before.

The murder of Judge Wood is a clear declaration of war, insolence on the part of organized crime, which says that it can commit this kind of crime, flout the law, flout the enforcement officials, and challenge the whole structure of our U.S. Government, from the legislative to the judiciary to the executive, particularly the law enforcement branch, in the most serious way. So, we find that even up to this point the judiciary and the officers thereto are under U.S. marshal surveillance. It has cost the taxpayers millions of dollars to provide that while those who perpetrated the crime, as I have said, walk the streets with their heads insolently held high and feeling some protection and safeguard from prosecution, much less conviction.

I spoke out in a sort of a summation, in a very discouraged way, late in the summer; in fact, almost the beginning of autumn, on this floor. I had circulated a dear colleague letter with respect to a resolution expressing the sense of the House that we would urge the President to declare a priority in this crime by giving notice to the Justice Department that he would approve up to $3 million as reward money for information leading to the arrest and the conviction of those who attempted to kill James Kerr and those who had killed Judge Wood. The reason I did that was not because I felt that that amount or that approach was something I was cooking up, but I have had intimate contact with law enforcement level officials on all levels—local, State, national, for many years; even before I thought I would be in politics. I myself have been in law enforcement. I was chief juvenile probation officer for Bexar County for several years a long time ago, and I have nothing but sympathy and a sense of showing the problems and the degree and extent of the tremendous insoluble problems that are thrust upon our policemen and law enforcement agents to solve cases when actually we are making it almost impossible for them to do so.

This is the case with organized crime, as I have said—King Crime, as I call it.

Now, I have been told that the meager amount of reward available now—not public money, but private money subscribed to by some business elements in the San Antonio area, was insufficient; that there was one case in Houston, the neighboring city, in which there was an individual who, in exchange for absolute protection and more than the reward money that up to now has been available, would provide definite information, but was very fearful of his life. In fact, he said bluntly that he was not about to risk his life for $75,000 or $50,000.

The $3 million figure was a figure that we felt and that these law enforcement agents felt would be realistic, and if we did not appropriate it—and my resolution did not call for an appropriation but just said to the President, "Look, Mr. President, we think you ought to give this national priority, this crime. It has reached that point. Will you please let the Justice Department know that if they can effectively do so, you will have available to them up to $3 million for that purpose; namely, leading to the arrest and the conviction of those responsible."

Well, as I was talking, three of my colleagues on the other side of the aisle got up and very magnanimously said, "We did not know about this even though you circulated a letter, but we want to pledge to you support. We will be glad to do anything we can."

Well, that lifted my spirits because, for the first time, I saw that maybe I could get an effort to get a simple House resolution to a vote, because I am convinced that if we bring it to a vote, it will pass, because we are not appropriating money, but just a sense of the House. Well, a few minutes after that these same gentlemen looked me up and said that they would have to withdraw their support because they received a call from a colleague who, incidentally, represents the area in which the killing and the attempted killing took place. These gentlemen said, "You know, we would like to but we do not want to get into any kind of political fight. We do not know why he is calling us in very, very angry tones for us to disassociate ourselves from you."

I cannot to this day understand why either, for I had, and certainly at that time did not have, any kind of quarrel, or difference, particularly on this level where I have always gone on the basis that I am here to legislate. I am not here to fight. I do not duck a fight, but I do not look around for fights. I came up here to legislate, and it takes all my available strength and knowledge and ability, with all its limitations, just to try to perform as a legislator. So, I still do not know why.

It discouraged me, but I want to report to the House that I am ready to resume, and I am going to start asking for support on this money because in the meantime there has been no break in the case. It has been exactly where it has been all along. We had a lot of newspaper publicity because we had some news stories about some would-be culprits who are in jail in Houston and have been making statements and charging all kinds of violations of constitutional rights. But there is no breakthrough in either one of the cases.

I say to you that our whole system shows its clear vulnerability. I have said and charged before that organized crime has taken over completely from the highest level in our governmental circles and business circles to the lowest; from the national to the local. It is just a fact, as I see it, and the murder of Judge Wood is so unprecedented, so outrageous, that to think that almost 2 years later we do not even have an indictment; we do not even have an arrest; we do not even have a viable lead, is absolutely incredible; and I think is something that I should not cease to talk on.

Second, I also spoke out on the matter of the expulsion of former Representative Myers, and all in its wake, the Abscam procedures, in which again we have the first threat to the independence of the legislative branch, the first branch, by the executive. If the tactics used in Abscam fail to escape the minute attention, the thoroughgoing review by either the House or the Senate, let me tell you that the days of the independence of the legislative body are gone, gone if they have not already. I think they have.

No such thing could ever have happened in England with the Parliament having passed a resolution of contempt against that branch of the Crown's government had they attempted such a thing the way the thing was done. Now, the reason that there is so much confusion, and because we are all against corruption, we are all against dishonesty, and Americans take it for granted that we are honest. At least when I run, I have taken it for granted that my opponents and everybody else are honest because we take it for granted, and therefore we should react violently and with the greatest of indignation to wrongdoing, but the issue here is not wrongdoing. The issue now is the independence of the representative branch of government.

The third thing I spoke out on was more recent, and again unfortunately I could not make any points with the Carter administration. It has to do with the thing that I think is going to trip this country up in the Western Hemisphere in the worst possible way, namely, El Salvador. I spoke out on April 1 for the first time. I was concerned about the safety of our diplomatic mission. Since then, Americans have been killed. Fortunately, it has

not been the Ambassador, but the chances are that that too will happen rather than that it will not. In the meanwhile, we are being jockeyed into a position that no matter what this Government does, it is going to be wrong.

I suggested on April 1 to President Carter that he immediately exert American leadership collectively in the Western Hemisphere through the OAS, the Organization of American States. I feel now that that may be too late, but it is the only way because even if the right thing to do is to intervene unilaterally, it will be wrong from a historical and a practical purpose.

So, I am sorry that whatever I spoke out on that was to no avail. I will speak out on that again in the future because I think there are still points I want to make.

The last thing I want to speak on is a resolution I introduced. It has to do with Iran. I think it is absolutely unbelievable that on both sides, neither the Senate nor the House has looked to the clear constitutional duty imposed under the express powers conferred on the Congress by the Constitution in article I, section 8, clause 10—the last half of clause 10. Everybody has looked at the first half, and especially when the Government started, because piracy and the question of litigation of prizes was the big thing, but everybody has overlooked the second half where clearly the men who wrote the Constitution visualized this unprecedented act of outlaw and brigandage by Iran when they imprisoned our diplomatic personnel. That has not happened since before the Middle Ages, but the duty is on us under the Constitution to define that crime and to provide the punishment therefor.

You might say, "Punish how?"

There are many ways. The President did the right thing. He went to the United Nations; he went to the International Court of Arbitration and Justice, the World Court. All of them said that we were right, and so now to sit by because the hostages have been released and say, "That's it," I think is an egregious error and one that invites rather than diminishes a chance for future occurrences of this type.

Iran must be made to pay. By war? No. There are other means, but we have got to define it because otherwise even those actions taken thus far are questionable under international legal interpretations. But, if we define them, we will be right.

HOUSE RESOLUTION 43—A RESOLUTION OF THANKS FOR THOSE WHO HELPED IN THE RELEASE OF THE HOSTAGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr Speaker. I am sure that every resident of the 15th District of Michigan joins me in welcoming home 52 great Americans. I am proud to be a cosponsor of House Resolution 43—a resolution of thanks to some of the individuals who worked relentlessly until the final peaceful solution was reached. This resolution pays appropriate tribute to former President Jimmy Carter, former Secretary of State Edmund Muskie, and former Deputy Secretary of State Warren Christopher. Without their efforts, especially in those final few days, we might not have had a solution.

This resolution also offers our appreciation to the Algerian negotiators who played such an important role. They helped us prove that there are peaceful methods of solving international conflicts. Their commitment to negotiate brought this serious situation to a conclusion, and allowed our fellow citizens to come home.

Our sense of pride must be tempered, however, as we remember with sorrow those who lost their lives in the attempted rescue of our former hostages. Eight brave Americans died in a faraway hostile country, in a sandstorm. There is not a person in this country who is going to forget their heroic efforts.

Again, Mr. Speaker, I am proud to be a cosponsor of such a special resolution. I am happy that this measure welcomes the former hostages back to freedom in the United States. May their lives and those of their families be filled with peace.●

CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET, THE TIME HAS COME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

● Mr. LEVITAS. Mr. Speaker, I am reintroducing legislation which proposes an amendment to the Constitution of the United States requiring that the budget be balanced. I have been fighting for a balanced budget ever since I came to Congress over 6 years ago.

At first, calling for a balanced budget was like a voice in the wilderness. Now, that voice crying in the wilderness has become a roar because it has become the collective voice of the American people, the administration, and, I believe, a majority of our colleagues.

The American people know that you cannot continue to outspend your income year after year without at some point reaching the day of reckoning. We have reached that point, and we have the support of the public to balance the budget.

We must now balance the budget in order to create a psychological climate which repudiates the past irresponsible spending habits of our Government and sets the stage for dealing with our most serious domestic problem, inflation.

What makes inflation such an intractable problem is that there are a number of causes, and we must deal with each of them—Federal deficit spending (which we are now attacking); excessive Federal regulation of the private sector that drives up costs and prices; price increases which do not reflect production costs; wage increases without increased productivity; price increases for basic and vital commodities such as oil, over which we have no control; and the inability to increase our productivity which may well be the most important factor in our inflation rate.

Let us remember who inflation hurts the most when we come to the hard choice about making spending cuts. Sure, it inconveniences the wealthy because they have to spend more for goods and services. But it strikes harder at the middle class who are struggling to make ends meet. And it is the poor and the elderly, those on fixed incomes, who are devastated by inflation. The very poorest people rarely even benefit from the social programs we have to cut. The poor have no elasticity in their budgets. They cannot make the "sacrifice" of a second car or a third television set. When food prices go up, they eat less. When transportation costs go up, they stay at home. When heating fuel prices jump, they are cold.

Remember those people and remember the hard-working, unsubsidized middle-income people, who pay most of the taxes, when you are confronted with the hard choice of voting for spending cuts called for by a balanced budget.

The balanced budget will strengthen the economy because only with a balanced budget can we reduce the national debt and eliminate Government deficits which means less Government borrowing in the private money markets. That, in turn, will mean more money will be available to private lenders and borrowers, and that translates into more housing starts, more capital expansion, more credit for farmers.

Here we begin to boost productivity and attack one of the root causes of inflation. If we are going to stimulate productivity in the private sector, we have got to put an end to Government competition for the limited funds available for private sector investment.

The Federal Government is also in competition with the private sector for goods and services. If the standard

definition of inflation is "too many dollars chasing too few goods," then the excessive Federal spending of the past years has contributed to that inflation. It is time to put an end to inflationary programs which increase the amount of money in circulation, but do nothing to stimulate the investment cycles which improve productivity in the business sector and result in jobs and greater balance between prices and costs of production. A balanced budget will mean a cut in real spending by the Federal Government and a decrease in these nonproductive programs.

Further to stimulate investment and productivity, a balanced budget with reduced spending and reduced deficits can and should be tied to tax cuts. A tax cut, tied to a balanced budget, means that people will have more money to spend and invest—again, another boost for productivity.

We have not had a balanced budget since 1969. Since that time, the Government has spent like a drunken sailor, money that we did not have to spend.

We were, in effect, charging fur coats to our grandchildren. We are paying the price for our recklessness now in astronomical interest rates, double-digit inflation, swollen governments at all levels, and a regulatory morass created to administer the spending of the money we did not have.

Some people have said that Congress alone is the cause of increasing Federal spending. Congress certainly has played a role in the sad history and now that is being changed this year. But I think it important to point out that each and every year since 1970, the Congress has appropriated fewer of the taxpayers' dollars than the Presidents have requested. I repeat, in each year Congress spent less than the President requested and that goes for President Nixon and President Ford, as well as President Carter.

A balanced budget means that we are finally putting a stop to the spending spree. We are creating a psychological climate which repudiates the past and says to ourselves, to the stock and bond markets, to our trading partners, to the rest of the world, that we will put our fiscal house in order, that we will restore faith in the value of the dollar, that we will increase productivity, that we will decrease our national debt, that we will begin to act in a fiscally, monetarily, economically sound way. We will begin to set a climate of careful management of our income, careful husbanding of our resources, careful planning and tighter control of our budget.

We must send the message to the spenders in Congress and to the American people that a balanced budget is essential and attainable, and is the only way to restore fiscal sanity to our economy.

I urge my colleagues to join me in this effort to balance the budget.●

SOCIAL SECURITY BENEFITS FOR DISABLED SPOUSES, WIDOWS AND WIDOWERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. OBERSTAR) is recognized for 5 minutes.

● Mr. OBERSTAR. Mr. Speaker, for several years now, we have been cautioned that social security commitments may be greater than the willingness or ability of future workers to support the program. As a result, the 1977 Social Security Amendments sharply reduced future retirement benefits. Last year, disability benefits were reduced by as much as 30 percent for young disabled workers. This year there has been talk about eliminating the minimum benefit and denying benefits to children of retired, disabled, or deceased workers who wish to go to college or vocational school after they are 18 years of age.

In this atmosphere, it is somewhat like rowing against a tidal wave to continue to call attention to unfairness in present law. Nevertheless, I believe any review of the social security program must include a reexamination and a restatement of program principles. My own review has led me to the introduction of H.R. 1266 to amend the Social Security Act to provide benefits for disabled spouses of annuitants, full benefits for disabled widows and widowers, and to remove the recency of work test for all fully insured individuals.

The premise of the Social Security Act is that workers who are aged or disabled are entitled to a wage replacement benefit. An additional benefit is added for aged spouses or for a younger spouse if there are young children to be cared for. Survivors' benefits are payable to dependent children and to the parent providing care if the children are under 18. A spouse who is not yet retirement age or who is not caring for children is not eligible for a benefit as he or she is expected to be able to enter the labor market. This expectation is neither realistic nor in keeping with the principles of the act if the spouse is disabled.

My bill provides that the disabled spouse of any annuitant will be treated under the law as if he or she had reached age 65. That is, unreduced spouse benefits would be payable from the first month the wage earner was entitled to a benefit.

A second provision similarly authorizes unreduced benefits to disabled surviving spouses at any age.

In 1967, when widows' benefits were first provided to women over age 50, the drafters of the legislation took a cautious approach. Questioning the ability of vocational experts to judge the wage earning potential of persons who had never been a part of the work force, the bill decreed that widows would be judged by medical critieria alone. If the experience of wage earner claims is applicable, approximately 25 percent of severely disabled widows are rejected because their age, education, and experience are not considered.

The irony of this stricter test of disability is twofold. First if a widow is found so severely disabled as to qualify for a benefit, her annuity is still actuarially reduced for each month she is under 65. Second, if on the basis of medical impairments alone she is not considered disabled, she can exhaust all her resources and then qualify for SSI because since 1974, the same State agencies which, presumably, are unable to apply vocational factors to disabled widows have been applying those factors to SSI applicants whether or not they have ever been a part of the work force.

The final provision of my bill eliminates the requirement that disability benefit applicants must be insured in 20 of the 40 calendar quarters ending with the onset of disability. This so-called recency of work test unfairly discriminates against women who are in and out of the labor market due to child care and homemaking responsibilities. It penalizes persons whose work careers alternate between public employment and employment covered by social security. It also discriminates against persons with chronic or degenerative diseases who are often denied the opportunity for employment long before they are able to meet the strict disability criteria of the law.

Disability benefits are based on average indexed earnings over a working lifetime. Under the new disability law, fewer years of low or no earnings can be dropped out of the computation when averaging wages and no dependents benefits are now paid to disabled individuals with a significant number of years with zero earnings. Under these circumstances, I believe it is time to change the insured requirement for disability from one-quarter out of two to one out of four, which is the measure for fully insured status.●

BOB GIBSON INDUCTED INTO THE BASEBALL HALL OF FAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. DAUB) is recognized for 5 minutes.

● Mr. DAUB. Mr. Speaker, on the 15th of January 1981, the Baseball Hall of Fame inducted into its league of legends one of the greatest pitchers in the history of the game—Bob Gibson. I think it a tribute to the man

and his achievements that not only was he an overwhelming choice for induction, he received this honor in his first year of eligibility—a distinction shared by only 11 other players. Elected by 84 percent of the total ballots cast, Gibson's competition included such greats as Don Drysdale, Gil Hodges, and Harmon Killebrew.

I am privileged to call this to the attention of the House and to share with my colleagues a brief synopsis of his career.

Gibson pitched just over 3,884 innings in his 17 years with the St. Louis Cardinals. He struck out 3,117 batters, making him one of only four pitchers to retire more than 3,000 batters. He amassed 251 wins while losing only 174 and attained a remarkable earned run average of 2.91.

In five seasons he distinguished himself by winning 20 games. Of the nine World Series games he pitched, seven straight victories are to his credit. He is the only pitcher to have won the seventh game of the World Series twice.

In the 1968 World Series opener against the Detroit Tigers, Bob Gibson struck out 17 batters—a record that still stands. He has received the Most Valuable Player Award and is a two-time recipient of the Cy Young Award. Now, as a fitting tribute to a brilliant baseball career, Bob Gibson is immortalized in the Hall of Fame.

Ron Fairly once said of Bob Gibson:

> There are players that play the game of baseball that attempt to live up to standards. This man sets them.

Mr. Speaker, the House is not just a Chamber privileged with legislative authority. It is also privileged to recognize true excellence across the Nation. In my mind, the name Bob Gibson is synonymous with excellence. I ask the entire House to join in honoring Bob Gibson upon his receiving the crowning award of his profession—induction into baseball's Hall of Fame.●

LEADING THE WAY IN PROTECTING AMERICA'S FARMLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. PEASE) is recognized for 5 minutes.

● Mr. PEASE. Mr. Speaker, America's farmland is a natural resource of profound national and international importance. This land enables our people to be among the best fed in the world and, at the same time, to contribute more than any other nation toward fighting world hunger. It is no secret that our agricultural economy is the envy of the world, and American farmers through their productivity make the biggest contribution toward redressing our serious balance-of-payments problems. But forces are at work within our society and isolated decisions about agricultural lands with potentially grave consequences are actually being made now at a time when the crucial importance of this resource is practically invisible to most Americans. Consider the following:

Secretary of Agriculture Bob Bergland said:

> In my lifetime, we have paved over the equivalent of all the cropland in Ohio. Before this century is out, we will pave over an area the size of Indiana.

One million acres of prime American farmland has been converted to nonagricultural use per year during the past decade.

Three to five million acres per year is the rate at which all U.S. farmland is being converted to nonagricultural use.

Since we are a largely urban society, many of us may ask: "In a country as big as America, why should we be concerned if the total acreage of farmland is declining?" The seriousness of the threat posed by current trends of vanishing farmland was graphically illustrated by Washington correspondent George Anthan in a series of articles published last July in the Des Moines Register:

> Everytime a baby is born in the United States, agriculture loses 1⅛ acres of cropland. The connection isn't direct—it's a mathematical comparison of population and land-loss trends—but it dramatizes a problem; our population is growing, our available farmland is shrinking, and our per-acre crop yields are leveling off.

Anthan lists the following projections for the year 2000 if current farm land losses continue:

All food produced in the United States will be consumed here;

Consumer food prices will be pushed sharply upward. This will be a real price increase, not just an inflation increase;

Food exports no longer will be available to help offset massive trade deficits, such as payments for foreign oil. This almost certainly would have a major negative effect on our national economy, and

The hungry people of other nations will be on their own for food supplies.

To make matters worse, foreign investors are buying more and more American farmland. They even get a break on capital gains taxes that Americans do not get. A GAO report issued last July found that in a survey of all land purchases in 55 counties between January 1, 1977, and June 30, 1978, of the 3 million acres that changed hands, 248,146 acres—8 percent of the total—was purchased by foreign investors from at least 30 countries.

Many other countries do much more than America to preserve ownership of land among their own citizens, particularly farmland. For example, most of the OPEC countries have laws prohibiting foreigners from buying any public or private lands within their borders. I am including with this statement a chart demonstrating how much easier it is for foreign investors to buy American farmland than is the case in many countries including our allies, such as Japan.

Concern for our shrinking farmland is growing. Unfortunately, as is too often the case, some U.S. Government agencies are working at cross purposes. Although the 1969 National Environmental Policy Act, an August 1976 memorandum by the President's Council on Environmental Quality, and the U.S. Department of Agriculture's current land-use policy all ask Federal agencies to analyze the effects of their activities on prime farmland and to make a special effort to protect these lands from conversion to other uses, the General Services Administration (GSA) has not gotten the message. Even now, while the national agricultural lands study which was initiated in June 1979 with 11 Federal agencies participating, under the cochairmanship of the U.S. Secretary of Agriculture and the Chairman of the Council on Environmental Quality, is underway and due to be released very soon, the GSA has continued to sell prime farmland for nonagricultural uses.

Specifically, in 1979, GSA sold at public auction or transferred to local governments and nonprofit organizations approximately 14,340 acres of land valued at $165 million—some of it prime farmland—with little regard for returning to agricultural use surplused Federal land. As you might imagine, those Americans who were farming the land prior to its acquisition by the U.S. Government find it very difficult to reacquire the same land when it is surplused and they have to compete in public auction with foreign investors and/or commercial developers.

At this juncture, when the Federal Government's role in support of State and local government efforts aimed at retaining farmland is still evolving, it makes sense for the Congress to take a qualified step to encourage returning farmland no longer needed by the U.S. Government to farm production in American hands. I have prepared a bill to achieve this limited and timely purpose.

My bill amends the Federal Property Act of 1949 to state that, with respect to surplus Federal lands to be disposed of by GSA which were in agricultural use at the time they were acquired by the U.S. Government, prior owners or tenants who lease from prior owners would be given first right of refusal to buy back their farmland at fair market value as determined by independent appraisal. In simplest terms, under my bill persons who were farming certain lands and who sold their property to the U.S. Government would be given the right to buy their land back prior to it being

auctioned in public, provided they agree to return the land to agricultural use for the lifetime of the prior owner or tenant, whichever applies.

This legislation will insure that the U.S. Government protects our vital interest in keeping prime American farmland in agricultural use and primarily in American hands. It is fair and prudent that the U.S. Government set an example by giving American farmers the right to buy back their land at fair market value once the U.S. Government no longer has a use for it.

GSA should have no difficulty in administering this bill should it become law, since there already exists legal precedence for granting first right of refusal on farmland surplused by the Federal Government. Throughout the 1940's, such a priority was established under Federal law by the Surplus Property Act.

Finally, to underscore the importance of the Federal Government taking the lead in addressing the problems resulting from vanishing farmland, I am inserting the following for the RECORD:

First, a list showing how several other countries regulate the use of their public and private lands; and

Second, a compelling article from the July 1, 1980, edition of the New York Times by M. Rupert Cutler, the former Assistant Secretary of Agriculture for Natural Resources and Environment, in which he calls attention to our need to act to avert a crisis developing because of the rapid loss of agricultural land.

COMPARATIVE LEGAL REQUIREMENTS GOVERNING PURCHASES OF LAND BY FOREIGN NATIONALS IN SEVERAL DIFFERENT COUNTRIES

Iraq, Kuwait, Qatar, Libya, and Saudi Arabia: These nations prohibit foreigners from purchasing public or private land.

Portugal, Belgium, and United Kingdom: No restrictions are placed on aliens who wish to purchase public or private land.

Argentina: Aliens are required to register with the government if purchasing public or private land.

Austria: All Austrian states restrict foreign ownership of agricultural and forestry land, and the majority of them restrict alien ownership of all public or private land. Aliens must obtain a permit from the state government to purchase public or private land that is available to foreigners.

Brazil: Aliens are not allowed to own land along national borders. Aliens are not allowed to own agricultural land without permission from the government. Foreigners are allowed to purchase all other public or private land that is for sale.

France, West Germany: Aliens are allowed to purchase public or private land if there exists a reciprocal relationship with the country the alien is from.

Guatemala: Foreigners must obtain a permit from the government before purchasing public or private land. Aliens cannot buy land within 3 kilometers of oceans, lakes, or rivers. Foreigners cannot buy land 50 kilometers of a border line, unless they obtain special permission from the government.

Mexico: Foreigners can purchase public and private land with permission from the government. Under no circumstance may an alien acquire direct ownership of lands or waters within a zone of 100 kilometers along the frontiers and 50 kilometers along shores of the country.

Japan: Foreigners may acquire public and private land after obtaining the approval of the government.

Canada: Strict screening procedures are used by the government to check aliens who wish to buy public or private land. The Canadian provinces also impose their own restrictions on foreigners who want to buy public or private land.

Switzerland: Aliens must obtain a permit from the government. Foreigners are not allowed to buy land near military installations.

Sources: "Foreign Investment in U.S. Agricultural Land—How it Shapes Up." G.A.O., July 30, 1979. "Land Ownership by Nonresidents in Certain Foreign Countries," Carleton W. Kenyon, Law Library of Congress, November 28, 1979.

[From the New York Times, July 1, 1980]

THE PERIL OF VANISHING FARMLANDS

(By M. Rupert Cutler)

WASHINGTON.—America is on the brink of a crisis in the loss of agricultural land that may soon undermine our ability to produce sufficient food for ourselves and other nations of our hungry world.

Every day in the United States, four square miles of the nation's prime farmland are shifted to uses other than agriculture. Visualize a strip of land a half-mile wide stretching from New York to California. That's a million acres—the amount of prime farmland irreversibly lost to agriculture every year through urban sprawl.

Florida, producer of half the world's grapefruit and one-fourth of the world's oranges, will lose all of its unique and prime lands in less than 20 years if the current conversion rate continues. New Hampshire and Rhode Island also are destined to lose all of their prime agricultural land.

The status and availability of our agricultural lands are being examined in the National Agricultural Lands Study, being carried out by a Federal inter-agency task force led by President Carter's Council on Environmental Quality and the Department of Agriculture. Ten other Federal agencies are participating.

The study's projection for an imminent wipeout of unique and prime farmlands in Florida, New Hampshire and Rhode Island is based upon its analysis of the Agriculture Department's 1967 conservation-needs inventory and the Soil Conservation Service's 1977 national-resource inventories, which showed acres converted to urban, industrial, transportation and water uses in every state.

If conversion continues at the 1967-1977 rate, grave losses are foreseen in other states. West Virginia will lose 73 percent of its prime farmland in less than a generation; Connecticut, 70 percent; Massachusetts, 51 percent; Maryland and New Mexico, 44 percent; Vermont, 43 percent; Utah, 35 percent Virginia, 24 percent; Washington, 23 percent; and Pennsylvania, 21 percent. New York and California, both top agricultural producers, will lose 16 and 15 percent, respectively, and New Jersey, 9 percent.

Why should we be concerned?

Prime farmland is the best land for farming. It is flat or gently rolling, and susceptible to little soil erosion. It is our most energy-efficient land, producing the most food with the least fuel, fertilizer and labor.

Prime, flat acres are also the easiest, least expensive to build upon. Despite soaring costs, the land is still a speculator's bargain in many regions. But the nation and the world may pay a devastating price for today's quick profits on development dollars.

Consider this observation by Allen Hidlebaugh, resource inventory specialist in the inter-agency task force: "Even in America's agricultural heartland—the Corn Belt states—there is cause for concern. We anticipate a total of 3.2 million acre prime farmland loss in Iowa, Illinois, Indiana, Ohio and Missouri combined if present trends continue to the year 2000. The annual loss will equal 480 million bushels of corn—at $2.50 a bushel a permanent loss of $1 billion a year every year by the century's end."

Florida's State Commissioner of Agriculture, Doyle Connor, says: "Every time a highway or retirement homes are built on Florida farmland, we increase the likelihood of our dependence on other nations for food. Already the U.S. is importing vegetables from Mexico and South America. Today we are experiencing deprivation because of our dependence on foreign oil. Is the next deprivation food?"

What is the solution? With varying success, 48 states are attempting to protect their agricultural land. Sophisticated and effective farmland-retention programs are under way in Oregon and Wisconsin. New York is the first state to have organized agricultural districts, thereby protecting more than six million acres—well over half the state's best agricultural land. At high cost, Connecticut, Massachusetts and New York have purchased the development rights of prime farmland. Zoning and preferential taxation are in effect in many states; usually this merely delays rather than prevents conversion.

Because there is no national policy to protect prime farmlands, some Federal agencies have recognized a need for action. In 1978, the Agriculture Department and the Environmental Protection Agency adopted policies limiting the adverse impacts of their actions on prime farmlands. Other Federal agencies are developing similar policies.

An approach worth serious consideration may be a requirement that a Federal project include the cost of acquiring the development rights of agricultural lands that are equal in productive capacity to land lost through the project's action. In all likelihood, this would result in the selection of project sites with little or no adverse impact on prime farmlands.

Perhaps the greatest need of all is for public education. People must fully understand the irreplaceable value of prime farmlands, and the ominous meaning of the war between the bulldozer and the plow. When farmland goes, food goes. Asphalt is the land's last crop.

[M. Rupert Cutler is Assistant Secretary of Agriculture for Natural Resources and Environment.]●

ESTABLISHING PACKERS AND STOCKYARDS ADMINISTRATION AS AN AGENCY WITHIN THE DEPARTMENT OF AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, today I am introducing legislation to establish the Packers and Stockyards Administration as an agency within the Department of Agriculture. According to the language in the bill, the Packers and Stockyards Administration will, as an agency within the Department, be responsible for enforcing the Packers and Stockyards Act of 1921, as amended, and be supervised directly by the Secretary of Agriculture.

Mr. Speaker, to those of my colleagues who are aware that already a unit of USDA's Agricultural Marketing Service exists as "Packers and Stockyards," my bill may appear unnecessary—in fact, even undesirable given our general concern that the number of Government agencies be reduced. However, I believe that the establishment, by specific legislative mandate, of the Packers and Stockyards Administration, is essential to assuring that the provisions of the Packers and Stockyards Act of 1921, as amended, are effectively enforced.

From enactment of the Packers and Stockyards Act of 1921 until 1958, responsibility for carrying out the provisions of the act was delegated to an enforcement unit as USDA which assumed different names and different positions within the Department of Agriculture's hierarchy. With passage of the Packers and Stockyards Act Amendments of 1958, however, the Secretary of Agriculture was instructed to "maintain within the Department of Agriculture a separate enforcement unit to administer title II of this act." Unfortunately, this language proved insufficient to assure that the act would be properly enforced by an agency with a measure of independent status, yet supervised by the Secretary, rather than one relegated to the depths of the Department's layered bureaucracy.

After nearly a decade of prodding by the Congress and the distinguished chairman of the Committee on Appropriations, Mr. WHITTEN, the Department of Agriculture, in 1967, recognized the importance of maintaining an effective enforcement body and established the Packers and Stockyards Administration. The Packers and Stockyards Administration, as a separate enforcement unit, effectively and responsibly carried out the provisions of the act during a period when significant changes in the livestock industry tested that agency's authority and resources.

However, to the dismay of many of us concerned with the well-being of the livestock industry, the Department of Agriculture in 1977 took action to strip the Packers and Stockyards Administration of its title and stature and instead ordered it to its present position as a subsidiary of the Agricultural Marketing Service.

I can understand, Mr. Speaker, that in his zeal to streamline the organizational chart for the Department during a period of renewed emphasis on responsible Government management, a USDA bureaucrat probably felt the shifting of this small but important agency was wise and prudent. Unfortunately, I do not feel that this move proved to be in the best interests of the livestock industry. At a time when challenges facing the industry demanded more effective enforcement of the 1921 act than ever before, Packers and Stockyards was, without reason, made part of a larger agency with which it shares no common purpose.

The bill I am introducing today contains language identical to legislation I introduced in the last Congress in an attempt to get the Department to move on its own accord to establish Packers and Stockyards as a separate enforcement body. The intent of that legislation was supported by both the American Farm Bureau Federation and the National Cattlemen's Association.

In the course of several meetings with USDA officials on this matter during 1980, I was told that the Department agreed that Packers and Stockyards should be independent and that the necessary steps would be taken administratively to effect this change. In fact, all the necessary paperwork was drawn up and approved at the various administrative levels and was sent to the Secretary for his signature. Unfortunately, final approval did not come before the election and it was decided by the outgoing administration that the matter should be left up to the new Secretary. However, I am hopeful that the intent of this legislation will win the support of Secretary Block and the new officials at the Department.

As I have indicated, Mr. Speaker, the purpose of my legislation is simple and direct—to create a separate Packers and Stockyards Administration that is closely supervised by the Secretary of Agriculture. I am confident that my colleagues will recognize the need for this legislation, and I urge that they lend it their full support.

The text of the bill follows:

H.R. 1575

A bill to amend the Packers and Stockyards Act, 1921, to establish the Packers and Stockyards Administration

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 407(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 228(b)), is amended to read as follows:

"(b) The Secretary shall establish and maintain as an agency within the Department of Agriculture the Packers and Stockyards Administration which shall be headed by an Administrator who shall be appointed and supervised by the Secretary. The Secretary shall enforce and administer this Act through the Packers and Stockyards Administration.".

"IF THE FLYING PUBLIC KNEW ABOUT THIS!"—A WMAQ RADIO NEWS SPECIAL REPORT

(Mr. HYDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HYDE. Mr. Speaker, WMAQ radio in Chicago recently aired a special report entitled, "If the Flying Public Knew About This!," which focuses on some of the major problems that remain unsolved within our aviation system.

Though much of the material in this documentary pertains to O'Hare Field in Chicago, the problems are by no means restricted to that airport—deficiencies in the air transport system abound nationwide, and daily endanger the lives of unsuspecting Americans traveling the "friendly skies."

The intention of this documentary is to lay the facts before the public, and they are scary indeed. Alleged discrepancies in temporary certifications of FAA technicians; the continuing computer outage problems; the alleged failure of the FAA to keep up with state-of-the-art advances in increasing both air worthiness and crash worthiness for the Nation's air carriers; and the alleged lack of top professionalism within the FAA itself.

Not only do I frequently fly in and out of O'Hare Field, but it is part of my congressional district. I am shocked and angry that conditions exist that could bring about a major air or ground collision that would endanger the lives of hundreds of innocent victims.

I think it is imperative that Congress and the public be aware of the major problems outlined in this documentary, and that immediate steps be taken to rectify them.

I am pleased to share this outstanding documentary, and strongly commend it to the attention of my colleagues:

"IF THE FLYING PUBLIC KNEW ABOUT THIS!"—A WMAQ RADIO NEWS SPECIAL REPORT

(Written, researched, and produced by: Harry Mantel. Reported by: Walt Hamilton)

INTRODUCTION

"If the Flying Public Knew About This!" closely examines some serious charges against the Federal Aviation Administration for its failure to provide maximum safety for the flying public. Essentially, the FAA is accused by the Chairman of the National Transportation Safety Board of failing to keep up with "state-of-the-art" in air crash worthiness, or, the ability to minimize crash impact and fire casualties.

This special report examines charges of FAA technicians that the Federal Aviation

Administration at O'Hare Airport, in Chicago, has approved the scheduling of untrained personnel in key positions of responsibility. The final part of this radio documentary centers on an issue of air safety still unresolved at O'Hare Airport, that is said to be a potential hazard for aircraft landing in instrument flying conditions.

The intention of this report is to bring current and new charges of FAA mismanagement into sharper focus. People heard in this report, in order of their appearance, are:

Tom Couch, FAA Electronics Technician, O'Hare Airport.

Dan Wood, FAA Radar Technician, O'Hare Airport.

Howard Johannsen, President of Professional Airways Systems Specialists (PASS).

Jim O'Connor, FAA Controller, O'Hare Airport.

Warren Zentz, FAA Computer Technician, O'Hare Airport.

Congressman Elliott Levitas, Member of the Subcommittee on Oversight and Review of the Committee on Public Works and Transportation, House of Representatives.

James King, Chairman, National Transportation Safety Board.

George Low, Chairman, Committee on FAA Airworthiness Certification Procedures, National Research Council.

Congressman Robert Whittaker.

Ken Patterson, FAA Chief of Great Lakes Traffic.

Senator Birch Bayh, Chairman, Senate Appropriations Subcommittee on Transportation.

Congressman Norman Mineta, Chairman, Subcommittee on Oversight and Review.

Del Mott, Director of Safety, Association of Flight Attendants.

Jean Griffen, Flight Attendant.

Anthony Broderick, FAA Technical Adviser to the Associate Administrator for Aviation Standards.

John O'Brien, Manager, Engineering Operations, Airline Pilots Association.

(Sound: Jets landing.)

COUCH: "Now I'm the Operations Officer. And I am totally incompetent of handling that job. I have had no training at resetting the radar, resetting the computer. I don't know the names of the systems, I don't know where they are. I'm out of my field. If the flying public knew about this, wow!"

WALT: That's Federal Aviation Administration employee Tom Couch, an electronics technician, telling of doing a job at O'Hare Field, he knew nothing about.

WOOD: "But the problem is no one has ever questioned the FAA. Everyone has taken the FAA's word for everything as the authority on all of the equipment, on all of their staffing, their training, all their facilities."

WALT: Radar technician Dan Wood; he's another employee of the Federal Aviation Administration.

JOHANNSEN: "The FAA in the past is what I called a 'band-aid' operation. We have seen too many occurrances of problems, and then the rushing after the problem, after the accident, the death and destruction, to find some cure, how can we prevent that in the future. But there's never been that, well let's see what we can do about it now to prevent an occurance."

WALT: That was Howard Johannsen, President of the Professional Airways Systems Specialists, called PASS. His union represents many FAA technicians; the people who maintain the radar, navigational, computer and communications equipment, all so vital to guiding big jet aircraft to and from busy O'Hare Field.

O'CONNOR: "The most critical point is the transition period from the time you lose the computer to the time you revert to the old system. You've got 60 Journeymen here that know how to move airplanes, and you just can't move airplanes under the old system as you did the new system, with the computer. You've also got Journeymen here that have no knowledge of working without the computer."

WALT: That was Jim O'Connor, an FAA controller. Like Couch and Wood, he works at O'Hare International Airport. Known as the world's busiest. I'm Walt Hamilton. What you've just heard are some major complaints against the FAA. Not all the complaints were made by FAA employees, or people working under FAA regulations. You'll hear complaints against the FAA . . . in the next few minutes, from the Chairman of the National Transportation Safety Board and from a Committee of the National Research Council. Its 'blue ribbon' investigation followed the crash of flight 191 at O'Hare, in May, 1979. We began looking into the complaints from FAA technicians and others the following January. What we found might startle you, or make you angry . . . That you're not as safe as you think.

Warren Zentz is a computer technician at O'Hare, and President of his PASS union local:

ZENTZ: "The worst possible failure of any equipment at O'Hare is a total radar failure. O'Hare has a large amount of traffic—even on Christmas Eve—the most recent failure. There were many, many airplanes in the sky. Perhaps 7 on final, or 7 being vectored for final. During a power-power outage, our radar site did fail, both channels failed. The controllers immediately—they have procedures—they really went into their radar failure procedures. They had to rely upon only memory where these aircraft were. They had no eyes, so to speak. They did not know exactly where these aircraft were."

WALT: This was Christmas Eve, 1979. About a month later, in February, a report critical of the FAA was released by the General Accounting Office. That report was requested by two Congressmen a month after the San Diego mid-air collision in 1978. 137 people were killed in both aircraft, and 7 on the ground. The GAO report concluded: The American taxpayer and the flying public were not getting full value from the Federal Aviation Administration. In June 1980, Congressman Elliott Levitas of Georgia told a congressional subcommittee the GAO report was a "scathing indictment of FAA".

LEVITAS: "The conclusion of the GAO was that the FAA does not have an effective system for identifying safety hazards, does not have a comprehensive planning process to address safety issues, does not have an adequate system for planning and approving individual safety programs, does not have a proper system of controls to govern the implementation phase of safety program nor does it have a sufficient evaluation of safety programs and projects. I have previously suggested that's a scathing indictment of FAA."

WALT: That same month, Chairman Phillip Handler of the National Research Council sent a report to the Secretary of Transportation. He said the "blue-ribbon" committee formed to investigate aircraft safety, found significant faults in a system that has operated with a good safety record. One major criticism in the report was "increasing technical domination of the FAA, by the industry it regulates, or . . . the industry has better people. It urged the FAA to upgrade the technical quality of its staff as soon as possible. A few weeks earlier the Chairman of the National Transportation Safety Board, Jim King, in a rare public attack by the NTSB Chairman, told a congressional sub-committee that a nylon escape slide had melted from radiant heat, given off by a burning jetliner that was aborted on takeoff at Los Angeles a year earlier. 186 passengers and 14 crew members evacuated the burning plane, but 2 people were killed. King said better fire-resistant materials were available long ago . . .

KING: "Why did it take a fatal accident for FAA to learn that emergency slides failed in common emergency conditions and that better products have been available for years. Why doesn't the FAA keep abreast of the state-of-the-art and then incorporate research and new improvements as they become available?"

WALT: Those nylon escape slides that melted from the radiant heat still are used on aircraft today. The National Transportation Safety Board can only recommend to the FAA, it cannot order the FAA to act on its recommendation.

George Low was chairman of the committee of 13 national aviation experts which was established following the flight 191 crash in Chicago. Low has "blue-ribbon" credentials; he directed man's first flight to the moon when he worked for NASA. He now is President of Rensselaer Polytechnic Institute.

LOW: "What has happened over the last 5, 10, 15 years, is that the cost of serving our government has become enormous, and therefore, at all levels, whether it's the beginning level, the middle level, the upper level, at all levels, the government no longer attracts the best technical people, probably also not the best business people, non-technical people, into its own ranks. That needs to be changed."

WALT: So it appears that safety can suffer . . . without competent people. Case in point: The total radar failure we've mentioned, that occurred at O'Hare Field in Chicago, on Christmas Eve, a year ago. Technicians Tom Couch and Warren Zentz told us what they believe happened:

COUCH: "Well, this particular radar failure, you're talking about, was an FAA supervisor pushed the wrong button. Did he not?"

ZENTZ: "The radar did not come back the way it was supposed to come back. We have procedures for power failures. The radar is supposed to come back after a power failure. We do have an engine generator at that site. The engine generator did start. Something happened. Something major happened to that radar and it did fail."

COUCH: "If you could see the look on the controller's face—if the flying public could see what the controller goes through when the radar fails. . . ."

ZENTZ: "The operations officer sits at a console with the radar remote control buttons at his fingertips. The tower did experience the power outage as the radar site did. It was three minutes later—I was the person that finally pressed the button to bring the radar back up. As Tom says, the controllers were very, very excited about this because O'Hare is a dual-input site. We did have another radar—we have one radar display in the I.F.R. room which is orientated approximately 14 miles south of O'Hare Field. And the controllers—every controller in the

I.F.R. room at the time rushed to that scope."

WALT: Radar technician Dan Wood told us nothing was wrong with the equipment. We were told the man who was supposed to bring the radar back, after the power failure, with an emergency generator was not properly trained to do it. Wood, as vice President of his union, complained to FAA management, that they had temporarily certified a technician improperly. This is what his management told him:

WOOD: "It is their prerogative to give certifications to whoever they think is qualified. Well, in this case they said that this man was indeed qualified, and the next day they gave him a certification exam to prove it. Well, he failed the certification exam the following day. So that didn't prove it."

WALT: Dan Wood claims that technicians are intimidated by the FAA management into accepting temporary certification, to avoid paying overtime to a certified technician. All this was Christmas Eve, 1979. Just 2 weeks later, a meeting emptied important O'Hare control points of supervisors. Warren Zentz and Tom Couch told us what happened:

ZENTZ: "On January 15th, they had a management by team action meeting and there wasn't a supervisor left in the house. Technicians were appointed to be operations officers, the same position that was responsible for the radar outage."

COUCH: "I was one of them."

ZENTZ: "Tom Couch was one of them."

COUCH: "I am no more capable of resetting that radar or that computer than I am of performing brain surgery. January 15th is the day they had that meeting, that I was appointed to be one of the operations officers. And of course if you turn this down, you're a bad guy. So off I go between midnight and eight in the morning, now I'm the operations officer. And I am totally incompetent of handling that job. I have no training at resetting the radar, resetting the computer. I don't know the names of the systems, I don't know where they are. I'm out of my field. If the flying public knew about this, wow! If an instrument landing system would have failed I don't believe I would have known how to reset it. I could have punched a lot of buttons. There are 12 instrument landing systems at O'Hare. That's an insurmountable figure. And there is a monitor panel for each one. Well, if I would have had to call an ILS technician from the field, sometimes that could take 20 minutes, it's a big airport. Now picture the pilot making an ILS approach and the glide slope fails. And here I am trying to punch buttons, and I punch them at random."

WALT: The FAA at O'Hare responded to what you just heard, saying, individuals are asked to fill the position of maintenance operations officer and are not appointed, and that Couch could have turned down the request if he didn't feel qualified. The FAA added that qualified technicians are on duty 24 hours a day to advise the operations officer. It denied technician Dan Woods charge that technicians are intimidated into taking on responsibilities beyond their capability. The individual can refuse temporary certification, if he or she doesn't feel qualified.

(Sound: Controller Voices.)

WALT: We've heard some serious complaints against the FAA. Others accuse our air traffic control system of mismanagement. Congressman Bob Whittaker of Kansas:

WHITTAKER: "I began to get interested in the reliability of the air traffic control system back early November of last year when we had the near miss over the Leesburg Center just outside Washington, and at that time in order to get better briefed on the background, I requested the opportunity to tour the Leesburg Center and which I did. And the outcome, the outgrowth of that tour, was that I was told, I was given information that simply did not measure up to what I knew the facts to be."

WALT: Congressman Whittaker made a very serious attack on the FAA's ability to safely control air travel in the United States, when he addressed a convention of airways technicians in Chicago last May.

WHITTAKER: "I became convinced in looking back over committee testimony that FAA has for a decade at least enjoyed the reputation of whatever they say is accepted as gospel. They have never been questioned about the reliability of their equipment, or what they're telling the American public or the Congress of the United States. And they have been able to sidestep the really hard questions that have been posed to them, and avoid answering in documented form."

WALT: Congressman Whittaker asked the Attorney General to investigate the FAA for falsifying documents. He claimed the number of computer outages or failures at air traffic control centers was as much as four times what the FAA had testified to Congress; the computers used to prevent mid-air collisions. Whittaker claimed he had documents that showed at least one computer failure every 63 minutes in the United States.

WHITTAKER: "There have been near misses that have occurred just within the last week that have been denied by the FAA, until we have forced them to admit it. Back in March there was a near miss over San Diego that at first, when we asked about it, they said it didn't occur. When we persisted in it, they finally said that 'Well, yes there was a computer outage at the time, but there was no incident,' and only when we asked for the voice tape and the computer profile of that specific time, did they finally admit 'Well, yes, Congressman, there was in fact a near miss that did occur,' and then they have the audacity to thank me for pointing out a near miss."

WALT: Congressman Whittaker's charges were denied by the FAA's chief of Great Lakes Traffic, Ken Patterson. Patterson said the Congressman was misinformed and that the FAA never falsified documents given Congress on computer outages.

PATTERSON: "What the Congressman apparently is doing here is lumping together actual failures or outages with what are known as unscheduled startovers. The latter is a self-correcting action by the computer to rid itself of incorrect data. These generally last less than 10 seconds or less time than it takes the radar scope to make one full sweep. Each center averages about six startovers and one outage a week. And we're talking about 20 centers in the United States."

WALT: But the rash of public attacks continued. Last October, Indiana Senator Birch Bayh, who was chairman of the Senate Appropriations Sub-Committee on Transportation, said the FAA would not get the 2.8 billion dollars it requested to replace its computerized traffic control system. Not, Bayh said, until the FAA improved the management of its present system.

BAYH: "We feel that the FAA has a real management problem and in order to address this we asked some rather specific questions to the FAA, which seemed rather elementary, but the answers were not forthcoming. For example, since I happen to be a Senator from Indiana, we asked why it was the Indianapolis center had one of the highest computer outages of all the centers for last year, some 17 hundred minutes."

WALT: Senator Bayh said the FAA told him that was not the case. But it turned out the Indianapolis Center's computer outages ranked third behind New York's La Guardia airport and Chicago's O'Hare.

BAYH: "We have been suspicious about the amount of homework, the foundation work the study work that's gone into what they really do need. And I don't think we should short change dollars and end up with two or three hundred people being killed out here in a sudden ball of fire. By the same token, if we're going to invest this kind of money, it seems to me we ought to know we should invest it and that when we invest it we get a safer system that can be efficiently managed, not the kind of system we have right now that is inefficient."

(Sound: Jets taking off.)

WALT: Let's move on from the dangers of computer breakdowns, to surviving an airliner crash.

MINETA: "I suppose the big thing that got us started was the crash of the DC-10 in Chicago. And so out of that then came some specific interest about this whole issue of not only crash prevention, but also crash survivability because those are the two broad areas that we have to deal with in transportation safety."

WALT: That was California Congressman Norman Mineta. He says Congress is interested first in preventing airline crashes, and second, if a crash occurs, what can be done to reduce the chance of injury or death. Mineta is Chairman of the House sub-committee that is investigating the FAA's progress in improving aircraft cabin safety regulations.

MINETA: "Just as they feel they are about ready to go with a new piece of equipment after having gone through testing, getting the issue in the Federal Register, and doing a lot of things, someone will say hold it, there's a new device that's better than the one you're about to market, or about to put out in the field and we think you ought to hold up on this thing. And this kind of stop and go is a problem that does plague FAA."

WALT: Congressman Mineta told us only last week that FAA's "stop and go" research is still not working. He said the FAA may never get the ultimate answer for crash survival. He said his four years working for aircraft safety have met sharp resistance from the FAA.

MINETA: "But it's this kind of thing that I think the Oversight and Review, which is the investigative committee for Public Works and Transportation— it's this kind of leverage that the O and R committee has on the FAA. Because they will then be able to direct their attention and, so to speak, put the heat on the FAA regarding a certain subject matter."

WALT: One of the major frustrations with the FAA, Mineta said, is the strengthening of the passenger seats. (The G forces he talks about here are multiples of human body weight.)

MINETA: "And I pointed out it seems a little ludicrous that for automobile seats you have 20 G's forward and for airline seats its 9 G's. Now, the FAA had been looking at that, but I had written a letter to them indicating that this is the area I wanted to get into. They all of a sudden started cranking-up their engineering and

regulatory people to take a look at that before the hearings I held in June."

WALT: Another sharp critic of the FAA's lack of progress in improving aircraft cabin safety is the National Transportation Safety Board. Its batting average for getting its recommendations adopted runs about 80 percent. While the Board cannot force the FAA to do anything, it can create the climate for the Congress to order the FAA to account for its progress. In 1974, the Safety Board was specifically authorized to conduct independent accident investigations. The Board's members are appointed by the President and report only to the Congress. At last June's hearing, the Safety Board's Chairman, Jim King, ripped the FAA's failure to update seat strength standards, which, he said, were for an old airplane of the forties and early fifties, the DC-3, much slower than a jet aircraft.

KING: "When these work standards were promulgated, the DC-3 was the workhorse of the US air transport fleet with an approach speed of about 90 mph. Today our jets have an approach speed of about 140 mph and . . . keep in mind that the speed and weight are geometric in the equation in a crash impact. Well, we have seen many technological changes as over the past 30 years, there have been virtually no improvement in passenger seat strength."

WALT: Chairman King testified the Safety Board had recommended strengthening aircraft seats since 1969. And he said the FAA consistently rejected the Board's recommendations. He said during their accident investigations, "it was often apparent that aircraft occupants could have survived the impact if their seats had remained attached to the cabin floor." And, "time after time," King said, "we discover that the most fragile participant in the accident is not the human body, but the seat." He said most of the passenger seats failed in the crash of a turboprop carrying 45 passengers that landed on a street in Albany, New York eight years ago (March 3, 1972). King said most of the seats, with their occupants still belted in them, were thrown forward into the cargo compartment, all piled on top of one another. Fourteen passengers died. King went on to attack the FAA's failure to improve cabin fire safety. He charged the FAA's research lagged years behind the Air Force:

KING: "We believe that several solutions are available for the implementation rather than for further research, for instance there are fireproof materials available that can serve as fire blocking layers in seat cushions. Some 4 or 5 years ago the Air Force developed a modified apoxy resin canopy for fighter aircraft which protects the pilot from external fire for at least 5 to 10 minutes. Only now, is the FAA going to research the application of this material for cabin windows, to prevent melting of the windows and allowing flames to penetrate the cabin."

(Sound: Jets landing at O'Hare.)

WALT: Safety Board Chairman King also attacked the FAA for inadequate cabin lighting in a smoke-filled burning aircraft.

KING: "We know that lighting is more effective closer to floor level and that the technology is now available, and by the way, has been for many years, to provide lighting directional indicators at floor levels to guide passenger exits. Let me pause here Mr. Chairman, when you talk about a fire in a aircraft, what happens is the smoke goes immediately to the ceiling so that you lose virtually 100 percent of the lighting including the emergency markers. So that if you stand up and try to exit in smoke, you're going to be lost. So that having the lower lighting actually serves two purposes. It brings your head down so you can see it (the difference in my height, if I stand up in a cabin fire can be 400° between my head and my knees). So if I am stooped over, my chances of survival are actually enhanced. And now I have a legitimate guidepost to go along and there is no reason why this can't be done and couldn't have been done some time ago. Similarly, technology is available to provide adequate breathing and vision devices for both crew and passengers. An important and longstanding recommendation which the FAA is not even considering."

(Sound: Jets landing at O'Hare.)

WALT: Chairman King flew to Chicago at our request last week to elaborate on his complaints against the FAA's lack of progress in improving aircraft cabin safety. We sat with Chairman King in an empty wide-bodied jet aircraft at O'Hare Field. He is concerned about the lack of a safe seat for flight attendants.

KING: "FAA for years resisted giving the flight attendants what I call a good safe seat. Now, for us at the NTSB what we wanted to do was to create an environment for that person who's a flight attendant, to quite frankly survive the accident, optimize their chance of surviving an accident uninjured. Why? They, most people don't realize that the flight attendants are highly trained professionals in relation to emergency procedures, and more than likely they'll be the only people helping the passengers, because the flight crew has got all kinds of things they're going to do in evacuating an aircraft. And it's critical that the plane be evacuated within 90 seconds."

WALT: Chairman King emphasized that "off-the-shelf technology" has been available for years to provide stronger aircraft seats.

KING: "They're giving them a seat that doesn't fail downward . . . many of us have gotten on planes that seem where they have these bench type seats that fold down . . . we wanted those strengthened so they didn't fail very readily . . . now I don't view that as unreasonable . . . I don't view that as something that's pie in the sky . . . we're talking about off-the-shelf technology that's years old . . . and yet the battle for these seats for flight attendants went on for years . . . and it's a philosophical attitude we're struggling with, not the products, not the design, and not necessarily even the financial aspects . . . it's just that there's been a resistance philosophically to change."

WALT: Chairman King said the human body can withstand much more force than the passenger seat. Only recently, he said, has the FAA agreed to strengthen aircraft seats.

KING: "The question we have is when we know that the body tolerances go to 45 G's, we know that the aircraft . . . most of our new aircraft . . . will take in excess of 20 G's . . . why can't we have the seats somehow permit people to survive when the shell of the aircraft can survive? And we're concerned about that . . . for example, our most recent accident with an air carrier was in Nebraska Valley, Nebraska, where 13 people died . . . of the 13 people, eleven of them died because their seats failed."

WALT: Were they thrown out of their seats or . . .

KING: "The seats collapsed . . . the seat went with them . . . some, the belts let go because they were attached to the seat, but in every case they died of secondary impacts . . . hitting against other things in the aircraft. So, if those seats had stayed fixed to the floor, most of them would have survived."

WALT: We learned from Chairman King that the FAA has failed to require seats made from other materials than deadly polyurethane.

KING: "The thing about the seat itself, it's the largest potential fire mass in the aircraft, other than the fuel, inside the cabin area. And the present material produces a very substantial smoke, toxic gas and flame. And with the flame of course is heat. So we get all the negative things. And as I suggested earlier, you really have very short time. If you're ever in an aircraft that's crashed, or is having a fire in an emergency, leave everything. That's the one thing we found on a profile, if you want to see who the survivors are, if you want to be a survivor, I'll tell how you can do it: Whatever the sequence is, leave everything. Don't look for a thing and get out of the aircraft."

WALT: Chairman King said a new seat material has just been developed by NASA that resists burning and does not give off toxic gases. King faulted the FAA for lagging behind NASA in research, and for not using available products, for example, that could prevent aircraft windows from burning quickly. He said a melting cabin window enables a jet fuel fire in the wings to invade the cabin. It is critical to evacuate the aircraft within 90 seconds, and some of these products that could delay the fire are already on the shelf, he said, but are not required by the FAA.

KING: "There are products available. As I've said they've been around for five years. We're now, quote, in the final stages of FAA looking at tests by the way that NASA has done, and my question is with a very large research and development program that FAA has, why can't we stay at the state-of-the-art? And we shouldn't have to wait for a major tragedy or a near tragedy to say, alright, let's start our research. When we see the products coming down, many of them from the military, the technology in the military is extremely helpful in civil aviation. And so what's the applicability of this to our situation? Can we draw some use from it? There's no reason everyone has to go out and reinvent the wheel."

WALT: The problem at FAA, he said, was not with the people who did the research. The problem was getting the research (as he put it) "translated into action".

KING: "The people who do their work in scientific areas are some of the most competent in the world, if not the most competent. They know what the problem is. And they have scenarios that would help. But somehow, as I said, within the organization it doesn't get translated into action. If you ask me why, I don't know. But I'm persuaded that if the American people understand that it is there, they'll create the climate in which change will occur."

WALT: Well, then we asked Chairman King if the FAA Administrator, Langhorne Bond, was the problem:

KING: "Administrator Bond has been responsive, but he's been told one thing by his organization, and it isn't until we get into congressional hearings, and quite frankly, we have some very shrill conversations as we've had over the past few years, that he then goes down and digs it out himself and says, 'you know, you've been misleading me,' that we should have timetables on this re-

search that's been going on, that facts have been known, that studies have been done. Superb studies have been done within FAA, but somewhere it gets lost in the middle of its management scheme."

WALT: Chairman King and Congressman Mineta's subcommittee agree that the results from the FAA's research programs emerge at a snail's pace. King and Mineta both told us they don't want cabin safety programs delayed any longer.

KING: "But you can still build that system one piece at a time and that's been our problem. FAA's position has been we don't fix it piecemeal. If we can't get the ideal seat, if we can't get the ideal cushion material, if we can't get the ideal fabrics and wall panelings, then we don't think anything should be in. The question is where have they moved ahead where they've had known technology? I'm talking about now. It's interesting in crash worthiness. We haven't seen it. Now I must admit they've started to move on all areas. The Congress has become very interested in this, and because of the Congress's interest, the FAA has become considerably more responsive."

WALT: Chairman King's earlier complaints about the attendants jump seat were echoed by the Association of Flight Attendants Director of Safety, Del Mott. She says the organization has been fighting the FAA for years over the jump seat.

DEL MOTT: "There are very few people in the aviation world that have not heard of our problems that are related to the flight attendant jump seat. Yes, in fact, we have taken the matter in writing and verbally to the Federal Aviation Administration, the National Transportation Safety Board, to the Flight Safety Foundation, and to the airlines themselves. I don't think there's anybody that we've missed in the aviation community concerning that one subject. Because we're very concerned about being able to get our passengers off the airplanes. But obviously we have to be concerned about our own lives, too."

WALT: Del Mott has been a flight attendant for 20 years. She told us that she first sat in the closet, then in the washroom, now in the cabin. The flight attendants are also unhappy that the FAA is now permitting carriers to fly greater distances over water without life rafts. Del Mott also said she is upset over the FAA's intention to reduce the number of flight attendants aboard an aircraft.

GRIFFEN: "A little boy who had been sitting in the middle of the cabin had been dragged by some manner all the way underneath all the seats to the last row of seats. We have no idea how he was able to get there, he was alive at the time, and we could not free him. We couldn't get him loose from underneath the seats. In the end 18 passengers survived and 45 were killed. By that time the smoke was so thick that we had to leave."

WALT: By chance we interviewed flight attendant Jean Griffen on the same date eight years after she was nearly killed in Chicago's Midway Airport crash. Today, Griffen still flies for the same airline. As she just pointed out on that day, December 8th, 1972, a little boy without proper seat restraints was dragged underneath the seats and trapped. (We don't know whether he survived.) We do know that the National Transportation Safety Board for years has urged the FAA to provide seat restraints for small children.

GRIFFEN: "In your training, I think that we have a very excellent training program, you are told that in evacuation you have ninety seconds, which isn't a very long time to get everybody out. The sounds that I heard at the time of the crash were the same sounds that we had been—had listened to in training—the sounds of metal and everything. But one thing I hadn't expected was to see the shambles of the interior of the airplane, to see the seats collapse and the overhead bins collapsed. I think that your feeling is that you will have ninety seconds, that you can get to everybody, that everybody who survives the impact will be able to get out, that they're not going to be tangled in the wreckage, that they're not going to be hampered by the cabin interior collapsing on them."

WALT: Jean Griffen and Del Mott were together when we taped this interview. We asked Del Mott if there have been any major improvements in aircraft cabin safety since the crash that nearly killed Jean Griffen.

DEL MOTT: "No there haven't. She made another statement also which concerned the galley components, in other words, pieces of the galley that come out. That is something which is only now—her accident was in 1972, this is 1980—that is only now being addressed in the regulations. Now as far as the overhead racks, it always bothers me when I go out to an accident site and I see what occurs with those overhead racks even though they're closed. Because they do collapse, they do come down."

WALT: As you can see, there is enormous frustration experienced by people in their dealings with the FAA. The flight attendants, the Congress and Senate, FAA technicians, controllers, airline pilots and the National Transportation Safety Board. Chairman Jim King:

KING: "We're a small agency. What we've done is, we take accidents which, by the way, are not usual, and we'll take these rare accidents and say here are some of the scenarios you could look at and examine, and learn from. And one of these problems is that they'll look at them, and as I've said again, the professional staff will look at them, say yes that's a legislative scenario, will work on it, and then we don't see the change. And that's the area that I think is most, most aggravating."

WALT: King's frustration starts in the 1961 crash of a DC-8 in Denver. He testified to Congress the FAA has not delivered the promise it made 19 years ago. That promise, he said, was to act on the toxic combustion of the materials used in aircraft interiors.

KING: "I must say that 19 years after the Denver accident, I just felt that enough promises for studies have been given to us and to the American people. I just feel that someone ought to stand up and say let's have a timetable. I think we've been patient. I think we've been decent. I think we've been responsible. But I think there's a time when people say we've given our money. We relied on the lead agency, in this case the FAA to have basic safety concerns, and they haven't been met. And I don't think it's unreasonable at this stage of the game for someone like myself to be out saying 'when are you going to do it? Let's give us a timetable, and if you can't will you turn it over to someone who can?'"

WALT: Congressman Mineta's subcommittee met again last September and asked FAA Administrator Langhorne Bond what the FAA was doing about aircraft cabin fire safety. Administrator Bond said there were no quick and easy solutions to the problem. He said a special group of aviation experts, called the SAFER Committee, supported his conclusions, saying whatever the FAA was doing was right. Congressman Mineta disagreed. He said he was not impressed with the Safer report.

KING: "Again if we're sounding shrill, or sometimes frustrated, it's because we are. And sometimes, as I put it, we're a tiny organization. We're dealing with an agency of 57 thousand. So how does the ant get the elephant's attention? I think sometimes by shouting a little louder maybe than he should. But in this case, child restraints. We go back on the same 19 and 20 year discussion that we had earlier, and that was each time there was an accident we were assured there would be a seat coming forth. And finally, in Portland, Oregon, two years ago, we had more children on an aircraft that came down . . . this was a DC-8 on approach that ran out of fuel, came into a neighborhood and there we are. . .and again the FAA says to us we're going to have to study child restraints. Now at that time, quite frankly, I said, 'when are you going to have a child restraint?' The highway mode has got a child restraint that will stand up under, what, 20 G's. Why can't you just take that and apply the technology? Do you really have to go back to the wheel and figure out the spokes in the hub? Can you take something like that and just adapt it? Well, I must say this month we're looking forward to seeing a proposed rule-making that will finally make it possible to protect young children who are traveling with their parents. Because most parents do not have any understanding. We see this all the time in aircraft; mothers and fathers holding on to their young ones sitting in their lap. There is no way on God's green earth that if you experience anything over 4 G's you can ever hold onto your child."

WALT: Chairman King acknowledged the FAA has finally agreed to provide restraints that could save children's lives. The agreement came under the Safety Board's pressure. The FAA also agreed under pressure of Congressman Mineta's subcommittee that passenger seats will be strengthened. King reported no progress with the FAA in the issue of making the aircraft cabin flameproof.

(Sound: Jet landing.)

WALT: FAA's Anthony Broderick replies to the issue of cabin fire safety by examining the figures on those who die only from post-crash fire. Broderick is Technical Advisor to the Associate Administrator for Aviation Standards.

BRODERICK: "In congressional testimony earlier this year, the Administrator pointed out something which I think is instructive. And that is that the total number of people, for example in the subject of fires, who survive aircraft accidents, but who perish because of the post-crash fire, average something like thirty people a year for the big jet airplanes. Thirty people a year. Now, we can compare that number to virtually any other form of transportation and see that no matter how much research we do and how much research we implement, we are not going to have a large effect on saving human lives. Even, if we had perfect post crash fire survivability. Now, what is the average made up of? Unfortunately, it's made up of a few sensational accidents."

WALT: The FAA's Broderick offered some facts the flying public should know. We believe they are accurate.

BRODERICK: "Aircraft transportation is the safest form of transportation in the world. We transport the equivalent of the entire

population of the United Stats on a round trip from Washington to Boston every year. It's 250 billion passenger miles. The aviation transportation system in this country is so good, so fantastically safe, the people have an amazingly high expectation. It should be perfect. And anytime there is any flaw seen in the system, people are outraged. Now, I don't think that's necessarily wrong, because we are trying indeed for the ultimate goal of no accidents and no injuries."

WALT: It may appear, according to Broderick, that we have been pursuing the wrong story about FAA. That we should have examined the other, positive side of the coin.

BRODERICK: "I guess the point I'm trying to make is that an aircraft accident, unfortunately, is a sensational event. Okay, it receives intense media interest because it appears on every list you'll ever want to see of great disasters because of usually a large number of people are involved. People, however, fail to recognize the incredible safety record involved. And I don't blame them, and we don't in the FAA bemoan that fact."

WALT: Earlier we said that a "blue ribbon" committee of the National Research Council has spent six months investigating the FAA's certification procedures of aircraft. This followed the DC-10 crash at Chicago's O'Hare airport when one engine tore loose from the giant plane. Although the investigation was limited to certification and not crash survivability, the committee did report many deficiencies within the FAA. Chairman George Low said the bottom line was simply that the FAA, like many government agencies, does not attract the best technical people. What Low was saying was that when he directed man's first landing on the moon, his people at NASA were the best. Well, we asked him what about the selection of the FAA's administrator:

Low: "We suggest that the present system of selecting the administrator is somewhat hit or miss. It depends so very much on whether the Secretary of Transportation wants a real professional person or whether he may in the future at some time, without even talking about the past, use that position for a political plum, if you will. We think we should take the job that controls the safety of the flying public of the United States out of the hands of that 'luck of the draw', if you will, and instead, the Secretary of Transportation and the President should have to select the administrator from a pool of candidates suggested by a high level board (we call it, I think, an aviation safety board) established of people with impeccable credentials of all walks of life, of all parties, of labor, of management who will have the interest of that industry in heart only, who will recommend the best possible people for that job. After all, our lives depend on it."

WALT: When we talked with George Low, he was on his way to Washington to serve on President-elect Reagan's transition team for NASA. We asked the former deputy administrator of NASA whether a better working relationship between NASA and the FAA could improve aircraft safety?

Low: "I think NASA is a highly capable agency to do some of the research, not all of it, but some of the research that the FAA needs done. You talked about fire proofing, you talked about seats, NASA is highly capable in all of those areas. I think at the working level it works very well. What we recommend in our report is that there should be more formality in this arrangement so that again, the FAA knows what it is going to get from NASA and NASA knows what it should provide for the FAA."

WALT: George Low said that his committee did criticize the FAA for not organizing its research efforts and for not driving to a conclusion. That was the same criticism made by the National Transportation Safety Board and the House Oversight and Review Subcommittee. Another conclusion for George Low: He's high on the airplane.

Low: "I want to reiterate that the business is very, very safe today. Only 16 fatal crashes caused by the airplane alone in the history of jet aviation. Which is more than 20 years now. We are concerned, I'm concerned, that unless the government agency that controls that safety, the FAA, becomes more streamlined and is able to attract better technical people, we will not be able to retain that safety record. So the bottom line has to be that our recommendation should be looked at very hard, either by the present administration or by the next. And we feel strongly should be adopted as a group."

(Sound: Jet planes landing.)

O'BRIEN: "What is in effect now in Chicago are at least two ILS systems that don't have any glide slope monitors—external monitors—and we are getting into the snow season now, so we could run into what is considered a potentially hazardous situation."

WALT: That was John O'Brien of the Airline Pilots Association. For the past year we have, with O'Brien, looked into that potential danger, caused by the FAA shutting down glide slope alarms, at O'Hare Field. The glide slope, or glide path, alarms protect an aircraft on final approach from coming in too low, on an instrument landing, and crashing into an obstacle near the airport. A former airline pilot, John O'Brien, now manages the engineering operations for the pilots union.

O'BRIEN: "Now the reason there's a monitor there, and the monitor tolerances are set up to certain tenths of a degree, the signal when it's flight-checked is allowed to vary in height by a very small amount. . . . However, once it varies in this case more than four-tenths of one degree . . . you do not have adequate clearance above terrain or obstacles out in the approach path . . . so, indeed you could have an accident . . . an accident involving the airplane flying into an obstacle."

WALT: O'Brien told us it's necessary to have the 'near field monitor' checking the glide path, going out from the ILS (Instrument Landing System) or antenna. Now, bear in mind that the pilot flies his airplane entirely by his glide slope instruments, down through the clouds to the runway, in instrument weather conditions. We asked O'Brien what could cause the radio beam of the glide slope to bend, and endanger the landing aircraft:

O'BRIEN: "In front of the actual ILS antenna itself, there is a clear area out there where the ILS signal is actually reflected off the ground. Now if something contaminates that clear area, for example, snow or water or a vehicle, a truck or whatever, then the signal that's radiating from the antenna becomes disturbed and it may cause it either to be completely blocked or it might change its angle from the desired angle."

WALT: O'Brien says the FAA turned off the glide slope alarms at O'Hare, after huge piles of snow caused many false—nuisance—alarms two winters ago. The false alarms forced the planes to make missed approaches. This fouled up departure and arrival schedules, at the world's busiest airport. O'Brien says that he has not received any satisfactory answer from the FAA in Washington why near-field monitors were not turned back on at O'Hare. We asked the FAA in Washington the same question, and got no answer. We asked the FAA in Chicago for an answer, we're still waiting.

O'BRIEN: "From a pilot's point of view, we believe that the ILS system should have an external monitor and we believe that the FAA program to reduce nusiance warnings is, indeed, a valid program. But we can't feel that the way Chicago is handling it is a safe method at all, since they have their monitors turned off. And we are getting into the snow season now, so we could run into what we consider a potentially hazardous situation."

WALT: Those words, 'hazardous situation,' are typical of what we've tried to point out for the better part of an hour, in this survey of what we believe are major complaints against the FAA, complaints that have a great deal to do with improving the national aviation system. We acknowledge the Federal Aviation Administration for its superior performance and safety record while at the same time we have reported on the alleged deficiencies within the same system. One conclusion of the National Research Council, in its report to the Secretary of Transportation, can be boiled down to this: 'The technical sophistication of the FAA must not stand pat . . . it must keep pace with the advancing state-of-the-art.'

(Sound: Jets taking off and controllers.)

"If the Flying Public Knew About This" was written, researched and produced by Harry Mantel.

Principal Engineering by: Tom Schnecke.

Other Engineering by: Connie Abel, George Adams, Mike Berry, Shelly Flannery, Marvin Goldsher, Jesse Moore, Al Osterhoff, Walt Peters, Bob Petrillo, Mike Pratts, Al Randall, Ken Steininger, Dave Wolfe, and Don Witt.

Our Thanks to Reporters: Bob Roberts, Al Swanson.

And Special Thanks to NBC Washington Stations WRC and WKYS.

I'm Walt Hamilton.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BLILEY) to revise and extend their remarks and include extraneous material:)

Mr. HYDE, for 15 minutes, today.

Mr. CORCORAN, for 10 minutes, today.

Mr. YOUNG of Florida, for 10 minutes, today.

Mr. RITTER, for 5 minutes, today.

Mr. JEFFRIES, for 15 minutes, February 4, 1981.

Mr. DAUB, for 5 minutes, today.

(The following Members (at the request of Mr. DASCHLE) to revise and extend their remarks and include extraneous material:)

Mr. MONTGOMERY, for 10 minutes, today.

Mr. UDALL, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

(The following Members (at the request of Mr. FITHIAN) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HYDE, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,315.

(The following Members (at the request of Mr. BLILEY) and to include extraneous matter:)

Mr. WINN.

Mr. WOLF.

Mr. TAUKE.

Mr. PORTER in two instances.

Mr. MCCLORY.

Mr. HILLIS.

Mr. FRENZEL in five instances.

Mr. LAGOMARSINO in four instances.

Mrs. SNOWE.

Mr. MCCLOSKEY.

Mr. WEBER of Minnesota.

Mr. RINALDO.

(The following Members (at the request of Mr. DASCHLE) and to include extraneous matter:)

Mr. BINGHAM in 10 instances.

Mr. EDWARDS of California in two instances.

Mr. MAZZOLI in two instances.

Mr. PEPPER.

Mr. MILLER of California in 10 instances.

Mr. BRODHEAD.

Mr. OTTINGER.

Mr. SKELTON in five instances.

Mr. KASTENMEIER.

Mr. HALL of Ohio.

Mr. FORD of Michigan.

Mr. WASHINGTON.

Mr. HUBBARD.

Mr. O'NEILL.

Mr. FITHIAN.

Mr. LANTOS in two instances.

Mr. DASCHLE.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 4, 1981, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

451. A letter from the Comptroller, Washington Gas Light Co., transmitting the company's balance sheet as of December 31, 1980, pursuant to section 313 of title 43, District of Columbia Code; to the Committee on the District of Columbia.

452. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting the third annual report on domestic travel restrictions imposed by the United States and foreign governments, pursuant to section 126(c) of Public Law 95-426; to the Committee on Foreign Affairs.

453. A letter from the Acting Assistant Secretary for Congressional Relations, transmitting notice of a delay in the submission of one of the country reports on human rights practices required by section 116(b) and 502B(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

454. A letter from the Acting Administrator of General Services, transmitting the first report on the general causes and purposes of travel in agencies spending more than $5 million annually on the transportation of people, certain cost data, and inefficient travel practices, pursuant to section 3 of Public Law 96-346; to the Committee on Government Operations.

455. A letter from the Acting Administrator of General Services, transmitting a followup report on the recommendations contained in the final report of the National Commission on Neighborhoods dated March 19, 1979, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

456. A letter from the Administrator, Panama Canal Commission, transmitting a report, including financial statements, covering the Commission's operations during fiscal year 1980, pursuant to section 1312 of Public Law 96-70; to the Committee on Merchant Marine and Fisheries.

457. A letter from the Chairman of the Board of Governors, U.S. Postal Service, transmitting the annual report of the Postmaster General for fiscal year 1980, pursuant to 39 U.S.C. 2402; to the Committee on Post Office and Civil Service.

458. A letter from the Secretary of Commerce, transmitting the annual report of the Economic Development Administration for fiscal year 1980, pursuant to section 707 of the Public Works and Economic Development Act of 1965, as amended; to the Committee on Public Works and Transportation.

459. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing the construction of an annex to the Federal Courthouse in Charleston, S.C., pursuant to section 7 of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

460. A letter from the Acting Director, Office of Personnel Management, transmitting an interim report on the effects of the Age Discrimination in Employment Act Amendments of 1978 on the Federal civil service, pursuant to section 15(g)(2) of the Age Discrimination in Employment Act, as amended (92 Stat. 192); jointly, to the Committees on Education and Labor and Post Office and Civil Service.

461. A letter from the Secretary of Energy, transmitting notice of a delay in submission of the first detailed energy targets required from the President by section 301(a) of Public Law 96-294; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

462. A letter from the Comptroller General of the United States, transmitting a report on the Small Business Administration's pilot programs to improve delivery of the guaranty loan program (CED-81-25, Feb. 2, 1981); jointly, to the Committees on Government Operations, and Small Business.

463. A letter from the Chairman, U.S. Nuclear Regulatory Commission, and the Administrator, U.S. Environmental Protection Agency, transmitting a report on the feasibility of epidemiologic investigations of the health effects of low-level ionizing radiation, pursuant to section 5(d) of Public Law 95-601, as amended (94 Stat. 792), and section 308(a) of Public Law 96-295; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1553. A bill to provide for a temporary increase in the public debt limit (Rept. No. 97-1). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI (for himself and Mr. CONABLE):

H.R. 1553. A bill to provide for a temporary increase in the public debt limit; to the Committee on Ways and Means.

By Mr. ADDABBO:

H.R. 1554. A bill to provide for the development and implementation of programs for youth camp safety; to the Committee on Education and Labor.

H.R. 1555. A bill to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated (AM) and frequency modulated (FM) broadcasts; to the Committee on Energy and Commerce.

H.R. 1556. A bill to amend the Flammable Fabrics Act to prohibit the manufacture for sale in commerce of articles of interior furnishing intended for use in any public facility unless such articles conform with requirements established by the Consumer Product Safety Commission designed to make such articles fire resistant; to the Committee on Energy and Commerce.

H.R. 1557. A bill to provide for a study by the Secretary of Transportation, in consultation with the Secretary of Defense and the Secretary of the Treasury, concerning measures necessary to insure the security of firearms, ammunition, and explosives being transported in interstate commerce; to the Committee on the Judiciary.

H.R. 1558. A bill to establish an Interagency Committee on Arson Control to coordinate Federal antiarson programs, to amend various provisions of the law relating to programs for arson investigation, preven-

tion, and detection, and for other purposes; to the Committee on the Judiciary.

H.R. 1559. A bill to establish a grant program for the acquisition of medical equipment and supplies for the treatment of aircraft accident burn victims; to the Committee on Public Works and Transportation.

H.R. 1560. A bill to provide for certain research and demonstration respecting the disposal of sludge, the reclamation of waters damaged by sludge and sewage, assistance to State and local governments for the removal of sludge and other solid waste from waters and shoreline areas and to provide that grants for waste treatment works shall be made only if such works provide for environmentally sound sludge management; to the Committee on Public Works and Transportation.

H.R. 1561. A bill to amend the Congressional Budget Act to require the Congressional Budget Office, for every bill or resolution reported in the House or Senate, to prepare and submit (along with its regular estimate of the Federal cost involved) an estimate of the cost which would be incurred by State and local governments in carrying out or complying with such bill or resolution; to the Committee on Rules.

H.R. 1562. A bill to amend the Small Business Act or restrict the authority of the Small Business Administration to deny financial assistance to small business concerns solely because the primary business operations of such concerns relate to the communication of ideas; to the Committee on Small Business.

H.R. 1563. A bill to amend the Small Business Investment Act of 1958; to the Committee on Small Business.

H.R. 1564. A bill to amend title 38 of the United States Code to make certain veterans entitled to wartime disability compensation for disabilities and diseases caused by or attributable to exposure to atomic or nuclear radiation during their period of active service; to the Committee on Veterans' Affairs.

H.R. 1565. A bill to amend title 38 of the United States Code in order to provide outpatient dental services and treatment to any veteran who has a service-connected disability rated at 60 percent or more; to the Committee on Veterans' Affairs.

H.R. 1566. A bill to amend the Social Security Act to make certain that recipients of supplemental security income benefits, recipients of aid to families with dependent children, and recipients of assistance or benefits under certain other Federal and federally assisted programs will not have the amount of such benefits, aid, or assistance reduced because of post-1974 increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 1567. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; and to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

H.R. 1568. A bill to amend the Social Security Act to provide for Federal participation in the costs of the old-age, survivors, and disability insurance program and the medicare program; to the Committee on Ways and Means.

H.R. 1569. A bill to amend title XVIII of the Social Security Act to provide for the coverage of certain psychologists' services under the supplementary medical insurance benefits program established by part B of such title; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 1570. A bill to amend the Social Security Act to require automatic sprinkler systems in all nursing facilities and intermediate care facilities certified for participation in the medicare or medicaid program, and to provide for direct low-interest Federal loans to assist such facilities in constructing or purchasing and installing automatic sprinkler systems; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ADDABBO (for himself and Mr. FISH):

H.R. 1571. A bill to permit collective negotiation by professional retail pharmacists with third-party prepaid prescription program administrators and sponsors; to the Committee on the Judiciary.

By Mr. ADDABBO (for himself and Mr. MITCHELL of Maryland):

H.R. 1572. A bill to establish a Minority Business Development Administration in the Department of Commerce, to clarify the relationship between such Administration and the Small Business Administration, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Small Business.

By Mr. AKAKA:

H.R. 1573. A bill to compensate those persons who served as enlisted members in the Philippine Scouts and the insular force of the U.S. Navy during World War II for the difference between their actual pay and allowances authorized for other enlisted members of the Regular Army and Regular Navy of corresponding grades and length of service; to the Committee on Armed Services.

By Mr. ANDERSON:

H.R. 1574. A bill to amend title 5 of the United States Code to provide for an allowance of 4 cents per mile to Federal employees for the use of bicycles while engaged on official business, and for other purposes; to the Committee on Government Operations.

By Mr. BEDELL:

H.R. 1575. A bill to amend the Packers and Stockyards Act, 1921, to establish the Packers and Stockyards Administration; to the Committee on Agriculture.

By Mr. CLAY:

H.R. 1576. A bill to amend title 5, United States Code, to promote public safety by encouraging the employment of highly qualified air traffic controllers by establishing a salary classification system providing compensation commensurate with responsibility, by establishing a reasonable maximum number of weekly work hours, and by establishing a special retirement plan, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CORRADA:

H.R. 1577. A bill to extend the revenue sharing program to provide fiscal assistance to territories of the United States; to the Committee on Government Operations.

By Mr. DASCHLE:

H.R. 1578. A bill to amend title 38, United States Code, to allow veterans with service-connected disabilities who are eligible for military retired pay for nonregular service to receive compensation for such disabilities from the Veterans' Administration and to receive such retired pay without reduction in either such compensation or such retired pay; to the Committee on Veterans' Affairs.

By Mr. DERWINSKI:

H.R. 1579. A bill to amend the Internal Revenue Code of 1954 to increase to $10,000 the amount of savings interest which may be excluded from gross income by individuals and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. FRENZEL:

H.R. 1580. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives to encourage the building and rehabilitation of rental housing; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself and Mr. SWIFT):

H.R. 1581. A bill to amend the Internal Revenue Code of 1954 to provide tax-saving incentives for savings accounts established for the purpose of purchasing a home; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 1582. A bill to provide a bonus payment of $10,000 for each veteran of World War I; to the Committee on Veterans' Affairs.

By Mr. HANSEN of Idaho:

H.R. 1583. A bill to amend Public Law 94-400 to require that the Secretary of the Interior maintain the confidentiality of information gathered from victims of the Teton Dam disaster, and for other purposes; to the Committee on the Judiciary.

H.R. 1584. A bill to provide for certain benefits for the U.S. citizens held hostage in Iran; jointly, to the Committees on Foreign Affairs, Post Office and Civil Service, Armed Services, Veterans' Affairs, and Ways and Means.

By Mr. HANSEN of Utah (for himself, Mr. EVANS of Iowa, Mr. BROWN of Colorado, Mr. SMITH of Oregon, Mr. BENEDICT, Mr. LEBOUTILLIER, Mr. MORRISON, Mr. GREGG, Mr. DUNN, and Mrs. SCHNEIDER):

H.R. 1585. A bill to reduce the pay of Members of Congress by 8 percent; to the Committee on Post Office and Civil Service.

By Mr. HILLIS:

H.R. 1586. A bill to amend the Occupational Safety and Health Act of 1970 to require the Secretary of Labor to prepare an economic impact analysis in connection with the promulgation of occupational safety and health standards; to the Committee on Education and Labor.

H.R. 1587. A bill to amend chapter 44 of title 18 of the United States Code (respecting firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions, to lower certain age limits from 21 years to 18, and to eliminate certain recordkeeping provisions with respect to ammunition; to the Committee on the Judiciary.

H.R. 1588. A bill to exempt the exchange of certain technological information relating to motor vehicles from the application of the antitrust laws; to the Committee on the Judiciary.

H.R. 1589. A bill to designate the Veterans' Administration medical center in Indianapolis, Ind., as the "Richard L. Roudebush Veterans' Medical Center"; to the Committee on Veterans' Affairs.

H.R. 1590. A bill to amend title 38, United States Code, to establish a minimum pension of $600 for veterans of a period of war who have permanent and total non-service-connected disabilities and who are entitled to receive pension and for the surviving spouses of such veterans who are entitled to receive pension; to the Committee on Veterans' Affairs.

H.R. 1591. A bill to provide a program of emergency unemployment compensation for areas experiencing high rates of unemployment; to the Committee on Ways and Means.

By Mr. HILLIS (for himself and Mr. KILDEE):

H.R. 1592. A bill to amend the adjustment assistance programs under the Trade Act of 1974 in order to impose fees on articles causing injury to domestic workers, firms, and communities sufficient in amount to reimburse the Federal Government for the cost of such programs; to the Committee on Ways and Means.

By Mr. HUCKABY:

H.R. 1593. A bill to amend the Farm Credit Act of 1971 to limit the moving of the principal offices of district banks from certain cities; to the Committee on Agriculture.

By Mr. LAGOMARSINO:

H.R. 1594. A bill to provide survivors' annuities under chapter 83 of title 5, United States Code, to certain widows and widowers; to the Committee on Post Office and Civil Service.

By Ms. MIKULSKI:

H.R. 1595. A bill to amend the Internal Revenue Code of 1954 to provide for individuals a refundable tax credit for amounts paid or incurred for television subtitle equipment for use by hearing-impaired individuals; to the Committee on Ways and Means.

By Mr. OBERSTAR (for himself, Mr. FRENZEL, Mr. SABO, Mr. VENTO, and Mr. SMITH of Alabama):

H.R. 1596. A bill to amend the Internal Revenue Code of 1954 to allow individuals a deduction for certain expenses paid or incurred in connection with the adoption of a child; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 1597. A bill to amend section 203 of the Federal Property and Administrative Services Act of 1949 to require, prior to disposal, that notice and first right of refusal be given to certain previous holders of surplus real property suitable for agricultural uses; to the Committee on Government Operations.

By Mr. PERKINS (for himself, Mr. CLAY, Mr. BIAGGI, Mr. WEISS, Mr. KILDEE, Mr. KOGOVSEK, Mrs. COLLINS of Illinois, Mr. MATTOX, Mr. GIBBONS, Mr. WHITEHURST, Mrs. CHISHOLM, Mr. SUNIA, Mr. MITCHELL of Maryland, Mr. BINGHAM, Mr. ROE, Mr. AKAKA, Mr. OBERSTAR, Mr. GONZALEZ, Mr. VENTO, and Mr. PEPPER):

H.R. 1598. A bill to amend the Elementary and Secondary Education Act of 1965 to provide comprehensive elementary school guidance and counseling programs for elementary students through States and local educational agencies; to the Committee on Education and Labor.

By Mr. PICKLE (for himself and Mr. HANCE):

H.R. 1599. A bill to repeal the crude oil windfall profit tax; to the Committee on Ways and Means.

By Mr. SCHULZE (for himself, Mr. LENT, Mr. ROE, Mr. OBERSTAR, Mr. CAMPBELL, Mr. ARCHER, Mr. ROTH, Mr. WHITEHURST, Mr. CHAPPELL, Mr. JEFFRIES, Mr. MARKS, Mr. LUJAN, Mr. PEPPER, Mr. STANGELAND, Mr. MONTGOMERY, Mr. BROYHILL, Mr. GRADISON, Mr. PANETTA, Mr. BOWEN, Mr. ROBERT W. DANIEL, JR., Mr. DERWINSKI, Mr. HOWARD, Mr. HUBBARD, Mr. PATTERSON, Mr. DOUGHERTY, Mr. GLICKMAN, Mr. LEACH of Iowa, Mr. DORNAN of California, Mr. DE LA GARZA, Mr. CLINGER, Mr. BURGENER, Mr. LIVINGSTON, Mr. YATRON, Mr. WALKER, Mr. WILSON, and Mr. DANNEMEYER):

H.R. 1600. A bill to aid in the creation and expansion of American small business enterprise through the enactment of tax reform and relief amendments to the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. ROE:

H.R. 1601. A bill to authorize the President to award the Congressional Medal of Honor to the eight servicemen who died in the attempt to rescue the Americans who were held hostage in Iran; to the Committee on Armed Services.

By Mr. SEIBERLING:

H.R. 1602. A bill to require aircraft manufacturers to remedy design and manufacturing defects in civil aircraft, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MARLENEE (for himself, Mr. BARNARD, Mr. ROUSSELOT, Mr. SWIFT, Mr. HORTON, and Mr. HANSEN of Idaho):

H.R. 1603. A bill to amend the Federal Mine Safety and Health Act of 1977 to provide that the provisions of such act shall not apply to surface sand, or gravel mining operations, stone mining operations, clay mining operations, or certain surface construction projects; to the Committee on Education and Labor.

By Mr. SEIBERLING:

H.R. 1604. A bill to improve the operation of the adjustment assistance programs for workers and firms under the Trade Act of 1975; to the Committee on Ways and Means.

H.R. 1605. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to reduce social security taxes and apply the proceeds thereof exclusively to the financing of the old-age, survivors, and disability insurance program, with the medicare program being hereafter financed from general revenues (earmarking a portion of Federal income tax receipts for that purpose) rather than through the imposition of employment and self-employment taxes as at present; to the Committee on Ways and Means.

By Mrs. SNOWE:

H.R. 1606. A bill to encourage public participation in rulemaking by Federal agencies; to the Committee on the Judiciary.

By Mr. WEAVER:

H.R. 1607. A bill to authorize the Secretary of Agriculture to convey certain Federal lands in the State of Oregon and for other purposes; to the Committee on Agriculture.

By Mr. ADDABBO:

H.J. Res. 152. Joint resolution to authorize and request the President to issue a proclamation designating November 30, 1981, as "National Postal Workers' Recognition Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 153. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Prevention Day; to the Committee on Post Office and Civil Service.

H.J. Res. 154. Joint resolution authorizing the President to proclaim the first Sunday in September after Labor Day as "National Grandparent's Day"; to the Committee on Post Office and Civil Service.

H.J. Res. 155. Joint resolution to authorize and request the President to issue a proclamation designating May 3 through May 10, 1981, as "Jewish Heritage Week"; to the Committee on Post Office and Civil Service.

By Mr. LAGOMARSINO:

H.J. Res. 156. Joint resolution designating the 20th of January as "Freedom Day"; to the Committee on Post Office and Civil Service.

By Mr. LEVITAS:

H.J. Res. 157. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mrs. SNOWE:

H.J. Res. 158. Joint resolution requiring the President to call a Convocation on American Federalism; to the Committee on Government Operations.

By Mr. UDALL (for himself, Mrs. SNOWE, Mr. MURPHY, Mr. SWIFT, Mr. ROSENTHAL, Mr. SCHEUER, Mr. KASTENMEIER, Mr. DYMALLY, Mr. GIBBONS, Mr. KAZEN, Mr. FASCELL, Mr. BRODHEAD, Mr. WEAVER, Mr. STUDDS, Mr. WILLIAMS of Montana, Mr. HOWARD, Mr. KOGOVSEK, Mr. BUTLER, Mrs. SCHROEDER, Mr. OTTINGER, Mr. DWYER, Mr. FORD of Tennessee, Mr. EDGAR, Mr. COELHO, Mr. RATCHFORD, Mr. MITCHELL of Maryland, Mr. PEASE, Mr. WEISS, Mr. AUCOIN, Mr. WASHINGTON, Mr. TRAXLER, Mr. NOWAK, Mr. SMITH of Iowa, Mr. HALL of Ohio, Mr. PRICE, Mr. FAZIO, Mr. REUSS, Mr. BEDELL, Mr. CONABLE, Mr. TAUKE, Mr. MCKINNEY, Mr. MCCLORY, Mr. DERWINSKI, Mr. ERDAHL, Mrs. FENWICK, Mr. PRITCHARD, Mr. SAWYER, Mr. BEVILL, Mr. BEILENSON, Mr. BONIOR of Michigan, Mr. DE LUGO, Mr. DASCHLE, Mr. JOHNSTON, Mr. ERTEL, Mr. LAFALCE, Mr. DIXON, Mr. WOLPE, Mr. SYNAR, Mr. HAMILTON, Mr. MOFFETT, Mr. PANETTA, Mr. PEPPER, Mr. CONYERS, Mr. LUNDINE, Mr. HEFTEL, Mr. CARNEY, Mr. STARK, Mr. SEIBERLING, Mr. NELSON, Mr. DOUGHERTY, Mr. HUGHES, Mrs. ROUKEMA, Mr. JEFFORDS, Mr. PORTER, Mr. RHODES, Mr. DICKS, Mr. APPLEGATE, Mr. YATES, Mr. SIMON, Mr. MCCLOSKEY, Mrs. BOGGS, Mr. BEARD) Mr. MINETA, and Mr. FORD of Michigan):

H.J. Res. 159. Resolution to establish a Commission on Presidential Nominations; to the Committee on House Administration.

By Mr. BROWN of Ohio:

H. Con. Res. 49. Concurrent resolution requesting Securities and Exchange Commission to report on foreign acquisitions of U.S. firms; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

By Mr. FISH (for himself, Mr. ALBOSTA, Mr. ANDERSON, Mr. AUCOIN, Mr. BARNES, Mr. BINGHAM, Mr. BRODHEAD, Mr. BROWN of California, Mr. DIXON, Mr. DOUGHERTY, Mr. ERTEL, Mr. EVANS of Delaware, Mr. FAUNTROY, Mrs. FENWICK, Ms. FIEDLER, Mr. FRENZEL, Mr. GLICKMAN, Mr. GOLDWATER, Mr. GORE, Mr. GREEN, Mr. HALL of Ohio, Mr. HOLLENBECK, Mrs. HOLT, Mr. HUGHES, Mr. KEMP, Mr. LAGOMARSINO, Mr. LEBOUTILLIER, Mr. LEHMAN, Mr. LENT, Mr. MATSUI, Mr. MCDONALD, Mr. MOFFETT, Mr. NELLIGAN, Mr. NELSON, Mr. PORTER, Mr. OTTINGER, Mr. PEPPER, Mr. PEYSER, Mr. ROSENTHAL, Mr. SCHEUER, Mr. SHAMANSKY, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. WAXMAN, Mr. WEBER of Ohio, Mr. WOLPE, Mr. YATES, and Mr. YATRON):

H. Con. Res. 50. Concurrent resolution expressing the sense of the Congress that the

Soviet Union should provide proper medical care for Dr. Viktor Brailovsky and permit him and his family to emigrate to Israel, urging the President to protest the continued suppression of human rights in the Soviet Union, and for other purposes; to the Committee on Foreign Affairs.

By Mr. OTTINGER:

H. Con. Res. 51. Concurrent resolution expressing the sense of the Congress with respect to persons fleeing Eastern European countries; to the Committee on the Judiciary.

By Mr. FITHIAN:

H. Con. Res. 52. Concurrent resolution expressing the sense of the Congress that the President should seek the support of other nations for the establishment of an International Office of Diplomatic Security within the Secretariat of the United Nations; to the Committee on Foreign Affairs.

By Mr. PEPPER:

H. Con. Res. 53. Concurrent resolution to seek the resurrection of churches and religious freedom in the Ukraine; to the Committee on Foreign Affairs.

H. Con. Res. 54. Concurrent resolution expressing the deep concern of the Congress about the deprivation by the Soviet Union of the right of Christians to freedom of religion and, in particular, about the situation of the seven Pentecostals now living in the U.S. Embassy in Moscow, and their families; to the Committee on Foreign Affairs.

By Mr. WINN (for himself, Mr. FAZIO, Mr. LAGOMARSINO, Mr. PEYSER, Mr. FORD of Tennessee, Mr. BAILEY of Missouri, Mr. O'BRIEN, Mr. SANTINI, Mr. GRISHAM, Mr. LEDERER, Mr. SCHEUER, Mr. MATTOX, Mr. WOLPE, Mr. BARNES, Mr. PASHAYAN, Mr. WHITEHURST, Mr. VENTO, Mrs. CHISHOLM, Mr. ATKINSON, Mr. COELHO, Mr. PANETTA, Mr. SOLARZ, Mr. KOGOVSEK, Mr. IRELAND, Mr. ROBERTS of Kansas, Mr. LONG of Maryland, Mr. KILDEE, Mr. CLINGER, Mr. RODINO, Mr. DOWNEY, Mr. BONKER, Mr. MCHUGH, Mr. FRENZEL, Mr. MCDADE, Mr. DOUGHERTY, Mr. BONIOR of Michigan, Mr. PEPPER, Mr. JEFFORDS, Mr. ERDAHL, Mr. HUGHES, Mr. WALKER, Mr. BOLAND, Mr. DUNCAN, Mr. FISH, Mr. DUNN, Mr. LUNDINE, Mr. BROWN of California, Mr. MAZZOLI, Mr. LUNGREN, Mr. ROE, Mr. SMITH of New Jersey, Mr. GLICKMAN, and Mr. YATRON):

H. Con. Res. 55. Concurrent resolution expressing the sense of the Congress with respect to implementing the objectives of the International Year of Disabled Persons (1981); to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

8. The SPEAKER presented a memorial of the Senate of the State of Washington, relative to the release of the American hostages held by Iran; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 1608. A bill for the relief of Frieda Simonson; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 1609. A bill for the relief of Lum Mei-Kum Moy and Hoi-Ping Moy; to the Committee on the Judiciary.

H.R. 1610. A bill for the relief of Sing Chuen Yuan Lin; to the Committee on the Judiciary.

H.R. 1611. A bill for the relief of Guadalupe Antonio Pino; to the Committee on the Judiciary.

H.R. 1612. A bill for the relief of Andreas Pluemer; to the Committee on the Judiciary.

H.R. 1613. A bill for the relief of Kai Hung Pun, also known as Wah Poon; to the Committee on the Judiciary.

H.R. 1614. A bill for the relief of Barry David Tombs; to the Committee on the Judiciary.

H.R. 1615. A bill for the relief of Norman Tam; to the Committee on the Judiciary.

H.R. 1616. A bill for the relief of Joaquin Rodriguez-Munguia; to the Committee on the Judiciary.

H.R. 1617. A bill for the relief of Wu Feng Jun Yu, and Kinh Quoc Ngo; to the Committee on the Judiciary.

H.R. 1618. A bill for the relief of Romeo Sanchez Vita (also known as Romeo Sanchez Perez); to the Committee on the Judiciary.

H.R. 1619. A bill for the relief of Anastacio Tortona; to the Committee on the Judiciary.

H.R. 1620. A bill for the relief of Chan Chee; to the Committee on the Judiciary.

H.R. 1621. A bill for the relief of Rose Fu (also known as Chung Lok); to the Committee on the Judiciary.

H.R. 1622. A bill for the relief of Marie Georgette Claire Danielle Bouchard Bihr; to the Committee on the Judiciary.

H.R. 1623. A bill for the relief of Maria de Jesus Castro; to the Committee on the Judiciary.

H.R. 1624. A bill for the relief of Theresa Macam Alcalen; to the Committee on the Judiciary.

H.R. 1625. A bill for the relief of Philip Patrick Walker; to the Committee on the Judiciary.

H.R. 1626. A bill for the relief of Roberto Santiago Galos, his wife, Flora Justina Borjas de Galos, and their children, Giselle Sofia Margarita Galos, Denise Rinee Galos, and Leonie Desiree Claudia Galos; to the Committee on the Judiciary.

H.R. 1627. A bill for the relief of Kornelia Stakiri; to the Committee on the Judiciary.

H.R. 1628. A bill for the relief of Ralph Lafi Alisa Toelupe; to the Committee on the Judiciary.

By Mr. GONZALEZ:

H.R. 1629. A bill for the relief of James A. Ferguson; to the Committee on the Judiciary.

By Mr. HANSEN of Idaho:

H.R. 1630. A bill for the relief of Ammara Deitz; to the Committee on the Judiciary.

By Mr. NELSON:

H.R. 1631. A bill for the relief of Lee R. Gilbert; to the Committee on the Judiciary.

By Mr. SHAMANSKY:

H.R. 1632. A bill for the relief of Ms. Delphi Panisa; to the Committee on the Judiciary.

H.R. 1633. A bill for the relief of Ms. Daana Alyarez; to the Committee on the Judiciary.

H.R. 1634. A bill for the relief of Ms. Clarita Guerrero; to the Committee on the Judiciary.

By Mr. WIRTH:

H.R. 1635. A bill for the relief of the Jefferson County Mental Health Center, Inc., and of certain current and former employees thereof; to the Committee on the Judiciary.

By Mr. YOUNG of Missouri:

H.R. 1636. A bill for the relief of Dr. Noel F. and Maria L. Villanueva; to the Committee on the Judiciary.

H.R. 1637. A bill for the relief of Karl Josef and Karoline Steinbrecher; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. COLLINS of Texas, Mr. JOHNSTON, Mr. WON PAT, Mr. LAGOMARSINO, Mrs. BOUQUARD, Mr. PEPPER, Mr. MURPHY, Mr. HANSEN of Utah, Mr. HINSON, Mr. PRITCHARD, Mr. PRICE, Mr. ANTHONY, Mr. KINDNESS, Mr. DANNEMEYER, Mr. FORSYTHE, Mr. MOTTL, Mr. DERWINSKI, Mr. MCDADE, Mr. GUYER, Mr. LOTT, Mr. BADHAM, Mr. SENSENBRENNER, Mr. ROE, Mr. HUCKABY, and Mr. CARMAN.

H.R. 247: Mr. BAILEY of Missouri, Mr. GREGG, Mrs. SCHNEIDER, Mr. NEAL, Mr. DREIER, Mr. SKEEN, Mr. JOHNSTON, Mr. BENEDICT, Mr. SMITH of New Jersey, Mr. MCGRATH, and Mr. MORRISON.

H.R. 556: Mr. STARK, Ms. FERRARO, Mr. ADDABBO, Mr. JOHN L. BURTON, Mr. MITCHELL of New York, Mr. JACOBS, and Mr. KEMP.

H.R. 713: Mr. KEMP, Mr. WHITTAKER, Mr. DERWINSKI, Mr. BROOMFIELD, Mr. ROTH, Mr. LAGOMARSINO, Mr. PRITCHARD, Mr. BROYHILL, Mr. LATTA, Mr. SAWYER, Mr. FINDLEY, Mr. FRENZEL, Mr. COATS, Mr. WEBER of Minnesota, Mrs. HOLT, Mr. PARRIS, Mr. SHUMWAY, Mr. BUTLER, Mr. MADIGAN, Mr. GUYER, Mr. SOLOMON, Mr. WHITEHURST, Mr. DUNN, Mr. GREGG, Mr. CAMPBELL, Mr. CLINGER, and Mr. DAVIS.

H.R. 911: Mr. FOWLER and Mr. ROUSSELOT.

H.R. 1100: Mr. WHITTEN, Mr. SPENCE, Mr. HEFNER, and Mrs. HOLT.

H.R. 1138: Mr. SPENCE and Mr. HEFNER.

H.R. 1139: Mr. SPENCE and Mr. HEFNER.

H.R. 1141: Mrs. HOLT.

H.R. 1147: Mrs. HOLT.

H.R. 1177: Mr. BADHAM, Mr. SCHEUER, Mrs. COLLINS of Illinois, Mr. BAILEY of Missouri, Mr. HINSON, Mrs. BOUQUARD, Mr. LOWRY of Washington, Mr. FORD of Tennessee, Mr. WON PAT, Mr. YATES, Mr. YOUNG of Missouri, Mr. FASCELL, Mr. MOFFETT, Mr. MITCHELL of Maryland, Mr. DASCHLE, Mr. STENHOLM, Mr. PRITCHARD, Mr. BLILEY, Mr. SHUMWAY, Mr. GREEN, Mr. RODINO, Mr. ROE, Mr. ERTEL, Mr. CAMPBELL, Mrs. HOLT, Mr. GARCIA, Mr. JEFFORDS, Mr. VENTO, Mr. ROBERT W. DANIEL, JR., Mr. SEIBERLING, Mr. FAUNTROY, Mr. COELHO, Mr. FRANK, Mr. BEDELL, Mr. NEAL, and Mr. HORTON.

H.R. 1325: Mr. STUMP, Mr. JOHNSTON, Mr. WINN, Mr. WEBER of Minnesota, Mr. WHITEHURST, Mr. STANGELAND, Mr. BLILEY, Mr. FORSYTHE, Mr. MCCLORY, Mr. SHUMWAY, Mr. WALKER, Mr. BUTLER, Mr. PARRIS, Mr. ROBERTS of Kansas, Mr. KRAMER, Mrs. HOLT, Mr. ROBERT W. DANIEL, JR., Mr. EMERY, Mr. KINDNESS, Mr. LOEFFLER, Mr. HARTNETT, Mr. MONTGOMERY, Mr. FRENZEL, Mr. BETHUNE, and Mr. MARRIOTT.

H.R. 1373: Mr. ENGLISH, Mr. KOGOVSEK, Mr. DYSON, Mr. BEDELL, Mr. ERDAHL, Mr. RALPH M. HALL, Mr. FRENZEL, Mr. HATCHER, Mr. HARTNETT, Mr. DAUB, Mr. WILLIAMS of Montana, Mr. BAILEY of Missouri, Mr. WOLPE, Mr. BROWN of Ohio, Mr. COLLINS of Texas, Mr. WATKINS, and Mr. JEFFORDS.

H.R. 1400: Mr. SPENCE and Mr. HEFNER.

H.J. Res. 84: Mr. DE LA GARZA, Mrs. BOUQUARD, Mr. RAHALL, Mr. SAWYER, Mr. COURTER, Mr. STENHOLM, Mr. CRAIG, Mr. GINN, Mr. FOUNTAIN, Mr. BROWN of California, Mr. KILDEE, Mr. MITCHELL of New York, Mr. CLINGER, Mr. MCCOLLUM, Mr. MINISH, Mr. YOUNG of Alaska, Mr. CAMPBELL, Mr. ZEFERETTI, Mr. DOUGHERTY, Mr. FRENZEL, Mr. ERDAHL, Mr. SYNAR, Mr. LONG of Maryland, Mr. CARNEY, Mr. ANDERSON, Mr. DOWNEY, Mr. YOUNG of Missouri, Mr. MARRIOTT, Mr. YATRON, Mr. ROBERT W. DANIEL, JR., Mrs. FENWICK, Mr. ROSENTHAL, Mr. GREEN, Mr. HOPKINS, Mr. ANNUNZIO, Mr. MADIGAN, Mr. HUGHES, Mr. VANDER JAGT, Mr. RATCHFORD, Mr. KOGOVSEK, Mr. RICHMOND, Mr. ADDABBO, Mr. FISH, Mr. MURPHY, Mr. KASTENMEIER, Mr. SCHEUER, Mr. PEYSER, Mr. FAZIO, Mr. DONNELLY, Mr. BEREUTER, Mr. KAZEN, Mr. WEISS, Mr. KRAMER, Mr. HORTON, Mr. WOLPE, Mr. OBERSTAR, Mr. SHELBY, Mr. RODINO, Mr. BAILEY of Missouri, Mr. FLORIO, Mr. JOHNSTON, Mr. HOLLENBECK, Mr. WEAVER, Mr. BOWEN, Mr. PEPPER, Mr. FORD of Tennessee, Mr. COUGHLIN, Mr. HOWARD, Mr. LUNGREN, Mr. FROST, Mr. GRISHAM, Mr. MARKS, Mr. MCHUGH, Mr. VENTO, Mr. SMITH of Alabama, Mr. DWYER, Mr. NOWAK, Mr. EARLY, Mr. ATKINSON, and Mr. SUNIA, Mr. VOLKMER, Mr. GEJDENSEN, Mr. SHAMANSKY, Mr. SHUMWAY, Mr. SMITH of New Jersey, Mr. GOLDWATER, Mr. MAZZOLI, Mr. GORE, Mr. MCGRATH, Mr. JACOBS, Mr. LAFALCE, Mr. D'AMOURS, Mr. LANTOS, Mr. JEFFORDS, Mr. BARNES, Mr. HIGHTOWER, Mr. STANTON of Ohio, Mr. DAUB, Mr. PASHAYAN, Mr. ROBINSON, and Mr. SANTINI.

H.J. Res. 113: Mr. ROBERT W. DANIEL, JR., Mr. SHELBY, and Mr. STANGELAND.

H. Res. 30: Mr. MOTTL, Mr. LANTOS, Mr. PEPPER, Mr. GRAY, and Mr. NEAL.

PETITIONS, ETC.

Under clause 1 of rule XXII,

22. The SPEAKER presented a petition of the city council, New York, N.Y., relative to declaring January 15 as a national holiday in honor of Martin Luther King, Jr.; which was referred to the Committee on Post Office and Civil Service.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1553

By Mr. RHODES:

—Add the following new section:

SEC. . (a) Section 1011 of the Impoundment Control Act of 1974 (31 U.S.C. 1401) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) 'rescission resolution' means a concurrent resolution which only disapproves, in whole or in part, the rescission or reservation of budget authority proposed to be rescinded or reserved in a special message transmitted by the President under section 1012, and upon which the Congress completes action before the end of the first period of 45 calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress;".

(b)(1) Section 1012(b) of the Impoundment Control Act of 1974 (31 U.S.C. 1402(b)) is amended by striking out "Any" and inserting in lieu thereof "Except as provided in subsection (c), any".

(2) Section 1012 of the Impoundment Control Act of 1974 (31 U.S.C. 1402) is amended by adding after subsection (b) the following new subsection:

"(c) DISAPPROVAL OF RESCISSION OR RESERVATION.—Any amount of budget authority proposed to be rescinded, or that is to be reserved, as set forth in such special message transmitted to both Houses of Congress on or after October 1, 1980, and before October 1, 1981, shall not be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission resolution disapproving the rescission or reservation of such amount of budget authority.".

(c) Section 1017 of the Impoundment Control Act of 1974 (31 U.S.C. 1407) is amended—

(1) by inserting "or resolution" after "rescission bill" each place it occurs in subsections (a) and (b)(1), in paragraphs (1), (2), (3), (4), and (5) of subsection (c), and in paragraphs (1), (2), (3), (4), and (5) of subsection (d);

(2) by inserting "or resolution" after "such a bill" both places it occurs in subsection (d)(2); and

(3) by striking out "concurrent" in the second sentence of subsection (d)(3).

(d)(1) The fourth sentence of section 211(h)(6)(A) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 721(h)(6)(A)) is amended—

(A) by striking out "section 1011(5)" and inserting in lieu thereof "section 1011(6)"; and

(B) by striking out "(31 U.S.C. 1401(5))" and inserting in lieu thereof "(31 U.S.C. 1401(6))".

(2) The third sentence of section 216(c)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 726(c)(2)) is amended—

(A) by striking out "section 1011(5)" and inserting in lieu thereof "section 1011(6)"; and

(B) by striking out "(31 U.S.C. 1401(5))" and inserting in lieu thereof "(31 U.S.C. 1401(6))".

EXTENSION OF REMARKS

HOUSE CONCURRENT RESOLUTION 52 AND TERRORISM AGAINST DIPLOMATS

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FITHIAN. Mr. Speaker, I am inserting today for the benefit of my colleagues an article taken from the Washington Post of February 1, 1981. The article, written by Don Oberdorfer, is a persuasive argument in favor of the establishment of international mechanisms to deal with terrorism against diplomats. Just such a mechanism would be established by House Concurrent Resolution 52, which I recently introduced in the 97th Congress.

The article follows:

WHY THE HOSTAGE CRISIS HELD US ALL HOSTAGE

Despite what Americans believe they know, the seizure and abuse of diplomats as well as private citizens abroad is far from unprecedented; it has been a rather regular occurrence during historical periods of turbulence and revolution. The victims have been American, Russian, British and a variety of other nationalities in a dismayingly long tradition.

Why then did the seizure, confinement and eventual release of 66, later 52, American hostages in Tehran strike this country with thunderclap force, becoming a crisis of an overwhelming and all-absorbing nature? Why did the Carter administration concentrate on this beyond all else in a dangerous world, to the extent of more than 100 meetings of the National Security Council or its crisis coordinating committee within the first six months? And why are Americans likely to remember this travail and release on the scale of great events, such as the beginning or ending of a full-scale war or the death of a president?

Many factors, foreign and domestic, were involved, but two reasons stand out beyond all others:

First, the plight of the hostages in Iran seemed to sum up and symbolize a sense of vulnerability and ineffectiveness in relation to the rest of the world which had been growing in this country since the fall of Saigon in 1975, and was rooted in the more distant past.

The nation which had emerged from World War II far and away the most powerful as well as the most admired was increasingly frustrated and buffeted by outside forces beyond its control. National adjustment to a more modest role is often painful. The taking of a U.S. embassy, a symbolic seat of nationhood, seemed to seize the nation as well as its diplomatic and military personnel by the throat.

Second, and closely related to the first, is a new fact of our age with profound significance: the ability of human beings with the right equipment to bounce sounds and images off satellites in space and transmit them widely and instantly to millions of others across the globe. In this weird world in which we live, fragments of experience from afar can be hurled into the national consciousness with incredible velocity and impact. The effect is all the greater when the event is not only dramatic and symbolic but also intensely personal, involving the suspended fate of identifiable people.

The world stage was not lit nor the cameras rolling in 1796, when the United States signed an early day "agreement of Algiers" and paid $992,463.25 for the ransom of the passengers and crew of two American ships which had been seized and held by the dey of Algiers for 11 years. The payment of ransom by nations was commonplace in those days.

Nor was there much commotion beyond a limited circle in 1829 when a mob of several thousand Persians, egged on by mullahs, sacked the Russian legation in Tehran, slaughtered nearly all 38 of Moscow's diplomatic personnel and dragged the body of the Russian envoy through the streets. The Russian offense, in Persian eyes, was to give asylum to two girls and a eunuch from the harem of the shah and his family. There was no retribution.

In China in 1948-49, following the communist victory in the civil war, authorities in Mukden penned up the 10 diplomatic personnel of the U.S. consulate plus their Chinese staff and a hapless German who had stopped by to visit the library. This confinement under rigorous conditions lasted for more than a year, six months of this period without any contact with the outside world. Nobody remembers this now.

Another Chinese episode during the Maoist Cultural Revolution was perhaps the closest contemporary parallel to the recent events in Tehran. In 1967 the British chancery in Peking was sacked and burned by quasi-official Red Guards, several British diplomats were beaten by a mob and subsequently all British diplomats were detained in their compound for four months by government order. At about the same time the Soviet embassy in Peking was repeatedly attacked and harassed, with the Russians counting some 80 government-backed "provocations" within 1967 against their diplomatic mission or personnel, and another 120 "spontaneous outrages."

From 1968 to 1979 the State Department counted 273 terrorist incidents of all sorts against U.S. diplomatic interests overseas. The Rand Corporation's most recent listing of international terrorist acts against all countries since 1968 runs to 1,400 incidents. Nearly 100 diplomats have been assassinated or kidnaped in that period.

A Rand report issued a few days ago said terrorists or other militants have seized embassy facilities of various countries on 43 occasions since 1971, with five of these incidents involving U.S. embassies. "Seizing embassies became a common form of protest and coercion in the 1970s," according to Brian M. Jenkins of Rand.

The takeover of the U.S. embassy in Tehran, in this light, involved the seizure of the largest number of diplomatic personnel, and for the longest time, of any single contemporary incident. These are distinctions which made it noteworthy, as did the ambiguous quasi-governmental nature of the hostage-keeping, but in themselves they hardly explain why this became the "Iran crisis" which shook the United States and involved most of the world.

In Washington's inner circle as well as on the outside, the events of Nov. 4, 1979, were very personal. The high officials along with the rest of the country saw the television pictures of screaming crowds waving their fists outside the embassy while the blindfolded hostages were paraded inside. "I knew this was going to be overwhelming," said Capt. Gary Sick, the NSC staff aide on Iranian matters. "In the White House situation room within the first 24 hours I made a commitment, almost like taking vows, that until those people were out that would be the total priority in my life. We discussed it at the dinner table, and my family understood. From then on, seven days a week became totally routine and 16-hour days were normal."

When all the elements of the United States government were mobilized, due to the intense personal interest and commitment of President Carter and the topmost layer, Sick was receiving 1,000 pages of cables, memoranda and reports per day across his desk, more than he had time even to skim between White House meetings.

The president himself, as disappointment piled upon disappointment and the Soviet invasion of Afghanistan added to the air of crisis, seemed a changed man to those around him. "This hostage thing is preying on his mind. It's almost like it haunts him," said Robert Strauss, his campaign manager, three months into the long ordeal.

The overwhelming, almost single-minded governmental concentration on the event both arose from and intensified the concentration of the press and public. "The emotion level of the American people, the pain, anger and frustration that they felt and that we felt, was not something the administration had control over," recalled NSC aide Sick. "Anybody who suggested in those early months that this should be played down would have been laughed at. No public figure could stick his nose out of his office without being swamped in the national feeling. The immediacy of it penetrated the consciousness and overwhelmed us."

The question persists: Why was this so? No armies were marching, as they were in Afghanistan. There was a physical threat to several dozen of the 225 million Americans, but no physical threat to the United States. Moreover, it became apparent after a few weeks to nearly everyone, as passion in the United States intersected and interacted with passion in Iran, that a quick resolution was unlikely.

Part of the reason was the raw nerve touched upon by Jeff Gralnick, executive producer of ABC Television's "World News Tonight" program, who hit upon the gripping title of "America Held Hostage" for a series of late night specials on Iran. Many Americans completely identified their country's fate with that of the hostages. For some, the identification was so intense and personal they told members of hostage families, that they were unable to sleep well as

they tossed at night worrying about what would happen next.

It is too simple to single out instant international mass communications via satellite and television, as the only reason for the puzzling disparity between the scale of the event and the scale of its repercussions. Yet this fact, which made the daily drama part of the life of nearly every American from president to private citizen separates the "hostage crisis" in Iran from all that went before. If Vietnam was the nation's first television war, the ordeal of the Tehran embassy was the first televised international crisis.

It has been suggested by many most recently by Ronald Reagan that the United States and Iran actually were embroiled in something akin to war, and that those in the captured embassy could be better considered "prisoners of war" than hostages to militant captors. If so what a strange kind of war, with journalists reporting daily both from the high command at home and from the enemy camp, using transmission facilities furnished and controlled by the other side.

And what of the content of the reports? It would be wrong to say that journalists did the bidding of the militants, except in rare cases. Even that small minority of reports planned by the captors to propagandize Americans backfired, stoking public anger in this country instead of sympathy for the Iranian cause.

The greater problem in the majority of both television and print reporting was lack of context. Lacking prior experience or knowledge of Iran, its access sharply limited or cut off, goaded by competition for the most obvious and dramatic stories, the press tended to focus tightly on the Americans and their immediate plight, without much emphasis on or explanation of the internal Iranian setting which brought about the event and made it so difficult to resolve.

With some notable exceptions, the press was trapped in the technology and, deadline pressures of a story which took on a life of its own. For example, the hostages in the embassy were rarely seen, but the networks trained their cameras day after day on the shouting, fist-shaking mobs on the street just outside. A study by Associate Professor David L. Altheide of Arizona State University reported that the network evening news programs, in 10 sample periods over eight months, beamed Iranian crowds and demonstrations into American homes on 60 occasions, compared to only three interviews with unofficial, non-demonstrating Iranians who might have explained what the crowds were screaming about.

And what for the future? What does the "hostage crisis" and the reaction to it portend?

The greatest underlying question is how a democratic country with worldwide interests and responsibilities can cope with a world of trouble and turbulence in the 1980s. Will the leadership and people of the United States find a way to respond to outrageous actions without becoming, in the common phrase, hostage to events?

President Reagan's pledge of "swift and effective retribution" in case of threats to Americans abroad is clearly meant to provide deterrence against attack as well as reassurance to a deeply troubled people. Yet, given the profusion of incidents throughout the world, there seems little likelihood that Reagan's warning will turn back the tide of disorder.

There is little evidence that the Iranians who seized the embassy and its personnel, or other terrorists who have dramatized their causes with violent acts, acted on a calculation of personal risk. In fact, the likelihood of direct engagement by the United States could spur some groups to greater risks for greater glory and more radical outcomes.

A prophetic report written for the Air Force in 1977 by Guy J. Pauker, a noted political scientist, projected "a period of increased social instability" in the 1980s, including the possibility of a breakdown of international order he called "a world order crisis." Pauker foresaw difficult decisions for the United States. "In some instances, it may have to give priority to world order considerations, while in other situations it may have to defend narrowly defined national interests," he wrote.

"In deciding to use military force for the protection of limited national interests, a great power which is also a democracy has to be responsive to a wide range of considerations. Should the U.S. government be prepared to project its power into all parts of the world where Americans may wish to travel, trade, study or engage in any other normal and peaceful activity, in order to protect them? If not, where should one draw the line?" Pauker asked.

A journalist who has observed government and public opinion during the Iranian drama emerges with few sure answers for future tests. But I have these suggestions:

First, the government should be prepared to meet the unexpected and intolerable with contingency plans for quick response, political as well as military, as troubles arise. The greatest impact as well as the greatest chance to affect the course of turbulent events is in the early hours of a crisis, when it is also most difficult to plan and see ahead.

Second, the press and the people, as well as those citizens who are also government officials, should keep their cool in the face of provocation. This would provide the maximum flexibility for a national response which will be tailored to the reality rather than the emotional impact of the problem.

Third, everyone should become aware as soon as possible of the context and circumstances of a thunderbolt from abroad, without necessarily accepting the premises of those who have hurled it. Americans must understand as well as feel what is going on.

Finally, and perhaps most immediately important, the government, press and people of the United States have an urgent need to examine and reflect upon the events and impressions of the past 14 months. For all the courage of the hostages and the euphoria and unity of homecoming, this country cannot afford a repetition of what it has just been through. Yet, unless I miss my guess, many dangerous and dramatic trials, some within camera range, are ahead in the troubled decade of the 1980s.●

TAXPAYER FINANCING OF ELECTIONS: A MONSTER

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FRENZEL. Mr. Speaker, the New York Times of January 18 carried an article by Joseph Sullivan, describing the disastrous problems that have resulted from New Jersey's taxpayer financing of gubernatorial elections. The headline, "Byrne's Brainchild Begins To Look Like a Monster" says it all.

According to the article, two points are clear about the New Jersey program:

First, the program is tremendously expensive. The cost for this election cycle will be 250 percent greater than the original estimates. That should not be surprising because opponents of taxpayer funding of elections, like myself, have been warning about costs for nearly a decade.

Second, the system is politically disruptive. It has literally created, and promoted, candidacies which would never see the light of day if they had to rely on their own attractiveness to the electorate for fundraising.

There will be more and more such articles as the 16 States which use taxpayers' money to pay campaign expenses begin to experience the problems that caused New Jersey's "monster." Predictably, if the programs are fair, available to all comers in both primary and general elections, they are going to be needlessly and unaffordably expensive.

My hope is that the Congress and other States which have not fallen into the "free money" trap, benefit from the New Jersey experience. The peoples' money has no place in the financing of elections.

[From the New York Times, Jan. 18, 1981]

JERSEY'S PUBLIC CAMPAIGN FINANCING BRINGS CANDIDATES OUT OF THE WOODWORK

BYRNE'S BRAINCHILD BEGINS TO LOOK LIKE A MONSTER

(By Joseph F. Sullivan)

TRENTON.—When he was first elected in 1973, Governor Byrne made enactment of a public campaign financing law his top priority. Since then he has watched the law grow to cover the gubernatorial primaries as well as the general election and has seen the field of potential candidates in this year's race swell to 20.

To the Governor, who cannot run for a third term, it is as though a favored child has turned into a monster. It seems like anyone with political ambition is getting ready to make the race and, as a result, the upcoming primary will not only be the most expensive gubernatorial primary ever held in New Jersey, but possibly in the nation. "Maybe I've made the job seem to easy," Mr. Byrne said, "or maybe we've made the primary financing law too broad."

Last week the Governor proposed some changes that would make the law considerably less broad by making it harder for minor candidates to secure state funds. It is doubtful, though, that any changes could be made in time for this year's race.

In order to qualify for public financing in New Jersey's gubernatorial primary, a candidate must first raise $50,000 on his own. From then on, the candidate is eligible for $2 in public funds for every $1 raised privately, as long as the private funds come in contributions no larger than $800. The ceiling on state contributions is approximately $600,000, so a candidate needs to raise

$350,000 privately to attract the maximum amount of state aid. (Since the spending limit is $1,050,000, candidates can raise another $100,000 in unmatched funds if they wish.)

The New Jersey Election Law Enforcement Commission originally estimated it would need about $4 million to provide matching funds for the 1981 primary. But 11 Democrats and nine Republicans have either already declared their candidacies or at least filed with the commission as possible candidates, so the cost to the taxpayers may well exceed $10 million. Since only a small percentage of New Jersey's 3.5 million voters usually participate in the primaries, some observers have estimated that it will cost the state $10 for each vote cast.

In addition to the financial problems spawned by the law, there are political problems, too. The larger the field, the more attractive the race becomes to minor candidates, who reason they will need only about 25 percent of the votes cast to have a chance of capturing their party's nomination. For example, Richard B. McGlynn of Millburn, a former judge and ex-member of the State Board of Public Utility Commissioners, has estimated he will need only about 75,000 votes to become the Republican candidate.

Even if the chances of winning the nomination are remote, there is another reason for a minor candidate to hop on the ballot and get state funds: It is a cheap way to build recognition for a future race.

Mr. Byrne was a former prosecutor and a judge who had never run for public office when he became a candidate in 1973. He abhorred the maneuvering for campaign funds and reportedly would leave campaign strategy meetings when the talk turned to money. When he was elected he said he wanted his first campaign for governor to be the last in which special interest groups could attempt to buy influence through large campaign contributions.

He succeeded in getting a general election financing bill through in 1974 and, at the urging of the newly-created Election Commission, agreed to support extending it to the primary, though this provision wasn't adopted until after Mr. Byrne won reelection. Now, however, the proliferation of candidates has so alarmed the Governor that last week he proposed that the $50,000 "threshold" for each candidate be raised to $150,000 or $200,000, and that some sort of runoff be included to ensure that the winner of each party's nomination achieved broad support.

TOO LATE TO CHANGE?

Assemblywoman Barbara W. McConnell, the Flemington Democrat who became the first female candidate for governor last week, said the Legislature had already considered a threshold of $150,000 during its debate on the law, but decided on the $50,000 limit so as not to deny any citizen an opportunity to run for governor. And in any event, leaders like David Norcross, the state Republican chairman, who opposed the public financing law, say it is too late to make changes for the June contests.

According to Lewis B. Thurston, the executive director of the Election Commission, three candidates, Mayor Thomas F. X. Smith of Jersey City. Mayor Lawrence F. Kramer of Paterson and Mr. McGlynn, already have submitted financial records indicating they qualify for matching funds under the law as it stands. Commission auditors are expected to rule on the applications by the end of the month and the first checks could be due by then.

This could create another problem, since the Legislature has yet to appropriate money to cover the checks. Faced with the growing number of candidates, the State Senate last year passed a bill authorizing payment of the matching funds but containing no specific amount. The Assembly wants to include an amount, but can't agree on how much.

Whatever happens, most observers agree that New Jersey is not finished with its pioneering experiment. Indeed, the state's experience with public funding during this year's gubernatorial campaign may very well shape new approaches for the next one, four years hence.

WHERE NEW JERSEY LEADS, 16 STATES FOLLOW

Since 1974, when New Jersey became the first, 16 other states have adopted some form of public campaign financing.

They are Hawaii, Idaho, Iowa, Kentucky, Maryland, Maine, Massachusetts, Michigan, Minnesota, Montana, North Carolina, Oklahoma, Oregon, Rhode Island, Utah and Wisconsin.

While most of these states limit public financing to the general gubernatorial election, Massachusetts and now New Jersey have followed Michigan's lead and extended it to primaries for that office as well.

Some states also provide limited financing for other races. In Wisconsin and Minnesota, candidates for statewide office and the state legislature are eligible to receive public funds; in Maryland and Hawaii, the coverage even extends to some local offices.

The states also have different ways of collecting and allocating the money used to underwrite campaigns.

Some ask taxpayers to add a contribution to their state income tax payment, while others use a checkoff system like the Federal one that lets the taxpayer choose whether to commit a specified amount of his tax payment—usually $1—to a public campaign fund. Since this does not increase the taxpayers' liability, it is the most popular.

Eight states, including New Jersey, give the money, usually on a matching basis, to the candidates, while eight others give it to the political parties.

Oklahoma does both, providing a modest amount for the parties while giving most directly to the candidates.

Other states are known to be considering establishing their own public campaign financing programs. Among those that have asked New Jersey officials for advice are California, Florida, Louisiana, and New York.●

RUDY ROPER

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SKELTON. Mr. Speaker, an era is coming to an end in my district. Since I was first sworn in as a Member of the House of Representatives in 1977, it has been my pleasure to represent the dean of Missouri's mayors. Rudy Roper, mayor of Sugar Creek, Mo., will finish a 40-year term of office in April of this year.

It is a high tribute to Mayor Roper that his community elected him to twenty 2-year terms as mayor. During that era he presided over many community improvements and helped guide the community through some difficult times.

There is a statement that "the best politics is doing a good job." Mayor Roper obviously has done a good job. The community has recognized his efforts and rewarded him with votes of confidence for a period far exceeding those received by his early contemporaries.

It is a pleasure for me to have Mayor Roper as a constituent. I congratulate him on his years of service and his return to the highest office an American can hold—that of citizen.●

HUMAN RIGHTS AND FOREIGN POLICY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. EDWARDS of California. Mr. Speaker, by way of promoting debate on the subject of human rights and our foreign policy, I recommend a thoughtful essay on the subject by our colleague, the gentleman from Washington, Mr. BONKER, which appeared in the New York Times on December 22 of last year. The article follows:

SERVING HUMAN RIGHTS

WASHINGTON.—I hope that President-elect Ronald Reagan's statement that "all of us in this country are dedicated to the belief in human rights" and his warning to South Korea not to execute Kim Dae Jung, the opposition political leader, will signal authoritarian regimes everywhere that he will not tolerate their odious policies.

Yet speculation grows daily about the fate of human rights in the incoming Reagan administration. Many are counseling him publicly to undo the human-rights policy that was born of Congressional initiatives and that has been an integral part of foreign policy.

The peril of such advice is the possibility that it will be misinterpreted around the globe. Repressive regimes already are boasting that they will no longer be judged by the United States' standard of democracy and human decency. To abandon our human-rights policy would be a terrible blow to freedom everywhere. In a turbulent world, the forces of liberty are desperately struggling for survival. Dictatorial regimes, whether friend or foe, reject the concept of a free and open society. They uphold values that are as inimical to our country's long-term national interests as those of our avowed enemies.

Human-rights violators do not make reliable allies, as is evidenced by the Soviet Union's close relations with Argentina and Bolivia, both with hardline right-wing regimes. The era of simpler times, when brutal dictatorships were tolerated as long as they professed anti-Communism, has passed.

Our history has shown that we stand for more than expediency and strategic interests in pursuing our global objectives. By

maintaining a strong human-rights policy, as President Carter has, we show ourselves responsive to the yearnings of human beings for dignity and freedom. Countries should be put on notice that if they expect our aid, they cannot engage in political executions, torture, and other monstrous practices.

It is in our self-interest to work for long-term stability in the third world if we are to achieve our political and economic goals. The alternative is to find ourselves at the mercy of dictators. Our recent experiences have demonstrated that we gain only the enmity of the people who are the victims of repression.

It has never been lack of weapons, but rather internal discord and disregard of basic rights that threaten repressive governments, and often our security interests. It was not our human-rights policy that brought about the downfall of Shah Mohammed Riza Pahlavi in Iran; nor did it precipitate the exit of Anastasio Somoza Debayle of Nicaragua and Emperor Haile Selassie of Ethiopia. Rather, it was the lack of even a minimal level of decency and justice in those nations and our uncritical support of such governments that has estranged us from successor regimes.

The advocacy of human rights is the moral imperative in our foreign policy that sets us apart from the Soviet Union. As the beacon of liberty around the world, our nation must pursue policies that help to shape a more decent world. Dare we do less?

Despite its shortcomings, supporters and critics agree that our human-rights policy has saved lives, brought about the release of political prisoners, reduced torture, and given hope to those who remain oppressed.

Still, much needs to be done. Summary executions continue. The number of disappeared and missing persons is close to 30,000 worldwide, and brutality in many countries is the norm rather than the exception.

We in the 96th Congress held numerous hearings on human-rights violations covering both Communist and non-Communist nations. Witness after witness testified that whenever the United States supported improvements in human rights, the situation changed for the better. With these hearings we promoted a human-rights policy that has integrity and that can be applied fairly.

Furthermore, the Congress stands especially proud of its human-rights efforts. Virtually all of the human-rights initiatives have come from the Congress, with broad bipartisan support—for example, by law we have established the human-rights bureau in the State Department, the annual State Department report on human-rights conditions in every country, and the cutoff of economic and military aid to repressive regimes.

As long as there is hunger, unemployment, disease, repression, and the absence of peaceful change, our ultimate goal of a true peace cannot be achieved. As the next President, Mr. Reagan is among the few in history privileged to promote justice through human rights, a goal that is strikingly reminiscent of what the Prophet Isaiah admonished us to do 3,000 years ago: "Stop all wrongdoing. Remove all evil. Learn to do good, search for justice, help the oppressed."●

WHAT TO DO ABOUT EL SALVADOR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. LAGOMARSINO. Mr. Speaker, the political and civil unrest in El Salvador presents a grave challenge to the Reagan administration as it takes office and attempts to deal with a potentially explosive issue in this hemisphere.

A recent commentary by Ernesto Betancourt in the Washington Post, January 27, examines the elements of a sober, yet realistic approach to American policy toward El Salvador.

The recommendations made by Mr. Betancourt, I believe, are worth serious consideration and should be examined further by those of us in Congress and by the Reagan administration.

I hope my colleagues will give careful consideration to this approach.

[From the Washington Post, Jan. 27, 1981]

WHAT TO DO ABOUT EL SALVADOR

(By Ernesto F. Betancourt)

The crisis in tiny El Salvador could shape President Reagan's policy toward Latin America and the Caribbean before Secretary of State Haig has time to formulate it. It is increasingly clear that the Soviets, through their proxy Castro, are supporting an early challenge to test the will and skill of the new administration as well as the new mood of U.S. public opinion implicit in the November election results.

If the response is dominated by narrow views, we may well be on the way to a security setback. Reagan will be saddled with a Bay of Pigs or a mini-Vietnam. Such an entrance will bring glee to Castro and his Soviet mentors. On the other hand, if we draw on the lessons of the past and the realities of the present, this could be the turning point in the struggle for an area that is basic to our national security.

Our present predicament in El Salvador and the region in general is the result of several factors. One is underestimation of the strategic importance of the Caribbean and Central America because of the small size of the countries involved. Another is the naive policy of the Carter administration. Self-righteous moralism is not a substitute for security as a basis for development. The result has been a power vacuum—eagerly filled by an expansionist Soviet-dominated satellite. Instead of development, we caused a capital outflow that has fueled the Miami real estate boom.

The setting for this struggle is societies, like El Salvador, in which expanded education, communications and transportation have created increased expectations among a growing population. At the same time, a total absence of energy resources has made both Central America and the Caribbean islands, except Trinidad, extremely vulnerable to oil price increases. Under such circumstances, the masses are easy prey to radical propaganda. The frightened members of the establishment, oligarchy—or whatever one's ideological bent finds a satisfying label—tend to resort increasingly to repression. They want to prevent what they logically perceive as a mortal threat to their interests. Castro and the Soviet Union prey like vultures in such an environment. However, in formulating a response, it is important to keep in mind that, with or without the Castro-Soviet subversion, the structural stress in these societies will persist.

A realistic policy to protect our national interest in the region, therefore, should provide security, based on an approach that includes offensive and defensive components, and development that includes both growth and reform components. Such was the essence of our two previous successful efforts to contain Soviet overt or covert expansion: the Marshall Plan and the Alliance for Progress Naturally, as in those two efforts, it will also require an equal commitment of national leaderships in the region.

In this last respect, there is a ray of hope for the Reagan administration. For throughout the Caribbean and Latin America there is a growing consensus that such an effort is needed to stem this new threat. Granted, there are those who would like us to pick up the tab, in lives and money, to preserve their privileges. Others want us to subsidize the extermination of pro-U.S. authoritarians to be replaced by pro-Soviet totalitarians.

So far, Venezuela and Mexico, as well as Costa Rica, Barbados, the Dominican Republic and Jamaica, give indications of increasing awareness of the problem faced by the region. In El Salvador, the present leadership reflects this middle-of-the-road approach.

The implementation of such a comprehensive policy embracing both security and development elements has been articulated very clearly by Jamaica's Prime Minister Edward Seaga. After leading his people to a dramatic victory of democracy over Castro-Soviet subversion—which has not been sufficiently appreciated in the United States—he has proposed a Marshal Plan for the Caribbean and Central America. So far, his proposal has not met with any response from the United States.

Such a broad strategy would provide the framework for the Reagan administration response in El Salvador. Regardless of the short-comings of the land reform effort there and the violations of human rights that unquestionably are taking place, the Duarte government embodies the security and development elements of the required response. To deny military aid to El Salvador because of human rights, violations, ignoring that they are being carried out by both the left and the right, will be utmost folly. On the other hand, to encourage the notion that aid will be made available so the landowners can roll back the land reform and push hundreds of thousands of peasants to side with the left will be equal folly.

While the emergency in El Salvador is dealt with, the broader response to the idea advanced by Seaga should be formulated.

The offense component of the security aspect of the policy should aim at making Castro's subversive efforts very costly to him. No military action against Cuba is needed. However, those fighting Cuban mercenary forces in Africa should be encouraged and assisted when consistent with other national security interests. The failure of Cuba's economy under Castro should be divulged by all available media. Economic concessions granted by the Carter administration should be reviewed and canceled when appropriate.

Military assistance in hardware and training should be made available to national de-

fense forces to boost their ability to resist subversive and terrorist efforts. This in itself will reduce the size of the forces willing to resort to violence as a means of social change.

The Organization of American States machinery for regional security and non-intervention should be used to provide diplomatic and legal underpinnings for such collective effort. It is important to avoid an effort that may be perceived as being U.S.-dominated. This may be helped substantially if a country like Canada, with a heavy interest in the English-speaking Caribbean, can be persuaded to join the Inter-American System as a full-fledged member. Brazil could also play a role since, as a donor, it shared with Mexico and Venezuela the concern for the security threat to the region. Nicaragua and Grenada should be given a choice, but it should be clear that we will not help those who support threats to our security.

Parallel to the security umbrella provided by such an effort, the present Consortium for Caribbean Development, under World Bank aegis, could be expanded to include Central America. Furthermore, the consortium could serve to avoid adding a duplicate bureaucratic machinery and to accelerate implementation. An expanded program of bilateral U.S. aid could be added to reinforce our commitment. This, in turn, could also serve to ensure that our national security interests are given due weight when it is not possible to do so through multilateral mechanisms.●

ANTHONY "PAT" PATRICCO, HUMANITARIAN AWARD WINNER

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. RINALDO. Mr. Speaker, the contributions of our private citizens to the common good of America take many forms and happen every day in countless communities across this land. Men and women, young and old, of all faiths are contributing to the well-being of their communities in many ways—raising funds for charities, aiding the handicapped, teaching the blind and deaf, working with youth, and caring for the needs of the poor and the aged in our society.

It is one of the great assets of the United States that we have volunteer organizations that reach out to our people in many generous ways with compassion, enthusiasm, and kindness. Organizations like the Phil Portnoy Association in Union, N.J., have encouraged citizen participation by aiding people who experience misfortune in their lives and by annually selecting someone in the community for its Humanitarian Award.

This year's recipient is Anthony "Pat" Patricco of Union, N.J. For nearly a quarter century, "Pat" Patricco has been a good friend to the families and youth of Union. He has served as president of the Little League and as a coach during that period, developing the talents and spirit of thousands of youngsters who have played in the Union Little League. For some of the more talented ones, it has meant the start of careers in baseball and scholarships to college. In every case, youngsters have benefited from the competition and the opportunity for enjoyable recreation.

"Pat" Patricco has passed the torch to the next generation. In fact, his son, Steve Patricco, is now a coach in the Union Little League.

Through service with the Union Township Board of Education, where he served as a vice president, the Exchange Club, and Union Council 4505, Knights of Columbus, "Pat" Patricco has given extraordinary service to the community, and is deserving of the honor of being named "Humanitarian" by the Phil Portnoy Association.●

A NEW McCARTHYISM?

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. BINGHAM. Mr. Speaker, in the New Republic of January 31, Morton Kondracke warns that there is a whiff of McCarthyism in the air and the smell is getting stronger every day. In Kondracke's words:

Elements of the political right—and not just the kooks either—are seemingly not content to have thrashed liberals at the polls or to have trounced the left—temporarily, at least—in the marketplace of ideas. They are returning to the dismal old practice of alleging that the opposition acts not out of honest error, but out of disloyalty to this country.

This is a very dangerous trend and one that must and will be resisted. Those of us who recall the old McCarthyism are not going to sit back and allow the country to go down that road once again. I commend Mr. Kondracke's piece to my colleagues and to other readers of the CONGRESSIONAL RECORD:

HERE WE GO AGAIN—SEARCH FOR SUBVERSION

(By Morton Kondracke)

There is a whiff of McCarthysim in the air, and the smell is getting stronger by the day. Elements of the political right—and not just the kooks, either—are seemingly not content to have thrashed liberals at the polls or to have trounced the left (temporarily, at least) in the marketplace of ideas. They are returning to the dismal old practice of alleging that the opposition acts not out of honest error, but out of disloyalty to the country. Has American influence in the world declined in recent years? Has the Soviet Union built up its military power to equal and sometimes surpass that of the United States? Is revolution spreading in Latin America? According to some on the right, all this has not happened by accident, by the play of historical forces, or even because of post-Vietnam exhaustion and a failure of American will. No, it's because the American press is infiltrated by Russian agents who "disinform" the public, spread communist propaganda, and "spike" (that is, kill) stories warning of the Soviet threat.

US failure to match the Soviet build-up, according to the right, stems partly from consistent underestimation of Soviet activity by the CIA. And that, in turn, is not just the result of bad analysis, but because the agency is infested (possibly at the highest level) by Soviet spies, or "moles," in the currently popular slang. In fact, not only is the CIA infested, but also the highest levels of the US government. According to rightist diatribes, Soviet "agents of influence" may include Henry Kissinger and the number-two man on Jimmy Carter's national security council staff.

And, in the best-developed conspiracy theory of all, President Carter's Latin American policy was not the result of naiveté or excessive devotion to human rights considerations. Rather, according to some on the right, Somoza fell to the Sandinistas and Castroism is running free in Central American because US policy was concocted at the Institute for Policy Studies, which is not only a left-wing think tank, but a communist front.

What should America do? According to the right-wing Heritage Foundation and some hard-line Republican senators, U.S. counterintelligence ability needs to be vastly upgraded. The FBI needs to be free to tap, follow, and burgle whomever it wants, not burdened by any rule that it must show grounds to suspect criminality. There needs to be a centralized federal subversive file. And Congress needs to reestablish its old internal security committees, even though it now has standing intelligence committees that it never had in the old days. In fact, no sooner had Strom Thurmond become chairman of the Senate Judiciary Committee than he created a subcommittee on security and terrorism. The chairman of that panel, Senator Jeremiah Denton of Alabama, promises that it won't indulge in "witch-hunts," but that's a term in need of definition. I'd guess that Denton will be under immediate pressure to start probing the Institute for Policy Studies, rather than the Ku Klux Klan.

Where does President Reagan stand on all this? He certainly seems a moderate enough fellow, and he has not surrounded himself with incendiary conservatives. But a Scripps-Howard reporter, Dale McFeatters, has dug up this 1977 Reagan quotation, which is not reassuring: "We need a public demand for the reinstatement of a committee such as the onetime House committee to investigate un-American activities. A domestic assault on communism today would be premature. We need the factual evidence a congressional investigation would provide."

The raw meat for congressional "investigation" is available in a large and expanding body of literature on the right, some of it appearing lately in respectable journals. But the most drawn-out version, appropriately, is in a piece of trashy fiction called The Spike, written by Arnaud de Borchgrave, formerly of Newsweek, and Robert Moss, a columnist for the London Daily Telegraph. The book's jacket terms it "a work of fiction that exposes what may be going on behind closed doors in the White House, Western newsrooms and at 2 Dzherzhinsky Square, the headquarters of the KGB." What the authors hint is going on is almost everything right-wing mole maniacs have been alleging: the New York Times, the Washington Post, and other major organs of the American press are crawling with Soviet "agents of influence"—witting and unwit-

ting—who distort the news to indict U.S. intelligence and the Pentagon and underplay the Soviet threat. The director of Central Intelligence is a Soviet spy who is dogged and eventually undone by the agency's counterintelligence chief. This part is a fictional rerun of the wars between William Colby, former CIA director, and his archenemy, James Angleton. Other conscious Soviet agents in the book include the deputy director of the National Security Council staff, which parallels rightist accusations against Carter's man, David Aaron, once a Senate aide of Walter Mondale. In The Spike, the American vice president is a dupe. In real life, no one has produced the slightest shred of evidence that David Aaron is anything but a liberal—and one who, in fact, moved rightward during his White House exposure to world realities.

Another set of serious allegations are nonfiction assertions of Soviet penetration of the CIA. In his book, Legend, for example, Edward J. Epstein argues that Lee Harvey Oswald was a Soviet agent, but that proof was covered up because of clever Soviet planting of "disinformation" supplied by phony defectors and because of the presence, high in the CIA, of a Soviet "mole." No one is named, but James Angleton's charges against Colby—all unproved—have been so widely repeated that Colby has been led to deny them publicly. In the dizzy world of former spies and counter-spies, each man has defenders who cite evidence supposedly supplied by KGB defectors. One former CIA man suggested to me in an interview last week that one such defector had even fingered Kissinger as having been an agent ever since his days as an Army sergeant after World War II.

Kissinger long has been a favorite target of the Reagan right, having been author of the detente policy with the Soviet Union and the lead negotiator of SALT treaties. The right also has long accused Kissinger of concealing data showing that the Soviets cheated on SALT. But some right-wingers have gone beyond claiming Kissinger did this to protect detente. "I can easily believe that Kissinger is a Soviet agent-of-influence," one former Republican Senate aide said last week.

In an article written last year by right-wing New Hampshire Republican senator Gordon Humphrey, it is noted that in 1975 the Soviet Union asserted that some of its concealment practices would not interfere with US ability to monitor SALT by satellite. "How they could have known or argued such a position remains an unexplained mystery," Humphrey wrote. "Could they have penetrated US intelligence with 'moles'?"

Obviously the Soviet Union would plant moles if it could. It has done so at high levels in other countries, and lately it has done so at low levels in this country, as recent espionage trials attest. A good case can be made that CIA security procedures are lax and that its intelligence-estimating ability is weak. But all that argues for strengthening the agency internally and for more effective oversight by the Senate and House intelligence committees. No one has produced anything but unsupported allegations that high-ranking officials are secret Soviet "moles." In the absence of any proof, right-wing finger-pointing at officials whose policies they dislike is likely to undermine public confidence in political leaders, which doesn't do a thing for national strength and unity. If I were the head of the KGB, in fact, I'd be inclined to plant a mole squarely in a right-wing senator's office, just to sow discord among the American people.

It's doubtful that the right will ever go witchhunting after Henry Kissinger in any serious way. If neo-McCarthyism goes that far, nobody will be safe from the loyalty police. But a more vulnerable target is the Institute for Policy Studies in Washington, a center for "alternative," "progressive," and new left ideas and organizing for the past 17 years. IPS has been a target of the radical right from the beginning—chiefly of Representative Larry McDonald of Georgia, a board member of the John Birch Society. Lately, attacks on IPS have come from more respectable sources, including National Review, Midstream, and Washington Quarterly.

In The Spike, IPS is in this disguise as the "Institute for Progressive Reform," which the book describes as "the controlling center for a network of Soviet agents of influence who fanned out into Congress, the media, the academic world and even the White House." In Midstream, published by the Theodor Herzl Foundation, Rael Jean Isaac claims IPS "can fairly be described as an enormous intelligence operation practicing both covert action and subversion." Isaac proves nothing of the kind and certainly doesn't try to in any way that can be called fair. Her research seems to have come mainly from a publication called Information Digest, published by John Rees, an associate of Congressman McDonald. Nevertheless, the article has been reprinted widely, even by establishment publications such as Barron's and groups such as the National Committee on American Foreign Policy, which listed Hans Morgenthau as its chairman. Shortly before his death, Morgenthau quit the committee briefly in protest, charging it had participated in "a slanderous attempt to smear a perfectly respectable, however minority, point of view." Meanwhile, an article in National Review characterized IPS as "the perfect intellectual front for Soviet activities which would be resisted if they were to originate openly from the KGB." The Heritage Foundation lists IPS, along with "anti-defense and anti-nuclear lobbies," as organizations in need of investigation by a revived internal security apparatus.

There is much about IPS's world view and the activities and sympathies of some of its associates that is foolish, erroneous, even contemptible. A major source of its funds, for example, is the Samuel Rubin foundation, whose president, Peter Weiss, is married to Cora Weiss (Samuel Rubin's daughter), who ran a group deeply sympathetic to North Vietnam's cause in the Indochina war. One of IPS's founders, Marcus Raskin served on the board of Counterspy, a publication whose purpose was to name CIA agents and undermine the agency's effectiveness. When Britain expelled the world's foremost agent-namer, Philip Agee, the IPS's Transnational Institute in Amsterdam gave him a haven for a month. I would have let him catch pneumonia in the street.

IPS scholars, while a disparate and independent lot, tend to have sympathy for third world "liberation" movements. Some have warm attitudes about Castro's Cuba, the Sandinistas in Nicaragua, and the Palestine Liberation Organization. The IPS consensus is strongly against US military intervention abroad, against right-wing dictators (though not left-wing ones), and against large corporations, especially multinationals. It tends to take the revisionist line about the origins of the cold war and the nuclear arms race, blaming the US as much as the Soviet Union.

In other words, IPS is a left-wing organization, which is what it claims to be. But that does not make it a KGB front. And, with an annual budget of just one million dollars (versus five million of the Heritage Foundation and $10 million for the American Enterprise Institute), IPS scarcely constitutes a threat to national security. During the Nixon years, in fact, the FBI and CIA launched major investigations of IPS, looking for evidence of connections to the Weather Underground and North Vietnam. In a lawsuit, the FBI admitted it had found no evidence of criminal activity and was ordered to seal IPS's file.

To the extent that it makes contact with third world revolutionaries and makes their ideas available to the US press, the government, and the public, IPS actually ought to be considered a valued national resource. The nation suffered in the 1940s and 1950s when the right wing silenced Asia experts who urged accommodation with the Chinese Communists. Had these experts been listened to instead of pilloried, the US might have avoided the Vietnam War (which we entered out of fear of Chinese expansionism) and might have hastened the Sino-Soviet split.

Another right-wing propaganda effort under way these days is intended to discredit advocates of a noninterventionist US policy in Latin America. According to Lyndon LaRouche's US Labor party, various right-wing columnists, and the national commander of the American Legion, Jimmy Carter's policies on Latin America—his attempted rapprochement with Cuba, the Panama Canal treaties, human rights campaigns against Argentina and Bolivia, and withdrawal of support from Somoza—were written at the Institute for Policy Studies. And IPS, of course, was fronting for Havana and Moscow.

This campaign has been abetted even by the prestigious Center for Strategic and International Studies of Georgetown University. The Autumn 1980 issue of the Center's publication, Washington Quarterly, contains a lead article called "Castro's Specter," alleging that "Jimmy Carter's foreign policy in Central America and the Caribbean had been put together over a period of time by individuals who have rejected traditional foreign policy concepts and formulated a foreign policy that has provided leftist-oriented movements, homegrown and Cuban supported, with opportunities for advancement unprecedented since World War II."

The article, by Roger Fontaine, Cleto DiGiovanni Jr., and Alexander Kruger, alleges that Carter policy was heavily influenced by IPS, which in turn was influenced by Orlando Letelier, a Chilean Socialist, ambassador, and minister under President Salvador Allende. Letelier was imprisoned by the Chilean junta that overthrew Allende. After his release, he worked at IPS until he was assassinated by Chilean agents on a Washington street in September 1976. And Letelier, the article suggests (as do most right-wing attacks on IPS), was a paid agent of Cuban intelligence.

The evidence for this is the contents of Letelier's briefcase at the time of his death—especially a letter from Havana written by Beatriz Allende, daughter of Salvador and wife of a Cuban diplomat (or intelligence official), advising Letelier he would receive $1,000 per month from the Chilean Socialist party, of which Beatriz Allende

was treasurer. The Washington Quarterly article says,

"Letelier may have been involved with pro-Communist, anti-Chilean government propagandizing and lobbying in the United States and abroad while associated with the IPS solely on behalf of Allende exile groups in Cuba and elsewhere. There is no available proof that [Letelier] was under the direction of the Cuban government and its intelligence service or that he was directly receiving funds from them. However, it is simply not in the nature of the Cuban intelligence service to overlook the types of opportunities presented to it by Letelier, particularly in view of his contacts in Washington. He would have been a useful 'agent of influence.'"

The article said:

"There is also no proof or even indication that the IPS . . . was aware of Letelier's Cuban contacts. There are indications, however, that at least some of the working group members, like Letelier, were strongly and actively committed to advancing leftist causes."

And also:

"However noble or naive these [IPS] policy recommendations were, it would be difficult to argue that the Soviets and Cubans would not find some of them parallel to their own interests. Although the latter may well choose to let events take their own course, in the case of IPS's Latin American policy recommendations there are suggestions that the Soviets and the Cubans have had the opportunity to exert influence."

It's impossible to prove that Letelier was not a Cuban agent, but the US attorney who investigated his assassination said in court that the FBI had found no evidence that he was. IPS officials claim that after Allende's overthrow, extensive fundraising was carried out for the Chilean Socialist party in Western Europe and funneled back to Beatriz Allende in Havana. So the money Letelier got need not have been Cuban. In any event, $12.000 per year does not buy a lot of subversion. There is no evidence that IPS officials were aware of Allende's Cuban connections, but they all were aware of his socialist and anti-junta activities, which he undertook openly. According to IPS officials, though, Letelier had little or nothing to do with IPS's report on Latin America. According to former administration officials, the IPS study had little influence on Carter's Latin policy, even though some of the ideas were similar and even though some Carter officials attended IPS discussion group meetings.

The last thing the United States needs is a new round of McCarthyism. It does need a stronger defense, better intelligence gathering, and even safeguards against Soviet espionage. The conservatives have won the argument on those points, and thanks to them for it. But a free society stays free by having debate continue, and there are many points still unresolved. We cannot have a free debate if the right wing tries to discredit its opposition with charges of disloyalty, as is now happening again.●

INDIVIDUAL HOUSING ACCOUNT ACT OF 1981

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FRENZEL. Mr. Speaker, today I am introducing two bills which address two acute needs within the housing industry, as well as those of potential homebuyers and renters.

The Individual Housing Account Act 1981, which I am cointroducing with Congressman SWIFT, addresses the need for a savings plan that allows potential homeowners to save toward the purchase of a home without incurring the tax penalties that currently reduce the effectiveness and viability of passbook savings plans.

Our bill enables those interested in purchasing a home to establish an individual housing account, set up specifically for the purpose of encouraging savings toward homeownership. An individual—or couple—could contribute up to $4,000 annually for a maximum of 10 years—maximum total savings would be $20,000—which would be tax-deductible on an annual basis, and the interest on which would be tax free. Money contributed to the account could be used only toward the purchase of a home, and would automatically become taxable income if used for another purpose.

It is my hope that the use of individual housing accounts will not only make homeownership more than just a dream for thousands of young people interested in purchasing their first home, but that it will also have the effect of reversing the present trend of an outflow of savings from our financial institutions. The country is short of housing and short of savings. IHA's are calculated to relieve both shortages.

The second bill I am introducing today, the Residential Rental Housing Tax Incentive Act of 1981, addresses the very real need for private sector participation in the rental housing market.

The extreme shortage of available, affordable rental housing has emerged as one of the most severe aspects of the current housing crisis, as the following data indicates:

The national vacancy rate is down to 5 percent, the lowest figure in the 24 years that such data has been collected;

An estimated 60 percent of the little new rental housing that was constructed in 1980 was subsidized or insured by the Federal Government; and

Mortgage and home purchase prices for single family homes remain at historical highs, increasing the pressure for alternative housing.

Despite the statistics that point to heavy demand for rental housing, private development has virtually ground to a halt. The reason is fairly simple: the increasing costs of financing, building material, labor and land, together with lagging rents and rising costs, have made multifamily housing a poor investment.

My bill is designed to restore the financial viability of private residential rental housing development through a number of tax incentives which encourage both new construction and the rehabilitation of existing housing. Specifically, they include:

A 10-year straight-line depreciation schedule for new construction of residential rental housing, and a 20-year straight-line schedule for existing units;

A repeal of the tax-code provision that mandates construction period interest and taxes be amortized over 10 years, as it applies to residential rental housing; and

A broadening of the tax provision that currently allows a rapid amortization of rehabilitation expenses for low-income rental housing, and an increase in allowable expenditures under this provision to reflect current costs involved with rehabilitation.

I encourage the support of my colleagues for both of these much-needed pieces of legislation, and welcome your cosponsorship.●

U.S.S. "GEORGE PHILIP"

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. LAGOMARSINO. Mr. Speaker, one of the Navy's newest surface warfare ships, the guided missile frigate U.S.S. *George Philip* (FFG-12), will arrive at Port Hueneme, Calif., Friday, February 6. The ship will be open to the public.

George Philip's visit will be held in conjunction with its ship qualification trials on the Pacific missile range off Point Magu. Naval Ship Weapon Systems Engineering Station is providing support during the 2-week trials which started February 1.

Cmdr. James L. Turnbull, commanding officer of *George Philip*, grew up in Ventura County where he attended elementary and secondary schools and was graduated from Nordhoff Union High School in 1957. He is the son of Mr. and Mrs. Archie Turnbull of Ojai, and is married to the former Linda Lee Dobbs of Ventura.

On behalf of the Members of the House and my constituents in Ojai and Ventura County, I welcome Commander Turnbull and his men to our area and wish them the best of luck in their mission.●

ONE DAY IN IRAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SKELTON. Mr. Speaker, recently, seventh grade students from the Sedalia Middle School in Sedalia, Mo., were asked by their teacher, Mrs. Margie Davis, to express their reactions to the release of the American hostages. The students came up with illustrations, poems, and letters. I was very impressed with the letters and poems that were sent to me by the students, but in particular, I wish to share this poem, written by Michelle Cooper, with my colleagues.

ONE DAY IN IRAN

Working as usual one day in Iran,
Militants of that country took a stand.
Americans in prison was the cry of the land.
Iran lifted praises for Khomeini, a mad, mad man.

As time passed we all grew weary.
For the fate of their freedom look dreary.
Our peaceful talks had not prevailed.
Even our rescue attempt had failed.

Four hundred forty-four days of the past,
America's fifty-two are free at last.
January 20th will mark that glorious day,
Our prayers were answered what else can I say.●

THE SOCIAL SECURITY REFINANCING AMENDMENTS OF 1981

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SEIBERLING. Mr. Speaker, one of the most important problems facing the 97th Congress is the financial condition of social security. The old age and survivors insurance trust fund, battered by inflation, which boosts outlays, and unemployment, which cuts receipts, is expected to be depleted by mid-1982.

There have been five social security payroll tax increases since 1971, with the January increase hiking the maximum payment by 23 percent. Indeed, raising the payroll tax to help the system is self-defeating. To a businessman, who must match employee contributions dollar for dollar, the payroll tax is simply a labor cost to be recovered through higher prices. These higher prices are picked up by the Consumer Price Index and trigger higher benefits, which Congress again tries to fund by raising payroll taxes.

In 1979, the quadrennial Advisory Council on Social Security recommended that Congress sever the link between payroll taxes and medicare financing, a proposal which I have introduced as the Social Security Refinancing Amendments of 1981. Just last month, the National Commission on Social Security made a similar recommendation.

My bill would eliminate that portion of the payroll tax currently used to fund medicare. The payroll tax would then be reduced to 5.5 percent—a 17-percent reduction from the current 6.65 percent—and held there until 2005, when it would rise to 7.5 percent. For the OASDI trust funds, these rates would bring a revenue increase over current law and would eliminate the likelihood of a shortfall in the 1980's.

To fund medicare, the bill establishes an "earmarked" portion of personal and corporate income taxes. Each taxpayer would be notified on his annual tax return of the percentage of his tax which will be used to pay medicare benefits. Use of this earmarked income tax, a recommendation of the 1979 Council, guards against the temptation to increase medicare benefits without informing the public how much those increases will cost.

Income tax funding of medicare would be ideal for our current economic situation because it would reduce inflation and increase employment by lowering business payroll tax costs. It would also reflect the fact that there is no relation, as there is with all other components of social security, between the amount of payroll tax a worker pays and the medicare benefit he may become entitled to when retired.

Since I think workers need tax relief as well as employers, I do not propose higher income taxes in my bill to fund medicare. Even if future economic developments do necessitate tax increases, they would be income taxes, which means that they would not be regressive, would not show up in price indexes which trigger benefit increases, and thus would not cause the inflation which the payroll tax does.●

U.S. FOREIGN AID CUTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. EDWARDS of California. Mr. Speaker, I would like to bring to my colleagues' attention the irony of two articles I read recently in the Washington Post and the Wall Street Journal.

The article in the Post describes new OMB Director Dave Stockman's plans for reducing our Federal budget outlays. According to the article, Mr. Stockman will be keying on our foreign aid programs. I imagine Mr. Stockman feels these programs lack a constituency here in the country and are easy targets for cuts. Apparently, Mr. Stockman intends to reduce the 1982 budget proposal for foreign aid by $2.6 billion. The OMB has established priorities which favor bilateral aid over multilateral aid programs and indicate that security assistance has priority over development assistance. Among the programs which they intend to reduce is the International Development Association.

The article in the Wall Street Journal describes the perilous situation being created by increased Third World indebtedness:

> The nine largest American banks had $38.6 billion on loan to developing countries, excluding the oil exporting states, at the end of 1979, according to the latest Federal Reserve figures. Moreover, these banks' capital totaled only $21.9 billion.

In the past, the stability of this system has been assured through organizations like the International Monetary Fund and the International Development Association which make loans, with the encouragement of private banks, to hard-pressed developing nations. Suddenly, American commitment to these organizations is declining while their importance is increasing.

If it is not the banks which come to the administration expressing the logic of this system, perhaps it will be the American contractors who conduct billions of dollars of trade annually—in nonmilitary goods—based on American aid programs who will inform the new administration of the leverage which these funds provide in terms of American exports and jobs.

I am well aware that in this time of budgetary constraint we cannot please all the people all the time. But I do take exception to an administration which states its intention to make budget cuts across the board, and then proceeds to eliminate foreign assistance programs which benefit Americans as well as the needy in the world, to the advantage of military assistance and economic support funds which are destructive and questionable tools of foreign assistance.

I commend the articles to my colleagues' attention:

HUGE CUTBACK PROPOSED IN FOREIGN AID

(By John M. Goshko)

President Reagan's budget director, David A. Stockman, has proposed the biggest cutback of the U.S. foreign aid program since its inception in the aftermath of World War II. It would slice enormous chunks out of every phase of development assistance, tie it closely to American political interests and make it subsidiary to military aid.

A plan completed Tuesday by Stockman's Office of Management and Budget calls for slashing the $8 billion fiscal 1982 foreign aid proposal submitted to Congress by former president Carter by $2.6 billion to bring it down to $5.47 billion. A copy of the OMB proposal has been obtained by the Washington Post.

To accomplish the cuts, Stockman's plan calls for drastically trimming every facet of nonmilitary aid: direct bilateral assistance to Third World countries, contributions to

multilateral development banks, international organizations such as U.N. agencies, the Food for Peace program and the Peace Corps.

If pursued by the Reagan administration, the Stockman proposals are certain to trigger an outburst of fierce opposition from foreign aid supporters in Congress and the traditional U.S. foreign policy establishment, which regards the programs as one of the most important tools for influencing events.

In particular, some informed sources said yesterday, it is likely to provide the first test of strength between Secretary of State Alexander M. Haig Jr., who is surrounding himself with foreign policy moderates, and those on the far right side of the Reagan administration whose first emphasis is on draconian budget cutting and an unabashed "America First" approach to the conduct of foreign affairs.

Haig's reaction to the Stockman plan is not known. But, the sources noted, if he accepts it in anything resembling its present form, he will be beginning his stewardship of the administration's foreign policy effectively deprived of what all of his Republican and Democratic predecessors in the postwar period regarded as one of their most important policy tools.

Haig tentatively is scheduled to meet with Stockman and other senior administration officials tomorrow to discuss the aid question. At a news conference yesterday he paid obeisance to the need for budgetary austerity, but noted pointedly that foreign aid "can sometimes be a very cost-effective way" of ensuring the success of American policy goals.

Entitled "Foreign Aid Retrenchment," the OMB document sets out as its underlying assumptions that "every major program should take some reduction," that "bilateral aid has priority over multilateral aid programs" and that "security assistance has priority over development assistance."

It goes on to conclude, "The primary impact of this proposal would be to eliminate or reduce U.S. participation in a range of multilateral organizations which are not responsive to U.S. foreign policy concerns . . . The reductions in aid would mainly affect the poorer countries of Africa and the Asian subcontinent.

"Bilateral development aid," it continues, "could be concentrated on a small number of countries of key importance to the United States, perhaps at the loss of influence in countries of lesser importance."

The Stockman proposals specifically argue that the United States should curtail sharply its contributions to the International Development Association, which is managed by the World Bank and which makes low-interest loans to the world's poorest countries. Although the United States recently pledged $3.24 billion to the IDA for the 1981-83 period, the plan calls for Reagan to revoke the pledge and reduce the U.S. contribution by half.

In regard to other multilateral development banks, Stockman proposes that in 1981 the United States revoke its three-year pledge of funds to the African Development Bank, in 1982 stop replenishing funds of the International Fund for Agricultural Development and in ensuing years phase out its support for such other institutions as the Inter-American Development Bank and the Asian Development Bank.

The plan advocates big cutbacks of voluntary contributions to international organizations, and refusal to pay any unreasonable increased assessments. It specifically suggests U.S. withdrawal from the U.N. Educational, Scientific, and Cultural Organization (UNESCO) because of its "pro-PLO [Palestine Liberation Organization] policies and its support for measures limiting the free flow of information."

In respect to the Food for Peace program (PL 480), Stockman's proposal would eliminate U.S. loans to needy countries to cover food purchases from America. It would continue to put U.S. surplus food into the hands of voluntary organizations such as CARE and Catholic relief agencies.

In addition to calling for cuts in bilateral assistance administered by the Agency for International Development ($686 million below the Carter-proposed budget for fiscal 1982), the plan says that the Peace Corps' volunteer levels should be cut by 25 percent, a move that would force it to reduce its activities sharply and eliminate service in some countries where it now is represented.

The program treated most leniently in the Stockman plan is the Economic Support Fund, which is intended to promote stability in areas where the United States has special security interests.

In addition to continuing special exemptions for Israel and Egypt, the plan would increase ESF funding for certain regions, but it would eliminate a $100 million contingency fund that the State Department argues is necessary to deal with unforeseen situations.

Third World's Debts, Totaling $500 Billion, May Pose Big Dangers

(By Richard F. Janssen)

It doesn't show on any maps, but there's a new mountain on the planet—a towering $500 billion of debt run up by developing countries, nearly all of it within a decade.

Is the debt mountain also a volcano?

Certainly, there are enough rumblings to worry bankers and government officials. Countries ranging from Nicaragua to Turkey to Zaire already have had to stall on repayments. Financial trouble now is erupting in others, such as Poland and Bolivia, and there's mounting nervousness about the biggest international borrower, Brazil. The dangers are casting a cloud over large commercial banks and possibly over economies throughout the world.

"Anything that grows so fast in an uncertain and shaky world must raise questions," says Alexandre Lamfalussy, chief economist at the Swiss-based Bank for International Settlements, which monitors debt trends for central banks. (The $500 billion total includes loans from banks, governments and other external lenders to governments of nearly 100 countries, as well as government-guaranteed foreign loans and loans to be disbursed as projects proceed; but it excludes credits with an original maturity of less than one year.) Mr. Lamfalussy says the extent to which big commercial banks in the U.S. and other industrial countries have become burdened with loans to poor countries "somehow makes me uneasy."

A PESSIMISTIC VIEW

To some analysts in less sensitive positions, the situation looks starkly ominous, threatening a chain reaction of country defaults, bank failures and a general depression matching that in the 1930s. "The Third World has overborrowed," declares Thomas Balogh, an Oxford economist. In a 1980 analysis for London-based Lloyds Bank, he warned that "any default might have a domino effect" that could lead to "a catastrophe."

Although few observers rule out such dire possibilities, many expect a less cataclysmic outcome: Banks will have to wait longer for many loans to be repaid, and their growing skittishness will force poor countries to scrape by on less credit. Official agencies such as the World Bank and the International Monetary Fund will fill some of the credit gap, but the poor nations will suffer setbacks in living standards, face more political and military upheavals, and possibly run into more protectionist barriers as they desperately attempt to increase exports.

At the very least, the debts will impose a further drag on the already-sluggish economies of industrial countries. "I don't see a real crisis of defaults," says Karl-Otto Poehl, head of West Germany's Bundesbank. But, the central banker cautions, the combination of ever-costlier oil with credit that becomes "more difficult and more expensive" can chew up so much of a poor country's export earnings that it will have little leeway to import Western goods.

High-level confidence that a cataclysm will be averted doesn't indicate that bankers generally are unworried, of course. Before being tapped to head the World Bank, A. W. Clausen of Bank of America acknowledged that the problems were getting so much "stickier" that some sort of official "insurance" ought to be available to protect commercial banks from Third World risks. But no one has leaped forward to offer such coverage.

At the IMF, a 140-nation agency that helps financially shaky countries, Managing Director Jacques de Larosiere agrees that the surge in Third World indebtedness is a "serious element" in the world economy. Paying off debts now takes an average 15% of developing countries' exports, up from 12% in 1973, he says, adding that for some nations, the situation is much worse and "worrisome indeed."

POLAND'S PROBLEMS

Right now, Poland is the most prominent example. It has $24 billion of foreign debt and a debt-service burden that is believed to equal nearly all of its current export earnings, which are being reduced by the nation's labor unrest. Advisers to the Solidarity labor movement are talking about the need for a repayments moratorium lasting several years as well as about arranging fresh credits. Although technically Poland isn't a developing country, the current upheaval there is the sort of surprise usually considered more likely in less stable Third World nations.

Appraising the risks faced by U.S. lenders in all these countries, observers cite one simple but ominous statistic: The nine largest American banks had $38.6 billion on loan to developing countries (excluding the oil-exporting states) at the end of 1979, according to the latest Federal Reserve figures. Moreover, these banks' capital totaled only $21.9 billion. So, in theory at least, they could all be forced into insolvency if only about half of their Third World loans were thrown into default and had to be written off.

Privately, senior U.S. bankers insist that the Federal Reserve never would let that theory be played out. "They go on the assumption that they aren't going to be let go down the drain, at least if they're big," observes Nathaniel Samuels, advisory director at Lehman Brothers Kuhn Loeb Inc. Third World governments tell themselves much the same thing—that they will be sustained by the international system—Mr. Samuels

notes, but he adds, "The system is getting a little stretched."

Moreover, says Irving S. Friedman, senior international adviser at First Boston Corp., "Banks aren't in the business of making poor loans." He says they are paying more attention to "country risk" analysis and setting voluntary ceilings on their own loans to any given country. And, bankers say, the Federal Reserve Board and other U.S. supervisory agencies are prodding them to be cautious.

DANGER TO BANKS

To the worriers, one of the most nagging concerns is that big banks themselves have become "hostages" to debtor nations. "If you borrow a million dollars from a bank and can't repay, you are in trouble; but if you borrow a billion dollars and can't repay, the bank is in trouble," Jack Guttentag and Richard Herring, professors at the University of Pennsylvania's Wharton School, wrote in a recent paper. Faced with a threat of default by a major borrower and thus with the bank's failure, a bank has little choice but to lend "still more in order to allow the borrower to continue servicing the debt," they contend.

Asked about widespread talk that this might already be going on, most bankers bristle and call it unthinkable. The few who do acknowledge that it is happening call the practice both commonplace and harmless. Poor countries rapidly developing their domestic industries "have to pay back by borrowing again," calmly responds Robert Holzach, chairman of Zurich-based Union Bank of Switzerland. As long as each country and each bank keep the credits "in proportion to their own sizes," he says, he will have "no fear whatsoever."

But other financial executives worry that too little of the borrowing is being used in ways, such as building factories, that will help poor countries earn the money that they eventually will need to repay the debts. To the extent that they are borrowing to finance imports for consumptions, such as food and oil, rather than for productive capital investment. "the economy is on the road to ruin," warns Kurt Richebacker, chief economist at Frankfurt's Dresdner Bank.

Indeed, Ashby Bladen, senior vice president for investments for Guardian Life Insurance Co. of America, finds it "wildly improbable" that developing countries will be able to increase their exports "anywhere near as fast as their oil bills and debt-service costs are rising." So they must "either go right on borrowing heavily" or see their imports and living standards plummet, he reasons in his recent book, "How to Cope With the Developing Financial Crisis."

The interest-rate rise of the past year or so does have "serious implications" for the debt problem, says Rimmer de Vries, senior vice president at Morgan Guaranty Trust Co. A decade ago, he estimates, the 12 largest Third World borrowers needed only 6% of their export earnings to pay interest owed abroad, but by 1980 interest took 16% of such earnings and this year "could jump to 20%." Usually, the interest rate on existing bank loans is changed every six months in line with rates on new credits.

A LAG IN RECYCLING?

Meanwhile, the continuing increases in oil prices by members of the Organization of Petroleum Exporting Countries also are intensifying the pressure on the Third World to keep borrowing. Partly because of OPEC price increases, nonoil poor countries face a combined international-payments deficit of $85 billion this year, up from $75 billion last year, according to Morgan Guaranty estimates.

Ever since oil prices started soaring in 1973, commercial banks have provided about half the credit needed to cover such deficits, Mr. de Vries figures. But, like most experts, he questions how much more the banks can do to "recycle the OPEC surplus." He also complains that OPEC nations' own lending to hard-pressed poor countries is still "too modest." OPEC leaders themselves say they are stepping up their foreign aid, but often argue that they help mainly by letting their oil be used up and that the banks are better suited to take the risks of making loans.

Also stirring some worry is the possibility that poor countries could use their existing bank debts as a political lever against the rich. To resist protectionist moves against their products, for example, poor countries "might choose to renege on their debts," Lawrence B. Krause speculates in a Goldman Sachs research report. Such defaults would put banks in "an untenable position" and could cause "a world crisis," he says, although he adds that this disaster isn't likely because Western governments recognize how dangerous protectionism could become.

And while bankers generally believe that poor countries, for political reasons, wouldn't risk their credit-worthiness by deliberate defaults, some slightly unsettling signals have been noted. Unless they get a lot more foreign aid, "it will be difficult for many low-income countries to honor their debt obligations," Togba-Nah Tipoteh, Liberia's economics minister, cautioned at last fall's IMF meeting.

RISKY REPAYMENTS

Given the risk of revolution arising from enforced austerity, it mightn't even make sense for some of them to keep trying, says David T. Kleinman, a professor at Fordham University and a consultant on doing business in the Third World. He says a government facing "unbearable" oil and debt payments could choose default and rely on cash trade for a decade or more until it can afford foreign credit again. Eventually, the country could attract loans by installing a more "respectable" new regime.

Discussing banks that seem particularly exposed to Third World problems, analysts often cite New York's Citibank. Of the bank's 1979 net income, its annual report shows $262 million came from the Caribbean, Latin America, Asia, the Mideast and Africa—considerably more than the $193 million from North America (the 1980 figures aren't completed yet, but the overall situation isn't likely to have changed much, a spokesman says).

Among countries, Brazil is often mentioned in worried tones, mainly because of the size of its borrowings from U.S. banks—about $16 billion as of mid-1980, or about one-third of Brazil's total foreign debt of approximately $50 billion. And Citibank alone, its 1979 annual report shows, had $4.2 billion sunk in Brazil, exceeding the $3.6 billion of shareholders' equity in the parent Citicorp.

COMPARISONS CRITICIZED

But such comparisons greatly exaggerate the funds at risk in case of an international crisis because they include an undisclosed amount of purely domestic business in Brazil, retorts Jack D. Gunther, the bank's senior adviser for international operations. Anyway, he says, "we feel better than most people seem to" about the ability of Brazil, and of other major developing-country debtors, to "overcome unexpected difficulties." Such countries tend to be better managed now than in past decades, he adds.

In probably the most comprehensive attempt to allay concern, a Citibank study finds only a small chance for "simultaneous default by a number of developing countries." Such a default could hardly happen unless a sustained cutoff of Mideast oil first causes a world depression, the bank contends, arguing that "in our age of inflation" governments are extremely unlikely to allow such "prolonged deflation."

But with commercial banks generally growing more skittish and governments granting foreign aid only grudgingly, more hope is being pinned on the World Bank and the IMF. However, the World Bank is geared to financing long-term projects such as steel mills, and the IMF itself is strapped for funds so badly that it is seeking to raise about $8 billion this year from OPEC nations—an effort that has been bogged down for months in Mideast power politics.●

THE MEDIA AND THE HOSTAGE FAMILIES

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. MURTHA. Mr. Speaker, it is my opinion that the unsung heroes of the recent situation in Iran were the hostage families that suffered for many months during this very difficult period.

The Ragan family of Johnstown was one of those families that endured the many months of uncertainty and concern. During that time, there was also a great deal of attention focused on the hostage families by the news media.

The Ragan case is the only one I know in detail, but I would like to congratulate the news media for their handling of the Ragan family. The media was sensitive to the privacy desired by the family. The family preferred not to be interviewed or appear on camera and the media was understanding of that request. The media honored the limitations asked by the family and tried to be reasonable in their dealings. This was a tremendous help to the family during a difficult period.

This was a difficult time for all the elements involved in the hostage drama, but I would like to congratulate the news media for their sensitive, understanding reaction to the Ragans.●

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. McCLOSKEY. Mr. Speaker, on January 29, I delivered a speech on the House floor discussing a slanderous and untrue publication by the so-called New Solidarity International Press Service (IPS), accusing a House staff member, Charles Fager, of being a KGB-linked spy. The International Press Service, an organization directed by Lyndon LaRouche, Jr., distributed these charges to all offices on the Hill. The International Press Service uses the short title IPS.

A legitimate new agency, Inter Press Service, shares the same initials as Mr. LaRouche's news agency although the two are not connected.

Inter Press Service was founded in 1964 as a Latin American news agency and has evolved into one of the largest wire services in the world. It now occupies a position in the forefront of the "New International Information Order" at the United Nations and UNESCO and is the only major international news agency from the Third World which is not government-owned, managed, or controlled.

It is my hope that other Members and individuals contacted by Inter Press Service (IPS) will not confuse this worthy organization with Mr. LaRouche's IPS, the so-called New Solidarity International Press Service, which apparently will continue to publish Mr. LaRouche's demented and paranoid ideas on the KGB, CIA, and his goals for a socialist state in America.●

PROPOSED H.R. 913 WILL ELIMINATE U.S. INCOME TAX FOR AMERICANS WORKING ABROAD

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FRENZEL. Mr. Speaker, last week I introduced legislation which would have a significant impact on the hundreds of thousands of Americans working outside of the United States, and which would have a positive effect on the U.S. trade balance. My bill, H.R. 913, would amend sections 911 and 913 of the Internal Revenue Code to eliminate all U.S. income taxes on earnings of Americans abroad.

In 1978, the Congress realized, in what has come to be known as the Ribicoff amendments, that it had made a dreadful mistake in reducing the foreign exemption in 1976. It was apparent that we had shot ourselves in our collective foot in the 1976 act.

In our excessive zeal for tax reform, we forgot about the way our actions would affect our competitiveness abroad. Worse, our own mistakes were compounded by some grotesque Treasury rules that imputed high income for expenses of living in miserable circumstances abroad.

The 1978 amendments took care of some of the very worst Treasury rulings and helped to compensate Americans abroad for extraordinary living expenses. But they carried with them an awfully high price in administrative complexity and cost.

The real problem—and the problem which my bill addresses—is that the United States is the only major trading country to tax the earned income of its citizens who are working outside of its borders. Thus for U.S. companies, U.S. nationals are far more expensive to employ than are foreign nationals.

Therefore, the goods and services of U.S. companies abroad are not competitively priced unless the U.S. companies hire foreign nationals. The problems are extreme for services, such as construction, which have a high American supervisory labor cost component which cannot be easily replaced by foreign nationals.

As a result of the 1976 act, there has been a substantial dropoff in the number of Middle-Eastern construction contracts that are being awarded to American firms. During the period from June 1975 through April 1978, for example, U.S. firms received $8.9 billion in construction contracts, or approximately 10 percent of the $86 billion which was awarded during this period. However, from May 1978 through June 1979, after the Foreign Earned Income Act of 1976 had taken effect, U.S. contracting firms received only $346 million in contracts in the Middle East, which was a mere 1.5 percent of the more than $21 billion that was available.

Sections 911 and 913 of the Internal Revenue Code also poses cost difficulties for any U.S. firms who want to have Americans selling American exports in foreign countries. The 1976 changes are forcing Americans to be brought home in droves, as their employers cannot afford the extra expense the tax code imposes. These Americans have been replaced by foreign nationals. The foreign nationals are undoubtedly good people, but experience proves that they do not order American products instinctively as an American would, and they do not instinctively place American interests first.

In short, since 1976, a number of my colleagues in Congress have realized the implications of the 1976 act, and have warned that export business was being lost because of the unwise tax policy in sections 911 and 913 of the code. More of my colleagues are realizing that the cost of the continuing trade deficits, and the effect on unemployment here at home, far outweigh the $600 million static revenue loss the IRS has estimated total repeal of the foreign earned income tax would cost.

The time is now to pass H.R. 913, to do away with U.S. taxation on income which is entirely earned abroad. Passage of H.R. 913 is necessary if the Yankee traders are again going to be able to go abroad and compete fairly. I urge all of my colleagues to join me in supporting this vital legislation.●

SOVIET AID TO GUERRILLAS IN SALVADOR DOCUMENTED

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring the following article on El Salvador to the attention of my colleagues. It appeared in the Washington Star on January 23, 1981:

[From the Washington Star, Jan. 23, 1981]

SOVIET AID TO GUERRILLAS IN EL SALVADOR DOCUMENTED

(By Cord Meyer)

President Reagan has hardly had time to savor the triumph of his inauguration before being faced by the Kremlin with a severe test of his intentions and competence in the complex crisis brewing in El Salvador.

Documents captured early last month from the Communist Party of El Salvador reveal the full extent of the Soviet-orchestrated program of covert military support for the communist guerrillas. This evidence helped persuade a hesitant Carter administration to authorize as one of its last acts a $5 million grant of guns and ammunition to the Salvadoran government.

While American and Salvadoran officials haggle over how best to surface this damning proof of Russia's intervention in Central America, an executive summary of what the documents contain gives highlights.

According to this record of how the Salvadoran communists successfully negotiated a series of arms deals with half a dozen communist states, the Soviets made the decision last June to step up the flow of arms to the guerrillas. Castro acted as the middle man.

SOURCES DISGUISED

Frequent visits of Salvadoran communist leaders to Havana to participate in mass propaganda meetings provided convenient cover for the negotiations. An attempt was made to disguise the source of the weaponry. For example, the Soviet client regimes in Vietnam and Ethiopia were designated as the main arms suppliers, since Vietnam holds large stocks of captured American weapons and the Ethiopian regime inherited a similar stockpile from the days of the American alliance with Haile Selassie. East Germany, Czechoslovakia and Hungary provided uniforms, communication gear and medical supplies.

Vietnamese-supplied American weapons began to arrive on the Pacific Coast of Latin American in September, and from there

were transported through clandestine channels to the fighting front.

The documents make clear that the Sandinista regime collaborated in allowing Nicaraguan territory to be used as a transshipment point. Training in the more advanced weaponry is being provided in Cuba, where Salvadoran guerrillas are being put through training courses, 300 at a time, before being infiltrated back into El Salvador.

In addition to large quantities of ammunition, the weapons shipped through a bewilderingly complex supply network included automatic rifles, heavy machine guns, mortars and rocket launchers.

Although the Carter administration more than a month ago had access to this hard evidence of Soviet intentions to escalate the violence, Carter did not react until last week when the scale of the guerrilla offensive demonstrated that the new arms supplies had actually reached the battlefield.

There is also an intelligence report that one of the Salvadoran guerrilla groups, the Popular Forces of Liberation, deliberately murdered the three American nuns on Dec. 2 in a successful attempt to lay the blame for the murder on the government. As described in the report, their purpose was to place the government of Christian Democrats and reformist officers "in the worst possible light" and to provoke the termination of American assistance.

CARTER FELL INTO THE TRAP

If this is in fact the true explanation of the murder, the guerrilla plotters to some extent succeeded. The Carter administration fell into the trap by suspending American aid. Coming just before the launching of the guerrilla offensive, this aid suspension was a blow to the morale of the Salvadoran government. It was only in the nick of time that Carter reversed himself in response to urgent pleas from Salvadoran President Jose Napoleon Duarte that his ammunition was nearly exhausted.

After such vacillation in the face of what must now be seen as a major move in Russia's geopolitical offensive, it would be difficult for Reagan not to improve on his predecessor's handling of the Salvadoran crisis. Steady military assistance to the centrist Salvadoran government will be widely supported in this country and by many wavering Latin nations once the proof of communist involvement is laid on the table.

But military assistance is only half the story. Unless the new Reagan administration quickly resolves its internal ideological differences by firmly supporting the Salvadoran government's current program of land reform, the peasants will have nothing to fight for, and the guerrillas may win by default.●

RUFUS BURRUS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SKELTON. Mr. Speaker, it is a pleasure for me to take this opportunity to bring to your attention the contributions of an outstanding citizen. Rufus Burrus, an attorney in Independence, Mo., has served his community and his profession honorably and well for many years.

In a public expression of appreciation, the Independence Public School District will recognize Mr. Burrus' 50 years of service to the district.

Also, in the near future, Mr. Burrus will be celebrating his 60th anniversary on receiving his license to practice law. He served as president of the Missouri Bar Association from 1949 to 1950. Mr. Burrus has already received 50-year pins from the Masonic Lodge, Scottish Rite Bodies, York Rite Bodies, and the Ararat Shrine. It is widely known that as an officer in the U.S. Army Reserve he served as President Truman's battalion adjutant and was also a close friend and legal adviser to the President.

Through the years, Mr. Burrus has served the community and the school system during some difficult times as a legal adviser and concerned citizen. He has earned the respect and friendship of the city's leading citizens.

For someone who has contributed so many years of service, please allow me, Mr. Speaker, to use this means to join Mr. Burrus' friends in congratulating him on receipt of his well-earned recognition by the people of Independence.●

THE DEFECTIVE AIRCRAFT REMEDY ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SEIBERLING. Mr. Speaker, existing consumer laws provide reasonable redress for defective consumer products. However, for the owners of airplanes, there is little opportunity for such redress without resorting to lengthy and expensive litigation. Aircraft owners must meet the rigid safety standards required by the Federal Aviation Administration, or else lose their airworthiness certification. If their airplanes are defective, they face considerable expense in complying with routine airworthiness directives issued by the FAA. Since existing warranties on nonmilitary aircraft are very limited, it is difficult for aircraft owners to recover even part of the cost of effecting repairs required by a Federal agency, even when those repairs may be necessitated by a manufacturer's design or manufacturing defect.

With this in mind, I am reintroducing legislation I first introduced in the 96th Congress designed to help aircraft owners recover some of the expenses incurred in complying with airworthiness directives in cases where the safety problem is the result of a design or manufacturing defect. My bill, the Defective Aircraft Remedy Act, requires the Secretary of Transportation to determine whether the issuance of an airworthiness directive is the result of a safety problem caused by a design or manufacturing defect. If so, the bill requires the manufacturer either to repair the defective part without charge within a specified time, or to reimburse the owner for the cost of the parts used in the repair. The bill requires owners who opt to make their own repairs to notify the manufacturer that they have done so not more than 30 days after receiving notice that a defect exists, and requires the manufacturer to reimburse owners who have elected to do their own repairs. Reimbursement would have to be made within 90 days after the manufacturer receives notice from the owner that repairs have been completed, or within 90 days after a final determination has been made that a safety problem is design or manufacturing related. The bill excludes labor charges as a reimbursable expense, and imposes a time limit on a manufacturer's liability of 1 year from the finding that a defect exists.

The bill also sets requirements for prompt notification by the manufacturer of discovered defects, and sets penalties for failing to make such notification. The Secretary is given the authority to reduce or eliminate the fines where necessary.

When introduced in the last Congress, the Defective Aircraft Remedy Act generated a good deal of interest among airplane owners and manufacturers. The bill is not intended to interfere in any way with existing aviation safety procedures. However, I am hopeful that the introduction of the bill will lead to a satisfactory resolution of aircraft warranty problems.●

RETENTION AND RECRUITMENT OF RESERVE FORCES AND NATIONAL GUARD

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. DASCHLE. Mr. Speaker, I am today reintroducing legislation that I believe is very important for the Congress to approve. It affects the ability of this country to maintain a strong Ready Reserve and National Guard system. Specifically, it affects the ability of the United States to recruit qualified personnel for the Guard and Reserves.

Current law prohibits a Reserve retiree from receiving both a Reserve pension and disability compensation payments without one being reduced by the other. Thus, there is little financial incentive for military personnel to continue service in the Reserves or Guard. Such a policy thwarts efforts to strengthen the Reserves, which will be our second line of defense should NATO forces be overrun in Western Europe. At a time when

both the Guard and Reserves are struggling to reach their recruitment quotas, the consequences of this shortsighted policy could be devastating.

Former active duty military personnel are precisely the kind of soldiers needed for the Reserves and Guard. These people already have the training and technical abilities necessary to run the sophisticated equipment that will be used to repel the Soviet/Warsaw Pact invasion.

This legislation would remove this impediment and encourage already trained and qualified individuals receiving disability pay to consider Reserve or Guard service after they leave active duty. The status quo does not even offer these men the option.

In conclusion, this legislation is not as glamorous as the development and deployment of sophisticated new weapons systems. But in its own way, it is equally as important, for without qualified personnel to run these systems, our Reserve and Guard troops will be unable to adequately meet the challenges they are likely to face in the years ahead. Following is the text of the bill:

H.R.1578

A bill to amend title 38, United States Code, to allow veterans with service-connected disabilities who are eligible for military retired pay for nonregular service to receive compensation for such disabilities from the Veterans' Administration and to receive such retired pay without reduction in either such compensation or such retired pay

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3104(a) of title 38, United States Code, relating to duplication of benefits, is amended—

(1) by striking out "Except" and inserting in lieu thereof "(1) Except as provided in paragraph (2) of this subsection and except"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Compensation under chapter 11 of this title and reserved retired pay pursuant to section 1331 of title 10 may be paid concurrently to any person.".

SEC. 2. Section 3105 of title 38, United States Code, relating to waiver of retired pay, is amended—

(1) by striking out "Any" and inserting in lieu thereof "Except as provided in subsection (b) of this section, any"; and

(2) by adding at the end thereof the following:

"(b) Any person who is receiving reserve retired pay pursuant to section 1331 of title 10 and who is otherwise eligible to receive compensation under chapter 11 of this title shall be entitled to receive such compensation without a waiver of all or any part of such retired pay.".

SEC. 3. The amendments made by this Act shall apply to payments of compensation and retired pay for months after September 1981.●

THE STRENGTH OF THE AMERICAN ECONOMY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. MILLER of California. Mr. Speaker, the troubled economy is the foremost concern of every citizen in this country and of each Member of the House of Representatives. We are all aware of the severe impacts of inflation and recession, of the long unemployment lines, and of the shrinking purchasing power of the dollar which affects all Americans.

We will most probably direct more attention to the repair of the economic system than to any other issue during the 97th Congress, as we should. It is, therefore, essential that, before we set out to redo the economy, we have a realistic concept of the true state of its condition.

A recent article by the former Chairman of the President's Council of Economic Advisers, Prof. Walter W. Heller, provided us with a perspective which, while not minimizing the seriousness of our economic ills, reminds us that the patient is not on its deathbed either. In fact, Professor Heller found, our economy not only continues to lead our major industrial competitors in virtually every standard of measurement, but shapes up rather well in comparative areas such as Government deficit as a percentage of GNP, labor costs, and Government spending.

Professor Heller is optimistic about the resilience of the American economy and I share his belief. We have begun to take important and overdue steps, such as regulatory reform, which will stimulate new development. We will have to carefully study the creation of special tax incentives in targeted industries and regions. As Dr. Heller points out, we should take these steps from the perspective that we are making a strong economy even stronger and more competitive.

The article from the Wall Street Journal, December 31, 1980, follows:

ECONOMIC RAYS OF HOPE

(By Walter W. Heller)

"Tis the season to be jolly. But does an economy—beset with double-digit inflation, record interest rates, a looming $60 billion federal deficit, and a grinding energy problem—give us much to be jolly about?

Surprisingly, it does—well, not exactly jolly. But looking beneath the surface, one finds the U.S. economy in spite of its grievous and pressing problems is stronger than we think. That implies a companion theme: that there are a great many things people "know" that just aren't so.

Since it is fashionable to say that the U.S. economy is losing ground in the World and that we are no longer Number One, let me start with a few international perspectives on the U.S. economy.

Standard of Living

The U.S. standard of living has slipped behind that of our major competitors, right? Wrong. When exchange-rate distortions are stripped away to reveal the actual per capita flows of goods and services, the U.S. still stands head and shoulders above the rest of the world. A painstaking study by a Wharton School team of economists led by Prof. Irving B. Kravis enables us to make this comparison. With the 1978 U.S. living standard as a benchmark, the closest competitors among other major nations were France and Germany, at just over two-thirds of our standard, while Britain and Japan weighed in at just under three-fifths.

STILL IN FRONT

Productivity

We have fallen behind our trading partners, right? Wrong. The American worker is still the most productive in the world. If we ignore Satchel Paige's dictum and look behind us, we do indeed see others gaining on us. Twenty years ago, the French or German manufacturing worker produced half as much, the Japanese one-fourth as much, as the typical American worker. By 1979, Japanese productivity had risen to two-thirds, and the German and the French to four-fifths, of the U.S. level. Still, the battle to boost U.S. productivity in the Eighties is to maintain rather than regain the lead.

Labor Costs

Here lies the real reason we are losing our competitive edge in the world, right? Wrong. Last month's Citibank survey showed once again that the rise in U.S. labor costs is the slowest in the industrial world. In U.S. dollars, average hourly compensation in manufacturing rose from $4.89 to $10.16 in the U.S. between 1970 and 1979. It rose from $2.30 to $11.56 in Germany, from $2.05 to $9.19 in France, from $1.65 to $5.85 in Britain, and from $1.11 to $5.92 in Japan. In national currencies (that is, screening out the impact of dollar depreciation), Data Resources studies show that, in spite of faster productivity gains abroad, unit labor costs on a dollar basis rose only 6.3% a year in the U.S. from 1970 to 1979 compared with 13.4% in Germany, 12.5% in France, 11.8% in Britain and 15.6% in Japan.

Foreign Trade Position

Nonetheless, it is true that we are losing our competitive edge, isn't it? No. From the spring of 1977 to the spring of 1980, the volume of American exports increased one-third, considerably faster than the overall volume of world trade. In dollar terms, our merchandise exports rose from $115 billion in 1976 to an annual rate of $225 billion in the third quarter of 1980. But that's mostly agriculture, right? Wrong. Exports of manufactured goods rose from $77 billion in 1976 to an annual rate of about $140 billion in the first nine months of 1980. Clearly, our competitive position has strengthened.

The Dollar

In the light of all these comparisons, why should the dollar be weak as a kitten? It's not. With our international current account in virtual balance this year in spite of huge oil imports, with funds from more turbulent parts of the world seeking safe haven in the United States, and with very high interest rates, the dollar is strong. It has risen more than 10% against the German mark in the last year. Even measuring it against a basket of currencies including the very

strong British pound and Japanese yen, it has risen by 3% over the past year.

Government Spending

Our government claims so much more of our total output than in other countries that we end up with lower private consumption levels, right? Wrong. Only in Australia and Japan do governments spend a smaller percentage of gross domestic product than the 34% spent by our federal, state and local governments in this country. France weighs in at 40%, Germany at 42%, Britain at 44%, the Netherlands at 51%. And as to that "crushing burden of taxes," only Japan among our major competitors comes in below the U.S. figure of 29% of GDP. France is at 39%, and Germany and Britain at 37% and the Netherlands at 46%.

Spending Trends

But government spending in the U.S. has been skyrocketing in the past few years, hasn't it? Yes and no. Transfer payments soared in the '70s. According to the Advisory Commission on Intergovernmental Relations, per capita government spending (adjusted for inflation) did rise to a peak of $1,605 in 1978. But then it dropped to $1,580 in 1979 and is dropping farther to $1,540 in 1980. Isolating federal non-defense spending, the commission finds that real per capita outlays peaked in 1978, fell significantly in 1979 and are falling again in 1980. In cutting civilian spending and boosting defense outlays, the Reagan administration will be continuing rather than reversing a trend. The reversal took place two years ago.

Deficits

But nobody runs government deficits as big as ours, right? Wrong. Total government deficits have been running at just above 1% of GNP in the U.S. (1977-79), 3% in Germany and 6% in Japan. Of the seven leading industrial countries, the U.S. has had the lowest ratio of overall government deficits to GNP.

Government Debt

How can that be when government debt is rising faster than any other kind of debt in the U.S.? It's not. The federal debt today is roughly three times its size in 1950, while consumer installment debt is roughly 14 times; mortgage debt, 16 times; corporate debt, 13 times; and state-local debt, 14 times its 1950 level. Even with the unprecedented run-up of federal debt in the 1970s, corporations, consumers and homeowners substantially outdistanced Uncle Sam in percentage expansion of their debt.

Federal Work Force

If spending and deficit figures are right, how is it that the federal civilian work force has been climbing so steadily? It hasn't. It has shrunk from 1,987,000 in 1970 to 1,867,000 in September 1980. Under the Carter partial freeze on hiring it has shrunk 21,000 in the past five months.

It is worth re-emphasizing the point here is not to Pangloss over the painfully high inflation, unemployment and interest rates that beset the U.S. economy. The point, rather, is to remind ourselves that we lead from strength, not from weakness.

The Soggy Seventies

Yes, but look at that miserable record of the 1970s: slipping productivity advances, sliding growth rates, slowing investment and sagging real income and buying power. Right? Only partly:

Much of the erosion on these fronts has a very short history, namely, the past two years when efforts to slow inflation sapped the strength of expansion in 1979 and generated a recession in 1980. Real buying power did fall.

For the decade, however, the surprise is that per capita real income rose 23%, and real consumption 25%. Even after it dropped in the 1980 recession, per capita real income was running at an annual rate of $4,448 in the third quarter of 1980, compared with $4,200 when Mr. Carter took office. Much, though not all, of the advance in the 1970s can be traced to the 26% growth in the civilian labor force from 1969 to 1979.

Surprisingly also, per capita output rose 2% annually in real terms from 1969 to 1979, not dramatically less than the 2.5% rise from 1957 to 1969.

Under the heading of "keeping up with inflation," another surprising fact: the latest Department of Agriculture figures show that food took roughly 15% of before-tax income in 1979, only slightly more than the over-14% level in 1970.

The Ailing Eighties

Roaring inflation, soaring interest rates, searing energy shortages, aging industrial capital and poor labor performance are some of the factors said to threaten us with an economic Dunkirk in the Eighties. But as President-elect Reagan and the Congress tackle these tough problems, they will find that some important trends are working for them, not against them.

First, and perhaps most important, demographic trends should be a plus on the economic front:

Workers in the 25-44 age group—the prime age group in terms of increasing skills and experience, motivation and ambition—will increase from less than 50 million today to more than 60 million at the end of the decade.

Simultaneously, the influx of inexperienced teenagers and women into the labor force will slacken. The 1980s will see only half the 26% increase in the labor force of the 1970s.

CAPITAL SPENDING OUTLOOK

As capital investment steps up in the 1980s, productivity should be given another boost. We were substituting labor for capital in the Seventies, but we will be reversing that process in the Eighties. Favorable government investment policies will reinforce that demographic thrust. More generous depreciation will surely be a part of the 1981 tax cut. Moreover, in the latter half of the Eighties, the high-spending members of the post-war baby boom will be graduating into the higher saving ages.

Further, the genuine efforts already under way to cut back economic regulations and stimulate competition and to cut the costs of social regulations will be paying off in the 1980s. Stronger competition and lower regulatory costs will provide at least some modest help in the fight against inflation.

The battle to regain our economic momentum and subdue inflation will be long and tough. But no country can draw on greater underlying strengths than the United States in fighting that battle. The challenge to the Reagan administration and the Congress will be to martial those strengths, capitalize on them not just for private profit but for the common good, and restore faith and confidence in the American economy.●

MINNESOTANS SAY "LIFT GRAIN EMBARGO"

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. WEBER of Minnesota. Mr. Speaker, today I introduce to the floor of this House of Representatives a resolution from the Minnesota Agri-Growth Council, Inc. Their resolution, I believe, represents the feelings of most rural Americans. And I know that such resolution reflects the feelings of Minnesota agriculture. I urge the Congress, as well as our new President, to work quickly to lift the Soviet grain embargo and to make a commitment to rural Americans that embargoes will not be placed on agricultural products unless a true national emergency exists.

MINNESOTA AGRI-GROWTH COUNCIL, INC., 1980 RESOLUTION

Whereas governments have consistently pledged that they would not interrupt the market process and export sales; and

Whereas this country's recent history of grain embargoes has proven economically devastating to the producer and support industries; and

Whereas agricultural embargoes are totally ineffective as a punishment tool in foreign policy;

Therefore let it be resolved, That the Minnesota Agri-Growth Council, Inc. does hereby support the pledge of President-elect Ronald Reagan to lift the current grain embargo to Russia with immediate speed.

Be it further resolved, That government at every level recognize the fact that agricultural embargoes such as the grain embargo do not work and severely cause adverse damage to the image of the United States and create consternation with our customers. Agricultural embargoes should not be imposed in the future.

Thank you, Mr. Speaker.●

TREASURY REGULATIONS ON THE ENERGY TAX ACT OF 1978

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FRENZEL. Mr. Speaker, on September 19, 1980, the Treasury Department issued proposed regulations to implement the Energy Tax Act of 1978, Public Law 95-618. Unfortunately, the regulations as they were proposed did not accurately reflect the intent of the Congress with respect to the tax credit for the installation of specially defined energy properties.

In the proposed regulation, the Treasury took the position that the specially defined energy properties must be installed in a commercial building, and must be used to reduce energy in a specific manufacturing or commercial process, in order to be eli-

gible for the energy tax credit. The Treasury ruled that energy properties installed in a commercial building not involved in manufacturing, such as a retail store, would not be eligible for the energy tax credit.

The ruling was issued in spite of the fact that the report language issued by the Ways and Means Committee, as referred to by the conference committee report, stated that the specially defined energy properties eligible for the energy investment tax credit shall consist of "equipment added to an existing building or process to conserve energy."

The report also stated that items included in the list of specially defined energy properties are—

automatic energy control systems, which are equipment used to control energy usage for environmental space conditioning • • • which automatically minimize such energy usage.

The report language obviously intended for these specially defined energy properties to be installed in commercial buildings, as long as they were used to conserve energy. The language does not contain any references which would limit the application of the tax credit to commercial processes only.

The facilities in the Treasury's ruling were brought to its attention by myself and many other Members of Congress, as well as by many experts in energy tax law in the private sector. Unfortunately, when the Treasury chose to take one last stab at lame-duck legislating, it reissued the regulations in final form, substantially unchanged from their proposed form. This was in spite of all of the objections the Treasury had received on the regulations during the 4-month comment period and during the public hearings.

My first advice is for the new Treasury to rework the regulations. Since that may take a widely in order to clarify the intent of Congress for the Treasury with respect to eligibility for energy tax credits, I have introduced a bill, H.R. 1378. My bill expands the section of the Internal Revenue Code dealing with specially defined energy properties to include all commercial activities, not simply commercial process.

I think that this legislation is necessary if the energy tax credits Congress enacted in the Energy Tax Act of 1978 are to be used to their full potential. This bill is also necessary to remind the Treasury that it is the Congress, not the Treasury, that controls tax policy. Treasury's function is to collect the taxes the Congress levies, not invent taxes of its own.

I urge all of my colleagues to join me in supporting this important legislation, so that our country can maximize the energy savings which were the purpose of the Energy Tax Act of 1978.●

WORLD WAR I VETERANS' BONUS BILL

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. GONZALEZ. Mr. Speaker, once again I am introducing a bill to give all World War I veterans who served from April 6, 1917, to November 11, 1918, a bonus of $10,000. This would be in a lump sum and amounts to about $208 per year for each year since 1918. I do not believe that the price tag is too large to pay a belated thanks to those now in their eighties and older who came to the aid of our Nation in time of need. In a small way this will compensate those veterans who have never received the wide range of benefits that have been available to veterans of other wars.

It has been some time now since the United States was engaged in World War I and many of those veterans who fought in this war are no longer with us. Those who are still alive are particularly the hardest hit not only because of their age, but due to our serious economic conditions today. Many are living on fixed incomes and even though a bonus may not make them rich, it will enable them to live out their golden years with the pride and respect they deserve.

I received many letters from all over the country in support of my bonus bill last year, especially from the veterans and their families. They were very grateful that such legislation was introduced on their behalf as many of them are in VA hospitals or confined to their beds at home and are worried about their expenses. I am strongly committed in helping these individuals and that is why I am reintroducing my bonus bill today.

Mr. Speaker, we have provided very little for these veterans. Surely the Government should be willing to help out those who put their lives on the line 64 years ago. It is important today to recognize the role these elderly of our society have played in making our country what it is today. I cannot think of a more meaningful way than to honor the World War I veteran through this financial reward.●

POW'S AND MIA'S FROM VIETNAM—OUR REMAINING HOSTAGES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. BIAGGI. Mr. Speaker, as this Nation understandably basks in the happiness achieved with the safe release of our 52 hostages from Iran, let us not forget the hundreds if not thousands of our fellow Americans who are missing in action or made prisoners of war.

When we look back at the Iranian hostage ordeal, we vividly remember how long 444 days seemed. But as an article in yesterday's New York Daily News pointed out:

There are hundreds of families who have waited longer than 444 days.

Mary Carol Lemon has been waiting for 2,765 days.

Anne Graf has been waiting for 4,015 days.

Herman Sarno has been waiting for 10,950 days.

They are relatives of the MIA's, the men missing in action in Asia.

We must never abandon our commitment to achieving the safe release of a full accounting of our POW's and MIA's. They have served their Nation with honor—they have sacrificed so that others could be free. The Reagan administration should renew contacts with all governments where there are American POW's and MIA's and renew the effort.

We have learned firsthand from our released hostages about how important a united American populace was to them. So too did the families of the 52. We need to show a renewed national resolve on behalf of our POW's and MIA's. Their safe release or full accounting must always remain a national priority.●

SPEAKER JOHN W. McCORMACK, A GREAT FRIEND OF MEDICAL EDUCATION

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. O'NEILL. Mr. Speaker, this morning I received a message from the Society for Medical Education, St. John's Medical College, of Johnnagara, Bangalore, India. As you know, during his tenure in the House of Representatives, Speaker John W. McCormack was devoted to the improvement of American health care, and was a great friend of American medical education.

His dedication to health care extended to all of the peoples of the world, and one institution through which his concern was manifested was St. John's Medical College.

I submit the remarks of St. John's Medical College on the passing of Speaker McCormack.

Thank you.

RESOLUTION

This meeting of the Executive Committee of the C.B.C.I. Society for Medical Education, wishes to place on record its sense of

bereavement and heartfelt condolences and sympathies on the sad demise of Mr. John William McCormack, former Speaker of the House, U.S.A., who had been responsible to a very large extent in the building up of the St. John's Medical College Hospital and in securing grants for the hospital to continue to serve the poor and needy in perpetuity.

C. M. FRANCIS, MBBS, Ph. D.,
Dean.●

CHANGES NEEDED IN THE TRADE ACT OF 1974

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SEIBERLING. Mr. Speaker, the January 1981 report of the Department of Transportation on the future of the U.S. auto industry paints a bleak picture of the prospect for reversing the current trend of job losses. In fact, the study suggests that as many as 500,000 manufacturing jobs may be lost over the next 10 years, almost all of them located in a handful of States and cities in the Northeast-Midwest region. The study also finds that it will take the industry at least 5 years to return to full competitive strength, and that the industry will have to spend up to $70 billion to produce a supply of the fuel-efficient cars the auto-buying public is now demanding.

The DOT study concludes that, if we are to reverse the disastrous decline of our domestic auto industry, we are going to have to develop a spirit of cooperation between labor, industry, and Government. One of the steps which Government can take to aid in the recovery of the auto industry is to increase support for worker retraining and for community redevelopment. Indeed, if the auto industry loses anything like the number of jobs the DOT study predicts, it will be absolutely vital for the Federal Government to provide adequate retraining assistance.

In May 1979, the House passed H.R. 1543, legislation to amend the Trade Act of 1974. H.R. 1543 would have amended chapters 2, 3, and 5 of title II of the Trade Act of 1974, Public Law 93-618, for trade adjustment assistance to workers and firms in order to improve the operation of these programs. The bill sought to broaden the coverage of workers and firms who may become eligible for adjustment assistance benefits due to import competition, remove certain inequities in existing law with respect to such coverage, liberalize adjustment assistance benefits to workers and firms, accelerate the certification process and delivery of benefits, and introduce industrywide technical assistance and studies. Most significant, H.R. 1543 sought to broaden coverage to include independent companies manufacturing key parts for import-impacted firms. Unfortunately, the bill was never considered by the Senate during the 96th Congress.

I am today introducing legislation to make further changes in the Trade Act of 1974. My bill contains the text of H.R. 1543, as passed by the house in the 96th Congress, with several key amendments which were not included in that bill. These amendments are as follows:

New section 103(b), which would make eligible for trade adjustment assistance benefits workers who have lost their jobs because their parent firm shuts down a U.S. plant and opens a foreign subsidiary producing essentially similar parts or products.

New section 103(c), which would extend trade adjustment benefits to employees of independent auto dealers. In the event that a dealership sells both domestic and imported cars, the employees of the dealership would not be eligible for benefits if less than 75 percent of the annual sales of the dealership are domestic cars.

New section 106(b), which would permit authorized sick leave—or absence from work due to work-related injury—to be counted toward the work requirement in the qualifying year. This section would also require the Secretary of Labor to reconsider applications by workers who were previously denied certification because they failed to meet the work requirement due to illness or injury in the qualifying year.

Each of these new sections redresses what are, in my view, serious inequities in the current law governing trade adjustment assistance. Section 103(b) would make eligible, for the first time, workers who lose their jobs because corporations decide to take advantage of cheaper labor in other countries. It seems to me that these workers are the victims of the actions of multinational corporations and should be eligible for retraining under the provisions of the Trade Act of 1974.

Section 103(c) would remedy an inconsistency in the administration of the current law. In general, employees of auto dealerships are ineligible for trade adjustment benefits. However, the Department of Labor has granted TRA certification to employees of dealerships which are wholly or mostly owned by the major auto companies. Members of Congress are left in the unfortunate position of trying to explain to employees of independent auto dealerships why they are ineligible for TRA, while the employees of a dealership down the street have been certified because their dealership is owned by one of the major auto companies. This illogical result is unjust to the employees of independent auto dealerships and should not be allowed to continue.

Section 106(b) would rectify one of the most unfortunate inconsistencies in the current law governing TRA. Under current law, an employee of an import-impacted firm must work at least 26 of the 52 weeks immediately preceding layoff in order to qualify for adjustment assistance benefits. The law does not permit sick leave to be counted toward the work requirement. In my own congressional district, I have a constituent who worked for one of the tire companies for more than 20 years before being laid off due to import penetration. Because my constituent had the misfortune to be injured on the job in his qualifying year, he was unable to work enough to meet the 26-week work requirement and was thus ruled ineligible for TRA. Other workers in the same plant, with less than one-seventh the length of employment of my constituent, were able to collect TRA benefits. I have heard from others all over the country in similar predicaments.

I recognize that Congress continues to face serious budgetary constraints, and I agree that it is vital for us to work to reduce the Federal deficit. However, it is clear that it will take many years to resolve the problems of the auto industry. In the meantime, we must act to provide adequate assistance to retrain those industry employees who lose their jobs during the current crisis. A section-by-section analysis of my bill follows:

SECTION-BY-SECTION ANALYSIS OF LEGISLATION INTRODUCED BY CONGRESSMAN SEIBERLING TO AMEND THE TRADE ACT OF 1974

Section 101 does not amend the Trade Act of 1974. It requires the Secretary to reconsider promptly certain petitions for certification filed between October 3, 1974 and November 1, 1977 if these petitions were rejected because the petitioners failed to meet certain eligibility criteria. Section 101 also permits workers who did not file petitions between April 2, 1975 and November 1 1977 to file following the date of enactment of the bill.

These provisions are necessary because there is substantial evidence that the Department of Labor inadequately publicized the TRA filing limits.

Section 102 permits the Secretary of Labor to file petitions for certification on behalf of any group of workers. This provides an additional method of filing.

Section 103(a) amends current eligibility criteria for TRA by permitting certification when workers have become separated from their jobs, or are threatened to become totally or partially separated. This section also makes eligible workers in independent firms or subdivisions supplying essential parts or services to be certified when the firm to which the parts or services are provided is certified as import-impacted. These are key changes in current law, which restricts certification to subsidiaries of the import-impacted firm (thus excluding independent suppliers).

Section 103(b) extends eligibility for TRA to workers who have lost their jobs because the parent corporation shuts down a U.S. plant and opens a foreign one which manufactures essentially similar products. The Secretary of Labor would be required to determine whether the closing of a U.S. plant

is directly related to the opening of a foreign subsidiary plant.

Section 103(c) extends TRA benefits to employees of independent auto dealers. In the event that an independent auto dealer sells both foreign and domestic cars, the employees of the dealership shall be certified if domestic sales of the dealership accounted for not less than 75% of total sales.

Section 104 requires the Secretary of Labor to cooperate with the Secretary of Commerce in providing information relative to petitions for certification for TRA eligibility. The Section also prohibits the issuance of any TRA payments to workers certified under the provisions permitting certification when there is a threat of a decline in sales as provided for in Section 103 until the decline in sales has actually taken place.

Section 105 requires the Secretary of Labor to provide whatever assistance is necessary to workers preparing petitions for certification for TRA.

Section 106(a) makes three changes in the qualification for TRA. Current law requires a worker to have at least 26 weeks of work in adversely affected employment in the 52 weeks immediately preceding layoff. That work must be with a single firm or subdivision of the firm. 106(a) makes a worker eligible with 26 of 52 weeks of employment or 40 of 104 weeks preceding layoff. The single firm or subdivision requirement is eliminated. However, to be counted toward the work requirement, each week of employment must have been with firms eligible for TRA. (i.e. import-impacted).

Section 106(b) permits sick leave and absence from work due to work-related injury to be counted toward the work requirement in the eligibility year for qualifying for adjustment assistance benefits. This section also requires the Secretary of Labor to reconsider applications for certification for TRA from workers who were previously denied eligibility because they failed to meet the work requirement due to illness or injury in the qualifying year.

Section 107 amends the time limit on trade readjustment allowances to extend the maximum benefit period for a worker in an approved retraining program from 26 weeks to 52 weeks beyond the basic 52 week period. Thus, the maximum total benefit period for trainees would be extended from 78 to 104 weeks.

Section 108 provides for the establishment of a variety of experimental and demonstration projects to improve techniques for retraining workers.

Section 109 increases the job search allowance from a maximum of $500 to a maximum of $600.

Section 110 increases the maximum relocation allowance from $500 to $600, and makes more flexible the current time limits on when a worker may receive a relocation allowance.

Section 111 amends certain definitions in the Trade Act of 1974. Essentially, the change in definition makes eligible for TRA a worker in non-adversely affected employment who is "bumped" from his job by a more senior worker who transfers from adversely affected employment to the "bumpees" job.

Section 201 makes changes in the eligibility criteria for firms seeking adjustment assistance, and permits TRA to be given to a supplying firm meeting certain specific criteria.

Section 202 amends the criteria by which the Secretary of Commerce provides technical assistance to firms in preparation for economic adjustment in response to import penetration.

Section 203 amends the manner in which the Secretary of Commerce may make loans to import-impacted firms.

Section 204 amends current law with regard to the conditions for financial assistance to firms (essentially dealing with interest rates on direct loans).

Section 205 expands the requirement of the Secretary of Commerce to provide full information to firms about firm adjustment assistance.

Section 301 establishes the Commerce-Labor Adjustment Action Committee to facilitate the coordination of adjustment assistance programs.

Section 302 adds provisions to the Trade Act of 1974 to authorize grants for industrywide technical assistance and studies. The Secretary of Labor is authorized to make grants up to $2 million annually for the development and evaluation of programs designed to improve worker adjustment assistance. The Secretary of Commerce is authorized to make grants of up to $2 million for the development and evaluation of programs designed to improve economic efficiency.

Section 303 establishes the effective date of the bill as October 1, 1979. In order to provide the Department of Labor with sufficient time to promulgate regulations, certain sections of the bill would not become effective until 60 days after enactment, but the bill would still apply to workers separated from employment on or after the effective date of the bill.●

THE WINE INSTITUTE'S JOHN DE LUCA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. MILLER of California. Mr. Speaker, I am enclosing for the information of my colleagues a recent profile of John De Luca, president of the Wine Institute, from the December 1980 issue of the Executive. Mr. De Luca has done a fine job in bringing the California wine industry to the prestigious position in the world that it occupies today. I congratulate Mr. De Luca on his success, and wish him and his organization continued success in the coming years.

The information follows:

WINE INSTITUTE'S JOHN A. DE LUCA

(By Scott Winokur and Steven Ludwig)

As San Francisco's deputy mayor between 1968 and 1975, John A. De Luca was the No. 2 man "running one of the most demanding, complex and challenging cities of the world," he recalls.

"All phases of city policy and day-to-day operations were entrusted to me. In urgent form, I had to deal with police and minority matters, with development and planning issues, with problems relating to housing, recreation, pollution, transportation, utilities, energy conservation, neighborhood arts, library services, culture and education.

"I was confronted many times with racial, student and neighborhood demands. Sometimes, they were accompanied by threats and disorders. Always they required direct talks and long and patient resolution. The demonstrating during the San Francisco State crisis of 1968-69 brought me to campus for student and faculty negotiations over many weeks. And I played a central role in dealing with some 35 strikes and disputes in the public and private sectors."

He was then-Mayor Joseph Alioto's right-hand man and had the job of translating Alioto's policies into actions. His activities increased as the mayor quickly moved onto the national political scene and then became embroiled in a variety of scandals, all of which took away from Alioto's time in the office. De Luca recalls that his role became so significant that several columnists griped, "Who the hell elected John De Luca mayor of this town?"

These days the cordial, affable executive seems more relaxed than he must have during the hectic, harrying days as Alioto's alter ego. Since 1975, the short, somewhat stocky De Luca has been president of the Wine Institute, the non-profit trade association of California vintners and wine-growers headquartered on Post Street.

In effect, he's the official spokesman for a $2 billion industry that produces almost 90 percent of the wine made in the U.S. and 70 percent of all the wine imbibed in this country, including imports.

The association, with a budget of about $2.6 million, promotes the state's wine industry interests via a variety of educational, legal, lobbying and interstate and international negotiating activities. Its 50-person staff also conducts extensive economic studies and works on problems of energy, environment, quality control, sanitation and safety.

De Luca has brought stability and increasing influence to what was a deeply troubled organization in the pits when he arrived five years ago.

The institute was formed in 1934 and helped revive California's wine industry in the aftermath of prohibition, boosting labeling standards and educating Americans to wine's joys.

Then the grapes hit the fan in 1975. In a major recessionary shakeout, several small vintners faced bankruptcy and a grape glut challenged the entire industry.

Some 20 wineries withdrew from the group, including second-ranking United Vintners. That firm reportedly left because it felt membership in a trade group presented bad connotations amid its antitrust hassles with the government (United recently finally won that case and De Luca hopes it will return to the association's fold now). Smaller wineries also were threatening to quit because they felt the institute favored the big guys.

Using the political and administrative skills honed in his earlier career, De Luca has quieted internal squabbling, carefully sees to it that all vintners' interests—large groups and small—are represented and has boosted membership from 164 to 373.

These days, his hassles involve the outside world rather than problems within the group or industry. For instance, he and the institute are combatting new federal requirements that mandate vintners provide ingredient information on their labels. These new rules reflect a lack of understanding, De Luca claims: "Wine is not produced from ingredients, a little bit of this, a little bit of that. It's not a concoction. It's the product of the natural fermentation of grapes."

Also, he's out bucking for changes in states' laws governing the sale of wine. "You

cannot distribute this product in the United States the way other products are distributed," he notes. "You can have legitimate legal discrimination. Instead of running afoul of antitrust violation, you can have people—two- or three-man boards—sit down and fix prices for a whole state and determine what goes into a store and what doesn't go into a store."

The intent of such systems is to avoid alcohol abuse, De Luca explains, and their origins date back to the post-Prohibition era. But he still sees such systems as hampering fair trade and is fighting for change.

De Luca enjoys wines, drinks two glasses daily with meals, but denies being an oenologist: "I probably am the least informed president that the institute has had when it comes to the actual knowledge of wine."

However, he adds, wine was part of his culture and he helped his father make wine at home. De Luca's father was from Italy, his mother was born in the U.S. but raised in Italy and the two met and married in Sicily.

The father's initial admiration for Mussolini soured in the early 1930s and, for a combination of political, personal and economic reasons, he left the country and went to Honduras for two years. He wanted to enter the U.S. but couldn't qualify—until his wife returned to the U.S. as a citizen and "called" him here.

John De Luca was born in New York in 1933 and raised there through his mid-teens. The family struggled through the Depression, with the senior De Luca working as a journalist, in a mattress factory and then a machine shop ("He took anything he could get," says De Luca) and the mother working in New York's garment district.

In the late 1940s, the family emigrated to California and De Luca's father entered the electronics business, concentrating on radar work.

"The one recollection I have from both of my parents (his father died a couple of years ago, his mother is still alive) was a great insistence on education," De Luca reminisces. "And my dad said, 'There isn't anything economic that I can give you. But I'll do everything in my power to make sure you go to school, don't worry about working.'"

De Luca attended UCLA and obtained a bachelor's degree in political science in 1955, graduating Phi Beta Kappa. He went on to garner a master's in Soviet studies from Harvard University, studied at the University of Rome's Middle East Institute in 1959-60 as a Fulbright Fellow, the Gramsci Institute of Rome in 1962 as a Foreign Ministry Fellow and in 1967 obtained a Ph.D. in political science from UCLA as a Charles Fletcher Scott Fellow.

His journey through the groves of academe also involved stints as a teacher of Soviet affairs and French government at UCLA in the late 1950s and early 1960s. He also was an assistant professor in international relations at San Francisco State University in 1964-65 and an assistant professor in government at UC Davis in 1965.

Amid these academic pursuits, De Luca slipped in practical experience during his European period. He was a guide at the American National Exhibit in Moscow in 1959, trying to sell American voting machines to the Russians. At the exhibit, he witnessed the famous "kitchen debate" between Vice President Nixon and Soviet Premier Khrushchev.

He traveled with U.S. plastics and medicine exhibits through various Soviet cities in the early 1960s and briefly was detained in the Ukraine for "conduct unbecoming a guest in the Soviet Union."

De Luca recalls, "I was a guide for the exhibits and I was speaking in the middle of local squares. People asked me questions about life in America, the political process, the black situation. I'd come off hours and as I'd go to a restaurant or be walking in a park, someone who had seen me that day would come over and start a conversation—and suddenly there would be 20, 30, 40, 100 people.

"I remember once addressing several hundred people in Stalingrad—now Volgograd—and I brought up the so-called 'cult of personality,' what Khrushchev was saying about Stalin. I told them 'You guys have the problem all wrong. You're not talking about the cult of personalities in the Soviet Union. Your real problem is the cult of the party and what it means.'"

Professional hecklers from Soviet intelligence confronted him in debate there and then brought charges that he had slandered the Soviet system. "Petitions were sent in for me to cease this kind of 'agitation' or 'propaganda,'" De Luca says. He was detained briefly, then went on to head the American delegation to a 1962 International Conference of College Youth in Italy before returning to the U.S. to resume his learning/teaching activities.

In 1965, he quit his UC Davis post to become a White House Fellow for one year, becoming involved in national security affairs with McGeorge Bundy, Bill Moyers and Walt Rostow.

Staying on in Washington, D.C., he served as a special assistant to Sen. Frank Church (D-Ida.) from September 1966 to May 1967, again concentrating on foreign affairs.

In the summer of 1967, when De Luca was about to return to San Francisco as a lecturer in international affairs at the Stanford Research Institute, he was introduced to Joe Alioto. De Luca had asked associates to put him in touch with influential Californians and Alioto was one such wheeler-dealer.

"My first introduction to him was as general counsel of the Rice Growers," De Luca says. "I didn't know he was a lot of other things—a very famous antitrust attorney, a man who had served on the San Francisco Redevelopment Agency, been chairman of the Board of Education, had a very rich cultural life, was on a number of boards."

De Luca also didn't know Alioto was planning to run for mayor but Alioto did and was intrigued by the young man: "He told me I came from a background and experience that was very interesting. He said he wanted to know more about Washington, the White House staff, Joe Califano, Jack Valenti."

In addition, De Luca's wife's first cousin married Alioto's son. So the links between the two men were forged that led Alioto to offer De Luca the post of executive secretary when he became mayor in 1968.

De Luca was surprised: "I was not known here, I was not one of the local people, and I asked Joe why he wanted me. He said, 'You have this invaluable Washington experience. I see myself as mayor needing to know the Washington scene. So many of the solutions to the problems of San Francisco are tied in to Washington. The more successfully I handle the Washington arena, the more successful I will be in behalf of San Francisco.'"

De Luca helped Alioto with introductions to leading Washington Democrats, including President Johnson and Vice President Humphrey. "That was a magical relationship that established itself independently of me," he notes, pointing out that Alioto nominated Humphrey at the 1968 Chicago convention and was considered a possible running mate that year. And later he was the "white hope" who might knock Ronald Reagan out of California's governorship.

De Luca dropped his "doctor" title, rolled up his sleeves and waded into running the mayor's office, in effect serving as deputy mayor (the title officially was executive secretary and later was changed to executive deputy to the mayor).

His responsibilities were heavy from the beginning and grew as Alioto became an instant national celebrity and was away from the city a great deal. This was further compounded when Alioto's attention was diverted by a maelstrom of political and legal squabbles, including reports alleging Mafia connections and suits charging fee-splitting when he acted as an antitrust attorney.

Recalling the Look article about Mafia links, De Luca looks back in sorrow: "That was the decisive turning point of Joe's administration and his life." Until then, he feels, they had been able to develop a positive thrust. The hassles "stopped all these other things because Joe was put on the defensive."

In the meantime, De Luca feels he and Alioto accomplished a lot for San Francisco before clouds overshadowed the administration. They revamped the budgetary process, the way city government is run and San Francisco's approach to handling today's urban challenges, De Luca claims.

His relationship with Alioto was close, with De Luca serving as the alter ego who saw to it that what Alioto wanted was accomplished. Although the press sometimes castigated De Luca as the city's "unelected mayor," Alioto never blanched at De Luca's growing power.

"Joe was so self-confident and was so secure that he never worried about those charges," De Luca says. "He was so busy, so preoccupied, he was doing an excellent job as mayor, and a lot of things just gravitated to me. Rather than resent and stop it, he encouraged it because, I think, he felt intuitively that that was the best way."

Although De Luca was totally loyal to Alioto, he stresses it wasn't "blind loyalty." He frequently confronted the mayor on issues and actions, but Alioto's decision would be final—and De Luca then would be the strong lieutenant who carried out orders.

He ran into Alioto recently in Philadelphia, De Luca says, and for the first time since both left the mayor's office, they reminisced about the old days. "He told me, 'You were very tough on me, John. You're the only guy who really consistently challenged me.' And that's the way I felt my loyalty to him would serve best—not to answer automatically 'yes' to what he said."

The later scandals put Alioto on the defensive and detracted public attention from his achievements, De Luca feels. "But 10, 20, 30 years from now, historians will appraise Joe in higher terms than perhaps his contemporaries because they will be able to see this point (his accomplishments) in sharper focus." Alioto as mayor was a "true Renaissance man. . . . trying to bring San Francisco into a position to cope with modern, urban America," De Luca asserts.

With the end of the Alioto administration, De Luca accepted an offer to head the Wine Institute. "I was very excited by the

change," he says. For one thing he would become his own man.

Acting on someone else's behalf is "not the same thing as having to formulate your own speech, having to project your own values, having to project your own point of view," De Luca says. "So that part of me which had been developed in the classroom, the part that had to come up with original themes in dissertations and so forth, leaped at the new challenge."

Also he enjoyed the idea of working for people with grass-roots outlooks and traditions, "I had just come from an experience where the values of the work ethic, being one-on-one with nature, having great pride and independence very frankly had been mitigated or muted.

"But suddenly here were people who were looking at the harvest, looking at the weather. Their great emphasis was not in terms of food stamps or whether they were going to get unemployment benefits, but in terms of how they were going to handle the harvest. It was very refreshing, like digging into a reservoir of values that were for me more integral to my thinking than I had imagined."

During his first year and a half in office he visited 260 wineries: "My hope was that—because I was not known and I came out of a different environment—I would become familiar with everyone and everyone would come to know me on a personal basis. I visited the small wineries as well as the large ones and that was doubly helpful, both for my exposure to them and for them to realize that I was going to represent everyone's interests."

He and his staff have been in the forefront of battles over labeling regulations and states' controls. He feels his days with Alioto helped lobbying efforts against new labeling rules: "I knew a lot of these guys in the California Congressional delegation from my City Hall days. We have educated them and blunted the steamroller."

As a result, new federal labeling requirements are not as "odious" or "punitive" as originally proposed, De Luca believes, but they still contain ingredients that are distasteful—such as requiring a list of ingredients. He hopes the new regulations, due to go into effect in 1983, will be altered further by Congress in the upcoming session.

He also has led the way in contesting state laws governing pricing and distribution of wines. "As long as we have this legacy of Prohibition, we have these states that look upon wine as a sin to be taxed," he says. Some 18 states have legislation and regulations that control where, how and/or when wine will be sold, such as Pennsylvania where De Luca recently opted to get involved in litigation against the state's Liquor Control Board.

Nationally, De Luca feels the public is on industry's side. "Consumers are the ones going to their legislatures and saying, 'Change the laws.' In Montana, for instance, they passed an initiative two years ago permitting wine to be sold in food stores and grocery stores, where there had been only a state store system previously."

So, although not as frenetic as his City Hall job, heading the Wine Institute presents its own challenges and opportunities for De Luca. "Wine is a 6,000-year-old product but, ironically, I feel I'm in on the ground floor and can make a difference," he asserts.

He sees wine becoming "a natural part of our lifestyle. Not too many decades ago, it was perceived essentially as a drink of older Americans, typically those of Italian, French or Spanish extraction who drank red wine and were on one of the coasts, California or the East Coast.

"Contrast that today with the sense that it is not tied to any geography, not tied to any ethnic or economic group. Also, visibly the dynamism in the industry is coming from women, who not only are drinking wine but also making the choices about what's on the dinner table. And wine has become part of the whole approach to physical self-improvement—jogging, watching your weight, exercising and nutrition."

Wine also has broadened in its appeal, De Luca notes. Affluent, previously hard-liquor people are sipping wine during "the cocktail hour" that has become "the wine hour," and beer-guzzlers are opting for pop wines such as Annie Greensprings or Strawberry Hill.

And the market outlook still holds tremendous promise, he adds, because U.S. per capita consumption is only about two gallons and more than double that in such states as California, compared with European countries that register per capita consumption of 25 to 30 gallons.

"There are still areas in the U.S. where many people are not drinking wine, like the South, the Midwest, rural areas," De Luca says. He looks forward to a day when wine nationally becomes a natural part of meals, European style.

Meanwhile, there is periodic speculation that De Luca is becoming restive with his wine industry chores. A man of tremendous energy and impressive background, De Luca often is seen as over-qualified for his job.

He denies rumors that he may leave soon: "First of all, I am committed to this position. I am truly excited by the challenge of this job. It seems to integrate everything I've done before. My university background, my local government background, my national background, my international background, they're all called into play every single day.

"Very few people truly realize that, as president of the Wine Institute, I am very active in politics with the Congress, with different states. I am very active with the university world with research at Davis and Fresno State."

He has been offered top-level corporate jobs and, a few years ago, there was a groundswell of support to put him in charge of the University of California.

"My plans are to stay with this industry indefinitely," he rejoins. "I find this a stimulating position, very challenging, and I feel like I'm growing every single day. And I'm with an industry still in its infancy."

Also it has given De Luca a pleasant lifestyle. "The industry has been good to me and my family," he says. De Luca resides in Belmont with wife Josephine, daughters Gina and Carla and son Perry, and the family often visits wineries as guests of honor, hobnobbing with wine leaders who are "some of the most fascinating people I've ever met."

And, adding lustre to his position, De Luca finds that these wine magnates increasingly are turning to the Wine Institute to spearhead industry progress. They realize their industry is highly fragmented and they cannot join together for united action on legal, political and international fronts without incurring governmental wrath.

Thus, De Luca observes, "The people whom I serve are looking to me and the Wine Institute for that leadership."●

FOUNDATION TAX LAW

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FRENZEL. Mr. Speaker, charitable organizations have existed for many centuries in many varieties. Like every major civilization, the United States has encouraged and institutionalized philanthropy as a means to promote human welfare. Our charitable institutions, including foundations, have served our society well.

Unfortunately, the effectiveness of foundation philanthropy in the United States is now threatened. The requirements placed on foundations by the Tax Reform Act of 1969 are hindering, rather than helping, the cause of charitable giving.

As a result of the Tax Reform Act of 1969, foundations are required to distribute for charitable purposes 5 percent of the foundation's net worth, or the foundation's net investment income, whichever is greater. This payout formula may have made a great deal of sense when it was developed in the strong dollar and low inflation years of the 1960's, but it is now causing real distress for most foundations.

Because foundations are required to distribute all of their investment income, they do not have the opportunity to reinvest any portion of their investment earnings back into the foundation. Therefore, the net worth of the foundation's assets may remain stable on paper, but, because of inflation, in real terms it is declining at an accelerating rate. As the real value of the foundation's assets declines, the value of the dollars the foundation has available to distribute for charitable purposes declines with it.

In an inflationary economy, high interest rates dictate that prudent managers shift assets to high income instruments for the greatest total safe return on the portfolio investments of foundations. The law, however, requires that all income be paid out. That means the foundation managers have only a Hobson's choice. Either they take a lower return on their investment, or they take a higher return and pay it out. Either way they are giving away their capital. That is, of course, detrimental to the long run aims of the foundation and its beneficiaries.

In order to rectify this situation before it erodes the ability of foundations to carry on their charitable works, I have introduced a bill, H.R. 1387, which makes several changes in the tax laws pertaining to private foundations. The most important of these changes would remove the requirement that foundations distribute

all of their net investment income. The bill would require only that 5 percent of the foundation's net assets be distributed, leaving the rest to be reinvested in the foundation, preserving the foundation's asset base for future generations. Those foundations which wished to distribute a greater percentage could, of course, do so.

The bill also seeks to correct an inequity which currently exists in the law with respect to the tax treatment of contributions to public charities as opposed to contributions to private foundations. Under present law, individuals may only deduct their full contribution to a private foundation if it is less than 20 percent of the individual's gross income. Contributions to public charities, however, may be made for up to 50 percent of an individual's gross income and still be eligible for a full deduction. In addition, excess contributions—for more than 50 percent—made to a public charity may be carried forward for up to 5 years, while contributors to a private foundation have no such option available. My bill would remove all of these distinctions between contributions to private foundations and contributions to public charities, so that contributions can be made to both on an equal basis.

The bill also contains a number of other changes in the foundation laws. I invite my colleagues to examine this bill carefully, and to make suggestions for changes in the bill or in the law. I hope many will support it, so that our great system of private foundation philanthropy will be able to continue to do the charitable and educational work for which it is renowned.●

MR. JACK BOYES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SKELTON. Mr. Speaker, it is with great pride that I inform my colleagues of a noteworthy act of mercy undertaken by one of my constituents, Mr. Jack Boyes of Kansas City, Mo.

On August 16, 1980, Mr. Boyes, trained in Red Cross cardiopulmonary resuscitation, was summoned to assist a choking victim. Going to the victim's aid, Mr. Boyes determined that he could not breathe and began a sequence of first aid maneuvers for relief of foreign body obstruction of the airway. When the obstruction was relieved Mr. Boyes began CPR. He continued his efforts until the arrival of an ambulance. Without doubt, the use of CPR by Mr. Boyes cited herein saved the victim's life.

Mr. Speaker, I would like to commend Mr. Boyes for his voluntarily learning Red Cross life sustaining skills, for his heroic action in the situation, and to congratulate him on receiving the Red Cross Certificate of Merit.●

DOE ALCOHOL FUELS PROGRAM

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. TAUKE. Mr. Speaker, I would like to insert in the RECORD a letter from the Iowa Energy Policy Council, which makes a number of recommendations to help improve the Department of Energy's alcohol fuels loan guarantee program.

These comments are similar in many respects to ones I have expressed to officials at DOE during recent meetings on the subject. My concerns included the following: First, the timing of the announcements made last October naming those firms selected for competitive negotiations; second, the speed by which the whole process was handled; and third, the criteria used in future selection processes, particularly the role of policy and technical factors.

My purpose in calling the meeting with DOE officials was to allay or confirm suspicions I had that improprieties were involved in the selection process and to insure that all firms competing for the loan guarantees are given fair and equal treatment.

Because alcohol fuels provide this Nation with a viable alternative energy source, it is incumbent upon us in the Congress to insure that the push for greater use and production of the fuels continues. And it is also incumbent upon us to insure that Federal participation in this effort be effective and responsible, particularly with applications for the next round of DOE loan guarantees scheduled to be accepted next month.

The recommendations made in the following letter will help us achieve that end.

IOWA ENERGY POLICY COUNCIL,
Des Moines, Iowa, January 7, 1981.

Mr. STEVE MORGAN,
Contracting Officer, Department of Energy, Office of Alcohol Fuels, 1000 Independence Ave., SW., Washington, D.C.

DEAR MR. MORGAN: The Department of Energy's (DOE) Office of Alcohol Fuels has extraordinary influence in the development of the nation's alcohol fuels industry. Alcohol fuel, without federal subsidies is presently only marginally competitive and, as a result, financial institutions are wary of risking scarce capital on proposed alcohol fuel plants. Federal loan guarantees, which tend to calm these skittish financial markets, thus determine the fate of most proposed alcohol plants.

It is extremely important that the Office of Alcohol Fuels recognize its responsibility and operate accordingly. Responsible actions of the Alcohol Fuels Office should be guided by the following aphorisms.

(1) Give potential applicants proper notice and time to apply. The initial rulemaking did not do this. The Alcohol Fuels office gave applicants 12 days from the date of final rule filing to apply. That is neither proper notice of application guidelines nor an appropriate length of time to apply.

(2) Thoroughly review each application. DOE spent 8 days reviewing over 50 highly technical, complex applications. As you noted to me in a phone conversation, the speed of that review exceeded all others in your 8-year history at the Department.

(3) Tell the public what you are doing. Eight days after the close of the initial solicitation, the DOE announced that negotiations were being entered into with 7 companies. Yet you indicated to me that DOE had entered into the "factfinding" stage only. Nevertheless, prior to reaching the negotiation stage with the first group, DOE announces the selection of nine more plants for "detailed negotiations." How do you square that with your "fact-finding" claim?

(4) Don't compound your mistakes. The initial solicitation process was of questionable propriety. Yet, instead of resolving those questions, the DOE doubled the amount of loan guarantee money disbursed under that questionable solicitation. And, worse yet, the DOE acted to disburse over $500 million in loan guarantee money without prior OMB approval.

(5) Consider the economics of the feedstock. DOE's own "Alcohol Fuels Policy Review" concluded that corn and milo are the most economical of alcohol fuel feedstocks. DOE should place a priority on projects which will produce alcohol at the most competitive market prices.

(6) Consider the location of the alcohol market and the feedstocks. The location of plants in areas where feedstocks must be imported and the alcohol and by-products exported due to lack of a market in the area is clearly an undesirable arrangement in terms of energy and transportation costs. States such as Iowa which produce the feedstock, utilize the by-product extensively, and have pioneered marketing of the alcohol through significant tax incentives (Iowa now uses almost 15 percent of gasohol consumed nationwide while comprising only 1.5 percent of the nation's total gasoline needs) should be given high priority when considering the siting of plants to receive assistance. SERI's newly published "Guide to Commercial Scale Ethanol Production" concurs, plants should be situated to take best advantage of feedstock crops grown in the near locale to enhance the economics of production.

(7) Consider the energy balance of the plant. Alcohol production processes which do not displace imported energy should be given low priority. There have been rumors that some plants may use imported molasses as a feedstock.

(8) Consider the energy and economic needs of each state in which an alcohol plant is to be located. The nation's energy bill is not distributed proportionally among the states. States such as Iowa which must import nearly all their energy needs are hardest hit by energy dependence; states such as Louisiana which export three times as much energy as they use are not as economically crippled by high energy costs. Thus, the drain on Iowa's economy will continue if alcohol must be purchased from energy-rich Louisiana, while Louisiana's exports continue to grow. Federal policy should wherever possible attempt to equalize states' energy bills, or at least help most

of those states suffering most. It should not drain taxes from hard hit economies to pump into relatively healthy energy-exporting economies, particularly where abundant resources can be developed in the poorer state.

Many of these concerns were expressed to the Office of Alcohol Fuels during the rulemaking process. However, I felt the need to repeat them since DOE did not fully consider comments on the rules and plans to issue new rules in February.

I would appreciate your comments.

Sincerely,

DOUGLAS E. GROSS,
Director, Fuels Division.●

ROBERT C. CARTER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. HUBBARD. Mr. Speaker, I would like to take this opportunity to congratulate my longtime friend, Mr. Robert C. Carter, president and general manager of the Kentucky New Era in Hopkinsville, Ky., upon his winning the Kentucky Press Association's Freedom of Information Award for 1980.

Bob Carter's impressive accomplishments as a newspaper executive convince me that the KPA has made an excellent choice for this annual award. Carter is a past president of the KPA and has served a number of years as the organization's legislative chairman.

The announcement of the award was made during KPA's recent midwinter conference. The Kentucky Press Association is made up of weekly and daily newspapers from throughout the State.

Again, let me express my congratulations to Bob Carter for his leadership in areas related to freedom of the press.●

CONGRATULATIONS TO CHARLES L. DEEGAN AND TROOP 374 ON THEIR 25TH ANNIVERSARY

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. RUSSO. Mr. Speaker, on February 7, Troop 374 of the Boy Scouts of America will celebrate its 25th anniversary with a reunion dinner in Chicago Heights. As worthy of praise as this achievement is, there is something even more remarkable about this occasion. It marks not only the quarter-century point for the troop, but also of the dedicated service of its original and only Scoutmaster, Charles L. Deegan.

Since 1956, when he first became the troops' Scoutmaster, Mr. Deegan has served the young men of his community with great distinction. His personal integrity and devotion to these boys, truly tells us something about the man and his values. Under his tutelage, over 100 boys have reached the distinguished rank of Eagle Scout. An amazing accomplishment indeed, and one in which Mr. Deegan may take great pride. His impact on the boys, and all of those who have had the pleasure of knowing him, is impossible to gage, but they undoubtedly are better people because of it.

It is only fitting that a man of Mr. Deegan's outstanding character should be involved in a worthwhile endeavor like Scouting. Scouting's ability to foster friendship, teach civic responsibility, and develop self-reliance make it a solid foundation upon which young men can build for the future. During this period, a caring and committed mentor is invaluable. Over the past 25 years, Charles L. Deegan has been just such a man. His tireless efforts are well appreciated and not forgotten.

I gladly join with those gathered in Chicago Heights in honoring this rare and admirable man, and wishing him all the best in the future. He most certainly deserves it.●

JIM MOORE'S OPEN LETTER TO THE CONGRESS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. McCLORY. Mr. Speaker, many of us in this body were shocked and saddened by the tragic and senseless killing of one of our beloved House photographers—Pen Wilson.

Pen died of a single gunshot wound on Christmas Eve 1980 on a downtown street in Washington.

Without describing in detail this stark tragedy, I wish at this time to present to my colleagues a heartfelt and meaningful letter addressed to all of us by a man who was perhaps the late Pen Wilson's closest friend and associate—Jim Moore.

Mr. Speaker, I urge and earnestly hope that all of us may absorb the full meaning embodied in these touching and challenging words by Jim Moore—and I would hope that the response on the part of this body may be reflected in our actions so that Pen and others, who have met senseless death from handguns—will not have died in vain.

Mr. Speaker, I am attaching hereto Jim Moore's open letter to the 97th Congress, which follows:

AN OPEN LETTER TO THE 97TH CONGRESS

To the Congress—my friends and colleagues, those of long standing and those newly met:

As we all get under way this new year and new session, I would like to touch upon the life of a friend of ours who cannot be here to enrich our lives and join us in our efforts to serve the people of this great country. Many of you knew Pen Wilson—if not by name, at least on sight—as one of the House photographers. He was the one with the ready smile and the bright blue eyes that transformed life into an image on paper, ready for framing and mounting in any one of tens of thousands of homes in America.

He took photographs of your visitors—the bands, the school groups, the visiting firemen, the dignitaries big and small—and amiably brought them around you, coaxed out their smiles, and took the picture that you later signed and passed on as a simple, but often effective, souvenir.

He joined you in committee, crouching down in front with his camera, searching out your best side, waiting for the decisive moment as you testified or examined a witness. Those pictures made it into countless hometown papers, without his credit but with his great satisfaction that he was accomplishing something worthwhile in a job that was not always the most exciting. He loved his profession, and he enjoyed your company. The glow of the Capitol dome at night thrilled him just as much as it moves all of us who still work beneath it. One of his last pictures, in Roll Call, is of the building at night. It is as serene as his death was violent.

Early in the morning of last Christmas Eve, Pen was shot and killed during a robbery attempt on a downtown Washington street. There is no accounting for it. There is no way to describe the horror of it, the stupidity, the sheer terror of such a moment in the winking out of life with the passage of a bullet through flesh. Platitudes will not suffice. They are of little comfort to his wife and family, and they will not reverse the course of that awful projectile.

Pen was a man who loved life for all its variety and challenges. I think he tested its limits once in awhile as he put himself to the test: he tried skydiving, he learned to scuba dive, he wanted to see what he could do with his energy and drive. He wanted to try so many things. He was cheated by the darker side of life, by someone who apparently has so little regard for humanity that killing a man for a few dollars is somehow justifiable.

There are some lessons in life that I wish did not have to be learned at the expense of life itself. Before last Christmas, I was as concerned as any of you about the increase in violent crime, especially gun-related crimes. Pen and I talked about gun control almost every time a new article appeared in the papers. He was on the side of control; I felt inclined to disagree. Control to me seemed an exercise in futility, and, since I was an avid NRA participant as a boy, the concept of controlling weapons seemed to smack a little of Big Brother.

I have never been so wrong in my life, or in Pen's life. Certainly there is a place for some kinds of guns, but there is no way to justify the access that the man who shot Pen had to his gun. There must be a better way to approach the problem, to begin to contain the awful trend we are witnessing every day. The answer will not appear written in stone. It will not be given to us by a greater power except the power of our conscience, the innate sense of right versus mortal and moral wrong.

It will take the collective will of the people, reflected in the membership of these two great chambers, to judge with clear vision the value of any life against the

life-destroying potential of easily available handguns.

I miss Pen. I know many of you who knew him well have your own experiences that will keep him alive in your minds' eyes. Those who only knew him in passing probably still recall something pleasant that he did to touch you in his unique way. His death diminishes us all just as the death of any man diminishes society; but in Pen's case it is brought so close to our homes and our jobs that to ignore the lesson at our doorstep would be an insult to all the nameless, faceless victims who never had the chance to gain the attention of the men and women in this Congress.

I don't wish to seem a pedant, nor am I an ideologue taking advantage of my friend's death to promote a new bill or an old cause, striking out like a hypocritical zealot with a new religion. I just have had my fill of death and dying for the moment. We owe something to ourselves to bring peace to the streets and communities of this country and we owe it to the memories of Pen and all the others too suddenly deprived of a chance to live out their lives with their families and friends.

George Washington put it clearly when he said: "A slender acquaintance with the world must convince every man that actions, not words, are the true criterion of the attachment of friends." We are all friends here and across the nation. We have Pen to remember for his friendship that he willingly and generously gave. In considering the future for all our friends still here, consider the memories of our friends, known and unmet as well, who now depend on us to make something better of life.●

COMMUTATION OF KIM DEATH SENTENCE POSITIVE SIGN IN UNITED STATES-SOUTH KOREAN RELATIONS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. PORTER. Mr. Speaker, President Chun Doo Nwan of South Korea is a visitor to this Nation's Capital this week, and it is a time to review the current status of South Korean-United States relations. On several occasions I and others in Congress denounced on this floor the mock trial and death sentence of Kim Dae Jung by President Chun's government. The recent commutation of his death sentence is therefore a positive sign.

We should be under no illusion, however, that the sparing of Kim's life signals a return to democratic processes in South Korea. Those Members who have spoken on the House floor on this important issue of South Korean relations as they affect our national interests in Asia will continue to watch carefully the evolution of political freedoms under the Chun government. At a time when U.S. assistance has to be cut back around the world, and priorities brought even more sharply into focus, a nation's support for democratic principles as well as strategic importance to the United States will be weighed heavily in the balance.●

TRIBUTE TO FRANK HOOD

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. HILLIS. Mr. Speaker, Friday, February 6, will mark the end of one of the longest and most distinguished public relations careers in the Federal Government—that of Frank Hood, the Veterans' Administration's Director of Information Services.

For more than 23 years, Frank Hood has served eight VA Administrators with a devotion and impartiality that have no equal.

Frank is a product of that famous journalistic training ground, the Kansas City Star, as well as the Associated Press, and in turn, he has trained a small army of public information men, including three former Civil Service Commission public relations directors and a deputy press secretary at the White House. The Executive Director of the President's Committee on Employment of the Handicapped is also one of his proteges and, incidentally, one of his many admirers.

Those admirers of his are not limited to the executive branch of the Government, either. Anyone in the Congress who has come in contact with Frank has invariably been treated with the utmost fairness and courtesy. Quite honestly, I do believe he does not know how to treat anyone otherwise.

In an age when distrust of Government and its officials seems to be rampant, Frank Hood has stood as a beacon of forthrightness and honesty. He is truly a public servant in the very best sense. I am proud to have known him, and as he leaves his post, I wish him all the best in a well-deserved retirement.●

OLIN "TIGER" TEAGUE—A REAL AMERICAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. ANDERSON. Mr. Speaker, it is with deep sadness and regret that I address my colleagues today concerning the unhappy news of the death of Olin "Tiger" Teague. His multitude of achievements benefiting the people of this Nation will not be forgotten by any of us.

Tiger Teague was a true product of America—a Texan who served his country valiantly during World War II, sustaining many wounds and spending much time recuperating in hospitals. For his bravery and dedication to duty he received many awards and decorations, including the Silver Star with two clusters, the Bronze Star, the Purple Heart with two clusters, and the Croix de Guerre with Palm. He was the most decorated soldier ever to have served in this House of Representatives, and became the champion of veterans of all wars.

Elected in 1946 to the 79th Congress, immediately after the end of the Second World War, Tiger chose to serve on the Veterans' Affairs Committee. In this capacity he served admirably, and eventually became the committee's chairman. Tiger increased the education benefits available to veterans, and was the author of the Korean war veterans bill. His determination that our Nation's fighting men be given just opportunities to gain an education, buy a home, or find employment, translated into programs that every veteran was able to benefit from.

Olin Teague also served as chairman of the House Committee on Science and Technology, and was the guiding force behind our modern space program which eventually brought man to the Moon. Were it not for Tiger Teague, the vast advances achieved in science through the program, and the benefits thereof which we enjoy today, might not have happened.

The people of Texas' Sixth District loved Tiger as much as we did, returning him to office time and again; it was not until 1978, at the end of the 95th Congress, that Tiger chose to retire. His 32 years of congressional service to his country, along with the trying years of service in war, clearly distinguish Olin Teague as a true American. I am proud to have been able to serve with him here in the House, as he was a shining example to all. My wife, Lee, and I, extend our sincerest condolences to Olin's wife Freddie, his three children, James Teague, Maj. John Teague, and Jill Cochran, and all the people of his district. Tiger's energy, forthrightness, and memory will live on in the great legacy which he has left us all.●

CONDOMINIUM CONVERSIONS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. ROSENTHAL. Mr. Speaker, the recent trend toward converting rental housing to cooperatives and condominiums appears to be continuing as evidenced by the recent release of a Council of Governments study of the Metropolitan District of Columbia area. I feel it is important for my colleagues to keep abreast of such significant movements of our Nation's hous-

ing stock and I am including the Washington Post article of February 3, 1981, which addresses this phenomenon:

CONDOMINIUM CONVERSIONS UP 21.8 PERCENT IN AREA

(By Lewis M. Simons)

The number of condominiums throughout the metropolitan area rose by 21.8 percent in a single year—the largest increase ever—with the greatest jump taking place in suburban Fairfax County, according to a new study by the Metropolitan Washington Council of Governments (COG).

The increase was largely attributed to the continuation of the housing trend that swept the Washington area in the 1970s, the conversion of rental units to condominium ownership. Of the 15,102 condominium units added to the Washington market during the period, the study said, 11,922 were rental units that had been converted. The remainder were newly built.

The most striking finding in the survey—which covers the period July 1, 1979, to July 1, 1980—was that the construction of new rental apartments fell to virtually nothing while conversions were eating into existing rental stocks at a higher rate than in any previous year.

In contrast to the large number of rental units that were converted, only 2,862 new rental units were constructed throughout the metropolitan area, according to COG's William Davies. Of that, about 70 percent was government-subsidized, low-income housing.

"As far as the individual is concerned who needs to rent but does not qualify for subsidized housing," Davies said, "you can honestly conclude that nothing was added to the market" in the study year.

Generally, the conversion of former rental apartments to condominiums carries much greater social impact than new condominium construction because in many cases conversions squeeze out the relatively poor, the elderly and those on fixed incomes.

The conversion phenomenon, once characterized, as "condomania," as it swept through formerly rent-controlled apartment buildings in upper Northwest Washington and other rental apartment bastions, still is one of the hottest issues on the local housing scene. Landlords contend that the economics of the market make the rental business unprofitable; tenants and their political champions say that landlords' "greed" is forcing growing numbers of tenants who cannot buy their dwellings onto the street.

Even where they are restricted by tough regulations, as in the District of Columbia, landlords are continuing to press for converting their buildings. "A few years ago," Davies said, "it used to be that conversions and new construction shared the condominium market about 50-50." Today, he noted conversions easily have surpassed newly built condominiums.

In the last decade, according to the survey, the construction of new apartments outdistanced conversions throughout the region, 65,398 to 47,880. Most of that apartment building—70.3 percent—occurred between 1970 and 1974. Since 1974, only 19,380 rental apartments have been built; 30,344 apartments were converted.

The study shows that Fairfax County experienced the highest growth rate in rental apartments converting to condominiums—60.7 percent—while in the District of Columbia the increase in conversions was 54.4 percent. In absolute terms, though, the District of Columbia converted the largest number—4,319 apartments—while 2,390 were converted in Fairfax.

As of July 1, 1980, the metropolitan Washington area contained 84,240 condominiums—21.8 percent more than existed in the region the year before. Of these, 48,011 were a result of rental apartments being converted and 36,229 were new construction.

Noting that data for July-to-July periods prior to 1977 did not exist, the COG survey found that a comparison with previous calendar years "shows that this 12-month period surpassed all other annual periods of conversion activity [and] that the conversion trend is continuing to increase its momentum. The study also noted that "not since 1975 has the Washington metropolitan area experienced a decline in conversion activity from the previous year's level."

WASHINGTON AREA CONDOMINIUM CONVERSIONS AS OF JULY 1, 1980

Jurisdiction	New construction	Conversion	Total
District of Columbia	3,571	12,253	15,824
Alexandria	4,303	3,947	8,250
Arlington County	1,986	6,866	8,852
Fairfax County	12,374	6,328	18,702
Falls Church	20	200	220
Fairfax City	0	480	480
Loudoun County	1,162	418	1,580
Prince William County	1,337	86	1,423
Montgomery County	5,862	9,726	15,588
Rockville	33	1,065	1,098
Gaithersburg	918	744	1,662
Prince Georges County	4,663	5,898	10,561
Metropolitan total	36,229	48,011	84,240

Fairfax County led the metropolitan area in new condominium construction during the period of the COG survey by adding 987 units to its previous stock of 11,387 units built as condominiums. The new total, 12,374, gives Fairfax County 34 percent of the region's new condominium construction. Combined with the 6,328 units converted in the county to date, the total of 18,702 condominium units puts the county first in the area.

The District of Columbia added 680 new condominiums. The city now has 3,571 units built as condominiums—since the first one ever seen in the metropolitan area was built here in 1968—and 12,253 converted units. The total of 15,824 puts the city in second place behind Fairfax County and just ahead of Montgomery County, which has 15,588 total units.

According to COG's study, 2,225 units were built in Montgomery during the 1979-1980 period and 312 new units were built. The overall condominium growth in the county represented an increase of 29.7 percent over the previous one-year period.

Arlington County experienced a total growth of 37.5 percent: 1,872 units converted and 680 new units built.

Throughout the metropolitan area, according to the study, condominiums continued to sell very well. Of the converted units, 70.2 percent had sold, as had 78.5 percent of the new units. The study found that the most popular form of new condominium construction was the "single family attached structure," or town house, which accounted for 45.1 percent.●

ESSAY ON THE RIGHT TO LIFE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. MAZZOLI. Mr. Speaker, I would like to commend to the attention of my colleagues in the House of Representatives the following essay by Schu Montgomery, a resident of my congressional district in Kentucky. Schu's fine essay won first place in the college-level student contest sponsored by the Right-to-Life Program Journal.

Schu beautifully expresses the principles that comprise the heart of the prolife movement in his essay—including the idea that such activities must encompass all facets of human life, not just in the protection of the life of the unborn child.

RESTORING THE PARAMOUNT RIGHT TO LIFE

(By Schu Montgomery)

We, the people of these great United States of America, are on the verge of restoring the most basic, most cherished right of any civilized society—the right to life of unborn children. The Paramount Human Life Amendment can assure this restoration.

This amendment alone would establish the principle and guarantee that each human being from the moment of fertilization is vested with the right to life regardless of age, health, or condition of dependency.

But the key to reclaiming the right to life can only be achieved through unity—unity of belief and unity of action.

Unity of belief means we must unite in convincing our elected officials that all preborn children—even those that come into the world through rape and incest—have the right to life. We must unite in proclaiming to these same men and women that human beings with physical and mental handicaps are also welcome in our society. We must also unite in persuading the servants of the people that the integrity of the right to life requires there be no exceptions in the law.

To paraphrase one of the Life Principles, in the rare situation in which the life of mother and baby are mutually in jeopardy, all available ordinary means and reasonable efforts should be used to preserve and protect both lives. A "life of the mother" exception can only invite unwarranted abuse from the unscrupulous claiming a supposed threat to life.

Unity of action means we must continue to act as one people—committed to the truth, honest in our representation of that truth, and humble but firm in our explanation of the truth. The truth we must give witness to is the right to life—the right upon which all other rights depend. This right is God-given. It is absolute. No one—not the government, not I, nor anyone else, has the authority to usurp the right to life.

Once we are united, we must realize that although the Paramount Human Life Amendment will insure protection for our innocent brothers and sisters, there will still be human problems.

We must work to insure positive programs that meet the spiritual and material needs of the pregnant woman. We must emphasize adoption as a loving alternative. We must

inspire our young people to accept the dignity and worth of all human beings. We must reaffirm to all people—especially the young—that the creative power to engender new life is a responsible commitment to family-building, not a relationship casually assumed. Only with the combined efforts of family, church, and school can reverence for life be instilled into the hearts and minds of a society so desperately in need of spiritual values.

Eight long years have gone by since the infamous Supreme Court decision legalizing abortion. In that time, pro-lifers have not had it easy. But, then, no cause truly worth fighting for has been easy. Pro-lifers have been vilified, slandered, and even assaulted. But what could be more worthwhile than sacrificing for others? What could be more just than defending the defenseless?

The Pro-Life Movement is a human struggle. And it is more. Like the agonizing journey to Calvary and the solace extended amid an impoverished Calcutta, we, too, can meet the challenges of life—with prayer, with hope, with love.●

OLIN "TIGER" TEAGUE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. FORD of Michigan. Mr. Speaker, I was sorry to learn of the death of my former colleague Olin "Tiger" Teague. There are numerous veterans organizations in my district that will never forget Tiger's work. I can assure you, he took his work seriously. As the chairman of the Veterans' Affairs Committee, he was the strong voice that helped guide the GI bill of rights through Congress. Year after year, he worked for veterans and their organizations to obtain increased health benefits and improved medical facilities and care at VA hospitals.

"Health care second to none," was his goal for VA medical facilities throughout the United States, and he focused his efforts on the development of legislation required to bring this about.

Olin Teague worked in many other important areas. For 8 years he served as chairman of the House Science and Aeronautics Committee. He kept space programs on schedule during that time and his committee played a major role in putting a man on the Moon.

I was happy to have known Tiger Teague and to have worked with him in Congress. He was a fine soldier and statesman and we will remember him for his dedication to public service.●

AIR TRAFFIC CONTROLLER'S ACT OF 1981

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. CLAY. Mr. Speaker, today I introduced a bill, the Air Traffic Controller's Act of 1981, to promote public safety by encouraging the employment of highly qualified air traffic controllers by establishing a salary classification system, weekly work hours, retirement plan, and collective-bargaining system.

For too long now this Nation's air traffic controllers have gone without a fair and comprehensive review of the conditions of employment. It is imperative that the Congress consider the requests of the air traffic controllers to insure that their working hours are not excessively long, that their compensation is commensurate with responsibility and experience, and that their retirement program recognizes the unusual occupational hazards of such employment. In addition, the quality and safety of the air traffic control system is assured by providing sufficient qualified air traffic controllers to handle the ever-increasing number of aircraft, that modern and effective equipment is provided to assure the integrity of the air traffic system, and that the rights of air traffic controllers are clarified so that they may bargain collectively on matters of mutual concern.

Section 1 cites the bill as the "Air Traffic Controller's Act of 1981."

Section 2 defines the terms "air traffic controller" or "controller" for purposes of title 5, United States Code.

Section 3 establishes a wage classification system for air traffic controllers.

Section 4 provides for a basic workweek and other requirements of employment for air traffic controllers.

Section 5 establishes the right of controllers to bargain collectively over wages, hours, and other terms and conditions of employment.

Section 6 creates a retirement program for air traffic controllers.

Section 7 authorizes the exclusive representative of air traffic controllers to bargain collectively over annual and sick leave.

Section 8 provides that the act shall take effect 90 days after enactment.●

RUBEN LEVIN: DISTINGUISHED JOURNALIST

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. KASTENMEIER. Mr. Speaker, it is with great sadness that I take this opportunity to speak of Ruben Levin, who died Thursday, January 29, 1981, here in Washington.

Ruben was not only an admired ally, but a good personal friend, who came to my assistance early in my congressional career, and has remained a friend for more than 20 years.

Mr. Levin was a newspaperman of high ethics, and his voice in Labor newspaper was the voice of our country's railway workers from the time he joined the paper in 1938.

His long list of honors includes the Eugene V. Debs Foundation Award in 1975, for a series of articles entitled "The Emasculation of Federal Regulatory Agencies." He also received the Sidney Hillman Foundation Award in 1956, and the University of Wisconsin award for Distinguished Service to Professional Journalism in 1965. The International Labor Press Association bestowed on him the title of "Dean of Labor Editors."

Ruben was born in Poland on August 2, 1902, and moved with his family first to Manitowoc, Wis., and then to Milwaukee. He entered the University of Wisconsin in my congressional district to study electrical engineering, but changed his course to journalism, earning his way through school by reporting for Madison's Capital Times. After graduation in 1926, he worked for 3 Milwaukee newspapers and later for 10 other dailies in the United States and Canada. He wrote also for the European edition of the New York Herald in Paris.

In 1968, Ruben was designated associate editor of Labor; one of his first projects in labor cooperation was the founding of Labor Press Associates, a news service for union publications, which he served as chairman.

Ruben was a past president of the Association of Railroad Editors and a member of the Washington Histadrut Unit of the Temple Sinai Brotherhood, the National Labor History Society, the Chautauqua Society, the Labor Relations Research Association, the National Consumers League, the American Civil Liberties Union, and the Newspaper Guild.

The Ruben Levin byline appeared regularly on articles in the Nation, the New Republic, and Forum. He wrote the annual reviews of worldwide labor development for the Encyclopedia Yearbook and for Americana Encyclopedia.

His writing was characterized by precise logic, by concise composition, by careful word choice; he was an oft-quoted foe of all forms of bureaucratic jargon.

Ruben is survived by his wife, Bertha, of Chevy Chase; two children, David of Hong Kong and Jonathan of Richmond, Va. His only daughter, Hilda Tanenholtz, died in 1979. He is also survived by four grandchildren:

Deborah and Isaac Levin of Hong Kong, and Eric and Bruce Tanenholtz, of Rockville, Md.

The mark of Ruben Levin will remain for the work he accomplished, and he will be long remembered by the friends who admire what he stood for. He was a true liberal, dedicated to his beliefs, and forever loyal to his friends.●

TRIBUTE TO OLIN E. TEAGUE

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. MONTGOMERY. Mr. Speaker, the Committee on Veterans' Affairs has received many, many inquiries following the passing of Hon. Olin E. Teague. They come from former Members of Congress, employees of the Veterans' Administration, and hundreds of veterans throughout this land whose lives were touched by this good and great man. All cannot be printed, but Mrs. Teague and the family are aware of the love and affection so many people have for Mr. Teague.

There follows some brief comments of our former colleague, Hon. William Jennings Bryan Dorn. Mr. Dorn served with Mr. Teague as a member of the Committee on Veterans' Affairs for more than 25 years:

With the passing of Olin E. Teague, our Nation has lost one of its most distinguished and best loved citizens. Veterans across our land have lost their greatest friend.

Tiger Teague was a war hero. He was a combat officer in the tradition of Texas A&M University, whose Corps lost more officers during World War II than any other throughout the Nation. However, he was a fighter for peace as well as in war.

Mr. Teague was a natural born leader—a leader highly respected by his men and his colleagues. He was elected Chairman of the Committee on Veterans' Affairs and continued to serve in that capacity until 1973 when he was elected Chairman of the Committee on Science and Technology. The respect of his colleagues was best shown when he was elected Chairman of the Democratic Caucus in 1971 and re-elected unanimously in January 1973.

Olin Teague touched the lives of million of people. Of course, he accomplished more for our Nation's veterans than any other American. Veterans and nonveterans alike will long remember him in South Carolina. He was directly involved in establishing the Veterans Administration hospital in Charleston and helped establish the new medical school at the University of South Carolina. He made it possible for the medical care staff of VA hospitals to be affiliated with all of the great medical schools throughout the country and provided assistance to the medical school at Charleston.

Olin E. Teague deserves much credit for having established the modern facilities at Augusta. The Augusta facility will one day be leading the country in caring for the needs of our older veterans.

Mr. Teague touched the lives of millions of people throughout the world because of his dynamic leadership in the space program. More than any single individual, Olin Teague is most responsible for us having put a man on the moon. The technology spinoffs resulting from our space flights have made us the world leader in computer and guidance technology and food preparation, as well as many other practical breakthroughs.

The elderly had a special meaning to Mr. Teague. He established the VA nursing care program and modernized the pension program for our older, needy veterans. He placed a high priority on VA's medical and prosthetic program. He recognized the need to educate our young veterans returning from service. Millions of young men and women have received their education and training under Teague sponsored G.I. Bill programs.

Millions more have homes of their own, having purchased them through the veterans' home loan programs.

These are but a few of the things Olin Teague did to enhance the lives of our young and old alike. He was a very compassionate and caring man. All of us have been enriched, and our country is better by Tiger having come our way.●

TRIBUTE TO OLIN E. TEAGUE OF TEXAS

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. SAM B. HALL, JR. Mr. Speaker, there was only one "Tiger" Teague. The Lord created him and threw the mold away. We will not see his likes again.

He was one of the most honorable and decent men it has ever been my privilege to know, and as time passes, students of the Congress will realize what a profound and lasting impact he had on this body.

We can eulogize Tiger Teague in a thousand ways, but when the final chapter summarizes his life, it will conclude with the epitaph that he was a fighter—a fighter for what is good and right about this wonderful country of ours that he loved and believed in so strongly.

He grew up in rough times and never forgot it. He never lost his perspective, and when honor and fame accrued to him as a participant in the highest councils of national endeavor, it only intensified his desire to help others and cast aside personal ambition. When his wartime injuries finally took their toll on him physically, Tiger just rolled up his sleeves and charged ahead, often in a wheelchair and crutches, but so what, he still charged. He never made excuses or felt sorry for himself, because he was too busy accomplishing goals that a hundred people collectively would never dare undertake.

Much has been said about his unbelievable contributions to America's veterans and America's space program. Perhaps a modern Tolstoy will come along and write another "War and Peace" using Tiger as the theme as a result of his wartime exploits and peacetime accomplishments in behalf of veterans and the exploration of space. But the book would miss the mark if it failed to adequately portray the essential Tiger Teague: The Tiger Teague who loved his family, his job, and his country with as much devotion and enthusiasm as any man who ever lived. He was a complete person, devoid of rancor and spite, but possessed of boundless energy. He had a temper that only surfaced when others around him failed to commit their total resources to the common good. He lived by the motto: "When going gets tough, the tough get going."

This past weekend I visited Tiger's graveside. The location commands a beautiful view of the Nation's Capital. His final resting place is right next to a marker reserved for another of America's greatest heroes—Gen. Omar Bradley. This is the way Tiger would want it: two soldiers, defenders of freedom in war and peace, together forever.

Texas has its heroes. Texans thrive on their heroes. We are proud of our heritage and Tiger Teague is a symbolic link to the likes of Travis, Bonham, and Houston. He was an Aggie's Aggie who loved Texas A. & M. and Texas A. & M. loved him. This great institution has produced some of our Nation's greatest leaders, and the Tiger is among them.

He walked among the mighty, yet spent his time helping the less fortunate. He was a man of God, humble in his appreciation for the success that descended upon him. Like the epic Roland of old, he blew a mighty trumpet that commanded respect, yet he was fair and considerate in all deliberations. He smote the enemies of America in combat, yet no man fought harder for peace and harmony among all people. He was Tiger Teague, and those of us who were privileged to know him shall never forget him. Like Lincoln, he now belongs to the ages.

To his dear wife and children, I extend my deepest sympathy and my profound thanks that we could share with you this extraordinary and remarkable man.●

PRESIDENTIAL NOMINATION COMMISSION

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mrs. SNOWE. Mr. Speaker, today Congressman UDALL and I have introduced a joint resolution calling for a study of the Presidential nomination process. We think it is clear that the

current system needs reforming. It is a long, exacting, arduous process that includes 37 primary elections and thousands of precinct, district, and statewide caucuses and conventions.

This resolution would establish a Commission on Presidential Nominations to study the process and make recommendations within a year. The Commission would investigate how States conduct primaries, alternate nominating systems such as regional primaries, independent candidacies, the news media's impact, campaign financing, and the related rules of the national parties. The Commission would not make any changes, merely suggest options. The 20 member Commission would be bipartisan and representative with Federal, State, and local members participating.

Regardless of party or persuasion, I think many of us can agree that it is time that we examined this process, so we can act before 1984. As the New York Times said in an editorial:

> What usually stands in the way of the reform is the natural reluctance of Congress to act on such matters in a politically charged election year and sheer inertia with regard to them at any other time. It is time to break into that cycle. It should be possible for Congress to take a hard look at the process.

I could not agree more with that statement. Unfortunately the editorial was written 4 years ago during the 1976 elections. Congress has yet to act. It is high time we changed that.

We now have 83 cosponsors, I urge my colleagues to support this effort.●

HOSTAGE AGREEMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. MAZZOLI. Mr. Speaker, I join my colleagues and, indeed, the entire Nation in welcoming home the 52 freed American citizens. I am most grateful that our prayers have been answered and that they have been safely returned.

The Nation's outpouring of heartfelt support for these 52 heroic men and women is virtually unrivaled even in a land which loves ceremony and celebration.

The spontaneous displays of emotion I witnessed on the streets of Washington and at the White House—where Members of Congress assembled to honor the freed hostages—will remain with me forever.

Particularly, was I proud to shake the hand of returnee Thomas Ahern. Tom and I are classmates—Notre Dame, class of 1954—and friends, though we have not seen one another since our graduation. Tom's conduct, fortitude, and courage have brought much credit to himself, his family and his Nation.

However, the poignancy of his homecoming and of his fellows was sharpened by the revelations of the physical and mental suffering they endured while in captivity. Iran's violations of international law and precepts of basic human rights cannot—and will not—be forgotten by any humane, freedom-loving country.

Mr. Speaker, I hope the new administration evaluates with the utmost of care each term of the agreement which brought about the release of the Americans. We are not obligated to honor terms of an agreement which was concluded under threats and duress. Therefore, we should honor only those portions which serve our national interest, and we should reject the rest.

To those who say that failure to abide by each item of the agreement would diminish our national honor, I say, "bosh." Our honor is served not by giving into the demands of terrorists and brigands, but by rejecting such demands.●

A FEDERAL BAILOUT FOR TMI?

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. BINGHAM. Mr. Speaker, in the Los Angeles Times of February 2, 1981, Robert A. Rosenblatt reminds us that the story of the near catastrophe at Three Mile Island is far from over. Cleanup of the crippled reactor will cost at least $1 billion. The utility which owns TMI, Metropolitan Edison, is on the brink of bankruptcy. Ratepayers in Met Ed's service area have seen their utility bills rise 25 percent since the accident and stockholders in Met Ed's parent company, General Public Utilities, have seen their shares drop from $18 a share at the time of the accident to $4 to $5 today.

According to Rosenblatt, there is now a movement afoot to dump the Three Mile Island problem on the Federal Government. Industry spokesmen are already calling for a Federal bailout of the Pennsylvania utility. Legislation is being discussed which would burden the taxpayers nationwide with the costs of the TMI disaster.

This is outrageous. The nuclear industry is constantly assuring us that nuclear power is not only our safest source of electrical energy but also the least expensive. Yet now at TMI we see that we must factor the costs of replacement power for down reactors and the costs of reactor cleanups into any economic analysis of nuclear power. Mr. Speaker, I urge my colleagues to read this excellent article. I intend to follow this matter very closely.

The article follows:

COSTS HIGH AT THREE MILE ISLAND

WHO WILL PAY CLEANUP?

(By Robert A. Rosenblatt)

WASHINGTON.—A small lake of radioactive water still stands on the floor of the reactor building at Pennsylvania's Three Mile Island, site of the worst accident in the history of peacetime nuclear power.

For reasons of health and safety, the water and the crippled reactor core must be cleaned up and the nuclear waste safely buried—monumental tasks with a minimum price tag of $1 billion.

The question is: Who is going to pay the bill?

Congress will struggle with the issue this year, debating whether taxpayers in California, New York and the rest of the nation should help pay for an accident in Pennsylvania. If the money doesn't come directly from Washington, it may be supplied by the nation's electric utilities. But that solution, too, would ultimately transfer the financial burden to all Americans in the form of higher electric bills.

Because an accident like Three Mile Island was unprecedented, no one foresaw the extraordinary costs. Insurance coverage, with a maximum of $300 million, was woefully inadequate. Metropolitan Edison, operator of Three Mile Island, has already spent two-thirds of the insurance money it collected from a consortium of companies, and has slowed down activities to stretch out the last $100 million and keep the cleanup process going through the end of 1982.

The Three Mile Island Unit 2 power plant has been shut down since the accident on March 28, 1979. A valve failure, compounded by human error, produced the incident, which was unparalleled in the era of nuclear power generation. Accidentally closed valves prevented cooling water from circulating and the reactor heated to a dangerously high level, with uranium fuel in the core partly melting.

Before the reactor eventually was brought under control, the reactor core had been severely damaged, and dangerous volumes of radiation had been emitted into the building housing the reactor. The plant has been shut ever since.

ON BRINK OF BANKRUPTCY

Strained by the cost of getting replacement power and paying interest on money borrowed to build the Three Mile Island units, Metropolitan Edison teeters on the brink of bankruptcy. The company says it will be unable to pay its bills in April unless the state of Pennsylvania grants its emergency rate relief.

Customers of Metropolitan Edison have seen their utility bills rise 25% since the accident as the company buys costly power from other firms to distribute to them. The Pennsylvania Public Utility Commission won't allow the company to charge its customers for the costs of cleaning up Three Mile Island or to retire the bonds used to pay for building the nuclear unit.

So all eyes have now turned to the federal government as a possible financial savior.

More is at stake than the fate of Metropolitan Edison. The future of nuclear power in the United States may well depend on the policies established to clean up Three Mile Island and to handle the financial costs of any future accidents.

A SCAR ON INDUSTRY

Three Mile Island's financial quandry is "a scar on industry, a wound that has to be healed," said Carl Walske, president of the Atomic Industrial Forum, a nuclear industry trade association.

"There is a mess that must be cleaned up because of health and safety reasons," said Walske.

"All these players have to sit around a table and hammer out a deal," he continued, referring to the company, the state of Pennsylvania, the electric utility industry and the federal government.

An ordinary industrial plant that was shattered by an accident could be closed relatively cheaply. Remaining structures might be torn down, guards and watchdogs might be posted to keep out intruders.

Such a solution is impossible for Unit 2 at Three Mile Island. The radioactive water in the containment building might leak out, polluting the Susquehanna River. The damaged uranium fuel rods are still spewing out radiation within the reactor vessel.

"For better or worse, we're pioneers" in the task of cleaning up after an unprecedented accident, said Philip Fine, manager of public information on nuclear matters for General Public Utilities, the parent company of Metropolitan Edison.

The parent company says its shareholders and customers should not be squeezed any further. The company hasn't paid a dividend since the third quarter of 1979. The stock was priced at $18 a share at the time of the March 1979 incident, and has now slumped to the $4–$5 range.

General Public Utilities says it doesn't have the profits to pay for the cleanup and can't borrow the money because of its precarious financial situation. And the Pennsylvania Public Utility Commission forbids the utility from charging its customers to pay for the cleanup. Loading the $1-billion cost on Metropolitan Edison customers would boost their monthly electric bills 50% and virtually cripple business activity in the service area, according to a spokesman for the state commission.

BURDEN PLACED ON UNITED STATES

"The Congress of the United States has to act," the commission spokesman said "It's a case of pay-for-it-now or pay-for-it-later."

If the federal government doesn't provide aid, and the Metropolitian Edison goes under, the ultimate responsibility will fall on Washington anyway, the spokesman said. The utility and state regulators argue that the federal government promoted nuclear power and should accept the burdens that come with the benefits.

Rep. Allen E. Ertel (D-Pa.), chairman of a group of Pennsylvania congressmen working on the issue, doesn't accept this argument.

"The federal government takes care of air traffic control, sets up inspection for aircraft and provides funding for airports, but if an airplane crashes, that doesn't mean the federal government will pick up the tab," he said.

Ertel said the Pennsylvania Public Utility Commission "came down here and tried to drop a hot potato in our laps" by calling for federal aid. "They said the company would go bankrupt and ran a parade of horrible ifs before us."

Ertel said the electric utility industry, "which has a very decided stake in keeping a nuclear option," should help pay the bills for cleaning up Three Mile Island. The industry can justify contributing funds on a research-and-development basis since it will be learning how to clean up an accident, he said.

The Pennsylvania congressional delegation is considering several legislative solutions, including creation of a mandatory insurance fund for electric utilities operating nuclear power plants. This would provide expanded coverage beyond the insurance already in effect.

Another possibly is a federal loan guarantee, similar to the legislation now keeping Chrysler Corp. alive. The government might provide a guarantee for notes issued by General Public Utilities to raise money for the cleanup. The Treasury would repay the notes if the company defaulted. Such a mechanism is the only way the company might raise new money from a public fearful of the company's financial futures.

CRITICAL POINT NEAR

Edison Electric Institute, the utility trade association, has a group of top executives studying the Three Mile Island issue but hasn't decided on legislative proposals it plans to lay before Congress.

"We realize we'll be reaching a critical point in the next few months," said Fred Weber, the institute's director of government relations.

Tax credits for utilities that contribute funds to help clean up Three Mile Island are under consideration as a legislative possibility, Weber said. The credit would allow a company to deduct a full dollar for every dollar contributed. Currently, donations of this kind would be considered only ordinary business expenses, providing tax writeoffs of 48 cents for every dollar.

But Weber is not sure the industry would agree on tax credits as the answer. Some companies aren't making money, he says, and couldn't use tax credits.

RATES IN MIDDLE RANGE

The state of Pennsylvania must "play ball" by getting more money from the Metropolitan Edison customers if Congress is to be persuaded to provide help, Weber said.

Even with its higher costs after the accident, Metropolitan Edison's rates for its electricity are in the middle range of those charged by companies in its geographic region. Thus, members of Congress from districts where electric bills are higher might feel little inclination to vote for financial aid to the Pennsylvania utility and its customers.

The issue of federal aid to clean up Three Mile Island will cut both ways with the new Ronald Reagan Administration.

"It is common knowledge they are pro-nuclear" an official of the Pennsylvania Public Utility Commission said. "On the other hand, fiscal restraints are in effect and they won't want to add to the budget deficit."●

REMARKS ON INTRODUCTION OF LEGISLATION ON THE INTERNATIONAL YEAR OF DISABLED PERSONS

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. WINN. Mr. Speaker, the United Nations has declared 1981 as the International Year of Disabled Persons (IYDP), establishing as a theme the full participation of disabled citizens in the lives of their respective countries.

It has urged each member state to formulate objectives and programs to accomplish those objectives, bearing in mind, of course, that such programs must remain appropriate to the society and stage of development.

While Americans can take great pride in the progress we have made over the last 10 years in improving the quality of life for the approximately 35 million Americans with physical and mental disabilities—progress which has established this Nation as the world leader in increasing opportunities for the disabled—much work remains to be done. Our participation in the observance of the International Year of Disabled Persons will go far, I believe, toward increasing public awareness of the unique needs of our disabled citizens and to increase the active involvement of the general population to help increase those opportunities.

Today I am reintroducing my legislation, with cosponsors, which recognizes this very important International Year of Disabled Persons, as well as the two primary groups involved in its promotion: The U.S. Council for the IYDP and the Federal Interagency Committee. My Kansas colleague in the Senate, Senator ROBERT DOLE, has introduced identical legislation. Our legislation reads as follows:

Whereas a new era in recognition of human rights and universal respect for these rights has begun;

Whereas the United Nations General Assembly has declared 1981 as the International Year of Disabled Persons;

Whereas the United States has made great strides during the last decade in improving the lives of 35 million American citizens with physical and mental disabilities;

Whereas there is still much to be done to open doors for disabled persons;

Whereas the United States recognizes the need for further progress in strengthening public understanding and awareness of the needs and aspirations of disabled persons; and

Whereas the U.S. Council for the International Year of Disabled Persons is coordinating public and private participation in the IYDP: Now, therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that the President should take all steps within his authority to implement, within the United States, the objectives of the International Year of Disabled Persons (1981), as proclaimed by the United Nations General Assembly Resolution 31/123 of December 16, 1976, as well as the goals of the Federal Interagency Committee which coordinates the activities for the International Year of Disabled Persons within the Federal Government.

The U.S. Council for the IYDP is a nonprofit organization formed by private initiative to promote the United Nations observance. It urges the nearly 1,800 communities, States, corporations, and national organizations it represents to make meaningful com-

mitments during this year to achieve the long-term goals of and for disabled citizens. These groups, under the umbrella of the U.S. Council for the International Year of Disabled Persons, are striving to continue our progress in the areas of opportunities for the disabled that have established America's leadership as a defender of human rights and a nation advanced in biomedical research, accident and disease prevention, and technological application.

The Federal Interagency Committee, the second organization involved in coordinating the International Year of Disabled Persons, was established by the direction of the White House domestic policy staff, to coordinate U.S. policies to maximize cooperation and minimize overlap in Federal programs. It seeks as well to promote awareness of the needs of the disabled in identifying and developing all Federal programs.

Both the U.S. Council and Federal Interagency Committee have embarked on a joint mission to promote full participation in the life of our society by America's citizens with physical and mental disabilities. Their goals include:

Expanded educational opportunity;

Improved access to housing, buildings, and transportation;

Greater opportunity for employment;

Greater participation in recreational, social, and cultural activities;

Expanded and strengthened rehabilitation programs and facilities;

Purposeful application of biomedical research aimed at conquering major disabling conditions;

Reduction in the incidence of disability through accident and disease prevention;

Increased application of technology to ameliorate the effects of disability; and

Expanded international exchange of information and experience to benefit all disabled persons.

As a nation committed to human rights, to the dignity of all citizens, to equality of opportunity, especially in areas over which our citizens have had no control, we cannot fail to set the example that we traditionally have set in this endeavor, and to take the lead as we always have, symbolized in this case by our full participation in and observance of the International Year of Disabled Persons.●

HOUSE OF REPRESENTATIVES—*Wednesday, February 4, 1981*

The House met at 3 p.m.

The Reverend James M. Demske, S.J., president, Canisius College, Buffalo, N.Y., offered the following prayer:

Let us pray:

God of all nations and God of our hearts, God of Abraham and Isaac and Jacob and our Lord Jesus Christ, look with favor on these men and women, Your servants and the servants of our Nation.

Make them worthy of those giants of the past who have inhabited these hallowed Halls, men and women who have led these United States to greatness for more than 200 years, giants on whose shoulders they now stand.

Teach them to do the right, to love the good and to walk humbly with You and their fellow citizens.

Teach them to grasp the opportunity of a new beginning, to create in our beloved land a new spirit of unity, a higher sense of purpose, a willingness to sacrifice for the common good of us all.

Help them to lead us in the great enterprise of establishing a world of justice and compassion, of strength and purpose, of peace and prosperity.

Help them to know that their work is Your work, that their efforts are really a collaboration with You in the building of Your kingdom on Earth.

Lord, help and inspire and guide us all, both now and forever.

We ask these blessings in Your holy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

A MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 272. An act to increase the membership of the Joint Committee on Printing.

FATHER JAMES M. DEMSKE, S.J.

(Mr. NOWAK asked and was given permission to address the House for 1 minute.)

Mr. NOWAK. Mr. Speaker, it is a special pleasure to welcome to the House Father James M. Demske, S.J., the president of Canisius College, who offered the opening prayer at today's session.

Father Demske is the 22d president of Canisius College, which is his alma mater as well as mine, located in our hometown of Buffalo, N.Y., in the 37th Congressional District which I am privileged to represent.

In addition to being a good friend, Father Demske is also a constituent of mine. I know that our fellow alumni from Canisius, my colleague from New York, JOHN J. LAFALCE, and the Doorkeeper of the House, the Honorable James T. Molloy, join me in bidding Father Demske a warm welcome.

In July, it will be 15 years that Father Demske has been at the helm at Canisius. He has kept it on a steady course, maintaining its impeccable academic standards and reputation as a community treasure. In the process he has enhanced his reputation as an outstanding educator, author, and innovative administrator, in addition to exercising his musical talents in his spare time. Most importantly, for Father Demske Canisius College is no ivory tower. He has worked successfully to insure that his urban college is an active part of the mainstream of modern life in the city—not above it or apart from it. It is a privilege, therefore, to welcome one of Buffalo's most creative, thoughtful, and vibrant citizens, Father James Demske.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1553 TO PROVIDE FOR TEMPORARY INCREASE IN THE PUBLIC DEBT LIMIT

Mr. BOLLING, from the Committee on Rules, submitted a privileged report (Rept. No. 97-2), on the resolution (H. Res. 54) providing for consideration of the bill (H.R. 1553) to provide for a temporary increase in the public debt limit, which was referred to the House Calendar and ordered to be printed.

RULES OF COMMITTEE ON RULES FOR 97TH CONGRESS

(Mr. BOLLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BOLLING. Mr. Speaker, pursuant to clause 2(a) of rule XI, I submit for printing the rules of the Committee on Rules for the present Congress, which were adopted at the committee's organizational meeting on February 3:

RULES OF THE COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, 97TH CONGRESS

RULE 1—APPLICABILITY OF HOUSE RULES

The Rules of the House of Representatives are the rules of the Committee on Rules (hereafter in these rules referred to as the "Committee") so far as applicable, together with the rules contained herein.

RULE 2—SCHEDULING AND NOTICE OF MEETINGS AND HEARINGS

Regular meetings

(a)(1) The Committee shall regularly meet at 10:30 a.m. on Tuesday of each week when the House is in session.

(2) A Tuesday meeting of the Committee may be dispensed with if, in the judgment of the Chairman of the Committee (hereafter in these rules referred to as the "Chair"), there is no need for the meeting.

(3) Additional regular meetings and hearings of the Committee may be called by the Chair or by the filing of a written request, signed by a majority of the members of the Committee, with the Staff Director of the Committee.

Notice for regular meetings

(b) The Chair shall notify each member of the Committee of the agenda of each regular meeting or hearing of the Committee at least 48 hours before the time of the meeting or hearing and shall provide to each such member, at least 24 hours before the time of each regular meeting or hearing—

(1) for each bill or resolution scheduled on the agenda for consideration of a rule, a copy of (A) the bill or resolution, (B) any Committee reports thereon, and (C) any letter requesting a rule for the bill or resolution; and

(2) for each other bill, resolution, report, or other matter on the agenda, a copy of (A) the bill, resolution, report, or materials relating to the other matter in question, and (B) any report on the bill, resolution, report, or other matter made by any subcommittee of the Committee.

Emergency meetings and hearings

(c)(1) The Chair may call an emergency meeting or hearing of the Committee at any time on any measure or matter which the Chair determines to be of an emergency nature; provided, however, that the Chair has made an effort to consult the Ranking Minority Member.

(2) As soon as possible after calling an emergency meeting or hearing of the Committee, the Chair shall notify each member of the Committee of the time and location of the meeting or hearing and shall particularly make an effort to consult the Ranking Minority Member of the Committee or, in such Member's absence, the next ranking minority party members of the Committee.

(3) To the extent feasible, the notice provided under paragraph (2) shall include the agenda for the emergency meeting or hearing and copies of available materials which would otherwise have been provided under subsection (b) if the emergency meeting or hearing was a regular meeting or hearing.

RULE 3—MEETING PROCEDURES

In general

(a)(1) Meetings and hearings of the Committee shall be called to order and presided over by the Chair or, in the Chair's absence, by the Ranking Majority Member of the Committee present as Acting Chair.

(2) Meetings and hearings of the Committee shall be open to the public unless closed in accordance with clause 2(g) of rule XI of the Rules of the House of Representatives.

(3) The five-minute rule shall be observed in the interrogation of each witness before the Committee until each member of the Committee has had an opportunity to question the witness.

(4) When a recommendation is made as to the kind of rule which should be granted for consideration of a bill or resolution, a copy of the language recommended shall be furnished to each member of the Committee at the beginning of the Committee meeting at which the rule is to be considered or as soon thereafter as the proposed language becomes available.

Voting

(b)(1) No measure or recommendation shall be reported, deferred, or tabled by the Committee unless a majority of the members of the Committee is actually present.

(2) A rollcall vote of the Committee shall be provided on any question before the Committee upon the request of any member of the Committee.

(3) A record of the vote of each member of the Committee on each rollcall vote on any matter before the Committee shall be available for public inspection at the offices of the Committee.

(4) Notwithstanding subsection (f)(3), the members of the Committee, or one of its subcommittees, present at a meeting or hearing of the Committee or the subcommittee, respectively, may, by majority vote, limit the duration of debate, testimony, or Committee or subcommittee consideration with respect to any measure or matter before the Committee or subcommittee, respectively, or provide for such debate, testimony, or consideration to end at a time certain.

Media coverage of committee and subcommittee proceedings

(c)(1) The Committee and each of its subcommittees may permit, by majority vote for each day of an open meeting or hearing of the Committee or of that subcommittee, respectively, the coverage of that meeting or hearing, in whole or in part, by television broadcast, radio broadcast, or still photography.

(2) Any media coverage under this subsection shall be subject to all the requirements and limitations set forth in clause 3 of rule XI of the Rules of the House of Representatives, and the provisions of subparagraphs (1) through (13) of paragraph (f) of such clause are hereby incorporated as part of the rules of the Committee applicable to such coverage.

Quorum

(d)(1) For the purpose of hearing testimony on requests for rules, seven members of the Committee shall constitute a quorum.

(2) For the purpose of hearing and taking testimony on measures or matters of original jurisdiction before the Committee, three members of the Committee shall constitute a quorum.

(3) For the purpose of the Committee's ordering a measure or recommendation reported, closing any of its meetings or hearings to the public, sitting in executive session, or issuing a subpoena, a majority of the members of the Committee shall constitute a quorum.

Subpoenas and oaths

(e)(1) Pursuant to clause 2(m) of rule XI of the Rules of the House of Representatives, a subpoena may be authorized and issued by the Committee, on its own initiative or on behalf of any subcommittee thereof, in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present.

(2) The Chair may authorize and issue subpoenas under such clause during any period in which the House has adjourned for a period of longer than three days.

(3) Authorized subpoenas shall be signed by the Chair or by any member designated by the Committee, and may be served by any person designated by the Chair or such member.

(4) The Chair, or any member of the Committee, may administer oaths to witnesses before the Committee.

Hearings on rules

(f) The following procedures shall apply, as determined by the Chair, acting on behalf of the Committee, in cooperation with the Ranking Minority Member of the Committee, to Committee meetings and hearings on rules:

(1) A measure or matter before the Committee which is determined to be non-controversial as to both type of rule and substantive content may be scheduled for consideration by the Committee without any hearing.

(2) A measure or matter before the Committee which is determined non-controversial as to substantive content but controversial as to type of rule may be the subject of a Committee hearing at which the principal proponents and opponents of the rule will be provided an opportunity to testify only as to the type of rule to be granted.

(3) A measure or matter before the Committee which is determined to be controversial as to substantive content by at least six members of the Committee will be the subject of a Committee hearing at which all interested Members of Congress who are proponents or opponents of the measure or matter will be provided a reasonable opportunity to testify.

General oversight responsibility

(g)(1) The Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its jurisdiction.

(2) Upon direction of the Chair, the Committee shall meet to discuss and formulate oversight plans for each new Congress, as described in clause 2(c) of rule X of the Rules of the House of Representatives.

RULE 4—SUBCOMMITTEES

Application of House and committee rules

(a)(1) As provided by clause 1(a)(2) of rule XI of the Rules of the House of Representatives, subcommittees of the Committee are a part of the Committee and are subject to its authority and direction.

(2) Subcommittees of the Committee shall be subject (insofar as applicable) to the Rules of the House of Representatives and, except as provided in this rule, to the rules of the Committee.

Establishment and responsibilities of subcommittees

(b)(1) There shall be subcommittees of the Committee as follows:

(A) *Subcommittee on the Legislative Process,* which shall have general responsibility for measures or matters related to relations between the Congress and the Executive branch.

(B) *Subcommittee on the Rules of the House,* which shall have general responsibility for measures or matters related to relations between the two Houses of Congress, relations between the Congress and the Judiciary, and internal operations of the House.

In addition, each such subcommittee shall have specific responsibility for such other measures or matters as the Chair refers to it.

(2) Each subcommittee of the Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its general responsibility.

Reference of measures and matters to subcommittees

(c)(1) In view of the unique procedural responsibilities of the Committee—

(A) no special order providing for the consideration of any bill or resolution shall be referred to a subcommittee of the Committee, and

(B) all other measures or matters shall be subject to consideration by the full Committee except for those measures or matters referred by the Chair to one or both subcommittees of the Committee.

(2) The Chair may refer a measure or matter, which is within the general responsibility of one of the subcommittees of the Committee, jointly or exclusively to the other subcommittee of the Committee where the Chair deems it appropriate.

(3) In referring any measure or matter to a subcommittee, the Chair may specify a date by which the subcommittee shall report thereon to the Committee.

(4) The Chair or a majority of the members of the Committee may recall for full Committee consideration any measure or matter referred to a subcommittee of the Committee.

Subcommittee membership

(d) The size and ratio of each subcommittee shall be determined by the Committee at its organizational meeting at the beginning of each Congress. Members of the Committee shall be appointed to subcommittee by the Chair in accordance with the rules applicable to each party.

Subcommittee leadership

(e)(1) The majority party members of the Committee shall have the right, in order of full Committee seniority, to bid to be the chairman of one of the subcommittees of the Committee. Any such bid shall be subject to approval by secret ballot of a majority of the members of the majority party caucus of the Committee. If such members reject a member's bid to chair a subcommittee, the next most senior majority member of the Committee may bid for the chair as in the first instance.

(2) The Ranking Minority Member of the Committee shall designate one of the minority party members appointed to each subcommittee of the Committee to serve as ranking minority member for that subcommittee.

Subcommittee meetings and hearings

(f)(1) Each subcommittee of the Committee is authorized to meet, hold hearings, receive testimony, mark up legislation, and report to the full Committee on any measure or matter referred to it.

(2) No subcommittee of the Committee may, without the Chair's approval, meet or hold a hearing at the same time as a meeting or hearing of the full Committee is being held.

(3) The chair of each subcommittee shall schedule meetings and hearings of the subcommittee only after consultation with the Chair.

(4) A member of the Committee who is not a member of a particular subcommittee of the Committee may sit with the subcommittee during any of its meetings and hearings, but shall not have authority to vote, cannot be counted for a quorum, and cannot raise a point of order at the meeting or hearing.

Quorum

(g) A quorum of each subcommittee of the Committee shall consist of a majority of the members of the subcommittee for purposes of closing a meeting or hearing of the subcommittee to the public or for ordering a measure or recommendation reported to the full Committee. For all other purposes, one-third of the members of a subcommittee shall constitute a quorum. Any vacancy in the membership of a subcommittee shall not affect the power of the remaining members to execute the functions of the subcommittee.

Records

(h) Each subcommittee of the Committee shall provide the full Committee with copies of such records of votes taken in the subcommittee and such other records with respect to the subcommittee as the Chair deems necessary for the Committee to comply with all rules and regulations of the House.

RULE 5—BUDGET AND TRAVEL

Budget

(a) The Chair, in consultation with other members of the Committee, shall prepare for each session of Congress a budget providing amounts for staff, necessary travel, investigation, and other expenses of the Committee and its subcommittees.

Travel

(b)(1) The Chair may authorize travel for any member and any staff member of the Committee in connection with activities or subject matters under the general jurisdiction of the Committee. Before such authorization is granted, there shall be submitted to the Chair in writing the following:

(A) The purpose of the travel.

(B) The dates during which the travel is to occur.

(C) The names of the States or countries to be visited and the length of time to be spent in each.

(D) The names of members and staff of the Committee for whom the authorization is sought.

(2) Members and staff of the Committee shall make a written report to the Chair on any travel they have conducted under this subsection, including a description of their itinerary, expenses, and activities, and of pertinent information gained as a result of such travel.

(3) Members and staff of the Committee performing authorized travel on official business shall be governed by applicable laws, resolutions, and regulations of the House and of the Committee on House Administration.

RULE 6—STAFF

In general

(a)(1) Except as otherwise provided in this rule, a Staff Director of the Committee, professional and clerical staff of the Committee, and investigating staff of the Committee compensated from funds provided by any expense resolution, shall be appointed, and may be removed, by the Chair and shall work under the general supervision and direction of the Chair.

(2) Except for any staff appointed by the ranking minority party member of a subcommittee (pursuant to subsection (c)) or by any other minority party member of the Committee (pursuant to subsection (b)), all professional and clerical staff provided to the minority party members of the Committee under paragraphs (a)(2) and (b)(2), respectively, of clause 6 of rule XI of the Rules of the House of Representatives, shall be appointed, and may be removed, by the Ranking Minority Member of the Committee and shall work under the general supervision and direction of such Member.

Associate staff

(b) Each member of the Committee is authorized to designate one person, whom the Chair shall appoint to the professional or clerical staff of Committee and who shall work under the general supervision and direction of the member. The type of staff to which such a person is appointed shall be determined by the Chair, in the case of a person recommended by a majority party member, and shall be determined by the Ranking Minority Member of the Committee, in the case of a person recommended by a minority party member.

Subcommittee staff

(c)(1) The chair and ranking minority member of each subcommittee of the Committee are each authorized to designate one person, whom the Chair shall appoint to the professional staff of the Committee and who shall work under the general supervision and direction of the Chair or the ranking minority member, respectively, of the subcommittee.

(2) The Chair may assign investigating staff of the Committee compensated from funds provided by any expense resolution to assist in work of a subcommittee of the Committee to the extent the Chair determines it to be appropriate, and any such staff to the extent so assigned shall work under the general supervision and direction of the Chair of the subcommittee.

Compensation of staff

(d)(1) Subject to paragraph (2), the Chair shall fix the compensation of all professional, clerical, and investigating staff of the Committee, as provided by clause 6(c) of rule XI of the Rules of the House of Representatives.

(2) Except upon the Chair's recommendation to the Committee, compensation paid to associate staff appointed under subsection (b) shall not exceed a maximum rate of pay per annum determined by the Committee at its organizational meeting at the start of each new Congress, except that such maximum rate of pay shall be subject to adjustment by the Chair within the term of a Congress in accordance with section 5 of the Federal Pay Comparability Act of 1970 (2 U.S.C. 60a-2).

Certification of staff

(e)(1) To the extent any staff member of the Committee or any of its subcommittees does not work under the supervision and direction of the Chair, the member of the Committee who supervises and directs the staff member's work shall file with the Staff Director of the Committee (not later than the tenth day of each month) a certification regarding the staff member's work for that member for the preceding calendar month.

(2) The certification required by paragraph (1) shall be in such form as the Chair may prescribe, shall identify each staff member by name, and shall state that the work engaged in by the staff member and the duties assigned to the staff member for the member of the Committee with respect to the month in question met the requirements of clause 6 of rule XI of the Rules of the House of Representatives.

(3) Any certification of staff of the Committee, or any of its subcommittees, made by the Chair in compliance with any provision of law or regulation shall be made (A) on the basis of the certifications filed under paragraph (1) to the extent the staff is not under the Chair's supervision and direction, and (B) on his own responsibility to the extent the staff is under the Chair's supervision and direction.

RULE 7—COMMITTEE ADMINISTRATION

Reporting

(a) Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee—

(1) the Chair or Acting Chair shall report it to the House or designate a member of the Committee to do so, and

(2) in the case of a bill or resolution in which the Committee has original jurisdiction, the Chair shall allow, to the extent that the anticipated floor schedule permits, any member of the Committee a reasonable amount of time to submit views for inclusion in the Committee report on the bill or resolution.

Any such report shall contain all matters required by the Rules of the House of Representatives (or by any provision of law enacted as an exercise of the rulemaking power of the House) and such other information as the Chair deems appropriate.

Records

(b)(1) There shall be a transcript made of each regular meeting and hearing of the Committee, and the transcript may be printed if the Chair decides it is appropriate or if a majority of the members of the Committee requests such printing.

(2) The minutes of each executive meeting of the Committee shall be available to all Members of the House of Representatives in compliance with clause 2(e)(2) of rule XI of the Rules of the House of Representatives.

(3) The Committee shall keep a record of all actions of the Committee and of its subcommittees. The record shall contain all information required by clause 2(e)(1) of rule XI of the Rules of the House of Representatives and shall be available for public inspection at reasonable times in the offices of the Committee.

Calendars

(c)(1) The Committee shall maintain a Committee Calendar, which shall include all bills, resolutions, and other matters referred to or reported by the Committee and all bills, resolutions, and other matters reported by any other Committee on which a rule has been granted or formally requested. The Calendar shall contain (A) the number, a brief description, and the name of the principal sponsoring Member of each such

bill or resolution, (B) the name of the committee or committees which reported such bill or resolution (in the case of measures on which a rule has been granted or formally requested), and (C) such further information as the Chair may direct. The Calendar shall be published periodically, but in no case less often than once in each session of Congress.

(2) The staff of the Committee shall furnish each member of the Committee with a list of all bills or resolutions on which a rule has been formally requested but not yet granted. The list shall be updated each week when the House is in session and shall contain (A) the number, a brief description, and the name of the principal sponsoring Member, of each such bill or resolution, (B) the name of the committee or committees which reported such bill or resolution and the dates of such reports, (C) the date on which a rule was formally requested, and (D) a description (if any) of the rule requested by each such committee.

(3) For purposes of paragraphs (1) and (2), a rule is considered as formally requested when the chairman of a committee which has reported a bill or resolution (or a member of such committee authorized to act on the chairman's behalf) (A) has requested, in writing to the Chair, that a hearing be scheduled on a rule for the consideration of the bill or resolution, and (B) has supplied the Committee with an adequate number of copies of the bill or resolution, as reported, together with the final printed committee report thereon.

Other procedures

(d) The Chair may establish such other Committee procedures and take such actions as may be necessary to carry out these rules or to facilitate the effective operation of the Committee and its subcommittees.

RULE 8—AMENDMENTS TO COMMITTEE RULES

The rules of the Committee may be modified, amended, or repealed by a vote of a majority vote of its members, but only if written notice of the proposed change has been provided to each such member at least 48 hours before the time of the meeting at which the vote on the change occurs.

PERMISSION FOR EACH COMMITTEE OF HOUSE TO HAVE UNTIL FRIDAY, FEBRUARY 27, 1981, TO PUBLISH COMMITTEE RULES

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that each committee of the House may have until Friday, February 27, to publish committee rules in the RECORD in compliance with clause 2(a) of rule XI.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, there is no unusual procedure in this?

Mr. BOLLING. The rule requires each committee to publish its rules within 30 days after the Congress convenes. That period will expire after today and many committees will need additional time because of the late start in organizing committees this year. This request simply extends today's deadline to the end of this month.

Mr. ROUSSELOT. Late start?

Mr. BOLLING. Late start.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FATHER JAMES M. DEMSKE, S.J.

(Mr. LAFALCE asked and was given permission to address the House for 1 minute.)

Mr. LAFALCE. Mr. Speaker, I, too, want to welcome Father Demske here this afternoon, and join in the remarks of my distinguished colleague from New York, HENRY NOWAK.

I, too, graduated from Canisius College, of course many, many years after Father Demske and Congressman NOWAK did, but I have come to know and admire, respect, and very, very much appreciate the friendship of Father Demske over the years. As a mark of the esteem in which he is held in our community, we have got at least two other great universities in the city of Buffalo, the University of Buffalo itself and State University of New York College at Buffalo. Both of them in different years have named Father Demske as the Man of the Year.

We have two newspapers in Buffalo, the Courier Express and the Buffalo Evening News. In two different years they have named him as Buffalo's Man of the Year, so, indeed, we are very, very proud to have him here in the Halls of the House of Representatives today.

A CLOSER LOOK AT STUDENT LOAN COSTS

(Mr. RATCHFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RATCHFORD. Mr. Speaker, I rise to voice my deep concern regarding discussions of major reductions in the guaranteed student loan program.

While I know that the rising costs of the student loan program make it an attractive target for budget cuts, I must urge my colleagues to look closely at the reasons for the sharp increase in costs.

By far the greatest cause of the recent jump in student loan costs has been high interest rates. The only other significant factor behind the cost increase has been a gradual growth in the number of students participating—with the vast majority of new students coming from the middle-income families who most need Federal student aid.

The most effective approach to rising student loan costs would be a return to affordable interest rates. We certainly cannot afford to slash student aid budgets without concern for the ability of middle-income Americans to pursue a college education.

□ 1510

AMERICA HELD HOSTAGE

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, the American hostages are free, and all Americans are thankful. But now we find an attempt to hold America itself hostage.

Last week, the Oil Minister of Saudi Arabia implied that his country would cut its oil production unless the United States changed its Middle East policy. Saudi officials and their American spokesmen are now warning that unless Saudi Arabia receives every sophisticated, offensive weapon it seeks, America will have failed this latest test of friendship, and Saudi Arabia will retaliate.

Well, Mr. Speaker, like most Americans, I am tired of America being tested by countries that rely on the United States for their very existence. We should be putting those countries like Saudi Arabia to the friendship test.

Has Saudi Arabia supported American peace efforts in the Middle East? Has Saudi Arabia renounced PLO terrorism? Has Saudi Arabia assisted the United States in building up our vital strategic petroleum reserve?

The answer to all these questions, of course, is a resounding "no." Oil supply, oil price, and American interests are all being held hostage by Saudi Arabia.

I fully understand the need for defending Saudi security, but I question the need to appease Saudi threats.

Therefore, Mr. Speaker, as the administration moves toward a decision on the sale of offensive equipment to the Saudi kingdom, I call on it to reject the sale. We must remember that friendship—and the test of friendship—must work in both directions.

JUDICIAL TENURE BILL

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PEASE. Mr. Speaker, the functions of the Federal judiciary in our constitutional government are critical. The power residing in the justices of the Supreme Court and the Federal judges is great. The importance of the independence and integrity of the Federal judiciary cannot be overestimated. The size of the Federal judici-

ary has far outgrown that contemplated by the Founding Fathers. And there exists a compelling need to reinforce public confidence in the character and the professional conduct of Federal judges.

All of these factors point toward the need for legislation to establish within the judicial branch of government a system for dealing with allegations of misconduct or disability among Federal judges.

I venture to guess that most of us at one time or another have heard from disgruntled constituents, litigants, and attorneys concerning Federal judges. For lack of anywhere else to file their complaints, they come to us. Today I am introducing a bill that would fill this void by creating a system whereby allegations about Federal judges could be filed with a responsible, judicial body that has both the means and the ability to investigate and take appropriate action.

Briefly, this bill establishes a procedure within the Federal judiciary for investigation and resolving allegations that a Federal judge is not conforming to good behavior or is suffering from a permanent mental or physical disability that seriously interferes with the performance of his official duties. This is accomplished through a two-tiered judicial disciplinary system which investigates and takes appropriate action on complaints filed against a judge of the United States. Allegations could only be considered if they related to the conduct or condition of a judge which are connected with the judicial office or which prejudice the administration of justice by bringing the judicial office into disrepute. Complaints filed by persons unhappy with a judge's procedural rulings or stemming from personal disagreements with the merits of a judge's decision could not be considered.

An investigation of a complaint against a judge could result in the involuntary retirement, removal, or censure of the judge or the dismissal of the complaint.

There is a school of thought which contends that Federal judges can only be removed from office by impeachment for bribery, treason, or other high crimes, and misdemeanors. On the other hand, a competing school of thought argues that the good behavior clause of article III, section 1 of the Constitution needs to be defined by law so as to provide supplementary grounds for removing Federal judges from office.

Much scholarly debate has centered on these divergent constitutional interpretations. Ample historical and legal precedents have been cited in defense of each interpretation. Now is the time for the Congress to give thoughtful consideration to the approach provided in this bill as a way of establishing the constitutional parameters under which the conduct and conditions of Federal judges can be evaluated. The public is criticizing the Federal judiciary as never before, so the need for arriving at a delineation of the constitutional standard of good behavior is greater now than ever before.

Personally, I am persuaded there are strong arguments in defense of the constitutionality of this bill. It does not undermine the separation of powers doctrine, in my opinion, since that doctrine refers to the independence of the judiciary as an institution from the two other branches of Government. It does not refer to the independence of judges from their peers. After all, under the procedures established in this bill, judges suspected of misconduct or disability would be judged by other Federal judges.

This bill is also practical. The system that would be established for handling allegations of misconduct or disability among Federal judges parallels those already in use in 47 States, the District of Columbia, and Puerto Rico.

In reintroducing this bill today, I hope to elicit support from my colleagues for what I feel is a responsible approach to coping with a growing public concern. The following newspaper articles bear witness to the need for the 97th Congress to consider several issues related to judicial conduct and disability.

[From the Americans for Legal Reform, Sept. 3, 1980]

JUDGES WHO SHOULD NOT JUDGE

It has been estimated that 10% of the nearly 850 federal judges are unfit for public service on account of senility, alcoholism, abuses of power, corruption, or misconduct. The "checks and balances" of our constitution are simply not addressing the increasing public dissatisfaction with this growing problem. Impeachment, the one mechanism for disciplining judges, has been used successfully only eight times in U.S. history. The most recent one was 40 years ago!

In the past few years the media and groups such as HALT have focussed more and more attention on judicial behavior. Reform is clearly needed to "check" federal judges without lessening the integrity of their politically sensitive, and therefore sound, positions.

Congress is slowly acting on judicial tenure. The Senate passed the Judicial Conduct and Disabilities Act in 1979. This measure allows any person alleging judicial misconduct to file a complaint with the Judicial Council of the Judicial Circuit in which the complaint arises. This Council of federal judges can implement a number of sanctions short of impeachment, ranging from a private censure to a request that a judge voluntarily retire. The Senate Act allows the complainant and judge to appeal the Judicial Council's action to a Court on Judicial Conduct and Disability.

On the House side, Judicial Tenure legislation is still in the formative stages. What appeared to be a dead issue in the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice regained momentum through the efforts of HALT's staff. By providing facts and information demonstrating significant public concern, arguing the relevance of independent review of unfit judges, and stressing the original intent of prompt and efficacious disciplinary procedures, HALT has been instrumental in keeping this legislation alive.

In Subcommittee, the House is now discussing a draft similar to the Senate Act with a few significant differences. Unlike the Senate version, the House draft gives the Chief Judge of the Judicial Council the power to accept or reject each complaint. If he accepts the complaint, the Chief Judge appoints a fact-finding body that recommends action to the full Judicial Council of the Judicial Circuit wherein the complaint arises. The complainant may appeal the Chief Judge's action of dismissal, but only to the Judicial Council—of which the same Chief Judge is a member!

The House Bill allows for rejection of complaints without further investigation, but requires a fact-finding committee to investigate them. By making investigation inherently more difficult than rejection, the House version makes dismissal not only more likely, but harder to effectively review.

HALT is now working on reconciling the House and Senate versions of Judicial Tenure and proposing amendments to the House for subcommittee implementation.

The first change needed is limitation of the Chief Judge's power of dismissal. Discretionary power is necessary to eliminate unwarranted complaints, but only upon the consideration of the full Council.

Also crucial is the inclusion of a public participant in the fact-finding body that decides on the merits of the complaint. Presently the review bodies are composed entirely of federal judges.

The third amendment that HALT is actively lobbying for is the public's right to peruse the disposition and facts surrounding these complaints after final action is taken.

The House Bill is a compromise measure worthy of support as a first step in setting up procedures for judicial discipline. By writing your representative, House Judiciary, and Subcommittee members in support of strong judicial tenure legislation, federal judges will at last be held accountable for unethical or incompetent behavior on the bench.

[From the New York Times]

TO REMOVE A FEDERAL JUDGE FOR MISCONDUCT

To the EDITOR:

Permit me to dissent from your editorial "Protecting Judges—and the Public" (Jan. 22), which views proposals that Federal judges be removable by a judicial council as posing "severe constitutional problems" and considers that "modern scholars, impatient with the purposely cumbersome impeachment process, have spun out defenses for the constitutionality of quicker removal." Your views seem to me mistaken.

Impeachment was made "purposely cumbersome" because it was conceived for the removal of the President; "other officers" were added to the impeachment clause at the last minute, almost as an afterthought. Whether "other officers" included judges, who were the object of a special provision, is at least debatable.

Soon it was determined that "other officers" could be removed by the President without resort to impeachment. Judges were protected from similar removal by

tenure "during good behavior," a technical phrase imported from the common law, where tenure was terminated on bad behavior declarable by judges, without resort to impeachment. In short, "good behavior" tenure was accompanied by removal of judges. Impeachment may be regarded as an additional remedy if the judiciary fails to clean house or in the flagrant case.

To insist on impeachment of judges is to seal misbehaving judges into office, because Congress simply will not take three to five weeks off from momentous affairs to try a judge for bribery or the like. This is not a matter of speculation but of historical record. What you acknowledge to be the "cumbersome impeachment process" Senator William McAdoo, after an attempted judicial impeachment, found to constitute "a standing invitation for judges to abuse their authority with impunity"—because Congress is loath to paralyze its lawmaking function in order to remove a petty crook.

Insistence that removal of judges by a judicial council constitutes a "serious threat to judicial independence" attributes less than ordinary fortitude to judges. What upright judge would regard the "prospect of censure by judicial elders" as "intimidating"? His fortitude would not desert him because a fellow judge might be removed for bribery or habitual drunkenness or neglect of duty.

In an earlier editorial (July 28, 1978) you posed the peril that removal by judges could "intimidate merely weak judges who must decide whether to desegregate schools in hostile communities." They are now subject to reversal of their desegregation decisions but have not been deterred from handing down such decisions in "hostile communities."

The implication that a district judge will suspect that the 12-judge panel will remove him for deciding in favor of desegregation is unworthy both of the judge and of the removing panel. We entrust issues of gravest moment to appellate courts. Are we to distrust them when they adjudicate whether a judge is unfit for office?

To object to a trial of a judge for misconduct by his judicial peers is to throw doubt on the fairness of the judicial process. Surely if it is good enough in matters of life or death for the common man, it is good enough for judges. Finally, it is a strange taste which prefers an impeachment by Congress, often swayed by political passions, often inattentive to the evidence, to a hearing by judges who sit and listen and are schooled to evaluate evidence and to strive for its dispassionate appraisal.

RAOUL BERGER.

CONCORD, MASS., *January 24, 1979.*

(The writer was Charles Warren, Senior Fellow in American Legal History at the Harvard Law School from 1971 to 1976.)

[From the Elyria Chronicle-Telegram]

FEDERAL JUDGES ABOVE THE LAW?

A U.S. district judge in New Orleans has clouded the Ethics in Government Act of 1978 by issuing a temporary injunction exempting federal judges from its provisions.

Judge Robert Collins issued the order Tuesday shortly before the deadline for thousands of federal government officials, including judges, to file statements of their personal finances.

Public disclosure is an important national trend requiring most federal and state officials from the executive, legislative and judicial branches to disclose their private finances.

The district judge's ruling likely to be appealed by the Justice Department and may eventually end up at the Supreme Court where the justices will be called on to make a decision directly involving them.

Six southern judges contended in the case before Judge Collins that the ethics law was "an unconstitutional encroachment upon the separation of powers in the federal government."

If this argument holds up, it seems that Congress would be unable to pass any law affecting the federal judiciary which the judges didn't like. They don't seem to object when Congress raises their pay or increases their retirement benefits.

Most judges have abided by the law without challenge. It is fortunate that none of the Supreme Court justices has used the lower court ruling to escape making their financial statements public.

If the case reaches them, it is hoped that a majority can see that a ruling which places federal judges above the law will make the entire judiciary "look bad."—Nashville Tennessean.

[From the Washington Post, Apr. 23, 1978]

WHAT CAN BE DONE ABOUT UNFIT JUDGES?

ONLY FOUR HAVE EVER BEEN REMOVED FROM THE FEDERAL BENCH

(By Clark Mollenhoff and Greg Rushford)

Late in the afternoon of Friday, Dec. 12, 1975, Chief Judge Willis W. Ritter of the U.S. District Court in Utah notified U.S. Attorney Ramon M. Child to be ready to try 23 criminal cases by the following Thursday.

It was an impossible order. Three of the first four cases were criminal tax prosecutions involving approximately 100 witnesses, many of whom lived outside Utah. Even if subpoenas could be prepared and served and the Christmas travel crush surmounted, an airline strike made it impossible to get the witnesses to Salt Lake City in time. Child asked for 21 more days to prepare.

But the judge refused, and for several weeks the frustrated U.S. attorney and his staff struggled to try the cases properly. Ritter dismissed four cases outright that Thursday morning because the government witnesses were not present.

These decisions were later reversed by the 10th U.S. Circuit Court of Appeals in Denver, which declared that Judge Ritter's behavior "was utterly unreasonable and constitutes a gross abuse of discretion." It was not the first unreasonable action by Ritter, whose controversial career spanned nearly three decades until his death last month. Nor is his case an isolated example.

While there is no reason to doubt the ability or integrity of the vast majority of our nearly 700 federal judges, some unquestionably are unfit to serve, whether because of abuses of power, misconduct, corruption, senility, alcoholism or other reasons. The problem is that it is impossible to remove such judges from the bench short of going through the cumbersome impeachment process.

Attorney General Griffin Bell, himself a U.S. circuit judge for more than 14 years, told a Senate Judiciary subcommittee last September that "there is an urgency" about the need to create a workable mechanism to remove unfit judges. "Not every judge who perhaps should be impeached can be impeached," Bell added. "Congress does not have that much time."

Presumably referring to several criminal investigations conducted by the Justice Department against federal judges in the past two years, Bell also said, "Not everyone who perhaps should be can be indicted. There are some things that judges might do that might cause me to think that they ought to be indicted. However, that is a serious business, particularly since you have got to indict somebody in their own court."

Testifying after Bell, John A. Sutro, chairman of the American Bar Association's standing committee on judicial selection, quoted a 10-year-old statement by Chief Justice Warren Burger, then a Court of Appeals judge, that "I would not presume to say many United States judges now in active service are not physically able to perform their work adequately, but every observer knows there are more than a few." Sutro said Burger's announcement "unquestionably is true" today as well.

Bell and Sutro were both endorsing the judicial tenure bill which the Senate Judiciary Committee is expected to approve this spring. The legislation, sponsored by Democratic Sens. Sam Nunn of Georgia and Dennis DeConcini of Arizona, would create within the judiciary a commission to investigate complaints against federal judges, who are appointed for life, and it would also create a special court to hear cases of misconduct or inability to serve. The court could dismiss the complaint or censure, involuntarily retire or remove the judge from office.

Only nine federal judges in our history have been impeached, and only four have been convicted and removed from office, the last more than four decades ago. This is chiefly because the impeachment process is so cumbersome and time-consuming.

A House Judiciary Committee report in 1940 termed it a "governmental absurdity" when applied to a single judge. Last fall Democratic Rep. Robert W. Kastenmeier of Wisconsin, a leading Judiciary Committee sponsor of judicial tenure legislation, said that "although instances of judicial misconduct are often brought to our attention, the Judiciary Committee's heavy workload makes it difficult, if not impossible, for us to set aside all other legislative activity to conduct an impeachment inquiry."

Impeachment also carries political liabilities. Federal judges by tradition are appointed under the patronage of Senators. The resulting close judicial ties to Congress, as former Maryland Sen. Joseph Tydings acknowledges, make dealing with the unfit judge "a very sticky political thicket." In past impeachment trials the final votes were often divided on partisan grounds.

A more fundamental and still-unresolved issue is the belief that an unfit judge still could be immune to impeachment. Harvard's Raoul Berger, a prominent impeachment authority, for example, contends that a judge may breach the constitutional "good behavior" standard by "abuse of office, neglect of duty, nonattendance and the like." But the constitutional grounds for impeachment are treason, bribery and "other high crimes and misdemeanors," a more exacting standard. Berger says that "while all high crimes and misdemeanors might constitute a breach of good behavior, not all breaches of good behavior amount to high crimes and misdemeanors."

Rising to the occasion

The career of Judge Ritter reveals how difficult it is to curtail even bizarre judicial conduct, or what Washington attorney and

author Joseph Borkin has called the "morbid legal tradition" of not moving against unfit judges.

Ritter, a Phi Beta Kappa from the University of Chicago and Harvard, was a law professor when appointed to the bench in 1949 by President Truman. Ritter was a strong individualist who frequently took the side of the "little guy" against the federal government.

From the moment he was appointed, Ritter became embroiled in squabbles. One of the more famous was his 1951 threat to jail a group of federal postal workers with whom the court shared office quarters; he was angered by their noisy elevators. Last year he ordered U.S. marshals to jail some noisy courthouse workers. But it was Ritter's injudicious attitude toward the law which became the most serious problem.

Salt Lake City lawyers who were friendly to Ritter almost always won the cases they tried in his court. One Utah attorney says that Ritter's "attitude toward justice was based on tremendous personal emotions. If he didn't like you, you would lose, and in effect be disbarred from representing clients in Utah. The only way justice was reached was when two lawyers appeared before Ritter and he liked them both; then he would rise to the occasion."

Over the years the 10th Circuit Court in Denver fought Ritter's excesses by reversing many of his decisions. The circuit's Judicial Council took control of the assignment of cases in Ritter's court. (Each of the nation's 11 regional judicial circuits has a council headed by the chief judge and empowered to supervise court administration).

But Ritter continued to try cases, and his conduct became a Utah scandal. By the late 1960s U.S. attorneys and their staffs were in frequent contact with the Justice Department "about the Ritter problem," says a former prosecutor. "But we learned how reluctant Washington is when discussing legal moves against a federal judge. We were always told to try to live with the situation."

After the 1975 Christmas trial episode, U.S. Attorney Child urged the Justice Department to file a petition with the 10th Circuit Court to bar Ritter from trying federal cases. But the Ford Justice Department did not approve such a strong step.

In the meantime, the Ritter problem intensified. In 1976 Ritter didn't wait until Christmas. For eight months prior to October he set no criminal cases for trial. Then, on Oct. 5, he scheduled 50 trials beginning four days later. When Child obtained an order from the Judicial Council directing Ritter to schedule trials with at least 15 days' notice, the judge held no criminal trials at all for the first six months in 1977.

Arbitrary and erratic authority

Finally, Washington agreed with Child that piecemeal methods would no longer contain Ritter. Solicitor General Wade H. McCree, a former 6th Circuit judge from Detroit, painted a damning portrait of Ritter last July in a six-page letter to the 10th Circuit's chief judge, David T. Lewis.

The solicitor general stated bluntly that for 28 years Judge Ritter's conduct had been "inimical to the standards of judicial conduct that ought to be observed." Step-by-step countermeasures, McCree said, "cannot be truly effective so long as Judge Ritter continues to exercise arbitrary and erratic authority in individual cases. The power of a trial judge is too great and the opportunities for abuse of that power too frequent to allow effective appellate supervision in the run of cases."

McCree told Judge Lewis that Ritter had "paralyzed" the administration of criminal justice, and said he would petition Lewis for a writ of mandamus to bar Ritter's participation in any federal cases. But in a paragraph reflecting the legal establishment's sensitivities, McCree wrote:

"I have deferred authorizing the filing of these formal requests, however, because I am concerned that the publicity attendant on requests might go far toward bringing the administration of justice into disrepute. They would publish, for the world to see, a story of judicial indiscretion that ought not lightly be broadcast, and the attendant publicity would place both the court of appeals (in passing upon the requests) and the Department of Justice (in presenting them) in unfortunate positions: any legal action, for any reason, would be a subject for public scrutiny and to questions about motivation."

The solicitor general told Judge Lewis an experience from his service on the 6th Circuit. A judge's behavior, although "not by any stretch of the imagination as improper" as Ritter's, became intolerable. The circuit's chief judge, after consulting with his fellow judges, "approached the district judge informally" and asked him to step down "before it was necessary to institute public proceedings that could only hurt his reputation and stature in the community." The offending judge retired.

McCree asked Lewis to consider applying similar pressure on Ritter. But Lewis made no such attempt because he felt it would be fruitless.

Finally, on Oct. 5, 1977, McCree and Child petitioned the 10th Circuit to remove Ritter from all federal cases. Ritter died March 4 while the 10th Circuit was considering the petition.

Justice Department investigations

Before Ritter's death, the Justice Department also had investigated whether he had defrauded the government. For four months in 1974 Vickey Jolley, Judge Ritter's clerk and secretary, allegedly was absent from work following an auto accident, but Ritter instructed the clerk of the court to continue paying her full salary. For another six weeks in 1975, and at various unknown times since 1970, Jolley allegedly was absent from work but continued to receive her full salary.

The Justice Department dropped this aspect of the investigation for lack of evidence directly inculpating Judge Ritter. Child complained that the investigation wasn't aggressive enough, and he later stepped down as U.S. attorney to practice law in Salt Lake City.

At least three other federal judges have been investigated by the Justice Department in the past two years.

In one case a cloud over the judge's reputation was removed only because he himself requested the investigation. Robert E. Varner, 56, a former Montgomery, Ala., bar association president, was appointed to the federal bench in 1971 by President Nixon. Varner was suspected of judicial misconduct amounting to bribery. The allegation stemmed from a four-year probation sentence Varner imposed on James Payton Judge III, who pleaded guilty to interstate transportation of stolen property. Before the sentencing Judge Varner had purchased 630 acres of land at $300 an acre from the defendant's great aunt. After questions were raised in the Alabama press about whether the lenient sentence was in exchange for the land deal, Varner asked the 5th Circuit Judicial Council in New Orleans to investigate.

On June 10, 1976, the council issued a report criticizing Varner for not having stepped down in the case. But it found the charges of misconduct "groundless," even though the land price was "possibly favorable." The council noted that there was no evidence of collusion and that the relationship between the offender and his great-aunt was distant. Moreover, federal prosecutors had recommended the sentence of probation. That recommendation appeared "thoroughly responsible, and made probation the advisable and likely sentence," the council said.

The Justice Department agreed and did not seek to indict Varner.

No official acknowledgment has been made that John V. Singleton Jr. was even investigated or why. Singleton, 60, a Houston lawyer and longtime associate of John Connally, was appointed by President Johnson in 1966 to the Southern District of Texas in Houston.

A Houston television station reported on June 9, 1977, that a federal grand jury was "believed to be looking into allegations concerning" Singleton, and that "apparently this grand jury has been investigating banking matters involving Judge Singleton for some time." Justice Department sources confirmed that Singleton had testified before the grand jury but refused to elaborate on the nature of the testimony or to confirm reports that the department had sought an indictment.

The Singleton case raises important questions. Singleton's rulings have often angered Justice Department officials. In 1970, for instance, Organized Crime Strike Force officials were upset when the judge reduced a two year prison term for New Orleans mobster Carlos Marcello, who had assaulted an FBI agent, to six months. Is the judge the target of a vendetta by unknown Justice officials who simply resent his liberal (by Texas standards) record?

When a judge is accused of some conduct serious enough to justify calling him before a grand jury, should there be a public explanation? If the suspected conduct was not indictable, should the Justice Department have notified the House Judiciary Committee of possible misconduct which might violate the constitutional "good behavior" standard? The committee has not been so notified.

Judge Singleton has declined to comment.

The speedy confirmation

Another federal judge known to have been the subject of a Justice Department criminal investigation is Herbert A. Fogel, 48, a former political fundraiser and Philadelphia law partner of former Senate minority leader Hugh Scott. Fogel was appointed to the Eastern District of Pennsylvania in 1973 by President Nixon.

He was investigated for his actions as a private attorney before his appointment to the bench, and his case raises serious questions about the judicial confirmation process.

Fogel was the lawyer for and part owner of the Gateway Corp., which won a controversial February 1971 contract from the General Services Administration. The contract was worth $78 million for 30 years' rent to federal offices in a Gateway building in West Philadelphia.

Because Gateway's winning bid was $27 million higher than the lowest bid submitted to GSA, and because key GSA officials were also close to former Sen. Scott, the contract raised eyebrows. In March 1972, the General Accounting Office, Congress' watchdog, reported the award had been "improper" because Gateway had failed to comply with various criteria in its bid submission.

Despite widespread publicity surrounding the Gateway case, the Senate Judiciary Committee confirmed Fogel in a routine 10-minute hearing in February 1973. Republican Sen. Roman Hruska of Nebraska, who chaired the hearing, asked Fogel no question about Gateway. The only other senators present were Pennsylvania's Richard Schweiker and Scott, who took up most of the 10 minutes with effusive praise of the nominee.

But a civil lawsuit brought by a losing bidder, John W. Merriam, brought out additional facts about Gateway. Judge Fogel admitted in a sworn deposition that he had backdated documents submitted to GSA, and Justice launched a criminal investigation in 1975. Although the exact date is still obscured in secret grand jury proceedings, sometime in late 1975 or early 1976 Fogel refused to cooperate with a grand jury by invoking his Fifth Amendment rights against self-incrimination.

The Justice Department dropped the investigation in 1976, but the Carter administration revived it last year. Attorney General Bell wrote Rep. Allen Ertel of Pennsylvania on Oct. 19 that he was reviewing the evidence to see if the case should be referred to the House Judiciary Committee for impeachment proceedings or "other possible alternatives."

Bell never referred the case to the committee and he will not comment on what he meant by "other possible alternatives." But on Jan. 20 Fogel announced his resignation, effective May 1. The announcement came eight days after two former Philadelphia policemen who were convicted of robbery filed a petition in federal court accusing Fogel and two other federal judges of being "owned" and on their lawyer's "payroll." Those charges are currently under investigation.

Unexamined complaints

Each year dozens of complaints against federal judges go unexamined for lack of an appropriate investigative mechanism.

Judicial councils in the regional federal circuits have no investigative staffs and are not capable of dealing with complex cases. Although a review committee established by the policy-making Judicial Conference of the United States has been diligent and effective in resolving simpler conflict-of-interest and ethical questions, it too is not equipped to deal with difficult cases.

Nor is the Supreme Court able to police the federal judiciary, as illustrated by one 1976 complaint lodged with it by a Pennsylvania businessman named John A. Nard. Nard complained about alleged political corruption by several federal judges in Pennsylvania, but Supreme Court Clerk Michael Rodak Jr. replied: "I regret to inform you that this court has no authority to institute or conduct investigations as mentioned in your letter. Neither can we suggest an investigative body."

It is precisely such mechanisms that would be set up by the pending judicial tenure legislation, which has also been endorsed in principle by the Judicial Conference. Indeed, the value of such a procedure has already been demonstrated at the state level. Since adopting such legislation in 1961, California has become the model for over 44 state judicial tenure commissions. Rather than face formal hearings, 67 California judges have resigned since 1961. Five others have been censured by the California Supreme Court, and three more have been removed from office.

KEEP UDAG

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I am deeply disturbed to hear press reports that the administration wants to kill the urban development action grant program—one of the most successfilled, innovative programs we have. As chairman of the Subcommittee on Housing, I am giving notice that I believe it would be an egregious wrong to kill this productive and useful program, which has enjoyed support from both parties.

To eliminate the urban development action grant program immediately flies in the face of bipartisan support for this most effective urban grant program. Since its inception in 1977 the UDAG program has achieved a success beyond the expectations of many of us who participated in the legislative effort that culminated in the final adoption of the UDAG program. It is a simple, well-administered, and highly successful Federal-grant program to our most distressed urban communities. To simply wipe it out at the command of OMB Director Stockman will, in my opinion, do serious damage to the credibility of President Reagan's commitments during his campaign to continue a Federal commitment to assist distressed urban areas.

OMB Director Stockman, while a Member of the House, strongly opposed the UDAG program and carries his prejudices toward the UDAG program in his new capacity as the President's chief budget cutter. I would suggest that Mr. Stockman might visit some of our large urban communities that have received urban development action grants and walk the streets and talk to both business people and citizens to see the promise and the initiative that the UDAG program has offered in terms of new investment to our distressed cities being made by the private business sector in conjunction with Federal UDAG funds. To casually dismiss these efforts in a wave of the budget-cutting wand fails to comprehend the difficult economic circumstances that our urban communities are experiencing.

If these press reports are correct, that the $675 million authorized by my subcommittee and appropriated by the Congress last year are to be eliminated, I plan on summoning Secretary of HUD Samuel Pierce and OMB Director David Stockman before the Subcommittee on Housing and Community Development promptly for their justification of such an unfortunate decision.

INTRODUCTION OF GUAM PRESIDENTIAL VOTE BILL

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, it is my great pleasure to again introduce legislation which seeks to give the American citizens of Guam and other U.S. territories the right to vote in future Presidential elections.

The passage of this legislation has been one of my highest priorities since I first came to Congress in 1973. I am joined in this quest for equality for the American residents of the territories by their congressional representatives. While I fully recognize the extreme difficulty this legislation faces in its way to becoming public law, nevertheless, my pride as an American citizen will not let me rest until my fellow citizens in the terrritories share a basic right of democracy; the right to participate in the selection of who will lead our Nation as President and Vice President.

What I ask today is not a radical change in the American system of government. Rather, I ask only that this Nation correct a serious flaw in our laws which deny certain Americans the ability to vote for the President solely on the grounds that they choose to reside in Guam or another American territory. It is ironic that should these same citizens decide to live in one of the 50 States they can enjoy the Presidential franchise. Surely, on a matter of such major importance to the rights of all Americans to have a free voice in the selection of our Chief Executive, their choice of residence should not be used to forbid them a voice in their Government.

The denial of a vote in Presidential elections to residents of Guam and other American territories is an arbitrary act which I do not believe would have the blessings of the Founding Fathers of this great country. Nor do I believe that it is in the best interests of the United States to exclude our fellow Americans from participating in Presidential elections on the basis of such spurious grounds as residence.

Speaking for my own constituents in Guam, I can say without hesitation that we want to vote for our future Presidents. We are proud of our American citizenship and truly desire to see an end to the present situation which, in effect, puts us in the category of second-class citizens. Throughout our Nation's history, Congress has put

an end to all the various mechanisms which have been used to deny Americans the franchise: Slavery, landownership, literacy tests. All of these are now history. Let us proceed to put the final block to full citizenship to rest by extending the Presidential vote to Americans living in the U.S. territories.

Last November, the people of Guam chose to add to local ballots the names of the major Presidential candidates. This was done for the first time in the island despite our recognition that our tally would not count in the national selection process. Nevertheless, we went ahead because we were no longer content to stand aside while the rest of America goes to the polls and votes for our future president. President Reagan is our President. His actions affect the people of Guam every bit as much as they do in New York or San Francisco. The time has come for Congress to give territorial Americans the vote for President and Vice President.

Over 2,000 years ago, the Greek philosopher, Aristotle, perhaps had the final word on democracy when he said:

If liberty and equality, as is thought by some, are chiefly to be found in democracy, they will be best attained when all persons alike share in government to the utmost.

This is all we who live in American territories really ask—the right to share in this Nation's Government to the utmost. Thank you.

WOMEN'S RIGHTS DAY

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, today is Women's Rights Day. Women today do not have to stand outside the polling place in ankle-length skirts while men cast their ballots inside. In this Chamber and in the other House votes are cast by a growing number of women. Whatever the field of endeavor, it is no longer strange to find a woman working in what was once thought the world of men.

But we are reminded every day of how far women still have to go before achieving real equality. Few leading business executives are women, as are few Members of Congress. Women earn an average of just 59 cents for every $1 men are paid. And women must contend with repeated attacks against the woman's right to choose, and assert her own reproductive freedom. Eight years ago the Supreme Court upheld the constitutional right of every woman to have an abortion in the early stages of pregnancy. Since that decision we have seen the steady erosion of that right by congressional efforts blocking access to abortion services for poor women in need of medicaid assistance. The fight has now expanded once again to threaten the right of all women to a safe abortion and indeed, the so-called prolife forces are now widening their campaign to attack many of the most effective and widely used methods of contraception.

Today, on Women's Rights Day, we should remember such basic issues in the march for equal rights and equal opportunity for each sex. I hope each of my colleagues will think for a moment of just one woman he, or she may know who has been denied full participation in our society due primarily to her sex. And we can all think of men, I am sure, who have suffered from the sometimes stifling grasp of role models they had assumed fit them, but instead brought misunderstanding and pain to their personal and professional lives.

Women's rights for women, but also for men. Let us remember that today and every day.

THANKS FROM AMERICAN SAMOA

(Mr. SUNIA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SUNIA. Mr. Speaker, under Public Law 95-556 and Public Law 95-584 of 1978, the territory of American Samoa was granted a seat in the House of Representatives in the Congress of the United States. The territorial legislature has passd a unanimous resolution with Senate Concurrent Resolution 1 which speaks to that point.

I am thanking the U.S. Congress for granting that seat to the territory.

Mr. Speaker, the certification is as follows:

LEGISLATURE OF AMERICAN SAMOA

CERTIFICATION

SENATE CHAMBER,
January 13, 1981.

I certify that Senate Concurrent Resolution No. 1 passed this date in the Senate during its 1st Regular Session of the 17th Legislature of American Samoa.

(MRS.) SALILO K. LEVI,
Secretary of the Senate.

HOUSE CHAMBER,
January 14, 1981.

I certify that Senate Concurrent Resolution No. 1 passed this date in the House of Representatives during its 1st Regular Session of the 17th Legislature of American Samoa.

PULELEIITE M. F. TUFELE,
Chief Clerk,
House of Representatives.

SENATE CONCURRENT RESOLUTION NO. 1

A senate concurrent resolution commending and thanking the United States Congress for the new nonvoting delegate to the U.S. House and thanking all who worked for that goal

Whereas on 5 January 1981, Delegate Fofô I. F. Sunia was sworn in as the Territory's first non-voting Delegate to the U.S. House under Public Law 95-556 and Public Law 95-584 (1978); and

Whereas this has been a long and arduous struggle for many years through many Fono's and Congresses by many interested and dedicated individuals; and

Whereas special praise should go to former Delegate A. P. Lutali under whose Delegate's administration the bill was eventually passed and signed into law by the 95th Congress; and

Whereas of course, the Governor at that time, Peter Tali Coleman and his administration are to be thanked for their efforts; and

Whereas our many friends in Congress, both in the House and Senate—to them we extend our heartfelt gratitude over this expression of trust and confidence in our evolving political maturation—but in passing we must thank Congressman Phillip Burton and his aide Enk F. Hunkin for their unique contributions to this endeavor; and

Whereas we always owe special thanks to Senator "Spark" Matsunaga and the rest of the Hawaii Congressional Delegation—Senator Daniel Inouye, Representative Dan Akaka, and Representative "Cec" Heftel—for all their ever present assistance; and

Whereas we would like to also extend our blessings and wish him Godspeed to the newly elected as well as former Delegate, High Talking Chief Fofo I. F. Sunia, for through his initial efforts the Territory of American Samoa will grow and be recognized within Congress, the United States, and even the world—to him and his staff go our best wishes; Now, therefore, be it

Resolved by the Senate of the Territory of American Samoa, the House of Representatives concurring, That, the entire United States Congress is most humbly and generously thanked and commended for the honor they have bestowed on our Territory by elevating our representation in Congress to that of a full-fledged non-voting Delegate to the U.S. House of Representatives; and be it further

Resolved, That High Talking Chief Fofo I. F. Sunia is commended for the manner in which his campaign was run and the fact that he will be American Samoa's first Delegate to Congress with all the importance that special event entails; and be it further

Resolved, That the following are especially commended and thanked for their tireless efforts to accomplish the task of managing the appropriate bills through the 95th Congress and previous attempts:

Hon. Senator Henry M. Jackson
Hon. Representative Morris K. Udall
Hon. Representative Phillip Burton
Hon. Senator "Spark" Matsunaga
Hon. Senator Daniel K. Inouye
Hon. Representative Dan Akaka
Hon. Representative "Cec" Heftel
Secretary of the U.S. Senate
Clerk of the U.S. House of Representatives
Mr. Enk. F. Hunkin, Staff Attorney to the U.S. House Subcommittee on National Parks & Insular Affairs
Hon. Former Delegate A. P. Lutali
Hon. Delegate Fofô I. F. Sunia; and
Hon. Peter Tali Coleman, Governor of American Samoa; and be it further

Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to: the Honorable Secretary of the Interior; the Honorable Senator Henry M. Jackson; Honorable Representative Morris K. Udall, Chairman, U.S. House Committee on Interior and Insular Affairs; Honorable Representative Phillip Burton,

U.S. House Subcommittee on National Parks and Insular Affairs; Honorable Senator "Spark" Matsunaga; Honorable Senator Daniel Inouye; Honorable Representative Dan Akaka; Honorable Representative "Cec" Heftel; Secretary of the U.S. Senate; Clerk of the U.S. House of Representatives; Mr. Enk F. Hunkin, Staff Attorney to the Subcommittee on National Parks and Insular Affairs; Honorable Former Delegate A. U. Fuimaono; Honorable High Chief A. P. Lutali, former Delegate to the U.S. Government; Honorable High Talking Chief Fofo I. F. Sunia, Delegate to the U.S. House of Representatives; and to Honorable Peter Tali Coleman, Governor of American Samoa.

ILLEGAL POLITICAL AND LOBBYING ACTIVITIES OF LEGAL SERVICES CORPORATION

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SENSENBRENNER. Mr. Speaker, today I have asked the General Accounting Office and the Department of Justice to investigate what I believe to be illegal political and lobbying activities that have been carried out by the Legal Services Corporation.

These activities are detailed in two memorandums written on Legal Services Corporation letterheads. The memorandums focus on efforts by the Corporation to lobby the Reagan administration and the 97th Congress. The memorandums state that the Corporation expected greater difficulty in dealing with the new administration and Congress and termed the situation "a struggle for our own survival," while proposing a political plan of action on the National, State, and local levels.

In addition to the investigation, I have also asked Dan Bradley, President of the Legal Services Corporation, to turn over supporting memorandums and documents to aid in the probe.

Copies of these memorandums can be obtained from my office. I include the texts of my letters to Dan Bradley, Elmer Staats, and William Smith for the RECORD.

WASHINGTON, D.C., *February 4, 1981.*

Hon. WILLIAM FRENCH SMITH,

Attorney General of the United States, Department of Justice, Washington, D.C.

DEAR MR. SMITH: I am hereby requesting the Department of Justice to investigate the possible misuse of appropriated funds by the Legal Services Corporation (LSC).

It appears that appropriated monies have been used for political and lobbying purposes.

As evidence, written on LSC letterhead, I submit the two enclosed memoranda dated December 10, 1980, and December 29, 1980. They were written by Alan W. Houseman, Director of the LSC's Research Institute.

These documents clearly detail a plan for lobbying and political activity by the Legal Services Corporation, its employees and grantees to influence legislation reauthorizing that agency which the 97th Congress will be considering.

I look forward to your prompt attention to this matter.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Member of Congress.

WASHINGTON, D.C., *February 4, 1981.*

Mr. DAN BRADLEY,

Legal Services Corporation, Washington, D.C.

DEAR MR. BRADLEY: Enclosed are two memoranda written by Alan W. Houseman, Director of the Research Institute of the Legal Services Corporation. These memoranda, written on Legal Services Corporation letterhead, clearly detail the lobbying and political activities which have been and will be carried out by the Corporation, its employees, and grantees in an effort to influence legislation reauthorizing the Legal Services Corporation that the 97th Congress will consider.

I am hereby requesting copies of all memoranda drafted by the Legal Services Corporation staff which concern legislative and/or political activities.

Additionallly, I am requesting that the lobbying and political activities that were enumerated in the memoranda of December 10th and December 29th be immediately terminated.

Additionally, an investigation should be conducted to determine whether further administrative action needs to be taken against any of the employees involved which, according to the December 10th memorandum, could be quite extensive.

I will be looking forward to your prompt attention to this matter and to your early reply.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Member of Congress.

WASHINGTON, D.C., *February 4, 1981.*

Mr. ELMER STAATS,

Comptroller General of the United States, Washington, D.C.

DEAR MR. STAATS: I am hereby requesting the General Accounting Office to investigate the possible misuse of appropriated funds by the Legal Services Corporation (LSC).

It appears that appropriated monies may have been intended and used for lobbying and political purposes by the LSC, which is expressly prohibited from doing so by the Legal Services Corporation Act (42 USC, Section 2996e, Section 2996f).

As evidence, written on LSC letterhead, I submit the two enclosed memoranda, dated December 10, 1980 and December 29, 1980. They were written by Mr. Alan W. Houseman, Director of LSC's Research Institute.

These documents clearly outline a plan for lobbying and political activities by the Legal Services Corporation, its employees and grantees, to influence legislation reauthorizing that Agency which the 97th Congress will be considering.

I look forward to your prompt attention to this matter.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Member of Congress.

LEASE OF DULLES INTERNATIONAL AIRPORT TO VIRGINIA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, today I am introducing legislation to authorize the Secretary of Transportation, through the Federal Aviation Administration—FAA—to enter into negotiations for the lease of Dulles International Airport to the Commonwealth of Virginia. While I hope that this legislation will eventually lead to a leasing arrangement for Dulles between the Secretary and the Commonwealth, it is intended to allow flexibility to both parties in the decisionmaking processes.

Located on 10,000 acres of land in the Commonwealth of Virginia and built with many of the world's most advanced safety systems, Dulles International Airport offers unlimited potential benefits to both Virginia and the Nation. In concert with hundreds of other airports throughout the country, Dulles could become a key interchange point in this country's system of air transportation and a gateway for air passenger and cargo traffic to and from all parts of the world. If fully utilized, it could become a major center of business development and thereby generate new employment for thousands of individuals. As a foreign trade zone, it could effectively complement the Virginia Port Authority in promoting exports and encouraging investment from abroad.

Unfortunately, Dulles' tremendous economic potential has so far been wasted. Designed to serve more than 14 million passengers annually, Dulles served less than 3 million passengers in 1980—a drop of over 20 percent from the previous year. With fewer flights and fewer airlines using Dulles than ever before, the airport is at a critical stage in its long history.

One major reason for this gross underutilization of Dulles is the fact that it is owned and operated by the Federal Government through the Department of Transportation's Federal Aviation Administration. Unlike other airport-operating authorities, the FAA is restricted from marketing and advertising the airport to airlines, businesses, and the general public.

In contrast, the State of Maryland—which took over the ownership and operation of Baltimore-Washington International Airport—BWI—in 1972—has created an aggressive marketing and promotion program for that airport with an annual budget of almost $1 million. Largely as a result of this effort, BWI now handles almost one-half of the total aircargo moved through the three Washington area airports and has increased its passenger traffic more than 25 percent since the State took over its operation. The State of Maryland's promotion of BWI is an excellent example of how a State

can turn an underutilized operation into a successful air traffic system. In view of the Commonwealth of Virginia's vital interest in Dulles' future, I believe it can play a similar role in the promotion of Dulles as a key hub airport providing service between Virginia, the Nation, and the world.

But there is another equally important benefit that would result from this legislation; one which goes beyond the successful utilization of an economic resource and the improvement of this country's air traffic system. The 1980 elections were a mandate for a reduction in the size of Federal Government and an increase in State and local influence over those resources closest to the people. In his inaugural address, President Reagan reaffirmed this mandate when he said:

It is my intention to curb the size and influence of the Federal Establishment and to demand recognition of the distinction between the powers granted to the Federal Government and those reserved to the States and to the people.

Mr. Speaker, I believe that the transfer of control over the operation of a major airport is in total harmony with this principle.

I would like to again emphasize the fact that this legislation does not bind either the Secretary or the Commonwealth of Virginia to a leasing arrangement, but instead provides them with the opportunity to work together to determine what is best for Dulles Airport. I urge my colleagues to lend it their full support.

□ 1320

WOMEN'S RIGHTS DAY

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, today is Women's Rights Day. The idea behind Women's Rights Day is to provide a constructive program which enables American women to reaffirm their commitment to women's issues.

In my mind, one of the most important women's issues is that of economic security for elderly women. Because women outlive men by an average of 7.8 years, the majority of older Americans are female.

Considering only their numerical dominance, the needs of older women merit attention. In addition, there are significant differences between older women and men that indicate the need for special attention to the particular situations in which so many older women live.

Large numbers of older women are widows and many live alone. Many of these women do not know how the Federal tax laws discriminate against them until they become widowed. The economic problems for women upon the death of the husband are often devastating. Income from the husband's employment, upon which the wife may be dependent, is lost. The financial resources of the couple may have been greatly diminished or totally exhausted by the high cost of the husband's final illness and death. And, if the wife inherits property from her husband, she may be forced to pay confiscatory taxes on that property.

Mr. Speaker, I have introduced legislation, H.R. 917, to establish a long-deserved measure of equity between spouses in our Federal estate tax laws. Under current law, if a husband and wife hold property in joint tenancy and the husband dies first, the estate value of the property is assumed to be that of the husband and is subject to estate taxes.

The wife is forced to prove that over her lifetime she personally has contributed money or money's worth to the estate. Most wives cannot produce canceled checks with their names on them or mortgage receipts.

It is not right that the wife, especially the farm wife, who works all her life alongside her husband to build an estate should have to prove that she has contributed to its formation.

The estate tax affects not only farmers and small business owners but also millions of working Americans who have accumulated a modest estate over a lifetime. My bill seeks to make changes that would give due recognition to the contribution each spouse makes in building a family's business or savings.

The bill permits a husband to leave an unlimited amount of property to his wife and deduct the value of this property from the total value of the estate.

The key to allowing widows to keep the small business or family farm is to structure the estate tax in such a way as to provide liquidity for these operations so that estate tax does not cause their forced sale.

My bill seeks to achieve this result by raising the level of the estate tax exclusion to $500,000 by 1985 and by revising the deferred payment provisions in the estate tax law.

My bill recognizes once and for all the importance of a working spouse in a family enterprise. By providing for an unlimited marital deduction, the proposal establishes a long deserved measure of equality between spouses.

TAX CUTS MUST BE LINKED TO SPENDING REDUCTIONS

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, next week President Reagan is expected to propose to the Congress a far-reaching economic recovery program. Two of the primary features of that program will be a major tax cut and a package of spending reductions to be incorporated in a reconciliation bill. I think most of the Congress would agree that a targeted tax cut is necessary at this time to help revitalize the economy. And there is certainly agreement on the need to enact significant spending cuts. But today we are receiving mixed signals from the administration as to the necessity of actually linking a tax cut with spending reductions.

The American people have let it be known without much doubt that they see a balanced Federal budget as one of the primary tools in the fight against inflation. Indeed, a recent New York Times/CBS News poll indicates that 70 percent of the people would prefer a balanced budget to a large tax cut. Most economists, too, agree upon a balanced budget as an important economic goal for the Nation.

The Congressional Budget Office tells us that we are already looking at a combined budget deficit for fiscal years 1981 and 1982 of $88.6 billion. Frankly, that is probably a low estimate. With the need to move toward a balanced budget so clear, I don't believe the American people will accept any action that moves the 2-year-deficit figure well beyond the $100 billion range.

Given these facts, I am very concerned about the contrary views being expressed by some members of the administration. In particular, Treasury Secretary Regan's statements in recent days suggest that he believes tax cuts should precede spending reductions. Yet the tax proposal to be introduced by the administration is likely to reduce revenues, and raise the deficit, by at least $30 billion and probably a great deal more over the next several years.

I believe we must link any tax cut to spending reductions in order to avoid an increase in the Federal deficit. In addition, I do not think the tax cut should exceed the spending reductions that are enacted. This is the only way to insure that we stay on the course toward a balanced budget.

Despite Secretary Regan's statements, it seems to me that the President and Dave Stockman, Director of the Office of Management and Budget, do support linkage of spending and tax cuts. President Reagan stated very clearly in his first press conference that a tax cut must be combined with spending cuts. And Mr. Stockman has also said that the tax and spending cuts will be an integral part of the same package.

I agree with this intent to link spending and tax reductions, but I think the House of Representatives has to make a clear statement that it will only consider these packages to-

gether, or, as Mr. Stockman puts it, as an integral part of the same package.

Therefore, I am introducing today a resolution expressing the sense of the House that the two packages should be combined. Specifically, my resolution establishes the goal of requiring that any tax bill with the effect of reducing revenues that is reported out of the Ways and Means Committee in the months ahead should be made a part of the first budget reconciliation bill of this Congress. In addition, the resolution states that the revenue loss from the tax bill should not exceed the spending reductions contained in the legislation. While this resolution would not be binding on the Congress, I intend to work in the Budget Committee and on the floor of the House to combine the tax cut with a reconciliation bill and to prevent the tax cut from surpassing the spending reductions in the bill.

Mr. Speaker, it is imperative that our Nation not retreat in the fight against inflation. Only a steady drive toward a balanced budget will help us bring about the economic stability that the American people so desperately need. Paul Volcker, the Chairman of the Federal Reserve Board, has cited the dangers of enacting tax cuts without completing action on the necessary spending reductions. My resolution will help to prevent the Congress from taking any precipitate action that could result in massive deficits, a new dose of inflation, and even higher interest rates. I hope that my colleagues will join me in sponsoring this vital proposal.

Following is the text of my resolution:

H. RES. 55

Resolution expressing the sense of the House that all internal revenue bills providing a decrease in revenues to the Treasury should be made part of the first reconciliation bill of the 97th Congress, and that the aggregate revenue loss from such revenue bills should be limited to the aggregate net spending reductions under such reconciliation bill

Whereas one of the primary goals of the American people today is to restore economic stability to the Nation;

Whereas the President, a majority of Congress, economists, and the people agree that reducing the Federal deficit is one of the vital tools for achieving economic stability;

Whereas the projected budget deficit over the next two years is approaching $100 billion;

Whereas the Congress is being asked to enact a major tax cut proposal which could increase the budget deficit by at least $30 billion in the next two years; and

Whereas the vast majority of the American people believe that tax reductions should not be made without comparable spending reductions: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) all internal revenue bills—

(A) which are reported from the Committee on Ways and Means during the 97th Congress and before the first reconciliation bill is reported from the Committee on the Budget during the 97th Congress, and

(B) which result in a decrease in revenues to the treasury,

should be made part of such reconciliation bill, and

(2) the aggregate revenue loss from such revenue bills shall not exceed the aggregate net spending reductions under such reconciliation bill.

THE SOVIET GRAIN EMBARGO

The SPEAKER. Under a previous order of the House, the gentleman from Kansas (Mr. JEFFRIES) is recognized for 15 minutes.

Mr. JEFFRIES. Mr. Speaker, a special order was called yesterday to discuss the embargo on sales of U.S. grain to the Soviet Union. More specifically, this time was set aside with the thought in mind that the embargo should not be lifted.

Mr. Speaker, I disagree. The embargo should be lifted immediately. It has failed in its purpose of punishing the Soviets for invading Afghanistan. Instead, it has succeeded primarily as a means of punishing American farmers. It is as if we slapped ourselves in the face and said, "Take that, Soviet Union."

The time has come to end this charade and to provide relief to our farmers.

Let me review for a minute this hapless embargo.

On January 4, 1980, in response to the Soviet invasion of Afghanistan, President Carter canceled contracts for the sale of 17 million tons of U.S. corn, wheat, and soybeans to the Soviet Union. On January 2, 1981, President Carter officially extended the embargo on grain shipments for another year. In addition to canceling the 17 million metric tons of grain sales, the administration also suspended the sale of grain sorghum, seeds, soybean meal, meat, poultry, dairy products, and some animal fats. Later the sale of several fertilizers was halted as well.

This embargo has clearly caused harmful uncertainty and confusion. Objectives were clouded by changing policies during the first year of the embargo regarding what was and was not allowed to be sold to the Soviets by U.S. companies. The effectiveness of the embargo was obliterated after President Carter allowed the delivery of 8 million metric tons of U.S. grain which he felt was obligated under the 1975 United States-Soviet grain agreement. The decision to ship this load of grain seriously affected the impact of the embargo, as it added a loophole which helped neutralize the embargo's effectiveness.

Another event which led to the lack of credibility associated with the embargo was President Carter's decision on June 20—without lifting the embargo—to allow the grain companies' subsidiaries to sell non-U.S. grain to the Soviet Union. This determination threatened to destroy the effect of the partial embargo, weaken the administration's objectives, and produce the impression that the embargo was no longer a reality and that it should be terminated.

One key question is in connection with the amount of grain the Soviets have been able to buy from other suppliers. Many of the leading grain producing countries were tempted by the high prices offered by the Soviets, and have gone ahead and sold more than their usual amount of grain to them. To meet these new demands, they drew down surplus stocks in 1980 to meet Soviet needs. In addition, they diverted grain from the traditional customers to the Soviet Union and thus restructured the world trade patterns in doing so.

While there has indeed been some distortion in the Soviet economy due to the embargo, the Soviets have, by and large, been able to obtain most of the grain they need. Instead, repercussions of the embargo have been felt principally by the American farmer. Leaving the question of duration unclear has had a negative impact on the farmer, as it has created uncertainty about the market conditions over the next year. Farmer's reactions to the producer held reserve program, which was heavily utilized to offset the embargo's effects, have been negative for chiefly two reasons. First, they felt a sense of humiliation in taking their grain off the market in return for a loan from the Government, and second, they would rather sell the grain to the Government at parity prices or prices that would provide the farm sector with real purchasing power. In fact, many farmers believe the only effect of the embargo has been lower farm prices.

With these factors and events in mind, I believe it is clear the grain embargo has proven to be more of an economic problem for our country than for the Soviet Union. It is also clear that we failed in our objective. The Soviets are still in Afghanistan.

Rather than embargo grain or boycott Olympics, perhaps a more effective solution would have been to provide arms and aid to the Afghani rebels, much as the Soviets supplied the North Vietnamese invaders of South Vietnam. But in any event, continuance of the present embargo is an exercise of futility. It should be abandoned promptly.

WOMEN'S RIGHTS DAY

The SPEAKER pro tempore (Mr. SMITH of Iowa). Under a previous order of the House, the gentleman from Nebraska, (Mr. DAUB) is recognized for 5 minutes.

● Mr. DAUB. Mr. Speaker, on this fourth day of February 1981, we recognize Women's Rights Day to pay tribute to the women of America. Never before in our Nation's history have women attained the degree of equality that now exists. However, though women have choices today that were virtually nonexistent only 10 years ago, barriers still exist.

This is an appropriate time to ask my colleagues to join me in addressing the significant problems still confronting women—problems such as assuring equal pay for equal work; obtaining the equal credit that is guaranteed by law; making certain adequate child care is available to the working mother; reforming the income tax that penalizes those families where both spouses must work. As Members of the 97th Congress, we can and must address these and many other of the serious problems that are impeding women from their full participation and contribution to society.

Mr. Speaker, the women's movement has raised our consciousness, furthered individual opportunity, and changed our way of life. I am proud to ask the entire House today to join in honoring and encouraging the women of America in their progress toward equality.●

PRODUCTIVITY AND PROFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, a number of major American companies currently are engaged in a great shell game with their shareholders and the American public. They are paying out dividends with cash they do not have, and they are jeopardizing the long-term health of our economy for the short-term benefit of a few.

Last September 15, in the CONGRESSIONAL RECORD, I noted that much of the debate over the decline in industrial productivity in this country has been misdirected. The problem, I contended, stems in large part from the fixation many corporate managers seem to have on short-term profits instead of long-term growth. With more and more of the capital assets of America controlled by large institutional investors, management increasingly is concerned with current payouts, rather than reinvestment in modernization and research.

A classic illustration of this point can be found by looking at our ailing auto industry. For example, last year the General Motors Corp. suffered a loss of over three-quarters of a billion dollars and had negative discretionary cash flow of almost $5 billion. Nevertheless, the company continues to issue its quarterly dividends.

Last week, a CBS news special on the Japanese auto industry included an interview with Masaga Hanai, chairman of the board of Toyota. Asked why, in his opinion, the U.S. auto industry was falling behind its Japanese competitors, he responded:

> In this respect, it would seem that the management people in the United States are too busy with the pursuit of the short-term profits or with the need to satisfy shareholders eager for dividends. That is, they take less care about yearly investments needed to make profits in the future.

Mr. Hanai is not speaking only of GM, of course. In 1980, Ford Motor Co. showed record losses of almost $1½ billion. Yet they, too, managed to keep up their quarterly dividend payment without interruption. Ford's treasurer, John Sagan, recently gave this explanation for why they did not withhold a dividend and reinvest the money in the firm:

> We certainly would want to think of ourselves as being an investment quality company that provides a return to the owners of the business. If you drop the dividend entirely, you obviously don't have investment quality.

The editors of Business Week magazine view the situation from a somewhat different perspective, however. In an editorial in the February 9 issue of Business Week, they offer this observation:

> The auto industry is in trouble primarily because the managers of U.S. (auto) companies played for huge short-term profits rather than long-term strength.

This brings us to the point that the pressure of seeking immediate returns has replaced concern for the long-term health of an enterprise in the minds of today's investors who, increasingly, are the asset managers for banks, pension funds, mutual funds, and so forth. Necessary reinvestment in productive assets and technological innovation may be sacrificed, but that does not seem to disturb these institutional investors.

The auto industry is not alone in this practice of paying out dividends when it should be husbanding its cash for reinvestment. An article in the February 2 issue of Forbes magazine, entitled "Are More Chryslers in the Offing?" makes this point rather dramatically. Commenting on the recent trend by many blue chip companies toward short-term profit maximization instead of reinvestment for long-term growth, the Forbes article states:

> We're probably coming to the end of what could be called "The Time of the Bottom Line". For a long time now most corporate attention has been focused on the profit-and-loss statement, on earnings per share. But a company can show a very nice earnings per share and still go bankrupt. Penn Central is only one example. Chrysler Corp. showed a huge profit in 1976. A mask of profitability can easily be superimposed upon a mess of insolvency.

This is consistent with a theme that first surfaced last year at hearings conducted by the House Small Business Subcommittee on Antitrust, which I chaired. In the course of our study of conglomerate mergers and their effects, we found that much of the economic activity of some of our Nation's largest corporations—assets rearrangement, liquidation of profitable operations, mergers, acquisitions and divestitures—seems to be directed at maintaining a high stock price and sustaining the illusion of health and profitability. Unfortunately, it appears that these efforts increasingly are incompatible with the goals of increasing productivity and stimulating technological innovation.

Many feel that a principal reason for the trend away from an emphasis on long-term growth and productivity and toward short-term profit maximization can be traced to the various incentives now given to corporate management. The Forbes article notes:

> Emphasizing earnings while ignoring cash flow actually rewards companies for putting off needed capital investment. The smaller the depreciation charge, the higher the earnings. In turn, higher earnings produce better stock prices. Finally, the stock price is often reflected in a fatter pay check for the CEO. Is that one important reason for the notoriously low level of capital spending in the U.S.? CEO's are only human.

Witnesses who testified at the Antitrust Subcommittee's merger hearings also seemed to believe that when professional managers replace entrepreneurs in top leadership positions of American industry, the emphasis of economic activity tends to shift from long-term capital investment and research to short-term profit taking. Securities and Exchange Commission Chairman Harold Williams told the subcommittee that when mergers and acquisitions are concerned:

> The immediate results of a takeover are particularly attractive to a corporate executive who seeks the ego satisfaction, prestige, and remuneration associated with size and the appearance of growth.
>
> In contrast, the impact of investment spending on earnings, and the deferred nature of its rewards, may not seem to be of benefit to current managers or fit with their short-term horizon in office.

Finally, Mr. Speaker, I wish to return to the Forbes article I mentioned earlier. Forbes reports that the financial analysts at Kidder, Peabody reviewed 20 of the 30 companies on the Dow Jones industrial index, calculating cash flow positions and taking into account the effects of inflation and of historic depreciation schedules. They found that 14 of the 20 companies surveyed last year paid out dividends with cash that they did not have. Here, we are talking about more than just the automobile manufacturers.

United States Steel and Bethlehem Steel both have been closing plants and laying off large numbers of workers lately. Both somehow managed to

pay out dividends of $1.60 per share in 1980, despite the Kidder, Peabody estimate that they had a combined discretionary cash flow of negative $2 billion. United States Steel even announced an increase in its dividend rate last week.

International Harvester, a company that made news recently by forgiving more than $1 million in loans to its chief operating officers, had a negative discretionary cash flow of over $1 billion last year. Yet, Harvester paid a dividend of $1.20 on each share of common stock in 1980.

I urge my colleagues to consider this information and ponder its troubling implications for the long-term health and growth of our economy. For your use and information, I am inserting at this point in the RECORD a table of the data developed by Kidder, Peabody:

THE AWFUL TRUTH

The extent to which major corporations are neglecting their plant and equipment, and paying dividends with cash they don't have, becomes painfully clear by looking at cash flow.

Kidder, Peabody & Co. recently calculated cash flow numbers for 20 of the 30 companies that make up the Dow Jones Industrial Average. Although many people think of cash flow as a simple addition of pretax earnings and depreciation, Kidder goes a giant step further. It recalculates the depreciation figure to take into account the ravages of inflation on historical depreciation schedules.

With this adjustment, 11 of the 20 companies came out of Kidder's computer with negative distributable cash flow for 1980. (That's the number showing how much money a firm really has control over, to spend on either growth or dividends.) On a cumulative basis for 1975 to 1979, 8 of these firms showed negative distributable cash flow.

You'd think that companies with negative distributable cash flow wouldn't continue giving dividends. Not so. In fact, the discretionary cash flow figure—distributable cash flow minus dividends—shows that 14 of these firms were paying dividends in 1980 with cash that, by Kidder's hard test, they do not have.

Some firms, of course, may be letting their plants run down deliberately—in effect, liquidating those assets—preparing to move into new, more lucrative businesses. But such decisions in specific cases hardly explain away the broadly negative results of Kidder's calculations.

[In millions of dollars]

Company	Net income (estimated)	Distributable cash flow	Discretionary cash flow
1980			
Alcoa	$445.0	$58.3	−$57.7
American Brands	389.0	184.3	42.1
American Can	95.7	−165.7	−225.5
Bethlehem Steel	95.0	−399.2	−469.2
Du Pont	670.0	−35.3	−455.3
General Electric	1,490.0	852.4	152.4
General Foods	[1]262.0	133.8	23.9
General Motors	−880.0	−4,069.1	−4,947.1
Goodyear	169.0	−488.2	−581.3
Inco	200.0	−86.5	−166.5
IBM	3,500.0	5,390.6	3,390.6
International Harvester	[2]−397.3	−948.9	−1,030.9
Johns-Manville	73.2	−51.2	−119.2
Merck	431.0	293.8	113.8
Owens-Illinois	127.3	2.8	−40.7

[In millions of dollars]—Continued

Company	Net income (estimated)	Distributable cash flow	Discretionary cash flow
Procter & Gamble	[3]642.8	319.5	38.4
Sears, Roebuck	[4]475.0	−220.6	−649.6
Union Carbide	885.3	−154.4	−360.4
United States Steel	353.0	−1,333.7	−1,472.7
United Technologies	390.0	96.4	−79.6

[1] Year ending March 1981.
[2] As reported, year ending October 1980.
[3] As reported, year ending June 1980.
[4] Year ending January 1981.

[In millions of dollars]

Company	Net income as reported	Distributable cash flow	Discretionary cash flow
1975–79 (cumulative total)			
Alcoa	$1,221.1	−$185.4	−$493.9
American Brands	978.6	495.4	−29.1
American Can	533.7	−141.6	−390.6
Bethlehem Steel	462.6	−1,660.8	−2,082.2
Du Pont	2,997.6	1,016.1	−517.0
General Electric	5,345.8	3,396.6	906.8
General Foods	985.1	146.5	−268.8
General Motors	13,894.1	5,393.5	−2,127.6
Goodyear	861.7	−1,144.4	−1,445.3
Inco	646.3	−515.6	−986.6
IBM	13,229.3	19,500.5	11,972.1
International Harvester	1,085.1	−170.8	−475.1
Johns-Manville	430.6	46.5	−140.7
Merck	1,451.1	1,056.2	446.2
Owens-Illinois	528.0	−16.7	−184.7
Procter & Gamble	2,285.5	1,455.2	425.4
Sears, Roebuck	3,786.6	1,272.5	−437.0
Union Carbide	2,158.5	30.8	−819.6
United States Steel	673.4	−4,883.1	−6,622.6
United Technologies	1,030.6	694.1	264.5

●

NATIONAL COIN WEEK RESOLUTION INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, today I have introduced a resolution that would authorize the President to issue a proclamation designating April 19 to April 25, 1981, as National Coin Week. I urge my colleagues in the House to join with me as cosponsors.

Millions of Americans in all parts of the country are coin collectors. Thousands of coin shops are scattered about in our towns and cities. The Americans who engage in this hobby help preserve valuable mementos of our Nation's past. Coins educate Americans of their history. Few Americans who have ever held a penny or a quarter in their hand can fail to know Lincoln and Washington.

Americans are very interested in coins and their Nation's coinage. Approximately one-half million Americans sent in orders last year to purchase silver dollars offered for sale by the General Services Administration, even though the prices begin at $45 per coin. Every year the mint sells millions of sets of uncirculated and proof coins, even though it does no advertising.

The theme for National Coin Week this year is "Coins: An Enduring Reflection of Man." Coins show the hopes and aspirations of the nations that issue them. All coins issued in the first days of our Republic displayed the head of Liberty, reflecting our newly won freedom and the Nation's determination to stay free. The appearance of the motto "In God We Trust" on 2-cent pieces in 1864 reflected the terrible strain of the Civil War and the Nation's reaffirmation of our faith in God.

National Coin Week has been celebrated every year for the past 57 years. This year, local coin clubs will put on exhibitions and educational displays throughout the country. Many of these displays will highlight topics of interest to the community where the clubs are located.

Mr. Speaker, National Coin Week is a celebration worthy of recognition by the Congress. I hope all Members will join me as cosponsors to this resolution.●

DOMESTIC VIOLENCE PREVENTION AND SERVICES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland (Ms. MIKULSKI) is recognized for 5 minutes.

● Ms. MIKULSKI. Mr. Speaker, today is a proud day for me. It is a day when women have come to the Capitol from all over the country to talk about the unfinished agenda awaiting the Congress and the President. And it is a day when I am reintroducing one of the most important parts of that agenda—the Domestic Violence Prevention and Services Act.

This desperately needed legislation passed the House twice in the 96th Congress by virtual 3 to 1 margins. Were it not for a threatened filibuster in the last days of the Congress by a small group of rightwing Senators, this bill would now be law.

As a result, thousands of women who live in terror of their lives still have no place to go. The longer enactment of this legislation has to wait, the greater financial hardship shelters find themselves in, and the more the need grows for their services. Wife-beating is a national epidemic, and we must take this modest first step if we are to begin making a dent in the problem.

Opponents have claimed this legislation represents Government interference in the family. Yet, the greatest threat to the health of the American family comes from violence—and this bill, with its emphasis on voluntarism and the values that have made America great, will actually serve to strengthen the family.

Opponents have claimed that this legislation will be an additional, unnecessary Government expense. Yet, this fiscally responsible bill represents only two one-hundred-thousandths of the total budget. The administration

has announced that stopping terrorism and violence is one of its top priorities—but if we don't start ending terrorism in the home, how are we ever going to stop it in the world? Surely, there is no more important priority for Government than this.

We must say that no longer will the woman who has to flee her home in the middle of the night in fear of her life and that of her unborn child, get to the shelter to find the doors have been closed because there was no money to pay the rent. We must say that no longer will the policeman be killed because he had to answer a family disturbance call. We must say that no longer will grandfather have to submit to physical and mental torture in silence and anguish. And we must say that no longer will the narrow, misnamed forces of reaction, representing only a few, thwart the will of the people.

So today, I call on my colleagues to join with Congressman GEORGE MILLER; Congresswoman LINDY BOGGS; a broad range of church, police, legal, labor, business, and women's groups; and myself in cosponsoring the Domestic Violence Prevention and Services Act, and working to insure its passage. I can think of no legislation for which there is a greater, more urgent need—and one in which we can do so much for so many at such little expense.●

EXPORT TRADING COMPANY ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 20 minutes.

● Mr. LAFALCE. Mr. Speaker, amid all the genuine concern over Federal budget deficits, there is another deficit which is equally as alarming. During the past 4 years, this country has amassed an estimated $147.1 billion in trade deficits; and that distressing pattern could very well continue throughout the 1980's, unless drastic action is taken.

One avenue for that drastic action could be restrictions on imports, but recourse to trade protectionism would be very ill-advised and would be exceedingly counterproductive in the end. If this country established tariff barriers against the goods and services of other countries, those countries would swiftly retaliate; and the end result would be relentless trade wars. The last example of worldwide trade wars helped deepen and prolong the Great Depression and helped lay the groundwork for the Second World War.

The other avenue for that drastic action is positive and effective encouragement for U.S. exports of goods and services. Today, I, my distinguished colleague from Florida (Mr. GIBBONS), and my distinguished colleague from Mississippi (Mr. HINSON) are introducing the Export Trading Company Act of 1981. A very similar bill received the unanimous endorsement of the Senate last fall, and a companion bill has already been introduced this year in the Senate with 54 cosponsors.

Mr. Speaker, this bill is not a panacea for this country's trade deficits, but it is a necessary first step toward increasing U.S. exports and reducing the chronic trade deficit. The purpose of this bill is to facilitate the formation and operation of U.S. export trading companies and the expansion of U.S. export trading services. At the present time, many small businesses, medium-sized companies, and smaller agricultural cooperatives do not export, despite the fact that their goods and services would be very competitive in world markets. The major reason for that failure is the lack of experience in world trade and the lack of access to financial, technical, and informational services.

The Department of Commerce has conservatively estimated that there are at least 20,000 small- and medium-sized firms that could be exporting but are not doing so. This bill would help correct that lamentable situation by creating viable entities which could provide the vital types of assistance in the private sector of the economy. Without that assistance, the United States will continue to neglect billions of dollars in potential export business, because small- and medium-sized corporations cannot afford the costs and risks associated with developing opportunities to market their goods and services abroad.

Title I of this bill would: First, increase the financial leverage of all exporters by directing the U.S. Export-Import Bank to develop an improved guarantee program to back commercial loans to U.S. exporters; second, direct the Secretary of Commerce to promote export trading companies by providing information about those companies to U.S. producers; third, permit financial institutions to make limited and strictly regulated investments in export trading companies; fourth, authorize additional appropriations to the Small Business Administration and the Economic Development Administration for increased loans and loan guarantees for export trading companies.

Title II would amend the Webb-Pomerene Act of 1918 to clarify the antitrust provisions applicable to export trade associations and export trading companies. It would also establish a reasonable certification process which would enable these associations and companies to obtain antitrust preclearance for specified export trade operations. That provision would facilitate exports by allowing companies to determine in advance which export trade activities would be exempt from antitrust suits and which would not be. The existing provisions of the Webb-Pomerene Act have long been an irritant to U.S. exporters, because of conflicting interpretations of its provisions.

I believe that the most important provision of this bill is its approval for participation in export trading companies by financial institutions. Without that participation, an export trading company bill would be little more than a sense-of-Congress resolution.

At the present time there are three basic legislative prohibitions against investments in export trading companies by financial institutions. First, the Edge Act prohibits an Edge Act corporation from investing in any corporation "engaged in the general business of buying or selling goods, ware, merchandise or commodities in the United States." Second, the Glass-Steagall Act generally prohibits a National or State bank from acquiring for its own account "any shares of stock of any corporation." Third, the Bank Holding Company Act generally prohibits a bank holding company from engaging in nonbanking activities or from owning or controlling shares of any company that is not a bank.

The Export Trading Company Act would override those specific prohibitions, but only in the case of export trading companies. I want to emphasize that this would otherwise leave intact the general prohibitions. I also want to emphasize that this would not establish a new precedent. For example, the Small Business Investment Corporation Act of 1958 allowed financial institutions to become financially and corporately involved in the area of small business because of a compelling need for capital for small businesses. Export trading companies are a very similar case to small business investment corporations.

The Export Trading Company Act contains strict provisions to insure that bank involvement in these companies does not lead to conflicts of interest, unsound banking procedures, or unfair methods of competition.

As a further safeguard, the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board would be authorized to strictly regulate financial institutions which participate in export trading companies. Investments by financial institutions could not exceed 5 percent of the institution's capital, and all controlling investments and all investments over $10 million would be subject to prior approval and conditions imposed by the respective Federal bank regulatory agency.

Mr. Speaker, I believe that these restrictions will effectively protect the fiduciary integrity of banks, bank holding companies, and Edge corporations, while permitting them to provide suitable assistance to export trading companies. This would not only help increase U.S. exports, but it would also allow U.S. financial institutions to compete on a more equal basis with their foreign counterparts. At the present time, foreign banks do control trading companies, as, for example, Barclays Bank, Ltd., which owns a trading company in this country.

I realize that these provisions constitute a conscious change of historical policy of separating banking from commerce; but I also realize that the inadequate rate of U.S. exports demands such a dramatic departure under carefully controlled conditions.

As I stated earlier, this bill is not presented as a panacea for this country's international trade problems. However, it would be an important first step toward solving those problems and eliminating the trade deficit. I hope that all of my colleagues will join with me to support this worthy bill.●

PRIVATE PENSION SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. FERRARO) is recognized for 10 minutes.

● Ms. FERRARO. Mr. Speaker, today I am introducing legislation to remedy some of the inequities and inadequacies women face under the private pension system. My bill will amend the Internal Revenue Code and the Employee Retirement Income Security Act (ERISA) to provide greater protection to women under private pension plans. Although the private pension system is regulated by the Federal Government under ERISA, there remain inequities that women, in particular, face.

Private pensions are an integral part of the retirement income system for workers in this country. According to a recent study by the President's Commission on Pension Policy, however, only 42 percent of the private sector employees in this country were covered by a pension plan in 1979. For women workers, the figure is even lower—around 32 percent. And, of course, being covered by a pension plan does not guarantee a benefit at retirement. Because of typical career patterns for women, it is less likely that a woman covered by a pension plan will ever be vested than it is that a man will reach vesting. Furthermore, current pension laws offer scant protection for the rights of women to survivor annuities from pension plans contributed to by their husbands. The pension is viewed as the property of the worker, and the contribution of his spouse to his career is virtually ignored.

The importance of insuring equitable pension benefits cannot be overstated. As the Commission noted, individuals who receive pension benefits are significantly better off at retirement than those who do not—so much so that the existence of one pension benefit often was the difference between poverty and nonpoverty. With unmarried women comprising 72 percent of the elderly poor, the time has come to remedy the private pension system so that it responds to these women's needs and recognizes their contributions.

The legislation I am introducing proposes practical, inexpensive solutions to some of the most serious problems women face in the private pension system. For example, although women's labor force participation rates are increasing, those participation rates are still highest for women aged 18 to 24. Under current Federal pension law, however, a person cannot participate in a pension plan until age 25. While workers are eligible for coverage retroactive to age 22 if they remain with the same employer until age 25, this policy frequently leaves women workers without pension protection for a major portion of their careers. My bill lowers the minimum age requirement from 25 to 21 to allow these women—and all workers—to participate in a pension plan continuously from age 21.

Working women also suffer under the current breaks-in-service rules. Despite the increased incidence of women working, women are still responsible for the maintenance of their families, especially the rearing of children. These family responsibilities tend to interrupt a woman's working life. Therefore, I am proposing that a parent should receive vesting, benefit, and participation accrual credits for a 1-year approved maternity or paternity leave, as is currently the case with military service.

As spouses, women also face many barriers to receiving survivor's benefits. The notion that the pension is the property of the worker alone has contributed to the lack of financial protection many widows experience. The President's Commission on Pension Policy viewed pensions as the property of the family and recognized the woman as wife, mother, and homemaker to the earning of the pension. I have proposed four changes to make the law recognize these contributions.

First, my bill will require that survivor protection be automatic for married spouses unless the spouse consents in writing to waive the option. This waiver must be either notarized or witnessed by a plan representative. Currently, participants may elect out of a joint and survivor option without notifying their spouse.

Second, my bill provides that survivors of employees who die before retirement with a vested benefit will receive the survivors benefit to which they would have been entitled if the employee died after retirement. Under current law, survivor benefits can be denied a spouse if the participant dies before retirement.

Current law also provides that if an employee dies from nonaccidental causes within 2 years of electing a joint and survivor option, the survivor option can be withdrawn. My bill eliminates this provision and guarantees that a pension that has been earned is paid to the survivor.

Finally, my bill provides that pension benefits can be assigned to divorced spouses upon order of a divorce court. ERISA currently contains language prohibiting assignment of benefits to anyone other than the participant. My bill would amend this prohibition to allow State divorce courts to assign a portion of pension benefits earned during a marriage to a spouse as part of a settlement.

In addition to the amendments to ERISA, I am proposing two amendments to the current law regarding individual retirement accounts (IRA's). As inflation rages on, more and more Americans are finding themselves financially strapped during their retirement years. I am proposing that a married individual with no income or with an income lower than that of his or her spouse be allowed to use the spouse's income to calculate the amount the individual could contribute to an IRA. As another means of encouraging people to save for their retirement, I am proposing that alimony payments be included in a person's total income for purposes of determining their maximum allowable contribution to an IRA.

Mr. Speaker, this bill is a practical, cost-effective approach to some of the problems women face under the private pension system. In a time when the incentive to prepare for retirement is overshadowed by the realities of inflation and economic hardship, we must make all reasonable efforts to help people achieve financial security for their retirement.●

THE PAUL VOLCKER RETIREMENT ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota (Mr. DORGAN) is recognized for 5 minutes.

● Mr. DORGAN of North Dakota. Mr. Speaker, when an elected official does not measure up to the expectations of his or her constituents, that official finds himself or herself out of office after the next election.

And when the head of a private business leads that business into losses, the business head is removed.

Performance and accountability go together.

Yet the Chairman of the Federal Reserve Board, the individual in this Nation who is most responsible for one-half our economic policy—our monetary policy—is not accountable to anyone. No matter how much hardship the Fed's policies inflict upon the American people, the President and Congress can do virtually nothing about it.

Today, I am proposing that we change that. I am introducing a very simple measure which would enable the Congress, by a three-fifths vote of each House, to remove the Fed Chairman from that office.

Mr. Speaker, the high interest policies over which the current Fed Chairman, Mr. Paul Volcker, has presided, have been a disaster for the American people. They have brought an epidemic of small business bankruptcies, scorched the auto and homebuilding industries, burdened farmers with 45 percent more interest payments than they had 1 year ago, increased the Federal deficit, worsened inflation and generally have made life miserable for millions of Americans.

The lawmakers who wrote the Federal Reserve Act in 1913 never intended for the Fed and its Chairman to have this kind of power. President Woodrow Wilson, who guided the act through Congress and signed the act, warned that—

> The contol of the system of banking and of (issuing money) * * * must be vested in the Government itself so that the banks may be the instruments, not the masters, of individual initiative and enterprise.

Mr. Speaker, I propose that we take President Wilson's advice.

We need a long and hard debate over the structure and policies of the Federal Reserve System. My bill is intended to sharpen this debate.

The extension of my remarks explains the Paul Volcker Retirement Act and the reasons for it, in more detail.

Thank you, Mr. Speaker.●

ANNIVERSARY OF THE UKRAINIAN DECLARATION OF INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ADDABBO) is recognized for 5 minutes.

● Mr. ADDABBO. Mr. Speaker, it is with great pleasure that this body today commemorates with all Ukrainians the 63d anniversary of the Ukrainian Declaration of Independence and Self-Determination.

In taking the time to acknowledge this important date in history, we are celebrating the strength, wisdom, and character of the Ukrainian people, a people who have courageously maintained their individual and collective identities in the face of Soviet oppression. Indicative of their spirit, the more the Soviet Union takes steps to suppress their cultural, historical, and intellectual traditions, the stronger all Ukrainians have become.

As we observe the Ukrainian anniversary of independence, we must take the time to remember that it was the Ukraine to be the first nation to fall into the grasp of Soviet imperialism, an imperialism which has been characterized by broken promises in countless treaties signed in good faith by numerous nations. It is an imperialism which has been continuously seeking to expand the sphere of influence of the Soviet Union, and in most recent months, into Afghanistan and possibly in the future, well into the Persian Gulf. The United States must continue to demonstrate its role as the champion of all free people of the world, but more importantly, it must continue to support the people of the Ukraine and all other people who live under Soviet oppression, in their goals for political as well as religious freedom.

With all this in mind, we join the Ukrainian people in paying homage to their never ending goal of freedom, human rights, and the true national independence of the Ukraine.●

RECOGNIZING SRI LANKA'S NATIONAL DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. FOLEY) is recognized for 5 minutes.

● Mr. FOLEY. Mr. Speaker, I have the pleasure to rise today, February 4, to recognize the National Day of Sri Lanka. Today marks the 33d anniversary of Sri Lanka's nationhood. It also represents the third year in office for His Excellency, J. R. Jayewardene, the First Executive President of Sri Lanka.

Sri Lanka's success in meeting basic human needs, and recognizing fundamental human liberties, stands as an example within the community of developing and developed nations alike. Life expectancy and literacy remain remarkably high, as does the index which measures the quality of life overall.

This nation has been subject to many of the difficulties which are normally associated with the transition to independence from European dominance. Its economy has labored under the usual disadvantages of an undue dependence on a small number of commodities, which are vulnerable to abrupt price shifts in the international market. However, through an innovative economic development plan which involves agricultural self-sufficiency, energy independence, and the attraction of foreign investment for industrial development, Sri Lanka is facing up to these problems.

For the richly diverse and independent country of Sri Lanka, today will be a day when the past is reviewed with pride, and the future anticipated with confidence. Our two countries have enjoyed a long and happy relationship. I have every hope and expectation that they will continue to do so in the upcoming years. It is a pleasure to extend my congratulations to the entire country of Sri Lanka on this important date.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. BROWN of Colorado) to revise and extend his remarks and include extraneous material:)

Mr. DAUB, for 5 minutes, today.

(The following Members (at the request of Mr. MOAKLEY) to revise and extend their remarks and include extraneous material:)

Mr. BEDELL, for 5 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Ms. MIKULSKI, for 5 minutes, today.
Mr. LAFALCE, for 20 minutes, today.
Ms. FERRARO, for 10 minutes, today.
Mr. DORGAN of North Dakota, for 5 minutes, today.
Mr. ADDABBO, for 5 minutes, today.
Mr. FOLEY, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MOAKLEY) and to include extraneous matter:)

Ms. MIKULSKI.
Mr. ZEFERETTI.
Mr. MONTGOMERY.
Mr. FLORIO.
Mr. NOWAK.
Mr. FORD of Michigan.
Mr. NATCHER in two instances.
Mr. HAMILTON.
Mr. DYSON.
Mr. MAVROULES.
Mr. VENTO in two instances.
Mr. YATRON.
Mr. PEPPER.
Mr. LUNDINE in two instances.
Mr. LAFALCE.
Mr. DORGAN of North Dakota.
Mr. BEILENSON.
Mr. FOUNTAIN in two instances.
Mr. APPLEGATE.
Mr. MOAKLEY in two instances.
Mr. HAWKINS.
Mr. LANTOS.

Mr. McDONALD in five instances.
Mr. WEISS in 15 instances.
Mr. WON PAT.
(The following Members (at the request of Mr. BROWN of Colorado) and to include extraneous matter:)
Mr. HINSON.
Mr. GRISHAM.
Mr. MOORHEAD.
Mr. MCCLOSKEY in two instances.
Mr. PORTER.
Mr. GREEN.
Mr. WOLF.
Mr. ROUSSELOT in three instances.
Mr. GILMAN.
Mr. FINDLEY in two instances.
Mr. DERWINSKI in three instances.
Mr. KINDNESS.
Mr. SMITH of New Jersey in three instances.
Mr. COLLINS of Texas.
Mr. FIEDLER.
Mr. BEREUTER in two instances.
Mr. RUDD in three instances.
Mr. HANSEN of Idaho in three instances.
Mr. HYDE.
Mr. MCCLORY.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p.m.), the House adjourned until tomorrow, Thursday, February 5, 1981, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

464. A letter from the Acting Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics), transmitting a report on the performance of Defense Department commercial and industrial-type functions, pursuant to section 502(c) of Public Law 96-342; to the Committee on Armed Services.

465. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a report reviewing economic relations between the United States and Taiwan in 1980, pursuant to section 12(d) of Public Law 96-8; to the Committee on Foreign Affairs.

466. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

467. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on NASA's disposal of foreign excess property during fiscal year 1980, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

468. A letter from the Clerk, U.S. Court of Claims, transmitting a certified copy of the court's judgment order No. 363, The Lower Sioux Indian Community in Minnesota against The United States; to the Committee on Interior and Insular Affairs.

469. A letter from the Acting Commissioner, Immigration and Nationalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, together with a list of the persons involved, pursuant to section 244(c) of the act; to the Committee on the Judiciary.

470. A letter from the Acting Commissioner, Immigration and Nationalization Service, Department of Justice, transmitting a copy of the order suspending deportation under the authority of section 244(a)(2) of the Immigration and Nationality Act, pursuant to section 244(c) of the act; to the Committee on the Judiciary.

471. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a report on the North Atlantic Treaty Organization's Acquisition and Cross-Servicing Agreement, for fiscal year 1981, pursuant to section 2330 of 10 U.S.C.; jointly, to the Committees on Armed Services and Foreign Affairs.

472. A letter from the Comptroller General of the United States, transmitting a report on the performance of fiscal intermediaries in processing claims and providing other services under the Department of Defense's civilian health and medical program of the Uniformed Services (HRD-81-38, Feb. 2, 1981); jointly, to the Committees on Government Operations and Armed Services.

473. A letter from the Comptroller General of the United States, transmitting a report on accounting changes that are needed in the Railroad industry (AFMD-81-26, Feb. 4, 1981); jointly, to the Committees on Government Operations and Energy and Commerce.

474. A letter from the Comptroller General of the United States, transmitting a report to the Secretary of Health and Human Services to improve the identification and monitoring of assets of Supplemental Security Income Recipients (HRD-81-4, Feb. 4, 1981); to the Committees on Government Operations and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 54. Resolution providing for the consideration of H.R. 1553. A bill to provide for a temporary increase in the public debt limit (Rept. No. 97-2). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX (for himself and Mr. FORSYTHE):

H.R. 1638. A bill to provide for the control of illegally taken fish and wildlife, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CORRADA:

H.R. 1639. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to carry out a project along the Martin Pena Canal in the area of San Juan, Puerto Rico; to the Committee on Public Works and Transportation.

By Mr. DORGAN of North Dakota:

H.R. 1640. A bill to amend the Federal Reserve Act to provide that the Chairman of the Board of Governors of the Federal Reserve System may be removed from such position by the adoption of a concurrent resolution by a three-fifths vote of both Houses of the Congress; to the Committee on Banking, Finance and Urban Affairs.

By Ms. FERRARO:

H.R. 1641. A bill to amend the Internal Revenue Code of 1954 and the Employee Retirement Income Security Act of 1974 to provide greater protection to women under private pension plans; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. FITHIAN:

H.R. 1642. A bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes; to the Committee on Ways and Means.

By Mr. GRISHAM:

H.R. 1643. A bill to prohibit the use of Federal housing assistance with respect to certain aliens; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HANCE (for himself, Mr. PICKLE, and Mr. LOEFFLER):

H.R. 1644. A bill to repeal the crude oil windfall profit tax; to the Committee on Ways and Means.

By Mr. HANCE:

H.R. 1645. A bill to terminate the Department of Energy; jointly, to the Committees on Government Operations and Rules.

By Mr. HAWKINS:

H.R. 1646. A bill to extend the authorization of youth training and employment programs and improve such programs, to authorize intensive and remedial education programs for youth, and for other purposes; to the Committee on Education and Labor.

By Mr. KINDNESS (for himself and Mr. SAM B. HALL, JR.):

H.R. 1647. A bill to revise title 18 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. LAFALCE (for himself, Mr. GIBBONS, and Mr. HINSON):

H.R. 1648. A bill to encourage exports by facilitating the formation and operation of export trading companies, export trade associations, and the expansion of export trade services generally; jointly, to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. LUNGREN (for himself and Mr. MAZZOLI):

H.R. 1649. A bill to amend title 28 of the United States Code to provide for reassignment of certain Federal cases upon request of a party; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. BADHAM, Mr. DANNEMEYER, Mr. RAILSBACK, Mr. BURGENER, Mr. BUTLER, Mr. DERWINSKI, and Mr. WHITEHURST):

H.R. 1650. A bill to amend the Immigration and Nationality Act to establish a program to permit nationals of Mexico to enter the United States to perform temporary services or labor; to the Committee on the Judiciary.

By Ms. MIKULSKI (for herself, Mr. MILLER of California, and Mrs. BOGGS):

H.R. 1651. A bill to provide for Federal support and encouragement of State, local, and community activities to prevent domestic violence and assist victims of domestic violence, to provide for coordination of Federal programs and activities relating to domestic violence, and for other purposes; to the Committee on Education and Labor.

By Mr. MILLER of California:

H.R. 1652. A bill to amend the Clean Air Act; to the Committee on Energy and Commerce.

By Mr. NEAL:

H.R. 1653. A bill to amend the Federal Reserve Act to control the growth of the money supply and promote stable prices, reasonable interest rates, and maximum employment; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1654. A bill to provide that the interest rate on federally insured mortgages under section 203(b) of the National Housing Act shall be the rate charged for uninsured mortgages; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1655. A bill to limit the acquisition and use of motor vehicles; to the Committee on Government Operations.

H.R. 1656. A bill to increase the rates of duty on certain tobacco and to prohibit the payment of substitution drawback with respect to imports of such tobacco; to the Committee on Ways and Means.

By Mr. NOWAK:

H.R. 1657. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to permit States to pay extended benefits on the basis of area triggers; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 1658. A bill to establish a procedure, in addition to impeachment, for the removal of certain members of the judiciary of the United States whose conduct is or has been inconsistent with the good behavior required by article III, section 1 of the Constitution of the United States, to establish additional procedures for the retirement of certain disabled members of the judiciary of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. RUDD:

H.R. 1659. A bill to enhance U.S. intelligence-collecting capabilities by prohibiting the unauthorized disclosure of information concerning individuals engaged or assisting in foreign intelligence or counterintelligence activities, and for other purposes; jointly, to the Committees on Intelligence, Post Office and Civil Service, and Veterans' Affairs.

By Mr. RUDD (for himself, Mr. BEVILL, Mr. DANIEL B. CRANE, Mr. JEFFRIES, Mr. LOTT, Mr. MOLLOHAN, and Mr. MOTTL):

H.R. 1660. A bill to repeal the Metric Conversion Act of 1975 (89 Stat. 1007; 15 U.S.C. 205a et seq.); to the Committee on Science and Technology.

By Mr. VANDER JAGT:

H.R. 1661. A bill to amend title II of the Social Security Act to provide that child's insurance benefits may not be paid to a stepchild on the basis of an insured individual's wage record for any period in which such individual neither has custody of the child nor is responsible for his or her support; to the Committee on Ways and Means.

By Mr. WEISS (for himself, Mrs. CHISHOLM, Mr. MILLER of California, Mr. GIBBONS, Mr. MOFFETT, Mr. RICHMOND, Mrs. SCHROEDER, Mr. WALGREN, and Mr. DIXON):

H.R. 1662. A bill to require certain information be provided to individuals who take standardized educational admission tests, and for other purposes; to the Committee on Education and Labor.

By Mr. WEISS (for himself, Mr. ADDABBO, Mr. CORRADA, Mr. SHAMANSKY, Mr. RICHMOND, Mr. SOLARZ, Mr. RINALDO, Mr. VENTO, Mr. MITCHELL of Maryland, Mr. WALGREN, Mr. SCHEUER, Mr. KILDEE, Mr. YATRON, Mr. PRICE, Mr. HOWARD, Mr. GUARINI, Mr. SIMON, Mr. ROE, and Mr. TRAXLER):

H.R. 1663. A bill to establish an office in the National Institutes of Health to assist in the development of drugs for diseases and conditions of low incidence; to the Committee on Energy and Commerce.

By Mr. WOLF (for himself, Mr. WAMPLER, Mr. ROBINSON, Mr. TRIBLE, and Mr. BLILEY):

H.R. 1664. A bill to direct the Secretary of Transportation to enter into negotiations with the State of Virginia to lease Dulles International Airport to the State of Virginia, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. YOUNG of Florida:

H.R. 1665. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

H.R. 1666. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

H.R. 1667. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and Labor.

H.R. 1668. A bill to require public disclosure by certain recipients of Federal funds of information required to be kept by such recipients as a condition of receiving such funds; to the Committee on Government Operations.

H.R. 1669. A bill to require candidates for Federal elective office to resign any elective public office the term of which ends after the beginning of the term of such Federal office before filing in the general election for such Federal office; to the Committee on House Administration.

H.R. 1670. A bill to amend section 700 of title 18, United States Code, relating to desecration of the flag of the United States; to the Committee on the Judiciary.

H.R. 1671. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

H.R. 1672. A bill to amend the Marine Mammal Protection Act of 1972 in order to prohibit the issuance of general permits thereunder which authorize the taking of marine mammals in connection with commercial fishing operations, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 1673. A bill to provide that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

H.R. 1674. A bill to eliminate automatic cost-of-living pay adjustments for Members of Congress; to the Committee on Post Office and Civil Service.

H.R. 1675. A bill to amend title 38, United States Code, to provide that remarriage of the widow of a veteran after age 60 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

H.R. 1676. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives for the modification of certain facilities and vehicles so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

H.R. 1677. A bill to amend title II of the Social Security Act to reaffirm the fact that benefits payable thereunder are exempt from all taxation; to the Committee on Ways and Means.

H.R. 1678. A bill to amend title 5 of the United States Code to establish a uniform procedure for congressional review of agency rules which may be contrary to law or inconsistent with congressional intent, to expand opportunities for public participation in agency rulemaking, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

H.R. 1679. A bill to require the Secretary of Transportation to prescribe regulations requiring certain modes of public transportation in interstate commerce to reserve some seating capacity for passengers who do not smoke; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

H.R. 1680. A bill to amend title XVI of the Social Security Act to provide that certain aliens may not qualify for supplemental security income benefits unless they not only are permanent residents of the United States but have also continuously resided in the United States for a period of 5 years, and to provide that an alien may not be admitted to the United States unless a citizen of the United States agrees to provide support to such alien for a period of 5 years after admission, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. ANNUNZIO (for himself and Mr. BAILEY of Pennsylvania):

H.J. Res. 160. Joint resolution to provide for the designation of April 19 to April 25, 1981, as "National Coin Week"; to the Committees on Post Office and Civil Service.

By Mr. PHILLIP BURTON (for himself, Mr. WON PAT, Mr. DE LUGO, and Mr. SUNIA):

H.J. Res. 161. Joint resolution proposing an amendment to the Constitution of the United States to provide a Presidential vote for the insular areas; to the Committee on the Judiciary.

By Ms. MIKULSKI:

H.J. Res. 162. Joint resolution designating the week beginning March 8, 1981, as "Women's History Week"; to the Committee on Post Office and Civil Service.

By Mr. WON PAT:

H.J. Res. 163. Joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.J. Res. 164. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

H.J. Res. 165. Joint resolution proposing an amendment to the Constitution of the United States to provide that Members of Congress who have been convicted of a felony and who have exhausted all judicial appellate procedures shall cease to hold office; to the Committee on the Judiciary.

H. Con. Res. 56. Concurrent resolution calling for full freedom and independence for the Baltic States; to the Committee on Foreign Affairs.

H. Con. Res. 57. Concurrent resolution expressing the sense of the Congress that the United States should seek, through diplomatic channels, the withdrawal of certain personnel of the Soviet Union from Estonia, Latvia, and Lithuania and the release by the Soviet Union of political prisoners of Estonian, Latvian, and Lithuanian descent; to the Committee on Foreign Affairs.

By Mr. PANETTA:

H. Res. 55. Resolution expressing the sense of the House that all internal revenue bills providing a decrease in revenues to the Treasury should be made part of the first reconciliation bill of the 97th Congress, and that the aggregate revenue loss from such revenue bills should be limited to the aggregate net spending reductions under such reconciliation bill; to the Committee on Ways and Means.

By Mr. BOLLING (for himself and Mr. QUILLEN):

H. Res. 56. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Rules; to the Committee on House Administration.

By Mr. YOUNG of Florida:

H. Res. 57. Resolution to reaffirm the use of our national motto on coins and currency; to the Committee on Banking, Finance and Urban Affairs.

H. Res. 58. Resolution to reaffirm the use of the phrase, "Under God," in the Pledge of Allegiance to the flag of the United States; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. YOUNG of Florida:

H.R. 1681. A bill for the relief of Andre Bartholo Eubanks; to the Committee on the Judiciary.

H.R. 1682. A bill for the relief of Dr. Virgilio Follosco Floresca and Thelma Pulido Floresca; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. CHAPPELL.

H.R. 55: Mr. EDWARDS of Alabama.

H.R. 146: Mr. DUNN.

H.R. 374: Mr. RICHMOND, Mr. BOLAND, Mr. MOAKLEY, Mr. YATES, Mr. ADDABBO, Mr. FAUNTROY, Mr. MARKEY, Mr. PEPPER, Mr. BARNES, Mr. NOWAK, Mr. DORNAN of California, Mr. MILLER of California, Mr. ST GERMAIN, Mr. ROSENTHAL, Mr. JACOBS, Mr. OTTINGER, Mr. BEARD, Mr. STARK, Mr. CLAY, Mr. BINGHAM, Mr. WEISS, Mr. JOHN L. BURTON, Mr. HOLLENBECK, Mr. EDWARDS of California, Mr. MCKINNEY, Ms. MIKULSKI, Mr. KEMP, Mr. COLLINS of Texas, Mr. WAXMAN, Mr. GRAY, Mr. PANETTA, Mr. GRISHAM, Mr. EDGAR, Mr. REUSS, Mr. YOUNG of Missouri, Mr. MINISH, Mr. DIXON, Mr. RATCHFORD, Mr. MITCHELL of Maryland, and Mr. MINETA.

H.R. 1003: Mr. TAYLOR, Mr. BROWN of Ohio, Mr. MITCHELL of New York, Mr. GUYER, and Mr. HINSON.

H. Con. Res. 43: Mr. RALPH M. HALL, Mr. HINSON, Mr. MCDADE, Mr. HOWARD, Mr. MARRIOTT, Mr. HANSEN of Idaho, Mr. FAUNTROY, Mrs. FENWICK, Mr. DUNCAN, Mr. LAGOMARSINO, Mr. WHITEHURST, Mr. LUNGREN, Mr. WINN, Mr. BOWEN, and Mr. ROSE.

H. Res. 13: Mr. LAGOMARSINO, Mr. ADDABBO, Mr. ROE, Mr. BARNARD, Mr. HYDE, Mr. CONYERS, Mr. CORRADA, Mr. ANDREWS, Mr. SCHUMER, Mr. WINN, Mr. SOLARZ, and Mr. JAMES K. COYNE.

H. Res. 50: Mr. HOLLENBECK, Mr. OBERSTAR, Mrs. COLLINS of Illinois, Mr. TRAXLER, Mr. WEISS, Mr. LAFALCE, Mr. CLAY, Mr. KASTENMEIER, Mr. RANGEL, Mr. HOWARD, and Mr. NOWAK.

PETITIONS, ETC.

Under clause 1 of rule XXII,

23. The SPEAKER presented a petition of the city council, Philadelphia, Pa., relative to an urban development action grant application; which was referred to the Committee on Banking, Finance and Urban Affairs.

EXTENSIONS OF REMARKS

DEFENSE ECONOMIC ADJUSTMENT ACT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, a formidable obstacle to effective arms control initiatives is the belief that cutbacks in defense spending will cause serious economic dislocation in communities. The cause of world peace and mutual disarmament is hindered by such fears that the conversion of military facilities to peaceful purposes will result in significant job losses and industrial disruption.

To counter these claims and to facilitate a smooth transition from unnecessary defense activity to essential human service production, I recently introduced the Defense Economic Adjustment Act. This legislation lays out a sound and reasonable method of encouraging arms limitation and promoting both economic expansion and, with it, the national welfare.

My bill would provide economic assistance to those communities, industries, and workers affected by significant reductions in defense expenditures. The legislation would create a Defense Economic Adjustment Council in the Executive Office of the President and would establish an economic adjustment trust fund to finance conversion of defense facilities to peaceful production. Alternative use committees would be formed under the bill to undertake careful economic planning and research in affected communities. Workers displaced by reductions in defense contracts would receive financial assistance and employment training by this bill.

The Defense Economic Adjustment Act is an essential step toward a more secure world and a more prosperous United States. I urge my colleagues to join me in supporting this effort to accomplish the urgent goals of arms limitation and socially and economically beneficial production.●

ON RACIAL AND RELIGIOUS BIGOTRY

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. ROUSSELOT. Mr. Speaker, as I am sure you know, our country in recent months has been suffering from a resurgence of racial and religious bigotry, vandalism, and crime.

In my own district, in the San Gabriel Valley suburbs of Los Angeles, several acts of anti-Semitic vandalism and destruction have taken place in the past few months.

Nazi swastikas and anti-Semitic graffiti have desecrated synagogues, Jewish-owned businesses, and homes. Temple Beth David, of Temple City in my district, suffered extensive and tragic destruction in an arson fire during the Jewish festival of Hanukkah in December. Two self-professed members of the American Nazi Party have been arrested and are scheduled for trial for this horrible act.

Jews and gentiles alike are alarmed by these and other desecrations of houses of worship, Jewish institutions and Jewish cemeteries. Public officials, clergymen and leaders of other ethnic and religious groups have shown their outrage as well.

America is the greatest country in the world because she has blended the genius and talent of the many peoples who have made up the mosaic of our Nation. Only in a free republic can this happen successfully. And freedom of the expression of religious beliefs is a part of that mosaic. We cannot allow racial and religious hatred to destroy what we have in America.

It is time that we, as elected representatives, provide significant leadership for our country by speaking out in condemnation of this disturbing trend.

I urge my colleagues to review the following article that appeared in the Los Angeles Jewish Community Bulletin of the Jewish Federation-Council of Greater Los Angeles, Jan. 12, 1981:

A sharp increase in assaults and vandalism against Jewish institutions, houses of worship, cemeteries and private property occurred last year, compared to 1979, according to a nation-wide survey conducted by the Anti-Defamation League of B'nai B'rith.

The findings revealed 377 reported anti-Semitic incidents in 1980 as against 129 in '79. These included firebombings, swastika daubings, anti-Jewish graffiti and other acts of vandalism in 29 states and the District of Columbia.

The largest number of incidents—120—was reported from New York State, with 69 in New York City's five boroughs and 39 in Nassau and Suffolk counties. New Jersey came next with 69, Massachusetts with 34, California with 27, Michigan 21, Illinois and Rhode Island with 12 each.

In addition, there were 112 anti-Semitic incidents involving bodily assaults against Jews, harassments or threats by phone or mail directed at Jewish institutions, their officials or private Jewish citizens.

Mr. Speaker, I would also like to share with my colleagues a letter I sent to Rabbi Alan R. Lachtman after the demolition of the sanctuary in his Temple Beth David of the San Gabriel Valley:

I was appalled to learn that temples in my district in recent months have been defiled with swastikas on the synagogue walls, broken windows and other acts of violence. I am outraged at the recent demolishing of your sanctuary. It is not only shocking but it must be considered a malicious affront to the avowed precepts of our nation.

The Hispanic-Jewish Action Committee is to be commended for its immediate response to this act of racist and anti-Semitic activity. It is my understanding that a letter writing campaign has been launched by them to encourage citizens in the San Gabriel Valley to indicate their displeasure at the destruction of houses of worship.

I have read with pride the open letter to the community by Father Craig Cox, President of the Temple City Ministerial Association, pledging support to your temple and opening the doors of worship to the Jewish community until it once again has full use of its facilities.

This action is indeed an indication of the true Christian/Judeo brotherhood spirit. I join Father Cox and the Hispanic-Jewish Action Committee in letting our Jewish friends know that they have our support and concern during this period of crisis.●

ALVIN NELSON LOSKAMP, A CIVIC LEADER

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. MOORHEAD. Mr. Speaker, there is an old Chinese proverb which suggests, "It is better to light a candle than to curse the darkness." An unfortunate aspect of the contemporary scene is that many of us seem to spend our time cursing the darkness rather than lighting candles.

This, however, is not the case with Alvin Nelson Loskamp, a civic leader and a source of civic pride in the city of Burbank. He is an achiever and an optimist. He is a man who gives of his time and energies and expertise. He chooses not to waste his time cursing darkness but instead seeks to light candles.

Since moving to Burbank in 1970, Mr. Loskamp has held numerous positions of leadership in the community. Most recently, he was the president of the Burbank Chamber of Commerce, on whose board of directors he served for 4 years.

He has also been president and a member of the Burbank Planning Board, the Burbank Bar Association, the YMCA, the Burbank Noon Lions

Club, and the alumni association of the Loyola Law School of Los Angeles. Further, he is a member of Phi Alpha Delta law fraternity and the Los Angeles Alumni Chapter Justice.

Within each of these organizations, he has made significant contributions. He has not stood still, complaining loudly, about the current condition. Rather, he has become involved deeply with his society. As a result, we have all benefited.●

SOVIET JEWRY EFFORTS MUST CONTINUE

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. GREEN. Mr. Speaker, I am sure that all my colleagues are painfully aware of the harsh policies the Soviet Union has imposed on Soviet Jews wishing to emigrate. The number of people allowed to emigrate has declined and the treatment of those forced to stay has deteriorated. The recent issue of Currents, a monthly publication from the Greater New York Conference on Soviet Jewry, provides an interesting look at this problem. The article points out that even though 1980 was not a good year for Soviet Jews we must look forward; 1980 should not result in us giving up on our efforts. Instead, we must press ahead with greater fervor. I am sure that my colleagues will find this article quite useful and, as a result, I have included it in the RECORD.

TRENDS IN SOVIET JEWISH EMIGRATION

The dramatic decline in the number of Soviet Jews permitted to emigrate in 1980 was one facet of widespread Soviet crackdown on dissent. While Western attention focused on Afghanistan, the Persian Gulf, and Poland, the Soviet authorities sent Andrei Sakharov into internal exile, made sweeping arrests of Helsinki monitors and other "troublemakers" before the Moscow Olympics, created new procedural obstacles to Jewish emigration, and detained one of the leading Jewish activists, Viktor Brailovsky.

As 1981 begins, international tensions show no sign of easing, and the Soviets' internal crackdown shows no sign of abating. Between East and West, the level of competition has increased, the level of cooperation has decreased, and the spirit of accommodation has almost completely vanished. For Soviet Jews, the picture is now bleaker than it has been since the early 1970's, before the advent of detente.

However, the discouraging trends of 1980 should not overwhelm the positive accomplishments of the Soviet Jewry movement in the past ten years. In 1971, there was little expectation that a quarter of a million Jews would be permitted to leave the Soviet Union in the course of the decade. The combination of the politics of detente and the successful efforts of organizations such as the Greater New York Conference on Soviet Jewry to influence Western leaders by mobilizing broad-based, non-partisan, grassroots support demonstrated the ability of concerned Americans to influence Soviet policy. The frustrations of 1980 were greater because of the achievements of 1979. The lesson of 1980 must be that Western concern and Western pressure have to be even greater in 1981.

The urgency of the issue of Soviet Jewish emigration has not diminished. Regardless of the fluctuations in annual emigration totals, the Western world cannot rest while the right of any Jew to leave the Soviet Union is denied unreasonably. The West cannot simply accept decreased emigration as one of the by-products of the new "Cold War."

The right to leave one's country has been a recognized part of international law since the United Nations General Assembly adopted the Universal Declaration of Human Rights in 1948. As Nobel Peace Prize winner Andrei Sakharov stated in 1971: "The freedom to emigrate . . . is an essential condition of spiritual freedom. A free country cannot resemble a cage, even if it is gilded and supplied with material things."

Soviet authorities granted 58 percent fewer exit visas to Soviet Jews in 1980 than in 1979. New barriers in the emigration process caused this sharp decline. They include:

restricting eligibility of visa applicants by accepting Israeli invitations from first-degree relatives only;

arresting key emigration and culture activists to intimidate potential visa applicants;

closing OVIR offices frequently;

confiscating or delaying delivery of invitations;

insisting on typed documents accompanied by a notarized statement of parental approval of emigration;

varying regulations from city to city to confuse refusenik spokesmen.

These regulations have deterred many thousands of Soviet Jews from applying, have caused a substantial drop in requests for invitations and have significantly increased the number of refuseniks.●

TRADE DEFICIT

HON. JON HINSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. HINSON. Mr. Speaker, the United States is on the threshold of recording the largest annual trade deficit in its history. To reverse the unfavorable trend of the last few years, a national export policy to reestablish the competitiveness of U.S. businessmen in international markets is essential. Legislation to facilitate and promote the formation of export trading companies and associations would provide one vital element of such a policy. I am pleased today to join with my colleagues Mr. LAFALCE of New York and Mr. GIBBONS of Florida in introducing the export trading company bill, legislation which revises laws and policies, particularly in the banking and antitrust areas, which have discouraged the establishment of export trading companies.

Our competitive position in world markets is at stake. There is a critical need to convince businessmen and the public that the country needs to export to maintain our standard of living. Companies that export increase employment opportunities in the United States, reduce the trade deficit, and add to the value of the dollar. Opportunities for more sales of U.S.-made products and services should be created. The world market for goods and services is growing—faster than our own domestic market—and we should be more involved in it rather than seeking to reduce our involvement in it.

The Commerce Department reports that only 10 percent of the 250,000 U.S. manufacturing firms export their products and that total U.S. exports account for the lowest percentage of gross national product of any industrialized nation. Also 95 percent of U.S. manufacturing firms are small- or medium-sized companies which employ less than 1,000 persons.

Our success in global competition is determined not just by the resources and efforts of individual enterprises, but also by the entire structure of our business system and the framework of laws and policies in which businesses operate. The purpose of this bill is to strengthen the international competitiveness of the United States by providing small- and medium-sized U.S. firms increased opportunities to export.

By authorizing the Export-Import Bank to provide financial assistance in the form of direct loans or loan guarantees to export trading companies and by authorizing the Department of Commerce and the Small Business Administration to provide startup and operating assistance to these companies, this legislation will remove a number of the structural obstacles and disincentives to exporting which are difficult for the independent firm to overcome.

By extending the antitrust provisions under the Webb-Pomerene Act to the export activities of export trading companies, as this legislation does, we can abate certain business uncertainties and enable export trading companies to establish a close relationship with domestic manufacturers to exploit the traditional U.S. strength in producing new and innovative products.

By allowing for participation in export trading companies by financial institutions, perhaps one of the most important features of this bill, U.S. banking organizations through their systems, skill, and experience will be able to provide one-stop export services to U.S. firms. Furthermore, by addressing entry and aggregate investment limitations, by establishing certain restrictions of banking organiza-

tion investors and ETC's, and by providing substantial regulatory flexibility to the Federal financial supervisory agencies to control investments by banking organizations in ETC's, the Export Trading Company Act insures the necessary safeguards against conflict of interest, unsound banking practices, or unfair methods of competition.

Increased exports sales would benefit the entire economy, and I urge support for this legislation which represents a positive step toward insuring our Nation's ability to earn its keep in world markets.●

NATIONAL COMMISSION ON SOCIAL SECURITY FAVORS USING INCOME TAX TO PARTIALLY FINANCE SOCIAL SECURITY-MEDICARE SYSTEM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, social security is one of our Nation's most important institutions.

In one form or another, it touches the lives of almost every American family.

More than 9 out of 10 persons 65 years or older either receive or are eligible to receive social security benefits.

About 115 million individuals work in social security covered employment. In return, they are building retirement, survivor, and disability protection for themselves and their families.

Social security, of course, is much more than just a retirement program for older Americans. In a very real sense, it is family security for younger and middle-aged workers, as well as their spouses and children.

These facts underscore the importance of social security. A program as large and as vital as social security must be built upon the soundest financial foundation. Social security must also continue to remain soundly conceived, equitable, and responsive to changing developments in our society.

A few weeks ago, the National Commission on Social Security submitted a summary of recommendations aimed at bolstering this vital system.

I am pleased that the Commission urged that general revenues should be used to finance one-half of the cost of medicare hospital insurance. I would hope that this would be only the first step toward greater general revenue financing of social security.

Partial general revenue financing for the social security-medicare system is a concept that I have long supported because: General revenues would make social security financing more progressive; the current payroll tax has clearly passed its limits of political acceptability; and general revenues would make it possible to ease the payroll tax burden both for employers and employees.

For these reasons, I plan to sponsor legislation during this Congress to provide partial general revenue financing for social security and medicare.

I am deeply concerned, however, about two Commission recommendations that would cut back social security protection. The first would raise the eligibility age for full social security benefits from 65 to 68 beginning in the year 2001. This proposal would have an especially harsh impact upon persons forced to take early retirement because they have exhausted their unemployment benefits or they have a disabling condition which may not meet the stringent requirements for social security benefits. It would be most harmful for minorities because of their shorter life expectancy. There are more effective and equitable alternatives to encourage people to work to more advanced ages than to raise the social security eligibility age. For example, the social security earnings limitation could be liberalized, the delayed retirement credit could be increased, or mandatory retirement could be abolished.

I am also opposed to the Commission recommendation to limit the social security cost-of-living adjustment to the lower of rising prices or wages. I favor taking strong steps to control inflation, but I believe that this can be achieved without thrusting the elderly into the front ranks as inflation fighters. Instead of calling for cutbacks in social security protection, we should explore options to improve their income position.

Nearly 400,000 persons 65 or older were added to the poverty rolls in 1979. This represents the largest increase for the elderly since poverty statistics were first tabulated nearly 20 years ago.

Poverty is, of course, a bare-bones existence under the Government's definition—less than $3,472 a year for a single aged person in 1979 and less than $4,364 for an elderly couple.

The Census Bureau poverty statistics for 1980 will not be known for several months. However, many experts are projecting another poverty increase for older Americans in 1980.

A recent article in the Washington Post provides an excellent description of the major recommendations of the National Commission on Social Security.

Mr. Speaker, I commend this article to my colleagues, which I include in the RECORD at this point.

[From the Washington Post, Jan. 13, 1981]

HILL ADVISERS SUGGEST USING INCOME TAX FOR SOCIAL SECURITY

(By Spencer Rich)

Congress' own special advisory committee on Social Security yesterday recommended a financing proposal that Congress has resisted for 45 years: using income tax revenues to help fund the Social Security system.

The National Commission on Social Security, set up by Congress in 1977, also proposed that the normal retirement age for benefits be raised from 65 to 68 gradually after the turn of the century.

In addition, it said that to save money in times of very high inflation, benefits should not automatically be increased exactly as much as the cost of living, as they are now. This concept and a retirement age increase have already been discussed on Capitol Hill as possible ways to cut system costs.

The commission said in its report to Congress yesterday that half of Medicare hospital costs should be financed from income tax revenues starting in 1983. It said that this, combined with a few benefit adjustments, would allow a slight decrease in scheduled payroll taxes and still keep the system on a sound financial footing for the next 40 years.

If half hospital costs under Medicare came from income tax revenues, the commission said, the overall Social Security payroll tax, which has just risen to 6.65 percent each on employers and employes and is scheduled to rise to 7.65 percent each in stages by 1990 and stay at that level, could be held slightly lower. The commission estimated that with help from income taxes, rates could range from 6.3 percent to about 7 percent at various times from 1990 to 2020. However, after 2024 it would have to go up to 9 percent each to maintain solvency.

The commission also made these recommendations to help strengthen the system:

Social security coverage should be made compulsory in 1982 for all federal, state and local government employes not now covered by any retirement system, and for the president, vice president, Cabinet members, Social Security commissioner and members of Congress and employes of nonprofit organizations. In 1985, all new government employes joining civil service should be included on a mandatory basis. But persons already in jobs covered by civil service retirement could stay in that program.

Congress should retain the rule that reduces benefits if the retiree earns more than $5,500 a year, but should grant a small tax credit to help compensate for benefits lost. The earnings limit has been criticized by some, including President-elect Ronald Reagan.

Congress should repeal reductions in disability benefits voted in the last Congress. It should write catastrophic insurance into Medicare, limiting total out-of-pocket health payments by a Medicare client to $2,000 a year.

Congress should boost the welfare payment for the aged, blind and disabled under the supplemental security income program, now $238 for a single person and $358 for a couple, by 25 percent, eliminate food stamps for this group and eliminate the assets test for benefits. It should also require all states to extend Medicaid to anyone with income under two-thirds of the poverty line or whose medical outlays reduced income to that level or lower.

NO FEDERAL HOUSING FOR ILLEGAL ALIENS

HON. WAYNE GRISHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. GRISHAM. Mr. Speaker, today I am introducing legislation to prohibit illegal aliens from receiving Federal housing assistance. Preliminary inquiries conducted by the General Accounting Office indicate that there are large numbers of illegal aliens currently receiving housing subsidies.

The extent of this problem was first revealed through GAO interviews with various resident managers of public housing projects in southern California. One manager of a 487-unit project estimated that illegal aliens comprised 36 percent of the population of the project. Another manager of a 685-unit project estimated that 100–125 units were occupied by illegal aliens.

The difficulty in obtaining hard facts as to the extent to which illegal aliens are taking advantage of public housing assistance is precisely the reason this problem exists at all. Unlike other Federal agencies which deliver subsidy programs, such as AFDC, SSI, medicaid, food stamps, and CETA, the Department of Housing and Urban Development lacks the statutory authority to inquire into the citizenship status of persons applying for Federal housing subsidies. As a result, no data concerning the occupancy of subsidized units by illegal aliens is maintained by public housing agencies, public housing managers, or HUD.

The clear purpose of the various Federal housing subsidy programs is to provide decent, safe, and sanitary housing to low-income families. Obviously, Federal housing assistance is in high demand. The long waiting lists for existing public housing units illustrate that many eligible persons are not currently receiving needed assistance. Given the limitations on the amount of funds available for Federal housing programs, I see no reason why assistance should be provided to illegal aliens to the detriment of otherwise eligible low-income families.

The bill I have introduced would correct this problem by amending section 214 of the Housing and Community Development Act of 1980. This legislation would prohibit the Secretary of HUD from making financial assistance available for the benefit of any alien unless he or she is a resident of the United States and is lawfully present in the United States. HUD programs affected by my bill include the United States Housing Act of 1937, which established both the traditional public housing and the section 8 rental housing assistance programs, sections 235 and 236 of the National Housing Act, and section 101 of the Housing and Urban Development Act of 1965. Section 214 currently limits only nonimmigrant student aliens from receiving the benefits of these programs.

Mr. Speaker, I urge my colleagues to join me in bringing the same limitations to our Federal housing assistance programs that already exist in other Federal subsidy programs. At the same time, we can insure that the benefits from these programs remain available to those who are most in need.●

CRIMINAL CODE REVISION

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. KINDNESS. Mr. Speaker, over the last 10 years, the U.S. Congress has been grappling with the question of how our Federal criminal laws should be revised. There is clearly a need to rationalize the different types of conduct we define as criminal with appropriate penalties for that behavior, to more clearly delineate the respective law enforcement responsibilities of the Federal Government on the one hand and State and local governments on the other, and to bring some needed certainty to the sentencing process.

The 96th Congress made significant progress in this effort, with legislation being reported for the first time from the House Judiciary Committee. That legislation, H.R. 6915, was hailed not only for the amount of painstaking work that went into it but also for the balance it achieved between the legitimate needs of Federal law enforcement authorities and the protection of civil and constitutional rights.

Unfortunately, time ran out in the 96th Congress and so today I am introducing the same bill as reported from the House Judiciary Committee last year with the hope that we will pick up where we left off last year, making such corrections as are necessary and proceeding to enactment in this Congress.●

THE MILITARY'S FATAL FLAWS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. GINGRICH. Mr. Speaker, the failure of the American military in Vietnam, and the *Mayaguez*, and Iranian rescue missions tells us something: The U.S. military is not working.

It is not able to do what we have it for—fighting and winning wars. Clearly our survival requires finding out why.

Richard Gabriel's analysis, which follows, points us in the right direction. He argues that the military fails to meet its mission for three reasons.

First, the military's outlook has been distorted, narrowed, and made rigid by the cult of managerialism.

Second, the armed services substitute technological innovation for tactical and strategic thought.

Third, the current military ethos is a plodding stand-pat bureaucratism rather than an inventive and daring entrepreneurial search for American survival.

His short essay is powerful. I urge all my colleagues to look at the problem Richard Gabriel sees.

MILITARY DISPLAYS BAD FLAWS

(By Richard A. Gabriel)

American military forces have been committed to action three times since 1960—and each time they have failed us. The failures in military decision-making and execution in Vietnam are well known. Less publicized, but equally obvious, are the operational failures in the Mayaguez operation. And most recently, we have had the failure of the raid in Iran.

Perhaps military forces simply get out of practice between engagements. More likely, they develop bad habits born of bureaucratic self-interest and the pressure to build a successful career. Rather than accurately assessing the real conditions under which military forces must operate, our military men tend to accept courses of action which can advance their careers, please their political superiors, or protect their institutional interests. Of all this shortsightedness, the Iranian raid provides a classic example.

Only eight helicopters were launched from the Nimitz. Given the long distances they would have to fly, the failure to anticipate the rate of mechanical breakdowns—and the failure to compensate for them—was a major error in planning. The military's own experience with the RH-53 Sea Stallion should have warned them that mechanical failure would be a major consideration. In normal fleet operations, the RH-53 on the average is considered "mission capable" only 47 per cent of the time—and "fully mission capable" only 17 per cent of the time. Indeed, during the rehearsals for the raid two helicopters suffered mechanical failures. That the initial estimates of seven and then eight helicopters was accepted as adequate for the final plan was a mistake that doomed the mission from the start.

Another basic flaw was the manner in which the operation was rehearsed. It was both over-rehearsed, and not rehearsed enough. No less than 24 rehearsals were carried out prior to execution. But only four of those involved most elements of the force, and even these did not exercise all elements of the force. Some elements of the plan were rehearsed as many as 20 times—but never in conjunction with other elements. Thus the force became fragmented and isolated. Few members of the team knew more than their own narrow tasks, and even fewer has a grasp of the overall plan.

As a consequence, both cohesion and coordination of the force were placed at risk. The emphasis on compartmented rehearsal reduced the capacity of the force for innovation, flexibility and daring. When events turned out not to go exactly as planned, there was no ability to improvise. For exam-

ple, the need for six helicopters was predicated on the lift capacity required to extract the five hostage "packets" and the rescue force. Yet five helicopters would still have had sufficient lift capacity if the hostage packets were consolidated into four larger groups. Despite this, the plan called for six machines. When the "objective" conditions of the plan were not met, no thought was given to improvising by consolidating the packets. The way in which the mission plan was rehearsed produced a force rigidly tied and committed to an anticipated scenario so that its ability to deal with changing circumstances was lost.

The plan violated the principle of simplicity—especially in its reliance upon gimmickry, technical skills and non-military elements to compensate for a realistic assessment of battle conditions. While it is certainly true that any plan would have had to contain elements of the unconventional, the Iranian plan seemed particularly unrealistic in that some of its important elements ran contrary to basic military experience and design. The plan was far too complex. For example:

The requirement that the guards around the embassy compound not be killed but "neutralized" by technical means served no military purpose.

The packet plan was not justifiable in military terms and added another unnecessary risk.

The division of forces to rescue three high-ranking hostages in the foreign ministry put the larger mission in peril.

The assault force—chosen largely on the grounds that it would have been difficult to keep the infrastructure of a larger force secret in the planning stages—was too small to begin with.

The decision of the planners to refuel at Desert I with all aircraft engines running seems a foolish and needless risk to have run. The rationale for this decision—the fear that once shut down, some aircraft engines could not be restarted—was marginal, compared to the risks associated with refueling six helicopters; in the dead of night; with no lights; with their engines running; creating localized dust storms and severe air turbulence through which the helicopters would have to fly in order to refuel. Moreover, the noise of ten aircraft with their engines running must have been deafening. As events turned out, the failure to execute the refueling maneuver proved crucial.

SYSTEMS WITHOUT SENSE

Finally, the command and control structure of the plan violates basic military experience. In typical "system" fashion, the operation was conceived and assembled in components, each with its own commander. At Desert I there were no less than four commanders: the rescue force commander, the air group commander, the helicopter force commander, and the on-site commander. Incredibly, the Joint Task Force Commander was not on the ground with his elements; instead he was located aboard ship in the Persian Gulf. Direct radio links back to the White House divided command authority even further.

In short, no one with the actual team had overall operational control. No one had the ability or authority to innovate in the face of changing circumstances. And, as could be expected, no one assumed responsibility beyond his own narrow area specified in the plan. In these circumstances, rigid adherence to pre-arranged scenarios was the most likely course of action. It was also the one that was followed.

The Iranian rescue raid is a classic example of an operation planned and executed by a bureaucracy. It placed many military requirements second to others. It was over-officered, but under-focused in command responsibility. It was over-rehearsed, in systems fashion, to the point of inflexibility. As a result of the planners' excessive cloak of secrecy, there was no one left to critique the plan except those who formulated it. It relied far too heavily upon technological gimmicks. Finally, it rested heavily upon pre-agreed "objective" conditions to dictate decisions, and thus removed responsibility for failure from those who executed it.

One finds in the planning and execution of the Iranian rescue mission clear indicators of the glaring weaknesses that characterize much of American military planning and execution. For example:

The trend toward managerialism, toward the bureaucrat who follows prearranged rules and avoids judgment. Even the language of the plan reflected the tendency to avoid judgment and to "revalidate prior agreements" made by planners.

An excessive reliance upon technology and gimmicks as substitutes for assessing realistic battle conditions and costs. This reliance is further evidenced in such notions as "invisible paint" for our bombers or using the "aluminum bridge" to sustain forces in Europe.

An oversensitivity to institutional and civilian considerations, to the point where military expertise is compromised or ignored. It is increasingly difficult for the military to make its point in the planning process on the basis of evidence and its experience. Politics is primary.

A bureaucratic style of decisionmaking that neutralizes and discourages dissent by making it costly to the career of the dissenter once plans have gathered momentum within the bureaucracy. As a consequence, operational plans are often unrealistic but adopted anyway, because they are "acceptable" from the perspective of institutional interests.

A tendency toward overofficering any project, while at the same time limiting the judgment of officers by diffusing responsibility through pre-arranged agreements. This tendency toward "resource management" is a major characteristic of American military planning and execution.

All these shortcomings are to be found in one degree or another in the Iranian mission plan. That they should have been found in so small an operation suggests that they will certainly characterize any larger operations our military may have to undertake—probably with all too similar results. In this sense the failure of the Iranian raid was the logical consequence of a planning and execution style that needs serious reform.●

THE ECONOMY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, during the past 2 years, the rate of inflation has ranged between 12 and 13 percent, and over 7 percent of the work force has been unemployed. Clearly the economic stability of this Nation is in serious jeopardy.

Two effective methods of dealing with this double-barreled problem of high inflation and rising rates of unemployment are to increase Federal funding for domestic services, and impose mandatory controls on prices, wages, profits, rents, and interest rates.

Unfortunately, instead of advocating controls, and expanding budgets for health care, employment, and human service needs, the Carter administration and the Congress failed to enact wage and price controls and Federal funding in these areas has been drastically reduced.

A reduction in essential Federal spending will not substantially curb inflation. The Congressional Budget Office recently found that a reduction in the Federal budget of $20 billion would reduce the annual rate of inflation by only one-tenth of 1 percent. Difficult economic conditions will instead be aggravated not only for the people of New York, but all areas of the country which suffer under a staggering rate of inflation. Indeed, for each 1-percent increase in the rate of unemployment, the Congressional Budget Office estimates that Federal, State, and local expenditures will increase by over $44 billion.

A fair and strict administration of controls, which has worked well in the past, could help break the price spiral, and lessen the widening gap between wages and the cost of living. Every sector of the economy is being damaged by this continuing, overwhelming rate of inflation. Food and health costs are soaring, prices for other goods and services grow almost at the same rate, and the purchasing power of the dollar continues to decline. The National Center for Economic Alternatives estimates that the annual rate of inflation for necessities—food, shelter, medical care, and energy—is at 13.7 percent. And those who can afford the least, people with low, moderate, and fixed incomes, suffer the most.

During the 96th Congress, the President did respond by implementing a voluntary wage and price standard program, but these clearly did not work. Double-digit inflation has now become the norm.

The President must have the authority to impose mandatory controls. Only a mandatory system can reestablish economic equilibrium, and eliminate the newly popular practice of constantly raising interest rates.

Passage of the Budget Control Act in 1974 was heralded as an important step by the Congress to impose discipline in the budgetmaking process. In recent years, however, this new budget procedure has become increasingly rigid, with more and more power concentrated in the Budget Committee. And this is at the expense of other

committees, and the programs they authorize.

The Budget Control Act provides that the Congress must pass two budget resolutions which provide sufficient Federal funds to meet the needs of the populace.

Recent budget resolutions, however, have not met this goal. Their passage instead has been contingent upon an agreement for a balanced Federal budget, notwithstanding hefty increases in military spending. I support a balanced budget, and believe it could have a positive impact on inflation. I do not believe it is the great panacea for the economic problems of the Nation. Flexibility must be provided within these two resolutions to meet the current needs of the economy, and the people. The Federal Government must not be straitjacketed by a balanced budget which causes economic instability and human suffering.

In the 96th Congress, restricted by this demand for a balanced budget, reductions were made in social programs such as the manpower training program, CETA—the Comprehensive Employment and Training Act—school lunch programs, social security disability benefits, and others. As economic conditions deteriorated the need for these programs increased and additional funding should have instead been provided. Military outlays meanwhile increased $10 billion. Serious thought must be given to the effectiveness of the current process, and possible revision.

Initially, a realistic assessment must be made of Federal spending. One method is to adopt common accounting methods which are used by most State, city, and private industry spending plans. The Federal budget, unlike these other sectors, makes no distinction between capital outlays and operating expenses. Borrowing to pay for a capital project is a standard way of maintaining a physical plant, making additions, or improvements. But running a deficit to meet operating costs, such as salaries, and regular program expenses, is not sound fiscal policy. I have therefore introduced a bill to divide future budgets into capital and operating sections.

The 97th Congress, and the entire Nation, confront an enormous challenge. Can the Federal deficit be reduced without the impoverishment of social programs? Can the Federal budget be balanced and a tax cut accomplished this year? Finally, can economic stability be restored? These issues, and many others, which will determine the future of this Nation will be debated by the 97th Congress.●

IN RECOGNITION OF MISS SANDY SHOEMAKER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. FLORIO. Mr. Speaker, I would ask my colleagues to join with me today in recognizing the exemplary achievement of a constituent of mine, Miss Sandy Shoemaker, a ninth grade student at Pitman High School.

Miss Shoemaker has recently won an essay contest on the topic "What My Family Means to Me." These essays were submitted by students from a number of south Jersey school districts as part of the Festival for Families, an event sponsored by the Church of Jesus Christ of Latter-day Saints in connection with National Family Week.

At this time I would like to add my congratulations, as well as those of my colleagues, to Miss Shoemaker for her fine performance, and I insert her winning essay into the CONGRESSIONAL RECORD:

WHAT MY FAMILY MEANS TO ME

(By Sandy Shoemaker)

A family is a very important thing to a person whether he is an only child or has many brothers and sisters. A family can supply many things to a person. It can supply love and caring when needed.

It also supplies the necessities such as a house to live in, clothes to wear, and food to eat. A family makes it possible to travel places where a person and his friends cannot go alone. One can do different things with one's family.

My family is important and very special to me. I have five people in my family and all of them are special in many ways. My parents have put up with me and have taught me right from wrong.

Sometimes they can be over-protective and not let me do things most people my age do, but that just shows that they care what happens to me. From this concern I gain a feeling of security which affects me positively in life.

My parents raised me from an infant and they will care for me until I am old enough to set out in the world on my own. They have always taught me right from wrong and all of the other things I have to know about the world around me.

I also have two brothers and from them I gain a few things. The older of the two is 13 and I meet friends of his. I also make friends with their families.

My younger brother is seven and he reminds me what it is like to grow up and go through the learning process. He learns from all of us and we have fun with him. Even though we may fight at times, we still appreciate each other.

When we do things as a family, we have good times. We go walking and jeep riding in the woods, go out to dinner and vacation together. My dad knows all about the woods because he grew up learning about it.

Without my family I wouldn't have experienced as many pleasant things. But even more than that, I would have missed the chance to learn as much as I have from my family members.●

THANKS, THEY MADE IT BACK

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DYSON. Mr. Speaker, much has been said of the return of the American hostages. Television and newspaper coverage of the event portrayed the incredible expression of the American people's concern for the safety and well-being of the hostages. The House is considering having congressional gold medals struck in honor of the hostages and we have also introduced a resolution expressing the thanks of the House to former President Carter, former Deputy Secretary of State Christopher, and the Government of Algeria. But, the greatest contributions that have been made to the country's expression of gratitude, both to the safe return of the hostages and to the former President, have been made by the many thousands of people here in the United States who joined in the celebration of the hostages safe return.

I insert into the RECORD an editorial by John Wilmer Cronin, in the January 21 Harford Democrat. Mr. Cronin's editorial is representative of the kind of responses that so many people in the First District of Maryland have felt, thanks to former President Carter's efforts:

THANKS, THEY MADE IT BACK

President Carter leaves the White House, perhaps with sadness in the hearts of many, who realized that he was an honest man, earnestly attempting to do what he could for a nation and the world. He met the challenge of a nation governed by religious fanatics who broke all of the traditions of civilized nations, entered the U.S. Embassy, placing all representatives and employees of the United States in the position of prisoners and hostages. President Carter was finally successful, although an hour or two after his presidency ended, in having the hostages released, without the use of force, which could have involved this country in a war, perhaps the most disastrous in which it had ever engaged.

Perhaps his program of diplomacy gave this country the excuse for placing our Navy and other limited forces in patrolling the Persian Gulf, where there still may be need for additional forces to defend our desperately needed supply of oil.

No doubt his continuous insistence on human rights in this country and throughout the world will be proven in history as one of his greatest contributions to the United States and the world.

In his farewell to the nation he emphasized three paramount issues with which America must continue to grapple in the years ahead—the threat of nuclear holocaust, the quality of the world in which we live; the need to persevere in insuring

human rights and equality for all, and above all else, he warned us against the increasing threat of "single-issue groups and special-interest organizations."●

THE NEW ADMINISTRATION: THE CABINET AND THE INAUGURAL ADDRESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. HAMILTON. Mr. Speaker, I insert my Washington report for Wednesday, February 4, 1981, into the CONGRESSIONAL RECORD:

THE NEW ADMINISTRATION: THE CABINET AND THE INAUGURAL ADDRESS

My impression of the Reagan Cabinet is that it is an able, efficient, pragmatic, hard-working, and rather conventional group. It is overwhelmingly white, male, and professional. Each member possesses a solid reputation in his own field of endeavor. The cabinet is also "mainstream" Republican. Its two top-ranking members, Secretary of Defense Weinberger and Secretary of State Haig, are major figures from the Nixon Administration. Other key appointees of the administration are old and loyal friends of the President (Attorney General Smith), persons with appeal beyond Mr. Reagan's natural political base (Chief of Staff Baker), persons in tune with the President's conservative campaign rhetoric (Secretary of Interior Watt), a surprise selection (United Nations Ambassador Kirkpatrick, who is a Democrat), and an audacious one (Budget Director Stockman, who is young and strongly identified with specific views on the economy). These appointments show Mr. Reagan to be a balancer of interests within his party.

Like many of his predecessors, the President promises a revival of "cabinet government" in which the entire cabinet would be used as a sounding board when the time comes for critical decisions. It would function like a corporate board of directors, helping Mr. Reagan with the formulation of basic policy. Cabinet members would not be representatives of their traditional constituencies, nor would they run their departments independently. This concept of managing the executive branch has eventually been rejected by most Presidents, but each should be given the chance to organize and administer the bureaucracy in the manner he prefers. Cabinet members of experience and stature can be used beyond the areas of their respective departments, and they should be able to contribute to Mr. Reagan's judgment on important issues. I have some questions about the members of Mr. Reagan's economic team. They are not personally close to the President, and I am not sure how the team will function, where the responsibilities will fall, or who will emerge from it as Mr. Reagan's key economic advisers.

I believe that the President's principal White House aides (Messrs. Meese, Baker, and Deaver) will come to have extremely powerful positions in the Reagan Administration. Despite his emphasis on cabinet government, Mr. Reagan will rely on them more and more as his term in office progresses.

At this stage, no one knows how the cabinet will perform. By wanting its members to work as a team, Mr. Reagan is setting a high standard for it. The first steps of the new administration have been deliberate, even cautious. High posts in various departments remain to be filled. Budgetary revisions intended for congressional action are being delayed. The President seems to have decided that bold, forceful action need not be taken right away. He may change his mind later, but we will have to wait and see.

Many of us in Washington were struck by Mr. Reagan's detachment from the process of choosing the cabinet. In my view, it is important for the President to dispel any public perception of disengagement from any aspect of his administration. He must commit himself fully and vigorously to the task of governing. He must be, and be seen to be, firmly in control.

In an inaugural address remarkably free of rhetoric, Mr. Reagan dwelt on the same theme that elected him to office. He clearly hopes it will become the hallmark of his administration. To the President, the cause of America's ills is the size of the government. He wants to rein the government in and reduce its influence in American life, thereby giving a troubled nation hope that it can become as great as its citizens want it to be. Mr. Reagan rejects any suggestion that we are in an "era of limits" or that we are suffering from a "national malaise." He stresses the importance of robust economic growth. In the view of the President, America is a special nation where freedom has unleashed the genius of the people and resulted in great accomplishments. Although he frequently refers to President Roosevelt, Mr. Reagan does not accept the legacy of the New Deal—the idea that government must intervene to achieve justice and social progress for the people. His faith is that with private enterprise unshackled, America will experience an economic revival.

The expression of foreign policy in the speech was not belligerent. Rather, the President spoke of the need to rely on the moral strength of "free men and women." He wants America to serve freedom by example, not by imposition of doctrine. Mr. Reagan is very impressed by the heroism of ordinary Americans. In a passage that was particularly moving to me, he described that heroism as the source of American greatness. The President seeks to reverse what he sees as the vulnerability of the nation's defense and a policy of vacillation and retreat around the globe. He calls for a "margin of safety," not superiority, in America's strategic affairs.

During the inauguration there was a sense of optimism both in Washington and throughout the country. It was heightened by the release of the hostages. The inauguration was a time of renewed faith in ourselves and our nation. All of us know that our problems will not be solved quickly, but we take heart in Mr. Reagan's aspirations and wish him the very best.●

IN TRIBUTE TO CARL T. NOLL

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. MONTGOMERY. Mr. Speaker, it was with great sadness that I learned of the death of Carl Noll, the head of the VA's National Cemetery System. Mr. Noll had served his Government faithfully, providing unique and invaluable assistance for servicemen, veterans, and their families during a 35-year period that spanned three major wars and armed conflicts.

Perhaps one of the most valuable assistance programs our Government can provide to those who have served in defense of our Nation is the right to an honorable and proper burial. In this final demonstration of respect we show our gratitude, not only for their service, but also our willingness to insure that that service and sacrifice will never be forgotten. During his career, Mr. Noll had served with the U.S. Army as a civilian directing programs and services which cared for the combat dead from World War II, Korea, and Vietnam. He joined the Veterans' Administration in 1973 when the National Cemetery System was transferred to the VA from the Department of the Army. He became Deputy Director to the Department of Memorial Affairs in 1975, and was named to the top position in 1977 as the Director of the 107 cemeteries within the system.

During his tenure, Mr. Noll was instrumental in the first expansion of the cemetery system in nearly a quarter of a century. Since 1973 seven new cemeteries have been added in a new regional design across the country. This expansion saw the development of 4,831 acres and an additional 2 million grave sites. It is a credit to Mr. Noll's skill as an administrator that this growth went forward on schedule and with the utmost attention to detail. It is also a testament to his outstanding management ability that he was able to maintain quality services at a time of shrinking budgets and personnel levels within his Department and the VA as a whole.

Mr. Noll came to Capitol Hill on a regular basis to testify on the status of the memorial affairs programs under his direction. As the former chairman of the House Veterans' Affairs Subcommittee on Compensation, Pension, Insurance, and Memorial Affairs, I can personally attest to his good judgment and sound advice.

Mr. Noll was a charter member of the Government Senior Executive Service, and among his many achievements and awards, he was a recipient last year of the President's Meritorious Rank Award. Earlier this year he received the Exceptional Service Award, the highest honor the VA can bestow. The Veterans' Administration and our Government will sorely miss a public servant of such quality. The Congress and the American people, especially the thousands of bereaved families he assisted throughout his career, will always be in his debt.●

CURTAILING IMPORTS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. ZEFERETTI. Mr. Speaker, one of the major factors contributing to our economic woes is the rising number of imports in many areas of manufacturing. This trend is particularly evident in America's textile and apparel industry. The textile and apparel trade, which is the largest of the Nation's manufacturing industries, is vital to the economy of the United States. Including the business related to the garment industry, nearly 3 million of our workers depend on the textile, apparel, and fiber trades for employment.

The doleful state of the apparel industry has been aggravated by tariff loopholes that reward the export of U.S. jobs and the exploitation of foreign labor. Technically known as items 806.30 and 807.00 of the Tariff Schedules of the United States, these provisions allow garments that are cut in the United States and assembled in another country to escape American import duties. These loopholes have cost at least 500,000 U.S. jobs directly. Indirectly these loopholes have been a forerunner for the transfer of production abroad, at additional loss of hundreds of thousands of jobs yearly. In the 11-year period from 1965 through 1976, the dollar volume of imported apparel entering the United States under these items increased a staggering 14,880 percent. During the same period the dollar volume of our own garment industry shipments increased by only 64 percent.

A company can qualify under item 807 by opening a small cutting room anywhere in the United States. The garments are cut, then shipped to, say, the Dominican Republic where workers are paid 30 cents an hour. They return as American goods. The Dominicans are exploited and Americans are put out of work.

Mr. Speaker, the immediate repeal of these items in our Tariff Schedules is in the best interests of both the worker whose job is in jeopardy and the consumer who pays exorbitant markups on foreign-made products. I have again introduced legislation which repeals items 806.30 and 807.00 to slow down the foreign assault on this crucial American industry. H.R. 660 would take the cheap profits out of the flight of jobs. It would eliminate our part in the exploitation of foreign workers. The result will mean more jobs for American workers, more production for American industry, and more strength for the American economy.●

CONSUMER TIPS ON APPLYING FOR SOCIAL SECURITY RETIREMENT BENEFITS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, social security is the economic mainstay for the vast majority of older Americans.

Nearly three out of four aged individuals who receive social security and more than one out of two similarly situated elderly couples depend upon social security for at least half of their support.

Many older Americans, however, experience problems when they apply for social security because they do not know what records to bring to their district office to establish their entitlement to benefits.

Some encounter delays in receiving their monthly benefits. Others actually lose payments because they wait too long to complete their applications.

Elderly persons can minimize these problems if they keep these pointers in mind.

First, those who want to receive benefits at an earlier age should apply about 3 months before retiring. The earliest age that a worker can receive retirement benefits is 62.

Second, it is usually wise to call the local social security office to find out what proof is necessary. People ordinarily make an application at a district office in their community. However, applications can be made by mail in some areas. If necessary, a social security representative can go to the applicant's home.

Third, retired workers should bring first, proof of age and second, their W-2 statement for the preceding year. If they were self-employed, they should bring their income tax return for the previous year, including schedules C and SE, and proof of payment of the self-employment tax if they received no Federal income tax refund.

An original or certified copy of a birth certificate is the best proof of age. Other evidence, though, is permissible if no birth certificate is available. Some examples include:

A baptismal certificate, preferably within 5 years of birth;

Insurance policies;

School, employment, or military records;

Marriage certificates; or

Voter registration cards.

Fourth, if a retired worker wants to provide benefits to an eligible spouse and children on his or her earnings records, it is necessary to provide documentation of the dependents' age and relationship.

Finally, Social Security usually needs about 6 to 8 weeks to process an application. A check ordinarily arrives the third day in the month following the benefit month. A check for June, for example, arrives on July 3.

People who follow these consumer tips can help to assure that their monthly checks are received in a timely manner.●

TO SAVE A CHILD

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. SMITH of New Jersey. Mr. Speaker, recently a series of articles appeared in a major Trenton newspaper, the Trentonian; this series, entitled, "To Save a Child," was written by Ed Leefeldt and Mary Coleman Coffey, and concerns the problems of foster care and child abuse in our society.

Mr. Speaker, the series graphically depicts the plight of two battered children who must be removed from the care of their mother and given to a foster family. It shows how the State of New Jersey can protect a child, when the child suffers abuse from his or her parents.

Five grounds exist in New Jersey law for removing a child from his or her parents: abandonment, abuse, failure to thrive, neglect, or incest. We are forced to depend on our hard-pressed caseworkers to investigate each case and make their decisions, determining whether to remove a child or otherwise.

Yet being a foster parent is not the easiest thing in the world, Mr. Speaker. New Jersey law treats foster parents in a position comparable to that of vendors, with no set interest in the child.

Mr. Speaker, many, many people want children and cannot have them. There are many children who need the loving care of adoptive parents. There are many couples who would find a void in their life filled by the adoption of a child. On both sides, love, warmth, and life would be found.

As children grow older, Mr. Speaker, it is harder to find foster parents. Teenagers looking for foster homes rarely, if ever, find them.

Mr. Speaker, in order that my distinguished colleagues can reflect on these grave matters, I am submitting the following article, the first in a five-part series, for their consideration. The remaining articles in this series are equally enlightening. Any of my colleagues or fellow citizens who should like to read these articles, are invited to obtain copies from my office.

The article follows:

[From the Trentonian, Dec. 9, 1980]

TO SAVE A CHILD

(By Ed Leefeldt and Mary Coleman Coffey)

This story is based on true events that occurred in the authors' experience. The characters are not any one family. Names and identifying information have been changed to protect those involved.

Addie Davis is a survivor of the city. She has seen teenage junkies nod their way to eternal sleep in the back alley. She has stepped over the sprawled legs of the bodies that collect in the downstairs hallway on cold nights, not caring if they are drunk or dead. She has fought off a mugger with her nail file.

In her 62 years she has learned the basic lesson: Mind your own business. Don't go out of your way to help anyone. It won't be appreciated. You'll probably make enemies. It may be a set-up.

But she can't help hearing the banging, the crash of broken glass and the child's scream that comes from the third-floor apartment above her. She looks up, hesitates, but now the September night is quiet.

Then someone half-runs, half falls down the stairs of the tenement. Then, again, nothing. She hesitates once more, slowly opens the door into the dark landing, and goes upstairs.

The door to the third-floor apartment is open, the bottom panel kicked out. Inside a naked light bulb swings on a chain, casting weird shadows on an over-stuffed couch, an upturned kitchen table, and a television set with its screen kicked in, the sound still blaring. A second lamp lies on the floor, and its glare blinds her. It takes a few seconds before she sees them, sobbing in the darkest corner.

"Oh, you poor babies . . ." she whispers.

The emergency room is quiet at 2 a.m. when Addie and the two kids rush in. Addie is holding 10-year-old Melinda in her arms, dragging four-year-old Kismet behind her. Melinda is holding a wet rag to the gash over her eye.

The emergency room nurse pries the rag loose, swabs out the cut and calls an intern. He closes it with eight stitches. She makes a note to have Melinda's vision checked. Then she picks up the wall phone and dials the OCAC.

The New Jersey Division of Youth and Family Services (DYFS) responds to all cases of child abuse. Last year it handled over 47,000.

They reach DYFS in many ways. Mothers committed to mental hospitals; kids left parentless by death or desertion; an unwed mother who wants to give up her child, or a complaint of sexual abuse by a mother or daughter against a father.

Sometimes parents will file "status offenses" such as incorrigibility against their own children to have them put away in the JINS (Juveniles in Need of Supervision) shelter—even though they have committed no crime. After a stay of up to six months, when the parents refuse to take them back, the judge dumps them on DYFS.

But DYFS also gets complaints from neighbors, relatives, hospitals, schools and police who witness cases of abuse. Some call DYFS direct through a toll-free hotline number.

The number leads to OCAC (the Office of Child Abuse Control), a white clapboard house on the Whitehorse-Mercerville Road in Hamilton Township. There, amid piles of books, papers and files, sleepy-eyed DYFS caseworkers on overtime man the bank of telephones.

When an emergency call comes in, it is relayed to the SPRU (Special Response Unit), where a caseworker is on duty at nights and on weekends.

SPRU workers frequently get calls at 2 a.m., the hour when the bars close and people go home and beat hell out of their kids. Sometimes they ride with police while the radio crackles: "Father has gun. Is holding it on children." Other times they go alone into the worst sections of town, walking into the middle of drunken family bloodlettings to drag out the innocents and the casualties—kids with their clothes ripped open and their faces swollen shut.

The case then goes to the division's Crisis Intervention Unit. Because child abuse is so serious, each DYFS office is required by law to investigate all complaints within 72 hours (24, if there is a specific complaint of danger).

Crisis intervention workers are the shock troops of DYFS. They must argue their way into ghetto and upper-class homes, confront angry and anguished parents, strip children to see if they have been bruised or battered, and convince parents to turn them over—or get a court order if they refuse.

They must be part bully and part priest, part friend and part judge, part inquisitor and part Good Samaritan. They carry with them the awesome power of the state to invade a home and remove the most valuable thing in a person's life. They also bear the weight of their own feelings and the legacy of their own childhoods. The burnout rate is high. Most of them last an average of two years.

Pat Beauclair is a Crisis Intervention worker. She arrives at the district office at 9 a.m. the morning after Melinda is stitched up. She dresses informally in jeans and a wool pullover, her auburn hair combed down over her shoulders, a swatch of freckles across the bridge of her nose. Dress styles are informal at DYFS, and Pat feels she can get more out of people if she doesn't look like an authority figure. She wears a gold heart medallion around her neck. "Better than wearing it on your sleeve," she jokes.

Pat is 26 and the survivor of one bad marriage, but looks much younger. She invariably gets carded at bars. She is regarded as one of the best of the 60 case workers in her district office.

Pat's supervisor calls her in. The Tradesmith file, just started, sits on the desk. Pat gets a quick briefing.

After the call from the nurse, the local SPRU worker went to the hospital. Melinda was admitted for further treatment; a hold was placed on her to prevent her release without DYFS approval. The SPRU worker interviewed Addie Davis. She had nothing to say, not uncommon for a middle-aged ghetto woman dealing with The Man.

Melinda would say only that her mother hit her for no reason. "I was watchin' television when she came up and hit me," the girl sobbed. When the SPRU worker pressed for details, she was silent. "Protecting mother," the case notes read. Also not uncommon.

Within an hour the hospital located the girls' grandmother, Mrs. Essie Burns, and the younger daughter, Kismet, was released to her.

Now it is Pat's case. She likes her work. There is the unraveling of a mystery: what did happen on the third floor of that brick row home and why? There is the chance to get out on the street and meet people, and the opportunity to do something useful instead of just pushing paper as she did in her two previous state jobs.

But she knows that most of her questions will never be answered, even if there are answers. She knows that the solutions she offers will be passed through higher echelons, changed and compromised to meet the demands of parents, lawyers, judges and bureaucrats.

And she knows that the kids, who should be helped by DYFS, could be lost in the paperwork of a top-heavy bureaucracy and end up as a footnote in a file drawer, a statistic in an annual report.

The starting point is the hospital. Melinda is watching a TV game show in the children's ward. She gets most of the answers right, even the ones Pat has trouble with. But she won't talk about her mother—or what happened last night.

Then Pat visits the Tradesmiths' third-floor walk-up. The place is as Addie Davis found it. The door, its bottom panel kicked out, is still open: the sightless TV is still on. The apartment is stifling. The gas jets and oven are on—the landlord was not providing heat. There are two bedrooms, bare mattresses in both of them. Ripped shades shadow the windows.

The cupboards are empty except for a box of stale crackers and a half bottle of Hiram Walker. There is no evidence that children live here; no toys, no books, no crayons, no pictures on the wall. Anyone, even a mother on welfare, can get toys from Goodwill or the Salvation Army.

Unless her money is going somewhere else.

The next stop is the grandmother's house. On the way Pat detours to Melinda's school. She finds what she expected. Melinda is bright—her I.Q. is 125. She is a good student, but lately her grades have fallen, and she has become lonely and introverted. She goes to the library and reads all the time, her teacher says.

The grandmother opens the door reluctantly. Pat's white face means authority has come to call. Essie Burns' home is clean and the furniture has plastic slip covers. There are pictures of John F. Kennedy and Martin Luther King on the wall. A small yard in back ends with an old maple and a treehouse. The smell of pork chops pervades the house. There is a corner for toys and books where Kismet is busy coloring.

Pat steps through the doorway. "I'm Pat Beauclair and I'm a caseworker with the Division of Youth and Family Services," she says.

Essie moves back and looks at her disapprovingly. "I knew you was the state before you opened your mouth," she says. "Well, I guess you want to see my daughter."

Essie leads her to the kitchen. There, sitting at the table, is Melinda's mother, Wanda Tradesmith. Pat has come face to face with a child abuser.

She is beautiful. Her hair is pulled back. It emphasizes her high cheekbones. She is small and slender. But at 26 she looks older than her years. The first thing Pat notices are her eyes. They are blank. Pat checks to see if her pupils are dilated. They aren't.

Essie dominates the conversation. "Now child," she says, "you don't have to tell her anything!

Pat takes an unoffered chair and sits down beside Wanda. "I'm trying to help, Mrs. Tradesmith. We are trying to find out what happened to your little girl."

Again the blank stare, flavored slightly by fear. "I don't know how my kids got hurt," says Wanda slowly. "Melinda must have fallen down the steps."

"Where were you when it happened?"

"I went out," says Wanda. "I . . . I went out for something."

The questioning is useless. Pat is known for her skill in easing parents into admitting they have struck their children ("It must be very hard for you to manage . . ."), but none of it works.

Then Pat sees something only a woman would notice. Wanda's blouse does not go with the rest of her outfit. In fact, it looks as though it was borrowed from her mother. It is long-sleeved, even though the day is warm, and has elastic at the cuffs.

"Are you taking any drugs?" Pat asks.

Wanda reacts by reaching for her arms and pulling the sleeves down. "No," she says unconvincingly. "I mean no physical harm, the caseworker's job is to undress the child to see if she has been bruised or beaten.

"What for?" asks Essie bluntly. "She's not your kid. I don't want you touchin' her. Why are you messing with other people's children?"

Pat gets tough. She warns Essie that, if she has to, she can bring back a warrant—and the police. Essie shrugs reluctantly.

"Your kind's all alike," she tells Pat. "You start out smiling, but sooner or later you show your back teeth." In Essie's list of evils, Pat ranks somewhere between the loan company and the landlord.

Pat takes Kismet into the bedroom with Essie along and examines her, paying particular attention to the wrists and ankles. If they are tender, it could mean previous breaks where a parent twisted arms or legs. She checks the back of the legs for "switching." People frequently use an electric cord to beat their child. She looks at the upper arms where finger mark bruises could show the child was grabbed and shaken. She checks for bite marks and cigarette burns.

"You found nothing, right?" the grandmother challenges Pat. "I knew it. My family's all right. Melinda just had a little accident."

Pat rushes out. What happened to Melinda was no "little accident." Children who fall down the stairs don't have bruises on only the left side of their face. Wanda is a drug addict, Pat thinks. The barrenness in both her house and her eyes show that she lives in an artificial reality. Coming down off her high with no smack around to regain it, Wanda slipped into psychosis and struck out at everything around her—her television, her home, even those she loves.

And there is every reason to believe it will happen again.

Pat goes back to the office. Trying to ignore the other 40 cases clamoring for attention, she spends the better part of a day typing out an affidavit telling what she saw, a complaint of child abuse, and a court order for the judge to sign.

The order will place both Melinda and Kismet in the legal custody of the state.●

BUDGET-HACKERS TAKE AIM AT THE DEFENSELESS POOR

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. BINGHAM. Mr. Speaker, in the Los Angeles Times of Tuesday, February 3, Marian Wright Edelman, president of the Children's Defense Fund, argues against budget cuts at the expense of the poor. Mrs. Edelman points out that poor children, and especially black children, will be the helpless victims of budget cuts in the health and welfare areas. According to Mrs. Edelman:

Twice as many black as white women now lack prenatal care at almost every stage of pregnancy, and there is a high correlation between a lack of such care and infant mortality and illness. A black infant is twice as likely as a white infant to die during the first year of life. Growing up, black children are more likely to be sick. One of seven black children under age 15 lacks a regular source of health care. Two of every five black children from ages 5 to 9 in central cities are not immunized against polio, tetanus, diphtheria, and whooping cough.

This is an appalling situation which can only become worse if the social welfare area is hit heavily by the budget cutters. Marian Wright Edelman has distinguished herself over the years by her effective work for poor people and especially for suffering children. I commend her article to all my colleagues:

BUDGET-HACKERS TAKE AIM AT THE DEFENSELESS POOR

(By Marian Wright Edelman)

When the Reagan Administration's budget-cutters wield their axes, an utterly defenseless group—children, especially black children—will be among their prime targets.

Even now, before the cuts start, black children are twice as likely as white children to suffer from poverty, parental unemployment, inadequate schooling and poor health.

Many black children already are ineligible for services that they badly need. Millions more are not receiving services for which they are eligible, simply because programs fail to adequately deliver services to the black community. Capricious eligibility standards and poor administration of benefits keep black families from getting the help that they need before their problems become serious, requiring costlier solutions.

A result of this deplorable situation is that a black child today has nearly one chance in two of being born into poverty, is more than 2½ times as likely as a white child to live in dilapidated housing and is twice as likely to be on welfare.

What is being created is a growing permanent "underclass" in American society. It should come as no surprise to anyone that young people unfairly treated grow up lacking respect for the premises of equality espoused by adults. Their alienation and resentment are built-in time bombs that threaten all of us. And the prospects are not good.

Almost 41% of all black children are recipients of Aid to Families With Dependent Children, a federally funded program whose payments are already abysmally low. The national average, which typically covers a mother and two children, is $241.35 per month, or $2.74 a day per person. Moreover, despite rhetoric about the importance of keeping families together, many states deny support to families unless no unemployed father lives in the home.

Richard S. Schweiker, the new secretary of health and human services, has proposed turning AFDC into a bloc grant to states and tightening eligibility requirements. Both these policies would take children off the AFDC rolls, and could reduce payments ever further.

Health care is another area that could suffer with social-program cuts. Twice as many black as white women now lack prenatal care at almost every stage of pregnancy, and there is a high correlation between a lack of such care and infant mortality and illness. A black infant is twice as likely as a white infant to die during the first year of life. Growing up, black children are more likely to be sick. One of seven black children under age 15 lacks a regular source of health care. Two out of every five black children from ages 5 to 9 in central cities are not immunized against polio, tetanus, diphtheria and whooping cough—diseases that we know how to prevent.

Eligibility for Medicaid and the services that it offers varies from state to state. In 17 states, Medicaid does not cover prenatal care during the first pregnancy. In more than half the states, a family in which the father lives at home is ineligible.

Medicaid's preventive program to find and stem children's health problems before they become serious serves only about one-fourth of all eligible children. Other support services that would enable parents and children to use this and other federal and state programs are poor.

If Medicaid eligibility requirements become even stiffer, or if AFDC eligibility is tightened, poor black and pregnant women will receive even fewer services and less timely medical care than they do now. They will cost the taxpayers thousands of dollars in unnecessary last-minute treatment in hospital emergency rooms.

The other crucial area at stake for poor children is nutrition. On any given day, among 6-to-11-year-old black children, one in 10 eats less protein than the established minimum standards. One in five black children does not get enough calcium; two in three do not get enough iron.

Approximately one out of every two black AFDC families does not receive free school lunches for their children; more than one in four do not get food stamps—this, despite the fact that their income would make them eligible for these programs.

Schweiker and John Block, the secretary of agriculture, have suggested cutting back the food-stamp program by reducing the number of beneficiaries. Senate Finance Committee Chairman Robert Dole (R-Kan.) wants to do this without depriving the really "needy." One would hope that the many poor black children and their families who depend on food stamps to eat will qualify for Dole's needy list.

There are specific federal budget cuts and changes that can be made without denying people important benefits. For example, a black child is three times as likely as is a white child to be labeled educable mentally retarded. Besides being unfair to the child, this overrepresentation is costly to taxpayers. Also, when Congress considers reauthorizing the Vocational Education Act, it should ensure that funds are targeted at youths with the highest risk of unemployment.

Reforms such as these can set us on the road to fiscal soundness. But scissors-happy public officials should eschew belt-tightening that is more show than substance. Each year that black children lack adequate food, health care and other items needed for survival will cost the nation billions of dollars in lost productivity and expensive remedial efforts. We must factor that future cost into

any ostensible "savings" that we hope to achieve now at the expense of the poor.●

A DECISION ON GENERAL JONES

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1980

● Mr. MAVROULES. Mr. Speaker, one of the first decisions President Reagan and the Secretary of Defense must make is whether Gen. David Jones should remain as Chairman of the Joint Chiefs of Staff.

To request the resignation of General Jones—or to put it more bluntly, to fire him—would be a serious mistake. General Jones, confirmed by the Senate to his present position, should complete the remaining months of his 2-year term.

When the general's term is completed, President Reagan will be free to nominate his own candidate as Chairman.

Conservative critics of General Jones point to his actions on SALT II, the Panama Canal Treaty, and his failure to break with Jimmy Carter after the Presidential decision on the B-1.

The general termed SALT II "a modest but useful step," and was joined in this position by Adm. Thomas Hayward, Chief of Naval Operations, and Robert H. Barrow, Commandant of the Marine Corps.

All three military leaders tempered their support for the treaty with a corresponding commitment to a massive revitalization of our military capabilities.

To quote the General's testimony before the Senate on the proposed SALT II treaty:

> None of us is totally at ease with all the provisions of the agreement. . . . We believe, though, that the risks in this area are acceptable, provided we pursue vigorously challenges to questionable Soviet practices, improvements in the capability of our monitoring assets, and modernization of our strategic forces.

On the merit of the treaty itself, General Jones, speaking for the Chiefs of Staff, stated:

> We believe it is essential that the nation and its leadership view SALT II as a modest but useful step in a long range process which must include the resolve to provide adequate capabilities to maintain strategic equivalence coupled with vigorous efforts to achieve further substantial reductions.

This is a careful and very qualified statement. It represents, not so much an opinion, but instead, an assessment of conflicting options.

The Panama Canal treaties were controversial but, with the advice and consent of the Senate, including the vote of the Senate's majority leader, were ratified.

I question whether critics are upset with General Jones or simply looking for another chance to challenge the policies of the Carter administration.

One editorial on this subject states:

> Military misjudgments of Presidents, when they occur, are their own. They are not the responsibility of the Joint Chiefs or their Chairman. To suppose otherwise is incompatible with the principles of civilian control of the military.

Whether the Chairman of the Joint Chiefs agrees or disagrees with the President, it is essential that the Chairman implement the decisions and policies of the President with sound and professional judgment. In critical times, or under normal circumstance, it is not the responsibility of the Chairman, not the Joint Chiefs, to second guess the President.

Under the Constitution, the role of second guessing the President is a power reserved to the legislature.

Behind closed doors, the Chairman is free and should persuasively express himself on all subjects. But, once the debate is over and the question decided, personal reservations must be put aside. We have only one President. Whether it be Jimmy Carter or Ronald Reagan, their orders as Commander in Chief must be followed to the letter.

At issue here is not the worthiness of one military officer, but rather, a constitutional process. Civilian leaders, and an elected Commander in Chief make the policy decisions on defense. The professional military offers their recommendations and advice, but their constitutional role is to implement the decisions, not make them.

General Jones should complete his 2-year term.●

PROTECTING OLDER AMERICANS AGAINST OVERPAYMENT OF INCOME TAXES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, in recent years the House and Senate Committees on Aging have published checklists of itemized deductions to alert older and younger taxpayers about tax relief measures which can assist them.

The committees hearings have provided compelling and disturbing evidence that large numbers of elderly persons pay more taxes than the law requires.

This year the Senate committee has prepared another useful summary to assist taxpayers, whether they are old or young.

This checklist can be helpful in other ways as well. A taxpayer, for example, may be able to determine whether it would be more advantageous to itemize deductible expenses or simply claim the standard deduction.

Even individuals who have already filed their tax returns may find the summary to be beneficial if they overlooked an allowable deduction. They may obtain a refund by filing an amended return—Form 1040X—for the year in question. However, the amended return must be filed within 3 years after the original return was due or filed, or within 2 years from the time the tax was paid, whichever was later.

Many Americans have found these summaries to be important safeguards in protecting them from overpaying their Federal income tax. It is with the expectation of providing still further assistance to our constituents that I call this summary to the attention of my colleagues in the House.

Mr. Speaker, I ask unanimous consent that portions of the checklist of itemized deductions be printed in the RECORD.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE A (FORM 1040)

MEDICAL AND DENTAL EXPENSES

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of your adjusted gross income (line 31, Form 1040).

INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 31, Form 1040).

OTHER MEDICAL EXPENSES

Other allowable medical and dental expenses (subject to 3% limitation):

Abdominal supports (prescribed by a doctor), acupuncture services, ambulance hire, anesthetist. Arch supports (prescribed by a doctor). Artificial limbs and teeth, back supports (prescribed by a doctor), braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. You should have an independent appraisal made to reflect clearly the increase in value.

Cardiographs, chiropodist, chiropractor, Christian Science practitioner, authorized, convalescent home (the entire cost, if the main reason for being there is to get medical care), crutches.

Dental services (e.g., cleaning, X-ray, filling teeth), dentures, dermatologist, eyeglasses.

Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).

Gynecologist, hearing aids and batteries, home health services, hospital expenses, insulin treatment, invalid chair, lab tests, lipreading lessons (designed to overcome a handicap).

Medicare A, voluntarily paid, if you are 65 or older and not entitled to social security

benefits. Medicare B, supplementary medical insurance,

Neurologist, nursing services (for medical care, including nurse's board paid by you).

Occupational therapist, ophthalmologist, optician, optometrist, oral surgery, osteopath, licensed.

Pediatrician, physical examinations, physical therapist, physician, podiatrist, psychiatrist, psychoanalyst, psychologist, psychotherapy.

Radium therapy, sacroiliac belt (prescribed by a doctor). Seeing-eye dog and maintenance, speech therapists, splints, surgeon.

Telephone/teletype special communications equipment for the deaf. Transportation expenses for medical purposes (actual or 9¢ per mile plus parking and tolls; but not general repair and maintenance expenses, insurance, or depreciation in either case; or actual fares for taxi, buses, etc.).

Vaccines, vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).

Wheelchairs, whirlpool baths for medical purposes. X-rays.

Expenses may be deducted only in the year you paid them. If you charge medical expenses on your credit card, the expenses are deducted in the year the charge is made regardless of when the bill is paid.

TAXES

Real estate, general sales, State, local, or foreign income, and personal property.

CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 31, Form 1040). However, contributions to certain private nonoperating foundations, veterans organizations, fraternal societies, or nonprofit cemetery companies, are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible).

Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 9¢ per mile plus parking and tolls) for charitable purposes (may not deduct general repair and maintenance expenses, insurance, or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in your home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

INTEREST

Personal loan.

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.

Other credit cards—you may deduct as interest the finance charges added to your monthly statement, expressed as an annual percentage rate, that are based on the unpaid monthly balance.

CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property.

MISCELLANEOUS

Appraisal fees to determine the amount of a casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box used to store taxable income-producing property records.

Fees paid to investment counselors (if the fees relate to investments that produce taxable income.)

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer to keep your job or in order to get the job.

Cost of bond if required for employment.

Expenses of an office in your home if used regularly and exclusively for business purposes.

Educational expenses that are: (1) required by your employer to maintain your position; or (2) for maintaining or sharpening your skills for your employment.

POLITICAL CAMPAIGN CONTRIBUTIONS

You may claim a credit (line 38, Form 1040, or line 12a, Form 1040A) for campaign contributions; The amount of tax credit is one-half of the political contribution, with a $50 ceiling ($100 for couples filing a joint return).

PRESIDENTIAL ELECTION CAMPAIGN FUND

Additionally, you may voluntarily earmark $1 of your taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

OTHER TAX RELIEF MEASURES

Additional Exemption for Age

Besides the regular $1,000 exemption, you are allowed an additional exemption of $1,000 if you are age 65 or older on the last day of the taxable year. If both a husband and wife are 65 or older on the last day of the taxable year, each is entitled to an additional exemption of $1,000 because of age.

Credit for the Elderly

You may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if you are:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

For more information, see instructions for schedules R and RP.●

FUTURE HOMEMAKERS OF AMERICA—1981

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. NATCHER. Mr. Speaker, as we delve into a new and promising decade, so does the Future Homemakers of America organization as it prepares to celebrate National FHA/HERO Week, February 8 to 14, with its theme, "Know How for the 80's."

In its 35 years of existence, Future Homemakers of America has established itself as a vital and integral part of America's youth community. Organized in 1945, the organization was born into a climate that nourished anew the importance and meaning of family life, for in that year, the year of 1945, America's men—her husbands, fathers, sons, and brothers—were returning home from World War II, and her heart and eyes were focused upon her families. Now, 35 years later, with the added advancement of this age, our family patterns have changed; the interest of our family and each of its individual members has expanded. However, the FHA program chose to be guided by this change—not extinguished by it. The role of the homemaker is changing, and the FHA/HERO (home economics related occupations) is part of that change.

FHA/HERO projects encourage democracy and cooperative action in the home and the community. It encourages individual and group involvement in helping to achieve worldwide brotherhood; it encourages a greater understanding between our youth and adults; it encourages decisionmaking and responsibility. All of these goals are put into action when we consider the many programs that FHA/HERO chapters have carried out in your community and mine. They work with children, peers, adults, and the elderly of all ages, races, and status, They work in day care centers, schools, and hospitals. They supervise playgrounds and tutor the hard of hearing. They assist in immunization programs, vocational home economics education, elderly visitation and care programs. They give their time and service in love of their fellow man.

As we embark on our journey into this new decade, may the experiences gained up till now only lend themselves to an increased "Know How for the 80's."

I am honored to be part of the FHA/HERO organization as an honorary member, and on this anniversary occasion I would like to applaud your outstanding efforts and to extend my best wishes to each one of you as you meet the challenges which await you.●

UKRAINIAN INDEPENDENCE: THE 63D ANNIVERSARY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. NOWAK. Mr. Speaker, it is a pleasure to participate in the observance of the 63d anniversary of the establishment of the independence of Ukraine.

The Soviet invasion of Afghanistan has shocked the world since we last marked the independence of Ukraine and adds special meaning to our commemoration today. In effect, the Soviets have added to the list of captive nations by their aggression in the last year.

Prof. Lev E. Dobriansky of Georgetown University, president of the Ukrainian Congress Committee of America, Inc., detailed the significance of our continuing observance of Ukrainian independence in a recent letter to me. I would like to share his comments with my colleagues at this point in the RECORD.

UKRAINIAN CONGRESS
COMMITTEE OF AMERICA, INC.,
New York, N.Y., January 23, 1981.

DEAR REPRESENTATIVE: With the 97th Congress, I extend in behalf of this national committee and myself our warmest felicitations for your most successful leadership in the years ahead. Hopefully, I also look forward to work with you in an area which seems alien to our people and yet is very basic to our national security as well as to our American ideals and principles. UCCA represents the convictions and values of over 2 million Americans of Ukrainian ancestry, small in percentage but long in ideas and experience.

For a quarter of a century Members in every Congress have observed the Independence of Ukraine. This is its 63rd anniversary. Upon the collapse of the Tsarist Russian Empire, the Ukrainian National Republic was established on January 22, 1918, highlighting another phase of independence for the Ukrainian nation. By 1920 it was destroyed in the first wave of Soviet Russian imperialism that in a succession of waves has reached in our day into Afghanistan. January 22nd is the date, but because of our Presidential Inauguration and its aftermath, this singular commemoration has been scheduled for the first week of February.

As Americans, why do we observe this historic event of declared national independence in the area of our prime enemy? The clear answer is seen in these few facts: (1) our America was primarily born in severance from an empire, and those nations today, like Ukraine, seeking independence from the Soviet Russian empire cannot but magnetize our instinctive, spiritual affinity, (2) in fact, Ukraine is the largest non-Russian nation both within the USSR and all of Eastern Europe, with a population and territory easily comparable with France, (3) its long record of opposition to Soviet Russian domination, marked today by widespread human rights dissidence, is documentarily incomparable in contemporary times and (4) its strategic position in relation to Poland and others in Moscow's outer empire and to the Mideast and South-Asia adds substantially to its Achilles Heel status in the last remaining, major empire.

Through our VOA, Radio Liberty and many other media your address on these and other facts during the "63rd" will doubtlessly go a long way in intensifying our natural alliance with the 50 million Ukrainian nation. It will certainly signal the dire need for policy in this direction. To this day we have no strategy for Ukraine and the other captive non-Russian nations in the USSR—not to irritate or provoke Moscow into any hot war, but to preclude any such confrontation by meeting their primary challenge on the ideological plane. Though we have to recoup our military posture across-the-board, this is not the decisive answer to the Soviet Russian challenge. To put it simply, when we had clear-cut military superiority, Moscow advanced nevertheless. Hopefully, the new Administration will address itself to this most basic problem.

I most warmly invite you to speak out on this fundamental issue of national independence in your respective chamber. . . . For, in truth, we haven't begun to realize the opportunities that face us in terms of peace and expanded freedom.

Your participation in this event will be greatly appreciated and with all best wishes,

Sincerely,

LEV E. DOBRIANSKY,
Georgetown University.

Mr. Speaker, as with our annual observance of Captive Nations Week, our remembrance of an independent Ukraine is one way—an important way—we can lend moral support to the ongoing efforts of our freedom-loving brothers and sisters across the world.

By constantly reminding the world of the state of captivity under which these people exist, we provide a source of hope to help fuel opposition to such tyranny, as evidenced by continuing resistance in Afghanistan, widespread dissidence on human rights issues in Ukraine, and the still unfolding events in Poland.

I join with my colleagues in the sincere hope that these efforts will lead to achievement of our human rights goals for all peoples and that one day soon we will be celebrating a truly independent Ukraine.●

FOREIGN AID: ENLIGHTENED SELF-INTEREST

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DIXON. Mr. Speaker, the recent proposal by the Director of the Office of Management and Budget (OMB) for a $2.6 million reduction in the 1982 fiscal year aid submission has the potential to do serious harm to America's foreign policy interests. A reduction on the magnitude suggested would severely limit the flexibility available to our foreign policymakers, undercut and possibly even destroy certain international lending institutions which serve to keep many underdeveloped countries afloat economically, and raise doubts in the world about our pledges across a wide range of negotiations.

Since the end of the Second World War and beginning with the extraordinary success of the Marshall plan, bilateral economic assistance has been recognized by all administrations as a valuable tool in the implementation of our foreign policy. It has been used to reward friendly governments, to promote stability, and to influence the political course a government might choose in a direction which would accord with our own interests. While the history of our assistance efforts includes episodes of failure, on balance our investments have been wisely made and our policy objectives achieved.

Jamaica, whose Prime Minister was honored by the President here last week, represents a concrete recent example of a nation where an increasing drift toward the political left and economic chaos has been offset, at least in part, by our intelligent extension of bilateral economic aid. This aid has helped guide Jamaica to a more centrist course and away from a dangerous dependency on Cuba.

The present crises in Central America also present clear opportunities for the application of economic and food assistance in a way which could contribute to the restoration of peace and stability. No one can question that continuation or interruption of our aid commitments to the governments in El Salvador and Nicaragua are matters of serious moment there or doubt that our decisions can affect policy courses chosen by the juntas which rule in those countries.

Multilateral development banks have often provided a cost-effective and efficient means by which the United States could help developing countries help themselves and it is in the area of curtailments in our contributions to these institutions where the OMB proposal has the potential to do the most widespread harm, all of it in the Third World. The action suggested by OMB would adversely affect development prospects in a large number of countries at a time of greatly growing need. Certain regional development banks like the African Development Bank, the Inter-American Development Bank, and the Asian Development Bank would, over time, be cut off from U.S. funds altogether. Par-

ticularly sensitive is the suggested reduction by half in our contributions to the International Development Association where it is generally conceded a U.S. revocation of its pledge would lead to the organization's collapse. What would that mean? As the OMB documents notes, "* * * the reduction in aid would mainly affect the poorer countries of Africa and the Asian subcontinent."

How can we explain this action to ourselves or to others? What message do we convey to the world by a rejection of altruism as an element of our foreign policy? What would be the impact on Africa for example, where two-thirds of the world's poorest people live and which contained a refugee population of 5 million at the end of 1980? How does a withdrawal from the community of aid donors of the degree proposed by OMD square with the American tradition of responsible humanitarianism? Can we believe that an abdication of our role as providers of assistance now will serve our long-term interests?

Enlightened aid giving with appropriate regard for the needs of the world's destitute serves pragmatic ends as well. Economic assistance to poor and developing nations, when viewed in the larger sense, is never a give away. This excerpt from an editorial in the Christian Science Monitor for November 11, 1980, is relevant and persuasive on this point:

. . . humanitarianism also serves the national interest. The industrialized countries of the West have a growing stake in the development of third-world nations—as suppliers of raw materials, as trade partners and markets, as fellow earth inhabitants in addressing such global problems as nuclear proliferation, pollution, population growth. As West German Foreign Minister Genscher has said, "Our peace and prosperity depend upon whether or not we succeed in overcoming hunger in the third world and in achieving development based on stability.

Mr. Reagan believes the U.S. must have a strong export policy. He is right. An it bears mentioning in this regard that in 1978 almost 40% of total U.S. exports went to developing nations; and of that amount a high 26% went to non-OPEC nations. If American exports to the third world are to continue booming, however, it is necessary that the third world continue to develop as well. That is why foreign assistance is so essential; when effective and properly administered, it promotes economic growth for everyone.

Continued foreign economic assistance, both bilateral and multilateral, at reasonable levels is very much in America's self-interest. As an early initiative of the new administration, severe cutbacks in this assistance as proposed by OMB limit the flexibility of our policymakers and send a dangerous signal to the world. They represent an abandonment of responsibility which is both unworthy and unwise.●

RELATIONSHIP BETWEEN U.S. SKI TEAM AND SUBARU OF AMERICA, INC.

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. APPLEGATE. Mr. Speaker, several days ago, I approached this House with a matter that concerned me a great deal. The U.S. ski team, whose purpose it is to support America, has for some time been using the Japanese produced Subaru automobile as their official car. This disturbed me as I represent an area heavily dependent on steel products that goes into the production of American cars. I felt that to promote a foreign made product over one produced here, considering the large numbers of unemployed auto workers and those in related industries, would be wrong.

I wrote to the U.S. ski team and asked them to reconsider their position. In response to my request, I have received a letter from the administrative secretary, Lisa Hovey. For the consumption of the Members of this House and in fairness to the team, I wish to have the text of the reply printed following these remarks.

While the letter is quite interesting, I would like to call particular attention to the third paragraph in which Ms. Hovey points out that the ski team had solicited the American auto manufacturers on the matter of an official car, but there was apparently no interest on the part of any domestic producer. I would, indeed, welcome any response on this from any of our auto producers.

Mr. Speaker, the reply that I received follows:

U.S. SKI TEAM,
Park City, Utah, January 26, 1981.

Hon. DOUGLAS APPLEGATE,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. APPLEGATE: Your letter of January 6, 1981 concerning the relationship between the U.S. Ski Team and Subaru of America, Inc. has been referred to me. I appreciate your concern and would like to take this opportunity to introduce you to the U.S. Ski Team, our methods of funding and our relationship with commercial sponsors.

As one of the few national ski teams in the world not funded by government subsidy, the U.S. Ski Team has developed commercial licensing programs in order to generate the revenues necessary to finance our athletic endeavors. Our licensing agreement provides that in exchange for a supply of product and an annual licensing fee, the Ski Team grants a corporation the right to use our name, registered logo, and athletes for advertising and promotional purposes.

The U.S. Ski Team has solicited the automobile manufacturers in this country in pursuit of an "official car" supplier. We had hoped to support the U.S. automobile industry and in turn have them support us. However, none of them were interested in entering into a licensing agreement with us.

Subaru of America, Inc., on the otherhand, approached us for a relationship. They have entered into a four year contract as the official car of the United States Ski Team. In return for making that claim they supply our national ski team with 32 Subarus, 8 Chevrolet and Dodge vans and 4 Chevrolet trucks (Subaru purchased these vehicles from the American manufacturers for the team). They also pay us a six figure licensing fee each year of the contract.

The United States Ski Team represents youth, sport and patriotism, but it also represents the American ideal of free enterprise. The travesty here is not that the U.S. Ski Team "picked" a Japanese made car as the official vehicle, but rather that a foreign automobile manufacturer was the only manufacturer interested in supporting our national ski team.

Subaru of America, Inc. has been a loyal and generous supporter of our organization and we are proud to have them as a sponsor. In time, we hope the American manufacturers will also make the decision to support the U.S. Ski Team so that we may also support them. In the meantime, we are forced to accept funding from foreign industry so our American athletes can proudly defend and represent the United States in international ski competitions.

Sincerely,

LISA HOVEY,
Administrative Secretary.●

THE LACEY AND BLACK BASS ACTS

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to amend the Lacey and Black Bass Acts, acts which deal with the interstate transportation of illegally taken fish or wildlife. This legislation is almost identical to H.R. 5604, which passed the House under suspension of the rules with no opposition on July 30, 1980. A similar bill was reported out of the Environment and Public Works Committee in the Senate but was not considered on the Senate floor.

The current Lacey and Black Bass Acts restrict the importation and interstate transportation and sale of illegally taken fish and wildlife. These two statutes serve as the major Federal effort to assist other States and foreign nations in the enforcement of their wildlife statutes. The theory of these statutes is simple. The Federal Government should attempt, where it can, to prohibit interstate transportation of fish and wildlife products when the products are taken in violation of a State or foreign law.

Each of these acts has a long history. The Lacey Act was one of our first Federal wildlife laws, passed in 1900 to combat the so-called pot-hunter, those people who killed large amounts of wildlife for sale. It was viewed then, and should be viewed now, not as in-

creasing the Federal role in managing wildlife, but as a Federal tool to aid the States in enforcing their own laws concerning wildlife. The Black Bass Act of 1926 was based on the same philosophy as the Lacey Act. It provided Federal sanctions against interstate transportation of black bass taken, purchased, sold, or possessed in violation of State law. The Black Bass Act was subsequently expanded to cover all fishes, and in 1969 was amended to encompass foreign commerce. Although both of these acts have been amended throughout the years, a number of problems have developed that have limited their effectiveness as wildlife enforcement tools. In addition, having two statutes with differing enforcement and penalty provisions makes little sense when the problems encountered in the control of illegal commerce in fish are nearly identical to those encountered in the control of illegal commerce in wildlife.

This bill would correct the present insufficiencies in both the Lacey and Black Bass Acts and combine them into one statute to simplify administration and enforcement and promote public understanding. This legislation would make the following substantive changes in the law:

First, the legislation would raise both the civil and criminal penalties of the current laws. The $200 maximum fine in the current Black Bass Act is no deterrent to those who can make $100,000 per year trafficking in illegally caught salmon. The legislation would establish a two-step civil penalty remedy for violations. A modest maximum civil penalty of $500 is provided as a strict liability penalty. For violations committed by a person who in the exercise of due care should know he is in violation of the law, the legislation provides the maximum civil penalty be raised to $10,000 per violation to enable the Government to cope with those violations in which the profits are so great that the deterrent must reflect reality. The legislation also provides maximum criminal penalties of $20,000 or 5 years imprisonment, or both, per violation.

Second, the present Lacy Act contains a criminal culpability standard which renders its criminal penalties virtually useless. The legislative history of the act can be read to require the Government to show that the defendant had knowledge of the act itself as well as the State or foreign laws being violated. The amendments change this culpability standard to make clear that the Government need only prove knowledge of the facts or elements of a violation and not knowledge of the act itself.

Third, the current Black Bass Act does not prohibit interstate transportation of fish into a State that prohibits their entry. As an example, California strongly objects to shipments of live white amur carp into California from Arkansas. California has no remedy against the shipper in Arkansas, and the Federal Government cannot intervene in California's behalf under the present law. This problem is solved by the proposed legislation.

Fourth, it is desirable to extend protection to species of wildlife not now covered by the Lacey Act. States and foreign governments are encouraged to protect a broad variety of species. Legal mechanisms should be supportive of those governments. For example, in 1969 coverage of migratory birds was removed from the Lacey Act. Such protection should be restored to provide a more adequate remedy for some violations involving massive numbers of birds.

Fifth, because of the resource management responsibilities of Indian tribes on tribal land, the legislation proposes that, like the current Black Bass Act, the provisions of the act apply to fish and wildlife taken in violation of Indian tribal law or regulations relating to management of tribal land.

Sixth, the legislation adds rare plants that are the subject of State conservation laws to the coverage of the Lacey Act. This provision would provide Federal enforcement assistance to States that have adopted laws regulating the taking and sale of rare plants. This provision is structured in such a way that it focuses attention on only those plants that have been recognized as being in a specially precarious biological condition.

Finally, both the current Lacey and Black Bass Acts contain rigid language concerning the marking of packages and containers in interstate commerce that contain fish and wildlife products. It has become necessary to depart from this language for a number of reasons. One is the potential for theft of valuable furs or other merchandise for which an alternative marking has been provided. Another example is the tropical fish business in which a single shipment may contain a hundred species. Marking of kinds and numbers on the outside of the package is impractical and available packing lists or invoices suffice. Still another example is the commercial fish business in which a shipment may consist of numerous packages or containers. The present law, if strictly enforced, would conflict with industry practices. For these reasons the legislation proposes that marking be done in accordance with regulations promulgated by the Secretary which may be more flexible and accommodate current industry practices.

The only change that I have made in the legislation is to omit the legislative veto of regulations contained in the House-passed bill. Congressman FORSYTHE, who originally recommended such a veto, has agreed that we should leave it out of the bill we introduce. We will, however, examine the need for a legislative veto when we consider the legislation in committee.

This legislation would not constitute a broadening of Federal authority under the act, but merely would allow the Federal Government to provide more adequate support for the full range of State, foreign, and Federal laws that protect wildlife. With the exception of the marking provisions, none of the substantive provisions of the act stand on their own. In order to prosecute a case under both the current Lacey and Black Bass Acts and this revision, it is necessary to first prove that there has been a State, foreign, or another Federal violation.

Mr. Speaker, the need for this legislation becomes more apparent with each passing day. Not only do we need it to protect the ever-diminishing wildlife resources of the world, we need it to protect our own poultry industry. Last fall there were several outbreaks of Newcastle's disease, an extremely contagious disease that affects domestic fowl. It is usually caused by diseased imported birds. The Department of Agriculture quarantines birds brought in legally, but the large volume of smuggled exotic birds pose a real threat. Without substantial penalties to deter smugglers, the enforcement effort is meaningless. This bill, by providing a meaningful penalty structure, will provide that deterrence.●

MONKEY WRENCH IN THE MIDDLE EAST

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. BINGHAM. Mr. Speaker, in the Washington Post of February 3, Philip Geyelin reported that our European allies are about to reveal a master plan for Arab-Israeli peace. According to Geyelin, the plan calls for, among other things, Israel's withdrawal from all the occupied territories, Israeli negotiation with the PLO, an international or binational Jerusalem, and the reduction of Israeli and Arab forces to be replaced by a United Nations peacekeeping force.

Such an absurd proposal, if it were in fact to be used, would represent not only a European attack against Israel, but also against the United States. The Camp David approach, which the Europeans would abandon, is the favored approach of both the former Carter administration and now more importantly, of the new Reagan administration. It would hardly behoove our allies to attack Camp David even before the new administration has had a chance to use that framework in the

cause of Arab-Israeli peace. I would remind the Europeans that the Camp David process has worked remarkably well and that their own proposal is, in Philip Geyelin's apt phrase, "an obvious nonstarter." I would also suggest that the submission of this type of proposal would indicate that some of our allies are so anxious to maintain the oil flow that they would prostrate themselves before the oil producers and yield to any Arab demand, no matter how extreme. I commend this piece to my colleagues and other readers of the RECORD:

MONKEY WRENCH IN THE MIDDLE EAST

The Europeans are winding up to throw another, bigger monkey wrench into the works of the "Camp David Framework" for settling the Arab-Israeli conflict.

Of course, that's not how they would put it. As with last summer's "fact-finding" tour of the Mideast by Luxembourg's foreign minister, Gaston Thorn, the Europeans will insist they are only trying to help fill a dangerous vacuum with their latest "initiative." But "monkey wrench" would be the inescapable effect on Camp David of a new "peace plan" that was secretly agreed to in considerable detail by the nine (now 10, with the inclusion of Greece) members of the European Economic Community last December.

The plan goes well beyond fact-finding: it's a blueprint for a whole new framework. No point was seen in pushing it publicly while the United States was changing presidents. But now, with the new, untested Reagan administration in charge, a heavy campaign is about to get under way.

British Prime Minister Margaret Thatcher and her foreign minister, Lord Carrington, are said to be ready to make a big pitch when they come to Washington toward the end of February. France is another loud advocate of anything-but-Camp David, and French Foreign Minister Jean Francois-Poncet, who is due in town about the same time, will doubtless add his voice.

There are also reports that Foreign Minister Herman J. duMarchie Sarvass of the Netherlands, who has replaced Luxembourg's Thorn as EEC chairman, is angling for an invitation to Washington to help break the ground for Thatcher—and planning a tub-thumping tour of the Middle East as well.

The Europeans will argue that they mean Camp David no harm but that it's going nowhere and that their formula offers a promising alternative. Yet the plan they have come up with, as it has been described to me by diplomats in a position to know, is far removed from anything that any foreseeable Israeli government could conceivably accept. So much so, in fact, that you have to wonder whether the Europeans are not a lot less interested in settling the Palestine question than they are in ingratiating themselves with Arab producers of petroleum and Arab customers of European industries.

Consider the principal features of the European master plan for Arab-Israeli peace.

Item: Israel would be required to withdraw from all the territory it has occupied since the 1967 war, including not only the West Bank and Gaza but the Golan Heights and East Jerusalem, over a two-year "transitional period." This goes far beyond requirements of the carefully ambiguous language of the basic "peace" document, U.N. Resolution 242.

Item: With only a few exceptions, all Jewish settlements implanted on occupied territory since 1967 would have to be removed.

Item: In the course of the "transition" period, a referendum would somehow be conducted of all of the estimated four million former inhabitants of Palestine—worldwide. They would be asked to choose between creation of an independent Palestinian state, or a federation arrangement with Jordan and/or Israel.

Item: As a matter of principle, Palestinian refugees would have the right to return to their original homeland, including what is now Israel, or receive appropriate compensation.

Item: Armed forces, both those of Israel and its Arab neighbors, would be reduced and a U.N. peace-keeping force would be established—with the Europeans participating.

Item: The city of Jerusalem would either be completely internationalized or divided between Israel and Jordan, with international status accorded to the old city.

You will instantly recognize that these terms (which would include direct dealings with the PLO) violate just about every tenet of Israeli policy. Prime Minister Menachem Begin takes fierce pride of authorship of the much more modest "automony" plan. It would gradually grant a measure of self-rule to the West Bank and Gaza over a five-year period, with just about everything else held up for further negotiation. Even Begin's heavily favored opponent in this year's elections, Labor Party leader Shimon Peres, has accepted this Camp David "autonomy" approach.

More to the point, so has the Reagan administration.

So why are the Europeans pushing what looks like an obvious non-starter? Not only Israeli officials but some American authorities, as well, see it largely in terms of transatlantic power politics—a bid for European influence in the Middle East at the expense of the United States. "A reduced American role in the peace-making means less American influence across the board—and greater economic, commercial and political opportunity for Europe," says one knowledgeable diplomat.

True or not, if Thatcher and other European leaders play out their new initiative, it will put the Reagan administration's foreign policy makers to an early and, one would suppose, unwanted test. Sworn to sweeten Alliance relations, they will be caught between that worthy aim and their equally firm devotion to the security interests of Israel.●

BOY SCOUTS OF AMERICA—1981

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. NATCHER. Mr. Speaker, the Boy Scouts of America, the first and largest youth organization to be chartered by Congress, is preparing to celebrate, during the week of February 8 through February 14, their 71 years of existence since the year 1910. This anniversary week will mark the end of another year of achievement and the beginning of a new one for our Scouts.

Last year's theme, "Scouting—the Better Life," has been incorporated into this year's theme, "Volunteers Who Help To Lead in Scouting—the Better Life," as Scouts from Florida to Hawaii pay homage to those individuals who have rendered their services to Scouting over the past 71 years.

The impressive growth and accomplishments of Scouting would not be possible without the services of thousands of men and women who give unstintingly of their time and effort to make this fine organization work. The high caliber of the people who dedicate themselves to the Scouting movement is noteworthy, as we owe them a debt of gratitude for the outstanding job they are doing.

Another event scheduled this year by the Boy Scouts of America is their 10th National Scout Jamboree, to be held the week of July 29 through August 4 at Fort A. P. Hill, Va. Fort A. P. Hill is 100 miles from the site where Cornwallis surrendered to George Washington in the last major battle of the Revolutionary War. From that time, our Nation prospered and grew into one of the great nations of the world.

During the course of this Scout jamboree, emphasis will be placed on the skills of Scouting, the Nation's heritage, physical fitness, conservation, and the spirit of brotherhood.

Numerous other events scheduled to take place through the course of the year are public speaking contests, sailing championships, law enforcement conferences, and Scouting energy days and environmental days.

With every passing year, our Boy Scouts continue to be among out greatest assets, and I consider myself both fortunate and privileged to have this opportunity to again congratulate them and wish each and every one of them continued success in all their future endeavors.●

PROUD TO BE POLISH

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DERWINSKI. Mr. Speaker, in light of recent developments in Poland, a great respect for the strong determination of the Polish people is being demonstrated by all freedom-loving peoples and especially by Americans of Polish decent. As a first-generation American of Polish ancestry, I was especially pleased to note an editorial commentary by Jeff M. Hulewicz which appeared in the New York Times of February 2, which I insert at this point:

PROUD TO BE POLISH

(By Jeff M. Hulewicz)

SCOTTSDALE, Ariz.—The courage that the Poles have demonstrated by standing up to

the Russians is being applauded everywhere. Nowhere is this approval being expressed more strongly than in the United States. As a second-generation American of Polish ancestry, I can personally attest to this fact. Everywhere I go, there seem to be infectious outbursts of pride among Poles. On a personal level, after years of enduring witless Polish jokes and hearing my last name badly mispronounced, I am experiencing something strange and new: a sense of dignity in my Polish heritage.

Just the other day, a co-worker approached me and said: "That's really something about what those Polish people are doing, isn't it? My prayers are with them. You're Polish aren't you?"

My usual response to questions about my nationality always was a meek "yeah" followed by a quick change of subject. Although I never denied or tried to hide the fact, the endless derogatory jokes had conditioned me to feel embarrassed about being Polish. But this time I felt a flush of satisfaction when I answered: "Why, yes, I am Polish."

Such feelings have been a long time in coming. Growing up Polish in America has been for many a trying experience. After always hearing that the people of your country or origin are supposedly dimwitted, even when the joke is made in a lighthearted manner, you almost begin to believe it yourself. Unlike most fads such as hula hoops and streaking, Polish jokes seem to be a tradition that is passed on from generation to generation. I have been hearing them for at least 15 years.

Over the years, I have developed several defense mechanisms for dealing with the Polish joke. At first, I would get angry. But this only seemed to encourage the person who told the joke. This person knew that he had gotten my goat and would delight in it and learn more Polish jokes. When the indignation approach didn't work, I tried getting even. I would take the current Polish joke and switch the nationalities involved. This didn't offer me any relief, either. I would just feel as if I had descended to the vulgar level of the offending "comedian." After exhausting every possible avenue of escape, I finally decided to be a good sport. I would laugh along with everyone else and hope that no one in the group remembered I was Polish. However, this strategy often backfired when someone recalled, and the howls of laughter quickly dissolved into muffled titters and embarrassed, insincere apologies.

Ever since the Polish workers' labor victories began, I have yet a fourth response to Polish jokes. When I hear one, I simply shrug and say: "Tell that one to the Russians. I don't think they find the Poles to be a laughing matter anymore." This almost invariably results in total agreement and quick contrition.

Another disadvantage associated with being Polish is the constant mispronounciation and misspelling of the last name. The combination of "cz" at the end of my name manages to tangle the tongue of even the most practiced elocutionist. It has been pronounced in every possible way except the right one. And the misspellings are even more numerous. I used to envy the way a Smith or Jones could breeze through life without ever having to correct pronunciations and spellings of their names. Not any more.

I hope the struggle in Poland will be resolved peacefully and positively. And I don't mean to make light of its seriousness by relating my trivial problems in comparison. But I can't ignore the heartening implications these developments have had in my life. Bravo, Poland!

[Jeff M. Hulewicz edits technical-training publications for an airplane-engine manufacturer.]●

UKRAINIAN INDEPENDENCE DAY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. HYDE. Mr. Speaker, On January 25 the Ukrainian Congress Committee of America, Illinois division, was kind enough to name me "Man of the Year" at a banquet celebrating Ukrainian Independence Day.

I am very proud of this honor and pleased to provide my remarks on that occasion:

REMARKS BY CONGRESSMAN HENRY J. HYDE

My dear friends, I am greatly honored to be named your "Man of the Year." It is a distinction I shall always be proud of. Though I do not share your ethnic heritage, I do share your hatred of the most dehumanizing and cruel governmental system ever devised by man—Soviet communism.

On Jan. 22, we celebrate Ukrainian Independence Day and our minds and hearts go back to 1918, when, with the collapse of the Tsarist government and the subsequent seizure of power by the Bolsheviks, the Independent Republic of Ukraine was declared.

We all know the sad and bloody history of the times that followed—where Bolsheviks turned Ukraine into a battleground—and where the famine of 1921-22 devastated the land even more.

In 1922 the Ukrainian Soviet Socialist Republic was forced on these brave people—one is reminded of the crown of thorns being forced onto the head of a suffering Christ—and there followed one of the darkest chapters in the history of mankind—the death by starvation of from 3 to 5 million Kulaks, when Stalin forcibly collectivized the farms.

Stalin, who once said, "A single death is a tragedy, a million deaths is a statistic," proceeded to pile up the grisly statistics in a manner the like of which was not to be seen again until Dante's inferno sent us Pol Pot who also, in the name of St. Karl Marx turned the gentle land of Cambodia into a graveyard.

Today, these same anti-human forces are at work in Ukraine where the cultural elite are purged, religion is suppressed and russification of the language is advanced with demonic vigor.

But the tradition of Ukrainian independence—a tradition that goes back centuries before Catherine the Great—will not be stamped out nor obliterated. As early Christianity flourished in direct proportion to the zeal of its persecutors, so does the spirit of freedom surge in the hearts of all who endure Soviet threats, persecution, cultural and political manipulation, propaganda, discrimination and suppression. We are here today to re-assert our relentless dedication to freedom and independence for Ukraine and all the captive nations and to call upon freedom loving people everywhere to join the struggle for human dignity that history has made our burden and our glory.

We hear so often that the Soviet Union is only seeking peace, and our own halting efforts at strengthening our military capabilities are a threat to that peace. But peace is a word of many colors—the peace of the victor is not that of the vanquished. The brave Afgan people now know that too well. There is the peace of the prison and of the grave and the peace of the slave. Such peace is beneath the contempt of honorable men.

Those of us who have known war—counted its wounded and buried its dead—have wept over its smoking cities and scorched earth, its hungry young and its homeless old—do not cherish peace any less—but we must insist that if the price of this peace is submission to the dehumanization of communism, then it is a price we will not pay.

Our capacity for self-deception was never more clear than on August 1, 1975, when we and 34 other nations signed the Helsinki accords. Have not the Soviets told us incessantly that only those acts are moral which further the class struggle? We had no right to expect them to respect the basic rights of man set forth in these accords. But we believe what we want to believe, and so once more the hopes and prayers of the people in the captive nations go unfulfilled. We lament this—and we shall remember.

We must understand that the grand fallacy of Marxism is its doctrine of historical determinism—its notion that the future is determined, not by ideas and individuals—but by the iron laws of its own definition of history and the immutable dictates of dialectical materialism.

But in 1967—The 50th anniversary of the Communist revolution (and the 100th anniversary of the invention of barbed wire) Aleksandr Solzhenitsyn finished writing his tragic epic, "The Gulag Archipelago."

Solzhenitsyn's 3 volumes of recollections of resistance, of the heroic rebellion of those who refuse to be only victims must be read if one is to learn the depths of horror the Communist system is all too capable of.

What caused this Soviet captain, in the forests of East Prussia in the year 1945 to begin to doubt and then reject the Soviet system—a system into which he was born and in which he lived? This one man—this single event—this "light from the East"—surely wasn't contemplated—wasn't even thinkable—in the Soviet system. But the moral squalor, the barbarism of the worker's paradise of Marx, Lenin, Stalin and now Brezhnev has been laid out in a casket of its own contrivance by Solzhenitsyn and a few others for all the world to see and to shudder.

It is a disturbing and ironic fact, however, that the inherent cruelties of communism as a system of government—whether Soviet or that of Mao Tse tung, Ho Chi Minh or Pol Pot—so often fail to sink in to the consciousness of our political leaders. In April 1976 the President of the United States at Notre Dame University announced that we Americans had gotten over our "inordinate fear of communism." President Carter's dangerous euphoria was shattered by the invasion of Afghanistan—an awakening that was too long in coming.

The West has too many writers and leaders who think that Soviet leaders share the same values, perspectives and goals that we do. The writer George Will has remarked that "rivers of blood and mountains of other evidence, constantly expanding" confirm the view that the Communist system

"presupposes and produces coarse cruel leaders".

Will has written in the June 12, 1978 issue of Newsweek:

"The alarming and sorrowful fact is not that evidence for the correct view is scanty, but that such evidence must be produced so constantly, in such abundance, with such genius, and at such terrible cost, in order to convince the West, which is eager to disbelieve. The unimaginable bravery and suffering of Soviet dissidents is indispensable to the West because it forces the Soviet regime to advertise its essential nature, and Solzhenitsyn's relentless light from the East illuminates the indissoluble connection between the internal aims of the terrible and forbidding men who constitute it."

You here today—and countless other defenders of freedom—remind us in America that freedom is not easily won nor painlessly maintained. Teach us, by your example and your unremitting love of liberty and self determination to cherish our own freedom all the more—and to be willing to pay whatever price we must to maintain that freedom for ourselves and our children.

Our 52 former hostages, held by Iranian barbarians for 444 agonizing days, have returned to American soil but a few hours ago. They will teach us vividly of what you have been quietly and persistently reminding us for so many years—that freedom is under attack and on the defensive in many places in the world.

The "light from the East" now shines on the brave Polish labor leaders who, with enormous courage, are struggling for more human dignity against a system that denies humanity itself.

The brave Afgan rebels are fighting with knives and rocks and any sort of weapons they can find—fighting our fight against Communist totalitarianism.

Can we in America learn from all of this?

A writer with the gift of prophecy once said that we in the West stand on the only island of freedom that is left in the whole world * * * "there is no place to flee to * * * no place to escape to. We defend freedom here or it is gone. There is no place for us to run, only to make a stand. And if we fail, I think we face telling our children, and our children's children, what it was we found more precious than freedom. Because I am sure that someday—if we fail in this—there will be a generation that will ask."●

ABOLISH THE U.S. METRIC BOARD

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. RUDD. Mr. Speaker, I am today reintroducing a bill to repeal the Metric Conversion Act of 1975 and abolish the U.S. Metric Board, in order to halt further Federal promotion and imposition of changeover to metric measurement in the United States.

The overwhelming majority of Americans do not want their customary U.S. system of weights and measures to be replaced by metric units, which are foreign to many people and no better for everyday use than our own familiar measuring units.

Voluntary use of the metric system has been an option in the United States since 1866. Our Nation had operated well under this dual system of customary and metric measurement for more than 100 years before the Metric Conversion Act, and there is no good reason for the Federal Government to be embarked on an effort to promote a changeover to metric.

The U.S. Metric Board—created by the 1975 law—is supposed to be neutral on the use of customary or metric measurement. The intent of Congress was for the Board to help coordinate conversion only when a private sector industry made a voluntary decision to change over to metric and asked for Federal Government assistance. However, the Board's members and staff—frequently drawn from the American National Metric Council—a metric advocacy group—have frequently used their positions within this Federal agency to promote and advocate metric conversion.

One member of the Metric Board who is opposed to promotional activities of the Board is the Honorable Thomas A. Hannigan, a labor union representative.

Addressing the First National Council on State Metrication last year, Mr. Hannigan said:

Legislative history of the Metric Conversion Act clearly reveals that Congress repeatedly rejected a policy of the Federal Government facilitating and encouraging conversion. The [General Accounting Office] reports that the 1975 Act and its legislative history show that national policy is not to prefer one either to predominate on the basis of the voluntary actions of those affected, thus the role of the U.S. Metric Board is not to advocate conversion but to assist various sectors if and when they choose to convert. * * * Clearly, a national decision to convert to the metric system has not been made.

Unfortunately, Mr. Hannigan's voice within the Metric Board has been ignored by zealous metric proponents anxious to put the force and resources of the Federal Government behind metrication.

For instance, the Metric Board held hearings in 1979 on the feasibility of converting gasoline pump sales to liters rather than gallons. The Board was attempting to take advantage of rapidly rising gas prices, then approaching $1 per gallon, which confronted retail gas dealers with the prospect of having to replace gas pump computers on a wide scale. The Board got behind a propaganda campaign for metric sales by the liter as a supposedly less expensive alternative—of course ignoring the enormous cost ramifications of such a decision throughout the petroleum industry, as well as dislocations and confusion for the motoring public.

In this and other examples, the Metric Board totally ignored the findings of the General Accounting Office, whose 5-year study released in 1978 outlined the tremendous costs associated with conversion to the metric system. Cited within the GAO report was the example of the impact on the petroleum industry.

The GAO reported that conversion to the metric system will cost many billions of dollars, which would ultimately have to be paid by American consumers. Additionally, metric conversion is of little usefulness to the great majority of American citizens and business—particularly small business.

Another example of the Metric Board's recent promotional activities was the establishment of the Interagency Committee on Metric Policy, a committee of official representatives from the various Federal departments and agencies who meet together to discuss ways to implement increased metric usage and conversion through Government operations. The ICMP operates with Metric Board support, but outside the Board's jurisidiction, making this interagency group virtually unaccountable to the agencies involved or the Congress.

The Interagency Committee on Metric Policy even went so far as to issue regulations in the Federal Register on January 8, 1980, instructing all Federal agencies to adopt and promote the use of metric measurements in their own activities, in Federal procurement and contracting, and so forth. This action was totally beyond the authority granted to the Federal Government under Public Law 94-168, the so-called Metric Conversion Act.

A good example of the way that metric usage is being imposed on the public under these regulations is recent action by the U.S. Department of Transportation to require metric specifications on highway construction. The Department recently advertised for bids on a highway project in the Eugene, Oreg., Register-Guard, using metric measurements. The advertisement even announced that the project will be constructed using SI metric specifications, which means that companies wanting to do the work must convert to metric—voluntarily, of course.

This, in effect, is mandatory imposition of metric on the public through the actions of Federal Government agencies, and is far beyond the purview of the enabling legislation which created the U.S. Metric Board.

At a time when President Reagan is seeking efficient ways to tighten the Federal budget, Mr. Speaker, I would suggest that the U.S. Metric Board and its Interagency Committee on Metric Policy could easily be among the first unnecessary Government agencies to go. It provides no essential services to the public.

In fact, despite its $2.7 million annual budget, the Metric Board has failed to assist the public to become familiar with the meaning and applicability of metric measures in daily life, and has failed to coordinate voluntary metric conversion initiated in the private sector involving private industry and the Federal Government—two of its three responsibilities required by law.

What functions the Board could provide can and are being done by the private sector without this agency's help. The Metric Board has disregarded its charge for volunteerism and is nothing more than an unwanted metric advocacy organization. It should be abolished outright.

Mr. Speaker, I invite cosponsors for my bill to abolish the Metric Board and to terminate the Federal Government's promotion and imposition of metric conversion. I would like to include the text of the bill at this point in the RECORD:

H.R. 1660

A bill to repeal the Metric Conversion Act of 1975 (89 Stat. 1007; 15 U.S.C. 205a et seq.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Metric Conversion Repeal Act of 1981".

FINDINGS AND POLICY

SEC. 2. (a) The Congress finds that—

(1) the majority of the American people do not favor conversion from customary United States weights and measures to the metric system, despite United States involvement as an original signatory party to the 1875 Convention—Weights and Measures (20 Stat. 709), and the fact that voluntary use of metric measurement standards in the United States has been authorized by law since 1866 (Act of July 28, 1866; 14 Stat. 339);

(2) the Metric Conversion Act of 1975 (89 Stat. 1007; 15 U.S.C. 205a et seq.) has conveyed to the American public and to the business community the erroneous impression that United States conversion to the metric system is national policy, which it is not;

(3) no country in the world has converted its economy to the International System of Units (SI), the wavelength-based metric system adopted by the General Conference of Weights and Measures in 1960 and cited as the optional system of metric measurement in the Metric Conversion Act of 1975.

(4) the United States Metric Board, created by the Metric Conversion Act of 1975, exists as an unnecessary promotional vehicle within the Federal Government, using the resources and power of the Government to influence and encourage conversion to the metric system throughout the United States in violation of the intent of Congress;

(5) Federal bureaucratic imposition of metric conversion has been fostered by the U.S. Metric Board's ad hoc Interagency Committee on Metric Policy (ICMP), which has promulgated Federal Metric Policy and Guidelines (Federal Register, Jan. 8, 1980) instructing all Federal agencies to implement increasing metric usage through Government procurement, contracting, and other policy initiatives in violation of the intent of Congress;

(6) several Federal departments and agencies have provoked widespread public opposition by attempting to impose use of metric measurement on highway signs, in weather reporting, in marketing beverages and other products, and through school curriculum materials, also not in keeping with the intent of Congress that use a metric measurement by any sector in the United States be strictly voluntary, as provided under the 1866 statute, and not imposed by the Federal Government;

(7) according to an exhaustive study by the Comptroller General of the United States, the cost and disruption of metric conversion to the American people would be enormous, while the purported benefits of such conversion are nonexistent or questionable in practically every area;

(8) standardization and rationalization of measurements, and other purported benefits ascribed to metric measurement, have occurred throughout the world under the customary system without metric conversion;

(9) there is no evidence that a solely metric system would be better for the United States economy, and United States economic activity and world trade have not been hampered or injured by a dual system of customary and metric measurement according to the Comptroller General's report;

(10) the U.S. Metric Board has failed to "assist the public . . . to become familiar with the meaning and applicability of metric measures in daily life," and has failed to coordinate metric conversion initiated in the private sector involving private industry and the Federal Government, two of its three responsibilities required by law;

(11) it is in the interests of the United States to eliminate Federal Government entities or programs, such as those continuing and expanding beyond the intent of Congress under the Metric Conversion Act of 1975, when it is clear that such entities or programs are detrimental or unnecessary to public need.

(b) The Congress declares that it is the policy of the United States—

(1) to continue a dual system of customary and metric measurement in the United States, as dictated by the needs and desires of the private sector, and to prevent Federal Government promotion or imposition of metric conversion;

(2) to pursue a vigorous effort to avoid wherever possible undue or harmful socioeconomic dislocations as the result of Federal Government programs or actions, such as those needlessly imposed by efforts being advanced under the Metric Conversion Act of 1975; and

(3) to eliminate Federal Government entities or programs that would cause undue socioeconomic dislocations, or whose existence or objectives are not supported or needed by the American people.

REPEAL OF METRIC CONVERSION

SEC. 3. The Metric Conversion Act of 1975 (89 Stat. 1007; 15 U.S.C. 205a et seq.) is repealed.●

KOREA MOVE PLEASES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DERWINSKI. Mr. Speaker, one of the first positive foreign policy moves that the new administration initiated was to cement U.S. relations with the South Korean Government by inviting President Chun Doo Hwan to Washington. As a result, we may expect more cordial military and trade relations between our Government and that of the South Koreans.

An outstanding publication serving my congressional district in south suburban Chicago, the Southtown Economist Newspaper, recognized this fact in an editorial in their January 29 edition. I insert it at this point:

KOREA MOVE PLEASES

The action of South Korean President Chun Doo Hwan in commuting the death sentence of Kim Dae Jung, the opposition political leader, to life imprisonment removes a major obstacle toward restoring warm and cordial relations between the United States and South Korea.

President Chun also has announced the end of martial law, another pleasing move, and has set the stage for his visit with President Reagan in Washington on Feb. 2.

The United States has maintained a force of some 40,000 troops in South Korea, which faces a continuing threat from the fanatic North Korean Communists against which such a bitter war was fought in the early 1950s. We hope there are many more such steps in the months ahead.●

PROTEST PSYCHIATRIC REPRESSION IN SOVIET UNION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. LANTOS. Mr. Speaker, a remarkable series of reports appeared in last weekend's Washington Post describing the grim reality of life in the Soviet Union and the official use of psychiatric repression against dissidents. The report, written by Post foreign service reporter Kevin Klose, comes from the Ukrainian mining city of Donetsk.

I commend the entire three-part series to my colleagues. In his final report, Klose details the use of punitive political psychiatry to control dissent. This new variety of torture allows the Soviets to claim any undesirable person "insane" and imprison him or her in a psychiatric hospital without charges or trial. Even more frightening is the use of potent drugs on the "patients." I hope all of my colleagues will read the following article:

SOVIETS FIND NICHE FOR LABOR GADFLY: PSYCHIATRIC JAIL

(By Kevin Klose)

DONETSK, U.S.S.R.—Alexei Nikitin said he never thought of himself as a man looking for trouble or as a man with a mission. At

first, he said, he only wanted to right a wrong.

But when he took up the cause of fellow workers who had been cheated of wages and who worked without adequate safety precautions in the pit, Nikitin came into a conflict with the authorities in this coal-mining city. He eventually was judged insane and kept in psychiatric hospitals and prisons for seven of the last 10 years. This is his story. Soviet authorities have refused to discuss his case.

Freed in May from a police-run mental hospital, where Nikitin said he was injected with hallucinatory drugs meant to bring on a robot-like submissiveness, Nikitin was examined by Dr. Anatoli Koryagin, a psychiatrist from Kharkov who has aided political activists imprisoned on grounds of alleged mental illness. Koryagin pronounced the mining engineer perfectly sane.

"He is totally healthy," Koryagin said in an interview last week, adding that he had studied Nikitin exhaustively using every available and accepted test of modern psychiatry.

In contrast to the enormous successes achieved by Poland's Lech Walesa in establishing trade unions to defend workers free of party control, the harsh treatment meted out to Nikitin underscores the futility of similar labor activism under Soviet conditions.

Nikitin, 41, is a stocky, balding mining engineer who spent most of his working life at the Butovka-Donetsk works, one of 49 coal mines in this eastern Ukrainian city of 1 million residents.

But apparently because of his stubborn pursuit of vindication, he lost his family, as well as his freedom. He has seen that there are many ways to break the human spirit and that after 63 years in power, the Soviet state knows many of them.

Nikitin's early biography is the stuff of state propagandists—10th child of a collective farm peasant, pioneer and League of Young Communists, member with good grades. He spent two years in military service, earned a degree in electro-mechanical engineering from Donetsk Polytechnic Institute, married and had one daughter. He also belonged to the Communist Party.

"I was raised in the idea that the party really senses people in the best spirit. I never listened to foreign radio stations, I read Soviet newspapers and assumed they were truthful," he remarked during a series of exhaustive interviews here several weeks ago.

By the mid-1960s, Nikitin was working full time at the Butovka mine. He was a trade union and party activist seemingly headed for some of the privileges and power available to successful bureaucrats. But life was not that simple or satisfying. Party meetings seemed meaningless, for workers' concerns were deflected or rudely shoved aside by the leaders.

"I began to understand that all questions were decided in advance," he said.

As his views matured, he began to stand up for men arbitrarily fired.

"I had nothing against the Soviet Union," he explained. "From childhood, I defended the downtrodden and humiliated, out of my Russian heart. I had always helped people in trouble."

He warned of a possible disaster from lax safety precautions, such as improper use of explosives and inadequate tunnel shoring. Mine leaders rebuffed him, he asserted, talking "only of the need to fulfill the plan. They said, 'Victors aren't judged. Nothing else is important.' "

When he pressed higher, Donetsk Central Committee officials said: "How could you, a simple engineer, predict an explosion? We sent experienced safety engineers to the mine, and we trust them."

The showdown with mine director Viktor Savitch, an in-law of a powerful Donetsk party member, came in June 1969, when Nikitin and 19 other miners complained about unpaid bonuses, a practice that continues here today.

Savitch threw the petitioners out of his office. With 129 others, Nikitin sent a collective letter to Communist Party Central Committee headquarters in Moscow. Moscow bounced the letter back to the Donetsk party, which promptly expelled Nikitin. In February 1970, he was fired from his job. Threatened with similar reprisals, most of the others renounced their signatures.

Repeated attempts to contact Butovka mine officials to get their side of this story have been unsuccessful.

Unable to find permanent work, Nikitin did odd jobs and searched for vindication repeatedly in Moscow, being shunted to the Soviet Supreme Court, the national legislature, procurator's office, Central Committee and back again. In turn, each claimed no knowledge of his case.

There were always new forms to be completed, long lines for officials who then proved to be "unavailable." Or they told him to "settle this in the local organization," which had originally fired him.

In the endless queues, Nikitin found himself part of the hidden army of "truth-seekers," a decisive czarist-era term, come to Moscow in fruitless search for justice.

Once, he got to see Politburo member Arvid Pelshe, now 81, the gaunt Latvian who heads the party's Control Commission to review such complaints. Pelshe's severe expression and utter silence, Nikitin said, "betrayed a desire to punish." An assistant proclaimed, "Your appeal is not satisfied."

Meanwhile, his marriage rapidly deteriorated under what he believes were pressures from party officials on his wife, herself a party member, and her relatives. After months of domestic tension because of his inability to find a good job and his single-minded pursuit of getting his name cleared, his wife left him, taking their five-year-old daughter. Nikitin has not seen them since and has not tried to contact them, for fear it would only bring trouble to his child.

Clinging to hope of finding a meaningful response somewhere, the stubborn Nikitin next took an extraordinary step for a Russian. He slipped into the Norwegian Embassy in Moscow with written appeals to the United Nations and world labor agencies. The diplomats took his petitions and showed him out.

"I am a Russian, and I was raised in a patriotic family," Nikitin said. "I deeply love my people, our land, our folk songs. But I began to believe that to live in this country is impossible. There is unlimited control by the authorities, without any law. This happened to me because I started to defend workers without official permission."

A short time later, he was seized by Moscow police, sent to City Psychiatric Hospital No. 14 for brief observation "to frighten me," then shipped back to Donetsk.

There, the city party leader, a man named Kubishkin, had jeered: "You defend the people! You're a literate fellow, you've read history. Well, in history, it's written that those who tried to lead the masses [such as Cossack rebel heroes Stenka Razin and Yemelyan Pugachev], they cut their heads off!"

One morning in late December 1971, when the Butovka night shift was leaving and the morning crews had not yet descended, Nikitin recalled, a powerful blast shook the mine. Families and friends rushed to the shaft, some of them screaming, "Nikitin warned you!" KGB security agents and police assembled and, without violence, cleared the grounds.

Seven miners had died, and more than 100 were injured. There is no known public mention of the mishap in Soviet records. The official media does not make public such matters except when many have died, or when foreigners lose their lives, thus forcing the authorities to acknowledge that an accident has occurred.

An effort last week to verify the story failed when a secretary in the office of the chief safety engineer of the Ukrainian Coal Production Ministry in Donetsk said on the telephone that none of her superiors was available for comment and that all were out of town until further notice. She refused to give the names of the officials and abruptly hung up.

When former Butovka workers began seeking out Nikitin to tell him he had been right after all, he knew his own days of freedom were numbered. On Jan. 13, 1972, police arrested him at a relative's apartment where he was sleeping. He was charged with spreading anti-Soviet propaganda.

He sat undisturbed until June 19, when he was suddenly driven in a padlocked vehicle to a forbidding place he had never known existed: the Dniepropetrovsk Special Psychiatric Hospital, established in 1968 by the Interior Ministry inside the double, barbed wire-topped walls of the city's prison. It is one of 13 such police-run hospitals for criminally insane known to exist in the Soviet Union.

He learned the charge of antistate activities had disappeared. He was now diagnosed as dangerously insane, even though he had never been seen by a psychiatrist.

As attendants dressed him in black prison trousers and striped prison shirt, he was told, "Dear comrade, you're going to be here for life."

"How do you know this is for life?" Nikitin recalled asking.

"Little friend, they've decided you're a fool and you've got a political offense. So don't worry, you're here for life."

It took the hospital prison two weeks, by Nikitin's recollection, to conform their opinions to this judgment. He said he was subjected to interviews by three white-jacketed men who said they were psychiatrists. One of them customarily took off his doctor's outfit at the end of daily sessions to reveal a KGB colonel's uniform underneath, Nikitin said.

After two weeks of tests, he was diagnosed as "psychopathological—simple form," he said.

Nikitin was confined to a 26-by-20 foot room where 30 men lived, with not enough beds for all. Yellowed from long incarceration, the inmates had contorted limbs and faces, lolling tongues and vacant stares from compulsory drug treatments. The room was alive with groans, cries, sobbing and aimless murmurs.

"It was horrible to look at them," Nikitin said.

He spent four years there. The most dreaded treatment was injection of sulphazin, a form of purefied sulfur that brings on intense fever, excruciating pain, convulsions and disorientation.

In their authoritative 1977 work, "Russia's Political Hospitals," Sidney Bloch and Peter Reddaway report that sulphazin was used for psychiatric treatment in the West in the 1930s, "but fell into disfavor when it was shown to have no therapeutic effect. Sulphazin has no place in contemporary medicine, and certainly does not feature in Western pharmacopoeias."

They add, "Its application as a punitive measure has been cited by many dissenters."

According to Nikitin, the drug was an effective punishment in the prisons because "if they torture you and break your arms, there is a certain specific pain and you can somehow stand it, but sulphazin is like a drill boring into your body that gets worse and worse until it's more than you can stand—it's impossible to endure."

He remembers seeing immates injected with sulphazin "groaning and sighing with pain, in horrible convulsions, cursing with everything in their hearts, cursing the psychiatrists and Soviet power."

Nikitin said that the doctors, nurses and orderlies seldom failed to threaten the use of various drugs against patients who were caught discussing political matters and that he thus came to know the names of each of the substances used.

He said that in addition to sulphazin, used to control and disorient the patients, he was forced to take aminazin [largactil or thorazine in the West] and haloperidol [serenace and haldol in the West]. Both are used to treat severe schizophrenia and other mental disorders and frequently disrupt normal body movements.

He said he believes that up to 85 percent of all the inmates were sane. Most were murderers, he said, "convinced they were imprisoned to be used as guinea pigs in experiments." Some of these men, who frequently admitted their crimes, dreamed of getting their hands on an AK47 assault rifle.

"'Give me that *'balalaika,'* and I'll settle with them,' they said."

He also met Ukrainian nationalists, Baptists who had circulated religious tracts and a Soviet marine who said he had shot several pursuing Soviet soldiers while trying to escape to Israel from Egypt when he was stationed there.

Nikitin also found other worker activists like himself there, including Vladimir Klebanov, a former Donetsk miner, who was imprisoned after trying to organize the first independent trade union in modern Soviet times in 1977.

In March 1976, Nikitin was released and he returned to Donetsk. He moved in with a relative and tried to have himself declared an invalid because of his drug treatments. Officials refused to sign any documents admitting he had ever been at Dniepropetrovsk, he said.

Again, he could find no permanent work, and he returned to Moscow and the Norwegian Embassy, where he sought political asylum in February 1977. The embassy refused.

When Nikitin left, he was arrested and within days, sent back to the prison hospital. He spent three more years there and at a Donetsk psychiatric hospital, a Health Ministry facility and was released from there in May.

Last autumn, Nikitin went to Moscow to see friends, and during that time, invited me and Western colleague to visit him in Donetsk, where he offered to show us his city, tell us of his life in detail and have us meet other mine workers willing to speak candidly of their lives.

We came to Donetsk in early December and found him living with one of his relatives in a small, spotless apartment in a rundown building in a small community of miners here. We spent 3½ days with him and said goodbye on Dec. 8.

Four days later, Nikitin was arrested again. According to reliable sources, authorities arrived in an ambulance at the apartment on Denisenko Street in Donetsk where Nikitin was staying and ordered him taken to Donetsk Psychiatric Hospital No. 2 to undergo a new psychiatric evaluation.

"Something was done to him," the sources said, and instead of vigorously defending himself, Nikitin was said to have fallen into a sudden unconsciousness. He was "swaddled like an infant" by the orderlies and loaded into the ambulance.

These sources are convinced Nikitin was drugged. They said that when the engineer's relatives finally got to see him a few days later at the hospital, they found him in poor condition, unable to eat, dazed and suffering from an extremely high temperature after a series of injections he said he had been forced to take.

Since then, the family has not heard from him or been allowed to see him again and they do not know his whereabouts. Soviet authorities refuse to discuss the case.

Observers here believe that the Kremlin, agitated by the Polish crisis and uncertain of its long-term impact on the cowed Soviet labor force, has no intentions to permit open calls for independent trade unions here. Psychiatric imprisonment seems almost tailor-made for the authorities in dealing with dissident workers.

By using this form of repression, they preclude the possibility of dissidents using the courts to question overall economic goals or such practical issues as food shortages, workplace safety and arbitrary firings. It also eliminates the need to call witnesses and thus spread the knowledge about dissatisfaction.●

THE PAUL VOLCKER RETIREMENT ACT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DORGAN of North Dakota. Mr. Speaker, Paul Volcker. Many Americans would not recognize the name. He is not an elected official. But he has played a big role in our lives. He has led the Federal Reserve Board on a series of roller coaster monetary policies resulting in 20 percent interest rates, a dramatic increase in business failures, and an American economy that is suffering seizures between recessions.

Double-digit inflation is slowly burning our economy at the stake, and Paul Volcker is carrying the wood, and I think it is time to put a stop to it.

That is the reason I am introducing a bill that I refer to as the Paul Volcker Retirement Act. It is time we talk about some changes at the Federal Reserve Board, and I think it is appropriate to start talking about changing the Chairman.

Who does Paul Volcker report to? Nobody—and that is the problem.

Mr. Volcker, the Chairman of the Federal Reserve Board, has, in my opinion, led the Federal Reserve down a stairway of trouble that has compounded rather than relieved the problems in the American economy. Their actions have caused dramatic increases in small business failures, scorched the housing and automobile industries, heightened inflation, and generally made life worse for most Americans.

Why is Paul Volcker still in charge of the Federal Reserve Board? Because unlike most other public officials, he is not held accountable to the President who appointed him, to the Congress, or to the people of this country. He has failed and we—the people's representatives—can do virtually nothing about it.

I want to change that. It is time for a coordinated fiscal and monetary strategy in this country, and as a way to begin discussing what we have to do to accomplish that, I am introducing legislation that would provide a means for holding the Chairman of the Federal Reserve Board accountable for his performance by providing a means for his removal.

WHO'S IN CHARGE?

Imagine a football team that has two signal callers. One tells the quarterback to call a pass play, while the other tells the line to pull out for an end sweep.

No way to run a football team, you say. You are right. It is no way to run an economy either, but this is precisely what we do now in this country.

Of the two principal tools of economic policy, only one—fiscal policy, or Government taxing and spending—is under the control of the elected Representatives of the people. The other tool, monetary policy—the size of the money supply—is managed and controlled by the Federal Reserve Board and the American banking community. This system of having one American economy, but two signal callers on economic policy is just not working.

Fed Chairman Paul Volcker is calling the signals for the Fed, and it is time to make him listen to the wishes of the American people.

While the Federal Reserve Board itself may be obscure to most Americans, the effect of the Reserve's actions are decidedly concrete. The fortunes or misfortunes of farmers, business persons, consumers, and units of government often hinge directly on the actions of the Federal Reserve Board, and of late, the Fed's actions have meant misfortune for most Americans.

A CASE OF THE WRONG MEDICINE

High interest rates are breaking the back of the domestic auto industry, forcing over 1,600 auto dealers to close, and putting hundreds of thousands of auto-related workers out of work. Thirty percent of the homebuilders in the country went out of business in the last 2 years, which resulted in another 757,000 building trades workers being tossed out on the street. Family farmers are paying 45 percent more in interest charges this year than they were last year and they cannot afford it.

If policies of the Federal Reserve System were truly "wringing inflation out of the economy," to cite the bankers' favorite metaphor, that would be one thing. But in practice, the Volcker-Fed high interest rates have done just the opposite. They have helped wrap inflation snugly into the economy. High interest rates have become part of the price of cars, houses, tractors, and washing machines that we buy. Just ask Mr. Iacocca, or ask any farmer.

Worse, high interest rates mean the Treasury has to shell out more to finance deficits. These deficits, at the same time, grow larger, because, when Volcker and company throw their wet blanket on the U.S. economy, tax receipts go slack. Then Treasury borrows more, at the higher interest rates, to plug the gap, and the downward spiral of self-defeating economic policy spins out.

It is time for us to stop entrusting a full half of the Nation's economic policy to an insulated clique of big bankers and money brokers called the Federal Reserve System.

SOME HISTORY

The lawmakers who wrote the original Federal Reserve Act in 1913 labored to insure the Fed would never become what, in fact, it has become—a powerful central bank accountable to no one.

More important, the Reserve System was designed for an economic world that does not exist today. In 1913, the Federal Government took no general responsibility for the health and productivity of the U.S. economy. In this setting, the Federal Reserve was designed primarily as a custodial institution, acting to stabilize what has been a maverick and volatile banking system.

For that limited, custodial function, some political insulation might be tolerable, if not advisable.

Since World War II, however, the scene has changed radically. Though they disagree on the particulars, neither Republicans nor Democrats disclaim the role of a national economic policy in promoting productivity, growth, profit, and national well-being.

In this new setting, the insulated, big-banker-controlled Federal Reserve System, with its tight grip on half of the Nation's economic policy, is an anachronism, and a dangerous one.

INDEPENDENCE OR ACCOUNTABILITY?

Proponents of this system say that the Fed's autonomy is a virtue, that an independent Fed is necessary to keep pristine matters of money out of the sordidness of politics. To say that a Federal Reserve System controlled by big bankers is independent is surely a curious use of that word. Would we say that an Interstate Commerce Commission controlled by railroad presidents was an independent ICC? That a Department of Agriculture owned and operated by multinational grain dealers was an independent Department wonderfully removed from politics?

The money supply is a public issue just like taxing and spending are public issues. Some groups think the money supply should be expanded; others think it should be contracted. And as long as someone must decide between them, that decision will be the people's business.

The problem today is that the Fed is deciding public issues without being accountable to the public.

When the Federal Reserve Act was under consideration in 1913, President Wilson said, emphatically:

> The control of the system of banking and of (issuing money) must be public, not private. * * * It must be vested in the Government itself so that the banks may be the instruments, not the masters of individual initiative and enterprise.

It is time that we followed President Wilson's advice.

I submit that a little job insecurity does wonders where entrenched power is concerned, and I am proposing a little job insecurity for Mr. Volcker and his sucessors. Specifically, I am proposing that Congress, by a simple 60-percent vote of both Houses, have the power to remove the Chairman of the Federal Reserve Board.

Such a step would not, of course, solve this Nation's monetary problems. Nor would it, alone, correct the fundamental weakness in the way our central bank operates. But it would make the Fed Chairman listen. It would give the people of this Nation a silent seat in the closed room in which the Fed's Open Market Committee meets to decide how much money we will have.

If Congress is to insist, as many say it should, upon a "legislative veto" over every item or regulatory minutiae which issues forth from the FTC and other regulatory agencies, should it not likewise insist upon at least some check over the Federal Reserve System which determines half the Nation's economic policy?

In summary, it is time to begin a serious debate about the performance and structure of the Federal Reserve Board, and this debate should begin with a discussion of the performance of Board Chairman Paul Volcker.●

OTTINGER PRAISES THE READER'S DIGEST FOR ENLIGHTENED ARTICLE ON ENERGY

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. OTTINGER. Mr. Speaker, the debate over energy policy will continue in the 97th Congress and in the new administration. Many books and articles have been written which have sought to shed light on the difficult energy policy choices and assist us and the American people in gaining greater understanding of the nature of the problem. I am particularly pleased that the Reader's Digest has published an article entitled "Which Path to Our Energy Future?" by James Nathan Miller. With its wide circulation and loyal readership the Reader's Digest article will expose many people for the first time to the potential of energy conservation and solar energy technologies. I commend this article to my colleagues and include an excerpt in the RECORD:

[From the Reader's Digest, January 1981]

WHICH PATH TO OUR ENERGY FUTURE?

(By James Nathan Miller)

The problem is not shortage. It's how we select the best, most economic combination of existing fuels and new technologies to carry us to a solar/fusion era, just over the horizon, when the world should have all the cheap, clean energy it will ever need.

The present synfuels program is not the answer.

It's staggering in its size—the biggest peacetime project the United States Government has ever undertaken. Jimmy Carter proudly called it "greater than the sum total of the interstate highway system, the Marshall Plan and the space program combined." It's the "synfuels" project, now gearing up to spend at least $88 billion (and probably far more) to create from scratch an industry capable of manufacturing America's gas and oil.

But there's another way of describing this massive effort. It may well be the most wasteful program in the country's history, and it could cause the nation to repeat a profoundly serious mistake in energy planning that we made a quarter of a century ago, whose effects haunt us to this day. To understand what's involved, start with a brief look at what the program is supposed to accomplish.

According to its backers, the synfuels project will make America independent of Arabian oil—a "declaration of energy independence," in Carter's words. Its $88 billion—if Congress appropriates that entire sum—will subsidize industry efforts to synthesize oil and gas from two resources that the United States owns in enormous abundance: coal and oil shale. By 1978, says the synfuels law, American companies will pro-

duce one quad[1] of synfuels a year, and by 1992 an enormous four quads.

"There's not a chance of meeting these deadlines," says Gordon MacDonald, chief scientist for the Mitre Corporation, a leading scientific study group in Washington. Practically no one in Washington or in the energy industry thinks we can come anywhere near the law's production targets. Consider a few of the problems involved:

Several mountain ranges in the Rockies are saturated with oil—more oil than the Arab nations possess. But how do we get it? A plant capable of mining the needed quantities of rock and melting out the oil would be one of the world's largest industrial facilities. Today, we have only a half dozen small pilot plants. There are thousands of unanswered questions about how to scale these operations up to commercial size.

It takes at least eight years to build a conventional electric-generating plant. No one knows how long a shale-oil plant will take. Indeed, the government hasn't even signed a contract for such a plant; it's just now beginning to spend hundreds of millions of dollars for "feasibility studies." Even when the first plant is finished it will produce only 50,000 barrels of oil a day. This means ten such huge plants will be needed to meet the 1987 target of a single quad, and a host of studies show that just this first quad's worth of construction will require one third of the nation's current industrial construction capacity.

But building the plants is just part of the project. Dams will be needed to provide water, and pipelines to take the oil to refineries. Billions of dollars will be required to improve the nation's coal-handling railroads, and new highways and towns will have to be built for the 200,000 people brought to the sparsely settled Rockies to get the project started.

Isn't there a quicker, surer way of achieving oil independence? In fact, there is, and it's called conservation. Every major energy study of the past three years has pointed to dozens of methods for improving the efficiency of our cars, houses, offices, factories.[2] Energy experts now agree that conservation could cut our oil imports in half by 1990—an eight-quad saving—and eliminate them altogether by the turn of the century.

Where, then, should we turn to resolve our energy future? In fact, there are several sources to choose from. The most promising involve technologies that aren't yet perfected; when they are perfected (in some cases this is very close), they will produce energy that is clean, virtually free and theoretically limitless. But that's at the end of the energy rainbow; to get us there we will have to rely on more conventional fuels. Let's look at the "future fuels" first.

WIND FARMS

When the sun heats the earth's surface, the warmed air rises and new air is sucked in to replace it. The result is wind. At 22 m.p.h., each square yard of wind carries enough energy to light five 100-watt bulbs; in all, there is an estimated 3000 quads' worth of energy in the winds that blow across the United States each year.

Many observers feel that in the next few years windmills will be the first solar technology to take off in a big way. Last year a windmill firm signed a $240-million contract to supply the Hawaiian Electric Company with electricity from 32 windmills, each with blades as high as a 30-story building. By 1984 they are expected to provide about eight percent of the electricity for the island of Oahu and the city of Honolulu. With constant winds, Hawaii is the first state to go the windmill route. But there are comparable winds on the coasts and plains of the mainland, and utilities in California and New England are now considering similar wind farms.

Take the experimental windmill that went into operation last fall for the Bonneville Power Administration in Oregon. Paid for by the government and built by Boeing, its 300-foot blades (the world's largest) spin a generator that produces 2.5 million watts (enough to power a large office building) whenever the wind blows at 17 m.p.h. The cost of this power will be about eight cents a kilowatt hour—two cents more than for a brand-new generating plant. But the windmill needn't worry about rising fuel costs since wind is free, and its construction expense will almost certainly drop as Boeing graduates to large-scale production.

SUPER CELLS

When the paper-thin, four-inch-wide silicon eyeball of a photovoltaic cell looks directly at the sun, its surface electrons become agitated, and a little more than watt of electricity dribbles from its terminals. You can buy one of these cells today at electronic-equipment stores, but there wouldn't be much point. At the present minimum price of $7 a watt, it would cost $700 to buy the ten-square-foot array of cells needed to light a single 100-watt bulb.

Researchers at Massachusetts Institute of Technology's Energy Laboratory calculate that the price will have to come down to about $2 a watt before it will begin to pay homeowners to install these cells on their roofs. Then, if you lived in sunny Phoenix, Ariz., a $6,000 investment in solar cells would give you a 300-square-foot array that would generate all your electricity when the sun was shining. (When it wasn't shining, your house would switch automatically to the utility's power.) That $6,000 would be your only cost for this electricity over the cells' estimated 20-year life. In addition, you'd be able to recoup part of the investment (up to 40 percent currently) through tax credits, and still more by selling some of the power. During peak sunlight hours, when your rooftop was giving off more electricity than you needed, excess power would automatically feed back to the utility—for which you'd get credit on your bill.

In 1954, when the photovoltaic cell was invented by Bell Telephone Laboratories, it cost $1000 a watt. Three years ago, the cost was down to $15 a watt. Today several companies are in a neck-and-neck race to perfect an approach that will cut the price to below $1. When that happens, the era of the tireless super cell will be here.

FLOWER POWER

Every year, the croplands, pastures and forests of America soak up between 25 and 50 quads' worth of energy through the process of photosynthesis. In effect, these annual charges of energy convert about half the country's land area into a gigantic storage battery containing 650 to 1000 quads of energy. How much of this so-called biomass can we turn into fuels? Probably a great deal, but the question of exactly how much is a matter of "on-the-one-hand, on-the-other-hand" speculation.

On the one hand, despite all you hear about running our cars on alcohol distilled from grain, a massive new industry would be required to produce this fuel in significant quantities. Last year, for instance, "gasohol" (10 percent alcohol, 90 percent gasoline) was sold at filling stations in 28 states—but it replaced less than 0.1 percent of our gasoline consumption.

On the other hand, it takes only half an acre to produce the alcohol component of enough gasohol to run the average car for a year. This means that we have enough unused farmland (about 50 million acres) to produce all the alcohol needed to fuel 100 million cars with gasohol.

But on still another hand, nobody knows at what point the diversion of crops to industrial use would start raising the price of food. So many unpredictables are involved—population growth, export demand, farm technology, etc.—that economists can't even agree among themselves about the long-term potential.

SOLAR STRUCTURES

In the last dozen years, architecture has gone through a quiet revolution in the way it can use the sun's energy. Today an architect is able to eliminate about 35 percent of a house's future heating bill without adding a cent to its construction cost—merely by orienting the structure and its main windows to within 15 degrees of due south. When other features are added—triple-glazed windows, insulating curtains, rock walls that store heat, etc.—it may be possible to knock another 35 percent off the fuel bill for only a few thousand extra dollars.

This is what's known as "passive" solar design—passive because it uses no moving parts and lets the sun do all the work. If you take a passive solar house and add water-filled glass panels on the roof, then use pumps and fans to spread the water's heat around to radiators, storage systems, etc., you have an "active" system. (As with photovoltaic cells, investment in these solar techniques produces a 40 percent tax credit.)

The long-term savings that could be reaped by putting such techniques into our homes and offices are enormous. About 1.5 percent of America's housing is replaced each year, which means a 30-percent turnover between now and the end of the century. If this 30 percent contained all the new solar techniques, combined with the best insulation, these new houses alone could save an annual four quads by the year 2000.

That's the good news. The bad news is that only two or three percent of our new homes could be called "solar" in design. "Just go through any new housing development," says Bruce Baccei, a Department of Energy (DOE) solar-design specialist, "and count the houses oriented toward the south. That will give you an idea."

What's wrong? For one thing, the building industry is made up mainly of small, old-fashioned contractors; together with materials makers, they fight any changes in archaic building codes that actually outlaw some of the best new materials and design techniques. But the main blame has to fall on DOE, the agency that's supposed to get the building codes changed and inform both builders and the public about the potential of solar design. Last year an exhaustive Congressional study concluded that DOE's lack of enthusiasm for conservation and solar techniques was "crippling" their development. "We know what we can do," says

[1] A quad is a quadrillion British thermal units, equal to the oil carried by 170 supertankers; in 1979, America's total energy consumption came to 79 quads, and our oil imports totaled 16 quads.

[2] See "The Energy Crisis: There Is an Easy Answer," Reader's Digest, June '80.

one official at DOE's Solar Energy Research Institute, "but they won't give us the budget to tell anyone."

FUSION'S FIRE

The process that creates new atoms by melting them together instead of splitting them apart is called fusion. We already know how to do this, in an uncontrolled way, with the fusion bomb. But the bomb merely illustrates the difficulty of controlling fusion inside a reactor. The heat given off in the bomb explosion is between 10 million and 100 million degrees Fahrenheit, and there seems to be no way of fusing atoms without generating these unimaginable temperatures. Optimists think that a fusion process in which the heat can be contained at a local generating plant may be achieved in the first half of the next century.

So if you look far into the future—say, to the year 2050—what you see is the end of the energy rainbow: an era in which perfected solar and fusion technologies will provide all the energy the world will need. From that perspective, the present debate takes on a new meaning. It's not over what our permanent fuel will be for the future, but over the choice of a "transitional" fuel or fuels to span the gap between the end of oil and gas abundance [3] and the beginning of the solar/fusion era. Almost everybody's choice as the key transitional fuel is coal.

BLACK GOLD

The United States possesses gargantuan reserves of coal—6000 quads known to be recoverable, with a potential for 15,000 more. And these reserves can do anything oil and gas can do. They can be converted to a gas and piped to our stoves and furnaces, turned into a liquid synfuel to run our transportation system or burned to produce electricity.

Now the bad news. Coal has always been our dirtiest fuel from mine to chimney top, and in the last decade scientists have discovered two new pollution problems. In Scandinavia, Canada and the northeastern United States, fish spawns and other aquatic life have been wiped out by rain that's laden with sulfuric and nitric acid. The Scandinavians say their acid comes from England's coal-burning generators, and the northeast pollution is blamed primarily on generators in the Ohio River Valley.[4]

Even more ominous is a discovery made at an observatory in Hawaii. Readings of the earth's upper atmosphere show an alarming buildup of carbon dioxide. Some scientists suspect much of it comes from coal- and oil-burning plants. They also fear that if the buildup continues at its present rate, it could slow down the venting of the earth's heat into space and, by the end of this century, warm earth's atmosphere by several degrees. This could mean a noticeable melting of the polar ice cap, leading to raised ocean levels and inundation of coastal areas around the globe.

NEED FOR NUCLEAR

Despite its abundance, coal alone won't get us across the gap. For the short term, we will still need the nuclear plants we have today, operating under the strictest safeguards.

As anyone who can read a bumper sticker knows, nuclear energy has a good side and a bad side. The good side is that our nuclear plants work and are competitive with coal plants. The bad side is the much-publicized safety question. And there's an even worse controversy brewing for their future: the battle over a plan to shift to a new kind of atomic plant, the so-called breeder reactor.

The breeder's advantage is that when it burns uranium it converts the uranium to plutonium—which it can then use as a fuel. Thus it actually breeds more fuel than it consumes. The problem is that plutonium is one of the world's most toxic substances. An invisible speck of it causes cancer in laboratory animals, and the speck keeps its virulence for 20,000 years. Each breeder would produce several hundred pounds of plutonium a year, which would have to be transported from the reactors to processing plants and back again.

Moreover, if a terrorist group got hold of as little as 20 pounds of it they'd be able to produce an atomic bomb.

When you consider all the energy sources available for the long pull, it's obvious that our problem is not an energy shortage. On the contrary, we have a whole spectrum of sources to choose from. The critical question is this: given the different economic uncertainties and environmental side effects of the choices, what combination of technologies makes the most sense? This brings us, finally, to the mistake we made 25 years ago.

In 1954, Lewis Strauss, chairman of the Atomic Energy Commission, said that atomic reactors might someday produce such an abundance of energy that electricity would be "too cheap to meter." The industry's trade group, the Atomic Industrial Forum, now admits that many industry officials felt this was unrealistic. But they didn't share their feeling with the public. As a result, Strauss's phrase—along with safety assurances from government and industry—convinced Congress that nuclear plants were the energy source of the future, and that they should receive virtually all of the government's energy-research subsidies.

After a decade or so, it became apparent that we were subsidizing an industry with severe problems. But by that time so many billions of dollars has been spent that the process had become self-fulfilling: Because Congress assumed that nuclear energy was the only new energy source worth backing, it became the only new energy source.

Were there other new sources Congress could have backed? For one, the photovoltaic cell was invented in the same year that Strauss made his "too-cheap-to-meter" prediction. If Congress had given solar cells a fraction of what it invested in nuclear development, the United States would now possess a solar-energy industry ready to expand as rapidly as needed—and unemcumbered by the economic and environmental problems that plague the nuclear industry.

The parallel between that chain of events and the present synfuels situation is striking. We are now building a new industry whose economics and technology are not known and whose effects on the environment could be severe. And while we gear up for this massive commitment, we are allowing conservation and solar technologies to develop at a far more leisurely pace, even though they show at least as much economic promise and almost certainly carry fewer environmental risks. In other words, we are poised on the brink of another self-fulfilling process.

Fortunately, it's not too late to step back. The synfuels program has not yet grown big enough to develop an irresistible momentum. Only $20 billion of the proposed $88 billion has been authorized—and only a fraction of that has been spent.

So write your Representative in Washington. Tell him that Congress should immediately begin debate on how to (a) scale down the synfuels program, and (b) scale up conservation and solar programs.

It's still possible for America to develop a balanced energy policy for both the short-term crisis and the long-term problem. The basic question is not whether we have the fuels to cope with our energy dilemma. It's whether our political system has the foresight to use the fuels we do possess in the wisest way.●

[3] Experts agree that our oil reserves will continue to decline. Recent discoveries, however, indicate that we may have far more natural gas than anyone imagined. These discoveries will be the subject of a future Digest article.

[4] See "Acid Rain: Scourge From the Skies," page 109.

A GUIDE TO HEALTH INSURANCE FOR PEOPLE WITH MEDICARE

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, enactment of medicare in 1965 represented a major legislative achievement for older Americans.

Today medicare provides valuable protection for elderly and disabled persons against the high cost of hospitalization and other covered medical services.

But, gaps in coverage still exist, including reimbursement for out-of-hospital prescription drugs, physical checkups, eyeglasses, dentures, hearing aids, and others.

In addition, older and disabled Americans are subject to deductible and coinsurance charges for most covered services under medicare.

Many senior citizens have purchased private health insurance to fill in the medicare gaps.

In fact, the House Committee on Aging estimates that about two out of every three persons 65 or older have medigap policies.

This coverage helps to supplement medicare protection for most elderly persons.

However, some insurance agents use pressure tactics and other unscrupulous practices to induce senior citizens to purchase insurance policies of questionable value or inappropriate for their needs.

The House Committee on Aging estimates that older persons spend about $4 billion for medigap protection, and one-fourth of this total—or $1 billion—is for unnecessary or duplicative coverage.

The Congress recently enacted, with my support, legislation to help assure that supplemental health insurance policies provide effective protection for aged consumers.

The new law establishes a voluntary certification program. States are responsible for developing a certification

program which: First, complies substantially with the National Association of Insurance Commissioners' model regulation; and second, imposes minimum loss ratios of at least 75 percent for group medigap policies and 60 percent for individual and mail order policies. A loss ratio compares benefits paid by insurance companies to premiums paid by the insured.

If States do not establish a satisfactory program by July 1, 1982, a Federal certification program will become applicable.

To provide further protection for consumers, the Health Care Financing Administration and the National Association of Insurance Commissioners have developed a Guide to Health Insurance for People with Medicare.

This pamphlet provides helpful tips on shopping for private health insurance and practical information about medicare. The full pamphlet can be obtained from my office or directly from the Health Care Financing Administration, Department of Health and Human Services, Washington, D.C.

I am including, however, an updated summary of present medicare benefits for the use of my colleagues in advising their constituents in this important matter.

WHAT MEDICARE PAYS AND DOESN'T PAY

Medicare is divided into two parts—hospital insurance (Part A) and medical insurance (Part B). This page describes Part A benefits and page 7 describes Part B benefits. The chart on page 5 gives brief outlines of both Part A and Part B. Please refer to Your Medicare Handbook or any Social Security Office for more information.

Medicare does not pay the entire cost for all covered services. You pay for deductibles and co-payments. A deductible is an initial dollar amount which Medicare does not pay . . . a co-payment is your share of expenses for covered services above the deductible.

MEDICARE HOSPITAL INSURANCE BENEFITS (PART A)

WHAT MEDICARE PART A PAYS

When all program requirements are met, Medicare Part A will help pay for medically necessary in-hospital care . . . and after a hospital stay, for medically necessary inpatient care in a skilled nursing facility or for home health care.

Part A covers all services customarily furnished by hospitals and skilled nursing facilities. Part A does not cover private duty nursing, charges for a private room unless medically necessary, or convenience items such as telephones or television. Part A also does not cover the first 3 pints of blood you receive during an inpatient stay (but you cannot be charged for blood if it is replaced by a blood plan or through a blood donation in your behalf).

BENEFIT PERIODS

Medicare Part A benefits are paid on the basis of benefit periods. A benefit period begins the first day you receive Medicare covered service in a hospital and ends when you have been out of a hospital or skilled nursing facility for 60 days in a row. If you enter a hospital again after 60 days, a new benefit period begins. All Part A benefits (except for lifetime reserve days you have used) are renewed. There is no limit to the number of benefit periods you can have.

INPATIENT HOSPITAL CARE

Part A pays for all covered services for the first 60 days of inpatient hospital care in a benefit period except for $204, the current Part A deductible. For the next 30 days, Part A pays for all covered services except for $51 a day. Every person enrolled in Part A also has a 60-day lifetime reserve for inpatient hospital care which can be drawn from if more than 90 days are needed in a benefit period. When lifetime reserve days are used, Part A pays for all covered services except for $102 a day. Once used, lifetime reserve days are not renewable.

SKILLED NURSING FACILITY CARE

A skilled nursing facility is a special kind of facility which primarily furnishes skilled nursing and rehabilitation services. It may be a separate facility or a part of a hospital. Medicare benefits are payable only if the skilled nursing facility is certified by Medicare. Most nursing homes in the United States are not skilled nursing facilities and many skilled nursing facilities are not certified by Medicare.

Part A pays for all covered services for the first 20 days of medically necessary inpatient skilled nursing facility care during a benefit period. For the next 80 days, Part A pays all except $25.50 a day.

Medicare Part A will not cover your stay in a skilled nursing facility if the services you receive are mainly personal care or custodial services, such as help in walking, getting in and out of bed, eating, dressing, bathing and taking medicine.

HOME HEALTH CARE

Part A pays the entire cost of up to 100 medically necessary home health visits, after a hospital stay, for each benefit period. These visits must be used within 1 year from your most recent discharge. Part A covers part-time services of a visiting nurse or physical or speech therapist from a Medicare certified home health agency. If you receive any of these services, Part A can also cover part-time home health aide services, occupational therapy, medical social services and medical supplies and equipment. Part A does not cover full-time nursing care, drugs, meals delivered to your home or homemaker services that are primarily to assist you in meeting personal care or housekeeping needs. Beginning July 1, 1981, Medicare will pay for unlimited medically necessary home health visits. In addition, the prior 3-day hospitalization requirement will be eliminated, and occupational therapy will be a primary service to qualify for home health care.

MEDICARE—HOSPITAL INSURANCE BENEFITS

PART A

For covered services—Each benefit period

Service

Hospitalization: Semiprivate room and board, general nursing and miscellaneous hospital services and supplies. Includes meals, special care units, drugs, lab tests, diagnostic X-rays, medical supplies, operating and recovery room, anesthesia and rehabilitation services.

Benefit: First 60 days; medicare pays all but $204; you pay [1] $204.

Benefit: 61st to 90th day; medicare pays all but $51 a day; you pay [1] $51 a day.

Benefit: 91st to 150th day; [2] medicare pays all but $102 a day; you pay [1] $102 a day.

Benefit: Beyond 150 days; medicare pays nothing; you pay all costs.

A Benefit Period begins on the first day you receive services as an inpatient in a hospital and ends after you have been out of the hospital or skilled nursing facility for 60 days in a row.

Posthospital skilled nursing facility care * * * In a facility approved by Medicare. You must have been in a hospital for at least 3 days and enter the facility within 30 days after hospital discharge.

Benefit: First 20 days; medicare pays 100 percent of reasonable costs; you pay [1] nothing.

Benefit: Additional 80 days; medicare pays all but $23.50 a day; you pay [1] $23.50 a day.

Benefit: Beyond 100 days; medicare pays nothing; you pay [1] all costs.

Medicare and private insurance will not pay for most nursing home care. You pay for custodial care and most care in a nursing home.

Posthospital home health care:

Benefit: Up to 100 visits, unlimited (July 1, 1981); medicare pays 100 percent of reasonable costs; you pay [1] nothing.

Blood:

Benefit: Blood; medicare pays all but first 3 pints; you pay [1] for first 3 pints.

PART B

For covered services—Each calendar year

Service

Medical expense: Physician's services, inpatient and outpatient medical services and supplies, physical and speech therapy, ambulance, etc.

Benefit: Medicare pays for medical services in or out of hospital. Some insurance policies pay less (or nothing) for hospital outpatient medical services or services in a doctor's office; medicare pays 80 percent of reasonable charge (after $60 deductible); you pay $60 deductible [3] plus 20 percent of balance of reasonable charge (plus any charge above reasonable) [4]

Home health care:

Benefit: Up to 100 visits unlimited (July 1, 1981); medicare pays 100 percent of reasonable charge (after no $60 deductible (July 1, 1981) $60 deductible); you pay subject to deductible nothing (July 1, 1981).

Outpatient hospital treatment:

Benefit: Unlimited as medically necessary; medicare pays 80 percent of reasonable charge (after $60 deductible); you pay subject to deductible plus 20 percent of balance of reasonable charge.

Blood:

Benefit: Blood; medicare pays 80 percent of reasonable charge (after first 3 pints); you pay for first 3 pints plus 20 percent of balance of reasonable charge.

EXPENSES NOT COVERED BY MEDICARE

Medicare does not cover certain kinds of care. Most private insurance does not cover them either. Among them are:

Private duty nursing.

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[1] These figures are for 1981 and are subject to change each year.

[2] 60 Lifetime Reserve Days may be used only once; days used are not renewable.

[3] Once you have had $60 of expense for covered services in a calendar year, the Part B deductible does not apply to any further covered services you receive in that year.

[4] You pay for charges higher than reasonable charges allowed by Medicare unless the doctor or supplier agrees to accept Medicare's reasonable charge as the total charge for services rendered.

Skilled nursing home care costs (beyond what is covered by Medicare).

Custodial nursing home care costs.

Intermediate nursing home care costs.

Home health care (above number of visits covered by Medicare). Unlimited (July 1, 1981)

Physician charges (above Medicare's reasonable charge).

Drugs (other than prescription drugs furnished during a hospital or skilled nursing facility stay).

Care received outside the U.S.A.

Dental care or dentures, checkups, routine immunizations, cosmetic surgery, routine foot care, examinations for and the cost of eyeglasses or hearing aids.●

TRIBUTE TO OLIN E. TEAGUE

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. FOUNTAIN. Mr. Speaker, my good friend Tiger Teague was the embodiment of true courage. He was a larger than life American hero. Since the 1940's, as a highly decorated and severely wounded battlefield commander in World War II—he was awarded three Silver Stars, three Bronze Stars, and three Purple Hearts—Tiger exemplified the very heart and soul of American bravery and honor.

Although he wore a built-up shoe and bore the suffering of numerous other scars from the battlefields of Europe, Tiger was the rare sort of person who endured his pains uncomplainingly and with great dignity.

As a legislator, Tiger Teague was a tough infighter for the causes for which he felt great concern; and thus, he was a natural as the chairman of the Veterans' Affairs Committee.

As a compassionate man, Tiger fought hard to help shepherd through the GI bill of rights and important educational benefits for the veterans of Korea and Vietnam.

And in a time when patriotism was out of fashion, this great American patriot's sincere concern for the families of those who were prisoners of war or missing in action during the Vietnam conflict was unfailing.

Mr. Speaker, Tiger's hard work for countless numbers of American veterans was tremendously effective.

Fortunately, Tiger's valued leadership was not confined solely to the Veteran's Affairs Committee. As a man of great vision, it was appropriate that Tiger was appointed to the Space Committee.

And it was appropriate that he chaired the crucial Subcommittee on Manned Space Flight. This subcommittee, under Tiger's tireless leadership, was instrumental in our ascendancy in space travel, culminating when Americans first set foot on the Moon.

Mr. Speaker, I am proud to have served in the House of Representatives with Tiger Teague. I join my colleagues who have expressed their grief at his passing, and my prayers go out to his lovely wife Freddie and their children. But, while we are all saddened by the loss of a dear friend, we are much the better for having known such a dedicated, responsible, and courageous American as Tiger Teague.●

POSITION ON INCREASING THE FEDERAL DEBT LIMIT

HON. STANLEY N. LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. LUNDINE. Mr. Speaker, because of a longstanding commitment in my district, I will not be present tomorrow to vote on the resolution increasing the Federal debt limit. I made this district commitment after assurances from those who set the House calendar that the debt limit vote would occur today rather than tomorrow, and I regret that the schedule has been changed. Generally, I have supported debt limit increases in the past and I would probably vote in favor of the extension pending tomorrow.

I am struck, however, by the extraordinary irony in Mr. David Stockman's appearance before the Ways and Means Committee yesterday on behalf of a debt limit increase. Not long ago, when Mr. Stockman was still a Member of this body, he was a consistent opponent of debt-limit resolutions. As such, Mr. Stockman was a party to the irresponsible, partisan game playing which has occurred whenever a debt-limit increase was necessary.

We all know that the real decisions about Government deficits are made when we approve budgets and appropriations bills. We all know, therefore, that increasing the debt limit is nothing more than a financial adjustment which is required by actions which Congress has previously taken. It amounts to paying the bill on services for which we have already contracted.

I, for one, have long since grown tired of watching the Republican members of this body refuse to pay America's bills and then use that as a campaign issue on which to grandstand each November. Now that Mr. Stockman has become head of the Office of Management and Budget and must assume responsibility for making the Government work, I am pleased that he has adopted a more responsible position on this issue. I sincerely hope that the Republicans in the House will follow suit.

If, however, we encounter only a continuation of the old game playing with the debt limit, I know of at least one Member who is prepared to give Republicans what they profess to want. Treasury Secretary Regan has informed us that there will be other debt-limit increases required before the year is out, and I will be prepared to vote against some of those increases, should the Republicans renew that tack in the coming months.●

THE PATIENT HONING OF GILLETTE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. MOAKLEY. Mr. Speaker, I would like to share an article that appeared in Forbes magazine, February 16, 1981, on the Gillette Co., whose international headquarters are located in Boston, Mass. The article focuses on the success Gillette has achieved in the wide range of consumer products it offers to both the American public and the international community.

The text of the article follows:

THE PATIENT HONING OF GILLETTE

(By Robert J. Flaherty)

Has Gillette finally broken out of the earnings doldrums and become a blue chip worth buying again? Merrill Lynch says yes. L. F. Rothschild says no. Most of Wall Street sits firmly on the fence, pleading, like the analyst at Bear Stearns, "Gillette is a tough company to call."

That it is. But the closer you look at the changes taking place in the $2.2 billion [sales] company, the more convinced you become that the turnaround is real. On the surface, the record is certainly not promising. Earnings hit $2.83 in 1974 and didn't make it to $3.14 until 1978. Net margins shrank from a generous 9.8% in 1970 to a mediocre 5% in 1977. The stock has mostly hovered around 25 or 30 since 1974, and touched a 15-year low of 17⅝ as recently as last March. Lately it has been about 27½ again. But what really frightens most analysts, because of its unpredictability, is a long history of disappointing acquisitions and product failures.

Still, margins have begun a comeback, and there have been two good earnings gains back to back: to $3.67 in 1979 and to about $4.10 in 1980. Another gain to maybe $4.50 is in prospect for 1981. Just how dramatic it will be depends heavily on the depth and length of the recession.

To understand whether those gains are mirage or reality, you must know what has been going on underneath the surface at Gillette for the past decade and a half. In the early Sixties, Gillette was one of the premier blue chips. It had a seemingly permanent lock on the American razor blade market, one of the most profitable large businesses on earth. The company had earned enormous success with its Blue Blades promotion, beating down Schick and Personna, and was sitting fat and happy up in Boston, raking in the chips and settling into a highly prosperous, if stodgy, middle age.

The halls were filled with studious M.B.A.s analyzing everything to within an inch of its life, and of course generally finding little that needed to be changed. Gillette's return on equity routinely ran to 30% and up. A price/earnings ratio of 22 seemed about right.

Then, Wilkinson Sword and its stainless steel blade burst upon this blissful scene like a thunderbolt from a clear blue sky. The king of blades was completely unprepared for the onslaught, despite its carefully polished image of technical excellence. In the bitter marketing struggle that ensued, what was needed was not studious M.B.A.s, but someone with the instincts of a gut fighter. Fortunately for Gillette there was such a person on hand. His name was Vincent C. Ziegler.

Ziegler, then 54, was the antithesis of what much of the corporate culture admired. Not only was he no M.B.A., he was a college dropout who had begun as a used-car salesman, worked his way up through Chrysler, then through Hiram Walker and finally, starting in 1946, through Gillette. Ziegler's big coup had been the Blue Blades promotions in the Fifties, keeping him at the top of Gillette's North American razor operation, which is to say in charge of most of the company. He was an instinctive ally of the sample-case salesman, as opposed to the marketing mandarin at headquarters, and he never hesitated to say so. He palled around with Stephen Griffin, also a nongraduate, who was Gillette president until the first of this month. Ziegler felt a certain distance from some of the rest of the second and third lines of management. "In the Boston area you are bound to accumulate them," he would say to Griffin of those M.B.A.s he considered timid and uncreative.

Ziegler did not quite rout Wilkinson Sword, but he fended it off enough to recover much of Gillette's lost market share. His strategy was simplicity itself. He waited until he was sure he had a better stainless blade, then pushed it with promotional budgets in the multimegaton class. The company was impressed. ("Actually it was never a problem of the dimensions everybody spoke about back in those days," he would laugh long afterward. "Miami, Los Angeles and New York were the only three areas where the pressure was on.") Ziegler became chairman and CEO in 1966.

So far, so good. Return on equity stayed around 30 percent for the balance of the Sixties. But then Ziegler embarked on a series of diversifications and acquisitions for which he has been much criticized ever since. While Gillette had a couple of fair-size sidelines—Paper Mate pens, acquired in 1955, and Toni home permanents, acquired in 1948—and internally developed Right Guard deodorant, all together they added up to 48 percent of sales, and only 30 percent of profits. Ziegler proceeded to spread out in almost every conceivable direction at once. He:

Aggressively expanded the international razor distribution into practically every corner of the world.

Forced International into aggressive introduction and sale of Gillette toiletry products.

Pushed Paper Mate pens overseas.

Bought Braun, a German electric shaver and appliance company.

Bought S. T. Dupont, a French manufacturer of luxury items and expensive lighters and used it to introduce the Cricket disposable lighter.

Acquired Eve of Roma high-fashion perfume, Buxton leather goods, Sterilon hospital razors, Jafra Cosmetics, Welcome Wagon, Inc., companies that made wigs and plant care products as well as six other outfits.

Brought out a series of Toni hair coloring products, which failed.

Brought out Earthborn shampoos, which failed; Nine Flags colognes, which failed; an electric hair untangler called "Purr," which, you guessed it. . . .

Tried making digital watches, hand-held calculators, smoke alarms and fire extinguishers—losers all.

And talked out loud about diversifying into such things as soft drinks and geriatric products, and even considered an acquisition of Becton, Dickinson, the hospital supply outfit.

Not surprisingly, corporate overhead soared as Ziegler added battalions of accountants and managers to oversee his global empire and his myriad tiny acquisitions. The acquisitions, mostly for cash, were individually inexpensive, being very small companies. But all in all they added $100 million in debt and $10 million pretax in annual interest costs to the corporate burden.

As corporate margins shrank, Ziegler took a chance and cut back on the advertising budget to bolster profits. This did not hurt the Paper Mate pen operation, which was stagnating from a lack of new ideas rather than ad dollars. The razor blade operation, then headed up in the U.S. by Joseph F. Turley, now Gillette president, adapted by putting all its ad chips behind one product, its new Trac II twin-blade shaving system, with dramatic success. But the toiletries, full of new products and lacking the overwhelming consumer franchise that blades enjoyed, became a disaster area. By the end of 1975, when Ziegler retired, earnings' return on equity had slipped to under 18%.

But Vin Ziegler had also been busy building a top management team that suited him. Despite his prejudice against M.B.A.s, he did it mainly through promotion from within. He switched his mostly young executives from post to post, country to country, trying to blood them, constantly searching for the right combination of man and job. Here Ziegler built well.

The shining star was Paul Cuenin, a brilliant executive who had lost a leg in World War II, but had overcome the handicap with his business accomplishments. "Yeah," said Ziegler once, "I used to express the worry to Cuenin that new shaving competition was going to give us even worse trouble than we thought. He was a very wise young man and he said that men don't make rapid changes in product usage and the name Gillette is a pretty strong name. Furthermore, it takes a pretty sizable capital investment to get into this kind of business. People who have the distribution capability usually aren't used to these tremendous machines. He was right." Cuenin was going to be Ziegler's successor, but in 1970 he died of a heart attack on a business trip to Germany, at the age of 48.

Forced to look for another successor, Ziegler reluctantly turned outside the company, hiring a new hotshot product man away from Norton Simon. This was Edward "Cranapple Ed" Gelsthorpe, whose name had become legend in some circles for coming up with new products like the idea of mixing cranberry juice and apple juice. Thus the Cranberry Association could sell cranberries the other 11 months of the year. Gelsthorpe was a maverick, an unconventional personality even more alien to the staid atmosphere inside Gillette than was Ziegler. Torpedoed by the organization, Gelsthorpe left after 15 months as president.

Which put Ziegler back on square one. This time Ziegler reached again into the Gillette organization for an executive who seemed in most ways entirely his opposite. Colman Mockler was patrician and thoughtful in manner where Ziegler was, well, the image of a successful used-car salesman. Mockler's background was financial not sales, and he had gone to Harvard and the Harvard Business School. But there was no overlooking Mockler's ability. He had gotten off to an auspicious start at Gillette in 1957, down in the depths of the company's financial department, and by the mid-Sixties revamped the company's international accounting system. By the 1970s he was financial executive vice president, very near the top of the ladder. He was boosted up to vice chairman as a sop, when passed over for Gelsthorpe.

When Mockler took over the reins in 1976 it was hard on the heels of the OPEC oil shock and the 1974 recession, fine excuses to call a halt to Gillette's era of acquisition. There was no opposition.

The centerpiece of Mockler's strategy was to cut costs dramatically and pour the money saved into ad and product development budgets. It meant a shift of $70 million.

First, Mockler set out to cut all the marginal products and businesses accumulated under Ziegler. Some were marginal only because they didn't fit. Gillette simply did not have the hang of selling high-fashion perfumes, for example, so Eve of Roma went. Welcome Wagon turned out to be a fine vehicle for the local dry cleaning establishment but not, as Ziegler had thought, for setting up a nationwide network for peddling things like homeowners' insurance. Leather goods needed very different distribution channels. The hospital razors went to the wrong market. "You don't advertise Sterilon razors to the patient," remarks Gillette Treasurer Milton Glass. "You know, 'ask for it by name when you enter the surgical ward' sort of thing!"

Second, Mockler slashed corporate overhead. This year, though sales have doubled since 1974, Gillette has no more employees than it did in 1974.

Third, and perhaps more important, Mockler went after cost-cutting in the divisions with a messianic zeal. Every Gillette operation has had to cut its direct costs at least 4% a year. That may not sound like much but it adds up. And Mockler doesn't plan to ease up until overall direct costs are cut 40%. The company is already halfway there. Mockler figured Gillette's technical people, led by new Vice Chairman Alfred M. Zeien, would be particularly helpful in finding ways to reduce the production costs. He was right. It turned out, for example, that if Gillette's old South Boston factory were properly reautomated, it could turn out every cutting edge Gillette needed to produce domestically (this year, 1.5 billion) and keep direct labor costs under 5% for the shaving division.

Mockler also decentralized the company for the first time in its postwar history, giving his executives free rein in managing their businesses and selling their products. There was a price for this new freedom, of course. By his own estimate, Mockler found himself spending 55% of his time during the

first two years simply tinkering with the organizational chart, trying to find the best matches between man and job. Of the top 50 jobs in the company, 38 went to new incumbents during those two years. But remarkably few throats were cut. Nearly all the changes merely involved shuffling and reshuffling the executives Ziegler had groomed. "Every minute devoted to putting the proper person in the proper slot is worth weeks of time later," Mockler says.

Mockler's skillful pruning also revealed some of Ziegler's important winners. One of them was Braun, the German small appliance maker. Among other things, it produced electric shavers, a much more popular item in Europe than in the U.S. Braun was doing $69 million in sales in 1967, the year Ziegler bought it and took it worldwide. Between Ziegler and Mockler, it has since mushroomed into $500 million a year, even though an old antitrust decree prohibits Gillette from introducing its shavers into the U.S. market until 1984 and Braun profits could be better.

Today Gillette has a huge overseas distribution network and production base that accounts for half or more of the company's operating profits. Where once the company depended almost entirely on the U.S. market for earnings, its products now go regularly to 1 billion customers in 200 nations and territories.

As Mockler's executives began to reap the cost-cut benefits in their advertising budgets, they were not shy in putting them to use. Take razors. The safety razor division, did not sit around waiting for the next Wilkinson Sword. The French parent of Bic Pen Corp., the latter an upstart, one-eleventh the size of Gillette, had introduced in Europe its Westernized version of the Japanese bathhouse razor. The idea of a disposable razor was catching on big.

So Gillette launched its version, called Good News, in the U.S. before Bic could move in. Suddenly Sam Schell, who took over the division in late 1976, discovered a whole new market—women. The psychology of being able to shave your legs with a seemingly cheap razor that you're only supposed to use once, and then throw away along with the unwanted hair—that proved irresistible. Schell found himself generating the first sustained big unit growth in the domestic blade market in a decade. He introduced the next-generation double-blade razor, the Atra, with a movable head to reduce nicks. He followed up with a disposable version called the Swivel. And lately, an improved ladies' disposable in feminine pink, called Daisy, at two for 49 cents. Bic came into the U.S. all right, but in recent months Gillette has captured a 70 percent share of the U.S. disposable market.

Thanks to Zeien's increases in capacity for low-cost production, Gillette has been able to develop the widest price range of products in its history. Add up the Daisy, the Good News, the Swivel, the traditional stainless steel blades and the old Blue Blades, the much-ballyhooed Trac II (with two cutting edges to slide down the face in close tandem, giving an allegedly closer shave), the Atra and the Just Whistle (a reusable razor for women), and Gillette has over 60 percent of the total U.S. market. Schell believes he can increase market share and maintain pretax margins over 33 percent.

Don't miss the significance of all this. Gillette hasn't. "Quality at a low price," says President Joe Turley. "Gillette was not able to do that before. Now we can." That means Paper Mate pens won't suffer again what the Bic Pen people did in the late Fifties. Paper Mate, of course, was the standard product in the middle-price, retractable, refillable ball-point pen market. In pens, it was the Chevy. But Bic owned the disposable, cheaper-by-the-dozen stick pen business—the Volkswagen. This new intruder took business away from Paper Mate, dropping its market share from more than 50% to 30% at its low.

Mockler enabled Paper Mate to rethink the pen business. It didn't need to stay in its niche anymore. Paper Mate boss William Holtsnider successfully launched a competitive stick pen and Gillette broadened the sales of the line of luxury pens brought with Ziegler's French acquisition, Dupont. Gillette also launched Eraser Mate, a pen with erasable ink, at $1.98 and the more expensive TW 200. (What would you have paid for one of these in high school?) Now, Holtsnider has just come out with Eraser Mate 2, the stick pen erasable selling for 98 cents. He can even dream now. Would you believe a Paper Mate pen using chip technology? You wouldn't? Draftsmen and commercial artists, who would dearly love a single pen that could remember to change width and intensity of line in midstroke, could be the first big market for it. Meanwhile, Paper Mate's operating margin has swelled from 10% in 1974 to 19% last year. Since 1975 domestic writing sales have gone up 2½ times, and pen profits 4½ times. All the while Bic's margins and market share have been dropping.

The next big boost to profits could come from the toiletries division. Already it has reversed its disastrous decline of the early Seventies, when the scare about fluorocarbons from aerosol cans polluting the atmosphere sank Gillette's aerosol-oriented Right Guard deodorants, and advertising cuts sank potentially valuable new products.

For this business Mockler merged two sagging divisions and made a flamboyant Canadian named Derwyn Phillips head. Phillips made a pact with his wife that she shouldn't expect to see much of him for two years; he practically set up housekeeping in the office. "Every brand in the joint was grossly underspent, judged by competitive standards," he recalls. "We could have been indicted in years past for developing products the consumer didn't want."

Although Phillips knew he would have big bucks from the cost-cutting program at his disposal, he had the wits to concentrate: 225 product ideas have become 27 products. Depressed by some big bets—$18 million for Dry Idea roll-on antiperspirant and $30 million behind Silkience shampoo—operating profits were only 9% of sales last year. But the worst seems over. Phillips figures from now on he'll gain a profit point a year at least until he hits 15%.

Or maybe the next big profits boost will come from a business created under Ziegler and retained under Mockler: disposable lighters. The original idea of acquiring Dupont in France was to exploit what became the Cricket lighter. Mockler is still convinced it was a good idea. The Cricket was an instant success when it came out in 1972. It was almost instantly profitable too, until Bic Pen came along with a competitor and started a long-term price war that has meant years of red ink for the Cricket, and a 60% market share for, ah, Flick My Bic. Bic had used the same strategy as in pens: Attack Gillette in its vulnerable high-cost underbelly. Now Gillette is ready to play that game too, with a redesigned Cricket Jr. that cuts manufacturing costs 38% and comes out this year in the U.S. The price war has stimulated volume a bit: Worldwide unit sales of disposable lighters have risen from 45 million in 1971 to 800 million in 1980. Let smaller and weaker Bic tire of its war of attrition, and Gillette can start calculating the profits on several hundred million lighters rather than the losses.

Is the long-awaited turnaround finally at hand? There was no quick payoff from all of Mockler's changes because the cost-cutting was feeding the business. But that payoff got under way two years ago and it shows no signs of slackening.

Mockler is budgeting another $150 million capital spending program, as large as last year's, aimed at cutting production costs still further and expanding overseas operations. A Gillette blue- and stainless-blade factory is being planned near the Pyramids, and management is dickering for entry into India, where the blade market is the same unit size as in the U.S., and perhaps into China.

Mockler figures he'll face a pleasant decision sometime in 1982. By then his capital spending needs should fall sharply, and Gillette should be enjoying a cash-flow surge. Should it go to reduce his debt, now higher than most competitors' at 26.7% of capital? Or to make acquisitions? Or some of both?

Mockler, who won't be 65 until 1996, anticipates years of increasing margins, returns and earnings per share. However, he refuses to put any finite number on his long-range plan because he says none exists. "I can't predict the future," he remarks. "We are now trying to do those things that will give us sustained growth rather than those things which will give a burst, then a slack."●

FAMILY VIOLENCE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. MILLER of California. Mr. Speaker, today I am introducing legislation to address a serious and growing concern among families throughout this Nation: Violence and victimization among family members. This legislation is identical to the compromise hammered out by a House-Senate conference committee last year and overwhelmingly approved by the House. The Domestic Violence Prevention and Services Act provides for Federal support and encouragement of State, local, and community activities to prevent domestic violence and to assist victims of abuse. It requires coordination of Federal program activities which could be better utilized to serve battered families.

I have been working for 4 years to develop these solutions to the problems of battered women and children in the homes of America. Together with my colleagues, Congresswomen MIKULSKI and LINDY BOGGS, with whom I am again introducing this legislation, I have worked tirelessly to gain wider recognition of the grave

extent of domestic violence affecting men and women of every income level, social class, and geographical area.

Our proposal enjoyed wide bipartisan support from over 100 Members of the House. There was also broad organizational endorsement from groups representing interests as diverse as the police, health and mental health professionals, attorneys, churches and religious organizations, coalitions of family organizations, women's groups, and shelter operators. The list of more than 80 organizations includes the General Federation of Women's Clubs, the YWCA, the National Conference of Catholic Churches, Rural America, the International Brotherhood of Police Officers, the American Nurses Association, and the American Bar Association.

The Domestic Violence Prevention and Services Act authorizes a limited 3-year program of grants to assist States and public and nonprofit private organizations in the development of services for victims of domestic violence. The majority of the funds appropriated would be allotted to States to supplement inadequate State and local resources. Major responsibility for funding community-based services and administering the program rests where it justly belongs—at the local level. Furthermore, the bill requires that Federal funding of each local program must be matched by contributions from the community so that the Federal investment will serve as a catalyst for local investment and resources.

The conference agreement which is being reintroduced today builds on the most recent evaluation by the Inspector General of the Department of Health and Human Services which confirms that community-based shelter programs lead to better utilization of community and other governmental resources, consolidation and coordination of services by existing public and private agencies, and innovative approaches to working with battered spouses and their families. The major problems identified by the Inspector General are that the number of shelters is too low and that where shelters do exist they are embryonic and tenuous. Our fiscally responsible legislation would provide minimal matching assistance to enable these emergency family support programs to establish firmer financial footing, without becoming dependent on Federal aid.

I urge my colleagues to join with me today to support the millions of victims of family violence who currently have no place to turn for refuge and protection. As a member of the Subcommittee on Select Education, I will continue to seek help for the men, women, and children who find themselves in these life-threatening circumstances without any resources, and I hope the House continues to vote its strong bipartisan support for this legislation as it twice did in the last Congress.●

EDUCATIONAL TESTING ACT OF 1981

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, I am today reintroducing, along with my colleagues Mrs. CHISHOLM, Mr. MILLER of California, Mr. GIBBONS, and a number of cosponsors the Educational Testing Act of 1981. This legislation was the subject of extensive hearings during the 96th Congress, which highlighted the acute need for passage of a Federal truth-in-testing bill.

The hearings provided substantial evidence that a handful of testing companies exercise enormous power over the educational and occupational future of millions of Americans. Despite this influence over vital aspects of individuals' lives, the testing industry operates in a most unaccountable fashion. Like utilities, testing corporations perform a public function. Unlike utilities, they are almost totally exempt from public scrutiny.

Test results can change the course of a person's life, but that person cannot now examine the test and the correct answers afterward to learn from his mistakes or to rectify any mistakes in scoring.

At the same time, the way in which tests are prepared and their accuracy are not publicly known. Such information is treated by the testing industry as if it were classified material. Neither test taker nor researchers interested in assessing the tests are given meaningful access.

Yet the tests these groups offer are the one national standard for evaluating applicants to institutions of higher learning in this country. Grades given by schools in different sections of the Nation may reflect widely varied educational systems. But the tests provide a benchmark, a measure interpreted as a reliable standard, according to admissions officers themselves. The tests accordingly are of very great importance and any evidence of bias or lack of accountability is of very great concern.

The President's Commission on Privacy in 1977 shared this concern, and their observation about the testing companies struck to the heart of this issue. The Commission noted that:

> • • • although such organizations deal directly with individual applicants, and collect and process mountains of information about them, they are less accountable to the individuals on whom they keep records than any other type of recordkeeping institution in higher education.

This bill would neither dictate what should or should not be asked on a test, nor alter in any way the admissions criteria developed by colleges, graduate, and professional schools. It merely seeks to open up the testing process in the interests of goals the testing agencies also say they hold dear: Accountability, and long-range improvement in validity and fairness.

The legislation is basically a disclosure measure. It would require national testing organizations to provide the Secretary of Education with the results of any studies or statistical analyses they prepare on their tests, and the actual questions, answers, and scoring procedures used on each particular test they administer within 30 days after test results are released. Testing organizations would also be required to share with the Secretary information about their fee structures and expenditures. A statement of purpose and methodology would be required to appear on the test itself, in clear language, similar to that required by truth-in-lending laws.

Finally, and just as important, our bill would permit test takers to obtain copies of their answer sheets and the correct answers from the testing agency.

In my opinion, allowing test takers to obtain tests and answers is a matter of basic fairness. I agree with the conclusion 2 years ago of the National Institute on Education's Conference of Research in Testing, that full disclosure is a "fundamental human right and necessity."

Disclosure is also of great importance to research on test validity, providing material for realistic appraisal and routes to improvement. Openness should bring increased credibility through public-spirited examination by a wide variety of experts.

Two courses of events contributed to the introduction of this bill: Increasing evidence that the tests do contain bias against certain groups and enactment of two State laws designed to open up the testing process.

The first such legislation was passed in California in 1978. That bill, S.B. 2005, required a test sponsor to disclose information about the limitations and appropriate use of tests; income and costs related to test administration; and general material about the test's content.

New York State enacted its own truth-in-testing law 1 year later. This measure, more comprehensive than the California bill, closely resembles the legislation I am reintroducing today. Its central provisions required release of specific test questions, answers and individual test takers' answer sheets, and of research information about testing that was previously not available to the public or outside researchers. Questions not

used in computing the raw score were exempted from disclosure, as in this Federal legislation.

Several studies have recently indicated the possible presence of bias in these tests, and showed that test results can be improved through preparation.

One study, by David White of the National Conference of Black Lawyers, indicated that an average of 120 points separated scores of black and white students taking the law school admissions test (LSAT). The highest possible score on the LSAT is 800.

Two studies from the University of California at Berkeley show further cause for concern. One shows that students with family incomes below $6,000 scored 92 points lower on the scholastic aptitude test (SAT) than those from families earning $30,000 or more a year. The second study found that high school students with high grade point averages but low SAT scores did just as well in college as students with high SAT scores.

In addition, data compiled by the Federal Trade Commission in 1979 and later studied by the National Education Association showed that preparatory courses for the standardized exams do tend to improve scores. This conclusion contradicted the long-stated denial by testing agencies that coaching was effective. Indeed, in December 1980 a high official at the Educational Testing Service conceded that coaching could be more effective in raising scores that ETS had previously acknowledged.

These events reinforced my strong concern for openness in testing, and demonstrate that truth-in-testing is rooted in a solid foundation of concern for the integrity of testing, for individual rights, and for educational equality. The extensive hearings held by the Subcommittee on Elementary, Secondary, and Vocational Education during the 96th Congress have reinforced these concerns and made the need for passage that much stronger. During these hearings additional evidence of test bias was presented. We also learned that a very high percentage of new questions appear on many of the standardized tests, undercutting the argument that disclosure of every test would require formulating many more questions than are now developed at great expense and lower test quality.

The hearings also confirmed the positive effects of truth-in-testing for students. It would help students understand their scores in light of test margin of error and the test's success in predicting future performance. It would additionally help students detect their areas of weakness. And it would lessen inequities among students created by expensive coaching schools by giving everyone equal access to information about the test and the questions themselves—not widen the gap between students.

Bias would be eliminated in question selection, not by Government decrees, but by this increased accessibility and the informed dialog that would ensue. Hard examination of the exam itself will serve to increase its validity, a goal we all strive for.

Legislators in some 20 States in addition to New York and California share my belief in the value of truth-in-testing, and have introduced similar bills. I applaud their efforts, but it is clear that passage of varying State laws may make it difficult, if not impossible, for testing companies to offer national tests and still comply with all the different State statutes. Passage of a Federal standard will eliminate the dangers of this varied legal landscape.

I am optimistic about the future of truth-in-testing. It is a nationwide movement with nationwide force, a vital reform of a process that cries out for openness. It addresses the need for improvement in tests which in 1977 the testing expert Oscar Buros marked as showing "very little improvement" over the 50 years he had observed them. In an area such as testing, which has been subject to relatively little public scrutiny yet exerts a powerful influence over millions of citizens, the reform for openness is long overdue.

I urge my colleagues to join me and the other sponsors of this bill in passing this important legislation.

The bill follows:

H.R. 1662

A bill to require certain information be provided to individuals who take standardized educational admissions tests, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Educational Testing Act of 1981".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress of the United States finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is a continuous need to ensure equal access for all Americans to educational opportunities of a high quality;

(3) standardized tests are a major factor in the admission and placement of students in postsecondary education and also play an important role in individuals' professional lives;

(4) there is increasing concern among citizens, educators, and public officials regarding the appropriate uses of standardized tests in the admissions decision of postsecondary education institutions;

(5) the rights of individuals and the public interest can be assured without endangering the proprietary rights of the testing agencies; and

(6) standardized tests are developed and administered without regard to State boundaries and are utilized on a national basis.

(b) It is the purpose of this Act—

(1) to ensure that test subjects and persons who use test results are fully aware of the characteristics, uses, and limitations of standardized tests in post-secondary education admissions;

(2) to make available to the public appropriate information regarding the procedures, development, and administration of standardized tests;

(3) to protect the public interest by promoting more knowledge about appropriate use of standardized test results and by promoting greater accuracy, validity, and reliability in the development, administration, and interpretation of standardized tests; and

(4) to encourage use of multiple criteria in the grant or denial of any significant educational benefit.

INFORMATION TO TEST SUBJECTS AND POSTSECONDARY EDUCATIONAL INSTITUTIONS

SEC. 3. (a) Each test agency shall provide to any test subject in clear and easily understandable language, along with the registration form for a test, the following information:

(1) The purposes for which the test is constructed and is intended to be used.

(2) The subject matters included on such test and the knowledge and skills which the test purports to measure.

(3) Statements designed to provide information for interpreting the test results, including explanations of the test, and the correlation between test scores and future success in schools and, in the case of tests used for postbaccalaureate admissions, the standard error of measurement and the correlation between test scores and success in the career for which admission is sought.

(4) Statements concerning the effects on and uses of test scores, including—

(A) if the test score is used by itself or with other information to predict future grade point average, the extent, expressed as a percentage, to which the use of this test score improves the accuracy of predicting future grade point average, over and above all other information used; and

(B) a comparison of the average score and percentiles of test subjects by major income groups; and

(C) the extent to which test preparation courses improve test subjects' scores on average, expressed as a percentage.

(5) A description of the form in which test scores will be reported, whether the raw test scores will be altered in any way before being reported to the test subject, and the manner, if any, the test agency will use the test score (in raw or transformed form) by itself or together with any other information about the test subject to predict in any way the subject's future academic performance for any postsecondary educational institution.

(6) A complete description of any promises or covenants that the test agency makes to the test subject with regard to accuracy of scoring, timely forwarding or score reporting, and privacy of information (including test scores and other information), relating to the test subjects.

(7) The property interests of test subject in the test results, if any, the duration for which such results will be retained by the test agency, and policies regarding storage, disposal, and future use of test scores.

(8) The time period within which the test subject's test score will be completed and

mailed to the test subject and the time period within which such scores will be mailed to test score recipients designated by the test subject.

(9) A description of special services to accommodate handicapped test subjects.

(10) Notice of (A) the information which is available to the test subject under section 5(a)(2), (B) the rights of the test subject under section 6, and (C) the procedure for appeal or review of a test score by the test agency.

(b) Any institution which is a test score recipient shall be provided with the information required by subsection (a). The test agency shall provide such information with respect to any test prior to or coincident with the first reporting of a test score or scores for that test to a recipient institution.

(c) The test agency shall immediately notify the test subject and the institutions designated as test score recipients by the test subject if the test subject's score is delayed ten calendar days beyond the time period stated under subsection (a)(8) of this section.

REPORTS AND STATISTICAL DATA AND OTHER INFORMATION

SEC. 4. (a)(1) In order to further the purposes of this Act, the following information shall be provided to the Secretary by the test agency:

(A) Any study, evaluation, or statistical report pertaining to a test, which a test agency prepares or causes to be prepared, or for which it provides data. Nothing in this paragraph shall require submission of any reports or documents containing information identifiable with any individual test subject. Such information shall be deleted or obliterated prior to submission to the Secretary.

(B) If one test agency develops or produces a test and another test agency sponsors or administers the same test, a copy of their contract for services shall be submitted to the Secretary.

(2) All data, reports, or other documents submitted pursuant to this section will be considered to be records for purposes of section 552(a)(3) of title 5, United States Code.

(b) Within one year of the effective date of this Act, the Secretary shall report to Congress concerning the relationship between the test scores of test subjects and income, race, sex, ethnic, and handicapped status. Such report shall include an evaluation of available data concerning the relationship between test scores and the completion of test preparation courses.

PROMOTING A BETTER UNDERSTANDING OF TESTS

SEC. 5. (a) In order to promote a better understanding of standardized tests and stimulate independent research on such tests, each test agency—

(1) shall, within thirty days after the results of any standardized test are released, file or cause to be filed in the office of the Secretary

(A) a copy of all test questions used in calculating the test subject's raw score;

(B) the corresponding acceptable answers to those questions; and

(C) all rules for transferring raw scores into those scores reported to the test subject and post-secondary educational institutions together with an explanation of such rules; and

(2) shall, after the test has been filed with the Secretary and upon request of the test subject, send the test subject—

(A) a copy of the test questions used in determining the subject's raw score;

(B) the test subject's individual answer sheet together with a copy of the correct answer sheet to the same test with questions counting toward the test subject's raw score so marked; and

(C) a statement of the raw score used to calculate the scores already sent to the test subject if such request has been made within ninety days of the release of the test score to the test subject.

The test agency may charge a nominal fee for sending out such information requested under paragraph (2) not to exceed the marginal cost of providing the information.

(b) This section shall not apply to any standardized test for which it can be anticipated, on the basis of past experience (as reported under section 7(2) of this Act), will be administered to fewer than five thousand test subjects nationally over a testing year.

(c) Documents submitted to the Secretary pursuant to this section shall be considered to be records for purposes of section 552(a)(3) of title 5, United States Code.

PRIVACY OF TEST SCORES

SEC. 6. The score of any test subject, or any altered or transferred version of the score identifiable with any test subject, shall not be released or disclosed by the test agency to any person, organization, association, corporation, post-secondary educational institution, or governmental agency or subdivision unless specifically authorized by the test subject as a score recipient. A test agency may, however, release all previous scores received by a test subject to any currently designated test score recipient. This section shall not be construed to prohibit release of scores and other information in a form which does not identify the test subject for purposes of research leading to studies and reports primarily concerning the tests themselves.

TESTING COSTS AND FEES TO STUDENTS

SEC. 7. In order to ensure that tests are being offered at a reasonable cost to test subjects, each test agency shall report the following information to the Secretary.

(1) Before March 31, 1983, or within ninety days after it first becomes a test agency, whichever is later, the test agency shall report the closing date of its testing year. Each test agency shall report any change in the closing date of its testing year within ninety days after the change is made.

(2) For each test program, within one hundred and twenty days after the close of the testing year the test agency shall report—

(A) the total number of times the test was taken during the testing year;

(B) the number of test subjects who have taken the test once, who have taken it twice, and who have taken it more than twice during the testing year;

(C) the number of refunds given to individuals who have registered for, but did not take, the test;

(D) the number of test subjects for whom the test fee was waived or reduced;

(E) the total amount of fees received from the test subjects by the test agency for each test program for that test year;

(F) the total amount of revenue received from each test program; and

(G) the expenses to the test agency of the tests, including—

(i) expenses incurred by the test agency for each test program;

(ii) expenses incurred for test development by the test agency for each test program; and

(iii) all expenses which are fixed or can be regarded as overhead expenses and not associated with any test program or with test development;

(3) If a separate fee is charged test subjects for admissions data assembly services or score reporting services, within one hundred and twenty days after the close of the testing year, the test agency shall report—

(A) the number of individuals registering for each admissions data assembly service during the testing year;

(B) the number of individuals registering for each score reporting service during the testing year;

(C) the total amount of revenue received from the individuals by the test agency for each admissions data assembly service or score reporting service during the testing year; and

(D) the expenses to the test agency for each admissions data assembly service or score reporting service during the testing year.

REGULATIONS AND ENFORCEMENT

SEC. 8. (a) The Secretary shall promulgate regulations to implement the provisions of this Act within one hundred and twenty days after the effective date of this Act. The failure of the Secretary to promulgate regulations shall not prevent the provisions of this Act from taking effect.

(b) Any test agency that violates any clause of any provision of this Act shall be liable for a civil penalty not to exceed $2,000 for each violation.

(c) If any provision of this Act shall be declared unconstitutional, invalid, or inapplicable, the other provisions shall remain in effect.

DEFINITIONS

SEC. 9. For purposes of this Act—

(1) the term "admissions data assembly service" means any summary or report of grades, grade point averages, standardized test scores, or any combination of grades and test scores, of an applicant used by any postsecondary educational institution in its admissions process;

(2) the term "Secretary" means the Secretary of Education;

(3) the term "postsecondary educational institution" means any institution providing a course of study beyond the secondary school level and which uses standardized tests as a factor in its admissions process;

(4) the term "score reporting service" means the reporting of a test subject's standardized test score to a test score recipient by a testing agency;

(5) the term "standardized test" or "test" means—

(A) any test that is used, or is required, for the process of selection for admission to postsecondary educational institutions or their programs, or

(B) any test used for preliminary preparation for any test that is used, or is required, for the process of selection for admission to postsecondary educational institutions or their programs,

which affects or is conducted or distributed through any medium of interstate commerce, but such term does not include any test designed solely for nonadmission placement or credit-by-examination or any test developed and administered by an individual school or institution for its own purposes only;

(6) the term "test agency" means any person, organization, association, corporation, partnership, or individual which devel-

ops, sponsors, or administers a standardized test;

(7) the term "test preparation course" means any curriculum, course of study, plan of instruction, or method of preparation given for a fee which is specifically designed or constructed to prepare a test subject for, or to improve a test subject's score on, a standardized test;

(8) the term "test program" means all the administrations of a test of the same name during a testing year;

(9) the term "test score" means the value given to the test subject's performance by the test agency on any test, whether reported in numerical, percentile, or any other form.

(10) the term "test score recipient" means any person, organization, association, corporation, postsecondary educational institution, or governmental agency or subdivision to which the test subject requests or designates that a test agency reports his or her score;

(11) the term "test subject" means a individual to whom a test is administered; and

(12) the term "testing year" means the twelve calendar months which the test agency considers either its operational cycle or its fiscal year.

EFFECTIVE DATE

SEC. 10. This Act shall take effect one hundred and eighty days after the date of its enactment.●

CARL T. DURHAM

HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. FOUNTAIN. Mr. Speaker, I would like to draw the following address to the attention of my colleagues. It honors the accomplishments and memory of the late Carl T. Durham, a distinguished Member of the House for 22 years representing the Sixth District of North Carolina.

This address was given by Gilbert S. Goldhammer, consultant to the House of Representatives Subcommittee on Intergovernmental Relations and Human Resources, which I have the honor to chair. It was the keynote address on December 1, 1980, when Mrs. Louise Durham presented her husband's portrait to his alma mater, the University of North Carolina at Chapel Hill School of Pharmacy, as part of the centennial celebration of pharmaceutical education on the campus of that illustrious university. The portrait unveiling commemorated the Honorable Carl T. Durham's outstanding contributions in both pharmacy and health care nationwide.

The address was as follows:

THE DURHAM-HUMPHREY AMENDMENT—A PERSPECTIVE

It is indeed a pleasure for me to participate in this notable occasion to honor the memory of Congressman Durham and his noteworthy contributions to the pharmacists of this nation during the period of his tenure as a member of Congress. Before I begin my talk, I want to tell you that before I left Washington I spoke with Congressman L. H. Fountain, who, as you know, has just been reelected for a fifteenth term to represent the Second Congressional District of North Carolina, including Chapel Hill. From our conversation I can say that he is here with us, albeit in spirit only, to participate in this remembrance. He and Mrs. Fountain were personal friends of Mr. and Mrs. Durham during the period they both served in the Congress. Mr. and Mrs. Fountain greatly cherish that friendship.

Congressman Durham was best known to those, who like myself, were FDA officials at the time, for his sponsorship of a 1951 amendment to the Federal Food, Drug and Cosmetic Act known as the Durham-Humphrey Amendment. It was intended to govern the dispensing of prescription drugs which hitherto had not been covered by law. It was the result of the workmanship of two skilled and dedicated professional pharmacists serving the Congress—Congressman Durham on the House side and Senator Hubert Humphrey on the Senate side. Because of their skillful management of the bills they introduced in their respective houses, they were able to bring together the diverse, and often conflicting, groups involved—namely, the drug manufacturers, the druggists, the physicians, the FDA, and the consumers—and obtain their agreement. The law had the immediate effect of resolving the confusion and uncertainty plaguing the Nations' pharmacists concerning the legal requirements for dispensing prescription drugs.

What was the situation in 1951 that motivated Congressman Durham to introduce his bill and press for its enactment?

To find the answer one must go back to the Federal Food and Drug Act of 1906, and its successor, the Federal Food, Drug and Cosmetic Act of 1938. First let me say that both statutes were enacted under the powers of Congress granted by the Constitution to regulate interstate commerce. Before a drug becomes subject to the Federal law it must have been shipped in interstate commerce, or have been delivered for introduction into interstate commerce. A purely local transaction is beyond the jurisdiction of the Federal laws. Such transactions are regulated by the appropriate State and local regulatory agencies.

The 1906 Federal law was brief, compact, easily understood and easily enforced. Its brevity and simplicity makes that law a curiosity—a museum piece—for it stands in stark contrast to today's Federal food and drug laws which are notable for their complexity, expansiveness, and difficulty of enforcement. Whereas the 1906 act required just a few pages of regulations for its efficient enforcement, the current laws have required several thousand pages. Despite that, the enforcement of the law is still not efficient, in my opinion.

For its time, the 1906 law was a good one which served the public well. I had the good fortune of participating in enforcing that law for a period of time after I joined the FDA in 1935 to begin a career with that organization that covered more than three decades.

But times change and conditions change, and laws which are appropriate at one stage of history are not appropriate for another. The law cannot be static—it must adjust to new problems by periodic updating. Actually, by 1935 it was already apparent that the 1906 law had become inadequate and needed change.

For instance, the 1906 law said very little about dangerous drugs. Although it outlawed the addition to food products of poisonous or deleterious substances which might render the foods injurious to health, there was no similar provision applicable to drugs. Practically all drugs contain poisonous or deleterious substances which might render them injurious to health, and thus all drugs are inherently potentially dangerous. To prohibit poisonous substances in drugs would, in effect, outlaw all of them. FDA in those days concerned itself primarily with false and fraudulent labeling claims of effectiveness, and false labeling statements of the strength and purity of drugs shipped for dispensing by physicians in their practice, or by druggists. FDA did not attempt to regulate the practice of medicine or pharmacy. They did not check on druggists to determine whether prescription drugs were being dispensed without prescriptions, although many druggists freely engaged in the practice. These were regarded as local transactions. The 1906 law provided no authority to FDA to control the retail dispensing of prescription drugs either with or without a prescription.

When the 1938 act was passed, many of the deficiencies in the old law were corrected. But, again, the new law made almost no mention of drugs to be sold on prescription only, and failed to define drugs which should be dispensed only on prescription. However, Congress did adopt the following provision which helped force many of the dangerous over-the-counter drugs on the market prior to that time into the category of prescription drugs:

"A drug is deemed to be misbranded if it is dangerous to health when used in the dosage or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof."

This enabled the Food and Drug Administration to proceed against those over-the-counter drugs that were dangerous to health when used in accordance with the labeling directions, and insist that such dangerous drugs be used only under the supervision of a physician.

In the early 1940's FDA made a momentous decision. The problems associated with the indiscriminate sales of dangerous drugs to the public, particularly the barbiturates, and the growing toll of accidental deaths and injury from barbiturate overdoses, required FDA to stretch the law to heed the urgings of local authorities who could not cope with the problem, and from health officials and consumers generally, to involve itself in attempting to control the abuses so prevalent at the time. For the first time in its history, FDA agents began to gather evidence against druggists, physicians, and others who sold the dangerous drugs without prescriptions and outside the legitimate practice of medicine without genuine doctor-patient relationships. Hundreds of prosecution actions were brought against druggists and others who sold these drugs to the public without restrictions, and many, many, pharmacists suddenly found themselves criminals in the eyes of the courts. Some were fined but others were jailed, depending upon the flagrancy of the offenses. To make its program work, FDA devised regulations which had the effect of greatly stretching the law. It was a calculated risk. The courts, after all, would have their final word.

But in 1947, in a case against Jordan James Sullivan, Columbus, Georgia, trading as Sullivan's Pharmacy, the U.S. Supreme Court upheld the FDA regulations which served as a basis for the action and FDA's

authority was established. The lid was off after the Sullivan decision, and FDA did its utmost to enforce the law, primarily against druggists, but also others selling dangerous drugs indiscriminately. Furthermore, in about 1950, FDA declared its intention to expand its operations to include unauthorized refills of prescriptions.

By 1951 the industry was in turmoil. There was great confusion because druggists were unclear as to what the law required. There was no clear definition in the law which would tell the druggists which drugs required a physician's prescription for sale. The label declarations on the drugs they received from the manufacturer or wholesaler could not be relied on for this information, because many nonprescription drugs bore prescription legends, while many prescription drugs did not bear such legends.

Clearly, the druggists needed help. The Food and Drug Administration needed help, too, to clarify the law and delineate and specify the law's requirements so that the manufacturer, the physician, and the pharmacist would know how to comply. The aid of Congress was enlisted and the result was the Durham-Humphrey Amendment. The report of the Durham Committee which accompanied the amendment when it went to the floor of the House for debate and vote, had this to say, in part, about the purpose of the bill:

"This bill amends the Federal Food, Drug and Cosmetic Act to accomplish two broad objectives—(1) To strengthen the protection of the public health against dangerous abuses in the sale of potent prescription drugs: (2) To relieve retail druggists and the public from burdensome and unnecessary restrictions on the dispensing of drugs which may be safely used without supervision by a physician.

"The bill * * * is designed to solve these labeling and dispensing problems in the following ways: (1) By providing for a clearcut method of distinguishing between 'prescription' drugs * * * and 'over-the-counter' drugs * * * and by requiring that drugs be so labeled as to indicate to the retail druggist and the general public into which of these two classes they fall. * * * Lack of uniformity among manufacturers in interpreting the present law and regulations has led to great confusion in the labeling of drugs for prescription sale and for over-the-counter sale."

The Durham-Humphrey amendment made a number of other changes. However, it is sufficient to say that one very important end result was that for the first time retail pharmacists had clear guidelines, spelled out by statute, for a course of action in dispensing drugs which would not subject them to the penalties of the law.

FDA continued to bring cases against retail druggists after 1951, but it was limited to those who opted consciously and knowingly to risk the penalties for a few quick bucks. Unfortunately, every profession and every field of endeavor, no matter how noble, have their share of bad apples. But for the drug industry as a whole, the intent of the law was now clear and understandable.

Of course, that amendment passed in 1951. We are now in the '80's. The passage of time has again brought changes in the drug field to which FDA has once again reacted, with resultant seemingly inevitable problems for retail druggists. The difficulties now facing them concern a subject that was completely unheard of in 1951, namely, patient package inserts—or patient labeling—furnished by pharmacists with the dispensed drug and providing warnings and cautionary statements to fully inform the user of the possibility of certain specified injuries, and even death, by the use of the drug. No one can quibble with FDA's efforts to protect consumers, but are warnings against hazards of use provided by the druggist when he dispenses a drug prescribed by a treating physician the best way to inform the patient? What will the effects be on the patient of such cautionary statements? Will there be more harm than good from such patient labeling? Should it be the physician only who should adequately instruct the patient concerning the use of the drug and its dangers at the time he writes the prescription and hands it to the patient? Is the Federal Government preempting the physician by making patient labeling with warning mandatory?

On the economic front we may question whether patient labeling will not increase the cost of prescription drugs to the patient. If so, by how much?

I don't think I need to elaborate further on the nature of this problem before this audience. Congressman Fountain is well aware of the problem and has received many letters from retail druggists and their trade associations, not only from North Carolina, but from many other parts of the country. Many have requested an investigation of FDA policies. Congressman Fountain, as many of you know, is chairman of a subcommittee which has oversight responsibility for FDA and has been active over the years as a "watchdog" to make sure FDA is operating efficiently, economically, and fulfilling its mission as set forth by Congress. He has, over the years, chaired many hearings covering FDA's enforcement philosophy and policy, which have resulted in improved enforcement to the benefit of both the public and industry.

Congressman Fountain had decided in October 1979 to hold hearings to define the problems and to probe the legal questions associated with such patient labeling. However, he decided to await the verdict in a case then pending in the U.S. District Court in Wilmington, Delaware, brought by the Pharmaceutical Manufacturers Association and the National Association of Chain Drug Stores, Inc., which concerned the legality of FDA's 1977 regulation requiring patient labeling for products containing estrogenic hormones. Ultimately, the Delaware Court upheld the legality of the regulation. Only last month its decision was affirmed by the U.S. Third Circuit Court of Appeals in Philadelphia on an appeal by the National Association of Chain Drug Stores. The association has already filed a petition for a rehearing by the Appellate Court.

I would like to add a brief thought on the impact of the decision on the Durham-Humphrey Amendment. That amendment specifically and with deliberate forethought, in my opinion, exempted drugs dispensed by filling or refilling written or oral prescriptions from the general requirement for warnings. However, to be eligible for the exemption, the dispensed drug must bear a label containing the name and address of the dispenser, the serial number and date of the prescription or its refilling, the name of the prescriber, and, if stated in the prescription, the name of the patient and the directions for use and any cautionary statements contained in such prescription.

Knowing the history of the Durham-Humphrey Amendment, and having a sense of what Congress was attempting to do because of my association with FDA at that time, there is no doubt in my mind that Congress specifically intended to exempt all drugs dispensed on prescription from carrying cautions and warnings, except those which the prescribing physician asked for. The exemption plainly indicates, in my opinion, that Congress believed that the question of informing patients concerning the purposes, directions for use, side effects, and hazards of prescribed drugs is the responsibility of the treating physician. He should make the determination of what the patient should be told and what, for the good of the patient, in his expert opinion, should be withheld. It was not intended that the bureaucracy take on that function.

However, in 1970 the then-FDA Commissioner informed Congressman Fountain during an oversight hearing that the practice of medicine has become too impersonal and that reliance can no longer be placed on the patient-doctor relationship to provide the information the patient needs about the drugs prescribed. If that is so, should we accept that situation, or should we strive to restore a satisfactory physician-patient relationship?

It is difficult for me to believe that Congress would provide such a clear exemption under the Durham-Humphrey Amendment intending that another section of the law which Congress wrote at a different time—thirteen years earlier—and in a different context, could be used—and I quote in the words of the Appellate Court's decision—as "A separate passageway through which FDA may require warnings and cautionary statements."

However, the Appellate Court has ruled, thus nullifying to a significant degree this Durham-Humphrey Amendment exempting provision. And so, for the present, the industry must resign itself to the realization that FDA may under certain circumstances require warnings despite the express exemption of the Durham-Humphrey Amendment. FDA will now have a free hand in the enforcement of its most recent and broader PPI regulations recently published. Unless the Court of Appeals grants a rehearing and reverses itself, or the Supreme Court reverses the lower court, the regulations are now law and will have to be obeyed.●

THE ACTION GRANT PROGRAM

HON. STANLEY N. LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. LUNDINE. Mr. Speaker, I was disappointed to read in this morning's newspapers that in his conversations yesterday with the Nation's urban leaders, President Reagan indicated that he was considering recommendations to severely restrict or terminate HUD's urban development action grant program. The administration's reported alternative for the program is a shift in funding to the community development block grant program.

Such action would be extremely unwise. The action grant program, one of the most innovative approaches to community revitalization in many years, has proven itself as an effective means of mobilizing resources to meet

urgent local needs at minimal cost to the Federal Treasury. The program illustrates the kind of results and savings that can be produced by mobilizing the tremendous potential of local initiative.

The action grant program has had a significant impact on revitalization efforts throughout my own district in New York. During the past 2 years, more than $9 million in grant funds have been received by Jamestown, Elmira, Olean, Hornell, and other small cities which previously had only a limited capacity to meet urgent public needs. Action grants enabled these communities to mobilize more than $30 million in private investment to provide urgently needed industrial expansion and commercial revitalization. These projects alone created thousands of new permanent jobs while saving many jobs that would otherwise have been lost.

I would think that the ideas underlying this program would closely coincide with the President's philosophic orientation. Instead of simply offering Federal dollars to local communities to finance projects, the UDAG program provides, on a highly competitive basis, the funding needed to make local public and private initiatives feasible. Project selections are based upon a potential to maximize private investment and job creation while minimizing Federal costs and involvement.

During the first 2 years of the program, HUD awarded 521 grants to 382 cities representing $967 million in Federal investment. These funds generated $5.2 billion in private sector commitments and an additional $862 million in State and local funding. This leveraging factor is an extremely important element of the UDAG program. During these years the program generated more than $6 in local public and private support for every dollar provided by HUD.

These 521 projects also produced a total of 375,000 new jobs, nearly the equivalent of the number of jobs estimated to be lost if Chrysler were permitted to collapse. Roughly two-thirds of this figure were permanent job opportunities, with the remainder shorter term construction jobs. Projects to provide or expand industrial capacity alone accounted for over half the new permanent jobs provided by these projects in smaller cities like those in my district.

The capacity of the program to leverage private investment and create new jobs has increased during the past year. The first round of action grant awards for fiscal year 1981, which HUD announced last month, provided 73 grants which are expected to mobilize $1.25 billion in private investment, generating $7.52 in private funding for every Federal dollar. These grants are expected to finance 23,544 new jobs while retaining 6,318 current positions.

I would hope that these reports are inaccurate and that the President has no intentions of eliminating the action grant program. It seems totally inconsistent with the emphasis the Reagan administration has placed on economic revitalization and increased industrial productivity to eliminate one of the few Federal programs which has proven effective in meeting these goals in hundreds of communities across the Nation. Certainly there must be other ways of reducing Federal spending without completely eliminating the very programs best designed to meet urgent national needs.

If there are flaws in the current UDAG program or if the President wishes to continue the principles of the program in another format, I stand ready to assist him. As a member of the Banking Committee's Housing and Community Development Subcommittee, I would make every effort to revise and improve this program and urge my colleagues to do likewise.

But if the President does intend to destroy the program, I stand ready to use this same forum to fight him and to make every effort to save this vital and needed program.

The administration's suggested alternative of shifting some of the action grant money to HUD's block grant program seems to me both a more costly and ineffective approach. Given the small amount of funding involved and the hundreds of communities participating in the block grant program, such an effort would be like carrying a bucket of water to a parched grainfield. It would have to be spread so thinly that very little would result. Lost would be the important targeting and leveraging potential which characterizes the action grant program.

I urge the President to seek another means of reducing Federal costs than eliminating this relatively small, but extremely useful program. The problems confronting the Nation require innovative solutions. The action grant program represents the kind of imaginative and cost-effective approach to problems that should not be eliminated, but expanded into other areas of Federal activity.●

HEALTH CARE ISSUES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, today I am submitting for the RECORD my legislative summary of health care and social services issues during the 96th Congress:

HEALTH CARE ISSUES

One of the major disappointments of the 96th Congress was its failure once again to enact a comprehensive national health insurance program. Although soaring health care costs are a substantial contributor to the nation's inflation rate, recent attempts in the Congress to balance the federal budget by cutting social programs make passage of a strong health insurance policy more difficult. As a co-sponsor of the original Kennedy-Corman health insurance legislation, I remain a strong supporter of a comprehensive program which would ultimately cost less and deliver far better health care for millions of Americans than our present fragmented system. I will continue my efforts in the 97th Congress for enactment of this vital legislation.

Another disappointment resulted from Congress' failure to approve effective hospital cost containment legislation. Attempts by the House to pass a program of mandatory national cost controls produced only a rubber stamping of existing voluntary efforts to keep health expenditures down. It is essential that Congress enact a strong bill to control one of the chief causes of the spiralling inflation rate. Such legislation must ensure high quality care and wage protection for hospital workers.

The crisis in health care is no more evident than in the threat posed in recent years to skilled nursing homes in New York State. The situation is partially a result of serious disagreements between State and Federal health authorities over Medicaid rates of payment to such facilities and the application of Federal regulations limiting those rates. I will continue my efforts in Congress to insure that vital services for the elderly and the facilities themselves are maintained at full capacity.

The 96th Congress did vote to extend and revise federal funding of community mental health programs and authorized $85 million for 1981 increasing each year to $270 million in 1984. The Mental Health Systems Act will provide grants and services to priority populations such as the chronically mentally ill, severely disturbed adolescents and children, and the elderly. Strong emphasis was given to expanding State and local control in mental health care and incentives are provided for greater community involvement. For example, the role of the State Mental Health Authority would be extended by requiring the Authority's review of new grants made under the Act. In addition, important strides were made regarding the rights and legal protections of mental health patients. This includes the right to appropriate and humane treatment and to the confidentiality of and access to medical records. The legislation contains a recommended bill of rights and encourages the establishment of advocacy systems by the States to protect the rights of mentally ill persons.

Also included in the Mental Health Systems Act were provisions for the National Center for the Prevention and Control of Rape to study related issues such as the effectiveness of existing laws, the treatment of rape victims, the causes and effects of rape, and sexual assaults in prisons. Federal funds will be made available to private nonprofit organizations to help meet the costs of providing counseling for rape victims and their families and in assisting them in getting mental health, medical and legal services.

The 96th Congress moved again toward even more restrictive provisions for Medicaid funding of abortions. Debate continued in the House and Senate on this sensitive issue in connection with the passage of several major pieces of legislation. The Departments of Labor and Health and Human Services are currently funded under a Continuing Appropriations Resolution which provides Medicaid funding for abortions only when the life of the woman is endangered and in cases of promptly reported rape and incest. This language has grown more regressive in recent years and no longer provides abortion funding even for women who would suffer severe and long lasting physical health damage if the pregnancy were carried to term. The targets for the "Hyde Amendments" have expanded and abortion riders were passed on appropriation bills funding the Departments of Defense and Justice, the Peace Corps and the District of Columbia, among others. I believe the denial of Medicaid funding to be economic discrimination and an infringement on a woman's right to privacy in this personal decision. I will continue to work actively in the 97th Congress to assure all women access to safe, legal abortion services.

Legislation was signed into law which would reauthorize federal assistance to alcohol and drug abuse programs. This included grants to States for research and treatment programs and made the drug problems of women, the elderly and adolescents a special priority for federally supported activities. The bill requires States to coordinate their treatment and prevention services for drug abuse with those of alcohol abuse and to promote programs in the workplace through local governments and private businesses. In addition, a new study commission on alcohol problems was created to recommend national alcohol abuse policy to the president.

The Health Planning and Resources Development Amendments also cleared the Congress. The legislation modifies the operation of health planning agencies and strengthens the link between policymaking at the Federal level and at the State and local levels. Assistance and loan guarantee programs in the bill also make monies available for improvements and modernization of health care facilities.

Because of the severe lack of reliable consumer information on contraceptive products, I introduced the Contraceptive Labeling and Advertising Act. Manufacturers would be required to label all drugs and devices with effectiveness ratings, specific directions for use, and advice that a health professional be consulted on the most appropriate method of contraception. Hearings before the House Commerce Subcommittee on Health are expected early in the first session of the new Congress.

Legislation which assures the safety and nutrition content of infant formula products was approved by the 96th Congress and a second bill is being considered in the House Foreign Affairs and Commerce Committees. The Infant Nutrition Act, the bill still under consideration, would restrain U.S. companies' activities in the many areas of the world where low incomes, poor water, and widespread illiteracy make the use of the products hazardous to infant health.

The Child Health Assurance Program, passed by the House but not acted upon by the Senate, would have extended greater Medicaid coverage to low income children and to needy women during and after pregnancy. The legislation set the national eligibility for women at 80 percent of the poverty line and would have added 220,000 women to the program for pre and post natal care. CHAP's emphasis on preventive and primary care rather than more expensive treatment later on, was expected to save 40 percent of children's health costs.

Legislation to postpone a ban on saccharin for 18 months had been passed by the 95th Congress. Although this food additive has been shown in laboratory testing to be cancer-causing, the House voted overwhelmingly in 1979 to permit diet foods and soft drinks sweetened with saccharin to stay on the market for two more years.

Domestic violence legislation was passed by the House and established a much needed program of federal aid for spouse abuse shelters and other community based services. The bill also encouraged state and local governments to develop longer range plans to combat the high incidence of domestic violence nationwide. Though this legislation was not approved by the Senate, I will continue my efforts in the 97th Congress to provide federal assistance for victims of domestic abuse.

In the attempt to reduce federal expenditures, an ill-considered proposal was put forth to tax Social Security benefits. These benefits are not gifts from the government, rather they are earned by working people who already contribute a part of their income to finance the system. I believe that taxing the actual benefits would be a form of double taxation that is both unfair and unnecessary. I am pleased to report that last year the House passed, with my support, a resolution by an overwhelming majority which opposes any form of taxation on Social Security benefits. Bolstering the Social Security system and examining the alternate means of financing will be a priority task of the new Congress.

During the 96th Congress I introduced three bills which sought to improve the living conditions of former mental patients and to provide Federal assistance to the communities in which they reside. Former mental patients, thousands of whom have been "deinstitutionalized" in recent years under changing Federal and State policies, are often the most vulnerable members of our society. Government at all levels has not provided the comprehensive follow-up services which are indispensable for insuring that these former patients can function as independent, productive citizens. The first bill would provide Medicaid assistance to patients in mental institutions regardless of their age. At present, only patients between the ages of 22 and 64 are eligible for coverage. The second bill would increase Federal payments to States for services in the community to assist former patients. Aid would be provided for sheltered employment, alternative housing, counseling and therapeutic treatment. A third bill would assure that Supplemental Security Income payments would be continued for three months after a person enters an institution enabling the patient to maintain their home or apartment. In addition, it would eliminate the benefit reduction under SSI that now occurs when a former patient is receiving some financial support from other persons with whom they are residing.●

IN COMMEMORATION OF THE NATIONAL DAY OF SRI LANKA

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1980

● Mr. McCLORY. Mr. Speaker, today, February 4, marks the national day of Sri Lanka. This year, Sri Lanka will be celebrating the 33d year of the regaining of independence. In addition, 1981 will be a special year of commemoration in Sri Lanka because it marks to 50th anniversary of the institution of a universal adult franchise. This democratic system has been the basis of all elections held in Sri Lanka, formerly Ceylon, since 1931.

Sri Lanka has achieved a commendable record in modern times of being a successful multiparty democracy. Seven general elections have been held since 1948 and in six of these the government in power has been voted out of office. Few other nations can match this record of political tolerance and democratic procedure.

Sri Lanka has set economic development and improving the lot of its people as high priority national goals. One innovative program recently adopted sets up free trade zones as an attraction for foreign investment. Through these and similar programs, the government is making progress on its commitment to economic growth.

Mr. Speaker, I am pleased to salute the people of Sri Lanka and to wish them well as they celebrate national day.●

IS THE ALL-VOLUNTEER ARMY READY TO FIGHT?

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. McCLOSKEY. Mr. Speaker, last December, the Washington Star published a series of articles on the current state of readiness of the All- Volunteer Army—AVF. The first two of those articles are inserted in the RECORD today for review in connection with the forthcoming debate on renewal of the draft versus retention of the AVF versus adoption of the National Youth Service—NYS.

[From the Washington Star, Dec. 15, 1980]

THE REPORT NO ONE WANTS TO TALK ABOUT

CAN THE U.S. ARMY FIGHT?

(By John Fialka)

After eight years of experimentation, the all-volunteer U.S. Army is faltering under the burden of increasingly severe manpower, morale and management problems. The Army's own internal studies indicate that it may now be dangerously unprepared for combat.

The problems faced by the Army, as the Reagan administration takes command of the Pentagon, are deep seated. They present strong evidence that not all of the nation's major defense problems are going to be solved by simply spending more money.

The deterioration of the Army's manpower situation has been measured and reported repeatedly by the Army in a complex, worldwide system of opinion sampling and surveys. Aimed at assessing the attitudes of officers and men, the program is known as the Human Readiness reporting system.

That system, according to sources in the Army and Defense departments and on Capitol Hill, was quietly dismantled last January when the Secretary of the Army, Clifford L. Alexander Jr., read and angrily rejected the dismal conclusions of the latest report: "Human Readiness Report No. 5."

The sources, several of them highly placed, said that Alexander was so angry that he barred anyone in the Army from talking about the report. He has also imposed the same restriction on himself.

The most devastating portrait of the all-volunteer Army to emerge from the Army's own statistics, the study says that the concern over the competence of the junior noncommissioned officers has grown steadily since 1975.

It says the feeling is strongest among officers of combat units, especially in Europe where the Army has two corps—about 215,000 men—that are supposed to be the most combat-ready U.S. military units in the world.

There is considerable evidence that the officers are not alone in their concern. Among enlisted men who were asked by the Army whether their unit would "do a good job" in combat, there has also been a steady decline in optimism since the mid-1970s.

The lowest levels of optimism are indicated by junior enlisted men in Europe, where only 39 percent agreed that their units would do well in combat.

The study was prepared by the Army's Human Resources Directorate and signed by the man who was the unit's director last year, Maj. Gen. Walter F. Ulmer Jr., a former commandant at West Point.

Late last fall, the study and Ulmer found themselves on a collision course with Alexander. According to Army sources, the result was not only the shelving of Ulmer's report but the abolition of the entire "Human Readiness" reporting system, which has collected survey information and published annual reports based on it since 1974.

"There will be no Human Readiness Report No. 6," explained one well-placed Army source, who pointed out that in the normal course of events that study should have been ready this summer.

He said that the study raised Alexander's anger partly because it linked soldierly competence to intelligence and education levels, a sore point with the Secretary of the Army. Alexander ordered intelligence scores removed from the field files of 400,000 soldiers last summer to prevent their use in personnel decisions by combat officers.

The source said that "pressure" was put on Ulmer to rewrite the conclusions of the report but that Ulmer—an officer who is regarded by his peers as an extemely stubborn and courageous man—did not rearrange the data to fit the much rosier view projected by Alexander.

In a classified letter accompanying the report, Ulmer notes that it draws on an accumulation of five years of data from questionnaires regularly given to thousands of officers and enlisted men throughout the Army.

"That the current report indicates a gradual decline in human readiness during the last 18-24 months will no doubt cause some controversy," Ulmer wrote. "Many of the problem areas discussed already are controversial and our 'measures' of them will be a subject of debate.

"I am convinced, however, that the data used for this report are acceptably reliable and permit a reasonably accurate assessment about trends in active Army human readiness. These trends are consistent with, and reinforce, findings from other recent studies and analyses."

Ulmer has since been given command of the 3rd Armored Division in Germany and he could not be reached for comment.

Through his Army spokesmen, Alexander repeatedly warned a Washington Star reporter that he would only consent to an interview on Army manpower problems if Human Readiness Report No. 5 were not discussed. Later Alexander grudgingly consented to the interview, but he adamantly refused to answer any questions about the report.

ALEXANDER QUASHES REPORT THAT SHOWS ARMY MANPOWER SITUATION DETERIORATING

"Why don't you get away from the report?" said the departing secretary of the Army. Calling the document "outdated," he added, "I can't comment about the report, because I thought we are not going to be discussing the report at this time. I haven't reviewed the report and don't intend to at this time for this interview."

Maj. Gen. Robert A. Sullivan, the Army's chief of public affairs, said no other Army official would talk about the report, which he called "unscientific." Asked repeatedly for evidence that would show how the report's conclusions are either outdated or scientifically unsupportable, Sullivan and other Army spokesmen have not been forthcoming.

"This," explained one of them wearily, "is a very, very sensitive subject."

The controversial report states that three key indicators of "unit climate," or the attitudes of enlisted men, have been declining since 1976. Unit morale, measured on a worldwide basis, has dropped steadily, with the lowest readings showing up among enlisted men in Europe.

Troop motivation, or the willingness of soldiers to "work hard to get things done," has shown a similar decline since 1976, with the exception of units stationed in Korea, where indicators of motivation were driven sharply upward after the ax-murder of two American officers in the demilitarized zone in August 1976. Soldier motivation, the study states, is "lowest in Europe."

"The percent of commanders and other officers serving in troop units who state that motivation, discipline and morale are a problem in their unit has increased steadily since 1977," the study says. "About 10-15 percent more currently cite each of these as problems than was the case in 1977."

While reportable incidents of crimes and disciplinary problems have dropped sharply since the beginning of the all-volunteer force, the study says that part of the decline is related to the "prudent use of the various expeditious discharge programs" that simply remove the soldier from the Army, rather than apply punishment.

According to Army statistics, 35.2 percent of new soldiers are now leaving the Army before their first three-year terms are completed.

Interestingly, the study notes that the Army's drug problem, which hit a high point during the late 1960s and early 1970s, appears to be dropping. In its place, however, is an increasing concern about alcoholism, especially among Army units in Europe.

Army commanders listed alcohol abuse as their second most serious problem—coming just a few percentage points behind their concern about junior NCO leadership. Marijuana abuse ranked in fourth place among 13 problem categories, and the use of hard drugs ranked last.

The central concern of the study—that officers are most concerned about what they see as declining competence of their corporals and younger sergeants—points up an extremely serious problem because it affects the "cohesion" of small units, or their ability to stick together under fire. Military analysts have long regarded unit cohesion as one of the prime measures of the fighting potential of an army.

The study suggests that the officers' worries about their men may be mirrored by their troops in another ominous statistic. Among first-term soldiers, the percentage of those who believe their officers "care about their welfare" has dropped from 50 percent to 40 percent in three years. The percentage of first-termers who believe that most of their officers are competent "has declined from over 60 percent to less than 45 percent."

The study notes another probably related statistic: The percentage of young captains and lieutenants who agree to stay in the Army after their first tours of duty has "declined substantially," with the sharpest rate of decline being in front-line combat units.

In 1975, 70 percent of the younger officers in combat units opted to stay on. By 1979, only 44 percent would make that decision. Among regular Army officers, the study noted, the percentage resigning after their first term doubled during those four years.

Among West Point graduates, generally regarded as the cream of the U.S. Army officer corps, the number of younger officers "voting with their feet," or opting out of the all-volunteer Army after their first term, was still higher, rising from 10 percent in 1975 to 25 percent in 1978.

The flap over the intelligence and education levels of enlisted troops first surfaced last spring when it was revealed that another major Army research effort, called the Army Training Study, concluded that there was a definite relationship between low intelligence scores and the inability of tank and air defense missile gunners to hit targets. (The Army Training Study also was shelved by Army officials.)

Secretary Alexander, testifying before the House Armed Services Committee in June, flatly rejected the thesis, "No one, no expert, has been able to state what difference it makes," he said, referring to intelligence scores.

Human Readiness Report No. 5, based on five years worth of Army behavioral data, takes the intelligence argument one step further. Scores of the Enlisted Efficiency Report, the basic annual "report card" for enlisted soldiers, and AWOL (absent without leave) records show that education level and mental aptitude often are accurate predictors of how well a soldier will perform in his unit, the report says.

"There is evidence that these indicators do in fact measure potential for military performance (not precisely, but not trivially either) and it would be imprudent to ignore

them in the absence of other measures," the study says.

It notes that since 1976 the mental aptitude of the average Army male recruit has dropped by 5 percentage points. Twenty-eight percent of soldiers training at Forts Benning, Dix, Knox and Leonard Wood, it says, "read at or below the seventh-grade level." About a third of this group, it adds, actually read "at or below the fifth-grade level."

The Army, in its official response to The Star's request for a comment on the study, said that "numerous actions and programs initiated since that time have had an impact on a number of aspects of the issues treated by the study, altering many of the conditions observed and the analysis and conclusions made by the author."

Alexander, who announced last week that he is resigning, effective Jan. 20, is certain that intelligence scores and the matter of having or not having a high school degree has no bearing on the performance of his soldiers.

Recently, he explained, he visited the Army's sergeant-majors academy, training grounds for the cream of the non-commissioned officers in the Army, and asked how many of the trainees were high school dropouts. Nearly half raised their hands.

Later, Alexander noted, a group of sergeant-majors visited him in his office, and he asked how many scored in Category IV, the Army's lowest intelligence category.

"Over a third of them admitted they did, as a matter of fact. They raised their hands," Alexander said.

He cited their response as proof of his success in office. He appears to be serene in his confidence that after four years of running the Army he has won the manpower debate, regardless of what the reports he has shelved may say.

The data, he says, "does not amount to a hill of beans. It is quite irrelevant."

U.S. Posts Dismal Record in NATO Competitions

Can the U.S. Army Fight

(By John Fialka)

The U.S. Army must prepare its units to fight outnumbered, and to win.—Excerpt from FM 100-5, the Army's basic field manual.

Soldiers from the best, most combat-ready U.S. Army units have run up a dismal record of losses in recent competitions against other NATO armies in Europe.

Handpicked U.S. armor crews have been outgunned and outmaneuvered repeatedly by crews from the Netherlands, Belgium, Great Britain, Canada and West Germany in competitions designed to simulate armored warfare on the plains of Central Europe.

The results of the competitions—obtained by The Washington Star through the Freedom of Information Act and from NATO sources—are not widely known in the United States, not even among senior Pentagon officials. That is not, however, the case in Europe, where the Army's failures are causing politicans and military men alike to discount heavily U.S. rhetoric about defense readiness.

The record begins in 1977, when U.S. tank crews finished sixth out of six in NATO's most prestigious competition, a tank gunnery contest called the Canadian Army Trophy. They were beaten by the Canadians, West Germans, Belgians, British and Dutch, in that order.

In 1979 the Army overhauled its training program and fielded another team of elite tank crews. That year it finished fourth out of five, beaten by West Germany, Belgium and Great Britain.

For NATO cavalry units, the big contest is a German-sponsored event, called the Boeselager Armored Cavalry Competition, four crews were beaten by six West German crews and teams from Canada and the Netherlands.

Spokesmen insist that these competitions do not indicate the Army's overall readiness and skills because other NATO units allegedly relieve their competition teams from daily chores and give them special training.

Secretary of the Army Clifford L. Alexander Jr. dismissed the scores as "marginal differences between crack units." He added, "Now I don't know of the particular events you're talking about, but I assume that they were all crack units."

U.S. allies, however, take a different view.

"We do not look at this with schadenfreude (gloating)," said one German armored division commander. "Our safety and our lives depend on that (the American) army."

The German general would only agree to discuss the matter with a reporter if his identity were withheld. He said his impressions were not entirely based on the contests, but on a recent conversation with a German civilian, a foreman at a tank shooting range who has been in the business for 23 years.

The civilian, a connoisseur of precision tank gunnery, had this to say about the American crews that now train regularly at his range: "Forget the Americans. We don't talk about the Americans anymore. They use a tremendous amount of ammunition. They claim a remarkable number of hits. And then when we go out to renew the targets we see that the number of hits they claim is completely wrong. They simply missed the targets."

The general went on to admit that his private doubts about the competence of the American Army might be unfounded and that the contest results might be anomalous.

But, he explained, because the doubts are widely shared by officers of other NATO armies, the doubts themselves have military significance.

"Reputation and prestige are very important things, even if it may be wrong," the general said. "Part of the deterrence is credibility, and if an army doesn't have any credibility any more, that is bound to be a factor in deterrence."

One of the few senior West Germany military men willing to talk openly about the dismal U.S. competitive showing is Gen. Franz-Joseph Schulze, former NATO commander of 80,000 allied soliders in Germany's central region.

"The last time, the American unit participating in the competition (the Canadian Cup) took the matter rather well. They had the feeling that at least they had knowledge of where the deficiencies were," explained Schulze.

"It was more serious the time before. There was such a disappointment that it was difficult for me to convince the 7th (U.S.) Army that they had to continue, that it would not be right for them to withdraw from the competitions," added Schulze, who retired a year ago.

After the 1979 contest, Schulze recalls, he walked among the tank crews and discovered that while it took the German crews an average of 2.3 seconds to identify targets, the American crews in the competition were taking twice that long.

In modern combat, accuracy and quickness may mean the difference between life or death. In a duel against the best anti-tank weapon—another tank—a near miss doesn't count. A successful tank "kill" requires a direct hit.

It takes approximately six seconds for the second-best anti-tank weapon, a wire-guided missile, to hit its target. Assuming the tank gunner sees the telltale back blast when the missile is fired, he can save himself only if he can fire and hit the enemy missile crew within that six seconds.

For younger American officers, filled with the can-do enthusiasm radiated by Secretary Alexander and enforced by the official Army doctrine of "fight outnumbered and win," a defeat at the hands of the Belgians, the Dutch, the Canadians, the British and then West Germans can be a shocking experience.

Consider this story, by the lieutenant colonel who was in charge of the U.S. tank crews picked for the 1977 Canadian Cup contest.

The officer, now a full colonel who commands a desk in the Pentagon, agreed to talk about the contest only if his name was withheld.

That summer, 12 of the U.S. Army's newest heavy tanks were loaded on special railroad flatcars in Bavaria and shipped to Bergen-Hohen, a desolate but well-equipped tank gunnery range in Northern Germany.

Along with the tanks went the 12 best four-man tank crew teams from a unit that had been designated the best U.S. tank battalion in Europe.

For the colonel, tanks were a lifelong passion. He was sure he knew good tankers, and he was extremely confident of the men he had picked. They would show the other members of the NATO alliance a thing or two.

The Canadian Cup contests, held at Bergen-Hohen since 1963, are the Olympics of NATO. For almost two generations, the measure of steel in a Central European army has begun with the quality of its tanks and the skill of its crews.

The stakes for the 1977 contest were high. There had been persistent rumors among the other NATO armies that the quality of the U.S. soldier had deteriorated since the All-Volunteer Army experiment began in 1972.

A tank victory would put that to rest.

The colonel's team had over $7 million worth of military hardware. Each M-60A1 tank, equipped with the latest diesel engine and the last word in night vision devices, costs $600,000.

Confident as he was the colonel knew he faced serious obstacles. At that time U.S. Army tank units did not train regularly at Bergen-Hohen because they were primarily located in southern Germany, near a less sophisticated gunnery range on the Czech border called Grafenwoehr.

While U.S. training at Grafenwoehr emphasized firing at stationary targets, the NATO units at Bergen-Hohen performed simulated tank battles between numbers of maneuvering tanks, the kind of battles that most military planners envision if the tank-heavy forces of the Warsaw Pact ever cross the West German border.

But the colonel had done his best to drill his men on the differences between the two ranges, and they were all fired up for the

contest. In other words, they were totally unprepared for the disaster that followed.

As his tanks manuevered in teams of three down the range, the young colonel stood watching on the sidelines with his heart in his mouth. Targets were popping up over a mile away. They were small, six-by-six foot targets, enemy tank silhouettes. They appeared with a telltale puff of smoke, as if a tank round had been fired.

"My guys were just not seeing some of the targets," recalls the colonel. "I was standing there jumping up and down yelling things like 'over there!' 'Over There!' but of course they couldn't hear me. They were on their own. One gunner missed nearly all of his targets. I still can't explain that. I thought he was really good, one of my best."

Some people who know the American colonel say he was shattered by the experience. He admits that he still broods about it. "Before that," he told a reporter, "I had never come in second place in anything in my life."

Schulze and several other German senior officers suspect that one of the things that is showing up in the tank contests is a fundamental difference between the West German and the American Army. The West German army is a draftee force, drawing on a full spectrum of intelligence ranges. The 18-year-old German male has a 70 percent chance of being drafted, but he will not appear as a gunner or the commander of a tank unless he scores in the upper 40 percent range of intelligence tests.

He is also tested for mechanical aptitude and the psychomotor skills that allow quick target recognition and response. Furthermore, West Germany tries to keep tank crews together, while U.S. crews are constantly shifting.

In the U.S. Army, a majority of tank gunners and commanders ranks below the upper 40 percentile range of intelligence, according to a 1978 Army survey called the Army Training Study.

The survey of 1,288 tank crewmen, found that many of the gunners and commanders rapidly forgot what they had learned in training and that field training in Europe did not improve their situation. According to the survey, tank crew proficiency among U.S. units in Europe was 40 percent lower than combat-ready requirements and was 50 percent lower in U.S.-based armored units.

The Army's official position, as dictated by Secretary Alexander, is that such studies are "irrelevant," and Alexander's message has been heard down through the chain of command.

Brig. Gen. Frederic J. Brown, who was the director of the study, is now the chief training officer for the 8th Mechanized Infantry Division in Baumholder, Germany. He refused to discuss the implications of the study during a recent interview, saying he could only discuss his current assignment.

Brown's current job is critical because the 8th Division is the unit that would defend the Fulda Gap, one of the main invasion routes from the east into West Germany.

Because the Warsaw Pact forces have a 4-1 superiority in tanks, Brown admitted that the requirements for the survival of a U.S. tank crew in any battle to defend Fulda Gap are very stiff. They require tanks to hide in depressions of the terrain and then pop out to hit and "kill" as many as three enemy tanks at once.

"I expect the crews to get three target hits and get back down—all in 15 seconds," said Brown, asserting that for some of his crews, those who have studied the border terrain, the assignment "is a piece of cake."

"Of course," Brown added, "not all of them can do that."●

PROBLEMS OF DRUGS OF LIMITED COMMERCIAL VALUE

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WEISS. Mr. Speaker, I am introducing today with a number of cosponsors, a bill to establish within the National Institutes of Health a new office to stimulate the development of drugs for serious diseases that afflict relatively small numbers of people. At present, these drugs are not being developed or marketed because they are unprofitable for potential producers. This legislation was introduced during the 96th Congress by Representative Elizabeth Holtzman and received the strong support of many Members of the House and of public and private organizations concerned with health issues. As a cosponsor of the bill in the last Congress, I would like to take this opportunity to commend her outstanding leadership in focusing efforts in this area.

Over the past few years the problem of drugs of limited commercial value—called orphan drugs—have received increased attention by the Department of Health and Human Services, private groups, and drug companies. While the problem has been studied at length, no coordinated attempt to solve it has emerged.

The problems are numerous. It is a cold fact of life that for most pharmaceutical companies there is just not sufficient profit in developing drugs for rare diseases to justify the high development costs. Compounding this situation are issues of legal liability, complex and costly Food and Drug Administration drug approval requirements, shortage of research funds, concerns over the patentability of certain compounds, lack of coordination of research and information on rare diseases, and the small size of the possible test population. In response, this bill seeks to establish a framework under which these problems can be addressed and to provide funds which would support research where there is a proven potential and to remove impediments to further development of promising drugs.

The bill would establish within the National Institutes of Health an office to further these purposes. The Director would be the Director of the Office of the National Institutes of Health and would be advised by a board composed of representatives of the public, pharmaceutical manufacturers, the medical profession, and scientists involved in the development of new drugs.

The bill confines the term "drug of limited commercial value" as one which may provide an advance in the diagnosis, prevention, or treatment of the disease and is commercially unavailable.

The Director of the Office would have a wide variety of methods for providing financial assistance for new drug development. These include loans, grants, contracts, purchase of liability insurance, undertaking studies to determine the scientific and therapeutic need for these drugs, coordinating efforts of public and private entities in drug development, and collecting and making available information on possible sources of financial assistance.

In order to receive assistance, applicants must show that there is a scientific basis for the proposed drug. Should the developed drug produce substantial profits, the bill provides for recapturing them for the Federal Government.

This bill will aid many who suffer from rare diseases, people whose suffering continues not because an effective treatment cannot be found, but because its production is deemed unprofitable. I invite the support and sponsorship of all my colleagues for this important legislation.

A list of additional sponsors and a copy of the bill follows:

ADDITIONAL SPONSORS

Mr. ADDABBO, Mr. CORRADA, Mr. SHAMANSKY, Mr. RICHMOND, Mr. SOLARZ, Mr. RINALDO, Mr. VENTO, Mr. MITCHELL of Maryland, Mr. WALGREN, Mr. SCHEUER, Mr. KILDEE, Mr. YATRON, Mr. PRICE, Mr. HOWARD, Mr. GUARINI, Mr. SIMON, Mr. ROE, and Mr. TRAXLER.

H.R. 1663

A bill to establish an office in the National Institutes of Health to assist in the development of drugs for diseases and conditions of low incidence

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT OF OFFICE

SECTION 1. (a) There is established in the National Institutes of Health the Office of Drugs of Limited Commercial Value (hereinafter in this Act referred to as the "Office"). The Office shall be under the direction of a Director who shall be the Director of the National Institutes of Health.

(b)(1) There shall be in the Office an advisory council to advise the Director with respect to the Director's functions under this Act. The members of the advisory council shall be appointed by the Director. The membership of the advisory council shall not exceed nine members and shall include representatives of the pharmaceutical industry, medical profession, scientists involved in the development of drugs, and public interest groups.

(2) The advisory council shall, as appropriate, make recommendations to the Secretary of Health and Human Services respecting changes to shorten the time required for drug approval under the Federal Food, Drug, and Cosmetic Act.

FUNCTIONS OF THE DIRECTOR

SEC. 2. (a) The Director of the Office—

(1) may provide financial assistance to entities for the development of drugs of limited commercial value;

(2) may undertake the development of such drugs;

(3) may purchase for the developers of such drugs liability insurance for claims by the users of such drugs if the Director determines that the drugs would not be developed without such insurance;

(4) shall undertake studies to determine the scientific potential and the therapeutic need for the development of specific drugs of limited commercial value and the economic requirements involved in the development of such drugs;

(5) shall coordinate the efforts of public and private entities engaged in the development of such drugs and shall make recommendations to Federal entities with respect to their programs for the development of such drugs; and

(6) shall collect and make available information respecting public and private sources of financial assistance for the development of drugs of limited commercial value.

(b) The Director of the Office shall compile and keep current a list of drugs of limited commercial value. The Director shall publish guidelines for the submission of recommendations to the Director for inclusion of a drug on such list.

REQUIREMENTS FOR ASSISTANCE

SEC. 3. (a) No financial assistance may be provided under section 2(a)(1) unless an application therefor has been submitted to and approved by the Director. Such an application shall be in such form and submitted in such manner as the Director may require and shall contain—

(1) the scientific basis for the development of the drug with respect to which the financial assistance will be provided, the proposed therapeutic use of the drug, and the significance of such use;

(2) a detailed statement of—

(A) the basis for the determination by the applicant that the drug cannot be developed without financial assistance under section 2(a)(1);

(B) the expected expenses to be incurred in the development of the drug and the expected revenues from the drug during the ten-year period (or such other period as the Director shall specify) beginning on the date the drug is approved under the Federal Food, Drug, and Cosmetic Act;

(C) any unpredictable legal liability, shortages of personnel, facilities, or materials, special consultations, reviews, or tests, packaging, shipment, storage, or other distribution problems, or any other special or unusual circumstance affecting the development of the drug; and

(D) any drug development undertaken under previous financial assistance under section 2(a)(1);

(3) assurances satisfactory to the Director that the applicant is qualified to develop the drug and is capable of developing the drug in a cost effective manner.

(b) Financial assistance provided under section 2(a)(1) shall be subject to such terms and conditions as the Director may prescribe to protect the financial interests of the United States and to assure that funds paid out will be efficiently and effectively used. The Director may require that—

(1) any agreement entered into for financial assistance will, at the option of the Director, be subject to revision to reflect changed circumstances; and

(2) the recipient of funds will reimburse the United States for all or part of such funds (as specified by the Director) if the revenue from the drug developed with such funds exceeds such level as the Director may specify at the time the funds are first made available.

RECORDS AND AUDITS

SEC. 4. (a) Each entity which receives funds under section 2(a)(1) shall establish and maintain such records as the Director shall by regulation or order require. Such records shall include records which fully disclose (1) the amount of funds received and the disposition made of such funds by such entity, (2) the total cost of the project or undertaking for which such funds were made available, and (3) such other records as will facilitate an audit conducted in accordance with generally accepted auditing standards.

(b) Each entity which receives funds under section 2(a)(1) shall provide for a biennial financial audit of any books, accounts, financial records, files, and other papers and property which relate to the disposition or use of the funds and such other funds received by or allocated to the project or undertaking for which the Federal funds were made available. For purposes of assuring accurate, current, and complete disclosure of the disposition or use of the Federal funds received, each such audit shall be conducted in accordance with such requirements concerning the individual or agency which conducts the audit, and such standards applicable to the performance of the audit, as the Director may by regulation provide. A report of each such audit shall be filed with the Director at such time and in such manner as the Director may require.

(c) The Director may specify, by regulation, the form and manner in which the records required by subsection (a) shall be established and maintained.

(d)(1) Each entity which is required to establish and maintain records or to provide for an audit under this section shall make such books, documents, papers, and records available to the Director or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of such entity upon a reasonable request therefor.

(2) The Director and the Comptroller General of the United States, or any of their duly authorized representatives, shall have the authority to carry out the purposes of this subsection.

DEFINITION

SEC. 5. For purposes of this Act, the term "drug of limited commercial value" means a drug for a disease or condition of low incidence which drug—

(1) is or may be unique or provide an advance in the diagnosis, prevention, or treatment of the disease or condition; and

(2) is commercially unavailable because—

(A) the estimated revenue from the sale of such drug is not sufficient for the development of the drug by private drug companies without Federal financial assistance;

(B) the estimated revenue from the sale of such drug is not sufficient for a private drug company to assume the cost of establishing the safety and efficacy of the drug for purposes of section 505 of the Federal Food, Drug, and Cosmetic Act; or

(C) exclusive rights to the development of the drug cannot be obtained.

EVALUATION

SEC. 6. The Director shall report to Congress not later than two years after the date of the enactment of this Act on the effectiveness of this Act in furthering the development of drugs of limited commercial value.●

NATIONAL WOMEN'S HISTORY WEEK

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Ms. MIKULSKI. Mr. Speaker, it is with great pleasure that I reintroduce a joint resolution designating the week of March 8, 1981, as "Women's History Week." It is especially appropriate to reintroduce this bill which aims to reclaim and rediscover the rich, proud history of American women on this day which is an historic event in itself. For today is Women's Rights Day in Congress, for which women have come from all over the country to make sure that the progress made by and for women in the last decade will not fade in the next. Today, women everywhere in this Nation will celebrate the gains we have made, and dedicate ourselves anew to the many challenges we face. Today, we pledge even more strongly our commitment to women's equity in employment, in education, in health care, in domestic relationships, in retirement, and in our old age. We look forward to celebrating Women's History Week in March with a deep sense of pride in the contributions women have already made to the life, thought, and institutions of this great Nation. We intend to continue this proud tradition into the future.

Mr. Speaker, I insert the resolution in the RECORD:

H.J. RES. 162

Joint resolution designating the week beginning March 8, 1981, as "Women's History Week"

Whereas American women of every race, class, and ethnic background helped found the Nation in countless recorded and unrecorded ways as servants, slaves, nurses, nuns, homemakers, industrial workers, teachers, reformers, soldiers, and pioneers;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of our Nation's life by constituting a significant portion of the labor force working in and outside of the home;

Whereas American women have played a unique role throughout our history by providing the majority of the Nation's volunteer labor force and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in the country;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor union movement, and the modern civil rights movement;

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued in the body of American history: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 8, 1981, is designated as "Women's History Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

WOMEN'S RIGHTS LOBBY DAY

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. OBERSTAR. Mr. Speaker, Women's Rights Lobby Day is an opportunity to reaffirm the fundamental commitment of this Nation that the rights of any citizen shall not be abridged because of sex. Today's observance of the need to rededicate our efforts to assure equal rights comes at an important juncture in America's history.

More women are serving in this 97th Congress than in any previous Congress. Yet not enough were elected. No woman has served on the U.S. Supreme Court and none has been President. The U.S. Senate counts only two women among its Members. Equality cannot be achieved when women are politically and economically disadvantaged.

Most of us are aware of the inequalities which exist between men and women in our country. Women earn an average of 58 cents for every dollar earned by a man. Women continue to face obstacles in pursuit of career opportunities. Inequitable laws and prejudicial attitudes affecting the treatment of women in the courts, employment, homeownership, social security, retirement, and childrearing need to be reformed.

I remain committed to the goal of ratification of the equal rights amendment. I am pleased that the Minnesota State Legislature acted early to ratify the amendment. Just over 1 year remains for the ERA to be ratified. We must redouble our efforts to secure the ratification by three more States of this guarantee of equality.

The 97th Congress dawns in a new decade and under a new administration—one that claims to be in favor of equal rights for women, but one that does not support the equal rights amendment. I challenge this new administration and this new Congress to work for the reforms espoused during the Presidential election campaigns. We must persist in changing those laws and regulations which perpetuate obstacles and stereotypes and which foster continued discrimination against a major segment of our population.

In this Congress and in past Congresses I have introduced legislation to reform laws blocking the achievement of equality by women. Recently, I reintroduced legislation in the 97th Congress to end discrimination against women in both the Railroad Retirement Act and the Social Security Act. Proposed amendments to each would grant full spouse or widow's benefits to disabled women. Amendments to the Railroad Retirement Act would continue benefits to remarried widows and would provide benefits to divorced spouses of railroad workers.

In the near future, I plan to introduce legislation addressing inequities women face in the armed services entrance standards and legislation supporting alternatives to abortion, including aid to unwed mothers, and prenatal and postnatal maternal and child health care assistance. I continue to support those programs which aid the welfare of women such as the Domestic Violence Prevention and Services Act and the child health assistance program.

I applaud the efforts of the women from across the country who have arrived in Washington to participate in the hearings and to lobby for women's rights. I also congratulate the Congresswomen's Caucus for inviting experts and spokespersons from so many fields to testify and highlight the needed changes in the law and the attitudes of society.

Our work toward the goal of equal opportunity for all must not start and stop on this day. This day of education should cause us to renew and reaffirm with increased vigor our commitment to equal rights for all persons in American society.●

WORLD FREEDOM DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. DERWINSKI. Mr. Speaker, an annual event in Taipei, Taiwan, Republic of China, is World Freedom Day. This commemoration encompasses a series of programs and rallies which are held in support of freedom for those peoples held captive under communism. It is important for us to note the grassroots spirit that emanates from the people of the Republic of China. In view of this tremendous significance, I wish to insert the "Declaration of Freedom" from the rally held in Taipei on January 23:

DECLARATION

1981 WORLD FREEDOM DAY RALLY OF THE REPUBLIC OF CHINA, TAIPEI, JANUARY 23, 1981

Together with freedom-fighters from all the world regions, we the representatives of the Republic of China's various circles have today assembled in Taipei to further promote the "World Freedom Day" Movement. This symbolizes the mighty strength of freedom and justice that will, like thunder and gale, ever more sternly challenge Red tyranny and bring unlimited light to the future of anti-Communist endeavor.

The dark current of international appeasement in the 1970s fanned the fires of Communist aggression and expansion, pushing the free world toward wars. But the fully exposed evil characteristics of Communists and their communization ambition made free nations wake up from delusions and see unequivocally that so long as Red forces persist, threats to man's freedom will not cease.

Results of these experiences and lessons are:

—The strength of all those who love freedom became converged. Voices are unanimous that freedom no longer permits infringement by Communists. Opposition has been raised to Moscow's aggressive moves and threats against East Europeans, Latin Americans, and Africans, to the Red Chinese enslavement and oppression of Chinese mainland people, and in particular to the insidious Soviet suppression of the Polish workers' campaign for freedom.

—The steps of all those who love freedom became orderly. Voices are unanimous that world peace no longer permits destruction by Communists. Opposition has been raised to Moscow-directed proxy wars, to Chinese Communist infiltration and subversion against free nations, and in particular to the Soviet invasion of Afghanistan and the accompanying mounted threats of war to free nations.

—The will power of all those who love freedom became enhanced. Voices are unanimous that free nations no longer will stand Communist deceit. Opposition has been raised to Moscow's unending armament drive, to further pursuance of the evil-breeding policy of "alliance with Chinese Reds for the checking of Russians," and in particular to imposition of pressures on free nations with double-standard human rights policies.

The 1980s will be the decade to decide the rise and fall of free forces and Red forces. The "World Freedom Day" Movement must continue towards its established lofty goal, guiding man's struggle for freedom and assuring stepped-up development of the new anti-Communist situation.

We are convinced that man's freedom, national unity and world peace are indivisible. If mankind is to have adequate human rights and freedom, national integrity must be free from destructive forces. If the world is to rid itself of troubles and wars, man's strength for freedom must be pooled and brought against Red tyrannies for their decisive end.

We are convinced that peace, security and prosperity are not possible in the absence of freedom. If all the world regions are to be genuinely peaceful, the independence and security of all free nations must be positively assured. If all people of the world are to enjoy lasting well-being in prosperity, man's strength for freedom must be pooled and brought against Red trouble-makers for their decisive end.

We are convinced that history, culture and ethics are the lifelines of peoples, that land, people and sovereignty are the fundamental elements of nations, and that man's common wishes are for harmony, progress and happiness. If each and every people is

to live long in harmonious, progressive and happy society, with freedom for all from fear and want, man's strength for freedom must be pooled and brought against Communism and Communist systems for their decisive end.

That tyranny shall perish is the rule of history, repeatedly proven down through the centuries. The rift and struggle of the international Communists and the rise and growth of those who stand for freedom conclusively indicate that the split Red bloc will fall apart.

We have seen the development of liberalization campaigns within the Soviet Union and the growth of East European drives toward national independence. The Polish workers are vehemently challenging Communism. The Afghans are resolutely opposed to aggression. These are large-scale demonstrations of national potentialities. Moscow has nuclear weapons but will be engulfed and washed away by the surge for freedom.

We have seen the Chinese Communist regime, one that rules with totalitarian force, torn apart and pushed to the verge of a total collapse by the endless cycle of internal power struggle. The recent trial of the Lin Piao and Chiang Ching cliques has further exposed the crimes and ugly faces of the rulers. The internecine dispute will bring another ruthless series of purges and struggles. The bankrupt "four modernizations" will seriously aggravate the social confusion. People on the Chinese mainland will rise for ever fiercer steps against Communism and for freedom. The Red Chinese regime will be crushed under the weight of free forces.

We have seen that although the Communists of Korea, Vietnam, Cambodia and Cuba are ambitiously attempting to have their bellicose ways and fish in the troubled waters of the world, free nations have risen for the cause of anti-Communism, are forging unity for common defense, and will keep on checking Red expansion on many fronts. The collapse of the Communist pillars will be accompanied by the defeat of those Red lackeys before the battle formation of the freedom camp.

We also have seen the United States reviving her stand for freedom and justice, as indicated in President Reagan's inaugural warning to the "enemies of freedom" that as for peace, the United States will negotiate for it, sacrifice for it, but will not surrender for it—now or ever. We earnestly hope that President Reagan will give full play to his determination to defend freedom, reverse the situation of the 1970s when the Russians and the Chinese Communists were allowed to deal as they wished with free nations, and furthermore take active steps to repulse willful Red international united front moves.

We furthermore have seen the Republic of China making rapid progress through adversities, growing vigorously in unity and stability with effective democratic constitutional rule. Our successful national construction has brought increasingly better life to the people and enhanced the confidence of our compatriots, including those abroad and those behind the mainland enemy line, that our anti-Communist national revival mission will succeed. Our brilliant accomplishments are in sharp contrast with the backwardness, autocracy, poverty and chaos under the tyrannical Red Chinese rule. Quite clear is the inevitability of the regime's defeat by all the Chinese who stand for freedom.

International developments are rapidly unfolding. Freedom forces are growing remarkably. This is an opportune moment for the Republic of China to pool strength for freedom and justice and carry out her mainland recovery mission. The growth of the "World Freedom Day" Movement is a forceful support to our anti-Communist national mission.

At this advantageous juncture, all the Chinese and other freedom-fighters of the world shall strengthen unity and strive on as follows:

We must make the "World Freedom Day" Movement ever more effective, spread our voices condemning the Chinese Communists for their crimes against the nation and people, bring together all those of Chinese blood at home and abroad who oppose slavery, and push further political landing to destroy the Peiping rebels.

We must, as we make the "World Freedom Day" Movement ever more effective, spur an all-out anti-Communist revolution of our 900 million compatriots on the mainland. We must help them destroy Communist tyranny and tear down the Iron Curtain from behind it.

We must, as we made the "World Freedom Day" Movement ever more effective, bring together all the other freedom-loving and justice-respecting nations and peoples, particularly the United States of America, and strive with them for Asian-Pacific common security and for the freedom of the region's inhabitants.

We must, as we make the "World Freedom Day" Movement ever more effective, assure that the new U.S. Administration abides by President Reagan's pledge to strengthen historic ties with all those neighbors and allies who share America's ideal of freedom, and see that the United States returns to normalized relations with the Republic of China, abandons the mistaken policy of "allying with the Chinese Reds for the checking of the Soviets," and suspends all forms of aid—weapons, other military supplies, knowhow or economic assistance—that may help the Chinese Communists grow and join hands with the Soviets for treacherous steps against Americans.

Fellow countrymen and all the freedom-fighters of the world: The opportunity of our Chinese mainland compatriots' return to freedom is growingly riper. The future of the free world is increasingly brighter. Let us strive together ever harder. Let us put a decisive end to Communist slavery and rule of force. Let us make the 1980s begin a lasting era of victorious freedom.●

DR. VIKTOR BRAILOVSKY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. WEISS. Mr. Speaker, the plight of jailed Soviet refusenik Dr. Viktor Brailovsky raises issues of concern to all Americans. Public discussion of these matters will help all of us better understand the urgency of Dr. Brailovsky's situation, and of others who suffer the same treatment.

When Dr. Brailovsky was arrested by Soviet authorities November 13, 1980, the historically poor response to the rights of Jews by the Soviet Union dipped still lower. Brailovsky first began speaking out against Soviet harassment of Jews wishing to emigrate in 1972 after his application to leave with his family had been denied. His knowledge of so-called scientific secrets was cited as the reason his exit visa was denied. As a result of this experience, Brailovsky began working on the unofficial journal, "Jews in the U.S.S.R.," which is devoted to Jewish history, culture, and religion in the Soviet Union, Israel, and around the world. He also became active in refusenik programs and was a leader of the Moscow Sunday Seminar, created to facilitate discussion of scientific and other matters among Soviet Jews who had been prevented from emigrating.

When he was granted permission to leave in 1976, his wife—also a scientist—was denied the right to emigrate for the same reason her husband had been prevented from leaving 4 years earlier. He refused to leave without his family. Soviet authorities later admitted that Irina Brailovsky had never been involved in secret work. This attempt to separate the Brailovskys violates the Helsinki accords and is a gross abuse of fundamental international human rights. The claims of safeguarding state secrets used by Soviet authorities were nothing more than a smokescreen to hide injustices in Soviet emigration policy. The mistreatment of Viktor and Irina Brailovsky, which I have merely outlined briefly, opens on to a broader picture of abuse of rights and mistreatment of Soviet Jews.

All the world knows of the injustices suffered by Soviet Jews, who constantly struggle with Soviet authorities for freedom to practice their religion and for the basic human right of freedom to emigrate. Only in the last 12 years have Jews been able to emigrate without indiscriminate opposition and harassment by Soviet authorities. And even now that an official process for emigration has been established, the Soviet Government continues to make emigration a difficult and exhausting ordeal, often practically unobtainable for Jews. And there is no clearly foreseeable end in sight to this struggle.

This is why Viktor Brailovsky's ordeal is important to us. This courageous man has been singled out by Soviet authorities for daring to stand up to injustice. Brailovsky now is languishing in a Moscow prison, apparently poorly cared for and in failing health. His wife has not been allowed to visit him, and her inquiries regarding his health have been ignored.

The case of Viktor Brailovsky deserves close attention by all Members of Congress. So long as the rights of Soviet Jews are abused, there can be no assurance of freedom or justice in the Soviet Union.●

SRI LANKA'S ANNIVERSARIES

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. YATRON. Mr. Speaker, February 4 is a day of great importance to the people of Sri Lanka. Not only is this day the 33d anniversary of their independence, but it is their 50th anniversary of the granting of universal adult franchise. In 1931 elections were held at the national level in Sri Lanka for the first time. Since that date, all elections in the country have been held on this basis. Today, every citizen of Sri Lanka has the right to vote when they reach the age of 18.

The people of Sri Lanka—meaning resplendent land—are committed to establishing a growing economy while maintaining democratic liberties and providing a wide spectrum of needed government services. In recent years, great gains have been made in the fields of political development and awareness, education, health, and other basic needs. Their economy has made significant gains due to the liberalization of trade and a concentration of major development projects.

I know my colleagues will join me in congratulating the people of Sri Lanka on their 33d anniversary of independence and in wishing them every success in the future. They are certainly to be commended for their continued dedication to democracy and liberty.●

THE FUTURE OF METRO

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. WOLF. Mr. Speaker, the Metro public transit system provides vital service to communities in the Washington metropolitan area. I fully support the present system and its expansion into more communities because I believe that local taxpayers who fund Metro deserve an integral and efficient service for their tax dollars.

I would like to bring to the attention of my colleagues a recent article in the Washington Post that discusses the possibility of local governments in Virginia and Maryland replacing Metrobus with county-owned or chartered bus systems. Local governments are considering this possibility because they can no longer afford to subsidize transit workers' costly labor contracts that are usually a product of binding arbitration.

As the article indicates, the binding arbitration provision in the Metro compact has not only failed to fulfill its purpose of preventing transit strikes, it has also taken away Metro's right to bring up the issue of its ability to pay during the collective bargaining process. As a result, Metro's labor costs have skyrocketed and the burden on local taxpayers and users of public transportation has drastically increased.

Mr. Speaker, it is essential that Metro remain a financially healthy, unified system for the communities that support it. For this reason, I will soon introduce legislation that provides congressional consent for the elimination of the binding arbitration requirement from the Metro compact.

The article follows:

[From the Washington Post, Feb. 1, 1981]

SUBURBS SPURNING METRO BUS SERVICE

(By Douglas B. Feaver)

Montgomery County is forsaking federal aid and spending $12 million of its own money for 155 new buses to expand its neighborhood Ride-On system and retain the option of replacing Metrobus service in the county. Ride-On is not small potatoes; it carries 20,000 passengers a day.

Fairfax County is studying how to replace Metrobus service east of Shirley Highway and south of the Capital Beltway with county-owned or chartered buses.

Prince George's County is talking to private bus companies to see if they would like to replace Metrobus on some routes, perhaps with a county subsidy.

These events have been spurred by the costly contract Metro has with its 5,000 unionized transit workers and, may spell the beginnings of a major change in transit here. Instead of one Metro system to serve D.C. and the Maryland and Virginia suburbs, there could well be Metro's subway and five or six different bus systems, each marching to a different local drum.

Fares, schedules, availability of information and the quantity and quality of bus service differ confusingly from section to section of Metro's service area today. One only can imagine it getting worse with many little systems, doing different things at different times, charging different fares, but each ultimately centered on a subway station.

As local governments consider their alternatives, the questions they face are these:

The price of leaving Metro would be to do without federal aid for the purchase of buses, building of garages and salaries of drivers. Would enough be saved in labor costs over the long term to offset that price?

Would the escape from the types of costs and problems Metro faces be real, given the probability that labor will organize county-owned bus operations?

That is half the story. On another front, state Sens. Adelard Brault (D-Fairfax) and Thomas Patrick O'Reilly (D-Lanham) are pushing bills in the Virginia and Maryland legislatures that would amend the law requiring Metro and its unions to settle disputes through binding arbitration. In the opinion of Metro management and local government analysts, the provision gives the union a great advantage.

It was vigorously sought by the Amalgamated Transit Union in 1972, when Congress was writing legislation to permit Metro's takeover of four privately owned area bus companies. The purpose was to guarantee the absence of transit strikes in the nation's capital.

It has not done that. There have been several wildcat strikes, including one that tied up the city for eight days during a heat wave in 1978. But the provision has deprived Metro of the classic management right to insist it will pay no more than a certain figure. Exercise of that right, of course, would imply willingness to accept a strike.

Walter Bierwagen is international vice president of the Amalgamated Transit Union, a former leader of Local 689, which represents most of Metro's transit workers, and a skillful Capitol Hill lobbyist. "The greatest things we have achieved have been in negotiation or in arbitration," he said. "I can't think of anything significant we have won out of a strike situation."

A change in the binding arbitration requirement would have to be adopted by the Maryland and Virginia legislatures, the D.C. City Council and Congress. Only in Virginia would passage of something perceived as antilabor be automatic.

But this is the year of Ronald Reagan and of the new conservative Congress, the year of mounting budget problems in the District of Columbia, which pays dearly for Metro service, and the year of heavy cutbacks in the rural Maryland highway program because of heavy transit demands on the state transportation fund from both the Baltimore and Washington areas.

Metro General Manager Richard S. Page has decided to push for the change, but it is not certain he will be backed by the Metro board, some of whose members talk tough in public but become panicky at the prospect of a transit strike.

"Lots of people say this is not the practical thing to do," Page said. "I didn't think it was either, but times have changed. I'm not anti-union; I am anti-compulsory arbitration. . . . I believe in collective bargaining, because in collective bargaining one of the primary issues that must be considered is the employer's ability to pay. . . . It was not considered in this [most recent] arbitration, and I don't think compulsory arbitration permits it to be considered. . . ."

As a result of the arbitration award in January, Metro's bus drivers and subway train operators make $22,000 a year before overtime. While inflation continues, their raises come without regard to local government budgets. They automatically get a raise four times a year, and it matches the rate of inflation for the first 9 percentage points, then matches approximately two-thirds of each additional point.

Local and state governments are paying more than $110 million in subsidies for Metro this year and are being asked to pay about $160 million next year. Almost two-thirds of that subsidy is for bus service. The salary protections for Metro's employes exceed those for schoolteachers, policemen and firemen and thus raise difficult fairness issues for local governments.

While some of the talk about leaving Metro is political saber rattling, much of it is real. Montgomery County's Ride-On has demonstrated the success of a locally controlled and operated bus system that concentrates on neighborhood service and feeds a regional subway system. Ride-On's ridership has shown a 10 percent increase in the past year.

In 1980 it cost Montgomery County $20.50 per hour (without subtracting fares) to operate Ride-On and $37 per hour to operate Metrobuses on Montgomery County routes. Ride-On cost 80 cents per passenger per trip to operate; the passengers paid an average of 28 cents. Metro cost 95 cents per passenger per trip; passengers paid an average fare of 51 cents.

The salaries for Ride-On drivers start at $12,900 per year and reach a maximum of $17,443. Ride-On can use as many part-timers and substitutes as it wants. These are categories unions traditionally oppose.

Metrobus drivers start at $16,827 and in 30 months are eligible for the maximum, before overtime, of $22,432. With bonuses for night work, snow days, overtime, charters and the other goodies, many take home $25,000. Last year, 142 drivers made $28,000 or more and two drivers made more than $40,000.

Total part-timers at Metro cannot exceed 10 percent of the full-time force, and there is no such thing as a substitute; Metro must employ enough drivers at full-time salaries to run the schedule even if there are several absences.

Thus, savings are possible in labor. What about other costs?

By buying its own buses, Montgomery County is foregoing $9.6 million in federal aid. On the other hand, county taxpayers avoid two federal strings; they do not have to guarantee that the buses will not take jobs away from unionized employes (Metro drivers) and they do not have to equip every other bus with a wheelchair lift.

"I regard Ride-On as a positive, constructive adjunct to Metro," said Montgomery County Executive Charles Gilchrist, before dropping the other shoe. "Inevitably, as the cost of Metro increase, I think Ride-On does become significant as a potential alternative to a greater or lesser degree."

In addition to the loss of federal aid, there is another reason the long-term savings of Ride-On might not be as real as the short-term ones. Both the Amalgamated Transit Union and the American Federation of State, County and Municipal Employees are attempting to unionize Ride-On drivers.

Despite right-to-work laws, bans on collective bargaining and other devices that governments, particularly in Virginia, devise to keep public employes in line, aggressive unions have found ways to recruit and bargain. Local governments will have to ask themselves if there is really a gain if they leave Metro and wind up with a more vigorous, more militant labor union (AFSCME) than the one they have now (ATU).

John F. Herrity, chairman of Fairfax County's board of supervisors, said his biggest problems with Metrobus are work rules such as those that limit part-timers and forbid substitutes. He hopes to avoid them in the county's plan to replace Metrobus south of the Beltway and east of Shirley Highway, the area that will feed the future Huntington subway station.

Prince George's County Executive Lawrence J. Hogan gets at the gut issue for many politicians. "Within a few years, a Metrobus driver is going to make $42,000," Hogan said. "That's absurd. The public is not going to stand for it."

Talk by suburban governments about leaving Metrobus has traditionally bothered District of Columbia politicians. Sterling Tucker, former chairman of the D.C. City Council, put it best. "We would have what's left," he said.

Metro has been stuck with the cost-of-living protection clause guarded by binding arbitration since it began running the buses in 1973. It happened like this:

In December 1972, with service deteriorating rapidly, Congress approved a $70.8 million grant for Metro to take over four area bus systems, but required Metro to honor existing labor contracts and to use binding arbitration.

The contract was expiring between the drivers and mechanics at the D.C. Transit System, the biggest of the four companies, and a strike appeared imminent. Congress permitted Metro to observe the negotiations but not to participate. The union pursued full cost-of-living protection as its first priority, and the company resisted for a while. But with no financial stake other than to remain whole until the takeover, D.C. Transit agreed to Local 689's demand for the clause.

Metro labor relations specialist Peter Sheehan was the official observer, and he sat by helplessly, although he protested the union's cost-of-living proposal.

"I have felt like a castrated bull in a cow barn," Sheehan's notes say he said after the settlement was reached. "I would like to have done something, but haven't got the equipment. Considering the situation [Metro] finds itself in, it seems fair to say that you have resolved the differences between you in a fair and equitable manner . . ."

Senior staff members at Metro, including General Manager Jackson Graham, considered rejecting the contract because of the clause, but the debate never reached the board in public session. The pressures to accept the contract were too great. The money for the takeover, complete with federal strings, was in the bank. Transit service in the Washington area was disintegrating, and the first small subway line was still at least three years away.

There was another factor. "Cost-of-living wasn't as big a deal at that time," Graham said in a recent interview. "We were talking only about 5 or 6 percent annual inflation." In a recent quarterly adjustment. Metro had to pay its drivers the equivalent of an 18-percent increase.

Metro has tried to modify or eliminate that cost-of-living clause in every subsequent contract, and the issue always has gone to arbitration. The recent contract guarantees full quarterly cost-of-living protection for the first 9 percentage points of inflation before there is any reduction in full percentage protection. That contract contains the first modification of the cost-of-living clause since the takeover.●

REBUILD U.S. DEFENSES NOW

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. FINDLEY. Mr. Speaker, even before the United States rebuilds its defenses through increased spending, there is talk of avoiding those spending increases through arms control negotiations. This, of course, was the policy pursued in the seventies which has now left us militarily inferior to the U.S.S.R. While the United States believed that SALT I had brought the nuclear arms race under control and steadily decreased the percentage of its GNP devoted to defense, the Soviets increased defense spending and built a strategic military arsenal many believe to be superior to our own.

The first priority of the Reagan administration and of the 97th Congress should be to enhance U.S. defense forces to provide a margin of safety for the United States. Only when we are sure that we have arrived at that point can we then discuss East-West arms control negotiations or defense budget cuts.●

VIKTOR BRAILOVSKY, WORLD RENOWNED SCIENTIST

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. GONZALEZ. Mr. Speaker, it has again come to my attention that a Russian refusenik, Viktor Brailovsky, a world renowned scientist, has endured serious hardships and undue suffering after making a formal request for permission to leave the U.S.S.R. and emigrate to Israel with his family. Their first request came in October 1972, and in January 1973, the Brailovskys received their first refusal.

Viktor lost his teaching position at Moscow University in 1973, and subsequently joined a scientific seminar for unemployed Jewish scientists awaiting permission to emigrate. In 1976, the Soviets used a common tactic of granting permission to Viktor to emigrate, but he refused to leave without his wife and children. Since 1972, he has been harassed repeatedly with several arrests and home searches. The searches resulted in the confiscation of books on Jewish culture and history. He was arrested again in April 1980 for his role as an editor of the unofficial journal, Jews in Russia. Although released, he remained under investigation for allegedly slandering the Soviet State. If officially charged it could mean up to 3 years of imprisonment in a labor camp.

Still imprisoned, this long-time refusenik and prominent scientist has become seriously ill. The investigation has stopped since his condition has deteriorated so greatly.

Brailovsky's real crime is his desire to emigrate, with his wife and two children, to Israel. His plight is evidence that the Soviet Government is not adhering to the provisions of the Helsinki accords.

Those who want cultural and religious freedom, such as the Brailovskys, should not be silenced and forced to subsist in such an environment as the Soviet Union. Therefore, a constant vigil and awareness of the predicament facing Soviet Jews who wish to emigrate must be maintained. The 100,000 who have asked permission to emigrate must be allowed to practice their basic human rights. To stop such oppression many steps must be taken—we must first begin by recognizing and showing our concern for Viktor Brailovsky. Everything within

our power must be done to assure that countries who are part of the Helsinki accord abide by their word and prevent such atrocities and harassment carried out by the Soviet Union.●

THE ECONOMICS OF AUSTERITY—OR JOY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. LaFALCE. Mr. Speaker, the postelection period has been characterized by wide swings from uninhibited euphoria to dark calls for a Dunkirk economic emergency. Although this has provided the media with grist for undernourished mills during this traditionally news-short period, it has contributed very little to a comprehensive examination of what the issues really are and what are possible solutions.

Fortunately, Prof. Herbert Stein, Chairman of the Council of Economic Advisers under Presidents Nixon and Ford, has provided a sobering assessment and analysis of the real issues and possible solutions to our real economic problems in the December 30, 1980 edition of the Wall Street Journal. I want to particularly emphasize Professor Stein's warning: "But economists who are candid will admit that they don't really know what is best. If they understand the problem, politicians, political philosophers, and editorial writers will also admit they do not know the answers but have only opinions." Such humility may be painful, but it is necessary for a constructive approach to this Nation's serious economic problems.

The article, entitled "The Economics of Austerity—or Joy," follows:

THE ECONOMICS OF AUSTERITY—OR JOY

(By Herbert Stein)

We are all conservatives now—since November 4. And now it is necessary, of course, to have two or more schools of conservatism, since universal agreement would be intolerable. In the field of economic policy, the press has identified two schools for us. They are variously described as demand-siders versus supply-siders, old-time religionists versus new populists, expansionists versus contractionists, believers in the economics of austerity versus believers in the economics of joy.

These labels both exaggerate and confuse the real issues. Clarification begins, I believe, with recognizing the distinction between the real world and the nominal world—between the world of the volume of output and inputs on the one hand, and the world of the value of the output and inputs in changing prices, which in our experience means rising prices.

In what mainly concerns economic policy today we have a big real-world problem and a big nominal-world problem. The real-world problem is that real output per hour of work has been growing too slowly. From 1973 to 1979 it rose at an annual rate of only 0.7%, compared to 2.9% per annum between 1948 and 1973. This slowdown curtails the ability of people to enjoy higher living standards and most of the other things they expect from an effective economy.

CHIEF CAUSE OF RECENT INFLATION

The nominal-world problem is that total expenditures for the purchase of goods and services—by consumers, businesses and households—have been rising too rapidly. This total—which equals nominal gross national product—rose at an annual rate of 10.4% from 1973 to 1979, compared to 6.7% per annum from 1948 to 1973. This rapid rise of nominal GNP is primarily responsible for the recent high rate of inflation.

Thus, we have two requirements. We want to speed up the rise of productivity. On this we are all agreed, and in this sense we are all expansionists. We want to slow the rise of nominal GNP. On this we are all agreed, and in this sense we are all contractionists.

To some degree the pursuit of either of these two objectives helps achieve the other. Speeding the growth of productivity will help reduce the amount of inflation. Reducing the rate of inflation will help to speed the growth of productivity. Insofar as this is true there is no conflict between the two objectives.

There would also, I believe, be agreement about some of the measures needed to achieve the two objectives. There would be widespread agreement about the need to reduce tax rates as a way to accelerate productivity growth and about the need for monetary restraint as a way to slow down the rise of nominal GNP and so reduce the inflation.

But conflicts do exist between the two objectives. The appraisal of these conflicts accounts for most of the main issues of policy today, including how far and how fast to proceed with tax reduction and with monetary restraint. Three issues are most important:

Question 1. If the revenue loss from tax rate reduction outruns the reduction of government expenditures, so that budget deficits remain large or increase, will that prevent an anti-inflation program from succeeding? This is partly a question of the relation between the budget deficit and Federal Reserve policy. Conventional wisdom holds that the Fed can restrain inflation only if assisted by fiscal policy. Empirical studies of the relation between the Federal budget deficit and the policy of the Federal Reserve are inconclusive. There does not seem to be any economic reason why a budget deficit should force the Fed into more monetary expansion than it wants. There may, however, be political or psychological reasons.

Another relation between the budget deficit and the anti-inflation side of the policy is possible. The anti-inflation effort is more likely to succeed if it is generally expected to succeed than if it is not. If the private sector interprets the prospects of continued large deficits as a sign that the inflation will continue, that will obstruct the anti-inflation effort, even though that interpretation has no valid economic foundation.

Question 2. If a reduction of tax rates increases the budget deficit will the result be to speed the growth of productivity or to slow it? A reduction of tax rates will increase the incentive to invest and to save and will also increase the after-tax incomes out of which savings come. This stimulates productivity. On the other hand, the deficit "crowds out" private investment, and that tends to slow productivity growth. Whether the positive or the negative effect predominates will depend on the character of the tax cut. The positive effect is more likely to predominate if the cut applies to the 70% top rate on personal income or to the taxation of corporate profits than if it applies to the bottom 14% rate of personal income tax. But whether the net effect of the broad-based tax cuts now under consideration is positive or negative is uncertain.

Question 3. Is it possible to slow the growth of nominal GNP at a rate that will produce a satisfactory and credible decline of inflation without causing a decline in the rate of growth of productivity? The conventional view of the disinflationary process runs like this: Slowing down monetary growth slows the growth of nominal GNP. The rise of prices and wages does not, however, slow down as much as the rise of nominal GNP, because of existing contracts and continuing inflationary expectations. As a result there is a period during which *real* demand, and therefore real output, grow more slowly. After a time the behavior of prices and wages does respond more to the slowdown of demand, the inflation rate falls, and real output regains its former growth path.

In fact, output may grow more rapidly after this transition than before, as the lower inflation creates an atmosphere more conducive to increasing productivity. But during this transition the rise of productivity will be retarded, because capacity utilization and profits will be down, and for other reasons. The duration of this transition is uncertain.

There is a more optimistic scenario. It starts with tax cuts and regulatory reform increasing the rate of productivity growth. Given the rate of wage increase, this reduces the rise of unit labor costs, which in turn reduces the rise of prices. With prices increasing more slowly wages will also increase more slowly and this will further reduce the rate of price increase. Observation of the fact that prices are rising more slowly will generate expectations of an approach to greater price stability, and this change of expectations will help the process along.

This process has to be accompanied by gradual restraint of monetary expansion and of the rise in nominal GNP, so that the process is not derailed by the emergence of excess demand. But the engine of disinflation in this process is the acceleration of productivity, which initiates a downward spiral of cost increases, rather than restraint of money and demand to enforce a decline of cost increases. In this scenario there need be no transitional recession and no transitional retardation of productivity growth.

The trouble with this scenario is that the disinflationary trend will be quite shallow if, as seems probable, the acceleration of productivity comes slowly. The result will not be to generate great confidence that we are on the way to a significantly and permanently lower inflation rate. This skepticism will be heightened if the government's policy is interpreted as implying extreme aversion to tolerating any increase of unemployment, because that aversion has been the Achilles' heel of anti-inflation policies in the past. It may be too late for the degree of gradualism implied by this scenario.

Differences of opinion about these issues can lead to a number of strategies for policy, which may be summed up in a matrix of two instruments—tax cuts and

monetary restraint—and two modes of their use—hard commitment and gradualism.

Strategy A: Hard commitment to large, prompt tax cuts and tentative gradualism on monetary restraint. If large tax cuts, implying large budget deficits, do not interfere with anti-inflationary policy or retard productivity, and if the country can stand a very slow reduction of the inflation rate this is the proper policy combination. It will presumably do what can be done to accelerate productivity growth and will tailor monetary policy to accommodating the rate of cost decline that results.

Strategy B: Gradualism on tax cuts and hard commitment to monetary restraint. Tax cuts would be confined to those likely to have the highest payoff in productivity, for fear that large deficits would obstruct monetary restraint and crowd out private investment. Monetary policy would be committed to getting the inflation rate down to a negligible level in a visible period, not longer than four or five years, regardless of the transitional costs in unemployment, lost output and retarded productivity growth. This would reflect the belief that further gradualism and apparent indecision about inflation will lead to an inflationary explosion.

TREADING A TIGHTROPE

Strategy C: Gradualism on both tax cuts and monetary restraint. There would be another effort by monetary policy to walk the narrow path between accelerating inflation and a transitional recession, and tax cuts would be limited in order to avoid the possible adverse effects of deficits on monetary policy and inflationary expectations in this context.

Strategy D: Hard commitment on both monetary restraint and tax cuts. This policy would involve the same commitments on the monetary side as in strategy B, and for the same reasons. It does not however, accept the notion that large budget deficits need to divert monetary policy from this restrictive course. It prefers to push forward with tax cuts now to lay the groundwork for a later revival of productivity growth, even though the rigorous anti-inflation policy means that there will have to be a transitional period of slow growth first.

Economists will have different opinions about the issues outlined here and different preferences among the four strategies. I would rank the strategies in the order B, D, C, A. But economists who are candid will admit that they don't really know what is best. If they understand the problem, politicians, political philosophers and editorial writers will also admit they don't know the answers but have only opinions. The first requirement of a constructive discussion is to try to decide what the issues are, and not to sort people into irrelevant categories.●

FREE VIKTOR BRAILOVSKY

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Ms. FIEDLER. Mr. Speaker, I am happy today to join with my colleague from New York (Mr. FISH) in denouncing the treatment being given to Dr. Viktor Brailovsky. This scientists, whose only crime was that of wishing to leave the oppression and tyranny of the Soviet Union, languishes today in a Soviet jail gravely ill.

While we, as Americans, hail the return of our hostages from Iran, we should be ever mindful that there are many other hostages held in many other places in this world. Our compassion for them should be no less than our compassion for our countrymen.

I am happy today to join with my colleagues in sponsoring the concurrent resolution calling for the immediate release of Dr. Brailovsky and calling for the strongest possible actions on the part of the United States to insure that those who wish to leave the clutches of oppressive regimes be allowed to do so.●

FREE VIKTOR BRAILOVSKY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. HYDE. Mr. Speaker, I want to join my colleagues in the House in expressing my concern over the plight of Dr. Viktor Brailovsky, the prominent Soviet scientist and leader of the Soviet Jewish emigration movement, who has been imprisoned since last November. According to his wife, Dr. Irina Brailovsky, the doctor is not receiving adequate medical attention and care for a serious liver ailment and his health is deteriorating rapidly.

Dr. Brailovsky has been subjected to 8 years of continuous harassment by Soviet authorities. He has lost his job and been arrested and jailed numerous times; his home has been ransacked by the KGB.

In an article published in the Los Angeles Times of December 5, 1980, Mrs. Brailovsky writes:

Viktor Brailovsky was arrested because he wanted to remain true to himself; he did not want to deteriorate spiritually or to submit to the order that he abandon his scientific calling. He was arrested because he hung on and helped others to hang on—dozens of our friends. He was arrested because he remained a pure and honorable man.

My husband is in prison for a reason simple enough to be understood by a child: The authorities failed in their attempts to frighten him, to crush him morally and to entangle him in the sticky cobweb of the KGB.

This case reminds us, yet again, of the cruelties practiced by the Soviet totalitarian state. We have a grave responsibility to speak out for Dr. Brailovsky and others like him and help focus world attention on the inhumane and oppressive activities of the Soviets who make a mockery of the human rights provision of the Helsinki accords.●

WESTWOOD WELCOMES HOME THE FORMER HOSTAGES

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday February 4, 1981

● Mr. MOAKLEY. Mr. Speaker, the outpouring of good will to our fellow Americans who had been held hostage in Iran for 444 days has reaffirmed our sense of patriotism. I would like to share with my colleagues the town of Westwood, Mass., a resolution welcoming home the 52 former hostages.

The resolution follows:

RESOLUTION

Whereas, fifty-two Americans, who in the course of their occupations, were in the American embassy on the day that Iranian students took over that building, and were held hostages by that nation for four hundred and forty-four days;

Whereas, these Americans suffered humiliation and degradation at the hands of their captors;

Whereas, eight servicemen gave their lives in April, in a rescue attempt to free their fellow Americans, for whom we offer our prayers;

Whereas, on January 20, 1981, on the four hundred and forty-fourth day of captivity, negotiations were completed and the fifty-two American hostages were flown to freedom;

Whereas, in the words of former President Jimmy Carter, "We've kept the faith with our principles and our people . . . we have reached this day of joy and thanksgiving" . . . and with the words of President Ronald Reagan, "Let us renew our faith and our hope . . . we have every right to dream heroic dreams". Be it *Resolved*, That we, the Board of Selectmen of Westwood, Massachusetts, for ourselves, and on behalf of all the residents of Westwood, offer our prayers and give joyous welcome home to America to our fifty-two fellow Americans. And be it further

Resolved, That this resolution be placed in the official records of the Town of Westwood, and copy be forwarded to our Congressman with the request that it be read into the Congressional Record of the United States of America.●

SUBCOMMITTEE GROWTH

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. COLLINS of Texas. Mr. Speaker, as we come closer to approving investigative committee budgets, let's reexamine the proliferation of staff and the increased number of subcommittees. This increase over the past decade has overloaded Congress with too many staff, diffused the legislative focus and removed Members from the prime issues. Decisionmaking has been delegated to the staff of these specialized subgroups. It is no wonder we have been unable to achieve a coher-

ent energy, economic, or defense program. We have fragmented the system and destroyed our ability to establish public policy.

Committees and subcommittees have grown from 130 in the 92d Congress to 170 in the 96th Congress. As the number of standing full committees has remained fairly constant, it is the subcommittees which are growing by leaps and bounds. Subcommittees are too narrowly conceived. More equitable, reasonable policies would be produced by broadly based panels. We must consolidate in order to achieve the best utilization of our time and to eliminate overcrowded schedules.

In the entire 95th Congress, the Subcommittee on Investigations—Post Office and Civil Service Committee—met only 15 hours. The Banking Subcommittee on Historic Preservation and Coinage held meetings which lasted 17 hours. In the 95th Congress, also, the Select Subcommittee on WASPS was in session 18 hours. The Subcommittee on International Development met for 20 hours.

Not only have the subcommittees increased in number, but their majority/minority ratios are inequitable. For a case in point, examine the Committee on Post Office and Civil Service. Of a total of 14 investigative staff assigned to the general committee, 10 are classified as majority and 4 are classified as minority. But look at what happens in the subcommittees. The 8 subgroups of the Post Office Committee employ 37 investigative staff. Of these, not a single one is designated as a minority staff. Thirty-seven to zero is not fair.

Let's cut Government spending. The best place to start is with the temporary, supplementary, investigative staff which create legislation to perpetuate these subcommittees. Let's make a strong stand to eliminate staff duplication and save all Americans hard-earned tax dollars.●

THE ELECTORAL COLLEGE: ONE EDITORIAL VIEWPOINT

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. BEREUTER. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial that appeared in the Lincoln Journal. Titled, "One Good Electoral College Result," it offers an opposing view to those who would be eager to junk the electoral college in favor of a direct election of the President.

In our eagerness to reform, let us not overlook some of the strengths of our present system. The Lincoln Journal editorial states the case well.

The article follows:

[From the Lincoln Journal, Dec. 9, 1980]

ONE GOOD ELECTORAL COLLEGE RESULT

Mr. Gallup's latest finding that two of every three adults would vote to abolish the Electoral College should be tempered with this additional knowledge:

Twelve years ago, eight of 10 would have so voted, according to the Gallup Poll at the time.

What we seem to have here is a moderating of the public fever for direct election of the American president, not an increase in the reform temperature.

Always, constitutional reformers point out the potential dangers of an Electoral College breakdown, of no candidate securing a simple majority necessary for election. Or the risk that some candidate may gain a narrow national ballot majority or plurality, but still fail of Electoral College victory.

What is not said nearly as frequently is what would be lost in having direct popular elections of the president.

One such property is the definiteness of result. That is a condition of enormous importance in a political democracy because it deals with the issue of legitimacy.

In a multi-candidate field, the victor more than likely will be the one with the greatest plurality. Simple majorities are hard to fashion in a fractured land, such as America has become.

The common wisdom is that Ronald Wilson Reagan won a landslide triumph on Nov. 4. In the Electoral College, he captured 90 percent of the prospective 538 votes. That's a landslide, sure enough.

The common wisdom is that Ronald Wilson Reagan won a landslide triumph on Nov. 4. In the Electoral College, he captured 90 percent of the prospective 538 votes. That's a landslide, sure enough.

But the truth also is that 49 out of every 100 voters last month preferred someone other than the former governor of California. Almost half the country didn't want and didn't vote for the Republican nominee.

Yet the size of the Electoral College margin leaves no doubt about the clear-cut, sharp result and Reagan's constitutional authority to hold executive office for four years.

Winner-take-all elections obviously can be faulted in the sense the minority, no matter how great, is totally shut out by the result. Within their party machinery, Democrats have sought to minimize that in presidential primary processes.

The result may be more diverse representation in preliminary affairs for the Democrats, but it's hard to argue that another result is a political party of increased and emboldened factions which have had vast troubles finding a unifying core.

There are other justifications—"liberal" as well as "conservative"—for keeping the Electoral College structure. If the move to liquidate the college really was serious, those reasoned arguments could be trotted out. But the need isn't present, happily, despite Mr. Gallup's latest finding.●

UNITED STATES-GERMAN RELATIONS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. FINDLEY. Mr. Speaker, I am very proud to call to the attention of my colleagues the following observations on United States-German relations by one of my constituents, Larry D. Kuster of Jacksonville, Ill.

Mr. Kuster is a capable young lawyer who gives unselfishly of himself to his family, friends, and community. He is, in every sense of the word, a young leader. The American Council on Germany, in fact, selected Larry to participate in the 1980 German-American Young Leaders Conference held in Tutzing, Bavaria, in the Federal Republic of Germany last August. He has since prepared a summary of the issues discussed in the bilateral conference which is a cogent, insightful analysis of the problems in United States-German relations and the prospects for their resolution. Since good United States-German relations are extremely important to this country, I have excerpted two sections from Larry's paper to place in the RECORD. I strongly urge all those interested in our ties with Bonn to read this analysis.

DEFENSE POLICIES IN THE EIGHTIES

(By Larry D. Kuster)

The discussion started on the premise that the shift in military power over the last 10 years has been away from the U.S. toward the Soviet Union. This shift has been in all phases of the military, conventional and nuclear.

One exchange at this session demonstrated the extent of this shift and the general decline of U.S. power. A question was raised by an American about the most effective way in which the U.S. should spend its defense dollars. This person queried whether it would be better to spend our funds on programs like the Rapid Deployment Force rather than $30 billion on the MX Missile program. The German response was quick. It was in unison. It was intense. "The only thing the United States has got is its nuclear deterrent! It must spend its money on programs like the MX Missile." This exchange is one of my most vivid recollections of the conference. It demonstrated to me the thin defense line upon which we walk.

This exchange also emphasized the debate between the U.S. and West Germans over how resources should be spent for defense. The West Germans seemed willing for the FRG to assume a greater share of the NATO defense budget but within definite limits. Any increase in West German military spending had to be coordinated within Britain and France so that they increased in rough parity. If this parity is not maintained, the Germans expressed the fear that the specter of German militarism might arise again in the minds of other NATO countries. These fears might do more harm to the Western alliance than the added defense capability.

The Germans, however, expressed some concern about the commitment of the U.S. to defend Western Europe. If the Germans and other allies increase their defense spending too drastically and assume a substantially greater percentage of their overall defense, the U.S. might further weaken its commitment in terms of ground and air forces stationed in Westen Europe.

One indication of this concern about America's commitment centered around the draft. The Germans found it difficult to understand why the U.S. did not have a peace-

time draft. The Americans responded that this was an outgrowth of our historical perspective as well as the post-Viet Nam period. The American consensus appeared to be that the peacetime draft would probably return in several years. The political climate was not currently right for institution of a peacetime draft in the U.S.

America's commitment was called into question in another area, the vacillation of U.S. foreign policy. The Germans gave an example of how harmful this vacillation can be. When the U.S. was considering the development of the neutron bomb, the Bonn government was convinced to participate in the program. After a fairly difficult effort on the part of the Bonn government to allocate German resources for the program, Washington decided not to go ahead with the program. This U.S. decision undercut those in Germany who want higher defense spending and procurement of new weapons systems.

The Germans, however, seemed to stress that FRG debate over increased defense spending and its policy of Ostpolitik did not mean a policy of Self-Finlandization was being followed.

CONCLUSION

At the close of the conference, one American participant made a salient observation. Thirty-five years earlier many of the parents of the participants were locked in a great world war. Germany and the U.S. were bitter enemies. For the sons and daughters of the earlier combatants to meet and amiably discuss their nation's problems is a hallmark of how much the world has changed.

The constant evolution of our nations' interests and situations was reflected in every discussion. Some of these interests coincide. Others do not. The most dramatic change is the way in which the Germans view themselves. As one German commented, "For the first time in thirty years the average German believes he is somebody again." This view of self-esteem reflects the assertiveness of the Bonn government's actions in foreign affairs. It is a view which American policy makers must take into account in dealing with the German government and developing our common response to the Soviet Union.

To expect the Germans to follow us blindly belies their accomplishments and integrity as a people. But while the realities of the world force the U.S. to re-evaluate its role in the world vis-a-vis its allies, at the same time these realities limit the options of our allies, especially the West Germans. As long as the Soviet Union poses a real or imagined threat, they have need for us and we have need for them. The most disturbing trend would be a gradual weakening of West Germany's economic dependence on the western world and a greater dependence on the east.

What role West Germany is to play in the world is not clear. The role of junior partner to the U.S. no longer fits, while the role of equal partner is not possible. The economic realities and German public opinion do not support global responsibilities. For the foreseeable future, one can expect for there to be periods in which relations between Washington and Bonn are strained while the period of adjustment continues.

The economic success of West Germany is solid but its future may not always be smooth. The FRG survives economically as an import/export nation. It has neither the large domestic market nor the potential natural resources of the U.S. The German competitive edge depends upon careful marshaling of its resources and productivity of its workers. Several Germans indicated concern over maintaining their country's productivity. A comment which has been heard in the U.S. for some time was echoed by these Germans when they said, "The only thing the German worker wants is shorter hours, more holidays and higher wages." Another concern expressed was the growing cost of social welfare benefits in the FRG. The danger is that the country could spend more in this area than it can afford.

There is no doubt that the U.S. could learn much from the West Germans in how they have handled their economy. The danger, however, is adopting too generously the German policies and trying to superimpose them on the larger and more diverse U.S.

These factors of geographic size and ethnic diversity of the U.S. pose real conceptual problems for both Americans and Germans. It often seemed difficult for Germans to conceive of the distances in this country, especially in terms of commuting. Likewise, the American response was how small everything was in Germany.

The difficulty of achieving a consensus in the U.S. on a matter of public policy was not appreciated by the Germans. Frequently, throughout the conference, Germans said, "We have reached a consensus on this subject." There seemed to be a real need on the part of the Germans to find consensus in every area. The Americans, on the other hand, did not seem to recognize the need for consensus building within this country on important public policy matters.

One last observation focuses on the general approach of the Germans and Americans in discussing various topics. As a general rule the Germans seemed polite and guarded in their criticisms of American policy. The Americans generally were outspoken, frank and direct in their comments about both U.S. and German policies.

The tendency of the "American" to speak his mind no doubt frequently leaves the impression of brashness. While this outspokenness may be so perceived, it represents a security on the part of Americans that we can say what we feel, when we feel it, wherever we are. Such tendency can, of course, be carried too far. Nevertheless, we take for granted 200 years of an evolving liberal tradition. Our German counterparts, while secure in a liberal democracy, do not have the strength of our tradition. We, as Americans, should not forget such an important asset.●

INTRODUCTION OF YOUTH EMPLOYMENT ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. HAWKINS. Mr. Speaker, today I am introducing a bill to extend and consolidate the youth employment programs authorized under title IV-A of the Comprehensive Employment and Training Act. During the 96th Congress the House passed similar legislation, H.R. 6711, by a vote of 337 to 51. This bill—H.R. 6711—expanded existing youth employment programs and provided a new program of assistance to local education agencies for remedial education and other programs to improve the employability of youth. Unfortunately, no action was taken by the Senate on this measure before the adjournment of the 96th Congress.

The legislation authorizing youth employment programs under title IV-A of CETA expired at the end of fiscal 1980. These programs are currently operating under the authority of the resolution continuing appropriations for fiscal 1981.

Recognizing the confusion, hardship and inefficiency which result from the uncertainty surrounding the authorization and funding of our major Federal youth employment programs, I am introducing this measure early in this session so that final action can be taken before the expiration of the continuing resolution on June 5, 1981.

The measure I am introducing today is a modified version of H.R. 6711, as passed by the House. The major difference is that the revised bill does not authorize a separate program for education. In the absence of a major commitment of funds for a new education initiative I believe it would be dishonest for us to hold out hope for the economically disadvantaged and minority youth who suffer the most from inadequate education and preparation for the world of work. My bill does, however, expand upon the requirement in current law for a reservation of funds for joint education/CETA programs. Twenty-five percent of the prime sponsor's funds would be set aside for such joint efforts. The bill explicitly provides that alternative education programs, as well as public education agencies would be included in the 25-percent setaside.

Other major provisions of the bill include:

Extending the authority for title IV-A programs through fiscal year 1985.

Consolidating the existing youth programs into a single program with a uniform definition of economically disadvantaged. Yet, flexibility is provided to serve other youth in need. Twenty percent of the funds are made available for youth who do not meet the income eligibility, but who face substantial barriers to employment such as handicapping condition, drug abuse, language barriers or other similar barriers to employment.

Authorizing the youth incentive and supplemental work project to fund part-time and full-time employment of eligible youth in selected poverty areas to encourage return to or completion of high school or equivalent education.

Removing the requirement under title IV-A of CETA for a maintenance of effort for youth in other titles of CETA. This change is being proposed to address the concern that other target groups are not being adequately

served and that prime sponsors are being held to an unnecessarily rigid service level for youth.

The bill also retains the current authority for forward funding of youth employment programs. The committee has repeatedly been told by program operators that inadequate notice of funding has prevented appropriate coordination with education activities and proper planning for effective delivery of training services.●

INVESTIGATE THE TRILATERAL COMMISSION AND THE COUNCIL ON FOREIGN RELATIONS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. McDONALD. Mr. Speaker, I have long felt that the policies advocated by the Council on Foreign Relations and the Trilateral Commission were not in the best interests of the United States. The American Legion, during its national convention in August of last year agreed and passed a resolution calling for an investigation of these two organizations and their influence on U.S. policy. I applaud the initiative of the American Legion and commend the text of the resolution to the attention of my colleagues. I strongly support this effort:

American Legion Resolution 773 Concerning the Trilateral Commission and the Council on Foreign Relations

Whereas international friendship depends on trust, mutual respect and integrity; and

Whereas the present Administration has placed the United States in a position where our friends now question our will and our determination; and

Whereas the present Administration strongly promoted the giveaway of our Panama Canal; and

Whereas President Carter in strong support of the SALT treaty appointed Trilateralist Paul Warnke to be our chief negotiator of a second SALT treaty which would perpetuate the military superiority of the Soviets; and

Whereas the present Administration is dominated by a disproportionate number of elitist members of the Council on Foreign Relations and its offspring, the Trilateral Commission; and

Whereas the Council on Foreign Relations and Trilateral Commission have espoused and promulgated domestic and foreign policies which are judged to be inimical to America's best interests: Now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Boston, Massachusetts, August 19, 20, 21, 1980, that we demand in the best interests of our country that the Congress of the United States launch a comprehensive investigation into the Trilateral Commission and its parent organization, the Council on Foreign Relations, to determine what influence has been and is being exerted over the foreign and domestic policies of the United States.●

DR. VIKTOR BRAILOVSKY

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SENSENBRENNER. Mr. Speaker, I am proud to join my colleagues today in bringing the terrible injustice suffered by Dr. Viktor Brailovsky to public attention, and to voice my sincere concern for the plight of all Soviet Jews.

In 1979, a total of 51,000 Jews emigrated from the Soviet Union. In 1980, this number was cut in half to approximately 25,000. This decrease is a result of the Soviets' stepping up their efforts to hinder emigration. In order to apply for emigration, one must not only have an affidavit of invitation from the sponsor country, but the invitation must come from a first degree relative, that is, father, mother, sister, brother, son, or daughter. However, while emigration is falling off, the number of refuseniks is growing. These families are harassed and threatened repeatedly merely because of their desire for freedom.

Dr. Viktor Brailovsky is a typical example of such harassment. Upon his initial request to emigrate in 1972, he lost his job. His home was searched twice and his personal papers, invaluable to science, were confiscated. After losing his job, Dr. Brailovsky organized the Moscow Seminar of Jewish Scientists who met to discuss recent advances in their various fields. As a result of his leadership in the Soviet emigration movement and his request for free emigration for Soviet Jews, he was imprisoned on November 13, 1980. In ill health, he has been refused proper medical care. Dr. Brailovsky's case is another glaring example of the denial of legal and human rights, in direct violation of the Helsinki accords.

While reassessing our relations with the U.S.S.R., we must address these issues, human rights and equitable emigration system in the Soviet Union. In addition, we should call upon the other nations of Western Europe to help us in our efforts to enforce compliance to the Helsinki accords by the Soviet Union.●

UKRAINIAN INDEPENDENCE DAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FORD of Michigan. Mr. Speaker, I am proud to help mark the 63d anniversary of Ukrainian Independence Day, which we are celebrating at this time.

What the Afghans experienced on December 7, 1979, the Ukrainian nation suffered shortly after January 22, 1918. Alone and without aid from Western nations, the Ukrainian people waged a gallant struggle to defend the sovereignty of their country, but were ultimately overpowered by numerically stronger and better equipped armed forces. If Afghanistan, like the Ukraine, becomes yet another captive nation, its people can expect reprisals for any resistance to Soviet rule and the subversion and destruction of their heritage as a free country.

I take this opportunity to mention one of the great Ukrainians of our day. I speak of Mykola Danylovych Rudenko who was the founder of the Ukrainian Public Group to Promote Observance of the Helsinki accords. Mr. Rudenko formed this monitoring group in November 1976, and a year later, after police searches and harassment, he was arrested. Rudenko was sentenced at a closed trial on July 1, 1977, to 7 years in strict regimen labor camps followed by 5 years of internal exile under article 62 of the Ukrainian Criminal Code, anti-Soviet agitation and propaganda. He is in extremely poor health. Although the Soviets signed the Final Act at Helsinki, the human rights provisions of the Final Act have never—not even for 1 day—been observed in Ukraine.

At this time when the right to national self-determination is being threatened in other areas of the world, we will not forget the Ukrainian struggle of 63 years ago, or overlook the ongoing question of the Ukrainian people. I pay tribute to them and to their never ending goals of freedom, human rights, and independence.●

CUTTING FEDERAL BUDGET: THE EDITORS SPEAK UP

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. BEREUTER. Mr. Speaker, as those of us in Congress prepare to receive President Reagan's recommendations for budget-cutting, I think it is appropriate to examine what the editorial writers have to say about specific proposals. I have just read a most interesting editorial in the Lincoln Journal that I would like to share with my colleagues.

Titled "Reagan Budgeters May Cut Back on the Development Bonds Bloat," the editorial gives credit to OMB Director Dave Stockman who has shown a willingness to examine some of the off-budget programs that have ballooned beyond our expectations. In this particular instance, the editorial discusses industrial and housing development bonds which have become very popular in my own State of Nebraska.

I believe the editorial makes some good observations—points certainly worthy of our serious consideration as we prepare to make the very tough decisions that lie ahead. I include the editorial at this point in the RECORD:

[From the Lincoln Journal, Jan. 24, 1981]

REAGAN BUDGETERS MAY CUT BACK ON THE DEVELOPMENT BONDS BLOAT

The federal budget which Jimmy Carter left behind for Ronald Reagan's drastic reduction surgery is being credited as worthwhile for at least one reason. It contains an unusually candid explanation how we got into such a fiscal fix.

One small part of that explanation is of immediate concern here. It has to do with "off-budget" programs by which the federal government subsidizes interest rates—to students, small towns, farmers, et al.—and abides the marketing of an enormous number of tax-exempt state and local securities, costing Uncle Sam billions in lost tax revenue annually.

David Stockman, the eat-'em-alive conservative who is now Reagan's director of the Office of Management and Budget, has taken special aim at these credit subsidies. On this score, the Journal conditionally admits to some sympathies with Stockman.

Consider the industrial and housing development bonds which Nebraska and virtually all other states presently float. Their justification is that economic competition forces them to do so.

The "beauty" of these public debt instruments is that they are merchandised as government securities—even though none of the money goes for government projects and the governments involved explicitly forswear all financial responsibility in the event of default. But being state or local government bonds, there is no federal tax liability on the interest income.

That being so, the bonds can be and are sold at interest rates well below those attached to essentially identical bonds peddled by a private corporation struggling to finance new facilities.

Alas, in America, excess tends to quickly overtake anything that's a good deal. So you aren't stunned to learn that great abuses have been found in the industrial-development bond area.

The McDonald Corp., a private outfit the last time we looked, reportedly financed 53 new restaurants in Ohio and Pennsylvania in 1979 using tax-free local government bonds. Minnesota's governments are said to have issued $673 million worth of these bonds the same year, underwriting everything from dentist offices to racquet clubs.

Minnesota also is the state where tax-increment financing has gone out of control.

Last year Nebraska expanded its venture in the field. It issued public housing bonds, supposedly to help contractors and the low- and moderate-income get out of the slums. Actually, the bond issues temporarily rescued the depressed real estate industry, while helping sweeten the accounts of bond firms and bond lawyers. That a number of Nebraskans also improved their housing situations is true, too.

Now, with the blessing of Gov. Thone, which is surprising, Sens. Loran Schmit and John Decamp are pushing a further expansion of the idea: they want to sell public bonds to provide backstop money for lending to farmers.

How droll, watching "conservative" politicians demanding that government get off the people's backs while simultaneously working creatively to exploit government for what they want to achieve.

The federal objection to this situation is at least twofold.

The avalanche of industrial-development bonds is, as was said earlier, costing the national government billions in lost tax revenue. That contributes to the national deficit.

The other objection—Stockman's—is that state and local governments, acting as frontmen for private operators in the issuance of the development bonds, directly increase inflation. They do this by increasing competition in the money markets. The competition pressures other private firms who also want a shot at the limited capital funds. The inevitable result in this kind of rat race is higher interest rates, a known inflationary component.

Sic 'em, Stockman.●

A CUBAN'S LETTER: NO HUMAN RIGHTS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. PEPPER. Mr. Speaker, today, as the Congress is faced with difficult decisions affecting the welfare of our country and the well-being of our constituents, we should be sure to pay special attention and not lose sight of the plight of those less fortunate than us who suffer every day under the unbearable conditions brought about by a Communist regime. Of particular note, is the woeful situation that exists on the island of Cuba. Few can imagine the extent to which those, held against their will, suffer at the hands of a government that believes solely in the institution of fear as a method of functioning.

The following letter, which appeared in a recent edition of the New York Times, serves as a useful reminder to us all that there are indeed many less fortunate than ourselves. This letter has come to us by way of a newly arrived Cuban refugee and describes all too well the abhorrent conditions that exist under Castro's Cuba. I submit this letter to my colleagues in the hopes that it may further enlighten people of the horribleness that permeates the air on this once, so-called, jewel of the Caribbean.

A CUBAN'S LETTER: NO HUMAN RIGHTS

First of all let me tell you that I am a dissident; however, (I don't know where is exactly the majority) because here in Cuba is impossible to live if you are not a communist, if you do not think like a communist or if you don't act like them; the word communist and what it means in Cuba is impossible to describe in a letter, you ought to live here—I don't hope so—to understand me better. Could be the communism be good in another place—I don't think so—but here in its concept is a terrible thing. The ideas in some way are good, the philosophy is in the same way pretty and fascinating, but the practice is a farce till the point nobody can imagine. Here we have no human rights, no peace and no even the right to subsist, if you are not an actor ready to play their comedy trying to show the world that we are free and owners of our decision and future; thousands—even me—had played this play during twenty one years but no more for me, and no more for more than two millions like me that want to run away to any place where we can be persons and no machines or robots. I wish to go to the U.S.A., because a big part of my family is there; if not our only right is a place in the cemetery, and be careful.

That's the Cuban tragedy, the tragedy of "our" communist country, and in a little part, my tragedy; Of course.

Here everbody is afraid of everyone and you can't believe in no one, because they—the leaders of this government—use to make everyone watching one another, so can't believe in nobody as I told before.

Here we can't think in a different way of the official one. If you do so, you are taking a big risk. We have not nothing to fight against this system, but the pen. I am not a politican and not even an international well known man, so my pen is not strong, but this is the truth and the truth gives it the strength. As Marti said:

"The word was made to tell the truth and not to hide it."

Well I do not know what is going to happen to me and my family—if we are going to be in jail, to be dead or if at last we will be free. We need your help and the U.S.A. help in the general concept. And for me and my family we need your help to go the U.S.A. please.

Would you be so kind to give this story—that is our nowadays history—to the President of the United States of America?

I do not know if it is possible that He can do something for me and my family; however me—an insignificant person—will be very grateful about the efforts He can do for me and my family. Thanks a lot.

Please try to send this letter to the President; this is not a personal one, but an open letter to whole the world and of course to Him.

I am so much sorry because of the disturbance that this letter make to you and to the President.

Finally only one last word that express all what I tell you.

Help.●

FAMILY ENTERPRISE ESTATE AND GIFT TAX EQUITY ACT

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. FITHIAN. Mr. Speaker, I am today introducing the Family Enterprise Estate and Gift Tax Equity Act, a bill which will overhaul the Nation's outmoded estate tax laws. The bill was originally drafted and introduced in the 96th Congress by Senator Gaylord Nelson, of Wisconsin, whose expertise and diligent work over the years on reforming Federal estate and gift tax law is gratefully acknowledged.

The measure I am introducing today would provide estate tax relief to more than 95 percent of our Nation's family

owned farms and businesses, allowing them to continue their many contributions to the American economy—creating more jobs, advancing technology and innovation, and increasing our productivity. The major features of the bill are:

An increase from $175,000 to $500,000 in the amount of property that may pass free of Federal estate and gift taxes;

A provision which exempts from estate and gift taxes all property inherited by or transferred to a spouse;

A provision which doubles the amount of property which an individual may give tax free annually to another individual from $3,000 to $6,000; and

A simplification of the so-called special-use-valuation rule for farms and closely held businesses to take into consideration the problems of those who are disabled, receiving old age benefits, elderly spouses, minors, and students.

Clearly, there is a need to reduce estate taxes.

Inflation has driven up the value of many assets, particularly land, to record high levels.

Thirty or forty years ago productive agricultural land could be purchased for less than $100 per acre. At these levels farms and businesses could pass from one generation to another with few estate tax problems. By way of comparison, the national average price for acreage in 1979 was $559, ranging from a low of $100 per acre in New Mexico to a high of over $2,000 an acre in New Jersey.

In 1942, the estate tax applied to only 1 estate out of 60. But, by 1976, this had increased to 1 out of 10, significantly broadening the application of the law. Because of inflation, the same farm or business that was worth $60,000 in 1942 has come to be valued at about $250,000.

In 1976, extensive changes were made in the estate tax law to accommodate for inflation and reduce the estate tax burden. These included:

A tripling of the amount of property that may pass free of Federal estate taxes from $60,000 to $175,000;

An exemption of up to one-half the value of the family farm or small business for surviving spouses in recognition of their working contribution to the enterprise; and

A provision—commonly referred to as the special-use valuation rule—which allows farms and closely held businesses to be valued for estate tax purposes on their value as farms or small businesses. Prior to this reform, the property was valued at its highest and best use, which often meant that land farmed for many years might be highly taxed on the basis of what it would be worth as a shopping center or housing development.

The development of the special-use rule for the valuation of farms and small business is particularly noteworthy. As the following table demonstrates, it significantly reduced the amount of Federal estate tax on these enterprises.

ESTATE TAX SAVINGS RESULTING FROM THE MAXIMUM ACTUAL USE VALUATION REDUCTION

Taxable estate [1]	Estate tax bracket on top dollar (percent)	Estate tax savings	Savings as percentage of taxable estate
$750,000	37	$177,500	24
$1,000,000	39	190,000	19
$1,250,000	41	200,000	16
$1,500,000	43	210,000	14
$2,000,000	45	225,000	11
$2,500,000	49	245,000	10
$3,000,000	53	265,000	9
$3,500,000	57	285,000	8
$4,000,000	61	305,000	8
$4,500,000	65	325,000	7
$5,000,000	69	345,000	7
Over $5,000,000	70	350,000	7

[1] Taxable estate equals the adjusted gross estate minus any marital deduction, assuming no taxable gifts had been made since 1976.

However, as beneficial as they are, the reforms of the past 5 years do not go far enough. At the time these changes in Federal estate and gift tax law were made 5 years ago, no one anticipated the continuing record high inflation levels.

An example of the effect of inflation is the Federal estate tax exclusion. In 1976, the exclusion was increased, through the mechanism of an estate tax credit, to a maximum of $175,625, or a credit of $47,000 in 1981. Today, just to compensate for inflation, the $175,000 exclusion should be adjusted upward to over $250,000.

Unfortunately, the likelihood is that inflation will continue for many years in the future. This means that an asset which today is worth $70,000 at an inflation rate of 9 percent for the next 20 years would be worth over $420,000 with no real increase in value.

The sad fact is that double-digit inflation pushed family businesses which were too small to pay estate taxes into extremely high tax brackets. The result has been that heirs of these enterprises have been forced out of business in order to pay stiff Federal estate taxes.

Inflation and the increase of economic concentration through conglomerate mergers has seriously imperiled the maintenance of family farms and businesses of all kinds. Our existing tax structure has the effect of subsidizing the growth of big business usually at the expense of small and independent enterprise. Present tax laws encourage those who own an interest in small business to sell out to large companies because the acquiring company may exchange its stock for the stock of the small business. The entire transaction is tax free. What we are witnessing today is a major threat to the very survival of our free and independent enterprise system.

Family owned businesses are an integral and vital component of our economy and society. As a source of entrepreneurial spirit and for their many contributions in the fields of technology, innovation, and social advancement, family owned small businesses must be preserved and protected. The family business is a source of pride which gives the family a personal sense of freedom, accomplishment, and pride in ownership. The perpetuation of the family business in America is of significant importance to the survival of free enterprise that has built the foundation of our country and economy. The increase from $175,000 to $500,000 in the amount of property which may pass free of Federal estate taxes will greatly reduce the unfair tax burden now confronting family-run small businesses and farms.

Another significant change called for in this legislation pertains to the special-use valuation provisions for family farms and machines, previously mentioned.

Unfortunately, many restrictions placed on those wishing to use special-use valuation prevent this provision from being fully effective. The material participation restriction requires a farmer to materially participate in the management of the farm for 5 out of the 8 years prior to death. Unfortunately, this leaves many farmers with the difficult choice between retiring and collecting social security benefits that are rightfully theirs, or continuing to work so that they can qualify for the special-use valuation.

The original law also prevents farmers who become disabled in the course of their labors from qualifying for the estate tax break. This bill would address these problems by applying the material participation test with reference to the 8 years immediately preceding the year in which they become eligible for old age benefits or in which they become disabled. This change will provide estate tax relief to many farmers who are disabled or wish to retire. Other changes are called for in this bill that will help preserve the family farm and keep scenic, productive farmland in agriculture.

In addition to making substantial changes in the special-use-valuation provisions that benefit small farmers and family owned businesses, this bill would provide tax relief to the average taxpayer by increasing the annual gift tax exclusion from $3,000 to $6,000. Again, we have an example of how inflation has a profound effect on taxes.

In 1943 the Congress reduced the annual gift tax exclusion to $3,000. Compared to the purchasing power of $3,000 in 1943, $3,000 now has the purchasing power of only $810. If Congress were to give the gift tax exclusion the same purchasing power it had

when the $3,000 level was established it should be set at approximately $14,000. The legislation we introduce today provides only a first step toward reaching the goal of restoring the purchasing power of the annual gift tax exclusion.

The proposal also recognizes once and for all the importance of a working spouse in a family enterprise. By providing for an unlimited marital deduction, the proposal establishes a long deserved measure of equality between spouses.

The unlimited marital deduction would also remove the fear on the part of many couples that they must trace gifts made over a lifetime of home and car purchases, stock or land exchanges, in an effort to calculate their estate and gift tax liabilities. This legislation will not only add simplicity to the estate tax laws as they relate to exchanges between husbands and wives, but it would also give due recognition to the contribution each spouse makes in building a family's business or savings. A 100-percent deduction means that a husband and wife would be able to transfer property without facing the estate tax burden. This bill would give legal truth to the often expressed attitude of married couples that the property is "ours" whatever the Federal Government may say or try to devise.●

UKRAINIAN INDEPENDENCE DAY

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SENSENBRENNER. Mr. Speaker, in the past year we have seen the Soviet Union continue its struggle for domination of Afghanistan and daily read of Soviet threats to the Polish workers to stifle their efforts for independent unions. The extent of repression within the U.S.S.R. and internal discontent is brought to our attention frequently by prominent dissidents. In the midst of these much publicized events, we sometimes tend to forget the tyranny exercised against the peoples of the once independent Ukraine. For this reason, I would like to join my colleagues in commemorating the 63d anniversary of the independence of Ukraine.

It was January 22, 1918, that Ukraine declared its autonomy from the long period of Russian hegemony. Their independence was short lived, falling to Soviet domination by 1920. However, the Ukrainian people have never lost their desire for freedom. They continue their resistance against the Soviet occupation. In their fight, they look to the United States as a source of moral support and strength. As a nation which stands for the principles of the protection of individual human rights and the independence and the sovereignty of nationalities, we Americans must do all we can to preserve the national consciousness of Ukrainians. In our attempt to promote the respect for and the freedom of the people of Ukraine, I endorse the continuation of the present U.S. policy of refusing to recognize the Soviet occupation of Ukraine.

It is good to be reminded today that this noble country, which once was free, is now the subject of the violent repression of the Soviet Union. The 2 million Ukrainians living in this country certainly have not forgotten this fact. For it is only by remembering their repression that we can strive to alleviate the conditions of this satellite of Soviet hegemony and prevent further encroachment. And, perhaps, one day we will be commemorating another day of Ukrainian independence.●

AN AMERICAN HERO IN KENYA

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. VENTO. Mr. Speaker, I would like to share with my colleagues this article about the courage and bravery of a young Peace Corps volunteer from Minnesota. I think you will agree that Kevin Ciresi's actions are a wonderful tribute to the strength of the human spirit. The article by Ozzie St. George appeared in the January 27, 1981, issue of the St. Paul Pioneer Press.

PEACE CORPS MAN CITED FOR SAVING SEVEN

(By Ozzie St. George)

A Peace Corps volunteer from Eagan who plunged into the flaming wreckage of the Norfolk Hotel in Nairobi, Kenya, to help rescue victims of a New Year's Eve terrorist bombing has been cited for his courage.

Kevin Ciresi, 23, the son of Mr. and Mrs. Sam A. Ciresi, 3296 Sibley Memorial Highway, Eagan, is credited with saving seven persons. The bomb blast and ensuing fire killed 20 persons, injured nearly 100 and destroyed the Norfolk, a famous resort hotel since 1904.

Cora Lee Turbitt, Peace Corps director in Kenya, wrote Ciresi to commend him for his courage. She called his action "the very essence of bravery" and said she is "exceedingly proud to have you in the Peace Corps."

Copies of her letter went to Richard Celeste, overall Peace Corps director in Washington, and William Harrop, U.S. ambassador in Kenya.

Ciresi, a 1979 graduate of the College of St. Thomas who plans to go to medical school, worked at Miller and St. Joseph's hospitals and in the Ramsey County medical examiner's office before joining the Peace Corps last October. He was completing a crash course in Swahili in Nairobi at New Year's.

In a taped letter to his parents, he said he and a friend were having dinner a short distance from the Norfolk when they "heard an explosion, guessed it was a bomb and ran right over there."

For a time, Ciresi said, "I was the only one there with any medical training at all." He put this training to use amid the flames and wreckage inside the Norfolk, "doing triage"—that is, deciding which of the injured could be saved and should be rescued and which were beyond help—while carrying seven of the former to safety himself.

Ciresi's father, a Target Stores director and proprietor of the Q Restaurant in the Lowry Medical Arts Building, said he and his wife, Monica, were afraid at first that Kevin might have been staying at the Norfolk.

"But then," he added, "knowing Kevin, we knew he'd be there anyway if he were anywhere close."

At present, Kevin is in Kisii, Kenya, teaching high school biology and chemistry—in Swahili.●

AGENTS' PROTECTION BILL

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. RUDD. Mr. Speaker, our Nation's critical intelligence-gathering capability has been severely reduced in recent years. Despite all of the modern technology—including satellite and computerized information—utilized by our intelligence agencies, a significant portion of our intelligence effort must rely on human informers and agents.

This human intelligence effort is increasingly threatened by the deliberate disclosure of the identities of our undercover agents. Publication of these names not only terminates the effectiveness of these agents, but endangers their lives as well.

The most infamous example was the identification in "Counter Spy"—published by former CIA employee Philip Agee—of Richard S. Welch as the station chief for the Central Intelligence Agency in Athens, Greece. Shortly after this disclosure, Welch was assassinated.

Nor is this an isolated disclosure. Agee has published the names of some 1,200 alleged CIA personnel.

Another anti-intelligence publication, Covert Action Information Bulletin, has also been initiated with Agee's assistance. Its function is the same as that of "Counter Spy"—to crusade against the CIA and other U.S. intelligence agencies, and to publish information and identities of purported CIA officers and informers, thus ending their effective service and exposing them to possible retaliation by kidnapers or assassins.

The most recent example—and a major impetus for this legislation—was the identification in 1980 by Covert Action Information Bulletin of 15 CIA agents serving in Marxist Ja-

maica. Again, this revelation was followed by a July 4, 1980, machinegun attack on the home of the CIA station chief, although fortunately he and his family were unharmed.

It should be clearly recognized that these publications' ultimate intent is nothing less than the total elimination of the intelligence-gathering capacity of the U.S. Government.

Indeed, those associated with these publications and supporting organizations held a national organizing conference to stop Government spying September 22-24, 1978, at the University of Michigan, Ann Arbor, sponsored by the Campaign To Stop Government Spying.

The objectives of the Campaign To Stop Government Spying were announced as continued worldwide publication of anti-U.S. intelligence information, suits directed against Government agencies and private companies whose security departments cooperate with law enforcement and intelligence agencies, use of the Freedom of Information Act for forced disclosure of Government intelligence information, and political efforts to end all U.S. domestic and foreign intelligence operations.

The House should be aware that there is a well-orchestrated attempt to totally abolish not only the effectiveness, but the very existence, of our Nation's intelligence system.

These efforts are a conscious part of an international effort designed ultimately to destroy our Nation's ability to stop Marxist-oriented revolutionary activities and terrorism, and to provide defensive countermeasures to protect our own people.

We must act surely and swiftly to protect our intelligence community from these assaults. Certainly, swift and sure penalties must be meted out to any person who discloses the identity of an intelligence officer, who performs under already dangerous conditions.

I am reintroducing in the 97th Congress a bill—the Intelligence Agents Protection Act of 1981—which would prohibit the disclosure of information identifying an intelligence agent to an unauthorized person. Penalties under this bill would be a $100,000 fine and/or 20 years in prison for anyone convicted of this offense.

Furthermore, the bill would provide a $50,000 fine and/or 10 years in prison for any person who falsely identifies an individual as an intelligence agent.

The bill does not limit prosecution to those individuals having or having had authorized access to classified information, but rather includes anyone publishing or otherwise revealing the identity of an intelligence agent.

Injunctive relief is provided within my bill to require the Attorney General to take action to prevent the publication of such identification if its imminent publication is known.

The House Committee on the Judiciary and the Permanent Select Committee on Intelligence reported legislation addressing the disclosure of agents' identities during the last Congress. I believe that this issue must receive early consideration during the 97th Congress.

I offer this approach as one which deals sternly with those who would endanger the lives of those who serve in sensitive intelligence positions.●

JOHN LENNON: THE BEATLE LEGACY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1981

● Mr. McDONALD. Mr. Speaker, now that some time has elapsed since the passing of John Lennon and the great stir in the media has waned, it is necessary to share some facts and comments which may have been little mentioned at the time. The following articles "The Lennon Legacy" by John F. McManus, and "Which Was the Greatest Tragedy: Lennon's Life or His Death?" by Bob Spencer, published in The North Side News, Atlanta, Ga., January 8, 1981, demonstrate clearly that the eulogies given in the press and the actual facts which John Lennon's life and music represent are in fact quite different. Far from being an "orchestration of a generation's best hopes and fondest dreams," his life and the music of the Beatles led an entire generation astray. Beatlemania was a 20th century siren to many of the youth of the sixties leading their lives and ideals to drugs, promiscuity, and disrespect for timetested standards. So that the record may stand corrected on these little known facts and balance be given to a biased media picture, I commend the following to the attention of my colleagues:

THE LENNON LEGACY

(By John F. McManus)

BELMONT, MASS.—There can hardly be anyone left in the United States who is unaware that Beatle John Lennon has been murdered. Over and over again, we have been told that the man stood only for peace and joy. Typical of the gushing tributes to his memory was the following from Time magazine:

"The world wide appeal of the Beatles had to do with their perceived innocence, their restless idealism that stayed a step or two ahead of the times. . . . (Their) songs became, altogether, an orchestration of a generation's best hopes and fondest dreams."

THEY ATTACKED EVERYTHING

The truth is that the Beatles waged a frighteningly successful war on the values of Western civilization. Our own nation has reaped a sordid harvest from the seeds planted by Lennon and his companions. If the editors of Time had taken time to refer to their own magazine for September 22, 1967 they would have seen the Beatles' album "Sgt. Pepper's Lonely Hearts Club Band" characterized as "drenched with drugs"; the song "Lucy in the Sky with Diamonds" identified as an inducement to the hallucinogenic LSD; and, the Beatles themselves indicted for their attitudes about "drugs, the war in Vietnam and religion."

At the height of Beatlemania in the 1960s, retired popular songwriter Peter Udell commented that the lyrics in popular music may be hard for adults to fathom, but "the kids understand them." What young America understood told them to "turn on (with drugs), tune in (to new attitudes about sex), and drop out (of church, society, etc.)." Was this really our nation's "best hopes and fondest dreams"?

In "Yellow Submarine," the Beatles suggested the use of a yellow submarine-shaped barbiturate. "Strawberry Fields Forever" referred to the fact that marijuana has often been planted in a strawberry field. And "Magical Mystery Tour" urged rolling up one's sleeve for a needle.

NOTHING SACRED

The Beatles freely admitted that their "Penny Lane" had sexual implications. Other tunes with indecent sexual overtones included "Finger Pie," "I'm Only Sleeping," and "Baby You Can Drive My Car." Lennon and his Yoko Ono would later appear naked on the cover of their album "The Two Virgins."

In his publication "A Spaniard in the Works," Lennon's many blasphemies included the description of a character meant to be Jesus Christ as "a garlic-eating, stinking little yellow greasy fascist b*****d Catholic Spaniard," The Beatles hit "Eleanor Rigby" amounted to the hoped-for-death of the Catholic Church.

Inducements to teenagers to run away from home and join the New Left revolution appeared in the Beatles' "She's Leaving Home." They cast all subtlety aside in "Back In The U.S.S.R." as they praised the Soviet Union.

BEATLES LED THE WAY

Silent vigils to honor John Lennon's memory attest to his powerful hold on too many Americans. Many of his fans protest that they only liked his music and were never affected by its varied messages. Statistics about drug abuse, promiscuity, etc., suggest otherwise. The Beatles, led by John Lennon, blazed a trail for today's purveyors of popular music.

A dozen years ago, University of Rochester Professor Howard Hanson noted in an address to the American Psychiatric Association that music "can be soothing or invigorating, ennobling or vulgarizing, philosophical or orgiastic. It has powers for evil as well as good." One man who was deeply affected by the Beatles, who experimented with the drugs they condoned, is Mark David Chapman, Lennon's murderer. Indeed, music possesses powers for evil as well as for good.

(Neither the editor nor any of the staff at The North Side News is a member of The John Birch Society. The editor feels however that the features produced by the society

often expose inequities in government which go otherwise unreported.)

WHICH WAS THE GREATEST TRAGEDY: LENNON'S LIFE OR HIS DEATH?

(By Bob Spencer)

As I listened to the reports of the death of John Lennon, it occurred to me that although any murder is terrible, in this case, the real tragedy was not in his death, rather, it was in his life. The Rock and Roll editor of ABC News said that the Beatles shaped a generation of young people. How true, but how tragic.

MUSICAL REBELLION

The Beatles represented rebellion against authority, both musically and morally. They promoted release from restraints, both musically and morally. They developed a style of music which broke with that which is constructive. Their music screamed out against order.

Their greatest accomplishment was the exploitation of gullible, impressionable young people. What they sang and what they did appealed to the rebel in youth. They realized that the more exaggerated and socially repugnant they became the greater their popularity. Using the media as their tool, they fashioned a mind-set in teenagers which glorified reaction to and revolution against the moral standards and lifestyles of the Judaeo-Christian culture.

CHILD-PARENT STRIFE

The results of the Beatlemania were to move the drug sub-culture from the basement to the mainstreet, to produce a public toleration of immodesty and illicit sex, to drive a wedge into the homes—dividing parents and children into opposing and warring camps.

As I listened to the interviews of prominent figures who likened Lennon's life and death to that of John F. Kennedy, I wondered why the reporters did not seek out interviews with the parents who watched their children be drawn into the wasteland of the hippies.

BROKEN HEARTS

Why did they not interview the psychiatrists, family counsellors and drug treatment experts who have tried to pick up and put back together the pieces of minds blown apart by drugs and homes destroyed by rebellion? And the broken hearts of parents and friends will never be healed.

Many commentators praised Lennon's "peace" activities as though this would atone for the evil spawned by him and his associates. They neglected to inform us that his activities were on behalf of and in support of a Marxist "peace" with the United States surrendering its sovereignty and freedom to Lennon's socialist comrades.

THE BIBLE SAYS

The Bible says: "Whatever things are true, whatever things are honest, whatever things are just, whatever things are pure, whatever things are lovely, whatever things are of good report; if there be any virtue, and if there be any praise, think on these things." (Philippians 4:8) In his lifestyle, music, philosophy and influence John Lennon failed this test of value and usefulness. His death will soon be forgotten, but his life will continue to yield its unholy fruits because of the many people he helped to influence. Indeed the tragedy of John Lennon was his life.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 5, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 6

10:00 a.m.
Joint Economic
To hold hearings on the employment-unemployment situation for January.
2128 Rayburn Building

FEBRUARY 17

9:30 a.m.
Banking, Housing and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold hearings on S. 144, to promote the formation of U.S. export trading companies to expand export participation by smaller U.S. companies.
5302 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Services Administration of the Department of Health and Human Services.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings to review those programs administered by the Department of Transportation.
1318 Dirksen Building

Rules and Administration
To hold hearings on committee resolutions requesting funds for operating expenses for 1981.
301 Russell Building

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for certain programs of the U.S. Army Corps of Engineers.
S-128, Capitol

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Center for Disease Control of the Department of Health and Human Services.
1114 Dirksen Building.

FEBRUARY 18

9:30 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To continue hearings on S. 144, to promote the formation of U.S. export trading companies to expand export participation by smaller U.S. companies.
5302 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 271, to repeal the statute barring Western Union from entering international markets.
235 Russell Building

Rules and Administration
To continue hearings on committee resolutions requesting funds for operating expenses for 1981.
301 Russell Building

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for certain programs of the U.S. Army Corps of Engineers.
S-128, Capitol

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 19

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

Rules and Administration
To continue hearings on committee resolutions requesting funds for operating expenses for 1981.
301 Russell Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Alcohol, Drug Abuse and Mental Health Administration of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 20

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Resources Administration of the Department of Health and Human Services.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Panama Canal Commission; and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
1318 Dirksen Building

FEBRUARY 23

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Assistant Secretary for Health, scientific activities overseas, and retirement pay program for commissioned officers of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 24

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the Iranian asset settlement.
5302 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Care Financing Administration of the Department of Health and Human Services.
1114 Dirksen Building
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building
Rules and Administration
Business meeting, to consider committee resolutions requesting funds for operating expenses for 1981, and other legislative and administrative committee business.
301 Russell Building
11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1981 from the Disabled American Veterans.
318 Russell Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Human Development Services of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 25

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Social Security Administration of the Department of Health and Human Services.
1114 Dirksen Building
Banking, Housing and Urban Affairs
To hold hearings on the conduct of monetary policy.
5302 Dirksen Building
Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management programs of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 26

9:30 a.m.
Special on Aging
Organizational business meeting, to consider its rules of procedure for the 97th Congress, and other pending committee business.
Room to be announced
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain departmental management programs and the Office for Civil Rights of the Department of Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Coast Guard of the Department of Transportation.
1318 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building

FEBRUARY 27

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building

MARCH 2

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for elementary and secondary educational programs of the Department of Education.
1114 Dirksen Building

MARCH 3

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the American Battle Monuments Commission, Army Cemeterial Expenses, the Office of Consumer Affairs, and the Consumer Information Center.
1224 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for impact aid programs, and emergency school aid programs of the Department of Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General of the Department of Transportation; and the National Transportation Safety Board.
S-126, Capitol
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for library and learning resource programs and vocational and adult education programs of the Department of Education.
1114 Dirksen Building

MARCH 4

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for educational, rehabilitation, and research programs for the handicapped of the Department of Education.
1114 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain student financial assistance programs of the Department of Education.
1114 Dirksen Building

MARCH 5

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain school improvement programs, special institutions, and Howard University of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Highway Traffic Safety Administration of the Department of Transportation.
1224 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Education, fund for the improvement of postsecondary education, educational statistics, educational research and training activities overseas of the Department of Education.
1114 Dirksen Building

MARCH 10

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Building Science, Federal Home Loan Bank Board, National Credit Union Administration, and the Office of Revenue Sharing (NYC).
1224 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Community Services Administration.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Administration, Research and Special Programs and the Office of the Secretary of the Department of Transportation.
S-126, Capitol

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Mediation and Conciliation Service, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, and the Federal Mine Safety and Health Review Commission.
1114 Dirksen Building

MARCH 11

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Railroad Retirement Board, domestic operations programs of ACTION, and the Soldiers' and Airmen's Home.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Corporation for Public Broadcasting, the National Commission on Libraries and Information Science, and the President's Commission on Ethical Problems in Medicine.
1114 Dirksen Building

MARCH 12

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Civil Aeronautics Board, Interstate Commerce Commission, and the Washington Metropolitan Area Transit Authority (Metro).
1318 Dirksen Building

MARCH 16

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 17

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Veterans' Administration.
1224 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Urban Mass Transportation Administration of the Department of Transportation.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 18

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 19

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Railroad Passenger Corporation (Amtrak).
1318 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 20

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

APRIL 1

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 and for the Federal Emergency Management Agency, and the Selective Service System.
S-126, Capitol

APRIL 8

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Science and Technology Policy, Council on Environmental Quality, and the National Regulatory Council.
S-126, Capitol

APRIL 22

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Environmental Protection Agency.
1318 Dirksen Building

APRIL 29

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Consumer Cooperative Bank, and the Consumer Product Safety Commission.
1318 Dirksen Building

APRIL 30

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Science Foundation.
1318 Dirksen Building

MAY 12

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Aeronautics and Space Administration.
1224 Dirksen Building

MAY 20

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development.
1224 Dirksen Building

MAY 21

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
1224 Dirksen Building

JUNE 2

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and certain independent agencies.
1224 Dirksen Building

SENATE—*Thursday, February 5, 1981*

(Legislative day of Monday, January 5, 1981)

The Senate met in executive session at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable S. I. HAYAKAWA, a Senator from the State of California.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious God, at a time when the people's level of expectation is high, grant to Thy servants in public life the wisdom to do the work of legislation, administration, and justice for the common good.

When criticism comes from the people who expect miracles and from those of the press who look for weakness, give to Members of the Senate, their families, and their staffs the grace of patience and love. Help them to heed criticism that is constructive and to grow by it. Help them to be compassionate and forgiving toward the critics who would tear down and destroy. Grant to them courage to live above hostility and to be faithful to their task when circumstances are discouraging and negative.

Brace them in Thy strength against the enervating effects of frustration and futility. Give them the confidence that "God works in everything for good to them who love Him and are called according to His purposes."

Bless them, Lord, with love and laughter and life, through Him who by His death gives life to all who believe. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 5, 1981.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable S. I. HAYAKAWA, a Senator from the State of California, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. HAYAKAWA thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized, as in legislative session.

Mr. BAKER. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, as in legislative session, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I inquire of the Chair if there are special orders for this morning.

The ACTING PRESIDENT pro tempore. There are several of them.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, as in legislative session, I ask unanimous consent that, following the speeches provided for by special orders, there be a period for the transaction of routine morning business not to extend beyond 1 hour, in which Senators may speak for not more than 15 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, after the time allocated to the two leaders under the standing order and the special orders and morning business, what will be the business before the Senate?

The ACTING PRESIDENT pro tempore. The nomination of Vice Adm. B. R. Inman, to be the Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

Mr. BAKER. Mr. President, I thank the Chair.

Mr. President, I have no further need for my time under the standing order. I am prepared to yield it now to any Senator or to the distinguished minority leader if he requires additional time.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized, as in legislative session.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader.

Mr. President, I would be happy if the Senator would yield me some of his time. I want to yield it to Mr. PROXMIRE.

Mr. BAKER. Mr. President, I am happy to yield the time I have remaining under the standing order to the distinguished minority leader.

Mr. ROBERT C. BYRD. Mr. President, I thank the majority leader.

Mr. President, I yield such time as he may require to Mr. PROXMIRE.

Mr. PROXMIRE. Mr. President, I thank my good friend, the minority leader.

SENATE APPROPRIATIONS COMMITTEE HEARINGS ON THE ECONOMY

Mr. PROXMIRE. Mr. President, last week the Senate Appropriations Committee had a series of hearings on the economy. It was most appropriate. Chairman HATFIELD deserves great credit for having called these hearings where he invited the most distinguished witnesses on the economy to appear. We had a message that was very clear and I would like to present that this morning.

Mr. President, you had to be blind, deaf and dumb, especially dumb—as well as obtuse to miss the message before the Appropriations Committee last week. We heard from the top economic figures in the Reagan administration and the top economists—including liberal officials appointed to key economic jobs by Democratic Presidents. And what did they tell us? They all sang the same song. The key was C sharp, C for cut. And the lyric? One word: The same—cut. The only variations I heard were slash, abolish, eliminate. Of course, Secretary Regan and OMB Director Stockman sang the song. What is new? And it was not surprising when Federal Reserve Board Chairman Paul Volcker joined in the chorus as did such regulars as Alan Greenspan and Michael Evans. But how about Otto Eckstein? Mr. President, do you know who Otto Eckstein is? Do you know who appointed him to the Council of Economic Advisers? President Lyndon Johnson.

Eckstein has a fine reputation as an economist. No one would accuse him of being a doctrinaire anything, particularly a doctrinaire small Government man. But Otto was right there with the rest bellowing out the chorus—"Cut, cut, cut, cut, cut". And, Mr. President, if there is a guru for the spenders, that guru would have to be that brilliant, former Chairman of John Kennedy's Council of Economic Advisers—Walter Heller. Walter has the marvelous knack of writing like George Bernard Shaw; and thinking big—especially when it comes to Government projects—has been his forte.

I think he is the finest sheer writer on economics that we have in the country today and, of course, he is an eminent economist.

But there was a vote of confidence from the economic profession that was about as overwhelming as it could be. What was that overwhelming sentiment? It was this:

Under present circumstances the right economic medicine for this country today—as I say, of economists of all persuasions and of all backgrounds and of

all record experience agreeing—the right medicine for this country today begins with spending reductions.

He is not afraid of recommending big spending and has done it regularly. And he certainly must be rated as one of the most respected economists in the country. Now, what did Walter Heller recommend? Listen. Said Walter: "There are many areas of the budget where cuts are desirable and possible." Coming from Greenspan that would not surprise me. Coming from Heller, I was startled.

Mr. President, nothing in economics comes out unanimously. Rudy Oswald of the AFL–CIO did not throw in the sponge. Oswald favored continued spending, as he always has and as the AFL–CIO has done, and that made him all alone. So reducing spending did not simply enjoy a vote of confidence from the economic profession.

Spending reductions have become the order of business as anyone who can count to 19 or 20 and look at the prime rate must recognize, or for the advanced student count to $935 billion and look at the national debt.

Here was a message—not just for the Appropriations Committee. We are no longer the only game in town on spending. In recent years the Finance Committee has come on like the Marines with social security, medicare, revenue sharing, and tax expenditures generally. And certainly the entitlement programs falling under the jurisdiction of the authorizing committee have helped shove the budget sky high. So the message came through—like a thunder clap—absolutely unmistakable: Cut spending, cut spending. A healthy economy depends on cutting spending. Does the reducing of the interest rate depend on Volcker or whoever happens to be chairman of the Fed? No. Then what does it depend on? Answer: on reducing spending. Should reducing inflation depend on wage-price controls? Answer: a unanimous: "No."

None of the economists said that wage-price controls would work under present circumstances or were desirable.

Should it depend on tighter monetary policy? Answer: No. A tighter monetary policy absent rigorous spending reduction means simply higher interest rates. Should reducing inflation depend on increasing production and supply by stimulating tax cuts? Answer: Yes, but only, only if the tax cuts are accompanied by bigger and deeper spending cuts, and I mean accompanied at the same time. With the exception of the new Treasury Secretary, Mr. Regan, the expert witnesses all argued that tax reductions without spending reductions are a sure and swift forerunner of much worse inflation. Dr, Eckstein put it this way—after reading the testimony of Secretary Regan who argued for tax cuts first, said Eckstein: "The Reagan administration is looking at a $100 billion deficit." A hundred billion dollar deficit, Mr. President. Do you know what that would mean? It would mean 20 percent inflation and a 30 percent prime. It would paralyze and then destroy this great economy of ours.

Mr. President, we can whimper and wail and dream up alibis. We can kite the national debt to $985 billion, as this body will do in the next day or two. We can denounce the Federal Reserve. But high interest rates and inflation will continue on, unless we cut spending, and cut it ruthlessly and everywhere—no exceptions, except for national defense.

Will people in this country suffer from these cuts? Of course people will suffer. We will have to cut funds for education. for health, for transportation, for housing, for the cities.

I think, unfortunately, that too many people are given the impression that we can make these reductions by cutting waste and fraud and not hurting anybody, and not reducing any programs. Nonsense. No way. There is no way we can make these cuts without sacrifices on the part of many, many people, without cruel sacrifices in some cases.

Will these cuts do the job in a year or two? No way. We must continue and persist in these reductions year after year, at least through the decade of the eighties.

Mr. President, we have to realize that this increase in spending has put us on this inflationary, high interest rate path, and has been going on not for a year or 10 or 20 years, but for 50 years, ever since the early 1930's.

So we have one very clear obligation, a difficult obligation, an historic obligation, certainly a challenging obligation, and that is to cut spending, cut it sharply, and cut it everywhere in sight. We must get on with the job and get on with the job now.

APPROPRIATIONS COMMITTEE HEARINGS

Mr. ROBERT C. BYRD subsequently said: Mr. President, I rise to join the distinguished senior Senator from Wisconsin (Mr. PROXMIRE) in his remarks. It is commendable for the Appppropriations Committee, under the chairmanship of the able and distinguished senior Senator from Oregon (Mr. HATFIELD) to have conducted such thorough and far-reaching oversight hearings. Undoubtedly, these hearings will be helpful in setting the stage for the work of the Appropriations Committee this session. I am impressed that so many of the new members of the committee took the time to participate in the hearings. I commend the content of the hearings to all of the Members of the Senate and their staffs who have a desire to stay abreast of the constantly shifting economy.

● Mr. SPECTER. Mr. President, during the past week, the Senate Appropriations Committee heard testimony from a wide variety of witnesses on the state of the economy and the Federal budget. Testimony was received from the Secretary of the Treasury, Director of the Office of Management and Budget, Chairman of the Federal Reserve Board, Director of the Congressional Budget Office, two panels of distinguished economists, the Comptroller General and various public witnesses. Both the chairman and the committee staff are to be commended for their efforts in organizing the hearings and the caliber of the witnesses.

The hearings focussed on two central themes.

First, given the present rates of taxation, tax cuts are needed to encourage investment and improve productivity. Without any congressional action to reduce taxes, there will be $30 billion in built-in, new taxes this year, including payroll tax hikes, inflation produced increases in personal income taxes and the windfall profits tax. Evidence presented at the hearings supported the principle that tax cuts would expand the economy and would likely yield an increase in Federal revenues, even with lower tax rates which would be applied to a much larger base.

Specifically, tax reductions will increase savings and funds for investment, thus increasing capital formation and lowering interest rates. With the current slack in the economy and weak demand, the economy will expand and production increase. Productivity, the key determinant of real growth and inflation, should improve significantly. A critical, early priority of this Congress must be the enactment of the requisite tax reductions.

Second, reductions in Government spending are important if the economy is to improve, with maximum care that any budget cuts enacted by the Congress take into account basic social and human needs. Waste, fraud, and mismanagement must be the first focus of reductions and nonessential programs the second priority for cuts. Across-the-board reductions and selective dismemberment of programs whose political constituencies are weakest must be avoided. In the next few weeks it is essential that the Congress, the administration, and the various interest groups target cuts which can be made without reductions in basic human services.

Deciding what should be the magnitude and nature of these cuts is a problem complicated by the unanimous consensus that the Carter budget significantly understates the size of the deficits for both fiscal year 1981 and fiscal year 1982. Even taking into account additional revenues that might be received as the result of a tax cut, significant reductions must be considered even to stay within the projected deficits in the Carter budget.

These two steps—tax cuts and spending reductions—are necessary to curb the inflationary expectations which have dried up savings, decreased productivity, led to greater and greater budget deficits, and stagnated the economy. With appropriate deliberation, we must take these two actions quickly in order to achieve the significant improvement in the economy which our Nation needs.●

MADISON, WIS.—A MODEL SCHOOL DISTRICT IN EDUCATING THE HANDICAPPED

Mr. PROXMIRE. Mr. President, the current issue of the Department of Education's magazine American Education features an article on the fine job the Madison, Wis., school district is doing

in serving the needs of its handicapped children.

The article points out that:

Madison has been continually cited by ED's Office for Civil Rights as being among a half-dozen school districts in the country doing a sound job of educating the handicapped according to the new federal guidelines that mandate equal opportunities for public education for all children regardless of handicap severity.

There are real concerns over the costs, paperwork, and confusion generated by the sweeping mandate contained in the Education of All the Handicapped Act. Therefore, it is important to review how one school district is successfully dealing with the problem.

I ask unanimous consent that the article, entitled "Taking the Tough Route of Fairness," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAKING THE TOUGH ROUTE OF FAIRNESS

In a corner of the gym, 26 seven-year-olds were learning the skill of catching a big rubber ball. Up and catch, up and catch, up and . . . whoops. "Look at me," one child calls to the teacher. "Look at me," another signs to her friend. So many are signing that it is impossible to pick out the six hearing-impaired youngsters except for a few who wear conspicuous ear-pieces.

Little Peggy runs over to two adult observers standing quietly in a corner, asking their names. A classmate joins her, asking "Can you sign?" When the observers say no, Peggy tries to teach them to sign their names.

Before she joins the other children, Peggy says, "We're having a Halloween party tomorrow and the handicapped kids are coming to our class." Then she is off to practice her catching skill.

The handicapped kids. That's how Peggy refers to the four classes of severely and profoundly retarded and multiply-handicapped youngsters who attend the Glendale Elementary School of the Madison (Wisconsin) Metropolitan School District. Ranging in age from four to 18 years, most of those children function below a two-year-old level. The hard-of-hearing kids in Peggy's class? Nobody—not even the kids themselves—thinks of these youngsters any more as being handicapped.

A MODEL SCHOOL DISTRICT

Madison has been continually cited by ED's Office for Civil Rights as being among a half-dozen school districts in the country doing a sound job of educating the handicapped according to the new federal guidelines that mandate equal opportunities for public education for all children—regardless of handicap severity. A sweeping mandate, the guidelines have caused confusion and, in some cases, division among populations of many cities and towns.

In Madison schools, the handicapped are getting the chance to learn. To understand why, it is necessary to understand first of all the lake-surrounded city of about 160,000 in south-central Wisconsin. Madison is not only a marketplace and shopping center for the rural population that surrounds it; it is the state capital. In addition, fully one-fourth of its population is the student body of the University of Wisconsin's sprawling campus. Chief among several small factories is an Oscar Mayer food-processing plant.

The broad mix of students, professors, plant workers, and farmers—elsewhere sometimes a divisive factor—tends to make Madison an accepting community that takes tolerantly in stride the political, economic, and culture differences among its citizens. It's not surprising that the city leads not only in de-institutionalizing its handicapped residents but in providing them with housing, transportation, and access to public facilities.

GETTING AN EARLY START

Well before the federal mandate took effect in 1980, Madison schools had begun landmark programs for the handicapped. An early identification program, started as far back as 1974 with the help of the university's school of education, actively seeks out handicapped children from birth on. Hospitals, pediatricians, and social workers all refer parents to the program.

Once identified, infants between birth and 22 months come into the schools regularly with their parents—anywhere from almost daily to biweekly, depending on need—for individual or small-group education and training sessions. Parents, the primary educators of infants, are taught tasks and games that will make the most of each child's resources. Home visits reinforce learning and, most important, provide a great deal of support for the parents themselves.

By the time these handicapped children come into Madison's early childhood classes, which serve special education children from about age two, their skills as well as their disabilities have been identified. Early identification, contend special educators, can be a critical factor in how much these youngsters will be able to learn in school. By the time the children reach kindergarten, about one out of three is ready to go into a regular classroom program—thanks to early identification program.

THE DIFFERENCE IS SUPPORT

The hearing-impaired program of total communication for schoolage children (signing, finger-spelling, speech) is even older, begun in 1971 as a self-contained classroom within a regular school. Helped by university researchers, the school district has shaped a sound program. In Glendale School, where most of these hearing-impaired elementary children are taught with the full range of communication techniques, most are fully integrated into regular classrooms.

Three conditions help the integration. Nearly every teacher these hearing-impaired children come in contact with speaks and understands sign language. The children and their nonhandicapped classmates take classes together in signing and finger-spelling. Finally, team teaching enables a special education teacher to sign for these youngsters whenever a regular teacher is instructing them.

The emphasis for all students in these integrated classes is total communication. By the time they reach middle school, the needs of the hearing-impaired have generally been pared down to some help with new vocabulary, emotional counseling, and—where necessary—an itinerant interpreter in their academic classrooms. By this time, their educational and, equally important, social integration into normal school life is a fact.

THE SEVERELY HANDICAPPED

But perhaps the real test for a school district is how much it can help the severely or profoundly retarded and multi-handicapped. For these youngsters—who, until recently, spent their lives behind institution walls—Madison's program is particularly admirable. As early as 1968, many of these youngsters lived at home or in community-based group homes and came to a segregated school building, Badger School, along with moderately and somewhat severely retarded students, for therapy and training. At the same time, the school district was becoming increasingly committed to the belief that interaction between handicapped and nonhandicapped students benefits both groups. Thus gradually the moderately and severely retarded were moved into regular schools. As that happened, students with greater and greater handicaps were accepted into Badger School.

When Badger was closed in 1977, profoundly disabled students were moved into regular education buildings. The move was not a budget-cutting decision or an enforced, gun-at-the-temple mandate by civil rights authorities—as has happened in many school districts. It was a natural phase in the school district's own commitment to the philosophy of "one instructional program for all, with appropriate options, in the least restrictive environment," in the words of its superintendent, Donald Hafeman.

For these students, many labeled uneducatable in the past, the rewards have been inestimable. An 18-year-old functioning at about an 18-month-old level is beginning to pattern her behavior after the six-year-olds she sees in the lunchroom every noon. A 14-year-old who normally seems to recognize nothing "gets a twinkle in his eye when he goes to music class with the regular kids." Several dozen youngsters from regular classes volunteer to come in to feed, play with, or help by just watching these students, if needed. Their questions, "Is it catching?" "Will he die?" "What's wrong with her?" are answered honestly. They have learned not to cringe, not to fear.

THE WIDE RANGE OF DISABILITIES

Madison has among the 24,000 students in its public schools every one of the special kinds of students that have been identified as handicapped—the disadvantaged (Title I), the learning disabled, the emotionally disturbed, the autistic, the hearing-impaired, the visually-impaired, the physically impaired, the speech or language impaired, the pregnant teenagers, the mildly or moderately mentally retarded, and the multiple-handicapped and severely or profoundly mentally retarded. Madison's handicapped youngsters number about 2,000 and the school district has a plan for each. Every group or category has an assigned program coordinator and an impressive team of support personnel: teachers, aides, and specialists such as audiologists, physical therapists, occupational therapists, psychologists, and social workers. Combined with the special services it receives, each group spends at least a part of its day with students in the regular program.

At LaFollette High School, for example, kids chatter amiably about the two students in wheelchairs who drag-raced down the hall, while a special education teacher tells that nearly a dozen regular teachers—in the art department, industrial arts, and the business courses—on their own initiative returned to school for some special ed coursework.

GETTING A FAIR CHANCE

At another high school, a senior tells how she herself moved to Madison this year for its learning disabled program, which found her a "real eight-hour job, not a three-hour one like I had in my old school's CETA program."

In Schenk Middle School, two students assigned to the trainable mentally retarded class, until this year were in a class for the profoundly retarded. "I moved them up because I thought they could learn from these kids' example," teacher Patty Rogan says, "and they have."

Rogan's students have "jobs" across the street at a local church. They "punch in" for work by marking a line after their names on a chart. Those unable to hold a pencil (a fine-motor skill) insert a peg (a large-motor

one) after their names on a special handmade board.

The philosophy behind Madison's program is clear: Broad goals are the same for every student, regular or special. Each is placed in an age-appropriate situation, with age not necessarily defined in rigidly chronological terms. A profoundly retarded student of 18 who measures at less than two years is in a different setting from one who functions at the six-year-old level. Trainable mentally retarded teenage students who are small for their age may be kept in the middle-school setting until about age 16, when they move to high school to remain until age 21.

HOW THE PROGRAM WORKS

Every moderately and severely retarded student is instructed in four curricular areas: vocational, community, leisure recreational and domestic. With these in mind, educators make a thorough assessment of each individual's strengths and weaknesses and then plan a program. Within each disability, children are grouped according to how much they seem able to learn in each area. A learning-disabled or emotionally disturbed child, therefore, may be placed in a regular academic class with a regular or modified academic program. In that class the student's special education teacher may act as an observer or an advisor to the teacher, or may actually work with the teacher to prepare modified texts and tests.

Or, at the other end of the spectrum, the child may be placed in a self-contained learning disabled or emotionally disturbed class integrating into the regular program only during lunch, music, phys ed, and whatever other activities the student can handle.

In middle school, the student may take specially designed career courses that teach self-sufficiency skills such as checkwriting and skills needed for job preparation. By eighth grade—if everyone including parents are in agreement—the youngster will spend some time at a job site learning work skills. Twenty-seven Madison workplaces have already joined the schools in providing occupational training, and disabled young people from most subgroupings have been placed in these job sites.

For an educable mentally retarded student, the goals may be the same as for the learning disabled student; but the teaching strategies and content change in that self-sufficiency and occupational skills are given more attention earlier. For a trainable mentally retarded student, instructional strategies are again altered to meet learning needs. One mother described how her trainable mentally retarded son was taught to use a calculator and to go grocery shopping and to a restaurant. "He punches the numbers from a food package or a menu item into the calculator," she explains. "Then he presses the add button and the calculator tells him how much money the items total to." Students go marketing and to restaurants week after week until they fully understand how to handle these tasks.

WHERE THE MONEY COMES FROM

Such programs are expensive, but the school district is aggressive at finding funds for them. First of all, the state department of public instruction reimburses 70 percent of the costs of teachers and of transportation for all special education students. "It comes to about 60 percent of our total special education costs," says Dr. Lee Gruenewald, director of the Madison district's department of specialized educational services. Gruenewald says it costs the district between $6,000 and $8,000, on average, per year per student. But, he points out, it can cost the state $20,000 a year or more to keep a handicapped person in an institution.

The federal government provides only about $175 per exceptional student for special education costs through various aid formulas. But, in addition, the school district has federal demonstration, research, and training grants. Specifically, Public Law 94–142 funds have been used for staff development, audiology tests, and other services, and for running the early identification program. With the University of Wisconsin, the district received a joint contract from ED's Office of Special Education and Rehabilitative Services to develop curricular materials and teaching strategies for the education of moderately and seriously retarded students in a natural environment. From that project has come the remarkable community-centered program.

PROBLEMS COME WITH PROGRESS

There are still problems, even in this model school district. Although Gruenewald says, "We've got the best, most caring special ed teachers I've ever seen," he admits that stress is inescapable and teacher burnout is a problem here as elsewhere. While staff replacement is less of a problem with the university right next door, the emphasis is not on hiring new teachers but on finding better ways to support the staff.

Most of Madison's regular teachers accept special students in their classes, many of them going out of their way to help design programs and materials for these youngsters. Even the most severely handicapped have been accepted into the schools. "In fact, when the severe-and-profound students started coming into the schools, our emotionally disturbed and learning disabled youngsters suddenly seemed less aberrant, and all the teachers' reservations about them vanished," reports one special education administrator.

There are still a few holdouts like the regular teacher in one high school who failed three learning disabled girls because, despite their passing work, she expected they'd fail. But there are checks and balances, too. A resource teacher assigned to monitor these students was on top of the situation. She will go down and talk about goals with the teacher and, if the problems cannot be resolved, the students' schedules will be changed.

Like many school districts, Madison's declining student population has led to school consolidation in the past several years, and the exceptional education advisory committee—a consortium of specialized parent groups—is concerned that some special education students have been transferred from building to building too often. "Let's face it, a class of six kids is easier to move than a class of 27," one administrator concedes. One building principal, though, wouldn't allow his severely handicapped class to be moved to another school because he felt their presence was educationally valuable for the nonhandicapped students.

THE PAPER BURDEN FOR TEACHERS

From the teachers' point of view, paperwork presents the biggest problem right now. The Individualized Education Programs (IEPs) that teachers must fill out at the beginning of each school year have become gigantic stumbling-blocks for many. One problem may be finding mutually convenient times to meet with parents and other team members.

But at the heart of the matter, contend some teachers, is the fact that the triplicate forms are all so official. They need parental signatures and one copy must be filed with central administration. The legality of it all intimidates some teachers, whose strengths are in dealing with children, not in writing reports. No one would advocate doing away with IEPs. Most Madison teachers feel they are genuinely useful in setting year-long goals for each handicapped child. Many would like released time or some other compensation for the long hours spent filling them out.

"We're refining the assessment process this year," says Gruenewald. He hopes this will reduce problems in both the process and the paperwork load.

While much has been accomplished in the school district in educating all its handicapped students, Gruenewald cites some goals still to be met. He hopes for better transition programs and more community involvement so that independent and semi-independent living will be possible for all the handicapped, school age and through maturity. He will continue to push for deinstitutionalization of severe cases and to refine administrative work in the direction of one unified instructional program with appropriate modifications—in the healthy interest of bringing together special and regular education as much as possible.

Equally important Gruenewald intends more staff training for both special and regular teachers to sharpen skills in assessment and program strategies, with emphasis on discovering how all children learn and under what conditions each one learns best.

While these may sound like ambitious goals, particularly during belt-tightening times, Madison's concern with educating all its handicapped children is real, having begun long before laws were passed to ensure these children's rights. It is reasonable, then, that its schools should be models for the rest of the nation.

THE TRAGEDY OF EAST TIMOR

Mr. PROXMIRE. Mr. President, in this Chamber often concerned with international matters, with worldwide ramifications, today I think we should focus on the story of a small Pacific tropical island far removed from the concerns of the civilized world.

The tiny island of East Timor has had a stormy recent history. I think it is important when we consider the Genocide Convention.

In 1975, Portugal withdrew from the small island after centuries as colonial landlord of its territory. Soon, Portugese Timor was proclaimed independent as East Timor.

Its neighbors, Indonesia, feared its independence and overran the island on December 7, 1975, and proceeded to establish a blockade to cut off food and supplies.

Mr. President, most of us associate genocide with simply the cruel, premeditated, hideous destruction of the Jews in Europe before and during World War II by Adolph Hitler. But genocide is something that has been with us for hundreds of years and has persisted as recently, as I pointed out today, as the 1970's.

Over the course of the year after 1975, in 1976, Indonesia overran the island, established a blockade, and cut off food supplies. Nearly one-half or 270,000 of East Timor's 600,000 citizens died as a result of the blockade. Think of that. Half of all the citizens in the entire little country perished. It is a sad story.

It reminds us how easy it is for us to treat human tragedies in remote settings lightly when they are far removed from our own problems. We must stop such cruel assaults on civilian populations by ratifying the Genocide Convention.

Mr. President, there is no earthly reason why this body should continue to blockade that convention, the only major country in the world that is doing so.

Secretary of State Haig has called upon us to ratify the Genocide Convention, as have Secretaries of State in every previous administration since the Genocide Convention was adopted at our behest by the United Nations back in 1949.

For 32 years, we have waited for this, or the country has waited for it, the world has waited for it. For 32 years, the U.S. Senate, only the U.S. Senate, has held it up, in opposition to every President from Truman to Reagan.

APPROPRIATIONS COMMITTEE CUTS THE PRESIDENT'S BUDGET

Mr. ROBERT C. BYRD. Mr. President, the Appropriations Committees of the Senate and House of Representatives have an enviable record of spending control. Throughout 36 of the past 37 years, during Republican as well as Democratic administrations, the Appropriations Committees have demonstrated their utility in achieving spending control by cutting the President's budget requests.

Mr. President, the Appropriations Committees do not review the entire budget as proposed by the President. Only about 60 percent of the President's budget comes before the Appropriations Committee each year. The remainder of the President's budget is dealt with by the other committees of Congress. Nonetheless, as I have already indicated in 36 out of the last 37 years, the appropriations enacted into law in bills from the Appropriations Committees have been under the President's budget. This, I believe is an often overlooked fact. It should remind all who read this record that the Appropriations Committees are fully prepared to continue to deal responsibly with control of Federal expenditures.

Mr. President, I ask unanimous consent that a table showing the estimates in the President's budget as compared with the amounts enacted during the years 1943 through 1979 be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REGULAR ANNUAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATION BILLS, COMPARISON OF ESTIMATES AND AMOUNTS ENACTED

Calendar year	Estimates	Amounts enacted	Increase (+) or decrease (−)
1943	$115,041,366,395	$110,634,660,785	−$4,406,705,618
1944	63,513,471,020	61,257,906,152	−2,255,564,868
1945	62,453,310,868	61,042,345,331	−1,410,965,537
1946	30,051,109,870	28,459,502,172	−1,591,607,693
1947	33,367,507,923	30,130,762,141	−3,236,745,782
1948	35,409,550,523	32,699,846,731	−2,709,703,792
1949	39,545,529,108	37,825,026,214	−1,720,502,894
1950	54,316,658,423	52,427,926,629	−1,888,731,794
1951	96,340,781,110	91,059,713,307	−5,281,067,803
1952	83,964,877,176	75,355,434,201	−8,609,442,975
1953	66,568,694,353	54,539,342,491	−12,029,351,862
1954	50,257,490,985	47,642,131,205	−2,615,359,780
1955	55,044,333,729	53,124,821,215	−1,919,512,514
1956	60,892,420,237	60,647,917,590	−244,502,647
1957	64,638,110,610	59,589,731,631	−5,048,378,979
1958	73,272,859,573	72,653,476,248	−619,383,325
1959	74,859,472,045	72,977,957,952	−1,881,514,093
1960	73,845,974,490	73,634,335,991	−211,638,498
1961	91,597,448,053	86,606,487,273	−4,990,960,780
1962	96,803,292,115	92,260,154,659	−4,543,137,456
1963	98,904,155,136	92,432,923,132	−6,471,232,004
1964	98,297,358,556	94,162,918,996	−4,134,439,560
1965	109,448,074,896	107,037,566,896	−2,410,508,000
1966	131,164,926,586	130,281,568,480	−883,358,106
1967	147,804,557,929	141,872,346,664	−5,932,211,265
1968	147,908,612,996	133,339,868,734	−14,568,744,262
1969	142,701,346,215	134,431,463,135	−8,269,883,080
1970	147,765,358,434	144,273,528,504	−3,491,829,930
1971	167,874,624,937	165,225,661,865	−2,648,963,072
1972	185,431,804,552	178,960,106,864	−6,471,697,688
1973	177,959,504,255	174,901,434,304	−3,058,059,951
1974	213,667,190,007	204,012,311,514	−9,654,878,493
1975	267,224,774,434	259,852,322,212	−7,372,452,222
1976	282,142,432,093	282,536,694,665	+394,262,572
1977	364,867,240,174	354,025,780,783	−10,841,459,391
1978	348,506,124,701	337,859,466,730	−10,646,657,971
1979	388,311,676,432	379,244,865,439	−9,066,810,993

CAUTION ON KEMP-ROTH

Mr. ROBERT C. BYRD. Mr. President, the numerous witnesses that appeared before the Appropriations Committee—Treasury Secretary Regan; OMB Director Stockman; Federal Reserve Chairman Volcker; and CBO Director Rivlin, among others—agreed that tax cuts must go hand in hand with budget cuts. Subsequent witnesses sounded a note of caution, however. Budget reductions of the magnitude required to offset a tax reduction are difficult to achieve.

Tax reductions, however, tend to be easy to enact. The great danger is that Congress will be stampeded into cutting taxes too much and too fast and "just bet somehow it will all work out." Maybe it will not. Economist Otto Eckstein predicted that if the Congress votes a more realistic defense budget, enacts a capital formation tax reduction, and then piles a Kemp-Roth tax cut on top of all that, the deficit would be between $100 and $115 billion in fiscal 1983. The scenario would—in the words of Federal Reserve Chairman Volcker—cause us to be "swamped by inflation and high interest rates."

BLACK LUNG CUTS VERSUS KEMP-ROTH CUTS

Finally, Mr. President, there is the matter of equity and compassion in balancing the need for expenditure reductions against the need for personal income tax reductions. I believe the point is best made by citing an example.

I am reminded there are currently in fiscal year 1981, 209,000 black lung beneficiaries receiving $584,000,000 in payments. This is an average payment, then, of $2,794 per year; or $232 per month; $54 per week, $7.65 per day.

Some of the witnesses appearing before the Committee on Appropriations suggested that indexed programs such as black lung benefits should be cut back by either eliminating the indexing or changing the indexing so that it advances slower than the Consumer Price Index.

Of course, it is going to be difficult to explain to a black lung beneficiary who is trying to keep body and soul together on $7.65 a day that his Government believes that his meager benefits should be curbed to pay for a $1,000 Kemp-Roth tax cut to an individual already making $40,000 a year.

ORDER OF PROCEDURE

VITIATION OF TWO ORDERS FOR RECOGNITION

Mr. ROBERT C. BYRD. Mr. President, there are two orders for the recognition of Mr. CRANSTON and Mr. MATSUNAGA. I ask unanimous consent that that time be vitiated and placed under my control.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and ask that the time be charged against the time under my control.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER RESERVING REMAINDER OF TIME OF MINORITY LEADER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time. I believe I have about 10 minutes remaining.

The ACTING PRESIDENT pro tempore. The Senator has 9 minutes and 30 seconds remaining.

Without objection, it is so ordered.

ORDER TRANSFERRING TIME TO THE CONTROL OF SENATOR SCHMITT

Mr. SCHMITT. Mr. President, I ask unanimous consent that the time allotted to Senators HATFIELD, BAKER, STEVENS, TOWER, and SYMMS be under the control of the Senator from New Mexico.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ECONOMY

Mr. SCHMITT. Mr. President, the Appropriations Committee of the Senate has completed an historic series of hearings on the economy and the impact of the committee's ability to control Federal spending and increase service and programs under its jurisdiction.

The distinguished chairman of the committee, Senator HATFIELD, has pro-

vided this opportunity for all members of the committee to hear a broad range of distinguished witnesses on the subject of the basic economy and what can be done to repair the damage to it that has occurred over the many years previous.

The extraordinarily substantive participation of Secretary of the Treasury Regan and Director Stockman, the Director of the Office of Management and Budget, was extremely useful in preparing the committee and my Labor, Health and Human Services and Education Subcommittee for viewing our task in the context of overall fiscal policy. In addition, the independent perspectives of Federal Reserve Board Chairman Paul Volcker and many other private and Government witnesses gave us the background from which our basic budget strategies can be established.

This overall fiscal review by the committee has been absent in recent years. Its absence, I believe, has contributed to the lack of a workable fiscal policy in the Congress. It can be said that the Budget Act and the normal appropriations process under which we have been working in recent years are fundamentally incompatible, that the intent of the Budget Act was to have concurrent budget resolutions that basically put into general perspective the actions of the Appropriations Committee and other committees of the Congress.

Unfortunately, the lack of appropriations action on many bills prior to the second concurrent budget resolution has clearly shown the process has not worked.

It is my belief and, I think, the belief of the chairman and the majority on our committee, that it can work if the Appropriations Committee begins to exercise its traditional role.

Mr. President, in the course of these hearings it became apparent that there is a general fiscal strategy on which most witnesses could agree, and which would represent only modest modifications to the strategy the Reagan administration is apparently considering.

Let me commend this fiscal strategy to the Senate as follows:

First. Enact significant tax incentives, retroactive to January 1, 1981, to encourage new capital formation and thus new productivity, lower costs of production and create new jobs.

Second. Enact a general income tax cut of about $30 billion for calendar year 1982, $40 billion for 1983 and $50 billion for 1984 with indexing of tax rates to inflation in following years.

Third. Enact cuts in Federal spending that reduce the growth of Federal spending to zero by the end of fiscal year 1982 and reduce the annual amount of Federal borrowing—deficit plus presently off-budget borrowing—from $138 billion in fiscal year 1980 to $130 billion in fiscal year 1981, $90 billion in fiscal year 1982, $50 bililon in fiscal year 1983 and zero in fiscal year 1984.

Fourth. Stop the growth of regulatory costs by the end of fiscal year 1981 and build in a 10-percent annual rate of decrease in these costs by the end of fiscal year 1982.

Fifth. Adopt some alternative to the current use of the CPI for indexing benefits under various entitlement programs.

Mr. President, let me go back and discuss in more detail each of these elements of strategy.

First, enact significant tax incentives, retroactive to January 1, 1981, to encourage new capital formation and thus new productivity, lower costs of production, and create new jobs. There is general approval of some kind of investment incentive tax cut. Secretary Regan, as lead witness, sought "an improved tax climate for capital formation" so as to "(equip) our growing labor force with more and better plants and machinery" and achieve significant gains in productivity.

OMB Director Stockman proposed "orderly reduction of Federal tax rates." Among private witnesses' testimony, economist Otto Eckstein gave first place to the need for "an acceleration of capital formation to allow industry to modernize its plant and equipment" and increase the quantity per worker. In his forecast, he presumed "corporate tax cuts retroactive to January 1, 1981," and "lower-effective depreciation lifetimes by roughly 40 percent." Economist Walter Heller proposed that the 1981 tax cut should be restructured "to put much more emphasis on tax incentives for investment and cost cutting." Economic forecaster Michael Evans presented, as the first two items in his "optional tax reduction package, a 40-percent reduction in depreciation lives for plant and equipment and an increase in the exclusion of long-term capital gains income from 60 percent to 70 percent."

Second, enact a general income tax cut of about $30 billion for calendar year 1982, $40 billion for 1983 and $50 billion for 1984 with indexing of tax rates to inflation in following years. While Treasury Secretary Regan was not specific in his endorsement of "reduction in tax rates for individuals," he made this point on the matter of timing: "This tax program cannot wait until budget outlays are reduced." OMB Director Stockman also noted—

> That diminished budget growth, lower tax rates, reduced regulatory burdens and declining money growth, must be enacted simultaneously.

In the testimony of economic experts, Alan Greenspan did not outline his tax cut preferences in his prepared remarks, but in exchanges with committee members favored the Roth-Kemp tax cuts. Michael Evans specifically proposed "a 10-percent across-the-board reduction in personal income tax rates for each of the next 3 years," as well as "reduction in the marriage penalty and lower taxes for Americans living abroad" citing "improve(d) incentives to work and labor productivity and efficiency" as justification. Evans claimed that the 30-percent reduction in tax rates "need not increase the budget deficit or raise inflation provided that Government spending is held in line."

Third. Enact cuts in Federal spending that reduce the growth of Federal spending to zero by the end of fiscal year 1982 and reduce the annual amount of Federal borrowing—deficit plus presently off-budget borrowing—from $138 billion in fiscal year 1980 to $130 billion in fiscal year 1981, $90 billion in fiscal year 1982, $50 billion in fiscal year 1983 and zero in fiscal year 1984. The issue on Federal spending was well put by Chairman Volcker, who said—

> I see no escape from the central proposition that, to make room for tax reductions and for private credit demands—both required to support economic growth and productivity gains—Federal expenditures and off-budget credit programs will have to be cut back sharply from current projections. The problem is not limited to the current fiscal year. The time has come to take a hard look at the built-in spending programs that are not readily—or at all—controllable by the annual appropriation process. This process of spending control should begin immediately, with the aim of achieving very substantial gains over a period of several years. The need is all the more urgent in the light of the broad consensus that defense spending must rise.

Chairman Volcker went on to express the sentiments of most witnesses by saying—

> I also know that it is easy (and right) for me to say that the decisions about what should be cut back are properly yours and the President's, not mine. But I also must emphasize that, in the interests of a healthy economy and moderating tensions in financial markets, I see no alternative to large spending cuts. In that connection, I need not linger over the desirability of prudent tax reduction and restructuring. As things stand, Federal taxes are absorbing a rising share of aggregate personal and corporate income, and the sheer size of that tax burden adds to costs and impairs incentives. But I must convey to you my conviction that decisions for substantial tax reduction must not run ahead of the harder decisions to achieve large cuts in spending programs. If these decisions are not in harness, the potential benefits of tax reduction could all too easily be swamped by inflationary forces and congested credit markets, damaging the very incentives and investment sought.

Fourth. Stop the growth of regulatory costs by the end of fiscal year 1981 and build in a 10 percent annual rate of decrease in these costs by the end of fiscal year 1982. Treasury Secretary Regan included "lightening the regulatory burden" in his economic recovery plan, but did not elaborate on this item in his prepared remarks.

OMB Director Stockman, likewise, did not elaborate, although he endorsed the general concept of regulatory reduction and control. The administration, however, by its recent actions to freeze the issuance of new regulations and rescind costly and burdensome education regulations, shows that actions speak louder than words. The administration has also indicated its support for increased congressional control over new regulations through the legislative veto process.

Fifth. And finally, adopt some alternative to the current use of the CPI for indexing benefits under entitlement pro-

grams. The Federal programs that are subject to indexation, of which social security payments are the greatest single component, account for over 50 percent of the Federal budget. The use of the Consumer Price Index (CPI) has in the recent past substantially overstated the actual rise in the cost of shelter because it includes the increasing cost of purchasing a home and also the increasing rate of interest on presently contracted mortgages—for the people who actually have bought a home. Nevertheless, there is no assurance that the CPI will continue to overstate the cost of homeownership, for example, if mortgage interest rates were to decline; in fact under such conditioning the CPI may begin to understate the true rate of inflation.

The use of the CPI for full 100-percent indexing is subject to more general objections: First, any "fixed-weight" price index is incapable of taking account of changes in spending habits that cause consumers to buy less goods whose prices are rising most rapidly; and second, there is overcompensation if those high-priced goods are imports, for example, petroleum, because benefits that compensate for full cost of living changes are not sustainable for the economy as a whole.

Mr. President, there is a need to adopt some alternative system of indexing. Options mentioned to the committee include:

The use of an alternative index, for example, CPI–X1, as proposed by the outgoing Carter administration, which compensates for the interest rate problem. Even if this is a "technically better index," it is still likely to suffer the same disadvantages as the CPI at some future time.

The use of the lower of the cost of living index or a wage-level index.

The reduction of the level of assistance, either by placing a cap on programs or by applying an automatic partial adjustment, for example, 85 percent of total adjustment.

And finally, a change in eligibility criteria.

Mr. President, the five actions summarized here would appear to offer the best balance in simultaneously reducing taxes, spending and regulatory costs. They certainly represent a general consensus that this Senator saw among the witnesses appearing before the Appropriations Committee. At the same time, the timing of these actions must be such as to maximize increases in growth, employment, confidence and long-term revenues while minimizing the short-term conflict between tax cuts, spending cuts and reductions in interest rates still pushed by excessive Federal borrowing.

Mr. President, let me turn now to a summary of our witnesses' estimates of the rates of inflation, unemployment, GNP growth, and interest for fiscal years 1981 and 1982. Our final budget must build in realistic estimates of these rates or our efforts to control spending are doomed to failure in advance.

INFLATION

There was little divergence by the witnesses on the estimates for 1981. In the absence of oil disturbances or grain shortages, the GNP deflator is expected to rise about 10.4 percent, according to Eckstein, or 9 to 9½ percent, according to Evans, and the Consumer Price Index 11.5 percent, according to Eckstein, or 11 to 12 percent, according to Evans. Other witnesses under questioning tended to support these figures. Both of these witnesses offered conditional estimates, however, of a slight decline in inflation in 1982 but declined themselves to be specific.

UNEMPLOYMENT

It was estimated by Eckstein that the unemployment rate would decline to 7.6 percent in the fourth quarter of 1981, after a mild downturn earlier this year, and would be 7 percent in the fourth quarter of 1982. Evans, more bullish, offered an estimate of 7 percent by the end of 1981 and an acceleration of the decline thereafter in 1982. The Congress assumptions had better be on the pessimistic side if we are going to really find control possible in the budget.

GNP

The 1981 estimates were affected primarily by whether the witness envisaged a mild downturn early in the year. Alan Greenspan saw no "evidence of a broad across-the-board weakening." Evans regarded real growth as "sluggish in the first half of 1981" without an actual decline, but expected a 4- to 5-percent annual rate in the second half. Eckstein foresaw a later acceleration in growth, with a real increase of only 0.8 percent from fourth quarter 1980 to fourth quarter 1981, but 3.9 percent in the following 4 quarters.

So, generally, Mr. President, with respect to the growth of the economy, even without actions by the Congress, the witnesses before the committee were mildly optimistic. Certainly their testimony indicated that, with the proper tax policy, spending rate restrictions, and regulatory reform, growth rate can increase.

INTEREST

There was wide divergence in the estimates of future interest rates ranging from a rapid decrease to 13- or 15-percent prime rate in 1981 by Mr. Evans to continued high rates by most other witnesses. Chairman Volker's declared intention to maintain the Federal Reserve Board's tight money policy may be our best indication of what is to come: That is, prime rates near 20 percent until Congress and the administration can restore economic confidence by strong and effective action.

TAX CUTS, SPENDING CUTS, AND REGULATORY REFORM

Mr. President, this synthesis of recent economic and budgetary ideas, which the Appropriations Committee of the Senate has received, shows a remarkable consensus.

Congress would ignore that consensus not only at its political peril but at the peril of the Nation. I am pleased to say that the committee, under the distinguished chairmanship of Senator HATFIELD, has made a good start for playing its pivotal role in restoring tax spending and regulatory commonsense to the Federal Government.

Mr. President, I suggest the absence of a quorum and ask that the time be charged to the time available to the committee.

The PRESIDING OFFICER (Mr. STAFFORD). Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHMITT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. SCHMITT. Mr. President, I ask unanimous consent that the remainder of the time under my control be yielded to the Senator from Oregon (Mr. HATFIELD), the distinguished chairman of the Committee on Appropriations of the Senate.

The PRESIDING OFFICER. The Chair informs the Senator that he has the right and he may yield that time to the Senator from Oregon.

APPROPRIATIONS COMMITTEE ECONOMIC OVERVIEW HEARINGS

Mr. HATFIELD. Mr. President, I appreciate very much the opportunity to join with the Senator from New Mexico (Mr. SCHMITT) in sharing with the Senate the experience of the Committee on Appropriations over 4 days of hearings that were held relating to the economy and the Federal budget.

Mr. President, there was a brief conversation that I held with the Senator from New Mexico (Mr. SCHMITT) one day in the early part of this session, when we were talking about the organization and the duties and responsibilities that we were about to assume as the majority party in relation to our membership on the Appropriations Committee.

Senator SCHMITT suggested that we might have an oversight hearing, an overview of the economy, inviting various and sundry experts, as well as representatives of the administration, to make known their views. He indicated that he thought it would be a most important and fruitful hearing.

It had immediate appeal to me. It was also about this time that the Senator from the State of Wisconsin (Mr. PROXMIRE), the ranking Democratic member of our Appropriations Committee, discussed this matter with Senator SCHMITT. Out of this consensus, it seemed the right thing to do. I am convinced now that this will be, in the minds of the members of the Committee on Appropriations, probably one of the most meaningful hearings we shall have held during this entire Congress. So I am in debt to the creative mind and the ag-

gressive persistent character embodied in Senator SCHMITT. He is indeed one of the most valued members of that committee and I lean very heavily upon him.

During the 4 days of the hearings, Mr. President, we received testimony from an excellent selection of witnesses. I should like to name some of the distinguished men and women who appeared before our committee: Treasury Secretary Donald Regan, OMB Director David Stockman, Federal Reserve Board Chairman Paul Volcker, CBO Director Alice Rivlin, distinguished economists such as Walter Heller, Alan Greenspan, Otto Eckstein, and Michael Evans; GAO Comptroller General Elmer Staats; former CEA Chairman Charles Schultze, former OMB Associate Director Bowman Cutter, and representatives of the NAACP, AFL–CIO, Chamber of Commerce, the Heritage Foundation, and the National Federation of Independent Businesses, among others. All in all, I think anyone would admit it was a most impressive group.

I believe that, in all my 14 years in the U.S. Senate, I have not heard a hearing in which each witness presented such a high degree of careful thought and ideas and expertise, each one making such a valuable contribution to our proceedings, as in this particular hearing. I think all of us have had the experience of seeing quite a variation in quality of testimony in various and sundry hearings, but in this particular hearing, there was a consistent high level of excellence represented in each person's testimony.

I think, also, it is very important to note at this moment that we had excellent attendance of the committee members at all 4 days of hearings. I thank each member of the Appropriations Committee, both Republican and Democratic, for their participation. I think it does augur well for the role of the Appropriations Committee and this Congress as we seek to conquer the common enemy—that is, inflation, high interest rate, and all the other factors that constitute our economic problem.

We had as many as 15 members of our committee attending at one time. I think that is an outstanding achievement, an indication of high interest in this subject.

In calling the overview hearings, the Appropriations Committee revived a long-standing but recently neglected tradition, with the new twist of considering not only that part of the budget within the committee's jurisdiction, but also attempting to view all fiscal policy and the national economic situation which it affects and by which it is affected. I believe it is fitting and proper for the committee to have done so; for, despite the very significant functions of the Budget Committee under the Budget Act, and the expanded role of authorizing committees in the creation of Federal spending programs outside the jurisdiction of the Appropriations Committee, the committee and the 13 annual appropriations bills it must produce to fund the operations of our Government remain the focus of congressional and public attention in determining which Federal programs are to be funded, and at what levels.

In the prepared statements of the witnesses and the hearing record generated by the questions of the committee members, a considerable amount of significant information was gathered. I will not attempt to recite all that data now. Instead, I ask unanimous consent that several of the prepared statements of the witnesses be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATFIELD. Mr. President, the entire hearing record will be printed and distributed to all Members as soon as possible; but in today's RECORD, which will be available tomorrow, the Members may have a preliminary view of the dimension and the extent to which these hearings went into the economic situation.

My main conclusion from the hearings is this: Congressional creation of spending programs requiring payments mandatory under the law beyond the annual scrutiny of Congress is depriving Congress of its constitutional control over the Federal purse and the effect on the economy that results. Seventy-six percent of the fiscal year 1982 budget proposed by President Carter is classified as "relatively uncontrollable" due to entitlement programs, prior-year obligations, interest on the national debt, and other payments mandated by laws the Congress has enacted. In the past 2 fiscal years, according to OMB Director Stockman, actual spending by the Federal Government has exceeded estimates by nearly $100 billion. That fiscal overrun was not caused by an urgent national need to which Congress responded with a massive infusion of the taxpayers' dollars, but by an array of so-called "uncontrollable" programs that are driven by changing economic conditions, poorly constructed eligibility criteria, and administrative decisions governed more by short-term political considerations than by long-term economic policy.

John Maynard Keynes dismissed the long-term effects of deficit financing with the remark, "In the long run, we are all dead." But by continually postponing the day of reckoning, we have accumulated in the past 10 years a Federal deficit of more than a half trillion dollars. That has happened despite a growing public consensus and a congressional awareness that the Federal budget deficit and the high interest rates that result are poisoning our economy; robbing businesses of the capital they need to grow and the taxpayer of the income he needs to shelter and provide the needs of a family, and to have hope for the future.

I realize that many of the entitlement programs Congress has created over the years were established to insure that the poor, the old, and the sick, and not only the prosperous, would be able to enjoy shelter, food, and hope. In my years of Government service I have supported those programs. I have no intention of abandoning that commitment now, and I do not expect the new administration or this Congress does, either.

Ever-increasing Federal spending will not honor that commitment, however; it will cheapen it. The number of Americans whose hope dwindles with each announcement of higher prices and higher taxes grows larger every time Congress and the President appear unable or unwilling to control the tendency to throw money at problems without regard to consequences.

Defense spending is a case in point. Ever since the New Deal, Republicans have chastized Democrats for attempting to solve domestic social problems by spending more Federal dollars. The accusation has been that they treat symptoms, not causes. I believe the new Republican majority of the Senate and the Reagan administration will be equally chastized if they say to the American people that the security of our Nation will be guaranteed by the amount of money lavished on the Department of Defense. Our national security has never been dependent on the amount of money we spend to protect ourselves; it is dependent on the value of what we protect. The Puritans who came to this country in 1620 sought to establish a "city on the hill" not by force of arms, but by force of purpose. President Reagan has called for a renewal of this purpose, to build anew our city on the hill. We will not build that city, or convey its purpose to our fellow citizens in the other nations of this world, if we neglect what we are defending by spending too much time and money on defense. In their testimony, Secretary Regan and OMB Director Stockman agreed with this principle.

The Preamble of the Constitution of the United States speaks of national security: It charges the Government to "secure the blessings of liberty to ourselves and our posterity," and for that reason this Government was created. Our Nation thrives on opportunity, but opportunity cannot thrive if tomorrow's goals are sacrificed to pay today's bills. The people cannot be secure in the blessings of liberty if they cannot be confident that the Government they have created and paid for with their tax dollars is unsure of itself, and unable to control the amount of those tax dollars it spends.

What is needed, I believe, is a clear commitment by this Congress and the administration to the principle that no program is uncontrollable, whether by virtue of statute or politics, and that we will not only take effective action now when budget-cutting fever is running high, but that we will persevere in our commitment over the long term. If we do so, then we can restore the people's confidence in the future, and the predictability needed for a stable economy.

I am not arguing for predictability and control achieved by a constitutional amendment, or by a statute requiring that Federal spending not exceed a certain percentage of the GNP. I do not propose that the Budget Act undergo radical surgery, that the President be given impoundment powers, that entitle-

ment programs be abolished, that the Consumer Price Index be restructured, that the Appropriations Committee have jurisdiction over all spending, or that defense spending be reduced to zero.

What I believe the Appropriations Committee hearings and the November elections have said is something less simplistic, more nebulous, and more important. What I am proposing is that the Congress must be more judicious, more deliberate, more consistent, and convey to the people we serve that like the authors of the Constitution, we want to secure the blessings of liberty not just for ourselves, but for our posterity. In the Appropriations Committee and here on the floor of the Senate, I will do my best to achieve those goals.

EXHIBIT 1

WITNESS LIST—ECONOMIC OVERVIEW HEARINGS

January 27, 1981—10:00 AM, 318 Russell Senate Office Building:

Donald T. Regan, Secretary of the Treasury.

David Stockman, Director, Office of Management & Budget.

Paul Volcker, Chairman, Federal Reserve Board.

Alice Rivlin, Director, Congressional Budget Office.

January 28, 1981—10:00 AM, 318 Russell Senate Office Building:

Alan Greenspan. President, Townsend-Greenspan, Inc., New York City.

Otto Eckstein, President, Data Resources, Inc., Lexington, Massachusetts.

Walter Heller, Regents Professor of Economics, University of Minnesota.

Michael Evans, President, Evans Economics, Washington, D.C.

January 29, 1981 (Panel I)—10:00 AM, 1114 Dirksen Senate Office Bldg.:

Alice Rivlin, Director, Congressional Budget Office.

Janet Norwood, Commissioner, Bureau of Labor Statistics.

Elmer Staats, Comptroller General of the United States.

January 29, 1981 (Panel II)—10:00 AM, 1114 Dirksen Senate Office Bldg.:

Rudolph Penner, Director, Tax Policy Studies, American Enterprise Institute.

Elmer Staats, Comptroller General of the United States.

Charles Schultze, Former Chairman, Council of Economic Advisers.

W. Bowman Cutter, Former Executive Director for Budget, Office of Management & Budget.

January 30, 1981—10:00 a.m., 1114 Dirksen Senate Office Building:

Richard W. Rahn, Vice-President and Chief Economist, U.S. Chamber of Commerce.

Rudolph Oswald, Director of Economic Research, AFL-CIO.

William S. Johnson, Director of Federal Legislation, National Association of Independent Business.

Eugene McAllister, Walker Fellow in Economics, The Heritage Foundation.

William A. Shaker, Executive Vice-President, The National Tax Limitation Committee.

William Worthen, Legislative Director, The National Tax Limitation Committee.

Althea Simmons, Director of the Washington Bureau, NAACP.

TESTIMONY OF THE HONORABLE DONALD T. REGAN, SECRETARY OF THE TREASURY, BEFORE THE SENATE APPROPRIATIONS COMMITTEE

Mr. Chairman and members of the committee: It is a pleasure to be here today to discuss with you the current condition of the economy, the administration's view on how that came to pass, and our hopes that the administration, the Congress, and this committee might work together to find a solution to our economic problems.

Since this is my initial foray into the halls of Congress as Secretary of the Treasury, I think it may be appropriate to indicate an immediate observation I have coming from the private sector and my Wall Street background. Since arriving in Washington some 30 days ago, and having been the Secretary of the Treasury for all of three and one-half business days, I have been struck by the obsession that people have with economic forecasts in spite of their consistent failure. However, my concern is that a wide variety of public policy makers seem to be analyzing and utilizing individual numbers as if they have come down from the mount on stone tablets rather than from some computer with software programmed by a mortal of flesh and blood.

While I am continually impressed with the highly talented career people in government, I am equally uneasy about the way government collects its data, how it is analyzed, and how it is utilized to make policy decisions. Indeed, during my tenure here I promise to make a concerted effort to improve the quality of analyses and the data that we provide you. So at this point, I do have to express some skepticism as to the precision of the individual figures often picked up by the press and played up in the national headlines as opposed to the more important longer term trends that are so often ignored.

Rather than relying on specious forecasts, our approach will be to develop economic scenarios which embody the president's program for revitalizing the economy. Making these scenarios reality will depend on the success with which we—the administration and the Congress—implement the President's program and gain the help of the Federal Reserve.

With this in mind, let me turn to the current situation and give you just a few numbers, while continuing to emphasize the importance of turning around the long term trends that confront us.

CURRENT SITUATION

The economy is struggling through a very difficult and dangerous period. We have an economy making a valiant effort to stay on its feet under increasingly burdensome taxes, regulation, inflation, and government spending. As these trends continue, there will be no straw that breaks the camel's back, no sudden collapse. The beast is far too smart for that. At some point, it will simply settle into the sand and refuse to move, until a lighter burden provides sufficient incentive for forward progress.

I am not here to give you a detailed forecast. Forecasters are not exactly a unanimous bunch. The only certainty I have is that private forecasters expect 1981 to be an uncertain year.

Depending on your favorite forecast, 1981 will see negligible, slight, or modest real growth, in a variety of quarterly patterns, wih either negligible, slight, or modest progress on some or all of unemployment, inflation, and interest rate trends. Each forecaster is certain of his own permutation and combination of all of the above.

However, the most important point is that the present condition of the economy is unsatisfactory, and several more years of it are unacceptable. Let me review why:

Unemployment on a quarterly average has been stuck in the 7.4 to 7.6 percent range for the last three quarters, and traditional forecasts of traditional policies predict no major improvements for several years.

Inflation has accelerated in 1980, with an increase in the gross national product deflator of 9.9 percent (fourth quarter 1980 over fourth quarter 1979), and 11.2 percent for the last quarter, compared to 8.1 percent in the corresponding period a year earlier and 6.1 percent in 1977 (fourth quarter over 1976 fourth quarter).

The Consumer Price Index showed only slight improvement over 1979, rising 12.4 percent from December 1979 to December 1980, accelerating to a 12.8 percent rate during the fourth quarter, down only slightly from the 13.3 percent from December 1978 to December 1979. Again, traditional forecasts of past policies predict no major improvement for several years.

These distressing developments for workers and consumers were accompanied by unprecedented turmoil in financial markets. The last two years have witnessed startling and wrenching swings both in monetary growth rates and interest rates. Last spring's slowdown in monetary growth was accompanied by a sharp drop in interest rates across the board. Unhappily the surge of monetary expansion in the summer and fall rekindled inflation expectations which were promptly reflected in soaring interest rates. They have had severe consequences for investment and productivity, and particularly the interest sensitive sectors of the economy, such as autos, housing, and consumer durables. This simply cannot continue.

Over the last dozen years, economic policy has been used to fight short-term swings in economic activity rather than to promote long-term growth. Those short-term policies have clearly not succeeded.

When we have fought recession in the past, we have usually increased federal spending and monetary growth. The result has been more inflation, higher taxes, less saving and investment, and in reaction a reduced rate of long-term growth of productive capacity, productivity, and real wages.

Each effort to fine tune the economy in the short run has extracted a terrible price in terms of our long-term objectives. These consequences were unintended. And what is worse, they were unexpected. Traditional theories have proven inadequate and caused the drift into the current low-incentive, slow-growth stagflation economy.

The fact is, Mr. Chairman, that we must reexamine the very basis of the prevailing theories of economic cause and effect which have been used to make policy these many years. The economic rules of thumb of the post-war period have been proved wrong by the overwhelming empirical evidence of the last three decades. The time has come to reexamine all of our assumptions about fiscal policy, monetary policy, taxes, and productivity. If we fail to do this now we will not serve the American people well, and the message of the November election will have been ignored.

We must continually question each action, each theory, each econometric model, each analysis, and each data series used for economic policy-making. What we need is a new approach to building a strong, vigorous, fiercely competitive economy both domestically and internationally that will carry America into the 21st century.

The first step is to stop trying to fix things in the short run, and concentrate on providing a climate or environment for long-range solutions. Our economic malaise did not come in a month or a year, and it cannot be cured in a month or a year. What is needed is to reform our thinking toward the long-term solutions that are necessary. Consistent policy is a prerequisite. We may not know all the problems yet, let alone all the answers. But we do know that what we have been doing is very, very wrong, and that trends are moving against us.

It is no longer possible to claim, as prevailing theories have done for years, that there is any long-term trade-off between inflation and unemployment. The data show that the trends of unemployment and in-

flation are steadily higher. In fact, inflation is a major cause of slow growth and unemployment.

Inflation has retarded growth by adversely affecting the incentives of businesses and individuals to work, save, and invest by greatly increasing risk, uncertainty, and real marginal tax rates. This results in reduced real rewards for saving, investing, and working. Thus, inflation strikes at businesses and individuals through the tax code and the financial markets.

For businesses, inflation increases tax liabilities by causing the real cost of equipment and inventory to be substantially understated for tax purposes, with a corresponding overstatement of real profit. This sharply increases the tax rates faced by business, reducing both the desire and the ability to invest, as rates of return and cash flow both suffer. For example, from 1960 to 1969, the rate of return on net stocks of reproducible capital (equipment, residential and nonresidential structures, and inventories, all valued at replacement cost) was 6.6 percent after taxes. By 1977 to 1979, the rate of return was down to 3.4 percent, in large measure due to higher inflation. Only recently as the securities and exchange commission (SEC) has begun to require the largest firms to report their real profits on an inflation-adjusted basis, has the full magnitude of the problem become clear. This SEC action was a clear government recognition of the problem of relying on historical data in a highly inflationary economy.

For individuals, inflation and the progressive tax code combine to push taxpayers into higher tax brackets, even when they have received no increase in real income. Over the last decade the percentage of tax returns that fell into or above the 25 percent, 30 percent, 36 percent, 40 percent, and 50 percent brackets at least tripled. The result is a reduced after-tax reward for additional effort. This is particularly true for saving, since today marginal tax rates on interest and dividend income reach the prohibitive levels of 50 to 70 percent.

For both businesses and individuals, inflation has sharply increased tax rates on capital gains. Much of what we tax as a capital gain, when adjusted for inflation, is a real capital loss. For many taxpayers, the capital gains tax exceeds the real capital gain, resulting in a tax rate in excess of 100 percent of the real profit. The response to the 1978 reduction in the tax on capital gains clearly indicates the potential for increasing the willingness of individuals to invest in American business once confiscatory taxation is reduced. Such measures also open the door to a surge of venture capital into those rapidly growing firms on the leading edge of new technology.

In the money markets, inflation is the major component of the high nominal interest rates we see today. As high as these rates are, they do not encourage saving because after taxes and inflation they do not represent a large real reward to investors. At the same time, considerable damage is being done to long-term projects, as firms and consumers face serious cash-flow problems meeting current interest charges. In addition, because of great uncertainty over future inflation, interest rates, and cash flow, it becomes nearly impossible to calculate the profitability of long-term projects. Increased risk means less investment and slower economic growth.

Government spending has contributed its share to our inadequate levels of real growth in recent years. From fiscal year 1972 to fiscal year 1981 (prior administration estimates), total Federal outlays have grown 12.0 percent per year, while GNP has risen only 10.5 percent per year. Defense outlays have risen only 8.4 percent, and are little changed in real terms from fiscal year 1972. Payments for individuals, however, have grown at a 14.6 percent rate, and are up 60 percent in real terms.

In part, this rise in transfer payments reflects a weaker economy in which reduced economic opportunty has generated increased welfare and unemployment spending. However, in large part, this rise in total spending and transfers has helped cause the unsatisfactory economic situation.

Those who pay taxes to cover the increased Federal spending find the rewards to work effort and saving sharply reduced. Some of those who receive transfers, and who might otherwise be induced to accept work, find there is insufficient difference between after-tax wages and tax-exempt transfers to make a return to work worthwhile. The proper and humane way out of this paradox is to restore the reward to work effort and to generate increased economic opportunity through tax rate reduction, thereby reducing the need and demand for assistance. Furthermore, in light of demographic changes and changes in the composition of the labor force, it may be proper to reexamine some of the concepts of unemployment on which many of our programs are based.

In fact, we intend, and we strongly solicit your support and assistance, to conduct a rigorous examination of every spending program to insure that it does not reduce economic growth by diverting resources from more productive uses in the private sector. When spending leads to deficit finance, it diverts scarce private sector saving from financing investment to financing the Federal debt. Insofar as this puts pressure on the Federal Reserve to increase money growth, it contributes to inflation, which further weakens the real economy.

This administration is committed to reducing the budget deficit. Control of spending is the most important step the Government could take to reduce the deficit and free-up private sector saving for investment and growth. However, tax rate increases to balance the budget would be counterproductive. The adverse impact of higher tax rates on saving and investment would wholly negate the benefits of a reduced deficit. We see this today, as tax rate increases are occurring automatically at record rates due to inflation without any action on the part of the Congress or the President.

During 1977–1980 nominal GNP grew by 38 percent, but Federal spending (not counting off-budget items) increased by 44 percent and individual income tax revenues rose by 55 percent. In spite of the growth in revenues, the budget deficits over the period totaled $136 billion. The large addition to the public debt did not result from tax cuts, but from Federal spending growing faster than the growth of the economy. The new administration intends to rely on the growth of the private economy, rather than on the growth of the Federal budget, to provide full employment.

The prior administration's budget for FY 1982, which we will be revising, projects tax revenue increases of 16.8 percent in FY 1981, 17.2 percent in FY 1982, 13.7 percent in FY 1983, 14 percent in FY 1984, and 14.1 percent in FY 1985. Nominal GNP, however, is projected to be growing at much slower rates—10.8 percent in FY 1981, 13.0 percent in FY 1982, 12.4 percent in FY 1983, 11.9 percent in FY 1984, and 11.2 percent in FY 1985. President Carter's budget projects that taxes as a percent of GNP continually rise over the period. In contrast, we hope to lower the tax burden as a percent of GNP by achieving higher real economic growth.

WHAT SHOULD BE DONE

This administration has two major goals: A major reduction in inflation and a resurgence of economic growth. It is our firm belief that these goals are not only compatible, but inseparable. We further believe that those are the goals of the Congress and the American people.

We are absolutely determined to fight inflation and insure a growing prosperity with a three-pronged approach which will:

1. Reduce the growth of Federal spending and lead to a balanced budget;
2. Reduce the oppressive tax rates on the American people; and
3. Restore a stable monetary policy.

The spending and tax changes will require close cooperation with the Congress. The monetary program is the job of the Federal Reserve. In fact, the President and the Congress will be unable to achieve their basic goals unless the Federal Reserve provides stable, moderate, and predictable money growth.

To achieve these dual goals requires the appropriate use of a variety of policy weapons, each trained on the target it is best designed to hit. We cannot achieve real growth by putting all policies on "stop" to fight inflation. We cannot fight inflation by putting all policy tools on "go" to stimulate growth.

We cannot think of fiscal policy as a monolithic block revolving around a supposedly stimulative deficit, where spending cuts and tax increases are supposed to go together to fight inflation, and spending increases and tax cuts are supposed to go together to fight recession. Spending policy and tax policy are separate tools with varied uses. This is not the time for traditional programs which think of policy in traditional ways.

The administration will shortly propose a bold, innovative economic recovery plan integrating the classical economic principles of sound budget policy, sound tax policy, and sound money. The plan will be a clear break with past policy. The principal elements of the plan will include slowing budget growth, reducing tax rates, curbing and stabilizing monetary growth, and lightening the regulatory burden. This program is designed to reduce the uncertainty and long-term inflationary expectations that are gripping the public and paralyzing the economy. The result will be a speedy recovery of the financial markets, accelerated real growth, and reduced inflation, as saving and investment rise, deficits fall, and the market system works more efficiently.

A stronger economy will put us in far better shape to bear the adjustment to higher cost energy. When the economy is weak, our dependence on foreign oil is a difficult burden. If the economy were efficient, dynamic, and competitive, we would be better able to cope with our energy problems. Exports would be stronger to pay for needed imports. Meanwhile, we would be generating more investment capital to work toward greater energy independence. And finally, wages and incomes would be higher, helping our people to meet higher energy costs.

In fact, the entire economic package should strengthen the dollar at home and abroad. Declining inflationary expectations and rising U.S. productivity should boost confidence in the dollar and strengthen its vis a vis other currencies. It will attract foreign capital by making the U.S. a better place in which to invest. A strong dollar will pay substantial dividends in reduced import prices, including oil.

This plan will require close cooperation among the Congress, the Federal Reserve, and the Executive Branch. We have already started this consultation process with the Congress and the Federal Reserve, and hope to accelerate this process in the days ahead.

Inflation is primarily a monetary phenomenon. Stable prices are impossible if money growth rates outstrip the growth of goods and services year in and year out, as they have done, on average for more than a decade. The major contribution of the Federal Reserve must be to bring down the growth rates of the monetary aggregates, reducing inflation, inflationary expectations, and interest rates. There is no alternative to this fundamental reform. The President's tax,

spending, and regulatory program cannot succeed unless inflation is brought under control.

Mr. Chairman, let me emphasize our recognition of the crucial role that the Federal Reserve plays in helping the President provide an environment in which sustained economic growth can once more take place. Because the economic program we will be proposing is a comprehensive, integrated package that includes consistent appropriate levels of money supply management, the role of the Federal Reserve is crucial. To that end, the President, who recognizes this, as one of his first official acts in Washington has already met with Chairman Volcker of the Federal Reserve. I too have been meeting with Chairman Volcker on a regular basis.

While we recognize the independence of the Federal Reserve, and its special relationship with the Congress, we are extremely pleased by the constructive, cooperative climate of our initial meetings and the opportunity to work with Chairman Volcker on our mutual problems and their long-term solutions.

While stable, predictable, and moderate monetary policy will primarily reduce inflation, it will have salutary effects on the real economy as well. Lower inflation will reduce pressure on Federal spending and the deficit, as debt service and cost-of-living adjustments are lowered. The interaction of inflation and the tax code will become less distorting and the harmful effects on saving, investment, and real growth will abate. In short, a firm Federal Reserve policy, widely understood and believed, will expand production and employment, not curtail them.

Spending restraint is an essential ingredient. It is needed to free-up resources for the private sector to invest, to lower the deficit, and restore confidence to the financial markets. It is particularly essential to alter the built-in "uncontrollables," many of which erect significant barriers to effective participation in the labor force.

Finally, tax policy must be used to restore incentives for work, saving, and investment. This will require reducing marginal tax rates for individuals and improved capital recovery provisions for business to encourage the acquisition of financial assets, plant and equipment, and to spur labor force participation and the acquisition of skills and education.

Each of the elements of this program is essential and each must be promptly undertaken. We must not make the mistake of assigning a higher priority to balancing the budget than to revitalization of the economy. We simply cannot fix the budget prior to fixing the economy. The budget cannot be dealt with in isolation: The hemorrhaging of the budget is an outcome of the economy's poor performance. A weak economy feeds Federal income support programs, inflation spurs increases in indexed transfer and entitlement payments, and high interest rates increase Federal outlays in servicing the debt. To provide the real basis for bringing the budget under control, we must markedly improve the performance of the U.S. economy. To this end, the key element in the President's program is reduction in tax rates for individuals and an improved tax climate for capital formation. This tax program cannot wait until budget outlays are reduced. The economy is now in a precarious position. If we promptly and certainly launch the right tax program, we can confidently look for real economic progress which will contribute importantly to balancing the budget. If we are unsure and hesitant about tax policy, we can confidently expect the economy to fall back into a renewed recession with accentuation of our budget difficulties.

One of the most distressing symptoms of the economy's ailments has been the failure to achieve any significant gains in productivity and real wage rates. We cannot overcome this sickness by more Government spending. Recovery must occur in the private sector. It will depend in large part on equipping our growing labor force with more and better plants and machinery. The expansion of total income which this increase in production potential will make possible is an essential ingredient of a constructive strategy for balancing the budget.

Both spending restraint and tax policy are aimed chiefly at bolstering growth in the real economy. Yet both will assist the Federal Reserve to reduce inflation. They will reduce costs and expand the supply of goods and services, helping to hold the line on prices. Spending restraint will lower the deficits, and tax rate reduction will encourage the savings needed to finance a deficit without inflationary money creation.

Thus, tax rate cuts, budget cuts, and monetary control are complementary policies. When enacted, this program will increase real growth and reduce inflation at the same time. Consequent reductions in transfer payments and recession-related spending will substantially reduce budget deficits. Again, we assume that monetary policy is appropriately managed.

The economic revitalization program must also address the problem of regulation. It is the intention of this Administration to cut through the regulatory tangle, to streamline and simplify wherever possible. The Vice President's Task Force on Regulation has already been established. The Treasury Department is a part of that task force. It is my goal to see to it that IRS regulations will be issued quickly, simply, clearly, and concisely. Rulings and regulations will be written to implement rather than to make tax policy.

The success of these policies can be enhanced by immediate and clear announcement of a multiyear commitment, and by a cooperative and determined spirit among the Congress, the Federal Reserve, and the Executive. The subsequent collapse of inflationary expectations and the resulting release of the talent and energy of the American people will make this truly a better climate for the American people.

REMARKS OF DAVID A. STOCKMAN

Mr. Chairman and Members of the Committee: During the past decade or so one of the most disappointing aspects of economic policy and economic performance has been the breakdown of fiscal policy, a continually deteriorating process which in my judgment has been one of the principal contributing influences to the stagnation of economic growth and the associated rise in national inflation. The contemporary malaise of fiscal policy has produced permanent budget deficits which have subsequently grown into permanently larger budget deficits. The permanent deficit has engendered continuous increases in inflationary expectations and consequently large increases in market interest rates. Further, the incidence of permanent budget deficits has substantially interfered with the proper conduct of monetary policies and accordingly must be considered as a key influence on the unnecessarily large rate of money supply growth which has occurred during the past 10 years.

During the recent period of accelerating growth in Federal expenditures and deficits, the strong economic performance resulting from the more fiscally prudent early 1960's has given way to the more recent quagmire of stagflation which has characterized the 1970's and spilled over into the early 1980's. During the 1960's real output growth advanced at an average annual rate of 4.2%, whereas during the 1970's real GNP growth declined to slightly more than 3%, thereby recording a loss of real output growth of nearly 30%.

In the case of the nation's capital stock, the performance is just as disappointing. Real capital growth averaged 4.5% during the 1960's but fell to 3% during the 1970's, a loss of growth of nearly one-third. The formation of new capital, predicated of course on a continuous supply of new savings and investment, is the crucial determinant of national productivity. With this in mind it is not surprising that the decline in real capital growth has been mirrored by a decline in the rate of productivity. During the 1960's output per manhour expended to a 2.6 average annual rate while in the 1970's this rate fell to an average annual rate of increase of 1.4%, representing a decline of over 40% in the productivity rate during the past decade.

Along with the decline in the growth of real output, real capital and productivity, the average inflation rate jumped from 2.5% during the 1960's to 6.5% during the 1970's, an increase of 160%. Also, the average 3 month Treasury bill rate during the two periods moved from 4.0% to 6.3%, while average Treasury bond rates shifted from 4.7% to 7.5%.

In the past few years the economic situation has eroded even more dramatically. During the period from 1979 through 1980, real output growth increased by less than 1% and productivity actually declined by about 1.5%. During these past two years it should be noted that total Federal outlays jumped at an average annual rate of nearly 16%, with transfer payments leading the way with an average annual rate of growth of more than 18%. These economic and budget trends demonstrate a direct link between the expansion of the Federal budget and an associated rise in Federal deficits and borrowing requirements on one hand, and a sustained reduction in savings and investment, productivity, real output and physical potential on the other.

During the past four years, from FY 1977 through FY 1981, Federal new cash borrowing has increased at an average annual rate of $58.4 billion. By way of contrast, through the first half of the 1970's Federal new cash requirements increased at an average annual rate of $35.2 billion, and during the 1960's the government's new borrowing requirement increased at an average annual rate of only $4.5 billion. Hence, the recent performance represents a sizeable increase in net credit demand when compared with the first half of the decade and a staggering increase when compared with net credit demands in the 1960's.

Moreover, as a proportion of total credit market activity, the data indicates that the government has substantially increased its share of financial savings. During the 1960's the Federal debt held by the public as a proportion of total credit market debt stood at a modest 7.0%. During the 1970's however the government credit share jumped to 14%. These explosive Federal credit demands have had a debilitating effect on investment and economic growth. Hundreds of billions of dollars of scarce productive resources have been removed from the private sector to be used by the considerably less efficient and less productive government sector. The vast proportion of Federal spending financed through credit market activity has been channeled into non-productive uses, the bulk of which constitutes transfer payments.

In earlier years it could have been argued that spending was directed more toward investment where, for example, during the first half of the 1960's Federal investment as a proportion of total Federal expenditures registered about 40%. During the 1970's however government investment as a ratio of total government spending fell to 15%, a sizeable drop-off. Therefore, far from generating more investment, more growth and more productivity, the announced policy goals, recent fiscal trends have served instead as a major depressant on investment and all forms of economic growth.

In classical economic terms this process is characterized as capital consumption, but what would be far more desirable is a much

different fiscal policy aimed at capital expansion. The classical economists have labeled this capital consumption process of excessive government spending and borrowing as a transmission of "fiscal inflation." Moreover, to paraphrase Adam Smith, "what is always good and right for a small family should be no different for a great kingdom." In the present case, however, unlike any prudent family, the U.S., through the breakdown of its fiscal policy, has embarked on the dangerous path of consuming its own capital and living off its own savings. And it seems clear that part of the erosion of public confidence today stems from the ever widening gap between government budget practices and family budget practices.

Elsewhere, the erratic nature of fiscal policy is evidenced by frequent changes in fiscal year outlays and revenue estimates. During fiscal year 1980, for example, the first budget resolution indicated cash outlays of $532 billion. During the second resolution outlays were raised to $547.6 billion. During the third resolution the ante was raised again to $572.65 billion, and finally Federal expenditures were raised to $579.6 billion, representing a 9-percent increase totaling $48 billion.

In fiscal year 1981 the situation was much the same. The first resolution was $613.6 billion, the second resolution indicated a spending level of $632.4 billion and the current estimate has been raised to $662.7 billion, an overrun of $49.1 billion or 8 percent above the initial projection. When taken together the budget process governing fiscal years 1980 and 1981 produced a total overrun of nearly $100 billion.

ESTIMATES OF FISCAL YEAR 1980 AND 1981 OUTLAYS

[Dollar amounts in billions]

	Fiscal year—	
	1980	1981
First Budget Resolution	$532.0	$613.6
Second Budget Resolution	547.6	632.4
Third Budget Resolution	572.7	NA
Final estimate	579.6	662.7
Overrun	47.6	49.1

As a consequence of fiscal management of this sort, where spending projections are constantly revised and each revision seems always substantially higher than the last, we have created a significant decline in confidence of the management of the nation's finances. This loss of confidence in financial management is not merely an academic issue, but, it is a very real problem in the minds of participants in all sectors of the economy, labor, business and financial people and household members alike. Frequent announcements from Washington regarding increased budget growth and borrowing needs have created a damaging psychology of intensified inflationary expectations.

Those expectations have fostered numerous behavioral and structural changes in the economy, and these behavioral and structural changes have in no way contributed to general economic health. Rather, the intensification of inflationary expectations and the acceleration of actual inflation rates have produced in general terms a drying up of financial savings, a decline in the value of money and a depressing influence on productivity and real output.

The loss of confidence generated by profligate budget policy is mirrored by the rise of inflationary fears and sensitivities. This stems directly from the breakdown of the budget process and the inability of policy makers to deliver on their fiscal promises. Taken together, all this has undermined the vitality of economic growth and the quality of economic performance. And the qualitative notion is important because, in some ways, even as damaging as the quantitative or statistical effects of budgetary excess, it is the psychological effects of the budget breakdown which in the end are the most enduring.

A restoration of confidence is an essential ingredient if there is to be any reversal in recent economic performance. But confidence is always a psychological phenomenon. And although there may be numerous ways to improve confidence, we can all agree that one of the most important factors in changing the current atmosphere of skepticism would be a more stable, reliable and dependable budget process.

Turning again to more specific examples of the loss of fiscal control and credibility, the problem is again illustrated by the many changes in official estimates for the FY 1981 deficit which have occurred since the original 1976 estimates were first published. Initially a budget surplus of $75.5 billion was estimated on a Presidential policy basis. The surplus estimate was subsequently revised to $26.1 million in 1978, $8.6 billion in 1979, then a deficit of $1.2 billion, then a deficit of $15.8 billion, and finally a deficit of $55.2 billion. This represents a swing of $130.7 billion during five years. It is not only a change in magnitude, but even more important it represents a major change in direction and policy. Without beating a dead horse, it is necessary to reiterate the principle that unreliable budgetary announcements erode confidence and reinforce the negative psychology which has seemed to permeate every nook and cranny of our economy in recent years.

ESTIMATES OF THE FISCAL YEAR 1981 BUDGET DEFICIT

[Dollar amounts in billions]

	Budget surplus or deficit
January Budget Document:	
1977	+$75.5
1978	+26.1
1979	+8.6
1980	−1.2
1981	−15.8
1982	−55.2
Swing	130.7

Looking briefly at the budget deficits themselves, it is interesting to note that the trend of rising deficits has occurred despite the incidence of continuous and sizeable tax increases. As regards the tax increases, it must be noted that the sharpest increases have accompanied the slump in economic growth of the past 10 years. Just to benchmark the growing burden of taxation, in FY 1955 tax receipts as a proportion of GNP registered 17.3%, slightly below the 1965 ratio of 17.9%. By 1973 however the ratio had jumped to 19%, and current estimates indicate that the ratio is expected to rise to 21.4% in FY 1981, 22.4% in FY 1982, 22.8% in FY 1984 and 24.0% in FY 1986.

In addition to the rise in average tax rates, the economy has also experienced a significant rise in marginal tax rate for a median income family with four persons. These rates include that burden of social security tax increases for both employers and employees. In 1965, median income of $5,000 experienced a marginal tax rate of 23%, and 10 years later with a median income revalued at $8,000 the marginal rate was unchanged at 23%. However, by 1975 a median family income of $16,775 was subjected to a marginal tax rate of 32%. In 1981 a median income of $28,793 will be taxed at about a rate of 35%, and it is projected that by 1985 a median income of $41,389 will be taxed at a whopping rate of 43%, an increase of 34% over the 10 year period.

MARGINAL FEDERAL TAX RATES FOR MEDIAN INCOME FAMILY OF 4 PERSONS[1]

		Tax rates (percent)	
	Income	Income tax	Income tax plus FICA
1955	$5,017	20	23
1965	8,083	17	23
1975	16,775	22	32
1981	28,793	24	35
1985 (projected)	41,389	32	34

[1] Income and taxes include both employee and employer shares of FICA. Rates including FICA reflect threshold effects of the wage cap. Itemized deductions are assumed to equal 23 percent of adjusted gross income.

The data on average and marginal tax rates suggest two broad points. First, we are incurring sizeable budget deficits even with substantial increases in the tax burden. Second, there appears to be a close association between the heightened tax burden occurring during the 1970's and projected throughout 1980's and the deteriorating base of economic growth which has occurred in the 1970's and is usually forecasted to continue into the 1980's. Despite all the best and most loudly proclaimed intentions, it would again appear that rather than improving economic performance, fiscal policy has instead become a major impediment to economic growth.

The increases in spending, deficits and tax rates produced by incorrect fiscal policies appear to be a major inhibiting influence on economic growth during the 1970's. In turn, the slowdown in economic growth has undermined efforts to create a disciplined and reliable budget. In effect the budget has become a captive of the economy rather than its manager, and it is becoming clear that one of the chief barriers to the realization of a balanced budget is the disappointing performance of the economy.

All this stands traditional Keynesian fiscal theory right on its head. The standard theory suggests that by changing tax, spending and other fiscal parameters it becomes possible to shift the course of the economy, but the new reality is the economic deterioration which is changing the course of the tax, spending and other fiscal parameters. By way of example, during the past year nearly all branches of government, along with the public, reached a consensus to restrain fiscal and monetary policies in order to curb inflation and record interest rates. Partly as a consequence of present policy and partly as a consequence of the dramatic rise in oil prices—a development not wholly unrelated to past fiscal and monetary policies—the economy experienced a deep recession during the winter and spring months of 1980. One of the consequences of this recession was a sharp increase in the rate of unemployment and a sizeable loss of production throughout the economy. As a result, the loss of production and jobs triggered a significant expansion of permanently authorized and automatically released government assistance programs. The budgetary trigger produced a major increase in both the level and rate of growth of Federal outlays despite the best intentions of policy makers to curb government spending. At the same time, the slump in business conditions induced a falloff in tax revenues.

The recessionary combination of rising outlays and diminished receipts enlarged the budget deficit and the Federal borrowing requirement by a considerable magnitude even though all participants, in both political parties, and in both the executive and legislative branches, sincerely opposed such a development. Meanwhile, as financial markets observed the budgetary movement and the resultant rise in Federal credit demands, interest rates again began to adjust higher.

Quite clearly financial markets were anticipating renewed future inflation as a consequence of the hemorrhaging Federal budget and the sharply increased net borrowing requirements. So inflationary expectations were reignited, and interest rates were driven higher.

Complicating matters the Federal Reserve attempted to stabilize rising interest rates through repeated liquidity injections during the spring and summer months. This merely exacerbated the inflationary psychology and drove interest rates still higher. As a result of these various influences the interest expense of the Federal debt began to skyrocket. Heightened interest expense payouts of course served only to expand cash outlays, deficits, inflationary expectations and so forth. And this rounded out the now familiar vicious circle whereby the economic slump expanded the budget, the enlarged budget absorbed more scarce resources from the economy, the resources were put to non-productive and inefficient use, and economic and investment growth was consequently retarded at the very moment when unfettered growth renewal was most important.

The vicious circle of more spending, more deficits, more inflationary fears, rising interest rates, worsened economic performance, then more spending, more deficits and so on seems an interminable and insoluble problem. None of the standard Keynesian policy models, with government as the central instrument for economic improvement, seem to work. We appear caught in a quagmire which is undermining national morale and vitality. But by now it should be evident that past fiscal policy has substantially inhibited all forms of economic growth, and the very failure to achieve economic growth has compounded the inhibiting effects of the incorrect fiscal policy. Yet by itself this is an unacceptable conclusion. Not only is the fiscal malaise unacceptable, but the atmosphere of defeatism surrounding the policy process is similarly unacceptable.

Contrary to popular belief, it will be possible to break the vicious circle, to restabilize fiscal policy and to regenerate economic growth through a combination of new policy proposals consistent with the classical economic principles of sound budgets, sound tax policies and sound money. Further, these principles argue strongly that the surest, most effective and quickest route to a balanced budget lies with a restoration of incentives for savings, investment and work effort in order to produce sustainable and non-inflationary economic growth during the 1980's. With this in mind, it will be possible to create a credible and reliable future economic agenda to restore financial market stability, increase investment and economic growth, reduce the rate of inflation and strengthen the value of the dollar.

Programmatically, I propose immediate and substantial reform of the Federal spending code, orderly reduction of Federal tax rates, prudent relief of Federal regulatory burdens and dependable reduction in the rate of growth of the nation's money supply. These four points, diminished budget growth, lower tax rates, reduced regulatory burdens and declining money growth embody an integrated and complementary policy regime. This approach must be enacted simultaneously in order to achieve the desirable and likely effects of improved investment and economic growth, accompanied by lower inflation and interest rates, all leading to a balanced budget. Such a policy should be announced clearly and immediately so that Washington can send unambiguous signals throughout the U.S. and the world economy of a major change in the principles and the framework of financial and economic policy.

Clear signals will make an important and immediate contribution to the restoration of confidence so necessary to improve the general economic climate, and central to the objective of new economic credibility and a balanced budget is the commitment to economic growth. To achieve this goal will require a considerable correction of the policy failures of the past 15 or so years. As part of the recodification of the budget area it will be necessary to come to grips with the ever-growing portion of the Federal budget dominated by entitlements and permanent authorizations. These permanent authorizations accounted for 35.9% of total outlays in fiscal year 1967, rose to 49.3% of total outlays in fiscal year 1972 and by fiscal year 1981 jumped to 60.6%, a 69% increase in slightly less than 15 years.

Unexpended authorized programs already in the pipeline have become so enormous that severe authority reductions in fiscal year 1981 and fiscal year 1982 will be necessary if we are to persuade the public of a serious attempt to restrain budget growth, deficits, government borrowings and inflation. The rapid growth of new direct loan obligations through the Federal Finance Bank also must be sharply curtailed, and the reduction must include FFB loan assets, FFB direct loans as well as on budget direct loans.

Additionally, aggregate Federal spending growth must be placed on a path which falls somewhat below the GNP deflator. This suggests a significant rate of decline for non-defense spending in future years and it also suggests that the government spending share of GNP must be reduced from the all time high of 23.3% expected in fiscal year 1981 to less than 20% during the next several fiscal years.

Other spending reforms and budgetary recodification will be needed to reverse the deeply embedded expectation that government budgets are out of control and the inflationary outlook is hopeless. But regarding future inflation expectations, nothing would be more helpful than a clear understanding that budgetary expansion is an economic growth impediment, not a stimulant. It is time to unmask the optical illusion that government spending is somehow a force of economic growth. Instead, rigorous and honest analysis indicates that Federal spending absorbs valuable resources from the economy, manages these precious resources in a highly inefficient and non-productive fashion, and the excessive budget trends of recent years have acted on the economy in the same fashion as an increase in taxes. Indeed, government spending is itself an important indication of the national tax burden, and the combination of rising marginal tax rates and expanding Federal budgets have served both to reduce economic growth and sustain massive budget deficits.

And finally, the program to restore economic growth, a balanced budget and new sense of national confidence will not be possible unless other key economic policy reforms are enacted simultaneously. The budget is only one element in the program. Complementing budget reform are additional proposals to reduce tax rates, to lessen regulatory burdens and to stabilize monetary policy. These reforms encompassing the budget, taxes, regulatory burdens and monetary policy should be viewed as one comprehensive package to restore confidence, to enhance economic growth and to improve the quality of American life.

STATEMENT BY PAUL A. VOLCKER

I am pleased to participate in this hearing and to outline some of the key issues for economic policy in 1981 and beyond. The inauguration of a new President and the installation of a new Congress provide a prime opportunity to reassess Federal budgetary trends, and in particular, the role that fiscal policy can play in solving the economic problems that confront us. Coming from the Federal Reserve, I will naturally want to focus special attention on the interrelations among fiscal policy, monetary policy, and conditions in the capital markets.

I have spoken often of the importance of breaking the inflationary momentum that grips our economy. That seems to me the pre-eminent objective of economic policy, partly because prospects for sustained growth rest on success in that effort.

As you know, inflationary pressures remain intense today even though the level of economic activity is little higher now than it was in early 1979, unemployment has been high for almost a year, and appreciable excess capacity persists in many important industries. Indeed, the underlying inflation rate today appears at least as high, and probably higher, than a year ago. Declining productivity has compounded the effects of growing wage increases in pushing up unit labor costs. Moreover, as we look to the months ahead, the possibility of a renewed surge in energy and food prices represents a serious source of concern.

I believe that the public is acutely aware of the dangers of continuously escalating prices and recognizes that combating inflation must be our top economic priority. That perception is an important first step in moving toward price stability. But the general perception will be meaningless unless it is accompanied by a sustained commitment to concrete policies that will, in fact, reduce inflation, even when those policies entail risks and strains for particular groups or for the economy as a whole in the short run. Given the deeply ingrained patterns of inflationary behavior and expectations that now characterize our attitudes and our institutions, we should not assume that changes in those behavior patterns or expectations will come easily. To underestimate the challenge would be to miss the opportunity to set the economy on a new direction. In the wake of missed opportunity we would only face more prolonged, and ultimately more painful, adjustments.

Conversely, if we truly face up to the job, and successfully turn the corner on inflation and inflationary expectations, then I believe that progress will come more readily. The baleful interactions among inflation, low savings, congested capital markets, low growth, deteriorating productivity and budgetary deficits can potentially give way to a benign process of mutually reinforcing growth, investment, and a return to price stability.

As part of that process, the Federal Reserve has been, and will continue to be, guided by the need to maintain a disciplined monetary policy. Our various "targets" for monetary and credit growth are an important means of expressing that intent.

At the beginning of last year, we adopted objectives for the monetary aggregates that were generally agreed to be broadly appropriate with the need to encourage a return to a more stable economic environment. Over the course of the year, growth of the various measures of money and credit was—on balance—close to or only slightly above the upper ends of the announced ranges. With the quick and surprisingly strong recovery in business activity in the latter part of the year, the expansion of money and credit was not sufficient to meet all the demands for financing the combination of real growth and rising prices. Even though monetary aggregates for a time exceeded targeted growth, interest rates returned to historically high levels, placing heavy burdens on the more credit-sensitive areas of the economy and threatening the continuation of the recovery.

Looking at that immediate situation, the point can and has been made that high interest rates and strained capital markets may dim prospects for business expansion and private job creation that would otherwise be desirable. Certainly, housing, some smaller businesses, and others particularly dependent on credit feel particularly strong

pressures. But the problem cannot usefully be viewed in the single dimension of monetary policy, and our sights must extend beyond the next few months.

I see no alternative to continued restraint of excessive money and credit growth if we are to break the inflationary momentum. If that momentum is not broken, interest rates will remain high indefinitely. In that connection, expectational factors can be particularly important. To the extent that economic trends and public policies are perceived as consistent with more inflation rather than less and government financing needs are expected to remain high, savings are discouraged and borrowing encouraged. In an already inflating economy, the net result of trying to bridge the gap by excessive money and credit creation would be to validate the inflationary expectations and inflationary trends that give rise to the problems in the first place. The way to get interest rates lower, and keep them there, is to deal with inflation first.

The events of the past several months demonstrate clearly that heavy reliance on monetary policy in that effort focuses the immediate strains and risks on financial markets and those most dependent upon them. Strong complementary actions in other areas are essential for a balanced effective program to produce the earliest possible impact on inflationary behavior and to clear the way for sustained, full, and broad-based expansion in real activity.

The first—and perhaps the most important—of these other instruments is the fiscal posture of the Federal Government. As recently as last spring, a substantial effort was made by the Administration and the Congress to reduce the growth of expenditures and to restore budgetary discipline. In spite of that effort, trends in Federal spending continue to exceed growth in the inflating nominal GNP. For instance, the budget submitted by the outgoing Administration projected Federal spending (including off-budget outlays) of over 24 percent of the GNP during the current fiscal year, fully one percentage point higher than last year and appreciably above any earlier year of the post-war period. To be sure, a significant part of this year's higher spending and the enlarged deficit reflects higher unemployment. But the underlying trend reflected in "out year" budget projections—which have almost always fallen short of subsequent reality—remains excessive, even without taking account of needed tax reductions.

I see no escape from the central proposition that, to make room for tax reductions and for private credit demands—both required to support economic growth and productivity gains—Federal expenditures and off-budget credit programs will have to be cut back sharply from current projections.

The problem is not limited to the current fiscal year. The time has come to take a hard look at the "built-in" spending programs that are not readily—or at all—controllable by the annual appropriation process. This process of spending control should begin immediately, with the aim of achieving very substantial gains over a period of several years. The need is all the more urgent in the light of the broad consensus that defense spending must rise.

I know the task is difficult in the best of circumstances—and those difficulties are multiplied by the institutional setting in which you work, where the focus has been more on the current or next fiscal years effects of appropriations than on the longer term budgetary consequences of the so-called entitlement programs.

What must justify the effort is its central importance. I have some sense of what you know more directly—that every Federal program has some legitimate purpose and a well-entrenched constituency; that particular groups—including those that clearly support reductions in the aggregate—will argue that its program is the exception; that one man's concept of fluff and fat is another man's perceived sacrifice; that a general consensus on a broad objective can dissolve in the process of allocating cuts. I also know that it is easy (and right) for me to say that the decisions about what should be cut back are properly yours and the President's, not mine. But I also must emphasize that, in the interests of a healthy economy and moderating tensions in financial markets, I see no alternative to large spending cuts.

In that connection, I need not linger over the desirability of prudent tax reduction and restructuring. As things stand, Federal taxes are absorbing a rising share of aggregate personal and corporate income, and the sheer size of that tax burden adds to costs and impairs incentives. But I must convey to you my conviction that decisions for substantial tax reduction must not run ahead of the harder decisions to achieve large cuts in spending programs. If these decisions are not in harness, the potential benefits of tax reduction could all too easily be swamped by inflationary forces and congested credit markets, damaging the very incentives and investment sought. And, appraisals of the beneficial effects of tax reduction on economic growth, and therefore the revenue "feedback," need to be realistic in the light of experience.

Beyond the budgetary process itself, but often related to it, are the myriad of government programs that tend to raise costs or insulate sectors of the economy from market forces. Indeed, I believe a substantial part of the inflationary bias built into our economy over the past quarter century comes from such programs.

I recognize that some of those programs reflect a conviction that, within our market-oriented system those experiencing financial and business reverses not entirely or primarily of their own making are entitled to an economic "safety net." There is a legitimate view that—at a time of economic pressure and strain—the dependence of one sector of the economy or another may at times require cushioning pressures of the weakest links in the system so that its problems do not infect others. Other programs reflect valid concerns about the environment, health, and safety. What is so necessary is to achieve a better balance between those continuing objectives and the requirements of a well-functioning competitive economy, and particularly examination of those regulations and policies that may not even serve well their immediate objectives.

Accomplishing these goals will require an enormous effort by the Congress and the Administration in the months and years ahead. We are talking about changing behavior patterns that are grounded in an assumption that inflation will continue—an assumption that has been years in the making. Achieving that change is not a simple process. But neither is it beyond our collective capacity, working together with the understanding of what is at stake. The result will repay the effort many times over. It is that understanding that is critical to success, and that I hope will underlie your deliberations and actions in the weeks and months ahead.

STATEMENT OF ALICE M. RIVLIN

Mr. Chairman, I am pleased to appear before this Committee as you prepare to consider appropriation requests for fiscal year 1982 and proposed supplementals and rescissions for the current fiscal year.

As the Congress reexamines the 1981 budget and begins work on 1982, the serious difficulties of the current economic and budgetary situation are apparent.

Federal spending has grown rapidly in the last several years. Unified budget outlays grew by 17.4 percent in 1980, and they are expected to grow by over 14 percent in 1981. Total outlays would grow by another 12 percent in 1982 under President Carter's spending proposals. Outlays as a percentage of GNP are projected at 23 percent for 1982 in the Carter budget, a full 2 percentage points higher than the goal set by President Carter when he took office.

Budget deficits have persisted in good years and bad. The federal budget has not been in balance since 1969. During the last six years, the cumulative budget deficit has been $306 billion. If spending by the Federal Financing Bank (FFB) and other off-budget entities is included, the total budget deficit since 1975 has been $368 billion. The 1981 budget is now projected to have a deficit of at least $55 billion—$78 billion if off-budget outlays are included. As a result of these deficits, as well as a further deficit in 1982, the federal debt is projected to exceed $1 trillion during the next fiscal year.

Half of the growth in outlays since 1975 has been in Social Security and other payments for people. Most of these payments are mandatory entitlements under current law, and are indexed directly or indirectly for inflation. They now consitute almost 50 percent of the budget. CBO projects that these payments will grow by $240 billion over the next five years under current law, as the retired population expands and adjustments are made for increases in the cost of living.

Increased benefit payments coupled with desired and built-in spending, will make it extremely difficult to slow spending growth. CBO's preliminary projections of federal outlays over the next five years suggest that spending growth will average at least 10.5 percent a year under current policies. Both the Congress and the new Reagan Administration have expressed a strong commitment to expand the rate of defense spending, which under current policy is already projected to increase by an average of over 12 percent annually. The growth in benefit payments for individuals is projected to average 11.5 percent. Reductions in entitlement benefits and other nondefense spending programs have proved very difficult to achieve in the past.

The current outlook for a sluggish economy and continued high inflation means that only drastic action by the Congress can reduce spending growth and budget deficits. Most economists expect slow economic growth during the next year, and some project a renewed recission in the first part of 1981. This would have the effect of maintaining relatively high levels of spending for unemployment compensation and reducing federal revenues. Inflation is expected to come down only slowly; thus, spending for indexed benefit programs will continue to grow at a healthy clip. The longer-term outlook for the economy is very uncertain; an escalation of inflation because of large oil price increases, another year of bad crops, or more severe unemployment could worsen the budgetary outlook.

This is a grim outlook for the budget. It presents a serious dilemma for the Congress in pursuing the goals of sustained tax cuts, real growth in defense spending, and a balanced budget within the next few years. Achieving these goals will require sizable cuts in nondefense spending programs.

In past years Appropriations Committees consistently have been able to reduce the President's requests for annual appropriations. But the growth in indexed benefits and other mandatory spending has allowed an increasing share of the federal budget to escape the annual competition with other programs for federal dollars.

During the past 10 years, the relative control over federal outlays that can be exerted through the annual appropriations process has fallen sharply. In fiscal year 1970, the Appropriations Committees could exert control on 59 percent of federal outlays. By 1980, this control had fallen to 41 percent, of which about half was for defense spending. If the growth of federal spending is to

be reduced in the future it is clear that committees of the Congress that have jurisdiction over entitlements and other mandated spending will have to play a greater role in achieving budgetary savings.

In the remainder of my statement, I will discuss in more detail the budget and economic outlook for both the current fiscal year and 1982.

THE CHANGING OUTLOOK FOR THE 1981 BUDGET

Less than one year ago, the Congress planned to balance the budget in fiscal year 1981. The latest estimates from the Carter Administration suggest that the 1981 budget could have a deficit of over $55 billion, almost the same size as the 1980 budget. Most of the deficit can be attributed to higher spending than was contemplated by the first resolution, not to lower revenues. As shown in Table 1, the first resolution set an outlay target of $613.3 billion. President Carter's 1982 budget submitted 12 days ago estimates 1981 outlays at $662.7 billion, almost $50 billion higher.

TABLE 1.—FEDERAL BUDGET TOTALS FOR FISCAL YEAR 1981

[In billions of dollars]

	First Budget Resolution	Second Budget Resolution	President Carter's budget
Revenues	613.8	605.0	607.5
Outlays	613.3	632.4	662.7
Surplus or deficit (−)	.5	−27.4	−55.2
Budget authority	697.2	694.6	726.5
Debt subject to limit	934.4	978.6	987.3

Most of the increase in 1981 spending estimates resulted from events over which the Congress has little or no control under current laws. While the first resolution was being debated, the economy declined more than expected as a result of tight monetary policy and credit controls. During the April-June quarter, the economy declined in real terms at a 9.9 percent annual rate, the sharpest single-quarter contraction of the post-World War II period. This pushed up unemployment to higher levels than expected, and triggered extended unemployment insurance benefits. The automobile industry was particularly hard hit, and trade adjustment benefits were provided to unemployed auto workers. As a result, unemployment benefit costs rose sharply in 1980, and are projected to remain at fairly high levels in 1981. This accounts for over $7 billion of the increase in estimated spending from the first resolution.

Higher interest rates during the last several months account for an even larger part of the increase in 1981 estimated outlays. Net interest costs are now projected to be over $8 billion higher than assumed for the first resolution. The increase in interest rates also means that the cost of student loan insurance will be higher, that fewer federal loan assets will be sold to the public, and that federal assistance to failing thrift institutions will be more than expected a year ago. This adds another $3 billion to the 1981 outlay estimates.

Spending for various indexed benefit payments and other transfer programs that are affected by inflation and high unemployment is now projected to be almost $8 billion higher than estimated for the first budget resolution. The largest increases are for federal employee retirement benefits and health care services, partly as a result of the failure of the 96th Congress to achieve the cost savings contemplated for these programs in the first resolution.

Defense spending is also up about $7 billion from the level assumed for the first budget resolution. Part of this increase results from a larger October 1980 pay raise for both military and civilian employees than was assumed for the resolution. Most of the increase, however, is the result of higher spending rates for procurement of weapon systems, together with stepped-up defense activities and fuel costs.

Unexpected events also cause increases in federal spending. For example, disaster assistance and Corps of Engineers spending will be about $2 billion higher in 1981 than expected because of Mt. Saint Helens and other natural disasters last year. The heavy influx of Cuban/Haitian entrants last year will also cause 1981 spending for refugee assistance to be higher than expected a year ago. The recent Penn Central settlement will add another $2.1 billion to federal spending in 1981.

On the revenue side, expected receipts have fallen off slightly because of lower incomes than were assumed for the first budget resolution. Current law revenues for 1981 are now projected to be about $605 billion. President Carter's 1982 budget proposes a net tax increase of $2.5 billion in 1981, largely as a result of his proposal for a 10-cents-per-gallon increase in the federal gasoline tax. The second budget resolution approved in November, however, assumed a 1981 tax cut that would reduce fiscal year 1981 receipts by $10 billion. If such a tax cut were passed, with little or no reductions in spending and no other tax changes, the 1981 budget deficit could approach $70 billion. Some spending reductions can still be made in 1981, but time is rapidly running out to achieve savings of any great magnitude.

THE ECONOMIC OUTLOOK

The Carter Administration's budget estimates for fiscal year 1982 are based on a forecast of weak economic growth for a recovery period with very modest improvement in inflation. This view of the economic outlook is generally in line with the consensus forecast of business economists (see Table 2). Nevertheless, the economic outlook is very uncertain.

An acceleration of inflation and record interest rates in the last quarter of 1980 have caused most forecasters to predict a sharp slowdown, if not a decline, in economic growth together with rising unemployment during the first half of 1981. Some economists expect that the economy will bounce back vigorously after midyear, partly because of the enactment of tax cuts. Others believe that economic growth will be very weak during the next few years, given the momentum of inflation and the expectation that the Federal Reserve will pursue stringent monetary policies until the rate of inflation shows a substantial improvement.

Inflation generally is expected to remain at double-digit levels in 1981, with some moderation during 1982. The unemployment rate is generally projected to drift higher in the first half of 1981 and then decline slowly for the next 18 months. Interest rates are expected to be volatile but to remain at relatively high average levels throughout the forecast period.

TABLE 2.—CARTER ADMINISTRATION'S ECONOMIC FORECAST, CBO'S PRELIMINARY PROJECTIONS, AND THE FORECAST RANGE OF 4 COMMERCIAL FORECASTERS, 1981–82

	Carter administration forecast [1]	CBO preliminary projections [2]	Range for commercial forecasts [3]
Nominal GNP (percent change):			
1980:4 to 1981:4	12.3	12.8	11.3 to 12.6.
1981:4 to 1982:4	12.6	14.1	12.1 to 15.4.
Real GNP (percent change):			
1980:4 to 1981:4	1.7	2.2	1.0 to 3.2.
1981:4 to 1982:4	3.5	4.0	3.7 to 5.8.
Inflation (percent change in GNP deflator):			
1980:4 to 1981:4	10.4	10.3	9.1 to 10.2.
1981:4 to 1982:4	8.8	9.7	8.0 to 10.2.
Consumer Price Index (percent change):			
1980:4 to 1981:4	12.6	10.0	10.9 to 12.4.
1981:4 to 1982:4	9.6	9.7	8.8 to 10.4.
Unemployment rate (percent):			
1981:4	7.7	7.9	7.1 to 8.2.
1982:4	7.4	7.1	6.1 to 8.2.

[1] Budget of the U.S. Government, Fiscal Year 1982, p. 3.
[2] CBO's preliminary projections, prepared in late November, for analyzing the Carter administration's budget. CBO is currently working on its forecast for 1981–82.
[3] The models and dates of forecasts are: Chase Econometrics, Inc., Jan. 7, 1981; Data Resources, Inc., Dec. 24, 1980; Evans Economics, Jan. 7, 1981; Wharton Economic Forecasting Associates, Inc., Dec. 3, 1980.

Note: The forecasts are not directly comparable because of differences in economic and policy assumptions and differences in forecast dates.

Comparisons of the Carter Administration's forecast with other economic forecasts should, however, be interpreted with caution. Different fiscal policy assumptions underlie the various forecasts. In particular, all of the commercial forecasts assume some cuts in individual income taxes in 1981, and none assume an increase in the gasoline tax or withholding of taxes on interest and dividends, which are incorporated in the Carter Administration forecast. Three of the four commercial forecasts expect economic growth to be from 1.0 to 1.8 percent in 1981. That is close to the Carter Administration's estimate, but these forecasts would likely be below the Carter Administration's if they used the same assumptions for tax policy.

THE 1982 BUDGET OUTLOOK

The budget outlook for 1982 is little better than that for the current year. The growth in revenues under current law is expected to accelerate to 17.2 percent in 1982, for an increase of $104 billion, as a result of legislated increases in Social Security taxes, continued high inflation that pushes people into higher tax brackets, real economic growth, and increases in corporate and other taxes. CBO's preliminary projections for 1982 outlays under current policies show a falling off in spending growth to about 12.5 percent. The projected deficit under these assumptions declines to about $34 billion, as shown in Table 3.

The budget presented by President Carter stresses increased spending for national defense; tax cuts and spending increases to encourage capital formation and increased industrial productivity; and various measures, including a 10-cents-a-gallon increase in motor fuel taxes, to encourage energy conservation. To help offset the rise in Social Security taxes, the Carter budget proposes that individuals and employers be given an 8 percent income tax credit. Various budget reductions and proposed legislative savings would offset most of the recommended spending increases above current policy levels.

TABLE 3.—FEDERAL BUDGET TOTALS FOR FISCAL YEAR 1982

[In billions of dollars]

	CBO baseline projections	President Carter's 1982 budget	CBO reestimate of Carter budget
Revenues	708.5	711.8	711.8
Outlays	742.9	739.3	745.0
Deficit (−)	−34.4	−27.5	−33.2

The net effect of the Carter budget proposals would be a small increase in both revenues and outlays above CBO's baseline projections. CBO's analysis of President Carter's budgetary proposals, which was prepared at the request of the House Appropriations Committee and is being released today, suggests that they would result in a $33.2 billion budget deficit in 1982, compared to the $27.5 deficit estimated by the Carter Administration.

All of these budget estimates are based on relatively optimistic assumptions about the economy during the next two years. As I mentioned earlier, there is a great deal of uncertainty about how the economy will perform over this period. Two of the most important sources of uncertainty are inflation and monetary policy. Another sizable boost in oil prices above those assumed in the forecasts, or a year of bad crops, would substantially alter the outlook for the worse. With respect to monetary policy, the Federal Reserve faces the very difficult challenge of reducing inflation. Many believe that its policies are likely to choke off or delay the projected economic recovery.

Most of the risks for the budget seem to be on the pessimistic side; that is, if economic growth is slower than forecast, revenues could be much lower than currently projected and outlays higher. The size of the budget deficit will also depend to a large extent upon how large a tax cut is enacted and how much the built-in growth in federal spending can be reduced.

About half of the projected $83 billion increase in estimated outlays in CBO's baseline projections for 1982 can be attributed to cost-of-living adjustments and to the growth in recipients of various benefit payment programs that are directly or indirectly indexed for inflation. These account for $40 billion, or 48 percent of the projected increase in total outlays between 1981 and 1982 under current policies. Defense spending, other than for retired pay and projected pay raises, is estimated to increase by $10 billion in 1982 as a result of decisions made by the 96th Congress. Net interest costs are also projected to rise about $10 billion in 1982. The remaining increase is almost entirely accounted for by discretionary inflation adjustments for defense and other federal programs, and by projected pay raises for federal civilian and military employees. These adjustments would add an estimated $21 billion to outlays in 1982.

Given these built-in increases, and the pressures for increased defense spending, it will be very difficult to reduce 1982 outlays much lower than $740 billion. This does not mean that I consider such reduction an impossible task. On the contrary, I believe that considerable reductions can be made in federal spending, but that it will take a massive effort on the part of all the committees in the Congress. It is not a task that can be done by the Appropriations Committees alone, for the reasons I made clear in my introductory remarks. The CBO will shortly present a report to the Budget Committees that discusses a large number of possible actions the Congress can take to reduce the growth in federal spending.

Unless significant cuts are made in outlays in 1982, the budget deficit could easily exceed $70 billion if taxs are cut by $40 billion or more as contemplated in the second budget resolution. If the economy performs more poorly than forecast, because of poor crops or higher than projected oil price increases or a more restrictive monetary policy, the 1982 deficit could be even higher.

Mr. SCHMITT. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. SCHMITT. Mr. President, I once again compliment the distinguished Senator and chairman of the Appropriations Committee for his actions as well as his statement today.

It is clear that we are going to have an objective and clear thinking approach to chairmanship of this important committee, and it is also clear that he is inspiring subcommittee chairmen to move forward rapidly to insure that we are prepared for the evaluation of whatever proposals the new administration may make and to apply the necessary windage, as he has described, on those proposals.

Certainly no program in the Federal Government must be considered as immune from the scrutiny of our committee, of Congress, or of the administration.

The only way that we are going to see true economic reform, true economic recovery, and true adherence to the principles that he has just stated and restated so articulately is to apply an across-the-board view of the activities of the Federal Government and where they, in fact, are activities that are truly constitutional in their purpose, that is, they adhere to the intent of the Constitution, and that other activities must be reserved for other means of accomplishment.

It does not mean we can turn the clock around and turn the whole wagon around in one fell swoop, as the expression goes, but it means that we can begin, and I think the chairman has stated that so clearly not only by word today but by his actions in committee.

Certainly, I join and appreciate the opportunity to serve with him, and I appreciate his very kind remarks earlier in his statement.

Mr. HATFIELD. Mr. President, I wish to respond briefly, but before I do I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, that was a very thoughtful speech that the Senator from Oregon made today. I enjoyed it, and I will study it very carefully.

Mr. HATFIELD. Mr. President, I appreciate the remarks made by the Senator from New Mexico (Mr. SCHMITT).

I wish to underscore again by agreement that we have and a likemindedness that we enjoy here on this issue that when he speaks to the issue we are not going to be able to totally reform and make the needed changes within the next few weeks and months. In fact, in all probability, the ultimate goals that we hold in common and which I feel the Reagan administration similarly holds in common, will be achieved through not a single fiscal year but by an economic blueprint that will probably entail at least a 4-year program.

I think that one of our difficulties in the past has been that we have annualized our mentality in approaching this whole budget question. We have thought in increments of 12 months, not recognizing that some of the problems we are trying to deal with have a 50-year history and a cumulative impact.

I think we can say that we are reaping the whirlwind of some of the economic decisions that were made in the depression years of 1933 and 1934. Those decisions may have served well the needs of that day but they have lingered on through an inordinate period of time. We have not only remnants but we have programs that were created at that time in full force with all of the legislative, administrative, and regulatory embroidery that has occurred during that 30-year period.

So we are dealing with forces here that have had that kind of acceleration and escalation over a long period of time.

But I also feel very strongly, to underscore another one of the statements made by the Senator from New Mexico, that as we review these programs, whether they be entitlements or whether they be programs that are budgeted on through the appropriations process, we must apply the same demand for efficiency. We must use the same magnifying glass as we carefully review the track record in terms of cost effectiveness of all programs across-the-board, whether they be programs dealing with food stamps, educational grants, aid to the needy, housing programs, water projects, all of which the Senator and I are deeply committed and involved and concerned about, but it must include as well those others that we are equally concerned about but perhaps less directly involved in by the fact of our committee assignments, such as the programs of defense.

I have for a long while felt that the Defense establishment has enjoyed a sort of special sacrosanct status in terms of appropriations and allocations of resources, and yet when we go back to that record we find that in contractual work there have been consistent overruns, some going as high as 400, 500, or 600 percent overruns.

Therefore, it seems to me that we have to be just as concerned about the efficiency of that agency as we are the others.

As the Senator knows, if we take a temporary target of $650 billion and extrapolate the defense expenditures of $150 billion and extrapolate entitlements, as the Senator knows, the Appropriations Committee has about $100 billion remaining in terms of actual maneuvering room in budgetary allocation and resource distribution.

I think, also, that the American people are willing to tighten their belts to whatever status they occupy in this great mosaic of the American Nation, provided they are convinced that every other segment of our population is making some adjustment and belt tightening as well.

So, I think we have the responsibility on this Appropriations Committee to demand that same care in the use of the taxpayer's dollar in all agencies.

I do not focus only on the Defense Department because there are other sacrosanct agencies around this Federal Government. Some run social programs. The Senator from New Mexico mentioned the school lunch program, and that is another program that no one challenges.

I happen to be one of the most enthusiastic supporters of the school lunch program. But I see private schools in which free lunches are provided, even though those same schools may be charging $1,500 tuition, which I think indicates that the families of the students at those schools have adequate financial resources

to pay for the lunches themselves. This weakens the entire program, when maybe some of the public schools in some of our worst ghettos really need a higher per pupil resource for providing school lunches.

In other words, I think we have illustrations that we can show the committee and this Senate out of these hearings and other data that we will acquire that every single agency of Government, without question, without exception, can undergo better and closer scrutiny than they have been receiving in the past by the Appropriations Committee.

Mr. SCHMITT. Mr. President, if the Senator will yield, I think we are well on our way to doing that not only in discussions but in informal hearings. The Senator from Oregon mentioned the school lunch program. There are many discussions I have had in the last few weeks as well as the last few years with educators in New Mexico that have convinced me that even though the aims of that program are extraordinarily worthy——

The PRESIDING OFFICER. The Chair informs the distinguished Senators that Senator HATFIELD's time has expired.

There is a special order for the Senator from Idaho (Mr. SYMMS). The Chair does not see him here at this time.

Mr. SCHMITT. Mr. President, I ask unanimous consent that the Senator from Oregon and the Senator from New Mexico be allowed to use 5 minutes of Senator SYMMS' time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHMITT. The school lunch program, with worthy aims, is probably one of the basic ways we teach discrimination today because by the eligibility requirements we have in that program we are teaching kids that there are some kids who get free lunches, some who get 90 percent, and some who get 30 percent, and they know. You cannot hide it from them. All you have to do is to eat with them in their cafeterias, which I have done, and they know exactly the situation.

Not only that, there is a tremendous administrative burden that is borne by the States and the educational system to administer the program.

Another thing we discussed is not just the development and the production of the MX missile systems, which many, including myself, think is necessary, hopefully, as the last missile system for a national defense major intercontinental ballistic missile system, but when you look at the deployment advocated by the last administration, we are looking at tens of billions of dollars, which would be an extravagant use of money. There are much more efficient ways to utilize that system for our national defense.

This last week of hearings in which my Subcommittee on Labor, Health and Human Resources has begun its detailed look at the various programs, we have already seen within the CETA program that there is no comparison between the effectiveness of programs like the Job Corps, other vocational education programs and self-help programs which have come generally under the CETA banner; although they have had problems, they are extraordinarily effective; whereas the jobs programs has almost no effectiveness in solving the hard-core structural unemployed problems, hard-core individuals and, particularly, youths in this country.

Yesterday we explored OSHA and the mine safety and health program. There we see a sharp contrast between the effectiveness of those two programs. The mine safety and health program seems to be gradually working the bugs out. They are into training and planning and prevention now far more than they are into enforcement apparently, whereas over in the OSHA area they are still primarily in the enforcement area, and they still do not seem to be solving the basic problems of health and safety in the workplace; whereas in the mines we are starting to see a steady decline in accident rates.

So we have to look at those things. We are already gaining insight by which we can emphasize or deemphasize the various programs, and not only actually save the amounts in the budget and reduce the level of Federal spending, but we can improve services. That should be our aim, to do both, and I firmly believe we can do that.

I thank the Senator again for his cooperation in this matter.

Mr. HATFIELD. Mr. President, the Senator from New Mexico has focused upon some excellent examples which have emerged from the very early hearings he is holding, and in one of the busiest and most overburdened subcommittees of our Appropriations Committee. We are fortunate to have his energy at our disposal in carrying out our responsibilities.

I would add one last thought in the minute we have remaining. It seems to me that we must recognize the social security system has financial problems. The unemployment compensation fund has had difficulties and, as he has said, we must strengthen programs for those who are really the targets and who are really the ones in need of the resources.

We have proliferated and we have frittered away through criteria or lack of criteria of eligibility a lot of those dollars going to people who were less in need, and denying those who are the truly needy who were supposed to be the initial recipients and the continuing recipients in some instances.

So we must not only cut back where we can but also strengthen as he has indicated, the programs for those truly in need.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from Tennessee.

Mr. BAKER. Is there further morning business? Have the special orders been concluded?

The PRESIDING OFFICER. They have not. There is still time remaining.

Mr. BAKER. Mr. President, I am advised that the Senator from Idaho (Mr. SYMMS) does not require the time allocated to him under the special order, and I yield it back.

The PRESIDING OFFICER. Does the Senator from West Virginia care to use his remaining time?

Mr. ROBERT C. BYRD. I do not. I yield it back.

The PRESIDING OFFICER. All time is yielded back.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour with Senators permitted to speak therein up to 15 minutes each.

THE REVEREND EDWARD L. R. ELSON, CHAPLAIN, U.S. SENATE

Mr. JACKSON. Mr. President, I want to take this occasion to pay a short tribute to the Reverend Edward Elson.

Those of us who have known Chaplain Elson during all of the 12 years of his service in the Senate are especially going to miss him. We have stood together during difficult times for the Nation. With undiscourageable faith he has encouraged the democratic values and the humanitarian spirit which are the special mark of the American people.

Dr. Elson was ordained on April 27, 1930 in the Presbyterian Church of Santa Monica, Calif. in which he served as assistant pastor until September 1931. From 1931–41 he was pastor of the Presbyterian Church of La Jolla, Calif.

Commissioned a chaplain in the U.S. Army Reserve in 1930 he was on extended active duty in the Army from early 1941–46 serving in the European Theatre. He has been awarded sixteen military decorations including the Legion of Merit, the Bronze Star Medal, the French Croix-de-Guerre avec Palme, and three other foreign decorations.

In 1946 he became pastor of the National Presbyterian Church in Washington, and led in the final establishment and the erection of the new National Presbyterian Church and Center. In January 1969 he became Chaplain of the U.S. Senate.

Dr. Elson served two terms as president of the Washington Federation of Churches, two terms as president of the Military Chaplains Association and two terms as National Chaplain of the Disabled American Veterans.

It has been a great satisfaction to count Dr. Elson as loyal friend and wise counselor. I join with my Senate colleagues in wishing him the very best in the years ahead in whatever challenging tasks he undertakes.

AUTHORIZATION FOR COMMITTEE ON ENERGY AND NATURAL RESOURCES TO CONTINUE MEETING UNTIL 1 P.M. TODAY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to continue to meet on Thursday, February 5, 1981, after 11:15 a.m. until not later than 1 p.m. for a hearing and business meeting on the nomi-

nation of Donald P. Hodel as Under Secretary of the Department of the Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further morning business?

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SRI LANKA

Mr. BOSCHWITZ. Mr. President, February 4 was the anniversary of the independence of Sri Lanka. Following four centuries of Portuguese, Dutch, and British rule, Sri Lanka had to address the demands and responsibilities of independence. While facing many of the problems of other newly independent societies of Africa and Asia, the people of Sri Lanka have managed to avoid most of the difficulties. The often difficult problem faced with transfer of power has been accomplished on six occasions each following the precepts of their constitution.

While a nation of limited resources, Sri Lanka also has managed to improve the standard of living of its people. Food consumption has increased by about 15 percent to 2,200 calories per capita; life expectancy has risen to 68 years; and infant mortality has declined to 43/1000.

Equally impressive has been the willingness of the Sri Lanka Government to institute necessary reforms to maintain its economic growth. After two decades of state-directed development, the economy faltered. By the mid-1970's previous gains were being undermined by an economic decline in deteriorating public services. With the return to power in July 1977 of the United National Party under the leadership of J. R. Jayewardene, immediate measures were taken to remedy the growing economic ills. President Jayewardene took steps to free the economy from government domination and to encourage private investment. Excessive government controls were eliminated, consumer subsidies were reduced, production incentives established, and private sector savings encouraged.

The Sri Lanka Government also has sought private international investment and international assistance to build the Sri Lankan economy. Considerable success has been achieved. In 1976 they had a net loss of nearly $4 million in the private sector investment. This year the private capital flow is expected to be nearly $60 million. Sri Lanka has also benefited from substantial increases in loans and grants from a consortium of Western democracies and international financial institutions.

Sri Lanka is setting an example for much of the developing world by pursuing a policy of greater political and economic freedom and less government interference in the lives of its people. I commend President Jayewardene and the people of Sri Lanka on the success of these policies and honor them upon the completion of 32 years of independence.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, the request I am about to make has been cleared with the distinguished minority leader, I understand.

I ask unanimous consent that the time for the transaction of routine morning business, under the terms previously provided, be extended until the hour of 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANFORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DANFORTH and Mr. BENTSEN in connection with the introduction of legislation are printed under "Statements on Introduced Bills and Joint Resolutions.")

THE DEBT CEILING INCREASE

Mr. MOYNIHAN. Mr. President, in this quiet morning hour I take the opportunity to speak to the question of the increase in the debt ceiling which we are going to be discussing later today and on which we will be voting.

I wish to explore just several aspects of this question, acknowledging that it has been politicized in a way that I think has not been to the advantage of Government or much less our understanding of Government in the Nation and with the hope that after the debate that now ensues we can perhaps reach some agreement between the parties that we are not going to behave like this in the future.

The point is that in making a political issue out of an elemental obligation of Government the majority party in this body has brought about very considerable confusion, I believe, in the public mind as to just what is involved here. The basic confusion is to associate the increase in Federal spending with an increase in the debt ceiling as if increasing the ceiling leads to an increase in spending rather than the reverse.

The responsibility of the U.S. Government to pay its debt to meet its obligations is elemental, and a refusal to allow the debt ceiling to increase is in effect a proposal to cancel debt, to repudiate debt. One can easily see it as a proposal appropriate to the councils of the Bolsheviks in Petrograd in 1918 or indeed the Ayatollah Khomeini in Tehran in 1979. But one does not associate the idea of repudiating the debt of the United States with the Republican Party and one does not associate it with any responsible party.

But beyond that I wish to speak to a specific which has been very little understood and perhaps we should be more open about, and that is to say that a very considerable portion of the American debt in recent years comes about simply because the Federal Government has agreed to provide financing for what are entirely private purposes or essentially private purposes in States with quintessentially Republican representatives in this body.

For example, take the Farmers Home Administration which helps farmers buy feed, fertilizer, and seed for the 1981 growing season, which provides for the construction of single-family homes and sewage treatment facilities in towns of fewer than 10,000 persons, and which has activities all across the Great Plains. This year the Farmers Home Administration will make loans to farmers and to small towns. In order to make those loans, the Farmers Home Administration must borrow from the Federal Financing Bank which must borrow in turn from the Treasury, which must borrow from the public. The total debt of the Farmers Home Administration will increase by $12.4 billion—to do good things, to build single-family houses and sewage treatment plants and to buy seed for the coming crop season. That is a lot of money $12.4 billion. A billion minutes ago St. Peter was 10 years dead. If I may say, very precious little of that money comes to the State of New York. It is to the contrary. And there is a cost to that money, the Federal interest cost, and New Yorkers have unknowingly perhaps but not unwillingly been making those payments to help the Farmers Home Administration. The Senator from New York has had to stand on the floor and vote to keep those obligations while Senators from the States that have enjoyed the benefit had the pleasure of voting against the obligations and not just voting against them but saying anyone who voted for them was doing something irresponsible.

May I point out that rural electric and rural telephone systems involved the Federal Financing Bank last year in some $4.2 billion. Almost none of it was spent in my State. Almost all of it was spent in the States of those Senators who chose to vote no in keeping those obligations, seeing that those rural electrical systems do not go bankrupt and that those rural telephone systems do not fail to meet their obligations. Those are the Senators who voted no and who said to vote yes was irresponsible.

The problem is that no one back home connected that rural electrification project with his Senator's vote and we did not either, which was perhaps our mistake.

The Tennessee Valley Authority is a program of which any New Yorker might be proud because it was first proposed by President Roosevelt, but it is not in New York. It is in a place called the Tennessee Valley.

Now, this year there will be added $2.5 billion to the Federal debt in the form of the acceptance of bonds issued by the Tennessee Valley Authority. What that means is that the Tennessee Valley Authority can borrow money at a lesser rate than it would on the open market, and build enterprises in the Tennessee Valley, in that region, which benefit those people and, in turn, however, the Federal Government has to borrow money to lend to them through the Federal Financing Bank.

In the confirmation hearings on David Stockman, who is now, of course, the Director of the Office of Management and Budget, my very good friend, the distinguished junior Senator from Tennessee, said—

Surely, you do not believe the Federal Financing Bank should be restricted in its activities when it is so important to the TVA and the people of my State?

And David Stockman responded that well, yes, he believed in helping the TVA. He also believed in double-entry bookkeeping. He said what you save here somebody pays over there, and he said that the people of New York and Massachusetts—he volunteered those examples—are paying to subsidize activities in the Tennessee Valley.

Yet when we had to vote on the debt limit last June 26, I am sorry to say that it was not possible to find anybody from the State of Tennessee voting to extend the debt limit. They want the TVA to borrow $2.5 billion through the Federal Financing Bank and the U.S. Treasury, but they certainly do not want to be held responsible for meeting those obligations.

I think that is an unfair distribution of burden. If all the benefits are there and all the burdens are here, well, perhaps, we can do without the TVA.

I know a distinguished Member of this body who in 1964 suggested it be sold. I will not name him, but he knows who he is. In point of fact, he is present.

I did not think that was such a good idea in 1964, but age and experience are opening me to new perspectives.

It is not bad; I am willing to let the Government borrow for the TVA, but I do not know why I should be driven from the Senate for doing so.

At this point, Mr. President, I would with some reluctance, but I see no alternative, put into the RECORD a newsletter published by the National Republican Senatorial Committee entitled "Targets of Opportunity" issued about this time last spring. The newsletter said, "Look out, a good opportunity is coming up."

It said: "the Democrats will vote for an increase in the national debt later this spring," and it is a good chance to jump on them.

Well, we did vote for it later that spring, because we wanted the Tennessee Valley Authority to be able to borrow from the Federal Government and build at a lower cost to the region. Can it be that nobody from Tennessee wanted that? No one from Tennessee voted for it, which I regret.

Mr. President, I ask unanimous consent that this paper be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TARGETS OF OPPORTUNITY

SMOKESCREENS, HOGWASH, MIRRORS, INFLATION, SPENDING AND THINGS THAT FLY IN THE NIGHT

If you want to learn more, read on. . . .

By now you've probably seen your Democratic opponent's press release about how he voted last week for a balanced budget, to decrease taxes and to limit spending.

He will probably be home from April 4th through the 15th waving his press release about how fiscally responsible he is.

How do you, as a Republican challenger, answer these claims?

The purpose of this target is to give you a bit of history and some facts to refute those claims. If government spending is going to be the major issue this year, then you would be well advised to get on board. The Democrats have already created "their bus" and will attempt to ride it to victory.

The first thing you might do is get your hands on the Congressional Record of Tuesday, March 25, and set aside a few hours to read the debate on SJR 380, the Roth Resolution aimed at limiting 1981 spending to 21 percent of the gross national product. Notice how Majority Leader Byrd, Budget Chairman Muskie and Democrats used every parliamentary tactic to keep the Roth Resolution from coming to an "up-or-down" vote.

Rumor has it that the Democratic leadership was so desperate to hold the Democrats in line that Committee assignments were threatened. The tactics worked because only four Democrats broke rank, to vote with Republicans on the crucial vote to table the Muskie "smokescreen" substitute. It lost 45–52, so four more votes would have changed the outcome.

Of the Democrats up for reelection this year, only Stone and Talmadge voted with the Republicans, so the rest are fair game. On final passage of the Muskie, "House of Mirrors" substitute only Stone held his ground. Magnuson switched to vote with the Republicans against the Muskie substitute.

Some Facts . . .

The Roth Resolution would limit fiscal 1981 spending (October 1, 1980-September 30, 1981) to 21 percent of GNP, or, according to Senator Roth to $596 billion. Muskie said 21 percent would amount to $584 billion.

President Carter and the Democrats want to "balance the budget" at $613 billion. In fiscal 1980 spending was set at $547.6 billion, a figure which will almost certainly be changed within the next few months. We are predicting an increase of about $20 billion more than the figure that was agreed on last December in the final binding budget resolution.

The Democrats want to use about $58 billion more in taxes, including the new Windfall Profits Tax (passed March 27), increases of at least $387 on every worker in increased social security taxes beginning 1981 (right after the elections), Carter's new oil import fees (they will increase the gasoline prices 10 cents per gallon) and taxflation (see Target No. 5) to balance the budget.

The Republicans, by holding spending to a lower level, hope to root out waste, fraud and abuse, and return surpluses to taxpayers to provide some equity against inflation.

The difference in the Roth approach ($596 billion) and the Muskie approach ($613 billion) is $17 billion that could go for tax relief.

As you read this bulletin, the Democrats on the Budget Committee are running a preview of what they will do next Spring regardless of what the spending limit is—they are busting through the spending limits they agreed on only 100 days ago. They are showing their disregard for any statutory limit and their lack of commitment to budget restraints.

Senator Roth has pledged he will continue to offer his substitute throughout this session. Only when the Democrats become worried enough politically will they come over to the Roth side.

Interest on the national debt in the 1981 budget is $85.2 billion. Over 20 percent of that, or about $17 billion will be paid to foreign nationals. Yet the Democrats will vote for an increase in the national debt later this Spring if new taxes do not offset the increase in spending for 1980.

Three times on March 27, the Democrats on the Budget Committee had a chance to vote for fiscal restraint in spending that is going on right now. They rejected two attempts to hold the 1980 spending at the previously acceptable $547.6 billion level. Then they rejected a compromise to increase that level by over $10 billion.

An example of the hypocrisy which is going on is Gary Hart.

More facts . . .

On March 25th, Senator Hart voted for the Muskie substitute thereby endorsing the idea of new taxes, including the Windfall Profits Tax, to balance the budget at $613 billion.

Then on March 27th, he voted against the Windfall Profits Tax thereby removing that source of revenue. The Windfall Profits Tax passed by a wide margin.

Within hours, in Committee, he opposed holding the line on the 1980 budget twice, and even opposed increasing it by only $10 billion. He had voted only 100 days earlier for the $547.6 billion level.

Others may fall into the same category. And other votes can be identified to make a case against your opponent's fiscal irresponsibility.

Excerpts from the March 25, 1980 Congressional Record, pp. S2911–S2959:

Senator ROTH. This substitute (Muskie's) to balance the budget with higher taxes will not stop inflation. But it will allow the big spenders and the big taxers off the hook.

This proposal is nothing but a smokescreen substitute—a smokescreen to hide the attempt to balance the budget with paper spending cuts and enormous tax increases.

Senator MUSKIE. In short, achieving the 21 percent of GNP target suggested by Senate Resolution 380 (Roth's) may be theoretically possible in 1981. But to seriously attempt it would be unacceptable to most Americans and most Members of the Senate.

Senator PERCY. The Resolution before us will require cuts of about $25 billion in next year's budget. The $13 billion in cuts the President has recommended are not sufficient—without a tax increase—to bring the budget into balance. It is time we told the American people this truth and ceased play-

ing games with them. This President plans to balance the budget with tax increases when taxes are already at their highest level since World War II.

Senator WEICKER. This balanced budget is going to be achieved principally by the application of massive new revenues, and how that will solve inflation is beyond me.

Senator MCCLURE. We here today propose a clear, decisive, definitive step to take charge again of that Government, and I long to have the people know what we, on this side think and say and want to do to bring that Government under control, at long last.

Anticipated Senate Floor Votes

Some interesting Senate floor votes on the railroad industry during the week of March 31 could provide some targets of opportunity.

Monday, March 31: No action.

Tuesday, April 1: The Senate will take up the railroad deregulation bill under a time agreement.*

The purpose of the bill is to reform economic regulation of railroads by revising ratemaking provisions, changing the structure of the railroad industry, clarifying ICC's powers, and making other changes. Amendments are expected.

Wednesday, April 2: Possible consideration of a bill designed to expedite the issuing of patents.

Thursday, April 3: Although the Easter recess is from April 4 through the 14th, it's likely that the Senate will also be out on April 3.

Special note: Sometime next week all campaigns will receive the "Issues '80" book from Senator Heinz. This material was prepared by the House Republican Conference Committee and contains some dynamite issues including the "Misery Index" and the "Dollar's Decay."

This book is must reading! We were lucky to receive a limited number of copies. It will help win elections.

SENATE COMMITTEE MEETINGS AND HEARINGS

Democratic opponent, date, committee.

Hollings, Magnuson, Eagleton, Inouye, Bumpers: March 31.—Appropriations Committee. State, Justice, Commerce and the Judiciary Subcommittee hearings on the proposed budget estimate for the Chrysler loan guarantee program.

Inouye, Leahy: April 1.—Foreign Operations Subcommittee hearings on proposed budget estimates for fiscal year 1981 for foreign assistance programs.

Magnuson, Hollings, Hart: March 31-April 3.—Budget Committee. Mark-up session continues on the First Budget Resolution for fiscal year 1981.

Nelson, Eagleton, Cranston: April 1.—Labor and Human Resources. The full committee continues its oversight hearings on OSHA.

Cranston, Talmadge, Stone, Durkin: April 2.—Veterans' Affairs Committee. Hearings on the recruitment and retention of qualified health-care professionals to staff the Veterans' Administration's health care facilities.

Nelson, Long: April 3.—Finance Committee. Subcommittee on Social Security will hold hearings on the Social Security retirement test.

Eagleton, Glenn: April 3.—Governmental Affairs Committee. Hearings on a bill to establish a Commission on the international application of antitrust laws.

The Senate will be in recess from April 4 to April 14, 1980.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that, along with my previous submission, there be printed in the RECORD the voting record of the debt-limit vote that came in June.

There being no objection, the vote was ordered to be printed in the RECORD, as follows:

SENATE VOTING RECORD No. 257

Bill No.: H.J. Res. 569.

Subject: Passage of the bill which extends the public debt limit through February 28, 1931 at an increased amount equal to $525 billion, which combined with the $400 billion permanent level, makes a total public debt of $925 billion. (See also Vote Nos. 159, 173-175 on prior extensions.)

Note: H.J. Res. 569 became Public Law 96-286, approved June 28, 1980.

H.J. Res. 569: Vote Nos. 255-257.

Result: Joint resolution passed.

YEAS (54)

Democrats (46 or 84%):

Baucus, Bayh, Bentsen, Biden, Bradley, Bumpers, Burdick, Byrd, Robert C., Chiles, Church, Cranston, Culver, Durkin, Eagleton, Exon, Ford, Glenn, Gravel, Hart, Hollings, Huddleston, Inouye, Jackson, Johnston, Leahy, Levin, Long, Magnuson, Matsunaga, McGovern, Melcher, Metzenbaum, Mitchell, Morgan, Moynihan, Nelson, Pell, Randolph, Riegle, Sarbanes, Stennis, Stevenson, Stewart, Stone, Tsongas, Williams.

Republicans (8 or 21%):

Bellmon, Chafee, Danforth, Javits, Mathias, Packwood, Stafford, Weicker.

NAYS (39)

Democrats (9 or 16%):

Boren, Byrd, Harry F., Jr., DeConcini, Heflin, Nunn, Proxmire, Pryor, Sasser, Zorinsky.

Republicans (30 or 79%):

Armstrong, Baker, Boschwitz, Cochran, Cohen, Dole, Domenici, Durenberger, Garn, Hatch, Hatfield, Hayakawa, Heinz, Helms, Humphrey, Jepsen, Kassebaum, Laxalt, McClure, Percy, Pressler, Roth, Schmitt, Schweiker, Stevens, Thurmond, Tower, Wallop, Warner, Young.

NOT VOTING (7)

Democrats (4):

Cannon—2, Kennedy—2, Ribicoff—2AY, Talmadge—2.

Republicans (3):

Goldwater—3, Lugar—2, Simpson—2AN.

Explanation of absence: 1—Official Business, 2—Necessarily Absent, 3—Illness, 4—Other.

Symbols: AY—Announced Yea, AN—Announced Nay, PY—Paired Yea, PN—Paired Nay.

ANALYSIS OF ISSUE VOTED ON:

Party cohesion:
Democrats—84 percent.
Republicans—79 percent.
Measure of Party Support on Issue as Voted on:
For (54):
Democrats—46 or 85 percent.
Republicans—8 or 15 percent.
Against (39):
Democrats—9 or 23 percent.
Republicans—30 or 77 percent.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I am happy to yield to my friend from Arizona.

Mr. GOLDWATER. I have been enthralled sitting here listening to my good friend from New York. It seems like I was sitting some place 16 or 17 years ago.

The peculiar thing here about the Tennessee Valley Authority is you will recall that when the Hoover Commission was formed in the late 1940's, they made recommendations. One of the recommendations was—

Sell the Tennessee Valley Authority if you can only get a dollar for it.

The argument, I think today, is a very sound one. If I lived in Tennessee I would want my State to own the Tennessee Valley Authority or have some private company own it that could pay my State taxes for operating it.

That would help my people, it would help build schools, it would help build roads. But, no, as the Senator suggests they continue to borrow money. He did not mention the interest rate. I am not sure what the rate is, but I do not think it is 20.5 percent.

Mr. MOYNIHAN. The rates are lower, may I say, because they borrow from the Federal Treasury, and get that subsidy.

Mr. GOLDWATER. The Senator is so absolutely right in his arguments. I agree with everything the Senator has said.

I think if we are going to get on top of this inflation problem, if we are going to ever hope to balance the budget, we are going to have to begin to say to some of our privileged Americans—

We have gone far enough. Now it is time you go it on your own.

It is going to be rough, it is going to be tough, but I would rather have it rough and tough on a relatively few people than rough and tough on 230 million people.

As a Republican I want to thank my Democratic friend for preaching the gospel to my party. I hope we listen.

(Mr. SYMMS assumed the chair.)

Mr. MOYNIHAN. I thank my friend, the distinguished chairman of the Intelligence Committee.

There is a story of the English clergyman Sidney Smith, who met a friend in Fleet Street one day and he said—

I am just on my way to St. Paul's to pray for you, but with very little expectation of success.

I do not know whether the majority party in this body can be converted but, Mr. President, I do not mind so much voting to allow borrowing by the Tennessee Valley Authority and the rural electric co-ops and telephones and sewage systems in small towns in Kansas and Nebraska, but I do kind of resent the people for whom one is voting trying to get rid of those of us in the Senate who vote for them.

The majority party had better watch out. If they succeed and drive us from this body one by one there will be nobody to vote for their programs in the future. They do not vote for them. They insist that we do, and they will look up one day and there will not be anybody in this body who will vote for the TVA, and then how will they explain that back home?

Prudence, gentlemen and ladies. You need us over here, and that is why, Mr. President, I ask unanimous consent at this point in the RECORD that we print a

*An agreement between the Majority and Minority Leaders on when the vote will be taken, how long the debate will be, how many amendments will be considered, etc.

statement by the National Conservative Political Action Committee which targets 20 Senators—I have to tell you I am one of them—for 10 grievously wrong votes in the last Congress, and among these grievously wrong votes was the June 26 increase in the national debt of $46 billion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NCPAC LOOKS AHEAD TO 1982

WASHINGTON, D.C.—With the 1980 election exactly one week old, the National Conservative Political Action Committee (NCPAC) today announced a list of 20 liberal senators as "potential" targets for the 1982 Senatorial elections.

John T. (Terry) Dolan, Chairman of NCPAC, in announcing the list, said: "These politicians have consistently opposed tax cuts, voted against balanced budgets and against a strong national defense. And of course, almost all of these Senators voted to give away America's Panama Canal."

Among those Senators on the target list were Ted Kennedy of Massachusetts, Howard Metzenbaum of Ohio, Don Riegle of Michigan, Paul Sarbanes of Maryland, and Harrison Williams of New Jersey.

Dolan said that the final list of targeted Senators would be determined after analyzing election and polling results and polling NCPAC's contributors to determine the most important targets. NCPAC also intends to explore the possibility of attempting to defeat the Senators in primaries as well as in general election contests. The possibility of targeting key liberal leaders in the House of Representatives like Morris Udall, Majority Leader Jim Wright and Phillip Burton is also being considered.

Dolan added that there was nothing "personal" about the campaign against the liberal Senators. "We feel that they are loyal Americans with good intentions who are simply wrong. Wrong because the policies they support have given America record inflation, unemployment and high interest rates. Wrong because the policies they support have weakened America's national defense. And wrong because these 20 Senators simply do not represent the mainstream of American politics or the states they represent."

Dolan said that no determination has been made about budgets for the targeting program, but said that the amount would certainly exceed the $1.2 million NCPAC spent on its independent effort in 1980.

Senators		Panama Canal (1)	Kemp-Roth (2)	New York City bail-out (3)	B-1 bomber (4)	Aid to Nicaragua (5)	Neutron bomb (6)	$88 billion tax increase (7)	Salt II (8)	Increase national debt (9)	Department of Energy (10)
Kennedy	6.5	Wrong	Wrong	Wrong	Wrong		Wrong				
Riegle	7.75	Wrong	Wrong		Wrong		Wrong	Wrong	Wrong	Wrong	
Metzenbaum	8.25	Wrong	Wrong		Wtong	Wrong	Wrong	Wrong	Wrong	Wrong	Wrong.
Sarbanes	9.0	Wrong	Wrong		Wrong	Wrong	Wrong	Wrong	Wrong	Wrong	Wrong.
Williams	12.0	Wrong	Wrong	Wrong	Wrong	Wrong	Wrong	Wrong		Wrong	Wrong.
Jackson	15.75	Wrong	Wrong	Wrong	Wrong	Wrong	Right	Wrong	Wrong	Wrong	Wrong.
Burdick	17.5	Right	Wrong	Right	Wrong	Right	Right	Wrong	Wrong	Wrong	Wrong.
Moynihan	19.0	Wrong	Wrong		Wrong	Wrong	Right	Wrong	Wrong	Wrong	Wrong.
Melcher	21.75	Right	Wrong	Wrong	Wrong	Right	Wrong	Wrong	Wrong	Wrong	
Matsunaga	22.75	Wrong	Wrong		Wrong	Wrong	Wrong	Wrong	Wrong	Wrong	Wrong.
Stafford	24.5	Wrong	Wrong	Wrong		Wrong	Right	Wrong		Wrong	Wrong.
Chafee	24.5	Wrong	Right		Wrong	Wrong	Wrong	Wrong	Wrong	Wrong	
Weicker	34.75	Wrong	Wrong	Wrong	Right	Wrong	Wrong	Wrong	Right	Wrong	Wrong.
Proxmire	34.75	Wrong	Right	Wrong	Wrong	Right	Wrong	Right	Wrong	Right	Wrong.
Byrd	38.75	Wrong	Wrong	Wrong	Wrong	Right	Right	Wrong	Wrong	Wrong	Wrong.
Sasser	41.0	Wrong	Wrong		Right	Wrong	Right	Wrong	Wrong	Right	Wrong.
Cannon	49.0	Wrong	Wrong	Right	Right		Right	Wrong	Wrong		Wrong.
DeConcini	50.25	Wrong	Wrong		Right	Wrong	Wrong	Right	Wrong	Right	Wrong.
Bentson	53.0	Wrong	Wrong	Wrong	Right	Wrong	Right	Wrong	Wrong	Wrong	Wrong.
Chiles	55.75	Wrong	Wrong	Wrong	Wrong		Right	Wrong	Wrong	Wrong	Wrong.

LIBERAL SENATORS UP IN 1982: VOTING RECORD ON 10 KEY ISSUES

1. Panama Canal giveaway. April 18, 1978. CQ 119.
2. Kemp-Roth tax cut. Oct. 6, 1978. CQ 447.
3. New York City bail-out—almost $7 billion in "loans." Dec. 6, 1975. CQ557.
4. Against building B-1 bomber. July 18, 1977. CQ 297.
5. $75 million in aid to Nicaragua, January 1980. CQ 17.
6. Against producing neutron bomb. July 13, 1977. CQ 280.
7. $88 billion tax increase in 1981, and $47 billion deficit in 1980. June 12, 1980. CQ 200.
8. Withdrawing SALT II from Senate consideration. Jan. 22, 1980. CQ 2.
9. Increase national debt another $6 billion to $925 billion. June 26, 1980. CQ 254.
10. Create Dept. of Energy at cost of $10 billion its first year alone. May 18, 1977. CQ 148.

Mr. MOYNIHAN. One could make an argument for or against these activities, but I do not think it is good politics, in the best sense of that word, for us to so misrepresent the nature of the national debt that one feels comfortable asking for the defeat of those Senators who have stood on this floor and said: "We will meet the responsibilities of the Federal Government. We will not repudiate our debt and we will not abolish those programs very important to the Members on the opposite side of the aisle, who have never been required at home to associate those things they value in rural electrification, the TVA, and so forth, with the borrowings of the Federal Government which makes those things possible."

Mr. President, I ask unanimous consent that a summary of the Federal Financing Bank's acquisitions, as included in a special annex of the President's budget message, be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

TABLE F-4.—FFB ACQUISITIONS

[In millions of dollars]

Agency or program	1980 actual	1981 estimate	1982 estimate
Purchase of loan assets from:			
Overseas Private Investment Corporation (FAP):			
New acquisitions			
Net outlays	−4	−5	−5
Outstandings	33	28	23
Farmers Home Administration CBO's (USDA):			
New acquisitions	11,381	16,070	7,531
Net outlays	6,881	12,420	6,056
Outstandings	37,961	50,381	56,437
Rural Electrification Administration CBO's (USDA):			
New acquisitions	689	516	624
Net outlays	689	516	624
Outstandings	1,912	2,428	3,052
Medical facilities guarantees (HHS):			
New acquisitions			
Net outlays	−4	−4	−5
Outstandings	164	160	155
Health maintenance organizations (HHS):			
New acquisitions	39	52	76
Net outlays	26	51	59
Outstandings	105	156	215
Small business development company loans (SBA):			
New acquisitions			
Net outlays	−15	−15	−15
Outstandings	89	74	59
Other agencies and programs:			
New acquisitions			
Net outlays			
Outstandings	177	177	177
Subtotal, purchase of loan assets:			
New acquisitions	12,110	16,637	8,230
Net outlays	7,572	12,962	6,713
Outstandings	40,442	53,405	60,118
Direct loans (purchases of loans guaranteed by agencies):			
Foreign military sales credit (FAP):			
New acquisitions	2,380	2,600	3,000
Net outlays	1,932	2,010	2,220
Outstandings	7,209	9,219	11,439
Rural Electrification Administration (USDA):			
New acquisitions	2,498	4,258	5,129
Net outlays	2,498	4,258	5,129
Outstandings	8,424	12,682	17,810
Guarantees of SLMA obligations (DEd):			
New acquisitions	1,070	1,095	1,923
Net outlays	1,070	1,095	1,923
Outstandings	2,345	3,440	5,363
Electric hybrid vehicles (DOE):			
New acquisitions	1		
Net outlays	1		
Outstandings	1	1	1
Low-rent public housing (HUD):			
New acquisitions	119	1,458	957
Net outlays	119	1,457	942
Outstandings	119	1,576	2,517
Community development grants (HUD):			
New acquisitions	45	270	272
Net outlays	34	249	230
Outstandings	46	295	527

TABLE F-4.—FFB ACQUISITIONS—Continued

[In millions of dollars]

Agency or program	1980 actual	1981 estimate	1982 estimate
New communities (HUD):			
New acquisitions			
Net outlays	−5		
Outstandings	34	34	34
Loans to territories (Interior):			
New acquisitions	9		
Net outlay	9	(*)	(*)
Outstandings	66	66	66
Railroad programs (DOT):			
New acquisitions	1,222	545	325
Net outlays	161	210	318
Outstandings	1,142	1,352	1,670
Public building CBI's [1] (GSA):			
New acquisitions	42	110	6
Net outlays	40	109	−1
Outstandings	458	567	566
Satellite leases (NASA):			
New acquisitions	107	102	144
Net outlays	107	102	144
Outstandings	530	632	776
Small business investment companies (SBA):			
New acquisitions	149	360	360
Net outlays	142	342	330
Outstandings	478	820	1,150
TVA's Seven States Energy Corporation:			
New transactions	2,436	3,437	4,502
Net outlays	685	277	257
Outstandings	685	962	1,219
Subtotal, direct loans (purchase of loans guaranteed by agencies):			
New acquisitions	10,079	14,236	16,616
Net outlays	6,792	10,109	11,493
Outstandings	21,536	31,646	43,139
Subtotal, all direct loans and purchases of agency loan assets:			
New acquisitions	22,188	30,873	24,846
Net outlays	14,365	23,072	18,206
Outstandings	61,978	85,050	103,257
AGENCY BORROWING ADDENDUM			
By on-budget agencies:			
Export-Import Bank:			
Net change	2,114	2,582	3,067
Outstandings	10,067	12,649	15,716
Tennessee Valley Authority:			
Net change	1,810	2,200	2,100
Outstandings	8,935	11,135	13,235
National Credit Association:			
Net change	90	210	300
Outstandings	90	300	600
By off-budget Federal entities:			
U.S. Railway Association:			
Net change	36	−258	30
Outstandings	482	224	255
Postal Service:			
Net change	−67	−232	−67
Outstandings	1,520	1,288	1,221
Agency borrowing:			
Net change	3,983	4,503	5,430
Outstandings	21,094	25,596	31,027

[1] Certificates of beneficial interest.

Mr. MOYNIHAN. Mr. President, I thank the Chair. I believe my time has now expired.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MOYNIHAN. Mr. President, I thank the Chair for his gracious patience as I think I probably used more than a few minutes extra.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. JEPSEN assumed the chair.)

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the distinguished Senator from Idaho, Mr. SYMMS.

(The remarks of Mr. SYMMS and Mr. JEPSEN in connection with the introduction of legislation are printed under "Statements on Bills and Joint Resolutions.")

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. SYMMS). The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1901, as modified February 3, 1981, appoints the Senator from Kansas (Mrs. KASSEBAUM) to read Washington's Farewell Address on February 16, 1981.

THE EXPORT TRADING COMPANY ACT OF 1981, S. 144

Mr. JEPSEN. Mr. President, I rise in support of the Export Trading Company Act of 1981, S. 144, introduced by my distinguished colleague from Pennsylvania (Mr. HEINZ). I am pleased to be a cosponsor of the bill.

As Senator HEINZ indicated in his statement January 19, our trade deficit is getting progressively worse; in fact, it could run to $50 or $60 billion this year. Although this bill will not solve all of our trade problems, it is a step toward lowering this deficit—a deficit not owed to the American people, but to our foreign trade partners. This bill will promote the export trade so vital to the economy of Iowa, as well as the Nation's economy.

Title 1 of the proposed legislation promotes export trade by increasing the financial leverage of exporters. Passage of this act would permit banks to make a limited investment in export trading companies. An improved guaranteed program to support commercial loans would be developed by the Export-Import Bank. Furthermore, title 1 directs the Secretary of Commerce to promote export trading companies by providing information about these companies to producers.

Title 2, a revision of the Webb-Pomerene Act of 1918, permits companies to obtain preclearance for specific trade export operations. This gives a company clear knowledge about activities that will become subject to antitrust action. I urge my colleagues to become familiar with the numerous benefits offered in the specifics of this bill.

In Iowa, our export trade situation is much healthier than in most other States. The percentage of Iowa manufacturing companies that export is twice that of the national average. Presently, 750 companies in Iowa are exporting manufactured goods. More importantly, 300 more companies have expressed interest in exporting. They have not done so for a variety of reasons, but hopefully this bill will eliminate many of the obstacles they face.

One purpose of this bill is to encourage small- and medium-sized companies to join together and form viable export trading companies and associations. Because of current law, many companies are inhibited by antitrust fears. Furthermore, the bill would allow small- and medium-sized companies to combine capital and spread out risks. This would improve their ability to compete in the export market.

Finally, passage of this legislation would allow the banking community to become involved in export trade. Specifically, this would provide the much-needed financial resources and expertise to export trading companies and associations so that they may participate in the competitive export market.

Iowa's export business accounted for approximately 15 percent of the gross State product in 1978. If the national percentage could match Iowa's, then our country would be operating at a $136.4 billion surplus of trade.

Mr. President, I feel that much of Iowa's success in the export market can be attributed to the trade missions, seminar, and referral services performed by the Iowa Development Commission. This bill encourages the use of intermediaries to provide similar marketing and financial tools to small- and medium-sized businesses. This type of service has worked well in Iowa, and I am confident it will work just as well on the national level.

S. 144 is a step toward lowering our ever-increasing trade deficit by providing a means for small- and medium-sized businesses to participate in the competitive export markets. I welcome the support of my colleagues in the passage of this needed legislation.

CHEMICAL WEAPONS: BUILD UP OR DISARM?

Mr. COCHRAN. Mr. President, the issue of whether the United States should manufacture binary chemical weaponry is the subject of continuing controversy. The 96th Congress took a step toward the manufacture of these weapons by funding an initial $3.15 million for construction of a production facility at Pine Bluff, Ark. Congress refused, however, to appropriate an additional $19 million for the equipment of the facility. The new Congress and the Reagan administration will very likely have to face the issue again this year.

As I noted during the debate last year, any decision to proceed with the Pine Bluff facility will have a major impact on other defense priorities, on our top NATO objective of deploying new theater nuclear weapons in Europe, and on the ongoing United States-Soviet negotiations on chemical weapons. That decision will have to be made in the midst of considerable debate over alleged Soviet use of lethal chemical weapons in Afghanistan as well as uncertainty over the Russian capacity to wage chemical warfare.

The chemical weapons controversy has been extensively explored in an excellent article in Chemical and Engineering News. The article helps to provide a more complete understanding of this critical issue.

Mr. President, I ask unanimous consent that the article "Chemical Weapons: Build Up or Disarm?" from the December 1, 1980 issue of Chemical and Engineering News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

CHEMICAL WEAPONS: BUILD UP OR DISARM?

(By Lois R. Ember)

In an antiphonal response to alleged Soviet use of lethal chemical weapons in Afghanistan and to other events, Congress recently voted $3.15 million to begin construction of a binary weapons production facility at Pine Bluff Arsenal, Ark. An amendment to the 1981 defense appropriations bill for $19 million to equip that facility almost survived final conference committee wrangling.

Almost. But for two days the next chairman of the Senate Appropriations Committee, Mark O. Hatfield (R.-Ore.), inveighed against setting a precedent in haste. He argued that little debate and no hearings had been held on the chemical weapons issue, that our NATO allies had not been consulted, that no budget request had been made by the Administration, and that the implications for arms control had not been considered. His arguments, which echo those of Harvard University biochemist and chemical-weapons expert Matthew Meselson, prevailed—at least for the moment.

Hatfield also is bothered by other concerns. One, that in a chemical war the greatest casualties would be sustained by unprotected civilians—a concern the West Germans are said to share. And two, that the weapons would become enticing munitions for developing countries that are unable to produce nuclear weapons, and for terrorists.

The conference hearings were held in closed session, but it is possible to speculate that telling arguments centered on the cost, need for, and utility of nerve-gas munitions that would have been produced at the Pine Bluff facility.

Gordon M. Burck, formerly an analyst with the Center for Defense Information, Washington, D.C., and now a consultant with MathTech Inc., Arlington, Va., says the $22 million that this Congress could have approved would have been only a down payment on a $170 million binary weapons plant. In 1984, this plant would have manufactured a binary version of an existing weapon—the 155-mm artillery shell filled with nerve gas Sarin (or GB). At a later date, 8-inch shells containing the nerve gas VX would have been produced. Burck estimates the cost of these binary replacements at $3 billion to $4 billion.

According to Meselson and another academic expert, Julian Perry Robinson of the University of Sussex, the U.S. has stockpiled a vast supply of GB and VX artillery shells. These are perfectly usable. But neither they nor their binary cousins have any military utility unless they are "forward deployed," Hatfield argues. "The problem," Meselson says, "is that almost all of our stockpile of ground-fired chemical munitions (artillery and mortar shells) is in the U.S., and we can't get it out of here because our NATO allies won't let us put it over there."

Indeed, most of the U.S.'s estimated 37,000 tons of chemicals (mustard and the two nerve gases) are stored at 11 sites in the continental U.S. But there are also small stockpiles at two sites in West Germany and on Johnston Island in the Pacific.

Setting aside the question of Soviet chemical capability, the issue of U.S. need for a new family of offensive chemical weapons and a production facility to fulfill that need is likely to resurface next year. Soon after the $19 million was stripped from the money bill, Sen. John Stennis (D.-Miss.), soon to become ranking minority member of the Appropriations Committee, characterized the deletion as a temporary postponement and not a derailing action. Sen. John Tower (R.-Tex.), who will become chairman of the Senate Armed Services Committee, is already on record as favoring binary arms.

What may change next year is the debate over the nature of the production facility. Some experts feel that the first phase of a multiphase chemical arms program should focus on bombs, not artillery shells. Military analyst Amoretta M. Hoeber of Systems Planning Corp., Arlington, Va., a consulting firm with several defense contracts, is one who believes this. She says bombs offer "flexibility in basing and use, they can be used both at the front lines and on air bases, ports, and storage sites."

Whether shells or bombs, the binary munition will produce the same organophosphorus nerve gases developed decades ago by the Germans and the British; only the packaging changes. Despite a more than twofold increase in R&D funds since 1978, the search for new lethal nerve gases, especially among the carbamate insecticides, has proved futile.

Under the binary concept, two nonlethal precursors react after firing to form the lethal nerve gas GB or VX. There is no evidence in the published literature that the Soviets have developed a binary system for their main nerve gas Soman (GD).

Binaries are being promoted because they are safer than unitary nerve gas munitions to produce, transfer, store, and discard. Yet the Army has handled the unitary weapons safely for decades. And the components that react to form the lethal nerve gases in the binaries are not harmless. Methylphosphonyldifluoride (DF), a precursor to the nerve gas GB, is as toxic as strychnine, and vapors of ethyl 2-(diisopropylamino)-ethylmethylphosphonite (QL), a precursor to VX, cause gastric distress, breathing difficulties, and a skin rash.

These safety features, however, presumably offer a psychological balm to military commanders who have a deep and abiding abhorrence of chemical weapons, which they view as too unpredictable and capricious. Presumably these features also make chemical weapons more acceptable to the NATO allies in whose countries the U.S. would like to deploy them.

Both presumptions are questionable. Nonetheless, binaries are seen as the only way the U.S. can politically re-enter the chemical arms race with the U.S.S.R., a race it dropped out of in 1969 when production of all chemical weapons was halted. Binaries are, in effect, a technological fix to the political, diplomatic, and environmental quagmire of rearmament.

Binary weapons have been on the military's drawing boards since 1949, and were ready for production in the 1970's. But even before this latest setback, the Army's persistent requests since 1974 for funds to build a binary arms facility at Pine Bluff Arsenal had been rebuffed repeatedly. Several Congresses and three Presidents have denied or deleted these requests from the budget. The reason was the fear that U.S. resumption of chemical arms production would further hamper strained bilateral U.S./U.S.S.R. chemical weapons treaty talks that have been in progress in Geneva since 1976.

That fear, argument if you will, is still valid today. Why then has the controversial and recurrent issue of chemical warfare risen Phoenixlike from the hot crucible of cold war? Why did this Congress pre-empt the President's prerogative to set defense policy?

According to the Defense Department and its military apologists, world events past and present have reached critical mass. These events have heightened tensions and tightened the spring that eventually will catapult the U.S. into renewed chemical arms production. Unless, of course, the U.S. and U.S.S.R. agree on a chemical arms accord that they can present for negotiation to the multilateral Committee on Disarmament also meeting in Geneva.

Among the events most frequently cited are the alleged Soviet release of lethal chemicals in Afghanistan; the 1979 anthrax epidemic that killed scores in the Urals city of Sverdlovsk; the capture of Soviet-supplied chemical weapons and equipment after the 1973 Mideast War; and the use of poison gases in Laos and Cambodia by Vietnam, the Soviet proxy in that region. Also, opponents of chemical rearmament add, binary weapons, long under development, are now ready for mass production.

The Soviets are said to have superiority over the U.S. in chemical stockpiles, testing facilities, training activities, equipment (but not personnel protective gear), and force structure. This has convinced some that the U.S. ought to build up its chemical stockpiles and better train its troops to fight in a chemical environment. However, the events often cited as reasons for a chemical rearmament weaken under close scrutiny.

For example, last December Soviet troops and tanks tramped into Afghanistan. Soon from rebels and refugees came reports that the Soviets had used lethal gases to flush out the resistance fighters from the craggy nooks of the Afghan landscape. Although it is likely that the Soviets used chemical weapons there, neither the Pentagon nor the State Department claims hard evidence that the weapons contained lethal gases. More likely, the Soviets used nonlethal crowd-control agents, similar to those the U.S. deployed in Vietnam. There is better, but not absolute, evidence that lethal gases were used by Soviet proxy forces in Southeast Asia.

What happened in Sverdlovsk remains a mystery. Still unresolved is whether the anthrax outbreak was due to the gastric variety, which the Soviets claim, or the inhalation variety—the result of an accident at a germ warfare production plant—which U.S. intelligence sources suspect. If the vector of death was inhalation, then the Soviets have violated the 1972 biological weapons ban treaty to which they are a signatory. Such a flagrant violation would call into question their sincerity in negotiating a viable chemical arms treaty.

Despite these 1979 events, the military was already galvanized. Nothing so stirred the Defense Department out of complacency, says department spokesman Lee DeLorme, than the chemical warfare paraphernalia and equipment captured by the Israelis from the Soviet-supplied Arab forces during the 1973 Mideast War. The captured goods supposedly indexed the massive dimensions of the defensive and offensive measures the Soviets had taken to shore up their chemical warfare capability at a time when U.S. interest and capabilities were flagging.

Critics of chemical rearmament acknowledge a better Soviet defensive posture. But they point out that the Soviets sustained the greatest chemical-related casualties and fatalities during World War I, the only time lethal chemicals have been used on a large scale. That war experience and U.S. buildup of chemical arms in the 1950's and 1960's may have sparked the Soviets' increased attention to protective measures and training in a chemical environment, the critics reason.

Soviet offensive capability is another matter. A thorough search of unclassified documents and extensive talks with knowledgeable officials have led critics Meselson, Burck, and William M. Arkin, a senior analyst with the Center for Defense Information, to conclude that there is no "hard evidence" that the Soviets have built up their offensive chemical capability in the past decade. No hard evidence that the Soviets "have or have not produced lethal chemical munitions since the U.S. stopped production" of these weapons in 1969, wrote Meselson in a recent letter to the *New York Times*. "No evidence

that the Soviet Union finds chemical weapons to be central to its conduct of military operations, and that it has integrated offensive chemical weapons into its military force structure and can't operate without them." Arkin, a former Army intelligence officer, tells C&EN.

"There is widespread belief within the department that the Soviets have an enormous chemical capability, DeLorme says, "and that they have continued over the years to increase and to modernize that capability." Yet he admits that the equipment found after the 1973 Mideast War was primarily defensive or protective in nature.

But then he counters: "When you couple the pervasiveness of their protective equipment with the level of training that they do (the fact that they train with "live" agents), plus an understanding that they view chemicals as simply another conventional weapon, I think you are led to the conclusion that they have a tremendous capability and it is part of their doctrine to use that capability."

Two arguments thread simultaneously through discussions of relative U.S./U.S.S.R. chemical warfare capabilities: the need for a strong defensive posture, and the requirement for a "credible" offensive chemical deterrent. These arguments must be untangled and examined separately.

There is unanimity that the U.S. has allowed its defensive posture to lag, and that money would be well spent on R&D to improve protective equipment and antidotes to nerve agents, and to increase training in a chemical environment.

The U.S. has begun to rectify these deficiencies. Defensive R&D expenditures have increased substantially over the past few years. The Army has set up a chemical warfare training school at Fort McClellan, Ala. And even NATO ally Britain has recently opened a 3000-acre chemical weapons test and training range near Porton Down.

These stepped-up measures are important. Meselson argues repeatedly that chemical arms are less effective than conventional high-explosive weapons in inflicting casualties once the enemy takes effective defensive measures; that is, "suits up." The Center for Defense Information concludes that "the military significance of chemical weapons in the face of an enemy's defensive capacity is not very great." Even Hoeber, who argues for a stronger chemical warfare posture, agrees with the need for good defenses.

There is no agreement, however, on whether the U.S. has a credible chemical deterrent. Opponents of an arms buildup contend that the present offensive stockpile in in U.S. is and has acted as a deterrent against the widespread use of lethal chemical weapons Presumably, U.S. military doctrine of no-first-strike use of chemical weapons but retaliation-in-kind if attacked with such weapons, plus its stated intention to use nuclear weapons if it were losing a conventional war has acted as a deterrent, they argue. Finally, some critics argue that rather than raising the nuclear threshold, a renewed U.S. chemical buildup might have the effect of lowering it.

Advocates for a buildup contend that the U.S. does not have a credible chemical deterrent, and this lowers the nuclear threshold. For example, undersecretary of Defense for research and engineering William Perry says that the U.S. has "barely enough chemical weapons" to retaliate against an enemy's first-strike use of lethal poisons. DeLorme says, "We don't have sufficient stock to fight a chemical war." Without the ability to deter the Soviets from using chemicals in a European land war, the argument goes, the U.S. and its NATO allies would be forced to resort to nuclear weapons early, or face the chemical destruction of their forces.

This fall, the Defense Science Board reviewed the U.S. chemical warfare capability. The chemical weapons task force, chaired by Massachusetts Institute of Technology chemist John Deutch, concluded that there was a chemical threat, that there was a Soviet offensive capability that needed to be responded to, and that the U.S. needed a retaliatory capability to negotiate an effective arms-control agreement.

In short, the Deutch panel felt that to deter the Soviet use of chemical weapons, the U.S. could not rely on its stockpiles of conventional or nuclear weapons. Rather, to counter a chemical attack, the U.S. must have a sufficient supply of chemical weapons to force Soviet and Warsaw Pact troops into their protective gear, and to pose a threat to their airbases and other support operations, the panel said.

To improve its chemical warfare posture, according to the panel, the U.S. should "demilitarize" the existing stockpile of unitary nerve gas arms, replace some of these with binary weapons, and improve protective measures and troop training. In particular, the panel recommended more research on the nonlethal, long-term effects of nerve agents, and on the development of antidotes to these agents.

Contrary to the opinions of Meselson and Burck and a 1974 statement of the American Society, the Deutch panel did not think that the safety of binary weapons would make their use more appealing to terrorist groups.

George Washington said that "to be prepared for war is one of the most effectual means of preserving peace." Apparently the Deutch task force would also add "and achieving arms control agreement." It felt that conversion of the U.S.'s nerve gas stockpile to binary weapons would more than likely hasten agreement on chemical weapons disarmament. Others disagree.

Four years ago, at an ACS symposium on binary weapons and chemical disarmament, Robert Mikulak of the Arms Control & Disarmament Agency said: "Congress has been asked but has not yet authorized construction of a binary production facility. I think the reasons are important. Large in the Congressional consideration, as I understand it, is concern about the possible effect of binary production, or even preparing for such production, on chemical weapons arms control negotiations. In my view, these Congressional concerns are well founded. To push ahead with binaries now would not help us to reach an effective chemical weapons agreement. Quite the opposite, in fact; one result might well be to revive pressures for an immediate and poorly verified prohibition."

Arkin agrees with Mikulak. For one thing, he does not see how building up a binary capability will significantly improve U.S. offensive capability "because we don't integrate chemical weapons into our forces anyhow." For another, Arkin feels that "production of chemical weapons at this time would be divisive in terms of arms control prospects." His Center for Defense Information fails to see a connection between renewed U.S. emphasis on chemical production and the willingness of Soviets to negotiate a treaty on chemical weapons. "What is holding up the treaty now is verification, not questions of stockpile or deterrent capabilities," Arkin says.

The military, however, believes that a chemical arms buildup is a prime deterrent to chemical warfare, and a prerequisite to arms control talks. Charles H. Bay, commander of Dugway Proving Ground, Utah, writes in Parameters, the journal of the Army War College, that such a buildup "is needed to influence the Soviet negotiating position, to reduce the risk that a war in Europe might include the use of chemical weapons, and to better cope with such an eventuality if it occurred. The need for an improved deterrent and retaliatory chemical weapons stockpile does not conflict with the desirability of chemical weapons disarmament."

Hoeber, whose opinions are likely to influence the defense policies of the Reagan Administration, supports Bay's views. She writes: "it is important not to confuse a national policy of no-first-use and a national goal of effective arms control with the need to be able, first, to cope with the imposition of a toxic environment, and second, to respond in kind if and as long as that remains a U.S. policy option. The U.S. should not curtail chemical warfare activities out of a 'spirit of the negotiations' and, in negotiating, should not continue to unilaterally constrain its security choices."

All major nations of the world are parties to the 1925 Geneva Protocol. This treaty prohibits the use in war of chemical weapons, but it does not prevent the peacetime production of these weapons. Some nations accept the protocol as an absolute prohibition; others, including the U.S., U.S.S.R., Britain, and France (the only other nation besides the U.S. and the U.S.S.R to have a militarily significant chemical arms stockpile), reserve the right to retaliate in kind if the protocol is violated by an enemy.

The weaknesses of the Geneva Protocol permitted the massive chemical warfare preparations of both the U.S. and U.S.S.R. Presumably, however, an assessment of its military utility and a repugnance for chemical warfare in general brought the two nations together. They have been meeting in Geneva since 1976 to negotiate an accord that would ban the development, production, and stockpiling of chemical weapons. Any initiative that resulted from these talks then would be presented to the multilateral Committee on Disarmament, which has been meeting separately to hammer out an agreement acceptable to its 40 members.

Progress has been made in the bilateral talks, but a major roadblock remains: verification or the means to assure that no country can create and hide a militarily significant stockpile of chemical arms.

The last bilateral talks were held in July. Then the two countries agreed in principle on the need for on-site inspection. No future talks have been scheduled. And arms control negotiator Mikulak says that progress made in the last few sessions has been only "modest." Therefore, reaching agreement on a bilateral accord is not likely anytime soon.

Most opponents of chemical rearmament feel as Arkin does. "The fact that the Soviets have been at the negotiating table since 1976 indicates that they must be concerned about the control of chemical weapons," he says. Bay and defense analyst Hoeber, however, disagree with this position. They view the long-standing treaty talks as a Soviet ruse to keep the U.S. chemical warfare posture inferior to theirs.

Hoeber writes: "Allowing a potential treaty which is merely under discussion . . . to determine the U.S. posture at this stage makes a travesty of the arms control negotiation process." She says talks are meaningless "if the Soviets can halt U.S. efforts to redress Soviet advantages merely through their continuing presence at the negotiating table, with no noticeable reins on their own programs."

Hoeber sees only one motivation for the Soviets' interest in negotiating a chemical arms ban: deception or a propaganda ploy. The Soviets' objective? "Continued debilitation of U.S. efforts to redress the balance, thus cementing an assymetry in their favor," Hoeber contends.

She wrote these words in 1978, and times change. The death of SALT II and at least the hint of some mincing steps toward negotiating a new strategic arms limitation treaty make "the prospects for arms control on chemical weapons pretty good," Arkin says. "First, because the military significance of the use of chemical weapons is questionable—giving up these weapons doesn't create national security issues; and, second, in

the coming years both sides will want to do things that will build confidence (in the other side) in their ability to conduct arms control," he elaborates.

Meselson agrees. "If President Reagan needs a new way of controlling soaring defense costs, of achieving better coordination with our European allies, and of getting a more realistic, workable arrangement with the Soviets, a chemical arms treaty could fit in," Meselson says. To date neither Reagan nor his advisers have broached the subject.

There is no doubt, though, that the Reagan Administration will have to confront the issue early and head-on. Next year, the U.S. and U.S.S.R. will be back at the negotiating table, and the controversial issue of binary weapons production will again be introduced in Congress.

This year, a $19 million item to purchase equipment to outfit a binary production facility was able for two days to stall approval of a $160 billion defense appropriations bill. Next year, Congressional debate is likely to be as heated and as emotional. Chemical warfare is a highly charged issue, both psychologically and militarily.

Clothed in protective gear, a soldier becomes a concrete symbol of man's primordial fear: the specter of death. Without such protection, the wraith becomes reality. In a chemical war, unprotected civilians are likely to be the casualties. Both the U.S. and U.S.S.R. know this. Perhaps one of the reasons for building up our offensive capability now is to present a veiled threat to the Soviet population in a chemical version of MAD, mutually assured destruction.

Certainly, the Congressional insertion of the $19 million did not evolve from an analysis of the state of our current stockpile and its deterrent capability. Such analyses are currently under way, and one coordinated by the National Security Council is expected to be ready to influence the next budget exercise.

According to Arkin, "The genesis of the decision to build binary weapons is much more connected to expressing our displeasures with the state of the military balance, with our supposed theories of the use of weapons, and with Soviet behavior in Afghanistan."

Hints of the winds of war sweep the globe. With startling regularity, adversary troops are massing along common borders. Soviet troops stand at alert, ready to nip in the bud the bloom of Polish trade unionism. Chemical weapons—positioned on the middle rung of an escalatory ladder that eventually leads to nuclear weapons—cannot be considered lightly or in isolation.

Abraham Lincoln once exhorted us to "think anew and act anew" with changing situations. He said: "The dogmas of the quiet past are inadequate to the stormy present." In reconsidering a national policy on chemical weapons in the full context of U.S. defense needs, Lincoln's words should be heeded anew.

CONCLUSION OF MORNING BUSINESS

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Does the Chair know of any other Senators who care to speak?

The PRESIDING OFFICER. Is there further morning business? If not, the morning business is closed.

Mr. ROBERT C. BYRD. Mr. President, do I still have 10 minutes reserved to me? If I do, I will yield it back.

The PRESIDING OFFICER. The Chair believes the time has been yielded back.

CENTRAL INTELLIGENCE

NOMINATION OF VICE ADM. B. R. INMAN, U.S. NAVY, TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, AND TO HAVE THE RANK OF ADMIRAL

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of Executive Calendar No. 2, the nomination of Vice Adm. B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving. The nomination will be stated.

Mr. GOLDWATER. Mr. President, before the clerk states the nomination, I ask unanimous consent that we withhold on that business and that the Senate go into executive session to consider the promotion of the same gentleman that this other matter pertains to.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, what is the request?

The PRESIDING OFFICER. The Chair will say to the Senator from Arizona we are in executive session.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that we go into executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I ask that the clerk state the nomination of Vice Adm. B. R. Inman, U.S. Navy.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Vice Adm. B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

Mr. GOLDWATER. I ask unanimous consent that the Senate approve the promotion of Admiral Inman.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, is there going to be a rollcall vote on the nomination?

Mr. GOLDWATER. On this one, no.

Mr. MOYNIHAN. On the nomination.

Mr. ROBERT C. BYRD. Mr. President, I wonder if we could have a chance to get the word out so if there is a request for a rollcall vote——

Mr. BAKER. Mr. President, may I inquire, is the nomination on the Executive Calendar which has now been laid before the Senate the nomination of Vice Admiral Inman to be Deputy Director of the Central Intelligence Agency, or a nomination to be Deputy Director of Central Intelligence with the rank of admiral?

The PRESIDING OFFICER. It is the latter.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate first proceed to the consideration of the nomination of Admiral Inman to the rank of admiral and to proceed after that to consider the nomination of Admiral Inman to be Deputy Director of Central Intelligence. That is two separate items on the calendar.

Mr. GOLDWATER. If the Senator will yield, that is just what we have done. Now we go back to regular session and the Chair has already ordered the consideration of calendar order something—I do not remember the number.

Mr. BAKER. To make sure we fully understand the parliamentary situation at this moment, Mr. President, the first item of consideration at the moment will be the promotion of Admiral Inman to the rank of full admiral.

The PRESIDING OFFICER. That has been ordered by unanimous consent.

Mr. BAKER. Following after that nomination will be the nomination of Admiral Inman to be Deputy Director of Central Intelligence.

The PRESIDING OFFICER. That is correct.

Mr. BAKER. Mr. President, I have an idea there may be a request for a rollcall vote on the second nomination to be Deputy Director of Central Intelligence. I ask unanimous consent that it be in order at this time to ask for the yeas and nays on that nomination.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. I ask for the yeas and nays on the nomination, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I thank the Senator from New York, the Senator from Arizona, and the Chair for their indulgence.

Mr. ROBERT C. BYRD. Mr. President, has the first nomination been agreed to?

The PRESIDING OFFICER. Not at this time.

Mr. ROBERT C. BYRD. I believe I reserved my right to object.

I certainly have no objection to that and I just want to make sure that we were going to give adequate notice to our respective sides with respect to a rollcall vote.

I have no objection.

NOMINATION OF VICE ADM. B. R. INMAN TO BE ADMIRAL

The PRESIDING OFFICER. The question comes first on confirming the nomination of Vice Adm. B. R. Inman to be admiral.

Mr. GOLDWATER. I ask unanimous consent that that be favorably voted on.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

NOMINATION OF VICE ADM. B. R. INMAN TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

Mr. GOLDWATER. Now may we go back to the regular business?

The PRESIDING OFFICER. The next item of business is the nomination for Vice Adm. B. R. Inman to be Deputy Director of the Central Intelligence Agency.

Mr. GOLDWATER. Mr. President, I shall not take long on this matter.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield to the distinguished majority leader.

Mr. BAKER. Mr. President, I ask unanimous consent that the rollcall vote on this nomination occur at 1:30 p.m. today.

Mr. ROBERT C. BYRD. Reserving the right to object, Mr. President, I do so only to thank the majority leader for making this request. There is a Member on my side who had to leave the office, I understand, because of an emergency and he will not be back until 1:30 p.m. today. So I appreciate having that time set.

I have no objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, today we are considering the nomination of Admiral Inman to be Deputy Director of Central Intelligence. President Reagan made a wise choice in nominating Admiral Inman for this position. The Senate Intelligence Committee thought so too, as they voted unanimously to approve him.

At the nomination hearing, I told Admiral Inman that he had my vote even before I heard his testimony. If there ever was such a thing as the right man for the right job at the right time—he is that man.

I might say, Mr. President, in the years that I have been engaged in intelligence work, I have never known a man as adept in this field as Admiral Inman. He is respected all over the world as one of the finest intelligence men available, so we are very fortunate to have him move over.

Just last week, at the Bill Casey hearing, I urged, along with my colleagues, that he go after Admiral Inman for this job, so this nomination is good news to me. He is a man of outstanding qualifications and integrity. We are lucky to have him and the Nation will be better for it.

Mr. President, I urge my colleagues to act favorably on the nomination of Admiral Inman.

Mr. President, I ask unanimous consent that a background paper on the admiral appear at this point in the RECORD.

I ask unanimous consent that the statement of Vice Adm. Bobby R. Inman appear at this point in the RECORD; and ask unanimous consent that a statement for completion by Presidential nominees appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOBBY RAY INMAN

April 4, 1931, born in Rhonesboro, Texas.

1950, B.A. University of Texas at Austin.

1952, Commissioned Ensign, U.S. Navy. Joined the USS Valley Forge. Served in Korean theater.

1953–1955, served in European theater. Became aide to the Deputy Commander in Chief of Naval Forces Eastern Atlantic and Mediterranean.

1955–1972, Held operational assignments on USS Mullinix and USS Roanoke. Subsequently served as Chief of Naval Operations Intelligence Briefer; Operations Intelligence Analyst at Ft. Meade, Maryland; and Assistant Naval Attache, American Embassy, Stockholm, Sweden.

1972, Graduated from National War College.

1972–1973, Executive Assistant and Senior Aide to the Vice Chief of Naval Operations, Washington, D.C.

1973–1974, Assistant Chief of Staff for Intelligence on the Staff of the Commander in Chief of the U.S. Pacific Fleet.

1974–1976, Director of Naval Intelligence, Department of the Navy.

1976, Promoted to Vice Admiral.

1976–1977, Vice Director for Plans, Operations and Support, Defense Intelligence Agency.

1977–Jan. 1981, Director of the National Security Agency.

Decorations, Navy Distinguished Service Medal; Defense Superior Service Medal, the Legion of Merit, the Meritorious Service Medal; the Joint Service Commendation Medal; the Navy Unit Commendation Ribbon and the Meritorious Unit Commendation Ribbon; the Navy Occupation Service Medal, Europe Clasp; National Defense Service Medal with bronze star, Korean Service Medal with four stars; Vietnam Service Medal with one silver star and one bronze star and the United Nations Service Medal; the Korean Presidential Unit Citation Badge; the Republic of Vietnam Gallantry Medal, First Class; the Republic of Vietnam Armed Forces Meritorious Unit Citation and the Republic of Vietnam Presidential Unit Citation.

STATEMENT OF VICE ADM. BOBBY R. INMAN, U.S. NAVY

Mr. Chairman and members of the committee: It is a distinct pleasure to appear before this Committee on this occasion. I have been nominated by the President to serve as the Deputy Director of Central Intelligence. You are all generally aware of my background and my most recent assignment as Director, National Security Agency. However, it may be useful for me to review that background and experience in light of this nomination.

As a native of the state of Texas, received the degree of Bachelor of Arts from the University of Texas at Austin in 1950. Shortly after joining the Naval Reserve in 1951 and being commissioned as an Ensign in 1952, I joined the USS VALLEY FORGE, then participating in operations in the Korean area. Later, I served in various administrative assignments in the European theater. Following release from and then return to active duty with the Navy, I served in various shipborne operational assignments and in several intelligence assignments functioning as an intelligence analyst and as the Assistant Naval Attache, American Embassy, Stockholm, Sweden.

Subsequent assignments included service as the Fleet Intelligence Officer on the staff of the Commander Seventh Fleet; attendance at the National War College; Executive Assistant and Senior Aide to the Vice Chief of Naval Operations; Assistant Chief of Staff for Intelligence to the Commander in Chief, U.S. Pacific Fleet; Director of Naval Intelligence; and Vice Director for Plans, Operations and Support, Defense Intelligence Agency. Since 5 July 1977, I have had the pleasure of serving as Director, National Security Agency.

Although my current assignment has involved me heavily in the collection and production of intelligence information, the majority of my experience during 21 years of service in the field of intelligence has been as an analyst and as a manager. The variety of my assignments has provided me with a unique perspective on the need to balance the production and analytic facets of the intelligence mission and to provide for the needs of the Nation's policymakers both in the Executive and the Congress.

I am in complete agreement with Mr. Casey in his statement to this Committee that it is vital that this Nation have a strong and effective intelligence organization with a wide range of capabilities and the flexibility to adapt and focus them on whatever exterior threats or problems confront the nation. While I face the coming years with optimism, it is tinged with a realization—based on my years of experience in various parts of this business—of the immense task we face. I have frequently recalled a statement made by a senior intelligence officer in 1977 with respect to the current and future intelligence environment, when he pointed out:

"There are more things about which we need intelligence data, but there is the prospect that intelligence may be harder to obtain."

Recent events have re-emphasized the increasing conflict of these real world facts. Today a greater portion of the world's nations withhold information concerning their activities, plans and intentions. There is less free and open access of the character that we value as a people and a Nation. At the same time there is greater competition for and control of available resources. As a result there is a significantly greater need for a variety of intelligence information that extends beyond the historical orientation on military and political information. Equally significant is the growing mobility of our principal adversaries with the accompanying threat of the use of power in the third world to challenge our long term economic, political, and military interests. The growth in the use of various forms of terror adds a destabilizing factor that requires modifications to the traditional means of prioritizing intelligence coverage and allocating intelligence resources. The increasing sophistication of technology and of its use by our adversaries further complicates our ability to collect raw data and refocus analytic effort. At the same time, there are recurrent efforts around the world to spread disinformation about our intelligence activities and discredit our intelligence agencies designed to reduce the willingness of individuals and entities to work with us.

In order to meet these challenges, we must foster within our Government an environment that affords the Intelligence Community the resources necessary to provide a sufficient variety of modern collection methods including technical and human capabilities, to continuously maintain a technical base of information, to focus upon any particular crisis of the moment while maintaining our worldwide watch, and to meet the users' needs for information concerning a wide variety of interests. This requires that we focus our attention in the budget process on the resources needed to maintain the whole system rather than on what can be cut based on the lack of current interest in a particular area. It means that we must recruit and retain personnel of great skill to design, build, operate, process, analyze and report finished intelligence. and to assist the users of intelligence information in understanding what can be and has been provided.

In order to assure that finished intelligence information is the best available, it is my view that there is a real benefit from encouraging strong multi-disciplined centers of expertise within the intelligence community. No one agency has a monopoly on talent or sources and competition spurs each to maintain higher standards of performance and service. Guidance in the form of standards and in the allocation of community services is needed and is a useful function, and all duplication of functional activities should be examined regularly to

ensure that it is productive redundancy. What is needed is a healthy competitive Community that enjoys the confidence of the Government's policymakers and of the Nation.

We now have a wealth of experience concerning the guidelines under which intelligence agencies operate. A fine tuning of those guidelines, especially the detailed procedures that implement those guidelines, may be in order. However, on the whole the guidelines and the Foreign Intelligence Surveillance Act have evolved into a system that provides procedural protections for the rights of individuals and flexible guidelines for intelligence agencies. Although there is some work to be done in the area of emergency authorization to provide flexible responses to crisis situations, and perhaps some need for review of the counterintelligence aspects, I believe that the overall system is working and is not in need of a major overhaul.

My predecessor as the DDCI served both as the day-to-day manager of the CIA and as an active participant in Community affairs. It is my expectation that I will serve in a similar capacity and I have discussed the matter with Director Casey, who agrees. It is his expressed desire that I pay particular attention to the DCI's community responsibilities and I will spend a good deal of my time on that.

Congress and the Executive Branch have worked closely in the past few years to establish a solid foundation for cooperation. This past year that foundation was incorporated into the National Security Act of 1947 as a new section 501 covering congressional oversight. This new section maintains the balance between the two branches while providing a mechanism for permitting Presidential flexibility where sensitive operations are involved. Director Casey has already stated his position on this matter to you. This Committee and I have been cooperating on these matters under Executive Order and now under Section 501 for the past three and one-half years and can assure the Committee that I am in agreement with Director Casey's statement to you "to cooperate fully in facilitating the oversight through which Congress can ensure that the intelligence community operates within the limits of the law."

If confirmed, I look forward to working productively with Director Casey and this Committee on the problems facing the Intelligence Community and the Central Intelligence Agency.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Inman, Bobby Ray.

Address: 4526 Butler Street, Ft. George G. Meade, Md. 20755.

Position to which nominated: Deputy Director of Central Intelligence.

Date of nomination: January 24, 1981.

Date of birth: April 4, 1931.

Place of birth: Rhonesboro, Texas.

Marital status: Married.

Full name of spouse: Nancy Carolyn (Russo) Inman.

Names and ages of children: Thomas 18, William 15.

Education (Institution; dates attended; degrees received; dates of degrees):

Tyler Junior College, 1946–1948, AA, June 1948.

SMU, 1948–1949.

University of Texas, 1949–1950, BA, June 3, 1950.

National War College, 1971–1972.

HONORS AND AWARDS

Military:

National Security Medal.

The Navy Distinguished Service Medal.

Defense Superior Service Medal.

The Legion of Merit.

The Meritorious Service Medal.

The Joint Service Commendation Medal.

The Navy Unit Commendation Ribbon.

The Meritorious Unit Commendation Ribbon.

The Navy Occupation Service Medal, Europe Clasp.

National Defense Service Medal with bronze star.

Korean Service Medal with four stars.

Vietnam Service Medal with one silver star and one bronze star.

The United Nations Service Medal.

Korean Presidential Unit Citation Badge.

The Republic of Vietnam Gallantry Medal, First Class.

The Republic of Vietnam Armed Forces Meritorious Unit Citation.

The Republic of Vietnam Presidential Unit Citation.

College: Phi Alpha Theta, Phi Theta Kappa.

Memberships:

Organization; Office held (if any); Dates.

Boy Scouts of America, none, 1943–1946.

U.S. Naval Historical Foundation, none, 1975.

U.S. Naval Institute, none, 1972.

U.S. Naval Academy Alumni Association, none, 1979.

Council on Foreign Relations, none, 1978.

Ex-Student's Association, 1950–1953.

University of Texas, none, 1978.

Employment record:

Sales clerk, assistant salesman, father, intermittently 1944–1950.

Teacher, Longview, Texas, Public School System, 1950–1951.

Officer Candidate, U.S. Navy, Newport, R.I., Nov. 51–Mar. 52.

Naval Officer, U.S. Navy, Mar. 52–Present.

Government experience: U.S. Navy 1951–Present.

Published writings: None.

Political affiliations and activities: None.

Qualifications: Twenty-two years experience as an Active Duty Intelligence Officer, with management responsibilities as Director of Naval Intelligence, Vice Director of Defense Intelligence Agency, and Director of National Security Agency.

Financial Disclosure and Potential Conflict of Interest:

1. Please describe any employment, investment, association, or activity which might create or appear to create, a conflict of interest in the position to which you have been nominated. None.

2. As far as it can be foreseen, state your plans after competing government service. Please state specifically any agreements or understandings, written or unwritten, concerning employment after leaving government service, in particular concerning agreements, understandings or options to return to your current position. Undetermined; no commitments.

3. Describe the financial arrangements you have made or plan to make, if you are confirmed, in connection with severance from your current position. Please include severance pay, pension rights, stock options, deferred income arrangements, and any and all compensation that will or might be received in the future as a result of your current position or your past business or professional relationships. None required.

4. Please list below all corporations, partnerships, foundations, trusts, or other entities toward which you have fiduciary obligations or in which you hold directorships or other positions of trust. None.

5. Have you been an attorney for, or a representative or registered agent of, a foreign government, or any entity under the control of a foreign government? In your present position are you formally associated with individuals who are attorneys for, or representatives or registered agents of, foreign governments or entities? If the answer to either or both questions is yes, please describe each relationship on a separate sheet. No.

6. List all securities, real property, partnership interests or other investments or receiveables with a market value in excess of $1,000. Residence in Arlington, Va. (rented); U.S. Savings Bonds; Certificate of Deposit, Navy Federal Credit Union.

7. List all loans, mortgages, or other indebtedness in excess of $1,000. Mortgage on Residence, Arlington Trust Co. (for daughter of former owner), $88,862; Loans, Navy Federal Credit Union, $5,610.

8. Please describe all gifts of pecuniary value in excess of $500 received in the past five years. None.

9. Please list any legal actions in which you are presently either a plaintiff or defendant, and any legal actions in the last five years in which you have been a plaintiff, defendant, or witness. Numerous lawsuits as Defendant related to duties as Director, National Security Agency.

10. Describe any business relationship, dealing or financial transaction (other than taxpaying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated. None.

11. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy. List specifically any appearance before any committee of the Congress, and any other effort in any capacity to influence an action of a committee of Congress.

None. I have participated in many hearings and discussions with Members of Congress pertaining to assigned duties as a U.S. Naval Officer in various Intelligence Community assignments.

12. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items. Not applicable.

13. List sources and amounts of all income received during the last five years, including all salaries, fees, dividends, interest, gifts, rents, royalties, patents, honoraria, and other items exceeding $500. (If you prefer to do so, copies of U.S. income tax returns for these years may be substituted here, but their submission is not required.)

	1976	1977	1978	1979	1980
Salary	35,674.94	42,336.08	47,264.04	48,651.84	50,612
Fees, royalties					
Dividends					
Interest	1,272.13	1,347.31	1,392.06	1,353.50	1,426
Gifts					
Rents	6,900.00	7,800.00	7,800.00	7,800.00	7,800
Other—exceeding $500					
Total	43,847.07	51,483.39	56,456.10	57,805.34	59,838

14. Add schedule itemizing each individual source of income which exceeds $500. If you are an attorney, accountant, or other professional, attach schedule listing all clients and customers whom you bill more than $500 worth of services during the past five years.

All interest is derived from savings with Navy Federal Credit Union and U.S. Savings Bonds. All rental income received from residence in Arlington, Va.

Other information:

15. Have you ever been convicted (including pleas of guilty or nolo contendere) of any criminal violation other than a minor traffic offense? No.

16. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination. None.

17. Please provide the Committee with the names and current addresses of five individuals whom you believe are in a position to comment upon your qualifications for the office to which you have been nominated.

Vice President George P. Bush, the White House, Washington, D.C.

The Honorable Harold Brown, Apt. 802, 1015 33d St., N.W., Wash., D.C.

The Honorable James Schlesinger, Georgetown Univ., CSIS, Wash., D.C.

The Honorable Charles Duncan, 2700 Post Oak Road, Houston, Texas.

Adm. James L. Holloway, III, USN (Ret), 1694 Epping Farms Lane, Annapolis, Md.

18. Are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so? Yes.

19. Are you willing to provide such information as is requested by such committee? Yes.

CONFIDENTIAL FINANCIAL STATEMENT—NET WORTH

Provide a complete, current financial net worth statement which itemizes in detail all assets (including bank accounts, real estate, securities, trusts, investments, and other financial holdings) all liabilities (including debts, mortgages, loans, and other financial obligations) of yourself, your spouse, and other immediate members of your household.

ASSETS

Cash on hand and in banks, $750.
Real estate owned—add schedule,* $205,700.
Autos and other personal property, $90,000.
Cash value—Life insurance, $30,000.
Savings (NFCU, Bonds), $7,000.
Total assets, $333,450.
Contingent liabilities, none.

LIABILITIES

Real estate mortgages payable—add schedule,* $88,862.
NFCU Loan, $5,610.
Total liabilities, $94,472.
Net worth, $238,978.
Total liabilities and net worth, $333,450.

GENERAL INFORMATION

Are any assets pledged? (Add schedule.) No.

Are you defendant in any suits or legal actions? Not in personal capacity.

Have you ever taken bankruptcy? No.

Mr. GOLDWATER. Mr. President, I am happy to yield to my friend from New York.

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*Schedule: Residence in Arlington, Va., (value estimated from recent tax evaluation plus inflation factor).

Mr. MOYNIHAN. Mr. President, it is characteristically gracious of my distinguished chairman to give me this opportunity to join with him in making this unanimous report recommending this nomination by the President to the Senate.

As the chairman has noted, for 4 years now, Vice Admiral Inman—dare I say Admiral Inman, the nomination to admiral having been confirmed, has served as the Director of the National Security Agency.

In the widest range of issues which come to the Intelligence Committee and which it is our responsibility to understand for the Senate, as it were; which include the most complex technological intelligence issues the Nation faces; which probe some of the most significant subjects such as the issue of verification of the Strategic Arms Limitation Treaties—with respect to all these issues, we have found in Admiral Inman an altogether cooperative, inventive, energetic officer, fully responsive to the oversight responsibilities of this Congress, but not only responsive.

Hamilton once described good government as energy in the executive, and Admiral Inman has shown energy in this enterprise which has not failed to impress each of us who dealt with him. It speaks to our judgment that we report his nomination unanimously and that, as the chairman said, the first advice we gave to the President's nominee for Director of Central Intelligence was to get Bobby Inman as his Deputy.

I should like to diverge, if I may, Mr. President, just one moment to comment on a matter which both reflects upon the nominee and speaks to the emerging regime of understanding and cooperation between the intelligence community on the one hand, and the Congress and the public, on the other, which I think one sees developing.

The adversary relationship of 10 years past is giving way. It is giving way to cooperation in part because there have been imaginative persons such as Admiral Inman in the community.

As we know, Mr. President, the National Security Agency has among its many concerns, and central to its concerns, the matter of cryptology. It is a very long time from that day in the 1930's when Henry L. Stimson, discovering that we had some code experts working on foreign codes, said, "A gentleman does not read another gentleman's mail," and abolished the enterprise. Fortunately, a few people kept on, and we had the Japanese code when the time came.

This has always been an affair of closely-held secrets. Yet, simultaneously, cryptology is an intellectual discipline that has become incredibly more complex in some ways, more simple in others, through the development of the high-speed computer. It is now possible to encrypt language and technical data in ways that never could have been done, mechanically or even electromechanically. The computer makes some permutations and combinations available that were beyond anybody's power until very recently.

This, of course, is basically a field of mathematics; and, as one would expect, mathematicians have grown interested in the subject. Inevitably, there came a point at which the interests of the scientific community began to get very close to the activities of the intelligence community; and the possibility for distrust, for anger, for disruption, for heaven knows what mischief, was certainly there.

However, rather than give the order—if I may use the terminology—to repel boarders when it appeared that they might be encroaching on the NSA, Admiral Inman, in effect, welcomed them aboard. He gave a public speech in early 1978, and was interviewed in Science, the journal of the American Association for the Advancement of Science, and asked the scientific community, "How can we work together? Certainly, our interests cannot be divergent. Why should we not try jointly to resolve any conflicts between us and to learn more about this?"

Partially as a result of the admiral's speech, the American Council on Education asked how they might respond; and a development is now underway to see whether a panel, funded by the National Science Foundation, can establish a cooperative procedure involving the academic world, the NSA, and other activities in Washington.

That is nice going. That shows how to make an opportunity out of something which 10 years ago would have been turned into a dreary confrontation, with a loss of time and energy and reputation to all concerned.

That is only an example, but not the least important, of why we now ask of Admiral Inman that he be the deputy for the whole of the intelligence community, sharing the particular responsibility, enacted by statute last year, of reporting in the most precise and full manner to the Intelligence Committees of the House and the Senate.

This reporting is a very extensive matter. It requires of the chairman and the vice chairman a very great deal of time. It is worth it to the Senate. Certainly, there was no hesitation on our part, for the period we were given this assignment, to do it. We feel altogether confident that in Admiral Inman we have a person who understands the spirit in which this legislation was adopted and will adhere to it—not because he has to, but because he wishes to.

This is his view of what our relationship should be, as well as ours, and this bodes well in all respects for the fashioning of intelligence in the very difficult years which the United States clearly faces in international relations in this first half of the 1980's.

I should like to add a personal word of congratulation to the admiral. As of 12:30 p.m., I believe, he became one of the youngest admirals in the history of

the U.S. Navy, a history not without its glory, and, in the annals of naval enterprises, the oldest continuously organized command in the history of navies, except for the British.

I warm to that thought, Mr. President. With the single exception of the Admiralty in London, no navy on Earth has had such a long, continuously unbroken command as the U.S. Navy.

In that history, this is one of the youngest men to attain the rank of full admiral, a distinction which even the very distinguished Senator from New Mexico (Mr. SCHMITT) has not attained in his otherwise incomparable career.

Mr. GOLDWATER. Mr. President, I thank the vice chairman for his comments. They certainly were well put and proper.

I conclude by noting that the intelligence community of our country has gone through some very trying times in the last 10 years. There are about 19 different members of the intelligence family. They do not work as closely together as some people would like, and I doubt that they ever could work too closely.

The Central Intelligence Agency, in particular, came under great criticism during the days of the so-called Church committee, to the end that we lost many of our senior people. Losing senior people in intelligence is important, because these men and women have reached the point of experience at which they are able to assess the intelligence we gather.

As a result of this unfortunate publicity, the very word "intelligence" has taken on a sinister reputation in this country, and I am happy to say that it seems to be over. We are now receiving many applications from young people to work in intelligence; and if this continues, we will be able to rebuild the older group who did the assessing.

As I have said many times—not trying to defend the actions of the CIA, because some of them, I have to admit, were outside the metes and bounds that have been prescribed—the most serious charges against the CIA resulted in orders from their Commander in Chief, the President, both Republicans and Democrats. When the Commander in Chief tells you to do something, you do it, whether it is supposed to be done or not.

As a result, newspapers jumped on the CIA, the press generally jumped on the CIA, and the business of intelligence became public property.

Mr. President, this is the only country I know of in which the public knows as much about our intelligence as our American people know.

Certainly with the KGB in Russia there is nothing known by the Russian people.

Under the English system, which I personally think is one of the best in the world, the information is not known even to other members of the intelligence group. My good friend from New York and I, as close friends as we are, could be working on the same case and never know it. That to me is the essence of intelligence, and I frankly hope that someday we can get back closer to that concept.

I do not think, frankly, that it is any business of any newspaper in this country or any television or radio station what transpires in the collection of intelligence or even in so-called covert actions for counterespionage. The committee which is set up by Senate Resolution 400, which the Senator from New York and I are members of, is privy to the covert actions that are to be done by the intelligence community.

I think I can safely report that intelligence gathering in this country is probably on a par with any other country, that intelligence assessment is not on a par with any other country, and the understanding of assessment of intelligence is not on a par with any other country.

But I wish to assure my colleagues that it is the purpose of the vice chairman and the chairman to do our best to see to it that when we leave the post that we occupy intelligence will have improved because we cannot run a country without knowing what the enemy is up to. We cannot run a business without knowing what the opposition is doing. We cannot engage in politics without peeking under the sheet once in a while to see what is going on.

So intelligence is a most necessary part of our daily lives and a necessary part of the pursuit of peace and the exercise of foreign policy.

Mr. President, I have no further comments to make on this subject, and we have unanimous-consent agreement to vote at 1:30 p.m.

So I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, with just a few minutes remaining before the vote on the confirmation of Admiral Bobby Inman, I want to take a few moments to reiterate what has already been said, and to associate myself with the remarks made by the distinguished chairman of the Intelligence Committee, the Senator from Arizona, and the distinguished ranking minority member of that committee, the Senator from New York, in regards to the qualifications of this particular appointee for the job to which he has been nominated.

I have served on the Intelligence Committee since its inception, and prior to that the Senate committee that investigated the intelligence operations of this country.

During that length of time, like others who have spoken, I have found no one more qualified and more diligent in undertaking his tasks, and more suited for the position for which he has been appointed, than Adm. Bobby Inman. He is a man of uncommon intellect, a man of great energy, a man who appreciates the need for good, sound, efficient, and effective intelligence; a man who has been involved in some of the most complicated factors of that intelligence operation.

So, I would like to add my endorsement and urge my colleagues to give Admiral Inman a resounding vote of confidence and approval in the confirmation vote that is to follow in just a few minutes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, for the past several years it has been my privilege to serve as a member of the Select Committee on Intelligence, and in that capacity I have had an opportunity to observe very closely the work of Admiral Inman as Director of the National Security Agency.

I believe he has performed his duties at NSA in as professional and exemplary manner as any public servant with whom I worked in my 20 years as a Member of the Congress. He is intelligent and sensitive. He is totally committed and totally dedicated. I feel that though his services will be missed at NSA, his talents as Deputy Director of Central Intelligence will be of great value.

I congratulate Admiral Inman on the expression of confidence in proposing him which is implicit in the President's nomination, but I also congratulate President Reagan on having available a public servant of the quality of Admiral Inman to go into the Central Intelligence Agency.

With the criticisms that have been made of our intelligence system I think we sometimes place blame at the wrong place.

We have a large intelligence system of highly professional people, supported by some of the greatest technology in the world. But the weak link, as I have observed it, is very ultimately the link between the producer of the intelligence and the consumer of the intelligence, between the intelligence services that produce the information and those in the executive branch who must act upon it.

In Admiral Inman, President Reagan will have an intelligence adviser with experience, with knowledge, and with a real sense of what is truly important and what demands the President's immediate attention. I hope that President Reagan will take full advantage of his competence and his talent.

Mr. BOSCHWITZ. Mr. President, I got to know Admiral Inman during the consideration of the SALT hearings. On numerous occasions various Members of

the Senate were briefed about the SALT hearings, about the SALT agreement and the various aspects of it so that I became familiar with a number of members of the intelligence community here in Washington and attended many hearings of many committees of which I was not a member, inasmuch as I thought that the SALT treaty was going to be the most important vote that I would make during my first 2 years in the Senate.

I got to know Admiral Inman. I visited his place of business. I visited his home. I got to know his family, and I was much impressed with his eminence in the field of intelligence, with his capabilities and with the integrity of the man that is now being considered and I am sure will be confirmed to the deputy position at the CIA.

Mr. President, I think that the Nation is going to be particularly well served by having a person as professional, as knowledgeable and as capable as Admiral Inman at the CIA. I think that the CIA has had its problems over the years and, together with the new Director, I think we have a team there that, better than any within my recollection, will have the opportunity of bringing new energy and new vitality to that Agency which is so necessary and so vital in the defense of American interest.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Adm. Bobby Ray Inman as Deputy Director of the Central Intelligence Agency.

First let me state that Inman is a South Carolina name. I am not certain how his family ended up in Texas, probably via South Carolina. But in any case it was South Carolina's loss and a gain for Texas.

Mr. President, Admiral Inman is exceptionally well qualified for this post. He is intelligent, aggressive, a realist, and, most important, he understands the Soviet threat and the Communist mentality. This is vital when you have the responsibility of projecting Soviet goals and estimating their programs.

Admiral Inman brings to this position a highly distinguished military career. A graduate of the University of Texas, in 1950, he was commissioned an ensign in the Navy in 1952 and served in most major military theaters in the world.

Early in his career he entered the intelligence field and although he held other positions of great importance over the past 20 years, his career focused entirely in this area when, in 1973, he was named assistant chief of staff for intelligence for the commander-in-chief of the U.S. Pacific Fleet.

He soon moved up to Director of Naval Intelligence in 1974 and later to the post of Vice Director for Plans, Operations and Support in the Defense Intelligence Agency.

This assignment was followed by appointment as Director of Naval Intelligence in 1974 and later Vice Director for Plans, Operations, and Support in the Defense Intelligence Agency.

In 1977 he was named Director of the National Security Agency and it is from this position that he comes to the CIA.

Mr. President, Admiral Inman is imminently qualified for this assignment, and I urge early and favorable approval of his nomination.

The PRESIDING OFFICER. Under the previous order, the hour of 1:30 having arrived, the Senate will proceed to vote upon the confirmation of B. R. Inman to be Deputy Director of the Central Intelligence Agency.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BAKER. I announce that the Senator from Colorado (Mr. ARMSTRONG) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Connecticut (Mr. DODD), the Senator from Montana (Mr. MELCHER), and the Senator from Michigan (Mr. RIEGLE) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON) would vote "yea."

The VICE PRESIDENT. Have all Senators been recorded on this vote?

The result was announced—yeas 94, nays, 0—as follows:

[Rollcall Vote No. 21 Ex.]

YEAS—94

Abdnor	Glenn	Mitchell
Andrews	Goldwater	Moynihan
Baker	Gorton	Murkowski
Baucus	Grassley	Nickles
Bentsen	Hart	Nunn
Biden	Hatch	Packwood
Boren	Hatfield	Pell
Boschwitz	Hawkins	Percy
Bradley	Hayakawa	Pressler
Bumpers	Heflin	Proxmire
Burdick	Heinz	Pryor
Byrd, Harry F., Jr.	Helms	Quayle
Byrd, Robert C.	Hollings	Randolph
Chafee	Huddleston	Roth
Chiles	Humphrey	Rudman
Cochran	Inouye	Sarbanes
Cohen	Jackson	Sasser
Cranston	Jepsen	Schmitt
D'Amato	Johnston	Simpson
Danforth	Kassebaum	Specter
DeConcini	Kasten	Stafford
Denton	Kennedy	Stennis
Dixon	Laxalt	Symms
Dole	Leahy	Thurmond
Domenici	Levin	Tower
Durenberger	Long	Tsongas
Eagleton	Lugar	Wallop
East	Mathias	Warner
Exon	Matsunaga	Weicker
Ford	Mattingly	Williams
Garn	McClure	Zorinsky
	Metzenbaum	

NOT VOTING—6

Armstrong	Dodd	Riegle
Cannon	Melcher	Stevens

So the nomination was confirmed.

The VICE PRESIDENT. The Chair recognizes the majority leader.

Mr. BAKER. I thank the Chair.

Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has granted its consent to the nomination of Admiral Inman to be Deputy Director of Central Intelligence and as well that the Senate has confirmed the nomination of Admiral Inman to the rank of full admiral.

The VICE PRESIDENT. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 2:30 p.m., in which Senators may speak for not more than 5 minutes each.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WALLOP). Without objection, it is so ordered.

(The remarks of Mr. JOHNSTON, in connection with the introduction of legislation, and also the remarks of Mr. LONG and Mr. MCCLURE, are printed under Statements on Introduced Bills and Joint Resolutions.)

EXECUTIVE SESSION

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate convene in executive session for the purpose of considering the nomination of Donald P. Hodel, of Oregon, to be Under Secretary of the Interior.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there objection to the request of the Senator from Idaho?

Mr. McCLURE. Mr. President, I understand this matter has been cleared on the other side of the aisle.

Mr. BURDICK. The Senator is correct. It has been cleared on this side of the aisle.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE INTERIOR

NOMINATION OF DONALD P. HODEL, OF OREGON, TO BE UNDER SECRETARY OF THE INTERIOR

The PRESIDING OFFICER. The clerk will state the nomination of Donald P. Hodel, of Oregon, to be Under Secretary of the Interior.

The assistant legislative clerk read the nomination of Donald P. Hodel, of Ore-

gon, to be Under Secretary of the Interior.

Mr. McCLURE. Mr. President, the Senate Energy and National Resources Committee conducted a hearing and a business meeting this morning to consider the nomination of Donald P. Hodel for Under Secretary of the Department of the Interior.

The committee in a business meeting voted unanimously to report this nomination to the full Senate. I must at this time thank the ranking member of the Senate Energy and Natural Resources Committee (Mr. JACKSON) for his complete cooperation in allowing us to expedite the Senate confirmation of Mr. Hodel. I am grateful also to the distinguished minority leader (Mr. ROBERT C. BYRD) for his complete cooperation in this matter.

I wish to assure my colleagues that as far as I can determine this nomination is without controversy. Mr. Hodel has the complete support of the Secretary of the Interior, the Senatorial delegation from his home State of Oregon, and the ranking member of the Committee of Energy and Natural Resources, (Mr. JACKSON).

Mr. President, as I stated this morning, the position of Under Secretary of the Department of the Interior can be equated to the executive officer's position under a captain of a large naval vessel. He makes the ship run.

In reviewing Mr. Hodel's past work record, civic and public interests, I am convinced that he has the capabilities of running the ship. His proven abilities as an administrator, consultant and manager qualify him to be the Under Secretary.

Mr. President, I would like to compliment Mr. Hodel and his entire family for their complete cooperation and contribution to what I think is in the national interest. They will and have made financial sacrifices in order that Mr. Hodel may serve the public in the Reagan administration. This situation is not unique. Although there may be a public perception that public service and public servants are overpaid and underworked and overperked, in truth the Cabinet officers, sub-Cabinet officers and others voluntarily take substantial financial reductions and losses to serve. I commend them for doing so and in Mr. Hodel's case, it was a family decision involving his mother and brother.

Mr. President, I urge my colleagues to confirm this nomination. I ask unanimous consent that the following documents, forms, and statement be printed at this point in the RECORD. They are: First, Mr. Hodel's biographical data; second, Mr. Hodel's statement for the Committee on Energy and Natural Resources and his financial disclosure statement; and third, a letter to me from the Office of Government Ethics stating that Mr. Hodel is in compliance with the applicable laws and regulations governing the conflicts of interest.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DONALD PAUL HODEL—PERSONAL DATA

2825 Dellwood Drive, Lake Oswego, Oregon.
Married (24 years).
Born: May 23, 1935.

EDUCATION

A.B. degree in Government, Harvard University (1957)

J.D. degree, University of Oregon Law School (1960)

EMPLOYMENT

Hodel Associates, Inc., 2825 Dellwood Dr., Lake Oswego, Oregon, which is engaged in the energy consulting business. President and a Director (1–1–78—present). (I am the employee with overall responsibility for rendering consulting services to the corporation's clients. A list of the clients of Hodel Associates, Inc. for the years 1979–80 is set forth on pages 2 through 9 of Schedule "D" of SF–278.

Cascade Water Power Development Corporation, 1105 Commonwealth Bldg., Portland, Oregon, which is engaged in small hydro development in Oregon. President (1–12–81—1–27–81, at which time resignation was tendered by me and accepted).

National Electric Reliability Council, Research Park, Terhune Road, Princeton, N.J., a non-profit organization concerned with reliability of electric power systems. Secretary-Treasurer and Director (1972–77); President and Director (1978–80).

Bonneville Power Administration, 1002 N.E. Holladay St., Portland, Oregon, a federal power marketing agency. Deputy Administrator (10–1–69—11–30–72); Administrator (12–1–72—12–31–77).

Georgia-Pacific Corporation, 900 S.W. Fifth Avenue, Portland, Oregon. Attorney-Legal Department (11–11–63—9–30–69).

Rockwood, Davies, Biggs, Strayer and Stoel (now known as Stoel, Rives, Boley, Fraser & Wyse), 900 S.W. Fifth Avenue, Portland, Oregon. Associate Attorney (8–60—11–10–63).

Huntington Rubber Mills, 7100 S.W. Macadam Avenue, Portland, Oregon. Miscellaneous summer work (Summers of 1957–63).

PARTICULARLY VALUABLE EXPERIENCES

Practicing attorney, first with a large law firm in Portland, Oregon (8–60—11–10–63), and then in the legal department of Georgia-Pacific Corporation (11–11–63—9–30–69).

Bonneville Power Administration—Deputy Administrator (10–1–69—11–30–72); Administrator (12–1–72—12–31–77). (B.P.A. is a federal power marketing agency whose activities have major impact upon the Pacific Northwest. Responsibilities included managing 3,500 employees and participating actively in policy development.)

National Electric Reliability Council—Secretary-Treasurer (1972–77); President and Director (1978–80). (N.E.R.C. is a non-profit organization composed of a broad spectrum of publicly and privately owned utilities, as well as federal power marketing agencies, which primarily is concerned with reliability of electric power systems).

Governor's Alternate Energy Development Commission of the State of Oregon—member (1979–80). (The Commission was established primarily to assess the potential alternate energy development in the State of Oregon and the ways in which the State could encourage such development).

Electric Power Research Institute—Director (1973–77). (E.P.R.I. is a non-profit organization composed of numerous publicly and privately owned utilities, as well as federal power marketing agencies and the Tennessee Valley Authority. As a director, I had the opportunity to participate in the development of policy regarding, and in the overall management of, the various research projects in which E.P.R.I. was engaged).

PARTICULARLY SIGNIFICANT HONORS

Department of the Interior Outstanding Service Award (gold medal) conferred by Secretary Morton for energy conservation activities (March 1974).

Distinguished Service Award of Northwest Public Power Association (June 1975).

Honorary Membership—Northwest Public Power Association (June 1978).

INFORMATION REQUESTED OF PRESIDENTIAL NOMINEES

The Rules of the U.S. Senate Committee on Energy and Natural Resources requires that each Presidential nominee considered by the Committee shall submit a financial statement sworn to by the nominee as to its completeness and accuracy. Under the rules all such statements must be made public by the Committee unless the Committee in executive session determines that special circumstances necessitate a full or partial exception to this requirement. The rules also provide that at any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any member, any other witness shall be under oath.

In order to assist the Committee in its consideration of nominations, each nominee is requested to complete the attached Statement For Completion By Presidential Nominees, which includes a Financial Statement.

The original and twenty (20) copies of the requested information should be made available to Honorable James A. McClure, Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510 (Attn: Staff Director) as soon as possible.

Name: Hodel, Donald Paul.

Position to which nominated: Under Secretary-Department of the Interior.

Date of birth: May 23, 1935.

Place of birth: Portland, Oregon.

Marital status: Married.

Full name of spouse: Barbara Beecher (Stockman) Hodel.

Name and ages of children: David B. Hodel (19), Philip S. Hodel (Deceased).

Education: U.S. Grant High School, Portland, Oregon, 9–49—6–53.

Harvard University, 9–53—6–57, A.B., June 1957.

University of Oregon, School of Law, 9–57—6–60, J.D., June 1960.

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

Hodel Associates, Inc., 2825 Dellwood Dr., Lake Oswego, Oregon, which is engaged in the energy consulting business. President and a Director (1–1–78—present). [I am the employee with overall responsibility for rendering consulting services to the corporation's clients. A list of the clients of Hodel Associates, Inc. for the years 1979–80 is set forth on pages 2 through 9 of Schedule "D" of SF–278 which is incorporated as part of this statement].

Cascade Water Power Development Corporation, 1105 Commonwealth Bldg., Portland, Oregon, which is engaged in small hydro-development in Oregon. President (1–12–81—1–27–81, at which time resignation was tendered by me and accepted).

National Electric Reliability Council, Research Park, Terhune Road, Princeton, N.J., a non-profit organization concerned with reliability of electric-power systems. Secretary-Treasurer and Director (1972–77); President and Director (1978–80).

Bonneville Power Administration, 1002 N.E. Holladay St., Portland, Oregon, a federal power marketing agency. Deputy Administrator (10–1–69—11–30–72); Administrator (12–1–72—12–31–77).

Georgia-Pacific Corporation, 900 S.W. Fifth Ave., Portland, Oregon. Attorney-Legal Department (11–11–63—9–30–69).

Rockwood, Davies, Biggs, Strayer & Stoel (now known as Stoel, Rives, Boley, Fraser & Wyse), 900 S.W. Fifth Avenue, Portland, Oregon. Associate attorney (8–60—11–10–63).

Hunting Rubber Mills, 7100 S.W. Macadam Ave., Portland, Oregon. Miscellaneous summer work (Summers of 1957–63).

Military service: Enter all military service if not included above: service, dates, rank, type of discharge. None.

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Department of the Interior Outstanding Service Award (gold medal)—conferred by Secretary Morton for energy conservation activities (March 1974).

Distinguished Service Award for Northwest Public Power Association (June 1975).

Honorary Membership—Northwest Public Power Association (June 1978).

Paul Patterson Memorial Fellowship (first recipient), University of Oregon Law School (1959).

National Scholarship—Harvard College (1953).

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Governor's Alternate Energy Development Commission, State of Oregon, member, 1979–80.

Electric Power Research Institute, Palo Alto, Cal., director, 1973–77.

Western System Coordinating Council, director, exec. comm., 1969–77.

U.S. National Committee, World Energy Conference, director, 1972–77, 1979–present.

Easter Seal Society of Oregon, director, 1967–70.

Lutheran Family Service, Portland, Oregon, fund drive chairman, 1978–present.

Our Savior's Lutheran Church, Lake Oswego, Oregon, member, 1975–present.

United Way (Tri-County Chapter), Portland, Oregon, director; exec. comm., 1970–74.

Delaunay Institute for Mental Health, Portland, Oregon, director, 1967–71.

Institute of Public Affairs Research, Inc., Portland, Oregon, vice president; director, approx. 1972–77.

Donro Enterprises (an Oregon Christmas tree farm), secretary; director, approx. 1962–65.

Tridell Corporation (manufacturer of charcoal patio space heating units), Portland, Oregon, secretary; director, approx. 1960–61.

Oregon State Bar, member, 1960–present.

American Bar Association, member, 1964–79.

Multnomah Bar Association, member, 1967–present.

Federal Bar Association (Oregon), member, 1970–78.

Portland Federal Executive Board, Portland, Oregon, member, 1972–77.

City Club of Portland, member, 1970–present.

Arlington Club, Portland, Oregon, member, 1978–present.

Multnomah Athletic Club, Portland, Oregon, member, 1950–present.

Harvard Club of Oregon, Portland, Oregon, vice president, mid–1960's.

Junior Achievement Fund Drive, Portland, Oregon, member, 1971–72.

Oregon Law Review, University of Oregon Law School, student editor, 1959–60.

Pierian Sodality of 1808 (Harvard-Radcliffe Orchestra), Cambridge, Mass., member, 1953–55.

Portland Junior Symphony, Portland, Oregon, member, approx. 1951–53.

U.S. Grant High School, Portland, Oregon, student body president, 1953.

Republican State Central Comm. of Oregon, chairman, 1966–67.

Clackamas County [Oregon] Republican Central Committee, precinct organizer, 1963–64; secretary, 1964–65; chairman, 1965–66.

Reagan for President Committee, Portland, Oregon, tri-county chairman, 1968; steering committee, 1980.

Republican National Convention, alternate delegate (Oregon), 1968.

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written:

"The Doctrine of Exemplary Damages in Oregon," 44 Oregon Law Review 175 (1965).

Student Case Note, 39 Oregon Law Review 199 (1960) [concerning extradition under Uniform Reciprocal Enforcement of Support Act].

Student Case Note, 38 Oregon Law Review 276 (1959) [concerning waiver of defenses by execution of renewal promissory notes].

Student Case Note, 38 Oregon Law Review 188 (1959) [concerning liability of seller's assignee for seller's breach of warranty].

"The Prophets of Shortage," a speech delivered to the City Club of Portland, Portland, Oregon (July 11, 1975), published in Utilities Fortnightly.

Various reports and documents prepared or supervised in official capacity as Administrator, Bonneville Power Administration (12/1/72–12/31/77), including annual reports, environmental impact statements, budgets and similar materials.

Qualifications: State fully your qualifications to serve in the position to which you have been named: See attached Exhibit 1.

Future employment relationships:

1. Indicate whether you will serve all connections with your present employer, business firm, association or organization if you are confirmed by the Senate:

Yes. Upon confirmation, all business connections and activities will cease, and Hodel Associates, Inc. will wind-up its affairs and liquidate under direction of spouse, who is Vice President and a Director. Interest in Hodel Associates, Inc. Profit Sharing Plan and trust will continue. See attached Exhibit 2.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization: No plans concerning future employment.

3. Has anybody made you a commitment to a job after you leave government? No.

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term? Not applicable.

(b) If you have been appointed for an indefinite term, do you have any known limitations on your willingness or ability to serve for the foreseeable future? No.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated: None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated:

All investments presently owned directly by me or by a testamentary trust in which I have 50 percent remainderman's interest are listed in SF 278, which is incorporated as part of this statement. After consummation of the divestitures referred to in attached Exhibit 3, none of the remaining investments presently are believed to involve potential conflicts of interest.

3. Describe any business relationship, dealing or financial transaction (other than tax-paying) which you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated: None.

4. List and describe any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or for the purpose of affecting the administration and execution of national law or public policy:

As Administrator of Bonneville Power Administration, I had occasion to testify before Committees of the Congress and to meet with their staffs concerning annual B.P.A. appropriations and other legislation affecting B.P.A., such as B.P.A. self-financing, and, as President of the National Electric Reliability Council, I testified on July 16, 1979, before the Subcommittee on Energy and Environment of the House Committee on Interior and Insular Affairs concerning national and regional power needs. There have not been other activities of the kinds described in this question.

5. Explain how you will resolve any potention conflict of interest that may be disclosed by your responses to the above items: See attached Exhibit 3.

6. Explain how you will comply with conflict of interest laws and regulations applicable to the position for which you have been nominated. Attach a statement from the appropriate agency official indicating what those laws and regulations are and how you will comply with them: See attached Exhibit 3.

FINANCIAL DISCLOSURE REPORT

Reporting individual's name: Hodel, Donald P.

Position for which filing: Under Secretary, U.S. Department of the Interior.

Location of present office: 2825 Dellwood Drive, Lake Oswego, Oregon 97034.

Telephone No. (include area code): (503) 636–2652.

Presidential nominees subject to Senate confirmation: Senate Energy and Natural Resources Committee.

Do you intend to create a qualified diversified trust? No.

Certification: I certify that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.

Signature of reporting individual: Donald Paul Hodel.

Date: Jan. 22, 1981.

Comments of reviewing officials: Upon confirmation, all business activities of Hodel Associates, Inc. promptly will cease, and the corporation will proceed to wind-up its affairs and to liquidate. Mr. Hodel's salary will cease upon confirmation. Spouse's salary will cease upon completion of winding-up corporation's affairs. Mr. Hodel has engaged in no activities in behalf of, and has rendered no services to, Hodel Associates, Inc. since January 14, 1981. Upon confirmation, Mr. Hodel will resign from all "positions held" identified in Schedule "D," except Lutheran Family Service fund raising.

INCOME AND INTERESTS IN PROPERTY—DONALD PAUL HODEL

	Yes	No
Do you, your spouse, or dependent child receive income from, or have a financial interest in a trust?	X	
If "yes", have you reported the income from the trust? (No income)		X
If "yes" have you reported the assets of the trust?	X	
If "yes", is this trust an "excepted" trust?		X
or "qualified" trust?		X
Are there any interest in property or liabilities of a spouse or dependent child which you have not reported but which would be reportable, if held by you?		X

Identification	Income: Type of income: Dividends	Interest	Other (specify)	Category of amount or value: None (or less than $101)	$101–$1,000	$2,501–$5,000	$15,001–$50,000	Actual amount	Date	Interest in property (valuation of assets): Valuation method	$1,001–$5,000	$5,001–$15,000	$15,001–$50,000
Hodel Associates, Inc.,[1] Lake Oswego, Oreg.—50 percent stock			Salary				X	33,143		F		X	
(Spouse) Hodel Associates, Inc., Lake Oswego, Oreg.—50 percent stock			do							F		X	
(Dependent child) Hodel Associates, Inc., Lake Oswego, Oreg.			Wages										
Cascade Water Power Development Corp., 1105 Commonwealth Bldg., Portland, Oreg			Consulting fees.			X		2,700					
Dayton Power & Light Com., Courthouse Plaza SW., Dayton, Ohio			Speech					1,000	4/10/80				
Omark Industries, 2100 South East Millport Rd., Milwaukie, Oreg			do					250	6/11/80				
Public Utilities Association of the Virginias, c/o Potomac Edison Co., Hagerstown, Md			do					1,000	5/23/80				
Public Utilities Executive Course, University of Idaho, Moscow, Idaho			Lecture fees					700	7/30/80				
Underwood, Jordan & Yulish, 230 Park Ave., New York, N.Y			Speeches					4,000	9/4/79; 2/12/80; 3/29/80; 4/18/80				
Van Gulik & Associates, 543 3d St., Lake Oswego, Oreg			Fees					463					
Hodel Associates Profit Sharing Trust,[2] Lake Oswego, Oreg			None							H		X	
(Spouse) Hodel Associates Profit Sharing Trust, Lake Oswego, Oreg			None							H		X	
Old Mill Marina (Garibaldi, Oreg., marina, moorage and recreational vehicle park) 1 percent limited partnership interest. Purchased for $25,000 in 1980			None							A–C			X
City of Gresham, Oreg., $10,000 par value bond		X			X					H		X	
Port of Morrow, Oreg., $10,000 par value bond		X			X					H		X	
State of Oregon Housing Finance, $5,000 par value bond		X			X					H	X		
American Guaranty Financial Corp., 257 shares common stock	X			X						H	X		
Bethlehem Steel, 100 shares common stock	X				X					H	X		
Douglas and Lomason, 100 shares common stock	X				X								
General Tire & Rubber, 102 shares common stock	X				X					H	X		
J. P. Stevens, 121 shares common stock	X				X					H	X		
New Idria, 1,000 shares common stock	X				X					H	X		
Oxford Industries, 100 shares common stock	X				X					H	X		
Sears Roebuck, 101 shares common stock	X				X					H	X		
Pettibone Mulliken Corp., $2,000 par value conv. sub. debenture		X		X						H	X		
Unimproved lot for single family residence, Lake Havasu City, Ariz. Owned jointly with spouse. Purchased for $10,000 in 1969			None							A–C		X	

[1] See Schedule D—"Positions Held" for description of business and listing of income sources for Hodel Associates, Inc.

[2] Trust owns vacant residential lot in Yachats, Oreg., and has $10,000 investment in Columbia Daily Income Co. money market fund.

Liabilities: None equal to or greater than $10,000.

POSITIONS HELD

Name and address or organization, type of organization, and position held:

Hodel Associates, Inc., 2825 Dellwood Drive, Lake Oswego, Oregon, energy consulting firm, president and director, from Jan. 1978 to present.

Hodel Associates, Inc., 2825 Dellwood Drive, Lake Oswego, Oregon, profit sharing trust for Hodel Associates, Inc., co-trustee, from Jan. 1979 to present.

Cascade Water Power Development Corporation, 1105 Commonwealth Bldg., Portland, Oregon, developer of small hydro projects, president and director, from Jan. 1981 to present.

National Electric Reliability Council, Research Park, Terhune Road, Princeton, New Jersey, nonprofit electric power system reliability, president and director, from Apr. 1978 to Apr. 1980.

U.S. National Committee, World Energy Conference, 1620 "I" Street, N.W., Washington, D.C., nonprofit professional associatant—doc., from Dec. 1979 to present.

Lutheran Family Service, 635 N.W. 18th Avenue, Portland, Oregon, nonprofit family counseling, fund drive chairman, from Jan. 1979 to present.

United States Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C., Federal Department, consultant—Texas Joint Interconnection Study, ibid; consultant—d.c., from Dec. 1979 to present.

Central and South West Services, Inc., 2700 One Main Place, Dallas, Texas 75250, utility services company, intertie study, from Oct. 1980 to present.

City of Austin, Texas, P.O. Box 1088, Austin, Texas 78767, municipality, consultant, Texas Joint Interconnection Study, from Dec. 1979 to present.

City Public Service of San Antonio, P.O. Box 1711, San Antonio, Texas 78296, municipal utility, ibid., from Dec. 1979 to present.

Committee on Power for the Southwest, Inc., 400 South Broadway, Edmond, Oklahoma 73034, group of utilities, ibid., from Dec. 1979 to present.

Gulf States Utilities Company, 285 Liberty Avenue, Beaumont, Texas 77701, utility, ibid, from Dec. 1979 to present.

Houston Lighting and Power Company, P.O. Box 1700, Houston, Texas 77001, utility, consultant, Texas Joint Interconnection Study, from Dec. 1979 to present.

Lower Colorado River Authority, P.O. Box 220, Austin, Texas 78767, governmental, ibid., from Dec. 1979 to present.

Middle South Utilities, 225 Baronne Street, New Orleans, Louisiana 70161, utility, ibid., from Dec. 1979 to present.

Texas Utilities, c/o Texas Electric Service Company, P.O. Box 970, Fort Worth, Texas 76101, utility services company, ibid., from Dec. 1979 to present.

Boeing Engineering and Construction Company, P.O. Box 3707, Seattle, Washington

98124, engineering and construction, senior advisory board, technical integrator study, from May 1979 to present.

Boeing Environmental Products, P.O. Box 3707, Seattle, Washington 98124, alternate energy generating facilities manufacturer, consultant, wind power project, from Dec. 1980 to present.

Dallas Power and Light Company, 1506 Commerce Street, Dallas, Texas 75201, utility, consultant, from May 19, 1980 to May 19, 1980.

Electric Power Research Institute, P.O. Box 10412, Palo Alto, California 94303, nonprofit electric power research, advisor, emergency planning, from Aug. 1979 to Dec. 1979 and Aug. 1980 to Dec. 1980.

Fording Coal, Ltd., 205 Ninth Avenue, S.E., Calgary, Alberta, coal company, advisor, power marketing, from March 1980 to present.

Idaho Department of Energy, Boise, Idaho, State of Idaho agency, advisor, alternate energy commission, from Nov. 14, 1980 to Nov. 14, 1980.

Idaho Power Company, Boise, Idaho, utility, consultant, establishment of construction service company, from July 1978 to April 1980.

Montana Power Company, 40 East Broadway, Butte, Montana 59701, utility, ibid, from July 1978 to April 1980.

Pacific Power and Light Company, 920 S.W. Sixth Avenue, Portland, Oregon 97204, utility, consultant-establishment of construction service company policy adv. to senior mgmt. from July 1978 to April 1980 and April 1980 to present.

Portland General Electric Company, 121 S.W. Salmon Street, Portland, Oregon 97204, utility, consultant-establishment of construction service company from July 1978 to April 1980.

Puget Sound Power and Light Company, Puget Power Building, Bellevue, Washington 98009, utility, ibid., from July 1978 to April 1980.

Washington Water Power Company, 1411 East Mission Avenue, Spokane, Washington 99220, utility, ibid., from July 1978 to April 1980.

Manning Consultant, Ltd., 9990 Jasper Avenue, Edmonton, Alberta, utility consultants, consultant, Canadian Interconnection Study from Feb. 1980 to Feb. 1980 and Sept. 1980 to Present.

Western Electric Power Grid Study Secretariat, c/o Sherritt Gordon Mines, Ltd., 602 11th Ave., S.W. Calgary, Alberta, Government interconnection research task force, ibid., from Sept. 1980 to present.

Occidental Geothermal, 5000 Stockdale Highway, Bakersfield, California 93309, alternate energy development, advisor-marketing from Sept. 1979 to Oct. 1979 and Sept. 1980 to Oct. 1980.

Oregon Department of Energy, Salem, Oregon, State of Oregon agency, Member-Governor's alternative Energy Development Comm., from Oct. 1979 to Dec. 1980.

Portland General Electric Company, 121 S.W. Salmon Street, Portland, Oregon 97204, utility, arbitrator, from June 1980 to present.

Confederated Tribes of Warm Springs Reservation of Oregon, Warm Springs, Oregon, Indian tribes, arbitrator, from June 1980 to present.

Power Engineers, Hailey, Idaho 83333, utility engineering and consulting, advisor, power supply matters for Ferry County, Wn. P.U.D. No. 1, from October 1980 to present.

COMPENSATION IN EXCESS OF $5,000 PAID BY ONE SOURCE

Source and brief description of duties:

Hodel Associates, Inc., 2825 Dellwood Drive, Lake Oswego, Oregon, president, overall responsibility for rendition of consulting services to clients of Hodel Associates, Inc.

Clients of Hodel Associates, Inc.

1979—over $5,000:

Idaho Power Company, P.O. Box 70, Boise, Idaho 83707 (all six of these companies paid for a review of whether or not they should start a construction services company.)

Washington Water Power Company, 1411 East Mission Avenue, Spokane, Washington 99220.

Pacific Power and Light Company, Public Service Building, 920 S.W. Sixth Avenue, Portland, Oregon 97204.

Montana Power Company, 40 East Broadway, Butte, Montana 59701.

Portland General Electric Company, 121 S.W. Portland Street, Portland, Oregon 97204.

Puget Sound Power and Light Company, Puget Power Building, Bellevue, Washington 98009.

1980—over $5,000.

Pacific Power and Light Company, Public Service Building, 920 S.W. Sixth Avenue, Portland, Oregon 79204 (policy advice to senior management).

Central and South West Services, Inc., 2700 One Main Place, Dallas, Texas 75250 (consultant—Texas Joint Interconnection Study and d.c. intertie study).

RELATIONS WITH OTHER EMPLOYERS

Description of terms of any agreement or arrangement, parties, and date:

Informal agreement with Hodel Associates, Inc., of which reporting individual is president and co-owner, not to terminate Hodel Associates, Inc. Profit Sharing Plan and Trust, so that reporting individual and spouse may remain members of plan. As a consequence, vested account in profit sharing trust will not be terminated, Hodel Associates, Inc., proposed.

INCOME AND INTERESTS IN PROPERTY—DONALD PAUL HODEL

SUPPLEMENTAL, JANUARY 24, 1981

Mr. Hodel presently is a co-trustee, with his brother, Leslie E. Hodel, of a testamentary trust established under the Aug. 4, 1972, will of his father, Philip E. Hodel, who died June 3, 1978. As se forth in letter of Jan. 24, 1981, attached hereto as Supplemental Exhibit 1, Mr. Hodel has tendered his resignation as co-trustee, effective upon confirmation. The trust beneficiary is Rose Hodel Mr. Hodel's mother. During her life, she is entitled to all trust income and to so much of corpus as trustee determines necessary. Upon her death, remaining trust assets are to be divided equally between Mr. Hodel and his brother.]

Identification	Valuation method	Interests in property (valuation of assets) $1,001 $5,000	$5,001–$15,000	$15,001–$50,000
TRUST HOLDINGS				
STOCKS				
Georgia Pacific Corp., 380 shares common	H			X
Louisiana Pacific Corp., 120 shares common	H	X		
Phillips Petroleum Co., 100 shares common	H		X	
Standard Oil Co. of California, 100 shares common	H			X
Washington National Corp., 30 shares	H	X		
Washington National Corp. No. 2, 27 shares	H	X		
Oregon State Board of Higher Education Bldg., $5,000 par value, 4.5 percent, due 2001.	H	X		
Oregon Veterans Welfare, $10,000 par value, 5.3 percent, due 1997.	H			X
12 Federal Land Banks Consolidated, Series D, $12,000 par value, 8.15 percent.	H			X
FUNDS				
Columbia Daily Income Co., Portland, Oreg. (money market fund).	H			X
Corporate Income Fund 6th Intermed. Ser., c/o Merrill Lynch, Pierce, Fenner & Smith, Portland, Oreg. (corporate bond portfolio).	H			X
BONDS				
City of Ontario, Oreg., Hospital, $20,000 par value, 8½ percent, due 1988.	H			X
City of Portland, Oreg., G. O. Water, $10,000 par value, 2¾ percent, due 1984.	H			X
Coos County [Oregon] Bay Area Hospital District $5,000 par value, 5.2 percent, due 1985.	H	X		
Municipal Investment Trust Fund 2d Intermed. Ser., c/o Merrill Lynch, Pierce, Fenner & Smith, Portland, Oreg. (municipal bond fund).	H			X
OTHER				
JMB Income Properties, Ltd. VII, Chicago, Ill., limited partnership, interest purchased for $20,000 on Apr. 2, 1980 (owns shopping centers and office buildings in Cedar Rapids, Iowa; Clackamas, Oreg.; Huron, S. Dak.; Philadelphia, Pa.; Schaumberg, Ill.	C			X

POSITIONS HELD

Name and address of organization, type of organization, and position held.

Cotrustee of testamentary trust under will of Philip E. Hodel, 2240 S.W. Sunset Boulevard, Portland, Oregon 97201, testamentary trust, cotrustee, from Jan. 1980 to present.

[See attached Supplemental Exhibit 1.]

SUPPLEMENTAL EXHIBIT I

JANUARY 24, 1981.

Mr. LESLIE E. HODEL,
Portland, Oreg.

Re: Philip E. Hodel Testamentary Trust.

DEAR LES: As you know, I will be nominated as Under Secretary of the Interior. The appointment will not become effective until confirmation by the United States Senate. To avoid any actual or potential conflict of interests, or even the appearance of conflict of interest, it will be necessary for me to resign as Co-Trustee of the Testamentary Trust established by Dad's Will. Accordingly, this letter constitutes my resignation, to be effective concurrently with Senate confirma-

tion of my appointment as Under Secretary, as Co-Trustee of the trust established under the Last Will and Testament of Philip E. Hodel, dated August 4, 1972 (the "Trust").

Immediately upon the effective date of my resignation as Co-Trustee, please take such steps as may be necessary to change the name in which all assets of the Trust are held and/or the name in which any account is maintained in behalf of the Trust.

Article VI, paragraph "B" of the Will provides that, upon Mother's death, the Trust shall terminate and the remaining Trust assets, if any, shall be distributed free of Trust equally to you and to me. Prior to her death, I have no right to receive any income or corpus of the Trust. Except as set forth below, it is absolutely essential that you agree that, during the entire period of my tenure as Under Secretary, you will refrain from directly or indirectly furnishing me, my wife Barbara, or my son David with any knowledge or information as to any of the Trust holdings, or any of the sources of Mother's income from the Trust, or any transactions of the Trust. In the event of Mother's death during my tenure of office, you are not to distribute to me any portion of the assets of the Trust nor furnish me with any information concerning Trust assets without further, written instructions from me as to the distribution of those assets, the holding of which by me may be prohibited. At my request, you are to furnish Government agencies with a listing of assets of the Trust.

The applicable federal conflicts of interest statutes and regulations apparently have been interpreted by the Government to prohibit my continued holding of a fifty percent remainderman's interest in the Trust if the Trust owns certain types of securities or other property, specifically, securities of companies engaged in "underground or surface coal mining operations." You will receive a letter from the Deputy Department Ethics Counselor of the Department of Interior, who will inform you of the holdings of the Trust which are prohibited. You have agreed that, upon receiving such information, you immediately will sell all such securities. Mother has informed me of her consent to the sale. Please furnish me with written evidence of the sale, such as broker's confirmations or otherwise.

You also have agreed that, during the entire period of my tenure as Under Secretary, you will not permit the Trust to acquire any holdings in the securities or properties of companies engaged in underground or surface coal mining operations and that, when making purchases in behalf of the Trust, you will obtain the specific representation of the Trust's stockbroker that the subject investment will not fall within such category. Moreover, you have agreed that, if you should be informed at any future time during my tenure, that the Trust holds securities of a company which, subsequent to today, becomes involved in underground or surface coal mining operations, you will cause the Trust immediately to dispose of such securities.

I greatly regret having to resign as Co-Trustee because it leaves you with the sole burden of managing the Trust assets for Mother, and I certainly would have preferred not to ask you to dispose of Trust assets on my account. However, I have no alternative in the circumstances. Please sign and return to me promptly the enclosed duplicate copy of this letter whereby you acknowledge my resignation as of the date described above and agree to abide by my instructions as set forth herein.

Sincerely,

DONALD PAUL HODEL.

The undersigned acknowledges the resignation of Donald Paul Hodel as Co-Trustee of the Trust established under the Last Will and Testament of Philip E. Hodel, effective as of the date of confirmation of Donald Paul Hodel as Under Secretary of the Interior. The undersigned hereby agrees to abide by the instructions and agreements set forth in the foregoing letter.

Dated this 24th day of January, 1981.

LESLIE E. HODEL,
Co-Trustee.

Are any assets pledged? (Add schedule.) Personal residence is mortgaged to Pacific First Federal Savings & Loan Association, Portland, Oregon.

Are you currently a party to any legal action? No. By reason of Rule 25(d)(1), Federal Rules of Civil Procedure, I no longer am deemed a party to any action involving me in my former official capacity as Administrator of the Bonneville Power Administration.

Have you ever declared bankruptcy? No.

Have you filed a Federal income tax return for each of the last 10 years? If not, please explain. Yes.

Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit? No.

AFFIDAVIT

City of Washington, District of Columbia.

Donald Paul Hodel, being duly sworn, hereby states that he/she has read and signed the foregoing Statement for Completion by Presidential Nominees including the Financial Statement and that the information provided therein is, to the best of his/her knowledge and belief, current, accurate, and complete.

DONAD PAUL HODEL.

Subscribed and sworn before me this 30th day of January, 1981.

JOHN J. ECKERT,
Notary Public.

EXHIBIT 1

QUALIFICATIONS

PERSONAL DATA

2825 Dellwood Drive, Lake Oswego, Oregon. Married (24 years). Born: May 23, 1935.

EDUCATION

A.B. degree in Government, Harvard University (1957). J.D. degree, University of Oregon Law School (1960).

PARTICULARLY VALUABLE EXPERIENCES

Practicing attorney, first with a large law firm in Portland, Oregon (8–60 to 11–10–63), and then in the legal department of Georgia-Pacific Corporation (11–11–63 to 9–30–69).

Bonneville Power Administration—Deputy Administrator (10–1–69 to 11–30–72); Administrator (12–1–72 to 12–31–77). [B.P.A. is a federal power marketing agency whose activities have major impact upon the Pacific Northwest. Responsibilities included managing 3,500 employees and participating actively in policy development.]

National Electric Reliability Council—Secretary-Treasurer (1972–77); President and Director (1978–80). [N.E.R.C. is a non-profit organization composed of a broad spectrum of publicly and privately owned utilities, as well as federal power marketing agencies, which primarily is concerned with reliability of electric power systems].

Governor's Alternate Energy Development Commission of the State of Oregon—member (1979–80). [The Commission was established primarily to assess the potential alternate energy development in the State of Oregon and the ways in which the State could encourage such development].

Electric Power Research Institute—Director (1973–77). [E.P.R.I. is a non-profit organization composed of numerous publicly and privately owned utilities, as well as federal power marketing agencies and the Tennessee Valley Authority. As a director, I had the opportunity to participate in the development of policy regarding, and in the overall management of, the various research projects in which E.P.R.I. was engaged].

PARTICULARLY SIGNIFICANT HONORS

Department of the Interior Outstanding Service Award (gold medal) conferred by Secretary Morton for energy conservation activities (March 1974).

Distinguished Service Award of Northwest Public Power Association (June 1975).

Honorary Membership—Northwest Public Power Association (June 1978).

EXHIBIT 2

PROFIT SHARING TRUST

In 1979, Hodel Associates, Inc., established the Hodel Associates, Inc. Profit Sharing Trust. There is credited to my account an interest of approximately $12,856, and my wife has a credited interest of approximately $5,093. The trust owns a vacant residential lot, located in Yachats, Oregon, purchased in 1980 for approximately $22,000 and upon which approximately $15,620 is owed, and also has approximately $10,000 on deposit with Columbia Daily Income Company, Portland, Oregon, a money market fund. Notwithstanding liquidation of Hodel Associates, Inc., the profit sharing trust will remain in existence, and my wife and I intend to retain our membership and accounts therein. After the corporation makes its contribution for its fiscal year ending January 31, 1981, there will be no further contributions to this trust inasmuch as the business of Hodel Associates, Inc. will have ceased. If necessary, I will resign as the sole trustee of this trust.

EXHIBIT 3

POTENTIAL CONFLICTS OF INTEREST AND THEIR RESOLUTION

SF–278 describes investments owned personally by me and my wife, by the Hodel Associates, Inc. Profit Sharing Trust, and by a testamentary trust established under the August 4, 1972, will of my father, Philip E. Hodel, who died June 3, 1978. The testamentary trust beneficiary is Rose Hodel, my mother. During her life, she is entitled to all trust income and to so much of the corpus as the co-trustees determine necessary. Upon her death, the remaining trust assets, if any, are to be divided equally between my brother, Leslie E. Hodel, and myself.

My brother and I are the co-trustees of the testamentary trust. By a letter agreement between my brother and myself, dated January 24, 1981, and attached hereto as Exhibit 3–A, I have resigned as co-trustee, effective upon my confirmation.

Upon consultation with the Deputy Department Ethics Counselor of the Department of the Interior and an Assistant Solicitor of the Department, and after additional personal consideration, I have taken steps to dispose of my direct holdings of, and to assure disposition by the testamentary trust of, investments which presently (i) would be prohibited under applicable federal statutes and regulations, (ii) are believed to involve potential conflict of interest with my prospective duties as Under Secretary and/or (iii) are believed to involve the appearance of conflict or potential conflict of interest. These steps include:

(a) My directing my stockbroker to sell my direct holdings of 100 shares of Bethlehem Steel Corporation common stock, of 102 shares of General Tire & Rubber Co. common stock and of 500 shares of Lucky Friday Extension Mining Company capital stock (not listed on SF–278 because the $125 esti-

mated value is less than the $1,000 threshold reporting figure); and

(b) My obtaining from my brother, as co-trustee, his agreement, with which the life beneficiary (my mother) concurs, to cause the testamentary trust, immediately following my confirmation, to sell its holdings of 380 shares of Georgia-Pacific Corporation common stock, of 120 shares of Louisiana-Pacific Corporation common stock, of 100 shares of Phillips Petroleum Co. common stock, and of 100 shares of Standard Oil Co. of California common stock. The trust's stockbroker already has effected one of these sales. My brother has confirmed the foregoing arrangements by his letter to me dated January 29, 1981, a copy of which is attached hereto as Exhibit 3–B.

It is my intention, during my tenure as Under Secretary, not to acquire directly or through the Hodel Associates, Inc. Profit Sharing Trust financial interests known to me to involve actual or potential conflict of interest, or even the appearance of conflict of interest, with my official duties.

By reason of the letter agreement attached as Exhibit 3–A, the co-trustee of the testamentary trust has agreed that, during the entire period of my tenure as Under Secretary, the co-trustee will refrain from directly or indirectly furnishing me, my wife, or our dependent son with any knowledge or information as to any of the trust holdings, or any of the sources of my mother's income from the trust, or any transactions of the trust. If a matter came before me concerning a company whose stock at the time was held by the testamentary trust, there would be no potential conflict of interest in those instances when I had no knowledge of the trust's holding, as in the case of a stock acquired by the trust after January 24, 1981. The letter agreement also obligates the co-trustee to refrain from permitting the trust's acquisition of securities prohibited by the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. § 1211(f).

My understanding is that the Department Ethics Counselor of the Department of the Interior has been furnished with copies of SF–278, the letter agreement attached as Exhibit 3–A, and the confirmatory letter attached as Exhibit 3–B, and that, in the ordinary course, he also will possess copies of disclosure statements required to be filed by me annually pursuant to applicable statutes and regulations. In the event the Department Ethics Counselor informs me that any of my personal holdings or prior relationships, or any of the holdings of the profit sharing or testamentary trusts, create an actual or potential conflict of interest with my duties as Under Secretary, or even the appearance of a conflict of interest with such duties, or in the event I draw such conclusion myself, I shall consult with the Department Ethics Counselor and, in light thereof, then shall take such remedial steps as may be required by applicable statutes or regulations or which otherwise appear to me to be appropriate in the circumstances.

See letter from the Deputy Ethics Counselor of the Department of the Interior to Director, Office of Government Ethics, dated January 29, 1981, attached hereto as Exhibit 3–C. [Included as part of Exhibit 3–C is Attachment I thereto. Attachment II is not included herein because it consists of this Exhibit 3 and Exhibits 3–A and 3–B.].

EXHIBIT 3–A

JANUARY 24, 1981.

Re: Philip E. Hodel Testamentary Trust.
Mr. LESLIE E. HODEL,
Portland, Oreg.

DEAR LES: As you know, I will be nominated as Under Secretary of the Interior. The appointment will not become effective until confirmation by the United States Senate. To avoid any actual or potential conflict of interest, or even the appearance of conflict of interest, it will be necessary for me to resign as Co-Trustee of the Testamentary Trust established by Dad's Will. Accordingly, this letter constitutes my resignation, to be effective concurrently with Senate confirmation of my appointment as Under Secretary, as Co-Trustee of the trust established under the Last Will and Testament of Philip E. Hodel, dated August 4, 1972 (the "Trust").

Immediately upon the effective date of my resignation as Co-Trustee, please take such steps as may be necessary to change the name in which all assets of the Trust are held and/or the name in which any account is maintained in behalf of the Trust.

Article VI, paragraph "B" of the Will provides that, upon Mother's death, the Trust shall terminate and the remaining Trust assets, if any, shall be distributed free of Trust equally to you and to me. Prior to her death, I have no right to receive any income or corpus of the Trust. Except as set forth below, it is absolutely essential that you agree that, during the entire period of my tenure as Under Secretary, you will refrain from directly or indirectly furnishing me, my wife Barbara, or my son David with any knowledge or information as to any of the Trust holdings, or any of the sources of Mother's income from the Trust, or any transactions of the Trust. In the event of Mother's death during my tenure of office, you are not to distribute to me any portion of the assets of the Trust nor furnish me with any information concerning Trust assets without further, written instructions from me as to the distribution of those assets, the holding of which by me may be prohibited. At my request, you are to furnish Government agencies with a listing of assets of the Trust.

The applicable federal conflicts of interest statutes and regulations apparently have been interpreted by the Government to prohibit my continued holding of a fifty percent remainderman's interest in the Trust if the Trust owns certain types of securities or other property, specifically, securities of companies engaged in "underground or surface coal mining operations." You will receive a letter from the Deputy Department Ethics Counselor of the Department of Interior, who will inform you of the holdings of the Trust which are prohibited. You have agreed that, upon receiving such information, you immediately will sell all such securities. Mother has informed me of her consent to the sale. Please furnish me with written evidence of the sale, such as broker's confirmations or otherwise.

You also have agreed that, during the entire period of my tenure as Under Secretary, you will not permit the Trust to acquire any holdings in the securities or properties of companies engaged in underground or surface coal mining operations and that, when making purchases in behalf of the Trust, you will obtain the specific representation of the Trust's stockbroker that the subject investment will not fall within such category. Moreover, you have agreed that, if you should be informed at any future time during my tenure, that the Trust holds securities of a company which, subsequent to today, becomes involved in underground or surface coal mining operations, you will cause the Trust immediately to dispose of such securities.

I greatly regret having to resign as Co-Trustee because it leaves you with the sole burden of managing the Trust assets for Mother, and I certainly would have preferred not to ask you to dispose of Trust assets on my account. However, I have no alternative in the circumstances. Please sign and return to me promptly the enclosed duplicate copy of this letter whereby you acknowledge my resignation as of the date described above and agree to abide by my instructions as set forth herein.

Sincerely,

DONALD PAUL HODEL.

The undersigned acknowledges the resignation of Donald Paul Hodel as Co-Trustee of the Trust established under the Last Will and Testament of Philip E. Hodel, effective as of the date of confirmation of Donald Paul Hodel as Under Secretary of the Interior. The undersigned hereby agrees to abide by the instructions and agreements set forth in the foregoing letter.

Dated this 24th day of January, 1981.

LESLIE E. HODEL,
Co-Trustee.

EXHIBIT 3–B

JANUARY 29, 1981.

Re: Testamentary Trust.
Mr. DONALD PAUL HODEL,
c/o Office of the Secretary,
U.S. Department of the Interior,
Washington, D.C.

DEAR DON: To comply with requirements intended to enable your avoiding actual, potential or apparent conflicts of interests if your nomination as Under Secretary of the Department of the Interior is confirmed by the United States Senate, we have agreed upon various steps to be taken concerning the testamentary trust established by Dad's will, dated August 4, 1972. The first of these was our entering into a letter agreement, dated January 24, 1981, signed copies of which you have.

On January 26, 1981, you informed me that, according to the Deputy Department Ethics Counselor of the Department of the Interior, Phillips Petroleum Company is engaged in underground surface coal mining operations, so that, by reason of the Surface Mining Control and Reclamation Act, as interpreted by the Department, it would be unlawful for the trust, while you are a remainderman, to continue to hold its 100 shares of Phillips Petroleum Company common stocks. As co-trustee, I determined it would not be contrary to the best interests of Mother, as the life beneficiary of the trust to dispose of such shares, and she concurred. Accordingly, on January 27, I directed Merrill Lynch to sell that stock. A copy of the broker's confirmation of sale previously has been mailed to you for your records.

As I understand the matter, the Deputy Department Ethics Counselor has informed your attorney that no further divestitures by the trust are believed by him to be necessary under applicable statutes and regulations. Nevertheless, you have informed me of your own determination that further steps should be taken to assure that the trust's holdings do not constitute even the appearance of a conflict of interest with your future duties as Under Secretary.

This letter will confirm my agreement with you that, immediately following your confirmation as Under Secretary, the trust will sell the following securities presently held by it: 380 shares of Georgia-Pacific Corporation common stock, 120 shares of Louisiana-Pacific Corporation common stock, and 100 shares of Standard Oil Co. of California common stock. Broker's confirmations will be mailed to you promptly upon sale.

It is my opinion that, in view of your agreement to reimburse the trust for capital gains taxes and brokerage commissions, described below, the aforesaid additional sales of securities will not be contrary to Mother's best interests, as the life beneficiary of the trust. She concurs with my judgment.

Sales of these four securities will result in taxable capital gain to the trust in excess of $8,000. We will not know the resulting net increase in federal and Oregon income taxes to be paid in respect of 1981 until after the end of the tax year. This letter will confirm our agreement, made at your suggestion, that, inasmuch as the sales were prompted by a desire to accommodate you, you will reimburse the trust for the federal and Oregon income taxes and brokerage commission attributable to the sales. Whether you reimburse the trust substantially concurrently with its tax payment or give the trust your personal promissory note providing for deferred payment over a reasonable time is a matter which can be decided once the figures are ascertained.

If this letter accurately sets forth our understandings which supplement the letter agreement of January 24, please send me an initialled copy at your convenience.

Best wishes,

LESLIE E. HODEL.

The foregoing accurately states our understandings.

Date: January 29, 1981.

DONALD PAUL HODEL.

EXHIBIT 3–C

U.S. DEPARTMENT
OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., January 29, 1981.

MEMORANDUM

To: Director, Office of Government Ethics.
From: Deputy Department Ethics Counselor, U.S. Department of the Interior.
Subject: Opinion Memorandum for Donald Paul Hodel, Nominee for Under Secretary, U.S. Department of the Interior.

The financial statement filed by Mr. Hodel has been reviewed in accordance with the provisions set forth in 5 CFR 734.604(a).

In order to sign the certification it was necessary to address the following issues revealed by Mr. Hodel's financial disclosure report:

1. Mr. Hodel has ordered the sale of his 100 shares of stock in Bethlehem Steel Corporation.

This divestiture is necessitated by 30 U.S.C.A. 1211(f) which prohibits any federal employee who performs functions or duties under the Surface Mining Control and Reclamation Act of 1977 (the Act) from retaining financial interests in surface or underground coal mining operations. As Under Secretary Mr. Hodel will be subject to this prohibition. Bethlehem, through its subsidiary Bethlehem Mines Corporation, ranks among the nation's top 50 coal mining companies.

2. Another interest prohibited by the provisions in 30 U.S.C.A. 1211(f) is the 100 shares of stock in Phillips Petroleum Company. Mr. Hodel's interest in this holding derives from his 50 percent remainder interest in a testamentary trust. The attached Justice Department opinion (Attachment I) states that a remainder interest in a trust is a financial interest for purposes of the conflict of interest statutes. Supplemental Exhibit I attached to the SF-278 constitutes an agreement by Mr. Hodel to resign from his position as Co-Trustee of the trust upon his confirmation as Under Secretary. The trustee (Mr. Hodels' brother, Leslie Hodel) has, by his signature on the letter of agreement, consented to sell or otherwise dispose of those securities which are directly prohibited to the Under Secretary by the Act. The only securities now held in the trust which are so prohibited are the 100 shares of Phillips Petroleum Company stock.

As stated in the letter of agreement, I will inform the trustee in writing to sell or exchange the stock in Phillips Petroleum Company. Mr. Hodel already has directed the trustee to sell such shares and I am informed that the sale has already been accomplished.

3. The following four statutory prohibitions are extended by Departmental regulations to the Under Secretary and to other Secretarial officers:

(a) the Bureau of Mines (30 U.S.C. § 6),

(b) the Bureau of Land Management (43 U.S.C. § 11),

(c) the U.S. Geological Survey (43 U.S.C. § 31(a)), and

(d) the Bureau of Indian Affairs (18 U.S.C. § 437)

This extension is made to encompass those Department level officials who may exercise supervision over or influence decisions made by officials in each of the affected bureaus. By reason of such regulation, two of the holdings in the testamentary trust—Standard Oil of California and Georgia Pacific Corporation—are subject to the provisions of 43 U.S.C. § 31(a) and 43 U.S.C. 11 respectively. Attachment II to this memorandum sets forth the steps Mr. Hodel will take to divest himself of his 50 percent remainder interest in these two and other specific assets in the trust which may create even the appearance of conflict of interest. Mr. Hodel's agreement is totally acceptable to this Department and in fact exceeds the requirements of this Department which allow an exception to the regulatory extension for cause. See 43 CFR 20.735–§ 13(c).

4. The stock owned in General Tire and Rubber Company results in a financial interest in Frontier Airlines, General Tire, through its subsidiary RKO Teleradio Pictures, owns 60 percent of Frontier. Frontier Airlines is interested in providing jet service to Jackson Hole, Wyoming and the airport at Jackson Hole is on National Park Service land. In order to fly jet aircraft into Jackson Hole it will be necessary for the Park Service to issue regulations relaxing the proposed noise abatement procedures for Grand Teton National Park—a matter in which the Under Secretary could become involved. To avoid any problem with 18 U.S.C. 208 and Executive Order 11222, Mr. Hodel has ordered the sale of the stock held in General Tire and Rubber Company.

5. Mr. and Mrs. Hodel's agreement to dissolve Hodel Associates, Inc. consulting firm upon Mr. Hodel's confirmation as Under Secretary eliminates our concern about business relationships which the Department may have with the clients of Hodel Associates, Inc.

6. Finally, our review revealed that Mr. Hodel's property interests are not in close proximity to federal lands administered by the Department of the Interior and do not otherwise relate to the duties contemplated for Mr. Hodel.

The agreements, letter of resignation as co-trustee and arrangements stated in this memorandum have been negotiated with Mr. Hodel through his attorney, Donald Pearlman, of Keane, Harper, Pearlman and Copeland, Portland, Oregon.

Also enclosed are revised pages to the SF–278. The revisions made help to clarify items reported and correct typographical errors.

My certification is based on this analysis and on the resolutions as herein explained. Please call me at 343–3932 should you have any questions.

GABRIELE J. PAONE.

OFFICE OF GOVERNMENT ETHICS,
OFFICE OF PERSONNEL MANAGEMENT,
Washington, D.C., February 4, 1981.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Donald P. Hodel, who has been nominated by President Reagan for the position of Under Secretary of the Department of the Interior.

We have reviewed the report and have also obtained advice from the Department of the Interior concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. The Department, in its memorandum to this Office dated January 29, a copy of which with its attachments is enclosed, sets forth in detail the steps Mr. Hodel has taken personally and through the testamentary trust of which he is a contingent beneficiary to bring himself into conformity with the relevant statutes and regulations of the Department involving prohibited assets. Additionally, the Department, in the comment section on Mr. Hodel's financial disclosure report, states that Mr. Hodel, upon confirmation, will resign from all the positions listed in Schedule D, with the exception of the Lutheran Family Service organization.

Based on the foregoing, we believe that Mr. Hodel is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

J. JACKSON WALTER,
Director.

Mr. HATFIELD. Mr. President, it was my pleasure to introduce Don Hodel earlier today at his nomination hearing to be Under Secretary of Interior. I joined with my distinguished colleague, Senator PACKWOOD in expressing my utmost confidence in Don Hodel because I am absolutely convinced he will be a magnificent Under Secretary of Interior.

Donald Hodel comes to this post with a distinguished career in the fields of energy, resource development, and power production. His experience as both deputy administrator and administrator of the Bonneville Power Administration has made his managerial expertise legendary and his grasp of issues superb.

As my fellow Senators know, the Bonneville project is of mammoth proportions involving private, local, State, and Federal entities and Don Hodel's ability to orchestrate such diversity is well known.

Mr. President, believing Don Hodel will be a real asset to the interests of our Nation, I urge the Senate to confirm his nomination immediately.

Mr. PACKWOOD. Mr. President, President Reagan's choice of Donald P. Hodel to be Under Secretary of the Interior is one of the finest nominations he has made. I have been privileged to know Don Hodel for many, many years—more than 30, to be exact. We knew each other in high school, and over the years our paths have crossed many times as we have pursued careers in public service.

Don Hodel has unquestionable abilities as a manager and administrator. His career has prepared him well for the issues he will face at the Department of the Interior. He served for 7 years as an attorney for the Georgia-Pacific Corp. before taking on the very great responsibility of managing the Bonneville Power Administration, first as deputy administrator for 3 years, and later as administrator for 4 years.

Mr. President, the people of this country are lucky that a man with the abilities of Don Hodel is willing to leave a highly successful life in Oregon for a possibly thankless job in Washington, D.C. We are fortunate to have him in Government.

Mr. JACKSON. Mr. President, I am pleased to support President Reagon's nomination of Donald Hodel to be Under Secretary of the Interior. I have known Don Hodel for the last 12 years.

From 1969 to 1978 he was Deputy Administrator and Administor of the Bonneville Power Administration, which is, of course, very important to my State and to the Pacific Northwest. During that time I worked closely with Don on a broad range of issues, including the legislation which established the self-financing mechanism for BPA s operations. He was an excellent Administrator who gained the respect of a wide variety of interest groups in the Pacific Northwest. While we did not agree on every issue, we were always able to carry on a dialog and usually arrived at a mutually acceptable solution.

The Under Secretary of the Interior should play a critical role in management of all facets of the Department's responsibilities. I feel certain that Don Hodel will take a balanced and reasonable approach to resolving the wide variety of resource development and preservation issues which will confront the Department during the next 4 years.

Mr. McCLURE. Mr. President, I move confirmation of the nomination.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Donald P. Hodel, of Oregon, to be Under Secretary of the Department of the Interior.

So the nomination was confirmed.

Mr. McCLURE. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

DEBT LIMIT EXTENSION

Mr. BAKER. Mr. President, has S. 393, the debt limit bill, been reported by the Committee on Finance?

The PRESIDING OFFICER. The measure has been reported, and it is on the calendar.

Mr. BAKER. That being the case, is that the status of the bill, that it is on the calendar?

The PRESIDING OFFICER. The House bill will be placed on the calendar.

Mr. BAKER. The House-passed bill having been just received, the status of that bill, H.R. 1553, is that it goes directly to the calendar. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 1553.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, there will be no objection on this side to proceeding to the bill. This side will not ask that the Senate go over to a new legislative day in this instance. It is the desire to proceed with the action on the debt limit extension, and therefore, there is no objection to that.

Mr. BAKER. Mr. President, I thank the distinguished minority leader.

Am I correct, then, that upon the granting of the request just put, H.R. 1553 will be the pending business?

The PRESIDING OFFICER. Without objection, it is so ordered, and it will be the pending business.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1553) to provide for a temporary increase in the public debt limit.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, inasmuch as both the majority leader and the minority leader are in the Chamber, I wonder whether there is any possibility of wrapping this up this afternoon.

Mr. ROBERT C. BYRD. Mr. President, if I may respond, there is not a possibility that the measure can be wrapped up this afternoon. There are some Senators who will want to speak on the measure today. There may be some amendments that will be called up. It may be that some of the amendments which are being discussed will not be called up. I believe that tomorrow would be the day on which we might reasonably expect final action on this matter.

We on this side of the aisle—and I in particular—would like to await the President's televised message to the Nation this evening, because it may be that an amendment or amendments might be shaped in respect to and in response to that message.

So I say to the distinguished Senator that I do not believe it will be reasonable to anticipate action today, but I do not believe there will be any reason not to anticipate final action tomorrow.

Mr. DOLE. The reason for the inquiry, if that is the case, is this: The Senator from Kansas does not insist on proceeding today. If we are going to make statements, we can talk today about the need for the increase. But I assume that once the President has delivered his message and we start fairly early in the morning, we could proceed quickly.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. BAKER. Mr. President, I thank the Senator from Kansas for his inquiry and the response by the distinguished minority leader.

The minority leader had indicated to me earlier that he felt that they could not give consent nor agree to a final disposition of this measure today. He suggested that it is likely that we could complete action tomorrow.

Mr. President, I say to my colleagues that it is unlikely that we will be in very long today. In a moment, I am going to suggest the absence of a quorum and, perhaps a little later, recess for a brief time so that certain negotiations which are underway might be completed so that we can ascertain the shape and form of tomorrow's debate.

It is my expectation that the Senate will recess over until an early hour tomorrow—I presently have in mind 9 a.m.—with the hope that this measure can be disposed of as soon as possible, perhaps by midday.

I know a number of Senators on both sides have travel arrangements, that involve airline reservations and the like, which would be difficult to rearrange if we went very late on Friday.

While that concern is certainly not a controlling feature, it is a matter of some importance. If other factors will permit and if a thorough, adequate consideration of this measure can be disposed of this afternoon and by early tomorrow, I hope then we can pass the adjournment resolution, which I expect from the House of Representatives shortly, to provide that we will go out until February 16.

Mr. President, for the moment I am prepared to suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield before that?

Mr. BAKER. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, what the distinguished majority leader suggests, I think, is a reasonable approach to this matter.

I express the hope that if Senators do have amendments to call up, if they can call them up this afternoon and dispose of them, it might be well to do so.

I probably will have an amendment. I do not know whether I will call it up today or wait until tomorrow to call it up. I would not want action to be completed on it today if I should call it up today, but there may be other amendments that could be called up today and disposed of.

I am thinking of possibly one or two

amendments that I have heard discussed on my side of the aisle. It might be if those Senators still intend to call them up at some point they might wish to present them today and perhaps they could be disposed of today.

It may very well be that those Senators will not call them up and in any event they may not want to call them up today and may prefer to go over until tomorrow.

I am not attempting to suggest anything other than if such amendments can be called up today, and I speak to Senators on my side of the aisle in particular, they may wish to do so.

But I say to the majority leader that the amendment that I anticipate calling up probably will not be offered until tomorrow but in any event I would not want to vote on it today.

Mr. BAKER. Mr. President, I thank the minority leader for that information.

I wonder if there is some possibility that we could establish a time certain to vote on this measure tomorrow.

Mr. ROBERT C. BYRD. Mr. President, it might very well be that a time certain could be established. I doubt that it can be established today. But I intend to meet with Members on this side of the aisle in due course and it may very well be that in the morning a time could be established.

Mr. BAKER. I thank the minority leader.

Mr. President, it is now only 2:55 p.m., and there is a fair amount of time available to the Senate this afternoon.

I urge Members who have statements to make or perhaps even amendments to offer that they might take advantage of the time we have this afternoon.

I will not, then, suggest an absence of a quorum at this time nor recess.

At this moment, I yield briefly to the Senator from Minnesota.

Mr. DURENBERGER. I thank the majority leader.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

IRAN

Mr. DURENBERGER. Mr. President, all Americans are overjoyed at the release of our 52 hostages on Inaugural Day. While we must not forget the three Americans who remain in Iranian jails, we can take great pride in those of our countrymen who have returned to freedom. These people—diplomats, military men, educators, and a businessman—conducted themselves with dignity and courage throughout their ordeal, and they brought great credit to themselves and to the United States. They show what is best about our country, and their behavior stands in marked contrast to that of their captors, who manifested the worst rather than the best of Iran.

The capture of our Embassy and the detention of our citizens is a clear case of terrorism. No other word is appropriate. Such behavior was rightly denounced by the United Nations and the International Court of Justice. The incident was all the more repugnant in that the terrorists were aided, supported, directed, and shielded by their own government. Seldom has there been so clear a case of vicious and unjustifiable state terrorism. Iran thus stands condemned before the entire international community.

All nations recognize that they have a common stake in the preservation of international law and diplomatic customs. As President Reagan has reminded us, we must therefore make it clear to all people that we will not tolerate international terrorism, just as earlier generations of Americans did not tolerate piracy. No one should doubt our will, our resolve, or our reach, and no one should count on our acquiescence in the face of threats to our citizens or to the international order. Failure to make this clear can only invite further acts of terror.

There are other lessons to be drawn from this incident, however. First, as events of the past year have vividly demonstrated, the Iranian people are themselves at the mercy of the terrorists who challenged the United States and who have in many cases infiltrated the current Iranian Government. Repression under the current regime makes a mockery of the ideals that led many Iranians to oppose the government of the Shah. As has happened too often throughout history, the children of a revolution have become its eventual victims.

There is thus increasing dissatisfaction among the great majority of Iranians with the erratic and cruel leadership of the current government. Indeed, the hostages themselves were used as a bargaining chip among the various radical factions which would rather compete for power than assist their countrymen. It has been only the overriding challenge of the current war with Iraq that has stifled dissent against the government, but the fact remains that the current government is living on borrowed time, and it is doing so despite rather than because of the wishes of the great bulk of the Iranian people. In other words, we should not hold the Iranian people to account for the brutality of their government and its terrorist bullyboys, for this is a government which the Iranian people themselves do not support. It represents, as some say of its predecessor, a tyranny of the few against the many.

Second, the country of Iran—rather than the current government—remains important to American interests. If, through the excesses of the current regime, the country of Iran should fall apart into several fiefdoms or be plunged into anarchy, we ourselves will suffer. The United States has, as it has always had, a pronounced interest in the stability of the Persian Gulf, and it will harm both us and our allies if Iran, or any other country, should degenerate into a state of permanent collapse. The collapse of Iran will create incentives for the intrusion of hostile powers into the region, whether directly or through radical stalking horses. Under such a situation, our interests in the geopolitical stability of the entire region would suffer severely.

Consequently, I endorse President Reagan's statement of January 28, 1981, in which he said that we do not seek revenge on the Iranian people for the barbarism of the Embassy terrorists. Such revenge would both punish the wrong people and bolster the power of those currently in the government. Moreover, proposals to summarily expel all Iranians from the United States would likewise be cruel and counterproductive. Vast numbers of the Iranians now residing in the United States are refugees from the terror at home, and to expel them would be to send them to their deaths. While we should always be prepared to deport those immigrants who violate our laws, we should not deport people merely because they are Iranian.

Beyond this, I believe that we must give close attention to the nature of our relations with Iran after the situation within that country has become more stable. Relations with the terrorists are out of the question. But relations with a later government may prove to be in our long-term interest, particularly if such a government can serve as a bulwark against Soviet adventurism or radical subversion.

Consequently, I believe it necessary, as Senator BAKER and others have suggested, to conduct extensive hearings about past and future relations with Iran. Such hearings should not be seen as a witch hunt. Rather, they can provide us with information about the hostage incident that will prove valuable in preventing any recurrence of such an incident. Moreover, hearings will provide guidelines for the future of United States-Iranian relations by clearly specifying where our interests lie and outlining the means by which to achieve them.

DEBT LIMIT EXTENSION

The Senate continued with the consideration of the bill (H.R. 1553).

Mr. DOLE. Mr. President, the Senator from Kansas is certainly willing to proceed.

I understand the distinguished Senator from Louisiana, Senator LONG, is on his way to the Chamber.

The remarkable vote in the House of Representatives on this issue, 305 yeas, 104 nays, and 1 present, I think is an indication of the necessity that we move on with this legislation.

I might add that 155 Democrats voted yea; 68 voted nay; and 150 Republicans voted yea; 36 voted nay.

So there is an indication in that some Republicans have changed their mind and that some Democrats have changed their mind which happens with every change of administration.

Some understand responsibility and some understand irresponsibility, and I will not characterize which is which group.

But in any event, it is my understanding that the Senator from Ohio may have an amendment to reimpose controls on domestic oil. I hope he offers that amendment so we will have a chance to express not only the media's view on controls but the Senate's view on controls.

We know where at least some in the media stand. We wish to see how the Senate stands.

So hopefully the Senator from Ohio will offer that amendment this afternoon and maybe we could have a vote, if not this afternoon, tomorrow.

I am not certain what the Senator from West Virginia may propose, but I have heard that it might be a figure less than the figure in the resolution, and if that is the case perhaps we could have some of that debate today and hopefully dispose of that tomorrow.

But while we are waiting for the Senator from Louisiana, I would like to note that the Senator from Kansas has voted both ways on increasing the debt ceiling over the years, not depending on who occupied the White House. I hope I will be able to persuade my colleagues on this side for the most part, and many on the other side, of the need to move rather quickly on the public debt limit.

It is ironic that the first legislative act that President Reagan was required to recommend was to ask Congress to increase the debt ceiling by $50 billion. I am certain that that is not a responsibility that pleased the new President, but he understands his responsibility, and I believe the testimony of Secretary Regan, the new Treasury Secretary, indicated rather clearly that this is or should be an adequate figure to get us through the fiscal year.

There are some who wish to reduce that figure so that we would have another opportunity to vote on the debt ceiling increase later this year. Frankly, that appeals somewhat to this Senator because then we could add on spending cuts, maybe the tax cut, if we found either the House of Representatives or the Senate not moving quickly enough in response to President Reagan's message tonight, and his message to Congress in the next 10 days, regarding the need of the American people for fast action not just on the tax cut but on budget reductions as well.

So our purpose today is to act promptly to protect the fiscal integrity of the Federal Government, and I know how strongly some feel about voting to increase the debt ceiling. They may feel so strongly that they do not think we should mail out social security checks or mail out military payment checks or veterans benefit checks. I do not think it will come to that because I understand those amendments to be offered certainly will not jeopardize that, but for those who just flatly say, "I will never vote to increase the debt ceiling because I did not vote for some of the spending programs," I think they miss the point if we look at what we need to pay out at the time the debt limit exceeded, whether it is social security, military pay, or whatever.

As the new chairman of the Senate Finance Committee, it had been my hope last December, in the lame duck session, that we would have taken action that would have extended the debt ceiling up through May or June of this year. In fact, the Senate was willing to go along with that, but in the late session the House was not willing to accommodate our request. That is why we are here very early in this new administration, this new session, with a rather unpleasant task.

I think we must recognize that our task would be more unpleasant if we delayed in carrying out our responsibilities to insure that the Government can honor its outstanding commitments.

It has been suggested that it is much like members of the family going out and spending money, and when at the end of the month the bills come in, the head of the household says, "I am not going to pay the bills because I did not agree with what they were spent for." That is sort of the case today.

Those in the Senate—the House may not agree with everything that public money was spent for, may not have voted for some of the programs, but the point is that the obligations have been assumed and we have the responsibility for seeing to it that the Government pays its bills.

I do not think anyone can pretend any surprise. There has been some indication of great surprise because we are called upon to extend the debt limit at this time. The Treasury Department estimated in December that the debt ceiling of $935.1 billion would be reached sometime in February, notwithstanding the fact that the limit nominally expires on September 30 of this year.

The Committee on Finance tried to secure a longer extension which would have carried through the end of March. But, as I have indicated, the House in the late stages of the session was unwilling to accommodate that position. As a result, late in the last session the Senate agreed to accept the House-passed limit of $935.1 billion, and that is where the limit stands today.

As the Senator from Kansas indicated, the new Treasury Secretary, Secretary Regan, testified before the Committee on Finance and indicated that he came before us with mixed feelings that this was his first official act and first official testimony, when he hoped it might be on some other purpose than increasing the debt ceiling.

But the fact is that our present debt ceiling procedure, which derives from the Second Liberty Bond Act of 1917, was intended to minimize the number of occasions on which Congress must act to authorize the issuance of Federal debt. Because of the explosive growth of Federal deficits in recent decades, the debt ceiling has been increased an inordinate number of times. The ceiling was raised on 13 separate occasions in the 1960's, and 18 times during the 1970's.

Worse yet, on three occasions in recent years the temporary limit has expired without timely legislative action to extend it and, as a result, the Treasury Department had to suspend sales of savings bonds and other securities. Such suspensions only undermine investor confidence, and make it likely that bidders for Government securities will demand a higher interest premium in the future to safeguard them against future disruptions. That means higher costs to the Treasury, when we are trying our best to reduce those costs.

That is why we ought to act promptly on Secretary Regan's request for a debt ceiling of $985 billion through September 30, 1981. I hope, with the cooperation of this administration and this Congress—and the President was less than 50 yards from here just yesterday asking for cooperation with the Congress, and I think he expressed the hope and expectation that that would happen—I hope this might be a new beginning down a different road, a road of fiscal responsibility, so that we will gain sufficient control over Federal spending and inflation so that the new debt limit will not be reached quite so soon.

If there ever was any signal the American people needed or any way to understand how seriously in trouble we are from the economic standpoint, the next time we stand on this floor, depending on what happens to the amendment of the Senator from West Virginia, it is very likely we will be asked to go into debt in excess of $1 trillion.

The Senator from Kansas is not certain just how much $1 trillion is, but it is a great deal of money, and it is a debt this Government will owe its creditors.

I suggest to those who cannot understand or may not fully understand why it is necessary to cut the budget for this program or that program or whatever program we may finally act upon, that fact itself, the magnitude of the national debt itself, should indicate to everyone in this country the seriousness of our economic plight.

So we will have an economic package within the next 2 weeks. The Reagan economic package will come to the Congress, and I believe, I strongly believe, we

will have the cooperation of Congress, the House and the Senate, and that we will act responsibly, not just on tax reduction but on cutting the budget in a responsible way.

I suggest that in the meantime we should move ahead. We should extend the debt ceiling hopefully through the fiscal year by adopting a $985 billion figure. I urge my colleagues that it is time to act.

During the course of this debate I will be referring from time to time to statements made in previous years by Members of the Senate, responsible Members of the Senate, on how they view the debt ceiling and how they viewed the action on it by the Congress of the United States.

Over the years, as far as this Senator knows, it has been a bipartisan effort. Some people have played games with the debt ceiling. As long as they are not serious games there is no great concern. But I do believe if someone has a better way to proceed then he should be heard. If there are amendments, if the Senator from Ohio would like to proceed to offer his amendment to reimpose controls on oil, then I hope he would come to the floor and offer that amendment.

If there are other amendments others wish to offer, amendments on either side of the aisle, it is only 7 minutes after 3, and we have a great deal of time yet this afternoon, and we could use it to dispose of some of these amendments.

Finally, I will say, as I said in our committee session last week—and I believe it is a view shared by many on both sides of the aisle—if, in fact, we increase the debt ceiling, and if, in fact, we do not see any change on the part of this administration, if indeed we see business as usual with no real effort to reduce Federal spending, reduce inflation, reduce the interest rates, reduce Government regulation, then I would say that the next time we come to this floor asking for an increase in the debt ceiling it is going to be very difficult.

So if we are not prepared to convincingly demonstrate we have listened, then, perhaps, a Federal default will shock us into our senses. I do not want that to happen.

This Senator, however, is convinced the President will follow through. As I asked the President recently, "There are rumors around that you may lose your nerve." He said—

> I am not concerned about losing my nerve but I am concerned a bit about whether or not Congress will lose its nerve when it comes to spending reductions.

So the challenge is ours. The House has acted responsibly less than 1 hour ago, and I hope we might dispose of this matter in the next few hours, at least the debate, and then have the votes tomorrow.

Frankly, the Senator from Kansas has not seen the text of the President's speech he will make tonight to the Nation, but I doubt there will be anything in that speech to indicate the need to offer additional amendments to the debt ceiling. Someone may offer the speech of the President as an amendment to the debt ceiling or some other effort will be made.

In any event, I would be prepared to yield to anyone else who would like to speak at this time or, if not, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

Mr. LONG. Mr. President, I support the pending measure, and I urge other Senators to vote for it.

I ask unanimous consent that there be printed in the RECORD at the end of my statement a series of tables on estimated gross and net Government and private debt.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LONG. These are tables that I have repeatedly asked the Treasury to provide, and they show information on the debt, both on a gross basis and a net basis, related to various factors. I have found that this information is very useful in seeing the public debt in its proper perspective.

For example, when we look at the net Federal debt as a percentage of total public and private net debt, we find that the Federal percentage declined from 58 percent in 1946 to 16 percent in 1979. Thus, the percentage that the Federal debt represents of the total is only about one-fourth of what it was at the end of World War II.

In 1946, total public and private debt was 189 percent of our gross national product. In 1979, total public and private debt was 178 percent of the gross national product. This is not much of a decline. But it is important to note that the composition has changed dramatically. Private debt has increased from 73 to 138 percent of gross national product—almost double—while Federal debt has declined from 110 percent of gross national product to 28 percent, only about one-fourth of its level at the end of World War II.

If we look at the gross national product per capita in constant dollars—and I think, Mr. President, that that is about the most logical way to look at it—we find that in 1972 dollars it has increased from $3,361 in 1946 to $6,723 in 1979—a doubling in constant dollars.

I am talking about the gross national product now, rather than debt. The gross national product per capita during that period of time has doubled.

I would like to add to this a comparison which is not in the charts, Mr. President. Public debt in 1946 represented 240 percent of wages and salaries in that year. In 1980, public debt was 68 percent of wages and salaries. This means that the American wage earner is 3½ times better off today than he was in 1946 in terms of comparing his earnings to the Federal debt.

I hope that Senators will take the time to examine these charts in order to be able to view the Federal debt in its appropriate economic perspective.

What that means to me, Mr. President, is that while it would be good to retire the Federal debt, pay it off completely, and while interest rates are much higher than I like to see them, the trend has been toward a lesser debt as a percentage of the wages and salaries of the American people or as a percentage of the gross national product. So the trend has been moving in the right direction.

It is true that some of this was the result of inflation and that is to be regretted. But I submit, Mr. President, that when we compare our situation to that of other nations throughout the world, the United States is doing very well indeed, because other nations have not been able to maintain as stable a purchasing power as the United States over a long period of time. We have not been required to move the decimal point over by two places, as the French were required to do, for example, and of course, while we have had our problems, we have been able to perform in a better fashion than the other large nations of the world.

So I think, Mr. President, that while of course I would like to see a balanced budget and I would like to see the debt reduced even in terms of current dollars, I think it is fair to recognize that this Nation is not about to come to an end. It is still a very strong Nation, and a very great Nation. It is my judgment that the new President is entitled to have the cooperation and the support of Congress, as I believe the people of the United States intended, while he organizes his administration and tries to find ways to bring spending under control.

EXHIBIT 1

ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Year	Private[1]			State and local	Federal[2]	Total net debt	Percent Federal of total
	Individual	Corporate	Total				
1916	$36.3	$40.2	$76.5	$4.5	$1.2	$82.2	1.5
1917	38.7	43.7	82.5	4.8	7.3	94.5	7.8
1918	44.5	47.0	91.5	5.1	20.9	117.5	17.8
1919	43.9	53.3	97.2	5.5	25.6	128.3	20.0
1920	48.1	57.7	105.8	6.2	23.7	135.7	17.5
1921	49.2	57.0	106.2	7.0	23.1	136.3	17.0
1922	50.9	58.6	109.5	7.9	22.8	140.2	16.3
1923	53.7	62.6	116.3	8.6	21.8	146.7	14.9
1924	55.8	67.2	123.0	9.4	21.0	153.4	13.7
1925	59.6	72.7	132.3	10.3	20.3	162.9	12.5
1926	62.7	76.2	138.9	11.1	19.2	169.2	11.4
1927	66.4	81.2	147.6	12.1	18.2	177.9	10.3
1928	70.0	86.1	156.1	12.7	17.5	186.3	9.4
1929	72.9	88.9	161.8	13.6	16.5	191.9	8.6
1930	71.8	89.3	161.1	14.7	16.5	192.3	8.6
1931	64.9	83.5	148.4	16.0	18.5	182.9	10.2
1932	57.1	80.0	137.1	16.6	21.3	175.0	12.2
1933	51.0	76.9	127.9	16.3	24.3	168.5	14.5
1934	49.8	75.5	125.3	15.9	30.4	171.6	17.8
1935	49.7	74.8	124.5	16.1	34.4	175.0	19.7
1936	50.6	76.1	126.7	16.2	37.7	180.6	20.9
1937	51.1	75.8	126.9	16.1	39.2	182.2	21.6
1938	50.0	73.3	123.3	16.1	40.5	179.9	22.6
1939	50.8	73.5	124.3	16.4	42.6	183.3	23.3
1940	53.0	75.6	128.6	16.4	44.8	189.8	23.7
1941	55.6	83.4	139.0	16.1	56.3	211.4	26.7
1942	49.9	91.6	141.5	15.4	101.7	258.6	39.4
1943	48.8	95.5	144.3	14.5	154.4	313.2	49.3
1944	50.7	94.1	144.8	13.9	211.9	370.6	57.2
1945	54.7	85.3	140.0	13.4	252.5	405.9	62.3
1946	59.9	93.5	153.4	13.7	229.5	396.6	57.9
1947	69.4	109.6	179.0	15.0	221.7	415.7	53.4
1948	80.6	118.4	199.0	17.0	215.3	431.3	50.0
1949	90.4	118.7	209.1	19.1	217.6	445.8	48.9
1950	104.3	142.8	247.1	21.7	217.4	486.2	44.8
1951	114.3	163.8	278.1	24.2	216.9	519.2	41.8
1952	129.4	172.3	301.7	27.0	221.5	550.2	40.3
1953	143.2	180.9	324.1	30.7	226.8	581.6	39.0
1954	157.2	184.1	341.3	35.5	229.1	605.9	37.9
1955	180.1	215.0	395.1	41.1	229.6	665.8	34.5
1956	195.5	234.1	429.6	44.5	224.3	698.4	32.2
1957	207.6	249.1	456.7	48.6	223.0	728.3	30.7
1958	222.9	262.0	484.9	53.7	231.0	769.6	30.1
1959	245.0	287.0	532.0	59.6	241.4	833.0	29.0
1960	263.3	306.3	569.6	64.9	239.8	874.3	27.5
1961	284.8	328.3	613.1	70.5	246.7	930.3	26.6
1962	311.9	353.5	665.4	77.0	253.6	996.0	25.5
1963	345.8	383.6	729.4	83.9	257.5	1,070.8	24.1
1964	380.1	417.1	797.2	90.4	264.0	1,151.6	23.0
1965	424.6	463.2	887.8	98.3	266.4	1,252.5	21.3
1966	454.7	517.8	972.5	104.7	271.8	1,349.1	20.1
1967	489.1	562.6	1,051.7	112.8	286.4	1,450.8	19.7
1968	529.3	653.0	1,182.3	122.7	291.9	1,596.8	18.3
1969	566.2	764.7	1,330.9	133.3	289.3	1,753.4	16.5
1970	600.0	836.1	1,436.1	144.8	301.1	1,881.9	16.0
1971	667.5	911.2	1,578.7	162.7	325.9	2,067.3	15.8
1972	763.9	1,016.7	1,780.6	178.0	341.2	2,299.8	14.8
1973	854.4	1,166.5	2,020.9	192.3	349.1	2,562.3	13.6
1974	922.1	1,299.4	2,221.5	211.2	360.8	2,793.5	12.9
1975	994.4	1,365.4	2,359.8	222.7	446.3	3,028.8	14.7
1976	1,106.8	1,496.1	2,602.9	236.3	515.8	3,354.9	15.4
1977			2,502.9	263.2	572.5	3,338.6	17.1
1978			2,897.8	291.4	626.2	3,815.4	16.4
1979			3,320.1	305.1	663.6	4,288.8	15.5

[1] Private corporate debt includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1949; FHLB's in 1951; FNMA-secondary market operations, FICB's, and BCOOP's in 1968. The total debt for these agencies amounted to $0.7 billion on Dec. 31, 1947, $3.5 billion on Dec. 31, 1960, $38.8 billion on Dec. 31, 1970, $78.8 billion on Dec. 31, 1975 and $81.4 billion on Dec. 31, 1976.

[2] Borrowing from the public equals gross Federal debt less securities held in Government accounts (a unified budget concept).

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars. Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

ESTIMATED PER CAPITA NET GOVERNMENT AND PRIVATE DEBT[1]

Year	Private[2]			State and local	Federal[3]	Total net debt
	Individual	Corporate	Total			
1916	$356	$394	$750	$44	$12	$806
1917	375	423	798	46	71	915
1918	431	455	887	49	203	1,139
1919	420	510	930	53	245	1,228
1920	452	542	994	58	223	1,275
1921	453	525	978	64	213	1,256
1922	462	532	995	72	207	1,274
1923	480	559	1,039	77	195	1,310
1924	489	589	1,078	82	184	1,344
1925	515	628	1,142	89	175	1,406
1926	534	649	1,183	95	164	1,441
1927	558	682	1,240	102	153	1,494
1928	581	715	1,295	105	145	1,546
1929	599	730	1,329	112	136	1,576
1930	583	726	1,309	119	134	1,562
1931	523	673	1,196	129	149	1,475
1932	457	641	1,098	133	171	1,402
1933	406	612	1,018	130	194	1,342
1934	394	597	992	126	241	1,358
1935	391	588	978	127	270	1,375
1936	395	594	989	127	294	1,410
1937	397	588	985	125	304	1,414
1938	385	565	950	124	312	1,386
1939	388	562	950	125	325	1,401
1940	400	570	970	124	338	1,431
1941	415	623	1,038	120	420	1,579
1942	369	677	1,045	114	751	1,910
1943	356	696	1,051	106	1,125	2,282
1944	365	677	1,042	100	1,525	2,668
1945	389	607	997	95	1,798	2,890
1946	422	659	1,081	97	1,617	2,794
1947	480	757	1,237	104	1,532	2,873
1948	548	804	1,352	115	1,463	2,930
1949	604	793	1,396	128	1,453	2,977
1950	685	938	1,623	143	1,428	3,193
1951	738	1,058	1,796	156	1,400	3,352
1952	821	1,094	1,915	171	1,046	3,492
1953	894	1,129	2,023	192	1,416	3,631
1954	964	1,129	2,094	218	1,405	3,717
1955	1,085	1,296	2,381	248	1,384	4,013
1956	1,157	1,386	2,543	263	1,328	4,135
1957	1,207	1,448	2,655	283	1,297	4,235
1958	1,275	1,498	2,773	307	1,321	4,401
1959	1,378	1,614	2,992	335	1,357	4,684
1960	1,457	1,695	3,153	359	1,327	4,839
1961	1,550	1,787	3,338	384	1,343	5,064
1962	1,672	1,895	3,567	413	1,360	5,339
1963	1,827	2,027	3,854	443	1,361	5,658
1964	1,981	2,174	4,154	471	1,376	6,001
1965	2,185	2,384	4,569	506	1,371	6,446
1966	2,313	2,634	4,948	533	1,383	6,864
1967	2,461	2,831	5,293	568	1,441	7,301
1968	2,637	3,254	5,891	611	1,454	7,956
1969	2,794	3,773	6,567	658	1,427	8,651
1970	2,929	4,081	7,010	707	1,470	9,185
1971	3,224	4,401	7,625	786	1,574	9,984
1972	3,658	4,868	8,526	852	1,634	11,012
1973	4,061	5,544	9,605	914	1,659	12,178
1974	4,352	6,132	10,484	997	1,703	13,183
1975	4,693	6,444	11,136	1,051	2,090	14,293
1976	5,145	6,955	12,100	1,098	2,398	15,596
1977			11,540	1,213	2,640	15,394
1978			13,219	1,332	2,863	17,444
1979			15,051	1,383	3,008	13,443

[1] Per capita debt is calculated by dividing debt figures by population of conterminous United States. Beginning 1949, population includes Armed Forces overseas, Hawaii, and Alaska.

[2] Private corporate debt includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1949; FHLB's in 1951; FNMA secondary market operations, FICB's and BCOOP's in 1968. The total debt for these agencies amounted to $0.7 billion on Dec. 31, 1947, $3.5 billion on Dec. 31, 1960, $38.8 billion on Dec. 31, 1970, $78.8 billion on Dec. 31, 1975, and $81.4 billion on Dec. 31, 1976.

[3] Borrowing from the public equals gross Federal debt less securities held in Government accounts (a unified budget concept).

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars. Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

NET GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

Year	Gross national product (billion)	Ratios of debt to gross national product					
		Private [1]			State and local	Federal [2]	Total net debt
		Individual	Corporate	Total			
1929	$103.4	$70.5	$86.0	$156.5	$13.2	$16.0	$185.6
1930	90.7	79.2	98.5	177.7	16.3	18.2	212.1
1931	76.1	85.4	109.8	195.1	21.1	24.4	24.05
1932	58.3	98.0	137.3	235.3	28.5	36.6	300.3
1933	55.8	91.4	137.8	229.2	29.3	43.6	301.9
1934	65.3	76.3	115.7	192.0	24.4	46.6	262.9
1935	72.5	68.6	103.2	171.8	22.3	47.5	241.4
1936	82.7	61.2	92.0	153.2	19.6	45.6	218.3
1937	96.7	52.9	78.4	131.2	16.7	40.6	188.4
1938	85.0	58.9	86.3	145.2	19.0	47.7	211.8
1939	90.8	56.0	81.0	136.9	18.1	47.0	201.9
1940	100.0	53.1	75.7	128.7	16.5	44.9	189.9
1941	124.9	44.6	66.8	111.4	12.9	45.1	169.3
1942	158.3	31.6	57.9	89 4	9.8	64.3	163.4
1943	192.0	25.5	49.8	75.2	7.6	80.5	163.2
1944	210.5	24.1	44.8	68.8	6.7	100.7	176.1
1945	212.3	25.8	40.2	66.0	6.4	119.0	191.2
1946	209.6	28.6	44.7	43.2	6.6	109.5	189.3
1947	232.8	29.9	47.1	76.9	6.5	95.3	178.5
1948	259.1	31.2	45.7	76.9	6.6	83.1	166.5
1949	258.0	35.1	46.1	81.1	7.5	84.4	172.8
1950	286.2	36.5	49.9	86.4	7.6	76.0	169.9
1951	330.2	34.7	49.7	84.3	7.4	65.7	157.3
1952	347.2	37.3	49.7	86.9	7.8	63.8	158.5
1953	366.1	39.2	49.5	88.5	8.4	62.0	158.9
1954	366.3	43.0	50.3	93.2	9.7	62.6	165.5
1955	399.3	45.2	53.9	99.0	10.3	57.6	165.8
1956	420.7	46.5	55.7	102.2	10.6	53.4	165.1
1957	442.8	46.9	56.3	103.2	11.0	50.4	164.5
1958	448.9	49.7	58.4	108.1	12.0	51.5	171.5
1959	486.5	50.4	59.0	109.4	12.3	49.7	171.3
1960	506.0	52.1	60.6	112.6	12.9	47.4	172.8
1961	523.3	54.5	62.8	117.2	13.5	47.2	177.8
1962	563.8	55.4	62.7	118.1	13.7	45.0	176.8
1963	594.7	58.2	64.6	122.7	14.2	43.3	180.1
1964	635.7	59.8	65.7	125.5	14.3	41.6	181.2
1965	688.1	61.7	67.3	129.0	14.3	38.7	182.0
1966	753.0	60.4	68.6	129.2	13.9	36.1	179.2
1967	796.3	61.4	70.7	132.1	14.2	36.0	182.2
1968	868.5	60.9	75.2	136.1	14.1	33.6	183.9
1969	935.5	60.5	81.7	142.2	14.2	30.9	187.4
1970	982.4	61.1	85.1	146.2	14.7	30.6	191.6
1971	1,063.4	62.8	85.7	148.5	15.3	30.6	194.4
1972	1,171.1	65.2	86.8	152.0	15.2	29.2	196.4
1973	1,306.3	65.4	89.3	154.7	14.6	26.7	196.1
1974	1,412.9	65.3	92.0	157.2	14.9	25.5	197.7
1975	1,528.8	65.0	89.3	154.4	14.6	29.2	198.1
1976	1,691.6	65.5	88.5	153.9	14.0	30.5	198.4
1977	1,918.0			130.5	13.7	29.8	174.1
1978	2,156.1			134.4	13.5	29.0	177.0
1979	2,413.9			137.5	12.6	27.5	177.7

[1] Private corporate debt includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1949; FHLB's in 1951; FNMA-secondary market operations, FICB's, and BCOOP's in 1968. The total debt for these agencies amounted to $0.7 billion on Dec. 31, 1947, $3.5 billion on Dec. 31, 1960, $38.8 billion on Dec. 31, 1970, $78.8 billion on Dec. 31, 1975, and $81.4 billion on Dec. 31, 1976.

[2] Borrowing from the public equals gross Federal debt less securities held in Government accounts (a unified budget concept).

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES

Year	Outstanding Federal debt			Per capita Federal debt [1]			Real per capita Federal		
	Gross [2]	Net [3]	Privately held net [4]	Gross [2]	Net [3]	Privately held net [4]	Gross [2]	Net [3]	Privately held net [1]
1929	$17.5	$16.5	$16.0	$144	$136	$131	$281	$265	$256
1930	17.3	16.5	15.8	141	134	128	292	279	266
1931	19.1	18.5	17.7	154	149	142	354	342	327
1932	22.0	21.3	19.4	176	171	155	451	437	396
1933	25.3	24.3	21.9	201	194	174	513	492	443
1934	33.3	30.4	28.0	264	241	221	657	600	551
1935	36.2	34.4	32.0	284	270	251	688	654	607
1936	40.3	37.7	35.3	315	294	275	752	704	658
1937	43.1	39.2	36.6	335	304	284	776	706	658
1938	45.6	40.5	37.9	351	312	291	837	744	695
1939	48.8	42.6	40.1	373	325	306	893	790	733
1940	52.2	44.8	42.6	394	338	321	934	802	761
1941	65.6	56.3	54.0	490	420	403	1,059	909	871
1942	113.7	101.7	95.5	840	751	705	1,661	1,486	1,394
1943	171.0	154.4	142.9	1,246	1,125	1,041	2,388	2,156	1,995
1944	233.6	211.9	193.1	1,682	1,525	1,390	3,156	2,863	2,608
1945	279.6	252.5	228.2	1,990	1,798	1,624	3,653	3,299	2,981
1946	260.4	229.5	206.1	1,835	1,617	1,452	2,841	2,504	2,248
1947	256.1	221.7	199.1	1,770	1,532	1,375	2,522	2,183	1,960
1948	252.6	215.3	192.0	1,716	1,463	1,304	2,384	2,032	1,811
1949	256.9	217.6	197.7	1,715	1,453	1,320	2,427	2,056	1,867
1950	256.5	217.4	196.6	1,684	1,428	1,291	2,252	1,909	1,725
1951	258.9	216.9	193.1	1,672	1,400	1,246	2,109	1,767	1,573
1952	267.0	221.5	196.8	1,695	1,406	1,249	2,119	1,758	1,562
1953	274.7	226.8	200.9	1,715	1,416	1,254	2,131	1,759	1,558
1954	278.0	229.1	204.2	1,705	1,405	1,252	2,128	1,754	1,563
1955	280.6	229.6	204.8	1,691	1,384	1,234	2,102	1,720	1,534
1956	277.2	224.3	199.4	1,641	1,328	1,180	1,993	1,605	1,426
1957	277.4	223.0	198.8	1,613	1,297	1,155	1,892	1,521	1,356
1958	284.5	231.0	204.7	1,627	1,321	1,170	1,876	1,523	1,349
1959	294.4	241.4	214.8	1,656	1,357	1,207	1,881	1,542	1,372
1960	294.1	239.8	212.4	1,628	1,327	1,175	1,823	1,486	1,316
1961	300.5	246.7	217.8	1,636	1,343	1,185	1,820	1,494	1,319
1962	308.0	253.6	222.8	1,651	1,360	1,194	1,815	1,495	1,313
1963	314.1	257.5	223.9	1,660	1,361	1,183	1,795	1,472	1,279
1964	323.4	264.0	227.0	1,685	1,376	1,183	1,801	1,470	1,231
1965	326.9	266.4	225.6	1,682	1,371	1,161	1,761	1,438	1,217
1966	339.6	271.8	227.5	1,728	1,383	1,157	1,753	1,403	1,174
1967	361.9	286.4	237.3	1,821	1,441	1,194	1,793	1,419	1,176
1968	371.3	291.9	238.9	1,850	1,454	1,190	1,739	1,367	1,119
1969	381.2	289.3	232.1	1,881	1,427	1,145	1,656	1,255	1,014
1970	400.8	301.1	239.0	1,956	1,470	1,166	1,613	1,234	979
1971	434.4	325.9	255.1	2,098	1,574	1,232	1,705	1,279	1,001
1972	460.2	311.2	259.9	2,203	1,634	1,232	1,732	1,281	1,015
1973	480.7	349.1	268.6	2,235	1,659	1,276	1,651	1,198	922
1974	501.0	360.8	280.1	2,373	1,703	1,322	1,532	1,096	851
1975	587.6	446.3	358.2	2,752	2,090	1,677	1,655	1,257	1,009
1976	664.8	515.8	418.5	3,090	2,398	1,945	1,773	1,376	1,116
1977	729.2	572.5	469.5	3,362	2,640	2,165	1,807	1,419	1,163
1978	797.7	623.2	516.4	3,617	2,863	2,356	1,797	1,411	1,161
1979	852.2	663.6	546.0	3,853	3,008	2,475	1,630	1,308	1,077

[1] Per capita debt is calculated by dividing debt figures by population of conterminous United States. Beginning 1949, population includes Armed Forces overseas, Hawaii, and Alaska.

[2] Total Federal securities includes public debt securities and budget agency securities.

[3] Borrowing from the public equals gross Federal debt less securities held in Government accounts (a unified budget concept).

[4] Borrowing from the public less Federal Reserve holdings.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars. Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

PRIVATELY HELD FEDERAL DEBT RELATED TO GNP

[Dollar amounts in billions]

Year	Gross national product	Privately held debt [1]	Ratio of debt to GNP	Year-to-year price changes [2]
1929	$103.4	$16.0	15.5	
1930	90.7	15.8	17.5	−6.0
1931	76.1	17.7	23.3	−9.5
1932	58.3	19.4	33.3	−10.2
1933	55.8	21.9	39.3	.6
1934	65.3	28.0	42.9	2.1
1935	72.5	32.0	44.2	3.0
1936	82.7	35.3	42.7	1.3
1937	96.7	36.6	37.9	3.2
1938	85.0	37.9	44.7	−2.7
1939	90.8	40.1	44.2	−.4
1940	100.0	42.6	42.7	1.0
1941	124.9	54.0	43.3	9.8
1942	158.3	95.5	60.4	9.3
1943	192.0	142.9	74.5	3.2
1944	210.5	193.1	91.8	2.2
1945	212.3	228.2	107.5	2.3
1946	209.6	206.1	98.4	18.6
1947	232.8	199.1	85.6	8.7
1948	259.1	192.0	74.2	2.6
1949	258.0	197.7	76.7	−1.8
1950	286.2	196.6	68.7	5.9

PRIVATELY HELD FEDERAL DEBT RELATED TO GNP—Continued

[Dollar amounts in billions]

Year	Gross national product	Privately held debt [1]	Ratio of debt to GNP	Year-to-year price changes [2]
1951	$330.2	$193.1	58.5	6.0
1952	347.2	196.8	56.7	.9
1953	366.1	200.9	54.9	.7
1954	366.3	204.2	55.8	−.4
1955	399.3	204.8	51.3	.4
1956	420.7	199.4	47.4	2.9
1957	442.8	198.8	44.9	3.1
1958	448.9	204.7	45.7	1.8
1959	486.5	214.8	44.2	1.5
1960	506.0	212.4	42.0	1.5
1961	523.3	217.8	41.7	.7
1962	563.8	222.8	39.6	1.3
1963	594.7	223.9	37.7	1.7
1964	635.7	227.0	35.8	1.2
1965	688.1	225.6	32.8	2.0
1966	753.0	227.5	30.3	3.4
1967	796.3	237.3	29.9	3.0
1968	868.5	238.9	27.6	4.7
1969	935.5	232.1	24.9	6.1
1970	982.4	239.0	24.4	5.5
1971	1,063.4	255.6	24.0	3.4
1972	1,171.1	271.1	23.1	3.4
1973	1,306.3	270.4	20.7	8.8
1974	1,412.9	280.1	19.8	12.2
1975	1,528.8	358.2	23.4	7.0
1976	1,706.5	418.5	24.5	4.8
1977	1,918.0	469.5	24.5	6.8
1978	2,156.1	515.4	23.9	9.0
1979	2,413.9	546.0	22.6	13.3

[1] Borrowing from the public less Federal Reserve holdings.
[2] Measured by all item Consumer Price Index, December to December basis.

Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT

Year	GNP in billions of 1972 dollars	GNP per capita constant 1972 dollars [1]	GNP per capita, change from year ago	
			Constant 1972 dollars	Percent
1929	314.7	2,584		
1930	385.1	3,129	544	21
1931	263.3	2,123	−1,006	−32
1932	227.1	1,819	−303	−14
1933	222.1	1,769	−50	−2
1934	239.3	1,894	125	7
1935	261.0	2,051	157	8
1936	297.1	2,320	269	13
1937	310.8	2,413	92	4
1938	297.8	2,294	−118	−4
1939	319.7	2,443	148	6
1940	343.6	2,591	148	6
1941	396.6	2,962	370	14
1942	454.6	3,358	396	13
1943	527.3	3,842	483	14
1944	567.0	4,082	239	6
1945	559.0	3,980	−101	−2
1946	477.0	3,361	−618	−15
1947	468.3	3,236	−124	−3
1948	487.7	3,313	76	2
1949	490.7	3,276	−36	−1
1950	533.5	3,504	227	6
1951	576.5	3,722	218	6
1952	598.5	3,799	76	2
1953	621.8	3,882	83	2
1954	613.7	3,764	−117	−2
1955	654.8	3,946	181	4
1956	668.8	3,960	13	
1957	680.9	3,959		
1958	679.5	3,885	−73	−1
1959	720.4	4,051	165	4
1960	736.8	4,078	27	
1961	755.3	4,112	33	
1962	799.1	4,284	172	4
1963	830.7	4,390	105	2
1964	874.4	4,557	167	3
1965	925.9	4,765	208	4
1966	981.0	4,991	225	4
1967	1,007.7	5,071	80	1
1968	1,051.8	5,141	169	3
1969	1,078.8	5,323	82	1
1970	1,075.3	5,249	−74	−1
1971	1,107.5	5,349	100	1
1972	1,171.1	5,607	258	4
1973	1,235.0	5,869	262	4
1974	1,217.8	5,747	−122	−2
1975	1,191.7	5,581	−148	−2
1976	1,264.7	5,879	298	5
1977	1,371.7	6,325	446	7
1978	1,436.9	6,570	245	4
1979	1,483.0	6,723	153	2

[1] Per capita debt is calculated by dividing debt figures by population of conterminous United States. Beginning 1949, population includes Armed Forces overseas, Hawaii, and Alaska.
Source: Federal debt, Treasury Department; other data, Bureau of Economic Analysis, Commerce Department.

Note: Detail may not add to totals because of rounding. Real GNP is in constant 1972 dollars. Real per capita debt expressed in 1967 prices (i.e., Consumer Price Index for all items).

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, how do I get time? Is there any control over time?

The PRESIDING OFFICER. No.

Mr. CRANSTON. Mr. President, I and many other Democratic Senators have consistently voted to increase the debt ceiling in the past, and I and other Democratic Senators who have voted for debt ceiling increases have been attacked for these votes by the Republican Party generally and by our opponents specifically, in subsequent campaigns.

I survived the last election despite those attacks, attacks that I consider irresponsible, demagogic, false, and utterly distorting of the true intent of votes on the debt ceiling, in favor of raising the ceiling.

Some of my Democratic friends did not survive those and like attacks. I suspect that they shared my opinion of the true nature of the attacks on them with respect to that issue.

In the course of the debate on an earlier proposal to lift this ceiling, which occurred on June 26, Senator Robert Morgan of North Carolina addressed a series of questions to Senator RUSSELL LONG of Louisiana, then chairman of the Finance Committee, now ranking member of that committee. At that time, Senator LONG was handling the proposal to lift the debt ceiling.

Mr. Morgan asked him:

What I want to know is if we do not extend this debt limit beyond June 30, will the 35 million or so people who receive social security in this country be able to get their checks for July?

Mr. LONG. They could not be paid.

Mr. MORGAN. Why could they not be paid?

Mr. LONG. Because the debt limit would revert back to the permanent debt of $400 billion, and the Government could not borrow money to pay its debts. Therefore, there simply would not be enough cash available to pay them.

Mr. Morgan then asked what these people would do about their rent or utility bills and food if they did not get their social security checks. Would they have no money if that was their only recourse?

Mr. LONG said, "That is correct."

Mr. Morgan then asked about a lot of farmers in his State and elsewhere who have a considerable degree of dependence on farm support programs that assist farmers in agriculture and agricultural conservation practices. He asks if they could continue to farm without that assistance.

Mr. LONG said, "No."

Mr. Morgan asked about rural housing: "Would there be any money for that?"

Mr. LONG said that none would be available.

Mr. Morgan asked:

What about the military, the Army, will there be any money available to pay the Army?

Mr. LONG. The Army could not be paid, the

Navy could not be paid, and the Air Force could not be paid.

Mr. Morgan asked about retired military people: "Would they be paid?"

Mr. LONG replied, "No."

Mr. Morgan asked:

In the opinion of the Senator, does a vote to increase the debt ceiling indicate to the Senator that we favor unlimited deficit financing? Is that the way it is interpreted by the Senator?

Mr. LONG. No, not in my judgment. In my judgment, it is simply a matter of voting to pay the bills which have been incurred. We have done all we could to hold spending down, but when the obligations have been incurred, it is my view that we have no choice but to pay them.

Mr. MORGAN. In other words, the time to talk about deficit financing and big government spending is when we deal with these appropriation bills and spend the money?

Mr. LONG. Let me compliment the Senator for analyzing it exactly correctly.

Mr. MORGAN. Does the Senator agree with me that, as a member of the Senate, once we have engaged in debate on these appropriations bills and—whether the Senate and the Congress agree with my personal views or not—in this democratic Congress of ours, where we go by the majority rule, once Congress and the President have, according to law, incurred these obligations, as a Member of the Senate. I have a moral obligation to do whatever is necessary to pay for those obligations?

Mr. LONG: I think so. That is how I feel about it, Mr. President.

Mr. Morgan was one of those who did not survive the recent election. Mr. Morgan was one of those who was attacked for the responsible vote he cast in favor of increasing the debt limit at a time following this colloquy. He was attacked for "favoring unlimited deficit spending," as a result of his casting his vote for increasing the debt ceiling at that time.

I do not know how I will vote in view of this record now that I am not in the majority party and now that there is a President of the other party in the White House rather than of my party. The responsibility that I had to meet when I was in the majority is not necessarily one that I feel I must meet at this stage unless there are adequate evidences of responsible action by the party that is now in the majority and unless I have a clear understanding of their attitude now toward this measure.

I do feel that the debt ceiling should be increased so that the unfortunate events that have been spelled out in the colloquy of last year between Mr. Morgan and Mr. LONG do not follow. The faith and credit of the Federal Government is involved in this. All the citizens of our country and many other people have a stake in the good faith and credit of our country. If we begin to default on our obligations, it would obviously have dire consequences not only for individuals and businesses but for our country in its relationship to other countries, and it would have a very adverse effect upon an economy that is already in very severe difficulty at the present time.

So for these reasons I wish to ask the distinguished Senator from Kansas, the chairman of the Finance Committee, the man who is in effect the Republican leader now in the Chamber handling this particular issue, a few questions.

The first question I wish to address to my friend from Kansas is the following:

Is it accurate to charge that I or any other Senator who votes yea on this measure favors unlimited deficit spending?

Mr. DOLE. Is that the question?

Mr. CRANSTON. Yes.

Mr. DOLE. I say, before responding to that question, that I have listened carefully to the Senator's discussion and I think I do not have much quarrel with it except I can recall an election I participated in where a very liberal member of the other party was my opponent. He was a Member of the House of Representatives, and he attacked me for voting for the debt ceiling as being irresponsible. He voted for all the spending and against the debt ceiling. One cannot beat a program like that.

So it works both ways.

The point the Senator from Kansas makes at the outset is it is not only Republicans trying to pin down Democrats. Frankly, in the 20 years I have been in Congress I am not certain how many extensions I voted for, but it was a great number on the theory that, as I said in my opening statement, it is much like the family. The head of the household gets the bill at the end of the month. He may not agree with all the purchases made but someone has to pay the bill or someone has an obligation to pay the bill, and that is how I view the process we are in now.

It is not that I may not agree with every program but included in those programs are social security, veterans benefits, and military pay. I think a responsible vote, very honestly, is a vote to increase the debt ceiling. That does not mean that I like deficit spending. It suggests that perhaps in the next few months and hopefully by next year we will see a change in direction because of the cooperative efforts of Republicans and Democrats in Congress and of the White House with President Reagan's assistance. Maybe we will not have to vote to increase the debt as much or as often in the future.

But I do not view it as an irresponsible vote. In fact I think very honestly the responsible vote is the vote to pay our bills.

Mr. CRANSTON. I appreciate the Senator's comments. I grant that this is a matter that has been used in the heat of campaigns by people in both parties. More recently it has been used far more by members of the party that is the majority party in this body, partly because only eight members of the Republican Party voted for the debt limit increase, I think, the last time it came around; most Democrats, some were in the House, voted for it. No Republican Member of the House voted for it upon a recent occasion. So obviously the Democrats were vulnerable, the Republicans were not, to the use of this for what I consider unscrupulous partisan purposes.

I would never use a vote cast by anyone on this issue in favor of raising the limit for an attack upon him charging him with being fiscally irresponsible, or something like that, because I think that would be unethical.

Does the Senator feel that anyone who votes for increasing the debt ceiling is thereby indicating that he is a big spender?

Mr. DOLE. The Senator from Kansas does not consider himself a big spender, and I intend to vote for it and have in the past. So I guess the self-serving answer is no.

But I think it is also the candid answer. What other choice is there? What if we all vote no? We are all very responsible. We all vote no, and the 17th or 18th of February rolls around and we are out of money. Then the 1st of the month rolls around and it is time for social security payments, veterans benefit payments, and military pay, and we can all parade around the Capitol telling everyone how responsible we are as they are trying to get in the Capitol to tell us what we have done insofar as their benefits are concerned.

I do not quarrel with those who are going to vote no. I assume some will, and I am very pleased that 150 Republicans voted aye today in the House of Representatives.

Frankly, I say to the Senator from California. I can understand the reason the Democrats wish to look back to what has happened over the years and how the Republicans have voted. But I do not think it is quite fair at this point because President Reagan has only been in office about 12 days, and this is really not his debt limit. It belongs to the past administration. So I think just as a matter of pride and responsibility every Democrat would want to clean up the tail end of the Carter administration by casting an aye vote and then when we get into the next or maybe even the third increase in the debt ceiling we would talk about partisanship.

I think an aye vote is a responsible vote. Some of my colleagues on this side will disagree. Some will not vote for the increase. I understand the Democrats may want to reduce it by $30 billion or $25 billion. If that is the case, they play into the hands of the Republicans because that will mean if we do not get some action on spending cuts by June we can put them all on the next debt ceiling increase.

I share the view expressed by the Senator from California.

Mr. CRANSTON. I thank the Senator.

I wish to ask him another question:

Is it fair to charge that a Senator who votes to lift the debt ceiling thereby has indicated that he is a Senator who favors bigger and bigger government?

Mr. DOLE. I do not think that is a fair charge, but having been in politics perhaps nearly as long as the Senator from California, what is fair and what is charged may not be relevant in politics. I think the fair charge would be to point out the specific program that a Senator may have voted for, to try to make the case against voting for that program, whether it is a farm program or a food program, or an oil program, or whatever.

But this, in the eyes of many, is a ministerial function we are carrying out. It is a bookkeeping act.

In fact if we follow the House of Representatives procedure we would do this at the same time we pass the budget resolution. I know it is a handy vehicle to offer amendments, and we have done it for years on the Republican side, sometimes successfully. By using the debt ceiling, we have repealed efforts to impose an additional tax on gasoline. But this in itself does not indicate anything except that we should pay our bills. If we were putting in more money than we needed, somehow that money would be transferred around for "bigger government" or more spending programs, but as the Senator from California knows that cannot be done.

Mr. CRANSTON. Is it accurate to charge that a Senator who votes in favor of lifting the debt ceiling thereby reveals that he is opposed to balancing the budget?

Mr. DOLE. That is not accurate, but again those charges can be made.

Mr. CRANSTON. Any charge can be made and often is.

Mr. DOLE. In fact it is more often than not in our business.

Mr. CRANSTON. I agree with the Senator from Kansas that the action of voting for and the action of lifting the debt ceiling or increasing the debt ceiling is ministerial. It is bookkeeping. It is mechanical. It does not reveal any judgment about the propriety of spending at any particular level for any particular purpose. It is just a recognition of the fact that the Government will grind to a halt and people will suffer and the economy will be damaged if we do not take this action.

So for those reasons I think it would be well to seek to find a way to make it less easy to deal with this issue in the unscrupulous political ways in which it has been dealt with.

I have heard various suggestions as to how that might be accomplished and what the Democrats, I think, are doing at this time is seeking to take a political action now that may lead to a situation where the burdens are clearly equally shared, if one looks back into history a ways and then to the present and the immediate future, where whatever responsibilities are exercised are exercised in a reasonably mutual way.

I hope that might then lead us to devise an approach which will make it more difficult to use this particular necessity for unfair partisan purposes, and I hope the Senator will join in any reasonable efforts which he favors.

Mr. DOLE. I have discussed this issue with former Treasury Secretary Miller and already with Secretary Regan, the new Treasury Secretary. They both felt pretty much the same. Anybody who has been in the Treasury lives in fear of the exercise we go through every 4, 5, or 6 months to increase the debt ceiling.

You cannot allow the issuance of savings bonds, you cannot mail out social security checks, you cannot mail out veterans' checks, and you cannot pay the military. As I have said, very honestly, I voted both ways on the debt ceiling over the years. But I have come to believe that if we are really concerned about a balanced budget, big spending and big government we need to find some other way to address these concerns rather than through the debt ceiling.

I do not suggest by that the debt ceiling in its present form is not a very convenient vehicle to which to add amendments. I understand we are going to have, an amendment to reimpose price controls on domestic crude oil, maybe an amendment to lift the grain embargo, maybe an amendment to reduce the amount of the debt limit.

I do not really object to those amendments being proposed but, perhaps, we should find a better way of dealing with them, as suggested by the Senator from California.

Mr. CRANSTON. I think it is unfortunate. I agree. But this also does provide an opportunity for anybody to get a vote on anything.

Mr. DOLE. The House has voted and has adjourned. They are going to stand by until 1 o'clock. If we change it, they are going home for the Lincoln Day recess. We will get back on the 16th or 17th.

When does the Secretary notify as to the auction, tomorrow? We already have this new Secretary, just barely installed, and we already have got him threatening about what will happen if we do not pass the debt ceiling increase. In fact, he told us in the committee he learned if there were overpayments made, and we do not give him the authority, then he would be personally liable. That is the thing that made him wonder about his confirmation hearing. He is not without some currency, but I do not know how many days he can stand this.

Mr. CRANSTON. The Senator stated that he has voted in the past on both sides of this issue. I believe I have never cast a vote against increasing the debt ceiling. If I wind up voting for the debt ceiling increase this time I am glad the Senator made some statements that will be helpful to me if I am attacked for that vote sometime in the future. If the printed word is inadequate, I will ask the Senator to come out to California the next time I am running again. [Laughter.]

Mr. DOLE. We will both be running at the same time, and maybe we can do a drop-in on Kansas on the way to California.

Mr. CRANSTON. I am glad the Senator will be on his way to California. [Laughter.]

UP AMENDMENT NO. 3

(Purpose: Extending the grain embargo to all products)

Mr. JEPSEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa (Mr. JEPSEN) proposes an unprinted amendment numbered 3:

At the appropriate place, insert the following new section:

SEC. (a). Notwithstanding any other provision of law, there is hereby imposed an embargo on the export of all goods or services to the Union of Soviet Socialist Republics.

(b) The embargo imposed by subsection (a) shall be in effect during any period during which the President imposes an embargo on the export of grain or any other agricultural product to such country (including the embargo in effect on the date of the enactment of this Act).

Mr. JEPSEN. Mr. President, this amendment is an amendment that very simply would require that all Americans share in the embargoing of all goods and services to the Soviet Union.

Since there are indications that there is some mixed feeling now about the lifting of the grain embargo. I feel it is only fair that if we are going to send a signal, that we send a real signal, and that we indeed embargo all goods and services and let all Americans join in rather than the 2 or 3 percent of the American public, the American farmer, in conducting our foreign policy.

Mr. President, a little over a year ago, President Carter imposed a unilateral embargo of grain sales to the Soviet Union in response to a step-up in Soviet aggression, especially in Afghanistan. The problem was that the grain embargo was about the only substantive action he took. Since the embargoed grain is only about 8 percent of the Soviet's projected needs, the impact on Russia was not great. On the other hand, the impact on the American farmer was catastrophic.

As I stated on January 4, 1980, President Carter shot the farmer in the foot and then said to Russia, "There, take that."

Recent rumors indicate that President Reagan may feel it is in the best interest of the United States not to lift the embargo at this time. Therefore, the amendment I am proposing today would require that, when there is an embargo on grain sales to the Soviet Union, there should then be an across-the-board embargo on sales of any item to the Soviet Union.

I am not reversing my policy on the embargo. On January 4, 1980, I said that if President Carter really wanted to "get tough" with the Russians he should take the following steps:

First, suspend all trade to the Soviet Union;

Second, recall Ambassadors and ask Russia to cut back on its diplomatic staff in this country;

Third, seriously consider withdrawal from the Olympic games; and

Fourth, increase our military aid to our allies in the Middle East.

I also stated what I still believe, that "America should never use food as a weapon." Farmers are proud and patriotic people but what this ineffective grain embargo has done is to make the farmer the whipping boy for Soviet aggression. My State of Iowa, with its high farm exports, bore the brunt of the grain trade embargo—but every U.S. farmer also became the victim. They could not understand why they had been singled out to "punish" the Soviets. And what an inadequate punishment it was. We have the facts to prove that.

On June 30, 1980, Lt. Gen. Eugene

Tighe, Director of the Defense Intelligence Agency testified, along with several top Soviet analysts, that the Soviet grain embargo had had almost no effect on the Soviet Union. According to the testimony, the Soviets will have a grain shortfall during 1980 of only 3 percent. The testimony continued:

> It will not appreciably affect their economic growth rate . . . We observed that the Soviets very quickly replaced most of the grain that we embargoed from other western sources, mainly Argentina, although Canada did export some wheat after our embargo.

The U.S. Department of Agriculture also has data pointing to the minimal effect of the grain embargo on the Soviet Union. Last summer, the USDA projected meat consumption would decline only 1 to 2 percent—only 1 or 2 percent—last year as a result of the grain embargo.

I contend that anyone that says it would even decline 1 percent just cannot count. It takes a little over 9 months—something like 243 days—for the gestation period for a cow to have a calf. It takes somewhere between, depending on what kind of force feeding you are giving it, 14 and 17 months for that calf to become red meat on the table. When we were hearing these announcements about choking off the meat supply in Russia 3 or 4 months after the embargo was put on, when it takes 24 to 26 months to bring red meat to the table, I just simply responded that somebody cannot count.

I might also point out that the average Russian ate only a quarter of a pound less meat per month than last year, if we went to this 1 percent. My distinguished colleague from Texas, Senator JOHN TOWER, tags the embargo "the moral equivalent of a 'Big Mac attack.'"

Supporters of the grain embargo have suggested that while we cannot measure an appreciable difference in quality of life due to the embargo, there may be psychological impacts. The DIA analysts rejected this. It is all a matter of permanent record from very, very distinguished men of great expertise. They said:

> I do not believe we have a measure of the psychological impact of the embargo to the Soviet Union.

While the embargo has not had the planned effect on the Soviets, I have here a chronological survey of events which happened because of the embargo. Let me take a few moments to walk through them with you.

On January 4, 1980, the President suspended all agricultural trade to the Soviet Union in excess of the 8 million metric tons of grain that the United States was committed to sell under the 1975 U.S.-U.S.S.R. grain agreement. The President also outlined a preliminary program designed to offset the potential adverse impact of the domestic farm economy. The President promised to look at several alternatives including a paid diversion program for farmers.

The President also indicated that same evening that consultations had been made with friends and allies around the world and they were in full agreement and support and cooperative in this, which, of course, turned out to be not so.

On January 6, 1980, the Commodity Futures Trading Commission suspended trading in grain futures for January 7 and 8 due to the confusion that was caused by the Soviet grain embargo of January 4. The psychological impact of the grain embargo drove the price of grain down substantially.

On January 7, 1980, the Assistant Secretary of Agriculture James Williams announced a series of measures to minimize the impact of the embargo on domestic prices and income. Among the proposals was a strong statement about the benefits of a paid-crop land diversion program.

On January 8, 1980, the Assistant Secretary of Agriculture James Williams announced a series of measures to minimize the impact of the embargo on domestic prices and income. Among the proposals was a strong statement about the benefits of a paid crop diversion program.

On January 9, export licenses for all agricultural products to the Soviet Union other than the 8 million metric tons of grain were suspended, effective January 7, 1980. It was also announced that all futures requests for export licenses would be judged on a case-by-case basis by the Department of Commerce. The administration proceeded with an inconsistent policy for granting export licenses for one product, denying it for the next.

On January 12—this is the meeting that was supposed to have taken place before the embargo was placed on—on January 12, 1980, representatives of the United States, Australia, Canada, the European Community, and Argentina met to discuss cooperation in withholding additional amounts of grain to the Soviet Union. Australia, Canada, and the European Community agreed to cooperate with the United States pledging not directly or indirectly to replace the 17 million metric tons of grain affected by the embargo. Reports continued to reveal that grain was in fact reaching the Soviet Union from these countries.

On January 14, 1980, representatives from the United States, Argentina, and Brazil met to discuss withholding additional sales of soybeans to the Soviet Union. Additional sales of soybeans could partially replace the 17 million metric tons of embargoed U.S. grain. Argentina and Brazil refused to restrict their sales. This was in direct contradiction to the President's assurance that these countries had been contacted and agreed to participate in the embargo. All a matter of record. This is fact.

On January 18, 1980, the President imposed a 1-million-metric-ton quota on Soviet ammonia imports for calendar year 1980. This reversed his earlier decision of December 11 to override the International Trade Commission recommendation that a 1-million-metric-ton quota be imposed for 1980.

On January 23, 1980, the American Farm Bureau Federation announced it had filed suit with the National Labor Relations Board against the International Longshoremen's Association for its refusal to handle ships with Soviet cargo. The suit resulted from the Farm Belt's frustration over the administration's inability to intervene.

On February 7, 1980, the administration announced that, as of February 4, certain nonstrategic agricultural commodities were removed from validated licensing control, enabling these commodities to be sold to the Soviet Union without prior approval by the U.S. Government. Commodities removed from restricted sales are those determined not to affect Soviet grain and meat supply. At the same time, a validated license or prior approval system was established for the export of phosphates to the Soviet Union. Farmers were confused and angered over these actions, because they were contradictory and forced grain producers to carry the major burden of the embargo.

On February 25, 1980, the President imposed an embargo on all U.S. exports of phosphates to the Soviet Union. The embargo covered marketable phosphate rock, all concentrates of phosphoric acid, and all concentrates of phosphate fertilizers for an indefinite period. U.S. exports of phosphates to the Soviet Union were valued at $97 million in 1979 and were expected to increase to $400 million in 1980.

On February 29, 1980, the Secretary of Agriculture announced that there would be no paid-crop land diversion program for the 1980 crops of corn, wheat, and other feed grains. This action was in direct contradiction to earlier statements made by President Carter, Secretary Bergland, and Assistant Secretary Williams. Farmers for 2 months were led to believe that there would be some kind of set-aside program or paid diversion program. This announcement was made too late and interfered with the marketing plans of farmers. At this time, the administration continued to show latent disregard for the plight of farmers.

On March 20, 1980, the Commodity Credit Corporation opened for purchase contract rights it had assumed for the 0.7 metric tons of soybeans affected by the embargo. The sales of these soybean contracts into the market depressed commodity prices and psychologically destroyed grain prices for weeks. This was at a time when farmers were still suffering from the impact of the grain embargo announced on January 4.

On April 15, 1980, the Secretary of Agriculture announced that corn farmers who did not participate in the 1979 feed grain set-aside programs would be allowed a limited amount of grain into the farmer-held grain reserve. I introduced legislation in January, immediately after the grain embargo was announced, to allow the Secretary to open the feed grain program. The administration and the Secretary of Agriculture insisted this was not necessary and opposed such action. This inconsistent and haphazard policy added to the destructive effects of the Soviet grain embargo.

On June 18, 1980, officials notified the U.S. grain exporting companies—and this takes the cake; this was really the crowning blow—that they could resume sales of third country grain to the Soviet Union.

What were they saying? They were saying—

Grain companies sell all the grain you can sell to the Soviet Union, just so you do not sell American grain.

This meant that grain companies could sell non-American grain to the Russians showing blatant indifference to U.S. grain producers.

I want to talk a little bit about a couple of the events just mentioned. The offer of aid to the grain companies means that Uncle Sam threw a lifesaver to these companies by helping them settle their grain contracts, but left thousands of farmers swimming in a sea of economic disaster.

That is exactly what happened. While they were settling those grain contracts, the United States bought up the grain contracts, kept them a short time, and later sold them back at much less than they paid for them. In the meantime who was helping the average farmer help settle his contracts with landlords, bankers, implement dealers, fertilizer and pesticide suppliers, elevators, seed salesmen, and others? Sure, Uncle Sam increased the loan rates to "eligible" formers, but the problem was only about 15 percent of Iowa farmers were eligible and only 23 percent of farmers across the country were eligible for this panacea, because marketing had been increasing and foreign exports had been increasing, and things looked pretty good. The farmers and the food producers were doing what they love to do and do best with the most efficient food production in the world. That is producing food at full measure. Many of them did not participate in the programs.

The National Farm Bureau has estimated the average price received by farmers for corn marketed during the 1979–80 marketing year was 12 cents per bushel lower because of the embargo. Wheat prices were 9 cents per bushel lower, and soybeans 32 cents per bushel lower. The total loss amounts to approximately $1.8 billion.

The months of January, February, and March are major grain marketing months for many producers. Research shows that corn prices were depressed by 24 cents per bushel during those months because of the embargo, soybeans were depressed 64 cents per bushel, and wheat was depressed 18 cents per bushel.

Producers who had to sell within a month after the embargo suffered even more than those who could wait until March.

The impact of the embargo is still being felt by producers because the higher carryover levels in the farmer held reserve have reduced the marketing opportunities for the 1980–81 marketing year.

Mr. President, in the annals of American diplomacy, the great Soviet grain embargo of 1979—a symbol of American resolve against Soviet aggression in Afghanistan—has already been recorded and will go down as a disaster. The embargo to date might have been worthwhile had Soviet troops been pushed from Afghanistan. But instead of punishing Soviet leadership, the embargo has punished American farmers.

The previous administration promised the family-sized farmer he would not bear the brunt of the embargo—another promise unkept. The desperate plight of farmers has brought them closer to total dependency of the Government. The future of free-market farming is doubtful. And it is not just the farmer who has worried about plunging prices. The embargo will have a negative effect on our balance of payments. This will lead to more inflation and that again hurts everybody.

There is no truly effective way to insulate the market from this economic impact. However, if this country insists on an embargo to the Soviet Union because national security is in jeopardy, then everyone—everyone—should be equally affected. Let us have a total trade and technological embargo on the Soviet Union. The current embargo is a failure. I have offered this amendment today in an attempt at an embargo that will be effective, one that requires sanctions on all exports and sacrifice from every sector of our economy since it evidently is deemed by some in the administration to be a signal, a strong signal, to send of our firm policy.

The economic grain embargo of 1980 has indicated to the farming and agricultural community of this country again an historic willingness on behalf of the State Department of these United States to implement foreign policy at the expense of one segment of our economy and our society.

A third-grade analysis would indicate simply this: Unless you have an absolute monopoly on any product that you are going to say you are going to withhold from somebody, unilaterally applying an economic sanction saying "We are not going to sell, give or send you any of this product" is sheer inaneness.

Mr. President, to apply an economic sanction unilaterally when you do not have a total monopoly on a particular product is not very difficult to either interpret or understand as being a total failure before you ever attempt to start it. In this particular instance, we unilaterally applied, even though it was said to be otherwise, an economic sanction in the form of an embargo on the export of grain to the Soviet Union.

The fact is that there were many other grain producing countries who were glad to step in and fill the void, picking up their exports, which they did. This was coupled with the inane announcement about 3½ months after the grain embargo, when the United States of America indicated to grain trading companies that it was OK to sell other grain so long as it was not our grain.

The Soviet Union, by the way, got every kernel of grain that it had under contract and ordered for the 5-year period. There was no letdown there. The Soviet Union was getting additional amounts of grain through the Iron Curtain countries, through other conduits, but it did necessitate changing from one boat to another, one barge to another, or one train to another.

With the announcement that the grain trading companies could sell grain to Russia from any country they wanted to, as long as it was not U.S. grain, all they did was expedite the shipment because then all they had to do was change labels.

Mr. President, there was great concern about the fairness of this, last year. The American farmer will take a back seat, the American agricultural people—and that includes a lot more people, by the way, for everybody's edification, than 2 or 3 percent. That is where they underestimated things.

Mr. SYMMS. Will the Senator yield?

Mr. JEPSEN. Yes, I shall in just a second.

The agricultural community is most patriotic. It will take a second seat to no one. This particular Senator is getting a little bit of a feeling of having had just about enough of the innuendo that maybe American farmers are not being patriotic, or those of us who are concerned about the grain embargo are not being patriotic and we do not understand.

We do understand. We understand very well. We understand that, to implement foreign policy, the State Department will stiffen the American farmer, as they have done for years and years.

Mr. President, I have more to say, but I shall yield to the distinguished Senator from Idaho, my distinguished colleague (Mr. SYMMS).

Mr. SYMMS. Mr. President, I thank the Senator from Iowa for yielding. I want to compliment the Senator this afternoon for his intelligent argument and his very articulate statement. I know, from my years in the other body, that the Senator from Iowa is known as a real spokesman for America and also for American agriculture. I thank him for his statement this afternoon.

When one thinks about the other options—linkage and so forth—with respect to the Soviet Union and Afghanistan and the other trouble spots around the world, I think the Senator's amendment will only add strength to the linkage question. It is something that I think, most certainly I hope, this administration will consider very seriously, to link the Soviet Union's actions with trade back from the United States and if a trade embargo is to be effective, most certainly, one segment of our society should not have to bear that burden.

In complimenting the Senator from Iowa, I have to think that, with that shot in the foot, as he so eloquently described the 1979 grain embargo, where the American farmer got shot in the foot and the Russians got the grain, the $1.2 billion cost is just how far a small percentage—say 10 percent of the $1.2 billion in an expenditure for rifles, for hand grenades, for antitank and antihelicopter weapons given to those freedom fighters in Afghanistan—how much more of an impact that might have made on the Soviet Union than to try to punish the American farmers for Soviet atrocities in Afghanistan.

I thank the distinguished Senator from Iowa for bringing this to the attention of our colleagues this afternoon. I wish to associate myself with his remarks and I shall support his amendment.

Mr. President, I yield back my time.

(Mr. NICKLES assumed the chair.)

Mr. JEPSEN. I thank my distinguished colleague from Idaho.

Mr. President, last year, we had a campaign for President of the United States in this country, climaxed by a rather sweeping mandate at the polls on November 4. During this campaign, other Senators in this body, and I were most vocal about the grain embargo and, in response to the various proposals and suggestions made by the then Secretary of Agriculture, Secretary Bergland—who, in my opinion, did not like the grain embargo any more than we did, but, respectfully, was a good soldier—defended it. He requested debates. But the American agricultural community in this country felt that they received—and, in my opinion, they did—the assurance that should this administration take office, as it did, the grain embargo would no longer be used on an isolated basis to implement foreign policy.

There was much talk and conversation about the fact that if, in fact, we were going to use economic sanctions against any nation, we should, if there were a grain embargo or agricultural products of any kind were embargoed from the free market, this embargo should be shared by all of our citizens in all parts of our economic society and all products and all goods and all services should be embargoed. That is what this amendment proposes.

It is very fair, it is commonsense, it certainly would be supported, in my opinion, by farmers, people in agriculture, throughout this country. They do not mind; they are ready, willing, and able to carry their fair share. But they do want a fair shake. They were assured, promised, that they would, indeed, have a fair shake.

There has been a lot of talk about signals, Mr. President, signals being sent. I suggest that there were some signals sent on November 4 by the American people—signals sent of good faith, of good will, of trust. The outcome of that election sent the signal also that people in this Nation were interested in a change of direction in the general conduct of our Government and our bureaucracy in its regulatory groupings, all the trappings that go on here in Washington.

Mr. DOLE. Will the Senator from Iowa yield?

Mr. JEPSEN. I shall yield in 30 seconds.

I suggest to those in the administration who believe that we must keep the grain embargo because of the signal it will send that the signal that we send to our own people is a signal that we must be even more concerned with at the present time in the new beginning. Consensus is what makes a democracy run—consensus by way of supporting policy, by way of credibility, by way of believability. So let us send a signal of good faith to the most productive part of our economy, through that band of Americans who say, "All we want, all we ask for, please, is a fair shake."

I am very pleased to yield to my colleague (Mr. DOLE) who was in the hustings with me, talking about the grain embargo. I believe we used some choice words, both separately and together.

Mr. DOLE. Mr. President, in fact, the Senator recalls that we had a little session down at the USDA one early morning, when we indicated that candidate Reagan had promised to lift the embargo if elected. I think the Senator from Iowa, the Senator from Kansas, and the Senator from South Dakota (Mr. PRESSLER) were there.

I am not certain—I missed some of the discussion, but I certainly am in accord with the statement made by the senior Senator from Iowa. Frankly, unless there is some foreign policy consideration that has escaped me—and there could be, obviously, with the Soviets threatening Poland, a need to focus on that part of the world. Otherwise, it seems clear to me that the only thing to do is to lift the embargo and then start some sales program to the Soviet Union on a selective basis.

Under the agreement which expires this year, they are required to do certain things and we are required to do certain things before we can sell grain to the Soviet Union.

I believe unofficial contacts already have been made which would indicate the Soviets interest not only in buying grain but also in buying grain byproducts—flour, grain products, and perhaps soybean meal. That, in itself, would mean additional shipments for this country.

There will be a meeting on the 17th of February, as probably has been noted, with the President and a number of Senators characterized as antiembargo Senators. I am not certain that is a correct characterization, but we are farm State Senators.

It is hoped that at that time we will have an opportunity to persuade the President to make some quick decision on this matter, because it will not be long when the crops will be coming up and purchasers will be looking for wheat, corn, and other grains that were not there; and if our farmers are not permitted to compete, we will lose our markets to some other country.

It seems to this Senator that the time for decision is now.

I believe that the Senator from Iowa touched upon farmers and patriotism. There is a feeling by some that the farmers only want to make a profit, that they are not concerned about the country, that they are less than interested in our national security. Nothing could be more inaccurate than to indicate or even suggest that. If farmers are persuaded that there is some good reason, if they are told that any embargo would apply across the board and that they would not be singled out for special treatment, I am certain that they would be willing to accept whatever might hapen, if it were in the best interests of this country and its security.

Under the Nixon administration, we had an embargo. The result was that we lost a lot of our soybean market to Brazil. Under the Ford administration, we had an embargo. The result was—at least, according to some—that Carter was elected because in some of the key farm States, the embargo made the difference between victory and defeat for President Ford. In the Carter administration, we had an embargo, and I believe that the only losers have been the American taxpayers, who will have to spend more than a billion dollars because of the embargo, and the American farmers, who have lost millions and millions of dollars in farm income.

I have yet to be convinced that the Russians have lost anything. We get all these reports that the Russians are hurting. It is not because of the embargo. We are talking about only 17 million metric tons at the outset. If they have had a shortfall, they may be suffering from that.

However, it is my understanding—and I believe the Senator from Iowa pointed this out in hearings late last year—that, according to CIA reports and others, they probably have been able to pick up all those 17 million tons, with the exception of 2 or 3 million tons from other sources.

So, to say that the embargo has had an impact is not an accurate statement. Whether the State Department said it last year or this year, it probably is the same material. They should freshen up the material. We have a new administration, and they should get new material, before they suggest that it has had a great impact on the Soviet Union. If, in fact, it has and that can be demonstrated, that is something President Reagan can consider.

I believe that the President, having made the statement and having made the pledge through some of us with the USDA—was it last June or July?—will keep that campaign promise, unless there is some overriding concern we are not aware of.

I thank the Senator from Iowa for calling this matter to the attention of the American people, to those of us on the floor who have a special interest, and to some who may have misinformation.

So far as I know, no decision has been made. The story reporting that a decision was made, in the view of this Senator, was not accurate. It probably was not intended to be inaccurate, but it is not accurate. It is the hope of many of us that the right decision will be made in the next couple of weeks.

I yield the floor.

Mr. SYMMS. I thank the Senator from Kansas for yielding.

Mr. President, I say to the Senator from Iowa that I learned recently that American wheat going to West Germany was being processed into flour and was going to the Soviet Union.

It is a psychological depressant on the price of wheat in the United States, but the Soviets are getting everything they need.

So I think there is absolutely no substitute in a foreign policy to have a very strong, powerful country.

I believe this is the underlying feature that the Senator from Iowa, along with the farmers he represents so ably, has brought out. What the farmers would like to have is a strong America which can stand up and defend itself when it needs to, and then we do not have to rely on 2, 3, or 4 percent of the productive part of our population and pick

them out, because perhaps they do not have enough votes, to put an embargo in place such as the one we witnessed in 1979.

I again praise the Senator for bringing up this matter.

Mr. ANDREWS. Mr. President, will the Senator yield?

Mr. SYMMS. I yield.

Mr. ANDREWS. Mr. President, it is important to point out that there has been more information on the subject of the grain embargo than about any other issue that has come up in the past several months.

We read in the same paper that said the President is not going to lift the grain embargo that one of the reasons is that it is such a success; that there is no meat in the stores or any increase in meat in the stores in the Soviet Union.

I have been a farmer all my life; and I am short of feed, I have to market those livestock.

The best way of explaining that the Soviets are getting adequate feed is the fact that there has not been any increase in meat supplies in the meat markets in the Soviet Union. They are buying the grain from other countries. They are taking care of their supplies in buying the grain from other countries.

They are lousing up the grain marketing patterns of the world, and they are crippling some of our ability to export not just to the Soviet Union but also to other long-term customers.

At the head of the lakes—Duluth, Superior, for instance—those docks were operating only one-third of the time during the shipping season because the small craft that come up the St. Lawrence Seaway were busily employed bringing grain to the Soviet Union from other smaller suppliers, and the large cargo carriers which generally load up at our Gulf Coast ports for shipment to the Soviet Union were not being employed. There is a much more efficient way of shipping grain.

Actually, the fact that the Soviet Union was not purchasing grain from the United States meant that in going into other areas of the world to buy their grain supplies, they were shorting the supply of food for Third World countries, the very people we try to help in foreign aid programs. We can help them more by making food available to them than by engaging in this type of counterproductive embargo.

If we are going to embargo, let us embargo across-the-board. If we are going to try to tell another nation that we do not like what they are doing in an aggressive way with one of their neighbors, let us have our NATO allies or other Western allies join us in an embargo across-the-board.

It is idiotic to embargo the products of the American farmers' fields but to allow the shipment, as we did for some months, of the fertilizer so that they can grow their own crops better and to allow continued shipments of Caterpillar tractors so that they can till their soil that much better.

I am sure that they would not be using the Caterpillar tractors, with which we are still supplying them, to tow around artillery pieces. They ostensibly are still using them to till their soil.

This embargo has more holes in it than any type of sieve any child plays with in a sandbox.

If we are going to embargo, again let me say, sure across the board, but let us make it effective. Let us embargo food last of all the other things that we put embargoes on.

I rise in support of my colleague from Iowa and I thank him for bringing this matter to the Chamber for debate today.

I hope that his words are being heard by the administration, and I also welcome the words of our colleague from Kansas, Mr. DOLE, in pointing out that what we read in the Washington Post this morning might very well be an error and we can all hope that it is an error and that the true statement of the President will be forthcoming later on and it will be much more in the proper vein than this report was.

The PRESIDING OFFICER. The junior Senator from Iowa is recognized.

Mr. GRASSLEY. Thank you, Mr. President.

Mr. President, I say to my colleagues in this body that I rise in support of this amendment.

I wish to thank the senior Senator from my State for the introduction of this amendment.

I wish to say that I really consider it a sad commentary that an amendment like this must be offered. I would prefer to say thank you to the administration for doing what obviously should be done, to lift the embargo or to make it all-encompassing of commercial as well as agricultural products so that the burden is shared by all 220 million Americans.

That is not the issue before us. The issue is whether or not this administration is going to keep its promise to the farmers of America. The issue is much broader than the question of either broadening the scope of the embargo or lifting it.

As far as I, the farmers of America, and hopefully all of the people of America are concerned, the issue is one of the keeping of campaign promises.

My memory goes back to a cool morning the last of September last year when the President was a candidate and came to a farm in Story County, Iowa, to speak to the farmers of America. He presented his case to the farmers explaining why a Republican administration should be elected and why a Democratic administration should be rejected.

On that farm he stated that the embargo was not working and that the consequences of such a foreign policy stance should be shared by all 220 million Americans if necessary. Whether it was clearly stated or implied, the audience felt we had a candidate running who was going to correct this injustice almost immediately upon taking office.

There is a perception that there was a compact made between a candidate for the Presidency of the United States, the farmers of America and hopefully all of the people of America that this policy correction was going to be made.

The basic issue is one of reestablishing credibility between candidates for office and the American people, and one way to accomplish this goal is for candidates for office to keep their word with the people.

The institutions of American Government are shaken when confidence in public officeholders is lessened. A larger principle is at stake besides just correcting an injustice for the American farmers by either lifting the embargo or broadening its impact. The larger issue is to increase the credibility that every citizen in this country has in the institutions of American Government, a confidence that is now at a low ebb. It is necessary to turn this trend around. This is best done by simply keeping those campaign promises where the situation has not changed.

In fact, the evidence is more certain than ever that the embargo is not serving its stated purpose and should be lifted.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABDNOR. Mr. President, I commend my good friend, the Senator from Iowa, for this amendment, a much needed amendment if the administration plans to go through with what we are hearing and reading in the newspaper.

I was pleased to hear the Senator from Kansas a few moments ago say that it is not necessarily true. I hope the administration will reasses their position and follow through with their campaign promise of doing away with the grain embargo..

It was almost a year and a month ago today that the previous administration invoked the embargo. It was a mistake at that time, and it is even a greater mistake today because we have had a year to assess this and to see the futility of invoking the grain embargo and what little good it has done.

One thing that my colleague, the Senator from North Dakota, did not mention was the fact that the futility of it was shown by the fact that it was poorly administered in the first place. It had to be pointed out at that time that while we were trying to preclude grain commodities from going to Russia we were still selling them the fertilizer to produce additional grain.

Nothing has changed to make the entire incident a bigger mistake since that time than we see it today with the results.

The people who are being hurt are not only the farmers of this Nation, but the taxpayers of this Nation. And a few months ago in one of the agricultural appropriations reports in the House of Representatives it was estimated that this has cost the Government $3 billion and if we do not lift this embargo these expenditures are going to continue on, and in addition to what harm it is doing to our balance of trade that we so badly need.

If we want to look to the individual group, the farmers themselves, in what we are doing to them in this tight bind they find themselves and in the economy today and see what inflation is doing to them, we are turning them loose. The Government is asking them to produce, produce and produce more, which they will do. We do away with all set-asides. There is some talk about doing away with

target prices, and we wonder where this will all end.

If the embargo is the thing we should do, then let us do a good job of it and put that embargo across all that this country produces and no longer carry on any trade with them, if that is what we are trying to accomplish and if we are really trying to bring Russia to her knees.

Again, I commend the Senator from Iowa for this timely amendment, and I do hope we all can support it.

I thank the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I also am joining in this effort as the author of an amendment to an appropriations bill that passed the Senate last September, to prohibit the use of funds for carrying out the grain embargo.

I wish to say that the Senate has already sent a clear signal to the President on this matter. Indeed, I was on a campaign plane with the now-President on a trip to South Dakota, in which the pledge to lift the grain embargo was mentioned.

Let me also say that I am introducing two other bills, one of which would call for a total embargo if we have an embargo, and another that would limit the President's future ability to use agricultural embargoes as a foreign policy tool, without some check from Congress.

I am also joining my colleague from Iowa in his amendment, and commend him for his efforts.

I ask unanimous consent to be listed as a cosponsor of the amendment of my colleague from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. I thank the Chair.

I would like to ask my friend from Iowa if he would accept two amendments to his amendment, the first being in section (a), if he would accept the words at the end of the existing section "except as specifically excluded by the President" in order to permit, under unusual circumstances, the President to exclude one or more items from an overall embargo?

I happen to share the purpose, the feeling, that is behind the amendment of my friend from Iowa. I think the point is well taken.

I think there also may be occasions when the self-interest of the United States is so clear that the President ought to be permitted to specifically exclude an item from an overall embargo.

We cannot foresee all the circumstances under which that may be wished to be done, but I am wondering if my friend from Iowa would consider the possibility of one slight amendment to his amendment?

The other suggestion I would have would be a new section (c) which would require the President during the embargo period, the total embargo, which the Senator's amendment would bring into existence, to at least once every 6 months report to Congress relative to the adherence of the Soviet Union to international agreements, including the Helsinki Accords of 1975?

Mr. JEPSEN. Mr. President, will the Senator yield?

Mr. LEVIN. I would be happy to yield.

Mr. JEPSEN. Will the Senator give an example of the first amendment? As I understand it, the Senator wants to add the words "except as specifically excluded by the President." In other words, if an embargo were imposed on the export of all goods or services to the Soviet Union, they would be across the board except where the President would make some exception.

Mr. LEVIN. Specific.

Mr. JEPSEN. Would the Senator give an example of what he is referring to and how that would happen? I am not clear on that.

Mr. LEVIN. The Senator wants an example of the type of goods or the mechanism?

Mr. JEPSEN. Yes; just give me a for instance.

Mr. LEVIN. My friend from Arizona suggests perhaps American automobiles, but that was not what I had in mind.

Someone raised the possibility—and I do not know how valid it is, but the possibility was this—if there is a pipeline being built in fact from Russia to Europe for natural gas, that it could be to our advantage in terms of our own energy position for that pipeline to be completed, and we might want pipeline equipment to be exported because it could be so clearly in our self-interest that that pipeline be completed.

I am not sure that is a good example, by the way. It may be or may not be. But what I am suggesting is there might be occasions when the President sees the interests of this country so clearly require an export license, that he ought to be able to specifically certify that such an export is in our self-interest and an exclusion would, therefore, be made.

What this would do is just allow for the possibility. Whether my example is a good one or not I do not know, but I do believe there could be instances where the President should be able to say that our self-interest is so clear that an item be exported, and that he would specifically certify that as an exception to the blanket embargo which would otherwise be provided. Again I think the Senator is correct in the general thrust of his amendment.

Mr. JEPSEN. Would the Senator from Michigan accept modifying his particular amendment by adding the requirement that the President indicate the fact that the exception being made was for national security reasons, and then document why that was being done?

Mr. LEVIN. I think that is a fair change and I would accept that.

Mr. JEPSEN. Will the Senator from Michigan read back the amendment as modified, that portion of it, that first section?

Mr. LEVIN. Yes. With this amendment the change at the end of the first section would read "except as specifically excluded with written explanation by the President for national security purposes."

Mr. JEPSEN. I would be very pleased to accept that. I think that is a constructive amendment.

As the Senator knows, we have worked together in regard to the second part of this on many occasions in many areas and in many activities with regard to the type of international agreements, the Helsinki accords, the refuseniks, the Christian dissidents, and I feel this particular amendment is such that I am afraid we are going to put some additional subject matter on the embargo which is a little too indirectly related; and I would choose not to accept the second one. The first one I would be pleased to accept.

Mr. LEVIN. Mr. President, if I may continue, I wonder whether or not the Senator might consider the paragraph (c) if there were no reference made to the embargo but simply stated that each 6 months for the next 2 years the President would report to us on the adherence of the Soviet Union to international agreements, in other words, without reference to the embargo?

Mr. JEPSEN. The Senator would accept that. He has no problem with that.

Mr. LEVIN. I thank my friend from Iowa.

I now send to the desk the final section which will read, "That during the next 2 years the President shall at least once every 6 months send to the Congress a review of the adherence of the Soviet Union to international agreements, including the Helsinki accords of 1975." I send that amendment to the desk, Mr. President.

The PRESIDING OFFICER. The Senator from Iowa has a right to modify his amendment. Does the Senator from Iowa accept the modification as offered by the Senator from Michigan?

Mr. JEPSEN. The Senator from Iowa does accept the modification.

Mr. LEVIN. I thank my friend from Iowa. I yield the floor.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (UP No. 3), is as follows:

UP AMENDMENT No. 3

At the appropriate place, insert the following new section:

Section 2.

SEC. (a). Notwithstanding any other provision of law, there is hereby imposed an embargo on the export of all goods or services to the Union of Soviet Socialist Republics, except as specifically excluded by the President for national security purposes.

(b) The embargo imposed by subsection (a) shall be in effect during any period during which the President imposes an embargo on the export of grain or any other agricultural product to such country (including the embargo in effect on the date of the enactment of this Act).

(c) During the next two years the President shall, at least once every six months, send to the Congress a review of the adherence of the Soviet Union to International agreements, including the Helsinki Accords of 1975.

Mr. BOREN. Mr. President, will the Senator from Iowa yield to me?

Mr. JEPSEN. Mr. President, I am pleased to yield to the Senator from Oklahoma.

Mr. BOREN. I thank my distinguished colleague. I want to commend my friend from Iowa for proposing this amendment. I think that he has stated the policies that should be stated. There are

many of us in this body and across the country who feel that we should have sent a strong message to the Soviet Union at the time of their aggression into Afghanistan, at the time in which they moved into that nation, seized control of its government, using many cruel and inhumane weapons, some reports even of the use of poison gas against helpless civilians.

I think all Americans want to send a strong message to the Soviet Union. But at the time there are many of us who feel that it is very unfair to ask that the total burden of American foreign policy be borne by a very small segment of our society; that the total thrust and cost of American foreign policy should be borne by the 4 percent of the people in this country who are farmers is certainly not fair.

If we want to send the Soviet Union a message, if we really mean it, then I think the Senator from Iowa is absolutely correct in saying that we should impose an embargo on all goods, not just on agriculture products, not just upon grain in terms of our dealings with the Soviet Union.

It is my hope that the President will either decide to remove the grain embargo and to rely upon other perhaps more effective means of sending messages to the Soviet Union, especially the quiet but deliberate and systematic buildup of the military strength of the United States, which of course is the most effective kind of message that we can send to the Soviets, a message based upon substance, a message which restores the balance of power in the world and makes them less likely to test us with aggressive action.

But if the President decides that the grain embargo should be maintained, it is my hope that he will make the change that is called for in the amendment of the Senator from Iowa.

Mr. President, I ask unanimous consent, with the sufference of my colleague from Iowa, that I be added as a cosponsor to his amendment. The amendment has my full and enthusiastic support, and I hope that it will be adopted by our colleagues in the Senate.

The PRESIDING OFFICER. Without objection. it is so ordered.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I am not going to speak on the amendment, but I am going to speak on the debt ceiling which I understand is before this body.

I rise today to oppose the increase in the debt ceiling to $985 billion, or an increase of $50 billion over the present ceiling of $935 billion.

While much has been made of the fact that in the recent past the political party out of power has played politics with the budget ceiling and that we on our side should therefore vote against the increase to get back at them and to show up those votes for what they were, I do not approach the subject from that partisan point of view.

Frankly, I voted against the increase in the debt ceiling when the President of the United States was President Carter, a Democrat, as I am, and when my party controlled the House and the Senate. What party is in power makes no difference. The problem is clear. We should have balanced the budget many months and years ago. We should have refused an increase in the debt ceiling during this entire period of runaway inflation, double digit interest rates, and the hemorrhaging of the Federal budget. That was the right policy. It would have put us on a pay-as-you-go basis and I think it is a responsible policy—I repeat, a responsible policy. As I am going to point out, that has gone almost unanswered in the past.

It has been the kind of sneaking assumption that the only votes against the budget ceiling were political opportunism votes, votes designed to fool the public. That is not the case. That is the right vote. That is the right vote. That would require us to balance the budget. I think that President Reagan has missed a golden opportunity—probably his best opportunity—to require the Congress to cut spending and to cut it promptly.

CONGRESSIONAL RESPONSIBILITY

The budget, however, is a congressional responsibility. Every aspect of the budget—spending, taxing, borrowing, the debt, and monetary policy—are all powers given to the Congress by Article I of the Constitution.

Article I says that "Congress shall have power to pay the debts."

It does not say the President. It does not say the Treasury. It says "Congress shall have power to pay the debts."

Article I also says that Congress shall have power to borrow money on the credit of the United States. Not many people realize that. I think today most people feel that is an executive power; that the Secretary of the Treasury is the great debt manager.

But the Founding Fathers did not give that responsibility to the President or to the Secretary of the Treasury, but to Congress. It is our duty. It is our responsibility. We are the ones who should bite the bullet.

Further proof that it is the peculiar duty of the Congress and responsibility to determine spending, taxes, credit, and deficit matters is clear from the very legislation we are amending.

The increase in the debt limit is an amendment to the Second Liberty Bond Act of 1917.

Until the First World War, anytime the Treasury wanted to borrow money on the credit of the United States, it came to Congress with a specific proposal for a specific bond issue which Congress either approved or voted down.

Starting with the First and then the Second Liberty Bond Acts of 1917. Congress delegated that authority and gave the Treasury a general ceiling on how much they could borrow rather than to approve each and every bond issue.

The point is that the constitutional power to pay the debts and to borrow money on the credit of the United States is a congressional power and one we should start once again to exercise and to take responsibility for.

From those early beginnings 64 years ago when Congress granted the Treasury the authority to borrow up to $5 billion under the First Liberty Bond Act and then $7.5 billion under the second 1917 Liberty Bond Act, we have now delegated to the Treasury the authority to borrow $935 billion and they are asking today for $50 billion more.

I say that it is time to call a halt to delegation of authority and to force this administration, as we should have forced past administrations, to come to grips now with the Nation's No. 1 problem—namely, runaway, riotous, rampaging inflation.

DIMENSIONS OF THE PROBLEM

To paraphase a popular Reagan statement, "Raising the debt ceiling will not solve the problem." The debt is the problem. Here is why.

The debt is now $935 billion. That is the amount of money the Treasury has borrowed. The average length or maturity of the debt—all the debt—is about 1 year.

Why are interest rates so high? The answer is very clear. Every year the U.S. Treasury has to go into the credit markets and borrow on almost a trillion dollars. That cannot do anything but drive up interest rates, and it is a fundamental, motivating, driving dynamic force in driving up interest rates. And that is why homebuilding is in a depression, automobile sales are down; and farmers are desperate for money for their spring planting point. It is because the Federal Government is borrowing $935 billion a year from the money markets. Now it is proposed that we add another $50 billion to that amount.

That means higher interest rates, rising inflation, fewer housing starts and car sales, and more farmers and small businessmen going broke.

That is why I say the debt is the problem and we had better do something about it now.

OPPONENTS AND THE WORST CASE ARGUMENT

But every time we propose to balance the budget or propose to vote against increasing the debt limit, the opponents rise on the Senate floor and tell us that "Now is not the time. This is not the place," and that if we persist in our efforts the Government will come to a screeching, grinding halt. What a picture they paint. They argue that we will not be able to pay social security benefits. They say that our military force will not be able to function. That is absolute nonsense.

There is no question, as I am going to point out, that that is simply baloney.

Again, today, we will be confronted with the "Chicken Little" or the "sky is falling" school of political argument. The argument is familiar. We have heard it all before.

In April 1979, I proposed that on the first budget resolution we balance the budget for fiscal vear 1980, instead of voting for a $29 billion deficit.

The "sky is falling" school argued that it could not be done. Government would come to a halt, and the proposal was defeated overwhelmingly. It got only 23 votes.

Last November 18 I proposed an $18

billion cut to balance the fiscal year 1981 budget. Again it was said that it could not be done, that the government would come to a halt, and that now was not the time and this was not the place.

But the consequences of failing to act last year and the year before have now resulted in a problem which is even worse.

Of course, if we act now to raise the limit to $985 billion it will be worse at the end of 1981 and in 1982.

We are now confronted with a fiscal year 1981 deficit of at least $60 billion and a request to increase the debt ceiling by $50 billion.

The longer we delay the worse the problem will get. Congress should rise to its responsibilities, cut spending, reduce the deficit and public debt, and get the Government out of the bond and credit markets because excessive Government borrowing is crowding out borrowing by or for housing, autos, farmers, and small businessmen.

THE CLEAR CHOICES

We have two choices: The first, to grant an $85 billion ceiling and a $50 billion increase, can only make matters worse. Interest rates will rise as the Federal Government borrows more and more. Housing starts will fall. The deficit will grow, revenues will fall. Prices will go up. Unemployment will rise and the Treasury will be back again to increase the debt ceiling over the trillion dollar mark.

Now, is there an alternative? I think there is.

What would happen if we voted this increase down? Would the sky fall? Would the Government come to a halt? Not on your life. Here is what would happen.

First of all, we are not talking about $50 billion. The Treasury has a cash flow problem, much as the cash flow problem each of us has in our personal checking accounts. When the salary check arrives we are in good shape. After the bills are paid, the checkbook balance is at a low level. This is true of the Treasury and especially so until the big tax receipts arrive on April 15.

What the Treasury faces is a schedule. They do not need $50 billion on February 15. On February 15 they will hit the $935 billion ceiling.

By the end of the month, the debt needs—assuming a unified budget with 1981 revenues of $600 to $605 billion and outlays of $660 to $665 billion—will rise to $943 billion.

What we are talking about, therefore, is an $8 billion cash flow problem by February 28. Not $50 billion, but $8 billion.

According to an informal analysis prepared for me by congressional budget experts, given the assumptions above, the debt deficit schedule looks like this:

[In billions of dollars]

	Ceiling
February 15	$935
February 28	943
March 31	953
April 30	958
May 30	966
June 30	962
July 31	966
August 31	978
September 30	992

Mr. President, some Senators, and it seems almost all the press, believe that we have no alternative, that nothing can be done to keep the Government running if we do not pass this debt extension.

There are things that can be done if the Senate votes "no" on the debt ceiling. Here is what can be done:

The Director of the OMB and the Secretary of the Treasury would have to call in every budget officer and every disbursing office tomorrow morning and tell them that before February 28 they would have to find $8 billion in cuts.

Some programs could be deferred. Some contract payments could be slowed down. Some orders for furniture, cars, and the millions of items the Federal Government buys day to day could be postponed. Some orders could be rescinded.

That would give them time to avoid the immediate cash flow problem. Believe me, if we vote down the debt increase this is what will happen. In fact, it is about time it happened.

The next step would be for President Reagan and Budget Director Stockman to send up to us the items they proposed to be deferred or rescinded under the Budget Reform Act.

Then we would be under pressure. Then it is not a matter of our trying to compromise it out and going to the lobbyists and saying, "How much will you take for me to cut a little bit here and a little bit there?" Then we would know we would have to cut. We would have no alternative. That kind of pressure would get some action out of this body.

If we give them another $50 billion now, Congress will be very slow to act on any proposal to defer or rescind. The interest groups will lobby us. The pressures will come. One reason this debt ceiling increase should be voted down is to help Congress resist the big spending pressures bound to come if we postpone once again coming to grips with the exploding budget by giving the administration another 6 months and another $50 billion.

The third thing Congress can do is to come forward with an additional reconciliation bill under the provisions of the Budget Reform Act. That is the way we can now start to control the uncontrollables and to amend, rescind, and repeal those parts of our permanent laws which have gotten us into this mess and which give us the excuse that spending is uncontrollable. This is one way we can act quickly to reduce some of the "entitlements" which have put the budget out of control.

Those are the steps I propose. This is the scenario which could bring action on this bloated budget and runaway inflation.

The steps are simple. To repeat:

First, OMB and the Treasury attack the short-term cash flow problem by slowing down payments, postponing purchases, and delaying immediate spending.

Second, the President and OMB send us enough deferral and rescission proposals under the Budget Reform Act to avoid the $50 billion increase. The total would not be $50 billion because interest rates would fall, reducing outlays on the debt and the slowdown in the schedule would produce a better cash flow. This is the way to put our feet to the fire and make certain that either the President's proposals or our alternatives get acted upon.

Third, we start to work now on another reconciliation bill to repeal, amend, and rescind some of those laws now on the books which are the cause of our problem and have put the budget out of control.

COUNTRY WOULD WELCOME ACTION

This is the action the people voted for last November. By getting the Government out of the bond markets to the tune of $50 billion additional funds, interest rates would come down. Funds would be available for housing, autos, farmers, and small businesses.

The economic effect would be stimulative. The psychological effect, I believe, would be dramatic.

Most economists, no matter how hung up they are on numbers, will agree that inflation is largely a psychological matter. It is a matter of persuading labor and business, and others, that the Government has a grip on inflation, that it is going to act. This kind of dramatic action would certainly provide precisely the kind of psychological believability to make it work.

Instead of the "sky falling" and the Government coming to a halt, we would make a creditable start to solving both our budget and inflationary problem.

Because I so strongly believe that if we do not take this action now we may never be able to take it at all, I will vote against raising the debt ceiling in order to force the hand of both Congress and the administration.

What I am proposing is a good faith, real alternative to raising the debt ceiling. It is the answer to the arguments of those who have thrown up their hands and said we must pass the debt ceiling increase or disaster will follow.

Disaster—painful, grinding, certain—will follow if we do raise the ceiling. It will take the form of higher interest rates, more inflation, bigger spending, and bigger deficits.

Mr. President, earlier today I received a message from another Senator who gave me a copy of a column that was in the Washington Star last night by two of the ablest, most distinguished reporters in the business—Jack W. Germond and Jules Witcover. These are extraordinarily intelligent and able men and they have done a fine job throughout the years. But they have been suckered by falling into the same trap that most of the press, most of the Congress, and too many of the people have fallen into. That, of course, is the trap that if we do not extend the debt limit, the Government will come to a halt.

These fine reporters are victims of the myth.

Let me quote a portion of the column printed in the Star and circulated to all Democratic Senators, the column written by Mr. Germond and Mr. Witcover.

If the ceiling were not raised, the government would quickly be in the position of being unable to pay its employees or to write the monthly Social Security checks. In other words, barring action to reduce spending or

increase taxes, there simply isn't any choice in the matter. And because those options are not immediately available, there isn't any serious doubt that the higher limit finally will be approved by Congress.

Mr. President, I ask unanimous consent that the entire article of Mr. Germond and Mr. Witcover be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUDGET CEILING "WORM" TURNS ON REPUBLICANS

(By Jack W. Germond and Jules Witcover)

The new secretary of the Treasury, Donald T. Regan, called on the new Senate minority leader, Robert C. Byrd, the other day. The Reagan administration is seeking to increase the ceiling on the federal debt by $50 billion, and Reagan was appealing for Democratic votes.

Those votes might well be there, Byrd made it clear, but only after the new Republican majority in the Senate provided a substantial majority of its own votes. If there proved to be, say, only 26 Republican votes—meaning less than half the 53 seats they now hold—there could be no assurance at all that the measure would pass. The time has come, he suggested, for the Republicans to bite the bullet.

What Byrd recalled very vividly was that the last time there was a roll-call vote on an increase in the debt ceiling, eight months ago, only eight Republican senators voted for it. That was—and this is—the kind of thing Bob Byrd doesn't forget: the eight votes represented only one fifth of those Republicans who were there to vote that day.

Moreover, after that vote, during the campaign last fall, the Democrats who had supported the increase found themselves being attacked by their Republican opponents as "big spenders" who made a career out of raising the debt limit. That is also the kind of thing Bob Byrd does not overlook.

The fact is that this has been the pattern in Congress for many years—Democrats supporting the increases while Republicans made hay out of refusing to do so. But one of the new realities of life for the Republicans, now that they have captured the White House and Senate and increased their ranks so substantially in the House, is that they are obliged to take the responsibility for some of the things they could avoid as a powerless minority.

The increase in the debt ceiling, which would rise to $985 billion under the new proposed limit, is one of the staples of political life in Washington. The amount required each year is determined, of course, by the flow of revenues, which have been reduced at the moment by the state of the economy, and by the demands on continuing federal programs, which have been increased by inflation.

If the ceiling were not raised, the government would quickly be in the position of being unable to pay its employees or to write the monthly Social Security checks. In other words, barring action to reduce spending or increase taxes, there simply isn't any choice in the matter. And because those options are not immediately available, there isn't any serious doubt that the higher limit finally will be approved by Congress.

But that hasn't stopped the Republicans from making political capital out of the debt ceiling votes in the past. On the contrary, they have piously voted against the increases, then gone to their constituents in the even-numbered years and used those votes as evidence of their commitment to fiscal prudence. Rep. Robert Michel, the new Republican minority leader in the House, reported the other day that only 60 of the 192 Republicans in the House have ever voted for the debt limit.

It is not surprising, then, that the Democrats are enjoying the dilemma of the new folks in charge.

Nor are the Democrats overlooking the irony in the situation of the new president. After years of wringing his hands in public about the runaway federal debt, Ronald Reagan found himself obliged to open his first press conference as president last week by announcing the proposed $50 billion increase. Moreover, barring some herculean efforts of cut spending, coupled with an improvement in federal revenues, there is reason to suspect that this president may be the one to have the honor, perhaps later this year, of asking for still another increase that would put the debt ceiling over $1 trillion. That is the kind of "first" no White House is likely to enjoy.

In his press conference statement, Reagan said the administration "took this action with great regret because it's clear that the massive deficits our government runs is one of the root causes of our profound economic problems."

"And," he added, "for too many years this process has come too easily for us."

What he didn't say, of course, is that it has come particularly easy for the Republicans, who could cast those negative votes without worrying about the responsibility for the next month's Social Security checks.

But now there are no more free rides. The worm has turned, just as it always does in politics.

Mr. PROXMIRE. Mr. President, if writers as astute and knowledgeable as these two gentlemen believe that, and I am sure they believe it sincerely, one may forgive the public and our colleagues for believing it, too. Frankly, I do not believe the public does believe it. They are ahead of us. They have had too much experience. They know that they have to balance their budget, whether a family budget or a small business budget. They know they have to do it, and they know they can do it, and they do it. They know we can do it if we have the will.

Mr. President, I know if we do not act on this, we will have to take serious action in other directions, including serious consideration of a constitutional amendment mandating a balanced budget unless two-thirds of the Senate vote to override it. Of course, that would be extraordinarily difficult to construct.

It would put fiscal policy into a straitjacket, which many would feel would be unfortunate.

Another alternative is an item veto for the President. That is something Governors have in many cases. It might be wise and constructive, but it would take a great deal of power out of our hands. Another would be to give the President the impoundment power the President had before Watergate. Again, that would mean a surrender on the part of Congress of much of the authority we have.

Mr. President, I feel very strongly that we have an option here that is a better option. That is to say "no" to raising the debt limit. In doing that, we would mandate the kind of decisive action now, when we are in a position, the best position, to act to balance the budget, to move toward fiscal responsibility and to get inflation under control.

Mr. President, I yield the floor.

Mr. HAYAKAWA. Mr. President, I wish to say a few words in support of the amendment offered by my distinguished colleague from Iowa (Mr. JEPSEN) to the bill on the debt ceiling.

Mr. President, I must certainly agree with the point that the Senator from Iowa raises with respect to the Soviet grain embargo. Why should we single out one sector of our society; namely, the grain farmers, to carry the burden of the embargo to the Soviet Union?

If we, the United States of America, are going to institute an embargo, it should certainly apply to all of our exports to that nation, and not simply agricultural goods. We have singled out the farmers of America to carry a burden so that we can send a political message to the Soviet Union.

But the message is an imperfect one, and I am not at all sure the Soviets are getting it. I must raise the question, if we are to prohibit American goods from being traded with the Soviet Union, does this not hurt our country just as much as it hurts them? Such an action hurts our balance of trade, it floods the American market with an oversupply of agricultural products, thus depressing prices, and we suffer economic losses just as much as the nation embargoed. In addition, I do not think that an embargo does much for our country because it raises the question: Are we a reliable trading partner, or are we not?

The full implications of the amendment of my distinguished colleague from Iowa are not discernible at this moment. If we are going to embargo trade with the Soviet Union, it involves embargoing an enormous range of goods from foodstuffs not embargoed to textiles to machinery to books to I do not know what else. The better solution would be, therefore, not to enlarge the embargo but to lift it now so that we no longer have this embargo of a specific kind of goods to the Soviet Union. In this way, Mr. President, we should at least have a consistent trade policy.

I thank the Chair.

Mr. JEPSEN. Mr. President, I ask unanimous consent to add as a cosponsor to this amendment, the distinguished Senator from Arkansas (Mr. PRYOR).

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. JEPSEN. Mr. President, the Senator from Iowa would like to ask the Senator from Kansas if we might carry this amendment over until tomorrow. I have been advised that there are a number of Senators who wish to speak on this and to enter their names as cosponsors who, because of the shortness of notice and because of meetings that they are now in, cannot make it within the next couple of hours. They suggest that we lay this over and take it up when we first meet tomorrow.

Is that agreeable?

Mr. DOLE. Mr. President, the Senator from Kansas says to the Senator from Iowa that I know there is a great deal of interest in this. Our office has been flooded with calls from Members who wish to come and speak on the amendment. I think it would be a good idea to carry it over until tomorrow. We have notified the majority leader that, as far

as we are concerned, that should be the pending business in the morning. That is the wish of the Senator from Iowa, as I understand it.

Mr. JEPSEN. That is correct.

Mr. DOLE. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment by Mr. JEPSEN be laid aside temporarily and that I may offer an amendment.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—I reserve only for the purpose of providing an opportunity to state that the minority leader and I have conferred on this matter and, indeed, we support the request that the minority leader has just made.

The net effect of the action about to be taken will be to make the Byrd amendment pending tonight and provide, as I understand it, that after we dispose of the Jepsen amendment on tomorrow, the amendment to be offered by the Senator from West Virginia, the minority leader, will be the pending business.

I inquire: Is that the intention of the request of the minority leader?

Mr. ROBERT C. BYRD. The request itself would not automatically bring about that result. If that were the result, I would be agreeable to it. My request is that I merely be permitted to offer the amendment tonight and that tomorrow morning the Senate continue with the consideration of the amendment by Mr. JEPSEN, after which the amendment I offer would automatically be the pending amendment.

Mr. BAKER. Is that the request now of the minority leader?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UP AMENDMENT NO. 4

(Purpose: To decrease the level of the temporary debt limit from $585,000,000,000 to $558,000,000,000)

Mr. ROBERT C. BYRD. Mr. President, I offer this amendment on behalf of myself and Messrs. BRADLEY, CHILES, BUMPERS, HART, LEVIN, MATSUNAGA, INOUYE, BAUCUS, GLENN, and BOREN.

I ask unanimous consent that any other Senators who may wish to add their names to this amendment may have until 7 p.m. today to do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD), for himself and others, proposes an unprinted amendment numbered 4:

On page 1, line 7, strike out "$585,000,000,000", and insert in lieu thereof the following: "$558,000,000,000".

Mr. ROBERT C. BYRD. Mr. President, for the record, the amendment which I offer today is very simple. It would reduce the level, to which the public debt could increase, from the $985 billion which President Reagan has requested and the Finance Committee has reported, to $958 billion.

The level to which the debt limit needs to periodically be increased is intimately tied to the spending and revenue policies established by the Congress and the administration.

The $985 billion figure requested by President Reagan is based on the spending and revenue policies of the Carter budget. Under those assumptions, the $985 billion figure would be adequate to insure that the Government could pay its bills through September 30, 1981.

It is difficult for me to understand why President Reagan would make a request to increase the debt limit based on President Carter's budget. Why is this request not predicated on President Reagan's spending and revenue assumptions?

If it were, his request could have been significantly lower. In his September speech of last year, he indicated that waste and fraud in fiscal year 1981 could be reduced by $13 to $18 billion. Moreover, as one of his first acts as President, Mr. Reagan decontrolled the price of oil and oil products. Decontrol will result in a significant increase in revenue which has not been factored into the President's request.

Those of us who support the amendment wish to see the President's spending and revenue assumptions in detail before we approve a $50 billion increase in the debt limit. For that reason the amendment that has been offered would provide for a level of public debt which will carry the Government well into March or perhaps even into April. By that point in time the Congress will have had a chance to study the President's budget assumptions which will be forthcoming on February 18. By that point in time we will have received the recommendations of various committees on the appropriate levels of spending programs and revenues within their jurisdictions.

The $23 billion increase in the debt limit which we are proposing in this amendment will give the President the opportunity to come back to Congress with a debt limit increase request which is based on his budgetary assumptions of February 18.

The debt ceiling provided in the amendment will give all Senators an opportunity to see what the President's spending and revenue assumptions are in detail before we approach a further increase in the debt limit.

Mr. DOLE. Mr. President, I think we can discuss this tomorrow, but I am just looking at the committee report. According to the best estimates this amendment would only permit us to get through the end of February. We do not really gain a great deal because the Treasury estimates this amendment would only permit us to get through the end of February. We do not really gain a great deal because in the estimates of the Treasury it is estimated the debt subject to limit with a $3 billion margin for contingency would be $955 billion. The amendment would take us down to $953 billion.

So we are talking about in the present circumstances running out of money the 17th, 18th, or 19th of February.

This amendment would extend that in February probably about 2 weeks, and there is no way that we are going to have the opportunity in that short time to analyze the President's economic package and the tax package spending cuts and do anything about it in Congress.

So I just suggest that we are talking about early February. The Treasury estimates that the debt will be $969 billion if we allow for contingencies of $3 billion by March 31. So we are talking about $958 billion, unless there is a mistake in the estimates. We really should not adopt this amendment. I do not think the Senate will adopt this amendment. It is a very short leash.

I again remind my colleagues on the Democratic side that they were suggesting along with many Republicans last year in the lameduck session increasing the debt limit far in excess of that now proposed by the distinguished minority leader.

The Senator from Kansas has indicated earlier that certainly everyone has a right to play games with the debt ceiling. Maybe it is the Democrats' turn this year. But I hope that we could defeat the amendment after some debate.

Mr. BAKER and Mr. PERCY addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, if the Senator from Illinois will withhold for a moment, if I understood the distinguished minority leader earlier he does not wish to speak further on the amendment this evening. I do not believe there are other requests to speak on this amendment at this time.

Mr. PERCY. Mr. President, I have an inquiry of the majority leader. Has a time certain been set for a vote tomorrow on the debt limit?

Mr. BAKER. Mr. President, I must say with regret to the distinguished Senator from Illinois that a time has not been set for a vote tomorrow. We have the statement by the distinguished minority leader that he expected we would finish the bill on tomorrow and my expressed hope that we could do it early tomorrow. But we have not yet arrived at a time certain to vote.

Mr. PERCY. Mr. President, I respectfully bring to the attention of our majority leader and the minority leader that one time that would be difficult tomorrow would be at the time of Mrs. Robert McNamara's funeral. A number of us wish to be there. That funeral time is set for 2 p.m. at the National Cathedral, and I hope that we will not have a vote between, let us say, 1:45 p.m. and 3:30 p.m. We could get back in time then. But I think so many of us have been associated with Bob McNamara for so many years that if we could possibly attend that fu-

neral service it would mean a great deal to us.

Mr. BAKER. Mr. President, I say to my friend from Illinois that we will make every effort to accommodate the wishes of those Senators who will attend those services. Tomorrow, of course, will be a difficult day because we must dispose of this issue and in my judgment before the day is out.

Mr. PERCY. I realize that, and I have every desire to cooperate.

Mr. BAKER. It is a day in which we are scheduled to recess over until the 16th of February for the Lincoln Day recess, but I can assure my friend we will do the very best we can.

Mr. PERCY. What time are we coming in, in the morning?

Mr. BAKER. At 9 o'clock.

Mr. PERCY. At 9 o'clock.

I would just hope that might be possible, but the Senator from Illinois understands the work of the Senate must go on.

Mr. BAKER. I thank the Senator.

Mr. PERCY. Mr. President, it is with the greatest reluctance, but a strong feeling of necessity that I intend to vote in favor of this legislation that we have been discussing today and hopefully will vote on early tomorrow. The bill before us raises the public debt limit from the present $935.1 billion to $985 billion, in line with previous obligations of the Federal Government. President Reagan recently sent his Treasury Secretary, Donald Regan, to Capitol Hill to urge passage of this legislation. In his statement, the Treasury Secretary said:

> Today I must ask your help in dealing with one of the most disheartening things that I have faced since my coming to office 12 days ago. Unfortunately, it is also one of the most necessary things if the President and this Congress are to honor the full faith and credit of the Government.

It is very appealing to stand here today and say I will vote against this measure, but it is fiscally reckless to do so. The debt ceiling we are voting today is simply an acknowledgment of previous Federal commitments. If we did not extend this limit today, then by mid-February, the Government would not be able to send out social security and payroll checks, could not honor defense contracts and would default on its securities. As the Treasury Secretary said, "if we can't borrow, we can't pay our bills."

So it is incumbent on us today to pass this bill and get on with the work that will slow government spending and eliminate the deficits that provoke these debt ceiling increases.

That effort to put the Federal fiscal house in order is just now beginning. President Reagan and this Congress have an extraordinary mandate to reduce spending and invigorate the economy. The President is speaking on national television tonight to outline some of his plans. Moreover, in just 2 weeks he will submit to Congress his revised budget for fiscal 1982. We can expect recommended budget cuts of over $10 billion for the present fiscal year and over $40 billion for fiscal year 1982. I strongly support this effort to restrain spending. It is the right medicine for inflation and is the right prescription for re-establishing fiscal responsibility. If we are successful in this regard, we will not need the full $50 billion that H.R. 1553 permits.

I point out, also, as our distinguished majority leader did yesterday at the Republican caucus, that this is a different situation for many of those Senators who have consistently voted against the debt limit.

We do now have a President who has a mandate from the country to cut expenditures. We have an absolute pledge by him that he will do so. We have a man who is the Director of OMB whose passion seems to be to bring this budget into balance. No one can question their intention to do that.

Heretofore, we were always worried as to whether they really intended to do it. Now there is a determined intention, in fact the only cries we heard are that the cuts are too deep. That is what many of the Members of this body are worried about.

So if they are worried about the cuts going too deep they certainly do not have to worry about the will to bring the budget into balance. Let us work within the budget process that this Congress overwhelmingly set up over 5 years ago, that has worked, with all of its faults, reasonably well. That is the discipline we should live within, and we should not now, at this particular time, make a mockery of the whole system by not permitting us to honor the obligations that the President of the United States and this Congress have authorized and appropriated.

All we would be doing is renouncing what we have already done ourselves, and we would be held up as a mockery, and everyone knows that eventually we would do it and, as the saying goes, eventually, why not now?

Let us do it. If we cannot do it tonight, let us do it tomorrow and get it behind us.

We will be also able to begin to reduce the public debt through a program of tax relief. A combination of business-related tax cuts to spur investment and productivity will move the economy off dead center. As the economic climate improves and jobs are created, Federal revenues will rise, thereby also cutting the Federal deficit. This will not happen overnight, but under President Reagan's plan, we should be able to reach a balanced budget by 1983. We will be pressing hard for tax reductions this year. They are as important to the long-range fiscal position of the Federal Government as are the spending cuts.

In closing, Mr. President, I would like to draw attention to the excellent remarks the Treasury Secretary made before the Senate Finance Committee just yesterday. He recommended that Congress change the way in which we set debt limits so that it becomes part of the overall budget process. I endorse this concept as a sensible step forward.

When I first came to Washington, there was no systematic method of congressional budgeting. Each spending bill was viewed separately, with no attention to the overall spending pattern. The budget process, which Senators Ervin, Muskie and I drew up in the then-Government Operations Committee has given us a workable approach to the budget. The system is by no means perfect, but it is a great improvement over the past procedures. The debt ceiling is a remnant of the old system, when the Federal fiscal picture was viewed piece-by-piece. It should be brought into the budget process as spending and revenues were 5 years ago.

Mr. MATHIAS. Mr. President, I listened with great interest to the distinguished Senator from Illinois, who just commented on the pending legislation. and I feel very much as he does that the answer of the problem of debt limitation lies in the reduction of expenditures and not in the denial of the increase in the debt limit.

I differ with him in saying that I am not reluctant to vote for the debt increase. The Nation looked over the menu, ordered the meal, enjoyed the meal, perhaps had a little indigestion as a result of it, perhaps it did not taste as good as we hoped it would, but we have eaten the meal and the bill is now due.

What we are in effect voting for is simply to pay the bill that is now due for the meal that has been consumed. There is not any other honest way to look at it. It is simply a matter of paying the Nation's bills, and I think we ought to do that cheerfully. But under the leadership of the majority leader of the Senate we are tightening our belts so that the important step to reduce expenditures will be taken right here in the Senate.

We are taking the first steps in leading the Nation in reducing the expenditures in the U.S. Senate by 10 percent. This will not balance the national budget, this will not solve our economic problems, but it is an important and symbolic step in that direction, and I hope every Member of the Senate will support the majority leader because that is the kind of action we have taken here in the Senate, and if that is the action taken throughout the Government that will make it unnecessary for us to go from generation to generation increasing the national debt.

So where we ought to be reluctant is in our spending. I do not think it is necessary to be reluctant about arranging to pay the honest bills that we have already incurred.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I wish to express my special thanks to the distinguished Senator from Maryland, the chairman of the Rules Committee, not only for his service in that role and as the Senator from Maryland, but also because of his diligence in trying to carry out the wishes of the leadership in the Republican caucus to set a good example to the rest of the Government by reducing the expenditures in the Senate.

It is not easy, it is not going to be easy in the future, and the Senator from Maryland is going to be the point man in that conflict as chairman of the

Rules Committee, and there will be days when that will be a difficult job, even an unpleasant job, and some of our good friends and colleagues may grow testy over the requirements that will be laid on them to accomplish that purpose. But I can think of no more responsible and effective leader in that fight than the Senator from Maryland, and I wish to express to him my appreciation for undertaking it.

ADDITIONAL COSPONSOR TO UP AMENDMENT NO. 3 TO H.R. 1553

Mr. BAKER. Mr. President, I ask unanimous consent that the Senator from Idaho (Mr. SYMMS) be added as a cosponsor to the Jepsen amendment, UP No. 3 to H.R. 1553.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 35 minutes in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROSTROPOVICH CELEBRATES SILVER MUSICAL ANNIVERSARY IN AMERICA

Mr. PERCY. Mr. President, of all the many political refugees to whom this country has given asylum, none has returned more joy to the people of America than Mstislav Rostropovich. As musical director of the National Symphony for the past 4 years, he has enriched our lives with his brilliant musical gifts both as conductor and cellist.

Beyond his musical talents, Mr. Rostropovich has been an advocate of human rights. In his native U.S.S.R., he refused to be muzzled in his advocacy of individual rights and was eventually stripped of his citizenship because of this.

Recently, Mr. Rostropovich began celebrating the 25th anniversary of his American debut by conducting and playing in the first of four performances at Carnegie Hall. It is his way of showing appreciation to America.

I would like to bring to the attention of my colleagues a January 18 New York Times article which illuminates Rostropovich as one of the world's most gifted artists as well as a man concerned with those suffering under repression.

Mr. President, I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article ordered to be printed in the RECORD, as follows:

ROSTROPOVICH—"I FEEL LIKE A NATIVE"

(By John Rockwell)

Given his recent emigration to the West, it might seem surprising that it has been 25 years since the Russian cello virtuoso Mstislav Rostropovich made his American debut at Carnegie Hall. The fourth of his four anniversary concerts there this year, on April 4, will fall on the exact day of his debut, in 1956. The series—with the same programs also being presented in Washington—begins in New York this Friday, when Mr. Rostropovich will appear at Carnegie both as soloist and conductor of the National Symphony, of which he has been music director for the past four years. The following Friday he returns to conduct the New York premiere of Penderecki's Te Deum and the Beethoven Violin Concerto, with Yehudi Menuhin. And on Feb. 8 he will lead the Choral Arts Society of Washington in Rachmaninoff's rarely heard Vespers.

All these concerts serve to remind us that although the drama of his flight from his native land is still recent, he has in fact, at 53 years of age, been before the American public for a good, long time. And that he should choose to observe his United States debut in such a festive fashion—instead of some other, earlier landmark from his career in Russia—indicates how important he considers his ties to the West.

The warm response received from the American press and public in 1956 did much to confirm his status in the eyes of the Soviet authorities. But that official favoritism rapidly evaporated when he began, in the late 60's, to speak out against the repressions of the Soviet regime. And he became a pariah when he allowed Aleksandr I. Solzhenitsyn, the Russian expatriate who now lives in Vermont, to reside for several years in his dacha outside Moscow. Gradually, Mr. Rostropovich's performing opportunities and those of his wife, the soprano Galina Vishnevskaya, were stripped away. Yet his successes in the West encouraged him, by then timorously, to venture abroad again, without engagements or any sort of official encouragement. The response here and in Europe to both his cello playing—he is still regarded as the pre-eminent cellist of his generation—and his conducting was so fervent after 1974 that his permanent residence here seemed a *fait accompli*, especially after the Soviets revoked his citizenship and that of his wife in 1978.

Thus Mr. Rostropovich, speaking the other day in his suite in the Watergate Hotel, has his heartfelt reasons for observing this anniversary above all others. (To be strictly accurate about it, it is not the very first anniversary he has observed publicly, however. Last May 15, he marked the silver anniversary of his marriage to Miss Vishnevskaya with a Paris concert that included himself and his wife plus their two daughters and their sons-in-law, all four of whom are musicians.)

"Now the time has come for me to think about my past," said Mr. Rostropovich energetically, speaking sometimes on his own and sometimes through an interpreter. "Shostakovich always celebrated the first performance of his First Symphony. He got a crowd of his friends together in a restaurant or a house, and we did much, much drinking.

"Before 1955, not one Russian artist had been in the United States. We toured in other countries, but the United States was a big enigma. Finally in the 1955–56 season, came the first three: Gilels and Oistrakh and then me in the beginning of 1956.

"I was nervous, incredibly nervous. In our country, it is very important, what the critics say. It is very important in the West also, but in our country, each newspaper was official. If critics say, you're bad, you must know everybody knows you're bad; there's no question. If you're really bad, but the newspapers say you're good, all people know officially that you're good!

"The night after my debut in Carnegie Hall, I didn't sleep all night. The first review was Howard Taubman in the New York Times. He was very polite and very nice. When the review was translated for me, it was like a load off my shoulders. The Ministerium of Culture was very content that they hadn't made a large mistake in sending me. So that American tour was truly the most important step of my life."

Today, Mr. Rostropovich spends more time in this country than any others, and says he "feels like a native here." But his actual residences are in Paris and Switzerland, and he leads the life of the modern-day, jet-setting international virtuoso. Yet he doesn't feel entirely comfortable as a Frenchman or a citizen of Switzerland or an internationalist, either. His attachment to his native country remains profound, as the automatic reference above to "our country" suggests.

"I think maybe I feel even more Russian now," he said. "Now, I have all Russia within me. I don't have all Russia outside. If you have it outside, then maybe you don't have as strong a feeling inside.

"When I left Russia, I was already 47 years old. So I need some Russian atmosphere. In my apartments in Paris and Switzerland, I keep many Russian things—Russian paintings, Russian porcelain. Inside, I'm very, very, very Russian.

"But there is another feeling, not less than this, which is that the whole earth is so small, like a home, a house. Therefore I can feel Russian but at the very same moment, international."

Mr. Rostropovich's journeys about the world are at least as much as a cellist as they are as a conductor. That is partly because he remains the supreme master of the instrument, despite his longtime restiveness with the limitations of its repertory. "I have already played practically everything for the cello," he says. But it is also because, for one reason or another, he does not do an extensive amount of guest conducting.

He explains this in part by saying that his preferred method of work is long-term, intensive involvement with an orchestra, as he has time to do in Washington. "We work here very seriously," he says. "I have my idea about orchestral sound, and I must have time to realize that. That's why I only guest conduct a few orchestras in Europe."

And despite his carrer at the Bolshoi and his well-received recordings of some Russian operas, Mr. Rostropovich's opera engagements are limited, too. "I think opera is very, very, very difficult," he says. "Now, people have much interest in stage directors, but I think the music is most important. Sometimes a conductor doesn't get enough rehearsal because the stage director is busy experimenting with the opera. I have now agreed to make 'Eugene Onegin' with the Paris Opera in 1982. But mostly, it satisfies me to make records of opera—or concert performances."

Another possible explanation for Mr. Rostropovich's limited guest conducting, however, is that he has not always proved himself comfortable with the technical demands of conducting, or with repertory outside his Russian specialties. An absolutely secure technique is a necessity for a guest conductor, who must shape an orchestra to his style within a limited amount of rehearsal time. Mr. Rostropovich is willing to concede that occasionally his hot-blooded temperament and the technical skills of conducting are not always exactly in tune.

"Conducting gives me much excitement," he says. "It's like boiling water. After a few performances, the boiling becomes a little cooler, and my contact with the orchestra becomes more objective. My best performances are exactly in between. If I become too cool, then it's not exciting. If sometimes I am too boiled, then maybe the orchestra doesn't take from me my temperature."

For all the travails of his gradual ostracism by the Soviets and his current exile, Mr. Rostropovich remains a life-affirming man, optimistic that he will one day return to Russia—on his terms.

"Yes, I will go back someday to Russia," he says. "But I will never apologize before anybody, ever. I am not guilty of anything.

I consider those guilty who took my citizenship. And I would go to Moscow only if there were at least an element of freedom for the people.

"Today, nobody in Russia believes in the Soviet system. I don't think even Brezhnev believes in it; he knows its failure better than anyone else. It keeps going only through inertia. But the last 60 years have radically changed the Russian character. The people have become very apathetic."

In recent years,there has been such a flight of Russian intellectuals that the situation recalls the late 1930's, when the truest voices of German culture all seemed to live abroad. But unlike the German emigration, which was focused in the United States and in Los Angeles, especially, the Russian emigrants are spread all over the world.

"There is no organization among Russian intellectuals and artists in the West," Mr. Rostropovich says. "The people who have been dropped in this ocean of life are so busy trying to arrange their personal lives, that there is very little chance to organize a cohesive group.

"But there hasn't been a city in the world where I have not met at least one fellow Russian. And when we were all still in Russia, our activities were less there than they are now. Even when there was a high level of intellectual life there, we were powerless to act on the government. Who were the best composers in Russia? Shostakovich and Prokofiev. But Shostakovich and Prokofiev not only didn't have the power to head anything, to control things—they were being destroyed by the government.

"People with a lot of power often don't understand. They think they are able to direct everything in their own way. But they can't stop the blossoming of thought. There will always be composers who try. They may not be played anywhere, but they will still compose.

"When I decided to leave Russia, I couldn't bring myself to tell Shostakovich. I just went with my wife to his house, and I gave him a copy of my letter to Mr. Brezhnev. He read it, and immediately started crying. He said, 'In whose hands are you leaving me to die?'

"I told him, 'I am going because I want to record your work.' That is my mission in the West. I have come here mostly to work for Russian music. And I am proud a little of that."

LaVERN DUFFY: ONE OF THE SENATE'S MOST DEDICATED EMPLOYEES

Mr. PERCY. Mr. President, I think it is fair to say that last November 5, the day after the election, most of us were more than a little surprised by the sweeping results. For the first time in 26 years, control of the Senate was about to change hands. Very few of us were present in this Chamber when that last occurred.

LaVern Duffy is one of the most distinguished of those professionals who were here the last time a new majority party emerged. For almost 28 years, he has served as a trusted counsel on the Permanent Subcommittee on Investigations. In the 96th Congress, he held the title of general counsel, having also served as acting chief counsel from March to May 1979.

LaVern graduated from Marquette University, and served with the U.S. Marines in World War II during which he suffered serious wounds at Iwo Jima. He joined the subcommittee staff in 1953, and worked closely with the young minority counsel, Robert F. Kennedy. When the Democrats regained control of the Senate after the election of 1954, Bobby Kennedy became the chief counsel of the subcommittee. He conducted a thorough housecleaning of what was left of the McCarthy committee staff. Only two staff persons were asked to remain: one was LaVern Duffy.

Over the next several years, LaVern worked on some of the most significant—and most dangerous—investigations into labor racketeering that the subcommittee has even conducted. He was then—as he has been ever since—a tough, intelligent, and dedicated investigator, not swayed in the least by political considerations, and only interested in presenting the truth to the public. Bobby Kennedy, in his book, "The Enemy Within," had this to say about him:

LaVern Duffy, not only one of our younger staff members, but one of our three or four best, had been in the Marines, and was badly wounded in the fighting in the Pacific. He was in charge of investigating the dynamitings and violence in Scranton, Pennsylvania.

It was in the early days of the Committee. Several times Duffy answered the telephone and the voice on the other end warned: "You'd better leave Scranton, mister, or we're going to kill you."

Joe Maher subpoenaed Roland McMasters; Jim McShane subpoenaed the witness for our juke-box hearing; LaVern Duffy did not leave Sranton.

LaVern is perhaps best known for his work in preparing Joseph Valachi for his appearance before the subcommittee in 1963. Until the public testimony of Joe Valachi, a longstanding member of organized crime, many, including Federal law enforcement officials, played down the power and influence of organized crime in society. Some even doubted its existence. Then, Valachi dramatically changed the public perception of organized crime. His awesome, and graphic, testimony of its tight-knit structure, initiation procedures, rules and customs, code of silence, and life of violence convinced the Nation once and for all that organized crime was very real, and very dangerous.

People may not realize the months and months of preparation necessary before someone like Joe Valachi gives public testimony. Every name, date, and place must be checked out and corroborated with local and Federal authorities. Endless interviews must be conducted with the witness so that the thousand stories of a nearly illiterate professional criminal can be presented as a coherent whole that the Congress and the public can understand. LaVern Duffy was the person primarily responsible for that investigation and for the testimony of Joe Valachi. The hard work and personal sacrifice involved were, to LaVern, simply part of the job.

During the past few years, LaVern has been instrumental in several subcommittee investigations focusing on the commitment of the Labor Department to join in the fight against organized crime and labor-management racketeering. As those investigations have shown, the strong commitment of the Labor Department has been lacking. Some changes for the better have been made, including a threefold increase in the personnel assigned to work with the organized crime strike forces of the Justice Department. But, I hope that with the incoming administration we will see a stronger stand in this area.

In these matters, as in all others, it has been a pleasure and, indeed, a privilege to work with LaVern. He takes an uncompromising approach when it comes to integrity, professionalism, fairness, and thoroughness. These qualities have earned him the highest respect of every majority and minority Senator and staff member. We never hesitated to look to him for advice and counsel.

I could go on and on listing the criminal convictions obtained as a result of LaVern's investigations of labor racketeering, and waste and mismanagement in Government, or noting the changes in the law that ultimately flowed from his work. But I want to conclude my remarks by congratulating him on his cautious, as well as effective, use of congressional authority. The Congress has immense investigatory powers to expose wrongdoing in order to correct the situation through oversight and/or legislation. LaVern has always vigorously pursued his duty and responsibility to root out fraud and waste, and expose misconduct. And to be sure, he has always conducted the meticulous and painstaking investigation and corroboration necessary to avoid needlessly harming a person's reputation by allowing a witness to make public accusations that cannot be backed up. He has done his best to insure that the Permanent Subcommittee on Investigations uses its powers wisely. For that, I thank him.

In his 28 years on the subcommittee, LaVern Duffy has never sought out public recognition for his fine work. A successful investigation has been enough of a reward for him. Indeed, he may even be embarrassed and uncomfortable by my turning the spotlight on him this one time. I just want him to know that my staff and I have enjoyed working with him all my years on the subcommittee, and I look forward to working with him in the 97th Congress.

A COURAGEOUS LEADER

Mr. PERCY. Mr. President, President Gaafar al-Nimeiry of Sudan is the leader of the largest country in all of Africa, one that features enormous variations in topography, climate, language, and culture. It is bordered by eight countries whose governments vary widely—from democratic Kenya to radical Libya. It has been courageously supportive of U.S. peace efforts in the Middle East.

In circumstances which might compel some leaders to tighten their political control, President Nimeiry has done just the opposite and sponsored a policy of political decentralization. In a New York Times article, Gregory Jaynes describes Nimeiry as "a President who has gone after reconciliation and unity with extraordinary zeal."

In 1972 Nimeiry brought about an end

to a 17-year civil war between the people of the northern and southern regions. The southern region was granted a high degree of autonomy. There has been no resumption of civil war since then. "Dissolving local political dissension has been a major goal for Mr. Nimeiry," the article states. His plan is to establish a number of semiautonomous regions in other parts of the country.

Mr. President, Gregory Jaynes' article of December 28 should be of interest to all my colleagues and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUDAN'S NIMEIRY GAMBLES IN LOOSENING REINS OF POWER

(By Gregory Jaynes)

KHARTOUM, SUDAN.—Earlier this year, just after the American attempt to rescue the hostages in Teheran had failed, there was a state dinner in Khartoum, one of those stiff affairs at which ministers customarily speak grandly of national achievements to come and the diplomatic corps expresses every confidence that the ministers' will will be done. However, the events in Iran soon consumed the conversation, and the ballroom was still stuck on that subject when a deputy minister under President Gaafar al-Nimeiry, rose at the dais.

He expressed his deepest sympathy to his American listeners. Then he said wistfully, "I remember when we tried to kill his Excellency in 1976." He told of the meticulous planning that went into the attempt to assassinate President Nimeiry and how it had been foiled when a tailwind set the President's plane down at Khartoum airport 30 minutes early.

The President was not present, but many of his staunchest supporters were—and none blanched. To anyone who follows African affairs, the first astonishing thing about this anecdote is that a man who plotted to kill the President has a seat in the President's Government; the second is the candor of the remark. Coup-conscious heads of state are not known for their ability to forgive. In Mr. Nimeiry's case, it is the source of his renown.

Sudan, the largest nation in Africa and as disparate in cultures and topography as any, with 1,009 spoken languages, a vast southern region that is really Central Africa and a vaster north that is really a turnstile to the Middle East, has a President who has gone after reconciliation and unity with extraordinary zeal. He recently announced a policy of decentralization that Western diplomats see as courageous. The process was born of necessity in 1972, a year after the President was first elected. (He had assumed power in a military coup in 1969.) Mr. Nimeiry settled a 17-year civil war between the largely Moslem north and the Christian and animist south. Five million southerners were given considerable autonomy, with their own elected 110-member assembly. The assembly elects a president of its high executive council; he appoints 14 members to his cabinet.

The capital of the south is Juba, and for eight years the southern legislators in Juba have done more squabbing than good. However, since the bitterness has for the most part been internal, and not aimed at the Khartoum regime, and because the civil war has not broken out again, the south's semiautonomy is seen as a success.

Now Mr. Nimeiry wants to carve out five more semiautonomous regions in the next two years. "Each region will have as much independence from the central Government as a state does in the United States," said an enthusiastic deputy minister in Khartoum. The plan, though, is not without its opponents. "It is too soon, too fast," said El-Fateh el-Tigani, permanent undersecretary in the Ministry for Information. Mr. Tigani said he felt there must be more education and development in outlying and backward regions before the people are told to tackle their own affairs. He cited the south, where fast-flying accusations of corruption and misuse of public funds have at times brought the assembly to a standstill.

"In view of Sudan's poor financial position," a West German diplomat wrote of decentralization, "it is already certain that even a federal structure will not speed up development. All that will happen is that responsibility will shift from Khartoum to the provinces, the bureaucracy will become bloated and personnel costs will rise. But regionalization could mollify local political discontent."

Dissolving local political dissension has been a major goal for Mr. Nimeiry since 1977. By that time he had survived several coup attempts, the closest shave having occurred in July 1970, the day his plane fortuitously landed early at Khartoum. One of the principal plotters in that try was Sadiq al-Mahdi, a descendent of Mohammed Ahmed, who wrested the Sudan from British and Egyptian control in 1881. Sadiq al-Mahdi's ancestors ran their own powerful Islamic state, followers of which are called Ansars and the movement, known as Mahdist, survives today, with Sadiq al-Mahdi at the helm. In 1977, Mr. Nimeiry announced a general amnesty, released 1,200 political prisoners, invited back all exiles, and among those who returned was Sadiq al-Mahdi. Since then he has served in several Government offices. The central Government is fairly packed today with figures who at one time opposed the President.

COME-ONE, COME-ALL STABILITY

It is a stable Government, according to Western diplomats, only because of Mr. Nimeiry's come-one, come-all policy. But by extending this policy to the provinces, in the form of semiautonomy, it is widely held that he is gambling dangerously. A Sudanese journalist remarked that the President "will only bring himself grief by decentralizing too early. We already have the south complaining constantly, and rightly I think, that they do not get the services that the north has," the journalist said. "The north has the railroad. The north has the two or three tarmac roads. Development is concentrated in the north. We can only be thankful that they bicker so much among themselves that no one has suggested they march against Khartoum." The journalist asked, "Who is to say that when these other regions get their public assemblies and their governors it will not turn into one secessionist fire after another? Then we will have chaos everywhere."

But a source close to the President insisted that "his instincts are right. He is not talking about participatory democracy. He is talking about bringing more people into the management of this country. People are telling him to take it a little slower. They tell him that he cannot expect to put all this in place in the next two years, particularly in lean times."

But the source continued, "The President is saying privately that he is doing this for political reasons, not economic. He is saying that if you phase it over many years, people will say it is just more talk from Khartoum. He is saying that the only way you can get peoples' attention, and get them motivated to work for their region and for Sudan, is to strike quickly, impose this plan and show you mean business. Khartoum will be responsible for foreign affairs and national defense. The President is determined to give local affairs to the people."

SRI LANKA'S INDEPENDENCE DAY

Mr. PERCY. Mr. President, February 4 marked the 32d anniversary of Sri Lanka's independence from colonial British rule. In those 32 years, Sri Lanka has been an inspiration to other nations of Asia, Africa, and elsewhere which strive to establish truly free and democratic societies. Since 1948 seven general elections have been held. Most remarkably, even though in six of these the government in power lost, the reins of authority were peacefully turned over to the opposition. The most recent national elections, in 1977, resulted in the victory of the United National Party under the leadership of Mr. Jayewardene, a distinguished member of the legislature for some 29 years.

Sri Lanka is also celebrating its 50th anniversary of universal adult franchise in 1981. The active political life in Sri Lanka is underlined by an average voter turnout of 80 percent or better during the past 16 years. This is a record which most Western democracies can envy. From the first general election in 1931, women have played a leading political role.

Sri Lanka's accomplishments are all the more remarkable considering the religious and ethnic diversity of the country. Buddhists, Hindus, Muslims, Christians, and Zoroastrians all practice their religion freely. Sinhalese, Tamils, Moors, Burghers, and Parsis all play an active role in Sri Lankan society. While communal differences continue, the remarkable fact is that the Sri Lankan government has managed to maintain a very free society and to protect the basic rights of the individual despite religious and ethnic diversity.

The Sri Lankan Government has made significant progress in improving the living standards of its people. These efforts have concentrated to a large extent on health and education which has resulted in significant changes. Life expectancy is now one of the highest in Asia, as is its rate of literacy. The rise in the general standard of living is all the more remarkable when placed against a population which has more than doubled since independence.

Despite this progress Sri Lanka remains heavily dependent on foreign assistance and loans to provide the capital for major development projects. The United States has joined a consortium of nations and international financial institutions including Canada, Great Britain, the Federal Republic of Germany, Sweden, Jordan, the World Bank, and IDA to fund the large Mahaweli irrigation program. Five dams are to provide the necessary water to irrigate nearly 290,000 acres and generate 500 megawatts of power. Hopefully, such projects can help the Sri Lankans reduce their dependence on imported food.

In the area of foreign affairs President Jayewardene has committed his nation to a policy of true nonalinement. The Sri Lankans have led those nonalined nations who have refused to allow their movement to turn away from the principles adopted at Bandung in 1955. Their consistent aim has been to promote respect for all nations of the world through

mutual cooperation and tolerance. She has displayed this commitment at the United Nations and in the nonalined movement.

On the anniversary of Sri Lanka's independence, we note that relations between the Jayewardene government and the United States have been close and we wish them to continue. We share a common commitment to economic liberalism, democracy, and freedom of all peoples.

REVISED REGULATIONS OF THE COMMITTEE ON RULES AND ADMINISTRATION FOR THE PAYMENT OF SEVERANCE PAY AND ACCUMULATED LEAVE

Mr. MATHIAS. Mr. President, due to the passage of Senate Resolution 46 on January 29, 1981, it is necessary for the Committee on Rules and Administration to issue revised regulations governing the payment of severance pay and accumulated leave. The initial regulations of the committee were issued on January 5, 1981, to implement Senate Resolution 573 passed by the Senate on December 16, 1980. Senate Resolution 46 made some important changes in the provisions of Senate Resolution 573, thereby necessitating these revised regulations.

The revised regulations will be printed in full at the conclusion of my remarks, but I wish to highlight the major provisions at this point.

SEVERANCE PAY FOR COMMITTEE EMPLOYEES

Committee employees, employees of the Vice President, the Secretary of the Senate, and the Sergeant at Arms are eligible for severance pay if they were terminated as a result of the transition to a new Republican Senate.

There are a number of important qualifications, however, for an employee to obtain severance pay:

The employee must have been employed by one of the above offices on January 2, 1981.

The employee must have been employed by the Senate for at least 183 days in 1980.

There are several important changes from the previous regulations promulgated by the Rules Committee:

The rate of pay on which severance will be computed is the employee's rate of annual salary on November 1, 1980, or, if such employee was not employed on such date, on the last date of Senate employment preceding November 1, 1980.

Reemployment by the U.S. Government or the District of Columbia during the 30-day period after termination from the Senate will result in a reduction of severance payment on a day-for-day basis.

There is now an ending date for severance certification. Employees must be terminated no later than March 31, 1981, to be eligible for severance payments.

An employee must wait for 30 days after his/her separation from the Senate, and then must submit a notarized statement to the Rules Committee stating that the employee has not accepted employment with the U.S. Government or the District of Columbia in the preceding 30 days or has accepted employment but not for the full 30-day period.

Blank forms, as well as notary services, are available in the Senate Disbursing Office.

All applications from employees must be in by the close of business, May 31, 1981.

ACCUMULATED LEAVE PAYMENTS

These provisions apply to former employees of defeated Senators or employees of the former President pro tempore of the Senate. Employees are eligible for up to 30 days leave credit if:

They were certified by their Senator or the President pro tempore.

Their employment in the Senate was terminated after November 1, 1980, and prior to January 6, 1981.

The employee must have been on the Senate payroll at least 183 days in 1980.

The payments will be based on the rate of annual salary as of November 1, 1980, or if such employee was not employed on such date, on the last day of Senate employment preceding November 1, 1980.

The employee must:

Submit an application for accumulated leave pay 30 days after termination and have it notarized.

As in the case of severance pay, the employee must state that he/she has not accepted employment with the U.S. Government or the District of Columbia for the 30-day period following termination from the Senate or has accepted such employment for only a portion of that 30-day period.

All applications for accumulated leave payments must be received by the Secretary of the Senate no later than the close of business, May 31, 1981.

Blank forms, as well as notary services, are available in the Senate Disbursing Office.

Mr. President, I ask unanimous consent that the revised Rules Committee regulations for the payment of severance pay and accumulated leave be printed in the RECORD at this point.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

REGULATIONS OF THE COMMITTEE ON RULES AND ADMINISTRATION FOR THE PAYMENT OF SEVERANCE PAY AND ACCUMULATED LEAVE IN ACCORDANCE WITH SENATE RESOLUTION 573, 96TH CONGRESS, AGREED TO DECEMBER 16, 1980, AND SENATE RESOLUTION 46, 97TH CONGRESS, AGREED TO JANUARY 29, 1981.

SEVERANCE PAY

1. Under the provisions of S. Res. 573, and S. Res. 46, former Senate employees qualify for one month's basic pay as severance pay, based on the rate of annual salary on November 1, 1980 (or if such employee was not employed on such date, on the last date of Senate employment preceding November 1, 1980), if:

a. they were employed by a standing, select, joint, or special committee of the Senate, whose funds are disbursed by the Senate, or by the Office of the Vice President of the United States, the Secretary of the Senate or the Sergeant at Arms and Doorkeeper of the Senate,

(1) on January 2, 1981, and

(2) were employed by the U.S. Senate for at least 183 days during 1980, and

b. such employment as a Senate employee was terminated on or after January 2, 1981 but no later than March 31, 1981, solely and directly as a result of the reorganization of his/her office of employment, caused by a transition to a Senate in which a majority of Senators are members of the Republican Party.

c. Re-employment by the United States Government or the government of the District of Columbia during the 30-day period after qualifying termination will result in a pro-rata reduction in such employee's severance payment, on a day-for-day basis, regardless of disparities in the applicable old and new salaries.

2. Affected employees must be certified as qualified for severance by the Chairman and Ranking Minority Member of their respective Committees, or by the Vice President, the Secretary or the Sergeant at Arms, respectively.

3. Certification of qualification shall be submitted to the Rules Committee by the respective committee or office, on or before January 12, 1981 for all qualified employees terminated on January 2, 1981, and within 10 (ten) days of such displacement termination if it occurs after January 2, 1981.

4. It shall be the responsibility of each affected employee to insure that his/her respective office of employment timely submits his/her certification to the Rules Committee, in accordance with the provisions of subsection (b) of S. Res. 573 and paragraph 3 of these regulations. Certifications may be by letter, for one or more affected employees, signed by the Chairman and Ranking Minority Member of the Committee, or the Vice President, or the Secretary or Sergeant at Arms of the Senate, and stating that "such employees are certified as qualified for their appropriate severance payments in accordance with the provisions of S. Res. 573, agreed to December 16, 1980, and S. Res. 46, agreed to January 29, 1981, and the regulations of the Senate Rules Committee promulgated pursuant thereto." (See Attachment No. 1.)

5. To receive severance pay, it is the responsibility of the displaced staff member to submit to the Committee on Rules and Administration, as soon as possible after 30 days from the date of separation from the Senate, a notarized statement that will:

a. make application for such severance pay as the employee may be entitled to, and

b. certify that the employee:

(1) has not accepted further employment with the United States Government or the government of the District of Columbia (see Attachment No. 2), or

(2) has accepted further employment with (Name of Department and/or Agency), and noting the beginning date of such employment (see Attachment No. 2).

6. All applications for severance pay must be received by the Committee on Rules and Administration no later than the close of business, May 31, 1981. Application forms, like those attached hereto, will be available in the office of the Rules Committee, 305 Russell Senate Office Building, and in the Senate Disbursing Office, S145, U.S. Capitol Building.

7. Upon receipt of properly completed applications and certifications, the Rules Committee will transmit such forms, approved by the Chairman of the Committee, to the Senate Disbursing Office for processing and payment.

8. Election by an employee to take retirement after qualifying termination will not affect his/her entitlement to full severance payment.

ACCUMULATED LEAVE PAYMENT

1. Under the provisions of S. Res. 573, and S. Res. 46, former Senate employees qualify for a lump sum payment for accumulated leave not in excess of 30 days, based on the rate of annual salary on November 1, 1980 (or if such employee was not employed on

such date, on the last day of Senate employment preceding November 1, 1980), if:

a. they were employed in a Senator's office or in the President pro tempore's office for at least 183 days during 1980, and

b. such employment as a Senate employee was terminated after November 1, 1980 and prior to January 6, 1981, because the Senator's service as a Member of the Senate ceased, or the President pro tempore's service ceased.

c. Re-employment by the United States Government or the government of the District of Columbia during the 30-day period after qualifying termination will result in a pro-rata reduction in such employee's severance payment, on a day-for-day basis, regardless of disparities in the applicable old and new salaries.

2. Affected employees must be certified as qualified for accumulated leave payment by their employing Senator, and in the case of staff in the office of the President pro tempore, by the President pro tempore.

3. Certification of those employees qualified for accumulated leave payment shall be submitted to the Secretary of the Senate by the respective Senators and the President pro tempore.

4. To receive the lump sum accumulated leave payment, it is the responsibility of the former employee to submit to the Secretary of the Senate, as soon as possible after 30 days from the date of separation from the Senate, a notarized statement that will:

a. make application for such accumulated leave payment as the employee may be entitled to, and

b. certify that the employee:

(1) has not accepted further employment with the United States Government or the government of the District of Columbia (see Attachment No. 3), or

(2) has accepted further employment with (Name of Department and/or Agency), and noting the beginning date of such employment (see Attachment No. 3).

5. All applications for accumulated leave payments must be received by the Secretary of the Senate no later than the close of business, May 31, 1981. Application forms, like those attached hereto, will be available in the Senate Disbursing Office, S145, U.S. Capitol Building, and in the office of the Rules Committee, 305 Russell Senate Office Building.

6. Election by an employee to take retirement after qualifying termination will not affect his/her entitlement to the lump sum payment for accumulated leave.

ATTACHMENT No. 1

LETTER OF CERTIFICATION OF QUALIFICATION FOR SEVERANCE PAYMENT

Hon. CHARLES McC. MATHIAS, JR.,
Chairman, Committee on Rules and Administration, U.S. Senate, 305 Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: As Chairman and Ranking Minority Member, respectively, of the Committee on , we hereby certify that the following employees are qualified for their respective appropriate severance payments, pursuant to the provisions of Senate Resolution 573, agreed to on December 16, 1980, and Senate Resolution 46, agreed to on January 29, 1981, and to the regulations pursuant thereto promulgated by the Committee on Rules and Administration.

(List Names)

Sincerely,

———

Chairman.

———

Ranking Minority Member.

ATTACHMENT No. 2

SEVERANCE PAYMENT APPLICATION

(Fill in Applicable Spaces)

Hon. CHARLES McC. MATHIAS, JR.
Chairman, Committee on Rules and Administration, 305 Russell Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I hereby apply for such severance payment as I am entitled to, pursuant to S. Res. 573, agreed to December 16, 1980, and S. Res. 46, agreed to January 29, 1981.

I certify that from (1) ——— to (2) ——— I have not been an employee of the United States Government or the government of the District of Columbia.

I certify that since (3) ——— I have been an employee of (4) ———.

———

Signature.

———

Typed or Printed Name.

———

Home Address.

———

Committee.

Subscribed and sworn to before me this — day of ———, 1981:

———

Signature of Notary Public.

My commission expires: ———.

(1) Date of separation from the Senate.

(2) Date of either the 31st day from the date of separation from the Senate, or the last day of unemployment since separation from Senate, whichever is earlier.

(3) Beginning date of further employment with the United States Government or the government of the District of Columbia.

(4) Name of Department and/or Agency.

ATTACHMENT No. 3

LUMP SUM ACCUMULATED LEAVE PAYMENT APPLICATION

(Fill in Available Spaces)

Hon. WILLIAM F. HILDENBRAND,
Secretary, U.S. Senate,
Washington, D.C.

Attn.: Stuart F. Balderson, Financial Clerk.

DEAR MR. SECRETARY: I hereby apply for such lump sum payment for accumulated leave as I am entitled to, pursuant to S. Res. 573, agreed to December 16, 1980, and S. Res. 46, agreed to January 29, 1981.

I certify that from (1) ——— to (2) ——— I have not been an employee of the United States Government or the government of the District of Columbia.

I certify that since (3) ——— I have been an employee of (4) ———.

———

Signature.

———

Typed or Printed Name.

———

Home Address.

———

Employing Office.

Subscribed and sworn to before me this — day of ———, 1981:

———

Signature of Notary Public.

My commission expires: ———.

(1) Date of separation from the Senate.

(2) Date of either the 31st day from the date of separation from the Senate, or the last day of unemployment since separation from the Senate, whichever is earlier.

(3) Beginning date of further employment with the United States Government or the government of the District of Columbia.

(4) Name of Department and/or Agency.

INTERIM REPORT OF THE U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

Mr. MATSUNAGA. Mr. President, the U.S. Commission on Proposals for the National Academy of Peace and Conflict Resolution, authorized by Congress to study the various proposals for a National Academy of Peace, is now completing its 1-year study. It is expected that the Commission's final report will be published in about 5 weeks.

As Chairman of the nine-member Commission, I have been particularly pleased by the very favorable public response to the Commission's efforts to date. Between March 9, 1980, and July 23, 1980, the Commission held a series of 12 public seminars and collected over 7,000 pages of testimony. In addition, the Commissioners met with numerous other organizations and individuals and reviewed the existing literature in the field. An interim report was published by the Commission in September 1980 and it is gratifying to note that the demand for this document has far exceeded the supply. Because I am still receiving requests for copies of the interim report and many of my colleagues are as well, I ask unanimous consent to have the text of the brief report printed in the RECORD.

There being no objection, the text of the report was ordered to be printed in the RECORD, as follows:

INTERIM REPORT OF THE U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

I. SUMMARY AND INTRODUCTION

The United States Commission on Proposals for the National Academy of Peace and Conflict Resolution, created for one year by Congress and the President, has completed the first half of its mandate to determine whether or not a National Academy of Peace and Conflict Resolution should be established. During its first seven months, the Commission met for over 230 hours and collected and analyzed over 7,000 pages of oral and written testimony, research findings, and meeting notes.

The Commission convened 12 public seminars in different regions of the country. Individual citizens and organizations across the nation testified that there is a need for a national commitment of resources in the area of peacemaking and conflict resolution training, research, and public information. Witnesses reported on the incidence of conflict and violence at all levels of society—international, national, and community. Individuals and representatives of various constituencies reported to the Commission on the connections between varying levels of conflict. In many cases international conflicts affect citizens' daily lives—in the work place, in the economy—and greatly influence community and national events. They cited the exorbitant price being paid, in tax dollars and human suffering, when social conflicts unnecessarily escalate and result in violence and destruction. Because of these factors, the Commission found a strong constituent interest in the concept of a Peace Academy.

Overwhelmingly, witnesses noted that in recent years teachable, cost-effective, nonviolent methods of resolving conflicts have been developed. These new methods and a rapidly developing body of knowledge are being applied and taught. Negotiation, mediation, conciliation, and arbitration are being used extensively and successfully in domestic labor disputes and in international trade and commercial disputes. Professional experts in conflict resolution are assisting in the peaceful settlement of environmental disputes and terrorist incidents. Private mediators are assisting in delicate international peace negotiations. The United States service academies are beginning to incorporate conflict resolution skill training in their curricula. Research is being done at universities on peaceful conflict resolution.

However, the Commission found little official or organized support for these efforts; existing institutions and mechanisms lack the resources to promote training and research in peacemaking and conflict resolu-

tion skills. There is no well-developed system for responding effectively to conflicts at any level before they erupt into destructive violence.

Many witnesses voiced their concern that international disputes over natural resources, the environment, international commerce, and the arms race have the potential for escalating into violence if current knowledge of peaceful conflict resolution is not more fully integrated into diplomacy, business, and policy planning. Concerns were expressed that without a significant, coordinated, and ongoing American effort in this area, the possibility of a nuclear war will increase rather than decrease in the years ahead.

The Commission has carefully reviewed the testimony and research findings on the question of whether the United States should establish a National Academy of Peace and Conflict Resolution. The Commission concurs with many of the serious and valid concerns raised relating to the establishment of this institution and will incorporate the full range of constructive input it has received and studied into its Final Report and recommendations.

The Commission has concluded that the implementation of a national program of training, research, and public information could potentially save American citizens billions of dollars, directly and indirectly, each year and reduce the level of international violence in both the long and short term. Complete documentation of these findings will be set forth in the Final Report.

In accordance with these findings, the Commission unanimously adopted a resolution at the Commission's July 24, 1980, business meeting to recommend to both Houses of Congress and the President in its Final Report that legislation be enacted creating a United States Academy of Peace.

The Final Report will be issued in January 1981 and will include a short summary of proceedings and specific legislative recommendations, a detailed review of the state of the art of conflict resolution, and the Commission's findings.

II. WHY A CONGRESSIONAL COMMISSION?

The U.S. Commission on Proposals for the National Academy of Peace and Conflict Resolution, created by Public Law 95–561, is the first Congressionally-mandated examination of nonviolent conflict resolution and its potential for incorporation into a national, institutional framework.

The first American President who saw the need for an institution to educate in the methods of peace, George Washington, said in a circular to the States on June 9, 1783 "There can be little doubt but Congress will recommend a proper Peace Establishment for the United States . . ."

Many concerned Americans have sought departures from prevailing procedures for policymaking. Among them was a proposal for an Office or Department of Peace. Its original authorship is still controversial, but two distinguished Americans of the 1790's, one black and one white, share honors. The proposal appeared in the fall of 1792 as an essay in the first edition of "Banneker's Almanack and Ephemeris for the Year of our Lord 1793" in Philadelphia. It began,

"Among the defects which have been pointed out in the Federal Constitution by its antifederal enemies, it is much to be lamented that no person has taken notice of its total silence upon the subject of an office of the utmost importance to the welfare of the United States, that is, an office for promoting and preserving perpetual peace in our country."

During the course of the 19th century, various publicists and legislators echoed proposals for a department of peace, peace agency, or educational institution.

Between the 84th Congress and the 90th Congress (1955–1968), no less than 85 bills were introduced in the House or Senate to create a Department of Peace, including provisions for an educational program. All told, from 1935 to the late 1960's, more than 140 bills on this subject were introduced as duplicates with different co-sponsors, plans or re-introductions over successive sessions.

In 1960, Senator Hubert Humphrey of Minnesota introduced a bill to create a National Peace Agency. In the late 1960's Representative Seymour Halpern of New York, Senator Vance Hartke of Indiana, and Representative Spark M. Matsunaga (now Senator) of Hawaii were active supporters of peace academy legislation.

In January 1977, Representative Andrew Young of Georgia and multiple co-sponsors introduced a bill in the House to establish the Commission, and Senators Randolph, Hatfield, and Matsunaga introduced an identical bill in the Senate.

Following hearings by the Senate Foreign Relations Committee, the Senate Human Resources Committee, and the House Committee on International Relations, Congress enacted the proposal into law as part of the Education Amendments of 1978. In 1979, Congress appropriated $500,000 for the one-year Commission study.

This landmark legislation reflected the conviction of Congress that in an era dominated by conflict at the international, national, and local levels, an investment in the investigation and exploration of the idea of a National Peace Academy would promote the national interest.

Conflict between nations and within our society is increasing at an alarming rate. Recent events abroad and at home, such as those in Iran and Afghanistan and the civil disturbances in Miami, coupled with the ongoing Middle East conflict and the continuing crisis in Northern Ireland, have made it clear that we must develop new and creative means to manage conflict before it escalates into destructive violence.

Vast resources have been expended in the quest for national security and global peace. The United States spent over $2 trillion on national defense between 1946 and 1980, with another $1 trillion projected between 1980 and 1985. It is not at all clear to what degree these vast expenditures have strengthened either the prospects for peace or the national security of the United States.

Committing the necessary resources to developing techniques capable of resolving conflicts effectively, nonviolently, and with social justice is the United States' greatest challenge. Broader use of peace and conflict resolution skills is the foundation upon which social justice, social and economic stability, and genuine national security can be built.

Historically, there has been bi-partisan support for efforts to improve America's peacemaking capability. President Dwight D. Eisenhower warned in his memoirs, Waging Peace, that there is an imbalance in our national means of seeking security and liberty and an undue reliance on methods of power and force in managing conflict. In his farewell address, President Eisenhower advocated a fervent search for "the proper meshing of the huge military and industrial machinery of defense with our peaceful methods and goals."

And President John F. Kennedy, in a speech delivered at American University in Washington, D.C., in 1963 said, "The pursuit of peace is not as drastic as the pursuit of war . . . But we have no more urgent task. Peace is the necessary rational end of rational man . . . based not on a sudden revolution in human nature, but on a gradual evolution in human institutions."

III. WHAT IS THE COMMISSION'S MANDATE?

The Commission is specifically mandated by Public Law 95–561 to undertake a study to consider:

Whether or not a National Academy of Peace and Conflict Resolution should be established;

The size, cost, and location of such an Academy, if any;

The effects which the establishment of an Academy would have on existing institutions of higher education;

The relationship which would exist between an Academy and the Federal Government;

The feasibility of making grants and providing other forms of assistance to existing institutions of higher education in lieu of, or in addition to, establishing an Academy; and

Alternative proposals, which may or may not include the establishment of an Academy, which would assist the Federal Government in accomplishing the goal of promoting peace.

In conducting the study, the Commission is further mandated to:

Review the theory and techniques of peaceful resolution of conflict between nations;

Study existing institutions which assist in resolving conflict in the area of international relations.

IV. WHO ARE THE COMMISSIONERS?

The Commission consists of nine members, three of whom were appointed by President Jimmy Carter, three by President pro tempore of the U.S. Senate Warren Magnuson, and three by Speaker of the U.S. House of Representatives Thomas P. O'Neill:

The Honorable Spark M. Matsunaga (D-Hawaii), Chair, United States Senator.

James H. Laue, Vice-Chair, Director, Center for Metropolitan Studies, University of Missouri—St. Louis.

The Honorable John M. Ashbrook (R-Ohio), United States Congressman.

Arthur H. Barnes, President, New York Urban Coalition, New York, New York.

Elise Boulding, Chair and Professor, Department of Sociology, Dartmouth College, Hanover, New Hampshire.

John R. Dellenback, President, Christian College Consortium/Coalition, Washington, D.C.

John P. Dunfey, President, Dunfey Hotels Corporation, Hampton, New Hampshire.

The Honorable Dan Glickman (D-Kansas), United States Congressman.

William F. Lincoln, Director, Center for Collaborative Planning and Community Services, Watertown, Massachusetts.

V. HIGHLIGHTS OF THE FIRST SEVEN MONTHS

A. Initial Organization and Directives:

The Commissioners have held seven business meetings. At the first meeting on December 12, 1979, Senator Spark M. Matsunaga was elected Chair and Dr. James H. Laue, Vice Chair.

Initial organizational steps were the appointment of William J. Spencer as Director of the Commission staff and David C. Johnsen, Deputy Director. Recruitment of staff began immediately, and office space was leased in downtown Washington, D.C.

The Commission decided that it would not attempt at the outset to determine whether or not a National Peace Academy should be established, but would rather begin by looking at alternatives which would accomplish the principal objective of resolving conflicts between nations with justice and equity.

It was the unanimous decision of the Commissioners that a review of the theory and techniques of peaceful resolution of conflict must necessarily include a study of the peaceful resolution of conflicts within a nation and its communities as well as between nations.

The Commission organized rapidly, and its staff convened several planning meetings involving the leadership of national organizations. The generous assistance of the Commission Chair and his office staff enabled the Commission to begin operation within days

of the President's final appointments to the Commission.

A ten-month timetable was established to structure the work of the Commission in its study of the nature of the problem, what institutions and agencies are addressing the problem, alternative proposals, and specific recommendations.

The Commissioners approved a staff Design Paper in March 1980 that reviewed the background of the Commission and outlined key areas of Commission work in the months to come.

B. Principal Activities:

The Commission decided that successful completion of its mandate would require a survey of existing material on conflict resolution as well as the organization of participatory programs that would provide publicity for the Commission's efforts and opportunities for specialists in the field and the general public to exchange ideas with the Commissioners and staff. The principal objective of all the Commission's work would be to provide a well-argued and well-documented answer to the basic question posed by the legislation: "Should there be a U.S. Academy of Peace and Conflict Resolution?" The two principal vehicles for providing answers to this question were to be research and public seminars around the country, drawing in each activity on the widely varying knowledge and perspectives of the Commissioners, staff, others in the field, and the general public.

C. Research:

Over the years a vast body of theory and practice in the field of conflict resolution has been developed, but due to a lack of both resources and an institutional framework, the value of this work has been minimized and there is a scattering and fragmentation of knowledge with a consequent diffusion of impact.

The Commission explored how the results of peace research and conflict studies might be better applied to the policy planning process in order to provide policy and decision makers with the necessary tools and skills for preventing or minimizing violence.

The Commission identified seven basic research areas in which survey efforts would be focused:

Violence and conflict in the United States and elsewhere in the world;

Strategies and techniques of peacemaking and conflict resolution;

Agencies and organizations active in teaching peacemaking and conflict resolution;

Development of the field of peace and conflict research;

Ethical and value considerations in peacemaking;

The role of research and of graduates of a peace academy in American society and elsewhere in the world; and

Institutional frameworks for the conduct of teaching and research on peacemaking.

Details on each of these research areas will be addressed in the Final Report.

D. Public Seminars:

The Commission designed a series of 12 seminars across the United States between March 9 and July 23, 1980, with the final public seminar to be held in Washington, D.C., in late July. The Commission decided that a nationwide public seminar program would solicit a broad range of views from citizens and experts on the concept of a National Academy of Peace and Conflict Resolution and simultaneously provide an opportunity for broad public exposure to the concept.

The Commissioners decided that a minimum of three members would be required in order to hold a public seminar and that in the absence of the Chair or Vice-Chair should designate another member to preside over meetings or public seminars.

The program was designed to gather information not only from expert witnesses but also from persons with considerable experience in local, regional, and international arenas. The format for the public seminars differed somewhat from traditional Congressional hearings. Each seminar was in itself an experiment in maximizing public participation and discussion on an important national issue.

A regional field representative was retained in each region to help the Commission plan the public seminar, identify potential witnesses in the community, and provide access to key local groups. Letters of invitation and background material were sent to approximately 8,500 individuals.

Each public seminar was divided into sessions with expert witnesses, guest speakers, small group discussions and reports, and "open mike" participation. Witness lists were carefully developed by Commissioners, staff, and regional field representatives. The Commission made special efforts to hear from witnesses who were skeptical or opposed to the Peace Academy concept as well as from those supportive of the idea in order to sharpen the debate.

Expert witnesses were chosen on the basis of their special expertise in peacemaking and conflict resolution and/or their roles as representatives of a constituency whose views were considered important to the Commission's work. Selected individuals were drawn from a wide range of backgrounds and experience, including international affairs, labor, business, state and local government, community and ethnic organizations, academia, and civil and human rights organizations. Guest speakers were individuals whose views were considered especially significant.

Witnesses were asked to deliver a summary statement and be prepared for a question and answer period following the formal testimony. They were asked to describe their background and experience in peacemaking and conflict resolution and to discuss whether or not a National Academy of Peace and Conflict Resolution should be established, the nature of such an academy if recommended, and possible alternatives to an academy. Witnesses were also asked to submit a written statement that enlarged upon their oral testimony.

The small group sections of the public seminars were designed to encourage discussion and direct community input into discussion of a National Peace Academy. Five broad areas of discussion were suggested as topics: (1) Energy, environment and economic conflicts; (2) Peace studies and peace research; (3) Civil rights and human rights: (4) Conflict resolution and mediation; and (5) The role of international governmental and nongovernmental organizations in peace and conflict resolution between nations.

The discussion leaders were asked to report to the Commissioners for each group regarding its assessment of existing inadequacies in conflict resolution and ways in which a Peace Academy would help meet the need. They also reported suggestions the groups wished to offer the Commission in its work.

The "open mike" section was designed to give other participants in the public seminars an opportunity to make their views known to the Commission. Commissioners took testimony from everyone who wished to offer it during this period, often staying beyond time for formal adjournment until all citizens were heard.

The formula for the public seminars was thus intended to provide maximum participation in the work of the Commission from the standpoint of international, regional, individual, and organizational perspectives. Additional organizational perspectives will be sought in the remaining months of the Commission's life.

E. Additional Outreach:

In its efforts to obtain maximum input and to make the work of the Commission better known, contact was made with many individuals and organizations outside the framework of the public seminars. Leadership meetings were held in Washington, D.C., with representatives of Hispanic and national women's groups and in Atlanta, Georgia, with civil rights leaders. The Commissioners and staff visited the United States Air Force Academy at Colorado Springs and the United States Military Academy at West Point, discussing the Peace Academy concept with administrators and faculty. A trip to the United States Naval Academy is scheduled for the fall.

The Commissioners and staff also participated in meetings of the International Studies Association and the International Society for Political Psychology. Formal interviews were held in New York with United Nations and non-governmental organization representatives, and a conference was held in Washington, D.C., with the heads of diplomatic and military institutions involved in training and research.

More than fifty additional meetings took place, including meetings with officials of the Department of State, the Foreign Service Institute, the Arms Control and Disarmament Agency, the International Peace Academy, members of the U.S. delegation at the United Nations, other United Nations delegations, members of the Federal Mediation and Conciliation Service, the Community Relations Service of the Department of Justice, the Institute for Mediation and Conflict Resolution, the Martin Luther King, Jr. Center for Social Change, and the American Arbitration Association.

VI. INITIAL FINDINGS

The Commission has been able to compile a comprehensive and useful set of documents on the basis of its research and public seminars. The research staff of the Commission, focusing on existing data and theories rather than creating or initiating new studies, evaluated available materials on the state of the art and skills and institutions currently existing. It also explored alternative ways of strengthening those skills and institutions, including a National Peace Academy. In addition, an analysis was done of the strengths and weaknesses of existing peace education, research and training throughout the country.

The Commission found that the overwhelming majority of the witneses and participants in the public seminar program supported the concept of the establishment of a National Academy of Peace and Conflict Resolution.

The 300 witnesses who presented formal testimony included researchers, educators, practitioners of conflict resolution, representatives of international and national nongovernmental organizations, clergy and laity, political officials, and business, labor, diplomatic, and military representatives. The written and oral testimony presented at the public seminars provided over 7,000 pages of analysis and recommendations for consideration by the Commissioners. Unsolicited material, testimony, and research were received from individuals and groups who had learned of the Commission's work and who, although unable to appear in person, wanted to make their views known.

In their deliberations the members of the Commission carefully reviewed supportive and opposing viewpoints regarding the establishment of a National Academy of Peace and Conflict Resolution. Some witnesses expressed concern that the creation of a national institution might duplicate what is already being done in the field, cost too much money, and lead to excessive government intervention, threatening the American tradition of pluralism in education and research. Some feared that creating another appendage to the vast federal bureaucracy might suffocate existing and developing private sector programs and work to dis-

place conflict rather than work to resolve conflict with justice.

Others were concerned that a national institution might become too centralized, serve to create an elite corps, and be too close to the government to ask the hard questions such an institution should ask about issues of international and intranational conflict resolution.

While giving due weight to the legitimate concerns raised by witnesses, testimony and research findings indicate to the Commission that the implementation of a national program of research, training, and public information could potentially save American citizens billions of dollars, directly and indirectly, each year and reduce the level of international violence in both the long and short term.

The Commission believes that the results of peace research and conflict analysis studies have not been fully applied to the policy planning process. There is evidence that many valuable skills and techniques of conflict resolution are not being applied to a variety of conflicts of a commercial, economic, social, and political nature. At the same time there is a continued need for intensive and rigorous research on conflict.

In spite of the universal commitment of governments to the cause of world peace and in spite of the important role the United States plays in the attempted resolution of many actual and potential conflicts, the Commission finds little organized support for conflict resolution efforts. If there were a United States policy commitment to peaceful conflict resolution backed by an institutional mandate, the United States could achieve greater effectiveness in promoting peace, justice, and international stability. This commitment could serve as a symbol of a United States commitment to peace, thus bringing increased legitimacy to the field and providing a means of funding long-term research, education, and training in the area of conflict resolution.

In accordance with the Commission's research findings and a thorough evaluation of the public testimony, the Commission adopted on July 24, 1980, a resolution that its Final Report contain recommendations to both Houses of Congress and the President that legislation be enacted establishing a United States Academy of Peace.

VII. NEXT STEPS

The remaining four months of the Commission will be spent in further exploration of models for a United States Academy of Peace, including cost estimates, site location, relationship to the Federal Government and existing institutions, curriculum, student body, and faculty composition. An analysis will be done of how such an institution might better link decision makers with research and the practice of conflict resolution, support existing programs in the field, develop public information materials, and train professionals and private citizens in the techniques of peaceful resolution of conflicts. The overriding goal would be to reduce violence and promote just, constructive relationships internationally, within the United States, and in its communities and institutions.

A Final Report will be issued in January 1981 including a short summary of proceedings and specific legislative recommendations, a detailed review of the state of the art of conflict resolution, and Commission findings. As authorized and mandated by the Congress and the President, transcripts of the Commission's public record will be open to inspection following the presentation of the Final Report.

Respectfully submitted,

Spark M. Matsunaga, Chair, James H. Laue, Vice-Chair, John M. Ashbrook, Arthur H. Barnes, Elise Boulding, John R. Dellenback, John P. Dunfey, Dan Glickman, William F. Lincoln.

APPENDIX A—COMMISSIONERS' BIOGRAPHIC SUMMARIES

U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

The Honorable Spark M. Matsunaga, Chair:

Senator (D-Hawaii) since 1976; Member, House of Representatives, 1962–76. Member, Senate Committees on Energy and Natural Resources, Finance, and Veterans Affairs; Chief Deputy Majority Whip; University of Hawaii, Ed.B.; Harvard Law School, J.D. Distinguished military career, retiring from the Army Reserve with the rank of Lieutenant Colonel. Author, Rulemakers of the House, 1976 (required reading in political science and government courses in 30 American universities).

James H. Laue, Vice-Chair:

Director; Center for Metropolitan Studies, and Associate Professor of Sociology, University of Missouri-St. Louis. Authority in the field of racial and community conflict resolution. Author of a number of monographs, articles, and training exercises. Former Director of Program Development for the Community Relations Service of the U.S. Department of Justice. Active as a practitioner and trainer, including current involvement as mediator in the Negotiated Investment Strategy Project in Gary, Indiana.

The Honorable John M. Ashbrook:

Member of Congress (R-Ohio) since 1960; House Education and Labor Committee, Judiciary Committee, and Select Intelligence Committee (oversight of CIA, FBI, NSA, and Defense Intelligence Agencies). Harvard College, B.S.; Ohio State School of Law, J.D.; Ashland College, Honorary L.L.D. Publishes the Johnstown Independent and three other central Ohio weekly newspapers. Recipient of the Freedom Award from the Order of Lafayette in 1970 for "Outstanding Leadership in Combatting World Communism".

Arthur H. Barnes:

Since 1975, President, New York Urban Coalition, a group serving as a catalytic force in bringing the resources of the private sector to bear on the problems of disadvantaged minorities in New York City. Formerly Vice President, Institute for Mediation and Conflict Resolution, an organization which mediates community disputes and teaches techniques of mediation, negotiation, and arbitration. Previously associated with Consolidated Insurance Companies for 21 years.

Elise Boulding:

Chair, Sociology Department, Dartmouth College. From 1967 to 1978 at the Department of Sociology and Institute of Behavioral Science at the University of Colorado, Boulder. Has undertaken numerous transnational and comparative cross-national studies on conflict and peace, development, family life and women in society. Worked internationally on problems of peace and world order both as a scholar and as an activist. Currently, member of the Governing Board of the United Nations University and a member of the U.S. Commission for UNESCO. Author of eight books and over six dozen articles, pamphlets and chapters in the areas of sociology and conflict and peace studies.

John R. Dellenback:

President, Christian College Consortium and Coalition, Washington, D.C. Formerly, Member of Congress from Oregon, Director of the U.S. Peace Corps, Oregon State Representative, college professor, practicing lawyer, businessman, and Naval officer. Serves on Boards of Trustees of Howard University and Lewis and Clark College. Yale University, B.S., Phi Beta Kappa; University of Michigan Law School, J.D. Holds honorary doctoral degrees from Biola College, Campbell University, Campbellvilles College, Friends University, New Haven University, Nyack College, and Warner Pacific College.

John P. Dunfey:

Founder and President of the Dunfey Hotels Corporation, operating 23 hotels in the United States and Europe. Industrial developer, Maine and New Hampshire. Representative, African Trade Mission, Department of State, September 1979; Member, National Committee, "Americans for Salt II" to engender public support for passage; Member, National Committee to raise funds and encourage citizen support for Senate approval of Panama Canal treaty.

The Honorable Dan Glickman:

U.S. Representative (D-Kansas) since 1976. Member, Committees on Agriculture, Judiciary and Science and Technology. Chairman of the 95th Congress Members Caucus and a member of the Congressional Clearinghouse on the Future. Received J.D. degree from George Washington University, Washington, D.C. Serves on the National Alcohol Fuels Commission, the Democratic Caucus Ethics Committee, the Democratic Study Group, and the Environmental Study Conference.

William F. Lincoln:

Director, Center for Collaborative Planning and Community Services, Watertown, Massachusetts. Formerly Director, New England Office of Community Dispute Services of the American Arbitration Association, Boston. Professional practitioner in resolving disputes related to public schools, special education, student desegregation, adult correctional facilities, public housing, Native American affairs, anti-discrimination agencies, and community development. Lecturer, Harvard University Graduate School of Design, Department of City and Regional Planning; academic conference leader at Harvard and Antioch Law Schools.

APPENDIX B—COMMISSION STAFF

U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

Present staff

William J. Spencer, Director.

David C. Jehnsen, Deputy Director.

Judith Bunnell, Associate Director of Field Operations.

Rev. Leslie H. Carter, Director of Program Operations.

Stephen Cloud, Research Associate.

Marjorie B. Dahlin, Special Assistant to the Director of Program Operations.

Mary J. Downs, Receptionist/Secretary.

Ruthe J. Farmer, Director of Administration.

Diana Jones, Executive Secretary.

Laurellet Kirby, Administrative Assistant.

Bernard Lafayette, Associate Director of Research.

Lee Lawrence, Public Affairs Coordinator.

Ann B. Richardson, Program Operations Analyst.

Short-term staff

Marianna Paige, Director of Communications.

Ina Risman, Research Coordinator.

Advisors

Eugene Martin, Management Specialist.
Douglas Reichert, Research Assistant.
Charles D. Smith, Attorney.
Charles E. Smith, Organizational Specialist.

Student interns

Mimi Gerdes, Research Assistant.
Jacquelyn Goldberg, Research Assistant.
Brian Lepard, Assistant.
Jeffrey Miller, Assistant.
William Pryor, Research Assistant.
Marcia Smith, Research Assistant.
Donna Lee, Assistant.

APPENDIX C—REGIONAL FIELD REPRESENTATIVE U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

Dr. Stuart Cook, Director, Institute for Behavioral Science, University of Colorado, Boulder, Colorado.

John T. Conner, 101 NW 23rd, Corvallis, Oregon.

Phillip Sgroi, 3741 Morgan, St. Louis, Missouri.

Jon K. Brown, 105 Woodland Avenue, Columbus, Ohio.

Russell Rhodes, 5928 Moss Bank Drive, Palos Verdes, California.

George Sommaripa, 17 Austin Street, Cambridge, Massachusetts.

Reverend Betsy Turecky, 14214 Edgecrest, Dallas, Texas.

Laura D. Blackburne, 116 East 27th Street, New York, New York.

Leon W. Hall, 68 Mitchell Street, SW, Atlanta, Georgia.

Bruce T. Grindal, Florida State University, Tallahassee, Florida.

Dr. Betty M. Jacob, University of Hawaii at Manoa, Honolulu, Hawaii.

Dr. Herman Jenkins, Office of the President, Queens College, 65-30 Casino Boulevard, Flushing, NY 11367.

APPENDIX D—PUBLIC SEMINAR SCHEDULE U.S. COMMISSION ON PROPOSALS FOR THE NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

University of Colorado, Boulder, Colorado, March 10, 1980.

Lewis and Clark College, Portland, Oregon, April 8-9, 1980.

University of Missouri-St. Louis, St. Louis, Missouri, April 21-22, 1980.

Capital University, Columbus, Ohio, May 5-6, 1980.

California Museum of Science & Industry, Los Angeles, California, May 12-13, 1980.

The State House, Boston, Massachusetts, June 2-3, 1980.

Southern Methodist University, Dallas, Texas, June 6-7, 1980.

City University of New York, New York, New York, June 16-17, 1980.

Martin Luther King, Jr., Community Center, Atlanta, Georgia, June 23-24, 1980.

Florida State University, Tallahassee, Florida, June 25, 1980.

State Capitol, East-West Center, Honolulu, Hawaii, July 7-8, 1980.

The Rayburn House Office Building and the Russell Senate Office Building, Washington, D.C., July 22-23, 1980.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of January 22, 1981, the Secretary of the Senate, on February 4, 1981, received the following message from the House of Representatives:

Pursuant to the provisions of section 4(a), Public Law 92-484, the Speaker appoints as members of the Technology Assessment Board the following Members on the part of the House: Mr. UDALL, Mr. BROWN of California, Mr. DINGELL, Mr. WINN, Mr. MILLER of Ohio, and Mr. EVANS of Iowa.

MESSAGES FROM THE HOUSE

At 2:45 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 272. An act to increase the membership of the Joint Committee on Printing.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1553. An act to provide for a temporary increase in the public debt limit.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 58. Concurrent resolution providing for an adjournment of the House from February 6 to February 17, 1981, and an adjournment of the Senate from February 6 to February 16, 1981.

HOUSE BILL PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent and placed on the calendar:

H.R. 1553. An act to provide for a temporary increase in the public debt limit.

HOUSE CONCURRENT RESOLUTION HELD AT DESK

The following concurrent resolution was held at the desk by unanimous consent:

H. Con. Res. 58. Concurrent resolution providing for an adjournment of the House from February 6 to February 17, 1981, and an adjournment of the Senate from February 6 to February 16, 1981.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-317. A communication from the Clerk of the United States Court of Claims, transmitting, pursuant to law, the Court's judgment order in the case "Lower Sioux Indian Community in Minnesota, et al. The United States"; to the Committee on Appropriations.

EC-318. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, the fiscal year 1981 report concerning the North Atlantic Treaty Organization Acquisition and Cross-Servicing Agreement; to the Committee on Armed Services.

EC-319. A communication from the Acting Assistant Secretary of the Army (Installations, Logistics, and Financial Management), transmitting, pursuant to law, a report on a study with respect to converting the motor vehicle maintenance activity at Fort Shafter, Hawaii; to the Committee on Armed Services.

EC-320. A communication from the Acting Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics), transmitting, pursuant to law, the annual report on the extent to which commercial and industrial-type functions were performed by Department of Defense contractors for fiscal year 1980; to the Committee on Armed Services.

EC-321. A communication from the Acting Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a study with respect to converting the family housing maintenance function at Dyess Air Force Base, Texas, and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC-322. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, notice that the Department intends to exercise a provision of law for exclusion of the clause concerning the examination of records by the Comptroller General; to the Committee on Armed Services.

EC-323. A communication from the Acting Under Secretary of Defense (Research and Engineering), transmitting, pursuant to law, a report on funds obligated in the chemical warfare and biological defense research programs during fiscal year 1980; to the Committee on Armed Services.

EC-324. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report containing an analysis and description of services performed by full-time USG personnel as of September 30, 1980, for which reimbursement is provided; to the Committee on Armed Services.

EC-325. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the commissary shelf-stocking and custodial services functions at England Air Force Base, La., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC-326. A communication from the Acting

Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the military family housing maintenance function at Castle Air Force Base, Calif., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–327. A communication from the Acting Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, a report on a study with respect to converting the commissary shelf-stocking and custodial services function at McConnell Air Force Base, Kans., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–328. A communication from the Director of the Office of Legislative Affairs, Department of the Navy, transmitting, pursuant to law, notice of the intention of the Department of the Navy to donate surplus property to the Charleston, S.C., Chapter of the National Railway Historical Society; to the Committee on Armed Services.

EC–329. A communication from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations for fiscal year 1982; to the Committee on Armed Services.

EC–330. A communication from the Secretary of Defense, transmitting, pursuant to law, the annual report of the Department of Defense for fiscal year 1982; to the Committee on Armed Services.

EC–331. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the fifth annual report of the Board of Governors on the Equal Credit Opportunity Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–332. A communication from the Comptroller of the Currency, transmitting, pursuant to law, the 1979 annual report of the Comptroller of the Currency; to the Committee on Banking, Housing, and Urban Affairs.

EC–333. A communication from the Secretary of Energy, transmitting, pursuant to law, notice of a delay in submitting detailed energy targets required by law; to the Committee on Energy and Natural Resources.

EC–334. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for construction of an annex to the Federal Courthouse in Charleston, South Carolina; to the Committee on Environment and Public Works.

EC–335. A communication from the Chairman and the Administrator of the United States Nuclear Regulatory Commission, transmitting, pursuant to law, a report entitled "The Feasibility of Epidemiological Investigations of the Health Effects of Low-Level Ionizing Radiation"; to the Committee on Environment and Public Works.

EC–336. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to January 29, 1981; to the Committee on Foreign Relations.

EC–337. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the first of three reports on the travel of agencies spending more than $5 million on transportation of people; to the Committee on Governmental Affairs.

EC–338. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, legislation adopted by the Council on September 16, 1980; to the Committee on Governmental Affairs.

EC–339. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, legislation adopted by the Council on December 9, 1980; to the Committee on Governmental Affairs.

EC–340. A communication from the Acting Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of a certain alien under section 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–341. A communication from the Acting Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens under section 244(a)(1) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–342. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Administrative Changes Needed To Reduce Employment of Illegal Aliens"; to the Committee on Labor and Human Resources.

EC–343. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "SBA's Pilot Programs To Improve Guaranty Loan Procedures Need Further Development"; to the Select Committee on Small Business.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOLE, from the Committee on Finance, without amendment:

S. 393. An original bill to provide for a temporary increase in the public debt limit.

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment:

S. Res. 62. An original resolution authorizing expenditures by the Committee on Labor and Human Resources; referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submited:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

Donald P. Hodel, of Oregon, to be Under Secretary of the Interior.

(The above nomination from the Committee on Energy and Natural Resources was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. TOWER, from the Committee on Armed Services:

Verne Orr, of California, to be Secretary of the Air Force.

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: in the Regular Army, there are 26 appointments to the grade of major general (list beginning w/Charles P. Graham); in the Army of the United States, there are 63 temporary appointments to the grade of brigadier general (list beginning w/Bernardo Loeffke); and, Brigadier General Van Hixon for appointment as a Reserve commissioned officer in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, to the grade of major general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. THURMOND, from the Committee on the Judiciary:

Edward C. Schmults, of Connecticut, to be Deputy Attorney General.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. RIEGLE (for himself and Mr. EAGLETON):

S. 392. A bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes; to the Committee on Finance.

By Mr. DOLE:

S. 393. An original bill to provide for a temporary increase in the public debt limit; from the Committee on Finance.

By Mr. LONG:

S. 394. A bill to amend the Internal Revenue Code of 1954 to provide reductions in individual and corporate income taxes, and for other purposes; to the Committee on Finance.

By Mr. WALLOP (for himself, Mr. BOREN, Mr. HARRY F. BYRD, JR., Mr. PERCY, Mr. HELMS, Mr. DOMENICI, Mr. SYMMS, Mr. BAUCUS, Mr. TOWER, Mr. HEFLIN, Mr. BENTSEN, Mr. HAYAKAWA, Mr. PRYOR, Mr. LUGAR, Mr. ANDREWS, Mr. DURENBERGER, Mr. THURMOND, Mr. ZORINSKY, Mr. MATHIAS, Mr. NICKLES, Mr. BURDICK, Mr. ABDNOR, and Mr. MATSUNAGA):

S. 395. A bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes; to the Committee on Finance.

By Mr. DANFORTH (for himself, Mr. BENTSEN, Mr. RIEGLE, Mr. GLENN, Mr. EAGLETON, Mr. LEVIN, Mr. METZENBAUM, and Mr. LUGAR):

S. 396. A bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983; to the Committee on Finance.

By Mr. JACKSON:

S. 397. A bill to authorize the appropriations for activities and programs carried out by the Secretary of the Interior through the Bureau of Land Management and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ARMSTRONG:

S. 398. A bill to amend the Walsh-Healey Act and the Contract Work Hours Standards Act to permit certain employees to work a 10-hour day in the case of a 4-day workweek, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BENTSEN:

S. 399. A bill to amend the Congressional Budget Act of 1974 to require the Congress to establish, for each fiscal year, a regulatory budget for each Federal agency which sets the maximum costs of compliance with all rules and regulations promulgated by that agency, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, by unanimous consent pursuant to the order of August 4, 1977.

S. 400. A bill to reduce duplicative and

conflicting Federal rules or regulations, and for other purposes; to the Committee on Governmental Affairs.

S. 401. A bill to reduce the costs of Federal regulations, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROBERT C. BYRD:

S. 402. A bill to place a sign memorializing the New River Gorge Bridge as the world's largest steel arch span bridge; to the Committee on Environment and Public Works.

S. 403. A bill for the relief of Sarah O. Loot, doctor of medicine, Jessie L. Loot, doctor of medicine, her husband and Brian O. Loot, her son; to the Committee on the Judiciary.

By Mr. SYMMS (for himself, Mr. JEPSEN, and Mr. BOREN):

S. 404. A bill to amend the Internal Revenue Code of 1954 to repeal the estate and gift taxes; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. SIMPSON and Mr. DECONCINI):

S. 405. A bill to amend title 5 of the United States Code to require Federal agencies to analyze the benefits, costs, and other adverse effects of proposed rules, to provide for judicial review of any such analysis, to provide for periodic review of agency rules, and for other purposes; to the Committee on the Judiciary.

By Mr. ZORINSKY:

S. 406. A bill for the relief of Joseph Stephen McNeer; to the Committee on the Judiciary.

By Mr. ABDNOR:

S. 407. A bill to authorize a study of the feasibility of Federal development of the water resources of the I'Santi Unit of the Missouri River Basin located on the Flandreau Santee Sioux Reservation, South Dakota; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE:

S. 408. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of earned income of citizens or residents of the United States earned abroad, and for other purposes; to the Committee on Finance.

By Mr. JOHNSTON:

S. 409. A bill to provide specific standby authority to deal with petroleum supply interruptions, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON (for himself, Mr. BENTSEN, Mr. TOWER, Mr. CRANSTON, Mr. LONG, Mr. BOREN, Mr. HAYAKAWA, Mr. COCHRAN, and Mrs. KASSEBAUM):

S. 410. A bill to reform the Powerplant and Industrial Fuel Use Act of 1978 to encourage a reduction of air pollution and oil consumption by existing electric powerplants and to aid utilities in converting to alternate fuels; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON:

S. 411. A bill to amend section 203 of the Energy Policy and Conservation Act to provide the President with flexible authority to ration gasoline and diesel fuel; to the Committee on Energy and Natural Resources.

By Mr. TOWER:

S. 412. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve coordination between Federal agencies and State and local governments and regional organizations regarding establishment of Federal development programs or projects and applications for Federal assistance and permits, and to provide for judicial review of Federal approval of such applications; to the Committee on Governmental Affairs.

By Mr. PRESSLER:

S. 413. A bill to extend the Older Americans Act of 1965 for 5 years; to the Committee on Labor and Human Resources.

By Mr. CHAFEE (for himself, Mr. GARN, and Mr. TOWER):

S. 414. A bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON (for himself, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. THURMOND):

S. 415. A bill to amend title 38, United States Code, to increase the maximum amount payable in Veterans' Administration specially adapted housing assistance, and for other purposes; to the Committee on Veterans Affairs.

By Mr. CRANSTON (for himself, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. THURMOND):

S. 416. A bill to amend title 38, United States Code, to increase the maximum amount of the automobile assistance provided to certain severely service-connected disabled veterans, to extend eligibility for the provision of automobile adaptive equipment to certain other service-connected disabled veterans, and for other purposes; to the Committee on Veterans Affairs.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. HART):

S. 417. A bill to amend title 38, United States Code, to provide a new educational assistance program for persons who enter the Armed Forces after June 30, 1981, to modify the December 31, 1989, termination date for the Vietnam-era GI Bill, and for other purposes; to the Committee on Veterans Affairs.

By Mr. PRESSLER:

S. 418. A bill to rescind the authority of the President to impose an embargo on United States export sales of agricultural commodities for foreign policy purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 419. A bill to amend the Export Administration Act of 1979, to provide for Congressional Veto of agricultural embargoes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. STAFFORD:

S. 420. A bill to authorize the U.S. Army Corps of Engineers to provide assistance to local communities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DECONCINI (for himself, Mr. SASSER and Mr. PRYOR):

S. 421. A bill to provide for reductions for fiscal year 1982 in obligations by the departments, agencies, and establishments of the executive branch of the Government; to the Committee on Governmental Affairs.

By Mr. GLENN:

S. 422. A bill to provide for the extension of the period for repayment of revenue bonds issued by the St. Lawrence Seaway Development Corporation to the Secretary of the Treasury from 50 years to 80 years, and for other purposes; to the Committee on Foreign Relations.

By Mr. DOMENICI:

S. 423. A bill to improve the operations of certain water resource projects submitted to the Committees on Public Works of the Congress; to the Committee on Environment and Public Works.

By Mr. MATSUNAGA:

S. 424. A bill for the relief of Peter M. Jordan and Donna R. Jordan, husband and wife, and their children, Laurelee Ruth Jordan, Julienne Margaret Jordan, Jayne Michelle Jordan and Peter Andrew Jordan; to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 425. A bill to amend the Mortgage Subsidy Bond Tax Act of 1980 to exempt from the coverage of such Act certain General Obligation mortgage and bond issues of the State of Oregon; to the Committee on Finance.

By Mr. MATSUNAGA (for himself and Mr. BAUCUS):

S. 426. A bill to implement the United Nations Convention on the Means of Prohibiting and Preventing the Illicit Import, Export, and Transfer of Ownership of Cultural Property; to the Committee on Finance.

By Mr. BAUCUS:

S. 427. A bill for the relief of F. H. Stoltze Land and Lumber Co., Inc.; to the Committee on the Judiciary.

S. 428. A bill for the relief of the Mondakota Gas Company, of Billings, Mont.; to the Committee on the Judiciary.

S. 429. A bill for the relief of Charles V. Waldron; to the Committee on the Judiciary.

By Mr. PERCY (for himself, Mr. THURMOND, Mr. ABDNOR, Mr. PRESSLER, Mr. SYMMS, Mr. HUMPHREY, and Mr. TOWER):

S. 430. A bill to authorize a youth minimum wage differential under the Fair Labor Standards Act of 1958, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MATHIAS:

S. 431. A bill for the relief of Silva Bastajian; to the Committee on the Judiciary.

S. 432. A bill to establish a Commission on the International Application of Antitrust Laws; to the Committee on the Judiciary.

By Mr. DURENBERGER (for himself, Mr. BOREN, and Mr. HEINZ):

S. 433. A bill to amend the Internal Revenue Code of 1954 to encourage competition in the health care industry, to encourage the provision of catastrophic health insurance by employers, and for other purposes; to the Committee on Finance.

By Mr. PELL (for himself and Mr. HARRY F. BYRD, JR.):

S.J. Res. 27. Joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of Office of the President, Vice President, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE:

S. 393. An original bill to provide for a temporary increase in the public debt limit; from the Committee on Finance.

PUBLIC DEBT LIMIT

● Mr. DOLE. Mr. President, I would like to report an original bill from the Committee on Finance that would have the effect of temporarily increasing the public debt of the United States to $985 billion through September 30, 1981. Based on Treasury Department estimates, enactment of this bill should cover the debt financing needs of the Government through fiscal year 1981.

I regret that the first legislation reported by the Committee on Finance in this new Congress must be concerned with the perennial problem of raising the public debt limit. The consequences of failing to raise the debt limit, however, are even more painful.

In this particular instance, we have known since we last raised the debt limit in December that we would need to reexamine the matter this month. The Treasury Department estimated in December that the debt ceiling of $935.1 billion would be reached sometime in February, notwithstanding the fact that the limit nominally expires on Septem-

ber 30 of this year. The Finance Committee attempted to secure a longer extension, which would have carried through the end of March, but unfortunately the House was unwilling or unable to accommodate that suggestion. As a result, late in the last session the Senate agreed to accept the House-passed limit of $935.1 billion, and that is where the limit stands today.

Mr. President, I appreciated the testimony of Secretary Regan on the need to raise the debt limit. Like him, I regret that his first official testimony before the Finance Committee involved a request for another extension of the debt limit. The fact is that our present debt-limit procedure, which derives from the Second Liberty Bond Act of 1917, was intended to minimize the number of occasions on which Congress must act to authorize the issuance of Federal debt. Because of the explosive growth of Federal deficits in recent decades, the debt ceiling has been increased an inordinate number of times. The ceiling was raised on 13 separate occasions in the 1960's, and 18 times during the 1970's. Worse yet, on three occasions in recent years the temporary limit has expired without timely legislative action to extend it. As a result, the Treasury Department had to suspend sales of savings bonds and other securities. Such suspensions only undermine investor confidence, and make it likely that bidders for Government securities will demand a higher interest premium in the future to safeguard them against future disruptions. That means higher costs to the Treasury, when we are trying our best to reduce those costs.

That is why we ought to act promptly on Secretary Regan's request for a debt ceiling of $985 billion through September 30, 1981. I hope that, with the cooperation of this administration and this Congress, we will gain sufficient control over Federal spending and inflation so that the new debt limit will not be reached that soon: That would indeed be a novel situation, and it is certainly a goal worth striving for. But the Treasury Department request is clearly reasonable in light of recent and present economic circumstances, and in view of the obligations the U.S. Government is bound to honor over the coming months.

Mr. President, we will soon have a package of economic proposals from the Reagan administration that we all hope will enable us to avert such frequent increases in the debt limit in coming years. I know that Secretary Regan has been hard at work on those proposals, and I look forward to working with him and his colleagues in the administration to make a fresh start on the Federal budget and the problems of managing the Federal debt. In his testimony to the Finance Committee, Secretary Regan stressed the commitment of this administration to break with the policies of the past which have caused frequent increases in the debt ceiling.

Mr. President, as I have said, I support this legislation to raise the public debt limit to $985 billion and encourage my colleagues to do likewise. I would like to tell this administration and my colleagues, however, that if the Congress does not take dramatic steps toward getting Federal Government spending under control between now and the next time we consider this matter, I will vote against future debt-limit increases. In my opinion the people of this country have spoken clearly on the question of excessive spending. If we are not prepared to convincingly demonstrate that we have listened, then perhaps a Federal default will shock us into our senses.

For the information of Members I would ask to have inserted at this point a description of the legislation reported by the Finance Committee with regard to the debt limit, and an explanation of the need for an increase in the debt limit at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF LEGISLATION REPORTED BY FINANCE COMMITTEE

I. SUMMARY

This bill provides that the temporary public debt limit will be increased to $985 billion through September 30, 1981. Under the bill, the permanent limit will remain at $400 billion and the temporary limit will be increased to $585 billion. The increase raises the temporary limit by $49.9 billion over the present limit.

Under present law, the public debt limit is $935.1 billion, which consists of a temporary increase of $535.1 billion over the $400 billion permanent limit. This temporary limit will expire after September 30, 1981.

The $935.1 billion limit is consistent with the budget estimates in the first concurrent resolution on the budget for fiscal year 1981. The conference report on that resolution was passed by both Houses on June 12, 1980. The latest estimates of the fiscal year 1981 budget indicate, however, that a $49.9 billion increase in the debt limit is needed now for the rest of fiscal year 1981.

The present $935.1 billion temporary limit will meet the Treasury Department's estimate of its financial requirements through mid-February. At the close of business on January 30, 1981, the debt subject to limit was $935.075 billion.

TABLE 1.—STATUTORY DEBT LIMITATIONS, FISCAL YEARS 1947 TO DATE, AND PROPOSED LIMIT THROUGH FISCAL YEAR 1981

[In billions of dollars]

Fiscal year	Statutory debt limitation: Permanent	Statutory debt limitation: Temporary additional	Statutory debt limitation: Total
1947–54	275	----------	275.0
1955 through Aug. 27	275	----------	275.0
1955: Aug. 28 through June 30	275	6.0	281.0
1956	275	6.0	281.0
1957	275	3.0	278.0
1958 through Feb. 25	275	----------	275.0
1958: Feb. 26 through June 30	275	5.0	280.0
1959 through Sept. 1	275	5.0	280.0
1959: Sept. 2 through June 29	283	5.0	288.0
1959: June 30	283	5.0	288.0
1960	285	10.0	295.0
1961	285	8.0	293.0
1962 through Mar. 12	285	13.0	298.0
1962: Mar. 13 through June 30	285	15.0	300.0
1963 through Mar. 31	285	23.0	308.0
1963: Apr. 1 through May 28	285	20.0	305.0
1963: May 29 through June 30	285	22.0	307.0
1964 through Nov. 30	285	24.0	309.0
1964: Dec. 1 through June 28	285	30.0	315.0
1964: June 29 and 30	285	39.0	324.0
1965	285	39.0	324.0
1966	285	43.0	328.0
1967 through Mar. 1	285	45.0	330.0
1967: Mar. 2 through June 30	285	51.0	336.0
1968 [1]	358	----------	358.0
1969 through Apr. 6 [1]	358	7.0	365.0
1969 after Apr. 6 [1]	358	----------	358.0
1970 through June 30 [1]	365	12.0	377.0
1971 through June 30 [1]	380	15.0	395.0
1972 through June 30 [1]	400	50.0	450.0
1973 through Oct. 31 [1]	400	50.0	450.0
1973 through June 30 [1]	400	65.0	465.0
1974 through Nov. 30 [1]	400	65.0	465.0
1974: Dec. 3 through June 30 [1]	400	75.7	475.7
1975 through Feb. 18 [1]	400	95.0	495.0
1975: Feb. 19 through June 30 [1]	400	131.0	531.0
1976 through Nov. 15 [1]	400	177.0	577.0
1976 through Mar. 15 [1]	400	195.0	595.0
1976 through June 30 [1]	400	227.0	627.0
TQ: from enactment through Sept. 30, 1971 [1]	400	236.0	636.0
1977: from Oct. 1, 1976 through Mar. 31, 1977 [1]	400	282.0	682.0
1977: from Apr. 1 through Sept. 30, 1977 [1]	400	300.0	700.0
1978: from Oct. 1, 1977, through July 31, 1978 [1]	400	352.0	752.0
1978: from Aug. 3, 1978, through Mar. 31, 1979 [1]	400	398.0	798.0
1979: from Apr. 2 through Sept. 30, 1979 [1]	400	430.0	830.0
1980: through June 30, 1980 [1]	400	479.0	879.0
1981: through Feb. 28, 1981 [1]	400	525.0	925.0
1981: through Sept. 30, 1981 [1]	400	535.1	935.1
Proposed:			
From enactment through Sept. 30, 1981 [1]	400	585.0	985.0
After Sept. 30, 1981 [1]	400	----------	400.0

[1] Includes FNMA participation certificates issued in fiscal year 1968.

II. INCREASE IN THE TEMPORARY LIMIT ON THE PUBLIC DEBT

A. Present law

The current debt limit is $935.1 billion. This consists of a permanent limit of $400 billion and a temporary limit of $535.1 billion. The temporary limit expires on September 30, 1981, the end of the fiscal year. (A summary of statutory public debt revisions from fiscal year 1947 to date is presented in table 1.)

B. Current budget outlook

The $935.1 billion limit originated in the first budget resolution for fiscal year 1981. (See table 2 for a summary of budget estimates for fiscal year 1981 in the two budget resolutions and as recently revised in the fiscal year 1982 budget submission.) This resolution provided for a $500 million unified budget surplus (revenues of $613.8 billion and outlays of $613.3 billion), and the $935.1 billion debt limit was based on these estimates and was expected to be adequate through September 30, 1981.

Since then, budget prospects have changed significantly. The second budget resolution added almost $20 billion in outlays and provided for a tax reduction. It projected a deficit of $27.4 billion (revenues of $605.0 billion and outlays of $632.4 billion). A debt limit of $978.6 billion through fiscal year 1981 would have been consistent with these budget estimates.

The latest revised estimates of the 1981 budget, which are included in the Carter Administration's budget for fiscal year 1982, show revenues of $607.5 billion, outlays of $662.7 billion and a deficit of $55.2 billion. Even these estimates may prove too optimistic because they are based on a policy which includes net tax increases of $2.5 billion in fiscal year 1981. Moreover, the Congressional Budget Office has recently estimated that the Carter Administration's budget involves $600 million more spending and $1.6 billion less revenue than the Carter Administration's own estimates. Neither of these estimates, however, takes account of the additional windfall profit tax revenue expected to result from President Reagan's decision to deregulate oil prices in January instead of allowing the present phaseout of price controls to be completed in September.

A breakdown of the larger increases in

spending since the first resolution is as follows: spending resulting from higher unemployment than originally expected ($6 billion), spending resulting from higher interest rates than expected ($12 billion), additional defense spending ($8 billion), spending resulting from higher inflation than expected ($10 billion), and additional nondefense spending unrelated to changing economic conditions ($11 billion).

C. Administration request

The Reagan Administration has requested an increase in the debt limit to $985 billion through fiscal year 1981. The Treasury stated that this amount is based upon the revised budget estimates for this fiscal year that were submitted by the Carter Administration, not upon the Reagan Administration's economic program. An increase to $985 billion through the remainder of this fiscal year is requested to allow time for the President to submit his proposed revisions in outlays and receipts and enable Congress to pass the bills it believes are consistent with the proposals.

TABLE 2.—BUDGET TOTALS FOR FISCAL YEAR 1981, AS APPROVED IN THE 1ST AND 2D BUDGET RESOLUTIONS AND REVISED BY CARTER ADMINISTRATION IN BUDGET SUBMITTED FOR FISCAL YEAR 1982

[In billions of dollars]

	Budget resolutions for fiscal year 1981		Budget revisions for fiscal year 1981
	1st	2d	
Receipts	613.8	605.0	607.5
Outlays	613.3	632.4	662.7
Deficit (—) or surplus	.5	−27.4	−55.2
Appropriate debt limit through fiscal year 1981	935.1	978.6	987.3

The Reagan Administration has estimated the probable debt limit requirements at the end of each month from January through September. These estimates (which appear in table 3) show that the estimated debt would reach $937 billion on September 30, on the assumption that the operating cash balance would be a constant $15 billion. Adding an additional $3 billion to the projected debt limits for an allowance for contingencies would increase the required debt limit to $990 billion. Increased windfall profit tax receipts of $3 or $4 billion as a result of President Reagan's decision to decontrol oil prices in January will make a $985 billion limit adequate with no more than a slight reduction in the operating cash balance.

TABLE 3.—END OF MONTH PROJECTIONS OF PUBLIC DEBT SUBJECT TO LIMIT THROUGH FISCAL YEAR 1981

[In billions of dollars]

	Estimated debt subject to limit [1]	With $3,000,000,000 margin for contingencies
Jan. 31	935	938
Feb. 28	952	955
Mar. 31	966	969
Apr. 30	955	958
May 31	975	978
June 30	968	971
July 31	974	977
Aug. 31	983	986
Sept. 30	987	990

[1] Assumes constant $15,000,000,000 operating cash balance.

Source: Treasury Department.

D. Basis for committee action

The committee has been fully aware of the need to increase the temporary debt this month. Accordingly, following the Administration's request the committee has acted expeditiously to approve this bill and report it to the Senate.

As is shown in table 2, estimates of budget outlays have increased by $49.4 billion and receipts have fallen by $6.3 billion since approval of the first budget resolution. If Congress were to adjust the public debt limit to accommodate these changes, the temporary debt limit would be increased by $55.7 billion, from $935.1 billion to $990.8 billion.

Secretary Regan testified before the committee that a $985 billion temporary debt limit for fiscal year 1981 would be adequate in the present circumstance. The new Administration is planning to send to Congress a comprehensive economic program that will tighten federal spending, cut taxes and introduce some regulatory reform. The complete program is not yet ready for submission to Congress. Delaying the increase in the temporary public debt limit until the program has been submitted to Congress and has been acted on by Congress is not possible in the present circumstances.

If Congress does not act promptly to increase the $935.1 billion debt limit, the Treasury Department may not be able to refund outstanding debt in full as it matures. One source of the uncertainty is a statutory requirement to invest surplus trust fund receipts in a United States obligation, which action tends to reduce the debt limit margin available for refunding. Uncertainty about the Treasury's ability to deliver securities in the amount of the auction may discourage participation in the auction and lead to higher interest costs. The problems are imminent because there is an $8.5 billion issue schedule for delivery on February 17 and a $7.8 billion refunding of bills scheduled for delivery on February 19. In addition the revised budget estimates will require $14 to $18 billion higher in new borrowings. After the present debt level has been reached, additional expenditures could be paid for only from general fund revenues which are deposited into the operating cash balance.

Once the cash balance is exhausted, the Federal Government no longer would be able to meet its financial obligations and would stand in default. Then, the Treasury would not be able to refund maturing debt or issue U.S. savings and retirement bonds until lenders are assured that there would be sufficient legal authority to issue debt. Treasury also would not be able to make payments under all the programs that have been authorized and for which funds have been appropriated. These programs and activities include interest payments on the public debt, military and civilian payrolls, various individual entitlement programs, aid to State and local governments, and contracts with private firms and individuals for production of goods and performance of various services for the Federal Government. If an increase in the public debt limit were delayed past the end of February, approximately $8 to $12 billion in payments could not be made to individuals under the social security old age and survivors program, federal employee retirement systems and the railroad retirement system.

In addition, there could be repercussions in the form of permanently higher borrowing costs that would reflect uncertainty expressed by the money market about federal debt management practices and the prospect of another default.

III. APPENDIX—DEBT LIMITATION UNDER SEC. 21 OF THE SECOND LIBERTY BOND ACT AS AMENDED—HISTORY OF LEGISLATION

[In billions of dollars]

Sept. 24, 1917:

40 Stat. 288, sec. 1, authorized bonds in the amount of, $7.5.[1]

40 Stat. 290, sec. 5, authorized certificates of indebtedness outstanding revolving authority, $4.[2]

Footnotes at end of article.

Apr. 4, 1981:

40 Stat. 502, amending sec. 1, increased bond authority to, $12.[1]

40 Stat. 504, amending sec. 5, increased authority for certificates outstanding to, $8.[2]

July 9, 1918: 40 Stat. 844, amending sec. 1, increased bond authority to, $20.[2]

Mar. 3, 1919:

40 Stat. 13, amending sec. 5, increased authority for certificates outstanding to, $10.[2]

40 Stat. 1309, new sec. 18 added, authorizing note in the amount of, $7.[1]

Nov. 23, 1921: 42 Stat. 321 amending sec. 18, increased note authority outstanding (established revolving authority) to, $7.5.[2]

June 17, 1929: 46 Stat. 19 amending sec. 5, authorized bills in lieu of certificates of indebtedness; no change in limitation for the outstanding, $10.[2]

Mar. 3, 1931: 46 Stat. 1506 amending sec. 1, increased bond authority to, $28.[1]

Jan. 30, 1934: 49 Stat. 343 amending sec. 18, increased authority for notes outstanding to, $10.[1]

Feb. 4, 1935:

49 Stat. 20, amending sec. 1, limited bonds outstanding (establishing revolving authority) to, $25.[2]

49 Stat. 21, new sec. 21 added, consolidating authority for certificates and bills (sec. 5) and authority for notes (sec. 18); same aggregate amount outstanding, $20.[2]

49 Stat. 21, new sec. 22 added, authorizing U.S. savings bonds within authority of sec. 1, ——.

May 26, 1938: 52 Stat. 447, amending secs. 1 and 21, consolidating in sec. 21 authority for bonds, certificates of indebtedness, Treasury bills, and notes (outstanding bonds limited to $30,000,000,000). Same aggregate total outstanding, $45.[2]

July 20, 1939: 53 Stat. 1071, amending sec. 21, removed limitation on bonds without changing total authorized outstanding of bond, certificates of indebtedness, bills and notes, $45.[2]

June 25, 1940: 54 Stat. 526, amending sec. 31, adding new paragraph:

"(b) In addition to the amount authorized by the preceding paragraph of this section, any obligation authorized by secs. 5 and 18 of this Act, as amended, not to exceed in the aggregate $4,000,000,000 outstanding at any one time, less any retirements made from the special fund made available under sec. 301 of the Revenue Act of 1940, may be issued under said sections to provide the Treasury with funds to meet any expenditures made, after June 30, 1940, for the national defnse, or to reimburse the general fund of the Treasury therefor. Any such obligations so issued shall be designated 'National Defense Series' ", $49.[2]

Feb. 19, 1941: 55 Stat. 7, amending sec. 21, limiting face amount of obligations issued under authority of act outstanding at any one time to $65.[2]

Eliminated separated authority for $4,000,000,000 of national defense series obligations, $65.[2]

Mar. 28, 1942: 56 Stat. 189, amending sec. 21, increased limitation to, $125.[2]

Apr. 11, 1943: 57 Stat. 63, amending sec. 21, increased limitation to, $210.[2]

June 9, 1944: 58 Stat. 272, amending sec. 21, increased limitation to, $260.[2]

Apr. 3, 1945: 59 Stat. 47, amending sec. 21 to read: "The face amount of obligations issued under authority of this act, and the face amount of obligations guaranteed as to principal and interest by the United States (except such guaranteed obligations as may be held by the Secretary of the Treasury), shall not exceed in the aggregate, $300,000,000,000 outstanding at one time", $300.[2]

June 26, 1946: 60 Stat. 316, amending sec. 21, adding: "The current redemption value of any obligation issued on a discount basis which is redeemable to maturity at the option of the holder thereof, shall be considered, for the purposes of this section to be

the face amount of such obligation," and decreasing limitation of, $278.[2]

Aug. 28, 1954: 68 Stat. 895, amending sec. 21, enective Aug. 28, 1954, and ending June 30, 1955, increasing temporary limitation by $6,000,000,000 to, $281.[2]

June 30, 1955: 69 Stat. 241, amending Aug. 28, 1954, act by extending until June 30, 1956, increase in limitation to, $281.[2]

July 9, 1956: 70 Stat. 519, amending act of Aug. 28, 1954, increasing temporary limitation by $30,000,000,000 for period, beginning July 1, 1955, and ending June 30, 1957 to, $278.[2]

Effective July 1, 1957, temporary increase terminates and limitation reverts, under act of June 26, 1956, to, $275.[2]

Feb. 26, 1958: 72 Stat. 27, amending sec. 21, effective Feb. 26, 1958, and ending June 30, 1959, increasing limitation by $5,000,000,000, $280.[2]

Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation by $5,000,000,000, $285.[2]

Sept. 2, 1958: 72 Stat. 1758, amending sec. 21, increasing limitation to $283,000,000,000, which with temporary increase on Feb. 26, 1958, makes limitation $288.[2]

June 30, 1959: Stat. 1o6, amending sec. 21, effective June 30, 1959, increasing limitation to $295,000,000,000, which with temporary increase of Feb. 26, 1958, makes limitation on June 30, 1959, $290.[2]

Amending sec. 21, increasing limitation by $10,000,000,000, for period beginning July 1, 1959, and ending June 30, 1960, which makes limitation beginning July 3, 1959, $295.[2]

July 30, 1960: 74 Stat. 290, amending sec. 21, for period beginning on July 1, 1960, and ending June 30, 1961, temporarily increasing limitation by $8,000,000,000, $293.[2]

June 30, 1961: 75 Stat. 148, amending sec. 21, for period beginning on July 1, 1961, and ending June 3, 1972, increasing limitation by $13,000,000,000 to $298.[2]

Mar. 13, 1962: 75 Stat. 23, amending sec. 21, for period beginning on Mar. 13, 1962, and ending June 3, 1962, further increasing limitation by $2,000,000,000, $300.[2]

July 1, 1962: 76 Stat. 124 as amended by 77 Stat. 50, amending sec. 21, for period—

1. Beginning July 1, 1962, and ending Mar. 31, 1963, $308.[2]

2. Beginning Apr. 1, 1963, and ending June 24, 1963, $305.[2]

3. Beginning June 25, 1963, and ending June 30, 1963, $300.[2]

May 29, 1963: 77 Stat. 50, amending sec. 21, for period—

1. Beginning May 29, 1963, and ending June 30, 1963, $307.[2]

2. Beginning July 1, 1963, and ending Aug. 31, 1963, $309.[2]

Aug. 27, 1963: 77 Stat. 131, amending sec. 21, for the period beginning on Sept. 1, 1963, and ending on Nov. 30, 1963, $309.[2]

Nov. 26, 1963: 77 Stat. 342, amending sec. 21, for the period—

1. Beginning on Dec. 1, 1963, and ending June 29, 1964, $315.[2]

2. On June 30, 1964, $309.[2]

June 29, 1964: 78 Stat. 225, amending sec. 21, for the period beginning June 29, 1964, and ending June 30, 1965, increasing the temporary debt limit to, $324.[2]

June 24, 1965: 79 Stat. 172, amending sec. 21, for the period beginning July 1, 1965, and ending on June 30, 1966, increasing the temporary debt limit to, $328.[2]

June 24, 1966: 80 Stat. 21, amending sec. 21, for the period beginning July 1, 1966, and ending on June 30, 1967, increasing the temporary debt limit to, $330.[2]

Mar. 2, 1967: 81 Stat. 4, amending sec. 21, for the period beginning Mar. 2, 1967, and ending on June 30, 1967, increasing the temporary debt limit to, $336.[2]

June 30, 1967: 81 Stat. 99—

1. Amending sec. 21, effective June 30, 1967, increasing limitation to, $358.[2]

2. Increasing the temporary debt limit by $7,000,000,000 for the period from July 1 to June 29 of each year, to make the limit for such period, $365.[2]

Apr. 7, 1969: 84 Stat. 7—

1. Amending sec. 21, effective Apr. 7, 1969, increasing debt limitation to, $365.[2]

2. Increasing the temporary debt limit by $12,000,000,000 for the period from Apr. 7, 1969, through June 30, 1970, to make the limit for such period, $377.[2]

June 30, 1970: 84 Stat. 368—

1. Amending sec. 21, effective July 1, 1970, increasing debt limitation to, $380.[2]

2. Increasing the temporary debt limit by $15,000,000,000 for the period from July 1, 1970, through June 20, 1971, to make the limit for such period, $395.[2]

Mar. 17, 1971: 85 Stat. 5—

1. Amending sec. 21, effective Mar. 17, 1972, increasing debt limitation to, $400.[2]

2. Increasing the temporary debt limit by $30,000,000,000 for the period from Mar. 17, 1971, through June 30, 1972, to make the limit for such period, $400.[2]

Mar. 15, 1972: 86 Stat. 63, increasing the temporary debt limit by an additional $20,000,000,000 for the period from Mar. 15, 1972, through June 30, 1972, to make the limit for such period, $450.[2]

July 1, 1972: 86 Stat. 406, extending the temporary debt limit of $50,000,000,000 for the period from July 1 through Oct. 31, 1972, to make the limit for such period. $450.[2]

Oct. 27, 1972: 86 Stat. 1324, increasing the temporary public debt by $65,000,000,000 for the period from Nov. 1, 1972, through June 30, 1974, to make the limit for such period, $465.[2]

July 1 1973: 87 Stat. 134, extending the temporary debt limit of $65,000,000,000 for the period from June 30, 1973, through Nov. 30, 1973, to make the limit for such period, $465.[2]

Dec. 3, 1973: 87 Stat. 691, increasing the temporary debt limit by $75,700,000,000 for the period from Dec. 3, 1973, through June 30, 1974, to make the limit for such period $475.7.[2]

June 30, 1974: 88 Stat. 285, increasing the temporary debt limit by $95,000,000,000 for the period from June 3, 1974, through Mar. 31, 1975, to make the limit for such period, $495.[2]

Feb. 19, 1975: 89 Stat. 5, increasing the temporary debt limit by $131,000,000,000 for the period from Feb. 10, 1975, through June 3, 1976, to make the limit for such period, $531.[2]

June 30, 1975: 89 Stat. 246, increasing the temporary debt limit by $177,000,000,000 for the period from June 30, 1975, through Nov. 16, 1975, to make the limit for such period, $577.[2]

Nov. 14, 1975: 89 Stat. 693, increasing the temporary debt limit by $195,000,000,000 for the period from Nov. 14, 1975, through Mar. 15, 1975, to make the limit for such period, $595.[2]

Mar. 15 1976: 90 Stat. 217, increasing the temporary debt limit by $277,000,000,000 for the period from Mar. 15, 1976, through June 30, 1976, to make the limit for such period, $627.[2]

June 30, 1976: 90 stat. 793—

1. Increasing the temporary debt limit by $236,000,000,000 for the period from July 1, 1976, through Sept. 30, 1976, to make the limit for such period, $636.[2]

2. Increasing the temporary debt limit by $282,000 000,000 for the period from Oct. 1, 1976, through Mar. 3, 1977, to make the limit for such period, $682.[2]

3. Increasing the temporary debt limit by $300,000,000,000 for the period from Apr. 2, 1977, through Sept. 30, 1977, to make the limit for such period, $700.[2]

Oct. 4, 1977: 91 Stat. 1090, increasing the temporary debt limit by $352,000,000,000 for the period from the date of enactment through Mar. 31 1978, to make the limit for such period, $752.[2]

Mar. 27, 1978: 92 Stat. 185, extending the temporary debt limit of $352,000,000,000 from the date of enactment through July 31, 1978, to make the limit for such period, $752.[2]

Aug. 3, 1978: 92 Stat. 419, increasing the temporary debt limit by $398,000,000,000 from the date of enactment through Mar. 31, 1979, to make the limit for such period $798.[2]

Apr. 2, 1979: 93 Stat. 8, increasing the temporary debt limit by $430,000,000,000 from the date of enactment through September 30, 1979, to make the limit for such period $830.[2]

Sept. 29, 1979: 93 Stat. 589, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through May 31, 1980, to make the limit for such period $879.[2]

May 30, 1980: 94 Stat. 421, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through June 5, 1980, to make the limit for such period $879.[2]

June 6, 1980: 94 Stat. 439, increasing the temporary debt limit by $479,000,000,000 from the date of enactment through June 30, 1980, to make the limit for such period $879.[2]

June 28, 1980: 94 Stat. 598, increasing the temporary debt limit by $525,000,000,000 from the date of enactment through February 28, 1981, to make the limit for such period $592.[2]

December 19, 1980: 94 Stat.[3], increasing the temporary debt limit by $535,100,000,000 from the date of enactment through September 30, 1981, to make the limit for such period $935.1.[2]

TABLE II.—OUTSTANDING PUBLIC DEBT SUBJECT TO LIMITATION AT END OF FISCAL YEARS 1916–80, AND ON JANUARY 27, 1981

Fiscal year:	*Millions*
1916	$1,225
1917	2,976
1918	12,455
1919	25,485
1920	24,299
1921	23,977
1922	22,963
1923	22,350
1924	21,251
1925	20,516
1926	19,643
1927	18,512
1928	17,604
1929	16,931
1930	16,185
1931	16,801
1932	19,487
1933	22,539
1934	27,053
1935	28,701
1936	33,779
1937	36,425
1938	36,882
1939	40,371
1940	43,219
1941	49,494
1942	74,154
1943	140,469
1944	208,077
1945	268,671
1946	268,932
1947	255,767
1948	250,381
1949	250,965
1950	255,382
1951	253,283
1952	257,233
1953	264,220
1954	269,379

Footnotes at end of article.

Fiscal year:	Millions
1955	272,348
1956	270,619
1957	239,120
1958	275,395
1959	282,419
1960	283,827
1961	283,308
1962	296,374
1963	302,923
1964	308,583
1965	314,126
1966	316,293
1967	323,143
1968	[1] 348,534
1969	[1] 356,107
1970	[1] 372,600
1971	[1] 398,650
1972	[1] 427,751
1973	[1] 458,264
1974	[1] 475,181
1975	[1] 534,207
1976	[1] 620,556
Transition quarter	[1] 635,822
1977	[1] 699,963
1978	[1] 772,691
1979	[1] 827,614
1980	[1] 908,723
1981 [2]	[1] 935,075

[1] Includes FNMA participation certificates issued in fiscal year 1968 in debt of fiscal years 1968–79.

[2] Debt at close of business, January 30, 1981.

Source: Annual Report of the Secretary of the Treasury for fiscal year 1924, table 34, p. 544, for 1916–17; Annual Report for fiscal year 1962, table 507, for 1938 and 1939; Annual Report for fiscal year 1976, Statistical Appendix, table 21, p. 67, for 1940–76; Treasury Bulletin, April 1980, table FD–8, p. 23 for 1977 and 1978 and Monthly Statement of the Public Debt of the United States, September 30, 1980, and Daily Treasury Statement, January 30, 1981.

FOOTNOTES

[1] Limitation on issue.

[2] Limitation on outstanding.

[3] Not available.●

● Mr. DECONCINI. Mr. President, I am pleased to have this opportunity to join Senator DOLE in sponsoring a regulatory reform bill, and to commend him for taking badly needed action in this area. I would also like to commend Senator LAXALT as the chairman of the Regulatory Reform Subcommittee for his interest in this subject, as I strongly believe it is one that the American people are demanding we address. My constituents from Arizona have certainly so indicated.

This is a time in which our country needs greater accountability in Government and I believe that sponsoring legislation such as this is certainly a step in the right direction. I look forward to working with the other sponsors in their attempts to achieve this goal in the best manner possible.

I feel confident that this bill will be the first in a series of regulatory reform measures considered during this congressional session. This measure requires agencies to consider alternative means of achieving their goal before adopting a particular rule. It also provides for the expiration of rules and regulations 5 years after they are adopted and provides for some level of judicial review of rules adopted by the Federal agencies. While I do not see this one piece of legislation as the answer to all the problems in this area, I feel confident that its introduction will give us a framework from which to begin finding the solution to the problem of Federal agency accountability.●

By Mr. WALLOP (for himself, Mr. BOREN, Mr. HARRY F. BYRD, JR., Mr. PERCY, Mr. HELMS, Mr. DOMENICI, Mr. SYMMS, Mr. BAUCUS, Mr. TOWER, Mr. HEFLIN, Mr. BENTSEN, Mr. HAYAKAWA, Mr. PRYOR, Mr. LUGAR, Mr. ANDREWS, Mr. DURENBERGER, Mr. THURMOND, Mr. ZORINSKY, Mr. MATHIAS, Mr. NICKLES, Mr. BURDICK, Mr. ABDNOR, and Mr. MATSUNAGA):

S. 395. A bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes; to the Committee on Finance.

FAMILY ENTERPRISE ESTATE AND GIFT TAX EQUITY ACT

Mr. WALLOP. Mr. President, today I join with Senators BOREN, BYRD, PERCY, HELMS, BENTSEN, DOMENICI, SYMMS, BAUCUS, TOWER, HEFLIN, HAYAKAWA, PRYOR, LUGAR, ANDREWS, DURENBERGER, THURMOND, and ZORINSKY in introducing the estate and gift tax amendments of 1981. This legislation addresses certain inequities and eliminates unnecessary complications in the estate and gift tax laws. The legislation focuses on relieving the harsh consequences of inflation, especially as it interacts with the estate tax laws to force many family-owned farms and small enterprises out of business.

Unfortunately, little attention has been given to estate taxes in recent years. The focus in Congress has reflected the national concern over capital formation issues and the need to get our economy moving toward an era of inflation-free growth. Those are laudable goals, which I heartily support. But we cannot pursue the goals of capital formation or reindustrialization without making sure that other fundamental aspects of our economic strength are addressed. I am talking about small businesses and family farms. So much of the economic growth still depends on small business, and the productivity of agriculture, that we should not allow these institutions to be neglected.

To most people, it appears that estate taxes have very little to do with small businesses or farmers. After all, it is only natural that one generation passes away, and the next generation simply takes over the reins of management. In transition, an estate tax is paid, and life goes on as usual.

That is the theory of estate taxation. The realities of the situation are much more cruel. Too often, heavy estate tax burdens make it difficult or impossible for one generation of farmers, timber lot owners, or small businessmen to pass on their operation to the next generation. Even if the transfer is accomplished, heavy estate taxes can destroy the financial ability of the succeeding generation to invest in and improve small family operations. When estate taxes force farmers or family-owned businesses to sell out to larger farmers or larger corporations, then we have a Government policy that changes the economic landscape of this Nation.

Our estate tax laws are based on considerations of equity—they are relatively meaningless as a revenue raising device. In 1980 the revenues from estate taxes amounted to only about $6 billion out of a total Federal collection of $650 billion.

The sole policy goal of estate taxes is to "prevent the excessive accumulation of wealth from one generation to the next." Unfortunately, in to many instances the estate and gift taxes are not only preventing the excessive accumulation of wealth, they are actually interfering with the transfer of small businesses and farms from one generation to the next. They promote the transfer of wealth to corporate America.

When this occurs, we have estate taxes that are neither equitable, nor do they make economic sense. Whatever social goal they were designed to achieve may have once made sense, but today they are having the opposite result. What we need are estate tax laws that do not interfere with the national objective of encouraging the continuation of family farms and small businesses. We need estate tax laws that mesh with other tax efforts to eliminate disincentives to capital formation. Finally, there is a desperate need to approach these goals with an eye toward simplifying the estate and gift tax laws.

One final note, Mr. President. If a farm or small business falls into corporate hands, it will never again be subjected to inheritance taxes. Only a small proportion of its shares will be taxed based on values set by bookkeepers, not appraisers bent on high returns to the Government.

INCREASE IN UNIFIED CREDIT AND RATE CUT

Mr. President, this legislation proposes an increase in the unified credit so that gross estates valued up to $600,000 may pass free of Federal estate and gift taxes, and it makes an across-the-board 10-percent cut in estate tax rates. These changes in the estate tax laws will not only remove the administrative burden of estate taxes on many family-owned farms and businesses, but they will also protect all estates from the effects of the last several years of high inflation.

We are all familiar with the effects of inflation on income tax rates, but it is important to recognize that inflation has also triggered higher estate tax burdens on family estates. I submit, Mr. President, that these burdens were never intended by Congress. Allow me to draw your attention to a table prepared for hearings in the Senate Finance Committee by Mr. Thomas Eubank, an estate tax expert from Illinois. Mr. Eubank's table graphically illustrates the tax increases that have been imposed on all estates by the relentless increase of inflation. The table provides the example of a $250,000 estate on January 1, 1977, when our current estate tax rates became effective, and how that estate changes by January 1, 1984, over a brief period of 7 years. Mr. Eubank made

the modest assumption of a 10-percent inflation rate over those 7 years, and he also assumes that there is no change in value in the estate except for those increases commensurate with inflation. Under these circumstances, a $250,000 estate in 1977 will be a $500,000 estate in 1984. The estate tax on that estate will increase from $23,800 in 1977 to $108,800 in 1984, nearly a fivefold increase in only 7 years.

Mr. President, the benefits of the 1976 estate tax amendments will be lost unless Congress acts to increase the unified credit, cut the estate tax rates and create some compensation for inflation. This problem is addressed in the legislation we introduce today.

HOW INFLATION INCREASES ESTATE TAXES

Estate size,[1] Jan. 1. 1977	Estate tax,[2] Jan, 1, 1977	Percentage of estate payable as tax, Jan. 1, 1977	Estate size [1] (col. 1 doubled)	Estate tax,[2] Jan. 1, 1984	Percentage of estate payable as tax, Jan. 1, 1984	Estate tax Jan. 1, 1984 in 1977 dollars (col. 5 halved)	Percentage increase in tax using 1977 dollars (increase from col. 2 vs. col. 7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
$2, 500, 000	$978, 800	39	$5, 000, 000	$2, 503, 800	50	$1, 251, 900	28
2, 000, 000	773, 800	37	4, 000, 000	1, 833, 800	46	916, 900	25
1, 500, 000	508, 800	34	3, 000, 000	1, 243, 800	41	621, 900	22
1, 250, 000	401, 300	32	2, 500, 000	978, 800	39	489, 400	22
1, 000, 000	298, 800	30	2, 000, 000	733, 800	37	366, 900	23
750, 000	201, 300	27	1, 500, 000	508, 800	34	254, 400	26
500, 000	108, 800	22	1, 000, 000	298, 800	30	149, 400	37
250, 000	23, 800	10	500, 000	108, 800	22	54, 400	129

[1] Taxable estate plus adjusted taxable gifts.

[2] A unified credit of $47,000 is used in calculating the taxes in cols. 2 and 5, without allowance for any other credit.

WIDOW'S TAX REPEAL

Mr. President, another section in my bill adresses the so-called widow's tax by removing all limitation on the marital deduction for estate and gift tax purposes. Under present law there is currently an estate tax marital deduction for property passing from the decedent to the surviving spouse, but it is limited to the greater of $250,000 or one-half of the decedent's adjusted gross estate. There is also a gift tax marital deduction which provides for an unlimited deduction for transfers between spouses for the first $100,000 in gifts. Thereafter, the deduction allowed is 50 percent of the interspousal lifetime transfers in excess of $200,000.

Also under existing law, the limitation on the estate tax marital deduction is reduced by the amount of the marital deduction allowed for lifetime transfers in excess of 50 percent of the value of the transfers. However, experience has shown that the limitations on the marital deduction for estate and gift tax purposes are unsatisfactory. This is because it results in the imposition of a transfer tax on the movement of property from spouse to spouse and forces couples into an unnatural arrangement of recordkeeping of interspousal transfers.

The question addressed by this provision is: When one spouse dies before the other, should a tax be levied upon the estate of the first to die? Under present law, a farm wife who for years works alongside her husband finds upon his death that she is the victim of estate taxes, and finds it extremely difficult to prove that she has made a financial contribution to the farming operation. How totally insulting and unfair it is to have farm wives pay inheritance taxes on estates that they worked with their husbands to build.

This legislation will do away with the need to keep records of transfers between spouses for estate and gift tax purposes. Gifts between husbands and wives should be generated out of that most basic element of human nature—love—and should not be sullied with tax considerations and recordkeeping. A 100-percent marital deduction with no disqualification of community property would eliminate all of the concerns and bring to full fruition from a tax standpoint the often pressed attitude of husband and wife that the property is "ours" without regard to the technical legal ownership requirements.

The Federal estate tax recognizes the individual rather than the family ownership of property. The central rationale for an unlimited marital deduction is the belief that it is unreasonable to treat the surviving members of a family as receiving a capital gain when one member dies. Actually, the reverse is true. The death of either the husband or the wife leaves the remaining members of the family worse off. If the family includes children at home, the death of the mother will sharply increase the cost of maintaining the family because many of the services typically provided free by the mother must now be purchased. The death of the father will also sharply reduce the income available to support the family. Mr. President, my bill simply recognizes those facts of life.

Mr. President, the unlimited marital deduction should not lose revenue in the long run. In fact, when the unlimited marital deduction is used it may even increase revenue as a result of estate stacking, the combining of the two spouses' estates into one larger taxable estate. This suggests that some families may not wish to use the unlimited marital deduction, and that for some estates expert tax advisers would not recommend using the provision in this bill. I wish to emphasize that the unlimited marital deduction called for in this legislation is optional, enabling individuals to choose how to structure their estates.

SPECIAL USE VALUATION

Mr. President, we introduce this legislation just a few days after the publication of the final "Report of the National Agricultural Lands Study" undertaken by the Department of Agriculture. This study examined the adequacy of America's agricultural land base and determined the rate at which American farmland is being converted to nonagricultural uses. The study found that 3 million acres of American farmland are being converted each year to build shopping centers, highways, and houses. The disappearance of prime farmland has been particularly acute in the industrial States east of the Mississippi, particularly the Mid-Atlantic States which have lost 22 percent of their farmland to development.

The problem of farmland conversion will affect this Nation's ability to produce food, not only for ourselves, but for an expanding world population. We will have little hope of seeing gasohol contribute to our energy needs or meet the growing world food requirements if prime American farmland is converted to nonagricultural uses.

Mr. President, this legislation recognizes that the burden of estate taxes only creates a more difficult financial climate for American farmers. It recognizes that if the estate tax problems facing family farms is not addressed, we will see farmland converted to nonagricultural uses at an accelerated pace.

Mr. President, the need to give estate tax relief to farmers and ranchers stems from the low return they receive from their operation and the unique nature of their most important asset; land. Too often farmers find that they have a modest income throughout their lives yet upon death they will be viewed as millionaires, solely because their land has appreciated in value. The average return on agricultural land is approximately 3 percent of current value. But the per acre value of farmland has multiplied over 13 times between 1942 and 1980, compared to a fourfold increase in prices generally. No wonder individuals face difficulties in paying estate taxes when land prices have escalated so dramatically. A farmer simply cannot borrow money at 15 or 20 percent to pay off estate taxes on

land that generates a net rent of 3 or 4 percent per year—unless of course he is willing to sell part of his land. Land inflation combined with estate taxes threaten to force large-scale liquidations of properties now held by families that have an established record of efficient food and fiber production.

Mr. President, much of the increase in farm prices is attributable to the fact that in many areas, outside investors have purchased prime argicultural land, bidding up its price. In many instances, the entrance of nonfarmers into the farming business has been encouraged by tax-shelter opportunities inherent in the tax rules applied to farm operations. The challenge to Congress is to devise estate tax laws that work in harmony with the goal of preserving the family farm, without creating tax preferences that increase the flood of nonagricultural investors into farm and ranch land.

Too often, the market value of real property used for agricultural purposes is distorted by factors unrelated to its earning capacity as farmland. Under the estate tax law as it existed prior to 1976 the value of property was included in the gross estate of a decedent at the fair market value of the property on the date of the decedent's death. One of the most important considerations used in determining fair market value was the highest and best use to which the property could be put. The IRS interpreted "highest and best" to mean that use which would bring the most money if the property was sold.

By this practice, IRS agents would value a working farm not on the basis of its actual use as a farm, but on the basis of whatever use would bring the highest return at auction. Most of the time this meant that the IRS agent would envision a working farm as if it was simply a tract of land to be subdivided into one-quarter-acre lots for housing. The IRS routinely totally ignored the income stream that the farm, as a farm, generated. How many lots could be carved out? That was the determining factor for the IRS. Then multiply the number of imaginary lots by the average cost of a developed building lot in the area, and you have fair market value according to the tax collector.

In many cases, the greater estate tax burden generated by the unrealistic valuation makes continuation of farming or of operating a closely held business not feasible because the income potential from these activities is insufficient to service extended tax payments or loans obtained to pay the tax. Thus, the heirs are forced to sell the land for development purposes.

In 1976, the Congress recognized, at least to some extent, the value of the family farm. The Congress believed that when land is actually used for farming purposes or for other closely held business purposes, it is inappropriate to value the land on the basis of its potential "highest and best use" especially since it is desirable to encourage the continued use of property for farming and other small businesses. Also, where the valuation of land reflects speculation to such a degree that the price does not bear a reasonable relationship to its earning capacity, we in the Congress believed it unreasonable to require that this "speculative value" with respect to land devoted to farm or closely held businesses be included in an estate. For these reasons, the Congress in 1976 changed the law to provide for the special use valuation for estate tax purposes in situations involving real property used in farming or in certain other trades or businesses.

The special use valuation rules adopted in 1976 were a step in the right direction, but certain restrictions and limitations were adopted which detract from the practical applications and use of these provisions by bona fide ranchers and farmers. The provisions have simply not worked as well as they were intended. The special use valuation provisions are burdened by overadministration and overregulation, and in its attempts to prevent abuse, it has failed to help the ranchers and farmers who truly need estate tax relief.

This legislation also addresses the very special problems faced by owners of woodlots and timberlands as they try to use the special use valuation provisions. Woodlands is perhaps the most obvious area in which material participation and the special use valuation rules have not worked. Because of the long rotation periods which include intervals of management inactivity and the need for professional advice and service, material participation rules as written for other crop farming does not speak to timberland owners or tree farmers.

In contrast to other agricultural farming, the crop period for timber growing often spans 30 to 60 years. Many timber owners make only one timber sale in their lifetime, and for the timber stand, that one sale may be only a thinning improvement, or other intermediate cut. Tree farming and the management of timber does not require frequent or substantial work each year or even at 5- or 10-year intervals and thus they cannot comply with the regulation although this industry was clearly and specifically intended to benefit from this provision.

Mr. President, the legislation I am introducing today removes these obstacles so that the special use valuation legislation approved by Congress in 1976 can actually assist farmers, ranchers, and woodland owners in 1981.

INCREASE IN THE GIFT TAX EXEMPTION

This legislation makes an additional change in the area of gift taxation. Present law permits a person to exclude up to $3,000 given to another individual per year without having to pay gift taxes on the transfer. The present $3,000 exclusion has not been raised in 35 years. During that 35-year period inflation has more than quadrupled the cost of goods and property. This legislation will increase the gift tax exclusion to $10,000.

The case for an adequate annual gift tax exclusion was stated by the Finance Committee in 1932. It stated that the exclusion—

On one hand is to obviate the necessity of keeping an account of and reporting numerous small gifts, and on the other, to fix the amount sufficiently large to cover in most cases wedding and Christmas gifts and occasional gifts of relatively small amounts.

The need to increase the exclusion is also supported by the traditional practice of giving help to loved ones. Many parents make substantial transfers of funds to children to provide for college, an automobile, or for getting married and starting a home and family. In turn, many adult children try to help aged parents by providing food, clothing, shelter, and basic amenities. Under the laws of most States, these types of transfers are gifts, because the transferor has no legal obligation to provide for those parents or young adults. Although the Internal Revenue Service is not yet actively pursuing taxpayers in these situations, most estate tax experts believe that such transfers are gifts under the Federal estate and gift laws as they are written.

Mr. President, most people do not realize that when they give substantial gifts or make transfers valued over $3,000, they are subject to the gift tax. They do not realize this because it is inconceivable that people should pay a gift tax on a wedding gift, tuition payments, or the funds given to help support an elderly mother or father. Keeping the gift tax exclusion at $3,000 will continue to make many taxpayers lawbreakers. This legislation will bring the gift tax exclusion in step with the changing economic realities by increasing the exclusion to $10,000.

Mr. President, this legislation reflects the work of many Senators and the recommendations of estate tax experts received through a series of hearings in the Senate Finance Committee. These needed reforms in the estate tax laws should be addressed by the Congress without delay. I urge my colleagues to assist me in this effort to enact these needed reforms in the gift and tax laws.

I request unanimous consent that the bill be reprinted following my remarks in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Family Enterprise Estate and Gift Tax Equity Act".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. CHANGES IN RATE SCHEDULES.

(a) IN GENERAL.—Subsection (c) of section 2001 (relating to the rate schedule) is amended by striking out the table contained therein and inserting in lieu thereof the following new table:

"If the amount with respect to which the tentative tax to be computed is:	The tentative tax is:
Not over $25,000	10 percent of such amount.
Over $25,000 but not over $50,000	$2,500, plus 15 percent of the excess of such amount over $25,000.
Over $50,000 but not over $125,000	$6,250, plus 18 percent of the excess of such amount over $50,000.
Over $125,000 but not over $250,000	$19,750, plus 20 percent of the excess of such amount over $125,000.
Over $250,000 but not over $500,000	$44,750, plus 22 percent of the excess of such amount over $250,000.
Over $500,000 but not over $750,000	$99,750, plus 25 percent of the excess of such amount over $500,000.
Over $750,000 but not over $1,000,000	$162,250, plus 28 percent of the excess of such amount over $750,000.
Over $1,000,000 but not over $1,250,000	$232,250, plus 31 percent of the excess of such amount over $1,000,000.
Over $1,250,000 but not over $1,500,000	$309,750, plus 33 percent of the excess of such amount over $1,250,000.
Over $1,500,000 but not over $2,000,000	$392,250, plus 35 percent of the excess of such amount over $1,500,000.
Over $2,000,000 but not over $2,500,000	$567,250, plus 39 percent of the excess of such amount over $2,000,000.
Over $2,500,000 but not over $3,000,000	$762,250, plus 43 percent of the excess of such amount over $2,500,000.
Over $3,000,000 but not over $3,500,000	$977,250, plus 47 percent of the excess of such amount over $3,000,000.
Over $3,500,000 but not over $4,000,000	$1,212,250, plus 51 percent of the excess of such amount over $3,500,000.
Over $4,000,000 but not over $4,500,000	$1,467,250, plus 55 percent of the excess of such amount over $4,000,000.
Over $4,500,000 but not over $5,000,000	$1,742,250, plus 59 percent of the excess of such amount over $4,500,000.
Over $5,000,000	$2,037,250, plus 60 percent of the excess of such amount over $5,000,000.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 1980.

SEC. 3. INCREASE IN UNIFIED CREDIT.

(a) CREDIT AGAINST ESTATE TAX.

(1) IN GENERAL.—Subsection (a) of section 2010 (relating to unified credit against estate tax) is amended by striking out "$47,000" and inserting in lieu thereof "$124,750".

(2) CONFORMING AMENDMENTS.—

(A) Subsection (b) of section 2010 is amended to read as follows:

"(b) Phase-in of Credit.—

"In the case of decedents dying in:	"Subsection (a) shall be applied by substituting for '$124,750' the following amount:
1981	$29,750
1982	55,750
1983	77,750
1984	99,750.".

(B) Subsection (a) of section 6018 (relating to estate tax returns by executors) is amended—

(i) by striking out "$175,000" in paragraph (1) and inserting in lieu thereof "$600,000"; and

(ii) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) Phase-in of filing requirement amount.—

"In the case of decedents dying in:	"Paragraph (1) shall be applied by substituting for '$600,000' the following amount:
1981	$175,000
1982	300,000
1983	400,000
1984	500,000.".

(b) CREDIT AGAINST GIFT TAX.—

(1) IN GENERAL.—Paragraph (1) of section 2505(a) (relating to unified credit against gift tax) is amended by striking out "$47,000" and inserting in lieu thereof "$124,750".

(2) CONFORMING AMENDMENT.—Subsection (b) of section 2505 is amended to read as follows:

"(b) PHASE-IN OF CREDIT.—

"In the case of gifts made in:	"Subsection (a)(1) shall be applied by substituting for '$124,750' the following amount:
1981	$29,750
1982	55,750
1983	77,750
1984	99,750.".

(c) EFFECTIVE DATES.—The amendments made—

(1) by subsection (a) shall apply to the estates of decedents dying after December 31, 1980, and

(2) by subsection (b) shall apply to gifts made after such date.

SEC. 4. UNLIMITED MARITAL DEDUCTION.

(a) ESTATE TAX DEDUCTION.—

(1) IN GENERAL.—Section 2056 (relating to bequests, etc. to surviving spouses) is amended—

(A) by striking out subsection (c) and redesignating subsection (d) as subsection (c), and

(B) by striking out "subsections (b) and (c)" in subsection (a) and inserting in lieu thereof "subsection (b)".

(2) CONFORMING AMENDMENT.—Paragraph (5) of section 2057(e) (defining property passing from a decedent) is amended by striking out "2056(d)" and inserting in lieu thereof "2056(c)".

(b) GIFT TAX DEDUCTION.—

(1) IN GENERAL.—Subsection (a) of section 2523 (relating to gift to spouse) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—Where a donor who is a citizen or resident transfers during the calendar quarter by gift an interest in property to a donee who at the time of the gift is the donor's spouse, there shall be allowed as a deduction in computing taxable gifts for the calendar quarter an amount with respect to such interest equal to its value.".

(2) TECHNICAL AMENDMENT.—Section 2523 is amended by striking out subsection (f).

(c) EFFECTIVE DATES.—The amendments made—

(1) by subsection (a) shall apply to the estates of decedents dying after December 31, 1981, and

(2) by subsection (b) shall apply to gifts made after such date.

SEC. 5. INCREASE IN ANNUAL GIFT TAX EXCLUSION.

(a) IN GENERAL.—Subsection (b) of section 2503 (relating to exclusions from gifts) is amended by striking out "$3,000" and inserting in lieu thereof "$10,000".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to gifts made after December 31, 1981.

SEC. 6. VALUATION OF CERTAIN FARM, ETC., REAL PROPERTY.

(a) DEFINITION OF QUALIFIED REAL PROPERTY.—Subsection (b) of section 2032A (defining qualified real property is amended—

(1) by inserting "by the decedent or a member of the decedent's family" after "qualified use" each place it appears in paragraph (1), and

(2) by adding at the end thereof the following new paragraphs:

"(4) RETIRED AND DISABLED DECEDENTS.—

"(A) IN GENERAL.—If, on the date of death of the decedent, the decedent did not otherwise meet the requirements of paragraph (1)(C) with respect to any property, and the decedent—

"(i) was eligible to receive old-age benefits under title II of the Social Security Act, or

"(ii) was disabled for a continuous period ending on such date,

then paragraph (1)(C) shall be applied by substituting 'the date on which the decedent became eligible to receive old-age benefits under title II of the Social Security Act or became disabled' for 'the date of the decedent's death'.

"(B) DISABLED DEFINED.—For purposes of subparagraph (A), an individual shall be disabled if such individual has a mental or physical impairment which renders him unable to materially participate in the operation of the farm or other business.

"(5) SPECIAL RULE FOR SPOUSES WHO ARE QUALIFIED HEIRS.—In the case of any quali-

fied real property which was acquired by a qualified heir who is the spouse of the decedent and which does not otherwise meet the requirements of paragraph (1)(C) upon the death of such spouse, such real property shall be treated as meeting the requirements of paragraph (1)(C) if such spouse was engaged in the active management of the operation of the business at all times during—

"(A) the 10-year period ending on the date of death of the spouse, or

"(B) the period beginning on the date of death of the decedent and ending on the date of death of the spouse.

"(6) SPECIAL RULE FOR CERTAIN WOODLANDS.—In the case of real property used for a farming purpose described in subparagraph (C) of subsection (e)(5) which does not otherwise meet the requirements of subparagraph (A), (B), or (C) of paragraph (1), such real property shall be treated as meeting the requirements of any such subparagraph if, at all times during the 10-year period ending on the date of the decedent's death, such real property was owned by the decedent or a member of the decedent's family and used for such farming purpose.".

(b) DISPOSITIONS AND FAILURES TO USE FOR QUALIFIED USE.—

(1) 10-year holding period.—

(A) IN GENERAL.—Subsection (c) of section 2032A (relating to tax treatment of dispositions and failures to use for qualified use) is amended—

(i) by striking out "15 years" in paragraph (1) and inserting in lieu thereof "10 years", and

(ii) by striking out paragraph (3) and redesignating paragraphs (4) through (7) as paragraphs (3) through (6).

(B) CONFORMING AMENDMENTS.—Paragraph (2) of section 2032A (h) (relating to treatment of replaced property) is amended—

(i) by striking out in subparagraph (A) all that follows "involuntarily converted," and inserting in lieu thereof the following: "except that with respect to such qualified replacement property the 10-year period under paragraph (1) of subsection (c) shall be extended by any period, beyond the 2-year period referred to in section 1033(a)(2)(B)(i), during which the qualified heir was allowed to replace the qualified real property,", and

(ii) by striking out "(7)" in subparagraph (C) and inserting in lieu thereof "(6)".

(2) CESSATION OF QUALIFIED USE.—

(A) IN GENERAL.—Paragraph (6) of section 2032(c) (defining cessation of qualified use), as redesignated by paragraph (1), is amended to read as follows:

"(6) CESSATION OF QUALIFIED USE.—For purposes of paragraph (1)(B)—

"(A) IN GENERAL.—Real property shall cease to be used for the qualified use if—

"(i) such property ceases to be used for the qualified use set forth in subparagraph (A) or (B) of subsection (b)(2) under which the property qualified under subsection (b), or

"(ii) except as provided in subparagraph (B) or (C), during any period of 8 years ending after the date of the decedent's death and before the date of the death of the qualified heir, there had been periods aggregating 3 years or more during which—

"(I) in the case of periods during which the property was held by the decedent (other than periods during which the decedent was an individual described in subsection (b)(4)(A)(i) or (ii)), there was no material participation by the decedent or any member of the family in the operation of the farm or other business, and

"(II) in the case of periods during which the property was held by any qualified heir, there was no material participation by such qualified heir or any member of his family in the operation of the farm or other business.

"(B) 10-YEAR ACTIVE MANAGEMENT.—If an eligible qualified heir elects, at such time and in such manner as the Secretary may prescribe, to have the provisions of this subparagraph apply to any real property—

"(i) the provision of clause (ii) of subparagraph (A) shall not apply to such property, and

"(ii) such property shall cease to be used for the qualified use if the fiduciary or the eligible qualified heir or any member of his family did not take part in the active management of the farm or other business at all times during the period beginning on the date of death of the decedent and ending on the earlier of—

"(I) the date of death of the qualified heir, or

"(II) the date which is 10 years from date of death of the decedent.

"(C) SPECIAL RULE FOR WOODLANDS.—The provisions of clause (ii) of subparagraph (A) shall not apply in the case of real property with respect to which the qualified use under which the property qualified under subsection (b) was use for a farming purpose described in subparagraph (C) of subsection (e)(5).

"(D) ELIGIBLE QUALIFIED HEIR.—For purposes of this paragraph, the term 'eligible qualified heir' means a qualified heir who, on the date of death of the decedent—

"(i) is the spouse of the decedent,

"(ii) has not attained the age of 21,

"(iii) is a student described in subparagraph (A) or (B) of section 151(e)(4), or

"(iv) was disabled (within the meaning of subsection (b)(4)(P)) for a continuous period ending on such date.".

(B) CONFORMING AMENDMENT.—Subsection (e) of section 2032A (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(12) ACTIVE MANAGEMENT.—The term 'active management' means the making of the management decisions of a business (other than the daily operating decisions).".

(c) REPEAL OF $500,000 LIMITATION.—Subsection (a) of section 2032A (relating to value based on use under which property qualifies) is amended to read as follows:

"(a) VALUE BASED ON USE UNDER WHICH PROPERTY QUALIFIES.—If—

"(1) the decedent was (at the time of his death) a citizen or resident of the United States; and

"(2) the executor elects the application of this section and files the agreement referred to in subsection (d)(2),

then, for purposes of this chapter, the value of qualified real property shall be its value for the use under which it qualifies, under subsection (b), as qualified real property.".

(d) EXCHANGE OF QUALIFIED REAL PROPERTY.—

(1) IN GENERAL.—Section 2032A (relating to valuation of certain farm, etc., real property) is amended by adding at the end thereof the following new subsection:

"(i) EXCHANGES OF QUALIFIED REAL PROPERTY.—

"(1) TREATMENT OF PROPERTY EXCHANGED.—

"(A) IN GENERAL.—If an interest in qualified real property is exchanged—

"(i) no tax shall be imposed by subsection (c) on such exchange if the interest in qualified real property is exchanged solely for an interest in qualified exchange property in a transaction which qualifies under section 1031(a), or

"(ii) if clause (i) does not apply, the amount of the tax imposed by subsection (c) on such exchange shall be the amount determined under subparagraph (B).

"(B) AMOUNT OF TAX WHERE PROPERTY RECEIVED IS NOT SOLELY AN INTEREST IN QUALIFIED EXCHANGE PROPERTY.—The amount determined under this subparagraph with respect to any exchange is the amount of tax which (but for this subsection) would have been imposed on such exchange reduced by an amount equal to that portion of such tax which is attributable to the amount of the interest in qualified exchange property received by the taxpayer.

"(2) TREATMENT OF QUALIFIED EXCHANGE PROPERTY.—For purposes of subsection (c)—

"(A) any interest in qualified exchange property shall be treated in the same manner as if it were a portion of the interest in qualified real property which was exchanged, and

"(B) any tax imposed by subsection (c) on the exchange shall be treated as a tax imposed or a partial disposition.

"(3) QUALIFIED EXCHANGE PROPERTY.—For purposes of this subsection, the term 'qualified exchange property' means real property which is to be used for the qualified use set forth in subparagraph (A) or (B) of subsection (b)(2) under which the real property exchanged therefor originally qualified under subsection (a).".

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 2032A(f) (relating to statute of limitations) is amended—

(i) by inserting "or exchange" after "conversion",

(ii) by inserting "or (1)" after "(h)", and

(iii) by inserting "or of the exchange of property" after "replace".

(B) Paragraph (2) of section 6324B(c) (relating to special liens) is amended by inserting "and qualified exchange property (within the meaning of section 2032A(i)(3))" before the period at the end thereof.

(e) ELECTION REQUIREMENT OF SPECIAL RULES FOR INVOLUNTARY CONVERSIONS REPEALED.—Section 2032A(h) (relating to special rules for involuntary conversions of qualified real property) is amended—

(1) by striking out "and the qualified heir makes an election under this subsection" in paragraph (1)(A); and

(2) by striking out paragraph (5).

(f) METHOD OF VALUING FARMS.—Paragraph (7) of section 2032A(e) of the Internal Revenue Code of 1954 is amended to read as follows:

"(7) METHOD OF VALUING FARMS.—

"(A) IN GENERAL.—Unless the executor elects to have the value of the farm for farming purposes determined under paragraph (8), the value of a farm for farming purposes shall be determined by dividing—

"(i) the excess of the amount of the average annual gross rental value of the qualified real property used for farming purposes over the amount of the average annual State and local real estate taxes for such qualified real property, by

"(ii) the average annual effective interest rate for all new Federal Land Bank loans.

For purposes of the preceding sentence, each average annual computation shall be made on the basis of the 5 most recent calendar years ending before the date of the decedent's death.

"(B) APPLICATION.—Unless the executor so elects otherwise, subparagraph (A) shall apply regardless of whether the qualified real property or any portion thereof has in fact been rented or whether such qualified real property has been rented on a cash, crop shares, or other basis.".

(g) BASIS UPON RECAPTURE.—Paragraph (3) of section 1014(a) (relating to basis of property acquired from a decedent) is amended by inserting "(increased by the value of any interest in such property (determined for purposes of this chapter without regard to this section) with respect to which an additional estate tax is imposed under section 2032A(C)(1))" after "section".

(h) EFFECTIVE DATE.—The amendments

made by this section shall apply to the estates of decedents dying after December 31, 1981.

SEC. 7 ESTATE TAX TREATMENT OF TRANSFERS MADE WITHIN 3 YEARS OF DECEDENT'S DEATH.

(a) IN GENERAL.—Section 2035 (relating to adjustments for gifts made within 3 years of decedent's death) is amended by adding the following new subsection at the end thereof:

"(d) VALUATION OF GIFTS.—For purposes of subsection (a), the value of property included in the gross estate by reason of subsection (a) shall be the value of such property at the time of its transfer. The preceding sentence shall not apply to a transfer of an interest in property which is included in the value of the gross estate under section 2036, 2037, 2038, 2041, or 2042 or would have been included under any of such sections if such interest had been retained by the decedent.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to gifts made after December 31, 1980.

SEC. 8 ELECTION TO PAY GIFT TAX

(a) IN GENERAL.—Section 2505 (relating to unified credit against gift tax) is amended by adding at the end thereof the following new subsection:

"(e) ELECTION TO PAY GIFT TAX.—

"(1) IN GENERAL.—An individual may elect with respect to any calendar quarter not to have the credit allowed by subsection (a) apply with respect to gifts made during such quarter.

"(2) ELECTION.—Any election under paragraph (1) shall be made at the same time as the return required to be filed for such quarter under section 6019 is filed and shall be in such form and manner as the Secretary may by regulations prescribe.

"(3) EFFECT OF ELECTION.—For purpose of subsection (a) (2), the amount of any credit which does not apply by reason of an election under paragraph (1) shall not be treated as an amount allowable as a credit under this section.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to gifts made after December 31, 1980.

SEC. 9 COORDINATION OF EXTENSIONS OF TIME FOR PAYMENT OF ESTATE TAX WHERE ESTATE CONSISTS LARGELY OF INTEREST IN CLOSELY HELD BUSINESS.

(a) ELIGIBILITY REQUIREMENTS.—Paragraph (1) of section 6166(a) (relating to alternate extension of time for payment of estate tax where estate consists largely of interest in closely held business) is amended to read as follows:

"(1) IN GENERAL.—If the value of an interest in a closely held business which is included in determining the gross estate of a decedent who was (at the date of his death) a citizen or resident of the United States exceeds—

"(A) 35 percent of the value of the gross estate, or

"(3) 50 percent of the taxable estate, of such decedent,

the executor may elect to pay part or all of the tax imposed by section 2001 in 2 or more (but not exceeding 10) equal installments.".

(b) Coordination With Section 303.—

(1) IN GENERAL.—Subparagraph (A) of section 303(b) (2) (relating to relationship of stock to decedent's estate) is amended by striking out all that follows "gross estate" the first place it appears and inserting in lieu thereof "exceeds—

"(i) 35 percent of the value of the gross estate of the decedent, or

"(ii) 50 percent of the value of the taxable estate of the decedent.".

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 303(b) (2) is amended to read as follows:

"(B) SPECIAL RULE FOR STOCK IN 2 OR MORE CORPORATIONS.—For purposes of subparagraph (A), stock of 2 or more corporations, with respect to each of which there is included in determining the value of the decedent's gross estate more than 20 percent in value of the outstanding stock, shall be treated as the stock of a single corporation. For purposes of the 20-percent requirement of the preceding sentence, stock which, at the decedent's death, represents the surviving spouse's interest in property held by the decedent and the surviving spouse as community property or as joint tenants, tenants by the entirety, or tenants in common shall be treated as having been included in determining the value of the decedent's gross estate.".

(c) ACCELERATION OF PAYMENT.—

(1) AMOUNT OF DISPOSITION.—Subparagraph (A) of section 6166(g)(1) (relating to acceleration of payment in the case of disposition of interest or withdrawal of funds from a business) is amended by striking out "one-third" each place it appears and inserting in lieu thereof "50 percent".

(2) FAILURE TO PAY INSTALLMENT.—Paragraph (3) of section 6166(g) (relating to failure to pay installments) is amended to read as follows:

"(3) FAILURE TO PAY INSTALLMENT.—

"(A) IN GENERAL.—If any installment under this section is not paid on or before the date fixed for its payment by this section (including any extension of time for the payment of such installment), the unpaid portion of the tax payable in installments shall be paid upon notice and demand from the Secretary.

"(B) PAYMENT WITHIN 6 MONTHS.—If any installment under this section is not paid on or before the date determined under subparagraph (A) but is paid within 6 months of such date—

"(i) the provisions of subparagraph (A) shall not apply with respect to such payment,

"(ii) the provisions of section 6601(j) shall not apply with respect to the determination of interest on such payment, and

"(iii) there is imposed a penalty in an amount equal to the product of—

"(I) 5 percent of the principal amount of such payment, multiplied by

"(II) the number of months (or fractions thereof) after such date and before payment is made.

The penalty imposed under clause (iii) shall be treated in the same manner as a penalty imposed under subchapter B of chapter 63.".

(d) REPEAL OF SECTION 6166A.—Section 6166A (relating to extension of time for payment of estate tax where estate consists largely of interest in a closely held business) is hereby repealed.

(e) TECHNICAL AMENDMENTS.—

(1) Sections 303(b)(1)(C), 2204(c), and 6161(a)(2) are each amended by striking out "or 6166A" each place it appears.

(2) Paragraph (2) of section 2011(c) is amended by striking out "6161, 6166 or 6166A" and inserting in lieu thereof "6161 or 6166".

(3) Subsections (a) and (b) of section 2204 are each amended by striking out "6166 or 6166A" and inserting in lieu thereof "or 6166".

(4) Subsection (b) of section 2621 is amended—

(A) by striking out "sections 6166 and 6166A (relating to extensions" and inserting in lieu thereof "section 6166 (relating to extension", and

(B) by striking out "Sections 6166 and 6166A" in the subsection heading and inserting in lieu thereof "Section 6166".

(5)(A) Subsection (a) of section 6166 is amended by striking out paragraph (4).

(B) The section heading for section 6166 is amended by striking out "alternate".

(C) The table of sections for subchapter B of chapter 62 is amended by striking out the items relating to sections 6166 and 6166A and inserting in lieu thereof the following:

"Sec. 6166. Extension of time for payment of estate tax where estate consists largely of interest in closely held business.".

(6)(A) Subsections (a), (c) (2), and (e) of section 6324A are each amended by striking out "or 6166A" each place it appears.

(B) Paragraphs (3) and (5) of section 6324A(d) are each amended by striking out "or 6166A(h)".

(C) The section heading for section 6324A is amended by striking out "or 6166A"

(D) The table of sections for subchapter C of chapter 64 is amended by striking out "or 6166A" in the item relating to section 6324A.

(7) Subsection (d) of section 6503 is amended by striking out "6163, 6166, or 6166 A" and inserting in lieu thereof "6163 or 6166."

(8) Subsection (a) of section 7403 is amended by striking out "or 6166A(h)".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying after December 31, 1980.

SEC. 10. DISCLAIMERS.

(a) IN GENERAL.—Subsection (c) of section 2518 (relating to disclaimers) is amended by adding at the end thereof the following new paragraph:

"(3) DISCLAIMERS INEFFECTIVE UNDER STATE LAW.—For purposes of subsection (b)(4), an interest shall be treated as passing without any direction on the part of the person making the disclaimer if—

"(A) the disclaimer meets the requirements of paragraphs (1), (2), and (3) of subsection (b),

"(B) the disclaimer does not result in the passing of the interest under the applicable State law, and

"(C) the person transfers the interest to the person to whom the interest would have passed had the person making the disclaimer died before the holder of legal title of such interest before the last date on which the disclaimer must be received under subsection (b)(2).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to transfers creating an interest in the person disclaiming made after December 31, 1980.

Mr. HARRY F. BYRD, JR. Mr. President, one of the principal reasons for the breakup of family farms and small businesses today is the high level of estate taxes.

Farmers are struggling to retain ownership of their farms and to pass on intact to their heirs. Too often, however, their heirs must sell parts or all of their inheritance to pay estate taxes.

A small business may begin as a single idea in the mind of one individual entrepreneur. Through perseverance and hard work, this business, over an individual's lifetime, may grow to a successful enterprise. However, estate taxes at the death of this individual may require sale of the business, even though family members may want to continue the business as a family operation.

It is not surprising that last year's White House Conference on Small Business listed estate tax reductions in fourth place among its top 15 recommendations.

The key to providing the continuation of the small business and the family farm is to structure the estate tax in

such a way as to provide liquidity at the death of the owners of the enterprise so that the estate tax does not cause a forced sale.

This need was convincingly demonstrated in hearings of the Subcommittee on Taxation and Debt Management of the Senate Finance Committee which I chaired last year.

In these hearings, witnesses representing the small business community, farmers, tax lawyers and accountants, all agreed that significant changes in the estate tax law were required. The exclusion of $175,000 for estate taxes and the $3,000 gift tax exclusion were felt to be too low; technical difficulties in the special use valuation rules made the rules difficult, if not impossible to use. And, these witnesses also felt that the present marital deduction, which makes taxable more than one-half of an estate left to a spouse, was contrary to the natural inclination of many individuals, particularly those with small estates.

A major difficulty with the estate tax is that it is taxing gains arising through inflation rather than a gain in real value of an asset.

An asset, for example a home, which today is worth $70,000 at an inflation rate of 9 percent for the next 20 years would be worth $420,000 with no real increase in value.

As estate tax levied on such a gain has disastrous consequences. Furthermore, the inflation rate today exceeds 12 percent, well above the 9-percent rate used in my example.

If adjusted for inflation, the gift and estate tax exclusions now in the law would be much higher. The gift tax exclusion of $3,000 has been in the law since 1942. If adjusted to account for inflation, it currently should exceed $15,000. The $175,000 estate tax exclusion was enacted in 1976, and to account for inflation, should be today more than $265,000.

The bill which I am cosponsoring today seeks to address the need to revise the estate and gift tax laws.

It provides for estate tax rate reductions. It lowers the bottom estate tax rate from 18 percent to 10 percent, makes adjustments throughout the estate tax rates and reduces the top rate from 70 percent to 60 percent.

It provides for a phased-in increase in the estate tax exclusion from $175,000 to $600,000 by 1985.

It increases the gift tax exclusion to $10,000. It changes the law to conform the estate and gift tax with the way in which most Americans view the family unit. It permits the husband to leave an unlimited amount of property to his wife and deduct the value of this property from the total value of the estate.

The bill makes the special use valuation rules, which affect family farms and small businesses, more workable.

Finally it irons out many technical difficulties in the estate and gift tax law which were brought to the attention of the Subcommittee on Taxation and Debt Management.

This bill will be a benefit to all Americans, wage earners, homeowners, and the small businessman and family farmer.

I urge its speedy consideration.

● Mr. BOREN. Mr. President, I join with Senator WALLOP of Wyoming and Senator BYRD of Virginia in introducing a much needed revision of the Federal estate and gift tax law.

One of the most important issues talked about in our country is the deterioration of the independent family farm and family business. Many people work hard to build up their businesses for their children, and due to the burdens imposed by the present law, their heirs often have to sell the business to strangers in order to pay the estate tax. These Federal tax laws are creating formidable barriers to the continuation of independent ownership of independent businesses, industries, and farms.

I believe the most important reform contained in this bill is the repeal of the tax on property transfers between spouses. My first act as Governor of Oklahoma was to sign into law the repeal of our State's unfair inheritance tax between spouses. Now, I am hoping to take the Oklahoma experience and bring it to the Federal level.

Under the present Federal law, there is a limited marital exemption for property passing from the decedent to the surviving spouse and a limited marital deduction for transfers between spouses. These limitations and restrictions cause a husband or wife to worry about tax consequences every time they transfer property or make a gift from one to the other during their lifetime.

And frequently, the tax that has to be paid as a result of such a gift or transfer comes at the death of a spouse. At that time, significant sources of income may have disappeared if the spouse passing away was the main wage earner, and the only way to pay such taxes is to sell the property. My colleagues and I do not believe this is the proper place for our Government's tax burden to fall.

Another very important reform provided by this new legislation is to clarify and expand farmland valuation provisions originally provided for in the Tax Reform Act of 1976. Under the rules previous to 1976, when farmers died, their estates were taxed at their "highest and best use." With farmland values rising beyond the land's capacity for farming profits, the heirs were frequently in a position of selling off much of the land to pay the estate tax.

The 1976 act attempted to ease some of these burdens. The Congress believed that when land is actually used for farming purposes or for other closely held business purposes, it is inappropriate to value the land on the basis of its potential "highest and best use," especially since it is desirable to encourage the continued use of property for farming and other small businesses. Such a price did and does not reflect the actual earning capacity of the land.

For these reasons, the law was amended to provide for the "special use" valuation for estate tax purposes in situations involving real property used in farming or in certain other closely held businesses and trades. It is still a good idea, especially as inflation has dramatically increased the fair market value of the farm—in most cases over 300 percent over the last decade. Unfortunately, the provision was not drafted to make congressional intent clear. It also contained so many so-called safeguards that, combined with the regulations drafted for it by the Internal Revenue Service, it did not help those it was intended to help. Our legislation removes those roadblocks, so the "special use" valuation can work.

This bill also contains a 10-percent across-the-board reduction in the rates used for calculating Federal estate taxes, and an increase from $175,000 to $600,000 in the amount of property that may pass free of Federal estate and gift taxes. The reduction in the rates combined with the increase in the lifetime limit on the amount of property that may pass by gift or at bequest will provide needed relief to many modest estates that were formerly considered too small to pay estate taxes and have, due to inflation, been pushed into high tax brackets.

Another long-needed change in the estate and gift law is the $3,000 gift tax exclusion. Present law permits a person to exclude up to $3,000 given to another individual per year without having to pay gift taxes on the transfer. This exclusion has not been raised in over 35 years. Of course, the value of property has increased many times over during that time period. We believe a more equitable limit on taxation of such gifts should be set at $10,000.

Ironically, the inheritance tax was first devised to prevent large concentrations of wealth and economic power. Today, it often works in practice to cause more concentration. The small business or small farm often has to be sold to a large corporation because the family has to sell the property to pay the inheritance taxes when the head of the family dies.

Inheritance taxes are causing the number of small businesses and farms to decline. The number of farms has dropped over the last decade from 3 million farms with a farm population of around 10 million to 2 million farms with a population of 7 million. The individual who has worked hard to build a family business should be able to anticipate that he could pass it on to his family to operate instead of having them sell it to strangers in order to pay the inheritance taxes.

We must stop imposing unfair tax burdens which blunt incentives and sap the strength of the free enterprise system.●

Mr. PERCY. Mr. President, it is with great pleasure that I join today with my good colleague, the Senator from Wyoming (Mr. WALLOP) in introducing the Family Enterprise Estate and Gift Tax Equity Act of 1981.

It was not too long ago—1976—that Congress grappled with the issues of estate and gift taxes. The Tax Reform Act of 1976 made major changes in the way in which these taxes are levied and we

adjusted the estate tax exemptions at that time. This reform was certainly overdue. The Federal estate tax laws had not been updated since 1942 and the country and the economy had gone through remarkable changes in those 34 years. For example, a business worth $60,000 in 1942 had become equivalent to a $250,000 business by 1976. Inflation had pushed a small business or farm like this into the big tax leagues by 1976. Whereas only 1 of 60 businesses were subject to the estate taxes in 1942, 1 out of 10 were in this category by 1976.

So it was high time to update our estate and gift tax laws and the resulting 1976 law will always stand as a landmark.

Since enactment of the Tax Reform Act, however, inflation has proceeded at a pace beyond our expectations. Just this year—1981—the final phase-in of the 1976 law goes into effect. And yet inflation has already outpaced our expectations of just 5 years ago and it is time to adjust once again the estate and gift tax laws to take account of the erosion of buying power that has taken place in recent years.

The bill we are introducing makes important changes in the structure of estate and gift taxes. In a sense, it is an indexing bill. It brings the exemptions up to date so that their value is not continually whittled away. But this legislation will also make some important changes that should be made even if inflation were zero. I am speaking especially about administrative rulings by the Internal Revenue Service that have severely limited in Illinois the use of the 1976 law changes.

Primary among these rulings is one that pertains to the special use valuation for family farms. This is a complicated matter, but it is important to the continuation of the family farm in my State and many other Midwestern agricultural States.

The 1976 Tax Reform Act provided a formula for calculation of the special use valuation for farmland. Under this special use valuation, a farm could be valued on its income potential as a farm and not on its value as a subdivision or shopping center. The formula devised by IRS, however, makes the election of the special use valuation prohibitively difficult in Illinois, Kansas, South Carolina, and other States where farmland is cash rented.

Section 6 of our bill remedies this problem by permitting crop share rentals to be considered in the computation of special use valuation. It is similar to another proposal Senator DOLE and I introduced—S. 23—just a few weeks ago. I cannot stress how necessary this change is, just so Illinoisans can realize the full thrust of the 1976 law.

A second important change our legislation makes is with regard to the definition of "material participation." Section 6 of our legislation addresses this matter insofar as it allows the special use valuation to be applied in estate cases where the deceased rented the farm to members of his own family. It will reverse the present IRS ruling that does not allow use of this special tax treatment when a farm has been rented to a son or daughter.

Just a few months ago, one of my constituents who has written me about this summed up the situation quite well. He wrote—

> Thus a widow, for instance, who inherited a farm for life and started cash renting it to the decedent's son can be said to have triggered a recapture because she is not using the land for a qualified farm use, that is she is not "at risk." On the other hand, she would have kept her "equity interest" if she crop shared the land to decedent's son.

These words express as well as I could the need to act quickly to reverse an interpretation of the 1976 law that was not intended by Congress.

Mr. President, the third part of this bill that I would like to highlight is the unlimited marital deduction. Section 4 of our bill embodies this provision that will eliminate the imposition of any estate tax on property transferred between husband and wife. As long ago as 1969 the Treasury Department recognized the wisdom of taking this action. In one of its tax studies published that year, the Treasury recommended revision of the estate tax laws to modify the marital deduction. The report stated that "these changes would greatly simplify the transfer tax law by recognizing that most married couples regard themselves as a single economic unit within which individual title to property is not significant and by eliminating transfer tax consequences from shifts of property within that unit."

The bill we are introducing today will resolve these problems. It also addresses a wide range of other estate and gift tax issues that have become pressing for modest estates, farms, and small businesses. These tax questions can be a matter of life and death for Illinois farms and I urge my colleagues to bring this legislation to the Senate for a vote as soon as possible.

By Mr. DANFORTH (for himself, Mr. BENTSEN, Mr. RIEGLE, Mr. GLENN, Mr. EAGLETON, Mr. LEVIN, Mr. METZENBAUM, and Mr. LUGAR):

S. 396. A bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983; to the Committee on Finance.

QUOTA ON AUTOMOBILE IMPORTS FROM JAPAN

Mr. DANFORTH. Mr. President, I rise today to do something for which I have little enthusiasm, but something for which there is a compelling national need.

Senator BENTSEN and I are introducing legislation to impose a quota on the importation of automobiles from Japan. The quota would be set at a level of 1.6 million cars per year, for the next 3 years.

What has brought us to this moment, we two who consider ourselves strong proponents of free trade?

The reason is simple: The U.S. automobile industry is in a state of crisis. The three large U.S. automakers lost more their sales were at the lowest level in 19 than $4 billion last year, a year in which years. Nearly 200,000 auto workers have been laid off—most of them permanently.

At the same time, the U.S. automakers must invest an estimated $80 billion over the next 5 years to retool their plants for the production of the smaller, more fuel-efficient cars required in the future.

While the U.S. auto industry flounders, the Japanese auto producers thrive. Just 5 years ago, the Japanese exported 900,000 cars to the United States. Last year, they exported about 1.9 million—an increase of 111 percent. Their share of the U.S. market increased even more dramatically, from about 9 percent of the market in 1976 to about 22 percent of the market last year. So, in the face of a total market which declined more than 10 percent, the domestic producer's total sales dropped more than 23 percent, from 8.6 million cars to 6.6 million in 1980.

How did we get into this mess?

It is not my intention here to place blame on any particular party, but merely to point out that responsibility must be shared. Corporate management clearly made some wrong decisions in the mid-1970's. Organized labor pushed successfully to make U.S. auto workers the highest paid manufacturing workers in the country. Even the U.S. consumer played an important role by continuing to buy large domestic cars throughout the 1970's.

The Government itself was a major contributor to the current situation. Federal controls on domestic oil prices held gasoline prices artificially low, encouraging consumers to continue buying the larger cars and avoiding the smaller cars domestic producers were beginning to produce. This further delayed the conversion to small-car production.

Now we are in a situation where gasoline prices more than doubled in the last 2 years. Consumers are turning in droves to Japanese imports, and the U.S. automakers are struggling to make the incredibly expensive conversion. In the process, Chrysler is being kept afloat with Federal aid, Ford has some very serious problems, and General Motors lost money in 1980 for the first time in more than 50 years. The new administration last week took the necessary step of lifting all remaining controls from domestic oil and gasoline prices, but this, too, will exacerbate the short-run problems of the U.S. industry.

There is one more contributing factor to the plight of our auto industry—free access to the U.S. market. This is something in which this country should take significant pride. I am a firm believer in free trade, but I think it must be a two-way street. Unfortunately, the U.S. market is the last open auto market of any size in the world.

Most of the large Western European countries have reached formal or informal arrangements with Japan to restrain imports of Japanese cars into those countries. Most of those countries effectively limit the Japanese to less than 10 percent of their auto markets. Last week, meetings were held in Tokyo between representatives of the European Economic Community and the Japanese. The outcome of these meetings could well be further restrictions on Japan's auto

sales to Europe. Yet, the Japanese producers continue to expand their productive capacity at a rapid pace. It is clear that the U.S. market is their target.

Unfortunately, we do not enjoy similar access to Japanese markets. In fact, although the Japanese have traditionally had free access to our markets, we have had to negotiate our way painstakingly into theirs. It took years of negotiations with them just to earn the right to bid on contracts for a portion of their computer and telecommunications business. After many years, we have made only limited progress in gaining access to their markets for beef, citrus fruits, and other agricultural products. The Japanese know a great deal about barriers to free trade.

What should be done?

The answer is not simple. It will require cooperation and concessions from labor, management, and the Government. In the near future I expect that legislation will be introduced and enacted in the tax and regulatory areas which will help our industry to meet the staggering capital requirements of the next few years. During that time, it is imperative that the U.S. producers not suffer further erosion of their share of the U.S. market. That is an important factor in bringing me so reluctantly to the step being taken today.

The proposed quota is intended to do two things: Provide the U.S. industry a small degree of breathing room while it retools; and guarantee to the Japanese significant ongoing access to the U.S. market, thus preserving a degree of choice to U.S. consumers.

I am not so naive as to believe that there will be no negative side effects of this action. Any limit on consumer choice is bad; any limit on free trade is bad. The first breeds inflation, at least in the short run, and the latter invites further restrictions.

Unfortunately, the alternatives are even worse. The failure of a significant portion of the U.S. auto industry will also be inflationary, as Government is forced to pay billions in unemployment compensation, welfare, trade adjustment assistance, and aid to depressed areas. The possible social cost is difficult to comprehend, since one of six U.S. jobs is related to the auto industry. In the long run, I believe a quota, in concert with other initiatives, will be anti-inflationary, since it will assist our industry in becoming more productive and more competitive.

There is no denying that quotas, in general, constitute poor public policy. But these are extraordinary times. We all must recognize the critical condition of the U.S. auto industry, the fundamental importance of that industry to this economy, and the need to make some hard decisions to guarantee the continuing health of the industry.

The automakers seem ready to respond. They have already committed themselves to the largest private investment ever undertaken. Their efforts must not be in vain. All of America has a stake in the outcome.

Mr. President, this bill will be introduced with the following cosponsors in addition to myself: Senators BENTSEN, RIEGLE, GLENN, EAGLETON, LEVIN, and METZENBAUM. It is anticipated that in the days ahead there will be a significant number of additional cosponsors.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For purposes of this Act—

(1) The term "automobile" means an on-the-highway, four-wheeled, passenger automobile provided for in item 692.10 of the Tariff Schedules of the United States (19 U.S.C. 1202).

(2) The term "entered" means entered, or withdrawn from warehouse, for consumption within the customs territory of the United States.

(3) The term "Secretary" means the Secretary of the Treasury or his delegate.

SEC. 2. QUANTITATIVE RESTRICTIONS DURING 1981, 1982, AND 1983.

During each of calendar years 1981, 1982, and 1983, the aggregate quantity of automobiles that may be entered from Japan may not exceed 1,600,000. The quantitative limitation imposed under this section for each of such calendar years may be applied by the Secretary on a calendar quarter or other intra-annual basis if the Secretary determines that such application is necessary or appropriate to carry out the purposes of this Act.

SEC. 3. ADMINISTRATION.

The Secretary shall take such action as may be necessary to ensure that the quantity of passenger automobiles which may be entered during calendar years 1981, 1982, and 1983, or any intra-annual period therein, does not exceed the limitation established for that year or period under this Act.

Mr. BENTSEN. Mr. President, I am pleased to join Senator DANFORTH, my colleague on the International Trade Subcommittee, in sponsoring legislation to limit temporarily the number of Japanese automobiles imported into this country. Together with our cosponsors, we seek a quota of 1.6 million units per year for 1981, 1982, and 1983, or approximately the average of Japanese imports for the 1978–79 period.

As we noted in our press conference on Tuesday, Senator DANFORTH and I take this action reluctantly. In recent years I have frequently voiced my deep concern about some aspects of the United States-Japan trade relationship. But until this week, those concerns have been contained within the limits of an abiding commitment to policies of free trade. I have considered and rejected the notion of quotas.

However, Mr. President, there are limits to any doctrine, and in this case those limits are exceeded. Last year, we had a $9–10 billion automotive trade deficit with Japan. That is a lot of money. It is equivalent to the Japanese defense budget for 1980. It is one-third of our total world trade deficit.

This action does not come easy for me, because I have opposed quotas for a long time, and I am a free trader; but I believe we have an extraordinary situation facing us.

We have a situation in which every other major trading country in the world has put some kind of limitation on the importation of Japanese cars. The French are talking about a 3-percent limitation. The Italians have a quota of 2,200 Japanese cars a year. The English and Japanese have agreed on a 10-percent limitation. Now the entire European Common Market is discussing with the Japanese this same 10-percent limit.

For 2 years we have negotiated with the Japanese, trying to get some voluntary restraints on the importation of their cars into this country. During that time, they have told us, "Have patience. We are working on it. We are going to do something about it." Meanwhile, they are working overtime to build cars. They have invested billions of dollars in increased production.

With import restraints in these other countries, where do you think this increased production will go? It is headed for these shores.

We have almost 200,000 auto workers unemployed in this country today; total unemployment in related industries probably exceeds 1 million. We all know what it means to be without a job in America. We can understand the depth and pain of 1 million intense personal tragedies. We can appreciate the cost involved in paying unemployment insurance and trade adjustment assistance to hundreds of thousands of workers who have lost their jobs through no fault of their own.

There are very few nations in the world, Mr. President, that would accept 200,000 unemployed as the price of maintaining a commitment to open markets. Can anyone seriously suggest that the Government of Japan, which practices predatory trade policies and protects groups like citrus growers and cattlemen with a vengeance, would stand idly by and watch 200,000 workers enter the rolls of the unemployed as evidence of their commitment to free trade?

As we look around the world at major trading nations like France, Great Britain, and Italy, we see increasing evidence of their unwillingness to have their automotive industries routed and destroyed by Japanese competition.

The British have a gentleman's agreement holding the Japanese to 10 percent of the market; the French are less generous, giving the Japanese a paltry 3 percent; the Italians take 2,200 Japanese cars per year. But the Japanese currently have 22 percent of our market, the world's largest. They have doubled their exports to the United States since 1976.

One does not have to be an economic genius, an expert in international trade to understand that the Japanese are spending billions. They are working overtime to increase their production of automobiles while facing closed or limited markets everywhere but America. It is no secret where this additional production will be marketed.

It is clearly intended for the American market, and it is coming on line when our producers lost over $4 billion last year, when they must spend some $80

billion to retool and modernize over the next 5 years, and when an industry absolutely vital to our security and future prosperity is at its most vulnerable.

Mr. President, it gives me no pleasure to say it, but I think we need quotas on Japanese imports, and we need them now. The sooner the better.

But we must also understand, right from the outset, that quotas are not a solution to the problems facing the U.S. automotive industry. Those problems are deeper and more complex than simple import penetration. They can only be solved through active, long-term cooperation among management, labor, and U.S. policymakers.

If U.S. producers seek to hide behind quotas to defer hard decisions or to increase prices, then the whole notion of temporary, emergency protection will lose its rationale. But if we can provide a breathing space with this legislation, if we can help our producers protect their market share and give them an opportunity to retool and regroup, if we can give supply side economics a chance to take hold, then 3 years of quotas could well help restore health and prosperity to the U.S. automotive industry. They could set the stage for recovery.

I want to emphasize, Mr. President, that Senator DANFORTH and I appreciate the depth and complexity of our economic problems in general and the issues troubling the auto industry in particular.

In an effort to encourage some of the basic, fundamental changes that can restore productivity and real growth to our economy, we have joined in supporting legislation designed to encourage investment in the most modern means of production through more rapid depreciation schedules. That is precisely the sort of investment the domestic auto industry needs to remain competitive.

As we look for policies that will give the American worker the most modern and effective means of production, we must also take a careful look at the regulatory cost we have dumped with such abandon on the shoulders of American industry, which is struggling with the pressures of inflation.

In short, Mr. President, we must look beyond the skirmish line of quotas and see the big picture. We must examine our automotive problems in the context of our overall economic problems. Then we must move promptly to encourage the supply side of the economy, cut back on the cost of regulation, and break down the adversary relationship between business, labor, and Government.

A friend said to me, "Don't you think the American people want to have a free choice of what kind of car they should buy?" I certainly agree with that. But unless we do something like this, there will be no free choice of American cars, because Chrysler will go down the tube, and then perhaps Ford. American Motors already has a foreign owner to a very substantial degree. Perhaps, finally, General Motors will remain. Otherwise, the choice will be limited to foreign cars.

So we have an exceptional, extraordinary situation that I believe, calls for extraordinary action.

This is something that can be resolved by the executive branch. I hope it will be. But if it is not, we should continue to move ahead on this proposed legislation.

My friends have said to me—

Don't the Japanese have free trade? Don't they have low tariffs on the cars we try to sell to them?

That is right. But that is not the whole story. A Toyota sells for virtually the same price in this country that it sells for in Japan. What happens to a Ford Fairmont or a Chevette? In Japan, it sells for almost twice what it sells for here.

It is not the tariffs, but it is all those subtle, invisible nontariff barriers that come into play as we try to sell our autos to them.

Trade is a two-way street, and free trade should be a two-way street.

So I am delighted to join my distinguished friend from Missouri in cosponsoring this piece of legislation.

Mr. President, the future of the U.S. automobile industry hangs in the balance: Hundreds of thousands of jobs are on the line. I urge my colleagues to join us in the effort to provide some temporary relief for an essential industry while we provide the incentives for the sort of investment that will enable American auto producers to return to their traditional position of preeminence in the world.

● Mr. LEVIN. Mr. President, I want to congratulate Senator BENTSEN and Senator DANFORTH for introducing this bill (S. 396). I believe, as they do, that we have spent too much time trying to send signals and messages to Japan. Now it is time we took some action.

While I personally would like to see even stronger action than that proposed here, I am proud to associate myself with this bill. The plain fact is that the crisis which confronts the auto industry is more than an economic crunch: It is a collapse of an entire life for the people and communities affected.

My home State of Michigan has always been the physical and spiritual home of the auto industry. And we are paying for that now in blood. My State is slowly bleeding to death. We have the highest unemployment rate in the Nation, 7 of the top 10 cities in terms of unemployment are in my State. We have close to 215,000 people who have already exhausted their unemployment benefits and now, if they are to survive, have to try and qualify for general assistance. And there are more of them coming in to the social service offices every day.

Mr. President, this bill—even if adopted today—would not solve the problems these people and this industry confronts. But it is a step. And it is a step which we can take without causing anyone any pain. The Japanese have enough workers on overtime to allow us to cut back their imports without throwing them out of work. And any increase in consumer costs which might—and I stress might—result from this plan would be more than offset by a reduction in government expenditures to support the American workers who are now unemployed.

We have debated this problem and debated this problem. And the people of my State—and every State since the auto industry is a basic component of our economy which affects every State and every region in this country—have suffered and suffered while we have debated. The time for debate has passed and the time for action is here. This bill is a responsible approach to a component of the problem. I congratulate Senator BENTSEN and Senator DANFORTH for introducing it and I hope that their action will result in prompt action here in the Congress and down Pennsylvania Avenue and in other capitals around the world.●

Mr. GLENN. Mr. President, I rise to join my colleagues, Senators DANFORTH and BENTSEN, in cosponsorship of S. 396, a bill to restrict the importation of Japanese automobiles. This bill would impose a quota of 1.6 million cars per year on Japanese imports for the period 1981–83, a time of retooling and transition for our domestic auto industry.

In the past, I have been reluctant to endorse action such as this because I believe strongly in the principles of free trade and am proud of America's leadership role in the liberalization of international trade. The recent surge of Japanese imports into our domestic auto market, however, has brought widespread injury to our economy that must be relieved. Auto imports increased from 18 percent of the U.S. auto market in 1978 to 28 percent in 1980, with Japan's share of this import market increasing from 70 percent in 1978 to 80 percent in 1980. This unprecedented penetration of our Nation's most important industry has taken a frightful toll on American workers and their communities.

By the end of 1980, more than 190,000 auto workers—24 percent of the auto work force—were on indefinite layoff. Projections for 1981 indicate that approximately 150,000 workers will remain on indefinite layoff throughout this year. In addition to the dislocation of our auto workers and their communities, our automakers are staggering under the burden of increased imports.

In 1980, Chrysler, Ford, and General Motors suffered losses totaling more than $4 billion. These losses are especially devastating in light of the more than $80 billion in retooling investments that our automakers must underwrite to complete their transition to the production of new, fuel-efficient models. This senseless hemorrhaging of our economy's life blood must be stopped and stopped now. Without the protection of import quotas provided by this legislation, our auto industry will have neither the time nor the resources to become fully competitive.

Now there are those of the Adam Smith school of thought who would respond to the plight of our auto industry with an attitude of "laissez-faire"—let the auto industry migrate overseas, let the invisible hand of the marketplace direct the allocation of our resources and employment. This attitude is shortsighted, naive and irresponsible. It is shortsighted because it fails to appreciate the tremendous interrelation of the auto industry with the rest of our economy. It is naive because it fails to un-

derstand the changing context of international trade within which our auto industry operates. It is irresponsible because it fails to consider the serious foreign policy implications of any further erosion of our industrial base. Let me briefly discuss these concerns.

I. INTERRELATION

The interrelation of our auto industry with the rest of our economy is a product of our Nation's industrial development and underlies our Nation's broad-based economy vitality. Automobile and truck production and services account for about 8½ percent of our GNP and approximately one-quarter of U.S. retail sales. Auto manufacturing consumes 21 percent of the Nation's steel production, 30 percent of its ferrous castings, 60 percent of its synthetic rubber, 11 percent of its primary aluminum and 20 percent of its machine tools. In total, more than 4 million people directly owe their employment to the automobile, including approximately 800,000 in direct manufacturing, 1.4 million in supplier industries and 2.6 million in sales and servicing.

Because of the large scale and broad scope of its activities the auto industry has played a central role in the definition and realization of our broadest national goals: full employment, broad-based industrial strength, high standard of living, technological innovation and national security. Correspondingly, the future of this industry holds the answers to important questions about America's future at home and abroad: About the kind of employment we can provide, about our ability to meet our energy and transportation needs, about our national security as defined by our industrial might, about our competitive position in the world economy.

II. INDUSTRIAL TRADE

On this last point, our competitive position in the world economy has deteriorated because we have failed to develop a foreign trade policy responsive to the changing context of international trade. Whereas private, multinational firms seeking the most efficient production and distribution of goods and services once dominated world markets, economic nationalism now prevails. In the critical areas of oil, steel, and autos, Government owned or directed, vertically integrated corporations shape the flow of trade as instruments of national policy with political rather than economic goals directing their action.

The postwar American challenge we issued to our trading partners was not met with a purely American response. Industrial development programs in Italy, France, Great Britain, Japan, and the developing nations are hybrids of the American model and their implementation has altered the evolution of world trade. I do not advocate the adoption of these economically nationalistic policies, but we cannot shape a coherent, effective foreign economic policy without recognizing their unsettling effects on world trade and American industries.

The import quotas proposed in S. 396 are a step in this direction. They tell our trading partners that our markets will not be fair game until the game is fair. Just as our Federal Government has a commitment to insure that competition among firms in our domestic market is fair, so does it have a responsibility to insure that American firms are not unfairly disadvantaged in world markets as a result of their commitment to free enterprise.

Through the Marshall Plan and other development assistance programs, the United States helped Europe, Japan, and the developing nations establish their industrial strength. We generously stood back while they nurtured their auto industries with financial assistance and protectionism. While we continue to provide the shelter of our defense umbrella, they strike out on economically nationalistic and independent trade policies. It is time now to adjust our policies to the new realities of the global market.

Just as we can no longer afford to be the world's policeman, neither can we afford to be its only willing customer for new cars—if for no other reason than that our national security interest cannot accept further erosion of our industrial and employment base.

III. NATIONAL SECURITY

Throughout most of this century, the auto industry has acted as a catalyst in the mobilization of our industrial strength and defense capability. Indeed, the most serious long-run implications of a laissez-faire approach to the problems of the auto industry may be the loss of opportunities for innovative interactions between small and large, high technology firms who supply the auto industry. With any decline in U.S. producers, there will be an inevitable shift in the locus of new product development and tooling to offshore production sites. This raises important implications for innovation in other sectors.

Historically, the automobile industry has created a vital market for innovative products that are developed by other sectors. In instance after instance, the automobile industry by virtue of its size and complexity has created the sort of unique specialty market that is needed to support the initial introduction of highly innovative products like computer-aided design, industrial robots, new materials such as special strength steels and plastics, the applications of lasers in production processes, and so forth.

The national and the geographic distance between customer and producer is very important in such innovative processes. The implications of migration in the locus of automotive design and development to offshore locations would severely weaken our electronics, plastics, high strength materials and other industries vital to our national industrial strength. Moreover, their loss would diminish our capacity to spawn and develop new industries, products and jobs, as well as our ability to mobilize our defense capability.

Equally important is the role our industrial might plays in defining our position in the world. Our strategic position could be gravely undermined were we to depend on others for our basic manufactured goods. As we have learned with our oil supplies, our national security can be threatened as much by a vulnerable position in international economic competition as by a direct military threat.

As I mentioned earlier, proponents of strict Adam Smith economies might respond to the plight of the auto industry with an attitude of "laissez-faire"—let the market transfer our resources from less competitive to more competitive industries. This view is shortsighted because it neglects the fact that until the energy shock of 1978, occasioned in part by the failure of our Government to establish a sound energy policy, our auto industry was fully competitive. This view is naive because it fails to understand that our industries' international competition is not purely economic, but rather political-economic in nature. This view is irresponsible because it fails to address such long-term questions as:

Where are the "more competitive industries" to replace the automotive industry? What new industries can offer employment to the millions now at work in the auto industry?

What new industries can replace this source of industrial strength and technological innovation for the other sectors of our economy? What new industries can provide the base for mobilization of our defense capability?

The issues I have outlined above reflect my concerns about the long-term implications of a failure to implement import quotas on Japanese autos. But the implementation of this short-term policy will do us little good unless we develop a long-term strategy to deal with the manifold problems of the auto industry. In my view, such a strategy must be based on the two-fold understanding that: First, our national industrial base faces unprecedented international challenges that are more than purely economic—that are, in fact, political-economic in nature, and second, our national industrial strength is and will continue to be affected by Government policies.

These factors require that we establish a more effective working relationship among the key sectors of our industrial economy—Government, business, and labor—so that we can meet the combined industry-Government competition mounted by our trading partners. While recognizing the important influence of Government policy, such a compact must be dedicated to achieving industrial vitality through independent, profitable enterprises directed so far as possible by free-market forces.

Second, we must insist that our economic policymakers look further ahead than is their custom, so that future problems may be seen before they reach epidemic proportions. In the auto industry, for example, recent studies have indicated that long-range changes in the demand for autos—and the way they are made and the new materials used in them—may have fundamental and severe impacts on auto workers, supporting industries and their communities. These impacts must be explored and evaluated if future crises are to be averted.

In short, we have to take a longer view

of where we think the U.S. auto industry will be in the mid-eighties rather than merely focus on its short-run trade problems. The trade problems are real, but they are not the only or even the major problem facing the auto industry. It is our failure to engage in long-term strategic thinking about the United States in a changing global context that has brought us our present difficulties.

Third, we must adopt the tax changes necessary to facilitate capital formation and stimulate investment in our Nation's industries. Actions we should consider include liberalizing depreciation rates to encourage modernization, providing incentives to stimulate savings and refundable tax credits under special conditions.

Fourth, we must enact regulatory reform—stripping away unnecessary regulations and insuring that necessary regulation is undertaken in a coherent and cost-effective manner.

And fifth, we must commit ourselves to much greater efforts in industrial research and development. Revolutionary economic challenges cannot be met with evolutionary technologies. Our trade competitors are mounting an all-out effort to be first on the market with hybrid and all-electric cars. This is one technology race we cannot afford to lose—and it is a race where the risks and capital investments are too great for us to win without greater industry/Government cooperation. We must act now—especially in the critical area of energy storage—to reestablish the United States as the world leader in auto technology. If we do not, we will find ourselves in this same unfortunate condition within a decade.

● Mr. RIEGLE. Mr. President, I am pleased to join in cosponsoring this bill to limit the number of Japanese autos to be imported into this country during the next 3 years.

This bill takes a significant step that has now been made absolutely necessary because the Japanese auto manufacturers continue to show their utter disregard for the damage being inflicted on the American auto industry. As the flow of Japanese auto imports has surged to record levels, Americans have explained that these trends pose a long-term threat to the U.S. economy. We had hoped that the Japanese car makers would show restraint. Instead they have continued a massive effort to penetrate and hold a greatly enlarged share of our market.

Mr. President, the Japanese are exploiting our open trade policies at a time when we are most vulnerable. U.S. auto companies badly need some breathing space. Our domestic auto industry has made an all-out commitment to a historic, $80 billion conversion of their plants and product lines to produce new, fuel-efficient cars and trucks.

The stakes are enormous for almost every part of our country. Auto manufacturing remains this Nation's premier industry. It creates 1 out of 12 manufacturing jobs in the United States. The health of the auto industry makes the difference between profit and loss for thousands of firms in many different industries.

Domestic auto sales have been in a deep slump for more than a year. Sales of U.S.-built cars in January were 20 percent below last year's already poor levels. That is weakening U.S. companies precisely when they need additional cash for new investment and it is keeping auto unemployment at record high levels.

The financial strain on U.S. auto firms makes the Japanese import pressure extremely dangerous. Japanese auto makers increased their annual sales rate here in the United States from 1.6 million units to 2.1 million units in little more than a year. The rate of increase has directly caused the layoff of more than 100,000 American workers and has already cost Americans over $3 billion in lost revenues, and higher spending for unemployment insurance, trade adjustment assistance, and other programs. If that increase were to continue, it would transfer $10 to $12 billion in capital from U.S. industry to Japanese firms over the next decade.

Unless we take firm action, the problem can get much worse. Japanese companies are expanding their production capacity at the same time that most markets for their cars are tightening. The Japanese Government recently announced its intention to increase commodity taxes, A move that will reduce car sales in Japan, free up productive capacity, and create new pressure for Japanese exports. Other countries are putting up effective resistance through quotas and silent negotiations to increased Japanese auto imports. In the next few years, Japanese auto firms will have even stronger incentives to ship cars to the United States.

Senators DANFORTH and BENTSEN clearly understand the magnitude of this threat and are proposing a careful, minimal and temporary reduction in auto imports. I still hope that the President and the Japanese Government can negotiate a detailed agreement that is in the best interests of both our countries. However, this bill establishes the maximum level of imports that any reasonable agreement must achieve.

I am pleased that the two leading Senators on the Senate Trade Subcommittee have taken this action today. It reflects a dramatic change in the mood of the Senate from just a year ago. It offers new hope that this Congress will respond effectively to the crisis facing our most important industry.●

By Mr. JACKSON:

S. 397. A bill to authorize the appropriations for activities and programs carried out by the Secretary of the Interior through the Bureau of Land Management and for other purposes; to the Committee on Energy and Natural Resources.

AUTHORIZATION FOR ACTIVITIES OF BUREAU OF LAND MANAGEMENT

● Mr. JACKSON. Mr. President, I am introducing today legislation which authorizes funds for the programs, functions, and activities of the Bureau of Land Management for fiscal years 1982–85.

This particular measure was transmitted to the Congress last October by former Secretary of the Interior Andrus. In accordance with section 318(b) of the Federal Land Policy and Management Act of 1976 (FLPMA), this request represents his estimate, without reference to external budget guidelines, of the amounts that can be efficiently and effectively utilized for the Bureau's programs.

While I realized that a revised request may be forwarded to the Congress in the near future, I think that it will be helpful to have this material available to all interested parties as we begin our work on the BLM's quadrennial authorization.

I ask unanimous consent that the bill, the transmittal letter, and some background information appear in the RECORD at this point.

There being no objection, the bill, letter, and background material were ordered to be printed in the RECORD, as follows:

S. 397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That pursuant to Section 318(b) of the Federal Land Policy and Management Act of 1976 (31 U.S.C. 1301 note), there are hereby authorized to be appropriated the following sums for activities and programs administered through the Bureau of Land Management:

(a) For management of lands and resources, excluding emergency firefighting and rehabilitation and for land acquisition, construction and maintenance: $425,000,000 for fiscal year 1982, $475,000,000 for fiscal year 1983, $525,000,000 for fiscal year 1984, and $570,000,000 for fiscal year 1985;

(b) For implementation of the Act of October 20, 1976 (31 U.S.C. 1601); such sums as are necessary for payments for fiscal years 1982, 1983, 1984 and 1985;

(c) Amounts equal to a percentage of the amounts in subsection (a) of this section for each fiscal year, not to exceed the percentage change in the United States Gross National Product Implicit Price Deflator, using the last quarter of Fiscal Year 1980 as the base.

SEC. 2. Subsection (b) of section 318 of the Federal Land Policy and Management Act of 1976 (43 USC 1701, 1748) is deleted and the following is substituted therefor:

"Consistent with section 607 of the Congressional Budget Act of 1974, beginning May 15, 1977, and not later than May 15, 1980, the Secretary shall submit to the Speaker of the House of Representatives and the President of the Senate a request for authorization of appropriations for all programs, functions, and activities of the Bureau to be carried out during the four-fiscal-year period beginning on October 1 of the calendar year following the calendar year in which such request is submitted. Not later than May 15, 1984, and every five years thereafter, the Secretary shall submit such requests for authorization of appropriations for all programs, functions and activities of the Bureau to be carried out during the five-fiscal-year period beginning on October 1 of the calendar year following the calendar year in which such request is submitted."

SEC. 3(a) Subsection (k) of section 204 of the Federal Land Policy and Management Act of 1976 (43 USC 1714) is hereby deleted and the following subsection (l) relettered as subsection (k).

(b) Paragraph (3) of new, relettered subsection (k) is hereby deleted.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., October 17, 1980.

Hon. WALTER F. MONDALE,
President of the U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: In accordance with section 318(b) of the Federal Land Policy

and Management Act of 1976 (FLPMA), I am enclosing a request for the authorization of appropriations for programs, functions and activities of the Bureau of Land Management for fiscal years 1982–1985 covered under the statute. This request, in accordance with the law, represents my estimate, without reference to external budget guidelines, of the amounts that can be efficiently and effectively utilized for the Bureau's programs. As such, the requested authorization levels were necessarily developed outside the context of the Administration's budget and fiscal policy objectives. The Bureau's annual appropriations requests will, of course, be determined through the normal Congressional and Executive Branch budget process. The status of this request in relation to the overall program of the President is undetermined.

The requested levels, in millions of 1980 constant dollars, are:

1980 Appropriated, 315.

1981 Budget, 349.

Requested authorization levels 82, 425; 83, 475; 84, 525; and 85, 570.

This request marks the first time that the public has been asked to help shape broad objectives for the management of the public lands. These levels would allow the Bureau to respond to public land managmeent objectives and concerns over the four-year period and make substantial and balanced progress in implementing FLPMA's mandate in a professional manner, meeting all mandated schedules and Departmental priorities. By 1985, the Bureau will be in a better position to provide the high quality, responsive, and comprehensive program of management and services that will be required to meet demands in the latter half of the decade.

Key elements of the proposal are as follows:

Accelerate wilderness reviews to complete the process by 1987, rather than the 1991 deadline required by FLPMA. The acceleration process would expedite reviews in the Overthrust Belt and other areas with the potential for energy development in order to expedite protection of designated areas and to allow development in non-designated areas as rapidly as possible. The acceleration process does not assume that any wilderness reviews would be conducted in Alaska, pending the resolution of D–2 legislation.

Expand funding for rangeland management above the basic FLPMA authorization. These funds, together with amounts provided under the Public Rangelands Improvement Act and the Range Improvement Fund, would provide for a continued high level commitment for improving the productivity of public rangeland.

Meet leasing schedules for oil and gas leasing on the Outer Continental Shelf and for the coal program. Additional support is provided under the four-year period covered by the authorization, not only to meet the coal leasing schedule and the five-year OCS leasing schedule, but to initiate pre-lease activities and studies for OCS sales beyond FY 1985.

Provide support for other onshore energy programs, primarily to reduce the lease application backlog, emphasize leasing in the Overthrust Belt, and ensure proper administration of simultaneous oil and gas filings. Authorization levels provide funding for proposed legislation for NPR–A, geothermal and oil and gas leasing, and a prototype oil shale leasing program, as well as support for implementation of a permanent oil shale leasing program and a tar sands leasing program.

Meet FLPMA requirement to complete withdrawal reviews by 1991, review permits in the non-energy related area on a more timely basis, and continue efforts to reduce the non-energy case backlog. An amendment to FLPMA is proposed to repeal authorization earmarks of $10 million each for withdrawal processing and review. With regard to withdrawal review, data from the BLM indicate that it could cost considerably more than the current earmark to complete the program by 1991, and funding for both processing and review should be handled within the overall authorization level.

In addition to the draft bill, I have enclosed a table of assumed program levels which were used to arrive at an authorization request. In order to facilitate comparison, the authorization requests for FY 1982–FY 1985 are in 1980 dollars and do not take into account the impact of inflation. However, I have proposed language in the draft bill to mitigate the potential impact of inflation. Moreover, each year's authorization would include an undistributed contingency of 7 percent of the assumed program level to assure that the Bureau has the capability to respond to unforeseen program requirements.

A backup report entitled "Bureau of Land Management Four-Year Authorization" has been distributed to the Chairmen and staffs of the appropriate House and Senate Committees.

In addition to establishing the recommended authorization levels, the draft legislation would also amend FLPMA to provide for a five year authorization cycle. The amendment to subsection 318(b) of the Act would coordinate the long range planning cycle of BLM with that of the Forest Service and other land resource management agencies under the Resources Planning Act and Resource Conservation Act, as well as with the OCS sale planning schedule.

I firmly believe now is the time to invest in reducing backlogs, in protecting and enhancing past public investments, and in assuring the future productivity of public lands. We can do this by providing a level of management that meets the broad range of local, regional, and national concerns and needs and serves both public efficiency and public interest goals.

We recommended that the attached draft bill be referred to the appropriate Committee and that it be enacted.

Sincerely,

GUY R. MARTIN,
Assistant Secretary.

INTRODUCTION: OUTLOOK FOR PUBLIC LAND MANAGEMENT 1982–1985

The next four years are a critical period for public land management in the U.S. and for the Bureau of Land Management, the agency that manages the Nation's public lands and offshore resources. Both the demands on the public lands and resources, and the complexity of managing them for multiple use are increasing dramatically. Competition for the use of the lands and resources is also increasing, and the stakes are getting higher every year. As a result, the course of public land management in the next decade and beyond is likely to be characterized by unnecessary controversy unless there is a clear commitment now to a comprehensive public land management program.

The Department's Four-Year Authorization Request is both such a commitment and a crucial determinant of the Bureau's capability to respond to the Nation's commodity and non-commodity needs in the short term as well as into the next decade. The request includes increases that are fiscally responsible and adequate to enable the Bureau to provide more intensive and professional management of the public lands and more efficient and imaginative public service.

From the broad, national perspective, new energy production and distribution will be the most urgent demand on the public lands and the outer continental shelf (OCS); it is difficult to overstate the role that the BLM-managed lands must play in energy production and siting energy facilities.

People in the West are generally supportive of the orderly development of their energy and mineral resources, but they are justifiably concerned about the resulting impacts on their traditions, resource-based industries, environmental assets, and social values. The West is also looking to the Federal Government for a fundamental commitment to improve the management of the renewable resources of the public lands, with particularly strong interest in the restoration of the rangelands to increase livestock production and to protect and enhance wildlife. Similarly, coastal residents are concerned that effects of offshore oil and gas development be fully evaluated, and that adequate consideration be given to other uses of coastal resources in OCS lease sale decisions.

Both westerners and other concerned citizens and interest groups throughout the U.S. also have a high interest in such issues as protecting the Nation's heritage of archaeological and cultural resources, preserving the wilderness values of this part of the American frontier, and using the West's open spaces for recreation.

The Bureau of Land Management has designed a responsive and flexible decisionmaking and management system that can meet these local and national needs, respect western and other values, and carry out sensitively and professionally the requirements of the law. The Bureau must now move ahead with determination to implement good decisions and effective management of the Lands and the OCS. To implement such decisions, the Bureau must develop the necessary policies, plans, management infrastructure and funding. This is the time to invest in reducing backlogs, in protecting past public investments, and in assuring the future productivity of the public lands and the offshore resources. The investments requested in this authorization will provide a level of public land management that responds to western and national interests effectively, efficiently, and in a political environment of confidence and trust.

I. LEGISLATIVE REQUIREMENTS

Section 318(b) of the Federal Land Policy and Management Act (FLPMA) of 1976 requires that the Secretary of the Interior submit to the Congress every four years a request for authorization of appropriations for the programs of the Bureau of Land Management (BLM). The request sets funding ceilings for yearly appropriations and identifies the funding levels that ". . . can be efficiently and effectively utilized . . ." in executing Bureau programs.

This request, in accordance with the law, represents the Secretary's estimate, without reference to external budget guidelines, of the amounts that can be efficiently and effectively utilized for the Bureau's programs. As such, the requested authorization levels were necessarily developed outside the context of the Administration's budget and fiscal policy objectives. The Bureau's annual appropriations requests will, of course, be determined through the normal Congressional and Executive Branch budget process.

II. THE REQUEST'S DEVELOPMENT AND REVIEW

Before describing the requested authorization levels, it is important to highlight the thorough staff effort put forth on this request by several offices throughout the Department.

In developing this Four-Year Authorization Request, BLM took the initial step by creating the comprehensive "program development process" called for by President Carter in his Second Environmental Message, coordinating the process with the Forest Service's Resources Planning Act (RPA) program. The President's directive called for a process

that would set long range goals; analyze alternative programs and investment strategies; foster environmentally sound, fiscally responsible, and economically efficient investment, development, protection, and resource use decisions; and involve interested citizens and State and local governments. Using this process, BLM identified alternative authorization levels for individual programs, which were described generally in the Four-Year Authorization Report to Congress.

In October 1979, BLM began consulting with affected and interested States, local government officials, individuals, industries, and organizations to assess their desires and perceptions regarding the need and future of public land management. (A summary of these consultations is included in the appendix to the Four-Year Authorization Report to Congress.) Each BLM field office evaluated the impact of these public needs and perceptions and estimated the resulting workload—given current Departmental policies and practices, court decisions, and statutory deadlines.

BLM's field personnel then developed both the workload and pricing estimates for individual programs, which were evaluated by the BLM State Offices and by program officials in Washington. The estimates were compared with known pricing factors and workload trends, when available, and were subjected to the best judgment and analysis of experienced analysts and managers at several levels of BLM. Through this process, the estimates of individual program needs were tightened and refined.

In April, a draft Report describing three alternative funding levels for the Bureau's major programs was distributed, and was reviewed by the State Directors, the National Public Lands Advisory Council, the staffs of the Assistant Secretary for Land and Water Resources and the Assistant Secretary for Policy, Budget and Administration, other Interior and Federal agencies, State Governors, and interested individuals and groups. Their comments and the additional analyses they generated helped to further refine both the definition of needs and alternative investment strategies.

Over the last three months, intensive departmental staff review has identified a number of individual program efficiencies and cost savings that were not previously incorporated in the Report to Congress.

This development and review process has led to an authorization request, with supporting documentation, which is efficient and effective—planning for increases where justified, and incorporating cost reductions and efficiencies in program activities wherever feasible.

III. GENERAL DESCRIPTION OF THE RECOMMENDED LEVELS

The Secretary's request represents a substantially increased commitment to improved management, development, and protection of the resources of the public lands and the OCS. For most of the Bureau's programs, the recommended authorization levels, when viewed over the four-year period, provide sizeable funding increases when compared against actual appropriations for FY 1978–1981. Overall, the authorization request reflects about a 60 percent increase in BLM support over the four years as compared to amounts appropriated for BLM in the preceding four-year period. Historically, revenues generated from use of the onshore resources which the Bureau manages are two to three times as great as the funds spent on management of these resources. For the outer continental shelf lands, the ratio of receipts to management expenses is many times greater. There is good reason to expect that funding increases, which allow greater use of these resources and better service to the public, will cause a significant increase in these revenues.

The request calls for major increases to accelerate development of energy and minerals, rangeland improvements, completion of wilderness reviews, and protection of certain unique resources and values on the public lands. The Secretary's program priorities emphasize on-the-ground investments, more rapid implementation of mandated land use plans, and reduction of backlogs in lease and permit applications for use of the public lands, particularly in areas of heavy or potentially conflicting use. These authorization levels will also help assure that important public needs will not be hamstrung by delays caused by lagging support services such as land surveys, exchanges, and preventive maintenance of existing facilities. The major initiatives include:

More than doubling the number of sales per year—from three sales in FY 1978 to seven sales by FY 1984—as part of the Secretary's accelerated five-year schedule for oil and gas leasing on the Outer Continental Shelf.

Meeting the Secretary's coal leasing schedule under the new Federal coal management program. Under this initiative, the first regular comeptitive sales since the 1970 moratorium on coal leasing are scheduled for January 1981; sales are scheduled for two coal regions during FY 1982.

Expanding support to conduct a new competitive leasing program for private oil and gas exploration and development in the National Petroleum Reserve in Alaska.

Focusing resources on developing other sources of energy—such as geothermal, oil shale and tar sands. Under recent Secretarial decisions, the Department plans to issue the first lease sale under the prototype oil shale program in FY 1983 and the first lease sale under the permanent oil shale program by FY 1985. The first lease sale under the tar sands program is planned for FY 1983.

Accelerating the wilderness review schedule to complete the process by 1987, four years ahead of the 1991 deadline required by FLPMA, to expedite reviews in the Overthrust Belt and other areas with the potential for energy development, to more rapidly protect Congressionally designated wilderness areas, and to allow development in non-designated areas.

Placing heavy emphasis on implementation of on-the-ground improvements for the public rangelands. Over $180 million will be invested in improvement projects, reducing the $39 million backlog in rangeland and wildlife management projects and placing over 114 million acres of rangeland under intensive management. In addition, by 1985 roughly 80 percent of the court mandated EIS's will be completed, and for the first time, we will have accurate inventory data on over 60 percent of the public range. Finally, we will have an ongoing inventory program to track trends in range conditions to provide us with information on the on-the-ground results of the program.

Protecting the cultural resources which have been identified on the public lands and preparing cultural inventories related to other programs such as energy and minerals and recreation.

Implementing the California Desert Plan, with particular emphasis on recreation, including ORV's, cultural resources, energy and minerals, and rangeland management

Reducing the time required to process routine land transactions from 360 days to 210 days or less by 1985. Immediate reductions of backlogged land transactions will occur and the backlog will be eliminated by 1990.

At the same time, the requested levels incorporate some difficult decisions that result from the natural tension between the desire to fund the ideal program, and the recognition of administrative limitations on rates of program expansion and of the overall need for some fiscal restraint. The specific program descriptions in section V below outline in more detail the Secretary's priorities. In general, decisions were:

To more precisely target the collection of the resource data that supports specific resource management decisions, thereby controlling costs, for example in programs such as rangeland inventory and the Outer Continental Shelf studies;

To moderate the rate of implementation activities in certain programs, owing to the particularly high costs of rapid implementation and/or the fact that they are not integrally tied to energy programs, range improvements, or critical resource protection activities (for example, construction of new administrative buildings, visitor service facilities, roads, campsites and other recreation facilities);

To moderate the rate at which service backlogs are reduced (e.g. processing of non-energy mineral patent applications); and

To moderate recommended funding increases in programs where technological or personnel innovations stand a good chance of generating future cost efficiencies or personnel savings (e.g. data management)

After completion of the Four-Year Report, additional detailed analyses were performed on selected programs in the course of the Department's review to ensure that urgent public needs would be met in the most prudent, efficient, and effective manner possible. In some cases, such as Rangeland Management and Energy Onshore, these analyses significantly revised the assumptions that generated the original alternative levels in the Report to Congress. These variations are outlined in the individual program descriptions in Section V below.

The Department's authorization request in millions of 1980 constant dollars, is:

1980 Appropriated, 315.

1981 Budget Request, 349.

Requested Authorization Levels, 82, 425; 83, 475; 84, 525; and 85, 570.

As an annual ceiling on future appropriations, these authorization levels provide sufficient flexibility to meet changing needs and priorities. They do this by including:

A contingency fund (about 7 percent of the programmatic total) added to the cumulative annual totals for individual Bureau programs.

A provision in the proposed authorization legislation which would allow the authorization levels to increase to account for inflation during the four-year period, based on the Gross National Product Implicit Price Deflator. This provision is necessary because the requested authorization levels are given in 1980 constant dollars, rather than actual dollars, and do not include funds to compensate for inflation.

Also, a certain amount of flexibility is provided by the fact that the Bureau's programs are authorized in total for Management of Lands and Resources and Acquisition, Construction and Maintenance, rather than by individual programs. This will allow cost efficiencies or workload changes that reduce funding requirements in one program to compensate for additional requirements in other programs.

Such flexibility is necessary to provide a measure of protection against unforeseen program needs, and for reestimates in pricing and workload estimates when projecting several years into the future.

In contrast, the authorization levels for individual Bureau programs, which were arrived at through intense program analysis of the Bureau's identifiable funding needs, do not have a large measure of flexibility built into them. The cumulative annual total for fiscal years 1983, 1984, and 1985 have been recommended to OMB by the Department to serve as the basis for outyear planning targets for the Bureau. (A table listing the individual program targets accompanies the programmatic descriptions in Section V below.)

This authorization does not include about

$660 million of funds separately authorized and requested in other parts of BLM's annual budget. These authorities include $15 million for the Public Rangelands Improvement Act, approximately $13 million for the Range Improvement Fund (from grazing fees), about $57 million for the Oregon and California grant lands, about $120 million for Payments in Lieu of Taxes, about $455 million paid to States, counties, and local governments from receipts generated by BLM programs, and certain other smaller management and trust funds. In addition, it is assumed that any major new programmatic legislation that would have extraordinary effects on BLM programs would carry its own separate authorization.

IV. THE CHALLENGE OF FUNDING A COMPREHENSIVE AND INTERCONNECTED LAND MANAGEMENT PROGRAM

When compared to the analysis that supported the previous Four-Year Authorization Request (FY 1979–1982), the estimated funding needs outlined in this request represent a significantly greater understanding of three areas:

The dramatically increasing and often conflicting public demands for increased resource production, greater protection of the public lands, and improved management and services from the Bureau of Land Management;

The scope and cost of activities necessary to meet these demands; and perhaps most importantly

The complexity of the issues and the level of management that must be brought to bear in meeting FLPMA's multiple use and sustained yield mandates.

This Four-Year Authorization Request represents, for the first time, a full accounting of the resources required to manage complex and interrelated natural systems, while at the same time applying the principles of multiple use and sustained yield. When the Bureau makes a land use decision or takes a management action for one resource value, it necessarily affects both the natural system and all other values as well.

Full recognition of this central reality of public land management has had significant implications for the Bureau's budget planning in general and for this authorization specifically. Planning decisions for all values are inextricably linked and must be considered together when developing estimated investment needs and corresponding performance. The assignment of a high priority to one program, that affects a given piece of geography, has the effect of raising the priority of all associated activities on that piece of geography. This means that if coal leasing, for example, is placed on a priority schedule in the authorization, then cultural resource and endangered species inventories, grazing plans, wilderness reviews, cadastral surveys, and other related actions on the land affected by the coal leasing decision must be supported at a similar level.

Of equal importance are the funding ramifications of creating a management system that both provides a sufficient level of analysis to address these complex impacts, and that incorporates substantial public involvement. Successfully meeting burgeoning and volatile demands from a wide variety of interests requires a management system that is capable not only of addressing emerging critical issues, but also of handling the interdependency among issues.

That Congress recognized the size, scope, and complexity of this mandate is demonstrated by FLPMA's requirement to put in place a comprehensive, life-cycle land management system that includes:

Implementation of land use plans, particularly with on-the-ground improvements, to increase productivity and resource values on the public lands;

A land-use planning and decision process which provides a balance among a range of use alternatives and includes extensive public input, and which directs the implementation activities of the Bureau;

In depth and periodically up-dated inventories supported by monitoring of resource conditions on the public lands, which supply data to the planning process and determine the effectiveness of implementation activities;

Adequate support for service, operations and maintenance activities to meet public demands, and to protect existing investment, as well as new investments made through implementation activities.

The authorization request recognizes both the need to support the management system the Bureau has built to respond to this mandate, and the need to provide funding for the complex program linkages described above. These requirements were incorporated into the three alternative funding levels described in the Report to Congress,* and although the requested funding levels diverge from the original alternatives, the need to fund linked programs at comparable levels is still an integral part of the Secretary's request. Where tradeoffs or compromises have resulted in a request for an efficient and effective level at Level 1 for one program and Level 2 or 3 for another (as occurs in some support programs, for example), care has been taken to ensure that accelerated decisions and high priority energy and on-the-ground improvement programs have sufficient support to be achieved. Secretarial priorities are thus balanced and consistent across programs.

Secretarial priorities are clearly evident when looking at the authorization request by management category rather than by traditional program or budget categories. The Secretary made a conscious decision to hold constant, and eventually reduce, funding for inventories, land-use plans, and activity plans. In this way, the maximum amount of funds could be directed to critical on-the-ground improvements and service type activities. These priorities, reflected in the four-year trends for the individual management categories, are outlined below. (The funding by management category identified below excludes the 7-percent contingency funds included in the total authorization request).

Implementation

[In millions of 1980 dollars]

Fiscal year 1982	$46.4
Fiscal year 1983	61.3
Fiscal year 1984	79.6
Fiscal year 1985	99.5

There is a significant rise in implementation, as more and more plans are completed and an increasing emphasis is placed on on-the-ground improvements.

Activity planning

[In millions of 1980 dollars]

Fiscal year 1982	$61.0
Fiscal year 1983	65.6
Fiscal year 1984	61.8
Fiscal year 1985	67.1

Activity planning, which determines how the land use plans will be implemented, stays fairly constant during the four years. Minor variations in the total occur because activity planning in some large programs, such as coal, is decreasing while it is increasing in others, such as the other onshore energy programs.

Planning

[In millions of 1980 dollars]

FY 1982	$11.4
FY 1983	14.3
FY 1984	17.3
FY 1985	15.9

Land use plan preparation for the public lands peaks in 1984, primarily because of accelerated scheduling (for example, wilderness reviews, preparations of EIS's on livestock grazing, etc.), and then begins to decline.

Inventory

[In millions of 1980 dollars]

FY 1982	$117.6
FY 1983	117.3
FY 1984	127.7
FY 1985	119.3

Inventory activities remain fairly constant over the four years with the exception of 1984 when the need for studies in the offshore energy program related to lease sales beyond the Secretary's Five-Year Schedule causes a one-year increase.

Service, operations and maintenance

[In millions of 1980 dollars]

FY 1982	$161.1
FY 1983	185.1
FY 1984	203.2
FY 1985	230.8

Service, operations and maintenance activities increase steadily and substantially over the four-year period as increasing emphasis is given to public service and as more on-the-ground improvements and facilities are built which require maintenance. Also, a comprehensive preventive maintenance program will be initiated during the four-year period.

V. INDIVIDUAL PROGRAM DESCRIPTIONS

The requested authorization levels ensure a high level of performance on the issues of greatest national and regional concern—coal leasing; onshore and offshore oil and gas leasing as well as other energy resource development; rangeland management; wilderness; lands case processing; and public service. They also provide for improved performance in key administrative and technical support programs including cadastral survey, acquisition, and construction. A summary of anticipated performance in each program follows.

A. Planning and Inventory Coordination

[In millions of 1980 dollars]

FY 1981	14.7
FY 1982	14.7
FY 1983	17.6
FY 1984	20.9
FY 1985	19.7

The Planning and Inventory Coordination program provides funds for coordinating the Bureau's inventory activities, for preparing resource management plans for each of the Bureau's resource areas, and for monitoring the implementation of management plans once they have been adopted. At the requested level, the Bureau will be able to fully implement the planning regulations promulgated in September of 1979. This will involve, among other things, monitoring the implementation of approximately 100 management plans and coordinating the inventory work on 30–40 resource management areas. The requested authorization level also provides the Bureau with all the funds necessary to meet the planning schedule that was developed to fulfill existing grazing, timber, coal leasing, and wilderness review mandates. During the period covered by this authorization, all of the scheduled resource management plans will be completed for close to 100 out of a total of 156 resource areas on the public lands.

The apparent difference between the requested level and level 1 in the Report to Congress is due to an accounting change. In the Report, approximately $6 million/year was included in the Planning Program for acceleration of wilderness planning decisions. In the Secretary's recommended level, the $6 million is accounted for under the Wilderness Program.

B. Energy and Minerals

The Department's requested level provides for substantial increases in energy and mineral programs. Emphasis is placed on meet-

*Level 1 provided the greatest increases and Level 3 the lowest, although all three levels represented substantial increases over previous appropriation levels.

ing leasing schedules for coal and offshore oil and gas, initiating new or accelerated leasing efforts in non-conventional energy resources, and eliminating or reducing backlogs in leasing applications. Substantial, but less dramatic, increases in non-energy mineral programs will allow the Bureau to administer proposed new surface management regulations, and to respond to increases in demand for a variety of minerals, such as sand and gravel, from the Federal lands. It will also permit BLM to reduce backlogs in mineral patent applications.

No specific funds are included in this authorization for offshore non-energy mineral efforts. The Report to Congress identified a small amount of funds that could be used for a limited analysis of the needs for, and impacts of, an offshore mining effort. However, until the need for such a program is more clearly demonstrated, the decision to propose such an expenditure was deferred. Should the need for such a program become more certain, the contingency allowed in the Requested Level should provide the limited funding necessary to initiate a small scale or prototype non-energy minerals offshore leasing program.

Energy onshore—Coal

[In millions of 1980 dollars]

FY 1981	30.6
FY 1982	30.6
FY 1983	33.3
FY 1984	33.4
FY 1985	35.0

A new Federal Coal Management Program was adopted in 1979. The centerpiece of this program is the orderly scheduling of competitive lease sales. Planning and pre-lease sale activities will allow lands containing an estimated 30 billion tons of coal to be considered for leasing by 1985.

The requested level for the coal program is consistent with Level 1 in the Report to Congress, and will allow full and timely implementation of the Secretary's five-year coal leasing schedule. Planning, environmental assessment activities, and technical studies will be undertaken in support of the nine scheduled sales between FY 1982 and 1984 and the two anticipated sales for FY 1985. The requested level will also allow BLM to process:

247 lease applications and preference right lease applications, which is 100% of the estimated applications received;

25 lease exchanges, which is 100% of the estimated demand for exchanges;

429 lease adjustments, assignments, modifications and mining plan reviews, which is 100% of the estimated demand.

The Department is committed to increasing production of vital domestic energy resources. The requested level reflects the continued high priority given to the Federal Coal Management Program.

Energy onshore other than coal

[In millions of 1980 dollars]

FY 1981	18.4
FY 1982	28.6
FY 1983	33.4
FY 1984	39.0
FY 1985	44.2

In additions to the coal program, the Bureau has active leasing programs for oil and gas and geothermal resources, and is developing new programs for tar sands leasing and oil shale leasing. The Bureau is also beginning to respond, through cooperative programs with states, and other means, to initiatives directed at solar, wind and other unconventional energy generation technologies.

The requested level for these energy programs contains substantial increases—higher in total than Level 1 in the Report to Congress and also higher for most individual leasing programs. The requested authorization levels for these energy programs for FY 82–85 are 162% higher than their appropriations for FY 78–81. These increases will allow:

A 45 percent increase in the number of oil and gas and geothermal leases issued annually, from about 12,900 in FY 1981 to nearly 19,000 in FY 1985;

Reduction of the oil and gas lease application backlog by approximately 80 percent and reduction of the geothermal lease application backlog by about 75 percent;

Efficient administration of new procedures for simultaneous oil and gas filings;

Leasing of up to four prototype oil shale tracts by FY 1983, and conducting the first lease sale under the permanent oil shale program by FY 1985;

A new tar sands leasing program targeted to a first lease sale by FY 1983:

Competitive leasing in the National Petroleum Reserve in Alaska (NPR–A), also known as the Western Arctic Management Area (WAMA), when Congressional authorization is granted;

Increased emphasis on oil and gas leasing in the Overthrust Belt and initiation of onshore oil and gas leasing efforts in Alaska outside of the NPR–A; and

Diligent efforts to insure lessees' compliance with regulations and stipulations required to protect surface resources.

There are a number of new analyses and accounting changes that make it somewhat difficult to compare directly the requested levels and those in the Report to Congress.

Recently, new, more up-to-date analyses were completed describing both the future demand for oil and gas and geothermal leasing and the costs of processing leases. The requested levels incorporate these more up-to-date pricing and workload estimates. As a result, the authorization levels more closely meet the anticipated needs of the oil and gas leasing effort during the four-year period, including reduction of the lease application backlog. The geothermal program will remain stable at the requested level, which will allow the lease application backlog to be substantially reduced.

Since the Report to Congress was initially prepared, the Department has made more specific decisions regarding the nature and scope of the oil shale and tar sands leasing programs. In several important respects, these decisions differed from assumptions used to develop the levels in the Report to Congress. The decisions to initiate the tar sands leasing efforts by FY 1983 and to establish a permanent oil shale leasing program were not anticipated in the Report to Congress. Funding for these programs in the requested level is more than twice that anticipated in Level 1 in the Report to Congress, and fully meets the requirements of the developing programs.

The requested level includes $5.2 million annually for a leasing program in the NPR–A. No such funding was included in the Report to Congress.[1]

There is a final difference between the levels included in the Report to Congress and the requested level. In the Report, $2 to $3 million per year were included in the Onshore Energy category for mineral surveys in potential wilderness areas. The requested level includes these funds in the Wilderness Program.

In the decisions regarding the oil shale and tar sands programs and other recent initiatives that are reflected in this request, the Secretary and the Department have demonstrated a commitment to accelerating the development of domestic energy resources on the public lands. The funding increases embodied in the requested authorization levels for onshore energy programs other than coal underscores this commitment.

Energy offshore

[In millions of 1980 dollars]

FY 1981	53.8
FY 1982	53.8
FY 1983	54.8
FY 1984	63.8
FY 1985	59.8

The Bureau's offshore energy program for the four-year authorization period will be guided by the new Five-Year OCS oil and gas leasing schedule. The Secretary submitted this schedule to Congress as required by the OCS Lands Act Amendments of 1978.

A total of $232 million dollars over the four-year period has been provided in the Secretary's efficient and effective level:

$140 million for the environmental studies necessary to fully implement the five-year OCS oil and gas leasing schedule;

$40 million for environmental studies needed now to prepare for sales beyond those currently scheduled, and;

$50 million for administrative and environmental assessment activities to support the present schedule and to initiate activities for the post-five-year sales.

There are several factors which the Department believes should permit the costs associated with the OCS program to be held to a relatively stable level. First, the program as a whole is maturing and stabilizing. If proposed OCS Sale No. 53 is held in central and northern California, there will soon be no frontier regions remaining in the lower 48. Sales have been held in three Alaskan areas. New procedures instituted just prior to and after passage of the OCS Lands Act Amendments are in place. Finally, the environmental studies program has been operating since 1974, resulting in seven years worth of studies and data.

Judgments about the number and scope of environmental studies as it relates to sales beyond those presently scheduled, accounts for the major difference between alternative funding levels in the Report to Congress. The recommended level for this program is based on an analysis of required studies and the subsequent determination of the appropriate level of studies needed for outyear sales. The recommended level also includes funds for some studies not anticipated when the Report Levels were developed. For example, completed Endangered Species consultations have resulted in the need to expand Alaska endangered whale studies beyond those previously anticipated. It also provides for monitoring in controversial leasing areas.

Non-Energy Minerals—Onshore

[In millions of 1980 dollars]

FY 1981	9.6
FY 1982	10.5
FY 1983	12.5
FY 1984	14.0
FY 1985	15.9

The federal mineral estate consists of over 800 million areas of public and acquired lands and lands which have been patented, but for which subsurface mineral rights have been reserved by the federal government. Under the Mining Law of 1872, many of these mineral rights are developed by private industry and by individuals on claims, and ultimately on patents. In other cases, mineral rights are leased or materials themselves are sold in place.

While funding increases for the non-energy minerals program are not as large as they are in the energy area, the Department's requested authorization level for FY 82–85 is 58 percent greater than appropriations for FY 78–81 and is roughly comparable to Level 2 as described in the Report to Congress. However, the performance outputs in the Report to Congress and those made possible by the requested level are not directly comparable.

[1] Funding for NPR–A was included only in FY 1981 budget figures and not in the various FY 1982–85 levels.

Since the Report was prepared, substantial changes have been made to the proposed final version of surface management regulations for activities outside of wilderness study areas. These changes, which include threshold criteria to be met before a plan is required, will reduce the number of plans received and allow efforts to be concentrated on those operations with the most significant potential for impact. The recommended level should permit all of the plans of operation to be fully reviewed, and 65 to 85 percent of those with the greatest potential for adverse effects should receive field examination. This is a much higher performance level than anticipated for this level of funding in the Report.

This authorization level should insure that the patent application backlog does not increase in the four-year period, despite an expected increase in applications. It will allow the Bureau to respond to moderate increases in demand for minerals on Federal lands. It should result in over 3000 leases, material sales and free use permits processed annually by FY 1985, over a 20 percent increase from the estimated FY 1982 level. It will also allow a substantial amount of paleontological inventories to be conducted. These are required as a result of the Antiquities Act and NEPA for mining plans and other activities undertaken by the Bureau.

C. Renewable Resources

The renewable resource programs for FY 1982 through FY 1985 provide significant increases in funding to meet the Bureau's FLPMA mandates and ensure an integrated multiple-use program.

The rangeland program has a strengthened emphasis on on-the-ground implementation, as well as on monitoring the results of management actions. Forest management activities will focus on meeting demand for forest products and providing an information base for future actions on the Bureau's commercial forest lands. In all programs, sufficient inventories and activity planning will be done to ensure the efficient and effective utilization of funds. A maintenance program, coordinated with implementation actions, will be put in place to ensure that investments are fully protected.

By the end of FY 1985, the funding provided in these authorizations would make it possible to achieve a major improvement in the 55 million acres of rangeland currently in fair or poor condition and to make a major start in improving and stabilizing the remaining 115 million acres under allotment management plans. Herd area management plans will be completed on about 57 percent of the area where management of wild horses and burros is anticipated. Filings will be made on 47 percent of the total expected water rights needed by the Bureau. Over 1,200 timber sales will be made, constituting 90 percent of the anticipated demand for timber. Timber inventories will be completed on 50 percent of the commercial timber lands, and 70 percent of the needed forest management activity plans will have been prepared.

This is an ambitious, but realistic program. In the rangeland program, the strong emphasis on facility investment ensures that a major start will be made in increasing the long-term productivity of the rangelands. This investment will pay long-term dividends as management proceeds through future cycles.

Rangeland management

[In millions of 1980 dollars]

FY 1981	82.2
FY 1982	88.9
FY 1983	104.0
FY 1984	114.0
FY 1985	133.0

Rangeland management funding includes livestock grazing; wild horses and burros management; soil, water and air management; and wildlife habitat management. These four programs are considered together because of the strong interrelationships that result from basic dependencies on the soil, water and vegetation components of rangeland ecosystems. The total effects of all of these program actions must be considered in the integrated management of a healthy, productive rangeland.

A special analysis of the rangeland program was prepared to supplement the Four-Year Authorization Report. In this analysis, the Bureau and the Department considered all four programs' needs in the context of funding available from all authorization sources. In addition to funds available under the Four-Year Authorization, $15 million per year is authorized under the Public Rangelands Improvement Act of 1978 and the Department expects to request full funding under that Act. An estimated $13 million will be available annually from the portion of grazing receipts returned to the Range Improvement Fund. The alternative Rangeland levels in the initial Report to Congress were representative of the Bureau's total program needs regardless of funding source.

Total funding for Rangeland Management from all funding sources is summarized as follows.

[In millions of 1980 dollars]

	Fiscal year			
	1982	1983	1984	1985
Management of lands and resources (MLR)	88.9	104	114	133
Public Rangelands Improvement Act (PRIA)	15.0	15	15	15
Range improvement fund (RI)	13.0	13	13	13
Total	116.9	132	142	161

When all funding sources are considered, investment in rangeland management increases from a total of $338 million in the preceding four years of appropriations (FY 1978–1981) to $552 million in the Secretary's requested level for this authorization period, a 63 percent increase. Annual increases range from 7 percent in FY 1982 to 13 percent in FY 1985.

Nearly all of these increases are targeted to implementation and service, operations, and maintenance activities. Inventory costs for the four-year period remain level, the result of a conscious Secretarial decision to take a hard look at the Soil Vegetation Inventory Method (SVIM) costs and to hold to a level planning target (approximately $30 million/year) pending further analysis of these needs. Planning costs increase over the period from $12 million in 1982 to $13 million in 1985. Funding for Service, Operations and Maintenance activities rises from $40 million in 1982 to $54 million in 1985. Much of this increase will provide for an expanded monitoring program. Finally, implementation expenditures would rise dramatically over the four-year period, as evidenced in the table below.

Implementation funding

[In millions of 1980 dollars]

Fiscal year 1982	36
Fiscal year 1983	45
Fiscal year 1984	52
Fiscal year 1985	65

Reassessment of on-the-ground implementation needs during the review process showed that the estimates of total implementation needs in the range portion of the Report to Congress were somewhat high. As a result of this reassessment, the requested levels, while appearing in total to be at Level 3, actually provide a Level 1 implementation program for all the Rangeland programs. This includes approximately $120 million for rapid implementation of AMP's, following completion of livestock grazing EIS's, approximately $35 million for protection and improvement of important wildlife habitats, approximately $40 million for water quantity and quality improvements, and a 30 percent reduction in the $35 million wildlife habitat management plan implementation backlog.

The Secretary's requested levels will provide:

Grazing Management

24,600 livestock grazing permits issued annually
4,750 range improvements maintained
130 million acres (100 percent of areas under AMP) monitored
56 million acres inventoried
2,879 allotment management plans (AWP) completed
14.2 million acres improved
10,200 allotments supervised

Wild Horse and Burro Management

53,000 animals will be removed from rangelands
76 million acres inventoried
48 Herd Area Management Plans completed

Soil, Water and Air Management

860 structures maintained
57 million acres of soil inventories
134 million acres of water inventories
68 million acres of air quality inventories
6 Section "208" plans (BLM input) compiled and implemented
Implement 15 water yield improvement projects

Wildlife Habitat Management

6,250 improvements maintained
77 million acres inventoried
101 habitat management plans completed
37.5 million acres of habitat improved
11,300 miles of stream improved.

Improvement of rangeland condition is one of the Department's highest priorities, and this authorization is a significant commitment to restoring and enhancing the productivity of the public rangelands in an efficient and effective manner.

Forest management

[In millions of 1980 dollars]

Fiscal year 1981	9.3
Fiscal year 1982	10.0
Fiscal year 1983	11.0
Fiscal year 1984	12.0
Fiscal year 1985	12.8

Moderate increases are proposed which will maintain the present timber inventory and sales programs and allow for some additional funding for forest development and for reduction of the reforestation backlog. Inventories of non-commercial forest land will not be done, and roughly 50 percent of the estimated demand for Christmas trees, posts and poles, and fuelwood permits will be met. It is important to emphasize that these forestlands and woodlands are the least productive of the Bureau's lands for saw timber. Management for the Bureau's most valuable forest land, the Oregon and California Grant Lands, is funded through a separate account.

Forest Management

151,000 fuelwood permits issued
72,000 Christmas trees sold
151,000 posts and poles sold
2 million acres of commercial forest land inventoried
330 activity plans completed
440 million board feet of timber sold
42,800 acres of forest development (seeding, planting, thinning, etc).

D. Recreation and Environmental Areas

The Department's requested Level gives a high priority to protecting a number of the non-commodity resources on the public lands. Significant increases in funding are requested for the Wilderness Program to

accelerate the wilderness review required by Section 603 of FLPMA, and for the Cultural Resource Management Program to protect cultural resources threatened with destruction. The requested level for the Recreation Management Program provides increased funding for the California Desert and a number of the special recreation areas.

Recreation management

[In millions of 1980 dollars]

FY 1981	7.6
FY 1982	9.5
FY 1983	10.1
FY 1984	11.4
FY 1985	12.8

At the requested level, funding for the Bureau's Recreation and Visual Resources Management Program will increase by approximately 70 percent during the four years covered by this authorization. This Four-Year Authorization represents a 37% increase over FY 78–81 appropriations. With this increase in funding, roughly equivalent to level 3 in the Report to Congress, the Bureau will be able to:

Complete, for almost 90 percent of the contiguous Western United States, the off-road vehicle review required by Executive Order 11644;

Implement a comprehensive visitors services program in the California Desert.

Provide recreation information and personal assistance to visitors at a number of high-use river segments, trails, and other special recreation areas.

As a result of increased energy prices, demographic shifts associated with other resource development, and the emergence of new forms of recreation, rapid changes are occurring in the recreation use of the public lands. During the period covered by this authorization, the Bureau will continue to assess the magnitude of those changes and their effect on the demand for visitor services.

Wilderness

[In millions of 1980 dollars]

FY 1981	12.7
FY 1982	24.3
FY 1983	24.2
FY 1984	23.1
FY 1985	24.5

At the requested authorization level, the wilderness review required by Section 603 of the Federal Land Policy and Management Act will be completed for the contiguous Western United States by October 30, 1987—four years before the 1991 Congressional deadline. Where feasible, priority will be given to areas involving significant resource use conflicts—such as those involving oil and gas development in the Overthrust Belt. This accelerated review schedule will reduce existing uncertainties concerning the ultimate use and management of the public lands affected. It will also shorten the period during which wilderness study areas will have to be managed according to the Wilderness Interim Management Guidelines.

The authorization request for the Wilderness Program includes funds estimated to be necessary for wilderness related mineral surveys prepared by the Energy and Minerals Program and for wilderness management plan amendments prepared by the Planning Program. In the Report to Congress, these wilderness related costs, approximately $8 million per year, were charged to the affected programs and not to wilderness. The authorization request for the Wilderness Program will provide outputs consistent with Level 2 in the Report. Wilderness study areas will be regularly monitored for compliance with the interim management policy, and wilderness management plans for Congressionally designated areas will be implemented within four to six years.

Natural and cultural resources management

[In millions of 1980 dollars]

FY 1981	4.1
FY 1982	8.0
FY 1983	9.0
FY 1984	10.0
FY 1985	11.0

The substantial increase in funding requested for the Cultural Resources Management Program will significantly enhance the Bureau's ability to protect cultural resource sites threatened by vandalism and natural destruction such as erosion. At the requested level, roughly equivalent to Level 2 in the Report to Congress, the Bureau will complete intensive cultural resource inventories on approximately 15 million acres per year (100 percent of total estimated need).

Once these inventories are completed, a more accurate estimate can be made of the number of cultural resource properties which need protection plans, and the number of acres which need to be monitored for damage. Current estimates indicate that at the requested level, two thirds (200) of the cultural properties needing resource protection plans, and one half (1.7 million acres) of the acres needing monitoring for damage will be funded. Given the provisions of Section 106 of the National Historic Preservation Act of 1966, the completion of the inventories will also expedite the processing of use authorization permits for mining, transmission line rights-of-way, roads, and other land use changes.

The requested authorization level for the Natural History Resources Management Program, while modest in comparison to other programs, represents a fivefold increase in funding over the 1981 appropriation. This increase will significantly enhance the Bureau's contribution to the Federal Committee on Ecological Reserves, the Federal Research Natural Areas System, and the Department's National Natural Landmarks Program.

E. Lands, Rights-of-Way and Land Acquisition

Significant and rapid increases in demands for land actions (e.g., land sales, land exchanges, pipeline, road and powerline rights-of-way, use withdrawals, claims recordation, etc.) on the public lands over the last several years have created service delays, backlogs in processing, and increased costs in these programs. These problems have been taken into consideration in the authorization request, and their reduction and elimination has been emphasized in the requested level.

Recent court decisions, the emerging hazardous waste problem, and support for community and energy development will increase the demands during the next decade. In addition to the increased authorizations in the Secretary's request over the next four years BLM will be seeking out more efficient means to meet these increases, to improve service to the public, and to meet the statutory and Departmental priorities in these difficult years.

Lands and rights-of-way

[In millions of 1980 dollars]

FY 1981	36.1
FY 1982	38.7
FY 1983	40.7
FY 1984	43.6
FY 1985	45.6

The Secretary's requested level would authorize increases during the four-year authorization period of 33 percent above the FY 78–81 appropriations to expedite processing of the projected 8,000 to 12,000 new land actions requested of the Bureau each year. Emphasis has been placed on elimination of land casework backlogs and the reduction of the average time required to process each case. Priority was also given to Alaska Native Claim and Alaska State conveyances, and to withdrawal reviews, energy actions, and mineral actions.

Over the four years of the authorization period, the requested level will allow the processing of an estimated:

16,350 energy rights-of-way annually with the average processing time reduced from 350 days to approximately 210 days by 1985 (100 percent of demand);

23,500 non-energy cases annually (e.g., lands sales and exchanges, rights-of-way, land leases, use permits, etc.), a rate that would eliminate all backlogs (over 12,000 cases) by 1990;

12.5 million acres of Alaska Native Claims Settlement Act conveyances (92 percent of the total by 1985);

43.4 million acres of State of Alaska conveyances (93 percent of the total statutory conveyances) by 1985;

2,200 trespass cases, as well as preparation for an intensive unauthorized use abatement program to be completed by 1988;

700 pending or planned withdrawal requests (100 percent of estimated demand);

2,700 withdrawal reviews or 33 percent of total to be completed (this will complete the withdrawal reviews by 1991);

500,000 mining claims recorded or 100 percent of estimated demand;

300,000 claims filed or 100 percent of estimated demand.

The requested level is equal to Level 3 in the Report which will provide substantial progress in meeting national and local priorities. This recommendation was based, in part, on a continuing effort by BLM to identify potential efficiency improvements in processing of land cases. If the increases in efficiency are not as substantial as anticipated, or if annual caseloads continue to increase at current rates through FY 1982, BLM will be able to provide more funds for certain land actions to assure continuing progress, through the flexibility built into the authorization and appropriation processes.

Easement and land acquisition

[In millions of 1980 dollars]

FY 1981	1.8
FY 1982	1.9
FY 1983	3.9
FY 1984	4.4
FY 1985	7.5

The Bureau uses the acquisition program primarily to obtain easements for BLM and public access to Federal lands which are surrounded or locked-in by non-Federal ownership. Such easements are needed to install and maintain Federal land management investments and facilities and to open such lands for use by the public. Other uses include recreation site acquisitions such as camping sites for river rafting, and hiking or riding trail easements to provide sporting opportunities and to protect adjacent property.

The requested level provides substantial increases for the acquisition program, adding $2 million per year by 1983 and over $5 million per year by 1985, compared to the 1981 appropriation level. This authorization is

equal to Level 2 in 1983 and 1984 and Level 1 in 1985 in the Report.

These increases have been provided to reduce the backlog of easement acquisitions, to expedite the installation and maintenance of habitat improvements, to expand mineral leasing and timber management on public lands, and to open the over 20,000 parcels of locked-in Federal land to the public.

The requested authorization level will allow BLM to complete about 1,100 easement acquisitions, and to achieve substantial work on over half of the estimated 2,550 cases that are currently pending or will be referred over the four year period. The remaining cases will be in progress at the end of the period. This authorization level will allow the opening of many currently inaccessible public lands to grazing, hunting, fishing, and other recreational uses, to help meet increasing demands for resource uses with existing lands.

F. Support Programs

Technical and administrative support is important to the success of the Bureau's resource programs. The Construction and Maintenance programs, which have been neglected in the past, are authorized to receive significant increases at the Secretary's requested level during the four-year period. The Cadastral Survey program is also increased substantially in recognition of its critical importance. More modest increases are recommended for data management, fire management and enforcement and administration.

Cadastral survey

[In millions of 1980 dollars]

FY 1981	22.2
FY 1982	24.3
FY 1983	25.3
FY 1984	26.3
FY 1985	27.4

Increases are proposed in the requested authorization level which will enable BLM to complete surveys on nearly 25 million acres by 1985 approximately 80 percent of estimated demand). First priority will be given to surveys which are required to maintain the Alaska Native Claims Settlement Act and the Alaska State selection schedule. In the lower 48 states, priority will be given to surveying needed for key land exchanges, rights-of-way processing, energy and minerals actions, and verification of ownership to determine trespass and unauthorized occupancy and for situations where color of title questions exist.

Often the implementation of Bureau resource programs must await cadastral surveys to assure that management actions do not infringe on the ownerships of others. In recognition of the identified priority and the capability of some other agencies to conduct their own surveys (through recent Memoranda of Agreement), it is expected that the requested funding level will allow BLM to complete those surveys needed to implement legally required and economically feasible management actions, consistent with Level 2 in the Report to Congress.

Construction and maintenance

[In millions of 1980 dollars]

FY 1981	12.8
FY 1982	17.5
FY 1983	24.1
FY 1984	30.4
FY 1985	36.8

The requested funding level, for the 1982–1985 period, represents a significant increase in funding over previous levels. This will allow BLM to build projects that have been needed for many years, as well as to construct new facilities required to implement management plans which will be completed during the 1982–1985 period.

The Report to Congress estimated the total cost of potential administrative, transportation, and recreation facilities for this period to be over $100 million. The requested level provides more than $60 million, and will allow the Bureau to construct a substantial portion of its needed facilities, with priority given to those that are most critical to the efficient and effective management of the public lands. It should be noted that funding for construction of on-the-ground range improvements is included in the rangeland management programs.

Construction activities planned during the four-year period are expected to include:

Approximately 400,000 sq. ft. of building space including a multiple-use complex in Alaska, and warehouse and administrative facilities at the Boise Interagency Fire Center;

440 recreation sites including visitor information, sanitary and other facilities;

1,100 family units for camping and picnicking;

425 miles of road construction;

115 miles of trails;

22 bridges.

The requested level proposes substantial funding increases for maintenance of existing facilities. Included is the initiation of a maintenance survey which will enable BLM to develop a long-run preventive maintenance program that will reduce future maintenance costs, while protecting the public's investment in existing facilities. In addition, a more intensive program to improve energy conservation in existing facilities can begin.

Routine maintenance of recreation, sanitary, and transportation facilities would continue with greater emphasis on eliminating safety hazards for users of the public lands.

The requested level therefore provides a capability to achieve construction accomplishments midway between Level 3 and Level 2 and accomplish the outputs described in Level 1 of the maintenance program for the four-year period.

Data Management

[In millions of 1980 dollars]

FY 1981	16.3
FY 1982	18.3
FY 1983	20.5
FY 1984	23.0
FY 1985	25.5

Increases are provided in the requested level for FY 82–85 to fund data management support for the Bureau's resource, technical, and administrative programs. These increases would provide 45% more funding for Data Management than for appropriations during FY 78–81. The rapid change in computer and information systems technology, which can bring about cost savings and new efficiencies, makes it difficult to predict five years into the future, how much funding will actually be required for this program.

The Bureau is beginning a study to update the "Strategic Plan for Information Systems Management." The results of that update should provide a more accurate identification of funding requirements. The Bureau is also exploring the possibility of utilizing data and computer models developed by other agencies. It may be possible to utilize, at a relatively low cost, such information and analytic capability.

The outputs achieved at the requested level are consistent with those shown in Level 3 in the Report, and will support both existing operations and services to Bureau programs and field offices and the initiation of certain improvements.

The increased funding will allow the Bureau to:

Install supplemental data processing equipment in five additional field offices;

Place an estimated 29 terminals in Bureau field offices;

Extend remote sensing for lightning detection systems, automatic weather stations and other automatic monitoring capabilities.

Fire Management

[In millions of 1980 dollars]

FY 1981	9.3
FY 1982	9.3
FY 1983	10.0
FY 1984	10.6
FY 1985	10.9

The requested authorization level provides modest increases for fire management on the public lands. This program includes fire-related activities for planning, preparation and prevention such as prescribed burning and preparation of the Normal Fire Year Plan. The actual cost of fighting fires and rehabilitation of burned areas is funded through a yearly supplemental appropriation at the end of each fire season.

The requested level will provide outputs for the four-year period which are equal to those at Level 3 in the Report. This level of authorization will:

Decrease the number of fires of 10 acres or larger from 360 in 1981 to 300 per year by 1985;

Increase prescribed burning from 50,000 acres in FY 1981 to 78,000 acres in FY 1985;

Maintain the existing Automatic Lightning Detection System, but not to complete its implementation;

Complete many, but not all of the objectives of the Normal Fire Year Plan.

Enforcement and administration

[In millions of 1980 dollars]

FY 1981	7.0
FY 1982	8.6
FY 1983	9.2
FY 1984	9.7
FY 1985	10.2

The requested level provides increased authorizations for law enforcement and administrative support programs. The requested authorization will nearly double the present low level of funding for the law enforcement program, allowing the Bureau to better protect the resources on the public lands, primarily through cooperative agreements with local enforcement agencies. The request places program funding between Levels 2 and 3 in the Report to Congress, and would support the negotiation and maintenance of approximately 35–40 cooperative agreements. It also provides for more than 4800 criminal and civil investigations by BLM staff specialists over the four-year period.

Increases in administrative support programs and management authorizations are roughly proportional to the total increases in the requested level.

FLPMA 4-YR AUTHORIZATION—PLANNING ASSUMPTIONS FOR MANAGEMENT OF LANDS AND RESOURCES AND ACQUISITION, CONSTRUCTION, AND MAINTENANCE

[In millions of dollars]

	Actual fiscal year 1980 appropriation	Requested fiscal year 1981 appropriation	Planning assumptions (1980 dollars) Fiscal year 1982	Fiscal year 1983	Fiscal year 1984	Fiscal year 1985
Planning and inventory coordination	13.3	[1] 14.7	14.7	17.6	20.9	19.7
Energy onshore:						
Coal	22.4	30.6	30.6	33.3	33.4	35.0
Other	12.4	18.4	28.6	33.4	39.0	44.2
Energy offshore	51.9	53.8	53.8	54.8	63.8	59.8
Nonenergy—Onshore	8.4	9.6	10.5	12.5	14.0	15.9
Grazing management [2]	31.5	33.1	38.6	49.3	54.3	70.6
Wild horses and burros [2]	5.2	6.7	6.7	6.7	6.7	6.7
Soil, water, and air [2]	19.2	22.5	23.6	26.0	28.0	29.5
Wildlife habitat management [2]	16.4	19.9	20.0	22.0	25.0	26.2
Forest management	9.0	9.3	10.0	11.0	12.0	12.8
Recreational resources management	8.0	7.6	9.5	10.1	11.4	12.8
Wilderness	10.0	[1] 12.7	24.3	24.2	23.1	24.5
National and cultural research management	2.9	4.1	8.0	9.0	10.0	11.0
Lands and rights-of-way	34.5	36.1	38.7	40.7	43.6	45.6
Acquisition	2.2	1.8	1.9	3.9	4.4	7.5
Cadastral survey	24.4	22.3	24.3	25.3	26.3	27.4
Construction and maintenance	14.1	12.8	17.5	24.1	30.4	36.8
Data management	15.0	16.3	18.3	20.5	23.0	25.5
Fire and aviation management	8.7	9.3	9.3	10.0	10.6	10.9
Enforcement and administration	5.2	7.0	8.6	9.2	9.7	10.2
Subtotal	[3] 314.7	[4] 348.6	397.5	443.6	489.6	532.6
7-percent contingency	NA	NA	27.5	31.4	35.4	37.4
Total	314.7	348.6	425.0	475.0	525.0	570.0

[1] For purposes of comparability, $1,000,000 requested in fiscal year 1981 under planning (for wilderness activities) has been shifted to wilderness because in fiscal years 1982–85, all wilderness activities will be funded under wilderness.

[2] Figures exclude PRIA authorization each year.

[3] Figure excludes $49,800,000 for fire suppression and rehabilitation and $6,300,000 PRIA appropriation.

[4] Figure excludes $4,800,000 for fire suppression and rehabilitation and $13,700,000 PRIA appropriation. ●

By Mr. ARMSTRONG:

S. 398. A bill to amend the Walsh-Healey Act and the Contract Work Hours Standards Act to permit certain employees to work a 10-hour day in the case of a 4-day workweek, and for other purposes; to the Committee on Labor and Human Resources.

OVERTIME PAY TO FEDERAL CONTRACTORS

● Mr. ARMSTRONG. Mr. President, today I am introducing a short bill with major ramifications for the health of our economy. In the past 10 years, many companies in the private sector have determined that a 4-day 10-hour workweek is advantageous in many ways. Companies under contract with the Federal Government, however, are not allowed this option without substantial penalty. Simply, my bill requires that overtime be paid to Federal contractors for work after 40 hours in 1 week. Present law, regulating employees producing goods for the Government, requires the payment of overtime after 8 hours in any 1 day.

This bill is essentially the same as the one passed by the Senate when it was introduced by Senator Henry Bellmon in the 96th Congress. Several amendments, including this proposal, were dropped en masse in conference.

There are numerous advantages to the 4-day workweek, but the most significant is increased productivity which could save consumers millions of dollars each year. Our productivity growth rate has been declining for several years and 1981 is expected to be no better. The adoption of a 4-day workweek by the Norgren Co., in Littleton, Colo., is a good example of increased productivity and one of favorable employee reaction. Production increased significantly, while employee annual turnover was reduced from more than 40 percent to less than 16 percent. Absenteeism fell from 7 to 4 percent.

Also, this country's continuing energy problem could be alleviated by some degree if more firms choose to move to a 4-day workweek. Employees could save one round trip commute per week and reduce consumption of fuel, traffic congestion, and air pollution. It is evident to me that any help with these serious problems would be of major benefit to the Nation's cities. In addition, considerable savings could be realized should companies gear their heating and cooling requirements for buildings to 4 days instead of 5.

This is not an insignificant matter. The Bureau of Labor Statistics estimates that as many as 36 million employees could be restricted by these Federal regulations, while thousands of firms are continuing to adopt the more efficient 4-day workweek. Prior to 1970, less than 100 firms operated on a 4-day workweek. By 1973, 3,000 firms had shifted, and by the end of 1976 over 10,000 companies in the United States had adopted a 4-day work schedule.

In the past, the compressed workweek has been supported by a number of business and labor groups. For these reasons, I am hopeful that this legislation will be favorably considered by the Senate at an early date, and restore to American businesses serving the Federal Government the basic freedom of choice.●

By Mr. BENTSEN:

S. 399. A bill to amend the Congressional Budget Act of 1974 to require the Congress to establish, for each fiscal year, a regulatory budget for each Federal agency which sets the maximum costs of compliance with all rules and regulations promulgated by that agency, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, by unanimous consent pursuant to the order of August 4, 1977.

S. 400. A bill to reduce duplicative and conflicting Federal rules or regulations, and for other purposes; to the Committee on Governmental Affairs.

S. 401. A bill to reduce the costs of Federal regulations, and for other purposes; to the Committee on Governmental Affairs.

REGULATORY REFORM

Mr. BENTSEN. Mr. President, during the last Congress, the Joint Economic Committee, under my chairmanship, developed a bipartisan program to bring inflation under control and restore our economy to a prosperous level of long-term growth. A major requirement for achieving these two important goals is the need to cut back on excessive and unnecessary regulation. Our current regulatory system is imposing substantial costs on American businesses and contributing to rising prices. We cannot reduce inflation nor boost productivity if we continue to impose regulations on the private sector which are often costly, duplicative, wasteful, or ineffective.

Today, I am once again introducing a regulatory reform package that incorporates recommendations offered in the Joint Economic Committee's anti-inflation program. It includes a regulatory budget which sets an annual limit on the compliance costs each Federal agency can impose on non-Federal sectors through their rules and regulations; a statutory requirement that agencies adopt the least costly way of achieving their regulatory objective; and a new requirement that the Federal Government identify and eliminate rules and regulations which overlap or conflict with each other.

During the 96th Congress I introduced a similar regulatory reform package. I am pleased that one of my proposals, requiring all regulatory agencies to prepare a complete economic analysis of their proposed regulations, was substantially incorporated in the Regulatory Flexibility Act, which became law. It was however, the only major regulatory reform bill enacted by the 96th Congress. We need to do more by building on our previous efforts.

Mr. President, the need to address the problem of excessive regulation has never been so apparent. The Joint Economic Committee in a special study on the state of the economy has reported these disturbing facts about the impact of excessive infringement by the Government on the private sector:

In 1976, the conventionally calculated Federal share of GNP was 21 percent. However, regulatory compliance costs—estimated at $66 billion that year—were not included in the GNP share calculation. Had they been, the Federal share of GNP would have been 23.5 percent.

In 1979, the Federal share of GNP as usually determined was again 21 percent. Had compliance costs, estimated at $98 billion, been included, the Federal share of GNP would have been 25 percent.

The regulated share of the economy has expanded from about one-tenth of gross national product (GNP) in 1965 to about one-fourth in 1979. In constant dollar terms this means that, in 1965, $93 billion worth of goods and services were produced under varying degrees of regulation. By 1979, the total had risen to $358 billion. This regulatory expansion carries profound implications for the ability of the economy to adjust to changing economic circumstances.

During the 1970's—at a time when the U.S. economy was stagnating—Government regulation experienced its greatest growth.

The small business sector bears a disproportionate share of the total regulatory burden. Unlike large enterprises, small firms cannot easily pass on regulatory costs to consumers. More seriously, regulatory overload may be inhibiting risk-taking and the formation of new businesses.

While Government regulation traditionally focused on economic—price and entry and natural monopoly—regulation, environmental and health and safety regulation has become increasingly important. Although the goals of social regulation are generally regarded as desirable, the existing regulatory system lacks the incentives to consider adequately the nonadministrative costs of Federal regulation. Although some recent efforts have been made to bring about a better accounting of costs, too many regulators still do not assess the full costs of regulatory compliance.

The regulatory reform package I am introducing today can reduce inflation and improve the productivity of the American economy if we prune out those unnecesary and wasteful costs that have become so much a result of our Federal regulatory system. I believe we can streamline the process without sacrificing the legitimate requirement of agencies to carry out their legislative mandates.

Currently, we have no means of controlling the costs regulatory agencies impose on the private sector. In 1980, the Joint Economic Committee's joint economic report made this observation about these costs:

"There is no limitation on the costs that regulatory agencies can impose on the private sector in their attempts to achieve their regulatory goals. The President cannot set limits, because most of the regulatory agencies are independent commissions or administrations. Congress does not set limits because we have not yet established a systematic way of doing it. The result is entirely predictable. The agencies have no incentive to consider private sector costs when they develop regulations, and so they have no incentives to minimize those costs. Regulations can turn out to be ineffective, unnecessary, wasteful, in conflict with other regulations, or duplicative of other regulations."

We cannot allow the status quo to prevail. We must move forward and tackle those critical areas in our regulatory system that are hampering the American entrepreneur. American business has become the whipping boy rather than a full partner with Government in meeting our requirements for a stronger and more vital economy.

Let me now outline the major provisions of the legislative reforms I am proposing today.

THE REGULATORY BUDGET

The regulatory budget requires the President and the Congress, each year, to put a cap on the amount of regulatory costs each agency can impose on the non-Federal sector. We can do this just as we have with the fiscal budget. It forces agencies to choose the least costly way of achieving their goals by establishing a formal mechanism, within the framework of the Congressional Budget Act, for limiting the burden of Federal rules and regulations. Each year, the President and the Congress would establish a maximum cost—a ceiling for each Federal agency. This ceiling would be fixed and inviolate, just as agency fiscal budgets are today. The cap would be determined after an extensive, broad-based series of hearing, administrative reviews and with ample opportunity for public comment and review.

THE REGULATORY COST REDUCTION ACT

This second component of my program would require both independent and executive branch regulatory agencies to meet their regulatory objectives in the most cost-effective manner available.

Congress has sadly failed to impose this requirement in most measures establishing new regulatory programs. As a result, regulatory agencies often issue regulations that employ excessive costly methods to achieve their goals. This is a tragic waste of our country's scarce resources. We need to clean up our environment, we need safe highways, we need to improve the healthfulness and safety of our workplaces. But if we do this wastefully and inefficiently, we are simply misusing valuable resources that could be used to achieve other vital goals, such as raising our standard of living, alleviating poverty, strengthening our defense or revitalizing our cities and rural communities. We may be a wealthy country but as our taxpayers and voters have recently told us, things at home are tight and there just is not any money to burn or squander.

Therefore, regulatory agencies should be required to minimize the cost of achieving their regulatory goals unless this consideration is overridden by a more important national goal. My bill will do this. All agencies will be required to examine all options for attacking a regulatory problem and choose the least costly alternative. They will be required to publish an extensive impact analysis in the Federal Register to back up their existing regulations, with the same goal in mind.

THE REGULATORY CONFLICTS ELIMINATION ACT

Mr. President, one of the charges leveled against King George III of England in the Declaration of Independence was that—

He has erected a Multitude of new Officers and sent hither Swarms of Officers to harass our People.

Ironically, millions of Americans make precisely the same charge against the Federal Government today, more than 200 years after the signing of the Declaration of Independence.

My legislation addresses this critical problem. It requires the Office of Management and Budget annually to report to Congress and the President on Federal agency rules or regulations which duplicate or conflict with others promulgated by other Federal agencies. At the beginning of each fiscal year, the President will submit his recommendations at the Federal level. These recommendations affecting Federal agencies would go into effect 60 days following their submission of rules disapproved by Congress. The Government Accounting Office would be required to evaluate the OMB report, the President's recommendations, as well as each agency's progress in implementing those recommendations.

The legislative efforts I have proposed today are not aimed at curtailing the legitimate efforts of Government to clean up the environment, protect consumers or improve worker health and safety. They are aimed instead directly at excessive, unnecessary, and unreasonable Federal regulation. It is simply outrageous for a small businessman to confront the impossible situation where complying with one regulation requires violating another. My legislation is designed to eliminate the irrationality of conflicting or overlapping regulations. I believe if these measures are adopted that we will move toward our historic mandate in the spirit of allowing our citizens the freedom to regulate their own lives.

These are recommendations that are offered in the Joint Economic Committee's anti-inflation program and include the regulatory budget which sets an annual limit on what the compliance costs are that could be put on by an agency.

We have a situation where we limit these agencies on how much they can spend of the taxpayer's money. We do that through the budget process. I think it is time we should limit them on how much they can make the people spend. So that is what this would do. This would put an economic cost on the regulation, how much that regulation is going to cost to put it in force and say, "all right, here is your budget for the year; this is how much you can make the people spend this year," and try to bring this under control.

Another one is to bring cost effectiveness into regulations.

We had situations on the clean air bill where we could say to the EPA, "Why did you do it this way? It costs a lot more to do it this way." And they would say, "cost is not our concern. That is not a part of the bill, not a part of the law."

So, when they propose a regulation and promulgate a regulation what they should have in mind at that time is that

we want to reach that objective, that standard, that goal for the people. That is a fine social objective. We want clean water. We want clean air. But what is the cost-effective way to accomplish that? And that is what one of these pieces of legislation would accomplish.

Mr. President, we talk a lot about regulatory reform and the folks back home sure talk a lot about it. I think the message is finally beginning to get through and I believe the mood is here to accomplish some of these things.

We saw at the end of the last administration a major piece of legislation enacted into law on paperwork.

These are some things that can complement that effort, and I urge the support of the Members of this body in that regard.

By Mr. SYMMS (for himself, Mr. JEPSEN, and Mr. BOREN):

S. 404. A bill to amend the Internal Revenue Code of 1954 to repeal the estate and gift taxes; to the Committee on Finance.

REPEAL OF THE ESTATE AND GIFT TAX

Mr. SYMMS. Mr. President, today the Senator from Iowa (Mr. JEPSEN) and I are introducing legislation to abolish the so-called estate and gift tax, more popularly known in the farming areas of the United States as the grave robbers and benevolence disincentive tax.

It has become increasingly apparent that although wealth is only a relatively small multiple of annual income and turns over by death only once in a generation, estate and gift taxes present complex legal, economic, and social problems. The various provisions of the Federal estate and gift tax laws produce complexities in the estate planning; encourage disposition of assets contrary to the best interest of taxpayers, beneficiaries, and the economy; and work gross inequities among taxpayers.

It is clear that the estate and gift tax laws were never intended primarily to produce revenue, and this is in fact the case today since less than 1 percent of the total revenues collected are derived from the estate and gift taxes. The fundamental purpose of the estate and gift tax laws were to tax the very wealthy very heavily, to limit undue concentrations of wealth and power in a few, to break up those concentrations, and to enhance the equality of opportunity. However, it is evident that the only conclusion that can be reached today is that the fundamental purposes of the estate and gift tax laws are not being fulfilled.

Due to the fact that the unified estate and gift tax credit is a fixed dollar amount and because of the steeply graduated estate tax rates, the ravages of inflation increases the burden of the estate tax just as it increases the burden of individual income taxes.

For example, due to inflation, the value of farmland has significantly increased in recent years and because the unified estate and gift-tax credit is a fixed dollar amount and the rates are steeply graduated, the estate and gift-tax burden has been substantially increased over the past years. As a result, although death taxes generally absorb a relatively small part of a farm estate, given the inflated value of a farm's assets, the imposition of the taxes often necessitates the raising of more cash than many farm families are likely to have. Most farm estates do not have sufficient liquid assets to pay estate settlement costs and death taxes because most farm estates usually contain a higher proportion of fixed or illiquid assets.

I believe the same argument can be made for small businesses. In fact, the estate tax burden imposed on estates composed of illiquid business assets threatens the existence of the small family enterprises. The burden of paying a tax when assets are illiquid may necessitate that the owner, or the executor of the estate, dispose of the business in order to generate the necessary cash to pay the tax. In some cases, the small family-owned enterprise is sold to, or merged with, a larger competitor, including domestic and foreign conglomerates. This has the consequence of not only eliminating the family business as a separate entity but also of increasing business concentration and perhaps severely affecting the degree of interfirm competition in the product markets. This result has additional economic, political and social consequences. First, it adversely affect the goal of estate tax as a fiscal instrument to redistribute wealth; if the estate tax is increasing business concentration, then wealth becomes redistributed in the hands of the wealthier. It has rendered the estate tax and the overall tax structure less equitable. Second, the destruction of small family businesses affects not only the family itself, but may be extremely disruptive to a local community. Such a community is better served by locally centered business than by a branch whose corporate headquarters is remote. Third, society as a whole benefits from a perpetuation of the family as a basic social and economic entity. Experts are required to plan an estate properly before it goes through the process and to administer one properly during the process. The process not only requires IRS personnel and money but the estate also incurs considerable expense in the process, an expense which is comparatively greater to smaller estates or at least those estates with substantial illiquid assets. As a result, I simply do not believe that the process of planning and settling an estate does anything for the national good.

Furthermore, Americans who acquire and hold property express themselves in the way they deal with it: using it, spending it, saving it, giving it away. The social order around us tends to honor our choices in the basic theory that private decisionmaking is better than public control. To hold property and to have wide discretion over it are closely associated with our concepts of freedom.

I do not believe that the right of succession and the freedom to dispose of property during life and at death should be limited by the State. The institution of succession serves a variety of values cherished by a free society. These include the reinforcement of family ties and responsibilities, economic and social pluralism, and encouragement of private philanthropy to improve the quality of life. At the most fundamental level, the institution of succession is a proper response of society to elemental motives, ranging from concern for one's immediate family to a desire to extend one's personality beyond death.

Examined from an economic perspective, the right to transfer wealth has the positive values of fostering incentives in the form of rewarding industry, ingenuity and creativity, encouraging capital formation through saving and investment, permitting continuity of ongoing enterprise, and supporting diversity in priorities.

It is clearly evident that the estate and gift tax laws do not in any way accomplish the objectives for which they were initially implemented. And, in fact, the abolition of the estate and gift taxes would contribute greatly to the objectives of equity in our tax laws and to individual productivity in our society.

Mr. JEPSEN. Mr. President, today I join with my distinguished colleague from Idaho, Mr. SYMMS, in reintroducing a bill to repeal the estate and gift tax.

During the 96th Congress, Mr. SYMMS led the fight for this measure on the House side while I pushed for action in the Senate.

I welcome the opportunity to work with him on this side of the aisle. With the support of President Reagan, we anticipate a favorable reception to our proposal. Both social and economic considerations urge the immediate abolition of the estate and gift tax.

The estate and gift tax became a permanent part of the Federal tax system in 1916. A powerful argument for its acceptance at that time involved the question of social justice. It was felt that large concentrations of entrenched wealth ran contrary to the spirit of a free society and that this tax could correct the threat, by breaking up substantial fortunes after one generation and redistributing wealth to the middle and lower rungs of the economic ladder. But, in 1981 we must ask the question: Have the original purposes of the legislation been fulfilled? Emphatically, the answer is no.

In fact, data from the Internal Revenue Service indicates that the estate and gift tax directly contradicts its historical mandate. The tax has not only failed to accomplish what it set out to do; in effect, it has aggravated the gap between the haves and have nots. The wealthy have been able to avoid the tax by careful estate planning while moderate-income families—independent farmers and small businessmen—bear the brunt. In fact, in 1979, more than 76 percent of inheritance tax returns processed by the IRS represented gross estates of less than $300,000.

Mr. President, I have been in the estate and business planning business for nearly a quarter of a century. I can attest to the fact that there are indeed two sets of tax laws in this country. There is one for those who plan and one for those who do not plan. Now they are one in the

same and you cannot evade taxes, but you can avoid them. The sum result of the way the tax laws are constructed today, especially with regard to gift and estate tax laws, is the rich get rich and the poor get kids.

A very, very great injustice is being done to the continuation of the family farms in our area, the continuation of handing down family businesses, and all of the good disciplines and the tenor of the morality that these things provide.

The Federal estate and gift tax results not in the intended social equity but rather a painful inequity being imposed on family farms and small businesses throughout the United States. Painful because not infrequently—and the records bear this out—bankruptcy is the inevitable result.

The question in the 97th Congress is how much longer legislators can allow a law, contradictory in its own terms, to remain on the books.

The "trickle down" effect does not exist and, in fact, has never existed. In 1980, only 1¼ percent of aggregate Federal revenues were derived from the tax: A mere drop in the bucket. Obviously, the social benefits of the legislation are, in practice, nonexistent. The estate and gift tax has failed in both its impact and its benefit. The social equity premise has proven blatantly false. A brief look at the economic aspects of the tax explains why.

Over the past 40 years, the tax has contributed insignificant revenues to the Federal budget. The battle cry about redistribution of wealth has raised little more than rhetoric.

Given this evidence, commonsense favors its abolition. Although its contribution to Federal revenues is minimal, the actual impact on the economy is drastic because the tax involves a pure tax on capital. In other words, the estate and gift tax has a substantial and adverse effect in the critical areas of work, savings, and capital formation and replacement.

As Prof. Richard Posner recently put it:

> Since the accumulation of a substantial estate is one of the motivations that drive people to work hard, a "death" tax is indirectly a tax on work.

This tax is called a death tax by some because it directly drains several billion dollars per year out of the Nation's accumulated capital stock and, at the same time, discourages people from accumulating new capital. Why? Because the consumption of an individual's estate during his lifetime is the only way to beat the IRS. He has less incentive to invest in long-term projects. He is afraid to undertake any project that will not mature within their lifetime. Investors are encouraged to keep their assets as liquid as possible.

The reasoning is simple enough. An estate comprised mainly of real estate holdings—for example a farm—or a large block of stock in a single company—for example a small business—might have to be, and often is, sold at a substantial discount in order to get cash to pay the tax bill. Assets which are more liquid do not involve a penalty.

The estate tax affects all Americans and interferes with the efficient operation of the open market by discouraging work long-term savings and capital formation. Nobody gains. Everybody loses.

Why is the middle class particularly hard hit? Because the unified gift and estate tax imposes a fixed dollar amount and its rates are steeply graduated. This means that inflation increases the burden of the estate tax in the same way it increases the burden of the income tax. Consequently, in 1981, many people with relatively modest estates are assessed at levels that drive them out of a home or a business.

Presently, farmland in Iowa sells for $3,000 or more per acre, meaning that a modest 200-acre farm is worth $600,000. To pay estate tax, the inheritors often sell all or part of the farm even though the farmer who owned it may never have made more than $10,000 in his best year. Such a person can hardly be called rich.

Ironically, the very rich, who presumably should be hit the hardest by the tax, are generally able to avoid it. What we really have, in effect, are two estate taxes: A relatively light one for those who plan their estates carefully—generally the wealthiest members of society—and an extremely harsh estate tax for those who do not, generally those with modest incomes who are unaware that they even have a taxable estate. This is why almost every study on the subject concludes that estate tax has done nothing to alter the underlying distribution of wealth in the United States.

We have already seen a bill in this Congress to amend the estate tax by liberalizing brackets, special-use valuations and exemptions. It is argued that these changes suitably address all the problems I have just outlined.

That is not the case.

Anything short of repeal is a short term and superficial cure, an effective little bandaid. Whether rates are indexed or not, whether limits are increased or not, whether exemptions are comprehensive and equitable or not, is beside the point. Abolition is the only real answer.

Historically, poor people have lifted themselves out of poverty by building up capital within the family unit, so that each generation starts off in a better position than its predecessor. A father may work all his life to build a small business, hoping that his sons and daughters will be able to turn it into a large one. It is this kind of mettle and fortitude that made America great.

Today, high taxes on capital gains, income and estates make it difficult to leave ones' descendant any inheritance at all. In my view, that is contrary to all that America stands for, and must be abolished.

By Mr. DOLE (for himself, Mr. SIMPSON, and Mr. DECONCINI):

S. 405. A bill to amend title 5 of the United States Code to require Federal agencies to analyze the benefits, costs, and other adverse effects of proposed rules, to provide for judicial review of any such analysis, to provide for periodic review of agency rules, and for other purposes; to the Committee on the Judiciary.

REGULATORY REFORM ACT OF 1981

● Mr. DOLE. Mr. President, I rise today to introduce a bill, on behalf of Senators SIMPSON, DECONCINI, and myself, the Regulatory Reform Act of 1981, which proposes improvements in the procedure by which Federal administrative agencies promulgate regulations. Regulatory reform has long been the subject of public concern and debate. I believe I speak for many of my colleagues in noting that our constituents have repeatedly made the depth of their concern known to us on this matter.

Last Congress, several regulatory reform proposals were subject to close scrutiny in this body. Extensive hearings on these measures were held before both the Subcommittee on Administrative Practice and Procedure of the Judiciary Committee, of which I am a member, and the Governmental Affairs Committee. However, none of these measures were considered by the full Senate.

The Senator from Kansas recognizes, and I know the Members of the Senate also recognize, that the men and women who administer our laws in Federal agencies are dedicated and hard-working public servants. Certainly this bill in no way impugns the efforts of those individuals. Yet, they must work within a regulatory structure we establish. And it is this regulatory structure which is failing the citizens of this country. It is our responsibility to act without delay.

THE INFLATIONARY IMPACT OF FEDERAL REGULATION

At the outset we must recognize that what we have called "regulatory reform" encompasses not one, but many distinct problems of Federal regulation. And, like so many of the issues which confront us, the problems of Government regulation are related to other national problems. I believe that the problem of Government regulation significantly contributes to another major problem of our day—that of runaway inflation.

Regulations attempting to prescribe our behavior in an incredible range of areas pour out of Washington at a rapidly increasing rate. Yet one finds that the growing body of Federal regulations has been accompanied by a corresponding ignorance of the complete range of effects produced by such regulation. This ignorance has often resulted in unexpected costs and other adverse effects which threaten to undermine the salutory goals of appropriate regulation.

Billions of dollars of private spending are required to comply with literally thousands of detailed regulations. The 1978 Federal Register, through which these regulations are published, contained a total of about 61,000 pages, publishing about 7,000 new rules and about 32,000 other Government documents. The 1979 Federal Register was over 70,000 pages.

Just in this decade we in the Congress created seven new regulatory agencies,

including EPA and OSHA, and enacted 29 new major regulatory statutes. According to a study by the Joint Economic Committee, direct Federal regulatory agency expenditures rose from $2.2 billion in 1974 to $4.8 billion in 1979, a 115 percent increase in agency operating expense alone. Yet the costs of complying with Federal regulations are never reflected in an agency budget. Compliance with Government regulations imposes a sizable tax on business, yet this tax never benefits the Treasury of the United States.

Through regulation by administrative agency, we at least think we can see who will benefit by regulation and are moved by this vision to take action. Yet the burdens of regulation are so deceptively imposed that we have remained almost blithely unaware that the benefits of Government regulation are achieved only at a price. The price may be an actual dollar cost, such as increased consumer prices, or it may be a social cost, such as the dampening of individual initiative.

A study done by the Tax Foundation concluded that the cost to the consumer of complying with Federal regulations in 1976 was $62.9 billion. That amounted to more than $300 for every man, woman, and child living in the United States, and 20 times the $3.1 billion spent to operate the agencies that year. For 1979, it is estimated that $102.7 billion will be the cost to the consumer of complying with Federal regulations, or about $400 per person. A study conducted by the center for study of American business indicates that the cost of filling out Federal paperwork alone comes to about $25 to $32 billion annually.

In short, Federal regulation aggravates our already extreme rate of inflation by imposing costs on the private sector which raise prices without a corresponding rise in productivity. Indeed, as Dr. James Miller of the American Enterprise Institute has noted:

> Regulation often has a greater effect upon consumer welfare (than other inflationary factors) because it operates directly upon the real supply of goods and services.

Of course, while noting these extreme costs, we must also recognize that the benefits of appropriate regulation will not be achieved without cost. But at the same time the Federal Government must not embark on a program of regulation unconcerned by costs. Sadly, our present rulemaking structure is such that, in the words of Dr. William Lilley and Dr. James Miller writing in the public interest:

> A regulation is often promulgated whereby the final incremental improvement to achieve a stated objective yields small benefits relative to costs or great costs relative to benefits.

THE CAUSE OF THE PROBLEM: BROAD DELEGATIONS OF LEGISLATIVE AUTHORITY

In the recent past, we in the Congress have worked to give all Americans a clean environment, safe consumer products, a safe working place, protection from deceptive merchandising, and many other protections which in previous years were the responsibility of either the private sector or government at the local level—in the cities, counties, and States. We have pursued these goals by identifying a particular problem in legislation, stating in often general and ambiguous statutory terms the policy of Congress toward that problem, and then creating a Federal agency and authorizing it, again often in the broadest terms, to regulate the area in question.

By creating agencies with such broad authority, we have passed on to these agencies the authority to make, in the administrative regulations, the kind of policy judgments which properly we should make. We have delegated authority to the agencies to achieve multiple, and often inconsistent, objectives. We want agencies to reduce certain risks to health, safety, or environmental quality while avoiding, or at least minimizing, the adverse impact on the subjects of agency regulations, whether industry, consumers, or the Nation at large.

As a result of this delegation of authority, agencies must now make a range of conflicting, yet extremely significant, value choices about various aspects of our national life without meaningful guidance from the elected representatives of the people. Judge David Bazelon, a senior judge of the District of Columbia Circuit Court of Appeals, a court which deals with much of the litigation involving Federal agencies, has decried this failure of the legislative branch to give more direction to agency decisionmaking. In January 1977, Judge Bazelon wrote:

> Traditionally, in democratic societies, it is elected legislatures that make the hard value choices. . . . Increasingly, however, our legislatures have been delegating their value choices to administrative agencies—institutions through the relatively simple expedient of a show of hands.

Similarly, the Administrative Conference of the United States, in a report published in March 1979, observed—

> The agency problem of structuring discretion to accommodate multiple considerations in decisionmaking has not received sufficient congressional attention.

At this point in our history, I do not suggest that we can remove rulemaking authority from our Federal agencies. It would be impossible for Congress to make all the detailed decisions agencies must make on a regular basis. Consequently, the legislation I propose today takes no steps toward undermining an appropriate role for the administrative agency in our governmental structure. Rather, this bill is founded on my belief that we in Congress must fulfill our responsibility to shape the discretion of Federal agencies and provide the legal guides to channel agency actions along the sound policy course we set. Such action by the Congress would be welcomed not only by our frustrated citizens, but also by the agencies themselves who in an immediate and practical way suffer from the absence of clear congressional guidance in their daily work.

A BASIC REFORM: AN ADAPTATION OF COST—BENEFIT ANALYSIS

The Senator from Kansas believes that cost-benefit analysis is one technique we must adapt for administrative rulemaking in order to require an agency to evaluate the complete range of effects of a proposed rule. Moreover, President Reagan and his administration have strongly endorsed this approach to regulatory reform.

By shaping agency decisionmaking through a requirement that rulemaking include some sort of cost-benefit analysis, Congress can reestablish its dominant role as overall policymaker for our regulatory system. Hence, the bill that I am introducing today would require agencies to perform a kind of cost-benefit analysis of each proposed rule.

Cost-benefit analysis, in its traditional form as an accounting technique, saw its first widespread use in the late 19th and early 20th centuries when it was adopted by American municipalities to evaluate proposals for urban sewage systems. Over the course of the years it has been employed for a variety of public and private uses. In 1936, Congress approved cost-benefit analysis for water resource development projects, incorporating a requirement in the Flood Control Act of 1936 that acceptable projects demonstrate that "the benefits to whomsoever they may accrue are in excess of the estimated costs." At present, the name "cost-benefit analysis" no longer describes merely an accounting technique, with the implication of a solely mathematical procedure. Rather, as the 1979 report of the administrative conference points out, cost-benefit analysis now refers to—

> Any analytical method which organizes available information on alternative courses of action, and thereby displays possible trade-off opportunities to the decisionmaker.

Those concerned with the improvement of the regulatory process have increasingly focused on some sort of cost-benefit analysis as a sensible avenue of reform. Even in areas where the dollar cost of regulation does not reflect the spectrum of actual costs, such as in environmental and health regulation, expert opinion, including, for example, the National Academy of Sciences, has advocated the use of some form of cost-benefit analysis.

Quite simply, the principle of cost-benefit analysis reflects commonsense. However, encouraging agencies to perform such an analysis is not enough. Many observers have pointed out how effectively agencies have avoided performing such analyses. In October of 1979, a report of the Office of Management and Budget, evaluating the performance of "regulatory analyses" by certain agencies under Executive Order 12044, observed—

> Agencies try to avoid the requirement of a regulatory analysis, afraid that if they do an analysis, it will be the subject of public "sniping" or peer criticism.

Agencies have also avoided performing such analyses on more legitimate grounds. For example, the Clean Air Act of 1970 specifically instructs the Environmental Protection Agency to establish air quality standards based on considerations of public health. This requirement has been interpreted within the

EPA to mean that other considerations, like economic factors, cannot be considered.

Thus what is needed is a basic statutory provision requiring cost-benefit analysis. Consequently, this bill proposes amendments to our basic charter of administrative procedure, the Administrative Procedure Act.

The bill the Senator from Kansas introduces today requires a cost-benefit analysis which has been shaped by several obvious conclusions about what must be the reasonable policy for Federal regulation.

First, it is undeniable that a rational regulation must have an ultimately beneficial impact. To plot a course for this goal, an agency, just like any private enterprise, must evaluate and compare the anticipated benefits, costs, and other adverse effects of a proposed rule.

Yet Federal regulation presently has such a broad sweep through our lives that the impact of a regulation can take many shapes, ranging from a new expense imposed on a business, to protecting the natural beauty of a particular region. Thus, what is considered to be a benefit or a cost often cannot be described in numbers. As a result, any analysis of the anticipated benefits, costs, and adverse effects of a proposed rule cannot proceed solely on a mathematical basis but must involve the exercise of reasonable judgment by agency officials. In the words of the administrative conference, this means—

> Any analytical method which organizes available information on alternative courses of action, and thereby displays possible trade-off opportunities to the decisionmaker.

Second, it is critical that the public participate in any cost-benefit analysis. Obviously, the people who will be affected by a rule often have the best appreciation of its impact. Efficient and fair regulation requires that these people be heard and that an agency be able to take advantage of their expertise.

Finally, this bill is based on the conclusion that judicial review plays a vital role in the rulemaking process, acting as a reasonable check on the necessary discretion of agency officials. Any cost-benefit analysis must therefore be subject to judicial scrutiny to insure that an agency acts fairly and does not unreasonably ignore public comment on a proposed rule.

It certainly does not require any arcane sophistication to appreciate that this idea is simply commonsense. We all, individually, when deciding what we do in our daily lives, consider the tradeoffs of the alternatives with which we are presented. It may not be a formal process, but our minds certainly weigh what may be called the benefits and costs of how we choose to spend our time. Similarly, Federal agencies, or any organization public or private, must consider the ramifications of alternative courses of action. This measure simply requires Federal agencies to go through this process of identifying the advantages and disadvantages of their proposed regulations under public scrutiny and with public participation.

This bill does not set up any new procedure outside of the rulemaking process now followed by the agencies and set out in the Administrative Procedure Act. It simply requires agencies, in the context of the informal rulemaking process to identify what they consider to be the various costs and benefits of a proposed regulation. The public can then comment on the benefits and costs as identified by the agencies, as is now the procedure. Once this process is finished, an agency must evaluate what it considers to be the reasonably significant costs and benefits of its proposed regulation and reach a reasonable conclusion that the benefits will outweigh the costs. No precise mathematical analysis or quantification is required. This bottom line judgment is put squarely within the expertise of the agency. The agency's explanation of this analysis and its conclusions are put within the rulemaking record for the general judicial review required under the Administrative Procedure Act. No special judicial scrutiny is focused on this analysis.

This measure thus simply tries to set out some rational guidelines for the agencies to use when exercising the generally broad authority we in the Congress have delegated to them. This process is not alien to agency decisionmakers. Indeed, a rudimentary form of this analysis has been required since the Ford administration by Executive order.

Though this proposal is certainly not a cure all, it is well considered regulatory reform in its most basic sense. It addresses one specific regulatory problem which has been universally recognized—the excessive costs of Federal regulation. It proposes a streamlined remedy—a procedure for agencies to identify and avoid those excessive costs. In essence, it is an effort to improve our regulatory system by avoiding the often inadvertent, but excessive adverse effects of regulations, so as to make Federal regulations more beneficial to all Americans.

This is an obvious and practical step forward. This Senator urges all of his colleagues to support this measure as a long overdue rational reordering of the rulemaking process.●

By Mr. ABDNOR:

S. 407. A bill to authorize a study of the feasibility of Federal development of the water resources of the I'Santi Unit of the Missouri River Basin located on the Flandreau Santee Sioux Reservation, South Dakota; to the Committee on Energy and Natural Resources.

FEASIBILITY STUDY OF FEDERAL DEVELOPMENT OF I'SANTI UNIT OF THE MISSOURI RIVER BASIN

● Mr. ABDNOR. Mr. President, today I have introduced legislation to authorize the Water and Power Resources Service to study the feasibility of Federal development of the I'Santi Unit of the Missouri River Basin program. This proposed irrigation project would be located on the Flandreau Santee Sioux Reservation in South Dakota.

The legislation provides $300,000 over a 3-year period to study the potential to irrigate 1,500 to 3,000 acres of tribal lands and some additional contiguous non-Indian lands, as well as the potential to enhance the quality of domestic water supplies.

The Carter administration's fiscal year 1982 budget provides $75,000 to do an appraisal study of the whole reservation. This study will determine which land needs irrigation, how many acres are available to irrigation, and what domestic needs exist.

Since the appraisal report is to be completed in 1982 passage of this legislation this year will allow work to proceed in an uninterrupted manner in fiscal year 1983. Consequently, my colleague's support could help to bring new industry to this small but vibrant reservation in the near future.●

By Mr. CHAFEE:

S. 408. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of earned income of citizens or residents of the United States earned abroad, and for other purposes; to the Commission on Finance.

TAX LAWS AFFECTING AMERICANS LIVING AND WORKING OVERSEAS

● Mr. CHAFEE. Mr. President, today I am introducing S. 408, a bill to reduce the tax burden and simplify the tax laws affecting Americans who live and work overseas.

The current provisions in sections 911 and 913 of the tax code simply do not work as they were intended. In too many situations they have caused a substantial increase in the cost of employing U.S. citizens in foreign countries. As many of my colleagues are coming to realize, this is having a devastating impact on our competitive position in the export markets and resulting in a loss of jobs here at home.

Study after study has shown these effects to be real. A year ago, the President's Export Council found that the loss of Americans working abroad was responsible for a 5-percent loss of U.S. exports; an amount equal to $6 billion to $7 billion in business to U.S. companies. According to a Commerce Department study, each billion dollars of exports produces 40,000 jobs for workers in this country. So, Mr. President, we are talking about an unnecessary loss of 280,000 jobs.

A study by Chase Econometric Associates has documented an even more dramatic decline in U.S. economic activity which can be attributed to onerous tax policies affecting overseas Americans.

Organization Resources Counselors, Inc. has published a recent survey showing the severe decline since 1976 in the ratio of U.S. overseas workers to third country nationals among the employees of U.S. companies with foreign operations.

Among 257 companies surveyed in 1976, American citizens accounted for 73 percent of their employees abroad. By 1980, 306 companies surveyed showed an astounding decrease to just 37.2 percent.

The General Accounting Office, I am told, is now completing work on a report that will show similar results.

We can bemoan this situation for another year or two. Mr. President, and commission some more studies and come

up with some new numbers to show how deplorable it really is. Or, we can change the law and set things right.

The bill I am introducing today is much like S. 2283 which I sponsored last year, and resembles in many ways the provision passed by the Finance Committee last August.

S. 408 will permit Americans working abroad to exclude the first $50,000 plus half of the next $50,000 of earned income from U.S. taxes.

Housing costs which exceed about $5,000 a year would also be excluded from income tax. The cost of housing is generally the largest single living expense to Americans working overseas. Despite the housing deduction in the current law, however, many people still have to pay taxes on the allowances provided by employers to cover excessive costs.

Americans who are residents of a foreign country or have lived and worked overseas at least 11 months in any 12 consecutive month period would qualify for the income and housing exclusions under my bill.

In addition to the provisions contained in S. 408, I will be working with the Senate Finance Committee and the Internal Revenue Service to devise a simplified tax return filing procedure for individuals whose incomes fall below the exclusion level in the bill.

Mr. President, I welcome all my colleagues to join in cosponsoring this measure with me. The issue at stake is not simply cleaning up a messy provision of the Internal Revenue Code; it is removing a significant U.S. export disincentive so we can expand our commercial efforts overseas and provide jobs to American workers here at home.

I ask that the text of S. 408 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PARTIAL EXCLUSION FOR EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES AND FOR FOREIGN HOUSING COSTS.

(a) IN GENERAL.—Section 911 of the Internal Revenue Code of 1954 (relating to income earned by individuals in certain camps) is amended to read as follows:

"SEC. 911. EARNED INCOME FROM SOURCES WITHOUT THE UNITED STATES; FOREIGN HOUSING COSTS.

"(a) EARNED INCOME EXCLUSION.—In the case of an individual who is—

"(1) a citizen of the United States and who establishes to the satisfaction of the Secretary that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, or

"(2) a citizen or resident of the United States and who, during any period of 12 consecutive months, is present in a foreign country or countries during at least 330 full days in such period.

there may be excluded from the gross income of such individual, and exempt from taxation under this subtitle, amounts received by such individual from sources within a foreign country or countries (except amounts paid by the United States or any agency thereof) which constitute earned income attributable to services performed by such individual during the period described in paragraph (1) or (2), whichever is appropriate.

"(b) DEFINITION OF EARNED INCOME.—For purposes of this section, the term 'earned income' means wages, salaries, or professional fees, and other amounts received as compensation for personal services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income-producing factors, under regulations prescribed by the Secretary, a reasonable allowance as compensation for the personal services rendered by the taxpayer, not in excess of 32 percent of his share of the net profits of such trade or business, shall be considered as earned income.

"(c) SPECIAL RULES.—

"(1) LIMITATIONS ON AMOUNT OF EXCLUSION.—The amount excluded from the gross income of an individual under subsection (a) for any taxable year shall not exceed an amount which shall be computed on a daily basis at an annual rate of compensation equal to the sum of—

"(A) $50,000, plus

"(B) 50 percent of the amount of compensation received by such individual in such taxable year which exceeds $50,000,

for each day of the taxable year during which such individual is present in a foreign country.

"(2) ATTRIBUTION TO YEAR IN WHICH SERVICES ARE PERFORMED.—For purposes of applying paragraph (1), amounts received shall be considered received in the taxable year in which the services to which the amounts are attributable are performed.

"(3) TREATMENT OF COMMUNITY INCOME.—In applying paragraph (1) with respect to amounts received from services performed by a husband or wife which are community income under community property laws applicable to such income, the aggregate amount excludable under subsection (a) from the gross income of such husband and wife shall equal the amount which would be excludable if such amounts did not constitute such community income.

"(4) REQUIREMENT AS TO TIME OF RECEIPT.—No amount received after the close of the taxable year following the taxable year in which the services to which the amounts are attributable are performed may be excluded under subsection (a).

"(5) CERTAIN AMOUNTS NOT EXCLUDABLE.—No amount—

"(A) received as a pension or annuity, or

"(B) included in gross income by reason of section 402(b) (relating to taxability of beneficiary of nonexempt trust), section 403(c) (relating to taxability of beneficiary under a nonqualified annuity), or section 403(d) (relating to taxability of beneficiary under certain forfeitable contracts purchased by exempt organizations),

may be excluded under subsection (a).

"(6) TEST OF BONA FIDE RESIDENCE.—A statement by an individual who has earned income from sources within a foreign country to the authorities of that country that he is not a resident of that country, if he is held not subject as a resident of that country to the income tax of that country by its authorities with respect to such earnings shall be conclusive evidence with respect to such earnings that he is not a bona fide resident of that country for purposes of subsection (a).

"(7) FOREIGN TAXES PAID ON EXCLUDED INCOME NOT CREDITABLE OR DEDUCTIBLE.—An individual shall not be allowed as a deduction or as a credit against the tax imposed by this chapter any credit or deduction for the amount of taxes paid or accrued to a foreign country or possession of the United States, to the extent that such deduction or credit is properly allocable to or chargeable against amounts excluded from gross income under this subsection, other than the deduction allowed by section 217 (relating to moving expenses).

"(d) HOUSING COST EXCLUSION.—

"(1) IN GENERAL.—In the case of an individual described in subsection (a), there shall be excluded from the gross income of such individual, and exempt from taxation under this subtitle, in addition to any amounts excluded and exempt under subsection (a), an amount equal to the housing cost amount.

"(2) HOUSING COST AMOUNT.—For purposes of this subsection, the housing cost amount is the amount by which an individual's housing expenses for the taxable year exceed 16 percent of the salary of an employee of the United States who is compensated at a rate equal to the annual rate paid for step 1 of grade GS–14.

"(3) HOUSING EXPENSES.—The term 'housing expenses' means the reasonable expenses paid or incurred during the taxable year by or on behalf of an individual for housing for the individual (and, if they reside with him, for his spouse and dependents) in a foreign country. The term—

"(A) includes expenses attributable to the housing (such as utilities and insurance), but

"(B) does not include interest and taxes of the kind deductible under section 163 or 164 or any amount allowable as a deduction under section 216(a).

Housing expenses shall not be treated as reasonable to the extent such expenses are lavish or extravagant under the circumstances.

"(4) SECOND FOREIGN HOUSEHOLD.—If an individual described in subsection (a) maintains a separate household outside the United States for his spouse and dependents and they do not reside with him because of living conditions which are dangerous, unhealthful, or otherwise adverse, then the words 'if they reside with him' in paragraph (3) shall be disregarded.".

(b) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart B of part III of subchapter N of chapter 1 of such Code is amended by striking out the item relating to section 911 and inserting in lieu thereof the following:

"Sec. 911. Earned income from sources without the United States; foreign housing costs.".

(2) Sections 43(c)(1)(B), 1302(b)(2)(A)(i), 1304(b)(1), 1402(a)(8), 6012(c), and 6091(b)(1)(B)(iii) are each amended by striking out "relating to income earned by employees in certain camps" and inserting in lieu thereof "relating to earned income from sources without the United States and foreign housing costs".

SEC. 2. EMPLOYEES LIVING IN CAMPS.

Section 119 of the Internal Revenue Code of 1954 is amended by adding the following new subsection:

"(c) EMPLOYEES LIVING IN CAMPS.—In the case of an individual who is furnished lodging in a camp by or on behalf of his employer, such camp shall be considered to be part of the business premises of the employer. For purposes of this section a camp constitutes lodging which is—

"(1) provided by or on behalf of the employer because the place at which such individual renders services is in an area where satisfactory housing is not available on the open market,

"(2) located, as near as practicable, in the vicinity of the place at which such individual renders services, and

"(3) furnished in a common area (or enclave) which is not available to the public."

SEC. 3. REPEAL OF DEDUCTION FOR CERTAIN EXPENSES OF LIVING ABROAD.

(a) IN GENERAL.—Section 913 of the Internal Revenue Code of 1954 (relating to deduction for certain expenses of living abroad) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart B of part IiI of subchapter N of chapter 1 of such Code is amended by striking out the item relating to section 913.

(2) Section 62 of such Code (relating to definition of adjusted gross income) is amended by striking out paragraph (14).

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1980.●

By Mr. JOHNSTON:

S. 409. A bill to provide specific standby authority to deal with petroleum supply interruptions, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON (for himself, Mr. BENTSEN, Mr. TOWER, Mr. CRANSTON, Mr. LONG, Mr. BOREN, Mr. HAYAKAWA, Mr. COCHRAN, and Mrs. KASSEBAUM):

S. 410. A bill to reform the Powerplant and Industrial Fuel Use Act of 1978 to encourage a reduction of air pollution and oil consumption by existing electric powerplants and to aid utilities in converting to alternate fuels; to the Committee on Energy and Natural Resources.

By Mr. JOHNSTON:

S. 411. A bill to amend section 203 of the Energy Policy and Conservation Act to provide the President with flexible authority to ration gasoline and diesel fuel; to the Committee on Energy and Natural Resources.

S. 409. STANDBY PETROLEUM AUTHORITIES ACT OF 1981

S. 410. PETROLEUM DISPLACEMENT ACT OF 1981

S. 411. REPEAL OF SECTION 203 OF ENERGY POLICY AND CONSERVATION ACT

Mr. JOHNSTON. Mr. President, I have three bills to introduce which I believe are exceedingly important.

The first has to do with a refinery policy and standby authority to deal with petroleum supply interruptions.

This bill incorporates two very important features dealing with energy policy. The first is to give to the President the standby authority to allocate petroleum supplies in the event of a severe petroleum supply interruption.

I very much approve and have been urging decontrol of crude oil supplies for some years. I am glad we were able finally to accomplish that.

However, it is exceedingly important in the event of a severe petroleum supply interruption for the President to have at his discretion the authority to allocate supplies in the event of such an interruption.

The first section of this bill gives to the President in his discretion that authority similar to that which presently exists in the Emergency Petroleum Allocation Act, that authority to allocate supplies of crude oil.

The second part, Mr. President, deals with crude oil access to refineries. Present law provides for two kinds of help to refineries. The first is what we call the refinery bias program, whereby small refineries, which are defined as 175,000 barrels per day or less, are given, in effect, a subsidy made up from all refiners directly for their own use. I do not continue that subsidy in this legislation.

The second kind of aid which refineries are given under the present law is what we call a buy-sell program. It is designed to assure access to scarce crude supplies for refineries which are short of petroleum.

The present law is somewhat flawed, I believe, Mr. President, in that the price at which some refineries are able to purchase that crude oil from other refineries can be too low. In other words, a refinery under the present buy-sell program is permitted to call upon other refineries which are not crude-oil short in times of shortage to purchase from them crude oil at their average acquisition cost.

Average acquisition cost in times of a volatile up-and-down market can be a great deal different from replacement cost. In some instances it can be as much as a $5 or $6 per barrel difference. I think, perhaps, the present program is too generous.

This legislation provides for a price in a buy-sell program which is the arithmetic mean or the arithmetic midpoint between cost and replacement cost. So I think it makes a good compromise in that respect.

The trigger, that is the circumstances under which this program would come into being, is very largely in the discretion of the President. It can be invoked only when the cutoff of supply threatens the Nation or threatens a region of the country which, because of inability of refineries supplying either nationwide or any region of the country, would threaten a basic economic or public health interest, and it is, as I say, a standby program to be invoked only when the President makes those difficult determinations, and then it applies only to the means between the actual cost to the seller refineries and the replacement cost.

It has another feature, Mr. President, which I think is very important. In order to qualify as a refinery buyer, those who are eligible to particpate in the program, they must show that in the region where they supply refined petroleum products that they are supplying the kind of products that are needed and which are essential in their area.

It provides that the President, or the President acting through the Secretary of Energy, come up with a rulemaking to define those kinds of products which, for their region, are essential.

What this is designed to do, Mr. President, is to prevent, as we have under the present law, a simple topping plant, that is a refinery which has only distillation ability, what we refer to as the bias babies, it prevents them from being able to call on other more complicated, more expensive refineries to furnish them crude oil. Only those refineries which are producing the kind of product that is needed in their region or in the country are permitted to call upon other refineries for supplies of crude oil.

Mr. President, this is not a subsidy program for refiners. It is not meant to give a big bubble bath, as the Washington Post called it, of subsidy to very rich refiners. It is designed to provide minimal protection in time of supply interruption to refineries which are important to the country.

It is quite true that in total refining capacity we have more capacity in this country than we probably need today. But that refining capacity includes those refineries which are only distillation refineries, those which only make the first crack at the barrel, which are fairly inexpensive as refineries go.

We are short, Mr. President, woefully short, of the kind of complicated and expensive refining capacity which is necessary to make the lighter kind of products, gasoline and other light products, and particularly to refine that from the heavy, higher-sulfur crudes which are becoming more and more the kind of crude oil which is available today.

In the old days most crude oil was what we called sweet light. It was not very expensive to refine sweet light-crude oil into a whole range of lighter products.

Today most of the Middle Eastern crude is a heavy and a high-sulfur, crude. Alaskan crude is heavy and high-sulfur, and we do not have the kind of complicated refining capacity, the catalytic crackers, the reformers, the other kinds of very expensive, very sophisticated, very technologically advanced refining capacity that we need.

This kind of legislation will protect that 25 percent of our present refining capacity which is held by the independents, and which is important because of its expensive and technologically advanced status.

In my view, Mr. President, if we do not pass some kind of refinery legislation then in times of shortage some of our most desirable, most expensive, most technologically advanced refining capacity presently held by independents will simply go under; either they will go out of business or they will be taken over by the majors, and I think it is very clear that at least some of our refining capacity in this country ought to be held by independent refiners. It is helpful for the market, it is helpful for competition.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON. Yes, I yield.

The PRESIDING OFFICER. The Chair advises the Senator that the 5 minutes for the Senator from Louisiana have expired.

Mr. LONG. Mr. President, I ask unanimous consent that we have an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I would ask the Senator is it not true that in the event the worst should happen and this Nation should be forced into a major war with a modern military power, such as is most obvious, the Soviet Union, if

that should develop into a nuclear contest, does it not stand to reason that all these big companies, these refineries, will be knocked out in short order, the major refineries close to the keyboard will be targeted and knocked out, does that not stand to reason?

Mr. JOHNSTON. Mr. President, I fear that my colleague is correct.

Mr. LONG. Well, every study I have seen on that matter indicates that that would be the case. These smaller refineries owned by independents would be the ones that would be the last to go; in other words, they are more dispersed, they are not as large, they are not as tempting a target. They are the lower yield to what one would obtain by firing a missile across the oceans to try to hit it from many thousands of miles away.

Would it not stand to reason, then, that these smaller refineries, smaller though they may be, might be all we would have left in the event of a nuclear exchange?

Mr. JOHNSTON. Mr. President, I think the Senator is correct.

A more immediate danger, however, is the fact that if the independent refiners cannot get crude or if they think they cannot get crude they are likely either to go out of business to be taken over by the majors, or not to expand or to improve their existing refining capacity to make the kind of investments that they need to make so that the country will have the kind of refining capacity which it needs. To the extent that we do not have the refining capacity that we need, it will be built in the Middle East.

I was on a program with the Secretary General of OPEC last year, and he said, very plainly and very diplomatically and in nice terms, that it was their intention in the Middle East to build refineries and to require the condition of receiving their crude oil that we purchase the products from them. That will surely happen if we do not build the refining capacity in this country of the kind we need.

If we do build that refining capacity, we will keep the jobs here and we will keep the refining capacity here. We become much more vulnerable to an oil cutoff to the extent that we cannot refine the product. It makes us more vulnerable than a simple cutoff of crude oil would.

Mr. LONG. Mr. President, I ask the Senator if it is not possible that the absence of the legislation of the sort that the Senator has introduced might leave us in a situation where members of OPEC, the Organization of Petroleum Exporting Countries, could, in effect, have the power of a death sentence on our independent refineries, or even on almost any refinery in times of shortage?

Mr. JOHNSTON. Even over the whole economy, in effect, because if they control the refineries, then they control the economy, because the economy runs on refined petroleum products.

Mr. LONG. And is it not so that the OPEC countries, or the leaders of those countries, particularly those who control the major exporting countries, such as Saudi Arabia, could, if they wanted to, pretty well decide who would stay in business in the oil refining area and who would not survive?

Mr. JOHNSTON. That is precisely correct.

Mr. LONG. Does the Senator really know of anybody who thinks that that would be a good idea, to give the ruling powers of Saudi Arabia or Nigeria or any other major exporting country, the power of life or death over the Americans who, in good faith, invested their money trying to make their contribution toward our energy problem?

Mr. JOHNSTON. I think the Senator, again, is entirely correct. I do not think anybody defends that kind of proposition.

Mr. LONG. Mr. President, I thank the Senator.

Mr. JOHNSTON. Mr. President, I thank my colleague.

Mr. President, I have two other bills to submit. One deals with the so-called off gas provision of the Fuel Use Act—that is section 301 of the Fuel Use Act—which presently prohibits gas-burning utilities from burning natural gas after the year 1990.

Mr. President, if this provision were left in the law, it would provide for one of two different alternatives. The first alternative, which is the most likely, is that, at great expense, these electric utilities would have to build entirely new facilities, in many instances, and switch to crude oil. Crude oil is in shorter supply in this country, or refined petroleum products which they might use, than is natural gas.

What this provision would do is to repeal that section 301, because by 1990 we will have deregulated natural gas supplies and we will, therefore, let the market allocate our supplies of natural gas.

Mr. President, the third bill repeals section 203 of the Energy Policy and Conservation Act, or should I say subsection (e) thereof.

Mr. President, as my colleagues are all aware, the Emergency Petroleum Allocation Act of 1973 expires on September 30 of this year. On that date practically all of the President's authority to provide for the allocation of crude oil or petroleum products, both in times of emergency or in times of normal supply as well, also expires. President Reagan's executive order of January 28 simply served to place price and allocation regulations in a standby status pending expiration of EPAA in September.

I completely support the President's decision to decontrol the petroleum industry.

As the former chairman and now the ranking member of the Subcommittee on Energy Regulation of the Committee on Energy and Natural Resources, I speak with some authority in saying "good riddance" to the price and allocation controls. These controls have been in effect far beyond the time which the Congress intended when they enacted temporary authority to address the energy emergency of 1973. Since then, in hearing after hearing we have been told by virtually every witness that Government controls on petroleum have outlived their usefulness and their intended lifetime. We have seen that even well-intentioned controls can have a pernicious effect on the market, and often cause the very shortages they are designed to prevent.

While President Reagan has converted the price and allocation controls on petroleum to a standby status, all authority for any Presidential role in the petroleum sector expires on September 30, 1981. I am introducing today legislation, the Standby Petroleum Authorities Act of 1981, which provides for a continuation of standby authority beyond September 30, 1981. Thus, in 1982 and beyond, the situation will be similar to the one that President Reagan has created with his own decontrol order, namely a free market, but with discretionary authority residing in the President to act in the event a catastrophic shortage of oil occurs.

I believe that price and allocation controls on petroleum have no place in times of normal supply, such as we are now experiencing. Currently, there are no shortages of petroleum products. And I have my doubts as to whether the circumstances of the last 2 years were such as to justify the continuation of price and allocation controls on petroleum. But I do believe that it is necessary that standby regulatory authority be available to permit the President to deal with truly catastrophic petroleum supply disruptions if that is his decision.

I am not taking this position because I am fond of price and allocation controls, quite the contrary. It is just that I know that if a truly severe petroleum disruption occurred, the Government could not stay on the sidelines. The people look to the Government to help manage a crisis that is a grave threat to the national economy. Certainly, the oil companies do not want to be left by default to manage the crisis. They are equipped with neither the means nor the desire to manage a national fuel shortage. Furthermore, they should not assume this role. They are expected to run their businesses so as to make a profit, not to dispense equity. Equity is the Government's business.

Moreover, it is far better that the Congress establish the ground rules for dealing with a petroleum supply interruption now, before the crisis occurs. Legislation enacted in the midst of an emergency is rarely administered in a rational way, as the history of the Emergency Petroleum Allocation Act of 1973 abundantly shows.

If a severe disruption in oil supply, such as a cutoff of Mideastern oil occurs, the President should have the emergency, temporary authority to insure, for example, that farmers can get diesel fuel, that homeowners can get heating oil, and that police, ambulances and firemen can get sufficient gasoline. And of course, an allocation order is of limited use unless coupled with some mechanism to specify the price of the petroleum products subject to the order.

During normal supply, the free market will allocate petroleum supplies efficiently. I deeply hope that normal supply will be maintained through the 1980's so that the President will never have to exercise this authority. But in the event that a breakdown in the system does

occur, the President must be equipped to act.

The legislation I am introducing provides wide discretion to the President. My objective at this point is to begin the debate on the subject. I am open to suggestion as to alternative ways in which this provision should work. One aspect of the proposal is unambiguous. The authority should have a very short lifetime, so that we do not have a repeat of the disastrous, overextended use of allocation and price controls under which we have endured now for 9 years.

The imposition of price and allocation controls on petroleum should be at or near the bottom of the sequential list of measures which the President has available to use during a petroleum disruption. Gasoline rationing deserves to be last in the sequence.

However, there is another authority which the President should have and which is provided in title II of the legislation I am introducing today. It is an authority that could be used long before the burdensome imposition of the full range of price and allocation controls becomes necessary. In fact, it might well forestall and possibly eliminate the need for price and allocation controls. That authority would enable the President to provide for access to crude oil by refineries who have been cut off from their suppliers. The objective would be to insure that no region of the country would become short of petroleum products because a refiner who supplied a significant share of that market was cut off from adequate sources of crude oil. It is far easier to insure that a refiner has crude oil to process into a variety of products for his region than for the Government to attempt to allocate the full range of refined petroleum products so as to supply that region.

Formerly, under the Emergency Petroleum Allocation Act of 1973, if an independent refiner is unable to obtain the crude oil he needs to serve his customers at reasonable prices, then other refiners who have their own sources of reasonably priced crude oil would be required to share their crude oil with the independent refiner. The legislative provision I am proposing today would activate a similar program, but only under specified "trigger" conditions, and the program would automatically revert to standby status unless a new showing related to these trigger conditions were made.

Besides providing regional supply protection, there is another important function of this crude oil access program. The program is designed to reduce the tendency of independent refiners who do not have their own sources of crude oil to buy in the spot market during a crude oil supply disruption. Increases in the spot market price paid by U.S. refiners tend to be followed by corresponding increases in the average OPEC price of crude oil. OPEC producers see crude oil prices being bid up in the spot market tc higher prices than they are receiving under long-term contract and so they suspect they are underpricing their crude oil. Consequently, they raise their price and another round of the inflationary spiral is the result.

If independent refiners had some assurance of a stable supply of crude oil, then this would dampen their rush to the spot market during an impending crude oil disruption. If this is the result, the crude access program I am proposing may significantly reduce the rate of increase in OPEC oil prices.

There are some important differences between the crude oil access program and the program which existed under the EPAA.

First, the crude oil access program that I am proposing is an emergency program. That is, the program remains in a standby status until triggered.

No refinery is eligible to purchase crude oil under this program unless the President finds that an interruption in petroleum supplies to the United States exists or is imminent and that such interruption is likely to result in circumstances nationally or regionally which will significantly impair essential public service and economic activity. In addition, the President may trigger the program to provide crude oil access to an individual refiner only if that refiner meets certain criteria and only if, but for this program, the refiner would be forced to purchase the crude oil he needs at prices substantially above the average price of imported oil. I expect and would welcome considerable discussion of the trigger conditions of the bill. We may well have to make the description of the trigger far more explicit before the legislation is enacted.

Second, this program is available to all qualified refiners, not just small and independent refiners.

Third, not just any refiner will qualify to receive crude oil under this program during a supply interruption. The refiner must operate or have committed to investments in the kind of refining capacity which meets national needs—that is, capacity which produces refined petroleum products necessary to maintain essential public service and economic activity and which enhances the ability of the United States to use heavy, high-sulfur crude oils. Thus, the efficiency of the refinery and products it produces determine eligibility.

The goal of the program is the meeting of consumer needs, not the preservation of refining firms. My aim is to avoid a situation, for example, in which a large, efficient refiner who makes gasoline and other light products needed during a disruption is required to sell crude oil during the disruption to a small, skid-mounted topping plant that produces primarily residual fuel oil or asphalt.

Because this program conditions eligibility on the type of petroleum products produced by the refiner seeking assistance, it should serve as an incentive to domestic refiners to upgrade their facilities.

Mr. President, I expect this bill to serve as a vehicle for Senate debate on the role of the Federal Government in the petroleum sector and on the refinery policy we will adopt for the 1980's. We very much need to have that debate and have it soon. I intend to do all I can to get the process started.

The legislation which I am proposing today contains a third title which addresses the issue of the national security impact of U.S. dependence on refined petroleum products imports. The bill which I introduced in the last Congress, S. 1684, established a tariff on imported petroleum products. While I continue to support the use of a tariff to prevent the United States from becoming overly dependent on foreign refineries, I have decided in the interest of expediting consideration of this legislation not to propose such a tariff in this bill.

Rather, title III would require the Secretary of Commerce to initiate an investigation under the Trade Expansion Act of 1962 as to whether imports of refined petroleum products threaten national security. Under that act the Secretary must report the results of his investigation and his recommendations to the President. That act further provides that if the Secretary finds that the national security is threatened by the import of refined petroleum products, then the President must take appropriate action to restrict the imports. The mechanism for such restriction would likely be an import tariff.

Subtitle of title III, section 301 of the Powerplant and Industrial Fuel Use Act of 1978 (Public Law 95–620) generally prohibits the burning of natural gas as a primary energy source in an existing powerplant after 1990. Exemptions to this prohibition are allowed under subtitle B but all would-be applicants should recall the warning by the English naval officer escorting the notorious Milady of Alexander Dumas's "Three Musketeers" fame to Lord de Winter's castle when she asked under what order he was bringing her, "The measure is general, Madam, and you will search in vain to evade it." Therefore, with no hope of evasion of the general, nor inclusion under the specific and after a review of changed circumstances today, I believe the prohibition under section 301 should be reconsidered, then eliminated. My reasons follow:

First, it is necessary to reexamine the context in which the Fuel Use Act (FUA) was considered. President Carter's original energy plan in April 1977 virtually played taps over the future of our domestic gas industry. His accompanying background material noted a fourteen-percent production drop by 1985. Reserve estimates, governmental and private, placed our supply at approximately 208 trillion cubic feet (tcfs), just less than an 11-year supply at our then annual 19-tcf consumption rate. These studies, coupled with the frenzy in which the Congress had to deal with the harsh winter of 1967–77 culminating in the passage of the Emergency Natural Gas Act of 1977, led to the passage of the FUA in 1978.

At the same time as passage of the FUA, however, the successful passage of the Natural Gas Policy Act of 1978 (NGPA), with its immediate higher prices, gradual deregulation, and consolidation of the dual-market system, led to a boom in the exploration of natural gas. With its higher prices, a colorful panoply of gases for the first time became economically attractive—from

tight formation and coal seams gas to geopressured methane and gas from Devonian shale. The policy question then becomes: Does the success of the objectives of the NGPA cancel the necessity of the existing facility gas-burn prohibition under the FUA? More specifically, given the time period from the passage of the NGPA in November 1978 until today, can we determine from its utilization any positive trends in the gas industry which would justify an optimistic view of the future gas supply situation enough to eliminate the section 301 prohibition in the FUA?

I think the data shows such a trend. Consider: The American Gas Association (AGA) announced May 5, 1980, that total additions to reserves in 1979 were 14.3 tcf, an increase of 35 percent over the 10.6-tcf addition in 1978. These reserve additions, constituting close to three-fourths of 1979's 19.9-tcf gas production appears to be signaling a slowdown in the rate of decline of U.S. gas reserves and also a return to a reserves/production equilibrium. The cause of this gain last year over prior years was a direct result of increased drilling activity, for example, a 36-percent increase in March 1980 over the active rig count in March 1979. The 2,669 number, a 23-year high, points to the excitement in which producers are seeking to develop our gas resource base, which many prominent gas supply experts acknowledge has not yet been sufficiently probed.

The present NGPA, absent the forthcoming necessary debate over immediate decontrol, contains some incentives for a continuation of this trend. A particular example is the deregulation of gas below 15,000 feet provided in section 107. Active deep-well locations in the Anadarko Basin in Oklahoma last year numbered 214, a 36-percent increase over the number in March 1979. According to the January 1980 Foster report, as of November 1979, only 190 State agency filings had been made under section 107, representing less than 1 percent of the total filings under the act, but these filings accounted for more than 7.5 percent of the estimated annual volumes of gas being produced under NGPA well filings. Other exciting deep-gas prospects that portend higher gas volumes are the Tuscaloosa Trend and the deeper zones located in the overthrust belt.

A necessary corollary of increased prices has been the existence of a strong demand for gas in the interstate markets. Order 30 allowing utilities to burn gas under the public exemption exception under section 311(e) of the FUA and the transportation authority granted by the Federal Energy Regulatory Commission illustrate how higher prices and the assured market can encourage producers to drill for additional gas that will expand production and our reserve base.

Before FERC, a number of Ohio producers testified in the Commission's informal public conference on the availability and pricing of natural gas and alternative fuels on April 2, 1980, that in response to these two Federal actions, producer well activity increased 31 percent over the total drilled in 1978. Although most of these wells were development wells under section 103, it does show that those areas uneconomical to develop before are being produced along with the desirable end of finding additional reserves.

A vivid example of the improvement of the natural gas supply situation can be provided by the decline in overall interstate curtailments. The terrible curtailment problem that built from a low of 0.1 tcf in 1971 to an ominous high of 4.3 tcf in 1978 is now falling. Figures for 1980 show a drop in curtailment to 2.3 tcf and still falling, indicating the gas industry's capability to meet their seasonal and peak demands with a continuing trend toward moving any pipeline shortages. Existing curtailment plans would not be affected by any change in the FUA.

The second reason for removal of section 301 is to remove the incentive to use oil in existing boilers rather than gas. Since the FUA does not prohibit increased oil use, the inability to burn gas in 1990 put utilities in the anomalous position of burning oil if they face increased load requirements or are unable to complete scheduled new plants in time. A study by the Energy Information Administration for the Energy Regulation Subcommittee last year showed that a repeal of section 301 with the continuation of the ban on gas burns in new plants, would by 1990 lower oil imports by up to 700,000 barrels a day. Gas, albeit at a higher price would be available but the price would still be lower than the cost of premature retirement of existing plants; the cost to the Southwest alone, estimated by Don Jordan of Houston Power & Light to be $50 to $75 billion. The sensible policy then would be to allow gas burns until scheduled alternative fueled plants can come on line. The threat of reduced coal, nuclear, and alternative fuel usage for electric powerplants does not come from the flexibility of allowing the burning of gas but instead comes from the obstacle of the lack of present utility ability to finance new sources of electrical generation.

One gas executive for instance, has said that we can combine our policies of clean air and development of our coal reserves, by allowing an increased use of gas for generation of 5 percent which would enable us to burn 30 percent more coal annually by allowing gas burns during peak pollution periods. Creativity, not confrontation will allow us to accomplish both objectives.

In conclusion, I feel that in the context of information available to the Congress at that time, the FUA prohibition was not ill-conceived, but the available evidence today shows us the necessity for its repeal. I ask that three articles giving an overview of the natural gas situation today be printed, "Natural Gas: Available Today and Tomorrow," by Charles C. Ingram, Jr., Public Utilities Fortnightly, October 23, 1980, page 17, "Who Said the U.S. Is Running Out of Gas?", by Ann M. Reilly with Susan Antilla, Dun's Review, December 1980, page 96, "The Perfect Fuel," by Stephen Chapman, the New Republic, December 22, 1980, and for a view on the state of the utility industry in general an article from the Wall Street Journal of February 2, 1981, entitled "Big Financial Problems Hit Electric Utilities, Bankruptcies Feared."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Public Utilities Fortnightly]

NATURAL GAS: AVAILABLE TODAY AND TOMORROW

(By Charles C. Ingram, Jr.)

The natural gas industry entered the decade of the '80's with optimism and enthusiasm spurred by record well drilling activities, improved supplies of gas energy, and expectations of increasing supplies of natural and supplemental gas. The gas supply questions of the early '70's are being answered one by one as the nation comes to the realization that gas energy is the key to a successful national energy policy for the future.

The passage of the Natural Gas Policy Act in the fall of 1978 marked a turning point for the gas industry. This past year has demonstrated that, as former Energy Secretary James Schlesinger said, this nation is entering "the golden age of gas."

Gas well completions continue to climb, seismic activity has hit a 20-year high, and drilling will achieve an all-time high in 1980. Our confidence in continued strong supplies of domestic natural gas has been further buoyed by prospects for Mexican gas, increased supply from Canada, and pipeline gas from Alaska. When other supplemental supplies, such as synthetic gas from coal, gas from waste products, landfill gas, gas from ocean kelp, gas from geopressurized brine, gas from tight sands, and gas recovered from coal seams are added to the growing inventory—the long-range outlook for gas energy is excellent.

These known and potential supplies of gas energy have always been there, but the real problem has been the lack of a commitment by America to select the gas option as the premium choice for the nation's energy future. Because of the events of the '70's, I now believe America is choosing the gas option.

Congressional and regulatory actions long sought by the gas industry are being achieved one by one and the pessimistic attitude of some government officials of a few years ago has changed. Gas energy has become the centerpiece in the future energy planning for America—and increased gas energy supply is a crucial part of that planning.

The renaissance of gas has two ingredients. First, the recognition that the nation will continue to have substantial supplies of domestic natural gas—up to sixty years of recoverable conventional gas supplies remain to be discovered and produced in the United States. Second, the outlook for supplemental supplies of gas energy is excellent. Conservative estimates of production from supplemental sources show that it will be more than enough to offset an anticipated decline in lower 48-state production of conventional natural gas and will result in a net increase of total gas supply.

By the year 2000, supplemental gas—from new technologies, coal gasification, liquefied natural gas, and from Alaska, Canada, and Mexico—will provide over half of all gas consumed in the United States. Most supplemental gas supplies through the turn of the century will come from domestic sources, including the Alaskan pipeline, coal gasification, and Alaskan liquefied natural gas

(LNG). New technology gas from Devonian shale found east of the Mississippi river, tight sands gas from the Rocky Mountains of our western states, supply from geopressurized salt water along the Gulf of Mexico, land and marine biomass which can be converted into gas, and gas from urban waste—all will make a growing contribution.

According to the latest study by the American Gas Association Gas Supply Committee, the U.S. natural gas industry expects to provide up to 33 trillion cubic feet (Tcf) of gas for domestic consumption by the year 2000. No matter how the pie is sliced, the amount of gas available from lower-48 production and supplemental sources will total between 23 and 33 Tcf. Current total U.S. supply is about 21 Tcf per year.

The future supply situation is outlined on the basis of a U.S. self-sufficiency scenario, resulting in a potential supply of 23.1 to 30.1 Tcf; a North American focus, realizing a 26 to 32 Tcf supply; a scenario under which there would be moderate world imports, 24.3 to 30.3 Tcf; and a scenario emphasizing increased U.S. access to world gas supplies, 27.1 to 33.1 Tcf.

There are some similarities among all the scenarios. For example, in each of the assessments lower-48 natural gas supply is expected to level off at between 12 and 14 Tcf. Also, nonconventional gas supplies are expected to range between 1.0 Tcf and 2.5 Tcf under all four scenarios.

The main differences in the supply mix begin to show up when emphasis is placed on supply sources outside the U.S. LNG imports under self-sufficiency and North American focus modes total less than one Tcf a year throughout the remainder of the twentieth century. However, when moderate world imports or unlimited access to world gas supplies are considered, LNG imports rise to 2.5 Tcf and 4.0 Tcf, respectively.

This study, which took two years to complete, emphasizes that supplemental sources of gas currently provide less than 7 per cent of the total U.S. gas supply. However, this percentage will steadily increase over the next twenty years so that by the year 2000 supplemental sources are expected to contribute from 40 to 60 per cent of the total supply.

In my travels as AGA chairman, I have seen what the Japanese are doing to increase their use of gas through increased imports of liquefied natural gas. I have discussed increased use of gas in Germany with Europeans who are developing supply sources from coal gasification. I have talked with Canadians, Italians, and the Dutch about how we are maximizing use of domestic supplies of gas in the United States in order to decrease our dependency on foreign oil.

America has a leadership role to play in world energy planning. The gas option is not just a useful U.S. energy policy, it is a worldwide option which can help all the nations progress toward more stable economies.

The gas option allows for the utilization of all energies for those jobs and functions which each can do best and most efficiently.

Stated another way, gas would be used to supply heat energy to homes, commercial businesses, and industry; oil would be used primarily in transportation and electric generation in several applications. Such use of energy would lower the cost of fuel to all consumers, resulting in overall energy savings.

So as we encourage a change in the perceptions of American governmental leaders, we have a role in affecting the energy future of our world. But as in any endeavor, our first requirement is to start at home.

GAS SUPPLY—2000

[In trillion cubic feet]

Actual 1979	Scenarios			
	Sufficiency	North American focus	Moderate world imports	World conventional gas emphasis
Lower 48	12.0–14.0	12.0–14.0	12.0–14.0	12.0–14.0
Synthetic gas	.3	.3	.3	.1
Alaska	3.0	3.0	1.5	3.0
Canada	1.0	2.0	2.0	2.0
Mexico	.1	2.0	2.0	2.0
LNG	.7	.7	2.5	4.0
Coal gas	3.5	3.5	1.5–2.5	1.5–2.5
Tight formations	1.5–5.0	1.5–4.0	1.5–3.0	1.5–3.0
Nonconventional	1.0–2.5	1.0–2.5	1.0–2.5	1.0–2.5
Total	23.1–30.1	26.0–32.0	24.3–30.3	27.1–33.1

Supply projection by AGA Gas Supply Committee.

American consumers have always preferred natural gas because it is efficient, clean, and economical. Now that gas is available, the gas industry is faced with a marketing challenge to ensure that gas energy is used in the most efficient way and for the jobs it does best.

This year as chairman of the American Gas Association I have placed special emphasis on communicating with consumers in order that the gas industry could tell its story of increased supply. Also, gas utility companies all over America are listening to consumers to learn about their needs, their problems, and their ideas as to how the gas industry could better serve them.

This special effort has included speaking to a variety of groups across the nation, initiating special programs with government aimed at meeting consumer needs, working with consumer groups and their leaders, and holding consumer round tables—workshops where the gas industry listens more than it talks.

Consumers want to know more about new, more efficient gas appliances. They want to know about future supply and how that supply can be developed without harming the environment, and they want substantial information on the outlook for all energy prices.

Also this year, I have watched the gas industry look to new ideas for using gas as a means for utilizing our vast coal resources. Energy studies indicate that using small amounts of gas can accelerate the use of coal. By employing dual-fuel stationary equipment that would permit the utilization of gas in coal-fired boilers during peak pollution periods, much greater quantities of coal would be burned everywhere without additional detriment to the environment. The use of 5 percent more gas could enable us to burn 30 percent more coal annually in the United States. Through this use of gas, coal-burning facilities would be better able to comply with clean air laws.

The industry is also pursuing the construction of coal gasification facilities as a logical step in meeting goals of increased coal use worldwide. This is feasible technology which is at hand. Coal gasification is less costly than liquefaction and electrification and its environmental advantages far outweigh any other uses of this abundant fuel. Synthetic coal gas is about 40 percent more efficient, five to ten times cleaner, and produces up to 27 percent less carbon dioxide than coal electrification.

Moreover, a recent study performed by the Mitre Corporation for the American Gas Association shows that carbon dioxide, which is a by-product of high Btu coal gasification, could be used to enhance the nation's oil production by up to 1.3 million barrels per day, and could minimize the carbon dioxide emitted to the atmosphere. Carbon dioxide derived from natural sources is presently injected into oil wells to increase production. While this technique was responsible for only 6 per cent of enhanced oil production in 1979, the trend toward its use has been steadily increasing and a number of oil companies are planning carbon dioxide pipelines to oil fields. Obviously, this is another way one fuel can help enhance the production of another.

The gas industry is telling consumers that this clean, efficient energy is and will remain available, that it will continue to be their best energy buy, and that the gas industry can prove it.

My year as chairman also saw growing industry enthusiasm for using natural gas as a transportation fuel for fleet vehicles. The American Gas Association has performed studies which indicate that methane, which is the main component of natural gas, as a vehicle fuel costs the equivalent of 65 cents per gallon of gasoline while only producing one-third the air emissions. In fact, even using higher cost supplemental gas, such as supplies from gasified coal, would be the energy equivalent of gasoline at $1.08 per gallon.

Yes, this past year has marked the decade of the '80's as a time of rebirth for the gas industry. We have entered a new relationship with consumers, we are convincing the nation that the gas option is the choice of the future, but the next ten years will be years of critical decisionmaking.

The decade of the '80's will in fact determine the long-term future of the gas industry because of the key regulatory decisions which will be made concerning the development of supplemental supplies.

Next year and in the years to come the American Gas Association and gas distribution and transmission companies across the nation will continue to work for governmental decisions which will assure that gas energy continues to have an essential role in the nation's long-term energy future. The decade of the '70's was marked by the renaissance of gas energy; the '80's will be the decade of opportunity for our industry.

[From the Dun's Review]

WHO SAID THE U.S. IS RUNNING OUT OF GAS?

Only two years ago, the conventional wisdom held that America was rapidly running out of natural gas. So Congress, in an effort to spur exploration and production and to conserve remaining supplies, passed legislation phasing out price controls at the wellhead and discouraging industry and utility from using gas.

But those policies worked better than their framers had planned, and today the nation is swimming in gas. As a result industry leaders are now pushing for a letup in restrictions on consumption, and Congress will probably go along, at least to some extent, next year. Legislators and administrators were already moving in that direction before the elections, and the landslide victory of the Republican Party, with its free-enterprise views on energy, makes action all the more likely.

Under the present setup, explains Federal Energy Regulatory Commission Chairman Charles Curtis, there is a danger that poli-

cies designed to accommodate declining gas supplies will become "self-fulfilling prophesies," discouraging exploration and production by restraining market growth. "The positive trends in production and development activities suggest that the resource base itself may well prove to be greater than anyone anticipated at the time governmental demand management policies were developed. This suggests that the time has come for a critical reappraisal of these programs."

The two pillars of current gas policy are the Natural Gas Policy Act and the Powerplant and Industrial Fuel Use Act, both dating from 1978. The former provides for the gradual deregulation of wellhead prices for newly discovered gas, to be completed by 1985. It also mandates that industrial gas users be the first curtailed in times of shortages and requires them to pay "incremental prices," equivalent to the cost of oil, for all "new" gas purchased for big boilers, while residential, commercial and utility users pay lower prices. At the same time, the Fuel Use Act bans the construction of new gas-fired power plants or big industrial boilers and requires that all utilities stop using gas by 1990.

At the time of their passage, both bills made reasonably good sense because gas reserves were dwindling. From 1947, when the pipeline system was beginning to be set in place, until 1967, proven gas reserves in the United States expanded from 165 trillion cubic feet (Tcf) to 292 Tcf. But after 1967, reserves began declining steadily, so that by 1978 they had sunk to only 200 Tcf, about a ten-year supply. Simply put, the U.S. was using more gas than it was finding. With the exception of 1970, when the Prudhoe Bay discovery was registered, domestic production outpaced additions to reserves—that is, discoveries plus revisions (usually upward) in earlier reserve estimates—by an average 11 Tcf a year.

NEEDED: PRICE DECONTROL

Federal price controls were the culprit. Wellhead prices were held below 20 cents per 1,000 cubic feet (Mcf) during the 1960s and were still below 80 cents in 1977. This, combined with rising exploration costs, made it uneconomic to drill for gas except in shallow, generally unproductive fields. "The incentives to drill for deep and other hard-to-reach gas just weren't there," says chief economist Benjamin Schlesinger of the American Gas Association. "Everybody knew the gas existed, but nobody wanted to put it on line at such meager prices." As a result, additions to reserves fell dramatically, from 21 Tcf in 1967 to 10.6 Tcf in 1978.

At the same time, the controls made gas considerably cheaper than oil for both residential and industrial users. In 1970, for example, 1 million BTUs of home heating oil cost $1.33 compared to $1.06 for gas. For industrial customers, the savings were even greater: 73 cents per million BTUs for oil versus only 38 cents for gas. Understandably, gas demand rose smartly and production climbed to meet it, from 18 Tcf in 1967 to 22.6 Tcf in 1973.

At that point, however, limited supply became a drag on consumption. Concerned about declining reserves, utility commissions began to prohibit the conversions of home furances from oil to gas. And during the severe winter of 1976–77, the federal government cut off supplies of gas to industrial customers in the East and Midwest, forcing a number of plants to shut down.

Once burned, industry became twice shy, turning from gas to oil, and more or less accepting the 1978 limits on gas use by industrial and utility plants. "The gas supply situation looked so bleak then that industry decided there was no sense arguing about the new restraints," says Rick Richard, energy expert for Senator Bennett Johnston of gas-rich Louisiana.

Since the Natural Gas Policy and Fuel Use Acts became law, however, the gas supply picture has brightened dramatically. With wellhead prices averaging $1.14 per Mcf and running to $4.50 for deep gas—supplies found below 15,000 feet—explorers have practically stampeded into the field. In 1978, deep drilling alone jumped 46 percent following by a respectable 5 percent gain last year, while total drilling rose 19 percent in 1978 and 10 percent in 1979. This new "gaseous gold" rush in turn boosted reserve additions to 14.3 Tcf in 1978, up 35 percent from 1978 and a whopping 120 percent from 1973, with the biggest finds coming from deep wells in Louisiana, Oklahoma and the Rockies.

Of course, production is still greater than new reserves, but the gap shrank to only 5.3 Tcf last year, versus 16.1 Tcf in 1973, and gas industry gurus believe this trend will accelerate as prices are fully decontrolled. "We've finally turned the supply corner," says AGA President George ("Bud") Lawrence. "We have every reason to be optimistic about the future of United States gas supplies."

Potentially, U.S. gas supplies are enormous. The Colorado School of Mines estimates that in addition to 200 Tcf of proven reserves from conventional sources, the nation possesses about 1,202 Tcf in potential reserves. Most of this is in hard-to-reach areas; about 19 percent in Alaska; 20 percent in deep formations; and 34 percent below the ocean floor. Still, it is recoverable. "We have the technology," says Harry Kent, director of the school's Potential Gas Committee. "Reaching it is strictly a question of economics."

In addition to these so-called conventional sources—gas that is recoverable given existing prices and technology—there are "nonconventional" sources that potentially dwarf all others but may not be economically recoverable. These include Western tight sands, slow-producing formations in the Rocky Mountains, Devonian shale in Appalachia, coal seams and geopressurized acquifers in the Gulf region. Estimates of the potential gas supplies from these sources run as high as 1,700 Tcf, a heady but far from reliable figure. Then there is domestic synthetic gas, whose development the new Synthetic Fuels Corp. should boost, and foreign imports.

Assuming decontrol is completed on schedule and adequate demand exists, the American Gas Association believes that total annual U.S. supplies—both domestic and foreign—could range as high as 33 Tcf by the year 2000 versus 21 Tcf now. All of the additional supply, and more, however, will have to come from imports, Alaska, nonconventional and synthetic sources. Conventional production in the Lower 48 is likely to decline to the 12-to-14 Tcf range from today's 19.5 Tcf, the AGA estimates.

The future of nonconventional and synthetic sources depends on price and technology. For example, the Gas Research Institute estimates that with current technology and prices at $4.50 an Mcf, industry can produce 2.5 Tcf of gas from tight sands by the year 2000; but if technology is improved and prices rise to $6, production could hit 6 Tcf.

Though not as optimistic as the gas industry, government regulators also take a more positive view of the supply picture. "While we're not ready to say we've turned the corner on gas supplies, we're more encouraged that we ever thought we'd be about stabilizing production in the 19-to-20 Tcf range," says FERC policy spokesman Walter Schroeder. Like many others, Schroeder frets that by limiting demand the government is also limiting supply.

RIGS SHIFT FROM GAS TO OIL

And these fears appear to be justified. Last year, gas consumption fell 7 percent to about 19.5 Tcf, due primarily to lower industrial demand. As a result, pipelines now have more gas than they can sell, and producers are beginning to shift some of their rigs from gas exploration to oil. In the first eight months of 1980, oil well completions rose 37 percent above the same period in 1979, while gas completion rose only 2.5 percent, the American Petroleum Institute reports. Experts agree that this is due to the fact that oil now sells for a higher price than gas, partly because of oil decontrol, but also because of the depressed demand for gas.

Gas consumption in the industrial sector, which represents about 40 percent of the domestic market, fell 7 percent last year to 7.8 Tcf. The recession, of course, was an important factor here as it dampened demand for fuel generally. But of greater long-term significance were the price and supply disincentives that industrial users faced.

"In the 1960s and early 1970s, gas was so cheap that it was automatically the fuel of choice," says Edward Grenier, a Washington lobbyist representing industrial gas users. "That's not true today, partly because of incremental pricing, which has helped push gas prices above those of residual fuel oil, and partly because industry is still skeptical about the security of supplies."

In the utility sector, on the other hand, demand has not yet fallen. Indeed, consumption rose 9 percent in 1979, to 3.5 Tcf. But by 1990, according to the Fuel Use Act, all utilities that have not been able to get exemptions must be off gas, and this could cut total gas demand by as much as 18 per cent. As for residential demand, no major changes are foreseen. While the conversion of home furnaces from oil to gas is expected to continue, conservation will more than offset this upward trend.

Fearing that this depressed demand outlook will discourage exploration and production, a growing number of industry and government leaders are now pushing for an easing of the regulatory restraints on gas use. Last year, the Senate passed a bill that would have allowed utilities to run their gas-fired plants until the end of their book lives. The bill died in the House, largely due to the opposition of Energy Subcommittee Chairman Charles Dingell. But Dingell, who becomes chairman of the full committee next year, has expressed interest in reviewing the off-gas provisions in the new Congress. And with Ronald Reagan in the White House and the Senate in Republican hands, most Washington observers agree that some liberalization of the Fuel Use Act is a very good bet for next year.

Similarly, the gas industry, its industrial customers, the regulators and many in Congress believe that some substitute must be found for the government's current incremental pricing and curtailment policies. The House recently rejected by a resounding 369-to-34 vote a plan to extend incremental pricing to processed gas users. And the FERC itself has been thinking of asking Congress to eliminate the system entirely and of replacing existing curtailment policies with a free-enterprise alternative, a so-called "white market" for industrial gas.

This could be done by creating a commodities market, complete with futures trading, such as the one that exists for home heating oil. Its big advantage would be flexibility. In times of abundance, prices would drop, encouraging industry to switch from residual oil to gas, a very easy adjustment. In turn, slack demand for residual would in turn push refineries to upgrade that low-quality fuel into a higher grade product, which would reduce the need to import oil. On the other hand, in times of shortages prices

would rise, pushing low priority users out of the market and back to cheaper residual oil. "It's still just an idea," Schroeder concedes, "but it could be a more efficient way of achieving Congress's goal of allocating gas among industrial users."

While creating a futures market for industrial gas could be done administratively, repealing incremental pricing would require Congressional action, and that could be tough. Dingell has said that the incremental pricing provisions of the Natural Gas Policy Act cannot be changed without reassessing the entire legislation. And that would mean reopening the long and bitter debate over the decontrol of wellhead prices, with business pushing for an accelerated schedule and consumer groups demanding either an extension of controls or a windfall tax on gas profits.

ANOTHER BLOODY BATTLE?

The oil companies, which tend to take a conservative approach to gas issues, would prefer to avoid another confrontation over price controls next year. But others believe that changes in incremental pricing can be achieved without reopening the NGPA's controversial well-head pricing provisions. Says AGA's Lawrence: "To say you have to get into Title I [decontrol] to deal with Title II [incremental pricing] is laughable. Title I, which was a bloody battle, is working. But most people now recognize that Title II is just a bad idea, and the prospects for eliminating it are much improved in the wake of the election."

A lot, of course, depends on our new President. If Ronald Reagan, who called repeatedly during his campaign for faster decontrol of natural gas, decides to make revisions in the NGPA a priority, it is possible that incremental pricing could be repealed and price decontrol accelerated next year. But if he does not, Congress will probably postpone this consideration at least until 1982.

Still, the prospects for a pro-industry solution are clearly improved. "There is no question we are better off," concludes U.S. Chamber energy expert Steven Hellem. "The atmosphere is more positive than ever."—Ann M. Reilly with Susan Antilla.

[From the Republic, Nov. 22, 1980]

WHALE COOKING WITH GAS: THE PERFECT FUEL

As we near the end of the first decade of America's bondage to OPEC, the need to find a fuel (or fuels) of the future grows increasingly acute. The problems with oil are that it is expensive and likely to grow more so, and that our supplies are disturbingly susceptible to interruption. The Iran-Iraq war has dramatized the drawbacks of oil. If the flow of oil from the Persian Gulf were to be halted for any length of time, the result would be astronomical oil prices and sufficient economic disruption to throw the entire industrialized West into a depression. It is easy enough to find other sources of energy that are relatively inexpensive and abundant here at home—nuclear power, coal, and solar energy, to name the most obvious possibilities. But each has serious flaws too. Nuclear power presents the danger of catastrophic accidents, such as the one that nearly happened at Three Mile Island in 1979. Coal is dirty to burn, environmentally destructive to extract, and dangerous to mine—problems that can be solved, but not easily. Solar energy suffers from having either limited practical use (roof collectors which provide mainly space and water heating) or else extremely high costs (photovoltaic cells, whose practical uses are unlimited)

If only we had a fuel that was clean and safe, like solar power; cheap, abundant, and homegrown, like coal and nuclear power; and, as long as we're wishing, versatile like oil. If we had such a fuel, of course, we'd use it in a minute, and our energy woes would be, if not cured, at least eased considerably.

Well, the truth is that there is such a fuel, one that has been around for years. But instead of using this fuel to meet our current energy needs and provide a bridge to the fuels of the next century, the federal government has been pursuing policies that actively discourage its production and use. The fuel is natural gas. It is clean and safe, it is cheap, it is suitable for a variety of uses, and it is plentiful. It could do much to alleviate our energy crisis, if only we would let it.

Natural gas has a rags-to-riches past. During the oil boom years of the 1920s and 1930s, natural gas often was found along with or adjacent to oil deposits, but since there was no way to transport it, the gas was simply burned at the wellhead. Gas came into its own during World War II, when the need to export oil for the war effort forced the building of interstate gas pipelines to facilitate the use of gas as a substitute. In 1940 barely two trillion cubic feet of gas was sold in the US, but by 1955 the figure was up to 14 trillion cubic feet. Nowadays gas provides a full quarter of our energy needs. It is most commonly used for residential and commercial heating and assorted industrial purposes, but, contrary to some expert opinion, it can even be used to run automobiles.

As natural gas grew in importance in the postwar years, it also engendered controversy. The prices charged by utilities and pipeline owners have been regulated by the Federal Power Commission since 1938. But not until 1954, when the Supreme Court ruled that the FPC also had the power to regulate gas controls, but a storm of controversy provoked by a gas producer's attempted bribe of a senator caused President Eisenhower, who had favored the bill, to veto it.

What usually happens when the government imposes price controls on a commodity is that it becomes scarcer as producers who can't make money at the controlled price invest elsewhere, even as consumers are stimulated to consume more of the commodity than they would at a higher uncontrolled price. By 1968 it was clear that the FPC controls had produced precisely this result. That was the first year that total annual consumption of gas exceeded the amount of new gas found in the U.S. In 1971, recognizing the looming shortage, the FPC substantially raised the price producers could charge. But by then the damage had been done, and the next few years exposed it. The first shortage occurred in 1973, and severe ones struck in the winters of 1976–77 and 1977–78. In this case the effects of the controls were magnified by the absence of controls on gas sold in intrastate markets. The price in this unregulated market rose well above the controlled price, giving producers an incentive not to sell their gas in the regulated market.

Mostly because of these shortages, the lingering dispute about gas price controls gathered force during and after the 1976 presidential campaign. President Ford had tried in vain to get Congress to lift price controls on natural gas, and Jimmy Carter promised, in a letter to the governor of Texas, that he would succeed where Ford had failed. Once in office, however, Carter and his energy Czar, James Schlesinger, took a firm stand against the growing sentiment in Congress for decontrol, proposing instead that federal price controls be expanded to include gas sold in intrastate markets. The result was a bitter 18-month battle which finally, in October 1978, produced the Natural Gas Policy Act. It gave something to both those who favored controls and those who opposed them. The former got an extension of the existing controls to intrastate gas, and the latter got a gradual phaseout of the controls, which would expire in 1985. The bill also decontrolled the prices of certain types of hard-to-get gas, notably that found 15,000 feet or more below the earth's surface. The new law was nightmarishly complex, with more than two dozen different price categories, but it was about as good as one could have hoped for. It did the most important thing, lifting price controls, and the next most important thing, ending the absurd dichotomy between interstate and intrastate gas.

So far the NGPA has worked reasonably well. The higher prices allowed for conventional gas have stimulated a flurry of drilling and exploration. In 1976, 9,085 new wells were sunk in the US; last year there were 14,681. Another crucial matter is the ratio of new gas reserves to gas consumed. In 1979 the ratio reached an all-time low. But this year, gas experts say, the 13-year-old decline has reversed itself. In fact, some experts think the long-range prospects for finding large new domestic reserves of gas are better than those for oil. Recent drilling has led to speculation that the Overthrust Belt, a long geologic formation running through several western states, may harbor as much as 250 trillion cubic feet of gas, or more than 10 years' supply at the current consumption rate. Higher prices have also led to the reopening of old Appalachian gas fields given up years ago as uneconomical. One direction the NGPA has sent oil and gas producers is deeper, and the deeper you go, experts say, the better the odds of finding gas rather than oil.

The NGPA, however, is not entirely satisfactory. The prices are still set too low to induce sufficient conservation, because they have kept gas prices well below those of oil. Currently oil sells on the world market for about $33; the equivalent amount of gas sells for less than $16 in the US. The discrepancy is particularly glaring because of gas's many advantages over oil (it is cleaner, for example, and requires no storage expenses.) "It's like selling steak at one-third the cost of hamburger," says David Foster, president of the Natural Gas Supply Association, with only a little exaggeration. It also casts doubt on the prospect of full decontrol in 1985. The bigger the gap between oil and gas prices, the more painful the removal of controls will be, since gas prices can be expected to rise to roughly the level of oil prices. Better to raise the regulated price more rapidly in the next five years (or even to lift controls immediately) than to cause one great shock in 1985. This measure would soften the impact of decontrol and also provide further incentives for production. Some experts worry that the gap between oil and gas prices is already causing producers to ignore gas and spend all their money looking for oil. Letting gas prices rise to the market level will not mean appreciably higher consumer costs, since most of the cost of supplying gas lies in the pipelines required to move it from place to place. Currently most of the nation's gas pipelines have plenty of spare capacity. Hence an increase in the number of factories, offices, and homes using natural gas could cancel out the effect of a wellhead price increase, since the huge overhead costs would be spread more widely. Most recent rate increases for natural gas can be blamed on the frequent curtailments of the last decade, which force a smaller number of gas users to pay the fixed costs. An increase in gas use, of course, is possible only with the higher production that decontrol may bring.

It's anyone's guess what the Reagan administration and a more conservative Congress will do about the NGPA. There surely

will be an effort to revise some pricing rules, and possibly even to remove controls right away. With Republicans in control of the Senate and the defeat of key supporters of continued price regulation, such as representatives Bob Eckhardt of Texas and Andrew McGuire of New Jersey, the chances of lifting controls would be better next year than they were in 1977. But many people in the industry don't want to reopen the issue of gas price regulation. "It's not in our interest to have another bloody battle," says one gas lobbyist. "We'd prefer just to let the controls be phased out on schedule."

Past and present price controls, however, are only one of the ways the government has impeded the transition to natural gas. The most celebrated, of course, was energy secretary Schlesinger's high-handed veto of a deal between US distributors and Mexico, which would have supplied about four percent of US gas needs, on the ground that the price was too high. Eventually he backed down and accepted an even higher price, but by then the Mexicans weren't willing to supply nearly as much gas as originally promised.

Schlesinger's ill-starred intervention could be dismissed as mere bungling, but other federal policies are more calculated. Until recently, the conventional wisdom in Washington was that we were rapidly running out of gas and hence had to wean ourselves from it. (In 1977 Schlesinger said the world's gas supplies should be regarded as "gone.") Several measures intended to reduce natural gas consumption (in favor of other energy sources) were written into law. The most important is a provision of the 1978 Fuel Use Act, which forbids the construction of any new natural gas boilers by utilities or industrial firms and requires existing ones to be converted to coal by 1990. This provision made a certain amount of sense at the time, since gas appeared to be running out. Now, however, gas doesn't appear to be running out.

Kevin Rooney, a legislative aide for the Edison Electric Institute, a utility trade association, says that the prohibition on gas boilers will force one Texas utility to use oil instead. (The Fuel Use Act also was supposed to phase out the use of oil by utilities, but here the law is so weak as to be ineffectual.) It is expected to increase its annual consumption of oil from about half a million barrels a year to about 32 million. The coal industry naturally supports anything that is likely to increase the demand for coal, as restrictions on natural gas use will, but in fact the cost advantage of coal over gas is great enough that most utilities have no interest in building gas boilers anyway. For many, though, the cost of converting existing gas boilers to coal is prohibitive, so they will simply switch to oil, a much cheaper conversion. This will only stimulate the national appetite for oil, hardly a sane policy for a nation so dependent on oil that it is prepared to risk nuclear war to protect its access to the Persian Gulf.

There are signs that Congress may correct this mistake. It has already largely corrected another one, a provision in the NGPA that required the Federal Energy Regulatory Commission to set higher prices for industrial users than for residential customers. This was also meant to avert a general shift to using natural gas instead of oil and coal. FERC submitted a proposal to Congress but made plain its doubts about the wisdom of the scheme. Congress obliged by vetoing the proposal. (Unfortunately an earlier plan, applying a higher rate to a much smaller class of utility and industrial users, was approved.)

Perhaps a bigger obstacle to greater industrial use of natural gas than its price is its availability. Under federally mandated curtailment plans, which are implemented when supplies are short, utilities are required to cut off industrial users first and residential customers last. Hence industrial users have had to bear the brunt of each of the shortages in the last decade. This federal policy is just the opposite of how the government handles oil shortages. In the latter, industrial users are protected against the loss of their supplies, with the shortage borne mostly by drivers. Another reason gas users are more vulnerable to shortages is that oil is easier for users or speculators to stockpile for emergencies. Gas is more expensive to store, and price controls have prevented the type of speculation that would hoard supplies for sale during shortages—the same price controls that cause the shortages. Even new industrial users who are willing to pay a premium for gas will be cut off first, which tends to dampen the enthusiasm for gas. A recent letter from FERC blamed the curtailment plans for the sluggish industrial market for gas:

"New long-priority gas customers confront an environment where they will be the first users kicked off the gas stream during periods of excess demand. . . . An oil user is not going to jeopardize his oil supplier relationship to obtain cheaper but insecure access to gas."

The letter, signed by Walter Schroeder, director of regulatory analysis at FERC, suggested that shortages be allocated proportionately among all industrial users, rather than cutting off the newest users completely. Under this scheme, industrial and commercial users would be able to buy and sell rights to gas, thus allowing gas to go where it is most valued. But if FERC and Congress are serious about encouraging natural gas use to reduce our dependence on oil, they also should be looking at the possibility of allocating some of the shortages to residential customers. A better approach, though, would be to lift the price controls on gas, which would greatly minimize the chance of more shortages.

It is easy to expect too much of natural gas in helping us out of the existing crisis. When all possible sources of gas are considered, the amount existing on this globe is truly fantastic. By the Wall Street Journal's estimate, the planet has 20 million years' worth of gas at the current rate of consumption. Numbers like this have led some observers to regard gas as the ultimate panacea. It is not. Most of the huge deposits of gas are much too costly to extract, even at today's energy prices. But there is plenty of natural gas for the foreseeable future, and probably beyond, as long as prices are allowed to rise to the level set by the market. There are hardly any fuels to compare with natural gas. As long as we've got it, we ought to use it.—STEPHEN CHAPMAN.

[From the Washington Post, Feb. 2, 1981]

PLUNGING POWER: BIG FINANCIAL PROBLEMS HIT ELECTRIC UTILITIES; BANKRUPTCIES FEARED

(By John R. Emshwiller)

NEW YORK.—Arkansas Power & Light Co. had plenty of cause to call off a planned $70 million bond sale recently.

Record interest rates had thrown the bond market into chaos and had already forced several utilities to postpone offerings. And with low ratings from major credit-rating services, Arkansas Power was faced with paying a 16.1% interest rate, one of the highest ever borne by a public utility.

But the subsidiary of Middle South Utilities Inc. completed the bond sale anyway, for one overpowering reason: It was running out of cash. "We needed money so badly we didn't have any option," says Edwin Lupberger, Middle South's vice president and chief financial officer.

Such predicaments have become all too frequent. Electric utilities, once considered pillars of financial strength, have turned into wobbling giants. And there is increasing concern that one or more may topple.

AN ARRAY OF PROBLEMS

Many electric utilities no longer generate enough cash earnings to even pay for their common-stock dividends, and they finance the payouts from sources such as depreciation, borrowings or the sale of more stock. Utilities have piled up tens of billions of dollars of debt to finance power-plan projects so huge and so costly that they threaten to overwhelm the financial capacity of the companies building them. Utility credit ratings are deteriorating steadily, and traditional sources of funds—particularly the long-term bond market—are drying up.

Indeed, some observers believe that a once-unthinkable event has become quite possible: A major U.S. utility could fall into bankruptcy. The cash bind is so serious that "some of these companies are eating themselves up," says Irvin C. Bupp, a Harvard Business School professor who has worked on utility financial issues.

No operating utility has ever gone bankrupt, and powerful protections have been erected over the years to keep that record intact. Spurred by the recognition that electricity somehow must be kept flowing to homes and factories, state regulators, bankers and others involved with a sick utility probably would arrange major emergency help to avoid an insolvency. The companies' strongest safeguard is their indispensability.

Yet people inside and outside the utility industry agree that safety margins have been narrowing, and some fear that a company might slip into an unresolvable cash crunch before remedial action could be taken. This danger, they add, rises significantly in times such as these, when credit is expensive. Many utilities "are walking a real financial tightrope," says John Attalienti, utility analyst for Argus Research Corp.

NO EASY ANSWERS

Solving utilities' financial problems will be extremely difficult. Utility executives plead for higher electricity rates, but other observers note that rates have risen sharply in recent years and have badly strained customers' tolerance for further increases. Conservationists contend that utilities must conserve cash by canceling some power-plant construction plans and promoting efforts to hold down energy use. Utility officials reply that heavy reliance on conservation would lead to future power shortages and jeopardize billions of dollars already invested in unfinished generating plants.

The industry's problems are so thorny partly because of fundamental, long-term changes in the economics of electricity. For years, continuing improvements in generating technology pushed down the cost of power and helped increase demand for it. In the process, utilities reaped healthy profits. "Those were our golden years," recalls W. C. Tallman, chairman of Public Service Co. of New Hampshire.

That era started fading in the late 1960s, and major signs of trouble first surfaced in 1974, when oil prices surged after the Arab embargo. U.S. utilities found themselves pinched for cash, and Consolidated Edison Co. of New York even omitted its dividend for one quarter—an action that shook the entire utility industry.

Then, the position of utilities improved for a while, partly because of hefty rate increases granted by worried regulatory commissions. But the industry's fundamental problems remained. And amid the current high inflation, sluggish economic activity and stagnant demand for electricity, utilities are falling into a new and deeper financial trough.

COST OF CONSTRUCTION

Probably the biggest burden weighing them down is the very thing that long brought them prosperity: building new power plants. Construction costs have grown astronomically in recent years. Bills for labor and materials climb relentlessly. Everchanging federal regulations, especially for nuclear plants, have forced utilities to redesign, at great cost, parts of many facilities to meet new rules. The sheer size and complexity of many projects—partly due, ironically, to the utilities' desire to save money by building ever-larger, ever-more-efficient plants—have sometimes overtaxed contractors' abilities. And building delays arising from such construction problems, from blocking actions by environmentalists or from utilities' inability to raise money further increase project costs.

The upshot: so many cost overruns at many projects that financial planning has become almost impossible. And when the total costs are eventually pinned down, they tend to be sickening. For instance, the price tag of a nuclear plant being built in Michigan has soared from $350 million to $3.1 billion.

Capital-spending estimates for the electric-utility industry over the next decade range up to $700 billion, about three times the current investment in all of its existing facilities. Many experts worry that financing huge construction programs while trying to meet other bills may be more than many utilities can handle. "I don't care how big a company is, some of these construction budgets hurt," says Argus Research's Mr. Attalienti.

Meanwhile, the average utility's ability to generate money internally has steadily weakened despite increased earnings.

Merrill Lynch, Pierce, Fenner & Smith Inc. calculates that electric utilities' per-share earnings increased 2.6 percent a year between 1969 and 1979. Yet, at the beginning of that period, the average utility could pay its common dividend out of net income and had some cash earnings left over. But by 1979, the average utility was having to dip into other sources, such as its depreciation fund or bank borrowings. "That isn't the textbook way to pay dividends," says John Kellenyi, utility analyst for Drexel Burnham Lambert Inc.

AN ACCOUNTING MATTER

One reason utilities' net income hasn't kept up with dividends is that an increasing share of reported earnings isn't cash but rather comes from an accounting credit known as the allowance for funds used during construction. This AFUDC allows a company to take credit for its investment in a power plant that it is building even though the company can't earn any cash return on the investment until the plant is completed and operating. In 1979, AFUDC accounted for about 14 percent of net income available to utilities' common shareholders; in 1980, it was about 50 percent.

Though a firmly established accounting principle, AFUDC doesn't help a company pay bills. Indeed, it can often hurt, executives say, by pushing up reported earnings and making it harder to get public acceptance for rate increases that would improve cash flow.

Utility executives concede that cash earnings don't justify current dividend levels, but they contend that the companies really don't have much choice. They explain that a dividend rate acceptable to investors is needed to enable a utility to sell common stock and that occasional stock sales are needed to keep the constantly increasing debt from reaching a disquieting proportion of total capital.

DOMINO THEORY

"The industry is caught in a box because selling common stock is the key to all other financing. Cut the dividend, and you could be pushing over the first domino," says K. L. Harrison, senior vice president for finance at Portland General Electric Co., the big Oregon utility.

To keep the dominoes standing, utilities plan to sell hundreds of billions of dollars of long-term debt and common stock over the next decade. But the very problems forcing them into so much outside financing are making them less and less attractive as investments.

Despite some recent gains, prices of utility stocks remain depressed. Most of the stocks are selling below book value, the per-share equivalent of all the money invested by current shareholders, plus retained earnings. By selling stock below book value, a utility progressively dilutes a shareholder's ownership and makes its stock even more unpopular.

And bond issues also are becoming tougher to sell as inflation frightens many investors away from long-term debt of any kind and as utilities' credit ratings steadily decline. In 1970, only 4 percent of American electric utilities got a BBB rating from Standard & Poor's Corp.—the lowest investment-grade rating and a level of creditworthiness that many institutional investors avoid. Today, about 30 percent are rated BBB.

SOME SPECULATIVE CASES

Moreover, the senior debt of four utilities is rated BB or lower, which means that the issues have "speculative" characteristics. Three of them are subsidiaries of General Public Utilities Corp., which owns the now-closed nuclear plant at Three Mile Island.

The other is United Illuminating Co., a utility based in New Haven, Conn. that is part owner of four nuclear reactors under construction. Its capital spending between 1981 and 1987 is projected at about $640 million, roughly equal to its assets at the end of 1979. An estimated 90 percent of that spending will have to be financed from outside sources.

Even if a utility scrapes together all the cash needed to complete its construction projects over the next few years, it may face a final hurdle: Utility regulators might refuse to let it charge customers for the investment. That happened recently when the Missouri Public Service Commission wouldn't permit Kansas City Power & Light Co. to include in its rate base a $165 million investment in a new coal-fired power plant. The commission decided that the plant wasn't needed yet because the company already had enough generating capacity. Although the utility has challenged the decision in court, Merrill Lynch immediately put all Missouri utilities on its sell list.

BIG POTENTIAL DANGER

Kansas City Power has been able to weather the ensuing financial storm, but analysts fear that a similar decision on a bigger power project could have far worse consequences. Such "second-guessing" by regulators "is becoming a big problem," says Leonard Hyman, a Merrill Lynch analyst. Like other observers, he is especially worried that a commission might refuse to include a new nuclear plant in a utility's rate base. "Though I don't think any commission would push that far, if it did, the company would have a difficult time surviving," he says.

Some observers contend, in fact, that most commissions have been trying to ensure the utilities' survival with the most obvious form of help: by increasing company revenues. Wall Street analysts estimate that last year's increases in utilities' base rates totaled $5 billion on an annual basis, topping the previous record of about $3.1 billion in 1975. They add that projected revenues went up an additional $3 billion a year in 1980 to cover higher generating-fuel costs. The total rise, about $8 billion, equaled about 10 percent of the industry's 1979 revenues.

However, analysts also estimate that restoring the companies even close to financial health would require rate increases of $5 billion to $8 billion a year beyond any increases designed to keep pace with rising costs. Given the "political realities" of already-unhappy utility customers, granting such increases "wouldn't be an easy thing to do," says Ernest Liu, an analyst at Goldman, Sachs & Co.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that these three bills be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills are as follows:

S. 409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS

(a) This Act may be cited as the "Standby Petroleum Authorities Act of 1981".

(b)—

Sec. 1. Short title; table of contents.
Sec. 2. Statement of findings and purposes.
Sec. 3. Definitions.

TITLE I—STANDBY PETROLEUM PRICE AND ALLOCATION AUTHORITY

Sec. 101. Findings and purpose.
Sec. 102. Definitions.
Sec. 103. Standby allocation.
Sec. 104. Implementation.
Sec. 105. Administration and enforcement.
Sec. 106. Effect on other laws.
Sec. 107. Reimbursement to States.
Sec. 108. Expiration.

TITLE II—CRUDE OIL ACCESS

Sec. 201. Findings and purposes.
Sec. 202. Definition.
Sec. 203. Standby program.
Sec. 204. Eligibility.
Sec. 205. Crude oil sales.
Sec. 206. Effect on other law.
Sec. 207. Penalties.
Sec. 208. Expiration.

TITLE III—INVESTIGATION AND REPORT

Sec. 301. Investigation and report.

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) Congress finds and declares that—

(1) the national security and economic well-being of the United States require that the President have discretionary authority under specific and limited circumstances to allocate, and establish ceiling prices for, petroleum so as to minimize adverse effects on the public health, safety, and welfare during a severe petroleum supply interruption; and

(2) the national security and economic well-being of the Nation will be enhanced by the development and maintenance of a strong, competitive and technologically advanced domestic refining industry so that the petroleum products required to maintain public services and priority economic activities are available during periods of normal supply as well as during periods when petroleum supplies are interrupted.

(b) It is the policy of the United States and the purpose of this Act to—

(1) authorize the President, during a severe petroleum supply interruption, to exercise standby authority under specific and limited circumstances to allocate and set ceiling prices for available supplies of crude oil and refined petroleum products in a manner which achieves the objectives set forth in section 103(b)(1) of this Act;

(2) insure that the capability exists during any significant interruption in the availability of imported petroleum to supply essential national and regional requirements for

refined petroleum products, including transportation fuels and home heating oil, from domestic refineries;

(3) establish incentives so that an adequate, flexible and technologically advanced refinery capacity will be developed and maintained within the United States; and

(4) insure, to the maximum extent practicable, that domestic demand for refined petroleum products can be satisfied from refineries located in the United States.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) "domestic refiner" means a petroleum refiner whose total petroleum refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) is located within the United States.

(2) "independent refiner", during any calendar year, means a domestic refiner who as certified to the Secretary by such refiner obtained, directly or indirectly, in the previous calendar year, more than 70 percentum of his refinery input of domestic crude oil (or 70 percentum of his refinery input of domestic and imported crude oil) from producers who do not control, are not controlled by, and are not under common control with such refiner.

(3) "Secretary" means the Secretary of Energy.

(4) "small refiner", during any calendar year, means domestic refiner whose total refinery capacity as certified by such refiner to the Secretary (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 175,00 barrels per calendar day on January 1 of such year.

(5) "United States" means the several States, the Commonwealth of Puerto Rico and the District of Columbia.

TITLE I—STANDBY PETROLEUM PRICE AND ALLOCATION AUTHORITY

FINDINGS AND PURPOSE

SEC. 101. (a) Congress finds and declares—

(1) shortages of crude oil and refined petroleum products have occurred in the recent past and are highly likely to occur in the future;

(2) such shortages have created and will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including transportation of food and other essential goods; and

(3) such hardships and dislocations jeopardize the normal flow of commerce and constitute a threat to the public health, safety and welfare which can most effectively, efficiently and equitably be dealt with through prompt action by the executive branch of government.

(b) It is the purpose of this title to grant the President specific temporary authority to deal with shortages of crude oil and refined petroleum products or dislocations in the national distribution system. The authority granted under this title shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

DEFINITIONS

SEC. 102. As used in this title the term—

(1) "severe petroleum supply interruption" means a national or regional petroleum supply shortage which the President determines—

(A) has resulted or is likely to result in a substantial shortfall nationally or in such region of gasoline, diesel fuel and No. 2 heating oil supplies for a period in excess of 30 days;

(B) is not manageable under other appropriate emergency authorities available to the President;

(C) is expected to persist for a period of time sufficient to seriously threaten the adequacy of national or regional stocks of gasoline, diesel fuel, and No. 2 heating oil; and

(D) is having or can reasonably be expected to have a major adverse impact on public health, safety or welfare or the national or regional economy.

(2) "international energy program" has the same meaning as is assigned such term in section (3)(7) of the Energy Policy and Conservation Act.

STANDBY ALLOCATION

SEC. 103. (a) Not later than 120 days after the date of the enactment of this title the President shall promulgate a standby regulation which when implemented will provide for the mandatory allocation of crude oil and each refined petroleum product, in amounts specified in (or determined in a manner prescribed by) and at ceiling prices specified in (or determined in a manner prescribed by) such regulation. Such standby regulation may only be implemented in accordance with section 104. Such regulation when implemented shall apply to all crude oil and refined petroleum products produced in or imported into the United States.

(b)(1) The standby regulation under subsection (a), to the maximum extent practicable, shall provide for—

(A) protection of public health (including the production of pharmaceuticals), safety and welfare (including maintenance of residential heating, such as individual homes, apartments and similar occupied dwelling units), and the national defense;

(B) maintenance of all public services (including facilities and services provided municipally, cooperatively, or investor owned utilities or by any State or local government or authority, and including transportation facilities and services which serve the public at large);

(C) maintenance of agricultural operations, including farming, ranching, dairy, and fishing activities, and service directly related thereto;

(D) preservation of an economically sound and competitive petroleum industry; including the priority needs to foster competition in the producing, refining, distribution, marketing, and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners and marketers;

(E) the allocation of suitable types, grades, and quality of crude oil to refineries in the United States to permit such refineries to operate to the extent practicable at full capacity;

(F) equitable distribution of crude oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners and marketers, and among all users;

(G) allocation of refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of, exploration for, and production or extraction of—

(i) fuels, and

(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto;

(H) economic efficiency; and

(I) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

(2) In specifying prices (or prescribing the manner for determining them), the standby regulation under subsection (a) shall provide for a dollar-for-dollar passthrough of net increases in the cost of crude oil and refined petroleum products at all levels of distribution from the producer through the retail level.

IMPLEMENTATION

SEC. 104. (a) The President shall implement the standby regulation under section 103 whenever the President determines that a severe petroleum supply interruption exists or is imminent or that such implementation is necessary to comply with obligations of the United States under the international energy program.

(b) The President may continue the regulation under section 103 in effect for no more than 90 days after implementation under subsection (a), except that the President, in his discretion, may extend the period of effectiveness of such regulation for an additional 30 days. Thereafter, the President may not continue such regulation in effect unless he complies with subsection (a).

ADMINISTRATION AND ENFORCEMENT

SEC. 105. (a)(1) Except as provided in paragraph (2), (A) sections 205 through 207 and sections 209 through 211 of the Economic Stabilization Act of 1970 shall apply to the regulation promulgated under section 103(a), to any order under this title, and to any action taken by the President (or his delegate) under this title, as if such regulation had been promulgated, such order had been issued, or such action had been taken under the Economic Stabilization Act of 1970; and (B) section 212 (other than 212(b)) and 213 of such Act shall apply to functions under this title to the same extent such sections would apply to functions under the Economic Stabilization Act of 1970.

(2) The expiration of authority to issue and enforce orders and regulations under section 218 of such Act shall not affect any authority to amend and enforce the regulation or to issue and enforce any order under this title, and shall not effect any authority under sections 212 and 213 insofar as such authority is made applicable to functions under this title.

(b) The President may delegate all or any portion of the authority granted to him under this title to such officers, departments, or agencies of the United States, or to any State (or officer thereof), as he deems appropriate.

(3)(A) Whoever violates any provision of the regulation under section 103(a), or any order under this title shall be subject to a civil penalty—

(i) with respect to activities relating to the production, distribution, or refining of crude oil, of not more than $20,000 for each violation;

(ii) with respect to activities relating to the distribution of any refined petroleum product (other than activities entirely at the retail level), of not more than $10,000 for each violation; and

(iii) with respect to activities—

(I) entirely relating to the distribution of any refined petroleum product at the retail level, or

(II) activities not referred to in clause (i) or (ii) or subclause (I) of this clause, of not more than $2,500 for each violation.

(B) Whoever willfully violates any provision of such regulation, or any such order—

(i) with respect to activities relating to the production or refining of crude oil, shall be fined not more than $40,000 for each violation;

(ii) with respect to activities relating to the distribution of any refined petroleum product (other than at the retail level), shall be fined not more than $20,000 for each violation;

(iii) with respect to activities relating to the distribution of any refined petroleum product at the retail level or any other person shall be fined not more than $10,000 for each violation;

(4) Any individual director, officer, or agent of a corporation or other business enterprise who knowingly and willfully authorizes, orders, or performs any of the acts

or practices constituting in whole or in part a violation of paragraph (3), shall be subject to penalties under this subsection without regard to any penalties to which that corporation or other business enterprise may be subject under paragraph (3).

EFFECT ON OTHER LAW

SEC. 106. (a) The regulation under section 103 and any order issued thereof shall preempt any provisions of any program for the allocation of crude oil or any refined petroleum product established by any State or local government if such provision is inconsistent with such regulation or any such order.

(b) There shall be available as a defense to any action brought for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil or any refined petroleum product, that such delay or failure was caused solely by compliance with the provisions of this title or with the regulation or any order under this title.

REIMBURSEMENT TO STATES

SEC. 107. (a) The President may reimburse any State for expenses incurred by such State in carrying out responsibilities delegated to such State by the President under this title.

(b) Such reimbursements may be paid from any funds appropriated for the purpose of carrying out responsibilities under this title unless any appropriation Act specifically provides to the contrary.

EXPIRATION

SEC. 108. The provisions of this title shall cease to have effect on October 1, 1989, but such expiration shall not affect any action or pending proceeding, administrative or civil, not finally determined on such date, nor any administrative or civil action or proceeding, whether or not pending, based on any act committed or liability incurred prior to such expiration date.

TITLE II—CRUDE OIL ACCESS

FINDINGS AND PURPOSES

SEC. 201. (a) Congress finds and declares that—

(1) adverse effects on the economy, nationally and regionally, are likely to result during periods when U.S. petroleum supplies are interrupted;

(2) these adverse effects can be minimized if the U.S. develops and maintains a competitive, efficient and technologically advanced domestic refining industry; and

(3) during any such interruption, the Federal government has the responsibility to insure that available crude oil supplies are used to produce in an efficient and timely manner the refined petroleum products required to maintain essential public service and economic activities.

(b) It is the purpose of this title to authorize the President, acting through the Secretary, to—

(1) provide for ready access by qualified domestic petroleum refiners to crude oil to insure that, to the maximum extent practicable, during a petroleum supply interruption the refined petroleum products required to maintain essential public service and economic activities are available in each region of the United States; and

(2) provide reasonable assurance to qualified domestic petroleum refiners willing to commit to make appropriate improvements in the quality of their refining capacity that crude oil can be acquired at reasonable prices during such a petroleum supply interruption.

DEFINITIONS

SEC. 202. As used in this title the term—

"essential public service or economic activity" means with respect to any region of the United States

(A) protection of public health (including the production of pharmaceuticals), safety and welfare (including maintenance of residential heating, such as individual homes, apartments and similar occupied dwelling units), and the national defense;

(B) maintenance of all public services (including facilities and services provided by municipally, cooperatively, or investor owned utilities or by any State or local government or authority, and including transportation facilities and services which serve the public at large);

(C) maintenance of agricultural operations, including farming, ranching, dairy, and fishing activities, and service directly related thereto; or

(D) the maintenance of, exploration for, and production or extraction of—

(i) fuels, and

(ii) minerals essential to the requirements of the United States,

and for required transportation related thereto.

STANDBY PROGRAM

SEC. 203. (a) Within 120 days after the date of the enactment of this title the Secretary shall by rule establish in accordance with the provisions of this title a standby program which when activated will provide for ready access by qualified refiners to supplies of crude oil.

(b) The President shall direct the Secretary to implement the standby program under subsection (a) if the President determines that an interruption in petroleum supplies to the United States exists or is imminent, and that such interruption is likely to result in circumstances nationally or in any region of the United States which will significantly impair essential public service or economic activity.

(c) The President may also direct the Secretary to implement the standby program under subsection (a) with respect to any qualified refiner or refiners whenever the President determines that

(1) such refiner or refiners provide, during periods when petroleum supplies to the United States have not been interrupted, a significant quantity of refined petroleum products for essential public service or economic activity in a region of the United States;

(2) such refiner or refiners provide evidence convincing to the President of an inability to acquire crude oil at reasonable prices under reasonable conditions; and

(3) the percentage rate of operation of the refining capacity controlled by such refiner or refiners is, or will be because of an inability to obtain reasonably priced crude oil supplies, significantly below the average percentage rate of operation of all domestic refineries for a period of at least 90 days.

(d) The Secretary shall continue the program under subsection (a) in effect for no more than 90 days after any determination under subsection (b) or subsection (c). Thereafter, the Secretary may continue any action under subsection (b) or subsection (c) for an additional period of no more than 90 days in duration only to the extent that the Secretary determines, but for the availability of crude oil under this title, the conditions referred to in such subsection would continue to exist.

(e) Any qualified refiner may petition the President to make a determination under subsections (b) or (c). After notice and opportunity for a hearing, the President shall decide promptly whether to grant or deny the petition. The President may waive the requirement for a hearing under this subsection with respect to any determination under subsection (b) if the President finds that the urgency of the circumstances referred to in subsection (b) justifies such a waiver.

ELIGIBILITY

SEC. 204. (a) The Secretary shall by rule establish criteria the Secretary will use in deciding whether to designate a refiner as a qualified refiner under this title. In making such a designation the Secretary shall consider the national and regional need for particular types of petroleum refining capacity and the cost of supplying such capacity.

(b)(1) The Secretary shall upon application designate any domestic refiner as a qualified refiner under this title if based on information provided by such refiner the Secretary determines that

(A) such refiner meets the criteria established under subsection (a) or

(B) such refiner has provided a written commitment, including a commitment of funds, satisfactory to the Secretary, that the refiner through control of a new, expanded or retrofitted refinery or refineries will comply with subparagraph (A) within a time period specified by the Secretary.

(2) Notwithstanding paragraph (1), the Secretary may designate a domestic refiner as a qualified refiner under this title if the Secretary determines, based on information provided by such refiner, that, but for such designation, it is likely that essential public service or economic activity in a region or regions of the United States will be impaired during a petroleum supply iterruption to an extent significantly greater than would otherwise be the case.

(c) Any refiner designated a qualified refiner under paragraph (b)(1)(B) shall make such progress reports with respect to any commitment under such paragraph as the Secretary may reasonably require. The Secretary may periodically review any designation under subsection (b), but may not rescind any such designation unless he determines, after notice and opportunity for a hearing, that the requirements for the designation are not being met or, in the case of a designation under paragraph (b)(1)(B), are not likely to be met within the time period set forth in the commitment under such subparagraph or any reasonable extension thereof.

CRUDE OIL SALES

SEC. 205. (a) The standby program under subsection 203(a) shall require that when such program is implemented under subsecions 203(b) or (c) a refiner who is not a small or independent refiner (hereinafter referred to as a "refiner-seller") will enter into a negotiation for the sale of crude oil to a qualified refiner designaetd by the Secretary in amounts which are sufficient to operate the refinery capacity controlled by such qualified refiner over a specified period at an average percentage rate no greater than the lesser of

(1) ninety-five percent of the average percentage rate of operation for the previous ninety days of all domestic refineries;

(2) ninety-five percent of the average percentage rate of operation for the previous twelve months of all refineries controlled by the qualified refiner purchasing the crude oil; or

(3) ninety-five percent of the average percentage rate of operation during the previous ninety days of all refineries controlled by the refiner-seller.

(b) The obligation of any refiner-seller to sell volumes of crude oil under this section during any period shall bear the same proportion to the total obligation of all refiner-sellers to sell volumes of crude oil as the total crude oil runs to stills of refineries under the control of such refiner-seller bears to the total crude runs to stills of all refiner-sellers during such period.

(c) The price per barrel charged by a refiner-seller to a qualified refiner and the characteristics of the crude oil sold in any

sale of crude oil during any period under this section shall be determined by negotiation between such refiner-seller and such qualified refiner, except that, in the event either the refiner-seller or the qualified refiner notifies the Secretary that the negotiation is not likely to be concluded within a reasonable period of time, the Secretary may establish terms and conditions, including a price, for such sale. The Secretary shall by rule prescribe a formula establishing a maximum price for sales of crude oil under this section, which price may not exceed the arithmetic mean of the refiner-seller's average per barrel price of crude oil imported during such period and the replacement cost per barrel, as determined by the Secretary, of the crude oil to be transferred under the sale. Such formula may include reasonable adjustments in the sales price to take account of the cost of transportation and handling and the sulfur content and viscosity of the crude oil to be transferred under the sale.

(d) Notwithstanding the provisions of subsection (b),

(1) The obligation of any refiner-seller during any period to enter into sales of volumes of crude oil under this section may be reduced by the Secretary to the extent that the Secretary determines that such obligation would—

(A) significantly reduce the supply of refined petroleum products required to maintain essential public service or economic activity in any region supplied by such refiner-seller;

(B) result in an average percentage rate of operation for refineries under control of such refiner-seller for the period referred to in paragraph (1) which is significantly less than the average percentage rate of operation of all domestic refineries;

(C) unreasonably impair the maintenance of prudent inventories of crude oil or refined petroleum products by such refiner-seller;

(D) otherwise result in a gross inequity or constitute an unreasonable burden on such refiner-seller; or

(E) otherwise be inconsistent with the purposes of this title.

(2) Any reduction in the obligation of refiner-sellers under paragraph (1) shall be allocated among all qualified refiners purchasing crude oil under this section in proportion to the volumes so purchased by each such qualified refiner.

EFFECT ON OTHER LAW

SEC. 206. (a) Nothing in this title affects the authority of the Secretary or the President to take actions under any other provision of this Act or under any other provision of law to provide for the allocation of crude oil or any refined petroleum product (or a manner determining such allocation) or determination of a ceiling price (or a manner of determining such a price) for crude oil or any refined petroleum product.

(b) Any rule, regulation or order under this title shall preempt any provisions of any program for the allocation of crude oil or any other refining feedstock established by any State or local government to the extent that such provision is inconsistent with such rule, regulation or order.

(c) There shall be available as a defense to any action brought for breach of contract in any Federal or State court arising out of delay or failure to provide, sell or offer for sale or exchange crude oil, refinery feedstock or any refined petroleum product that such delay or failure was caused solely by compliance with a rule, regulation or order under this title.

PENALTIES

SEC. 207. Whoever violates any rule, regulation or order under this title shall be subject to a civil penalty of not more than $10,000 for each violation.

EXPIRATION

SEC. 208. The provisions of this title shall cease to have effect on October 1, 1985, but such expiration shall not affect any action or pending proceeding, administrative or civil, not finally determined on such date, nor any administrative or civil action or proceeding, whether or not pending, based on any act committed or liability incurred prior to such expiration date.

TITLE III—INVESTIGATION AND REPORT

SEC. 301. Within thirty days after the date of the enactment of this title the Secretary of Commerce, in consultation with the Secretary and the Secretary of Defense, shall initiate an investigation in accordance with the provisions of section 1862 of title 19, United States Code, to determine the effects on the national security of imports of refined petroleum products. In carrying out this investigation the Secretary of Commerce shall hold public hearings affording interested persons opportunity to present information and advice relevant to such investigation. The report and recommendation of the Secretary under subsection (b) of 19 USC 1862 shall be transmitted to the President no later than one year and thirty days after the date of the enactment of this title and shall be published in accordance with subsection (d) of 19 USC 1862.

S. 410

Be in enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Petroleum Displacement Act of 1981".

SEC. 2. FINDINGS AND STATEMENT OF PURPOSE.

(a) FINDINGS.—The Congress finds that natural gas is a clean, economical fuel with the clear potential of displacing significant amounts of petroleum used as a primary energy source by existing electric powerplants and that allowing its use in existing powerplants will aid utilities in their transition to alternate fuels.

(b) STATEMENT OF PURPOSES.—The purposes of this Act are—

(1) to reduce petroleum consumption by existing electric powerplants.

(2) to improve air quality;

(3) to allow utilities the flexibility to continue their transition to alternate fuels and;

(4) thereby to benefit consumers of electrical power by restraining the cost of electricity.

SEC. 3. INCREASED PETROLEUM DISPLACEMENT

Section 301 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8431) is hereby repealed.

S. 411

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203 of the Energy Policy and Conservation Act (42 U.S.C. 6263) is amended by deleting subsection (e) and redesignating subsequent subsections accordingly.

Mr. McCLURE. Mr. President, I take this time only to state to the Senator from Louisiana that, with respect to the small refiners and the necessity for the allocation of supplies, I think there is widespread understanding of the necessity to have a standby provision that will allow us to allocate supplies in the event of a severe supply interruption.

The Senator from Louisiana knows, as does the Senator from Idaho, the difficulty of determining when that happens. How do we distinguish between a chronic supply situation that may become progressively tighter, as distinguished from one that does justify the interposition of governmental allocation? And we have experienced what happens under allocations in which both the problem becomes acute and becomes more acute when allocation is invoked and the fact that a government bureaucracy is interposed to determine what the allocation is and slows down the process of getting supply to the ultimate users and impel us to say that there has to be a severe supply interruption before it is invoked. I think the Senator from Louisiana would agree with the Senator from Idaho on that point.

Mr. JOHNSTON. Precisely, Mr. President. We thought about trying to put in the same kind of trigger we have in the gasoline rationing bill, which is a 20-percent cutoff. And then we thought better of that and thought that we could give this to the President, who is clearly on record as being against controls, as am I, and give him the discretion to determine when that supply is severe enough to warrant the imposition of controls, which I think would be very severe indeed.

But I think the Senator from Idaho would agree that this President can be trusted not to overuse that power. But it is a power that he ought to have if things get bad enough.

Mr. McCLURE. Well, certainly the Committee on Energy, which I have the privilege and the duty to chair, I am certain will be looking at this legislation that the Senator is proposing today and the general problem of how to assure an adequate supply to those refiners that do not have independent production capacity, to make certain that as we go through this period of adjustment, because of the deregulation of price controls and, hopefully, dismantling of the regulatory apparatus that supported the price controls, that there may be some market disruption or market changes.

It has been my determination that we ought not to assume the worst and try now to legislate for those situations because we fear they might develop, but to monitor very carefully what actually does happen as we move into a market-clearing system that is free from Government restraints and to leave the governmental authority and allocation to those severe emergencies which the Senator has described in his statement in the introduction of this legislation.

Mr. JOHNSTON. Will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. JOHNSTON. The Senator correctly describes my intent here. Let me say as an aside, Mr. President, that I think the Senate Energy Committee, the Senate, and, indeed, the country are very lucky to have the leadership of the Senator from Idaho for the Energy Committee. We have worked very closely on that committee in past years, not only the Senator from Idaho and the Senator

from Louisiana, but the Senator from Idaho and the entire committee. I believe we have produced better legislation because of his involvement. I welcome his chairmanship of that committee and look forward to working very closely with him.

I appreciate very much what I have heard as being the offer of early and in-depth hearings. This is a most complicated subject. I would be surprised if the bill would pass without a comma or a period changed. Indeed, it needs to be very carefully looked at. But I think it needs to be looked at early so that we do have in place some kind of stand-by mechanism.

Mr. McCLURE. I can say to the Senator that it is a matter of concern to the Senator from Idaho and it will be my intention for the committee to look at this field with a view to finding a legislative solution for the concerns he has expressed.

I can also say to the Senator from Louisiana that I am certain that the Congress will want to look at the Fuel Use Act to determine whether or not the conditions which were anticipated at the time the legislation was passed are still prevailing, or whether or not our judgments might indicate to us that some adjustment in that act might be prudent.

As the Senator knows, at the time that act was passed it was conventional wisdom in this country that natural gas was a declining, depleting resource, and there was not any way we could meet the needs of the population of this country in the use of natural gas. There was a shortage and it was growing more short every year. But the free market and intrastate markets, coupled with the action taken in the Natural Gas Act, made available those supplies which have been locked in intrastate markets to the entire national market, together with the determination to deregulate prices on a schedule that would get natural gas to the market.

This has led to increased supplies of natural gas in this country to the point where we can now say with some confidence that there is an adequate supply of natural gas for the foreseeable future in this country. As a matter of fact, we are now seeing drilling activities constrained because people do not have adequate markets if they should be able to discover more natural gas, a dramatic change in the situation. It ought to indicate to us that perhaps a change in policy is indicated by the facts as we see them now. I think the Senator from Louisiana would agree with that.

Mr. JOHNSTON. I believe the Senator makes an eloquent plea for the kind of legislation just introduced.

Mr. McCLURE. I will say to the Senator from Louisiana the committee will look at it and I hope we will take action with respect to the Fuel Use Act this calendar year, and I hope early rather than later in the year.

Mr. JOHNSTON. I thank my colleague.

By Mr. TOWER:

S. 412. A bill to amend the Intergovernmental Cooperation Act of 1968 to improve coordination between Federal agencies and State and local governments and regional organizations regarding establishment of Federal development programs or projects and applications for Federal assistance and permits, and to provide for judicial review of Federal approval of such applications; to the Committee on Governmental Affairs.

INTERGOVERNMENTAL COOPERATION AND JUDICIAL REVIEW ACT OF 1981

● Mr. TOWER. Mr. President, today, I am introducing legislation to amend section 401 of the Intergovernmental Cooperation Act of 1968. The purpose of this legislation is to improve coordination between Federal agencies and local, regional, and State organizations which review and comment on various applications for Federal assistance.

Under Office of Management and Budget circular A-95, State and regional planning agencies are charged with reviewing and making recommendations on proposals for Federal assistance. These applications run the gamut from Meals on Wheels to CETA programs. By Federal mandate, councils of Government (COG's) must submit to the appropriate Federal agency a formal statement as to the application's consistency with regional and/or State development plans or programs. Theoretically, if the COG or State planning agency forward negative comments, or suggests changes in the application prior to funding, the Federal agency must consider and respond to those recommendations.

Practically speaking, however, some Federal agencies all but ignore the COG reviews. Too often, only lip service is given to the review and comment process, with the Federal agency proceeding to approve the application without appropriate response to the reviewing organization. This is the situation my legislation addresses.

Councils of Government are voluntary organizations consisting of representatives of multi- and single-purpose governmental units. Most cities, counties, school districts, and other governmental bodies are members of COG's. By mandating that the COG's review applications for Federal assistance, the Federal Government tapped an important resource which was intended to insure proper and appropriate expenditure of taxpayers' moneys. From my own personal experience, I have seen the quality work produced by the COG's. Because of the tremendous expenditures in time and money spent on review and comment, it is imperative that we utilize the findings and recommendations of the COG's to the utmost.

To insure that Federal departments take seriously the work of the COG's and the various State review agencies, I urge the adoption of the legislation I have submitted. This bill will provide for judicial review of Federal agency decisions which are not consistent with local, regional, or State development plans and programs. Certainly nothing in this legislation precludes the Federal Government from implementing programs which, while not meeting local plans, are consistent with national objectives under which the Federal agency operates. Furthermore, the burden of proof would rest with the petitioner to overturn a decision by a Federal agency.

I am a firm supporter of the A-95 review and comment process. Adoption of this legislation will improve that process and strengthen our intergovernmental system.●

By Mr. PRESSLER:

S. 413. A bill to extend the Older Americans Act of 1965 for 5 years; to the Committee on Labor and Human Resources.

OLDER AMERICANS AMENDMENTS OF 1981

Mr. PRESSLER. Mr. President, I am today introducing a bill to reauthorize the Older Americans Act for 5 years. This legislation will extend needed services to the more vulnerable members of our society—the elderly.

As a member of the Senate Select Committee on Aging, I intend to participate in a series of hearings to explore the efficiency of the current programs authorized in this act. In the meantime, I hope this measure will serve as a vehicle for reviewing such programs. While we may wish to expand or reduce authorization levels upon such a review, the amounts established by this legislation allow for anticipated inflation rates.

Mr. President, the need for this legislation is evident. In 1980, there were an estimated 25 million people age 65 years and older living in the United States. The changing demographic profile of our Nation will result in an even larger number of older persons—a greater proportion of the population. By the year 2000, 31.8 million Americans or 12 percent of the population will be over the age of 65. We must be prepared to accept our responsibility to the elderly.

Over the past years, I have conducted numerous senior citizen seminars in South Dakota. As a result, I have familiarized myself with elderly programs and their effectiveness. I have discovered that too often, the programs in practice are not reaching those individuals most in need. For example, the Indian elderly continue to suffer from the lowest standard of living. And in our rural areas, social services and health care programs are often rendered useless due to inadequate transportation. During this reauthorization process, we must examine these issues as well as elderly abuse and crime and the attitude toward the elderly in the family and the country.

In my discussions with older people, I have found the fear of inadequate income to be the most critical problem of the elderly. Inflation and rising taxes are felt the hardest by the aged on fixed incomes. Having saved for years, the senior citizen finds his savings eroded by the cost of food, clothing, shelter, heat, and medical care. One quarter of our Nation's elderly live in or near poverty and the threatened bankruptcy of the social security system is now creating additional anxiety among senior citizens whose major source of income is social security and supplemental security income.

Such economic pressures are forcing the older American to make sacrifices in such critical areas as nutrition and health care. I realize that our Nation's economic problems reach far beyond the Older Americans Act. However, the health and social services programs of this legislation do provide a defense mechanism for our elderly population.

Second, older Americans are concerned about the cost and availability of health care. The increasing cost of long-term health care is a financial burden whether the elderly individual is confined to a nursing home, a hospital, or their own home. The Older Americans Act has provided alternatives to institutional care. Such programs include: First, the highly successful home health care program which allows the elderly to remain in their own home as long as possible, second, the congregate and home-delivered meals program which promotes health through good nutrition and reduces the isolation of old age, and third, the homemaker program where homemakers provide assistance with daily household chores and food activities.

Mr. President, I believe such programs foster a sense of independence in the retirement years. Having been a productive, active member of their community, the elderly's self-concept is often hurt by the feeling of dependence and insecurity. This loneliness and loss of productivity is the third most common problem for the elderly. To combat it—the volunteer and community service employment programs of the Older Americans Act. Trained and experienced older people represent one of our country's vast resources. Their extraordinary talents have been recognized through such programs as the Retired Senior Volunteer program, the Foster Grandparent program, the Senior Companion program and many others within communities. Such involvement has given the elderly a sense of fulfillment and the eagerness to enjoy life. Meanwhile, our Nation has benefited from the skills and expertise of its aged.

Mr. President, all of these programs must be strengthened and supported. But we must do so without burdening them with bureaucratic redtape and Government interference. The State and community senior citizen programs and centers must be allowed the flexibility to channel the right services to those in need.

Aging is inevitable. But it can also be frightening because of the great changes it can make in individual lives. We must do everything we can to make the lives of the elderly, who have contributed so much to our Nation, as comfortable and secure as possible. This reauthorization of the Older Americans Act allows us to renew our commitment to the elderly. We must first strengthen their financial capability; second provide them with affordable housing, health care and social services; and third permit them to remain in the mainstream of community life. In doing so, we allow our older Americans to live their remaining years in dignity.

Mr. President, I urge my colleagues to join in support of the legislation and I hope that the pertinent committees of the Senate will give full consideration to the subject. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Amendments of 1981".

SEC. 2. (a) Section 102(1) of the Older Americans Act of 1965 (hereafter in this Act referred to as the "Act") (42 U.S.C. 3002 (1)) is amended by striking out "Secretary of Health, Education and Welfare" and inserting in lieu thereof "Secretary of Health and Human Services".

(b) Section 202(a)(1) of the Act (42 U.S.C. 3012(a)(1)) is amended by striking out "Department of Health, Education and Welfare" and inserting in lieu thereof "Department of Health and Human Services".

SEC. 3. Section 204(c) of the Act (42 U.S.C. 3014(c)) is amended—

(1) by striking out "and" after "1980"; and

(2) by inserting "1982, 1983, 1984, 1985, and 1986" after "1981,".

SEC. 4. (a) Section 303(a) of the Act (42 U.S.C. 3023(a)) is amended—

(1) by striking out "and" after "1980,"; and

(2) by inserting after "1981" a comma and the following: "$528,000,000 for fiscal year 1982, $575,000,000 for fiscal year 1983, $622,000,000 for fiscal year 1984, $665,000,000 for fiscal year 1985, and $705,000,000 for fiscal year 1986".

(b)(1) Section 303(b)(1) of the Act (42 U.S.C. 302(b)(1)) is amended—

(A) by striking out "and" after "1980,"; and

(B) by inserting after "1981" a comma and the following: "$440,000,000 for fiscal year 1982, $480,000,000 for fiscal year 1983, $518,000,000 for fiscal year 1984, $554,000,000 for fiscal year 1985, and $587,000,000 for fiscal year 1986".

(2) Section 303(b)(2) of this Act (42 U.S.C. 3023(b)(2) is amended—

(A) striking out "and" after "1980,"; and

(B) by inserting after "1981" a comma and the following: "$132,000,000 for fiscal year 1982, $144,000,000 for fiscal year 1983, $156,000,000 for fiscal year 1984, $167,000,000 for fiscal year 1985, and $177,000,000 for fiscal year 1986".

SEC. 5. Section 451(a) of this Act (42 U.S.C. 3037(a)) is amended by striking out "1981" and inserting in lieu thereof "1983".

SEC. 6. Section 508 of this Act (42 U.S.C. 3056f) is amended—

(1) by striking out "and" after "1980,"; and

(2) by inserting before the period at the end of the section "$495,000,000 for the fiscal year ending September 30, 1982, $540,000,000 for the fiscal year ending September 30, 1983, $583,000,000 for the fiscal year ending September 30, 1984, $624,000,000 for the fiscal year ending September 30, 1985, and $661,000,000 for the fiscal year ending September 30, 1986".

SEC. 7. (a) Section 608(a) of the Act (42 U.S.C. 3057c(a)) is amended—

(1) by striking out "and" after "1980,"; and

(2) by inserting "1982, 1983, 1984, 1985, and 1986," after "1981,".

(b) Section 608(c) of the Act (42 U.S.C. 3057g(c)) is amended—

(1) by striking out "and" after "1980,"; and

(2) by inserting "1982, 1983, 1984, 1985, and 1986" after "1981,".

By Mr. CHAFEE (for himself, Mr. GARN, and Mr. TOWER):

S. 414. A bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

CASH DISCOUNTS ACT

● Mr. CHAFEE. Mr. President, today, Senator GARN, Senator TOWER, and I are introducing the Cash Discount Act. It will benefit consumers by permitting merchants to offer unlimited discounts to cash-paying customers while at the same time continuing a provision of current law which prohibits merchants from penalizing their credit card customers.

As originally enacted, the Truth in Lending Act required cash discounts to be disclosed as part of the cost of credit for credit card customers. This requirement effectively precluded merchants from offering discounts to cash customers. Therefore, in 1974, the law was amended so that discounts for cash up to 5 percent would not have to be disclosed as a finance charge. While the intent was to remove impediments to the offering of discounts, few discounts are being offered and those that are must be limited to 5 percent.

The Cash Discount Act would remove the 5-percent restriction, thereby paving the way for merchants to offer much larger discounts to induce customers to pay by cash. It provides that any discount from the regular price shall not constitute a finance charge if it is available to all customers and its availability is disclosed.

While attempting to provide incentives for cash discounts, the present law specifically prohibits merchants from penalizing credit card customers through the imposition of surcharges upon purchases made by credit card or through open end credit accounts. Originally enacted in 1976 for a 3-year period, the prohibition was extended for 2 years in 1979. Now it is due to expire again on February 27. S. 414 would continue the surcharge prohibition for another 3-year period. This time period will give Congress the opportunity it needs to study this issue fully and to determine a permanent policy on surcharges and discounts.

Removing the restrictions on cash discounts is certainly in the best interest of the American public. If more and more merchants begin offering discounts and if discounts of greater than 5 percent become available, some of the inflationary pressures being exerted upon consumers may be alleviated. In addition, if the present artificial constraint is removed, the free marketplace will determine the level of cash discounts. Such competitive pricing of goods and services can only benefit the consumer.

While strongly favoring unlimited cash discounts, I believe it is unfair to consumers to add a surcharge to the regular price if that consumer wishes to pay by credit card. Credit cards offer distinct benefits, not the least of which is their convenience. Consumers should not be penalized for choosing to use that payment mechanism.

I am well aware of the argument that surcharges on credit card purchases are

economically identical to discounts for cash purchasers. That may be true to the extent that in some cases the differential is mathematically the same. But, whether a merchant is permitted to add a surcharge to the regular price which is posted or tagged on an item rather than reducing or discounting that tagged or posted price is important as to its economic effect and its impact upon consumers and consumer behavior.

I am concerned that merchants might simply add to the regular price. This would result in credit card customers paying higher prices with no commensurate benefit for all other consumers. Further, the regular price could have the effect of misleading credit card users as to the item's true cost to them.

For these reasons, I am introducing a bill which would allow unlimited cash discounts while continuing the present prohibition against surcharges until we can finally adopt a permanent solution. It will provide substantial benefits for consumers without hindering their present ability to shop for the best deal in both merchandise and credit.

Provisions almost identical to these were reported by the Senate Banking Committee with no dissent late in the last Congress, the only deviation being that S. 414 provides a 3-year extension of the surcharge prohibition rather than a one year extension. Those provisions were never enacted because they were part of a larger omnibus bill which contained numerous controversial provisions. In addition, Congressman ANNUNZIO, chairman of the Consumer Affairs Subcommittee in the House, has introduced a bill with similar provisions on discounts and surcharges.

Mr. President, I should also add that S. 414 contains a technical amendment to clarify the intent of the 96th Congress when it enacted the Truth in Lending Simplification Act. Although the law does not require creditors to comply with the new provisions of the Truth in Lending Act until April 1, 1982, the law specifically permits creditors to comply earlier in accordance with regulations promulgated by the Federal Reserve Board. However, the statutory provisions do not make it clear that all the new provisions of the act apply to creditors who begin complying sooner than the required date. This has posed a problem with regard to the civil liability provisions of the act since they constitute a direction to the judiciary rather than the credit industry.

I am sure that it was the intent of the Congress that creditors who comply with the new provisions of the act should also be subject to the new civil liability requirements. Either all the provisions of the old act or all the provisions of the new act should apply for a single creditor or in a single transaction. This amendment clarifies such intent.

I intend to have prompt hearings on this bill, in order that the Senate can act upon it prior to the February 27th deadline. I hope my fellow Senators will support this measure, which will protect credit card users from extra charges or fees and provide the consumer with greater flexibility and choice, during the interim period of congressional review.●

By Mr. CRANSTON (for himself, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. THURMOND):

S. 415. A bill to amend title 38, United States Code, to increase the maximum amount payable in Veterans' Administration specially adapted housing assistance, and for other purposes; to the Committee on Veterans Affairs.

SPECIALLY ADAPTED HOUSING ASSISTANCE FOR VETERANS

Mr. CRANSTON. Mr. President, I am introducing today, on behalf of Senators RANDOLPH, MATSUNAGA, DECONCINI, THURMOND, and myself, S. 415. This measure would increase from $30,000 to $35,000, effective October 1, 1981, the maximum amount payable by the Veterans' Administration in specially adapted housing assistance to certain veterans with total and permanent service-connected disabilities.

BACKGROUND

Under the program of specially adapted housing assistance for disabled veterans provided for in chapter 21 of title 38, United States Code—often referred to as the "wheelchair home" program—the VA assists veterans with certain permanent and total service-connected disabilities in acquiring suitable housing with adaptations made necessary by the nature of their disabilities. Under current law, these disabled veterans are eligible for a grant not to exceed 50 percent of the cost of the home and the necessary land, up to a maximum of $30,000.

Veterans eligible for housing assistance grants are principally quadraplegics, paraplegics, amputees, and others who require the use of a wheelchair, braces, or crutches to move about. Their disabling conditions may require ramps, special bathroom equipment, extra-large rooms and hallways, and other adaptations that are essential for their health and safety.

NEED FOR AN INCREASE

Mr. President, this bill would provide for an increase, effective October 1, 1981, in the maximum amount of specially adapted housing assistance from $30,000 to $35,000 in order to help keep pace with increased housing costs since the time of the last increase on October 1, 1978. The bill would also make certain technical changes in chapter 21.

When originally enacted in Public Law 80–702 in 1948, the specially adapted housing program provided for assistance of up to $10,000. At that time, the average cost of construction for a new single-family residence was $7,800. Housing construction costs have risen steadily since then, and the maximum amount of assistance has been increased on four occasions. The last increase was made by Public Law 95–476, which raised the maximum to $30,000, effective October 1, 1978. At that time, the average cost for the construction of a specially adapted home was estimated to be $66,000. Since then it appears, based on data provided by the National Association of Home Builders, that the average cost of such a home has risen to $75,700. By raising the maximum limit from $30,000 to $35,000, our bill would enable a majority of veterans who are eligible for this benefit to obtain assistance approximating 50 percent of the cost of the home and thus help meet the needs of this special group of veterans.

Preliminary estimates by the Congressional Budget Office indicate that the first-year—fiscal year 1982—cost of our proposal would be $2.6 million and the 5-year cost would be $12.4 million.

Mr. President, I ask unanimous consent that the text of S. 415 be printed in the RECORD at this point along with a document showing the changes that the measure would make in current law.

There being no objection, the bill and changes were ordered to be printed in the RECORD, as follows:

S. 415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 802 of title 38, United States Code, is amended by—

(1) striking out "$30,000" and inserting in lieu thereof "$35,000";

(2) striking out "him" each place it appears and inserting in lieu thereof "such veteran"; and

(3) striking out "his" in clause (3) and inserting in lieu thereof "such veteran's".

CHANGES IN EXISTING LAW PROPOSED BY S. 415

Changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—VETERAN'S BENEFITS

* * * * *

PART II—GENERAL BENEFITS

* * * * *

CHAPTER 21—SPECIALLY ADAPTED HOUSING FOR DISABLED VETERANS

* * * * *

§ 802. Limitations on assistance furnished

The assistance authorized by section 801 of this title shall be limited in the case of any veteran to one housing unit, and necessary land therefor, and shall be afforded under one of the following plans, at the option of the veteran but shall not exceed [$30,000] *$35,000* in any one case—

(1) where the veteran elects to construct a housing unit on land to be acquired by [him] *such veteran*, the Administrator shall pay not to exceed 50 per centum of the total cost to the veteran of (A) the housing unit and (B) the necessary land upon which it is to be situated;

(2) where the veteran elects to construct a housing unit on land acquired by [him] *such veteran* prior to application for assistance under this chapter, the Administrator shall pay not to exceed the smaller of the following sums: (A) 50 per centum of the total cost to the veteran of the housing unit and the land necessary for such housing unit, or (B) 50 per centum of the cost to the veteran of the housing unit plus the full amount of the unpaid balance, if any, of the cost to the veteran of the land necessary for such housing unit;

(3) where the veteran elects to remodel a dwelling which is not adapted to the requirements of [his] *such veteran's* disability, acquired by [him] *such veteran* prior to application for assistance under this chapter, the Administrator shall pay not to exceed (A) the cost to the veteran of such remodeling; or (B) 50 per centum of the cost to the veteran of such remodeling; plus the smaller of the following sums: (1) 50 per centum of the cost to the veteran of such dwelling and the necessary land upon which it is situated, or

(ii) the full amount of the unpaid balance, if any, of the cost to the veteran of such dwelling and the necessary land upon which it is situated; and

(4) where the veteran has acquired a suitable housing unit, the Administrator shall pay not to exceed the smaller of the following sums: (A) 50 per centum of the cost to the veteran of such housing unit and the necessary land upon which it is situated, or (B) the full amount of the unpaid balance, if any, of the cost to the veteran of such housing unit and the necessary land upon which it is situated.

By Mr. CRANSTON (for himself, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. THURMOND):

S. 416. A bill to amend title 38, United States Code, to increase the maximum amount of the automobile assistance provided to certain severely service-connected disabled veterans, to extend eligibility for the provision of automobile adaptive equipment to certain other service-connected disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' AUTOMOBILE ASSISTANCE AND ADAPTIVE EQUIPMENT AMENDMENTS OF 1981

Mr. CRANSTON. Mr. President, I am introducing today S. 416, the proposed Veterans' Automobile Assistance and Adaptive Equipment Amendments of 1981. Joining me as cosponsors are Senators RANDOLPH, MATSUNAGA, DECONCINI, and THURMOND. This measure would increase the amount of the automobile assistance allowance provided by the Veterans' Administration to veterans with certain severe service-connected disabilities and would extend eligibility for the provision of automobile adaptive equipment to certain other service-connected disabled veterans.

AUTOMOBILE ASSISTANCE ALLOWANCE INCREASE

The program of automobile assistance—now codified in chapter 39 of title 38, United States Code—was established by the Congress in Public Law 79–663, enacted in 1946. Under this program, veterans who have suffered the service-connected loss or loss of use of one or both feet, or one or both hands, or service-connected blindness are entitled to a one-time VA grant to assist them in purchasing an automobile.

Public Law 91–666, enacted in 1970 and which I authored, increased effective January 11, 1971, the maximum amount of the allowance payable toward the purchase of an automobile or other conveyance from the original allowance of $1,600 to $2,800. According to the Senate report accompanying the Senate version of H.R. 370—Senate Report No. 91–1232, page 14—this increase was enacted in order "to reestablish, to an effective degree, the comparability which originally existed between the cost of an automobile or other conveyance and the monetary assistance provided for its purchase."

In 1974, I again authored legislation, Public Law 93–548, to increase the amount of the allowance to $3,300, effective February 1, 1975. An increase to the current level—$3,800—was provided for by enactment of my proposal in Public Law 95–479, effective October 1, 1978. Since the effective date of this last increase, the Bureau of Labor Statistics' Consumer Price Index component for new automobiles had risen 16.98 percent as of the end of fiscal year 1980. According to Congressional Budget Office projections, this component will increase another 12.87 percent by October 1, 1981.

Hence, Mr. President, the measure I am introducing today would increase the automobile assistance allowance to $5,000 effective October 1, 1981—an increase of $1,200—so as to help insure that the value of this benefit keeps pace with inflation.

EXTENSION OF ELIGIBILITY FOR ADAPTIVE EQUIPMENT

Mr. President, in 1970, Public Law 91–666 also provided for the VA to furnish—in addition to the automobile assistance allowance—necessary adaptive equipment and installation, maintenance, and replacement for those eligible for the allowance. Pursuant to DVB circular 20–76–105 and D.M. & S. Circular 10–75–137, payment for the adaptive equipment is generally made by reimbursement to the veteran of the appropriate cost of the equipment.

Service-connected disabled veterans who have not actually suffered an amputation, but who have incurred serious injury resulting in the loss of use of an extremity are eligible for this payment. However, there are veterans who have incurred certain disabilities which can preclude them from safely operating a motor vehicle that has not been adapted but who are not so eligible under current law.

Specifically, service-connected disabled veterans who suffer from ankylosis—the stiffening of a joint as the result of abnormal bone fusion—of the knees or hips at so-called favorable angles do not meet the VA's criterion for the requisite determination that the veteran has suffered the "loss of use" of a lower extremity. VA data indicate that 2,512 veterans are in receipt of service-connected compensation for such a disability.

Although veterans who suffer from ankylosis of the knees or hips at an unfavorable angle meet the VA's "loss of use" criterion and are therefore eligible for adaptive equipment assistance, veterans who suffer from ankylosis at favorable angles do not qualify for either the automobile award or the adaptive equipment assistance. However, in some cases, these veterans may need special adaptive equipment—such as left-foot accelerators, power brakes, hand-held parking brakes, or automatic transmissions—before they can safely operate their motor vehicles.

In my view, it is appropriate that the Federal Government assist these veterans in bearing the cost of the adaptive equipment they need in order to operate a motor vehicle. Based on our research to date, this category of service-connected disabled veterans is the only category of such veterans who need automobile adaptive equipment and who are not considered to have lost or lost the use of one of their limbs. However, I would certainly want to explore this question further at hearings on the measure we are introducing today.

Our proposal, would extend, effective October 1, 1981, eligibility under specified circumstances for an adaptive equipment award to a veteran who is entitled to service-connected compensation for ankylosis of one or both knees, or one or both hips but who is not considered to have lost the use of a lower extremity. In such cases, the award would be made to provide such adaptive equipment to overcome the resulting disability as is necessary for the veteran to satisfy his or her State's drivers' licensing laws or regulations, or as is determined to be necessary by the VA's Chief Medical Director, to operate his or her motor vehicle safely.

This portion of the measure I am introducing today is based on resolution No. 515, 'Liberalization of Automotive Adaptive Equipment for Certain Veterans," adopted by the Disabled American Veterans at their annual convention last summer. In this regard, I want to express my appreciation for the DAV's help and cooperation in developing this provision.

COST ESTIMATE

Mr. President, according to preliminary cost estimates received from the Congressional Budget Office, the first year—fiscal year 1982—cost of my proposal would be $1.7 million, $0.8 million for the increase in the automobile assistance allowance and $0.9 million for the extension of eligibility for adaptive equipment. The total 5-year cost is estimated to be $6.8 million.

I ask unanimous consent that the text of the bill along with a document showing the changes it would make in existing law be printed at this point in the RECORD.

There being no objection, the bill and the changes were ordered to be printed in the RECORD, as follows:

S. 416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Automobile Assistance and Adaptive Equipment Amendments of 1981".

SEC. 2. Section 1902 of title 38, United States Code, is amended—

(1) by striking out "he" each place it appears and inserting in lieu thereof "the Administrator";

(2) in subsection (a), by striking out "$3,800" and inserting in lieu thereof "$5,000"; and

(3) in subsection (b), by—

(A) inserting "(1)" before "The";

(B) striking out "his" and inserting in lieu thereof "such person's"; and

(C) adding at the end the following new paragraph:

"(2) In the case of any veteran (other than an eligible person) who is entitled to compensation under chapter 11 of this title for ankylosis of one or both knees, or one or both hips, the Administrator, under the terms and conditions set forth in section 1903(a), (c), and (d) of this title and under regulations which the Administrator shall prescribe, shall provide such adaptive equipment to overcome the disability resulting from such ankylosis as is (A) necessary to meet the applicable standards of licensure established by the State of such veteran's residency or other proper licensing authority for the operation of such veteran's automobile or other conveyance by such veteran, or (B) determined to be necessary by the Chief Medical Director for the safe operation of such automobile or other conveyance by such veteran.".

SEC. 3. Section 1903(b) of title 38, United

States Code, is amended by striking out "he" and inserting in lieu thereof "the Administrator" and striking out "his" both places it appears and inserting in lieu thereof "such person's".

CHANGES IN EXISTING LAW PROPOSED TO BE MADE BY S. 416

Changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—VETERANS' BENEFITS

* * * * * *

PART III—READJUSTMENT AND RELATED BENEFITS

* * * * * *

CHAPTER 39—AUTOMOBILES AND ADAPTIVE EQUIPMENT FOR CERTAIN DISABLED VETERANS AND MEMBERS OF THE ARMED FORCES

* * * * * *

§ 1902. Assistance for providing automobile and adaptive equipment

(a) The Administrator, under regulations which [he] *the Administrator* shall prescribe, shall provide or assist in providing an automobile or other conveyance to each eligible person by paying the total purchase price of the automobile or other conveyance (including all State, local, and other taxes) or [$3,800], *$5,000,* whichever is the lesser, to the seller from whom the eligible person is purchasing under a sales agreement between the seller and the eligible person.

(b)(*1*) The Administrator, under regulations which [he] *the Administrator* shall prescribe, shall provide each eligible person the adaptive equipment deemed necessary to insure that the eligible person will be able to operate the automobile or other conveyance in a manner consistent with [his] *such person's* own safety and the safety of others and so as to satisfy the applicable standards of licensure established by the State of [his] *such person's* residency or other proper licensing authority.

(2) In the case of any veteran (other than an eligible person) who is entitled to compensation under chapter 11 of this title for ankylosis of one or both knees, or one or both hips, the Administrator, under the terms and conditions set forth in section 1903(a), (c), and (d) of this title and under regulations which the Administrator shall prescribe, shall provide such adaptive equipment to overcome the disability resulting from such ankylosis as is (A) necessary to meet the applicable standards of licensure established by the State of such veteran's residency or other proper licensing authority for the operation of such veteran's automobile or other conveyance by such veteran, or (B) determined to be necessary by the Chief Medical Director for the safe operation of such automobile or other conveyance by such veteran.

(c) In accordance with regulations which [he] *the Administrator* shall prescribe, the Administrator shall (1) repair, replace or reinstall adaptive equipment deemed necessary for the operation of an automobile or other conveyance acquired in accordance with the provisions of this chapter, and (2) provide, repair, replace, or reinstall such adaptive equipment for any automobile or other conveyance which an eligible person may previously or subsequently have acquired.

(d) If an eligible person cannot qualify to operate an automobile or other conveyance, the Administrator shall provide or assist in providing an automobile or other conveyance to such person, as provided in subsection (a) of this section, if the automobile or other conveyance is to be operated for the eligible person by another person.

§ 1903. Limitations on assistance; special training courses

(a) No eligible person shall be entitled to receive more than one automobile or other conveyance under the provisions of this chapter, and no payment shall be made under this chapter for the repair, maintenance, or replacement of an automobile or other conveyance.

(b) Except as provided in subsection (d) of section 1902 of this title, no eligible person shall be provided an automobile or other conveyance under this chapter until it is established to the satisfaction of the Administrator, in accordance with regulations [he] *the Administrator* shall prescribe, that the eligible person will be able to operate the automobile or other conveyance in a manner consistent with [his] *such person's* own safety and the safety of others and will satisfy the applicable standards of licensure to operate the automobile or other conveyance established by the State of [his] *such person's* residency or other proper licensing authority.

(c) An eligible person shall not be entitled to adaptive equipment under this chapter for more than one automobile or other conveyance at any one time.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, and Mr. HART):

S. 417. A bill to amend title 38, United States Code, to provide a new educational assistance program for persons who enter the Armed Forces after June 30, 1981, to modify the December 31, 1989, termination date for the Vietnam-era GI bill, and for other purposes; to the Committee on Veterans' Affairs.

ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE ACT

Mr. CRANSTON. Mr. President, I am introducing today S. 417, the proposed All-Volunteer Force Educational Assistance Act. Joining with me in introducing this legislation are the distinguished Senators from Hawaii (Mr. MATSUNAGA), Arizona (Mr. DECONCINI), and Colorado (Mr. HART).

The measure is drawn from the provisions of S. 3263, which I introduced in the 96th Congress on December 12, 1980. It would amend title 38, United States Code, to add a new chapter 30, All-Volunteer Force educational assistance, which would establish a new program of educational incentives designed to increase recruitment of qualified men and women into this Nation's Armed Forces and to assist in the retention of skilled and experienced personnel in the military.

When I introduced this legislation last year, I indicated my intent to solicit the comments and suggestions of interested experts and organizations, including Defense Department officials, educators, recognized experts, and veterans and military associations.

As a result of the responses I received, and in an attempt to refine the measure further, a number of important modifications have been made in the measure I am introducing today. I will address these changes in detail later in my statement.

Mr. President, as I noted in introducing S. 3263 last year, I remain deeply committed to, and strongly supportive of, the All-Volunteer Military Force. But there is widespread recognition that the benefits and compensation offered by the military must be improved in order to continue the effectiveness of the force.

The dismal experience of the armed services in recruiting and retaining qualified military personnel in fiscal year 1979 has been well documented. In that year, the Army achieved a land force level of only 453,000 persons—27,300 short of its authorized strength. The Navy had such acute personnel shortages that it opposed the Congress attempts to reactivate two naval ships. The Air Force experienced a shortage of more than 1,300 pilots.

Although all four military services met their numerical recruiting goals in fiscal year 1980, there was for the first time since 1976 an overall drop in the education level of new recruits evidenced by the drop in high-school-graduate recruits from 73 to 68 percent. As noted by Gen. David C. Jones, Chairman of the Joint Chiefs of Staff, in a report entitled "United States Military Posture for FY 1982," this decline "could have an adverse effect on overall force readiness, especially as the military continues to become increasingly dependent on high-technology equipment." Maintaining an appropriate level of high school graduates is also vital in terms of reducing first-term attrition from the active service since, as noted in the January 1981 report entitled "Resources for Defense" prepared by the Congressional Budget Office—

[R]ecruits with high school diplomas not only may be more capable in some ways, but also are more likely than nongraduates to complete their first term of enlistment.

The military posture report goes on to indicate that—

[T]here is also concern that the current numerical recruiting successes are transitory, since it is evident that recessionary pressures and attendant high unemployment rates contributed to reaching numerical objectives in 1980.

Further exacerbating the recruitment situation is the fact that over the next 5 years, the youth population is expected to decline significantly. According to CBO projections, the number of potential eligibles from which the military must recruit will decline by about 13 percent by 1986.

Moreover, retention of quality personnel is cited in the military posture report as "an even more serious problem" than recruiting. Although it is likely that the general trend toward skilled military personnel leaving the service may be slowed or reversed by recent pay increases, the situation remains particularly acute with respect to pilots, health professionals, and those individuals with highly specialized, technical skills.

As Secretary of the Air Force-designate Verne Orr pointed out in his testimony before the Senate Armed Services Committee on January 28, the reason that retention of pilots has improved recently is that the civilian airlines have stopped hiring temporarily. However, we cannot count on a bad economy, which has caused the recent downturn in pilot hiring, to support a good retention rate

of pilots and military personnel with other critical skills, such as nuclear-qualified naval personnel and engineers in all the services.

Congress has already taken aggressive action to make the All-Volunteer Force attractive to potential recruits and to its current members. Major pay increases were enacted last year by Congress—both across-the-board increases and special-pay increases for those with skills in acute short supply. The military compensation system, however, has always been made up of both pay and benefits, and I believe that educational benefits have a special, very significant role to play in increasing the numbers and quality of the people we attract to and retain in the armed services. Thus, I believe that educational incentives, if properly designed, can play a major role in helping to insure the success of the All-Volunteer Force.

BACKGROUND

On June 22, 1944, Public Law No. 346, 78th Congress, the Servicemen's Readjustment Act of 1944, was signed by President Franklin D. Roosevelt. This legislation, which came to be known as the GI bill, created a major educational and vocational assistance program for those who had served the Nation during World War II. Since 1944, the original GI bill and successor programs—the Korean-conflict and the post-Korean conflict, or Vietnam-era, GI bills—have provided education and training for more than 17.7 million veterans of World War II, the Korean conflict, the post-Korean period, and the Vietnam era. My own work with the current Vietnam era GI bill began in 1969 when I started my Senate service as chairman of the then Subcommittee on Veterans' Affairs of the Committee on Labor and Public Welfare.

The first GI bill legislation that I authored was the Veterans' Education and Training Amendments Act of 1970, Public Law 91-219. Since then we have revised the current Vietnam-era GI bill program—which is codified in chapter 34 of title 38, United States Code—five times with laws in 1972, 1974, 1976, 1977, and 1980.

In 1976, Public Law 94-502 established, as a successor to the current GI bill, the chapter 32. post-Vietnam era veterans' educational assistance program—popularly known as VEAP. It was designed, in part, to achieve a reasonable balance between those who sought complete termination of GI bill benefits for persons entering the service after the end of the Vietnam era and those who supported continuation of the Vietnam-era GI bill without alteration. In some respects, VEAP might be viewed as a "5-year experiment" in developing an appropriate successor to the current Vietnam-era GI bill.

The chapter 32 program provides an educational assistance opportunity to those who entered the Armed Forces after December 31, 1976, and are thus not eligible for the current chapter 34 GI bill. The program, a contributory-matching one, was established to assist young men and women in obtaining an education they might not otherwise be able to afford and to promote and assist the All-Volunteer Force by attracting qualified men and women to serve in the Armed Forces.

Under VEAP, service members who are eligible for benefits may elect to contribute from $25 to $100 per month—modified from $50 and $75, respectively, by Public Law 96-466 last year—toward their VEAP accounts. After completion of the service member's initial tour of duty or 6 years of service, whichever is the lesser, the VA matches the service member's contribution on a 2-for-1 basis if the individual enrolls in an approved educational program. Under the law, the maximum contribution by a service member is $2,700 which, when matched with $5,400 of VA funds, provides a total of $8,100 for veteran's educational expenses which may be used in monthly payments of up to $225 for up to 36 months. In addition, the Department of Defense may make additional contributions to the service member's VEAP account, and the Department is currently testing a variety of additional VEAP incentives—or "kickers"—in order to assess their value as recruitment and retention devices.

The VEAP authority is scheduled to expire on December 31, 1981, unless the President makes a recommendation to the Congress that the program should be continued, neither the House nor the Senate adopts a resolution of disapproval of the President's recommendation, and the Department of Defense assumes budgetary responsibility for payment of the matching funds.

NEED FOR A NEW PROGRAM

However, Mr. President, evaluations of VEAP's success as a recruitment and retention device have been less than encouraging.

The Department of Defense in its June 1980 "Third Annual Report to the Congress on the Post-Vietnam Era Veterans' Educational Assistance Program," concluded that VEAP played only "a moderately important role in the enlistment decisions of some participants. * * *" The report suggested that there is a "need for a careful reassessment of the program's overall 'attractiveness' as an enlistment incentive." The VA, in its portion of the third annual report on VEAP, submitted on May 2, 1980, concluded that "early indicators lead to a less than optimistic view as to the programs viability."

Mr. President, these nonendorsements of VEAP were enlarged upon and reiterated by others at the June 19, 1980, hearing of the Committee on Veterans' Affairs which I called to focus on the role of educational incentives in the All-Volunteer Force. During the course of that hearing, the committee received much testimony citing the failure of VEAP as a recruitment tool and supporting the concept of a new program of educational incentives for the All-Volunteer Force—including testimony from the distinguished Senators from Colorado (Mr. ARMSTRONG), Maine (Mr. COHEN), and Virginia (Mr. WARNER), who have also introduced proposals addressing this issue. In addition, a most valued member of our committee and of the Armed Services Committee, the Senator from South Carolina (Mr. THURMOND), has introduced such legislation.

Dr. Charles Moskos, a well-known and widely-respected military sociologist, pointed in his testimony on the failure of all four services to meet [illegible] goals, the severity of manpower shortages in the ground combat arms, and the low educational levels of new recruits. He stated:

The major barriers to more effective recruitment have been the elimination of the GI bill in 1976 and concurrent expansion of Federal assistance to college students.

He concluded that:

[T]o meet military manpower needs in the all-volunteer context and to pursue equity, there must be an immediate restoration of post-service educational benefits for active-duty military members * * *.

Moreover, it is clear that offering an attractive program of educational incentives is a more effective approach to enhancing the recruitment and retention of well-qualified personnel than military pay increases alone. As Dr. Moskos testified:

Large raises in military pay for lower enlisted personnel were the principal rationale to induce persons to join the all-volunteer force. This has turned out to be a double-edged sword, however. Youth survey show that cash motivates less qualified youth (for example, high school dropouts) to join the armed services while having a negligible effect on college bound youth. Disproportionate emphasis on recruit pay, moreover, diverts compensation away from the career and technical force, precisely the areas where retention difficulties are most severe.

A June 1973 report to the Senate Committee on Armed Services prepared by the Brookings Institution, entitled the "All-Volunteer Armed Forces, Progress, Problems, and Prospects," stated that:

Data suggests that for a large number of potential enlistees, a paid school option might well have greater appeal than high pay. Moreover, recruits attracted by educational incentives would enhance the overall quality of the All-Volunteer Force.

Mr. President, the role a program of educational incentives can play is also evidenced by the results of a survey of Army recruits conducted by the Army in 1975 prior to the time that eligibility for the current GI bill was terminated. The survey found that one of every four recruits definitely would not have enlisted without the GI bill. Another 36 percent of those surveyed were not certain whether they would have enlisted without the GI bill.

The concept of a program of educational incentives as a recruitment and retention device to strengthen our Nation's defense was supported at our hearing by the Fleet Reserve Association, the Air Force Sergeants Association, the Noncommissioned Officers Association, the National Association for Uniformed Services, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the American Veterans Committee. In addition, this sentiment was shared by those responding to my request for comment, including the following top Defense Department officials: Gen. David C. Jones, Chairman

of the Joint Chiefs of Staff, Gen. E. C. Meyer, Chief of Staff of the Army, Gen. Lew Allen, Jr., Chief of Staff of the Air Force, Gen. R. H. Barrow, Commandant of the Marine Corps, and William D. Clark, Deputy Assistant Secretary of the Army for Manpower and Reserve Affairs

A TWO-TIER CONCEPT

Mr. President, my proposal would establish a two-tier approach. The first tier, the basic educational assistance program, would be available to all those entering the service—or reenlisting in the service—on or after July 1, 1981. Eligibility would be established by completion of 36 months of service after the date of such enlistment or reenlistment followed by discharge or release under conditions other than dishonorable or by completion of 24 months of service and entry into a commitment to serve 4 years in the Ready Reserve. The benefits in this first tier would be $9,000 in educational assistance, which would be paid at the rate of $250 a month for a maximum of 36-months' enrollment in a full-time program of approved education of training and paid at a proportionately reduced rate for less-than-full-time training.

The provision of the 2-year active duty and 4-year Ready Reserve option for establishing eligibility is the first of the modifications that was made in this measure. This option was developed in response to many of the comments I received—including all of the Defense Department officials whom I have just mentioned and Dr. Moskos—that a shorter enlistment period coupled with a Ready Reserve commitment would help meet some major, current specific military personnel needs. In this regard, we specifically took note of two comments of Deputy Assistant Secretary Clark in his letter in which he suggested a "24 month enlistment option with benefits earned at the same monthly rate" and "reduced-rate benefits for service in the Reserve Components." Further, Dr. Moskos, in his letter to me of January 5, stressed that "GI bill eligibility must be linked to reserve obligations."

With respect to the commitment to serve in the Ready Reserve, the measure would provide for the suspension of educational benefits when an eligible veteran is not satisfactorily carrying out this commitment. Benefits would be reinstated upon certification that the individual has again begun satisfactorily performing his or her Ready Reserve commitment.

In addition to the basic program, this legislation would provide a higher, second tier of supplemental educational assistance. Eligibility for this supplemental assistance would be limited to those who have completed the requisite service for the basic program, who have a high-school diploma or equivalency certificate prior to completion of the 3-year minimum service requirement, who have an honorable discharge, and who serve either a minimum of 6 years active duty or a minimum of 4 years on active duty and 4 years in the Ready Reserve. This Ready Reserve option would be subject to the same suspension and reinstatement provisions that I described in connection with the first-tier benefits.

Individuals meeting the eligibility criteria for the second tier would earn supplemental educational assistance at the rate of $375 a month for each month of continuous active-duty service beyond the 3 years required for the basic benefits.

For example, those who serve a total of 6 continuous years of active duty would earn the maximum supplemental educational assistance of $13,500, for a maximum total level of assistance of $22,500—$9,000 under the basic program and $13,500 under the supplemental. Those who serve at least a fourth year on active duty and make a commitment to serve 4 years in the Ready Reserve would earn $375 for each month of active-duty service in excess of the 36-month service requirement for basic assistance. For example, an individual who serves 5 full years on active duty and enters into a 4-year Ready Reserve commitment would earn $9,000 under the supplemental program—$375 for each of the 24 months of active duty after the first 36 months—in addition to the $9,000 under the basic program.

These supplemental benefits would generally be paid in the same way as the basic benefit—that is, at $250 a month for full-time pursuit—but could be paid, at the individual's choice, at a rate of up to $500 for enrollment in a full-time program of education and be combined with the basic benefit for a total maximum monthly assistance level of $750. At the $500 monthly rate, the maximum number of months for use of supplemental benefits would be 27 months, but the basic benefits would continue for a full 36 months.

Some of those commenting on our proposal have cited a need for a higher rate of benefits for those faced with greater educational and related expenses—such as high tuition and support of dependents. The provision in the bill entitling a veteran eligible for subchapter III assistance to use benefits at the rate of up to $750 per month is designed to recognize and be responsive to the needs of these individuals.

The requirement that an individual receive an honorable discharge in order to achieve eligibility for second-tier benefits is the second modification that has been made in this measure. This change has been made in response to the assertion of many commentors that this criterion for eligibility will serve to encourage more fully satisfactory service. In this regard, I note that virtually all the comments I received from officials in the Department of Defense stressed the desirability of inclusion of an honorable-discharge requirement. Specifically, General Barrow of the Marine Corps stated that—

> Requiring honorable service as a prerequisite to educational assistance would complement many other programs and efforts designed to encourage individual responsibility.

My proposal would require that, when an individual begins a period of active-duty service that would establish eligibility for the second tier of benefits—that is, service beyond the 3 years of active duty that earns entitlement to basic educational assistance—he or she be advised of the honorable discharge requirement. I have included this provision so as to insure that no servicemember be in a position of potentially losing his or her eligibility as a result of being unaware of the requirement for an honorable discharge.

In incorporating an honorable-discharge requirement in the supplemental assistance program only—and thus continuing to provide for eligibility for the basic assistance program on the traditional basis of a discharge under other than dishonorable conditions—I am keeping in mind the oft-noted lack of uniformity among and within the Services in the awarding of three types of administrative discharges—honorable discharge; general discharges, which are characterized as discharges under honorable conditions; and discharges under other than honorable conditions.

Many of the difficulties in this area including inadequate procedural safeguards, were most recently reported and analyzed in the January 15, 1980, General Accounting Office report (FPCD–80–13), entitled "Military Discharge Policies and Practices Result in Wide Disparities: Congressional Review Is Needed." In light of the reported disparities and due process shortcomings in the awarding of honorable discharges and in light of the comparative youthfulness and inexperience of those who would satisfy the 2- or 3-year active service requirement for the first-tier, basic benefits, I do not believe that it would be fair to condition entitlement to basic educational assistance on the receipt of an honorable discharge.

In the case of second-tier, supplemental benefits, it seems more appropriate to require an honorable discharge. The individuals involved would already have acquired eligibility for the basic benefits, would have more exposure to and experience in dealing successfully with military standards of performance and conduct, and could be expected both to have a full awareness of and ability to meet the requirements of an honorable discharge. Nevertheless, I remain concerned that, despite the very adverse financial consequences in the event the individual is awarded a nonqualifying discharge, not all such individuals would, under current service procedures as described in the GAO report, have the opportunity for a predischarge hearing on the issue of the nature of the discharge that they are being awarded.

Thus, I believe that the character-of-discharge requirements for any All-Volunteer Force educational assistance program and the procedural protections available to the servicemembers involved require intensive consideration during any hearings and deliberations on such a program, and I plan to give these matters very careful consideration.

AUGMENTATION AND TRANSFERABILITY

Mr. President, there are two additional areas in which I have made modifications that are important to stress.

First, our proposal would provide discretion under certain circumstances, in both tiers of the program, for benefit levels to be augmented by the individual service branches for the purpose of helping to overcome difficulties in the recruitment or retention of specific categories of personnel. Consistent with guidelines developed by and with the specific approval of the Secretary of Defense, as to a specific category, the services could target the provision of augmented benefits on certain areas where critical shortages of personnel are being experienced—such as in the combat arms area in the Army. The amount of the augmentation would be limited to the amount specifically appropriated by the Congress to the Secretary of Defense for this purpose.

This provision is based on the recommendations made by General Meyer and Deputy Assistant Secretary Clark in their letters to me. In this regard, Deputy Assistant Secretary Clark noted:

> Supplementing [the entitlement] selectively will enable us to better address critical recruiting and retention problems. The Army must have the supplementation authority to gain the necessary flexibility for the enlistment of personnel into difficult-to-fill skill positions.

The augmentation provision is designed to take into account the views of those I discussed previously who have suggested that higher rates of benefits would be appropriate in the cases of individuals facing higher education-related expenses.

Second, with respect to the ability of a servicemember to transfer his or her unused benefits to a spouse or child, the legislation contains several modifications from S. 3263.

Instead of being made available on an across-the-board basis to all those who serve 12 or more continuous years of active duty after January 30, 1981, transferability would be made available only on a discretionary basis—as in the case of benefit augmentation—in order to help overcome recruitment and retention problems as to specific categories of personnel. Thus, the services would be provided with another tool to use, in accordance with guidelines developed by the Secretary of Defense, in targeting resources on specific areas where problems may exist—particularly where retention of skilled military personnel is vital.

This measure also reduces from 12 years to 10 years the length of the minimum continuous period of active duty that the individual must serve in order possibly to earn the right to transfer these benefits to his or her dependents. In this regard, I note that the proposal developed by the Army suggests that the critical point for the decision to make service in the Armed Forces a career is the completion of 10 years of service. In accordance with the Secretary of Defense's guidelines, however, the length of service required for eligibility for transfer to dependents could be adjusted upward and could include service prior to July 1, 1981.

Finally, this measure provides that, when entitlement has been transferred to a dependent, all payments to the dependent be made from funds appropriated to the Department of Defense. This would insure that the direct cost of dependents' benefits not be reflected in the VA budget and is responsive to concerns voiced by certain veterans' organizations about the extent of the VA's financial responsibilities under this new program.

I want to emphasize, with respect to both the provision permitting augmentation and the provision relating to transfers to dependents, that our proposal would give the Secretary of Defense overall responsibility for development of appropriate guidelines for the implementation of the augmentation and transfer provisions by the Service branches.

In addition, with respect to augmentation, the approval of the Secretary of Defense would specifically be required before any branch could increase the level of benefits, and the augmentation authority would be subject to the availability of appropriations made specifically for this purpose to the Department of Defense—not those made to various services. It is my intention in these provisions, to provide the Secretary of Defense, not just with the authority needed to provide for flexible recruitment and retention tools, but with the means to forestall the occurrence of costly, wasteful "recruiting wars" between the various branches of the Armed Forces and to assure that the criteria that are developed for any augmentation and transfer take into account the real needs of the specific service branch.

CONTRACTUAL NATURE OF PROGRAM

Mr. President, I want to stress that our proposal is for an essentially contractual program—a very different concept from the World War II, Korean conflict, and current, Vietnam-era GI bills. Under this proposal, the basic benefits are payable only to those who satisfactorily complete the necessary service requirement. Those who leave the service without completing the minimum service requirement would receive no educational benefits at all—regardless of the reason for leaving, even if the reason is medical disability.

In this connection, however, I point out that those who are given medical early discharges—or who otherwise are given early discharges and develop ratable service-connected disabilities—and who need training or education to overcome the handicap of their service-connected disability would be entitled to educational and vocational assistance through the VA's rehabilitation program under chapter 31 of title 38, a program just revised, improved, and expanded in Public Law 96-466.

DELIMITING PERIOD AND ADMINISTRATIVE PROVISIONS

With respect to both tiers of the program, individuals would generally have 10 years following discharge or release from active duty in which to use their benefits—generally the same period as under the current chapter 34 GI bill. In-service use of benefits would be permitted following completion of the applicable minimum-service requirement.

The VA would be charged with the responsibility of administering the program, and the administration would be similar to the administration of benefits under the current GI bill.

With respect to funding of the program, the VA would be responsible for the cost of basic assistance benefits paid to the servicemember or veteran and the Department of Defense would be responsible for the cost of the supplemental assistance benefits paid to the servicemember or veteran and, as I have just noted, any benefits transferred and paid to dependents.

Every 2 years, the Secretary of Defense and the Administrator of Veterans' Affairs would be required to report to the Congress on the extent to which benefit levels are adequate to achieve the twin purposes of promoting recruitment and retention and defraying educational expenses, on the continuing necessity for the program, and on its administration.

The proposal would repeal the provisions in current law that could provide—through Presidential initiative without congressional disapproval—for the continuation of eligibility for the VEAP program for new recruits beyond December 31, 1981, but those who are participants in that program could continue their participation in it and would not be adversely affected in the event of such repeal. Individuals now on active duty and participating in VEAP who reenlist in order to establish eligibility for the new chapter 30 program would be automatically disenrolled from VEAP participation and be refunded all contributions they had made to their VEAP accounts.

PROMOTION OF RECRUITMENT AND RETENTION

Mr. President, the goals of promoting recruitment and retention in the military will be served by this legislation in a variety of ways. First, the benefits will encourage many individuals to enlist in the military for the first time. Recruiters will welcome this powerful tool to encourage people to enlist in order to finance their educations through military service.

Second, this educational program is designed to encourage entrants into military service to complete their initial terms of service. The costs to the military are very high when military personnel—especially first-term personnel—fail to complete enlistments. Military dropouts, like school dropouts, are expensive to society. The armed services must make a large outlay of funds to train and pay a new recruit but realize little return on that investment when the enlistee fails to complete his or her term of service. This bill would deal with the problem in two ways. Most important, no benefits would accrue to a person who fails to complete the 3-year minimum service requirement, or, in the case of the Ready Reserve option, fails to complete 2 years of active duty and to enter into a 4-year reserve commitment.

Also, it would encourage the enlistment of high school graduates—since a high school graduate will be eligible for both the basic as well as the supplemental educational assistance benefits—and, as I noted previously, experience has

shown that high school graduates are far more likely to complete their terms of service than are non-high-school graduates.

Third, this educational assistance program would provide incentives for active-duty personnel to remain in the military. Current active-duty personnel will have a very substantial incentive to reenlist in order to begin to earn the benefits which would be made available under the new program. Additionally, the program is designed to become increasingly attractive beyond the initial 3-year term of service during which the basic benefits are earned and would therefore encourage individuals to remain in the service for longer periods.

In particular, the program would encourage service personnel to serve for up to 6 years in order to earn maximum entitlement to the higher, supplemental educational assistance benefits. It would also provide an incentive for those serving in certain categories where particular recruitment or retention problems have been found to serve until the critical midcareer stage so as to earn educational benefits that may be transferred to their children and spouses by remaining in the service for 10 or more years.

Studies have shown that if military pay and benefits can encourage military personnel to stay 10 to 12 years, they are much more likely to serve until retirement age in order to earn full pension benefits. In recent years, the toughest retention challenge has been to keep people in as long as 10 to 12 years.

Fourth, as I have noted, by permitting the service branches, under the supervision of the Secretary of Defense, selectively to augment benefit levels and to permit transfer of benefits to dependents, the proposal provides flexibility and ample latitude to permit the Armed Forces to target on specific personnel and skills needs while seeking to avoid costly and inequitable competition among the services.

MODIFICATION OF THE 1989 TERMINATION DATE

Mr. President, another new provision in this measure would modify the 1989 termination date for the current GI bill. This provision is identical to that which passed the Senate on September 4, 1980, in section 506 of S. 1188, the proposed "Disabled Veterans' Rehabilitation Act of 1980," but to which the House would not agree. On September 26, 1980, when the Senate approved the compromise GI bill legislation—later enacted as Public Law 96-466, the Veterans' Rehabilitation and Education Amendments of 1980—I stated my intention to pursue vigorously enactment of that provision this year.

Under the current Vietnam-era GI bill, no chapter 34 educational assistance benefits may be paid after December 31, 1989. This termination date, which was added to chapter 34 in 1976 by Public Law 94-502, was designed generally to permit those who entered the service prior to December 31, 1976—the general termination date for entry into the service for current GI bill benefits eligibility—to complete their initial enlistments and then have a 10-year period in which to use their GI bill benefits.

I have been concerned by reports from persons now on active duty with eligibility for the GI bill suggesting that they will leave the service in order to utilize their GI bill benefits prior to the 1989 expiration date. Testimony by the Department of the Army at the Veterans' Affairs Committee hearing I chaired last June 19 tended to confirm these reports as more than a scattered phenomenon.

Additionally, General Barrow, Commandant of the Marine Corps, in his letter to me, stated that a porvision along these lines "would provide a necessary incentive [to remain in the service] for the group of service members eligible for educational assistance" under the current GI bill.

Our bill would address this problem by modifying the 1989 termination date to provide that a veteran who is discharged after December 31, 1979, would be entitled to educational assistance until either the end of the 5-year period beginning on the date following his or her initiation of a program of education under the GI bill after discharge if such initiation occurs within 2 years after discharge or release from active duty, or December 31, 1989, whichever is later.

The following are examples of how this provision would apply in certain cases:

First, a veteran discharged on January 1, 1982, would have until December 31, 1989, to utilize his GI bill benefits. This represents no change from current law.

Second, a veteran discharged on January 1, 1985, if she begins her first post-service program of education by December 31, 1986, would have 5 years from the date on which she begins that program of education to use GI bill benefits. Thus, if she begins a program of education on September 1, 1986, GI bill benefits would be available through August 31, 1991. If she did not begin a program of education on or before December 31, 1986, the December 31, 1989, cut-off date would apply.

Third, a veteran discharged on December 31, 1990, would have until December 31, 1992, to begin a program of educational assistance. If he began his first post-service program of education on September 1, 1992, he would have until August 31, 1997, to utilize his or her benefits. If he did not begin a program of education prior to December 31, 1992—that is, within 2 years after discharge—entitlement to educational benefits would be lost.

Our intention in including this modification of the current chapter 34 termination date is to remove any incentive for experienced and well-qualified military personnel to refuse to reenlist—or otherwise to leave the service well before December 31, 1989—in order to use their GI bill benefits before that date. For every service member who is retained in the service, the need for new recruits and the accompanying costs of training are reduced, the cost of maintaining our Nation's Armed Forces declines, and the defense of our Nation is strengthened.

I believe these factors substantially outweigh the administrative considerations behind fixing and continuing a date certain for terminating the current GI bill. I should point out that the necessity for this modification would be substantially reduced if a program along the lines of the new chapter 30 program we are proposing is enacted.

COST ESTIMATE

Mr. President, based on the most recent preliminary estimate from the Congressional Budget Office, the cost of our proposal would be $46.4 million in fiscal year 1985, the first full year in which basic benefits would be paid. Subsequently, the cost would increase to approximately $885.1 million by fiscal year 1995. It should be stressed, however, that this estimate assumes that there would be no augmentation of benefit levels by the Department of Defense and that all entitlement not used by the veteran or service member concerned would be transferred to dependents. At this time, I am advised by CBO that development of a cost-estimate taking into account these two provisions will require additional study and consultation with Defense Department officials. When such a cost estimate is available, I will make it known to my colleagues and to the public.

CONCLUSION

Mr. President, as I have noted, my proposal is designed to contribute to the recruitment and retention of well-qualified personnel in the All-Volunteer Force, and I believe it is fashioned in such a way as to do so in an equitable, efficient, and cost-effective manner. I intend to seek enactment of legislation along the lines of this proposal this year.

This legislation is a principal focus of mine as ranking minority member of the Veterans' Affairs Committee. The chairman of the Veterans' Affairs Committee, the Senator from Wyoming (Mr. SIMPSON), has assured me that he shares my interest in this issue and the consideration of legislation in this area will be one of the first orders of business for the committee this year.

Mr. President, I ask unanimous consent that the text of the bill, a document showing the changes that the bill would make in current law, and copies of the letters I have received in response to my request for comments be printed in the RECORD at this point.

There being no objection, the bill, changes, and letters were ordered to be printed in the RECORD, as follows:

S. 417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "All-Volunteer Force Educational Assistance Act".

SEC. 2. (a) Title 38, United States Code, is amended by inserting before chapter 31 the following new chapter:

"CHAPTER 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE

"Subchapter I—Purposes; Definitions

"Sec.
"1401. Purposes.
"1402. Definitions.

"Subchapter II—Basic Educational Assistance

"1411. Entitlement to basic educational assistance.
"1412. Payment of basic educational assistance.

"Subchapter III—Supplemental Educational Assistance
"1421. Entitlement to supplemental educational assistance.
"1422. Payment of supplemental educational assistance.
"Subchapter IV—Transfer of Entitlement; Periods for Use of Entitlement; General and Administrative Provisions
"1431. Transfer of entitlement to dependents.
"1432. Expiration of period during which entitlement may be used.
"1433. Suspension of educational assistance.
"1434. Exclusion of certain service for purpose of earning entitlement.
"1435. Extension to permit completion of term.
"1436. Program requirements.
"1437. Appropriations.
"1438. Additional amounts of assistance.
"1439. Reporting requirements.

"Subchapter I—Purposes; Definitions

"§ 1401. Purposes

"The purposes of this chapter are (1) to promote and assist the All-Volunteer Force program of the United States by establishing an improved program of educational assistance for those men and women who enter active duty in the Armed Forces after June 30, 1981, to help in the recruitment and retention of well-qualified men and women, and (2) to provide those men and women with assistance in obtaining an education that they might not otherwise be able to afford.

"§ 1402. Definitions

"For the purposes of this chapter:

"(1) The term 'basic educational assistance' means educational assistance provided under subchapter II of this chapter.

"(2) The term 'dependent' means—

"(A) a child of an eligible veterans; and

"(B) the spouse of an eligible veteran.

"(3) The term 'educational institution' has the same meaning provided in section 1652(c) of this title.

"(4) The term 'eligible veteran' means any person who—

"(A) entered a period of active duty in the Armed Forces after June 30, 1981,

"(B) after entering such period of active duty (i) served on active duty for a period of three or more consecutive years, or (ii) served on active duty for a period of two or more consecutive years and has agreed in writing to serve and has been accepted for service in the Ready Reserve of a component of the Armed Forces for a period of four or more years, and

"(C) (i) was discharged or released from such period of active duty under conditions other than dishonorable, or (ii) has served three or more consecutive years of an obligated period of active duty which began after June 30, 1981, and has not been discharged or released from such period of active duty.

"(5) The term 'program of education' has the same meaning provided in section 1652 (b) of this title.

"(6) The term 'supplemental educational assistance' means educational assistance provided under subchapter III of this chapter.

"Subchapter II—Basic Educational Assistance

"§ 1411. Entitlement to basic educational assistance

"An eligible veteran shall be entitled to basic educational assistance, in the maximum amount of $9,000, payable in accordance with the provisions of this chapter.

"§ 1412. Payment of basic educational assistance

"(a) The Administrator shall pay to each eligible veteran who is pursuing an approved program of education under this chapter basic educational assistance pursuant to this section to help meet, in part, the expenses of such veteran's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

"(b) The Administrator shall pay to an eligible veteran basic educational assistance (1) at the monthly rate of $250 if such veteran is pursuing an approved program of education under this chapter on a full-time basis, or (2) at an appropriately reduced rate, as determined under regulations which the Administrator shall prescribe, if such veteran is pursuing an approved program of education under this chapter on less than a full-time basis.

"Subchapter III—Supplemental Educational Assistance

"§ 1421. Entitlement to supplemental educational assistance

"(a) Except as provided in subsection (b) of this section, an eligible veteran who has received a secondary school diploma (or equivalency certificate) and who—

"(1) (A) has served after June 30, 1981, six or more consecutive years of active duty in the Armed Forces, and (B) (i) was honorably discharged or released therefrom, or (ii) has served six or more consecutive years of active duty in the Armed Forces and has not been discharged or released from such veteran's current period of active duty; or

"(2) (A) has served four or more consecutive years of active duty after such date but less than six, (B) has been honorably discharged or released therefrom, and (C) has agreed in writing to serve and has been accepted for service in the Ready Reserve of a component of the Armed Forces for a period of four years or more after such discharge or release,

shall be entitled to supplemental educational assistance in the amount of $375 for each consecutive month in excess of thirty-six consecutive months that such veteran served on active duty after June 30, 1981, up to a maximum total amount of $13,500, payable in accordance with the provisions of this chapter.

"(b) No part of any period of active duty that occurs prior to the period of active duty by which the veteran concerned qualifies as an eligible veteran under section 1402(4) of this title shall be counted for purposes of subsection (a) of this section.

"(c) On or before the first date on which a person who has entitlement to basic educational assistance enters a period of active duty that could serve, in whole or in part, to entitle such veteran to supplemental educational assistance, the Secretary concerned shall advise such person in writing of the requirement, in subsection (a) of this section, of being honorably discharged or released in order to be eligible for supplemental educational assistance.

"§ 1422. Payment of supplemental educational assistance

"(a) The Administrator shall pay to each eligible veteran who is pursuing an approved program of education under this chapter supplemental educational assistance pursuant to this section to help meet, in part, the expenses of such veteran's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

"(b) (1) Except as provided in paragraph (2) of this subsection, the Administrator shall pay to an eligible veteran supplemental educational assistance (A) at the monthly rate of $250 if such veteran is pursuing an approved program of education under this chapter on a full-time basis, or (B) at an appropriately reduced rate, as determined under regulations which the Administrator shall prescribe, if such veteran is pursuing an approved program of education under this chapter on less than a full-time basis.

"(2) An eligible veteran who is pursuing an approved program of education under this chapter on a full-time basis shall be paid supplemental educational assistance at such monthly rate between $250 and $500 as such veteran may elect in accordance with regulations which the Administrator shall prescribe. In such regulations, the Administrator, with the concurrence of the Secretary of Defense, may establish increments of assistance which the veteran may elect to be paid supplemental educational assistance as the Administrator considers necessary for efficient administration.

"(3) Supplemental educational assistance shall be paid to an eligible veteran concurrent with the payment of basic educational assistance to such veteran if such veteran so elects.

"Subchapter IV—Transfer of Entitlement; General and Administrative Provisions

"§ 1431. Transfer of entitlement to dependents

"(a) (1) Notwithstanding any other provision of law, if the Secretary concerned, in accordance with regulations which the Secretary of Defense shall prescribe to implement this section, determines it to be necessary in order to obtain or retain the services of sufficient numbers of qualified active-duty personnel in specific categories of such personnel, such Secretary concerned may authorize an eligible veteran who has served ten or more consecutive years of active duty, including such service as the Secretary concerned has specified in one or more such categories, to transfer to one or more of such veterans' dependents all or any part of such veteran's entitlement to basic and supplemental educational assistance. Entitlements transferred under this section shall be increased in accordance with amendments to this chapter.

"(2) A transfer of entitlement under this section may be made, changed, or canceled by an eligible veteran at any time before the expiration of the period within which such veteran may use such veteran's entitlement under this chapter.

"(3) In regulations relating to transfers of entitlement under this section, the Administrator, with the concurrence of the Secretary of Defense, may place such limits upon the making, changing, and cancellation of transfers as the Administrator considers necessary for efficient administration.

"(b) A dependent to whom entitlement is transferred under this section is entitled to educational assistance under this chapter in the same manner as the veteran from whom the entitlement was transferred would be entitled.

"(c) If a veteran has transferred entitlement under this section to one or more dependents, the basic educational assistance and supplemental educational assistance payable under this chapter shall be divided (1) in such manner as such veteran shall specify, or (2) if such veteran is deceased or is otherwise unable or unwilling to specify the manner in which such assistance shall be divided, on a pro rata basis except as otherwise determined under regulations which the Administrator shall prescribe.

"(d) Notwithstanding any other provision of this chapter, no assistance shall be paid under this chapter to a person divorced from the veteran on whose service such person's entitlement is based.

"§ 1432. Expiration of periods during which entitlement may be used

"(a) Except as provided in subsections (c) through (e) of this section, the period during which an eligible veteran may use such veteran's entitlement to educational assistance under this chapter expires at the end of the ten-year period beginning on the date of such veteran's last discharge or release from active duty.

"(b) Except as provided in subsection (e) of this section, the period during which a

dependent with entitlement transferred pursuant to section 1432 of this title may use such entitlement expires at the end of the ten-year period beginning on whichever is the later of—

"(1) in the case of a spouse of a veteran (A) the date that such veteran has completed ten consecutive years of active duty occurring after June 30, 1981, or (B) the first date on which such veteran would be eligible to use entitlement under this chapter pursuant to subsection (c) of this section if such veteran had not transferred all of such veteran's entitlement under this chapter; or

"(2) in the case of a child of a veteran (A) on the date such child reaches eighteen years of age, or (B) the first date on which such veteran would be eligible to use entitlement under this chapter pursuant to subsection (c) of this section if such veteran had not transferred all of such veteran's entitlement under this chapter.

"(c) In the case of any eligible veteran who has been prevented, as determined by the Administrator, from pursuing a program of education under subchapter II or III of this chapter within the ten-year period prescribed by subsection (a) of this section, because—

"(1) such veteran had not met the nature of discharge requirement of such subchapter before (A) the nature of such discharge or release was changed by appropriate authority, or (B) with respect to educational assistance under subchapter II of this section, the Administrator determined, under regulations prescribed by the Administrator, that such discharge or release was under conditions other than dishonorable, or

"(2) such veteran's discharge or dismissal was, under section 3103 of this title, a bar to benefits under this title before the Administrator determined that such discharge or dismissal is not a bar to such benefits,

such ten-year period shall not run during the period of time that such veteran was so prevented from pursuing such program of education.

"(d) In the case of a veteran eligible for educational assistance under the provisions of this chapter who, subsequent to such veteran's last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, the ten-year period described in subsection (a) of this section shall not run (1) while such veteran is so detained, or (2) during any period immediately following such veteran's release from such detention during which such veteran is hospitalized at a military, civilian, or Veterans' Administration medical facility.

"(e) In the case of any person who is an eligible veteran or a dependent to whom entitlement under this chapter has been transferred pursuant to section 1431 of this title and—

"(1) who was prevented from pursuing such person's chosen program of education prior to the expiration of the ten-year period for use of entitlement under this chapter otherwise applicable under this section because of a physical or mental disability which was not the result of such person's own willful misconduct, and

"(2) who applies for an extension of such ten-year period within one year after (A) the last day of such period, or (B) the last day on which such person was so prevented from pursuing such program, whichever is later,

such ten-year period shall not run with respect to such person during the period of time that such person was so prevented from pursuing such program and such ten-year period will again begin running on the first day following such person's recovery from such disability on which it is reasonably feasible, as determined under regulations which the Administrator shall prescribe, for such person to initiate or resume pursuit of a program of education with educational assistance under this chapter.

"§ 1433. Suspension of educational assistance

"The payment of educational assistance under this chapter shall be suspended in the case of any eligible veteran who fails to serve satisfactorily in the Ready Reserve of a component of the Armed Forces during a period of Ready Reserve service that such veteran is committed to serve in connection with establishing entitlement to such assistance. The payment of such assistance shall be reinstated upon receipt of certification from the Secretary concerned that such veteran is serving satisfactorily as a member of such Ready Reserve.

"§ 1434. Exclusion of certain service for purpose of earning entitlement

"For the purpose of section 1402 of this title, the term 'active duty' does not include any period during which an individual was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, served as a cadet or midshipman at one of the service academies, or served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

"§ 11435. Extension to permit completion of term

"(a) If a person is enrolled under this chapter in an educational institution regularly operated on the quarter or semester system and the period during which such person may use such person's entitlement under this chapter would, under section 1432 of this title, expire during a quarter or semester, such period shall be extended to the termination of such quarter or semester.

"(b) If a person is enrolled under this chapter in an educational institution not regularly operated on the quarter or semester system and the period during which such person may use such person's entitlement under this chapter would, under section 1432 of this title, expire after a major portion of the course is completed, such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period of extension.

"§ 1436. Program requirements

"Except as otherwise provided in this chapter, the provisions of sections 1663, 1670, 1671, 1673, 1674, 1677, 1681(c), and 1683 of this title and the provisions of chapter 36 of this title, with the exception of section 1780(a)(6), shall be applicable to the provision of educational assistance under this chapter.

"§ 1437. Appropriations

"(a) Payments for entitlement earned under subchapter II of this chapter and not used by a dependent pursuant to a transfer under section 1431 of this title shall be made from appropriations made to the Veterans' Administration.

"(b) Payments for (1) entitlement earned under subchapter II and used by a dependent pursuant to a transfer under section 1431 of this title, and (2) entitlement earned under subchapter III of this chapter, shall be made from appropriations made to the Department of Defense.

"§ 1438. Additional amounts of assistance

"Subject to the availability of appropriations made to the Office of the Secretary of Defense specifically for the purposes of this section, if the Secretary concerned, in accordance with regulations which the Secretary of Defense may prescribe to implement this section, determines it to be necessary and appropriate in order to obtain or retain the services of sufficient numbers of qualified active-duty personnel in specific categories of such personnel, such Secretary concerned may, if the Secretary of Defense approves in the cases of particular categories, increase the amount of basic or supplemental educational assistance, or both, payable on account of active-duty service performed in one or more such categories and the monthly rate or rates at which such assistance may be paid.

"§ 1439. Reporting requirements

"The Secretary of Defense and the Administrator shall submit to the Congress at least once every two years separate reports on the operation of the programs provided for in this chapter and shall include in each such report (1) information indicating (A) the extent to which the benefit levels provided under this chapter are adequate to achieve the recruitment and retention purposes of this chapter and of providing an adequate level of financial assistance to help meet the cost of pursuing a program of education, and (B) whether it is necessary for the purposes of maintaining adequate levels of well-qualified active-duty personnel in the Armed Forces to continue to offer the opportunity for educational assistance under this chapter to persons who have not yet entered active-duty service, and (2) such recommendations for administrative or legislative changes regarding the provision of educational assistance under this chapter as the Secretary or Administrator, respectively, consider appropriate.".

(b) The tables of chapters at the beginning of such title and at the beginning of part III of such title are each amended by inserting above the item relating to chapter 31 the following new item:

"30. All-Volunteer Force Educational Assistance ---------- 1401".

SEC. 3. Section 1508(f)(1) of title 38, United States Code, is amended—

(1) in subparagraph (A), by inserting "30 or" before "34" the first place it appears and striking out "chapter 34" the second place it appears and inserting in lieu thereof "either chapter 30 or chapter 34"; and

(2) in subparagraph (B), by inserting "30 or" before "34".

SEC. 4. Section 1623 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(e) In the event the participant becomes entitled to basic educational assistance under subchapter II of chapter 30 of this title, such participant shall be disenrolled from the program under this chapter effective the last day of the month in which such participant becomes entitled to such assistance.".

SEC. 5. Section 1795 of title 38, United States Code, is amended—

(1) in subsection (b)—

(A) by striking out "of this section" and inserting in lieu thereof "of subsection (a) of this section or under chapter 30 of this title"; and

(B) by inserting at the end the following new sentence: "Computations made for the purposes of this subsection with respect to chapter 30 of this title shall be based on counting one-forty-eighth of the maximum total amount of assistance payable under such chapter 30 of this title as one month of assistance under such chapter."; and

(2) by adding at the end the following new subsection:

"(c)(1) A person who is an eligible veteran as defined in section 1402(4) of this title for purposes of chapter 30 of this title shall not be afforded educational assistance under any provision of chapter 34, 35, or 36 of this title.

"(2) The entitlement of any person to

educational assistance under chapter 30 of this title shall be reduced by one dollar for each dollar of assistance that has been paid to such person under chapter 34, 35, or 36 of this title.".

SEC. 6. Section 408 of the Veterans' Education and Employment Assistance Act of 1976 (Public Law 94-502, 90 Stat. 2383, 2397) is amended—

(1) in subsection (a), by (A) striking out "(a)(1)" and (B)) striking out all after "December 31, 1981" and inserting a period in lieu thereof; and

(2) by striking out subsection (b) in its entirety.

SEC. 7. Section 1662 of title 38, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting before the semicolon in paragraph (1) a comma and "and before January 1, 1980"; and

(B) by adding at the end the following new paragraph:

"(3) An eligible veteran whose last discharge or release from active duty occurs after December 31, 1979, shall not be entitled to educational assistance under this chapter after (A) the expiration of the five-year period following the date on which such veteran first begins to pursue a program of education under this chapter after such discharge or release if such date occurs no later than two years after such discharge or release from active duty or (B) December 31, 1989, whichever is the later."; and

(2) by striking out subsection (e) in its entirety.

SEC. 8. The provisions of this Act shall be effective on the date of the enactment of this Act.

CHANGES IN EXISTING LAW MADE BY S. 417

Changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38—VETERANS' BENEFITS

* * * * *

PART III—READJUSTMENT AND RELATED BENEFITS

CHAPTER	SEC.
30. All-Volunteer Force Educational Assistance	*1401*
31. Training and Rehabilitation for Veterans with Service-Connected Disabilities	1500
32. Post-Vietnam Era Veterans' Educational Assistance	1601
34. Veterans' Educational Assistance	1650
35. Survivors' and Dependents' Educational Assistance	1700
36. Administration of Educational Benefits	1770
37. Home, Condominium, and Mobile Home Loans	1801
39. Automobiles and Adaptive Equipment for Certain Disabled Veterans and Members of the Armed Forces	1901
41. Job Counseling, Training, and Placement Service for Veterans	2001
42. Employment and Training of Disabled and Vietnam Era Veterans	2011
43. Veterans' Reemployment Rights	2021

Chapter 30—ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE

Subchapter I—Purposes; Definitions

Sec.

1401. Purposes.

1402. Definitions.

Subchapter II—Basic Educational Assistance

1411. Entitlement to basic educational assistance.

1412. Payment of basic educational assistance.

Subchapter III—Supplemental Educational Assistance

1421. Entitlement to supplemental educational assistance.

1422. Payment of supplemental educational assistance.

Subchapter IV—Transfer of Entitlement; Periods for Use of Entitlement; General and Administrative Provisions

1431. Transfer of Entitlement to dependents.

1432. Expiration of period during which entitlement may be used.

1433. Suspension of educational assistance.

1434. Exclusion of certain service for purpose of earning entitlement.

1435. Extension to permit completion of term.

1436. Program requirements.

1437. Appropriations.

1438. Additional amounts of assistance.

1439. Reporting requirements.

Subchapter I—Purposes; Definitions

§ 1401. Purposes

The purposes of this chapter are (1) to promote and assist the All-Volunteer Force program of the United States by establishing an improved program of educational assistance for those men and women who enter active duty in the Armed Forces after June 30, 1981, to help in the recruitment and retention of well-qualified men and women, and (2) to provide those men and women with assistance in obtaining an education that they might not otherwise be able to afford.

§ 1402. Definitions

For the purposes of this chapter—

(1) The term "basic educational assistance" means educational assistance provided under subchapter II of this chapter.

(2) The term "dependent" means—

(A) a child of an eligible veteran; and

(B) the spouse of an eligible veteran.

(3) The term "educational institution" has the same meaning provided in section 1652 (c) of this title.

(4) The term "eligible veteran" means any person who—

(A) entered a period of active duty in the Armed Forces after June 30, 1981,

(B) after entering such period of active duty (i) served on active duty for a period of three or more consecutive years, or (ii) served on active duty for a period of two or more consecutive years and has agreed in writing to serve and has been accepted for service in the Ready Reserve of a component of the Armed Forces for a period of four or more years, and

(C) (i) was discharged or released from such period of active duty under conditions other than dishonorable, or (ii) has served three or more consecutive years of an obligated period of active duty which began after June 30, 1981, and has not been discharged or released from such period of active duty.

(5) The term "program of education" has the same meaning provided in section 1652 (b) of this title.

(6) The term "supplemental educational assistance" means educational assistance provided under subchapter III of this chapter.

Subchapter II—Basic Educational Assistance

§ 1411. Entitlement to basic educational assistance

An eligible veteran shall be entitled to basic educational assistance, in the maximum amount of $9,000, payable in accordance with the provisions of this chapter.

§ 1412. Payment of basic educational assistance

(a) The Administrator shall pay to each eligible veteran who is pursuing an approved program of education under this chapter basic educational assistance pursuant to this section to help meet, in part, the expenses of such veteran's subsistence, tuition, fees, supplies, books, equipment and other educational cost.

(b) The Administrator shall pay to an eligible veteran basic educational assistance (1) at the monthly rate of $250 if such veteran is pursuing an approved program of education under this chapter on a full-time basis, or (2) at an appropriately reduced rate, as determined under regulations which the Administrator shall prescribe, if such veteran is pursuing an approved program of education under this chapter on less than a full-time basis.

Subchapter III—Supplemental Educational Assistance

§ 1421. Entitlement to supplemental educational assistance

(a) Except as provided in subsection (b) of this section, an eligible veteran who has received a secondary school diploma (or equivalency certificate) and who—

(1) (A) has served after June 30, 1981, six or more consecutive years of active duty in the Armed Forces, and (B) (i) was honorably discharged or released therefrom, or (ii) has served six or more consecutive years of active duty in the Armed Forces and has not been discharged or released from such veteran's current period of active duty; or

(2) (A) has served four or more consecutive years of active duty after such date but less than six, (B) has been honorably discharged or released therefrom, and (C) has agreed in writing to serve and has been accepted for service in the Ready Reserve of a component of the Armed Forces for a period of four years or more after such discharge or release,

shall be entitled to supplemental educational assistance in the amount of $375 for each consecutive month in excess of 36 consecutive months that such veteran serves on active duty after June 30, 1981, up to a maximum total amount of $13,500, payable in accordance with the provisions of this chapter.

(b) No part of any period of active duty that occurs prior to the period of active duty by which the veteran concerned qualifies as an eligible veteran under section 1402(4) of this title shall be counted for purposes of subsection (a) of this section.

(c) On or before the first date on which a person who has entitlement to basic educational assistance enters a period of active duty that could serve, in whole or in part, to entitle such veteran to supplemental educational assistance, the Secretary concerned shall advise such person in writing of the requirement, in subsection (a) of this section, of being honorably discharged or released in order to be eligible for supplemental educational assistance.

§1422. Payment of supplemental educational assistance

(a) The Administrator shall pay to each eligible veteran who is pursuing an approved program of education under this chapter supplemental educational assistance pursuant to this section to help meet, in part, the expenses of such veteran's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) (1) Except as provided in paragraph (2) of this subsection, the Administrator shall pay to an eligible veteran supplemental educational assistance (A) at the monthly rate of $250 if such veteran is pursuing an approved program of education under this chapter on a full-time basis, or (B) at an appropriately reduced rate, as determined under regulations which the Administrator shall prescribe, if such veteran is pursuing an approved prgoram of education under this chapter on less than a full-time basis.

(2) An eligible veteran who is pursuing an approved program of education under this

chapter on a full-time basis shall be paid supplemental educational assistance at such monthly rate between $250 and $500 as such veteran may elect in accordance with regulations which the Administrator shall prescribe. In such regulations, the Administrator, with the concurrence of the Secretary of Defense, may establish increments of assistance which the veteran may elect to be paid supplemental educational assistance as the Administrator considers necessary for efficient administration.

(3) Supplemental educational assistance shall be paid to an eligible veteran concurrently with the payment of basic educational assistance to such veteran if such veteran so elects.

Subchapter IV—Transfer of Entitlement; Periods for Use of Entitlement; General and Administrative Provisions

§ 1431. Transfer of entitlement to dependents

(a)(1) Notwithstanding any other provision of law, if the Secretary concerned, in accordance with regulations which the Secretary of Defense shall prescribe to implement this section, determines it to be necessary in order to obtain or retain the services of sufficient numbers of qualified active-duty personnel in specific categories of such personnel, such Secretary concerned may authorize an eligible veteran who has served ten or more consecutive years of active duty, including such service as the Secretary concerned has specified in one or more such categories, to transfer to one or more of such veterans' dependents all or any part of such veterans' entitlement to basic and supplemental educational assistance. Entitlements transferred under this section shall be increased in accordance with amendments to this chapter

(2) A transfer of entitlement under this section may be made, changed, or canceled by an eligible veteran at any time before the expiration of the period within which such veteran may use such veteran's entitlement under this chapter.

(3) In regulations relating to transfers of entitlement under this section, the Administrator, with the concurrence of the Secretary of Defense, may place such limits upon the making, changing, and cancellation of transfers as the Administrator considers necessary for efficient administration.

(b) A dependent to whom entitlement is transferred under this section is entitled to educational assistance under this chapter in the same manner as the veteran from whom the entitlement was transferred would be entitled.

(c) If a veteran has transferred entitlement under this section to one or more dependents, the basic educational assistance and supplemental educational assistance payable under this chapter shall be divided (1) in such manner as such veteran shall specify, or (2) if such veteran is deceased or is otherwise unable or unwilling to specify the manner in which such assistance shall be divided, on a pro rata basis except as otherwise determined under regulations which the Administrator shall prescribe.

(d) Notwithstanding any other provision of this chapter, no assistance shall be paid under this chapter to a person divorced from the veteran on whose service such person's entitlement is based.

§ 1432. Expiration of period during which entitlement may be used

(a) Except as provided in subsections (c) through (e) of this section, the period during which an eligible veteran may use such veteran's entitlement to educational assistance under this chapter expires at the end of the ten-year period beginning on the date of such veteran's last discharge or release from active duty.

(b) Except as provided in subsection (e) of this section, the period during which a dependent with entitlement transferred pursuant to section 1432 of this title may use such entitlement expires at the end of the ten-year period beginning on whichever is the later of—

(1) in the case of a spouse of a veteran (A) the date that such veteran has completed ten consecutive years of active duty occurring after June 30, 1981, or (B) the first date on which such veteran would be eligible to use entitlement under this chapter pursuant to subsection (c) of this section if such veteran had not transferred all of such veteran's entitlement under this chapter; or

(2) In the case of a child of a veteran (A) on the date such child reaches eighteen years of age, or (B) the first date on which such veteran would be eligible to use entitlement under this chapter pursuant to subsection (c) of this section if such veteran had not transferred all of such veteran's entitlement under this chapter.

(c) In the case of any eligible veteran who has been prevented, as determined by the Administrator, from pursuing a program of education under subchapter II or III of this chapter within the ten-year period prescribed by subsection (a) of this section, because—

(1) such veteran had not met the nature of discharge requirement of such subchapter before (A) the nature of such discharge or release was changed by appropriate authority, or (B) with respect to educational assistance under subchapter II of this section, the Administrator determined, under regulations prescribed by the Administrator, that such discharge or release was under conditions other than dishonorable, or

(2) such veteran's discharge or dismissal was, under section 3103 of this title, a bar to benefits under this title before the Administrator determined that such discharge or dismissal is not a bar to such benefits, such ten-year period shall not run during the period of time that such veteran was so prevented from pursuing such program of education.

(d) In the case of a veteran eligible for educational assistance under the provisions of this chapter who, subsequent to such veteran's last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, the ten-year period described in subsection (a) of this section shall not run (1) while such veteran is so detained, or (2) during any period immediately following such veteran's release from such detention during which such veteran is hospitalized at a miiltary, civilian, or Veterans' Administration medical facility.

(e) In the case of any person who is an eligible veteran or a dependent to whom entitlement under this chapter has been transferred pursuant to section 1431 of this title and—

(1) who was prevented from pursuing such person's chosen program of education prior to the expiration of the ten-year period for use of entitlement under this section because of a physical or mental disability which was not the result of such person's own willful misconduct, and

(2) who applies for an extension of such ten-year period within one year after (A) the last day of such period, or (B) the last day on which such person was so prevented from pursuing such program, whichever is later,

such ten-year period shall not run with respect to such person during the period of time that such person was so prevented from pursuing such program and such ten-year period will again begin running on the first day following such person's recovery from such disability on which it is reasonably feasible, as determined under regulations which the Administrator shall prescribe, for such person to initiate or resume pursuit of a program of education with educational assistance under this chapter.

§ 1433. Suspension of educational assistance

The payment of educational assistance under this chapter shall be suspended in the case of any eligible veteran who fails to serve satisfactorily in the Ready Reserve of a component of the Armed Forces during a period of Ready Reserve service that such veteran is committed to serve in connection with establishing entitlement to such assistance. The payment of such assistance shall be reinstated upon receipt of certification from the Secretary concerned that such veteran is serving satisfactorily as a member of such Ready Reserve.

§ 1434. Exclusion of certain service for purpose of earning entitlement

For the purpose of section 1402 of this title, the term "active duty" does not include any period during which an individual was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, served as a cadet or midshipman at one of the service academies, or served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

§ 1435. Extension to permit completion of term

(a) If a person is enrolled under this chapter in an educational institution regularly operated on the quarter or semester system and the period during which such person may use such person's entitlement under this chapter would, under section 1432 of this title, expire during a quarter or semester, such period shall be extended to the termination of such quarter or semester.

(b) If a person is enrolled under this chapter in an educational institution not regularly operated on the quarter or semester system and the period during which such person may use such person's entitlement under this chapter would, under section 1432 of this title, expire after a major portion of the course is completed, such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period of extension.

§ 1436. Program requirements

Except as otherwise provided in this chapter, the provisions of sections 1663, 1670, 1671, 1673, 1674, 1677 1681, and 1683 of this title and the provisions of chapter 36 of this title, with the exception of section 1780 (a)(6), shall be applicable to the provision of educational assistance under this chapter.

§ 1437. Appropriations

(a) Payments for entitlement earned under subchapter II of this chapter and not used by a dependent pursuant to a transfer under section 1431 of this title shall be made from appropriations made to the Veterans' Administration.

(b) Payments for (1) entitlement earned under subchapter II and used by a dependent pursuant to a transfer under section 1431 of this title, and (2) entitlement earned under subchapter III of this chapter, shall be made from appropriations made to the Department of Defense.

§ 1438. Additional amounts of assistance

Subject to the availability of appropriations made to the Office of the Secretary of Defense specifically for the purposes of this section, if the Secretary concerned, in accordance with regulations which the Secretary of Defense may prescribe to implement this section, determines it to be necessary and appropriate in order to obtain or retain the services of sufficient numbers of qualified ac-

tive-duty personnel in specific categories of such personnel, such Secretary concerned may, if the Secretary of Defense approves in the cases of particular categories, increase the amount of basic or supplemental educational assistance, or both, payable on account of active-duty service performed in one or more such categories and the monthly rate or rates at which such assistance may be paid.

§ 1439. Reporting requirements

The Secretary of Defense and the Administrator shall submit to the Congress at least once every two years separate reports on the operations of the programs provided for in this chapter and shall include in each such report (1) information indicating (A) the extent to which the benefit levels provided under this chapter are adequate to achieve the recruitment and retention purposes of this chapter and of providing an adequate level of financial assistance to help meet the cost of pursuing a program of education, and (B) whether it is necessary for the purposes of maintaining adequate levels of well-qualified active-duty personnel in the Armed Forces to continue to offer the opportunity for educational assistance under this chapter to persons who have not yet entered active-duty service, and (2) such recommendations for administrative or legislative changes regarding the provision of educational assistance under this chapter as the Secretary or Administrator, respectively, consider appropriate.

* * * * *

CHAPTER 31—TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES

* * * * *

§ 1508. Allowances

(a)(1) * * *

* * * * *

(f)(1)(A) In any case in which the Administrator determines that a veteran is entitled to rehabilitation under this chapter, to the extent that such veteran has remaining eligibility for and entitlement to educational assistance benefits under chapter *30 or* 34 of this title, such veteran may elect, as part of a vocational rehabilitation program under this chapter, to pursue an approved program of education and receive allowances and other forms of assistance equivalent to those authorized for veterans enrolled under *either chapter 30 or* chapter 34 of this title, if the Administrator approves the educational, professional, or vocational objective chosen by such veteran for such program.

(B) In the event that such veteran makes such an election, the terms and conditions applicable to the pursuit of a comparable program of education and the payment of allowances and provisions of assistance under chapter *30 or* 34 of this title for such a comparable program shall be applied to the pursuit of the approved program of education under this chapter.

(2) A veteran who is receiving an allowance pursuant to paragraph (1) of this subsection may not receive any of the services or assistance described in section 1504(a)(3), (7), and (8) of this title (other than an allowance and other assistance under this subsection).

* * * * *

CHAPTER 32—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE

* * * * *

Subchapter II—Eligibility; Contributions; and Matching Fund

* * * * *

§ 1623. Refunds of contributions upon disenrollment

(a) Contributions made to the program by a participant may be refunded only after the participant has disenrolled from the program or as provided in section 1624.

(b) If a participant disenrolls from the program prior to discharge or release from active duty, such participant's contributions will be refunded on the date of the participant's discharge or release from active duty or within 60 days of receipt of notice by the Administrator of the participant's discharge or disenrollment, except that refunds may be made earlier in instances of hardship or other good reason as prescribed in regulations issued jointly by the Administrator and the Secretary.

(c) If a participant disenrolls from the program after discharge or release from active duty, the participant's contributions shall be refunded within 60 days of receipt of an application for a refund from the participant.

(d) In the event the participant (1) dies while on active duty, (2) dies after discharge or release from active duty, or (3) disenrolls or is disenrolled from the program without having utilized any entitlement, the participant may have accrued under the program, or, in the event the participant utilizes part of such participant's entitlement and disenrolls or is disenrolled from the program, the amount contributed by the Secretary under the authority of section 1622(c) remaining in the fund shall be refunded to the Secretary.

(e) In the event the participant becomes entitled to basic educational assistance under subchapter II of chapter 30 of this title, such participant shall be disenrolled from the program under this chapter effective the last day of the month in which such participant becomes entitled to such assistance.

* * * * *

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

* * * * *

Subchapter II—Eligibility and Entitlement

* * * * *

§ 1662. Time limitations for completing a program of education

Delimiting Period for Completion

(a)(1) No educational assistance shall be afforded an eligible veteran under this chapter beyond the date 10 years after the veteran's last discharge or release from active duty after January 31, 1955, *and before January 1, 1980*; except that, in the case of any eligible veteran who was prevented from initiating or completing such veteran's chosen program of education within such time period because of a physical or mental disability which was not the result of such veteran's own willful misconduct, such veteran shall, upon application made within one year after (A) the last date of the delimiting period otherwise applicable under this section, (B) the termination of the period of such mental or physical disability, or (C) the effective date of the Veterans' Rehabilitation and Education Amendments of 1980, whichever is the latest, be granted an extension of the applicable delimiting period for such length of time as the Administrator determines from the evidence, that such veteran was so prevented from initiating or completing such program of education. When an extension of the applicable delimiting period is granted a veteran under the preceding sentence, the delimiting period with respect to such veteran will again begin running on the first day following such veteran's recovery from such disability on which it is reasonably feasible, as determined in accordance with regulations which the Administrator shall prescribe, for such veteran to initiate or resume pursuit of a program of education with educational assistance under this chapter.

(2)(A) Notwithstanding the provisions of paragraph (1) of this subsection, any veteran shall be permitted to use any of such veteran's unused entitlement under section 1661 of this title for the purposes of eligibility for an education loan, pursuant to the provisions of subchapter III of chapter 36 of this title, after the delimiting date otherwise applicable to such veteran under such paragraph (1), if such veteran was pursuing an approved program of education on a full-time basis at the time of the expiration of such veteran's eligibility.

(B) Notwithstanding any other provision of this chapter or chapter 36 of this title, any veteran whose delimiting period is extended under subparagraph (A) of this paragraph may continue to use any unused loan entitlement under this paragraph as long as the veteran continues to be enrolled on a full-time basis in pursuit of the approved program of education in which such veteran was enrolled at the time of expiration of such veteran's eligibility (i) until such entitlement is exhausted, (ii) until the expiration of two years after the date of enactment of this paragraph or the date of the expiration of the delimiting date otherwise applicable to such veteran under paragraph (1) of this subsection, whichever is later, or (iii) until such veteran has completed the approved program of education in which such veteran was enrolled at the end of the delimiting period referred to in paragraph (1) of this subsection, whichever occurs first.

* * * * *

(3) An eligible veteran whose last discharge or release from active duty occurs after December 31, 1979, shall not be entitled to educational assistance under this chapter after (A) the expiration of the five-year period following the date on which such veteran first begins to pursue a program of education under this chapter after such discharge or release if such date occurs no later than two years after such discharge or release from active duty or (B) December 31, 1989, whichever is the later.

* * * * *

Savings Clause

* * * * *

[(e) No educational assistance shall be afforded any eligible veteran under this chapter or chapter 36 of this title after December 31, 1989.]

* * * * *

CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

* * * * *

Subchapter II—Miscellaneous Provisions

* * * * *

§ 1795. Limitation on period of assistance under two or more programs

(a) The aggregate period for which any person may receive assistance under two or more of the laws listed below—

(1) parts VII or VIII, Veterans Regulation numbered 1(a), as amended;

(2) title II of the Veterans' Readjustment Assistance Act of 1952;

(3) the War Orphans Educational Assistance Act of 1956;

(4) chapters 32, 34, 35, and 36 of this title, and the former chapter 88;

may not exceed forty-eight months (or the part-time equivalent thereof.

(b) No person may receive assistance under chapter 31 of this title in combination with assistance under any of the provisions of law cited in clauses (1), (2), (3), and (4) *of subsection (a)* of this section or under *chapter 30 of this title* in excess of forty-eight months (or the part-time equivalent thereof) unless the Administrator determines that additional months of benefits under chapter 31 of this title are necessary to accomplish the purposes of a rehabilitation program (as defined in section 1501(5) of this title) in the individual case. *Computations made for the purposes of this subsection with respect to chapter 30 of this title shall be based on counting one-forty-eighth of the maximum total amount of*

assistance payable under such chapter 30 of this title as one month of assistance under such chapter.

(c)(1) A person who is an eligible veteran as defined in section 1402(4) of this title for purposes of chapter 30 of this title shall not be afforded educational assistance under any provision of chapter 34, 35, or 36 of this title.

(2) The entitlement of any person to educational assistance under chapter 30 of this title shall be reduced by one dollar for each dollar of assistance that has been paid to such person under chapter 34, 35, or 36 of this title.

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PUBLIC LAW 94-502—OCT. 15, 1976

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TITLE IV—POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE ACT

• • • • • •

SEC. 408. [(a)(1)] No individual on active duty in the Armed Forces may initially enroll in the educational assistance program provided for in chapter 32 of title 38, United States Code (as added by section 404 of this Act) after December 31, 1981. [, unless—].

[(A) before June 1, 1981, the President submits to both Houses of Congress a written recommendation that such program continue to be open for new enrollments; and

[(B) before the close of the 60-day period after the day on which the President submits to Congress the recommendation described in subparagraph (A), neither the House of Representatives nor the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution which in substance disapproves such recommendation.

[(2) For purposes of computing the 60-day period referred to in paragraph (1)(B), there shall be excluded—

[(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

[(B) any Saturday and Sunday, not excluded under the preceding subparagraph, when either House is not in session.

The recommendation referred to in paragraph (1) (A) shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

[(b) If new enrollments after December 31, 1981, in the educational assistance program provided for in such chapter 32 are authorized after the application of the provisions of subsection (a), then effective January 1, 1982, section 1622(b) of title 38, United States Code, is amended by striking out "Veterans' Administration" and inserting in lieu thereof "Department of Defense."]

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AIR FORCE SERGEANTS ASSOCIATION,
Washington, D.C. December 31, 1980.

The Honorable ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for sending me your proposed legislation on the Educational Assistance Program Act of 1980 and the opportunity to once again give my analysis of the proposed legislation you will introduce in the 97th Congress.

I thoroughly enjoyed the opportunity to testify before you and the distinguished members of your committee on S. 3263, and I compliment you on your personal efforts on behalf of our Armed Services people. As to my comments on the bill, I offer the following:

A. The basic premise of the bill is good and should enhance the retention of the type of people needed for our All-Volunteer Forces.

B. I do, once again, question the transferability clause in the bill, as it certainly favors the officers, while it does little for the enlisted members of the Military Services. The officers already have their college degree, while the majority of the enlisted men and women have not had the opportunity nor the means to obtain their higher educational pursuits. Secondly, I do not understand why we are extending such benefits beyond the individual man or woman who signs the contract for service in our Defense Forces. I can foresee all kinds of problems entailed with the transferability clause. Permit me to so elaborate.

1. What are we doing for the single individual, who is the least expensive to the government, has very few distractions from his assigned duty and is better prepared to serve anywhere our service missions so dictate?

2. In view of the decisions being rendered by the courts today, what protection does the individual service member have once the educational benefit is transferred and there is a subsequent divorce? Undoubtedly, the courts would favor the spouse or child retaining the transferred educational benefits.

3. For those individual service members having more than one child, how does he or she make the decision as to which child shall be favored with the transferability of educational benefits?

4. What obligation does the spouse or child have toward service in our Armed Forces after they have benefited from the educational program? That is a problem we now have with those students obtaining government loans, getting their education, failing to repay the government, yet still have no obligation to serve our nation in any capacity.

While the transferability feature will certainly be most appealing to many in our Armed Services, I question the Congress ever passing such legislation that will ultimately be extremely costly, for the return anticipated.

I would further ask for your consideration and that of your colleagues, as to why we can't get back to the basic principles that have always enabled us to have good people in our Armed Services. Take care of the individual who signs the contract to serve. Provide him or her with a G.I. Bill that is simple, similar to the one now in effect. The responsibility of the family must continue to rest with the individual servicemember, and not become a ward of the government. After all, the services are doing so much more than they ever did for the families of service members while in many instances they fail to give too much consideration to the single individuals.

On behalf of all those I so proudly serve, I would think of nothing the 97th Congress could do to enhance retention in our Armed Services than to pass a simple G.I. Educational Bill, that will not be overly costly to the government, yet would sustain the force with adequate manpower resources over the long haul.

Having knowledge of the educational bill your distinguished colleague Senator Bill Armstrong also plans to enter in the Senate, and the somewhat different bill, I understand that will be forwarded by the Department of Defense, I have concern over any of the bills actually being approved during the coming year.

Again, I thank you for the opportunity to comment on your bill and I stand ready and willing to discuss the issue with you or members of your staff at any time convenient.

With all good wishes, I remain.

Sincerely,

DONALD L. HARLOW,
CMSAF, Ret., Deputy Executive Director.

JANUARY 5, 1981.

The Honorable ALAN CRANSTON,
U.S. Senate, Committee on Veterans' Affairs,
Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for your letter requesting comments on S. 3623, re an AVF GI Bill. I think your bill is a major step in the direction of saving the AVF. As you know, for the past few years I have been in the forefront of those advocating just such a GI Bill over the opposition of the Office of the Secretary of Defense. My comments will be brief inasmuch as the inclosed article presents most of my findings and thoughts on the AVF and an AVF GI Bill.

1. An AVF GI Bill must compete with present and projected federal educational aid to college students (over $5 billion annually). Unless such aid is linked to a national service obligation, no GI Bill (unless extraordinary) will attract a cross-section of youth.

2. One ought not preclude two-year enlistments for GI Bill eligibility. Sure it would be nice to have three-year and over-volunteers, but a short enlistment will attract more of a cross-section.

3. GI Bill eligibility must be linked to reserve obligations. Without larger numbers of prior-service personnel, there is no way to salvage the Army reserves in the AVF. (We might also consider a "little GI Bill" for those who serve six months on active duty followed by five or six years of reserve duty.)

4. S. 3623 is to be commended in that it imaginatively proposes that GI Bill benefits can be transferred to a soldier's dependents under certain circumstances. We need more discussion on ways to make a GI Bill consistent with needed retention in the career force, e.g., "Banking" one's GI Bill sum in an interest-bearing account for careerists only, allowing for a "sabbatical" in order to train career personnel in technical and scientific specialities.

5. That only those who successfully complete their tour ought be eligible for GI Bill benefits is a stipulation long overdue. S. 3623 should be a model bill in this regard.

I realize that many of the above points cannot be handled solely by the Veterans' Committee. This makes the task of saving the AVF difficult, but still possible.

Sincerely,

CHARLES C. MOSKOS.

AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES,
Washington, D.C., January 8, 1981.

Ms. BABETTE POLZER,
Professional Staff Member, Senate Committee on Veterans Affairs, Russell Senate Office Building, Washington, D.C.

DEAR BABETTE: I am responding to Senator Cranston's letter of December 19, asking for comments on S. 3263. My colleagues and I also have had several meetings at One Dupont about this bill, the draft Armstrong bill, and other possible G.I. alternatives. As you know, Mike Kelly has called upon most of us. In fact, I would like to comment a bit on the Armstrong bill, too, since I gather that will have strong support.

My first point is that we feel, as we always have, that it would be very valuable both to the military and to the national well-being to revive a peacetime G.I. Bill. Millions of people have benefited from the past bills, people who otherwise would probably never had a chance for further education and better opportunities. We have testified in the past for continuation of a peacetime bill, and were sorry when this was not politically possible.

We are also conscious of the serious problems the military faces in recruitment and retention. They have been well spelled out in recent Washington Star articles and elsewhere.

AASCU has a special interest in military education and upgrading because we administer the Servicemembers Opportunity Colleges (SOC), under contract with DOD, through which several hundred colleges, public and private, two-year and four-year, provide education to the armed services and permit people to work toward AA or BA degrees. I enclose a brochure on this program, which is an outgrowth of the Carnegie-sponsored Program for Veterans and Servicemen on which I worked with Jon Steinberg some years ago.

I have several comments about the Cranston bill and Armstrong bill, some of which are views shared with my colleagues, especially those in the public college sector.

The Cranston bill: I think our principal concern is that the payments may be too low. I realize that you feel that peacetime servicemen should perhaps not get the same benefits as wartime men, but the costs of college (and subsistence) have risen fast in the last few years. If the payments are to be a true incentive to enlistment for college-potential people, they probably will have to be higher than $250 a month.

Our second concern is that, unlike the Armstrong bill, you do not deal with the retention problem. I believe the parts of that bill which provide in-service education, with the possible transfer of benefits to spouses and children, are an incentive to retention. So are the education leaves, an idea I know DOD favors. However, I am not sure these ideas, especially the Career Serviceperson's Education Assistance Program (a modified VEAP), are adequate to meet this need. Perhaps a program which involves a smaller or no contribution by the serviceman would be better; but I believe that something should be done to address retention as well as recruitment. I know DOD would agree.

The Armstrong Bill: We see same problems with the Armstrong bill. One is that a separate tuition payment of up to $2,500 a year, in addition to a $250 monthly subsistence allowance, can encourage abuse. Colleges may raise their tuition and fees or "play games" with fees in order to obtain more money. This was the experience with the World War II bill, as you know, in which many public, private, and profit-making schools raised their tuitions or added extra fees to obtain more money.

Kelly told me that profit-making schools would not be eligible for his bill, but a careful reading by all of us reveals that they are indeed eligible. Even if they were excluded in the bill, their lobbying power in Congress is such that they probably would be included—in the House if not in the Senate.

Kelly also has proposed, in response to private college concerns, that rather than a flat maximum of $2,500 the bill might pay say 80 percent of tuition up to $3,000. We believe that this is simply a way of punishing the very large number of veterans who would probably choose public colleges anyway—as over 80 percent of all students do now.

It would not encourage anyone to go to a private college, we believe, if he were told that he could get 80 percent of $800 tuition at a public (i.e. $640) as opposed to $2400 at a $4000-a-year private. But many private college people appear to believe that paying somewhat less than full tuition will make public colleges "less attractive" to veterans and private colleges somehow more attractive. This is a variation on arguments about half-cost in BEOG, paying a percentage tuition tax credit rather than a flat grant, etc. All of these ideas are simply intended to make public colleges less attractive without really helping private colleges; but Kelly has indicated he will probably go this route, in order to win private college support for the bill.

The most important consideration here is to help the military recruit better people, and give such people educational benefits. Paying a percentage like 80 percent does nothing to help this purpose, and it is likely to discourage recruitment. Over 80 percent of all students attend public colleges anyway, and it is likely for many reasons that many veterans would do so.

The fact that many will be married, working part-time, commuting, and seeking job-related training is likely to encourage many to go to a public college, often in commuting distance, rather than a residential four-year college. However, the Higher Education Act now provides large additional sums in grants, work-study, and loans, for which veterans who wanted a more expensive education could apply. I also assume that the current G.I. loans and work-study would probably continue.

You should know that the public college sector is especially concerned about this percentage idea.

I would add that allowing a percentage of tuition and fees could also lead to abuse. For one thing, "fees" are hard to define. We are told by college business officers that different colleges use literally hundreds of different fees for various purposes. By adding additional fees, colleges could collect more revenue. Many colleges also charge differential tuition. They charge lower tuition to students they want, or who cannot afford full tuition; but they would presumably be reimbursed on the "list price" tuition, whatever they actually charged; a flat maximum would avoid some of these problems, if you don't pay a flat rate per month.

In any case, since the Committee will have to review the Armstrong bill and perhaps similar bills as well as the Cranston bill, I wanted to alert you to some of these concerns. We also have shared them with Mike Kelly.

We do appreciate the Senator's interest in new legislation in this area. We would like to help in any way we can. Please call on us again.

Sincerely yours,

JOHN MALLAN,
Vice President for Governmental Relations.

VETERANS ADMINISTRATION,
January 8, 1981.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: This is in reply to your letter dated December 19, 1980, requesting our views on your new bill, S. 3263, 96th Congress, a measure "To amend title 38, United States Code, to provide a new educational assistance program for persons who enter the Armed Forces after June 30, 1981."

The intent of your proposal is to provide a new GI Bill educational program for the present All-Volunteer Armed Forces. I am in accord with you that the existing educational programs as they relate to the volunteer military personnel need to be closely studied and a new, more effective program devised.

To that end, my staff has begun a review of existing programs in the light of the needs of the current Armed Forces. However, we do not contemplate being able to formulate suitable alternatives to existing programs before the incoming administration assumes office. I believe that a decision on a suitable program and policy in this area should be deferred to allow us to complete our review and to allow the new administration to provide us with its guidance on this important matter. Therefore, I do not believe it would be appropriate for me to comment upon S. 3263 by January 12, 1981, as you have requested.

I sincerely appreciate your interest in receiving our views on this important and needed program.

Sincerely,

MAX CLELAND,
Administrator.

NON COMMISSIONED OFFICERS
ASSOCIATION OF THE UNITED
STATES OF AMERICA,
Washington, D.C., January 9, 1981.

The Honorable ALAN CRANSTON,
Committee on Veterans' Affairs,
Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for inviting NCOA to comment on your proposed "All Volunteer Force Educational Assistance Program Act." The introduction of such a bill demonstrates your sincere desire to provide for our nation's veterans. It also demonstrates your commitment to improved recruiting and retention in the All Volunteer Force. NCOA applauds your efforts.

There are three general areas which concern NCOA in the development of any new education program. They are length and character of service required; amount of educational assistance payments; and, provisions for transferability to dependents.

The Association favors a program that includes as its first requirement an honorable discharge. Your bill requires a minimum service period of three years. While NCOA believes a two year service commitment would be adequate, we would support legislation that requires three years.

The amount of any educational assistance payments should be uniform, in our opinion. As you recall, NCOA supported a proposal last year which called for some disparity in the educational earnings of service members based on occupational specialty. Since that time we have reassessed this view. As a result, the Association believes that a successful G.I. Bill will allow for equal earnings and payments to persons completing a fixed period of service. We will not, at this point, support a tiered earning program or a program which pays separate tuition and subsistence allowances.

Accordingly, the Association supports the provisions of current law providing the circumstances and amounts of payments for the Vietnam Era G.I. Bill. Using this schedule of payments will alleviate regulatory problems and lead to a very immediate understanding of the bill. This simplicity and uniformity can only enhance the bill's effectiveness, acceptance and success. We also believe it would be among the least expensive options of payment proposals.

Finally, NCOA strongly opposes provisions providing for direct transferability of education benefits to a dependent. We do not believe such a program is fiscally desirable or supportable. However, we are sensitive to the needs and desires of the Armed Forces and its members; perhaps more than most organizations since 83 percent of our members are on active duty.

In order to accommodate their needs and desires, NCOA will support a "contributory" dependents educational assistance program. Using the existing VEAP program as a model, we would allow a service member to begin contributing to an education fund after completing six years of service. No matching funds or payments would be made until the member has completed ten years of service under our proposal. We also hope to improve some of the withdrawal and vesting provisions of VEAP model for the dependents education program. Notwithstanding that, we believe a contributory program would fulfill the need of a dependents education program and still preserve the integrity of "veterans benefits."

In conclusion, NCOA is now working with Senator Cohen on improvements to his bill, S. 48. It is our desire to incorporate into S. 48 or a new bill the several recommendations

we have made here. However, we look forward to working with you during the coming year to provide what consensus shows to be the most appropriate new G.I. Bill for the All Volunteer Force.

With highest commendation and deepest thanks, I am,

Sincerely,

RICHARD W. JOHNSON, Jr.,
Assistant Director for Legislation.

CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
Washington, D.C., January 10, 1981.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: I appreciate the opportunity to provide my views on the proposed "All-Volunteer Force Educational Assistance Program Act of 1980."

The details of S. 3263 and other similar proposals have not yet been carefully analyzed by the Joint Chiefs of Staff. However, the Chiefs are on record in support of a noncontributory education program for members of the Armed Forces as a means to assist in meeting manpower requirements.

The bill you have proposed has a number of features which I personally support: cost-free educational assistance to members of the Armed Forces, supplemental assistance for continued service, and provision for eligible Service members to transfer unused benefits to their dependents. The following additional features are offered for your consideration:

a. Provide benefits (at reduced level) for service in the Reserve Components.

b. Increase the basic monthly stipend to more accurately reflect basic educational programs. As an example, the monthly stipend for a single veteran under the Vietnam-era GI Bill is $342.

c. Make eligibility conditional upon receipt of an honorable discharge or medical discharge for a Service-connected disability.

Your efforts on educational assistance are greatly appreciated. I look forward to a successful program that will fill a variety of needs and be an important recruiting and retention incentive.

Sincerely,

DAVID C. JONES,
General, USAF.

DISABLED AMERICAN VETERANS,
Washington, D.C., January 12, 1981.

Hon. ALAN CRANSTON,
Ranking Minority Member, Senate Veterans Affairs Committee, Russell Senate Office Bldg., Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for your letter of December 19, 1980 wherein you requested our comments and suggestions regarding your bill S. 3263—The All Volunteer Force Educational Assistance Act of 1980.

Initially, I must state that the DAV supports and acknowledges the need for a strong and viable military to insure our national security.

Furthermore, we also recognize the fact that the All Volunteer Force is in serious trouble and has had great difficulty in attracting and retaining high quality personnel.

As proposed, S. 3263 seeks "to promote and assist the All Volunteer Force Program of the United States by establishing an improved program of educational assistance for those men and women who enter active duty in the Armed Forces after June 30, 1981, to help in the recruitment of well-qualified men and women, and to provide those men and women with assistance in obtaining an education that they might not otherwise be able to afford."

Clearly, S. 3263, as set forth in its purpose, is intended as a recruitment and retention device to assist the ailing All Volunteer Military Force.

A glaring deficiency we have noted in the proposal is one of providing a mechanism that would enable the military service departments to offer immediately the supplemental educational assistance and transferability provisions of the bill, as a means of retaining those men and women who are presently serving in the Armed Forces.

Due to the serious retention problems the All-Volunteer Force is experiencing at the present time, we believe such a provision could be helpful in resolving some of these retention problems in the immediate future.

Another point, which was apparently just an oversight, is that the bill does not preclude the dual receipt of educational benefits under the proposed Chapter 30 and the present Chapters 31 and 35 of Title 38, U.S. Code. I am certain that you did not intend that individuals who might gain eligibility for two educational programs would be able to receive benefits from both.

Senator Cranston, the DAV supports the purpose and premise upon which this legislation is founded. We believe your proposal is particularly attractive and could very well go a long way to resolving some of the recruiting problems experienced by the Department of Defense.

Those provisions of your bill which would provide supplemental educational assistance to the service member and transferability to their dependents are by far one of the most attractive proposals to help solve the retention problems of the military services.

However, as I stated in my testimony before the Senate Veterans Affairs Committee on June 19, 1980, the DAV is adamantly opposed to the VA "footing the bill" for any proposal to establish new programs of educational assistance for the purpose of improving and strengthening the All Volunteer Military Force.

As proposed, S. 3263 would require the VA to be responsible for the cost of administering the program, as well as the cost of the basic educational assistance. The Department of Defense would only be responsible for the cost of the supplemental educational assistance.

Your remarks, appearing in the Congressional Record of December 12, 1980, make perfectly clear the nature of this program and its relationship with past VA educational readjustment programs, and I quote—"In closing, I want to stress that my proposal is for an essentially contractual program—a very different concept from the World War II, Korean Conflict, and current, Vietnam Era GI Bill."

Eligibility and entitlement for the All Volunteer Force Educational Assistance Program is based upon a contractual agreement between the Department of Defense and those individuals entering and serving in the peacetime All Volunteer Military Force. As such, in our considered opinion, the Department of Defense must be responsible for bearing the entire cost of this defense-oriented program.

In addition to the foregoing conclusions regarding the funding of this program, I think it is important to keep in mind the philosophical basis upon which veterans' educational readjustment benefits have been traditionally provided in the past. Failing to do so would undermine the fundamental purpose of past and present educational readjustment programs and could bring an enormous storm of protest from Vietnam Era GI Bill critics and groups.

The DAV has no objections to the VA administering the program or even placing the program in Title 38, U.S. Code for ease of such administration, but we do object to the VA "picking up the tab."

The Veterans Administration, as you well known, has suffered severe reductions in personnel in the Department of Veterans Benefits in recent years. And it appears, at the present time, that these reductions in personnel will continue unless Congressional action is taken to restore the losses.

During your deliberations regarding S. 3263, I hope you will keep this important point in mind.

I trust you and your colleagues will find our comments and suggestions helpful regarding this important matter and, again, I wish to express our sincere appreciation to you for providing us this opportunity to comment on the provisions of S. 3263.

Sincerely yours,

STEPHEN L. EDMISTON,
Administrative Assistant.

DEPARTMENT OF THE NAVY,
HEADQUARTERS U.S. MARINE CORPS,
Washington, D.C., January 13, 1981.

The Honorable ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: I appreciate the opportunity to provide my views on the proposed "All Volunteer Force Educational Assistance Program Act of 1980."

The bill you have proposed has a number of features that I strongly support: cost-free educational assistance to members of the Armed Forces, incrementally higher benefits for continued service beyond three years, and provision for eligible service members to transfer unused benefits to their dependents. The following modifications would, in my judgment, provide an educational assistance program that most effectively meets our needs.

a. Entitlements tied to length of enlistment, by providing one month of benefit for one month of service through the third year (at which time full entitlements would be earned), would enhance educational opportunities for in-service use by the service member. Honorable service concluded prior to the end of the third year would entitle the service member to that portion of the benefits earned.

b. All funding and administration accomplished by the Veterans Administration would clearly establish responsibility for the educational assistance program in one agency, leaving other direct methods of encouraging enlistment and retention a responsibility of the Department of Defense.

c. A right of transferability of unused benefits, made to dependents after appropriate service, would provide a strong incentive to continue active service. Rather than the procedure proposed in the "All Volunteer Force Educational Assistance Program Act of 1980," we would prefer that after ten years' active service, the service member would have the right of transferability of unused benefits to dependents, if the service member remains on active duty, or until the service member enters retirement status at which time the service member or dependents have ten years to use the benefit.

d. An entitlement for Selected Reserves of up to one-half of the active duty benefit would improve manning of reserve forces.

e. A change to Chapter 34 of Title 38 United States Code providing for benefits up to ten years after separation would provide a necessary incentive for the group of service members eligible for educational assistance under that Act.

f. Requiring honorable service as a prerequisite to educational assistance would complement many other programs and efforts designed to encourage individual responsibility.

Along with pay comparability, an effective educational assistance program would return great dividends in gaining and keeping men and women who have characteristics that we need in the Marine Corps. Its additional long-term impact on our society in bringing out the abilities of individuals who otherwise might not have the advantage of other opportunities makes the investment doubly attractive.

I trust that the foregoing information will be of use to you. If I may be of assistance to you in the future, please do not hesitate to call on me.

Sincerely,

R. H. BARROW,
General, U.S. Marine Corps, Commandant of the Marine Corps.

THE AMERICAN LEGION,
Washington, D.C., January 14, 1981.

Hon. ALAN CRANSTON,
Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: This is in response to your correspondence dated December 19, 1980, with which you enclosed a copy of S. 3263 for the purpose of soliciting our comments thereon. We have enclosed a copy of Resolution No. 36, approved by our National Executive Committee during its October 1980 meeting, which places The American Legion in a position to support legislation providing education incentives for individuals enlisting in the Active and Reserve forces. Unfortunately, we are unable to respond to all provisions within the bill since several of them involve features which remain as subjects of discussions within our organization's staff.

However, we would like to specifically comment on one provision of S. 3263. Section 1436 provides that payments for entitlement earned under subchapter II of the measure shall be made from appropriations made to the Veterans Administration, and payments made for entitlement earned under subchapter III shall be made from appropriations made to the Department of Defense. It is the recommendation of The American Legion that any such education incentive program be funded as a Department of Defense function since the purpose is for the recruitment and retention of Armed Forces personnel, but be administered by the Veterans Administration, as that agency currently has staff experience in administering such a program.

The American Legion appreciates the opportunity to review and comment on your proposal.

Sincerely,

MYLIO KRAJA, *Director,*
National Legislative Commission.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., January 14, 1981.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: Thank you for having afforded us the opportunity to comment on your "All Volunteer Force Educational Assistance Act of 1980," which you intend to reintroduce in the near future.

First, permit me to state we are generally supportive of any program to enhance the recruitment and retention of higher caliber personnel for our all-volunteer military establishment. However, the legislation in question is alien to the concept and philosophy of veterans' benefits and would establish precedents which would be costly and difficult to duplicate for the millions of veterans another war or conflict would generate. To be specific, I refer to the two-tiered benefit, the transfer of entitlement to the veteran's dependents and allowing the 10 year delimiting date to toll from the date of retirement, among others.

In addition to the foregoing, our position has been and remains that educational benefits for peacetime veterans who enlist of their own volition should be paid in full from the Department of Defense appropriation and administered by the Veterans Administration. Under the instant bill, the Basic Educational Assistance allowance would be payable to each beneficiary from the Veterans Administration appropriation which remains inadequate to carry out the existing mandates of Congress.

Several bills have already been introduced with respect to peacetime educational benefits and at this point in time, we are not in a position to commit ourselves to which would be the most beneficial and acceptable.

With best wishes and kind regards, I am

Sincerely,

DONALD H. SCHWAB,
Director, National Legislative Service.

U.S. ARMY,
THE CHIEF OF STAFF,
January 15, 1981.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: I appreciate the opportunity to provide my views on the proposed "All-Volunteer Force Educational Assistance Program Act of 1980." Your bill embodies many features I support, especially cost-free educational assistance and a provision for eligible servicemembers to transfer unused benefits to their dependents. I do, however, suggest some additional features including benefits at a reduced rate for service in the Reserve Components, eligibility based on an honorable discharge, an increase in the monthly entitlement and a capability to supplement it.

Increasing the entitlement will assist in meeting today's high cost of education and make us more competitive with other federally funded programs which do not have a national service obligation. Allowing the Service Secretaries to selectively supplement the monthly entitlement will permit us flexibility in enlisting personnel into difficult-to-fill skill positions, especially in the combat arms.

I have enclosed a chart comparing your Bill provisions with the Army's initial position, its revised position developed in an attempt to reach Service unanimity and supporting rationale. I believe that a Bill containing these features will assist in solving many of our manpower needs. Thank you for your interest and support in this matter. Please do not hesitate to contact me if there is any other information you need.

Sincerely,

E. C. MEYER,
General, U.S. Army, Chief of Staff.

COMPARISON OF ARMY EDUCATION INCENTIVE PROPOSAL WITH CRANSTON BILL (S. 3263)

Basic Army proposal	Revised Army position (to obtain service unanimity)	Cranston bill	Rationale for Army position versus Cranston bill (S 3263)
Features:			
1. Noncontributory; all personnel; in-service use after 1 yr.	Concur with proviso for transfer from chs 32 (Vietnam era bill) and 34 (VEAP) for in-service personnel with service obligation.	Noncontributory to all personnel (2-tier prog concept); 1–basic assistance; 2–supplemental assistance.	Acceptable, if basic is higher.
2. Administered and funded by VA; basic benefit funded by VA.	Same	Basic VA funded. VA administered; supplemental DOD funded. VA administered.	Acceptable.
3. Earning rate of 1½ mo per month; total of 36 mo.	1 mo benefit/1 mo service 36 mo	1 mo basic benefit for 1 mo service—36 mo. 1 mo supplement benefit for each month beyond 36 mo.	Acceptable, except for needed provision for 2-yr enlistee to earn benefits and return to selected Reserve and help fill large Reserve component needs/shortfall.
4. Monthly entitlement of $400 for full-time use.	3 yr. ($300 mo); 6 yr. ($600 mo)	Basic—$250 per mo. $9,000 maximum (3 yr); supplement—$375 per mo. $13,500 maximum (6 yr); Both—possible for 6 yr service $625 per month, $22,500.	Basic entitlement is too low to be an incentive to attract HS diploma graduate college-oriented youth who are necessary to man the force, primarily in combat arms MOS's. The entitlement must be sufficient to compete with other federally funded programs that do not have any national service obligation.
5. Service can supplement stipend to aid recruiting and retention.	Same	No provision	Army must have this flexible option to selectively solve recruiting and retention problems.
6. Transfer unused benefits to dependents (transfer point established by service section).	Transfer after 10 yr service while on active duty or after retirement.	After 12 yr of service	Transfer point should be flexible, but not earlier than at 10-yr point. This feature is a retention incentive and would assist in solving the Army's retention problem at the mid-career level.
7. Option to establish contributory education fund for dependents.	Withdrawn	No provision	N/A.
8. Reserves entitled to ½ AD benefit fund for dependents.	Same with part-time use provision	Only through supplemental program after 36 mo of active duty.	Benefit necessary to address severe Reserve component personnel shortages.
9. Benefits to be used within 10 yr from separation.	Same	10 yr from separation	Same.
10. Honorable discharge after completion of service.	Same	Honorable or general discharge	An incentive as a reward for honorable service to reduce attrition of 1st-term enlistees.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., January 15, 1981.

Hon. ALAN CRANSTON,
Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: This is in response to your letter of 19 December 1980 concerning your legislation S. 3263, the "All-Volunteer Force Educational Assistance Program Act of 1980."

In general, I believe that educational incentives can play a valuable role as a recruitment and retention tool for the Armed Services. But designers of new education programs for the military must in their planning take into account those education programs which are already available to both the civilian and military populations. The drawing power of generalized military educational assistance today is much different from what it was even five years ago because of the rapid growth in other education programs. Consequently, any new military educational benefit package must recognize the interests of both military and education constituencies and the full spectrum of federal programs in this area, as well as the realities of the federal budget.

As you know, the Department of Defense is currently testing several educational benefit proposals mandated by the Congress. We hope to answer several important questions about educational assistance: What is the proper benefit level? What retention provisions would prove attractive? Should the program be contributory or noncontributory? I believe it is premature to design any new program before our test results are complete. We plan a final report to the Congress in about one year's time.

Regarding your specific legislation, S. 3263, I have several comments.

a. Outlay level: An estimated 300,000 new enlistees receiving a $9000 educational entitlement means a potential $2.7 billion annual outlay. This price tag would not include the supplemental educational benefit to be funded by the Department of Defense. I question the merit of adding such large outlays in addition to the $10 billion currently authorized for federal loan/grant programs.

b. Retention: I support the efforts in the bill to provide retention incentives. The transfer provision is similar to one that we will test in the FY 81 test program, to learn whether it is truly a retention incentive. My presumption is that people will use the transfer provision, but there is as yet no data to support such a notion. And I am uncertain whether the transfer provision is a strong enough incentive to retain a member past the twelve year point.

c. Benefit Value: At this time there are differing views on what should be the proper benefit level and the value of specific educational incentives, e.g., transferability, in-service use cash-out. Some favor a general entitlement; others believe educational benefits should be targeted as in the FY 81 test package. Such questions are being addressed in our current test.

I hope that these comments are helpful. I appreciate your continued support of and concern for the All-Volunteer Force, and I believe we are in agreement that educational benefits for the military might indeed improve the quality and attractiveness of the AVF.

Sincerely,

ROBERT B. PIRIE, Jr.,
Assistant Secretary of Defense (MRA&L).

DEPARTMENT OF THE ARMY,
OFFICE OF THE UNDER SECRETARY,
Washington, D.C., January 19, 1981.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: Some thirty-five years ago, along with millions of others, I participated in the G.I. Bill, which has been called the most successful educational program in the history of our Nation. I can think of no veterans' or educational assistance program, past or present, which can match the impact that the G.I. Bill has had on the Armed Services, our educational institutions, and the American society.

It appears that the American people and Congress are again prepared to support some form of G.I. Bill as a reward for, and as an inducement to, honorable service. As a citizen, long-time educator, and as the departing Under Secretary of the Army, I want to express my personal support for your efforts to reestablish the G.I. Bill.

Although I support the concept, I would like to offer my personal views on what features the new G.I. Bill should contain. As a minimum, the entitlement should be divided into tuition assistance and a monthly living allowance. Tuition assistance should be scaled to minimize the dramatic cost differential between public and private institutions. Public junior colleges may charge only a very minimal matriculation fee of $200 to $300 per year; state universities generally charge a student $500 to $1,000 per year; most private, independent institutions must require a tuition charge of $2,000 to $5,000 per year. Thus, without a differential, almost all veterans would feel compelled to opt for an education at a state institution. I recommend a two-tiered grant of the cost of state college tuition (not to exceed some average cost) and a separate annual entitlement, not to exceed $2,500, for those enrolled in independent colleges or universities.

General "Shy" Meyer has championed a proposal to allow a transfer of an educational entitlement from a soldier to his dependents after a specified period of service. I concur in his recommendation. It would be an invaluable retention tool targeted to retain those soldiers who value education the most by rewarding them for remaining in the service of their country.

Educational benefits as a reward for honorable service are compatible with our Nation's view of military life as an act of service. The G.I. Bill, in all its iterations, has recognized that there was a social contract between the Nation and its soldiers that was more than a paycheck. The Nation gains, as well as the individual, from such an arrangement.

Sincerely,

ROBERT H. SPIRO, Jr.,
Under Secretary of the Army.

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE CHIEF OF STAFF,
Washington, D.C., January 19,1981.

Hon. ALAN CRANSTON,
Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR CRANSTON: This is in response to your letter of 19 December 1980, in which you ask for our comments on S3263, "The All Volunteer Force Educational Assistance Program Act of 1980." I very much appreciate your concern for enhancing the capability of the services to both attract well qualified men and women into the armed forces and to assist in their retention. A program such as that described in your Bill could well mean the difference between continuance of the All Volunteer Force concept and return to some form of conscription.

The major features of S3263 parallel quite closely those of proposed legislation under development by an inter-service working group. This group has achieved consensus on eight of ten provisions targeted at achieving the very purpose of your Bill. The inter-service proposal envisages a two-tiered approach as does yours—with a slightly higher initial amount—as well as a transferability feature, so long as the military member agrees to career status. The inter-service proposal also contains a provision for a basic educational entitlement at a reduced rate for entry into the ready reserve (Guard or Reserve).

I have asked my staff experts to contact Ms. Polzer and provide her with greater detail regarding the differences that exist between S3263, the inter-service proposal and the Air Force position in this latter regard. Thank you for the opportunity to comment on this important legislation.

Sincerely

LEW ALLEN, Jr.,
General, USAF, Chief of Staff.

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, D.C., January 19, 1981.

Hon. ALAN. CRANSTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CRANSTON: I am pleased to respond to your request for comments and suggestions on S. 3263, the proposed "All-Volunteer Force Educational Assistance Program Act of 1980." Your proposal contains features that clearly meet Army needs, such as cost-free educational assistance to Service personnel and the provision to transfer unused educational benefits to eligible dependents.

Other features I offer for your consideration include eligibility based on an honorable discharge, reduced-rate benefits for service in the Reserve Components, a higher monthly entitlement and the capability for Service Secretaries to supplement the entitlement. Increasing the entitlement will assist in better meeting current educational costs and permit the Services to compete with other federally funded educational programs. Supplementing it selectively will enable us to better address critical recruiting and retention problems. The Army must have the supplementation authority to gain the necessary flexibility for the enlistment of personnel into difficult-to-fill skill positions and also creates a new recruiting market for college bound youth for the combat arms. Your Bill requires a minimum of 36 months military service. The Army needs a 24 month enlistment option with benefits earned at the same monthly rate.

I am enclosing a chart comparing the features of your proposal and those desired by the Army. The chart also contains changes in the Army position in an effort to gain unanimity among the Services as well as the rationale for the features we desire. Hopefully, provisions such as these in a Bill will go far in resolving many of our recruiting and retention problems. If there is any other information you desire regarding my views, please do not hesitate to call me.

Sincerely,

WILLIAM D. CLARK,
Deputy Assistant Secretary of the Army (Manpower and Reserve Affairs).

COMPARISON OF ARMY EDUCATION INCENTIVE PROPOSAL WITH CRANSTON BILL (S. 3263)

Basic Army proposal	Revised Army position (to obtain service unanimity)	Cranston Bill	Rationale for Army position versus Cranston Bill (S. 3263)
Features:			
1. Noncontributory; all personnel; in-service use after 1 yr.	Concur with proviso for transfer from chapters 32 (Vietnam era bill) and 34 (VEAP) for in-service personnel with service obligation.	Noncontributory to all personnel (2-tier prog concept); 1—basic assistance; 2—supplemental assistance.	Acceptable, if basic is higher.
2. Administered and funded by VA; basic benefit funded by VA.	Same	Basic VA funded, VA administered; supplemental DOD funded, VA administered.	Acceptable.
3. Earning rate of 1½ mo per month; total of 36 mo.	1 mo benefit/1 mo service 36 mo	1 mo basic benefit for 1 mo service—36 mo; 1 mo supplement benefit for each month beyond 36 mo.	Acceptable, except for needed provision for 2-yr enlistee to earn benefits and return to selected Reserve and help fill large Reserve component needs/shortfall.
4. Monthly entitlement of $400 for full time use.	3 yr. ($300 mo); 6 yr ($600 mo)	Basic—$250 per mo, $9,000 maximum (3 yr.); supplemental—$375 per mo, $13,500 maximum (6 yr); Both—possible for 6 yr service $625 per month, $22,500.	Basic entitlement is too low to be an incentive to attract HS diploma graduate college-oriented youth who are necessary to man the force, primarily in combat arms MOS's. The entitlement must be sufficient to compete with other federally funded programs that do not have any national service obligation.
5. Service can supplement stipend to aid recruiting and retention.	Same	No provision	Army must have this flexible option to selectively solve recruiting and retention problems.
6. Transfer unused benefits to dependents (transfer point established by service section.)	Transfer after 10 yr service while on active duty or after retirement.	After 12 yr of service	Transfer point should be flexible, but not earlier than at 10-yr point. This feature is a retention incentive and would assist in solving the Army's retention problem at the mid-career level.
7. Option to establish contributory education fund for dependents.	Withdrawn	No provision	N/A.
8. Reserves entitled to one-half AD benefit fund for dependents.	Same with part-time use provision	Only through supplemental program after 36 mo of active duty.	Benefit necessary to address severe reserve component personnel shortages.
9. Benefits to be used within 10 yr from separation.	do	10 yr from separation	Do.
10. Honorable discharge after completion of service.	do	Honorable or general discharge	An incentives as a reward for honorable service to reduce attrition of 1st-term enlistees.

● MR. HART. Mr. President, today I join with my colleague from California (Mr. CRANSTON) in sponsoring The All-Volunteer Educational Assistance Act of 1981. This measure will provide for the establishment of a new educational assistance program for veterans of military service. The purpose of this bill is to increase the recruitment of qualified men and women into the armed services and to help in the retention of skilled and experienced military personnel by offering a new GI educational assistance program upon completion of a specified period of honorable military service.

As a member of the Senate Armed Services Committee, I have supported the concept of the All-Volunter Military Force. However, I am very much concerned about the critical manpower problems facing the Nation's Armed Forces. The shortage of mid-level skilled personnel is seriously affecting this Nation's ability to meet its military commitment around the world. The Congress, in the last session, reaffirmed that commitment in providing for a major increase in military compensation, special pay incentives for skilled military personnel and other improved benefits for members of the armed services.

I believe this legislation will enhance significantly the attractiveness of military service for qualified young men and women. In addition, a new educational assistance program, as proposed by my distinguished colleague from California, would provide specific incentives that would encourage service members to extend their enlistment period by an additional 3 years.

Senator CRANSTON, as former chairman of the Senate Veterans Affairs Committee, has considerable expertise, experience and an understanding of the complexities of Veterans Administration educational programs. That experience is reflected clearly in the thoughtfulness and quality work embodied in this bill. Senator CRANSTON, as a strong advocate of the American veteran, has shown considerable insight into the military manpower problems facing the defense establishment.

Mr. President, I am aware there are several measures that have been introduced which provide for a new GI education assistance program for military veterans. I am convinced there is a need for this Congress to enact a measure that is equitable and will meet the prescribed goal of improving the quality of our military force structure. In my judgment, this legislation meets that criteria and I urge all Members to support it.●

By Mr. PRESSLER:

S. 418. A bill to rescind the authority of the President to impose an embargo on United States export sales of agricultural commodities for foreign policy purposes; to the Committee on Banking, Housing, and Urban Affairs.

S. 419. A bill to amend the Export Administration Act of 1979, to provide for Congressional Veto of agricultural embargoes; to the Committee on Banking, Housing, and Urban Affairs.

PROTECTION OF AGRICULTURE FROM FOREIGN POLICY

Mr. PRESSLER. Mr. President, today I am introducing three pieces of legislation which are necessary to protect agriculture from the effects of foreign policy decisions. Our farmers are paying too much of our foreign policy bill. Food has too often been used as a foreign policy tool without regard to the impact it has on farmers, small business, and agricultural communities. The legislation I am introducing will correct this inequity.

First, I am introducing a bill that would prevent the President from using agricultural embargoes as a foreign policy tool. An embargo for foreign policy purposes is not only ineffective—it does not allow the United States to be a reliable supplier. Our producers suffer when the United States is not a reliable supplier because of the stability producers need to plan their investment and operations. It also hurts our ability to take advantage of growing export market potential. Indeed, an embargo of U.S. agricultural commodities is an inducement for other suppliers to produce and sell more to meet the demand created by the embargo.

Mr. President, I have taken it upon myself to attempt to learn as much as I can about the international grain trade. I had the privilege of visiting China last fall. The Chinese said that one of the most important things about a reliable supplier was that the supplier did not periodically place embargoes on grain for political reasons, because a country that has hungry people wants to have an adequate and reliable supply of food.

The second bill I am introducing today on this subject, providing for a congressional veto, a followup to the position of the House of Representatives and conference committee during consideration of the Export Administration Act in 1979.

Prior to the enactment of the 1979 Export Administration Act, there existed a provision for congressional veto of export controls. The House version of the 1979 bill retained language providing for a congressional veto, continuing an export control safeguard which had been in effect since 1969. However, the Senate version of the 1979 Export Administration Act did not include a congressional veto provision. Subsequently, the conference committee dropped the House provision with the result that there is no congressional veto authority over ex-

port controls imposed for foreign policy purposes.

But the members of that conference committee stated the following in their report—

In agreeing to eliminate the House provision for congressional veto by concurrent resolution of new forms of export controls for foreign policy purposes, the conferees emphasized their expectation that the executive branch would consult fully with Congress prior to employing any such controls, and agreed to give further consideration to a congressional veto mechanism in subsequent legislation in the event prior consultation on foreign policy controls proved inadequate under the provisions of this act.

Our distinguished colleagues will recall that on September 26, 1980, the Senate voted to adopt an amendment which I had offered to end appropriations for enforcement of the grain embargo. In a sense, what the Senate did at that point was to express a veto of the embargo, contrary to the 1979 position of the Senate in opposing the House-passed provision for a congressional veto of export controls.

Thus, the Senate may now be ready to seriously consider amending the 1979 act. My bill does exactly that by authorizing Congress to exercise a veto on export controls imposed on agriculture commodities for foreign policy purposes.

Finally, I am introducing a resolution expressing the sense of the Senate that a total embargo on U.S. export sales should be imposed whenever an agricultural commodity embargo is in effect.

Mr. President, in principle I do not like trade embargoes. I share the desire of a great many of our colleagues and friends that the United States should be more competitive in international trade and reduce the balance-of-trade deficit. Should an embargo be imposed, however, it should not be selective but should be borne by all segments of the economy. During the current embargo, we have continued to sell all manner of goods and manufactured items to the Soviets, including farm machinery which the Soviets use to grow their own grain.

Mr. President, the Soviet embargo is a dramatic example of our current policy, and exactly the type of situation my legislation addresses. We are all familiar with the Soviet embargo and its intended and actual effects: First, it has not succeeded in provoking the withdrawal of Soviet troops from Afghanistan; second, there is not adequate proof that the Soviets are suffering economically; third, it has forestalled billions of dollars of sales of U.S. exports, primarily grains; and fourth, American farmers have borne an unfair share of the burden of lost sales.

Let me also say that Argentina has taken up most of the slack in selling to the Soviets and. as has been pointed out here, we have continued to sell the Soviets material to grow their own grain while, at the same time, we have an embargo affecting one aspect of the American economy.

My point is this: That if we are to have an embargo. let us have a total embargo on everything.

It has now been 13 months since the Soviet grain embargo was first imposed. As I have noted, last fall the Senate adopted my amendment to stop funding for enforcement of the embargo. Campaign promises to lift the embargo were made in abundance, by members of both parties. The new administration has not yet decided whether or not to rescind the embargo.

I have been informed by the White House that a meeting on the embargo will be held in about a week. I hope the President has not made up his mind, as the Washington Post indicated this morning. I hope he keeps his campaign promise and his campaign commitment. Conditions have not changed. Yet, our farmers are still suffering. I urge my colleagues in the Senate and the administration to give my legislation prompt consideration and their strong support.

Mr. President, I ask unanimous consent to have the legislation printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any restrictions heretofore or hereafter imposed by the President on the export or reexport of United States agricultural commodities to any country under the authority of Section 6 of the Export Administration Act of 1979 are terminated effective on the date of enactment of this Act.

S. 419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 6 of the Export Administration Act of 1979 is hereby amended by the addition of the following new subsection:

(l) CONGRESSIONAL VETO.—Notwithstanding other provisions of this Act, any export controls on agricultural commodities imposed under the authority of this Section shall cease to be effective upon the adoption of a Congressional concurrent resolution of disapproval within 60 days of Presidential notification of the Congress as provided in Subsection (e) of this Section.

By Mr. STAFFORD:

S. 420. A bill to authorize the U.S. Army Corps of Engineers to provide assistance to local communities, and for other purposes; to the Committee on Environment and Public Works.

SMALL COMMUNITIES WATER RESOURCES ASSISTANCE ACT OF 1981

● Mr. STAFFORD. Mr. President, during the 96th Congress, as well as during the preceding one, this Senator sponsored legislation that would authorize the U.S. Army Corps of Engineers to assist local communities in a variety of ways. Much of this legislation was passed by the Senate in the 95th Congress. Much of it was approved in committee during the 96th Congress. But, in each case, it failed to be enacted by the full Congress as there was no omnibus water legislation.

I am today reintroducing this legislation, modified to reflect some minor changes made in committee last year. Let me outline the basic features of this bill:

Section 2 concerns a seasonal problem that afflicts many areas of our Nation, and might be termed "ice flooding." When a sudden thaw follows a buildup in river ice, flooding is often produced by "ice dams," which accumulate at bridge abutments or other impediments in the river.

Ice flooding and ice damage occurs in many areas every winter. The danger of ice buildup can sometimes be handled effectively through the authority of the Corps of Engineers to perform emergency work. But these efforts often come too late, or may involve costly, last-minute activities such as the use of explosives.

With systematic and coordinated planning, I am convinced we can develop methods to control river ice, to improve ice breakup techniques, and to provide this information to affected communities. The Army Corps of Engineers is the proper organization to undertake this work.

Section 2, therefore, establishes a new authority for the corps to spend up to $5 million a year to assist communities in controlling river ice before it becomes a problem, rather than after the problem causes damages.

Section 3 of this bill authorizes the corps to assist local communities in designing new hydroelectric facilities at existing dams, industrial sites, millraces, and similar facilities. Many areas of the Nation, particularly in the Northeast, have the opportunity to develop significant and reliable sources of power, using old damsites. While the Department of Energy and the corps are working together on a program to retrofit larger dams owned by the corps and others, I believe we also need to examine and develop the potential at smaller sites.

I should point out that this section does not provide funds for actual construction work. Rather, it will enable the corps to help small communities with technical assistance in design of such retrofit projects. This, too, is funded at $5 million yearly.

Section 4 establishes a new, small program to control streambank erosion, which is a most troublesome water-related problem for many areas of the Nation. Streambank erosion cuts away at property, undermines homes, and produces severe siltation. At times of heavy rainfall, erosion often uproots trees, which then block streams and produce significant flooding.

During the 93d Congress, the Streambank Erosion Control Evaluation and Demonstration Act of 1974 was enacted, authorizing a number of demonstration projects. This bill would provide a supplemental authority, allowing the Army Corps of Engineers to assist local government and individuals in planning to combat serious streambank erosion. By making the corps' expertise available to local communities and property owners, this bill should enable the public more effectively to help itself.

The section also would make available $50 million in interest-free loans to

assist individual and communities in providing more effective erosion control. Frankly, I cannot state that the dollar figure necessarily reflects the broad national need. Also, there may be a valid need to impose a modest interest charge on such loans. But I believe that a pressing need exists for streambank erosion control. I would hope that hearings can be held on this legislation, hearings that will focus attention on the need and benefits from a stepped-up effort to control streambank erosion.

Section 5 directs Federal agencies to expedite the licensing of small hydroelectric projects, defined as those of 25 megawatts or less. In addition, there is a requirement for a General Accounting Office study of the implementation of this directive.

Mr. President, I ask unanimous consent that the text of bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Communities Water Resources Assistance Act of 1981."

RIVER ICE CONTROL

SEC. 2 (a) The Secretary of the Army, acting through the Chief of Engineers (hereinafter referred to as the "Secretary"), shall undertake a program of research to increase his capability to control river ice, and to assist communities in breaking up such ice that would otherwise be likely to cause or aggravate flood damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to local units of government to implement local plans to control or break up river ice. As part of such authority, the Secretary is authorized to acquire and loan necessary ice-control or ice-breaking equipment to local units of government.

(c) For the purposes of this section, the sum of $5,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984 and September 30, 1985, to remain available until expended.

(d) No later than March 1, 1985, the Secretary shall report to the Congress on activities under this section.

IMPROVEMENTS AT FORMER INDUSTRIAL SITES

SEC. 3. (a) The Secretary shall, upon the request of local public officials survey the potential and methods for rehabilitating former industrial sites, millraces, and similar types of facilities already constructed, for use as hydroelectric facilities. The Secretary, shall upon request, provide technical assistance to local public agencies and electric cooperatives in designing projects to rehabilitate sites that are surveyed, or qualified for survey, under this section.

(b) There is authorized to be appropriated to the Secretary, to implement this section, the sum of $5,000,000 for each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, and September 30, 1985, to remain available until expended.

STREAMBANK EROSION CONTROL

SEC. 4. (a)(1) The Congress finds that streambank erosion destroys property, both public and private, creates and aggravates flooding, increases sedimentation in the Nation's rivers, adds to the needs for disaster assistance in many areas, and creates significant financial and environmental losses to the Nation.

(2) The Congress, therefore, declares that it is in the national interest to assist communities and individuals, in lessening, and when possible preventing, the erosion of streambanks, particularly when such erosion threatens, or can be expected to threaten, public and private facilities and structures.

(b)(1) The Secretary shall provide technical assistance in methods to retard streambank erosion to any person or agency requesting such assistance, if the applicant is experiencing, or can be expected to experience, erosion threatening dwellings or loss of property. The Secretary may also provide assistance to an applicant who would be likely to be affected by flooding downstream from property threatened by erosion: *Provided,* That the owner of such property agrees to allow the applicant to perform such erosion retarding work.

(2) For the purposes of this subsection, the sum of $2,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1982, September 30, 1983, September 30, 1984, and September 30, 1985, to remain available until expended.

(c)(1) The Secretary is authorized to provide loans, to be repaid within 10 years, of up to $10,000 to any public or private group or agency or individual for the purpose of stabilizing streambanks when erosion of such streambanks threatens, or can be expected to threaten, any facility or structure, or produce or seriously aggravate the danger of flooding. Plans for any work to be undertaken with a loan under this subsection shall be submitted to the Secretary. Approval by the Secretary of such plans shall be a commitment of the Secretary to such loan. Notwithstanding the first sentence of this subsection, any loan to a public agency may be for a period of twenty years and for a sum up to $25,000. Loans granted under this section shall be free of interest. Repayment shall be required in equal installments.

(2) For the purposes of this subsection, the sum of $50,000,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1982, and thereafter, and shall remain available until expended.

LICENSING OF FACILITIES

SEC. 5. (a) Any agency of the United States with the authority and responsibility to grant or review any license or permit needed to utilize hydroelectric power at newly proposed or existing facilities, with anticipated installed capacity of twenty-five megawatts or less, shall make every effort to simplify the application procedures and to expedite the consideration of any license or permit that may be necessary for the construction or operation of such facility, or the sale of power from such facility.

(b) The Comptroller General of the United States shall report to the Congress within one year of the enactment of this Act on the implementation of this section, his evaluation of any continuing institutional problems involved in hydroelectric development at newly proposed or existing facilities, and his assessment of the need for additional congressional action to facilitate hydroelectric development at such facilities.●

By Mr. DECONCINI (for himself, Mr. SASSER, and Mr. PRYOR):

S. 421. A bill to provide for reductions for fiscal year 1982 in obligations by the departments, agencies, and establishments of the executive branch of the Government; to the Committee on Governmental Affairs.

GENERAL GOVERNMENT CONTROL AND EFFICIENCIES ACT OF 1981

Mr. DECONCINI. Mr. President, today Senator SASSER, Senator PRYOR, and I are introducing the General Government Expenditure Control and Efficiencies Act of 1981, that would reduce expenditures and affect savings in fiscal year 1982 of $3.9 billion in travel, consultant services, audiovisual activities, public relations, and advertising; and collection of Federal debts. I ask that statements by both Senator PRYOR and Senator SASSER be allowed to follow my introductory remarks in today's RECORD.

Mr. President, between January 26 and 30, the Senate Appropriations Committee held 4 days of hearings on the issue of the economy and its effect on the budget for fiscal years 1981 and 1982. The committee heard from two of the top ranking administration officials—Secretary of the Treasury, Donald Regan, and Office of Management and Budget Director, David Stockman; four eminent economists—Walter Heller, Otto Eckstein, Michael Evans, and Alan Greenspan; Chairman of the Federal Reserve Board, Mr. Paul Volcker; and a number of distinquished outside witnesses, including Elmer Staats, head of the General Accounting Office, and Mrs. Alice Rivlin, head of the Congressional Budget Office.

Although their approaches to whipping the economy back in shape differed in some respects, they were nearly unanimous in their call for a substantial decrease in Federal spending. The legislation that I am introducing today hopefully will be the first of many expenditure reduction and economy measures that will challenge both the new administration and the Congress to make the tough unpopular budget cuts that we all agree are essential in order to cut off one of the root causes of the current inflationary spiral.

This legislation would authorize a total of $3,900 million in reductions in the fiscal year 1982 budget of the United States as submitted to the Congress by former President Carter in January of this year.

These economies would be made in the following areas:

First, Government travel:—$750,000,000.

Second, consultant services, consultant contracts, and special consultant studies:—$1,000,000,000.

Third, audiovisual/filmmaking activities:—$250,000,000.

Fourth, public relations, public affairs, public information and advertising activities:—$150,000,000.

Fifth, debt collection: Direct OMB to achieve savings of $1,750,000,000 from more aggressive collections.

These reductions or savings were not merely drawn out of a magic hat with the hope that some of them might be attainable. No, indeed. Each and every one of these "general government" expenditure reductions has had a day in court through intense study and review by the General Accounting Office; various authorizing committees of the Congress, the Appropriations Committees of the Congress, or outside reviews by ad hoc research and spending limitation committees and panels. They represent a consensus, if you will, of those activities that, during years of tight budget restraint, occupy a lower priority than oth-

er more essential Federal activities. Let us take a look at each of these areas and talk briefly about why I feel that a good case can be made for these sharp cutbacks in fiscal year 1982.

TRAVEL: —$750,000,000

According to the Office of Management and Budget (OMB), the Federal Government plans to spend $4,841,000,000 on travel in fiscal year 1982 (Carter budget), an increase of more than $800,000,000 over the current fiscal year 1981 estimate for travel for the executive branch, the Judiciary, and the Congress. This does not include the current administration's reduction in travel for fiscal 1981, the size of which is not yet determined.

It is also estimated that the Federal Government spends another approximately $4,000,000,000 for so-called nonpersonnel travel (moving supplies, materials, etc.) so my proposed reduction of $750,000,000 would constitute less than a 10-percent reduction in the total Government travel and transportation budget for fiscal 1982.

Abuses in travel have been well-documented and I will not go into the myriad of examples that have surfaced over the past few years. Senator SASSER of Tennessee has taken the lead in exposing waste and abuse in the Federal travel business and I am pleased to have the distinguished Senator as a cosponsor of this bill.

There is no question that some Federal travel is essential. For example, disabled veterans are entitled to receive transportation assistance in getting to and from VA hospitals to receive medical care. Law enforcement officials in the area of drug enforcement must be allowed to pursue, apprehend, and intercept drug traffickers who attempt to carry illegal narcotics into the country by land, sea, and air.

These are not the elements of the Federal travel budget that this legislation intends to address. However, much of the Federal travel budget is fraught with unnecessary, low-priority trips that should be curtailed and eliminated. For example, according to the draft report of the interagency travel management improvement project, more than 25 percent of Federal travel goes for conference attendance, speech presentations, training attendance, information meetings, and other nonessential activities that could be sharply reduced without affecting necessary military and nonmilitary travel requirements.

Reports from the General Accounting Office, congressional hearings, and other sources have indicated that as much as 15 percent of the trips taken during a given period of time did not meet OMB criteria for need, and that, in one survey taken by Senator SASSER, 53 percent of 241 trips were authorized by the person taking the trip.

Agency "retreats" to conferences in such glamorous jet-set cities as Las Vegas, Honolulu, and other resort cities are not uncommon. Federal agencies must be forced to approve only those trips that are essential to the mission of the agency—and the best way I know to force that type of discipline is to cut the Federal travel budget and cut it sharply. This legislation would do just that.

CONSULTANT SERVICES, CONSULTANT CONTRACTS, AND SPECIAL STUDIES: —$1,000,000,000

Another area of waste and abuse that has been well-documented is the area of consultant services, contracts, and studies. My bill would reduce the Federal consultant services budget request for fiscal 1982 by $1,000,000,000.

Perhaps the most shocking commentary on the issue of Federal expenditures for consultant services is that we really do not have a firm figure for what is actually spent. Imagine a large corporation, such as IBM or AT & T, not knowing how much they spent on outside experts or consultants. The stockholders would go through the roof. And the taxpayers must be going through the roof when they learn that the Federal Government may be spending as much as $2.4 billion a year on outside experts, consultant contracts, and special studies by consultants that often end up on the proverbial dusty shelf, unused, and worthless. That was the estimate that Senator Warren Magnuson, former chairman of the Senate Appropriations Committee, gave last year as he attempted to reduce consultant spending for fiscal year 1981.

The Office of Management and Budget, using a much narrower definition of what constitutes a consultant, has estimated that the Federal Government only spends $400,000,000 on such assistance. But Senator DAVID PRYOR, who has been the champion of the Senate in exposing waste and abuse in the Federal consulting business, held hearings in his Subcommittee on Civil Service and General Services that indicated over half of the Department of Energy's $11 billion budget alone was spent on outside consultants and contractors. The General Accounting Office, various congressional committees, and other outside groups have done their own evaluations of the Federal consultant "machine" and found a number of common abuses, such as failure to use competitive procurement practices in securing consultant services; excessive rates of compensation for consultants; outside consultants performing policymaking or other managerial functions that should be performed inhouse by Federal employees; and rampant duplication of studies which often are never used. There is no question that consultant services should be cut and cut substantially.

Again, my proposed reduction will force Federal agencies to reassess their need for outside experts, apply more stringent guidelines for going "outside" for assistance to supplement their inhouse work force, and use consultants only when such expertise is absolutely critical to the mission of the agency. The National Tax Limitation Committee, under the direction of Milton Friedman, noted economist, has suggested savings of $2 to $3 billion in consulting services annually. My "modest" reduction of $1 billion should not affect the critical consulting requirements of the Federal Government next year.

AUDIOVISUAL/FILMMAKING AND PRODUCTION: —$250,000,000

A little publicized fact that probably escapes the notice of the average American taxpayer is that the Federal Government, according to the National Audiovisual Center in GSA, spends approximately $450 million to $500 million a year on audiovisual activities, including over $53,000,000 on motion picture, T.V., and video tape and audio production activities. The Department of Defense alone spends well over $410,000,000 a year on audiovisual production, duplication, equipment and supplies. The National Audiovisual Center also reports in its fiscal 1979 report on audiovisual activities that the Federal Government owned or leased 1,519 audiovisual facilities, totaling 8.9 million square feet of space in fiscal 1979. The Department of Agriculture alone owned or leased 62 such facilities, the Veterans' Administration, 181 facilities, and the Department of Defense, 1,074 audiovisual facilities. In fiscal 1979, 11 departments and 23 agencies owned or leased their own facilities. Since 1978, the Office of Management and Budget has been attempting to force agencies to consolidate or even eliminate audiovisual facilities that may be underutilized or nonessential to the Government's missions. It does not appear that OMB's directives as outlined in Circular A–114 have had much effect to date. Therefore, I am proposing a reduction of $250,000,000 in the audiovisual, filmmaking, duplication, and equipment budget for fiscal year 1982.

Now, it is true that many of these Government-sponsored productions are used for training films for the military and other Federal agencies, and for useful public information on health, science, and history. But in a year when we need to make every dollar count and make economies wherever possible, these activities would seem to be a good candidate for sharp reductions.

Here are some of the films and productions that have been produced with the taxpayer's money over the past several years:

Tent Flaps and Flapjacks: Portrays the recreational opportunities in the national forests in the northcentral states.

Squirrel Cage Rotor Principles: Describes the laws of magnetism and induced electromotive force, explains how in squirrel-cage rotors electrons flow up magnetic poles.

Silver Fox Rodeo: Shows the Navy Attack squadron at work and play. Also shows enlisted personnel and officers flying over the Sierras, riding broncos and wild burros, and milking wild cows.

Signs of Profit: Depicts the dreams of a farmer and his wife; explains how these dreams for bettering farming are not so far off if the farmer has the incentive to work for them.

Blondes Prefer Gentlemen: Shows proper and improper etiquette on a dinner date.

Twenty-six audiocassettes on teaching Swahili.

Conducted Tours: Shows some of the things that commonly go wrong with conducted tours.

Faces of Freedom: A story about our hostages in Iran? No way. This film traces the history and purpose of the National Portrait Gallery since its founding.

The Autobiography of a Jeep: Gives a look at that most all American of vehicles, the

jeep. Celebrates our national love affair with the automobile, transferred here to a remarkable little machine which would become a symbol of America's presence throughout the world.

Arizona Strip: Presents a documentary of one of the last horse-driven roundups, details a cattle roundup from chuck wagon to branding, while cowboys express their views about the life of cattlemen.

Feelings—A Way to Better Letter Writing: Compares two kinds of letter writing—one simple, easy to read and to the point; the other wordy, pedantic and complicated; suggests how agencies should correspond with the public in a simple style to say what needs to be said.

I like the Overhead Projector Because: Designed to offer ideas to teachers on how to use the overhead projector.

Hidden Beauty: Shows that a profitable junkyard business need not be an eyesore to highway users.

These are just a few of the hundreds of films that have been produced at taxpayer's expense. Even if these films were important information tools, there is little indication that the number of target viewers or the effect of the message received justifies the cost. Surely, in a year of double-digit inflation, the Federal Government's filmmaking and audiovisual program can be reduced sharply without seriously affecting the military or civilian agency effort to inform the public or train their own people.

PUBLIC AFFAIRS, PUBLIC INFORMATION, AND ADVERTISING: —$150,000,000

Mr. President, Government is big business and, like big business, the Federal Government seems to be spending large amounts of its scarce resources on public relations, public affairs, public information programs and advertising, activities which appear to be largely self-promotional. Now I have no problem with the private sector using its capital for such activities—after all, businesses are in business to make money by selling their services, programs, and products to the public. But, frankly, I believe that the Federal Government is spending too much of the taxpayer's money on these promotional functions.

This legislation would reduce Federal spending for public affairs, public information, and advertising by $150,000,000 in fiscal year 1982, with $30,000,000 of this reduction applied to advertising costs.

According to UPI investigative reporter Don Lambro, whose 2-year study of Federal spending programs culminated in his book entitled "Fat City," OMB and the Office of Personnel Management have privately estimated the cost of Government public relations, self-promotion, and other public information activities of the Federal Government at over $1.5 billion a year. Now, this figure includes the $500 million I mentioned earlier that the Federal Government spends on audiovisual activities, but it also includes approximately $400,000,000 for public relations, public affairs, and the personnel that run these so-called "PR" programs for the Government agencies, and as much as $200,000,000 for advertising. Again, as with consultants, neither the OMB nor any other Federal entity has a solid estimate of exactly what the Federal Government spends on these activities, but the best information we have shows that Uncle Sam is running a close second to many major corporations in the amounts it spends on public affairs and advertising annually.

For example, according to the White House Reorganization Project of 1978, more than 1,000 people from 29 different agencies are assigned to congressional relations at a cost of approximately $24,000,000. Many of these civil servants serve a most useful purpose in providing information to Senators and Congressmen and their constituents. However, it appears that more and more these bureaucrats are largely responsible for "selling" their respective agency programs to the Hill and—for lack of a better term—"lobbying" Members of Congress, especially around Appropriations Committee markup time. Half the staff in committee markups are agency representatives, hovering over their "allies" and scowling at Members who may be inclined to vote the "wrong way" on certain key issues affecting their agency, slipping notes to staff, and running to the phones for reinforcements from agency officials.

Other agency personnel work within the agency to promote agency programs and inundate the public with information, charts, pictures, and press releases on their respective programs. Mr. Lambro's research revealed that in the Department of Agriculture alone, nearly 1,000 people are employed as information-media workers to handle public information and public relation duties, while the Department of Defense has a press and public affairs staff of more than 316 people in the Pentagon with another 1,200 scattered around the country to handle DOD's public relations and press activities. Those two agencies alone have a combined public relations and public information budget of more than $50 million. Add to this the 459 public affairs staff at the Department of Health and Human Services and their budget of $25.4 million a year and you can see that public affairs is big business in the Federal Government.

Finally, according to advertising industry sources, the Federal Government spends in excess of $128 million a year on advertising. Mr. Lambro's research revealed that the figure is probably closer to $200 million, after his discussions with GAO and other Federal officials. Of this amount, probably half is for military recruiting advertisement costs, which are admittedly essential to the country and will not be affected by my legislation. The balance should be cut and cut substantially. My proposed reduction of $150,000,000 in public affairs and advertising activities assumes a reduction in advertising of $30,000,000 with the balance applied to the public relations, public affairs, and public information function. Surely, a reduction of this size can easily be absorbed by Uncle Sam in fiscal year 1982 without any noticeable diminution of the Government's ability to properly inform the public about Federal programs and provide adequate information to Congressional offices.

SAVINGS RESULTING FROM MORE AGGRESSIVE DEBT COLLECTION: MINUS $1,750,000,000

Finally, Mr. President, this legislation would direct the Director of OMB to achieve savings totaling $1,750,000,000 through more aggressive, persistent collection of debts owed to the Government, which have been previously written off as "uncollectable."

Going back to 1977, the General Accounting Office has issued no fewer than 30 reports covering, at least in part, the issue of debt collection and steps the Federal Government should be taking to go after bad debts occurring in student loan programs, VA loan programs, and other Federal activities where borrowers have backed out of their obligations to repay Uncle Sam. Three or four reports have been done exclusively on the governmentwide debt collection problem. And what have been the results?

Well, according to the GAO, of the current $125.7 billion in governmentwide receivables due, an estimated $6.3 billion will be uncollectable—enough to fund the space program for an entire fiscal year. Of the $6.3 billion, an estimated $3.9 billion constitutes uncollectable student loans, benefit overpayments, and other similar obligations due the Government, with the balance consisting of delinquent income taxes that the Internal Revenue Service has deemed "uncollectable." In other words the Government has shrugged its shoulders, thrown up its hands, and essentially said that we cannot get back $6.3 billion that is due. We all know what happens in the private sector to you and me if we do not pay our bills or repay our loans. Our credit is affected and in many cases we end up in court. Congress has begun to attack the root cause of Government bad debts and proposed statutory changes to make debt collection more effective governmentwide, thanks to efforts by my distinguished colleagues, Senators SASSER, PROXMIRE, PRYOR, and PERCY, and others who have tackled this problem in their respective committees.

But we have a long way to go and I believe that the fastest way to force Federal agencies to vigorously pursue both overdue accounts and most importantly so-called uncollectable bad debts, is to force savings of the magnitude I am recommending in this bill. A savings of $1,750,000,000 in fiscal year 1982 would tell the beleaguered American taxpayers that, finally, the Federal Government is trying to get some of their investment back.

CONCLUSION

Mr. President, I am aware that some of these proposed savings are not new ideas, not new proposals for where waste, abuse, and mismanagement can be reduced or eliminated. A number of my distinguished colleagues, both on the Appropriations Committee and other committees, have reviewed these areas and uncovered abuses that exist. What this legislation intends to do is translate all of the GAO reports, all of the testimony, all of the committee hearings, all of the investigations, and all of the rhetoric about cutting these budgets into action. And I do not intend to stop here. I intend to pursue these proposed savings through the appropriate authorizing committees

that will have jurisdiction over this bill. I intend to request an opportunity to testify before the Senate Budget Committee to urge that committee to incorporate the economies proposed in this bill into the targets and assumptions established in the first concurrent budget resolution for fiscal year 1982. And, finally, as the ranking minority member on the Treasury, Postal Service, and General Government Subcommittee of the Senate Appropriations Committee, I intend to offer this package of governmentwide savings as a general provision to the Treasury, Postal Service, and general Government appropriation bill for fiscal year 1982.

Mr. President, I urge my colleagues to help start the process of reducing these nonessential general Government expenditures by supporting this bill and subsequent efforts I intend to make down the road to make these savings a reality in the next fiscal year.

● Mr. SASSER. Mr. President, I am pleased to join my colleagues in introducing this legislation which will reduce the Federal deficit by almost $4 billion in fiscal year 1982.

This is a tough bill. It mandates substantial real cuts in several areas of Government spending. By reducing travel costs and consultant contracts, the Congress is signaling the heads of departments and agencies that we are serious about the need to reduce wasteful Government expenditures. By mandating improvements in debt collection activities, we are indicating that it is our feeling that the executive branch must do a better job of collecting its debts. In addition, this legislation mandates a reduction in Government public relations costs.

Mr. President, this legislative initiative is similar to cuts and reductions which have been advocated in previous years by Senators PRYOR, BAUCUS, and myself. These reductions are substantial. They represent a large percentage of total Government travel, consultant contracts, and public relations activities. These reductions will not be easy to accomplish—but these savings can be achieved. In the area of debt collection the Office of Management and Budget has testified that up to $16 billion can be collected through improved debt collection practices.

Mr. President, I would like to call attention to a bill which is currently pending in the Committee on Governmental Affairs, S. 61. This bill essentially embodies the provisions of the so-called Sasser-Pryor resolution which we introduced last year. This bill would encourage savings of up to $2 billion for the current fiscal year. A major section of the Sasser-Pryor resolution provides the statutory tools necessary to enable the executive branch to do a better job of collecting its debts. These provisions were approved by the Senate last December, and I am hopeful we can secure approval of S. 61 during this session of Congress.

Mr. President, S. 61 and the legislation we introduce today will save the taxpayer $6 billion. These bills are designed to reduce waste and improve Government efficiency. I believe these are essential steps which must be taken as we move toward a balanced budget.●

● Mr. PRYOR. Mr. President, I am pleased to join the Senator from Arizona (Mr. DECONCINI) in sponsoring this legislation. I believe we need to cut the Federal budget and we need to begin that process at places where services to the American people will not suffer. The items contained in this bill—travel, consultants, audiovisuals, and public relations—are such activities. Likewise, commonsense, as well as sound management concepts, can only lead to one conclusion about just debts to the Federal Government—that we need to make sure every dollar is collected.

I have previously joined the Senator from Tennessee (Mr. SASSER) in efforts to cut Federal travel and cited my experience with a group of 14 Federal employees who flew to Washington from Arkansas to visit me and others in the Arkansas delegation. The trip cost the Federal Government about $300 per plane ticket plus hotel, meals, and the time the employees were away from their work. A $5 phone call would have accomplished as much.

Mr. President, we must curtail this type of Federal travel, and this is the time to start. We must change this mind set we have fallen into in which people think these travel dollars "belong to someone else." It must end.

I have spoken many times about the Federal Government's use of consultant services. Such services cost billions of dollars a year and the taxpayers get very little in return for their money. Hearings and investigations by the subcommittee I chaired in the 96th Congress showed that such activities are often characterized by waste, duplication, and excessive cost.

Last year, I worked with the distinguished former chairman of the Appropriations Committee, Senator Magnuson, the distinguished Senator from Tennessee (Mr. SASSER), and others on budget cuts for consultant services. I believe that such reductions will increase Government accountability by making agency personnel more directly responsible for policy and programs. By imposing budget cuts in this way, we may force Federal officials to focus on the need and justification for many of these consultant projects, and in fact, will force managers in Government to manage the Government from inside.

Debt collection is a business matter and the Federal Government owes the taxpayers the duty to proceed in a business-like manner. Taxpayers are the ultimate losers when debts go unpaid and we should not allow the Federal Government to be asking for tax dollars unless we are also diligently pursuing dollars already owed to the Government.

Finally, in a period of budget cutting for all Americans, I believe the Federal Government should reduce its spending for audiovisual and public relations activities. Such spending must be brought in line with the reality of the 1980's and we in Congress must be prepared to act accordingly.

In closing, I urge the support of Senators for this economy measure. These cuts will have a significant impact, without jeopardizing even one vital program or one service that today we are rendering to our constituents. We should move forward without delay to achieve these savings.●

By Mr. GLENN:

S. 422. A bill to provide for the extension of the period for repayment of revenue bonds issued by the St. Lawrence Seaway Development Corporation to the Secretary of the Treasury from 50 years to 80 years, and for other purposes; to the Committee on Foreign Relations.

ST. LAWRENCE SEAWAY

● Mr. GLENN. Mr. President, today I am introducing legislation that would extend the repayment period for the remaining bonded indebtedness of the St. Lawrence Seaway Development Corporation and provide for that debt's retirement through equal annual installments over the extended period ending in the year 2043.

The purpose of this bill is to moderate and stabilize somewhat the schedule of tolls that is sure to be increased as the result of joint United States-Canadian negotiations, due to start in the near future.

When my office was preparing this bill for introduction, the problem appeared to be extremely urgent. Former Treasury Secretary G. William Miller, however, relieved the short-term problem facing the Seaway Development Corporation early in January, when he approved a revised repayment schedule that will save the corporation $15 million in outlays over the next 5 years. Unfortunately, this short-term solution only exacerbates the longer-term problem because, unless Congress intervenes, it would result in the ballooning of payments from $2 million in 1981 to $9.5 million-per-year in 1986.

In my view, Congress should intervene—and we should do it in time to let the U.S. negotiators know that the Corporation will not face these enormous repayment requirements at the end of the 5-year period. That assurance will prove important, not only to the U.S. negotiators, but also to the many shippers, farmers, manufacturers, workers and others throughout the American interior who rely upon the access to international trade provided by the St. Lawrence Seaway.

Had it not been for the action taken by former Secretary Miller, the St. Lawrence Seaway Corporation would have entered this year's negotiations knowing that its debt repayment requirement would be $5 million, rather than $2 million annually. Clearly, tolls would have been raised to meet that requirement. While the sum may not seem large in the context of the overall budget of the United States, the impact on U.S. firms and workers would have been significant when it is recognized that the total revenue from tolls for 1980 is expected to

amount to about $10 million. In the absence of legislation, this problem will recur again and again.

To show how Seaway tolls can affect trade, Mr. President, let me cite an example arising out of the last round of toll negotiations. In 1977, a vessel moving out of the Great Lakes, carrying 16,236 net tons of rolled sheet steel for export, was required to pay a $14,612.40 toll charge on the cargo. As a result of the 3-year incremental toll increase negotiated between the United States and Canada in 1978 tolls on that same cargo increased to $31,667.35 in 1980. That is an increase of 117 percent.

Obviously, such an increase has heavy impact on the continued economic viability of Seaway useage by cargo carriers. Anything we can do to discourage such steep increases in the future will be worthwhile. Clearly, tolls will rise again, whether or not the bill I introduce today is enacted. If it is enacted, however, not only will the debt retirement figure be firmly established at about $2 million annually over the next 5 years, but the U.S. negotiators will know that the repayment schedule for the Corporation's existing debt will not rise above that figure in the "out" years.

In short, our negotiators will not face the problem of having to ignore the long-term impact of the amortization scheme in order to meet only short-term goals. I believe that my bill, by providing for a 30-year extension of the repayment period, by statutorily restructuring the remaining debt of about $108 million to insure equal annual installments, and by permitting future toll negotiations to reflect the change in the payback requirements, would fulfill an important U.S. interest.

Mr. President, this bill is but one small step toward the improvement of shipping between the heart of America and the rest of the world. Its budgetary impact over the short term is negligible, and over the long run it is not much greater. But the bill can make a difference, especially to those 11 States which—like Ohio—are wholly or partly included in the Great Lakes Economic Region. By passing this bill, Congress can send a clear message to farmers, port officials, vessel owners and operators, maritime labor, and shippers. We will be telling them that the importance of the Seaway is recognized—and that the Congress of the United States retains an abiding interest in insuring that the north coast of the United States remains open to seagoing traffic. Surely, that is a message worth sending—and a goal worth achieving.●

By Mr. DOMENICI:

S. 423. A bill to improve the operations of certain water resource projects submitted to the Committees on Public Works of the Congress; to the Committee on Environment and Public Works.

OPERATION OF CERTAIN WATER IMPROVEMENT PROJECTS

● Mr. DOMENICI. Mr. President, I am today reintroducing legislation that seeks to preserve the agricultural character of the small watershed program which is within the responsibility of the Department of Agriculture's Soil Conservation Service. This legislation would affect only those small watershed projects submitted for review and possible authorization to the Committee on Environment and Public Works.

This bill is similar to legislation I introduced in 1978, and again in the 96th Congress. This legislation has won full Senate approval, but has never become law due to the failure of Congress to complete action on a comprehensive water resources development bill.

Section 1 of the bill requires that the full Senate pass on those SCS projects that would cost $10,000,000 or more, rather than leaving that responsibility to the discretion of the Committee on Public Works of the two Houses.

Section 2 of the bill requires that at least 20 percent of the benefits of a SCS project relate directly to agriculture. Too often, I believe, the SCS program has moved into urban areas, rather than focusing attention on the many water resources problems still facing rural America. The requirement for a 20-percent agricultural benefit is a fair and equitable one, I believe.

Section 3 of the bill adds a requirement for a report to the Congress on the ways to assure public recreational opportunities at SCS projects.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of the definition of "works of improvement", contained in section 2 of Public Law 83-566, as amended, is further amended by adding after "$250,000" the following: "but not more than $10,000,000, for any projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives: *Provided,* That any project anticipated to cost more than $10,000,000 must be authorized by an Act of Congress.".

SEC. 2. Section 2 of Public Law 83-566, as amended, is further amended by deleting the period and inserting a colon at the conclusion of the proviso, and adding the following: *"And provided further,* That each such subject must contain benefits directly related to agriculture that account for at least 20 per centum of the total benefits of the project.".

SEC. 3. The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service, shall study and report to the appropriate committees of the Senate and the House of Representatives by April 1, 1982, on the feasibility, the desirability, and the public interest involved in requiring that full public access be provided to all water impoundments that have recreation-related potential and that were authorized by Public Law 83-566, as amended.●

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 425. A bill to amend the Mortgage Subsidy Bond Tax Act of 1980 to exempt from the coverage of such act certain general obligation mortgage bond issues of the State of Oregon; to the Committee on Finance.

AMENDMENT OF MORTGAGE SUBSIDY BOND ACT

● Mr. PACKWOOD. Mr. President, today I am introducing a bill to provide relief for nearly 5,000 veterans in Oregon.

Congress passed the Mortgage Subsidy Bond Tax Act as an amendment to the Omnibus Reconciliation Act of 1980. The intention was to restrict the issuance of mortgage subsidy bonds by local governments, and I supported that intention. In many instances, these bonds were providing funds for housing for families of all income levels, not just those who could not otherwise afford decent housing. The drain on the Treasury and the effects on inflation were too great to continue these programs without some restrictions.

The reasoning, Mr. President, was just as sound when Congress decided that qualified general obligation veterans' mortgage bonds should be exempted from those restrictions. Veterans have served our country well, and the State of Oregon has always felt a deep sense of responsibility to its veterans.

Unfortunately, in the rush to pass the bill as an amendment to the Omnibus Reconciliation Act of 1980, Congress intent to exempt veterans was not fully met. As a result, today several thousand veterans in Oregon face serious, and in many cases catastrophic, financial harm.

This bill will provide relief for those veterans. It will exempt the first two—and only the first two—general obligation veterans' mortgage bond issues of 1981 from the provisions of the Mortgage Subsidy Bond Tax Act.

Let me explain why we need this exemption. Applications for loans covered by Oregon veterans' mortgage bonds are received, and qualifying applications are formally committed to, in advance of any bond issue. The bond issue occurs only when the amount of loan money necessary to fund qualifying applications reaches $200 million.

In this particular case, because Oregon's bond ceiling had been reached for 1980, applications received between August 22 and December 5, 1980 were to be funded by a bond issue in January 1981. The effective date of the Mortgage Subsidy Bond Tax Act was January 1, 1981. At the time these veterans applied and the applications were received by the Oregon State Department of Veterans' Affairs, there was no indication that future veterans' mortgage bonds would be subject to the restrictions of the Mortgage Subsidy Bond Tax Act. In fact, they were repeatedly assured these bonds would be exempt. Because of those assurances, formal loan commitments were issued to those veterans who had qualified under the State veterans' program.

The same is true for applications received between December 8, 1980 and December 31, 1980. Both groups of applicants had applied and their applications had been accepted with the understanding that they were exempt from the restricting provisions of the Mortgage Subsidy Bond Act.

Mr. President, I ask unanimous con-

sent to insert at this point in the RECORD a summary prepared by the Department of Veterans' Affairs describing the effects of the Mortgage Subsidy Bond Tax Act on the Oregon veterans' mortgage bond program; a copy of the Oregon Department of Justice opinion responding to questions raised by the Oregon Department of Veterans' Affairs; and a summary describing the serious situation created in Oregon as the result of this act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF VETERANS' AFFAIRS

THE MORTGAGE SUBSIDY BOND TAX ACT OF 1980

In the Summer of 1979, Representative Al Ullman, Chairman of the Ways and Means Committee, introduced the Mortgage Subsidy Bond Tax Act in response to pressure from the Treasury Department. The primary purpose of the Act was to require tax-exempt bonds to be registered and secondarily, to stop major cities from issuing general obligation bonds to provide funds for single family dwellings for people of all income levels. The Act was hurriedly introduced in a pressure situation, and appeared to abolish all tax exempt financing for housing.

The Director of Veterans' Affairs immediately contacted Representative Al Ullman and his staff and was assured that there would be an exemption for veterans' home loan financing although its exact nature was uncertain. It was through Representative Ullman's efforts that the exemption on veterans' bonds was included in the bill. The original draft and conversations with the Administrative Counsel for Ways and Means and the Senate Finance Committee indicated that the Act would not affect Veterans' Home Loan programs. Prior to each bond sale, the Department Bond Counsel, Mr. Howard Rankin, checked with the Representatives in Washington and Representative Ullman's Office to insure that there had been no change. Mr. Rankin and the Department were continually assured that veterans' bonds were not affected and that the Department could proceed with the bond sales on those terms.

In September, 1980, the Act became an amendment to the Omnibus Reconciliation Act. This was a major bill that was designed to raise revenue and cut spending.

Bond Counsel and the Department continued to keep in close contact with Representative Al Ullman's office but in the closing days of Congress, it was impossible to get sound readings on the Act as the House and Senate versions were substantially different. In order to resolve the differences the House and Senate versions were referred to a Conference Committee on November 26, 1980.

Although verbally assured that the veterans' exemptions were still in the Act, the Oregon Congressional Delegation, the Department of Veterans' Affairs and Bond Counsel, were unaware that the Conference Committee had selected the House version which contained certain restrictions on the veterans' exemptions.

The Conference Committee version was subsequently referred out on December 1, 1980, and quickly approved by the House and Senate on December 3, 1980. It was signed into law by the President on December 5, 1980.

How does the Mortgage Subsidy Bond Tax Act of 1980 affect the Department of Veterans' Affairs?

It should first, be clarified, that the Act has no effect on bond sales completed prior to January 1, 1981.

On bond sales after January 1, 1981, the Department has an obligation to proceed cautiously, to insure that the proceeds from the bond sales are disbursed in accordance with clear provisions as set down in the Mortgage Subsidy Bond Tax Act of 1980.

The penalty for non conformance is the loss of the tax exempt status of the bonds used to finance the program. To elaborate on this point, the interest earned on the tax-exempt Veterans' bonds is exempt from both Federal income tax as well as Oregon personal tax. Since the bonds are primarily purchased by large Eastern investors, their interest is in the exemption benefit from federal income tax. For investors in the 90 percent tax bracket, the interest earned on a 9 percent tax-exempt bond on today's market is equivalent to a 17¾ percent return on a non-exempted investment.

If the Department was found in violation of the terms of the Act, the interest earned by the purchasers of our bonds immediately becomes taxable. Since the Department issues a final bond opinion before each bond sale that the interest earned is exempt, the Department could owe the purchasers the difference between the 9 percent and the 17¾ percent. The Department would have to refinance the bonds at 17¾ percent and subsequently be forced to lend it to veterans at upwards to 18¾ percent.

In order to avoid being in violation of the Act, the Department is working closely with Bond Counsel, Mr. Howard Rankin and the State Attorney General's Office. Both Mr. Rankin and the Attorney General's Office are of the opinion that if the Department proceeds in a prudent manner with the advice of Counsel we will not be in violation of the Act and veterans' bonds will not lose their tax-exempt status.

In collaboration with Bond Counsel and the Attorney General's Office, we have made the following "good faith" interpretations:

The Act stipulates that "Substantially all of the proceeds from the bonds must be used to provide residences for veterans." The word "substantially" is determined to mean the same as when it is used in Section 103(B) of the code which relates to financing of industrial development bond facilities. In that section it states that "substantially all" of the bond proceeds must be used as prescribed, whereas the remaining 10 percent, the so-called "dirty money" is not subject to this same restriction. Because of its proximity in the IRS code, Bond Counsel advised this 90 percent-10 percent relationship for the word "substantially" as it related it to veterans' bonds is acceptable.

The Act defines "residence" so the Oregon Veteran Program may be subject to that definition, i.e., "Meets requirements only if it is a single-family residence which can reasonably be expected to become the principal residence . . ."

The Act does not define what is a "veteran". The Oregon Constitution defines "Veteran" and Bond Counsel believes this definition is probably acceptable. What is not clear is whether we can make a loan to a surviving widow.

What kinds of loans appear to qualify under the 90 percent category?

(A) Purchase of a single family residence which includes mobile homes and purchasing the equity of an ex-spouse. Nothing is said in the Act about farms. Bond Counsel, however, believes that if a farm loan contains the principal residence of the veteran mortgagor, that farm loans of $50,000 to $78,000 may be made until such time as the Treasurer more strictly restricts the definition. Non contiguous farm loans in areas such as Pendleton, where the veteran lives in the city and has a farm in the country would not qualify for financing except from the remaining 10 percent "dirty money".

(B) Construction of a single-family residence to include set-up and on-site improvements for a mobile home.

(C) Improvement Advances of all types on existing loans.

(D) Construction period loans.

(E) Refinance of bridge loans or temporary initial financing to acquire a single-family residence.

What kinds of loans do not appear to qualify under the 90 percent category?

(A) Refinance loans—any existing obligation that does not meet the definition of a bridge loan or construction period loan. This will include most trust deeds, mortgages, contracts, notes, etc.

(B) Farm loans on non-contiguous farm land

(C) Loans to a surviving spouse

Types of loans on which a ruling will have to be made include:

(A) Rehabilitation loans

(B) Assumptions and Transfers of existing Department loans by non-qualifying veterans.

(C) Multifamily units—specifically duplexes

The Mortgage Subsidy Bond Tax Act of 1980 requires all tax exempt bonds issued after December 31, 1981, to be in registered form.

The Veterans bonds on the other hand, are in coupon form. This new requirement to register the bonds may require that greater fees be paid to the paying agent in order to maintain a registered list of owners. The bonds themselves will have to be endorsed as opposed to the open free negotiations of the market. This change in procedure, however, is a technicality and not a significant problem.

Our Congressional Delegation in Washington plans to introduce changes to the Act which, if approved, would authorize us to process all applications received before December 31, 1980. Our delegation also is drafting a second proposal that would totally exempt our program from this Act. That particular legislation, however, will take some time.

There are six states with similar veterans' programs but the Oregon program is by far the largest and has the greatest concern. The Department will continue to carefully monitor the changes brought about by this new legislation. Hopefully, within 90 days the new guidelines will be drafted by the Treasury Department.

DEPARTMENT OF JUSTICE,
Salem, Oreg., January 22, 1981.

This opinion is issued in response to questions submitted by Robert B. Ball, Deputy Director, Department of Veterans' Affairs.

FIRST QUESTION PRESENTED

What qualifications are imposed on bonds issued by the Department of Veterans' Affairs by the Mortgage Subsidy Bond Tax Act of 1980 (PL 96-499, sec 1101 *et seq.*) to preserve the tax-exempt status of the interest paid on those bonds?

ANSWER GIVEN

In order to preserve the tax-exempt status of bond interest, Department of Veterans' Affairs bonds issued after December 31, 1980, must comply with the following requirements:

1. Substantially all of the proceeds of the bond issue must be used to provide residences for veterans;

2. The payment of the principal and interest on the bonds must be secured by the general obligation of the State of Oregon; and

3. With certain exceptions, the bond issue proceeds cannot be used to acquire or replace existing mortgages.

4. After December 31, 1981, bonds issued must also be in registered form.

SECOND QUESTION PRESENTED

The Act provides that the proceeds of a bond issue cannot be used to acquire or replace an existing mortgage. "Mortgage" is defined in the bill to include any other owner-financing. In light of these provisions, can the Department of Veterans' Affairs continue to refinance land sale contracts with bond proceeds?

ANSWER GIVEN

No. However, regulations to be issued by the Internal Revenue Service may permit bond proceeds to be used for refinancing purposes under certain conditions.

THIRD QUESTION PRESENTED

An exception to the prohibition on replacement of existing mortgages is made in the case of bridge loans or other temporary financing. What is a bridge loan? Does the term "temporary financing" include circumstances in which the Department of Veterans' Affairs has given a commitment letter, before funds are actually available, and a bank provides temporary financing until the Department of Veterans' Affairs funds are available?

ANSWER GIVEN

A bridge loan is short-term financing between the termination of one loan and the commencement of another. Temporary financing given on the security of a commitment letter from the Department of Veterans' Affairs should qualify as an exception to the prohibition on replacement of existing mortgages under future Internal Revenue Service regulations.

FOURTH QUESTION PRESENTED

Can the Department of Veterans' Affairs continue to make home improvement loans from tax-exempt bond proceeds under the provisions of the Act?

ANSWER GIVEN

Yes. However, until regulations clarifying the application of the Act are issued, home improvement loans made for purposes other than to protect or improve the basic livability or energy efficiency of the property cumulatively with all other loans discussed below which are not clearly qualified under the Act as residential mortgages for veterans) should not exceed 10 percent of the proceeds of any given bond issue, or should be made out of the proceeds of bonds issued not later than December 31, 1980.

FIFTH QUESTION PRESENTED

May the Department of Veterans' Affairs continue to make loans from tax-exempt bond proceeds for the purchase of (a) mobile homes, (b) multi-family housing or (c) farms?

ANSWER GIVEN

(a) Yes.

(b) Yes, under certain conditions. Two, three and four-family residences, first occupied at least five years before the mortgage is executed and at least one unit of which is owner-occupied, are eligible under the Act; other multi-family housing is not. Until regulations clarifying the scope of the Act are issued, the department should limit the amount of non-qualifying multi-family housing loans to less than 10 percent (cumulatively with other loans similarly discussed) of the proceeds of a bond issue, except for loans made out of proceeds of bonds issued not later than December 31, 1980.

(c) Yes, under certain conditions. Until regulations clarifying the eligibility of farm loans under the Act are issued, loans for farm properties having a substantial amount of non-residential acreage should be made in such a manner that the loan funds secured by the non-residential acreage have an identifiable source that does not exceed 10 percent (cumulatively with other loans similarly discussed) of the proceeds of a post-1980 bond issue, or that is from the proceeds of a bond issued not later than December 31, 1980.

SIXTH QUESTION PRESENTED

Can the Department of Veterans' Affairs continue to make loans to surviving spouses of members of the armed forces who died or were missing in action or prisoners of war while on active duty, from tax-exempt bond proceeds under the provisions of the Act?

ANSWER GIVEN

Yes, under certain conditions. Until regulations clarifying the scope of the Act are issued, the department should limit the amount of such loans to surviving spouses to less than 10 percent (cumulatively with other loans similarly discussed) of the proceeds of a bond issue, except for loans made out of proceeds of bonds issued not later than December 31, 1980.

SEVENTH QUESTION PRESENTED

After what date must bonds issued by the Department of Veterans' Affairs comply with the requirements of the Act?

ANSWER GIVEN

Any bonds issued by the Department of Veterans' Affairs after December 31, 1980, must comply with the requirements of the Act. The requirement that bonds must be issued in registered form first applies to bonds issued after December 31, 1981.

EIGHTH QUESTION PRESENTED

May the Department of Veterans' Affairs issue tax-exempt advance refunding bonds after December 31, 1980?

ANSWER GIVEN

No, except that refunding bonds may be issued to refund bonds outstanding on April 24, 1979. The maturity date of refunding bonds can be no more than two years after the maturity date of the mortgages funded by the original issue.

NINTH QUESTION PRESENTED

Do the provisions of the Act affect the rate of interest the Department of Veterans' Affairs may charge on loans for mobile homes?

ANSWER GIVEN

No. The new arbitrage requirements of the Act do not apply to veterans' bonds. However, existing arbitrage restrictions contained in the Internal Revenue Code of 1954 and the Income Tax Regulations may affect the interest rates charged by the Department on mortgages.

TENTH QUESTION PRESENTED

Do the provisions of the Act prohibit the Department of Veterans' Affairs from depositing all or any part of the proceeds of the bonds sold after December 31, 1980 into a bond debt reserve fund?

ANSWER GIVEN

No. The provisions of the Act do not specifically address the creation of or contribution to a bond debt reserve fund. Deposit of more than 10 percent (cumulatively with loans not clearly qualifying) of the proceeds of any bond issue into such a fund should be deferred until regulations have been issued clarifying the applicabilty of the Act to a reserve fund.

ELEVENTH QUESTION PRESENTED

May loans not qualified under the Act be made out of interest and principal repayments on loans, and that part of the bond debt reserve fund, derived from proceeds of bonds issued not later than December 31, 1980?

ANSWER GIVEN

Yes, to the extent that such funds are not required for bond interest and principal repayment, and within the limits of existing arbitrage regulations.

DISCUSSION

On December 5, 1980, the Mortgage Subsidy Bond Tax Act of 1980 (PL 96-499, sec. 1101 *et seq.*) was signed into law. The scope of this opinion is limited to the effect of that Act on housing bonds issued by the Oregon Department of Veterans' Affairs.

Due to the fact that interpretive regulations will necessarily be adopted by the Treasury Department, we are unable to predict with certainty the effect of the provisions of this Act on the Oregon veterans' loan program. We hope that those regulations will not jeopardize the tax-exempt status of bonds issued by the Department of Veterans' Affairs for the proceeds of which loan commitment letters have already been issued. However, until regulations have been proposed and adopted to clarify areas identified in this opinion as questionable, we urge the Department of Veterans' Affairs to examine carefully loans that fall into those questionable categories, and make every attempt to provide funds for those loans from the 10 percent of post-1980 bond proceeds considered available for unrestricted loans, and from the proceeds of bonds issued not later than December 31, 1980.

The Mortgage Subsidy Bond Act of 1980 (PL 96-499, sec 1101 *et seq.*, 94 Stat—(1980)) adds a new section 103A to the Internal Revenue Code of 1954.[1] This new section provides that the interest received on a mortgage subsidy bond is not exempt from federal income taxation. A mortgage subsidy bond is any bond, of which a significant portion of the proceeds are to be used directly or indirectly for mortgages on owner-occupied residences. IRC sec. 103A(b)(1).

Two exceptions to the rule of taxability of interest on mortgage subsidy bonds are provided in IRC sec. 103A. These exceptions are for qualified mortgage bonds and qualified veterans' mortgage bonds. The requirements imposed upon veterans' mortgage bonds directly affect bonds issued by the Oregon Department of Veterans' Affairs.

IRC sec. 103A(c)(3) defines a qualified veterans' mortgage bond:

"(3) Qualified veterans' mortgage fund defined.—For purposes of this section, the term 'qualified veterans' mortgage bond' means any obligation—

"(A) which is issued in registered form as part of an issue substantially all of the proceeds of which are to be used to provide residences for veterans,

"(B) the payment of the principal and interest on which is secured by the general obligation of a State, and

"(C) which is part of an issue which meets the requirements of subsection (j)(2)."

Subsection (j)(2) provides that no part of the proceeds of a bond issue may be used to acquire or replace existing mortgages. IRC sec. 103A(j)(2).

The requirement that a qualified veterans' mortgage bond be registered first applies to bonds issued after December 31, 1981. PL 96-499, sec. 1104(i). This requirement and the requirement that a veteran's mortgage bond be a general obligation of the state present no difficulties for compliance, as the Oregon Department of Veterans' Affairs currently issues general obligation bonds for its farm and home loan mortgage program, and we assume that one year will be a sufficient period of time for the department to change its procedure for issuing bonds from coupon form to registered form.

The requirements of IRC sec. 103A that will have the most significant impact on the veterans' bond program are the requirement

[1] Section 1102 of PL 96-499 amended Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954, by adding a new section 103A. For clarity, this new section will be referred to in this opinion as IRC sec 103A rather than as sec 1102, PL 96-499.

that substantially all of the proceeds of a bond issue must be used to provide residences for veterans, and the general prohibition on use of bond proceeds to refinance existing mortgages.

"Substantially all" requirement

IRC sec 103A(c)(3)(A) requires that "substantially all" of the proceeds of qualified veterans' mortgage bonds be used to provide residences for veterans. No definition of this standard is given in the Act.[2] Current regulations affecting the tax-exempt status of other types of governmental obligations established a test for determining whether "substantially all" of the proceeds of a bond are used for the exempt purpose. Generally these regulations state that substantially all of the proceeds of an issue of governmental obligations are used for the exempt purpose, if 90 percent or more of the proceeds are used for the exempt purpose. *See* Income Tax Reg, 26 CFR, Part 1, secs 1.103–8(a)(1)(i) (industrial development bonds); 1.103–9(a)(1) (industrial parks); 1.103–10(b)(1)(ii) (exempt small issues); and 1.103–13(e)(1)(i) (exempt arbitrage bonds). If the Internal Revenue Service interprets the language "substantially all" in the same manner as it has in the past, the Department of Veterans' Affairs bonds should meet the "substantially all" test if 90 percent of the proceeds of the bonds are used for residential mortgages for veterans. As discussed below, if this standard is interpreted in this manner, approximately 10 percent of the proceeds of any given bond issue may be available for nonqualifying loans or purposes.

In the discussion below, every reference to a 10 percent limit of proceeds for certain types of loans must be taken to mean 10 percent cumulatively with all other non-qualifying loans or purposes similarly discussed.

Refinancing

IRC sec 103A(j)(2) requires that no part of the proceeds of a qualifying bond issue be used to acquire or replace existing mortgages. Three exceptions to this rule will be allowed, under regulations to be prescribed by the Secretary of the Treasury. These exceptions are the replacement of construction period loans, bridge loans or other temporary initial financing, and, in the case of a qualified rehabilitation loan, an existing mortgage.

The term "mortgage" is defined in IRC sec 103A(1). A "mortgage" includes any form of owner-financing. On its face, this appears to extend to traditional mortgages, trust deeds, land sale contracts and any other method by which a buyer would finance a real estate purchase. Therefore, with only three exceptions, no portion of the proceeds of a veterans' mortgage bond issued after December 31, 1980 may be used to refinance an existing mortgage, land sale contract or trust deed.

Of the three exceptions, the term "construction period loan" appears to be self-explanatory. A "qualified rehabilitation loan" means any form of owner-financing provided in connection with a qualified rehabilitation. IRC sec 103A(1)(7). Rehabilitation of a building is qualified within the meaning of IRC sec 103A(1)(7) if there is a period of at least 20 years between the date on which the building was first used and the date on which the physical work of rehabilitation began, if 75 percent or more of the existing external walls of the building are retained in place as external walls in the rehabilitation process, and if the expenditures for the rehabilitation are 25 percent or more of the mortgagor's adjusted basis in the residence after completion of the rehabilitation.

The only definition we have been able to find of a "bridge loan" or "bridge financing" is;

"[s]hort-term financing between the termination of one loan and the commencement of another, or between the acquisition of a property and its improvement or rehabilitation to make it eligible for a permanent mortgage, or between the maturity of a construction loan and the negotiation of permanent financing." Arnold & Kusnet, *The Arnold Encyclopedia of Real Estate*, p. 93 (1978).

A bridge loan, therefore, is temporary financing which anticipates the arrangement of permanent financing for purchase of a residence within a short period of time. The bridge loan exception to the requirement that the proceeds of a qualified veterans' bond issue not be used to replace existing mortgages will no doubt be the subject of regulations in the future.

For the present, we think it is safe to say that a temporary loan based upon a commitment letter from the Department of Veterans' Affairs, repayable when the veteran's loan is received and specifically tied to that loan, will qualify as a "bridge loan or similar temporary initial financing." We see no reason why temporary seller financing such as a land sale contract should not also qualify, if based upon a Department of Veterans' Affairs commitment letter and specifically tied to the veteran's loan. However, other forms of "creative financing" not based upon a commitment letter and tied to the veteran's loan may well not qualify.

Until the Secretary of the Treasury adopts regulations further defining permissible construction period loans, bridge loans or similar temporary initial financing, and qualified rehabilitation loans, the Department of Veterans' Affairs should avoid making any refinancing loans, except those which clearly qualify under this discussion of the exceptions identified in IRC sec 103A(j)(2), with funds obtained from bonds issued after December 31, 1980.

Home improvement loans

The only reference to home improvement loans in the Act occurs in IRC sec. 103A(e), which does not apply to veterans' mortgage bonds. This subsection requires that a mortgagor receiving proceeds of a qualified mortgage bond issue have no interest in a principal residence for three years before the date of execution of the mortgage. A "qualified home improvement loan" (as defined in IRC sec. 103A(1)(6)) is exempt from the three-year requirement.

No reference is made in the Act to home improvement loans as constituting a permissible use of proceeds "to provide residences for veterans." IRC sec. 103A(c)(3). It is reasonable to assume, however, that since certain home improvement loans are considered eligible to be made from the proceeds of a qualified mortgage bond, they should be eligible to be made from the proceeds of a qualified veterans' mortgage bond also.

Whether any limits would be imposed on home improvement loans made from the proceeds of veterans' mortgage bonds is not clear. If the Treasury Department imposes conditions on home improvement loans for veterans, they would likely be no more stringent than those conditions imposed by the Act on home improvement loans made from the proceeds of qualified mortgage bonds. As defined in IRC sec. 103A(1)(6), a "qualified home improvement loan" is

". . . the financing (in an amount which does not exceed $15,000)—

"(A) of alterations, repairs, and improvements on or in connection with an existing residence by the owner thereof, but

"(B) only of such items as substantially protect or improve the basic livability or energy efficiency of the property."

Until regulations clarifying this question are issued, the Department of Veterans' Affairs should use proceeds of bonds issued after December 31, 1980, only for those home improvement loans that meet the quoted definition. Loan uses that appear to satisfy the requirement that the alterations, repairs or improvements "substantially protect or improve the basic livability or energy efficiency of the property," are: the addition of living space, weatherization, modification of plumbing or electrical systems to comply with building code standards, major structural repairs and the like. The Department of Veterans' Affairs should exercise reasonable judgment in determining whether a proposed item qualifies. Such items as fencing, painting, landscaping, new carpeting or drapes, may not meet the standard established in the Act. Loans for these kinds of items should be restricted to less than 10 percent of post-December 31, 1980 bond proceeds.

"Residences"

The term "residence" is defined in the Act as "a single-family residence which can reasonably be expected to become the principal residence of the mortgagor" and which is "located within the jurisdiction of the authority issuing the obligation." IRC sec 103A(d). Although veterans' mortgage bonds are not specifically made subject to this definition, it is possible that it will be adopted as applicable in subsequent regulations.

The ORS 407.010(2)(c) definition of a "home" eligible for a veteran's loan is "any residential-type structure . . . which is established, maintained and used primarily as a principal residence by the veteran." A "home" meeting this requirement of Oregon law would clearly be a "residence" under the quoted language of IRC sec 103A(d). Neither the federal nor the state definition requires the home or residence to be real property, or excludes mobile homes. State law goes on specifically to authorize loans for mobile homes, which meet the definition of "home" and therefore meet the federal definition of "residence," if they meet minimum size requirements set forth in ORS 407.010(2)(e). *See also* ORS 407.070(1), requiring a shorter amortization period for mobile home loans, and ORS 407.072, authorizing a higher rate of interest. We are confident that the federal Act permits use of bond proceeds for veterans' loans on mobile homes which qualify as "homes."

IRC sec 103A(1)(9) further defines the term "single-family" when it is used with respect to a residence to include "two, three or four family residences one unit of which is occupied by the owner and which were first occupied five years before the mortgage is executed." Thus some multi-family residences (at least five years old, at least one unit owner-occupied, maximum four units) will qualify.

It is questionable whether all veterans' farm loans would qualify under the Act. A farm must include a residence to be eligible for a veterans' loan, and the fact that a residence sits on 80 acres rather than one-fourth acre does not seem to be significant under state law. Residential loans are limited to $50,000 or $58,000 under ORS 407.040(1), whereas under the same statute the limit on a farm loan is $180,000. Thus it appears that a veterans' farm mortgage must be secured by agricultural, non-residential property valued at least at the amount of the loan in excess of the limitation on residential loans. We cannot say that a loan on a residence accompanied by a substantial amount of non-residential property is a qualifying loan on a residence.

A reasonable interpretation of the term "residence" would be that a farm property having a small amount of acreage (for ex-

[2] The House Committee Report on HR 5741 (the predecessor to the bill finally enacted as sec 1102, PL 96–499) states that "substantially all" has the same meaning as under IRC sec 103(b)(4). HR Rep No. 96–678, 96th Cong, 2nd Sess 46, n 6 (1979).

ample five acres), located in an area subdivided for rural residential use, would be treated as a qualifying residence under the Act. Farm properties having a substantial amount of nonresidential acreage might not be so treated. Until regulations clarifying the dividing line between "residential" farms and "non-residential" farms are adopted, the Department of Veterans' Affairs in making loans on those properties that might be classified as having a substantial amount of non-residential property, should be careful to allocate post-December 31, 1980 bond proceeds only to the qualifying portion of the property. That is, any portion of the loan used for the non-residential acreage must come from only the 10 percent (cumulatively with other loans similarly discussed) of the proceeds of the bond issued after December 31, 1980 considered available for non-qualifying loans, or from the proceeds of a bond issued before December 31, 1980. The funds used to finance the residential portion of the property may come from any funds available to the department. This allocation should be clearly documented.

Unless an expanded definition of residence is adopted in forthcoming regulations, the Department of Veterans' Affairs will be limited in its use of 90 percent of the proceeds of a bond issue to qualifying residences. Until such regulations are issued, loans on the acreage portion of farms having substantial amounts of non-residential acreage and loans on multi-family housing which does not meet the requirements of IRC sec. 103A(1)(9), should be limited to 10 percent or less of the proceeds of any bond issued after December 31, 1980.

"Veterans"

The new Act also requires that loans for residences be made to veterans.[3] Although no definition of veteran is given in the Act, surviving spouses of veterans who died on active duty or who were missing in action or prisoners of war (eligible for loans under Or Const Art XI–A, sec 3) may not qualify under the provisions of IRC sec 103A as veterans. Until regulations are issued resolving this matter, the Department of Veteran's Affairs should limit any loans to surviving spouses of veterans to less than 10 percent of the proceeds of bonds issued after December 31, 1980, or make such loans only out of the proceeds of bonds issued before December 31, 1980. Also, if the class of veterans eligible for loans under Art XI–A, sec 3 is different than the class of eligible veterans under the Act, the department must limit loans to ineligible veterans to less than 10 percent of post-1980 bond proceeds.

Effective date of bond limitation

Section 1104(a)(1) of PL 96–499 provides that the provisions of new IRC sec 103A apply to any obligation issued after April 24, 1979. However, sec 1104 postpones the date of application of new IRC sec 103A to obligations issued on or after January 1, 1981 if substantially all of the proceeds of obligation issued before January 1, 1981 are committed by firm commitment letters within one year after the date of issuance of those obligations. PL 96–499, sec 1104(a)(2). We are advised that the Department of Veterans' Affairs has met this requirement for all bonds issued before January 1, 1981. Thus, the date the provisions of IRC sec 103A first apply to bonds issued by the Department of Veterans' Affairs is January 1, 1981. The single exception to this date is the registration requirement which applies to bonds issued after December 31, 1981.

[3] The House Committee Report on HR 5741 indicates that the term "Veteran" includes any person who served in the active military, naval or air service, and who was discharged or released from service other than dishonorably. HR Rep No. 96–678, *supra* 46.

Refunding of existing bonds

IRC sec 103A(n) provides:

"(n) Advance refunding of mortgage subsidy bonds not permitted.—On and after the date of the enactment of this section, no obligation may be issued for the advance refunding of a mortgage subsidy bond (determined without regard to subsection (b)(2))."

This provision first applies to obligations issued after December 5, 1980 (the date of enactment of the Mortgage Subsidy Bond Tax Act of 1980), that have been issued for the advance refunding of any outstanding obligation. The prohibition on advanced refunding contained in IRC sec 103A(n) applies equally to veterans' bonds as well as any other form of mortgage subsidy bond. We are advised that the Department of Veterans' Affairs does not issue advance refunding obligations.[4] However, this provision raises the question whether a refunding obligation will be treated as tax exempt when issued after December 31, 1980.

Subsection (g) of section 1104 of the Act provides that the restrictions placed on mortgage bonds in IRC sec 103A do not apply to refunding obligations which refinance tax-exempt bonds outstanding on April 24, 1979, if on April 24, 1979, there was "an agreed on period for the maturity of the mortgages, or other financing," and "the new obligations have a maturity date which does not exceed by more than two years" the agreed on period for maturity of the mortgages. The Conference Committee Report (HR Rep No. 96–1479, 96th Cong, 2nd Sess 179 (1980)) indicates that this provision authorizes tax-exempt indebtedness outstanding on April 24, 1979, to be rolled over where the maturity of the tax-exempt housing bond is no longer than two years after the life of the initial mortgages on the properties. Under this provision, the Department of Veterans' Affairs could issue refunding bonds for any bond outstanding on April 24, 1979, upon its maturity, so long as the maturity date of the refunding bond was no later than two years after the due date of the mortgages funded by the prior issue. The refunding bonds would not be subject to any of the requirements of IRC sec 103A so long as they complied with the provisions of section 1104(g) of the Act. In addition, section 1104(g)(2) provides that these kinds of refunding bonds can exceed the amount of the outstanding indebtedness by an amount reasonably necessary to cover reserves and costs of issuing new indebtedness.

Interest rates

IRC sec 103A contains provisions restricting the effective rate of mortgage interest that may be charged for loans from proceeds of a qualified mortgage bond. This restriction, contained in subsection (i) of IRC sec 103A, is not identified in IRC sec 103A(c)(3) as one of the provisions with which a qualified veterans' mortgage bond must comply in order to be tax exempt. The rates of interest charged by the Department of Veterans' Affairs for loans on personal as well as real property, that is on mobile homes which are personal property, are subject to existing arbitrage restrictions contained in IRC sec 103 and the provisions of Income Tax Reg sec 1.103–13. So long as existing interest rate restrictions are complied with, new IRC sec 103A does not impose further requirements.

Bond debt reserve fund

The provisions of new IRC sec 103A do not address the creation of or contribution to a bond debt reserve fund. Existing regulations (*see* Income Tax Reg sec 1.103–14) impose certain restrictions on reserve funds. Those regulations presumably affect the creation of a reserve fund by the Oregon Department of Veterans' Affairs, but the extent of their application is beyond the scope of this opinion. It is possible that similar regulations may be promulgated under the authority of new IRC sec 103A. We are unable to comment on the potential impact of such regulations at this time.

[4] The House Committee Report on HR 5741 states that a refunding bond issued more than 180 days before the refunded issue is redeemed will be considered an advance refunding bond. HR Rep. No. 96–678, *supra* 46.

Loans out of proceeds of previous bond issues

This opinion has been limited to effect of the Act on loans made out of the proceeds of bonds issued on or after January 1, 1981. On several occasions, our discussion specifically states that a particular conclusion is applicable only to such loans, or has no effect on loans made out of proceeds of earlier bond issues. However, we believe it appropriate to emphasize this point.

Of course, most payments of interest and principal by veterans must immediately or ultimately go to pay interest and principal on bonds. Yet it is possible that a surplus may exist at any time, whether or not temporary, which would be available for additional loans. Further, the department now maintains a debt reserve fund, some part of which may be available for additional loans. To the extent that such funds are originally derived from proceeds of bonds issued in 1980 or earlier, they are in no way subject to any limitations created by the Act. The principal limitation would be financial prudence, for of course no loan disbursements should be made which would jeopardize the ability of the department to pay principal and interest on its bonds when they come due.

We must caution, however, that existing restrictions on the reinvestment of proceeds of tax-exempt bonds under IRC sec 103(c) and Income Tax Regulations 26 CFR Part 1 sec. 1.103–13 *et seq.* (arbitrage regulations) must be observed.

DAVE FROHNMAYER,
Attorney General.

APPLICATION HARDSHIP CASES—JANUARY 16, 1981

1. A request for funds to refinance an existing obligation in the nature of a mortgage or purchase contract placed on the property at the time of earlier acquisition, when additional funds are also requested for extensive remodeling or construction of a dwelling on the property. This type of loan is apparently to be prohibited under the provisions of the Mortgage Subsidy Tax Act. Anticipating loan closure upon the sale of bonds in 1981, the veterans have obligated themselves extensively. Frequently, the indebtedness is sufficient that financial ruin could result, and in most cases, long range financial hardship will ensue when the loan cannot be closed because of restrictions of the Mortgage Subsidy Tax Act. See specific Hardship Case Number 1, attached.

2. Veterans have entered into purchase agreements for acquisition of farms where the residence is not contiguous. (The residence is on one parcel of land and the balance on another tract or tracts.) The Mortgage Subsidy Tax Act appears to preclude making such loans. Applicants in anticipation of closing when future bond sale funds were available have entered into various types of indebtedness, sold other property, moved in to property being offered as security for the loan, and taken any number of other actions which will result in very dire hardships and disruption of their lives if a loan cannot be consummated. See specific Hardship Case Number 2, attached.

3. Applications involving refinancing or paying off existing purchase mortgages and purchase contracts both on a long-term and short-term basis wherein the plan of the applicant was to build-up the necessary equity and then refinance using his veteran's loan entitlement. Very often such instruments were not prepared with such plans specified and are, therefore, unable to be considered

bridge or interim type loans. Veterans in such a category are often saddled with excessive payments interrupting long range plans to reduce payments through refinancing with their Oregon State Veterans' loan for the purpose of starting families, making improvements, buying furniture or educating their children. See specific Hardship Case Number 3, attached.

4. As many as 4,200 veterans currently awaiting completion of their loan applications could be adversely affected in varying degrees as reported above. Please see the attached capitulation of current pending applications.

HARDSHIP CASE NUMBER 1

Veteran came to the East Portland Office early in 1980. He asked to borrow $58,000; $18,000 balance of purchase contract and $40,000 for renovation of the house.

Since we cannot disburse construction funds until we hold title, and because the low point of value in the reconstruction of the house did not present sufficient value for us to disburse for title acquisition, the veteran was forced to borrow $18,000 from United States Bank and $40,000 from a Portland Credit Union.

On October 1, 1980, veteran came to the office and applied. On October 24, 1980, we made a commitment subject to availability of funds.

This is a refinance under the Omnibus Reconstruction Act of 1980 and as funds to finance this loan must come from bonds sold under the Act, the Act prevents our making this kind of a loan.

Veteran assures us that his only out is bankruptcy.

HARDSHIP CASE NUMBER 2

A veteran farmer entered into an agreement to purchase two parcels of 40 acres each; one parcel of 40 acres and the home, another 40 acre parcel one mile away. Veteran made a sizable down payment on a contract purchase with the intent to refinance with the Department of Veterans' Affairs when loan funds were available.

Veteran proceeded with additional improvements to both parcels consisting of storage barns and other on-site improvements, including weatherization.

Veteran encumbered himself and property with large payments at a high interest rate pending refinancing with the Department of Veterans' Affairs. That would allow him to continue with his farming program under a payment schedule he could afford.

The veteran is now in a position of losing the property plus his investment because of short-term payoff on the contract and heavy payments on other debts for improvements that could have been cleared with a Department of Veterans' Affairs loan.

HARDSHIP CASE NUMBER 3

Veteran applicant entered into agreement to purchase (contract or mortgage) several months ago. Loan amount needed was in the excess of limits allowed by the Department of Veterans' Affairs at the time of purchase.

The veteran's intent was to refinance that mortgage or contract after he or she had paid a sufficient amount to the principal to accrue the needed equity or reduce the principal to an amount that could come within the loan limits of the Department of Veterans' Affairs. This refinancing would save the veteran, in most cases, approximately $40 to $120 per month.

Most veteran applicants can manage a heavy payment schedule for a limited time, knowing that refinancing will provide relief. The veteran will, in all probability, lose his home because of the heavy payments if he is not allowed to use the Department of Veterans' Affairs loan program to refinance.

FUNDING FIGURES THROUGH JANUARY 15, 1981

Applications received 8-22-80 through 12-5-80:

(To be financed from proceeds of bond sale held January 7, 1981)

Regular	5,131	$203,963,213
Energy	666	2,025,721
	5,797	205,988,934

Applications received 12-8-80 through 12-31-80:

(To be financed from proceeds of future bond sales, probably April 1981)

Regular	7,724	$340,762,228
Energy	280	948,948
	8,004	341,711,176

Applications received 1-1-81 through ——:

(To be financed from proceeds of future bond sales, probably July 1981)

Regular	128	$4,533,252
Energy	28	77,696
	156	4,610,948
Totals:		
Regular	12,983	$549,258,693
Energy	974	3,052,365
	13,957	552,311,058

NOTE: Probably as much as 30 percent of loan applications listed above are of a type which will be restricted under the provisions of the Mortgage Subsidy Tax Act.

Mr. PACKWOOD. Mr. President, in order to guarantee the continued operation of the Oregon veterans' mortgage subsidy bond program, it may be necessary to permanently amend the Mortgage Subsidy Bond Tax Act. At this time, I ask unanimous consent to insert a copy of draft legislation which would clarify the definition of qualified veterans' mortgage bonds.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (3) of section 103A(c) of the Internal Revenue Code of 1954 (defining qualified veterans' mortgage bonds) is amended to read as follows:

"(3) Qualified veterans' mortgage bond defined.—

"(A) IN GENERAL.—For purposes of this section, the term 'qualified veterans' mortgage bond' means any obligation—

"(i) which is issued in registered form as part of an issue substantially all of the proceeds of which are to be used to provide residences for veterans and surviving spouses of veterans killed or missing in action, and

"(ii) the payment of the principal and interest on which is secured by the general obligation of a State, and

"(B) RESIDENCES.—For purposes of subparagraph (A)(i), proceeds of an obligation which are to be used for—

"(i) farms,

"(ii) personal property which may be used as a residence, or

"(iii) home improvement loans,

shall be treated as proceeds which are to be used to provide residences for veterans. The determination as to whether the funds are to be used for any such purpose shall be made under the applicable State law.

"(C) ASSUMPTIONS.—Mortgages with respect to which owner-financing has been provided by an obligation described in subparagraph (A) may be assumed only if the asumption meets the requirements of State law.".

SEC. 2. The amendment made by the first section of this Act shall take effect as if included in the amendments made by the Mortgage Subsidy Bond Tax Act of 1980.

Mr. PACKWOOD. Mr. President, the potential need for this legislation is described in the documents inserted earlier in the RECORD. I want to reemphasize, Mr. President, I am not asking for a change in the policy established by the passage of the Mortgage Subsidy Bond Tax Act. I am simply asking for amendments which will honor Congress intention to exempt State veterans' mortgage bond programs which rely on the full faith and credit of the State.

By Mr. MATSUNAGA (for himself and Mr. BAUCUS):

S. 426. A bill to implement the United Nations Convention on the Means of Prohibiting and Preventing the Illicit Import, Export, and Transfer of Ownership of Cultural Property; to the Committee on Finance.

UNITED NATIONS CONVENTION FOR CULTURAL PRESERVATION

Mr. MATSUNAGA. Mr. President, I am introducing today, with the Senator from Montana, Mr. BAUCUS, as cosponsor, a bill to implement articles 7(B) and 9 of the United Nations Convention on the Means of Prohibiting and Preventing the Illicit Import, Export, and Transfer of Ownership of Cultural Property.

The Convention's chief purpose is to combat the illegal international trade of national art treasures. The parties to the Convention undertake to prohibit importation of cultural property stolen from museums, public monuments, and similar institutions, and also undertake to recover and return such property to the rightful owners.

The United States played an active role in negotiating this Convention and it was adopted by the United Nations Educational Scientific and Cultural Organization (UNESCO) on November 14, 1970. The U.S. Senate approved the Convention by a vote of 77 to 0 on August 11, 1972. Despite the U.S. role in bringing about this Convention, the U.S. Congress has still to enact the implementing legislation.

Today the illegal traffic in stolen art objects has soared to unheard of levels. Recently, we in the United States had an experience demonstrating the importance of our own cultural patrimony. The Smithsonian Institution National Portrait Gallery announced the acquisition of the Gilbert Stuart portraits of George and Martha Washington from the Athenaeum of Boston. The removal of these famed portraits from Boston raised an outpouring of indignation from Boston citizens, and several public officials sharply criticized the removal of Boston's cultural patrimony by the Smithsonian Institution.

This uproar over Gilbert Stuart's portraits seems quaint when viewed in light of the plundering occurring abroad to satisfy art collectors. The cultural patrimony of various foreign countries are being stolen from museums, public monuments, and institutions, only to turn up in the hands of private collectors or museums in the United States and other Western countries.

Bronze figurines and marble reliefs from the archaeological sites of Herculaneum and Pompeii in Italy have been stolen; amber, glass, and bronze ornamental jewelry dating from the fourth century B.C. have been robbed from a museum in Yugoslavia; numerous bronze and gold artifacts from the tomb of the legendary King Midas have been taken from the Gordion Museum in Turkey; important archaeological sites in Thailand have been plundered. The cultural patrimony of these countries, equal in importance to the Stuart portraits to the United States, are being looted for sale to private collectors.

In some areas, this rape of cultural patrimony has been devastating. In the Mayan ruins in Mexico, huge sculptures are broken into pieces for clandestine shipment. Large statues have been battered with sledge hammers, sliced into pieces with stone saws, and mutilated. Mayan walls decorated with larger-than-life-size models of human and animal forms have been blasted into fragments, so that pieces may be transported out of Mexico and illegally sold.

To prevent this rape of other nations' cultural heritage, the United States advocated the adoption of the UNESCO Convention and the U.S. Senate approved the Convention on August 11, 1972, as earlier noted. Those good intentions must be translated into hard action. I believe that it is time for the Congress to adopt the implementing legislation. This bill is needed to end the trafficking in this country of stolen art objects which has encouraged the looting abroad. Just as we seek to protect our own cultural heritage, we should be willing to help other nations protect and maintain their own cultural heritage.

By Mr. BAUCUS:

S. 427. A bill for the relief of F. H. Stoltze Land and Lumber Co., Inc.; to the Committee on the Judiciary.

STOLTZE LUMBER CO.

● Mr. BAUCUS. Mr. President, last session a bill for the relief of Stoltze Land & Lumber Co. of Columbia Falls, Mont., was introduced to compensate it for losses suffered as a result of timber trespass by the U.S. Government.

In 1966, the Bureau of Indian Affairs made a sale of timber on the Flathead Indian Reservation. The Stoltze Co. owns parcels of timberland in section 34 and 35, township 25 north, range 24 west, principal meridian Montana, which abut the reservation. In laying out the sale and marking and designating the timber to be cut under contract, the Bureau of Indian Affairs inadvertently crossed the boundary of tribal lands and included trees on the Stoltze land in the timber sale.

The Stoltze Co. didn't discover the trespass until late in 1974 when employees hiked into the remote mountainous area to examine the company's timber and schedule it for harvesting operations in 1975. Early in 1975, the company made a claim to the BIA, which was forwarded to the regional office of the solicitor, Department of Interior, Billings, Mont. The regional office treated the claim as being founded on a tort. The Stoltze claim was denied because the statute of limitations for a claim founded on a tort bars action against the Government, unless the claim is submitted in writing to the appropriate Federal agency within 2 years after it has occurred. Prior submission to the appropriate agency is necessary to get jurisdiction by a U.S. district court.

The Stoltze Co. had its land examined by an independent consultant to determine the value of the timber that was cut and removed in trespass. Although the Stoltze figures were higher than those presented by the Bureau of Indian Affairs, Stoltze is willing to accept the Bureau's figures in an effort to remedy the situation as soon as possible. The Bureau has determined the trespass involved the cutting and removal from the Stoltze land of 824,493.64 board feet of timber for which the Bureau was paid $25,083.23 under the timber sale contract.

Stoltze seeks to recover from the U.S. Government, the funds received from the third party contractor to whom the timber was sold. The company also would like to receive interest on the money at an annual rate of 6 percent beginning January 1, 1969. This amounts to $1,504.99 per year for a total of $16,544.89 for the years 1969 through 1980. The total request for relief for the Stoltze Co. is $41,638.12.

I introduced a similar private relief bill for the Stoltze Co. during the 95th Congress when I served in the House. However, no action was taken on that bill by the House Judiciary Committee. I feel the Stoltze Co. deserves to receive compensation for the losses it has incurred due to a mistake made 10 years ago by the U.S. Government.

With these facts in mind, I urge my colleagues to give full consideration to the Stoltze case and to the legislation that would compensate the company for the Government's trespass.

I ask unanimous consent that a copy of the bill be reprinted in full in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 427

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to F. H. Stoltze Land and Lumber Co., Inc., a corporation located in Columbia Falls, Montana, the sum of $41,638.12 in full settlement of all its claims against the United States for the wrongful cutting, removal, and sale during 1967 and 1968 of timber belonging to such company on Lot 5, Lot 7 and S.W. ¼ S.E. ¼, Section 34, Lot 5 and Lot 6, Section 35, T. 25 N., R. 24 W., Principal Meridian Montana by the Bureau of Indian Affairs, Department of Interior.

SEC. 2. No more than 10 percent of the amount appropriated in the first section of this Act shall be paid to or received by an agent or attorney for services rendered in connection with this claim. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000.●

By Mr. BAUCUS:

S. 428. A bill for the relief of the Mondakota Gas Co., of Billings, Mont.; to the Committee on the Judiciary.

MONDAKOTA GAS CO.

● Mr. BAUCUS. Mr. President, last session a bill for the relief of the Mondakota Gas Co., of Billings, Mont., was introduced. Similar relief legislation was introduced for a number of years by the late Senator Lee Metcalf and former Senator Mike Mansfield. One of those bills passed the Senate during the 93d Congress and another passed the Senate during the 94th Congress.

In the early 1940's, the Mondakota Gas Co., a small independent company, wanted to transport its natural gas through the Montana-Dakota Utility Co. gaslines under the common-carrier requirements. Following years of unsuccessful attempts to use the MDU Co. lines, Mondakota brought suit in the eighth judicial circuit court in 1949, to establish the Montana-Dakota Utility Co. as a common carrier. The court held that the entire pipeline system of the MDU Co. was part of the common-carrier system. The MDU Co. continued to refuse to make its gathering lines available for the transportation of Mondakota gas, and was never forced to comply with the court decision.

In 1953, Congress repealed the common carrier requirements applying to all natural gas pipelines. Immediately after President Eisenhower signed the act into law, the MDU Co. notified Mondakota and other area independent producers that it was no longer legally required to accept gas from common-carrier transportation. Unable to afford to construct its own pipelines, Mondakota was forced to discontinue its business and lost all of its assets following the repeal.

This relief bill is to compensate the Mondakota Co. shareholders for the losses it incurred during the period the common-carrier requirements were not enforced against the MDU Co., and the subsequent loss of its assets following congressional repeal of the requirements.

I feel the Mondakota shareholders deserve this compensation, since their losses were the result of circumstances beyond their control. I urge my colleagues to give full consideration to the Mondakota case and to the legislation that would compensate them. I ask unanimous consent that a copy of the bill be reported in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay out of the funds in the Treasury not otherwise appropriated, to the Mondakota Gas Company, incorporated under the laws of the State of Nevada (successors to the Mondakota Development Company, a Montana corporation), the sum of $800,000.00. Such amount is to indemnify in whole or in part, the Mondakota Gas Company for damages, excluding expected earnings, incurred between November 1942 and December 1953 as a direct result of the failure of the United States to enforce the common carrier provisions of Section 28 of the Mineral Leasing Act of 1920 and the enactment of the Act of August 12, 1953 (67 Stat. 557, Ch. 408).●

By Mr. BAUCUS:

S. 429. A bill for the relief of Charles V. Waldron; to the Committee on the Judiciary.

CHARLES V. WALDRON

● Mr. BAUCUS. Mr. President, before the close of last session, a bill for the relief of Charles V. Waldron of Montana was introduced. Mr. Waldron has been trying for the past 2 years to collect retirement and severance pay owed to him by the U.S. Navy. His claim, however, was recently rejected by the Claims Division of the General Accounting Office because his claim was received by GAO more than 6 years after the date it first accrued. The bill I am introducing would authorize the Secretary of the Navy to accept and consider Mr. Waldron's claim, and pay to him any amount of disability retired pay and any amount of severance pay which he would have received had he made a timely claim.

Mr. Waldron, a chief petty officer in the U.S. Navy, was given a temporary disability retirement from the Navy in 1963 under honorable conditions because during the course of his service in the Navy, he incurred bilateral hearing loss and a nervous condition. Subsequent to his temporary disability retirement, Mr. Waldron moved around the country, and had no contact with the Navy until he learned in 1978, through the Veterans' Administration, that he had been granted an honorable discharge on August 30, 1968. At the time of his honorable discharge, and until April 1978, Mr. Waldron was unaware that the Navy owed him any pay. He was also unaware that he was entitled to receive disability compensation.

In 1978, Mr. Waldron visited the VA Center in Fort Harrison, Mont., in order to see if the VA would pay for a new hearing aid. As a result of his visit to the VA hospital, Mr. Waldron learned for the first time that he was entitled to receive service-connected disability benefits for his bilateral hearing loss. Mr. Waldron learned from the VA that he was entitled to receive retirement pay as well as severance pay. The VA advised Mr. Waldron to contact the Navy Finance Center in Cleveland, Ohio, in order to file his back claim.

Having learned from the VA that he was entitled to these benefits, Mr. Waldron wrote to the Cleveland Navy Finance Center on July 29, 1978, requesting the severance and retired pay due to him. The Navy forwarded the claim as "doubtful" to the Claims Division of the General Accounting Office because of the period of time which had elapsed since the claim first accrued. On December 14, 1978, Mr. Waldron was informed by GAO that his claim was barred by the 6-year statute of limitations. Mr. Waldron then appealed the decision of the Claims Division. Upon review, the rejection of his claim was sustained by the Comptroller General on May 16, 1980.

Mr. President, I believe that notwithstanding the statute of limitations, Mr. Waldron's situation warrants a humanitarian response. It is undisputed that Mr. Waldron had to retire from the Navy because of physical disability. Moreover, he only learned in 1978 that he had been granted an honorable discharge from the Navy on August 30, 1968. And, it was not until some time later in 1978 that Mr. Waldron first learned that he was entitled to receive disability retirement pay and back severance pay from the Navy. Considering these factors, it comes as no surprise that the 6-year statute of limitations had run. With these facts in mind, I urge my colleagues to give full consideration to Mr. Waldron's case and the legislation that would provide him with the military service benefits he is entitled to receive.

I ask unanimous consent that a copy of the bill be reprinted in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of the Act entitled "An Act providing for the barring of claims against the United States", approved October 9, 1940 (31 U.S.C. 71a), the Secretary of the Navy is authorized and directed to—

(1) accept and consider any claims filed with the Secretary within one year after the date of enactment of this Act by Charles V. Waldron of Deer Lodge, Montana, for disability retired pay for the period beginning on June 1, 1954, and ending on September 30, 1968, and for severance pay under section 1203 of title 10, United States Code; and

(2) pay to the said Charles V. Waldron any amount of disability retired pay which the said Charles V. Waldron would have been entitled to receive for the period referred to in clause (1) had the Secretary known the address of the said Charles V. Waldron during such period, and any amount of severance pay which the said Charles V. Waldron would have been entitled to receive had he made timely application therefor.

SEC. 2. The Secretary of the Navy is authorized to pay any amount determined by him to be payable under the first section out of funds available for the payment of retired or severance pay, as the case may be. Such payment shall be made in a lump sum within 60 days after the determination that an amount is payable under such section.●

By Mr. PERCY (for himself, Mr. THURMOND, Mr. ABDNOR, Mr. PRESSLER, Mr. SYMMS, Mr. HUMPHREY, and Mr. TOWER):

S. 430. A bill to authorize a youth minimum wage differential under the Fair Labor Standards Act of 1958, and for other purposes; to the Committee on Labor and Human Resources.

YOUTH EMPLOYMENT OPPORTUNITY ACT OF 1981

Mr. PERCY. Mr. President, on behalf of my colleagues the distinguished Senator from South Carolina (Mr. THURMOND), South Dakota (Messrs. ABDNOR and PRESSLER), Idaho (Mr. SYMMS), New Hampshire (Mr. HUMPHREY), Texas (Mr. TOWER) and myself, I am today reintroducing legislation to establish a special youth minimum wage.

Since Congress last voted on this issue in 1977, when it was defeated by only a few votes, the overall youth unemployment rate has remained consistently well over 15 percent. For the month of December 1980, the teenage unemployment rate was 17.8 percent. For black youth, the rate is more than twice as bad—37.5 percent. It is absolutely unacceptable.

For years, we have tried CETA employment and training programs, tax incentives, and other means to alleviate the critical youth unemployment situation. While I do not suggest at this point that those approaches be completely abandoned, it seems clear to me that something else is needed to get the job done. Up until just a few years ago, I was not a supporter of youth wage proposals, but the continuous and alarmingly high unemployment rates for this age group convinced me that it must be given a try.

Our legislation would establish a minimum wage for young persons 16–19 years of age at 85 percent of the adult minimum wage. This would provide for a youth wage rate of $2.85 per hour under present circumstances. Based on the premise that a young person should be paid a lower wage during his or her training period, the youth minimum wage would apply to the first 6 months of employment of an individual in that age bracket by a single employer.

Without creating a new Federal program, without creating a new Federal bureaucracy, without creating new and substantial Federal outlays, we have, through this legislation a way of overcoming some of the reluctance businesses express about hiring inexperienced young people at the current minimum wage of $3.35, which became effective on the first of this year.

In an issue paper published by the Congressional Budget Office entitled "Youth Employment and Education: Possible Federal Approaches," the following is stated:

Estimates of the effects of minimum wages on youth employment vary, but many researchers believe that each 10 percent rise in the minimum wage relative to the average hourly wage reduces youth employment by something between one and four percent. If the one percent estimate is valid, then lowering the minimum wage for all persons in 1981 from $3.35 to $2.85 could increase employment among youth aged 16–19 by perhaps 60,000 jobs. Establishing a subminimum wage only for youth might bring about even greater increases for them, although these increases might be offset by rising joblessness among older workers.

To address the reservation expressed in the last line of the excerpt from the CBO report, our legislation provides penalties for the abuse of the youth wage; that is, if it is used for the purpose of displacing older workers or other young people. It further provides for a twice yearly report to Congress by the Secretary of Labor on the effect of the youth wage on the employment rates of both young perons and adults.

Finally, Mr. President, in recognition of the fact that Congress seldom has perfect answers to our national problems, our legislation has a "sunset" provision. After 3 years, the youth minimum wage would have to be reviewed by Congress and would expire, unless specifically reauthorized. Since experts differ on the precise effects of a youth minimum wage, we believe a 3-year, experimental period would give us a sufficient data base and some practical experience on which to judge its usefulness as a tool in the fight against youth unemployment.

Mr. President, I have supported CETA youth employment and training programs in the past and I believe their continuation in some form is essential to the employment and training of young people with the most serious employment handicaps. But logic dictates that we should encourage the best employment and training program we have—our free enterprise system—to handle at least part of the youth employment problem: Young people in a marginal group who could be hired if only the minimum wage were not at its present level. A youth wage, in our judgment, is natural complement to Federal programs and a much needed effort to address the very critical problem we are facing.

I very much appreciate the support of my distinguished colleagues in this effort, Senators THURMOND, ABDNOR, PRESSLER, SYMMS, HUMPHREY, and TOWER. And commend Senator HATCH for his leadership in this important area of approach to a nagging problem and I look forward to our working together on this vital legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point, along with the accompanying factsheet.

There being no objection, the bill and factsheet were ordered to be printed in the RECORD, as follows:

S. 430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Youth Employment Opportunity Act of 1981".

YOUTH EMPLOYMENT OPPORTUNITY ACT

SEC. 2. (a) Section 14(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(b)) is amended to read as follows:

"(b)(1) To encourage youth employment an employer may employ any youth who has not attained 20 years of age, for a period of 180 days, without prior or special certification by the Secretary of Labor, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e) at a wage rate not less than 85 per centum of the otherwise applicable wage in effect under section 6(c)) in compliance with applicable child labor laws. This paragraph shall not apply to any youth employee who has been employed by the same employer for a period of at least 6 months or is currently employed by an employer at a rate of at least the minimum wage in effect on the day prior to the date of enactment of the Youth Employment Opportunity Act of 1981.

"(2) While no prior certification shall be required by the Secretary for purposes of paragraph (1), the Secretary is authorized under this Act to insure that the provisions of paragraph (1) of this subsection are not violated. Whenever the Secretary discovers that an employer is employing youth at a wage rate lower than the wage rate allowable under this subsection or at a wage rate lower than the applicable wage rate under section 6 after the period of time specified by this subsection, or is engaged in a pattern and practice of—

"(A) substituting younger workers employed at less than the minimum wage for older workers employed at or above the minimum wage, or

"(B) terminating the employment of youth employees and employing other youth employees in order to gain continual advantage of the wage provided for under this subsection,

the employer shall be deemed to have violated section 6 of this Act. The liability of such an employer under this paragraph shall include—

"(i) unpaid wages and overtime compensation determined on the basis of otherwise applicable minimum wage and overtime rates pursuant to sections 6 and 7 of this Act, and

"(ii) a fine to be determined by the Secretary not to exceed $2,500 for the first offense by an employer and not to exceed $10,000 for any subsequent offense by the same employer.

(b) Section 13(a)(7) (29 U.S.C. 312(a)(7)) is amended to read as follows:

"(7) any employee to the extent that such employee is exempted by regulations, order, or certificate of the Secretary under section 14, or in accordance with the provisions of section 14(b); or".

SEC. 3. (a) The amendments made by this Act are repealed, effective 3 years after the date of enactment of this Act.

(b) The Secretary of Labor shall prepare and submit a biannual report to the Congress on the effect of the amendments made by this Act. Such report shall include—

(1) the number of persons employed at the wages prescribed under the amendments made by this Act;

(2) the number of employers employing persons at wages prescribed under the amendments made by this Act;

(3) the general rate of unemployment of persons under 20 years of age;

(4) the effect of the amendments made by this Act upon employment of adults and persons under 20 years of age; and

(5) such other information as the Secretary of Labor determines appropriate.

FACTSHEET

1. Title: Youth Employment Opportunity Act.

2. Coverage: Persons aged 16–19 years of age, inclusive.

3. Duration: First 180 days of employment by each employer.

4. Wage level: 85 percent of the adult minimum wage rate; for the remainder of 1980, the youth wage level would be $2.63 per hour; for 1981, $2.85 per hour.

5. Exceptions: Shall not apply to any youth employee who has been employed by the same employer for a period of at least six months or who is employed by an employer at a rate of at least the full minimum wage at the time of enactment.

6. Penalties: Not to exceed $2,500 for first offense by an employer; not to exceed $10,000 for any subsequent offense by same employer; violations of the act include: employment of a young person at a rate lower than the youth subminimum, a pattern and practice of—

(a) substituting younger workers employed at less than minimum wage for older workers employed at or above the minimum wage;

(b) terminating the employment of youth employees and employing other youth employees in order to gain continual advantage of the subminimum.

7. Effective period of the Act: To expire three years from the date of enactment.

8. Report from Sec'y of Labor: Secretary of Labor shall report to Congress twice each year, while law is in effect, on its implementation and shall include the following information: number of young people employed at the subminimum number of employers utilizing the rate; the rates of youth unemployment; effects of youth subminimum on youth and adult unemployment.

By Mr. MATHIAS:

S. 432. A bill to establish a Commission on the International Application of Antitrust Laws; to the Committee on the Judiciary.

INTERNATIONAL ANTITRUST TASK FORCE

● Mr. MATHIAS. Mr. President, the importance of exports to our country cannot be overstated. One of every eight jobs in this country is involved in export; $1 of every $3 of U.S. corporate profits comes from international activities; 1 of every 3 acres of farmland produces for export; and exports now contribute more to our gross national product than private corporate investment does. Despite the importance of exports, the United States has lagged behind its major trading partners in export promotion. The U.S. share of international commerce has steadily decreased—from 27.7 percent in 1958 to 17 percent in 1979. And the figures for 1980, although an improvement, suggest that the problem is still with us. In Germany, France, Italy, and the United Kingdom, exports account for more than 50 percent of all goods produced, while in the United States they account for merely 14 percent.

In December 1980, the President's Export Council submitted its report to President Carter. The council found that a great deal can and must be done to increase our export effort, particularly in the area of removing self-imposed disincentives to U.S. exports. The council recommended that every reasonable effort must be made to facilitate U.S. export efforts and overseas operations by freeing U.S. firms from unnecessary antitrust constraints and uncertainties where U.S. consumers would not be adversely affected. To help accomplish this goal, the council specifically recommended the enactment of the bill which I am reintroducing today.

This bill passed the Senate last year without a dissenting vote. It would establish a 12-month task force to study the extraterritorial aspects of U.S. antitrust laws and their effect on our ability to compete overseas. Specifically, the task force would provide a forum to examine the whole gamut of issues raised by the extraterritorial application of

these laws, including how they interface with the laws of other nations, and what might be done to promote the doctrine of competition worldwide. The task force would report its findings to the President and to Congress, making recommendations on what changes, if any, should be made in our antitrust laws to insure that they promote competition without handicapping U.S. business abroad and without causing offense to our trading partners.

Extensive hearings were held on this bill last year before the Governmental Affairs Committee which reported the bill out unanimously. In addition to the President's Export Council, the bill has the support of many groups, including the U.S. Chamber of Commerce and the National Association of Manufacturers. Last year it attracted over 20 cosponsors in the Senate.

If we are going to beat inflation and get our decelerating economy moving again, we have got to reduce barriers to trade. And if export promotion is to become a top national priority—which it must—we need a team effort, with the Federal Government removing unwarranted barriers and substituting creative incentives to exports. Like Churchill in another context, U.S. business executives have asked us to give them the tools; they will finish the job.

Once we remove the disincentives, they will get out and fight for their share of the world trade. More trade means more jobs for U.S. workers, a reduced trade deficit, and a sounder dollar.

Whenever I discuss export policy, I recall the story of Alexander the Great and the Gordian knot. The Delphic oracle predicted that whoever unraveled the knot would rule the world. Shortly thereafter, Alexander, still trying to emerge from his father's shadow, strode up to the knot, looked at it thoughtfully for a moment, then drew his sword and cleft the knot apart.

For too long, the trade debate has been bogged down in the technical language of experts who have a very narrow area of responsibility. We have passively adopted their terms of reference, and conducted the debate at the wrong level. We must now raise the level of the debate and talk in terms of national interest and economic survival.

My point is simple—if rational men and women were to sit down to devise a rational trade policy, they would not devise a policy anything like the one that burdens us today. Our trading partners do not so burden their business people, and we must get our laws in order if we are to remain competitive in international markets. We have got to cut the Gordian knot that hobbles U.S. trade, not pick at its edges, and the task force I propose has an important role to play in this regard.

I think we should encourage a dialog and not pretend that the problem does not exist. A Presidential commission, chaired by the Vice President, would provide such a forum for discussion, and I urge all of my colleagues to join me in support of this bill.

I ask unanimous consent that the text of my bill appear in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Commission on the International Application of the United States Antirust Laws Act."

ESTABLISHMENT OF COMMISSION

SEC. 2. (a) There is established the Commission on the International Application of the United States Antitrust Laws (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of eighteen members who shall be appointed by the President as follows:

(1) four members from the executive branch of the Government:

(A) the Vice President of the United States;

(B) the Assistant Attorney General for the Antitrust Division;

(C) the Chairman of the Federal Trade Commission; and

(D) the Legal Advisor of the Department of State;

(2) four members from the Senate, two members to be named upon the recommendation of the majority leader, and two members to be named upon the recommendation of the minority leader;

(3) four members from the House of Representatives to be named upon the recommendation of the Speaker of the House of Representatives; and

(4) six members from the private sector.

(c) The Chairman of the Commission shall be the Vice President of the United States.

(d) The President shall designate the Assistant Attorney General for the Antitrust Division and the Legal Advisor of the Department of State as the Vice Chairmen of the Commission.

(e) the majority and minority leaders and the Speaker of the House shall make recommendations for the appointments to be made pursuant to subsection (b) within thirty days of the enactment of this Act.

(f) The President shall make all of the appointments in accordance with subsection (b) after receiving the recommendations set forth in paragraphs (2) and (3) of subsection (b) but such appointments shall be made no later than sixty days after the date of enactment.

(g) The first meeting of the Commission shall be called by the President within thirty days following the date such appointments to the Commission are made.

(h) Not more than one-half of the members of each class of members set forth in paragraphs (2), (3), and (4) of subsection (b) shall be from the same political party.

(i) The term of office for members shall be for the term of the Commission.

(j) A vacancy in the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made.

(k) Ten members of the Commission shall constitute a quorum (but a lesser number may hold hearings).

(l) The membership of the Commission shall be selected in such a manner as to be broadly representative of the various interests, needs, and concerns which may be affected by the international aspects of the United States antitrust laws.

PURPOSES OF THE COMMISSION

SEC. 3. (a) The Commission shall—

(1) conduct a comprehensive study of and make recommendations concerning the international aspects of the antitrust laws of the United States, the applicable rules of court, related statutes, administrative procedures, and their applications, their consequences, and their interpretation by the courts and Federal agencies (hereinafter referred to as "the United States antitrust laws"); and

(2) make periodic reports to the President and to the Congress concerning its activities and make a final report to the President and the Congress concerning such comprehensive study.

(b) Such comprehensive study shall specifically address—

(1) the application of the United States antitrust laws in foreign commerce, and their effect on—

(A) the ability of United States enterprises to compete effectively abroad; and

(B) the ability of United States enterprises to compete or deal effectively with foreign controlled enterprises in market and nonmarket economies;

(2) the effect of the application of the United States antitrust laws on United States relations with other countries;

(3) the jurisdiction and scope of the application of the antitrust laws to foreign conduct and foreign parties;

(4) the issue of reciprocity between nations with respect to mutual access to markets, equal opportunities for foreign investments, and enforcement of antitrust laws;

(5) the applications of United States rules of court relating to the enforcement of antitrust laws in the context of international transactions (for example, the "per se" and "rule of reason" doctrines); and

(6) the application of the United States antitrust laws to joint ventures, mergers, acquisitions, and distributions and licensing arrangements between and among the United States and foreign based enterprises.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 4. (a) Members of Congress, who are members of the Commission, shall serve without compensation in addition to that received for their services as Members of Congress, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Notwithstanding section 5533 of title 5, United States Code, any member of the Commission who is in the executive branch of the Government shall receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate salary not in excess of the highest rate for employees compensated at the rate of GS–18 of the General Schedule under section 5332 of title 5, United States Code, and he shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of the duties vested in the Commission.

(c) Members from the private sector shall each receive compensation not exceeding $200 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

POWERS OF THE COMMISSION

SEC. 5. (a) (1) The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpoenas may be issued to any person within the jurisdiction of the United States courts, under

the signature of the Chairman or Vice Chairmen, or any duly designated member, and may be served by any person designated by the Chairman, the Vice Chairmen, or such member. In the case of the failure of any witness to comply with any subpoena or to testify when summoned under authority of this section, the provisions of section 102 through 104, inclusive, of the Revised Statutes (2 U.S.C. 192–194), shall apply to the Commission to the same extent as such provisions apply to Congress.

(2) For purposes of Section 552(e) of title 5, United States Code, the Commission shall not be considered to be an agency.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairmen, such information as the Commission deems necessary to carry out its function under this Act.

(c) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 of the General Schedule under section 5332 of such title, and

(2) procure temporary and intermittent services in accordance with the provisions of section 3109 of title 5, United States Code, but at rates not to exceed $200 per day for individuals.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties to such extent and in such amount as are provided in appropriation Acts.

FINAL REPORT

SEC. 6. The Commission shall transmit to the President and to the Congress not later than one year after the first meeting of the Commission, a final report containing a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative, judicial, and legislative action which it deems advisable. Any formal recommendation made by the Commission to the President and to the Congress must have the majority vote of the Commission as present and voting.

EXPIRATION OF THE COMMISSION

SEC. 7. Sixty days after the submission to Congress of the final report provided for in section 6, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATION

SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the activities of the Commission.

EFFECTIVE DATE

SEC. 9. The provisions of this Act shall take effect upon the date of enactment of this Act.●

By Mr. DURENBERGER (for himself, Mr. BOREN, and Mr. HEINZ):

S. 433. A bill to amend the Internal Revenue Code of 1954 to encourage competition in the health care industry, to encourage the provision of catastrophic health insurance by employers, and for other purposes; to the Committee on Finance.

HEALTH INCENTIVES REFORM ACT OF 1981

● Mr. DURENBERGER. Mr. President, Federal health care costs are continuing to rise, and it is critical that we continue the discussions begun in the last Congress on competition in the health care arena. This afternoon, on my own behalf and on behalf of my colleague from Oklahoma, Mr. BOREN, and my colleague from Pennsylvania, Mr. HEINZ, I am reintroducing the Health Incentives Reform Act (HIRA). HIRA is designed to foster competition in health care by introducing economic incentives and consumer choice.

The extensive discussion during the last session of Congress on HIRA and similar competition bills was gratifying. But it is also indicative of the seriousness of the problem HIRA begins to solve. Two approaches to cost-containment are available. One is to enforce mandatory regulations that artificially cap costs. That approach was rejected in the last session. The other method is to encourage competition in the health care system. HIRA is the first step toward achieving that objective.

We are also involved in extensive discussion on the best mechanism to meet the need for catastrophic health coverage. These discussions have focused on employers providing their employees coverage, and paying a percentage of the premium cost. This approach stifles competition and runs the serious risk of skewing health care to the high cost, high technology end of the medical spectrum.

It is essential to remember what competition means. It means that efficient providers of care—physicians, hospitals, and others—are rewarded with additional business. We must devise a system that permits these efficient providers to isolate their experience from that of the rest of the provider community. Since one-plan offerings must permit the use of any health provider in the community, cost-effective providers get mixed in with ineffective providers. Limited provider organizations would not be viable because they would not meet the needs of all employees.

The key provisions of HIRA would:

First, limit the amount of the employer tax deduction for employee health benefits.

Second, encourage multiple choice by consumers (employees), and

Third, provide for equal employer contributions to health plans.

The limitation of the employer deduction should encourage employers and employees to look for the more efficient and cost effective health insurance plans. These may be HMO's or any other plans that might develop in the market to meet the needs of that particular group.

The multiple choice offering is essential if we are to create an environment in which competitive plans with a limited number of providers can begin to develop. Without multiple choice, true competition in employer group markets cannot exist.

The other essential ingredient in establishing an environment in which competition can flourish is the requirement that the amount an employer contributes on behalf of an employee must be the same regardless of the plan chosen by the employee. Only if we let the employee realize the complete cost difference among options will we encourage them to make rational economic decisions. Competition is distorted if the employer subsidy varies.

I am convinced that true competition can be injected into the health care sector and that this effort deserves our utmost encouragement and support. These competitive considerations are essential in the construction of catastrophic health insurance or any other major piece of health legislation. We must begin to right the imbalanced incentives that exist in our health care system. We cannot afford the alternative.●

● Mr. HEINZ. Mr. President, I am pleased today to join my distinguished colleagues, Senator DURENBERGER and Senator BOREN, in introducing the Health Incentives Reform Act (HIRA).

Since we introduced the same legislation during the 96th Congress, HIRA and the economic principles it embodies, have received a great deal of national attention in economic, legislative, health-care delivery, and academic spheres. The proposal is emerging from these arenas with significant support, and it is our sincere hope that the 97th Congress will see the adoption of this vital dose of medicine for our country's ailing health-care industry.

Mr. President, the bill we are introducing today represents a sound, market-oriented approach to reconciling the complicated issues associated with reducing profligacy in health-care costs without jeopardizing the provision of the best possible health services for all Americans.

This legislation seeks to promote competition in the medical marketplace. In designing this bill, we recognize the ills of the present system of health-care delivery—a system that employs incentives that lead to serious cost inflations in the health-care industry; the tax laws that make it cheaper for an employer to give employees a raise by increasing health insurance benefits than to provide a salary increase; the predominant fee-for-service mode of payment that rewards providers for providing more, often unnecessary, care at greater costs; and the unsuccessful attempts by the Government to harness the rapid cost escalations via regulation.

Mr. President, we do not pretend that HIRA will cure all of these ills immediately, but nor will any other bill. HIRA will effectively insure that providers offer cost-efficient services, and employer-offered insurance plans will contract with cost-efficient providers. We do earnestly believe that our legislation is the critical, initial step needed to set us on our journey toward the provision of better health-care services at lower costs.

As the distinguished Senator from Minnesota has outlined, HIRA's basic features are to:

First, limit the amount of the employer tax deduction for employee health benefits.

Second, encourage multiple choice of health-care providers for consumers.

Third, provide for equal employer contributions to health plans, and refunds to employees who chose less expensive plans.

We are convinced that these fundamental elements are tantamount to the provision of better health care at lower costs, and the development of a system that is truly responsive to patient needs.

Mr. President, I commend Senator DURENBERGER and his staff for their careful analyses and research efforts in drafting HIRA. They have done an outstanding job in producing a very thoughtful, thorough piece of legislation.

The economic groundwork for this legislation was laid by Prof. Alain Enthoven of Stanford University. Senators DURENBERGER, BOREN, and I listened to Professor Enthoven when he testified before the Finance Committee in March, 1980, regarding his model designed to inject competition and reduce costs within the health-care delivery system—the model which legislatively translates into HIRA.

I have reflected in great depth upon his testimony, and believe that his work can also clarify to other Senators the merits of the proposal we are introducing today. Therefore, I ask unanimous consent that the text of Professor Enthoven's testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY PROF. ALAIN C. ENTHOVEN

Mr. Chairman: Thank you for giving me the opportunity to appear before this Committee in support of this important piece of legislation, that is, the Health Incentives Reform Act of 1979 (S. 1968). I am appearing here as a private citizen representing my own views. What I have to say bears no necessary relationship to the views of my employer or any of my consulting clients.

The costs of health care in our country are rising at an alarming rate. I am sure that you are all familiar with the figures, so that I need not repeat them here. What is new and different now from, say, 6 or 8 years ago, is the sheer size of these outlays. For example, Medicare has been approximately doubling every 4 years. The problem for Federal finances created by a doubling of 1972's $9 billion outlay was far less severe than that which would be created by a doubling of the $34 billion projected for 1980. And these growing outlays are on a collision course with other urgent demands on the Federal budget such as for national defense and for tax reductions to spur productive investment needed to reverse the decline in productivity in our economy.

Many factors have contributed to the increase in costs: increased insurance coverage, new technology, an aging population, and others. We can do nothing about some of these; others we would not want to reverse even if we could.

But there is one factor of overriding importance that we can correct. Today's dominant health care financing system, the system on which most private insurance, Blue Cross, Blue Shield, Medicare and Medicaid are based, rewards providers of care with more revenue for providing more and more costly care, whether or not more is necessary or beneficial to the patient, and it provides insured patients with little or no financial incentive to question the need for or value of services or to seek out and cooperate with less costly providers. In short, we have a system in which there are many powerful cost-increasing incentives, and no rewards for economy in the use of health care resources. As a consequence, there is a great deal of waste and overutilization of services.

The incentives to which I am referring are those inherent in the system of paying doctors fee-for-service, cost-reimbursement and third-party payment of billed charges for hospitals, and 100 per cent government—or employer-paid health insurance to protect patients.

Mr. Chairman, my studies have convinced me that it would be possible to cut cost substantially while improving the quality of care, through proper organization and rational economic incentives. By "rational economic incentives" I mean incentives that reward providers of care for finding ways to give better care at less cost and that reward consumers for choosing economical providers.

For the past 10 to 15 years, the main line of public policy regarding health care costs has been to attempt to contain them by direct controls on prices, capacity, and utilization. This policy has failed both economically and politically. The main reason for the economic failure is that these controls have done nothing to correct the underlying cost-increasing incentives. Indeed, some of the control systems actually intensify the cost-increasing incentives.

If these cost-increasing incentives are such a bad thing, why do they persist? Why doesn't competition from other financing systems replace insured fee-for-service? The answer is that insured fee-for-service is protected from fair competition by law.

Medicare and Medicaid are based on fee-for-service and cost reimbursement. Thus, they systematically pay more on behalf of people who choose more costly providers or systems or styles of care. Beneficiaries who are given the choice and choose to join a health maintenance organization receive little or none of any economic savings resulting from that choice.

Under the tax laws, employer contributions to the health insurance or health care of employees and dependents are excluded from the employee's income subject to federal and state income taxes and social security taxes. These provisions of the tax laws have very powerful economic consequences for the health care system, consequences that were surely not foreseen when they were enacted. They are, briefly, as follows:

1. The tax laws have put health benefits under the control of employers and, where there are unions, under the joint control of labor and management. Thus, health benefits have become a tool employers use in the labor market, and that union leaders use as bargaining prizes. This creates continuing pressure for more benefits.

2. The tax laws motivate employees to take more of their gross compensation in health benefits than they would if health benefits were taxed like other income.

3. The tax laws make it logical for the employer to pay for 100 percent of all the health insurance the employees want to buy.

4. The tax laws have worked to block fair economic competition of health plans. Most employees are offered a single employer-provided health plan. For those who are offered choices, the employer usually pays more on behalf of those who choose more costly health plans. In fact, the employer often pays 100 per cent of the premium whichever plan the employee chooses. This leaves the employee with little or no reward for making an economical choice.

I have explained these effects of the tax laws in greater detail in my forthcoming book Health Plan: The Only Practical Solution to The Soaring Cost of Medical Care.

Some employers have told me that they recognize the harmful consequences of their behavior and consider it a serious mistake to have become committed to 100 percent payment of open-ended service benefits. But having done so, they find it hard to change unless everybody else changes too. That is, they need an external event to force them to make the change to a system that is more rational from an economic point of view.

What is needed is to replace the cost-increasing and anti-competitive provisions of Medicare, Medicaid and the tax laws by provisions based on the principles of fair economic competition among health care financing and delivery plans. Briefly stated, these principles are as follows:

1. Multiple Choice. Each consumer should be offered, annually, the opportunity to enroll for the coming year in any of several health care financing and delivery plans operating in his or her area meeting certain uniform standards governing all health plans. (Traditional insured fee-for-service would be one of the options.)

2. Fixed dollar subsidies, equal with respect to choice of plan. Whatever subsidy each consumer gets—from Medicare, Medicaid, an employer or through the tax laws, should be the same whichever plan he or she chooses. Thus, the consumer who chooses a less costly plan would save money. The consumer would have a reason—not usually present today—to make an economical choice.

3. Same rules for all. A system of fair economic competition intended to make good quality care affordable to all must be designed with great care. Not every scheme that calls itself "competition" will produce good results. Carefully drawn rules are needed.

One of the most important and subtle design problems is to set the rules in such a way that health plans will succeed by providing better care at less cost and not by selecting preferred risks. For example, if people were given an annual choice of a low cost insurance plan limited to catastrophic expense protection and a comprehensive plan with first-dollar coverage, those who expected little or no medical expense during the coming year would find it in their interest to pick the low cost plan. When they planned or expected substantial medical expenses, they would switch to the comprehensive plan until their medical needs were taken care of. Comprehensive plans would not be able to survive in such a competition; they would be destroyed by adverse risk selection.

Experience with multiple choice plans shows that preferred-risk selection can be prevented by such techniques as:

(a) The employer or government, and not the health plans, conducting the enrollment process; and

(b) Reasonable similarity of benefits in all plans.

Rules are also needed to prevent the selling of deceptive or inadequate coverage and to prevent unnecessary complexity in health plan offerings.

Such rules should be applied equally to all competitors.

4. Doctors in competing economic units. It must be possible for consumers voluntarily to limit their choice of doctors, for a year at a time, to one or another group of doctors, in exchange for better benefits at a lower cost. Thus, we need some "limited provider plans." In our predominant system of "free choice of doctor" insurance, the consumer's premium is the same whether he goes to the most expensive or economical doctors. Hence, there is no economic competition among doctors, i.e. no competition that rewards economy in the use of resources.

For the most part, we do not have fair economic competition today. But in those few places where these principles are being applied, such as Minneapolis-St. Paul, Hawaii, and Clackamas County, Oregon, we see very

promising results. Doctors work hard to improve service while cutting costs. Rates of hospitalization (i.e. hospital days per 1000 people per year) are cut drastically. Economy in the use of health care resources is rewarded. Senator Durenberger has observed this promising development in his own state and has based his proposal on a careful observation of demonstrated patterns of success there.

The principles of fair economic competition can be applied in various ways. We are dealing here with a complex ecology of incentives. Much judgment and some empirical tuning will be required. Senator Durenberger's Health Incentives Reform Act, S. 1968, represents a most important attempt to apply these principles. It requires employers of 100 or more to offer choices on an economically fair basis. It involves the consumer in the cost of care in a way that does not threaten serious financial harm. It allows the consumer to benefit from making an economical choice of health care system. It moves our health care economy toward more equal rules for all health plans. In short, it says: "Let's give people some choices on an economically fair basis." I believe it would be hard to justify opposition to that.

Nobody claims that correcting the incentives and requiring people to be offered choices is a panacea. This legislation will not immediately solve all our medical cost problems. (Nor will any other legislation.) It is, however, an important and fundamental step in a new direction—a direction in which consumers and providers of care will be rewarded for economical behavior.

Mr. Chairman this completes my prepared statement. With your kind permission, I would include in the record, as an attachment to my statement, detailed comments and suggestions relating to S. 1968.

DETAILED COMMENTS ON AND SUGGESTIONS FOR S. 1968

1. *Multiple Choice:* Any employer having a total of more than 100 employees covered under any health benefit plan must provide at least three options each of which is offered by a separate carrier.

The reason for requiring three choices, instead of two, is in order to connect the market" and increase the likelihood that particular health care financing and delivery plans will meet each other in direct competition in a significant number of employee groups.

The reason for requiring three separate carriers is to force the development of genuine competition in which the carriers would have to innovate and develop effective private means of cost control. The mere offering of three options by one carrier, all based on insured fee-for-service, would not have this desirable effect.

The experience of employers who do offer multiple choice, including the Federal government, the State of California, Stanford University, Control Data Corporation Honeywell, and many others shows that this is a simple and effective way to do business. Allegations that a requirement to offer three choices would lead to a "nightmare of administrative complexity" are shown by these experiences to be false.

2. Equal Employer Contribution: The amount of employer's contribution shall not depend on which option an employee chooses. If the employer's contribution amount exceeds the total cost of any option offered, the employer shall contribute the difference to the employee in cash or other benefits.

This requirement is essential to fair economic competition. It assures the employee an appropriate reward for making an economical choice, i.e. the right to keep the savings.

Yet this requirement does not unduly restrict the rights of labor and management to bargain over health benefits. It merely requires that the agreement they reach be compatible with fair economic competition.

It is appropriate to make the required cash rebates taxable income. To make them tax free would be tantamount to abolishing the tax subsidy that supports our private insurance system. The tax subsidy inherent in the exclusion of employer health benefits contributions from the employee's taxable income is an important and necessary support to our private health insurance system. A workable private health insurance system that makes affordable health insurance available to all must include some element of compulsory premium contribution. Without this, the healthy would find it in their interest not to insure, and only those fearing medical costs in excess of their premiums would insure. The premium costs would be driven up and the system would break down. The tax subsidy in the exclusion provides the needed incentive for most employee groups to buy insurance. Making the rebates tax free would create an incentive for employees to demand an extremely cheap "catastrophic only" option, and for the preferred risks to choose it.

For this reason, I would prefer to see the rebates also subject to FICA and FUTA tax on a basis that equalizes the gross cost to the employer of contributing to each alternative (i.e. the employer's share of FICA and FUTA tax on the rebate would be considered a part of his contribution.) However, this issue is a matter of judgment on which it would be hard to find much evidence for either side.

Also for these reasons, I think it appropriate, as S. 1968 does, to require no rebate or contribution in the case of an employee who chooses not to buy health insurance.

3. Limitation on Employer Contribution That Is Tax Free. S. 1968 provides a dollar limitation on the amount of the employer's health benefits contribution which is excluded from the employee's taxable income (e.g. $125 per family in 1980 indexed to the medical component of the CPI).

As explained above, the tax subsidy inherent in the exclusion of employer health benefits contributions from the employee's taxable income is an important and necessary support to our private health insurance system. But there is no reason for government to subsidize health insurance purchases above the level at which people can purchase membership in a good quality comprehensive care program. To do so is to encourage waste and to weaken or block economic competition.

Three arguments will be raised against the dollar limit.

First, health care costs per capita are much higher in some areas than in others. Thus, a uniform dollar limit will be too high for some and too low for others. In principle, one could correct this by applying different limits in different market areas, each proportional to health care costs per capita in that area. However, against this one could argue that to do so would be to set a precedent for adjusting the entire tax code for regional cost-of-living differences, an extremely complex task of uncertain outcome. Moreover, the uniform limit focuses the incentives for delivery system reform precisely on those areas that need reform the most, i.e. the high cost areas.

Second, employees now receiving tax-free employer contributions greater than the limit will be subjected to increased taxes, in effect, a "roll back" of existing benefits. This problem could be eased by a transition rule freezing excludable contributions above the limit in 1980 at their 1980 dollar level until inflation causes the general limit to catch up. In any case, the amount of increased tax would not be large.

Third, some groups have high premiums and employer contributions not because they have very generous benefits but because they are experience-rated and have high medical risks. Thus, they would be taxed more because of their poor health status. I believe that the appropriate response to this problem is to use the leverage of the tax laws to move our whole health insurance system away from experience rating by groups. In Consumer Choice Health Plan, I recommended a combination of community rating by actuarial category for premiums, and tax credits proportional to actuarial cost for premium subsides. You may wish to consider an actuarial adjustment to the limit on excludable employer contributions available at least on an exceptional basis to high risk groups who can demonstrate that their risk status is substantially above average.

4. Minimum Benefit Provisions. The minimum benefit provisions in subsections (h) and (i) are very constructive procompetitive steps. The requirement to cover specified health care services will move health plans toward greater uniformity and comparability. The requirement for catastrophic expense protection will assure that tax-subsidized premium dollars are spent first to prevent insured people from suffering medical bankruptcies or becoming a burden on the public sector after medical expenses have made them poor.

5. Continuity of Coverage Provisions. The continuity of coverage provisions are an important step in the direction of remedying one of the worst scandals of our private health insurance system based on employee groups, i.e. that people often lose their health insurance when they need it most, when the breadwinner loses membership in his or her employee group.●

By Mr. PELL (for himself and Mr. HARRY F. BYRD, JR.):

S.J. Res. 27. Joint resolution proposing an amendment to the Constitution of the United States relative to the commencement of the terms of Office of the President, Vice President, and for other purposes; to the Committee on the Judiciary.

PROPOSED CONSTITUTIONAL AMENDMENT TO CHANGE INAUGURATION DAY

● Mr. PELL. Mr. President, I am today introducing, for myself and for Senator HARRY F. BYRD, JR., a joint resolution proposing a constitutional amendment to shorten the existing interminable delay between the election of a President and his inauguration.

The amendment would change the inaugural date from January 20 following a Presidential election to November 20. Newly elected Members of Congress would take office on November 15 instead of January 3, as now provided by the Constitution, to permit the new Congress to count electoral ballots before the inauguration.

The arguments for drastically shortening the time between the election and installation of a President are compelling.

First, and foremost, I believe the American people, once they have elected a President, want to see him in office and pursuing his program and his policies as soon as possible. The casting and counting of millions of votes is accomplished in 1 day, and there is just no reason to wait 2½ months to give the people the President they have elected.

Second, in both foreign and domestic affairs, the transition is a period of near-paralysis of Government. Foreign governments defer dealing with a "dead-duck" administration or hasten to make

arrangements that a newly enfranchised President might not countenance. Similarly, in domestic policy decisions important to our economy and well-being may either be put off in deference to the incoming administration or expedited to accomplish goals contrary to those of the incoming President.

Third, the earlier inauguration would permit the new President to submit to the Congress his own budget for the following fiscal year instead of submitting revisions to a budget developed by the departing President. It would also permit a President a better opportunity to propose revision of the current year budget early in the fiscal year.

Finally, there is no real need, with modern communications and transportation, for a prolonged transition period. Indeed, a lengthy transition period permits and encourages needlessly elaborate transition planning. It encourages and permits the development of prolonged and intensive internal warfare among the newly elected President's own supporters and within his party, including unseemly jockeying for position, influence, and appointment.

Under the amendment I have proposed, a President would take office from 11 to 18 days after the date of the popular election, depending on when election days falls.

Some may contend that this would not give a new President time to select a Cabinet. As Columnist George Will commented in a column urging a shorter transition period—

Man's best friend is a deadline. When it comes to picking up the pace of things, there is nothing like the lash of necessity.

Even if a new President did not have his Cabinet completely in place within a shorter transition, a few Cabinet vacancies are far preferable to a paralysis of the entire Government. Every department has a senior career official capable of running the department on a caretaker basis.

Our Presidential election system has become an almost interminable marathon. Potential candidates for Presidential nomination begin tilling the fields in primary States 2 years before the date of elections, and for that 2-year period the public is exposed to the personalities, proposals, and policies of contenders through primaries, through the national political conventions, and then through the campaign to the election.

When a candidate has spent 2 years formulating his positions and policies and espousing them. he really does not need an additional 2½ months after the election to prepare himself to take office.

I ask unanimous consent that the text of the joint resolution be printed at the conclusion of these remarks and, following the resolution, several newspaper articles commenting on the need to shorten the transition period.

There being no objection, the joint resolution and articles were ordered to be printed in the RECORD, as follows:

S.J. RES. 27

Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled, (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission to the States for ratification:

"ARTICLE —

"The terms of the Office of the President and Vice President shall end at noon on the twentieth day of November, and the terms of Senators and Representatives at noon on the fifteenth day of November of the years preceding the years in which such terms would have ended if this Article had not been ratified; and the terms of their successors shall then begin.".

[From the Washington Post, Jan. 25, 1981]

THE TOO-LONG TRANSITION

(By George F. Will)

Tinkering with the Constitution is generally unwise, even impertinent, but the time has come to change one word, replacing "January" with "December" in Section One of the 20th Amendment: "The tenure of the President and Vice President shall end at noon on the 20th day of January. . . ."

A recurring question today is: Are the constitutional arrangements, devised by the rural gentlemen in the 18th century for a sparsely populated fringe of an unexplored continent, suitable for a continental, urban, industrialized nation? The answer is an emphatic "yes." But large improvements can radiate from small changes, such as trimming four weeks from the transition period.

Until 1936, Inauguration Day was March 4. That date made sense when the speed (or possibility) of travel and communication depended on unpaved roads. But the March 4 date was set by the Founders when the pace of events was such that President Thomas Jefferson could say, speaking of the U.S. minister in Spain, "I haven't heard from him in two years. If I don't hear from him next year, I will write him a letter."

Today, waiting even until Jan. 20 is unnecessary and dangerous, and is especially dangerous when an incumbent has been rejected at the polls.

The decisiveness of the nation's rejection of Jimmy Carter seemed suddenly to render him almost invisible and negligible as a governmental force. It drained away most of the reserves of presence and authority that he would have required in a crisis, such as a Soviet invasion of Poland. If there is an invasion, everything—the effectiveness of the response, even the survival of the Western alliance as more than an empty shell—will depend on allied solidarity behind a stern policy. Had there been an invasion in the weeks after the election, Carter's ability to organize such solidarity would have been even less than it was in the best of his days.

Even a narrow election victory imparts something that is difficult to acquire, even more difficult to keep, and indispensable to energetic government: mo-(forgive me, George Bush)-mentum. Yet such is the inescapable toll taken by our unduly prolonged transition periods that when President Reagan stepped forward to deliver his inaugural address, he had to use part of his address to stir the cooling fire of the Nov. 4 consensus. That is, I suspect, why the first part of the speech, with its didactic tone about the economy's ailments, sounded a bit—which means a bit too much—like a campaign speech.

Just before the splendid peroration, there was one passage—the passage about contemplating "no compromise" about, among other things, lightening "our punitive tax burden"—that seemed designed to repair the damage done to the public's understanding of his economic intentions by too much talk during the too-long transition.

During a transition, and especially early in one, there is an unusually high ratio of journalistic energy to real news, so news reports contain an unusually high ratio of speculation to substance. In addition, nothing is more fun to report than disagreements within an administration, and the process of looking for them can produce them, especially when an administration is only half-formed and is taking shape in slow motion.

At that point, there is a lively swirl of persons who were campaign advisers and spokesmen, persons who have been appointed to the administration, and persons who have been "mentioned" as possible appointees. All these persons have opinions, few of which are perfectly harmonious with anyone else's. So the question of the hour becomes, Whose views represent the president-elect's immediate policy intentions?

During Reagan's transition there was a Niagara of analysis of all the fine shadings of Reaganite opinion about economic policy, from that of neopopulist tax-slashing Kemp-Roth supply-sided Lafferites to that of neo-orthodox semi-Greenspanians. Minds reeled, and so, occasionally, and perhaps not coincidentally, did some financial markets. A shortened transition period would minimize occasions for such confusions.

Those who think a shortened transition period would be impractical will note that the Reagan administration is not the first to find the federal machinery so sprawling and complex that, even given until Jan. 20, it had to take office with many important positions unfilled.

But a shortened transition might stimulate a greater sense of urgency. When it comes to picking up the pace of things, there is nothing like the lash of necessity. Journalists do not know much, but this they know: man's best friend is the deadline.

THE LAME DUCK SHOULD FLEE QUICKLY

(By Robert Wesson)

SANTA BARBARA, CALIF.—As the lame duck Carter administration wearily waddles toward its demise, we may well wonder whether the nation can still afford the oddity of the long period between the change of governments.

Delaying the entry of a new administration for 2½ months after the election is a practice peculiar to the United States and without a real counterpart in any other country. In countries with parliamentary government, the new chief executive usually takes office the day after election. Our practice derives from the 18th-Century origins of the Constitution. When the horse was the fastest carrier of messages, months were necessary to count the ballots, gather the electors, certify the results and get the new president properly into office.

Inauguration was March 4 during most of our history. The country had four months to slide into Depression between the election of Franklin D. Roosevelt in November and the beginning of his activity to end it in March 1933. The interregnum was shortened by six weeks because of this unhappy experience, and Inauguration Day was moved up to Jan. 20. But there still remains an unfortunate and unnecessary hiatus.

During this period, there is certainly a temptation for international adventurists to act, knowing that the outgoing president may be unable to react appropriately and that the incoming president may be unprepared to do so, and that it might be difficult for them both to coordinate a response.

This is a possibility. It is a certainty that there can be little or no positive action to meet any problems. Things have to wait until the new team takes over. If the economy

is sick, it must agonize until the new doctor's office hours.

The incoming president should take office as soon as feasible after the counting of the ballots. A week or 10 days should suffice for one occupant to move out of the White House and another to move in.

The most obvious argument against such dispatch is that it takes time to put the Cabinet together and to get directions sorted out. Ronald Reagan, after all, seems to have needed more than five weeks of diligent search to decide on his team.

Yet, this is really the strongest argument for an immediate transition. If the challenger is to assume office within a few days after victory, he must have his nominations prepared in advance—a shadow Cabinet, as it is called in Britain. This would greatly assist the electorate in making its judgment: It would see not only the nominee but also those who would act with, and for, him in shaping policy.

Under the existing system, the voters judge according to their impressions of personalities, performance in a so-called "debate," and stands on various issues, many of which will disappear from sight when the campaign is over. What kind of person the nominee will put in top positions hardly comes up. Yet this is the most important question of all.

The success of an administration does not depend on the engaging smile of the President, or his stamina on the campaign trail, or his ready wit, and his answers on issues are sure to change when he is in office. Far more important is the candidate's ability to select and work with persons of the highest qualifications who will formulate and carry out policies and decide the countless questions that he cannot or should not personally decide. Moreover, the kind of persons who are prepared to work in a candidate's prospective government tells much about his qualifications. This reform is important, and it should be easily achieved, because no one would be injured by it. If Americans treasure their free institutions, they should not hesitate to bring them up to date.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MATHIAS, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 2, a bill to amend the Internal Revenue Code of 1954.

S. 53

At the request of Mr. HAYAKAWA, the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Georgia (Mr. MATTINGLY), the Senator from Idaho (Mr. MCCLURE), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of S. 53, a bill to amend the Voting Rights Act of 1965 to repeal certain requirements relating to bilingual election requirements.

S. 58

At the request of Mr. HAYAKAWA, the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 58, a bill to restrict the release of results from Presidential elections until all the polls are closed.

S. 87

At the request of Mr. BOREN, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 87, a bill to repeal the windfall profit tax.

S. 181

At the request of Mr. CRANSTON, the Senator from Texas (Mr. BENTSEN), the Senator from Hawaii (Mr. INOUYE), the Senator from Hawaii (Mr. MATSUNAGA), the Senator from Maryland (Mr. SARBANES), and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of S. 181, a bill to provide for the extension of the authorization of appropriations for the Head Start program.

S. 254

At the request of Mr. SCHMITT, the Senator from New Mexico (Mr. DOMENICI), and the Senator from Washington (Mr. GORTON) were added as cosponsors of S. 254, a bill to authorize public land States to select certain public lands in exchange for land taken by the United States for military and other uses, and for other purposes.

S. 307

At the request of Mr. COCHRAN, the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. PRYOR), the Senator from Indiana (Mr. LUGAR), the Senator from Utah (Mr. GARN), and the Senator from Mississippi (Mr. STENNIS) were added as cosponsors of S. 307, a bill to amend the Internal Revenue Code of 1954 to exempt from the windfall profit tax oil produced from interests held by or for residential child care agencies.

S. 326

At the request of Mr. METZENBAUM, the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 326, a bill to require the divorcement of motor fuel service stations from operation by certain producers and refiners of motor fuels, to control sales by producers and refiners of motor fuels, and for other purposes.

S. 328

At the request of Mr. PERCY, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 328, a bill to amend the Internal Revenue Code of 1954 to encourage the production of alcohol for fuel use by repealing the occupational tax on manufacturers of stills and condensers.

S. 354

At the request of Mr. PERCY, the Senator from South Dakota (Mr. ABDNOR), was added as a cosponsor of S. 354, a bill to amend the Export Administration Act of 1979.

SENATE JOINT RESOLUTION 22

At the request of Mr. PROXMIRE, the Senator from Michigan (Mr. LEVIN), the Senator from Arizona (Mr. GOLDWATER), the Senator from South Dakota (Mr. ABDNOR), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Kentucky (Mr. FORD), the Senator from Maine (Mr. MITCHELL), the Senator from Michigan (Mr. RIEGLE), the Senator from Indiana (Mr. LUGAR), the Senator from Illinois (Mr. DIXON), and the Senator from Tennessee (Mr. SASSER) were added as cosponsors of Senate Joint Resolution 22, a joint resolution authorizing the President to proclaim March 16 of each year as "Freedom of Information Day."

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. DOLE, the Senator from Hawaii (Mr. MATSUNAGA) and the Senator from Minnesota (Mr. DURENBERGER) were added as cosponsors of Senate Concurrent Resolution 4, a concurrent resolution expressing the sense of the Congress with respect to implementing the objectives of the International Year of Disabled Persons (1981).

SENATE CONCURRENT RESOLUTION 6—CONCURRENT RESOLUTION DISAPPROVING LEGALIZED GAMBLING IN THE DISTRICT OF COLUMBIA

Mr. HATFIELD (for himself and Mr. HELMS) submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs:

S. CON. RES. 6

Resolved by the Senate (the House of Representatives concurring), That the Senate disapproves of the approval by the majority of the registered qualified voters of the District of Columbia voting in the referendum on November 4, 1980, described as follows: The Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, approved on November 4, 1980, results of the referendum certified on November 21, 1980, and transmitted to the Congress pursuant to section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act on December 2, 1980.

© Mr. HATFIELD. Mr. President, I am introducing a resolution today which will disapprove of the vote in the District of Columbia for legalized lotteries, daily numbers games, bingo and raffles for charitable purposes. I am doing this in conformance with section 8 of the Constitution of the United States which gives this Congress the right and, in this case, the obligation to exercise legislation in all cases whatsoever over the District of Columbia which is the seat of the Government of the United States.

I realize that we have come a long way since the days of the Constitutional Congress. There has sprung up a movement which I have supported, to institute home rule here in the District. We have acknowledged that citizens of the District of Columbia have been underrepresented throughout the history of this Nation. And so it is valid to ask why the Founding Fathers would include such a passage in the Constitution, and why I would call upon such a passage today.

In my mind, the answer is in the words "The Seat of The Government of the United States." The Founding Fathers could have located the Capitol of the United States in any of the 13 States.

We can argue that there would have been little effect on the operation of the Federal Government if we had done so. But they chose this unique institution, a Federal district. I believe that they took such action because they were aware that this district is the only impression of the United States that many foreign leaders ever receive. They were also doubtless aware that what happens in the Federal City is an example for the rest of the Nation.

I believe that the District of Columbia should obtain home rule. But I also believe that these concepts of the Founding Fathers remain as true today as they were 204 years ago. I recognize that this approach is somewhat at odds with my desire to see a total representation in the

District, and I will not try and accommodate these views here, though I think they must be accommodated eventually.

Why should anyone oppose gambling? It is one of America's major industries, ranking in dollar volume along with the automobile industry and the oil industry. In fact, horse racing accounts for over $6 billion in dollar volume. Football and other sports account for another $20 billion plus per year. Both Time and Newsweek have identified gambling as one of the great growth industries of the 1970's. A member of the Nevada Gaming Control Board has said that, "Statistically, gambling is the normal thing. It is the nongambler who is abnormal in the American society."

And so, having established that gambling is a trend; the way of life for many Americans; it is appropriate to ask what it is doing to our society. Who gambles? Who is affected? Where does the money come from and where does it go? In answering these questions, I would like to try and present persuasive evidence to my colleagues that gambling is harmful, and that if we allow it to take place in the District of Columbia we will be doing a disservice to residents of the District and to our fellow citizens of America.

Mr. President, the history of gambling in the United States is a long and treacherous one. From colonial times until 1869 games and lotteries were a feature of American life. In fact, one notorious lottery was authorized by the Commissioners of the District of Columbia for "improvement of the Federal City." President George Washington bought the first ticket. The first prize, devised by the lottery agent, was to be a "superb hotel, with baths, outhouses, et cetera, to cost $50,000." As soon as the first lottery was complete, the agent announced a second lottery to build residences in the Capital City. However, the lottery agent ran out of money to build the $50,000 hotel and the first prize winner took possession of an unfinished hotel and a lawsuit. After 6 years, the second lottery was only able to sell one-fourth of the tickets required to make it a success. It was then eliminated by the District Commissioners.

Several years later, President Madison authorized the District to begin a third lottery for the building of schools, a penitentiary, and a city hall. Ticket holders of all three lotteries made claims on all the prizes and the confusion and loss convinced the Federal Government to get out of the lottery business forever.

In 1818, the State of New York, which was in the process of raising $53 million with lotteries, launched an investigation committee into the lottery system. The commission report concluded that the only positive thing about the New York lotteries was "the cheerfulness with which—the money—is paid." Next, the Pennsylvania Union Canal Lottery took in $3 million from hopeful contestants and contributed only $150,000 to the canal project. Finally, in 1969, the Louisiana State Lottery Co., a national concern which took in $11 million a year, was caught buying off the State, the Governor, the legislators, clergymen, and the press. In response to this and other embarrassment, State after State passed laws against the lottery and other gambling schemes until, by 1894, legalized gambling was virtually outlawed in the United States.

Mr. President, I could go on with other stories of unsuccessful lotteries. However, I would like to focus on the reasons I believe this is an ill-considered vote which deserves to be disapproved by the Congress.

I stated at the beginning of this speech that I favored congressional action despite my support for home rule in the District of Columbia, because I felt that gambling will reflect on the character of the Federal City. We cannot avoid the fact that Washington is two cities. It is the home of our many residents, who deserve an equal voice in Government with the rest of the U.S. citizens. But, it is also the seat of Government and I have said that I believe gambling in the District will reflect poorly on the Nation. I hold this belief for several reasons.

Gambling is a tax on the poor. It is regressive. It has been demonstrated again and again that the poorest of the poor, who have much time and little hope of social advancement see gambling as a way to attempt to break out of their environment with one big strike. It is possible this happens. It is possible that some winners will use their earnings wisely and leave their environment behind forever. But, at what cost?

It is basic to gambling that it is nonproductive. Gambling is simply a method of transferring money from hand to hand with no increase in wealth. It is apparent that for each person who takes home a large prize, many more will be forced to do without. Representative Wright Patman of Texas, who was regarded as a taxation expert, called the growth of legalized gambling a dangerous trend.

In a floor statement, he said:

Instead of taxing the banks, the corporations, the foundations and other holders of great wealth, local governments are turning to gambling devices in an attempt to extract money from those who can least afford to pay . . . If necessary, Congress should consider legislation that will control, if not stop, some of these more outlandish schemes to raise public money through gambling . . . This is a tragic development . . . these schemes are being packaged in typical Madison Avenue style. We are told that a little gambling—backed by the State—will help educate children and provide other benefits . . . this is the purest form of hogwash.

I agree with Congressman Patman. I believe that if we add gambling to the woes of this already troubled city, we will find an increase in violent crime, and a decrease in family cohesiveness and little benefit against which we can balance these costs.

The purpose of gambling is to provide income for its sponsor. But the success of gambling relies on the return it can give to the gambler. This puts the operator in a difficult position. In order to make the gambling scheme a success, he must return the maximum to the gambler and in order to do that he must skim the minimum out of the pot. However, this defeats the purpose of the game. He must return less income to the charitable institution.

Now, if we do that, what is the purpose of the game in the first place?

If anyone really believes that the purpose of these games will be to benefit charitable institutions," he should look at the priority in which the pot is distributed. First comes the operator's expenses and profits. Then, taxes must be paid. Next, we must hold some capital for the next game. Finally, the beneficiary gets what is left. It is apparent to anyone who takes a moment to look at this list that the prime benefactor of the game is the operator, or the house.

Some argue that through legal gambling, we will eliminate illegal gambling.

I would like to suggest, Mr. President, something that every gambler knows. The percentage of the pot which goes out for other purposes, determines the odds. It is important to realize that as long as legalized games pay taxes, audits, benefits to charitable institutions, or any other expense not directly rleated to operations, they cannot hope to come close to the odds a gambler can get in an illegal game. Moreover, any legal game must report winnings. Since this is not an obligation of an illegal game, all the prizes in an illegal game can be much larger.

It appears the only effect of legal gambling would be to break down the stigma of gambling and thereby promote illegal games. It also appears that enforcement of gambling laws would be well nigh impossible. Any police officer who is human must think twice before risking his life and limb busting an illegal gambling game, when he knows that legal gambling is going on openly right next door. The only way to squeeze the illegal games is to put all the money from the legal games back into the pot for distribution as prizes and thereby raise the odds. Here again, we defeat the very purpose of legal gambling.

Finally, we should note the experiences of Las Vegas, Atlantic City, Reno, Nev., Havana, Cuba, and a host of other present and former legal gambling centers. Invariably, the Mafia has moved into these operations. We have seen it time and time again on the front pages to the point where I cannot imagine anyone who would be willing to refute that statement. I submit that we are asking for trouble if we do not disapprove this referendum. For all the reasons I have enunciated, I would plead with my colleagues to disapprove legalized gambling in the District of Columbia.●

SENATE RESOLUTION 62—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. HATCH, from the Committee on Labor and Human Resources, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 62

Resolved, That, in carrying out its powers, duties, and functions under the Standing Jurisdiction under rule XXV of such rules,

including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1981, through February 28, 1982, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the Committee under this resolution shall not exceed $4,054,000 of which amount not to exceed $27,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1982.

SEC. 4. Expenses of the Committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SENATE RESOLUTION 63—RESOLUTION RELATING TO TOTAL EMBARGO OF UNITED STATES GOODS WHEN AN AGRICULTURAL EMBARGO IS IN EFFECT

Mr. PRESSLER submitted the following resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. RES. 63

Resolved, That it is the sense of the Senate that whenever an embargo on United States export sales of agricultural commodities to any country is in effect, a total embargo of all United States export sales to that country shall be imposed.

SEC. 2. The Secretary of the Senate shall transmit copies of this resolution to the President and to the Secretary of Commerce.

AMENDMENTS SUBMITTED FOR PRINTING

TEMPORARY INCREASE IN DEBT LIMIT

AMENDMENT NO. 2

Mr. JEPSEN (for himself, Mr. PORTEN, Mr. PRYOR, Mr. PRESSLER, and Mr. SYMMS) proposed an amendment to the bill (H.R. 1553) to provide for a temporary increase in the debt limit.

AMENDMENT NO. 3

(Ordered to be printed.)

Mr. ROBERT C. BYRD (for himself, Mr. BRADLEY, Mr. CHILES, Mr. BUMPERS, Mr. HART, Mr. LEVIN, Mr. MATSUNAGA, Mr. INOUYE, Mr. BAUCUS, Mr. BOREN, and Mr. GLENN) proposed an amendment to the bill H.R. 1553, supra.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. COHEN. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of a public field hearing before the Select Committee on Indian Affairs, chaired by Senator JOHN MELCHER.

The hearing is scheduled for February 27, 1981, beginning at 10:30 a.m. in the city council chambers, Billings City Hall, 27th and 3d Avenue North, Billings, Mont. Testimony is invited regarding Federal supervision of oil and gas leasing on Indian lands.

For further information regarding the hearing you may wish to contact Virginia Boylan or Max Richtman of the committee staff on 224–2251. Those wishing to testify or who wish to submit a written statement for the hearing record should write to the Select Committee on Indian Affairs, U.S. Senate, Washington, D.C. 20510.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. CHAFEE. Mr. President, the Subcommittee on Consumer Affairs of the Senate Banking Committee has scheduled a 1-day hearing on S. 414, the Cash Discount Act. The public hearing will be held at 2 p.m. on February 18, 1981, in room 5302 of the Dirksen Senate Office Building.

Questions regarding the bill or the hearings should be directed to Annette Fribourg, legislative assistant to Senator CHAFEE, 5229 Dirksen Senate Office Building, Washington, D.C. 20510 (202) 224–2921; or Beth L. Climo, counsel to the subcommittee, 5300 Dirksen Senate Office Building, Washington, D.C. 20510 (202) 224–0892.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate today to consider the nomination of Edward C. Schmultz to be Deputy Attorney General and that the hearing not extend beyond 2 p.m. today.

ADDITIONAL STATEMENTS

THE 63D ANNIVERSARY OF UKRAINIAN INDEPENDENCE

● Mr. HEINZ. Mr. President, January 22 marked the 63d anniversary of Ukraine's independence. The struggle of the Ukrainian people for liberty and autonomy provides an important lesson for the world. While the oppressive Soviet regime has denied the Ukrainians their independence, the persistence of the Ukrainian people in their attempts to regain their basic liberties serves to prove that no degree of tyranny can extinguish the spark of freedom.

The history of the Ukrainian nation is one of a struggle for autonomy. The Ukrainian people proclaimed their independence in 1918 following the collapse of the Russian czarist monarch. However, in 1920 the Ukrainian National Republic ceased to exist and was partitioned. Eastern Ukraine was taken by Soviet Russia. The Soviet regime has since continued systematic efforts to suppress Ukrainian ideals and aspirations. From 1932 to 1933 Stalin and the Soviet secret police engineered an artificial famine in an attempt to crush Ukrainian resistance to Russian domination. Approximately 6 million Ukrainians died as a result of the famine. In addition, Ukrainian dissident literature was destroyed, Ukrainian Bolsheviks were purged, and hundreds of thousands of Ukrainians were forcibly deported to Siberia. While conditions in the Ukraine temporarily improved under Khrushchev, the Soviet regime under Brezhnev is returning to a period of repression reminiscent of the Stalin era.

The current policy of the Soviet Government is aimed at the Russification of Ukraine and all republics under Soviet rule. The Soviets are seeking to obliterate all non-Russian cultural identities and languages. Ukrainian culture, literature, and history have been distorted and suppressed by the Soviets. Through the physical destruction of Ukrainian writers, artists, scholars, and scientists, the Ukrainian intelligentsia has been decimated. The Soviets are also attempting to liquidate religion in Ukraine. The Jewish, Ukrainian Orthodox, Catholic, Baptist, and other religions have all been the target of harassment. Priests, rabbis, and lay leaders have been executed and deported. Church properties have been confiscated and religious organizations have been closed down. In addition to the political, cultural, and religious subjugation of the Ukrainian people, the Soviet regime is guilty of the wholesale economic exploitation of Ukraine. Ukraine's natural resources have been utilized almost exclusively to aid Moscow's totalitarian expansion and aggrandizement.

Most disheartening and oppressive has been the Soviets' violations of the human rights of those valiant patriots who have chosen to speak out against the inhumanity and oppression of the Soviet regime. Thousands of innocent people lie suffering in the prisons, asylums, and camps of the U.S.S.R. merely for demanding their basic rights to free speech, assembly, religion, travel, and national identity. The cruelty and barbarism of the Soviet regime and the valiant persistence of the Ukrainian freedom fighters must be acknowledged throughout the world.

The list of Ukrainian freedom fighters is very long. Among them is Vasyl Fedorenko, arrested several times on charges of "anti-Soviet propaganda." Driven by the cruel treatment of the Vladimir Prison administrators, Fedorenko attempted suicide by self-immolation. Prison guards saved his life by dousing him with scalding hot water. On February 1, 1976, Fedorenko and the other prisoners began a hunger strike. There soon followed a series of punishments and tortures, solitary confinements, and forcible binding. Fedorenko remains in Vladimir Prison.

Yosyp Terelya, a 41-year-old dissident poet, and his fellow prisoners were made to pick up and stack granite slabs. They were forced to stand for days on one spot. Terelya was placed in a cell in which the temperature was changed hourly

from hot to cold. As a result of continual physical abuse his spine was struck with paralysis. Transferred to a psychiatric hospital, the poet's fingers were broken for trying to write with pencil and paper. Terelya remains in his cell amid the beatings and abuses.

In 1979 the body of the popular Ukrainian folk singer Volodymyr Ivasyuk was found near Lviv. The eyes had been plucked out, the fingers were broken, the body had branches of a tree shoved into it, and the entire torso was covered with bruises. While the KGB declared the death a suicide, most dissidents believe that the KGB was responsible for the death of the musician who had became a symbol for the preservation and development of Ukrainian cultural and national consciousness.

The Ukrainian Public Group To Promote the Implementation of the Helsinki Accords was formed to monitor compliance with the Helsenki Accords in Ukraine. At its first gathering the apartment serving as the group's meetingplace was bombarded with bricks. The group's members have been harrassed and for the most part imprisoned. Among them are Mykola Rudenko, Oleksy Tykhy, Myroslav Marynovych, and Mykola Matusevych.

Mr. President, I hope all our colleagues and all Americans will join me in honoring these valiant heroes of justice and freedom by commemorating the 63d anniversary of Ukranian Independence. Let us celebrate and reaffirm the culture and aspirations of the Ukrainian people and offer our support and prayers.●

ECONOMIC GOOD SENSE

● Mr. KENNEDY. Mr. President, before we rush to embrace the new fashion in economic visions, we ought to pause and reflect on warnings such as Michael Kinsley's discussion of "The Neo-Conservative Dream World" in the February 7th issue of the New Republic. Few in the Senate would agree with every element of Kinsley's review of the latest tome on supply-side economics, George Gilder's Wealth and Poverty. But Kinsley's review is important reading for all of us as we prepare to rewrite the tax laws and reshape the Federal budget in the months ahead. I believe Americans are ready to sacrifice—if the sacrifices are fair. I do not believe Americans want an economy where, in Gilder's prescription, women are second-class citizens—and where, in Kinsley's words, there will be "plenty of faith and hope, but not much charity."

Mr. President, I ask that Mr. Kinsley's review be printed in the RECORD at this point.

The review follows:

TENSION AND RELEASE—WEALTH AND POVERTY

(By George Gilder)

"Civilized society," says George Gilder, in a typical ex-cathedra pronunciamento, "is dependent upon the submission of the short-term sexuality of young men to the extended maternal horizons of women." He continues:

This is what happens in monogamous marriage; the man disciplines his sexuality and extends it into the future through the womb of a woman. The woman gives him access to his children, otherwise forever denied him; and he gives her the product of his labor, otherwise dissipated on temporary pleasures.

Gilder is a crackpot, all right, but this long-awaited attempt at grant synthesis of ascendant conservative thinking cannot be laughed off just because much of it is ridiculous. The author writes speeches for President Reagan, the editor was Midge Decter, the book is praised in newspaper columns and on its cover by conservative gurus who are themselves praised inside. David Stockman, Reagan's budget director, calls Wealth and Poverty "promethean in its intellectual power and insight." William J. Casey, Reagan's campaign chairman, says it "will serve as an inspiration and guide for the new administration." So the book is no joke. Conservatives talk about their "new ideas." Well, here they are.

The book's political appeal lies in its effort to combine a spiritual basis for supply-side economics with an economic justification of the traditional male-dominated family, thus uniting the concerns of the highbrow neoconservatives with those of the mass-based "new right." Gilder obviously is a bright and sincere man. He writes with flash and often with eloquence. But his grasp of economics (even his own supply-side theology) is more poetical than analytic; he can't resist hysterical overstatement; and his ape-man views on women are like roadblocks across the course of his argument. Gilder poses as promoter of a hungry and insurrectionary vision of capitalism, but he really has written a defense of established privilege. His pose might be more successful if he could stop himself from frequent expressions of personal devotion to the Rockefeller family.

Gilder wishes to defend the morality of capitalism which he feels is not appreciated, even by conservatives. His great moral insight is that capitalism is fundamentally altruistic. How so? Because, "Like gifts, capitalist investments are made without a predetermined return." A giver, says Gilder, tries to supply what will most please the recipient, with the thought that if the gift is successful it will be repaid, but without any certainty of this. The capitalist investor similarly must attempt to guess what consumers will want, with the always uncertain hope that a correct guess will be handsomely repaid. Even the act of using money is altruistic and "bears a presumption of faith," Gilder argues, because money is only a promise of future goods and services. Thus, like altruism, "Capitalism consists of providing first and getting later."

This kind of reasoning does more to make altruism look bad than to make capitalism look good. If you start out by assuming that all generous impulses are fundamentally selfish, you already have confirmed the most severe Marxist critiques of social life under capitalism. Adam Smith demonstrated that the miracle of capitalism is how it channels selfishness to serve the greater good, but Adam Smith's approach is too stinting for Gilder. Without giving, Gilder asserts, receiving has no meaning. A person "values his money because his expenditure of funds is psychologically rooted in his earlier expenditure of effort." This is a prelude to Gilder's views on welfare, but I can't help thinking here of his friends the Rockefellers. Do they value their money? If not, can I have it?

Gilder is hypnotized by the metaphor of "supply." What is to his fellow neoconservatives a rather technical critique of Keynesian economics—that it overemphasizes demand management and underemphasizes the incentive effect of marginal tax rates—is to Gilder a luminous deity. The antichrist is "demand." "The crucial difference" between capitalism and socialism is that under socialims, demand comes first." In capitalism, you recall, giving—i.e., supply—comes first.

Gilder interprets the history of economics as a long-running battle between the forces of good ("supply") and the forces of evil ("demand"). Adam Smith won round one for supply. The invention of supply and demand curves was an initial triumph for demand because "they seemingly assert an equivalence of potency between demand and supply." Demand, in reality, is a weak, vaporish, feminine sort of thing, whereas supply is manly and robust. Keynesianism was the ultimate inversion of the natural order, with demand on top, pumping away to no avail. But supply will dominate in the end, as it must.

Classical economics, with its stress on "perfect competition," Gilder argues, undersells the strengths of capitalism because classical analysis is "static." This is another great Gilder duality: "static" is bad; "dynamic" is good. Capitalism a la Gilder (borrowing heavily from Schumpeter)is a convulsive process in which courageous entrepreneurs stake their money and effort on some new enterprise which, if it succeeds, gives them "a unique niche in the system from which they can reap, as long as possible, monopoly profits," until some other ambitious entrepreneur takes it away from them.

This picture of capitalism at its best is also Gilder at his best. Small-time capitalist risk-takers are the heroes of his saga, and an admirable lot they are, generally. Gilder is right to compare them favorably to sluggish large corporations and to argue that their role in the strength of our economy is underappreciated. Where Gilder goes off is in blaming large corporations, somehow, on "the left." His sole basis for this indictment seems to be the half-admiring writings on big corporations of John Kenneth Galbraith. In fact, Galbraith's views are quite idiosyncratic on this point, not at all typical of "the left." More important, "the left" and government are hardly responsible for the growth of large corporations. These beasts are, for better or worse, primarily a development within capitalism. Having painted a heroic mural of capitalism as it ought to be, Gilder ignores capitalism as it really is. In his world, all business enterprises are small and dynamic, and all wealth is self-made and constantly at peril.

Like his idealized view of the private economy, Gilder's stark outline of government is illuminating as an abstraction, but absurd when he treats it as a complete portrait. Gilder sees the government as a vast insurance program. It protects people against the risk of being poor or sick. It protects corporations like Chrysler against the risk of going bankrupt and banks against the risk of default. Through its supervision of lawsuits, it gives people redress against an ever-wider assortment of life's physical and emotional buffetings. But a vigorous capitalist economy, Gilder argues, depends on taking risks, rewarding winners, and penalizing losers. And increasing opportunities for enrichment through transfer distract human energy from truly productive uses. All this insurance thus creates "national sclerosis." Borrowing an insurance industry term for a risk created by the very act of insuring against it (e.g., arson caused by fire insurance), Gilder groups all these effects together as "the moral hazards of liberalism." It's a clever overview of modern government, I think. But as the insurance industry would surely rush to point out here, not all insurance creates moral hazards. Some insurance is good for business, even essential. And Gilder is most eager to cancel the policies of just those who are least likely to benefit from bracing draughts of risk—the poor.

When Gilder turns to the subject of wealth, he offers another of his great distinctions: between "wealth" and "riches." Rich is static (bad); wealthy is dynamic (good). Having a lot of oil in the ground make you rich, but not wealthy." Americans confound money with wealth and confuse the actively invested

fortunes of rich [he means wealthy] families [guess who?] with the treasure chests and thronging servants of an Indian rajah or an Arabian prince." Indeed, Gilder argues, the value of all capital assets is evanescent. "As soon as the works of imagination . . . become concrete—are invested—they are trapped," and start to decay. In a vigorous capitalist environment, the only real wealth is ingenuity and a willingness to work. For example, a Lebanese family began selling vegetables in Lee, Massachusetts, 10 years ago, and now they own the biggest building in town. Q.E.D.

This is an inspiring story, but it hardly represents American wealth at its most typical. Much great American wealth, even today, is inherited (insert obvious example here), and very few self-made millionaires got that way solely through virtuous personal qualities. Gilder's implicit argument is that wealth is its own justification. Unequal distribution is not unfair, because "a capitalist system is based on an essential psychology of achievement that is equally possible for all classes." (The key word here is "psychology.") Wealth in concrete form is merely certification that you've got what it takes inside. Indeed, it demonstrates that you are engaged in a glorious mission. "Ownership . . . , whether it is one's own land and labor or IBM shares . . . means . . . that the owner lives on the crest of creation, continually informed and inspired, edified and motivated," et cetera. This may describe the life of a self-made vegetable seller, but it hardly captures the joys of owning IBM shares. Gilder willfully blurs the distinction between the few rich who got that way through their own hard work and creativity, and the many rich who did not, in order to steal the moral aura of the former for the latter. "The other groups on the pyramid of wealth should occasionally turn from the spectacles of consumption long enough to see the adventure on the frontiers of the economy above them—an adventure not without its note of nobility."

Not just nobility, but tragedy! According to Gilder, the crucial role of the rich—if they are not harassed and taxed out of performing it—is to supply the risk capital for new enterprises that keep our economy churning and vibrant. Yet paradoxically, by financing "capitalist ferment and creativity," the rich seal their own doom.

"Individuals with cash comprise the wild card—the mutagenic germ in capitalism, and it is relatively risky investments that ultimately both reseed the economy and unseat the rich, as the iron rule of gamblers' ruin plays itself out in the arena of business."

This proposition is not merely paradoxical; it is unbelievable. The mathematical law of regression toward the mean may work its will, in the long run, even on the Rockefellers (though in their case it surely will be the Keynesian long run, in which we are all dead). But I see no reason, and Gilder offers no evidence, that the rich would wish to hasten this process. Are they stupid? If the rich (or their advisers) truly believed that their usual course—which Gilder portrays as one of courageous investment and modest lifestyles—was hastening the decline of their fortunes, we could trust them to change it.

"The persecution complex is a standard psychological ill," Gilder says in explaining why blacks and women think discrimination exists. His own discussion of American attitudes toward the rich is a textbook example of a persecution complex. There is a "war against wealth," Gilder feels. "The idea that all wealth is acquired through stealing is popular in prisons and at Harvard." And "hatred of producers of wealth . . . has become, in fact, the racism of the intelligentsia." Gilder feels surrounded by "formulas of expropriation! Property is theft. Hate is community. Violence is freedom. Reality is oppression." Who is responsible for spreading these heresies? Gilder has a theory. He blames offspring of the old rich, "the defecting upper class," who, he says, have slithered away from the capitalist ramparts to soft jobs at foundations and in the media. From these posts, they use "their communicative skills and social refinements" to poison society's attitudes against the new rich "moving into the commanding heights" that they have cravenly abandoned.

Gilder (who, by the way, is program director of something called "the International Center for Economic Policy Studies") really should see someone about this elaborate fantasy. Perhaps I am equally deluded, but it is my sincere impression that social policy in this country is not based primarily on hatred of the rich. Even liberals, believe it or not, see tax-financed social welfare primarily as a way of helping the poor. If it could be done without disturbing the slumber of the rich, few would object.

And what about the poor? Just as money has nothing to do with being rich in Gilderland, it has little to do with being poor. "(R)eal poverty is less a state of income than a state of mind." Thus another paradox: social welfare just makes people poorer. "The fact that they have more income only makes the situation less remediable." Taking money from the rich undermines their unique role in expanding the economy and giving money to the poor discourages them from working (an effect money does not have on the rich, apparently), so redistribution causes poverty. If poverty existed before welfare was invented, you would not know it from this book.

Others have written about the damaging effects of the welfare culture with much truth, but Gilder's perspective is novel. According to George, here's how it works. Welfare undermines:

"Male confidence and authority, which determines sexual potency, respect from the wife and children, and motivation to face the tedium and frustration of daily labor. . . . The man has the sinking feeling that his role as provider, the definitive male activity from the primal days of the hunt . . . , has been largely seized from him; he has been cuckolded by the compassionate state.

"His response to this reality is that very combination of resignation and rage, escapism and violence, short horizons and promiscuous sexuality that characterizes everywhere the life of the poor."

Meanwhile, back at the ranch: "Once a family is headed by a woman, it is almost impossible for it to greatly raise its income. . . . Her family responsibilities and distractions tend to prevent her from the kind of all out commitment that is necessary for the full use of earning power."

Because welfare breaks up families, Gilder contends, "The lives of the poor, all too often, are governed by the rhythms of tension and release that characterize the sexual experience of young single men."

I'm told that Gilder exposes his feelings about women at great length in two other books, which I haven't read. In this one, he adopts the familiar neoconservative posture of courageously breaking a conspiracy of silence, imposed by liberal etiquette, around truths that are too obvious to require defense. Perhaps Gilder has observed the "resignation and rage, escapism and violence," and so on, of his editor's husband, and has concluded that her partial usurpation of his role as provider is responsible. ("This is Midge Decter's last book at Basic," Gilder reports. Has she seen the light?)

The only serious evidence Gilder offers about sex roles and work is a government study which "indicates," with laughable precision, "that married men work between two and one-third and four times harder than married women, and more than twice as hard as female family heads," and "husbands work 50 percent harder than bachelors. . . ." What "work harder" means, Gilder (typically) does not report. Whatever this "study" measures (hours worked?), it's of course just a reflection of present social arrangements, not proof that these arrangements are biologically inevitable.

As for the connection between all this rot and poverty, it is one thing to say that an uneducated woman trying to raise eight kids without a husband will have trouble escaping poverty, and quite another to insist that the problem is inherent in her chromosomes. How could a single man raise eight kids and work at the same time? Similarly, it is one thing to point out the stupidity of AFDC (Aid to Families with Dependent Children) rules that encourage men to leave home, and another to insist that welfare by its nature—no matter how it is structured—destroys family life by undercutting man-the-hunter.

What is Gilder's solution to the welfare morass? "The crucial goal should be to restrict the system as much as possible, by making it unattractive and even a bit demeaning." The most important step is "to permit a gradual lowering of the real worth of benefits—by allowing inflation to diminish their money value. . . ." As it happens, we have been experimenting with Gilder's type of reform for a decade. For example, inflation reduced the value of AFDC 42 percent between 1974 and 1980 in New York state, where getting welfare remains (really, George) just "a bit" demeaning. Lab reports indicate that poverty still exists in New York.

Gilder dismisses conservative-style welfare reform, which concentrates on eliminating fraud, on the grounds that "most of the cases are fraudulent, in the sense that most of the fathers could presumably marry the mothers of their children and could support them if they had to." He also dismisses the negative income tax (which he identifies as "liberal" even though it was conceived by Milton Friedman), based on the results of an HEW experiment which showed that income guarantees created a severe reduction in work effort. Gilder, naturally, thinks this is because the government usurped the role of male provider. "Unlike the mother's role, which is largely shaped by biology, the father's breadwinner duties must be defined and affirmed by the culture." He overlooks a more logical explanation from his own world of supply-side economics: Because benefits were steeply reduced as earnings increased, there was very little incentive to work.

The true solution to welfare is to make it more generous, not less so, by letting people keep their benefits when they go to work. If supply-siders believed their own theology, they would admit this. A guaranteed minimum family income that was not reduced as earned income increased (replacing the standard tax deduction at higher incomes), would never make it profitable to avoid work or to break up a home—conservatives' principal complaint about present arrangements. Strangely, Gilder virtually endorses such a system with a call for "child allowances given to every family, of whatever income, for each child" in order to encourage men to stay with their families and take low-paying jobs. This is what economists call a "pure" negative income tax, so I can't imagine what Gilder thought he was denouncing for pages leading up to this proposal.

If Gilder is a bit confused about what he wants to do for the poor, he's clear about what he wants to do for the rich: cut their taxes. The confusion comes when he tries to explain why. Not to help the rich, of course, but to help the poor. "Regressive taxes help the poor!" he sings. Low tax rates encourage the rich to invest more, so they make more money and pay more taxes, and "the lower and middle classes need pay less." You recognize this: it's the Laffer curve. The Laffer curve, says Gilder, is "demonstrably true,"

but he offers no demonstration. Instead, in one of my favorite passages, Gilder out-Laffers Laffer by asserting that high taxes lead to (take a deep breath) . . . cannibalism:

"The rates of taxation climb and the levels of capital decline, until the only remaining wealth beyond the reach of the regime is the very protein of human flesh, and that too is finally taxed, bound, and gagged, and brought to the colossal temple of the state—a final sacrifice of carnal revenue to feed the declining elite."

In a calmer moment, Gilder makes the usual Lafferite charge that liberals don't know how to think "marginally," and thus they confuse tax rates with tax revenues. This defect makes liberal economists mentally inferior to "a former football player trained in physical education," one Jack Kemp. But Gilder often makes this same "error" when it suits his own conclusions: when he says welfare discourages work whether or not benefits are reduced with income; when he says that inflation and high taxes force married women into paying jobs ("marginal" thinking suggests that high tax rates make it more tempting to stay at home); and when he charges that taxes cause inflation because "workers attempt to keep their after-tax earnings constant." Not thinking marginally, George. Tsk. Tsk.

To illustrate the burden of taxes on entrepreneurs, Gilder imagines, with relish, that Professor Galbraith has gone into business producing his own books. Under Gilder's assumptions, Galbraith puts in a million dollars and two years' labor, and ends up, after taxes, with only $5,719 a year. Ouch! Trouble is, Gilder's assumptions would land him a malpractice suit if he were Galbraith's lawyer or accountant. If Gilder wishes to publish his next book himself, he should come to me. I'll show him how, with the same business, he can shelter other income at first, put off most taxes for years, and never pay a higher tax rate than I pay on my own modest salary.

"Perhaps the supreme symbol of the struggle between past and future," says Gilder, is the tax on capital gains. The self-styled forces of the future, including Gilder, want it eliminated. Gilder says that capital gains are "the way people get rich," and thus the crucial incentive for entrepreneurial verve The capital gain tax, therefore, is "a big business protection act—a defense of . . . old wealth against new, the past against the future."

Let's get a few things straight about the capital gains tax. First, it is not high, compared to other taxes. Right now the top federal rate is 28 percent. How many *TNR* readers pay less than that on their wages? Second, the tax was *not* nearly doubled in 1969, and nobody ever paid "nearly 50 percent," as Gilder asserts. Tax-cut advocates consistently misrepresent what was a fairly technical change. Thanks to a major cut in 1978, today's capital gains tax rates are lower than they have been for decades. Third, most capital gains of rich people are never taxed at all, because of a loophole concerning the tax on inherited property. Fourth, lower rates for capital gains cause tax shelters and real estate speculation, both of which Gilder rails against for pages. Fifth, contrary to Gilder's theatrics, special breaks for capital gains *help* stodgy old companies and *hurt* hungry young entrepreneurs. This is because they subsidize retained earnings and discourage stockholders of established companies from taking their money out to invest it elsewhere.

If higher capital gains taxes protect big business and old wealth, why are large corporations and the New York Stock Exchange lobbying so hard to *lower* capital gains taxes? Another paradox here, Mr. Gilder? Either through gross ignorance or deceit. Gilder presents what he bills as an agenda for economic revolution, which in practice would have the effect of shoring up established wealth. Bless me if I can help thinking of those Rockefellers again, whether that is marginal thinking or not.

Now it's true, as Gilder says, that inflation has wreaked havoc on the tax code, especially on the taxation of savings and investment. But the worst effects have been on ordinary savings, which are taxed *every year* (not just when they're cashed in) at rates up to *70 per cent*. These taxes should be indexed for inflation. Capital gains taxes should be indexed, too, but only after all the other special breaks are eliminated. Meanwhile, a stroll down Rodeo Drive will persuade you that the capital gains tax has not yet become, as Gilder claims, "quite simply a tax of wealth confiscation." And if "an early purchase of shares in a pioneering firm . . . will often be taxed at confiscatory levels when sold," as Gilder also claims, the recent euphoria over new issues of Genentech and Apple Computer must have been episodes of mass insanity.

Need I even mention, at this point, that—according to Gilder—all antidiscrimination efforts are terribly harmful to minorities? Programs like busing and affirmative action are vulnerable (in my opinion) to conservative arguments that they don't serve their intended purpose. But Gilder attacks the purpose itself.

Gilder is against integration of schools and housing, for example. He argues—correctly, I think—that much prejudice against blacks is more a matter of class than a matter of race. But Gilder approves of class prejudice. In fact, he thinks there's a dangerous lack of it.

"If a capitalist system is to expand, it must give social and educational rewards and reinforcements to 'middle-class' discipline and morality. This means that successful families must take care in choosing their associates and those of their children. This process helps the poor by creating a distinctive culture of upward mobility which they may emulate [Gee, thanks], and it helps the rich by transmitting upper-class discipline to their children."

Now, are you ready for this?

"Many a wealthy youth has been mulcted, blackmailed, sued, or otherwise afflicted for his noble impulse to flee his 'stuffy' forebears. Many a wealthy ingenue has been fleeced and flummoxed by entrepreneurial admirers. Many a lower-class drug habit has been financed by rich kids desperate to be accepted as 'one of the boys.' Many a wealthy neighborhood has been robbed by the 'friends' of generous teenagers with nostalgie de la boue."

In Gilder's fevered brain these must be the same rich kids who go on to control foundations and the media, where they promote "a corrupt and destructive egalitarianism in politics." Back on Earth, there is no connection whatever between heiresses seduced by gigolos and government efforts, however ham-handed, to assure that Americans of different social backgrounds don't grow up total strangers. These efforts do not reflect contempt for middle-class values. Quite the contrary. A key premise of *Brown* v. *Board of Education*, the Supreme Court decision that started it all, was that middle-class values would rub off on underprivileged children. And social class mixing is not a poison flower of the welfare state: there is far less of it in America today than there was 100 years ago. The modern development that needs to be deplored is the intense social stratification that has occurred in this century.

Economic discrimination against blacks and women does not exist, you will be glad to hear. The lower income of blacks is dismissed on the logic of tout comprendre c'est tout pardonner. Once Gilder discounts for past discrimination against their parents, education at segregated schools, college degrees from "valuable but inferior Southern black institutions," and so on, not to mention "government-induced dependency and female-headed families," he calculates that black and white incomes are practically the same. As for women: "It is the greater aggressiveness of men, biologically determined but statistically incalculable, that accounts for much of their earnings superiority." After an exciting discussion involving "the neurophysiological demands of the sex act itself," Gilder aggressively concludes that biology "can fully explain all gaps in earnings."

Gilder's loopy antifeminism spoils what might have been a telling critique of the affirmative action mentality. Gilder argues persuasively that the burden of proving an absence of discrimination in hiring and promotion leads to an overemphasis on testing and credentials. These developments feed the trend away from the kind of fluid, unpredictable economy that Gilder correctly says is healthiest. Antidiscrimination lawsuits, he says, primarily help middleclass blacks and women, and do little for the untrained blacks at the bottom of the economy. But it's hard to take any of this seriously when he insists that "the antidiscrimination agencies have become an enemy of black progress" because they help "women, amply tested and credentialed, but in need of federal lawyers to make up for a wholly commendable lack of careerist drive and aggressiveness." Only in Gilderland does joining a job discrimination lawsuit prove a lack of careerist drive.

That about takes care of the pernicious nonsense in Gilder's book. Gilder's admirers in the White House can deal with his contention that inflation is good. Now let's relax with some amusing nonsense. (Tension and release, you know.) Wealth and Poverty styles itself a paean to "faith." "Faith in man, faith in the future, faith in the rising returns of giving, faith in the mutual benefits of trade, faith in the providence of God are all essential to successful capitalism," Gilder declares. There are no atheists in the boardrooms, apparently. Gilder's religion is not the opiate of the masses, but it's something equally sterile: the amphetamine of the elite. His reasoning is that rationality itself is fatal to capitalism, since it discourages risk. The successful capitalist must be filled with irrational hope. (Why, therefore, he must also have narrowly behavioristic tax incentives is another giant gap in Gilder's reasoning.) Wealth, because it is acquired through this mystical process, "taps the underlying and transcendent order of the universe." If this last step—wealth grows from chance, therefore it is divinely sanctioned—seems hard to follow, you probably are imprisoned in "the calculus of closed rationality." Gilder suffers no such debility.

Gilder's final chapter, "The Necessity for Faith," is suitable for reading aloud around the fire at Pocantico Hills on Sunday afternoon following church and a heavy meal (except that the ancestral Rockefeller estate, Gilder bitterly notes, has been abandoned to the public because of taxes and decadent heirs):

"Material progress is ineluctably elitist: it makes the rich richer and increases their numbers, exalting the few extraordinary men who can produce wealth over the democratic masses who consume it. . . . It is the idea of economic futility [Whose idea? Dunno.]—not capitalist growth—that gives license to the culture of hedonism and sensuality."

And on and on (Pass the port, would you?):

"The dream of stagnation exalts the politician. . . . Logical positivism, behavioral psychology, Freudianism, Marxism, classical economics, neo-Keynesianism, Bayesian probability analysis, information theory, socialist planning . . . the modern thinker assumes the universe is essentially dead. . . . God is the foundation of all living knowledge. . . ."

Well, you can't please everyone, God must

be thinking. In the days before social welfare, Anatole France observed ironically that the law majestically forbade rich and poor alike from sleeping under bridges and begging in the streets. Now comes George Gilder to complain, without perceptible irony, that the modern state is cutting people off from "the miraculous prodigality of chance . . . a resource that above all we should deny neither to the poor, who can be the most open of all to the future, nor to the rich or excellent of individuals. . . ." So *bon chance*, all you poor folks! In the gospel according to Gilder, there is plenty of faith and hope, but not much charity.●

CLIFFORD HATTEN

● Mr. METZENBAUM. Mr. President, the thousands of members of Ohio's credit unions will lose a great and good friend later this month when Clifford Hatten, director of governmental and consumer affairs for the Ohio Credit Union League, will retire.

Mr. Hatten has been an integral part of the development of credit unions in Ohio since the end of World War II, when he was employed by the Couch-Uthe Co. in Elyria, Ohio. After serving as the treasurer of that company's credit union, Mr. Hatten served on the Lake Erie Chapter Board in 1955.

Because of his outstanding service in the Cleveland area, Mr. Hatten was asked to join the staff of the Ohio Credit Union League as a field representative. During that time, Mr. President, Mr. Hatten performed as a financial "Johnny Appleseed," starting 160 credit unions in northeastern Ohio.

In 1967, Mr. Hatten was named director of public relations of the league and moved to the headquarters in Columbus. In 1969, he was chosen to be the director of governmental and consumer affairs, the position he holds at the present time.

Mr. President, few people have done more for the working man and woman in Ohio than Clifford Hatten. The citizens of Ohio owe their thanks to this man, and as a citizen, I join them.●

CONFIRMATION OF DAVID STOCKMAN AS DIRECTOR OF OMB

● Mr. ZORINSKY. Mr. President, last week the Senate confirmed the nomination of Mr. David Stockman to be Director of the Office of Management and Budget. Mr. Stockman has been a very vocal advocate of budget restraint, and I must say that I commend his enthusiasm and apparent dedication to the job of balacing our Nation's budget.

Nevertheless, Mr. President, I am compelled to express my grave concern with some of Mr. Stockman's recent and not-so-recent statements about the Department of Agriculture.

In December 1978 Mr. Stockman wrote to Secretary of Agriculture Bob Bergland deploring our Nation's commodity price-support programs. He complained about the "dog-eared claims and lame justifications" for what he calls agriculture's "special dispensations." Mr. Stockman believes that farmers—like auto dealers, aluminum smelters and scrap dealers—should be obliged to deal with the vagaries of weather, world crop supplies and onerous Federal regulations as in any other business proposition.

Mr. President, I will not quibble with Mr. Stockman's grasp of agricultural economics, although I might. I will not argue that farmers do face unique circumstances, although I might. I will not even say, Mr. President, that our country's farmers, with the help of the USDA, are the most efficient and prolific producers of food and fiber in the world, although I might.

I will say, Mr. President, that Mr. Stockman appears to be completely unaware of the important role the USDA's commodity price support programs play in stabilizing food prices for the American consumer. Any schoolchild can understand that drought, disease or insects can wipe out a farmer's crop, and with it the livelihood of himself and his family. Granted it takes a bit more familiarity with agricultural economics to understand that perfect weather and record crops can have the same effect. In the last analysis it does not matter to the farmer if he has no crop to sell at all, or an enormous crop to market at prices too low to return his costs. He still goes broke. And that, Mr. President, means that America has one less farmer to produce its food next year and is just a little more dependent on good weather and good crops for those who are still in business.

The USDA's price support programs play an important role in assuring the American consumer an adequate and stable supply of food. If we do not shelter the American farmer from the disasters at either extreme of the spectrum, crop wipeouts or price plunges, our country's consumers will suffer. Like Mother Hubbard, the American housewife may go to the cupboard in future years only to find that it is bare.

Mr. President, I have other concerns about Mr. Stockman's views of Department of Agriculture programs. In the past few weeks we have heard repeated comments about the Farmers Home Administration and the Department's rural development activities. For example, yesterday the New York Times quoted Mr. Stockman as saying that the Farmers Home Administration was a "sleeping giant of the budget." I hope that Mr. Stockman does not view his role as Jack the Giant Killer.

The Farmers Home Administration is, for the most part, one of the Federal Government's most successful endeavors. The agency is a vital source of credit to young and beginning farmers, as well as to those who face economic disaster because of depressed prices or natural catastrophes.

FmHA has aggressively promoted the development of rural America. Housing, medical facilities and new business ventures in remote areas of the country have been financed through FmHA.

While caution and careful review of Farmers Home programs is indeed merited, Mr. President, I would loath to see the continued development of our country's rural areas impeded by massive changes in the Farmers Home Administration programs.

Similarly, the Rural Electrification Administration's programs to assist in the extension of electric and telephone service to rural sections have demonstrated themselves to be valuable and necessary programs. I hope that Mr. Stockman will resist the temptation to curb the success of these programs.

The Office of Management and Budget has come to play an increasingly important role in the formation of all of our country's policies and programs. Agriculture is no exception. During the past 4 years of my tenure as a Senator I have more than once seen the efforts of the Senate Committee on Agriculture, Nutrition, and Forestry frustrated by OMB's dictums on spending.

For this reason, Mr. President, I intend to ask the chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, Senator HELMS, to invite Mr. Stockman at the soonest possible opportunity to come before the committee and present his views on the various USDA programs and to clarify some of his recent statements.

I hope that my colleague from North Carolina will concur in my judgment that an opportunity to question Mr. Stockman would be helpful, and that Mr. Stockman himself will accept an invitation from the Agriculture Committee.●

SRI LANKA

● Mr. HATFIELD. Mr. President, it is with great pleasure that I rise today to acknowledge a day of national independence. On February 4 the Republic of Sri Lanka will celebrate its 33d year since regaining independence. The year 1981 also marks the 50th year in which the citizens of Sri Lanka have been enjoying universal adult suffrage. As in all freedom loving countries, the citizens of Sri Lanka will celebrate their national day by giving thanks for the blessings of liberty. It is fitting that we should join them in celebration.

The Republic of Sri Lanka, formerly known as Ceylon, continues to make progress toward social and economic growth. Life expectancy figures are 64 for males and 67 for females. The literacy rate is 88 percent. As evidenced by these figures, the democratically elected government is meeting the basic needs of her people.

However, if progress is to continue the country is going to have to develop a solid agricultural and industrial base. I am happy to report that steps are being taken in Sri Lanka to insure this.

With the help of Western powers, including the United States, several dams have been constructed which will supply water for irrigation and power generation. In addition, the Government of Sri Lanka has attracted foreign capital with a program that includes tax incentives, free trade zones, and government decontrol and deregulation. To date, this policy has resulted in 130 different industrial ventures from 25 countries. With continued development of this solid economic base, democracy will flourish for many years to come.

As we have been recently reminded by the return of our former hostages, freedom is a glorious thing. We reach out

to the people of Sri Lanka with a wish for continued liberty and progress.●

RAYMOND J. DONOVAN

● Mr. BIDEN. Mr. President, on Tuesday I voted in support of the nomination of Raymond J. Donovan to be Secretary of Labor, but I found deciding how to cast that vote difficult and troubling.

My reluctance to support this nomination evolved largely from the volume of the allegations raised against Mr. Donovan. In the end, those allegations proved to be just that—allegations, allegations that have not been supported or substantiated.

Although I remain disturbed by the possibility that some of those many allegations may yet prove to be true, I believe it is important—not only to Mr. Donovan but also to the duty imposed on this body by the Constitution to advise and consent to Presidential nominations—that uncorroborated allegations must not be allowed to contaminate that process. To do so would diminish the constitutional role of the Senate and would hold future Presidential nominees hostage to the most irresponsible sort of opposition they might incur.

I am aware that in his sworn testimony, Mr. Donovan has vehemently denied every allegation brought against him and has satisfied the FBI and its investigation. But I must add that, in view of the uncertainties surrounding his nomination, that should any of the allegations he has denied ultimately be proven correct, I would most certainly expect that he would promptly resign from the Cabinet post to which he has been appointed. Furthermore, I would expect that the Justice Department, in such case, would immediately initiate prosecution on the charge of perjury.●

EXPORT TRADING COMPANIES

● Mr. COHEN. Mr. President, I am pleased to join with many of my distinguished Senate colleagues in cosponsoring the Export Trading Company Act of 1981, legislation to encourage small- and medium-sized businesses to enter export markets.

Exports have become increasingly important to the health of the American economy. If we are to maintain the stability of the dollar in world financial markets, overcome our huge oil deficit and fight inflation, we must have a strong and productive export sector.

Exports contribute significantly to U.S. employment, production and growth. In 1976, exports accounted for one out of every nine manufacturing jobs nationwide. In the State of Maine, 1 out of every 13 manufacturing jobs are dependent on exports.

But we have not realized our full export potential. The United States has the lowest percentage of gross national product explored of any industrialized nation. For many years, American businesses have concentrated on the domestic market, and exports have accounted for only 7.5 percent of domestic production. Now the energy crisis and the state of our economy demand that we implement more aggressive measures to expand our export sector.

The Commerce Department has estimated that only 8 percent of the Nation's 250,000 manufacturing firms ship their goods abroad and that, of those, 100 industrial giants account for more than one-half of all U.S. exports. There are at least 20,000 small- and medium-sized businesses which manufacture internationally competitive goods, but are not now engaged in exporting. Many others are exporting, but not to their full capacity.

This legislation is designed with these 20,000 firms in mind. Smaller firms are often reluctant to absorb the extra costs and risks associated with developing overseas markets. Export trading companies can provide them a vehicle for diversifying risk as well as providing international marketing expertise and financing.

Import-sensitive industries could also benefit from this legislation. Textile, apparel, and footwear firms, all important to Maine's economy, could form export trading companies to increase their sales and strengthen these important domestic industries.

This legislation attempts to correct provisions in present law that have inhibited the formation of export trading companies. A crucial ingredient in this bill is the clarification of the antitrust provisions of the Webb-Pomerene Act of 1918. This act allows manufacturers in the same industry to get together to bid for foreign business, it stipulates that these activities must not have an anticompetitive impact on domestic markets. Many businesses have been reluctant to enter into practices that might invite antitrust actions by the Justice Department. This legislation would provide a clearance procedure so that businesses would know in advance if specific ventures could violate antitrust law.

Another important provision of this bill would authorize additional funds for the Small Business Administration and the Economic Development Administration for loans and loan guarantees to support the needs of export trading companies.

Mr. President, the Commerce Department has estimated that this legislation could, in 3 to 5 years, increase exports by 30 percent. In this country, every $1 billion in exports generates 40,000 jobs. I pledge my support to this legislation which I believe would assist the new Administration in working toward one of its highest priorities—putting Americans back to work.●

OREGON VETERANS' LOAN PROGRAM

● Mr. HATFIELD. Mr. President, in an effort to balance the 1981 budget, the Congress invoked a reconciliation procedure contained in the 1974 Congressional Budget Act, which is designed to reduce expected Federal expenditures. The Congress committed itself to this procedure in mid-1980 and, as a result, several committees worked out a series of cuts and revenue measures that reduce the Federal deficit by $8 billion. The final product, the Omnibus Reconciliation Act, was approved in December 1980. The controversial provision that restricts mortgage revenue bonds and general obligation veteran bond issues was taken from a bill introduced by Representative Ullman as H.R. 5741 and passed by the House of Representatives in the spring of 1980.

I had introduced a counterproposal, S. 1751, on September 14, 1979, but the Senate Finance Committee did not consider my bill or any other. S. 1751 addressed legitimate abuses in the use of mortgage revenue bonds but exempted from its provisions State veteran loan programs, such as Oregon's. Instead, at the last minute, the House-passed H.R. 5741, which puts strict limits on revenue bonds and State veteran loan programs was attached to the Omnibus Reconciliation Act in a postpassage conference of both Houses.

I supported the conference report because of my commitment to a lower Federal deficit for 1981. Present projections call for a $60 billion deficit, and the Omnibus Reconciliation Act reduced the deficit by $8 billion and reduced planned spending in later years. The provisions relating to State veteran loan programs did not have my support and I attempted to eliminate or modify them. However, my commitment to a smaller Federal deficit forced me to support the omnibus reconciliation measure, despite inclusion of the sections on bonding to which I objected.

In 1978, Chicago instituted the first local mortgage bond program and within 9 months some $1.67 billion in tax-exempt bonds were issued by over 56 local governments. In 1979 alone, over $6 billion in local government bonds were issued. In contrast to earlier bond issues which concentrated upon multiple-family housing and specifically lower income persons, many of the new local bond issues contained no income limits and provided below market interest rates to individuals who needed no Federal housing assistance.

In sum, tax-exempt single family home financing rose from less than $1 billion in 1974 to $12 billion in 1979 and constituted over 25 percent of all tax-exempt issues for State and local governments. Since tax-exempt bonds lure high-income investors from other taxable investments, unrestricted use of tax-exempt bonds would have cost the taxpayers some $12 billion a year by 1985.

H.R. 5741 was designed to restrict the use of mortgage revenue bonds because they were viewed as an inefficient subsidy to housing in that administrative costs were high and benefits were going to individuals who could afford conventional mortgages at unsubsidized rates. This growing tax subsidy avoids the budget process in a time when constituents are looking for reduced taxes. Concern has also been expressed that growing demands for tax-exempt bonds by high-income investors would drive up the cost of bonds for other essential State and local services such as schools, sewer,

roads, and prison facilities, and that the tax-exempt status of mortgage bonds results in a shift needed from industrial capital investments to less productive home buying. Finally, the lack of restrictions on mortgage amounts and income cause the Government to compete increasingly with private mortgage lenders.

Unfortunately, H.R. 5741 goes much further than restricting the abuses already mentioned by putting new limits on State veteran loans programs. Specifically, the new law requires that a qualified bond issue for veteran loans must:

First, be backed by the general obligation of the State;

Second, be substantially used for the purchase of a residence;

Third, be in registered form; and

Fourth, cannot be used for refinancing an existing mortgage.

The second and fourth provisions are critical.

If one is buying a residence that is located on 3 or 4 acres of farmland, a strict interpretation of the law might require the State VA disapproval of the application. Similar problems could occur with those individuals who have spent sums, sold houses, and acted on the expectation of receiving new financing if they previously had financing on their homes.

Currently, some 13,000 Oregon veterans' loan applications have been accepted and approximately 40 percent of those are affected by the new law. The situation is difficult, especially for those who relied upon letters of commitment received from the VA last fall by making improvements, selling their homes, and otherwise acting in the expectation of receiving the VA loan. These individuals will be irreparably harmed.

I am committed to working with the Governor, the Attorney General, and other appropriate State officials toward a speedy resolution of the problem involving these current applications. I have agreed to work with other members of the Oregon delegation as well in requesting an administrative ruling by the IRS or by introducing correcting legislation. It is imperative that our immediate efforts concentrate upon those who have presently applied and acted in reliance upon letters of commitment.

It is also my intention to work toward the introduction of legislation to exempt the State veteran programs from the restrictions of H.R. 5741. The abuses mentioned above occurred in mortgage revenue bonds while the total amount of general obligation bonds over the last 5-year period has remained relatively unchanged. Thus, there seems to be no reason to restrict State veteran loan programs, especially in view of the crisis we face in inducing qualified people to join our Armed Forces.●

SENATOR STAFFORD DISCUSSES COMMITTEE PLANS FOR REVIEW OF CLEAN AIR ACT

● Mr. RANDOLPH. Mr. President, review of the Clean Air Act will probably be the major environmental activity of the Committee on Environment and Public Works this year.

The act was extensively revised in 1977 and we now have the perspective of 4 years of experience from which to examine the statute and its implementation. The chairman of our committee, Senator ROBERT T. STAFFORD, has indicated his desire to begin our consideration of the Clean Air Act as early as possible. Like him, I anticipate that we will receive numerous proposals to revise this important statute which is the basis for our national effort to reduce pollution in the air we breathe.

Mr. President, on Tuesday, January 27, Senator STAFFORD discussed our review of the Clean Air Act in an address before the National Environmental Development Association. He stressed that our examination of the act should be carried out in a spirit of cooperation rather than confrontation with interested individuals and organizations. He repeated his belief that Clean Air Act must not be abandoned but that it could be modified if necessary to further facilitate the achievement of its goals in a realistic, workable fashion. He committed the committee to an examination of the problems that may be brought before the committee.

Mr. President, I agree with Senator STAFFORD on these points. The Clean Air Act has helped us to make substantial progress in protecting public health through reducing air pollution, the existence of which can be found in virtually every community. Our objective this year must not be to turn our backs on this progress but to make such modifications as are necessary to continue it in the years ahead.

Mr. President, because of the importance of the review of the Clean Air Act in the Senate this year, I submit the text of Senator STAFFORD's address for printing in the RECORD.

The text is as follows:

REMARKS OF U.S. SENATOR ROBERT T. STAFFORD

Thank you for inviting me here today.

I understand that many members of this audience were also present at the Burson-Marsteller seminar of January 16th. For those members of the audience, I have some good news and some bad news.

The bad news is that much of what I say today will be new, but some of it will be a replay of the Burson-Marsteller seminar.

The good news is that I have restocked my supply of Vermont jokes; so those will be completely new.

Although some of what I have to say was originally presented at the Burson-Marsteller seminar, I believe that message bears repeating.

For, if that message is taken seriously—as I hope it will be—it will do much to set the tone and temperment of the upcoming reauthorization of the Clean Air Act as one of sweet reason.

If it is not taken seriously, I fear that we could see a long and bitter struggle, comparable to the Clean Air amendments of 1976–77, or to the three-year wrangle with the chemical "superfund" bill.

I feel it is neither necessary nor desirable to engage in a repeat of those kinds of performances.

From such a bitter struggle, there could emerge no winners, only losers.

A reauthorization in the spirit of confrontation should be avoided for a number of reasons.

The most important reason is that, as disagreement escalates into anger, reason and logic are early victims.

When that happens, the ultimate product is not legislation designed to resolve genuine problems in a rational manner.

Instead, it develops as a patchwork of sections, subsections and paragraphs with nothing in common except that each often represents the victory of one small and selfish interest.

Reauthorization becomes a series of skirmishes fought between conflicting, sometimes irrational groups, with the battles fought in committee chambers or on the Senate floor.

I have seen this happen in the past. It is the worst kind of environment in which to develop responsible legislation.

I do not intend to preside over that sort of legislative anarchy in our committee if it can be avoided.

And, I believe it can be avoided.

This is why.

First, every group that I know of has said it supports the intent and the goals of the Clean Air Act. That includes those of you here in this room.

Each of you participates directly or indirectly in the Clean Air Project. The first of the five principles on which that project is founded is, and I quote:

"The Clean Air Act must not be abandoned. Its goals to improve the quality of the nation's air should be pursued with the cooperation of every segment of American society."

I applaud that statement.

I support that statement.

And, I believe that statement—and shall continue to unless events prove otherwise.

In the legislative arena, actions speak louder than words. So, the true measure of whether outside interests—and by this I mean not only industry, but the public health and environmental groups as well—wish to engage in a dialogue, will be, what you and they do in the coming weeks and months.

For example, I do not see how support for the principles of the Clean Air Act could be reconciled with a suggestion that the primary standards of that act be abandoned.

The primary standards are the heart of the Clean Air Act as a public health law.

Abandoning those standards is tantamount to rejecting the notion that the public health must be protected from air pollution.

Thankfully, however, that is not a subject that needs to be explored with this audience, because you are on record in support of the Clean Air Act.

Similar expressions of support have come from a wide range of interested groups.

Moreover, I believe that President Reagan shares that view.

I do not believe that the mainstream of America, or the mainstream of American business, or even those on the fringes of the mainstream, wish to make fundamental changes in the Clean Air Act.

That is not to say that some changes in the act are not needed.

It is likely, however, that many of the necessary changes will be refinements, not basic rewritings of the law.

Many of the changes will be required in concert with our new needs for energy development at home. That was certainly the case during the last Congress—except that those attempts were not so much to refine provisions of the Clean Air Act as they were attempts to repeal some of those provisions.

One example of that was the so-called "oil blackout," or coal conversion bill, that would have converted about 80 oil-fired electrict generating plants to coal—but without necessary environmental controls on air pollution.

I supported conversion to coal—and I still do.

But, the conversion should be accompanied by concern for the health of Americans and for the quality of the air. My amendment to require necessary environmental controls was defeated in the Senate. But, when the bill arrived in the House, it was engulfed in the intense controversy over the environmental issue, and it ultimately died.

A similar fate met the so-called "fast track" bill, that would have permitted the waiver of federal, state and local laws that might delay major energy projects. The bill passed the Senate, but died in the House of Representatives.

Those two bills, and their fate, are examples of what is clearly a growing national consensus: Americans want to develop domestic sources of energy—but they also want to protect the environment.

Those two goals are not inconsistent.

They can be achieved simultaneously.

The best way to achieve them is for all of us to work in a spirit of cooperation and to avoid confrontation.

It would be a mistake to underestimate or to ignore the lesson that can be learned from the fate of those two bills.

It would have been quite simple for the supporters of each of those proposals to accommodate those of us who had some complaints.

In the case of the coal conversion bill, I sought only the installation of adequate pollution control mechanisms. It made no difference to me whether the control mechanisms were stack gas scrubbers, coal washing equipment or even the use of low-sulfur coal.

Those of us who felt that way were willing to pay for a very large portion of the costs associated with minimizing air pollution.

But, proponents of the legislation remained adamant, and refused any accommodation. The consequence was that the bill and its supporters won a battle in the Senate, but lost the war in the House. And all of us lost whatever benefits could result from converting those plants to coal.

Now, it may well be that the House of Representatives has changed somewhat. But, it seems to me that each of us—all of us—has an obligation to try to operate in the broad national interest during the reauthorization process for the Clean Air Act.

It is likely that, at one time or another, each of us will be tempted to serve only our vested interests, rather than the nation's interests.

When that happens, I hope that we will all set temptation to the side.

What we require for the Clean Air Act authorization process is an exercise in self-restraint. Each of you may have problems. Those problems should be examined. Others will have problems. They, too, should be examined.

But, examination is not the same as elimination.

In some cases, a problem may be the natural consequence of the Clean Air Act functioning in exactly the way it was designed to function.

In other cases, a problem may be the result of excessive regulation or excessive zeal on the part of a regulator.

In fact, much of the public attention may may be directed to the wrong arena. Perhaps the focus should be on regulatory adjustments, and not on legislative changes.

To the extent that is the case, the fastest and most efficient means of correcting them is in the hands of the President, not the Congress.

I do not know what President Reagan's intentions are in this regard, but certainly the man the President has named to head the Office of Management and Budget has some clearly defined notions.

David Stockman recently proposed specific regulatory adjustments in the Clean Air Act, including the following:

A waiver of the carbon monoxide emissions standard for Model Year 1982 automobiles.

A relaxation of the heavy duty truck emissions standard scheduled for 1984.

A modification of the ambient air standard for ozone, and

The elimination of new source performance standards for small industrial boilers.

I don't know what other objectives Dave Stockman or other members of the Reagan Administration may have in mind.

But, I do know that the legislative process can be agonizingly slow at times, as recall the three-year ordeal of "superfund" and the almost-as-lengthy trials of the 1977 amendments to the Clean Air Act.

In terms of quick achievement, the less legislation the better.

At the same time, we all recognize that executive action alone will not be enough to make all of the changes that are needed.

In deciding what changes need to be made and the direction we should take, I hope that the Congress will be able to rely heavily on the report of the National Commission on Air Quality.

That report is scheduled to be delivered on March 1, 1981, and it should provide us with a sound, reasoned basis for going ahead with the reauthorization of the Clean Air Act.

The commission was created for the express purpose of providing the Congress with impartial advice—or, at least, with advice balanced by the views of all interests—and I expect it to fulfill that goal.

That does not mean the report of the commission will form the complete record on which the Senate Committee on Environment and Public Works will proceed.

I am sure you understand that the role of the legislative branch of government is distinct from the role of the National Commission on Air Quality and the role of the executive branch.

It is the obligation of the legislative branch to arrive at its own conclusions independently. In that regard, during consideration of the Clean Air Act, I am sure the Congress will listen to the advice of the Reagan Administration and of the National Commission on Air Quality.

But, it is the responsibility of legislators to exercise their own judgments. As you know, there is never any guarantee that Congress will heed all the advice it receives—even when it asks for it.

And, I must tell you that the Senate Committee on Environment and Public Works is composed of many independent-minded members. Some might even be considered mavericks.

You may be sure that all the Members of that Committee will insist on their own review of the Clean Air Act, and that they will make their own judgments.

Indeed, I anticipate that other Members of Congress will want to do the same, and that they will want to become familiar with the Clean Air Act and with some of its impacts.

On the contrary, it will be vitally necessary to the members of the Congress to become familiar with the Clean Air Act and with some of its impacts.

This educational process cannot be accomplished entirely in Washington. We will have to make first-hand examinations of at least a few of the clean air issues in other parts of the country.

Here are some of the issues I have identified as among those that are worthy of examination under actual conditions:

Impacts of the Clean Air Act upon the development of synthetic fuels, including oil shale, coal gasification and coal liquefaction.

The long-range transport of air pollutants, especially as it affects the ability of some states and areas to meet ambient standards or other requirements of the law.

The impact of emission standards on the auto industry.

The impact of the law's requirement on other industries, including the steel industry.

If field hearings on these or other issues are determined to be worthwhile, the Committee on Environment and Pubic Works might consider the following locations:

Colorado, Wyoming, Utah or West Virginia on synfuels and other domestic energy development.

New England, the Upper Midwest or the Southwest on the long-range transport of pollutants.

California for heavy oil development offset policy, or vehicle inspection and maintenance.

Detroit or some other auto industry city for the issue of vehicle emissions, and

Pittsburgh or some other steel industry city for the questions of the impact on that industry.

Let me caution you that the list of issues and of potential field hearings is extremely tentative. Do not read any overtones into either the issues I have mentioned, or those I have not.

That list will expand and contract—some of the issues may even disappear—as we get into the hearing and oversight process.

We have already taken some preliminary steps in this process. The Senate is not going to rush headlong into the Clean Air Act reauthorization process, but we will move at a good, steady pace.

Let me emphasize again that these are the first steps in the procedure of refining the Clean Air Act, not of rewriting it.

Quite aside from the fact that I believe the Clean Air Act is fundamentally sound, there is at least one other compelling reason for emphasizing fine tuning, rather than drastic overhaul.

If the Clean Air Act were rewritten, industry would be forced to return to Step One in the implementation process.

Decisions that require years to make—not including the additional years that would be consumed while lawyers argued their cases to judges—would have to be made anew.

During the years of undoing and remaking decisions, more precious time would be lost.

Time in which oil shale could have been developed.

Time in which boilers could have been converted to coal.

Time in which better and less expensive American cars could have been built.

In short, time in which we could all have been working together toward a common goal.

It is my hope—and my intention—to use that time in the most productive way.●

THE URBAN DEVELOPMENT ACTION GRANT PROGRAM

● Mr. PELL. Mr. President, I am amazed to learn that the Reagan administration is considering a total elimination in funding for a key program which has played a successful role in revitalizing our declining urban centers.

The urban development action grant, or UDAG, program has been uniquely successful in accomplishing its goal of bringing private investment back into our older cities. In Rhode Island alone,

both Pawtucket and Woonsocket have already demonstrated the value of this program through their new industrial parks, which promise to create hundreds of new jobs during the early 1980's.

UDAG is a relatively small Federal program which has triggered a huge private sector investment in older cities throughout the country. It proves its worth through the private enterprise system, because the small Federal investment made in each grant to a city is contingent upon a much higher amount of private capital being pumped into areas which have been ravaged by years of high unemployment and neglect. This is a much more effective use of the taxpayers money than, as is apparently being considered, folding UDAG into the community development block grant program, which has no requirement for generating a penny of private investment.

I frankly do not understand why an administration which favors free enterprise would eliminate a program like UDAG which must face a free market test, in favor of a program that requires no private sector participation at all. For that reason, UDAG is a program which should have a particular appeal to Republicans and conservatives, and indeed anyone concerned with the task of rebuilding our declining urban centers.

I sincerely hope that the Reagan administration will reconsider its decision on the fate of the UDAG program, but, if it does not, I intend to strongly defend this small Federal program which has worked so well for our Nation and for Rhode Island.●

SONG OF THE YELLOW RIBBONS

● Mr. PELL. Mr. President, among the many Americans who rejoiced in the freeing of the 52 hostages from their bondage in Iran was a constituent of mine, Virginia Doris of Pawtucket, R.I.

Mrs. Doris watched the hostages on television on Christmas Day of 1980 and was so moved by their plight and that of their families that she dedicated a poem to them entitled "Song of the Yellow Ribbons."

Mr. President, I suggest that the full text of this poem be printed at this point in the RECORD.

The text of the poem is as follows:

SONG OF THE YELLOW RIBBONS

The pledge their faithful vigils keep,
  The prayerful hours are near
When trusting eyes refuse to weep,
  Yet still we linger here;
And what—the endless churl may ask—
  Can inspire such wonderous power
That Pain forbids his wonted task
  And Love his yearned-for hour?

The Memory's spirit no lesser thrills
  Or breathes a fainter tone;
The clarion pride from our Nation's hills,
  Heed! No weakness is shown;
And Patriotism's burning song entails
  Her Founder's enduring fire,
Still gathering o'er the ocean that veils
  The American hostage lyre.

But grieve not o'er its parted strings,
  Nor believe its soul hath died,
While yet the lark at dawn's light sings,
  As once o'er Star-Spangled side;
While waiting season sheds its bloom
  And dewy blossoms reach
Alike o'er iran's demanding tomb
  And family's rallying belief.

Thou glorious captives of this sea!
  Though wide the wicked flood
That parts our distant land from thee,
  We claim thy courageous blood;
Nor o'er thy cruel bondage springs
  One unhallowed star of fame,
But kindles, like an eagle's wings,
  Our welcoming skies in flame!●

S. 381: ADDRESSING WASTE AND MISCONDUCT AT THE DEPARTMENT OF JUSTICE

● Mr. BAUCUS. Mr. President, eliminating waste and mismanagement from Federal programs is one of my top priorities. Internal auditors, who analyze an agency's work and recommend ways to make it more efficient, are an essential tool in this effort.

Congress has recognized the importance of auditing and review of employee misconduct for several agencies. However, the Justice Department has not yet been required to establish a centralized mechanism for performing these functions.

As a member of the Senate Judiciary Committee, I share responsibility for overseeing the activities of the Department of Justice. For 2 years, I have studied the Department's present procedures for internal auditing and for employee misconduct. In the last Congress, I chaired hearings on these subjects and became convinced that congressional action was warranted.

As a result of these hearings, earlier this week, I introduced legislation, S. 381, that will lead to reduced Federal spending and increased faith in the performance of the Department of Justice. I wish to expand on the two major aspects of the bill.

TITLE I: ESTABLISHING A DEPARTMENT OF JUSTICE OFFICE OF AUDITS

It is my view that the Department of Justice has failed to establish a stable, independent and effective internal audit unit. Title I of S. 381 would consolidate the various auditing responsibilities of the Department of Justice and create a new Office of Audit. This office would be under an Assistant Attorney General who would be accountable directly to the Attorney General.

The need for a strong, politically independent auditing office that has full access to the Attorney General is critical if management of the Department of Justice is to be improved. Currently, there is only one small internal audit staff (IAS) located within a large budget office at the Justice Management Division.

Based on a hearing I chaired on March 13, 1980, and on previous work conducted by my staff, I am convinced this is not the most appropriate and effective way to structure internal auditing responsibilities.

Under the present structure within the Justice Management Division, IAS lacks accessibility and accountability to the Attorney General. The IAS has a history of instability within the Justice Department, being bounced from section to section within the Justice Management Division. Its organizational location within the Division, its effectiveness as a coordinator of all auditing activities for the Department, and the current lack of methodical implementation of Department and General Accounting Office audit recommendations are other problems that I identified.

According to guidelines set forth by GAO, any internal audit unit should report directly to the head of an agency or to the highest practical level.

The Justice Department's present structure violates those guidelines. The IAS currently is two organizational levels removed from the Attorney General. The Attorney General apparently has little input into the activities of the auditing unit.

Audit recommendations rarely filter up to the Attorney General and instead stagnate in the Justice Management Division where they are largely ignored.

Its internal structure and organizational location are defined by Department regulations which have been changed repeatedly to accommodate the whims of management. Just last year, IAS was downgraded to a low-level position reporting to the Comptroller within the Justice Management Division, now making it three levels removed from the Attorney General. The small 57-member auditing staff was drastically reduced by over 40 percent.

In addition, the Department of Justice also has been unable to coordinate auditing activities within the Department. The FBI, LEAA, and DEA have separate audit units, and all of the other bureaus have some form of audit or inspection or management review groups.

IAS has not had the authority to require that these units report to the IAS Director. According to testimony at the March hearing, IAS has "not had a very strong coordinating function with any of the functions in the other bureaus." Under this loose arrangement audit functions may be duplicated, and the failure to share expertise and findings results in additional waste.

Mr. President, the bill I introduced this week, S. 381, would address these problems.

The bill would create a statutory charter for an Office of Audit under the direction of an Assistant Attorney General. The Assistant Attorney General would be a Presidential appointee confirmed by the Senate. The Assistant Attorney General would be charged with the responsibility of reporting to the Attorney General any problems of compliance with audit recommendations.

The bill would create a separate, highly visible Office of Audit with the protections of a statutory charter. And, because such a charter could only be altered by Congress, the Office will remain intact until Congress—not the

officials who are being audited—determines that changes are appropriate. This kind of structure also would make it easier to hire and keep the best available auditors.

This kind of structure would separate the audit unit from those it is supposed to be auditing, thus complying with another GAO recommendation.

Mr. President, I know that the new Attorney General, Mr. William French Smith, is concerned with improving the organization and management of his Department. S. 381 would greatly assist him in gaining control of his agency and informing him of the problem areas where he can make corrective changes. The bill will also greatly assist those of us in the Congress who will monitor the progress made at the Department of Justice.

TITLE II: OFFICE OF PROFESSIONAL RESPONSIBILITY

Mr. President, title II of S. 381 would strengthen a companion office to the Office of Audit—the Office of Professional Responsibility.

The Office of Professional Responsibility (OPR) is currently the office responsible for investigating allegations of Justice Department employee misconduct. Many of the allegations handled by OPR are sensitive and complex and may involve complaints against the highest officials in the Department, such as the U.S. attorneys, or the FBI. The question is whether OPR is currently structured to investigate these complaints effectively.

On March 13, 1980, I chaired a Senate Judiciary Committee hearing on OPR. Testimony at that hearing supported the view that the lack of statutory protection for the Office is a major weakness. Because OPR is established only by Federal regulations, its continued existence cannot be guaranteed. In fact, the Office could easily be abolished or have its powers curtailed simply by changing the regulations. Such changes in the regulations could be initiated by Department officials who are subjected to investigation by OPR.

Our hearing highlighted another flaw in the current structure of OPR. The OPR counsel is appointed by the Attorney General rather than by the President. He could be in the position of investigating the individual he reports to. This raises obvious concerns about the independence and integrity of the Office.

One final problem that we uncovered at our hearing was that the Department of Justice has never established adequate standards of discipline which can be uniformly applied. According to the OPR counsel, there is "a disparate arrangement now, a disparate system, and inequitable application of sanctions or corrective behavior." For example, employees found guilty of comparable violations may be given widely disparate discipline if they are employed in different divisions of the Department. Because of the lack of standards, discipline is even haphazard within the six internal investigation units that report regularly to OPR.

Mr. President, nothing could be more corrosive to morale than arbitrarily applied discipline. Employee misconduct must be met swiftly and firmly but with sanctions that are uniform. S. 381 addresses this problem by charging OPR with the responsibility of formulating disciplinary standards for the Department. It also gives the office the power to monitor the imposition of these standards and recommend administrative sanctions.

S. 381 would establish a statutory charter which protects and increases the powers of the Office of Professional Responsibility. Such a charter can only be altered by Congress. Thus, the office would be protected from intervention, the threat of intervention, or the appearance of intervention from Justice Department officials. Under a statutory charter, OPR will become a permanent fixture at the Department of Justice until Congress, not the officials who are subject to investigation, determines changes in the structure are appropriate.

The independence of OPR would also be strengthened by making the OPR counsel a Presidential appointee to be confirmed by the Senate. The counsel would continue to report directly to the Attorney General, but as a Presidential appointee, the Counsel would have the appearance of independence so necessary for public trust in OPR operations.

CONCLUSION

Mr. President, a strengthened OPR, together with a new Office of Audit, will create a two-pronged attack on Government waste and mismanagement in the Department of Justice. More than any other agency in Government, the Department of Justice must have the total faith of the American people. I believe S. 381 will help enhance that faith.

Mr. President, I submit the text of the bill to be printed in the RECORD.

S. 381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Justice Audit and Professional Responsibility Act of 1981".

TITLE I—DEPARTMENT OF JUSTICE OFFICE OF AUDIT

AMENDMENTS TO TITLE 28 ESTABLISHING AN OFFICE OF AUDIT

SEC. 101. (a) Title 28 of the United States Code is amended by adding immediately after chapter 35 the following new chapter:

"Chapter 36—DEPARTMENT OF JUSTICE OFFICE OF AUDIT

"Sec.
"551. Establishment of Office of Audit.
"552. Duties and functions of the Office.
"553. Administrative provisions.
"554. Responsibilities within the Department.
"555. Report to Congress.

"§ 551. Establishment of Office of Audit

"There is established within the Department of Justice, under the general authority of the Attorney General, an Office of Audit (hereafter in this chapter referred to as the 'Office'). The Office shall be headed by an Assistant Attorney General appointed by the President, by and with the advice and consent of the Senate. The Assistant Attorney General shall be subject to the general supervision and direction of the Attorney General.

"§ 552. Duties and functions of the Office

"(a) The Assistant Attorney General for the Office shall—

"(1) conduct audits of each bureau, office, board, division, commission, or subdivision thereof, of the Department of Justice (hereafter in this chapter referred to as the 'Department') upon its request or the request of the Attorney General, or as the Assistant Attorney General considers appropriate;

"(2) supervise and coordinate implementation of audit recommendations made by the Office;

"(3) establish procedures and format guidelines for reporting to the Office by internal units with audit responsibilities in accordance with section 554;

"(4) ensure Department compliance with the auditing standards and procedures of the General Accounting Office and the Office of Management and Budget;

"(5) in consultation with the Attorney General and the head of the unit, require procedural changes in the operation of any internal unit with audit responsibilities;

"(6) coordinate activities with the Office of Professional Responsibility to prevent and detect fraud, mismanagement, and abuse of Department programs and operations;

"(7) serve as the Department liaison for the audit functions performed by the General Accounting Office;

"(8) review enacted and proposed legislation and regulations on programs and operations of the Department, and make recommendations to the Attorney General in the annual report required by section 555 on the impact of such legislation or regulations on (A) the economy and efficiency in the administration of such programs and operations, and (B) the prevention and detection of fraud and abuse in such programs and operations; and

"(9) keep the Attorney General and the Congress fully informed, by means of the annual report required by section 555 and otherwise, concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of programs and operations, recommend corrective action, and report on the progress made in implementing such corrective action.

"(b) The Assistant Attorney General shall establish such rules as may be necessary to carry out the provisions of this chapter.

"§ 553. Administrative provisions

"(a) The Assistant Attorney General for the Office shall be compensated at a rate equal to the rate of basic pay for ES–5 of the Senior Executive Schedule established by the President under section 5382 of title 5, United States Code.

"(b) The Assistant Attorney General is authorized to appoint such additional staff personnel as he deems necessary, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code, and may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

"§ 554. Responsibilities within the Department

"(a) The head of each bureau, office, board, division, commission, or subdivision of the Department shall provide information and assistance requested by the Assistant Attorney General for the Office in connection with audits conducted by the Office or an internal unit with audit responsibilities, and by any other person asisgned to conduct audits.

"(b) If the Assistant Attorney General for the Office makes a recommendation to any Department official with respect to any audit, and that official declines to implement the recommendation, the declining official shall report in writing to the Assistant Attorney General, within forty-five days of the receipt

of the recommendation, the reason for declining to implement the recommendation. If the Assistant Attorney General disagrees with the position of the declining official, the Assistant Attorney General may appeal to the Attorney General for implementation of the recommendation.

"(c)(1) If the Assistant Attorney General for the Office makes a recommendation under subsection (b) to the Attorney General, the Attorney General shall report in writing to the Assistant Attorney General, within thirty days of the receipt of the recommendation, his proposed action on the recommendation.

"(2) Any recommendation by the Assistant Attorney General for the Office to the Attorney General which is not followed by the Attorney General shall be identified in the annual report to Congress under section 555.

"(d) The head of each internal unit with audit responsibilities shall report monthly to the Assistant Attorney General for the Office. Each report shall include, at a minimum, identification of ongoing audits and a summary of conclusions and recommendations made for any audit completed within the reporting period. Each report shall conform with the procedures and format guidelines established by the Assistant Attorney General under section 552(a).

"§ 555. Report to Congress

"(a) On or before September 30 of each year, the Assistant Attorney General for the Office shall report to the Congress. The report shall include, but need not be limited to—

"(1) a listing of each audit initiated or completed within the reporting period by the Office or any internal unit with audit responsibilities;

"(2) a summary of the recommendations by the Office and the actions taken for each audit;

"(3) a description of any significant problems, abuses, or deficiencies in the policies and procedures which have become evident during the course of any audit;

"(4) a recommendation for any action that may be taken by the Office or by a bureau, office, board, division, commission, or subdivision thereof to correct such problems, abuses, or deficiencies;

"(5) a summary of the recommendations submitted in any previous annual report under this section upon which corrective action has not been completed, with an explanation of the reasons action has not been completed; and

"(6) a description of any recommendation with respect to any audit made by the Assistant Attorney General for the Office to the Attorney General under section 554(c) which is not followed by the Attorney General.

"(b) The Congress shall have access to the results of each audit completed by the Office or an internal unit with audit responsibilities.".

(b) The table of chapters for part II of title 28, United States Code, is amended by adding immediately after the item relating to chapter 35 the following:

"36. Department of Justice Office of Audit ---------- 551.".

DELEGATION OF FUNCTIONS

SEC. 102. The Attorney General shall delegate to the Assistant Attorney General for the Office of Audit all functions administered by the Attorney General, prior to the date of enactment of this Act, through the Director of the Internal Audit Staff.

REPORT TO CONGRESS

SEC. 103. No later than three years from the date of enactment of this Act, the Assistant Attorney General for the Office of Audit shall submit to the Committees on the Judiciary of the House of Representatives and the Senate—

(1) a comprehensive evaluation of the implementation of the provisions of chapter 36 of title 28 of the United States Code, added by section 101 of this Act; and

(2) specific legislative recommendations designed to remedy any problems or deficiencies in the implementation of the provisions of that chapter.

AUTHORIZATION OF APPROPRIATIONS

SEC. 104. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title and the amendments made by this title.

TITLE II—DEPARTMENT OF JUSTICE OFFICE OF PROFESSIONAL RESPONSIBILITY

AMENDMENTS TO TITLE 28 ESTABLISHING AN OFFICE OF PROFESSIONAL RESPONSIBILITY

SEC. 201. (a) Title 28 of the United States Code is amended by adding immediately after chapter 37 the following new chapter:

"Chapter 38—DEPARTMENT OF JUSTICE OFFICE OF PROFESSIONAL RESPONSIBILITY

"Sec.
"576. Establishment of Office of Professional Responsibility; duties and functions.
"577. Relationship with internal inspection units.
"578. Disciplinary recommendations.
"579. Administrative provisions.

"§ 576. Establishment of Office of Professional Responsibility; duties and functions

"(a) There is established within the Department of Justice, under the general authority of the Attorney General, an Office of Professional Responsibility (hereafter referred to in this chapter as the 'Office').

"(b) The Office shall be headed by a Counsel appointed by the President, by and with the advice and consent of the Senate. The Counsel shall be subject to the general supervision and direction of the Attorney General, or when appropriate, of the Deputy Attorney General, the Associate Attorney General, or the Solicitor General.

"(c) The Attorney General may delegate to the Counsel the functions of any other bureau, office, board, division, commission, or subdivision thereof within the Department of Justice (hereafter referred to in this chapter as the 'Department') as the Attorney General determines are properly related to the functions of the Office and would, if so delegated, further the purposes of this chapter.

"(d) The Counsel shall—

"(1) initiate or order, as he considers appropriate, an investigation of any information or allegation relating to the conduct of an employee of the Department that is or may be in violation of a law, a regulation or order of the Department, or any applicable standard of ethics or conduct:

"(2) establish a procedure for receiving and processing requests for investigations made by persons employed by the Department as well as persons outside the Department, and insure the confidentiality of the source and nature of any such request;

"(3) prepare or review, as the case may be, any findings and reports filed as the result of an investigation under paragraph (1), and make recommendations to the Attorney General, or when appropriate, to the Deputy Attorney General, the Associate Attorney General, or the Solicitor General, concerning such findings and reports;

"(4) in addition to any investigation initiated or ordered under paragraph (1), undertake any relevant investigation assigned by the Attorney General, or when appropriate, the Deputy Attorney General, the Associate Attorney General, or the Solicitor General, and cooperate as directed with any other organization, task force, or individual that may be assigned by the Attorney General to undertake such an investigation;

"(5) establish uniform standards for the conduct of investigations by internal inspection units with such responsibilities;

"(6) monitor and evaluate the performance and procedures for investigations conducted by the internal inspection units within the Department;

"(7) establish procedures and format guidelines for reporting to the Office by internal inspection units in accordance with section 577(c);

"(8) in consultation with the Attorney General and the head of the unit, require procedural changes in the operation of any internal inspection unit;

"(9) not later than two years after the date of enactment of this chapter, establish uniform standards for the administration of disciplinary sanctions for each bureau, office, board, division, commission, or subdivision thereof;

"(10) monitor and evaluate the implementation of the standards established under paragraph (9) for the administration of disciplinary sanctions;

"(11) undertake any other appropriate responsibilities assigned by the Attorney General, including responsibilities relating to the improvement of the ethics and conduct of Department personnel;

"(12) submit recommendations to the Attorney General, or when appropriate, to the Deputy Attorney General, the Associate Attorney General, or the Solicitor General, on the need for changes in the standards and procedures that become evident during the course of implementing responsibilities under this chapter; and

"(13) report to Congress in accordance with subsection (e) of this section.

"(e)(1) On or before September 30th of each year, the Counsel shall report to the Congress on the number and a brief description of each allegation of employee misconduct received by the Office, a description of the manner in which such allegation was handled, and the final disposition of each such allegation. The information required under the preceding sentence shall include an identification with respect to the unit or Office which received the allegation and performed the investigation, if any.

"(2) In addition, the Counsel shall include in such report—

"(A) a description of any significant problems, abuses, and deficiencies in the policies and procedures which have become evident during the course of any investigation;

"(B) recommendations for actions that may be taken by the Office or by a bureau, office, board, division, commission, or subdivision thereof to correct such problems, abuses, or deficiencies;

"(C) a summary of the recommendations submitted in any previous annual report under this section upon which corrective action has not been completed, with an explanation of the reasons action has not been completed; and

"(D) a description of any recommendation for administrative sanctions or prosecution made under section 578 by the Counsel to the Attorney General or an official of the Department which is not followed.

"(3) If the Counsel conducts, or orders to be conducted, an investigation of information or an allegation that the Attorney General may be in violation of a law, a regulation or order of the Department, or of any applicable standard of ethics or conduct, he shall report the findings of his investigation to the Committees on the Judiciary of the House of Representatives and the Senate upon the completion of the investigation.

"(4) No later than three years from the date of enactment of this chapter, the Counsel shall submit to the Committee on the Judiciary of the House of Representatives and the Senate—

"(A) an evaluation of the procedures and

standards for administrative sanctions and prosecution established under section 576 (d)(9);

"(B) a comprehensive evaluation of the implementation of the provisions of this chapter; and

"(C) specific legislative recommendations designed to remedy any problems or deficiencies in the implementation of the provisions of this chapter.

"(f) The Counsel shall establish such rules as may be necessary to carry out the provisions of this chapter.

"§ 577. Relationship with internal inspection units

"(a) The internal inspection units within each bureau, office, board, division, commission, or subdivision thereof, of the Department shall retain the primary responsibility for receiving information on allegations concerning employees within their respective entities, and for conducting investigations, subject to the reporting requirements of subsection (c) of this section.

"(b) The head of each bureau, office, board, division, commission, or subdivision thereof shall provide information and assistance requested by the Counsel in connection with any investigation conducted by the Office or an internal inspection unit, and by any other person assigned to conduct an investigation.

"(c) The head of each internal inspection unit shall report monthly to the Counsel. Each report shall include notification of initiation of any investigation, and shall conform with the procedures and format guidelines established by the Counsel under section 576(d).

"§ 578. Disciplinary recommendations

"(a) The Counsel may, on the basis of any findings reported to him or of an investigation conducted by him—

"(1) recommend to the Attorney General or any appropriate supervising official within the Department that administrative sanctions be taken against a Department employee; and

"(2) recommend the prosecution of a Department employee to the appropriate Assistant Attorney General of division or the appropriate United States attorney.

"(b) If the Counsel makes a recommendation under subsection (a) of this section to any Department official other than the Attorney General, and that official declines to implement the recommendation, the declining official shall report in writing to the Counsel within thirty days of the receipt of the recommendation, the reason for declining to prosecute or administer such sanctions. If the Counsel disagrees with the position of the declining official, the Counsel may appeal to the Attorney General for implementation.

"(c)(1) If the Counsel makes a recommendation under subsection (b) of this section to the Attorney General, the Attorney General shall report in writing to the Counsel, within thirty days of the receipt of the recommendation, his proposed action on the recommendation.

"(2) Any recommendation by the Counsel to the Attorney General or to a declining official which is not followed by the Attorney General shall be identified in the annual report to Congress under section 576(e).

"§ 579. Administrative provisions

"(a) The Counsel shall be compensated at a rate equal to the rate of basic pay for ES–5 of the Senior Executive Schedule established by the President under section 5382 of title 5, United States Code.

"(b) The Counsel is authorized to appoint such additional staff personnel as he deems necessary, at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code, and may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

"(c) Upon request of the Counsel and in consultation with the Attorney General and the head of the unit to which the employee is regularly assigned, an employee of the Department may be assigned to the Office on a case-by-case basis to perform such duties as are designated by the Counsel. Employees assigned to the Office shall work under the direction of the Counsel.".

(b) The table of chapters for part II of title 28, United States Code, is amended by adding immediately after the item relating to chapter 37 the following:

"38. Department of Justice Office of Professional Responsibility.... 576.".

TERMINATION

SEC. 202. The Office of Professional Responsibility of the Department of Justice shall terminate on the date of enactment of this Act. All functions administered by and through that office shall be administered by the Counsel for the Office of Professional Responsibility of the Department of Justice established under chapter 38 of title 28, United States Code, as added by section 201 of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 203. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title and the amendments made by this title.●

THE STATE OF OUR NATIONAL PARKS

● Mr. BAUCUS. Mr. President, in the whirlwind pace of modern life, the opportunity to pause, reflect, and learn from the unique natural heritage of America is an all too infrequent occurrence. Fortunately, since the establishment of Yellowstone National Park in 1872, Congress has undertaken to preserve for generations to come, the finest example of this legacy as units of our national park system.

In the increasingly urbanized landscape of America our national parks form a string of oases. These natural resources provide a recreational respite. They are better seen as an investment for the future. Whether as laboratories to study the interchange of man and the environment, or as museums to learn from the lessons of natural history, our parks are a constantly appreciating investment.

Regrettably, this tremendous asset has been allowed to deteriorate in recent years. I am fully sympathetic to the need to live within our national budget, but I also believe that we cannot allow our national park facilities to waste away through a lack of maintenance. Similarly, we must not ignore the demands of millions of American park visitors for services essential to their health, safety, and enjoyment while visiting our national parks. These demands simply cannot be met by a National Park Service that is understaffed and underfunded year after year.

A case in point is Glacier National Park. Located high in the Rocky Mountains of northwest Montana, the dozens of alpine lakes and small glaciers set in spectacularly carved mountains lend credence to the park's unofficial motto: "The Crown of the Continent."

In recent years, the crown has become badly tarnished. The demands of 1.5 million visitors on a shrinking budget have resulted in deferred maintenance and elimination of visitor services.

A quick examination of the statistics illustrate the point. In 1965, Glacier National Park welcomed approximately 850,000 visitors; staffing was provided by 68 permanent employees and 422 seasonal workers hired for the summer months. Fifteen years later in 1980 visitation to Glacier was nearly double the 1965 figure as some 1.5 million visitors passed through the entrance gates. Staffing in no way kept up with this growth in park use. In fact, the permanent staff was down 9 positions to 59 employees and the seasonal and less-than-full-time positions totaled only 317.

Certainly, we all believe in lean, efficient Government operations. However, there is a grave difference between lean and malnourished. In the case of our national parks, I fear we are headed for the latter case.

The following budget analysis, which was developed at my request by the Denver regional office of the National Park Service, demonstrates the serious predicament of Glacier National Park. Comparisons are between fiscal year 1977 and the budget for fiscal year 1981.

Comparison of Funding and Positions, Fiscal Year 1977 and Fiscal Year 1981

Glacier National Park

	Fy 1977	Fy 1981
Positions:		
Permanent	60	54
Seasonal	272	255
Operating funds:		
ONPS	$3,328,200	$4,075,400
Rec fee	163,000	
Total operating funds	3,491,200	4,075,400
Fiscal year 1977 to fiscal year 1980 unfunded pay increases		105,400
Cost of fiscal year 1981 pay increases		183,200
Unfunded inflation costs		466,300
Fiscal year 1981 program reductions, fiscal year 1977 to fiscal year 1981		96,000
Additional funds needed in fiscal year 1981 to return to fiscal year 1977 level of operations		850,900

Of course, the dollars do not tell the whole story. These budget cutbacks must be translated into the kind of impact they have upon park users. Closing several campgrounds in the park resulting in a loss of a quarter of the campsites is a more dramatic indicator of the difficulties facing Glacier Park. Even more critical in the long run may be the elimination of several maintenance positions directly responsible for the upkeep of 800 buildings and miles of roadway which are yearly battered by the harsh winter elements.

Mr. President, Glacier National Park is not unique among the units of our national park system. Throughout the country, unprecedented burdens are being placed upon these irreplaceable resources. We simply cannot continue to

ask for more and more from our national parks while investing less and less in them.

Thus, I urge my colleagues to look seriously at the funding of our national park system. Each year, millions of Americans cast their votes of support for our national parks in a popular referendum as they pass through the entrance stations from coast to coast. I do not believe that the 97th Congress can ignore this directive.●

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR EAGLETON ON TOMORROW

Mr. BAKER. Mr. President, on tomorrow, after the two leaders are recognized under the standing order, I ask unanimous consent that the Senator from Missouri (Mr. EAGLETON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER HOLDING HOUSE CONCURRENT RESOLUTION 58 AT THE DESK

Mr. BAKER. Mr. President, I have cleared this with the distinguished minority leader. I ask unanimous consent that House Concurrent Resolution 58, relating to the adjournment of the House and Senate, be held at the desk pending further disposition by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT OF S. 318 AND S. 320

Mr. MATSUNAGA. Mr. President, on behalf of Senator BENTSEN, I ask unanimous consent that S. 318 and S. 320 be star printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TELEVISION CAMERAS TO BE PERMITTED IN SENATE CHAMBER WHILE SENATE IS NOT IN SESSION

Mr. MATHIAS. Mr. President, I ask unanimous consent that television cameras be permitted in the Senate Chamber while the Senate is not in session at some time during the coming week for the purpose of testing out the adequacy of the lighting, the adequacy of the sound system, and other matters related to the possible telecasting of the debates in the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. I thank the majority leader.

ORDER THAT THE NOMINATION OF RAY A. BARNHART BE HELD AT THE DESK

Mr. BAKER. Mr. President, this request has been cleared with the minority. I ask unanimous consent that the nomination of Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration, vice John S. Hassell, Jr., reported by the jurisdictional committee, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, on tomorrow when the Senate reconvenes, following the recognition of the two leaders under the standing order and the special order heretofore entered, the pending business will be the Jepsen amendment. Following the disposition of the Jepsen amendment, as provided for heretofore, the Senate will turn to the consideration of the Byrd amendment. It is my hope—it is, indeed, my very sincere hope—that we can dispose of all action in connection with the debt-limit bill early in the day on tomorrow and then proceed to the consideration of House Concurrent Resolution 58, the adjournment resolution, which has been adopted now by the House of Representatives and is being held at the desk pending further disposition by this body.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 o'clock a.m. tomorrow.

The motion was agreed to; and at 6:14 p.m., the Senate recessed until Friday, February 6, 1981, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate February 5, 1981:

FEDERAL HIGHWAY ADMINISTRATION

Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration, vice John S. Hassell, Jr.

INTERNATIONAL BANKING ORGANIZATIONS

Donald T. Regan, of New Jersey, to be U.S. Governor of the International Monetary Fund for a term of 5 years and U.S. Governor of the International Bank for Reconstruction and Development for a term of 5 years; a Governor of the Inter-American Development Bank for a term of 5 years; and U.S. Governor of the Asian Development Bank and U.S. Governor of the African Development Fund.

IN THE AIR FORCE

The following named officers for promotion in the U.S. Air Force, under the appropriate provisions of Chapter 839, Title 10, United States Code, as amended.

DENTAL CORPS

Lieutenant colonel to colonel

Abbott, George G., xxx-xx-xxxx
Almquist, Theodore C., xxx-xx-xxxx
Barton, Ralph T., xxx-xx-xxxx
Biddle, Harold H., xxx-xx-xxxx
Boke, Bruce R., xxx-xx-xxxx
Brannon, Robert B., xxx-xx-xxxx
Buzenas, John A., xxx-xx-xxxx
Carey, Robert J., xxx-xx-xxxx
Coffe, Larry L., xxx-xx-xxxx
Cooley, Robert L., xxx-xx-xxxx
Cronin, Robert J. Jr., xxx-xx-xxxx
Davis, Fredric C., xxx-xx-xxxx
Drake, Philip L. Jr., xxx-xx-xxxx
Elledbruch, Eldon S., xxx-xx-xxxx
Ferland, Norman G., xxx-xx-xxxx
Freedman, Irving, xxx-xx-xxxx
Gleason, Robert W., xxx-xx-xxxx
Hartman, Garrett E., xxx-xx-xxxx
Hawkins, Maynard A., xxx-xx-xxxx
Kay, William D., xxx-xx-xxxx
Keaton, Wilfrid M., xxx-xx-xxxx
Klepetko, Ronald F., xxx-xx-xxxx
Kolker, Stanley L., xxx-xx-xxxx
Moskowicz, Donald G., xxx-xx-xxxx
Olesen, Harold P., xxx-xx-xxxx
Phillips, Homer L., xxx-xx-xxxx
Richard, Glenn E., xxx-xx-xxxx
Riley, Guy L., xxx-xx-xxxx
Simonton, James H., xxx-xx-xxxx
Staup, James C. Jr., xxx-xx-xxxx
Strohaver, Robert A., xxx-xx-xxxx
Usseglio, Robert J., xxx-xx-xxxx
Weinman, Morris L., xxx-xx-xxxx
Wilkinson, Raymond F., xxx-xx-xxxx
Wysocki, Stanley F., xxx-xx-xxxx

MEDICAL CORPS

Anderson, George K., xxx-xx-xxxx
Bailey, Robert J., xxx-xx-xxxx
Barrett, Robert T., xxx-xx-xxxx
Cloyd, Dale E., xxx-xx-xxxx
Darienzo, Charles M., xxx-xx-xxxx
Davis, Jeffrey G., xxx-xx-xxxx
Dewitt, Dexter D., xxx-xx-xxxx
Dumas, Paul A., xxx-xx-xxxx
Eaton, Wyley E., xxx-xx-xxxx
Gensler, Thomas D., xxx-xx-xxxx
Grant, William H., xxx-xx-xxxx
Hafermann, David R., xxx-xx-xxxx
Hart, Kenneth R., xxx-xx-xxxx
Jecha, Larry D., xxx-xx-xxxx
Johnson, Douglas N., xxx-xx-xxxx
Jones, George P., Jr., xxx-xx-xxxx
Kuhn, Charles R., xxx-xx-xxxx
Laurel, Santiago, xxx-xx-xxxx
Ngo, Narciso L., xxx-xx-xxxx
Novicki, Donald E., xxx-xx-xxxx
Omara, David J., xxx-xx-xxxx
Pumarejo, Ramon A., xxx-xx-xxxx
Reppart, John T., xxx-xx-xxxx
Rissier, Herbert L., xxx-xx-xxxx
Rivera, Antonio M., xxx-xx-xxxx
Roberge, Joseph L., xxx-xx-xxxx
Schaberl, Karl N., xxx-xx-xxxx
Schwab, Edward T., xxx-xx-xxxx
Seth, Suman, xxx-xx-xxxx
Studwell, Alfred W., xxx-xx-xxxx
Task, Steven A., xxx-xx-xxxx
Trabalsantos, Jose F., xxx-xx-xxxx
White, Stewart A., xxx-xx-xxxx
Wilder, Thomas C., Jr., xxx-xx-xxxx

DENTAL CORPS

Major to lieutenant colonel

Baker, Gerald E., xxx-xx-xxxx
Blosser, Fred M., xxx-xx-xxxx
Brown, Frederic H., xxx-xx-xxxx
Buche, William A., xxx-xx-xxxx
Burgess, John O., xxx-xx-xxxx
Combs, Charles H., xxx-xx-xxxx
Crine, James D., xxx-xx-xxxx
Daniel, Benge R., Jr., xxx-xx-xxxx
Donahue, William J., xxx-xx-xxxx
Dyer, Charles L., xxx-xx-xxxx
Faner, Richard M., xxx-xx-xxxx
Frank, Charles A., xxx-xx-xxxx
Gabryl, Roy S., xxx-xx-xxxx
Goaslind, Gary D., xxx-xx-xxxx
Hagarty, Timothy J., xxx-xx-xxxx
Hand, Ronald E., xxx-xx-xxxx
Hansen, Steven C., xxx-xx-xxxx
Heagy, William C., xxx-xx-xxxx
Heldt, Leroy V., xxx-xx-xxxx
Hew, Ellsworth, Y. K., xxx-xx-xxxx
Hott, Wayne E., xxx-xx-xxxx
Howard, Clinton W., III, xxx-xx-xxxx
Howard, James H., xxx-xx-xxxx
Klish, John W., xxx-xx-xxxx

Lukosik, David R., xxx-xx-xxxx
Mackall, Thomas R., Jr., xxx-xx-xxxx
Mann, Joseph G., xxx-xx-xxxx
Mansfield, Michael J., xxx-xx-xxxx
Matiasevich, Laurie N., Jr., xxx-xx-xxxx
Mikitka, Michael A., xxx-xx-xxxx
Miller, Ronald I., Jr., xxx-xx-xxxx
Mills, Michael P., xxx-xx-xxxx
Murata, Steven M., xxx-xx-xxxx
Musselwhite, James M., xxx-xx-xxxx
Ogletree, Robert C., Jr., xxx-xx-xxxx
Ortiz, Ramon F., xxx-xx-xxxx
Orto, John R., xxx-xx-xxxx
Parrott, Gerald E., xxx-xx-xxxx
Phillips, Robert L., xxx-xx-xxxx
Preisch, James W., xxx-xx-xxxx
Proett, James B., xxx-xx-xxxx
Rapley, John W., xxx-xx-xxxx
Raybeck, Gerald E., xxx-xx-xxxx
Rennard, Donald L., xxx-xx-xxxx
Roggenkamp, Clyde L., xxx-xx-xxxx
Roubian, Armen S., xxx-xx-xxxx
Saunders, Timothy R., xxx-xx-xxxx
Savage, Michael G., xxx-xx-xxxx
Schutte, Dale A., xxx-xx-xxxx
Seek, Brian J., xxx-xx-xxxx
Shaner, John W., xxx-xx-xxxx
Stilley, John F., xxx-xx-xxxx
Via, Thomas O., xxx-xx-xxxx
Walker, Robert C., Jr., xxx-xx-xxxx
Walker, William A., III, xxx-xx-xxxx
Wilcox, Charles W., xxx-xx-xxxx

MEDICAL CORPS

Abella, Emerita B., xxx-xx-xxxx
Abernathy, George T., xxx-xx-xxxx
Airhart, Richard A., xxx-xx-xxxx
Allred, Gerald L., xxx-xx-xxxx
Ansell, Lee V., xxx-xx-xxxx
Arnold, Barbara J., xxx-xx-xxxx
Arrants, Charles D., xxx-xx-xxxx
Atallah, Paul xxx-xx-xxxx
Auguste, Reynold C., xxx-xx-xxxx
Baskaran, Thanesseri S., xxx-xx-xxxx
Baugh, Eric R., xxx-xx-xxxx
Belasco, Marvin S., xxx-xx-xxxx
Bell, Christopher P., xxx-xx-xxxx
Bell, George C., xxx-xx-xxxx
Bergman, Ronald J., xxx-xx-xxxx
Berkowitz, Roy E., xxx-xx-xxxx
Bianchi, Patrick A., xxx-xx-xxxx
Billman, James K., Jr., xxx-xx-xxxx
Binghay, Ben P., xxx-xx-xxxx
Bissell, David D., xxx-xx-xxxx
Blew, Richard M., xxx-xx-xxxx
Bongolan, Lorenzo S., xxx-xx-xxxx
Borcherding, Harlan J., xxx-xx-xxxx
Bower, Jeffrey H., xxx-xx-xxxx
Breuder, Andrew J., xxx-xx-xxxx
Brewington, Kenneth C., xxx-xx-xxxx
Brown, Thomas W., xxx-xx-xxxx
Brown, William H., xxx-xx-xxxx
Bryant, Edward E., xxx-xx-xxxx
Budd, John C., xxx-xx-xxxx
Burns, George E., xxx-xx-xxxx
Burst, Stephen J., xxx-xx-xxxx
Campbell, James C., xxx-xx-xxxx
Carrizales, Arthur, xxx-xx-xxxx
Carter, Bruce, xxx-xx-xxxx
Casu, Nereide, xxx-xx-xxxx
Chevalier, Jimmy E., xxx-xx-xxxx
Clardy, William F., xxx-xx-xxxx
Clinchard, William R., xxx-xx-xxxx
Conage, Thomas J., Sr., xxx-xx-xxxx
Conatser, David G., xxx-xx-xxxx
David, Lydia D., xxx-xx-xxxx
Davidson, Thomas W., xxx-xx-xxxx
Delagarza, Carlos A., xxx-xx-xxxx
Delallana, Severiano F., xxx-xx-xxxx
Deleon, Francisco, S., xxx-xx-xxxx
Dennis, Larry G., xxx-xx-xxxx
Dillaplain, Robert P., xxx-xx-xxxx
Dix, Richard M., xxx-xx-xxxx
Dorf, Eugene C., xxx-xx-xxxx
Dozier, Kenneth C., xxx-xx-xxxx
Dyer, Morgan C. D., xxx-xx-xxxx
Dyrud, James P., xxx-xx-xxxx
Echols, Paul G., xxx-xx-xxxx
Eden, Billy M., xxx-xx-xxxx
Eglinton, Gary S., xxx-xx-xxxx
Eibling, David E., xxx-xx-xxxx
Elmasri, Magued R. D., xxx-xx-xxxx
Erickson, Donn R., xxx-xx-xxxx
Fitzgerald, Dennis C., xxx-xx-xxxx
Flannery, Michael J., xxx-xx-xxxx
Fornal, Robert E., xxx-xx-xxxx
Foster, Jerry J., xxx-xx-xxxx
Franks, Dennis W., xxx-xx-xxxx
Freda, Angelo J., xxx-xx-xxxx
Fronefield, Helen P., xxx-xx-xxxx
Fryling, Maliwan K., xxx-xx-xxxx
Gangitano, John L., xxx-xx-xxxx
Garland, Larry D., xxx-xx-xxxx
Garrison, James E., III, xxx-xx-xxxx
Gerber, William R., xxx-xx-xxxx
Gibbs, Harry R., xxx-xx-xxxx
Glaeser, Richard D., xxx-xx-xxxx
Gorman, Richard J., xxx-xx-xxxx
Grandjean, Richard L., xxx-xx-xxxx
Grassman, Eric D., xxx-xx-xxxx
Green, Robert P. Jr., xxx-xx-xxxx
Greer, Willis A., xxx-xx-xxxx
Hanumanthu, Vijaya K., xxx-xx-xxxx
Hassan, Robert M., xxx-xx-xxxx
Herndon, Charles M., xxx-xx-xxxx
Hill, Richard R., xxx-xx-xxxx
Hollister, Paul I., xxx-xx-xxxx
Hubbell, Charles G., xxx-xx-xxxx
Hucker, John A., xxx-xx-xxxx
Hui, Noel T., xxx-xx-xxxx
Ingle, Robert M. Jr., xxx-xx-xxxx
Ivan, Douglas J., xxx-xx-xxxx
Jacobson, James M., xxx-xx-xxxx
Joyner, Ira T. Jr., xxx-xx-xxxx
Kang, Dae O., xxx-xx-xxxx
Kangsumrith, Suriyun, xxx-xx-xxxx
Kidd, Ralph V III, xxx-xx-xxxx
King, Clarence G. Jr., xxx-xx-xxxx
Kirby, Edward E., xxx-xx-xxxx
Kotchmar, George S. Jr., xxx-xx-xxxx
Kramer, Thomas N., xxx-xx-xxxx
Kunkel, Alan R., xxx-xx-xxxx
Lagmanramones, Corzaon R., xxx-xx-xxxx
Lambert, Harry M., xxx-xx-xxxx
Lee, Seoup C., xxx-xx-xxxx
Lenihan, John P. Jr., xxx-xx-xxxx
Letard, Francis X Jr., xxx-xx-xxxx
Locker, Dan L., xxx-xx-xxxx
Looney, Timothy J., xxx-xx-xxxx
Maiorca, John P., xxx-xx-xxxx
Marsh, John R., xxx-xx-xxxx
Marshall, Douglas W., xxx-xx-xxxx
Martin, Thomas A. III, xxx-xx-xxxx
Matamoros, Aureio Jr., xxx-xx-xxxx
Maxwell, Michael W., xxx-xx-xxxx
McColgin, Sterling W., xxx-xx-xxxx
McDermott, David W., xxx-xx-xxxx
Michaud, Judith A., xxx-xx-xxxx
Miller, Edward A., xxx-xx-xxxx
Mitchell, Bennett E., xxx-xx-xxxx
Moore, Michael A., xxx-xx-xxxx
Morris, William H. Jr., xxx-xx-xxxx
Muehlberger, Gerald L., xxx-xx-xxxx
Mumm, Alan H., xxx-xx-xxxx
Murphy, Thomas F., xxx-xx-xxxx
Naversen, Douglas N., xxx-xx-xxxx
Neff, Scott B., xxx-xx-xxxx
Obenza, Nelia J., xxx-xx-xxxx
Ohagan, Richard B., xxx-xx-xxxx
Orzechowsk, Zygmunt, xxx-xx-xxxx
Osteria, Elpidio M., xxx-xx-xxxx
Palmer, Patrick M., xxx-xx-xxxx
Pangilinan, Arturo P., xxx-xx-xxxx
Parker, Martha E., xxx-xx-xxxx
Parker, Samuel B., II, xxx-xx-xxxx
Patterson, James T., Jr., xxx-xx-xxxx
Pees, Richard C., xxx-xx-xxxx
Percy, James R., xxx-xx-xxxx
Perkins, Edward W., xxx-xx-xxxx
Perlstein, Robert S., xxx-xx-xxxx
Pino, Salustiano A., xxx-xx-xxxx
Plotkin, Karl J., xxx-xx-xxxx
Rake, Geoffrey W., Jr., xxx-xx-xxxx
Ray, Reba, xxx-xx-xxxx
Reeves, Glen I., xxx-xx-xxxx
Robacker, Elbert C., xxx-xx-xxxx
Rostermundt, Gene E., xxx-xx-xxxx
Roybal, Robert E., xxx-xx-xxxx
Saguiguit, Gil D., xxx-xx-xxxx
Sanders, Ernest L., Jr., xxx-xx-xxxx
Santi, Antonio, xxx-xx-xxxx
Schade, Cristy M., xxx-xx-xxxx
Schultenover, Stephen J., xxx-xx-xxxx
Shelat, Sudhir P., xxx-xx-xxxx
Shore, John W., xxx-xx-xxxx
Sinha, Nanda K., xxx-xx-xxxx
Smithson, John B., xxx-xx-xxxx
Sopa, David, xxx-xx-xxxx
Spiegel, Robert S., xxx-xx-xxxx
Stake, Terry L., xxx-xx-xxxx
Steele, Steven J., xxx-xx-xxxx
Stottlemyer, Keith D., xxx-xx-xxxx
Strickland, Daniel M., xxx-xx-xxxx
Strobel, Cory T., xxx-xx-xxxx
Strong, John E., Jr., xxx-xx-xxxx
Sutliff, Lourell E., xxx-xx-xxxx
Thomas, Joseph R., Jr., xxx-xx-xxxx
Tilton, Frederick E., xxx-xx-xxxx
Toth, David N., xxx-xx-xxxx
Twedt, Gordon H., xxx-xx-xxxx
Vigh, Sara, xxx-xx-xxxx
Villano, Mercedes P., xxx-xx-xxxx
Wagnon, Alton H., Jr., xxx-xx-xxxx
Walhner, Kenneth F., Jr., xxx-xx-xxxx
Walker, Wayne T., xxx-xx-xxxx
Walley, Luther R., xxx-xx-xxxx
Ward, John A., xxx-xx-xxxx
Watters, David H., xxx-xx-xxxx
Welling, David R., xxx-xx-xxxx
Wheller, John J., xxx-xx-xxxx
Whinnery, James E., xxx-xx-xxxx
Wilkinson, Earl V., III, xxx-xx-xxxx
Williams, Victor T., xxx-xx-xxxx
Wilson, Stephen C., xxx-xx-xxxx
Winters, Adam D., III, xxx-xx-xxxx
Wise, Michael G., xxx-xx-xxxx
Wood, Barry C., xxx-xx-xxxx
Woods, Wayne G., xxx-xx-xxxx
Ynclino, Vicente C., xxx-xx-xxxx

The following officers for appointment in the Regular Air Force, in grades indicated, under the provisions of Section 8284, Title 10, United States Code, with a view to designation under the provisions of Section 8067, Title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

MEDICAL CORPS

To be lieutenant colonel

Gensler, Thomas D., xxx-xx-xxxx

To be major

Arrants, Charles D., xxx-xx-xxxx
Borcherding, Harlan J., xxx-xx-xxxx
Fronefield, Helen P., xxx-xx-xxxx
Hafermann, David R., xxx-xx-xxxx

To be captain

Berkowitz, Roy E., xxx-xx-xxxx
Bryant, Edward E., xxx-xx-xxxx
Conatser, David G., xxx-xx-xxxx
Gibbs, Harry R., xxx-xx-xxxx
Moore, Michael A., xxx-xx-xxxx
Reeves, Glen I., xxx-xx-xxxx
Robacker, Elbert C., xxx-xx-xxxx
Sutliff, Lourell E., xxx-xx-xxxx
Watters, David H., xxx-xx-xxxx
Wilson, Stephen C., xxx-xx-xxxx
Winters, Adam D., III, xxx-xx-xxxx
Wood, Barry C., xxx-xx-xxxx

DENTAL CORPS

To be captain

Mills, Michael P., xxx-xx-xxxx

IN THE NAVY

The following named commanders of the U.S. Navy for temporary promotion to the grade of captain in the Medical Service Corps, pursuant to Title 10, United States Code; sections 5773 and 5791, subject to qualifications therefor as provided by law:

Chan, Robert S.
Christian, Elgin R.
Craig, Donald R.
Darr, Kenneth L.
Erie, James R.
Ferguson, Donald R.
Halverson, Charles W.
Levandowski, Thaddeus F.
Lucas, John R.
McCullagh, Robert F.
McKelvy, Patsy L.
Richardson, Fredric M.
Rover, Charles A.*
Schroeder, William H.
*Teague, Francis A., Jr.

The following named lieutenant commander of the U.S. Navy for temporary promotion to the grade of commander in the Medical Corps, pursuant to Title 10, United States Code, Sections 5793 and 5791, subject to qualifications therefor as provided by law:

Mangrum, John C.*

The following named lieutenants of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the line and staff corps, as indicated, pursuant to Title 10, United States Code, Sections 5769 (line officers), 5773 (staff corps officer), and 5791, subject to qualifications therefor as provided by law:

LINE

Abel, Lloyd V.
Adams, Robin L.
Ahearn, James V., Jr.
Ainsley, William L., III.
Akins, Joseph L.
Alcorn, Marion E.
Allen, Harry E.
Allin, Robert W.
Allison, John S., Jr.
Almquist, Thomas V.
Alston, Robert W.
Altman, Kenneth B. Jr.
Anderson, Edward W.
Anderson, Eric B.
Andrews, Kenton G.
Archibald, Gary T.
Ardan, Nicholas L., III.
Armistead, Reginald G., Jr.
Arnold, Berthold K.
Arnold, Robert B.
Arnold, William G.
Ascione, Raymond A.
Ashbridge, George, IV.
Aten, John J.
Aukland, Bruce M.
Ault, Jon F.
Averill, Robert C.
Axelrod, William H.
Baas, Daniel L.
Babbitt, James C., Jr.
Babcock, Rowland A., Jr
Bagley, Edward G., III
Baily, Richard M.
Ballweber, William A.
Banek, Edward A. Jr.
Bannat, Steven J.*
Barber, Arthur H. III
Barber, Theodore Jr.
Barbor, Kenneth E.
Barkell, Richard C.
Barnes, David J.
Barnes, Leslie W.
Barnett, Peter G.
Barnhill, Arizona W.
Barthold, Lee G., III
Bassett, William T.
Bateman, Douglas A.*
Bates, William A., Jr.
Baugh, Dale E.
Bean, Jerry W.
Beardin, Larry D.
Beaver, Robert J.
Beck, Donald D.
Beck, Harold R.
Beer, Bill E.
Behringer, Stephen E.
Belcher, John C.
Bence, Ronald P.
Benedict, William L.
Bentley, Alan C.
Benziger, Philip E.
Berg, Delano R.
Bergersen, Leonard L.
Berry, Gale V.
Berry George Z.
Besal, Robert E.
Beukema, Paul
Biby, Dennis K.
Bienhoff, Paul A.
Bisceglia, Stephen V.
Bishop, Harold R.
Bixler, Charles H.
Blackman, Richard A.
Blackwell, Theodore I., Jr.
Blackey, Blake V., Jr.
Blanchard, Robert K.
Bledsoe, John R.
Blomeke, Hugh D.
Blunt, James M.
Bohannan, Gary W.
Bolan, Gregory E.
Bolton, Frederick A.
Booker, Robert W.
Borno, Louis M., Jr.
Boroff, Jeffrey L.
Bossio, Frank T.
Boutte, Andre L.
Bower, Michael J.
Bowlin, James A.
Boyer, Pelham G.
Boyington, John E. Jr.
Brady, Bernard G.
Brady, Edward D.
Branson, James L.
Breenan, Michael E.
Brewer, Craig W.
Bridges, James D.
Brittain, William G. Jr.
Broadley, Timothy S.
Brod, Herbert L.
Brodengeyer, James R.
Brooks, Frederick M.
Brown, David K.
Brown, Frank H.
Brown, Tommy A.
Brownhill, Lloyd D.
Brownsberger, Nicholas M.
Brucker, Blaine R.
Bruckman, David E.
Bruner, Todd T. W.
Brunstad, William J.
Brust, Stephen R.
Buchanan, Bobby A.
Buchspics, Kenneth L. Jr.
Bulai, Dennis M.
Bullough, Bruce L.
Burdett, Peter S.
Burdette, Allen L. II
Buresh, Jon A.
Burgess, James R.
Burkhart, Larry W.
Burns, Daniel P.
Burroughs, Bruce D.
Burton, Fred E.
Burtt, Chester A.
Buschmann, Roger L.
Busseno, Henry W.
Butler, James P.
Butler, Lester E., Jr.
Byrd, John T.
Cahoon, David C.
Calcaterra, Frank S.
Caldwell, Warren L., Jr.
Calhoun, Brian M.
Calhoun, Jimmy R.
Campbell, Clifford B.
Campbell, James A.
Campbell, Richard P.
Canavan, Michael P.
Candalor, Michael B.
Cantfil, Scott T.
Capello, Leonard W.
Caplinger, Lanny W.
Carle, Mark V.
Carlson, Dennis J.
Carmichael, John S.
Carpenter, John R.
Carrier, Guy J.
Carrington, David R.
Carro, Anthony
Carroll, Charles E.
Carter, Leslie R.
Carter, William L.
Casmer, Dennis R.
Casper, David C.
Caster, Gary D.
Castleman, Lexie C.
Cerveny, Alvin E.
Chambers, Regan S.
Chapman, Robert G.
Cheliras, Richard M.
Cheshire, Lehman F., II
Chin, Francis W. L.
Christensen, Erick T.
Christensen, Steven D.
Ciarula, Thomas A.
Cincotta, Paul E.
Clair, William C.
Clawson, Stephen H.
Clayman, William D.
Clayton, Irving B., III
Coggins, Andrew O., Jr.
Collins, John G.*
Collins, Richard W.
Colton, Arthur, II
Combs, Charles R.
Combs, Russell W.
Condon, Robert W.
Condon, Thomas J.
Connelly, Joseph B.
Conner, Roger A.
Connolly, Paul M.
Conrad, Allen S.
Cook, Robert B., Jr.
Cook, William E., Jr.
Cooke, Wilbur O., Jr.
Coonan, Robert P.
Cooper, Michael R.
Cosgrove, Patrick E.
Coste, Peter F.
Costigan, Kenneth M.
Cottrell, William R.
Coupland, Steve J.
Covington, Richard B.
Cox, Patrick G.
Coyle, Gary L.
Craig, Michael C.
Crall, Max R.
Crandall, Kenneth D.
Cranshaw, William R.
Crews, Jeffrey W.
Crooks, Dennis J.
Cross, Raymond S.
Crossland, Edward E.
Crouch, Orren R.
Crouse, David L.
Crowell, Charles D.
Crowley, Thomas N.
Cumings, Kenneth W., Jr.
Cummings, Darryl P.
Curry, Raymond M.
Curtin, Bruce E.
Curtsinger, Delbert A.
Cutter, David M.
Cutter, Duane S.
Dahlquist, Paul W.
Daley, Michael J.
Dalton, Merrill A.
Daly, Joseph T., III
Danco, Thomas R.
Danforth, Lawrence W.
Darling, Ralph E.
Darton, Terry H.
Darwin, George R.
Davidson, Michael A.
Davidsson, Jeffrey J.
Davis, Richard E., Jr.
Day, Edward W., Jr.
Dean, Dennis R.
Decker, Charles E.
Deese, David S.
Delauder, Roy A., Jr.
DeLong, Richard C.
Demain, William R.
DeMarco, Jimmy W.
DeMasi, Francis D.
Deneen, Brian M.
Denham, Stanley A.
Dentico, John P.
Dentler, John C.
Deuley, Thomas P.
Devlin, John C.
Dewald, Bruce F.
Dilgren, Glen A.
Dilick, Gregory F.
Dillon, David R.
Dimambro, Ronald E.
Disy, Edward G., Jr.
Divine, Michael D.
Dodenhoff, Andrew C.
Dom, Stuart N.
Donihi, Burleson M.
Donlan, Joseph A.
Donovan, Michael D.
Doran, Milton D., Jr.
Dowty, Bobby L.
Doyle, Patrick R.
Dragone, Joseph A., Jr.
Drake, Stephen L.
Dreiling, David L.
Drews, Robert A.
Driscoll, Joseph F.
Droz, Charles A., III
Drummond, Thomas F.
Dudek, David P.
Dundas, Geoffrey W.
Dunn, James P., Jr.
Dunscombe, Bruce E.
Duquette, Wilfred B.
Dussman, Thomas R., Jr.
Dwyer, Dennis M.
Earnest, William G.
Easton, William R., Jr.
Edwards, Charles T.
Edwards, Mark J.
Eichel, Laurence A.
Einsidler, Barry D.
Eisenstein, Donald A.
Eklof, Sven P.
Elder, Alfred
Elliker, John S., Jr.
Elliott, Richard M.
Ellis, Jimmy L.
Ellis, Robert B.
Emmert, Mark A.
Endicott, David C.
Engelhardt, Bruce B.
Ensley, Lee M.
Erickson, David P.
Etter, Alan Y.
Evans, Gary G.
Evans, Gary W.
Evers, William B.
Eyerly, Louis G.
Ezzell, Stephen M.
Falkey, Mark S.
Fargo, Stephen M.
Farmer, Linwood, E., Jr.
Fee, John F.
Fehrs, Thomas L.
Fennessey, Donald B.
Ferguson, Kevin J.
Filanowicz, Robert W.
Finkelstein, Mark A.
Finley, Charles C.
Firth, Barry E.
Fischbeck, Jeffrey A.
Fisher, Calvin
Fisher, John W.
Fisher, Richard J.
Fitzgerald, William R.
Fitzgerald, James P.
Fitzhugh, Gary L.
Flanigan, Richard J.
Fleming, Daniel E.
Flood, John T., Jr.
Fondren, Steven V.
Foster, Thomas H., II
Foti, Stephen G.
Fournier, Dean N.
Fowler, John D.
Fowler, Larry R.
Fox, Donald C.
Frahler, Donald A.
Frame, Danny R.
Frank, Richard R.
Franklin, Roland M.
Franz, Lornie A.
Frederick, Stephen E.
Freeland, Newton F., Jr.
Frieden, Charles O.
Froemel, Anthony F.
Froman, James C.
Frump, David A.
Fry, Norman J.
Fulham, Thomas A., Jr.
Fullerton, John A.
Funk, Duane H.
Gallic, Frank M.
Gallup, Frederick S., III
Gammage, Patrick O.
Garden, George C., Jr.
Garrett, Patrick M.
Garrish, James W.
Garrison, Paul C., II
Gastrock, Martin D., Jr.
Gavett, Wallace L., Jr.
Gay, James F.
Gear, Bud S.
Gebbia, Frank Jr.
Geel, Richard A.
Geiger, Edward C.
Geist, Gregory D.
Geopfarth, Robert N.
Getzfred, Lawrence D.
Giannotti, Bruce B.
Giarra, Paul S.
Givens, Joel D.
Glass, Joseph W.
Glenn, Michael
Glick, Dean F.
Glick, Robert C.
Gloor, Louis O.
Glover, Andrew L.
Glover, Ronald B.
Goad, Steven R.
Goddard, James R., Jr.
Godfrey, Thomas J.
Goessling, James R.
Goetz, Michael L.
Goforth, George T.
Goldman, Michael J.
Goldsby, Richard E.
Goldstein, Robert J.
Golisch, James A., Jr.
Golubovs, Paul
Gomez, Daniel S.
Good, Mark I.
Gooding, Brent B.
Goodwin, Thomas J.
Goodwin, William V.
Gordon, Douglas T.
Gordon, Harry J., III
Gorman, James F.
Gorman, Michael A.
Gorris, Frederick D.
Gossett, Jeffrey L.
Grabski, Timothy M.
Grafton, Thomas A., III
Graham, William L.
Grant, Geoffrey E.
Grant, Raymond J.
Grant, Roderick C.
Grau, David G.
Graves, Marshall W., Jr.
Gray, Gary J.
Greaser, Donald C.
Green, John M.
Gregory, Erik S.
Gregory, William H.
Griffith, Carl D., Jr.
Griggs, Edward C.
Grissom, Mark P.
Gritzke, Arnold R.
Groefsema, Gary G.
Groff, George T.
Groff, Lawrence L.
Guiles, Richard H.
Gustin, Bruce A., III
Guzauskis, Steven A.
Haagensen, Brian C.
Haberlandt, Frederick R.
Haddock, James M.
Haizlip, John T.
Halsted, David P.
Hamelin, Gregory R.
Hammond, Gary R.
Hammond, John T.
Hampton, John J.
Hancock, William A.
Hansell, Dennis R.
Hanson, Paul E.
Hardaway, James H.
Harding, Richard W.
Hardman, Andrew H.
Hare, Robert L.
Hargrave, Douglas F., Jr.
Harmer, Donald W.
Harper, Allen D., III
Harris, Craig H.
Harris, James D.
Harris, Stephen A.
Harrison, John J.
Hartrick, Thomas F.
Harvey, Gerald A.
Harvey, John C., Jr.
Hastings, David C., Jr.
Hathaway, Clifford N., Jr.
Hawk, Bruce L.
Hawkins, Jeffrey A.
Haworth, James R.
Hearding, David W.
Hedden, Charles R.
Hedrick, Michael K.
Heimgartner, Kenneth F.
Heisey, Philip M.
Henderson, Harold D.
Hennessy, Paul B.
Henry, Christopher R.
Hessdoerfer, Ronald C
Hesser, Neal P.
Heuer, Edward D.
Hewitt, Robert A., Jr.
Heyworth, Gordon
Hieronymus, Dennis J.
Higgins, Paul M.
Hilfer, Roger T.
Hill, Clarence E.
Hill, James A.
Hill, Martin R.
Hill, Steven C.
Hill, William J.
Hirsch, Gerald R.
Hirst, William C., Jr.
Hobbs, Philip G.
Hodson, Brian J.
Hogen, David J.
Holcomb, William K.
Holden, Timothy A.
Holdredge, Robert L.
Holland, Howard M.
Hollands, Christopher C.
Honey, Ronald D.
Hoover, James D.
Hopkins, Robert L.
Hopper, James H., III
Hopper, William F.
Horn, Robert G.
Horner, John S.
Horner, Richard L.
Horstmann, Richard F

Houde, Paul L.*
Howard, George R.
Howard, Jonn F.*
Howard, Walter G., Jr.
Hrenko, John, Jr.
Hudgens, Robert T.
Hughes, Roger A.
Hughes, Ronald A.
Hughes, William R.
Hugill, Joseph R.
Hull, Roger L.
Humble, Alan D.
Humphries, Wofford F., III
Hurley, Lawrence E.
Hyatt, Jerry O.
Iler, Robert W.
Indorf, John W., Jr.
Ingalsbe, Stephen R.
Israel, John E.
Jack, Gary M.
Jackson, Andrew H.
Jackson, Jimmie R.
Jackson, William P., Jr.
Jacobs, Thomas E.
Jacobson, Robert A.
James, Richard H.
James, Robert B.
Jamison, Christopher C.
Jankura, Edwin S., Jr.
Jarosinski, John M.
Jarrett, Stephen M.
Jaskunas, Thomas M.
Jauernig, Robert R.
Jenkins, Jerry M.
Jeter, James D.
Jewell, Keith A.
Jewett, Charles E.
Jobe, Terry L.
Johns, Stephen B.
Johnson, Arthur L.
Johnson, Charles S.
Johnson, James W.
Johnson, Paul R., Jr.
Johnson, Paul N.
Johnston, John, Jr.
Johnston, William R.
Jones, Edward L.
Jones, Preston L.
Jones, Stanley L.
Jones, Wayne M.
Jordan, Timothy G.
Jorgensen, Paul C.
Jorvig, Daniel A.
Joseph, Alfred M.
Joslin, William D., Jr.
Kaelin, Charles M.
Kagy, Rodney E.
Kale, James E.
Kallin, Peter L.
Kalstad, Kendall W.
Keefe, Daniel S.
Keegan, Joseph W.
Keenan, John J., Jr.
Keesling, Robert A.
Keith, Douglas W.
Keith, James S.
Keith, Michael G.
Keithly, Thomas M.
Kelley, Michael C.
Kelly, Patrick W.
Kelso, Jesse J.
Kemp, Dieter K.
Kennedy, Clarence
Kennedy, Khristopher M.
Kessler, Paul K., Jr.
Kester, Lawrence V.
Keuhlen, Phillip J.
Kibler, Adrian E., Jr.
Kidrick, James G.
Killough, Robert C.
Kilmer, Harold B., Jr.
Kim, Theodore S.
Kindel, George F.
King, Manton A.
Kirk, Bruce R.
Kirkpatrick, James R.
Klein, James M.
Klein, John W. K.
Klinker, Patrick J.
Kluever, Patrick R.
Knight, Cletius D.
Knight, John R.
Knueppel, Wolfgang W.
Koch, Raymond W.
Kodzis, Richard F.
Koehler, John A., III
Koelemay, Maurice M.
Kohler, David R.
Kohne, John E.
Koncpa, Steven J.
Konya, Bruce R.
Koorey, Alfred J., Jr.
Koss, Andrew J.
Kraft, Edward S. Jr.
Kreeger, Theodore W.
Kren, John J.
Krohn, Raymond L.
Krueger, Lloyd E.
Kryske, Lawrence M.
Kuehne, Kenneth W.
Kujat, Edward J.
Kwate, William E.
Kysar, Billy D.
Labarge, William H.
Laforce, Don C.
Lalonde, Larry W.
Lambing, Edward W.
Lancharic, James V.
Landers, Coleman A.
Landick, Richard E., Jr.
Lane, Gregory B.
Lantta, Kenneth D.
Larsen, Thomas C.
Larson, Larry E.
Lash, James H.
Lauderdale, Donnie A.
Lavigne, Roger J.
Lee, Richard P.
Lee, Thomas J.
Leib, Robert C.
Leonard, Raymond E., III
Leverette, Glen
Lewandowski, Lawrence A.
Lewis, David R.
Lewis, Paul S.
Libera, Daniel C.
Lillard, William A., III
Lind, David J.
Linn, Claud O.
Lipscomb, Gary E.
Lipsey, Mark D.
Lobs, Warren M.
Lobue, James J.
Logue, Stephen J.
Lombard, Peter N.
Long, Robert H.
Long, Stephen T.
Long, William H., Jr.
Lose, Jay D., Sr.
Loser, David A.
Love, John B.
Love, Patrick S.
Lovett, Harry L.
Lovett, Joel D.
Luczak, Michael A.
Lunning, Robert M.
Lupton, Stephen C.*
Lutes, Jack
Lynch, Vincent J.
Maahs, Carl E., Jr.
Mack, Stanley J.
Macluskie, John R.
Macon, Richard T.
Mahle, Gary G.
Major, John G.
Malboeuf, Ernest J.
Mallon, Paul J.
Mansfield, Philip S.
Manvel, John T., Jr.
Mares, Joe N.
Markevicz, John W.
Marlin, Robert D.
Marra, Kenneth J.
Marshall, Rudy F.
Marshall, William J.
Martello, Keith W.
Martin, Colin L.
Martin, Kenneth R.
Martino, Nathan P.
Mashburn, Robert L.
Maskell, Robert E.
Mason, James R.
Mason, Lee C., II
Mathews, Kirk A.
Mathis, Don W.
Mayes, Larry L.
Mayhan, Terence W.
McAfee, William T.
McArthur, James D., Jr.
McAvinia, Thomas F.
McCartney, Patrick L.
McCarville, Patrick A.
McCloskey, John D.
McCollum, James W.
McConchie, Robert W.
McConkey, David L.
McCoy, Kenneth W.
McCrory, Ralph C.
McCurdy, Russell A.
McCutchen, John M.
McDonald, Randal S.
McElroy, Daniel W.
McGinn, Leo F., Jr.
McGraw, William L.
McHenry, John S.
McLane, Robert L.
McLoughlin, William R.
McWilliams, Hugh N.
Mead, Gregory G.
Mears, George H.
Measel, Richard A.
Meek, Terry L.
Meeley, William A., Jr.
Mellor, Martin W.
Mercurio, Stephen F.
Meyer, Daniel H.
Meyer, John G.
Meyer, Thomas L.
Meyer, Timothy H.
Meyers, John E.
Meyett, Robert S.
Miars, Thomas E.
Michell, William R.
Mihocik, Robert A.
Mikhalevsky, Peter N.
Miller, David R.
Miller, Dennis W., Jr.
Miller, Edward L.
Mills, Donald M.
Mills, Jack B.
Mimms, David T.
Mitchell, Alfred W.
Mitchell, David E.
Mitchell, Joseph A., II
Mitchell, Kenneth R.
Moilanen, Thomas E.
Molloy, William E., Jr.
Moody, William V.
Moon, Eugene L.
Moon, Robert L.
Moore, Richard B.
Moore, William T., III
Morandi, Theodore R.
Moranville, Mark S.
Morgan, John G., Jr.
Morral, Dennis G.
Morreale, Bruce V.
Morris, William D.
Morrison, Thomas R.
Moss, Charles M.
Mullican, James N.
Muncie, John C.
Munns, Charles L.
Murphy, George J., III
Murphy, Robert T.
Murray, George M.
Murray, John J.
Musgrave, Clyde
Musselman, Warren E.
Myers, David E.
Myers, Ronald L.
Naughton, Michael J.
Nava, David
Nayfack, John C.
Neal, Robert A.
Needham, William D.
Neihart, Charles W., Jr
Nelson, David J.
Nelson, David E.
Nelson, Duane L.
Nelson, Jeffrey R.
Nesbitt, Allan P., III
Ness, Christian Q.
Nestor, Don A.
Newland, Charles R.
Newport, Paul T.
Newton, Danny R.
Nibbs, Alan M., Jr.
Nice, Dan E., Jr.
Nickodem, Peter W.
Nielsen, Jack S.
Nitschke, Roy H.
Norrbom, Timothy J.
Norris, Donald O., Jr.
O'Grady, Arthur J.
O'Hanlon, Jeremiah
O'Keefe, James G.
Olechnovich, Paul J., V
Olsen, Alfred J.
Olson, David J.
Oponick, William C., Jr.
Orbann, Carl T., III
Osborn, Colin C.
Oswald, Stephen S.
Othus, Ross B.
Ott, Andrew A.
Otto, David T.
Owens, Ronald L.
Ozehoski, Edward M.
Pache, Eugene P.
Palanca, Rodney A.
Palmatier, Robert J.
Palmatier, Philip F., Jr
Palmer, George W.
Palmer, Henry B.
Panos, Christopher W.
Papin, Gregory A.
Papineau, Larry R.
Parker, Robin M.
Parks, James F.
Parks, Ralph F.
Parsons, Walter P.
Patterson, Wayne L.
Patton, James W.
Patullo, Kenneth E.
Pearson, Thomas W.
Pease, Milton L.
Peay, Larry G.
Pence, Derry T.
Penn, William T.
Pernell, Larry E.
Perry, James W.
Perry, Joseph L., Jr.
Perry, Robert P.
Peters, Jon C.,
Peters, Kenneth M.
Peters, Kenneth W.
Pettit, Hubert C.
Petty, William M.
Pfadenhauer, John J., Jr.
Pfeiffer, Frank G.
Pfister, Russell J.
Pflueger, Michael P.
Phelps, Norman J.
Phillips, David S., III*
Phillips, James G., III
Phillips, James W.
Phillips, John L.
Pickett, Russell A.
Piecuch, John L.
Pierce, Billie J.
Pierce, John W., Jr.
Pistochini, Mark D.
Pledger, James E.
Poe, Deen O.
Poland, Marc M.
Posey, Kelley G.
Power, Jerry R.
Powers, Thomas J.
Preisel, John T., Jr.
Preston, Randall D.
Price, Earl J.
Ptacek, John W.
Puccini, Bruce A. J.
Purdy, G. James, Jr.
Quinn, Paul F.
Rable, William J.
Ransbotham, James I., Jr.
Ratcliff, Ronald E.
Reeves, Jerry D.
Reightler, Kenneth S.
Reisinger, Allen E.
Remshak, Christopher J.
Renton, Irvine A., III
Ress, Charles M.
Rhine, Russell L.
Rhoades, William A.
Ricciardi, Robert N.
Rice, Michael L.
Riess, Robert E.
Rigot, William L., Jr.
Rimpau, James W.
Roark, Louis K.
Robb, James A.
Robbins, Frederick H.
Roberts, Warren L
Robertson, Andrew C.*
Robertson, Michael D.
Robinson, Frederick T. I.
Robinson, James E.
Robinson, Steven N.
Robinson, Warren E.
Rockwell, Richard T.
Roddahl, Jeffrey L.
Rodman, William B. V.
Rogers, George C., Jr.
Rogers, William A., Jr.
Roman, Theodore R., Jr.
Romine, Steven L.
Rondestvedt, Christian R.
Rood, Homer J.
Roper, Thomas W.
Rosenthal, Mark L.
Rotondo, Michael J.
Roughead, Gary
Roulstone, Douglas R.
Rowe, James F.
Rubel, William R.
Rucker, Steven W.
Ruhl, Phillip C.
Rusch, Preston G.*
Rush, Robert J.
Russell, Roy W.
Russell, William D.
Ruth, Jack L.
Rutherford, Lindell G.
Ruybal, George N.
Ryan, Paul J.
Ryder, Curtis M.
Ryskamp, Robert H.
Salinas, Amando S.
Sands, Robert W.
Sanford, Gregory B.
Santapaola, Donald J.
Sare, Michael J.
Sarraino, Michael
Schaffter, Alan B.
Schaufelberger, Albert A.
Schiesser, William A.
Schmidt, Wesley H.,
Schmidt, Jonathan B. Jr.
Schneegas, David A.
Schneider, Harvey L.
Schroeder, Kenneth R.
Schubert, Jerry L.
Schultz, George W.
Schultz, Paul S.
Schwalier, Charles D., II
Schwartz, Michael N.
Schwiering, David A.
Sciuto, John J.
Scott, Brue B.
Scott, James R.
Scott, Robert J.
Scott, Robert P.
Scudder, Stephen V.
Seal, Warren G.
Sedivy, Dean G.
Seeley, James R.
Seigel, Thomas G.
Selman, William W.
Sensat, Robert J.
Shalles, Siegfried L.
Shankles, Jackie W.
Shaw, John D.
Shay, Jon V.
Sheehan, Leroy E.
Sheehy, Patrick T.
Shemella, Paul
Sherk, Glenn E.
Sherman, Vining A., Jr.
Sherwood, Roger R.
Shields, Robert B.
Shipley, Thomas E.
Shoemaker, James E.
Shon, Michael D.
Shurtleff, William H., IV
Sieve, Glennon L.
Silverio, Stephen R.
Silvestri, Michael J.
Simpson, Jeffrey P.
Simpson, Michael D.
Sisa, Steven A.
Slocumb, Dennis A., Jr.
Smallwood, James V.
Smith, Bradley P.
Smith, Earl M.
Smith, Frederic D.
Smith, Howard P.
Smith, Janvier K.
Smith, Philip W.
Smith, Richard T.
Smith, Robert E.
Smith, Wayne E.
Snead, Leonard A., III
Snodgrass, Dale O.
Snow, Terry D.
Snyder, Thomas E.
Snyder, William L.
Solak, Lawrence E.
Sonn, Bruce E.
Sonntag, Steven J.
Sontheimer, Richard F.
Spangler, Ralph G.
Spence, Maurice F.
Springman, Robert E.
Stack, John J.
Staebler, Francis
Stahler, William D.
Staniewicz, Matthew J.
Stanton, Donald C.
Stapleford, James R.
Staton, Ronald B.
Steele, Scott L.
Steffen, Norman W.
Stegeman, Ronald A.
Steinestel, Richard R.
Stenrocs, Joseph R.
Stephenson, Walter W.
Sterner, Robert C.
Stettler, Gerald A.
Stevens, Gene A.
Stevens, William R.
Stewart, James H.
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Stewart, Melvin L.
Stickler, Christopher A.
Stiffler, Mark A.
Stiles, Joseph E.
Stine, Jeffrey L.
Stoehr, Dale E.
Stone, Jeffrey M.
Storm, Bradley D.

Stowe, Abraham R.
Strawbridge, Carl N.
Streiff, Edward J.
Strickler, Richard W.
Stricklin, Ted A.
Stringer, Richard H.
Stuart, Gary L.
Stupfer, Bruce W.
Sueirro, Allen M.
Sullivan, William D.
Suplicki, Edward P.
Swailes, John H.
Swift, Lloyd F. K.
Szoka, Michael A.
Taber, James C.
Talbot, Gerald L., Jr.
Taylor, Charles D.
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Taylor, Paul E.
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Teply, John F.
Thaeler, Leigh M. Jr.*
Theis, James M.
Thiel, Kurt
Thigpen, Dan I.
Thomas, Henry D.
Thomas, Michael G.
Thomas, Ronald M.
Thompson, Clark F.
Thompson, Peter M.
Thomson, Alan D.
Thomson, Timothy
Thorne, Silas O, III
Thorpe, James W., Jr.
Thralls, Edmund L.
Tilley, John A., Jr.
Tilley, Patrick J.
Tindle, John R.
Tobiason, Erik A.
Toliver, Lynden R.
Tomaszeski, Steven J.
Tornatore, Gary P.
Trabona, Robert J.
Trammell, David G.
Traverso, Timothy J.
Treeman, Michael W.
Trenta, Richard F.
Troxell, Richard K.
Tussey, David A.
Tzavellas, Theodore E.
Uebelherr, Michael F.
Ulrich, Edward D.
Updegraff, William D, II
Uricoli, Eugene F.
Ustick, Robert W., II
Vaden, Don R.
Vanness, Henry A.
Varakin, Walter A., Jr.
Vaughn, David R.
Veatch, James M.
Ventgen, Robert J.
Vessely, Robert P.
Vickers, Sammy L.
Visage, Samuel J., Jr.
Voelker, George E.
Vogan, Charles S., Jr.
Vogt, Michael C.
Volpe, Joseph M., Jr.
Voros, Charles D.
Voss, Cary V.
Voter, James C.
Walker, Charles R.
Walmsley, Stephen R.
Ward, David A.
Ward, John J., Jr.
Wardlaw, William E.
Wardrobe, James E.
Ware, Jerry S.
Warr, Paul M.
Watterson, Kent B.
Watwood, William B.
Waylett, Don H.
Weatherspoon, Stephen S.
Weddel, David W.
Weis, Timothy J.
Welles, Franklin G.
Welsh, Joseph L.
Werson, Jan P.
Wessel, Kenneth J.
Wessman, Lynn G.
Westover, Steven B.
Wetmore, Walter G.
Wheeler, Dennis R.
Wheeler, William G.
Whitaker, Clayton, E.*
White, Carroll L.
White, James W.
White, Joseph W.
White, William S.
Whitehead, Oliver W.
Whitford, Dennis J.
Wiestling, Stephen H.
Wigge, Conrad J., III
Wilfong, Dallas G., III
Wilhelmy, Mark D.
Williams, Comer L.
Williams, George B.
Williams, Robert E., Jr.
Williams, Russell L.
Williams, Thomas R., Jr.
Willis, Clarence C.
Willis, Leland S., III
Wilson, Gerald E.
Wilus, Michael S.
Wingo, Theodore O.
Winney, Justin W., Jr.
Wise, Herbert F.
Withers, Thomas R.
Witte, Thomas M.*
Wolff, Conrad E.
Wolfsen, Terrence H.
Wollam, Neil R.
Womer, Rodney K.
Wood, Charles A.
Wood, David R.
Wood, James W.
Wood, Joseph A., Jr.
Wood, Kenneth H.
Wood, Marcelle E., Jr.
Woodall, James M.
Worley, Dennis L.
Worthington, John R.
Wright, Dale G.
Wright, Oliver L., III
Wyse, Frederick C.
Yarrows, Edward P.
Young, Brian K.
Young, Charles S. B.
Young, Gordon A.
Zanon, Richard J., Jr.
Zavaglia, Ronald F.
Zeigler, Howell C.
Zeller, Chester A., Jr.
Zetsch, Kurt J., Jr.
Zimmerman, Kenneth R.
Zink, Thomas A.
Zito, Hugh J.
Zuber, James D., Jr.

MEDICAL CORPS

Long, Kenneth W.

The following-named lieutenants (junior grade) of the United States Navy for temporary promotion to the grade of lieutenant in the line, pursuant to Title 10, United States Code, Sections 5769 and 5791, subject to qualifications therefor as provided by law:

Balsley, Jon B.
Baranowski, Craig J.
Burrell, Roger E.
Kanewske, Robert H.
Paskulovich, Robert S
Prior, George M.
Salerno, Dominic J.
Thomas, Kevin J.

The following named ensign of the United States Navy for temporary promotion to the grade of lieutenant (junior grade) in the line, pursuant to Title 10, United States Code, Sections 5784 and 5791, subject to qualifications therefor as provided by law:

Bitton, Vernal R.

The following named commander of the United States Navy for permanent promotion to the grade of commander in the line, pursuant to Title 10, United States Code, Sections 5780 and 5791, subject to qualifications therefor as provided by law:

Shaffer, Leslie V., II.

The following named women lieutenants of the United States Navy for permanent promotion to the grade of lieutenant commander in the line, pursuant to Title 10, United States Code, Sections 5771 and 5791, subject to qualifications therefor as provided by law:

Bailey Claudia L.
Breede, Marilyn I. S.
Campbell, Linda A.
Carr, Margrette
Cozine, Susan L. P.
Crawford, Mary P.
Gutierrez, Kathleen C.
Harkness Mary A.
Harrington, Carol A.
Hawrylo, Jean E.
Hayes, Allison C.
Heagney, Mary G.
Heineman, Ellen E.
Klein, Terry O.
Laino, Karen A.
Lovvorn, Terry J.
McNary, Kathleen L.
Mitchell, Monika U.
Reichert, Paulette
Rhiddlehoover, Suzanne
Sperry, Catherine E.
Wagner, Sharon A.
Youngblood, Cathey A.

The following named lieutenants of the United States Navy for permanent promotion to the grade of lieutenant in the line, pursuant to Title 10, United States Code, Sections 5780 and 5791, subject to qualifications therefor as provided by law:

Bernstein, Sanford M.
Conatser, Charlie C.
Conedera, Dana E.
Noble, Jerry R.
Wilson, Gregory C.

The following named officers of the line of the United States Navy, for appointment in the Judge Advocate General's Corps, as permanent lieutenant (junior grade) and temporary lieutenant, pursuant to Title 10, United States Code, Sections 5578(a) and 5572, subject to qualifications therefor as provided by law:

Frost, Peter F.
Stevens, Richard A.

The following named officers of the line of the United States Navy, for appointment in the Judge Advocate General's Corps, as permanent lieutenant (junior grade), pursuant to Title 10, United States Code, Sections 5578(a) and 5572, subject to qualifications therefor as provided by law:

Hohenstein, James H.

McCarthy, Julian D.

IN THE NAVY

The following named lieutenant commanders of the U.S. Navy and Naval Reserve for temporary promotion to the grade of commander in the various staff corps, as indicated, pursuant to Title 10, United States Code, Sections 5773, 5791 and 5793, subject to qualifications therefor as provided by law:

MEDICAL CORPS

Abary, Alexander V.
Adman, Raymond L.
Alexander, Arvin H.
Altenau, Lance L.
Anderson, Barbara G.
Anderson, Brian C.
Apthorpe, John R.*
Arayata, Concepcion R.
Bakshi, Satbir S.
Bartley, Tony C.*
Bayne, Cary G.
Beck, Bruce D.
Bennett, William E.*
Berlinger, Norman T.
Bina, William F., III
Bliss, Donald L.
Block, William A.
Booth, Geoffrey K.
Bottomy, David P.
Brooks, Viola P.
Brotherton, William D. I.
Broughton, Warren L.
Bulota, William R.
Bulusu, Narayana V.*
Burns, Williams W.
Butler, William M.
Caballero, Reynaldo V.*
Cantwell, Danny V.
Carolla, Anthony F.
Catron, Phillip W.
Chellappa, Christanand
Choe, Moogil *
Choi, Ivan C. S.*
Clark, Michael A.
Cobb, Gregory W.
Cohen, Irving M.
Collins, Daniel R.
Corral, Cathryn J.*
Cowall, David E.
Coy, Gene E.
Culpepper, Donnie D.
Cummings, Nicholas A.
Dainer, Paul M.
Danitschek, Carl N.
Dean, Norman A.*
Decock, David G.
Delmonico, Francis L.
Dodek, Marvin I.
Dresser, Thomas P.
Dsouza, Aloysius F.
Duhaylungsod Toribio M.
Eddleman, Henry C., III
Eralp, Muammer S.
Erwin, Carol M.
Evans, David R.
Everhart, Charles W.
Faber, Myron M.
Fawcett, William A.
Fay, James E.
Feir, Alan N.
Felter, Robert A.
Fitzsimmons, Michael A.
Foley, Richard W.
Forth, David S.*
Francisco, Eduardo G.
Gambone, Joseph C.
Garretson, John F.
Garrigues, Ned W.
Georges, Theodore N.
Gerrardgough, Brodie
Gillette, Shelby L.
Giroux, Arthur S.
Goad, Robert F.
Goeltsch, Robert E.
Govin, Gerald G.
Gregory, Douglas B.
Griffiths, Richard C.*
Grunert, George M.
Gutierrezdelgado, Edmundo A.
Hamrick, John D.
Hanna, Mary M.
Hardman, Jane M.*
Harman, Richard L.
Harrell, Donald P.
Hayhurst, Edward G.
Hazard, William L.
Henderson, Peter L.
Hierlwimmer, Ulf R.*
Hoffman, Harry P., Jr.
Holden, James L.
Holden, Richard T.
Holohan, Thomas V.
Horn, John R.
Hunt, Clyde M., Jr.
Hyder, Ghouse S.*
Jayne, John L., Jr.
Joern, Albert T.*
Joswig, Bill C.
Judice, Donald J.
Jung, Byung I
Kaires, Pamela A.
Kane, Andrew J.*
Kennedy, Harold L.
Kennedy, Thomas J.
Kent, Roderick S.*
Killian, Gary M.
King, Monroe J.
Kragh, Gero S.
Kung, Martin D.
Kunkler, James R.
Kurzbach, Elmar
Kusic, Gregory R.
Lai, Kang J.
Lake, Michael H.
Lake, Robin M.
Lang, Richard G.*
Latimer, William E.*
Lewis, William J.
Lin Fang, L. H.*
Lloyd, Bruce K., III*
Loh, Nora P.
London, Barry E.
Lopez, Virgilio D.
Lozner, Jerrold S.
Lunetti, Thomas L.*
Mabee, Thomas M.
Mace, Samuel V.
Macht, Steven D.
Malstrom, Robert H.
Martin, James E.
Martin, John O., Jr.
Marzluff, Joseph M.
McMeekin, Hayne D.
McNeal, Richard M.
Means, James F.
Melaragno, Anthony J.
Menon, Padman A.*
Methner, John P.
Miller, Ronald H.
Miremadi, Arjang K.
Mitas, John A., II
Mitchell, Stephen A.
Moriarty, Richard A.
Morte, Paul D.
Moy, Eng W.
Moyer, David B.
Muldong, Estelita T.
Mullen, Barry L.*
Murphy, Michael K.
Murray, Gwinn
Natale, William K.
Nelson, Robert C., Jr.
Newton, Jerry A.
Nimlos, John E.
Obagi, Zein E.
O'Donnell, James K., Jr.
O'Donnell, Theodore F.
Oreiudos, Benjamin C
Otero, Lewis
Paganpagan, Rafael A.
Pailey, Philip M., W.
Panganiban, Rudy
Park, Gregory P.*
Parsons, Ward C.
Patel, Thakorbhai G.
Patterson, John F.
Peddicord, Clifford R.
Peniston, Reginald L., Jr.
Peterson, Richard B.
Peterson, Timothy J.*
Peterson, Wilbur R.
Petway, Joseph K., Jr.
Phelan, Jeffrey P.
Penhold, Sieghart, H.
Pyle, Robert B.
Quinlan, Michael F.
Rafanan, Manuel O.
Ramos, Remigio M.*
Raval, Narendrakumar M.
Richmond, Billy B.
Rodning, Charles B.
Rodriguez, Alexander R.
Rodriguez, Bella R.
Rogers, Jerry R.
Scanlon, Thomas S.
Schneider, Gerald L.
Schroeder, Robert W.
Seagle, Finley A.*
Seibel, John E.
Serate, Tersito S.
Shackford, Steven R.
Shimer, Gary R.
Smith, Coral
Sohn, Steven S.
Spitz, Luis F.
Splinter, Raymond J.
Stamm, John R.*
Stern, Lewis J.*
Stock, Richard J., Jr.
Supnet, Benbrigido M.
Supnet, Leonora D.
Swank, Michael
Tarquinio, Thom A.

Tidball, John S.
Tien, Shih H.
Tuason, Olivia A.
Tuason, Plato A.
Umfrid, Richard P., II
Vanmeter, Quentin L.
Vasquez, Nora D. L.*
Vielbig, Roger E.
Villegas, Remigio C., Jr.
Wagner, William J.*
Wei, Wellington C. H.*
Weiss, Fred H.*
Welliver, Gary E.
Widman, Larry A.
Williams, David L.
Withers, Benjamin F., III
Wulfsberg, Eric A.*
Yaldua, Ramon
Young, Walter C.

SUPPLY CORPS

Allega, Timothy J.
Allen, Daniel W., Jr.
Allen, Dennis J.
Barnes, Frank
Barnett, Orlando T.
Battersby, Richard W.
Benbow, Robert T.
Biel, Jeffrey D.
Bray, Richard L.
Carstanjen, Jan H.
Carstens, Delbert K.
Chase, Dana C.*
Clements, Charles C., III
Cohan, Lawrence L.
Collette, Robert L.
Conradteberlin, Viggo P.
Crognale, Stanley J., Jr.
Dexter, Stephen T.
Carstens, Delbert K.
Flakes, Donald L.
Gardner, Everette S., Jr.
Garner, Darrell W.
Gibson, John J.
Hanson, Maurice D.
Harris, Allen W.
Harris, Timothy L.
Haugen, Steven C.
Hendricks, Ross F.
Holley, Dewey A.
Hoyt, Charles A., III
Humes, Larry F.
Ireland, Dennis W.
Jaudon, James E., III
Jenkins, Evan R.
Jenson, Ronald L.*
Jepson, Francis E., Jr.
Jones, James W.
Jordan, Robert R.
Joshua, Edward R., III
Kamel, Mohsen
Karosich, James C.*
Keller, Frank B.
Kinsey, Joseph W.
Kowalski, Fred W.
Kurz, Robert R.
Libby, Kurt W.
Lynn, Gary D.
Mantonya, Robert R.*
Marlin, Frederick R., Jr.
Marx, Paul T.
McCurdy, Jeffrey H.
McInnis, Roger E.
McMeans, Edwin W.
Monahan, David W.
Moore, Beryl G.
Nelson, Ronald C.
Nordwall, Marvin R.
Ott, Gene F.
Parks, Michael B.
Pollock, William J.
Printz, Stephen C.
Ramelli, Daniel S., III
Ray, Larry C.
Robuck, Charles H.
Rumsey, Charles G.*
Schechter, Kenneth A.
Scudi, John T.
Smith, Rene A.
Souza, John E.
Sullivan, Michael P.
Townsend, David A.
Utter, James H.
Vanhaaren, Cary G.
Velte, Duane R.
Vroman, Richard D., Jr.
Williams, Edward L., III
Wilson, Richard D.

CHAPLAIN CORPS

Apple, James L.
Benedum, Thomas J.
Boyd, James A.
Burt, Michael F.
Carroll, Vincent W.
Connor, Robert M.
Cook, Gerald L.*
Dagnoli, Albert J.
Dendulk, Donald E.
Deramus, David T.
Drake, Carl E., Jr.
Ferraro, Joseph A.
Goss, Ervin L., Jr.
Grove, John W.
Gryga, Theodore
Harper, Rhodes W.*
Horne, Lawrence R., Jr.
House, John D.
James, Willard L.
Kibble, Herman L.
Latty, Allan R.
Leis, Edward C.
Maiorana, John
Marsden, Thomas C.
McManus, William G. Jr.
O'Connor, Gerald C.
O'Connor, James P.*
Patrick, William L.
Peterson, Jay D.
Prendiville, Edmond
Reidy, Robert P.
Robertson, Carey E.
Rosenblatt, John J.
Ryder, Frederick W.
Scott, Stanley B., Jr.*
Sellers, Larry G.
Shirey, Larry N.
Sperry, Robert H.
Taylor, Andrew R.
Walz, Arden D.
Wilson, Winston B.
Zobel, Frederick R.

CIVIL ENGINEER CORPS

Bankert, Frederick B., III
Bivins, Joseph P.
Bone, Talbot W.
Brown, Richard E.
Brown, William D.
Corcoran, Anthony E.
Cottingham, John R.
Dean, Hilbert D.
Falke, John W.*
Fisher, William G., Jr.
Franz, John P.
Geibel, Bruce B.
Harrison, Lloyd, Jr.
Hatter, William H., Sr.*
Heath, John E.
Hoff, Michael L.
Hoyt, Ronnie A.
Hughes, Duncan S.
Johnson, Allan W.
Jones, Lloyd K.
Laurance, Richard B.*
Leech, John G.
Lehman, John A.
Lines, Richard A.
Lowery, Edward J., Jr.
Lucas, John A., Jr.
MacKinnon, Donald J.
MacLaughlin, James W.
McClure, Thomas D.
Moyle, Allan L.
Nash, David J.
Owens, James W., II
Palmborg, James G.
Perry, John E., Jr.*
Rever, John N.
Sherron, John T.
Simons, William J.
Smith, Louis M.
Somers, Allen H.
Spiezio, Frank A.
Taylor, Robert A.
Tomayko, David J.
Vadas, Peter P.
Ward, James E.
Yankoupe, George W.

DENTAL CORPS

Anderson, Dennis W.
Barton, Thomas P.*
Beaver, Geoffrey H.*
Boyer, Thomas J.
Brunhofer, Robert A.
Coleman, Carl J.*
Cook, Gary G.
Dever, Craig B.
Fitch, David R.
Fraleigh, Edward M.
Frank, Robert J.
Gordon, Glen R.
Graf, George H.*
Gregory, Eugene W.
Hansen, Oloff L.*
Herrmann, Robert C.*
Holton, William L.*
Johnson, Samuel F.
Kamansky, Fred W.*
Kelly, Joseph M.
Kunitake, Eugene H.
Labore, Wayne A.*
Mailander, Mark J.
Malley, Stephen W.
Monaco, Edward A., Jr.
Morley, Jerry E.
Morse, Owen R.
Moyer, Gary N.*
Myers, Ernest P.*
Peak, George T.
Peterson, James L.
Richardson, Bryan L.
Rocha, Theodore E.
Rodden, Jeffrey W.
Sheinbein, Fred E.
Simkovich, John J.*
Smith, Timothy S.
Snell, Bryon E., Jr.
Sorensen, Jon A.*
Tabacco, Michael J.
Tarquinio, George J.
Turner, Johnnie E.*
Waytena, James R.*
Weiner, David E.
White, Dan R.*
Widlak, Ronald A.
Wright, Thomas G.

MEDICAL SERVICE CORPS

Ackley, Paul N.
Bailey, John W., II
Brady, James A.
Brant, Robert H.
Brubaker, Ralph W.
Buckley, William M.
Campbell, Robert E.
Carney, William P.
Chappell, Wendell L.
Chitwood, Carl S.
Coolbaugh, James C.
Cooper, Thomas M.
Cowart, Paul R.
Creahan, David J., Jr.
Daniel, Paul E.
Dickens, Timothy H.
Ehlert, George J.
Elzy, Robert L.
Fisher, David H.
Freed, Stanley H.
Frost, Alan W.
Galley, Charles B.
George, James D.
Graham, Bruce W.
Hall, Charles E.
Hamm, Melvin N.
Hopkins, Robert F.
Husted, Stanley R.
Hyde, Noel A.
Lamdin, Jay M.
Littlefield, Judith H.
Loos, Ernest J.
Maples, John A.
Mataldi, Alan E.
McCalment, Theodore E., Jr.
McCracken, Gary O.
Monaco, William A.
Morris, Wayland F., Jr.
Myers, Charles M.
Nayote, Arthur D.
Nazzaro, John T.
Oleary, Terrence J.
Parker, Richard J.
Patterson, William L.
Pinkerton, John W.
Potts, James C.
Pratt, Michael L.
Profita, Salvatore J.
Relinski, Robert G., Jr.
Rethmeier, Kenneth A.
Schultz, Warren W.*
Socks, James F.*
Stockmoe, Elizabeth A.
Tackitt, Robert D.
Tenopir, Stanley J.
Thomas, Whitney P.
Vosloh, David L.
Wilkinson, John P.
Wood, Owen L.
Zila, Robert C.

JUDGE ADVOCATE GENERAL'S CORPS

Blake, Donald F.
Boorman, James A., III*
Clum, John P.
Dunlap, John F.
Engstrom, David L.
Goldberg, Michael M.
Grant, Harold E.
Green, Michael P.
Greiveldinger, Geoffrey
Griffin, Michael A.
Guy, David A.
King, Richard G.
Larson, David C.
Lindberg, Ernest T.*
Little, Harvey E.*
Llewellyn, Adam K.
Milliken, Jon C.
Mollison, Richard M.
Nicks, Harold T.
Nivert, Frank J.
Nolta, Franklin L.
Ochsner, Ronald F.*
Philpott, Arthur R.
Powers, Jack T.
Radlinski, Gregory K.
Schiff, Richard B.
Smith, Roger A.
Smith, Willie Jr.
Stoller, Harold L., Jr.
Thomas, Arthur R.
Vanderhoef, Craig T.
Wylie, Peter C.
Zimmerman, Richard E., Jr.

NURSE CORPS

Austin, Stuart R., Jr.
Baker, Carolyn M.
Baker, Deirdre J.
Bloshinski, Elizabeth R.
Bohn Randolph J.
Clifford, Betty J.
Corboy, Mary C.
Cords, Marvin D.
Crist, Margery W.
Feris, Mary M.
Finley, Frances L.
Griffith, Joanne S.
Hamilton, Dorthea C.
Harris, Marina J.
Hildebrand, Carol T.
Holman, Diane M.
Jacobsen Jayne W. M.
Kondash, Anna M.
Krauser, Sheila A.
Mitchell, Mary C.
Mocarski, Frances J.
Patee, Karen M.
Peace, Velia D.
Prue Phyllis E.
Rex, Anita C.
Richter, Maryellen A.
Rist, Susan E.
Robinson, Ida M.
Ryan, Kathleen V.
Sattazahn, Mary D.
Schneider, Karen S.
Sherrard, Marcia J.
Shields, Roberta J.
Smith, Maureen M.
Stokes, James E.
Sulcer Bert R., Jr.
Thomas, Thelma A.
Vering, Wilma G.
Willhelm, Patricia E.

The following named woman lieutenant commander of the U.S. Navy, for permanent promotion to the grade of commander in the Supply Corps, pursuant to title 10, United States Code, sections 5773 and 5791 subject to qualifications therefor as provided by law:

Hamman, Margaret J.

*Indicates ad interim appointment.

CONFIRMATIONS

Executive confirmations confirmed by the Senate, February 5, 1981:

DEPARTMENT OF THE INTERIOR

Donald P. Hodel, of Oregon, to be Under Secretary of the Interior.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

CENTRAL INTELLIGENCE

Vice Adm. B. R. Inman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of Admiral while so serving.

HOUSE OF REPRESENTATIVES—*Thursday, February 5, 1981*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

With praise, O God, we offer to You our thanksgiving for Your providence to us and to our Nation. When we have been weak, You have made us strong, and when we have lacked courage, You have shown us the way to stand for the right. Give us vision to regard our vocations as opportunities for service, enabling people to know the gifts of freedom and security, and promoting justice and righteousness in our land and in the world. May Your benediction go with us this day and remain with us always. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 367, nays 10, present 6, not voting 49, as follows:

[Roll No. 8]

YEAS—367

Addabbo
Akaka
Albosta
Anderson
Annunzio
Anthony
Ashbrook
Aspin
Atkinson
Badham
Bailey (MO)
Bailey (PA)
Barnard
Barnes
Beard
Bedell
Beilenson
Benedict
Benjamin
Bennett
Bereuter
Bethune
Bevill
Biaggi
Bingham
Blanchard
Bliley
Boggs
Boland
Bolling
Boner
Bonior
Bonker
Bouquard
Bowen
Breaux
Brinkley
Brodhead
Brooks
Broomfield
Brown (CO)
Brown (OH)
Broyhill
Burgener
Burton, Phillip
Butler
Byron
Campbell
Carman
Carney
Chappell
Cheney
Clausen
Clinger
Coats
Coelho
Coleman
Collins (IL)
Collins (TX)
Conable
Conte
Conyers
Corcoran
Courter
Coyne, James
Coyne, William
Craig
Crane, Daniel
Crockett
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Dannemeyer
Daschle
Daub
Davis
de la Garza
Deckard
Dellums
DeNardis
Derrick
Derwinski
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dougherty
Downey
Dreier
Duncan
Dunn
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
Emery
English
Erdahl
Ertel
Evans (DE)
Evans (GA)
Evans (IA)
Evans (IN)
Fary
Fascell
Fazio
Fenwick
Ferraro
Fiedler
Fields
Findley
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Fowler
Frank
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Ginn
Glickman
Gonzalez
Gore
Gradison
Gramm
Gray
Green
Grisham
Guarini
Gunderson
Guyer
Hagedorn
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hawkins
Heckler
Hefner
Hendon
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Hillis
Holland
Hollenbeck
Holt
Hopkins
Horton
Hubbard
Huckaby
Hughes
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Hutto
Hyde
Ireland
Jeffords
Jeffries
Jenkins
Johnston
Jones (NC)
Jones (OK)
Jones (TN)
Kastenmeier
Kazen
Kemp
Kildee
Kindness
Kogovsek
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
LeBoutillier
Lee
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Leland
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Levitas
Lewis
Livingston
Loeffler
Long (LA)
Long (MD)
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Markey
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Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
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McCloskey
McCurdy
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McEwen
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McKinney
Mica
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Miller (OH)
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Mitchell (NY)
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Myers
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Oakar
Oberstar
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Pashayan
Patman
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Porter
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Pritchard
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Regula
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Shannon
Sharp
Shaw
Shelby
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Shuster
Simon
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Smith (AL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (OR)
Snowe
Snyder
Solarz
Spence
St Germain
Stangeland
Stanton
Stark
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Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tauke
Tauzin
Taylor
Thomas
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Trible
Udall
Vander Jagt
Walgren
Wampler
Watkins
Waxman
Weaver
Weber (MN)
Weber (OH)
Weiss
White
Whittaker
Whitten
Williams (OH)
Wilson
Winn
Wirth
Wolf
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Wright
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Dickinson
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Reuss
Rose
Rosenthal
Roybal
Vento
Volkmer
Whitehurst
Whitley
Williams (MT)
Zeferetti

□ 1110

Mr. RODINO changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ 1120

INCREASING MEMBERSHIP OF JOINT COMMITTEE ON PRINTING

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 272) to increase the membership of the Joint Committee on Printing.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I would ask the distinguished chairman, the gentle-

man from California, to explain the nature of the bill.

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. HAWKINS. In reply to the ranking minority member of the House Administration Committee, the bill, S. 272, provides for an increase in the membership in the Joint Committee on Printing. The Joint Committee is currently comprised of three members elected from the Committee on House Administration and three members elected from the Senate Committee on Rules and Administration.

This bill would amend the statute to increase the membership on the Joint Committee to five members from the Committee on House Administration and five from the Committee on Rules.

The passage of this bill will not increase expenditures by the Government, and will not require any additional appropriation. The matter is largely a matter of comity between the House and the Senate, and I have no objections to the bill.

Mr. FRENZEL. Further reserving the right to object, Mr. Speaker, I thank the distinguished chairman for his statement. It would say that I know of no objections to this bill. I does not add any expense to the taxpayer. It adds four new members to the Joint Committee on Printing. That has been a small committee. We think it is a good idea to spread the base. We are accepting it on this side mainly as a matter of comity. The Senate is more interested in this than we, but I know of no objections to the bill.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. Further reserving the right to object, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I still have not heard an explanation as to why we need to increase the membership of this committee. Is there an increased workload for the members involved?

Mr. FRENZEL. Further reserving the right to object, right now the Joint Committee on Printing is a very small committee. Its latitude and breadth within this congressional institution is not very broad. The Senate believes that if we increase the membership to a total of 10 members, we will have a better understanding and better decisions concerning the Government Printing Office, which this Joint Committee oversees.

Mr. WALKER. If the gentleman will yield further, does this committee at this point have any staff?

Mr. FRENZEL. The Joint Committee on Printing has a good-sized staff.

The prospective chairman, when the committee is put together, has indicated that he intends to reduce the current staff; and he will be assisted in that by the addition of these new members.

We have several retirements from the staff. So far, the prospective chairman of the committee indicates that he is not going to replace some of those positions.

Mr. WALKER. If the gentleman will yield further, the problem I have with the intent you expressed is that it would represent a reversal of the general trend around here. Usually the more members we get on committees, the more staff we need to support those members. I wonder if within the bill itself there is some assurance that we are going to get a reduction in the staff.

Mr. FRENZEL. Further reserving the right to object, there is no assurance within this bill that we are going to reduce the size of the staff, but I think the gentleman has the assurance and the commitment of the chairman of our House committee and of myself that we are working to reduce all staffs of all committees and that we will lend our best efforts in this regard.

I think the gentleman is better protected with a little broader representation on this committee.

For instance, our Republican side will have one additional appointee who can help us act as a watchdog over the growth and the use of the committee staff.

Mr. WALKER. If the gentleman will yield further, is this going to provide us with some assurance and a lot of the materials that have shown up from time to time as being wasteful, printing expenses for political purposes around the Congress, for example, we may have a little bit better chance to keep an eye on those?

Mr. FRENZEL. I think the gentleman is correct. I believe that we will exercise more scrutiny but the gentleman should also be aware that, generally, printing has to be approved by our own House Administration Committee. Again, I think we are going to be much more vigilant than we have been in the past.

I thank the gentleman for reminding us of our obligations.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from California (Mr. HAWKINS)?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101, title 44, United States Code, is amended to read as follows:

"The Joint Committee on Printing shall consist of the chairman and four members of the Committee on Rules and Administration of the Senate and the chairman and four members of the Committee on House Administration of the House of Representatives.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO SERVE ON JOINT COMMITTEE ON PRINTING AND JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 59.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I do so only to seek the assurance of the chairman that all this resolution does is elect the members to the expanded committee that we just approved a minute ago and that the bill goes no further than the election of those members?

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. HAWKINS. Yes. This resolution simply implements the Senate bill which we just passed, by electing the members to the Joint Committee on Printing.

In addition, the resolution elects the members to the Joint Committee on the Library. The membership is named on the Democratic side by the chairman of the committee. The Republican members have been cleared with the gentleman from Minnesota (Mr. FRENZEL), the ranking minority member of the committee.

That is all the resolution does.

Mr. WALKER. Further reserving the right to object, the membership of the Committee on the Library was not expanded? That is simply a carryover from the past Congress? Is that correct?

Mr. HAWKINS. The gentleman is correct. There is no change in the other Joint Committee. This is simply piggybacking, as it were, on this resolution, the naming of these members to the Joint Committee on the Library. We simply do it at this time in order that we may conclude the Joint Committee membership appointments on both joint committees.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 59

Resolved, That the following named Members be, and they are hereby elected members of the following joint committees of Congress to serve with the chairman of the Committee on House Administration:

Joint Committee on Printing: Mr. Gaydos of Pennsylvania; Mr. Jones of Tennessee; Mr. Gingrich of Georgia; Mrs. Martin of Illinois, said elections to be effective upon enactment of the bill S. 272, to increase the membership of the Joint Committee on Printing, into law;

Joint Committee of Congress on the Library: Mr. Swift of Washington; Mr. William Coyne of Pennsylvania; Mr. Gingrich of Georgia; Mr. James Coyne of Pennsylvania.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1130

ILL-ADVISED LIFTING OF PRICE CONTROLS ON DOMESTIC OIL AND GASOLINE

(Mr. MAVROULES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAVROULES. Mr. Speaker, last week President Reagan issued an Executive order lifting price controls on domestic oil and gasoline.

Sudden and total, this ill-advised action has spun the Nation on its ear, doing nothing for our quest for energy independence while adding fuel to the fires of an already economically crippling inflation.

Decontrol will also weigh unevenly on different regions of the country. Sunbelters will benefit from added tax revenues for their energy production capabilities.

But the heavily populated Frostbelt will be burdened as a result with a winter made more bitter for the poor and disadvantaged.

Mr. Speaker, this is not the stuff of a meaningful national energy policy.

No policy that highlights regional differences should be viewed that way.

And no policy so oblivious to its disastrous impact on the economy should ever be considered a positive step.

Energy prices in Massachusetts alone will escalate by 33 percent—the average household paying as much to heat itself as it does in Government taxes.

Mr. Speaker, the President's action reflects both an insensitivity to the seasonal problems borne by the Northeast and a distorted view of inflation.

One does not raise prices and expect to dampen inflation, as attractive as the prospects of added Federal revenue are.

One puts a cap on them.

RESOLUTION IMPEACHING NAUMAN SCOTT, JUDGE OF U.S. DISTRICT COURT FOR WESTERN DISTRICT OF LOUISIANA

(Mr. McDONALD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDONALD. Mr. Speaker, today I am introducing a resolution impeaching Nauman Scott, judge of the U.S. District Court for the Western District of Louisiana.

Very simply, Judge Scott has usurped control of domestic relations which is a matter clearly under State court jurisdiction. He has done so in such a high-handed fashion as to leave scores of due process violations trailing in his path. So gross are the violations they constitute high crimes and misdemeanors and are, therefore, impeachable offenses.

Some of the rights he has violated are: property rights; the right to freely associate and travel; the right to counsel; the right to a fair and impartial recorded hearing; State's rights; and the 10th amendment to the U.S. Constitution, to list just a few.

For these reasons Judge Nauman Scott should be impeached, in accordance with the laws of the land.

CONGRESS SHOULD REJECT DEREGULATION OF NATURAL GAS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, the Washington Post reports today that President Reagan plans to ask Congress for complete deregulation of the wellhead price of natural gas by September 1 of this year.

I hope that report is not accurate. If it is true, I hope that Congress will reject the proposal.

At a time when Americans are deeply concerned about inflation, immediate deregulation would add $50 to $80 billion each year to the price consumers must pay for natural gas.

At a time when many senior citizens are shivering in homes with thermostats set at 65° because of high heating bills, deregulation could triple the cost of natural gas by next winter.

Under laws passed by Congress, deregulation will occur anyhow by 1985 by gradual degrees. I fail to see how it makes sense to deregulate immediately and add to the inflationary burden of American consumers.

DEFEAT DEREGULATION OF NATURAL GAS

(Mr. MOFFETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOFFETT. Mr. Speaker, the gentleman from Ohio is correct. We may not have the votes to defeat immediate deregulation of natural gas and we almost surely do not have the votes to defeat the Executive order decontrolling domestic oil. Both of these are superinflationary shock waves to the economy; but what is even worse is that at the same time that these proposals are being made, there are proposals to take away the gains that are being made in solar, conservation, wind, low-income weatherization. Many of these programs are just now beginning to have an important impact.

I urge my colleagues to join in a broad coalition. Those who care about those things, those who care about alcohol fuels and a variety of other alternative and conservation measures that are being cut or are proposed to be cut should rise up on both sides of the aisle to say that we do not want these productivewise investments in the future cut out of the budget.

WHY NOT HONOR COMBAT VETERANS AS WE DO HOSTAGES?

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, why do we not reward our combat veterans as we do the hostages released from Iran?

And what about the eight servicemen who lost their lives in the aborted attempt to rescue the hostages last April? Their mission suffered a higher percentage of casualties than in most military operations in a declared war.

Our relief over the release of the hostages has turned our values upside down. One proposal is to give each hostage a gold medal, at an average cost of $8,000 apiece, or the equivalent in value of a pound of pure gold; but the most gallant soldiers in Vietnam, winning the Congressional Medal of Honor, frequently at the cost of their lives, received a gold-plated medal hung from a blue ribbon.

Vietnam veterans have reminded us: "When I saw the parades—for the hostages—the tickertape, I wondered, 'Whatever happened to us?' When we came home there was no brass band. The only thing ever thrown at us was insults," said one Baltimore veteran.

Our Vietnam veterans deserved a far better welcome home. They fulfilled their commitment to their country in a time when duty to one's country was unpopular. "It was hell," a Washington Vietnam veteran said, "but we took it. That's what Congress and the American people were asking us to do. Then when it was over, and when we came home, they treated us like dirt."

Some of the released hostages are in agreement with the veterans. "We aren't heroes," said one released hostage. "We were just doing our jobs. The guys from Vietnam deserve this (welcome). They didn't get it."

The hostages deserve recognition for what they endured during their captivity, but we must remember that they were, for the most part, victims; only one or two were real heroes.

If this country does not know how to distinguish between victims and heroes, we can expect very few heroes in future wars.

□ 1140

DESIRE OF SOME AMERICAN COMPANIES TO DO BUSINESS WITH IRAN IS EXCESSIVE GREED

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, over this past weekend I heard on a national television news broadcast that some four dozen American companies have recently inquired about doing business with Iran.

Frankly, that news upset me, coming as it does on the heels of the outrageous actions of the government of Iran during the hostage crises. Yet, within the shadow of the arrival of our freed hostages, American companies want to do business with Iran? Just like that? As if nothing had happened? No period of mourning or at least a respectful silence?

In order to encourage job creation, capital formation, and individual freedoms of choice and opportunity, I have long been a proponent and practitioner of the rights of business enterprise.

My boundless enthusiasm has been tempered over time by the realization of two threats to the free enterprise system: Monopoly tendencies in some industries and the excessive greed of a few.

It is my personal feeling that to do business with Iran at this time, under current circumstances is the height of folly, not in our national best interest, and is the clearest example I know of the excessive greed of a few.

I have asked the State Department to keep me advised of the number and product character of those companies making inquiries about trade with Iran.

I will keep this body informed of any future developments in this matter of greed, company by company.

And as a sheriff once told me, "Son, that is not a threat—that is a promise."

WE CANNOT AFFORD DEREGULATION OF NATURAL GAS

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, I, too, would like to join with my colleagues from Ohio and Connecticut in opposition to the President's plans to propose a speedup of the process to deregulate natural gas prices. The effort to increase the revenues of energy companies and spur more exploration and development of natural gas reserves and to push prices higher to consumers to encourage conservation strikes hardest at those Americans who can least afford it. When we talk about these high natural gas prices, it is obvious in America in 1980 that the American public cannot afford it, because people in America depend upon natural gas for their health and their general welfare.

Nationally, lower income households spend 21.8 percent of their incomes on household energy. They pay more than four times more of their income for energy than do average Americans. They also use 25 percent less of energy for heat than the average American.

Mr. Speaker, we cannot afford to permit the poor and the elderly to carry this burden on their backs.

CONGRESSMAN PICKLE WILL SEEK WELL-CRAFTED TAX RESTRUCTURING PLAN

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the grapevine indicates the administration may plan to send up a simple two-part tax cut. Part 1 will speed up depreciation schedules. Part 2 will be the first installment of the fourth version of Kemp-Roth to cut personal taxes 30 percent over 3 years.

Mr. Speaker, this talk may be only a trial balloon, but it could go over like a lead balloon. For years, we have passed rather simple tax cuts to expand productivity and decrease the deficit. But $133 billion worth of tax cuts have not stimulated the economy enough to offset the huge deficits we have incurred.

We all favor reducing taxes, but this member of the Ways and Means Committee will seek a well-crafted tax restructuring plan.

And I do not see us passing a tax bill before we have a good idea of spending cuts. We should not have one without the other.

I look forward to working with the administration on a comprehensive plan to stimulate business and personal savings.

BEDELL SUPPORTS FENWICK MARRIAGE TAX BILL

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, I am pleased to be a cosponsor of the Fenwick marriage tax bill, and am honored that Mrs. FENWICK has asked me to speak in favor of it.

I support this measure, not only because it would remove a basic injustice in our tax laws, but also because it would remove the incentives, or rather the disincentives that exist to tear apart the fabric of family life that is so essential to the well-being of American society.

I am not suggesting that the practice of couples seeking a divorce for reasons of economy is widespread. However, changing social conditions and the ability of a family to be financially secure may make it so.

When we consider that a full 57 percent of today's families have both the husband and wife working in order to make ends meet, the legislation becomes all the more compelling. The second income in the family is no longer a luxury but an economic necessity. In fact, one recent projection indicates that the female labor force participation will continue to grow through 1990 by about 1 million per year, nearly all of whom will be married women with minor children. By 1990, therefore, approximately 70 percent of all married women will be in the work force, including women with children. So more couples in the next decade will be subject to this marriage tax penalty.

Mr. Speaker, Mrs. FENWICK's proposal comes at a time when we have the rare opportunity to nip this potential problem in the bud, rather than allowing it to grow out of hand before we address it. With over 200 of my colleagues cosponsoring this bill to end the marriage tax penalty, the time is ripe to do so.

A BILL TO LIMIT CONGRESSIONAL TERMS OF OFFICE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, I am introducing today an amendment to the Constitution which would limit the number of terms in office allowed to Representatives and Senators.

This idea is not new. What is new is the growing public support for this concept, support which many of us noticed during the recent election campaigns. Frustrated by congressional inability to deal with the problems of inflation, energy, defense, and other national crises, our constituents note

that we nonetheless seem capable of raising our own salaries, insuring our perks, and insulating ourselves from the economic problems they must live with. Congress seems out of touch. We seem more interested in perpetuating our own service in Congress than in solving the Nation's problems.

One of the contributing factors to this situation is the rise of a character not envisioned by the Founding Fathers—the professional politician. The men who wrote the Constitution based their idea of elected service on people like themselves. They earned their living in the private sector, and gave of their own time for limited periods of the year in elected assemblies. They would never have dreamed of people who begin running for office as soon as they are old enough to qualify, and spend the majority of their lives in elective office. They did not plan on people being able to make a living from political office alone.

Congress must make an attempt to move away from the idea of the professional politician and toward the limited service by average citizens envisioned by the Founding Fathers.

By limiting the amount of time any one person can serve in Congress, we are moving toward this goal. The average person, under the terms of my legislation, would serve no more than 12 years in either body—with additional years allowed for the filling of an unexpired term. This allows for substantial service, should the constituents choose to return the official for several terms, yet solves the problem of the official who becomes entrenched and has the power of the incumbency to use against any challengers.

The terms set in this amendment allow for steady, stable turnover in the House and Senate, with the fresh ideas and outlooks which new Members bring with them. Under these terms, elected officials would have to earn their living in the private sector, to which they would be returning in a specified period of time. The knowledge that they would shortly be returning to live under the laws they passed would help insure a realistic approach to legislation.

This bill is being cosponsored by 12 of my fellow Republican freshmen. We are committed to returning control of the Congress to the people who elected us. Limiting congressional terms in office is an excellent place to begin.

MARRIAGE TAX BILL

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I am today introducing, as I have in every Congress since the 94th, a bill to repeal the tax on marriage. Surely, Members of the House—men and women—the time has come to make this change.

In the last Congress we had 247 cosponsors, far more than needed for a petition of discharge. Today we are introducing it with 200 cosponsors simply because there has not been time to circulate it more fully.

But I know that there is a great deal to be said for the position of our colleague from Texas. Certainly, considering the deficit, a very large tax cut is a difficult thing to contemplate; but the time comes when a socially damaging section of the tax code must be repealed.

I have received a letter from a Catholic priest in Florida urging action on this bill; Senator MATHIAS, who has introduced a similar bill in the other body has received similar letters from clergymen of all faiths. I urge action on this bill.

MARRIAGE TAX

(Ms. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MARTIN of Illinois. Mr. Speaker, at this time, when family budgets are stretched to and beyond the limit, families are losing in excess of $8 billion per year just because they are married. I am, of course, speaking of the marriage tax.

Our system of taxation decrees that if both husband and wife work they will pay more taxes than if each worked at the same job at the same salary but were not married. Such taxation is both morally and economically indefensible.

People work for one of two reasons. They work because of necessity or because they wish to be financially productive. In America surely we should not penalize either productivity or need.

The bill introduced by my colleague from New Jersey (Mrs. FENWICK) will end this nonsensical penalty. The bill has but one legislative flaw: It reeks of commonsense.

I urge my colleagues to support the effort to end this unfair tax.

THE DEBT LIMIT

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the press is suggesting that there is great embarrassment for Republicans who plan to vote for a higher debt ceiling today.

I gather there is a feeling in certain quarters that because Republicans previously have voted against such increases there is something wrong in Republicans asking for support for such an increase today.

Not so with this Member. The press confuses two different things.

Let me give you an example of what I mean:

If I know a driver of a car is chronically drunk, I would be reckless to give him the money to buy gasoline so he may go as fast as he wants on the highway.

But if I know a driver is sober and responsible, I can in good conscience provide him with what he needs to go in a desirable direction.

In the past an increase in the debt limit has been the political equivalent of subsidizing drunk driving.

Today we are simply being asked to help get the administration moving in the direction Americans want it to go.

So let us tighten our seat belts and help get America moving in the right direction.

□ 1150

TEMPORARY PUBLIC DEBT LIMIT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 54 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 54

Resolved, That, upon the adoption of this resolution, it shall be in order to move, clause 2(l)(6) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1553) to provide for a temporary increase in the public debt limit, the first reading of the bill shall be dispensed with, and all points of order against the bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except amendments recommended by the Committee on Ways and Means, which shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA) and, pending that, I yield myself 3 minutes.

Mr. Speaker, this rule is a very straightforward closed rule. It is a modified closed rule because it allows the Committee on Ways and Means to

offer amendments if it has some—and it does not, so far as I know. It waives two points of order, one on the 3-day layover rule, and another which comes out of the fact that there is something in the bill, and always is, on debt limit increases—a matter that can be considered to be an appropriation.

It actually has to do with the payment of the interest that comes due on Government bonds. That is the only purpose of the waiver on not having appropriations in an authorization bill. To the best of my knowledge, there was very little controversy on this matter, the matter that this rule brings up, in the Committee on Ways and Means. I understand that it came out on a voice vote. When the matter came before the Committee on Rules for a rule, there was no controversy on the rule, and the rule was reported by a voice vote. I see no purpose in my debating the matter further at this time, and I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Let me say I concur with the statements just made by our chairman of the Committee on Rules, and I need not, in the interest of time, repeat them. As he indicated, the rule is a closed rule, meaning no amendments other than amendments that might be offered by the Committee on Ways and Means—and I understand there are no amendments to be offered by the Committee on Ways and Means.

Let me say I have a confession to make this morning. I am going to vote for this increase in the debt ceiling, and I hope the ceiling does not fall. I am going to explain why. I think it would be totally unfair to this new administration which has been in office just a couple of days to shut down the Government. That is what we are talking about. This new administration had absolutely nothing to do with the accumulation of the debt or the problem that this Congress has before it today, so I think it would be unfair to shut down the Government just after it has taken office.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding. When the last administration came in in 1977 following 8 years of a Republican administration, and within the first 6 weeks when a request for a debt ceiling increase was made, how did the gentleman feel about that at that time?

Mr. LATTA. Let me say we had a different circumstance then because that new administration was of the same party that has controlled this Congress for 25 years, that has been voting every single penny that has been spent by any administration. There is the difference.

Mr. LEVITAS. Will the gentleman yield further?

Mr. LATTA. Yes.

Mr. LEVITAS. It is my recollection that the last balanced budget that this country has seen was during the last year of the Johnson administration, and that during the 8 years preceding the last administration there was a Republican in the White House who could have proposed or vetoed legislation. I am simply saying I agree with the gentleman on the way he is voting here today, but I do not see the difference between a new administration in 1977 and a new administration in 1981. It is just the nature of the logic that I was questioning.

Mr. LATTA. Let me go a little bit further if we want to review a little legislative history. Under the Nixon administration they had a little power to impound when they did not think they ought to spend funds. The gentleman's side of the aisle controlled the Congress. You took that power away, and they even took him to court to force him to spend funds that he did not want to spend. Hopefully, before Congress adjourns, we are going to give this new administration that power once again to impound funds which need not be spent. I hope the gentleman will concur and go along with that right to the administration.

Mrs. HOLT. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentlewoman from Maryland.

Mrs. HOLT. I thank the gentleman for yielding.

I think that the point that the gentlemen are debating should not be discussed here today. I do not think we should look back. I think there is a new air abroad in the land today. I have had special interest groups in my office this week saying, "I am ready to take my fair share of the cuts."

I have had people writing me saying, "I am ready to take my fair share of the cuts."

I think that the people of this country are saying, let us go forward now. I think there is a new atmosphere, and that is the reason that so many of us are supporting this today. We want to get this behind us and get on with the business of balancing the budget, and I really think we can do it. We have had that promise. We have had that pledge.

I thank the gentleman.

Mr. LATTA. I thank the gentlewoman. Let me just make another comment and maybe I can get a little more interest stimulated. Let me say there is another alternative. There is another alternative, and that is to pass about $50 billion in rescissions quickly. How many would stand up and vote for $50 billion in rescissions so we would not have to go this route?

Mr. CAMPBELL. Mr. Speaker, will the gentleman yield?

Mr. LATTA, I will be happy to yield to the gentleman from South Carolina.

Mr. CAMPBELL. I thank the gentleman for yielding. I also thank him for pointing out the fact that we do have a new administration that is inheriting this situation. I intend to vote with the gentleman to raise the debt ceiling, but I also would like to point out, and see if the gentleman agrees with me, that there is a question of Presidential veto on spending matters. If I recall correctly, once the impoundment powers of the President were taken away under Mr. Nixon, Mr. Ford did have to exercise rather extensively the veto power. As we faced the spending ceilings in the last administration, I did not see this power exercised to try to restrain spending. That was one thing that gave me a lot of trouble in the last administration. I trust that we will see that in this administration, whether the bills be meaningful, whether they be warranted—whether they be Republican- or Democrat-backed, and if they are fiscally irresponsible.

I have confidence in this administration.

I am voting with the gentleman today to give the new administration an opportunity to turn this around. If they do not avail themselves of that opportunity, a year or so from now I may not vote with the gentleman or with the administration, nor would I expect the gentleman from Ohio to vote that way.

Mr. LATTA. I was just going to add that I would be voting with the gentleman not to increase it. We are going to give them this turnaround room that has been requested, because, as I indicated earlier, they are faced with a situation that they did not create. But by their own doing, if this debt continues to grow, I will be with the gentleman and down here in the well saying, vote down the increase, because I think the American people want us to start living within our means.

□ 1200

They expressed themselves on this subject last November.

Mr. HUCKABY. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Louisiana.

Mr. HUCKABY. Mr. Speaker, I would like to ask the gentleman if he knows how much fat is in this debt extension. We have heard rumblings that possibly the Senate might want to reduce it. We hear proposals that the 1981 expenditures will be cut back. How much is taken in on an allowance for making cuts in fiscal year 1981 in the debt ceiling and, if anything is, what areas?

Mr. LATTA. I cannot tell the gentleman the areas, but I can tell him that it probably will be between $13 billion and $15 billion that will have to come out of 1981, and this House will have an opportunity to vote on that, either through reconciliation or through rescission. We can go either route.

Mr. HUCKABY. Is the gentleman saying that this extension allows for $15 billion in cuts this year?

Mr. LATTA. This year.

Let me say that that is down the road. We are going to have to take some action on that very shortly, in fiscal year 1981. And I can say to this House that I will be supporting those reductions, as I will also be supporting reductions for fiscal year 1982. I hope the gentleman will join us in that, because we have a very difficult situation here, and all you have to do is to take a look at the figures on page 2 of this report. We see that up until 1962 we did not have a debt exceeding $300 billion, but in the next 10 years $150 billion was added to that debt. We get to 1972 to 1976, just 4 years, $127 billion was added. We take 1 year from 1976 to 1977, $123 billion more was added to that debt. And between 1977 and now, $185 billion and that is how we go to $985 billion worth of debt. On that debt we are going to pay interest of about $80 billion—$80 billion—in this year's budget. This is borrowed money and that creates inflation, do not believe otherwise. The American people want to see something done about it.

So I will join with those who will be voting for this increase, but saying to the people downtown and saying to this Congress, "No more. No more; $50 billion is enough." We shall continue to vote against needless expenditures during this Congress and will be depending on the administration to keep them from becoming a reality. We mean business when we say we are going to do something about this debt and inflation in this country."

Mr. HUCKABY. Mr. Speaker, will the gentleman yield further?

Mr. LATTA. I yield to the gentleman from Louisiana.

Mr. HUCKABY. The gentleman is confident, then, that the Senate, the Senate majority, will not come back with a $40 billion instead of a $50 billion extension? Because we have been hearing the administration saying the projections for fiscal year 1981 are $50 billion.

Mr. LATTA. I cannot predict what the Senate might do, and I have not heard what the Senate will do, but I have heard what the Secretary of the Treasury says they need in the Treasury Department to keep from shutting down in mid-February, and it is $50 billion. So I take the figures of the new Secretary of the Treasury, and he certainly is using figures that were given to him by officials of the past administration.

Mr. HUCKABY. Well, there is no doubt that the debt ceiling has to be raised.

Mr. LATTA. No doubt about it.

Mr. HUCKABY. I am just questioning the amount that it has to be raised to operate this year.

Mr. LATTA. Let us look at it this way: If you do not raise it, you have two alternatives. Either you shut it down, you do not pay anybody, you default on your obligations, which the U.S. Government has never done; or you come along with those $50 billion in rescissions and do it that way. I cannot see many faces in this Chamber this morning who want to cut back $50 billion in fiscal year 1981.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. WEBER).

Mr. WEBER of Ohio. Mr. Speaker, I wish to thank my colleague, Mr. LATTA, for affording me this opportunity to join in this debate. I support the rule. The choice before us today is whether we let the Government of the United States go broke or whether we provide our Government with the financial ability to function in an orderly way while President Reagan develops the economic program necessary to get this country turned around and back on track.

The voters elected me to this Congress to bring the message to Capitol Hill that it is time for a change. They did not send me here so that my first vote on a bill might be to stop the Government from sending out next month's social security checks—as happened once before when Congress dragged its feet in a similar case.

If we do not pass this bill, the Government runs out of money. The question comes down to whether the Federal Government meets its financial obligations or whether it reneges. It is not a happy prospect to think of the United States as being unable to pay what it owes. At present, our Government has assumed many commitments. These are commitments made to our elderly, to our Nation's unemployed, to our Nation's servicemen and women, to our Nation's youth, and to countless others. Not to act now would be to turn our backs on the legitimate expectations of these people.

Our problem today is in large measure inherited from past Congresses and past administrations. Some of today's obligations are a result of choices that were less than responsible and that many of us, including myself, did not vote for. But the abrupt abandonment of these obligations would be irresponsible.

By raising the debt ceiling we give President Reagan the time he needs to bring about the economic programs to which he is committed in an environment which remains orderly and stable—and where no one will suffer sudden hardship because the Government cannot pay its bills.

The President does not need Congress to tell him to cut the budget. He has a mandate to do that from the people who went to the polls last November. It is not a simple job and it is not going to be done overnight. I trust our President to have the toughness and the wisdom to give us the kind of economic program that we are going to need to get our budget in balance and resurrect our failing economy. My vote today is a vote of confidence in the President. My vote today supports this bill because we have a responsibility to keep the Government functioning while we give the President the time he needs to do his job.

Mr. PEYSER. Mr. Speaker, will the gentleman yield?

Mr. WEBER of Ohio. I yield to the gentleman from New York

Mr. PEYSER. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman, because I think he has made an excellent statement and a very true statement. This is a statement, that has been made on this side of the House and by some on the Republican side for a good many years. I can remember, when I sat on the Republican side of the House, when in caucuses we used to say: "Let the Democrats do it; we are not going to do it. They are going to get stuck with it." And we have been stuck with it for years. The only reason I take the floor now is because I have faced this as the biggest issue in every one of my campaigns against Republican opponents, the very fact that I voted for this debt ceiling. I voted for it as a Republican, I voted for every one as a Democrat, and I am going to vote for this one. I congratulate the gentleman for taking his stand, and I hope that all of the gentleman's Republican colleagues, every one of them, should be on the line to vote for this issue, we are certainly going to find out how they do vote. I am hopeful that they will vote the right way. It will show they have confidence in the new President, as I am going to show and I think many of the Democrats will.

Mr. WEBER of Ohio. I thank the gentleman for his remarks.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I want to first of all congratulate the gentleman from Ohio for his explanation of the economics of the matter that is before us today. But I do want to express some concern about the fact that the rule under which we are going to consider the debt limit is a closed rule. It seems to me that here we have the very first bill out of the Ways and Means Committee, the committee that will control the economic program

that this administration is going to send forward, and the very first time that we have a chance to consider a key element of that economic program, we are doing it under a closed rule in which the membership will have no opportunity to work its will on this particular matter.

Now, I understand why—and I am sure that the administration would agree—it can be said we need a closed rule. I am sure the leadership here agrees on both sides of the aisle. The Ways and Means Committee probably agrees, the Rules Committee certainly agrees that we need a closed rule on this matter. I am not certain that I do, because I see it setting a pattern, the kind of pattern that may deny us in the future the opportunity to also work our will on matters of great economic importance, matters like a tax cut, matters like welfare reform, and it is not a pattern that would be unusual because it would be a pattern that was occurring time and time again in the past Congresses. When matters of the type just suggested were brought to the floor, they, too, were brought here under a closed rule.

So I have to say, Mr. Speaker, that I am concerned about the fact that here we are today, with the first major bill that we consider, the first time something comes forward from the Rules Committee concerning a matter of ways and means, we are considering it under not only a modified closed rule, but a very closed rule. I think it is a concern that we may have reverberate time and time again as we look down the road toward the coming 2 years.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Georgia.

Mr. LEVITAS. I would like to commend the gentleman for his statement. He has been consistent on this point. By having a closed rule we do not have the opportunity to consider whether a lower debt ceiling could be set. We are constricted by this rule. And I suggest that, when we see this bill come back from the other body, if it gets that far, it is going to have a lower debt ceiling written into it, and it will be the Members of this House who take the responsibility for the big spending rather than the Members of the other body. I think we should have an open rule.

Mr. WALKER. I thank the gentleman for his comments.

□ 1210

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in opposition to the rule. I think, as has already been stated by my colleague from Pennsylvania, we are denied the opportunity for alternative choices. I would very much prefer to have some type of opportunity to vote on what I consider to be very bad elements of the impoundment rules that govern this House.

My chairman of this committee has stated that there was no request before his committee for any kind of an open rule or modified closed rule or anything else. The reason is that we were told that it was a waste of time to come and ask for it because the Speaker controls the Rules Committee to such a degree that there would be no chance, so we were just told flat out to forget it.

So, I want to say that I am going to oppose the rule. I think it is bad procedure right from the beginning of this year and I will state to my colleagues that I do not intend to vote for the debt ceiling increase because I do not think it is needed.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, let me say something to the newly elected Members about our procedure when matters out of the Rules Committee come down here. You always have an opportunity to vote up or down on anything the Rules Committee does.

I have heard it said that the Rules Committee is dictatorial, it could not be if it wanted to be so. We cannot do anything in the Rules Committee other than what the majority of this Congress approves, so you have the opportunity to vote up or down on this rule and to change it in anyway you like.

So, let us not start off on a bill of this kind by leaving the impression that there is no way out, because there is a way out. If the majority of this House wants to vote down the rule and change it in anyway, they have the opportunity to do so.

Mr. BOLLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Ohio did such a good job of stating the facts that I will not bother to answer the comments of some other Members which I think came very close to questioning my integrity.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Members will be aware that this vote is on the adoption of the resolution as reported by the Rules Committee.

The vote was taken by electronic device, and there were—yeas 333, nays 67, not voting 32, as follows:

[Roll No. 9]

YEAS—333

Addabbo	Early	Lantos
Akaka	Eckart	Latta
Albosta	Edgar	Leach
Alexander	Edwards (AL)	LeBoutillier
Annunzio	Edwards (CA)	Lehman
Applegate	Edwards (OK)	Leland
Archer	Emerson	Livingston
Aspin	English	Loeffler
AuCoin	Erlenborn	Long (LA)
Badham	Ertel	Lott
Bafalis	Evans (DE)	Lowry
Bailey (MO)	Evans (IN)	Luken
Bailey (PA)	Fary	Lungren
Barnes	Fascell	Madigan
Beard	Fazio	Marks
Bedell	Fenwick	Marlenee
Beilenson	Ferraro	Marriott
Benedict	Fiedler	Martin (IL)
Benjamin	Fields	Martin (NC)
Bennett	Findley	Martin (NY)
Bereuter	Fish	Matsui
Bethune	Flippo	Mattox
Bevill	Florio	Mavroules
Bingham	Foglietta	Mazzoli
Blanchard	Foley	McClory
Bliley	Ford (MI)	McCurdy
Boggs	Ford (TN)	McDade
Boland	Forsythe	McEwen
Bolling	Fowler	McHugh
Boner	Frank	McKinney
Bonior	Frenzel	Mica
Bonker	Frost	Michel
Bouquard	Garcia	Mikulski
Bowen	Gaydos	Miller (OH)
Breaux	Gejdenson	Mineta
Brinkley	Gephardt	Minish
Brodhead	Gibbons	Mitchell (MD)
Brooks	Gilman	Mitchell (NY)
Broomfield	Gingrich	Moakley
Brown (CA)	Ginn	Moffett
Broyhill	Glickman	Mollohan
Burgener	Gonzalez	Montgomery
Burton, Phillip	Goodling	Moorhead
Butler	Gore	Morrison
Byron	Gradison	Motti
Campbell	Gray	Murtha
Carman	Green	Myers
Chappell	Grisham	Napier
Chappie	Guarini	Natcher
Cheney	Gunderson	Nelson
Chisholm	Guyer	Nichols
Clausen	Hagedorn	Nowak
Clay	Hall, Sam	O'Brien
Clinger	Hamilton	Oakar
Coats	Hammerschmidt	Oberstar
Coelho	Hance	Obey
Coleman	Hansen (ID)	Ottinger
Collins (IL)	Hansen (UT)	Panetta
Conable	Hartnett	Parris
Conte	Hatcher	Patterson
Conyers	Hawkins	Pease
Corcoran	Heckler	Pepper
Courter	Hefner	Perkins
Coyne, James	Hendon	Petri
Coyne, William	Hertel	Peyser
Crockett	Hightower	Pickle
D'Amours	Hillis	Price
Danielson	Holland	Pritchard
Daschle	Hollenbeck	Pursell
Daub	Holt	Quillen
Davis	Hopkins	Rahall
Deckard	Horton	Railsback
Dellums	Hubbard	Ratchford
DeNardis	Hughes	Regula
Derwinski	Hutto	Reuss
Dickinson	Hyde	Rhodes
Dicks	Ireland	Richmond
Dingell	Jeffords	Rinaldo
Dixon	Jenkins	Ritter
Donnelly	Johnston	Rodino
Dorgan	Jones (OK)	Roe
Dougherty	Jones (TN)	Roemer
Downey	Kastenmeier	Rogers
Duncan	Kemp	Rostenkowski
Dunn	Kildee	Roth
Dwyer	Kogovsek	Roukema
Dymally	LaFalce	Rudd
Dyson	Lagomarsino	Russo

Sabo	Spence	Weaver
Santini	St Germain	Weber (MN)
Savage	Stangeland	Weber (OH)
Sawyer	Stanton	Weiss
Scheuer	Stark	White
Schneider	Staton	Whitehurst
Schulze	Stenholm	Whitley
Schumer	Stokes	Whittaker
Seiberling	Stratton	Whitten
Shamansky	Studds	Williams (MT)
Shannon	Swift	Williams (OH)
Sharp	Synar	Wilson
Shumway	Tauzin	Winn
Shuster	Thomas	Wirth
Simon	Traxler	Wolf
Skeen	Trible	Wolpe
Skelton	Udall	Wright
Smith (AL)	Vander Jagt	Wyden
Smith (IA)	Vento	Wylie
Smith (NE)	Walgren	Yates
Snowe	Washington	Young (AK)
Snyder	Watkins	Young (MO)
Solarz	Waxman	Zablocki;

NAYS—67

Anderson	Hiler	Patman
Ashbrook	Huckaby	Paul
Atkinson	Hunter	Porter
Barnard	Jacobs	Roberts (KS)
Brown (CO)	Jeffries	Roberts (SD)
Carney	Kazen	Robinson
Collins (TX)	Kindness	Rousselot
Coughlin	Kramer	Schroeder
Craig	Leath	Sensenbrenner
Crane, Daniel	Lee	Shaw
Daniel, Dan	Levitas	Shelby
Daniel, R. W.	Lewis	Smith (NJ)
Dannemeyer	Lowery	Smith (OR)
de la Garza	Lujan	Solomon
Dornan	McCloskey	Stump
Dreier	McDonald	Tauke
Erdahl	McGrath	Thomas
Evans (GA)	Molinari	Walker
Evans (IA)	Moore	Wampler
Fountain	Murphy	Yatron
Hall, Ralph	Neal	Young (FL)
Harkin	Nelligan	
Heftel	Pashayan	

NOT VOTING—32

Andrews	Goldwater	Markey
Anthony	Gramm	McCollum
Biaggi	Gregg	Miller (CA)
Brown (OH)	Hall (OH)	Rangel
Burton, John	Hinson	Rose
Cotter	Howard	Rosenthal
Crane, Philip	Jones (NC)	Roybal
Derrick	Lederer	Volkmer
Emery	Lent	Wortley
Fithian	Long (MD)	Zeferetti
Fuqua	Lundine	

□ 1230

The Clerk announced the following pairs:

Mr. Zeferetti with Mr. McCollum.
Mr. Biaggi with Mr. Wortley.
Mr. Derrick with Mr. Gregg.
Mr. Jones of North Carolina with Mr. Goldwater.
Mr. Rosenthal with Mr. Lederer.
Mr. Rangel with Mr. Gramm.
Mr. Howard with Mr. Hall of Ohio.
Mr. Long of Maryland with Mr. Philip M. Crane.
Mr. Fuqua with Mr. John L. Burton.
Mr. Fithian with Mr. Cotter.
Mr. Anthony with Mr. Brown of Ohio.
Mr. Rose with Mr. Lent.
Mr. Markey with Mr. Lundine.
Mr. Volkmer with Mr. Roybal.
Mr. Andrews with Mr. Miller of California.

Messrs. SHAW, DREIER, and PATMAN changed their votes from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROSTENKOWSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1553) to provide for a temporary increase in the public debt limit.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. ROSTENKOWSKI).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1553, with Mr. DANIELSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes, and the gentleman from New York (Mr. CONABLE) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

I. PRESENT LAW

Mr. Chairman, the public debt limit presently is $935.1 billion, consisting of a permanent limit of $400 billion and a temporary limit of $535.1 billion that is in effect through September 30, 1981. The present ceiling is consistent with the budget totals in the first concurrent budget resolution for fiscal year 1981, approved last June. At that time, the House believed that the increase to $935.1 billion would be sufficient for the Treasury Department's debt management purposes through the end of fiscal year 1981. However, budget prospects have changed significantly since then.

Several of the major increases in spending since the first resolution are as follows: $6 billion due to higher unemployment than originally expected; $12 billion due to higher interest rates than expected; $8 billion of additional defense spending; $10 billion resulting from higher inflation than expected; and $11 billion of additional nondefense spending.

The latest official estimates of the 1981 budget, which are included in the previous administration's budget for fiscal year 1982, show revenues of $607.5 billion, outlays of $662.7 billion and a deficit of $55.2 billion. Even these estimates may prove to be too optimistic because they are based on policy recommendations which call for a net tax increase in fiscal year 1981. Moreover, the Congressional Budget Office recently has estimated that the previous administration's budget involves $600 million more spending and $1.6 billion less revenue than the previous administration's own estimates.

II. ADMINISTRATION'S REQUEST

On Tuesday, the Secretary of the Treasury, Mr. Regan, and the Director of OMB, Mr. Stockman, appeared before the Ways and Means Committee and requested a $49.9 billion increase in the temporary limit which would raise the public debt limit to $985 billion. The administration testified that the present $935.1 billion limit is expected to be sufficient for meeting Treasury Department financing requirements only through mid-February. At the close of business on Friday, January 30, 1981, the outstanding debt subject to limit was $935.075 billion, only $25 million under the present ceiling.

The Reagan administration's request for an increase in the debt ceiling is based on the revised budget totals in the January 15 budget submitted by the previous administration. The new administration has not yet completed its reestimates of the budget totals and thus, could not recommend a new public debt limit consistent with its new fiscal and economic policies.

III. H.R. 1553

Tuesday afternoon, February 3, the Ways and Means Committee approved the request of the Reagan administration for this $50 billion increase in the debt ceiling to accommodate the financing needs of the administration through September 30, 1981. Thus, consistent with the administration's request, the total debt ceiling would be increased from $935.1 billion to $985 billion.

IV. CONSEQUENCES OF INACTION

In a letter of February 4, 1981, to all the Members of the House, asking for support of this debt ceiling increase, President Reagan outlines the reasons why this debt ceiling bill must be passed. The urgent need for approval of this increase will be felt this week. Tomorrow, Friday, February 6, the Treasury Department will announce an auction on February 13 for a refunding of $7.8 billion in maturing 13-week and 26-week bills. Some additional cash also would be raised to meet the increasing deficit. Without a new debt limit, bidders in the auction could not be assured that the Treasury will be able actually to issue all of the new securities when scheduled on February 19. Thus, failure to pass this debt ceiling increase in timely fashion could result in market disruptions and could impair the efficient management of the debt by the Treasury Department.

More importantly, the Federal Government faces the prospect of defaulting on its obligations if Congress does not act promptly. When the debt ceiling is reached, no new cash may be borrowed, and maturing issues could be refunded only to the extent of the

margin available under the current limit. After the operating cash balance has been exhausted, payments could not be made for routine governmental functions, such as, interest on the public debt, military and civilian payrolls, entitlement programs, aid to State and local governments, and various contracts with private companies for goods and services. In addition, failure to pass this debt ceiling increase promptly will actually result in unnecessary additional costs to the Federal Government. Treasury borrowing costs will be higher in the future, reflecting money market uncertainties about Federal debt management practices and prospects of another default.

V. CONCLUSION

Voting in favor of this debt ceiling increase is an uncomfortable vote for all Members. On past occasions, debt ceiling bills have often been the vehicle for political posturing and partisan squabbling. However, I ask all Members to put these considerations and temptations aside.

I have presented to the House the reasons why this debt ceiling increase must be passed—and must be passed quickly. An "aye" vote is a responsible vote because the bills of the Federal Government, which have already been incurred, must be paid. Thus, prompt passage of the debt ceiling increase is essential.

I urge my colleagues to support this important economic legislation.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I wonder if the gentleman would mind repeating the two figures that he gave that impacted the budget, the figure of unanticipated inflation and interest, as to how much those two increase the outlays of Government?

Mr. ROSTENKOWSKI. The major increases in spending since the first budget resolution are as follows: $6 billion due to higher unemployment than originally expected; $12 billion due to higher interest rates than expected; $8 billion of additional defense spending; $10 billion resulting from higher inflation than expected, and $11 billion of additional nondefense spending.

□ 1240

Mr. CAMPBELL. I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Chairman, I reserve the balance of my time.

Mr. CONABLE. Mr. Chairman, I yield myself 1 minute.

Despite the discomfort that always accompanies this vote and despite its potential for creating artificial crises, I believe this as a fiscal issue is comparatively nonsubstantive. Contrary to the perceptions that many people have, which I think are frequently based on misunderstanding, this is not a vote to approve new or expanded Government spending. It is a measure that permits the Government to pay the bills that are coming due on spending that was voted in the 96th Congress, as affected by the changed economy.

I intend to support the measure and I trust that it will pass. I think the Reagan administration is entitled to time to get its economic house in order and I believe the necessity that forces this vote should impel us to support the Reagan administration's economic initiatives when they become definitive.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from New York (Mr. CONABLE) has expired.

Mr. CONABLE. Mr. Chairman, I yield myself 1 additional minute.

I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I would like to ask the gentleman from New York this question. In the additional views which the gentleman filed with the report of the Committee on Ways and Means in September 1979, the gentleman said:

> We refuse to vote for this increase in the public debt limit. Last year we served notice that we would no longer support the periodic increases in the debt ceiling. The way Congress handled the debt limit directly contradicts the goal of achieving a balanced budget and constitutes a futile and deceptive charade and contributes to evasion of congressional responsibility for a sound fiscal policy.

How do you reconcile this statement with your anticipated vote today?

Mr. CONABLE. I strongly supported, Mr. Chairman, the Gephardt proposal which would automatically raise the debt ceiling on passage of the budget. I have been deeply distressed by the hypocrisy frequently attending this vote in the past. I think the sooner we can get away from this comparatively nonsubstantive vote, the quicker the orderly administration of the Government is going to be achieved.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I, along with several of our colleagues, have opposed every effort to increase the debt ceiling, proposed by both Republican and Democratic Presidents as a protest against the profligate spending ways of our Government.

Those protests against irresponsible spending, joined in by millions of Americans, have been heard. Washington has been changed, America has been changed, and today we have a President who is committed to a budget which will provide the necessary spending restraints and I believe we have a Congress, on both sides of the aisle, which is prepared to support that spending restraint, so the purpose of the protest against spending is being achieved. The fundamental change so badly sought is underway and we should therefore get on with the distasteful necessity of passing this debt ceiling increase. To vote against it now, in the face of fundamental action to get spending under control is to give a new President a gratuitous slap in the face for a problem he obviously did not cause, indeed it is a serious national concern for which he represents the solution rather than the problem. So I urge passage of this distasteful necessity so we might get on with dealing with the substance of bringing the Federal budget under control.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman, the administration has asked us to vote for this debt limitation increase. We have been told that this request is based on the previous administration's revised budget estimates with some built-in assumptions on the part of this administration.

I am disturbed at being asked to vote on a debt ceiling increase without a clear idea on what our new President will propose for cuts in spending. It is one thing to pass along memos to the press about what will be done and quite another to get the votes together and follow through. I wish this requested increase was a smaller amount.

In the meantime, I intend to vote for this increase, or some similar increase. As our dear former colleague Joe Waggonner said, you cannot vote against raising the national debt ceiling anymore than you can walk into a restaurant and refuse to pay the bill after enjoying a five-course meal. So, I think we have little alternative but to vote to cover the Government's obligations. It is our responsibility but it must also be on a nonpartisan basis. At the same time, we must look to the future to bring the budget under control to fit the amount of revenue we have.

Mr. CONABLE. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. SOLOMON).

Mr. SOLOMON. Mr. Chairman, as we continue our discussion, I think it is very important that we put this whole matter of the national debt and the budget deficit into perspective for the American people.

I find it very interesting, to say the least, that President Reagan has been forced to ask this Congress for an increase in the debt ceiling just 16 days after taking office. And the reason he has been forced to do this is crystal clear.

When the House voted to increase the national debt last spring, I, along with a number of colleagues, pointed out that the leadership of this House was using some very strange arithmetic to make the budget and debt picture look much better than it really was.

I recall one exchange, in particular, which I had with the distinguished majority leader. I stood here in this well on May 12 of last year to suggest that the budget which he and members of his party were touting as a balanced budget, was, in fact, based on some fancy election year figuring, that the budget was not balanced, and that in fact their so-called balanced budget was at least $50 billion out of whack.

Well, Mr. Chairman, the distinguished majority leader disagreed with me very strenuously. Here is what he said about the budget—and I quote:

> It is not only balanced, it has a $2 billion surplus. It not only has a $2 billion surplus, it has a $10½ billion cushion against contingencies.

Well, Mr. Chairman, I do not need to remind anyone in this Chamber today what has happened to that $2 billion surplus and that $10.5 billion cushion.

Today we are talking about a deficit of up to $60 billion. So I think it is very clear why we are engaged in this debate today. The grandiose debt and budget projections set by the Democratic leadership last spring were not worth the paper they were printed on—and nearly every economist and every Member in this Chamber realized this. They were set artificially low to deceive the American people as to just how irresponsible this Democrat-controlled Congress has been.

But Mr. Chairman, the American people did not buy it then, they did not buy it on November 4, and they are not now going to stand for this transparent effort to make our new President take the rap, after just 16 days in office, for their own wasteful spending habit which, unfortunately for the American people, this country is going to be paying for a long time.

Mr. EVANS of Delaware. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Delaware.

Mr. EVANS of Delaware. Mr. Chairman, I thank the distinguished gentleman for yielding.

Today many Members of the House of Representatives, including myself, will be changing a voting pattern we have not deviated from since we were first elected to the Congress.

I have never supported a vote to increase the Federal debt limit since becoming a Member in 1977 because I had never seen any positive indication from the President, his administration officials, or the majority in Congress that there was any sincere and earnest desire on their part to stop the ever-increasing rate of Federal spending or to implement drastically needed cuts in existing programs.

Today, we see a new attitude toward Federal spending. President Reagan campaigned on a pledge to cut the rate of growth in Federal spending and to slash the budget of most departments. Now that he is in office, he and the chief economic officials in the administration are demonstrating the long-awaited willingness to tackle our Nation's economic problems head on.

The President is working to stop the past practice of excessive borrowing to pay Federal debts, but due to the manner in which the Federal budget system operates, he is operating under the handicap of the necessity to raise the debt ceiling.

The need to raise the ceiling is "really an item of old business"—to quote Director of the Office of Management and budget David Stockman.

Our President had nothing to do with the need for an additional $50 billion in borrowing power. He has played no role whatsoever in making an increase necessary. On the contrary, he promised during the campaign that he would cut back on the rate of the growth of expenditures by the Federal Government and he means it. Later this month, President Reagan will address a joint session of Congress and set forth the administration's specific proposals.

I have consistently stated that the exercise of fiscal restraint is an absolutely essential component in a comprehensive economic program designed to revitalize the American economy. However, in order to give the President, the Congress, and the executive branch the breathing space needed to formulate and implement this comprehensive economic program, we must increase the debt ceiling. This will allow essential Government services to continue and prevent chaos in financial markets.

We have a responsibility to act favorably on this legislation now with the full understanding that this administration and this Congress are pledged to implement a reduction in the rate of spending by the Federal Government.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 6 minutes to the gentleman from Georgia (Mr. JENKINS).

Mr. JENKINS. Mr. Chairman, it is always with great reluctance that I support any legislation that increases the debt limit of this Nation. While I have nothing but disgust for the manner in which this issue is constantly made into a conservative or a liberal vote, which it decidedly is not, I can understand the reasons. It is always made into a political issue simply because it can be a very effective political weapon. It has been used in the past and I am quite certain that it will continue to be a factor in many political campaigns in the future.

Nevertheless, if one will completely strip the issue of politics, then it surely becomes abundantly clear that the only responsible and honest vote is to support the extension. It is not an easy vote. It never has been, nor ever will be. You will not receive any letters or telephone calls from back home urging you to vote for it. As a matter of fact, you will probably lose some votes and support, if you do cast your vote for it. In other words, it is an unhappy duty of yours, for which there is no political mileage. The vote simply means that your Government intends to honor its debts, that the military and social security recipients and veterans will continue to receive their checks, and that you believe in a representative form of government where the collective judgments made by the legislative and executive branches of our governments, however distasteful they may be to you or I as individuals, will be honored and carried out.

I have listened to every conceivable reason Members have given for not voting for this issue in the past. They say "I did not create the debt," or "I have not voted for deficits and have no such obligation," or "This is my only way of protesting excessive Government spending." All of these arguments are without merit. The real reason that Members oppose this measure is that it is a difficult political vote, or because they want to use the vote to demagog back home against the opposite political party.

It is always amazing to me to hear Members say that they do not have any responsibility to vote for this measure because they did not vote for any deficits and are not obligated to honor the collective judgment of the executive and legislative branches of Government; and, at the same time justify their attempts to obtain every possible public works project or Government program for their districts, when they have opposed the measures creating those projects, upon the grounds that while they opposed the specific appropriation for such project, they have every right to see that their people get their fair share of such goodies. In other words, many Members accept the collective judgment of this body when they are on the receiving end, but they oppose the collective judgment of this body when they have to honor the debt to pay for Government expenditures.

All of you know from personal observation that my voting record has been one of the most conservative of any Member of my party during my 4 years in this House. Yet I have supported this legislation because I know there is no present alternative.

I do feel that the Republicans in the body now have the added responsibility on this issue to indicate to the American people that they have the

courage and capacity to lead, now that the torch of leadership has passed to their court. If they cannot demonstrate that capacity on this vote, then I shall never, never again ask conserative Democrats to give President Reagan any assistance on this troublesome issue.

Mr. Chairman, it does not take any courage to support tax cuts, or be for 2 percent across-the-board spending cuts without saying where those cuts will be, or to vote for twice-a-year COLA increases, or to vote to cut foreign aid, or to be against fraud and abuse and waste in Government spending. It does take some considerable degree of leadership to make the unpopular vote when you know that it has to be done for the Nation. I shall be watching their vote on this issue.

□ 1250

Mr. CONABLE. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Chairman, I say in response to my colleague who was in the well before me that for the first time since I came to Congress 8 years ago I am voting today to raise the debt limit, not for partisan reasons, but because I see for the first time some glimmer of hope that we will begin to bring spending under control. Our new President is committed to reductions in Federal spending, and I have no doubt he will use the levers of power available to him to press the issue.

For the first time in my service here I have had special interest groups in my office saying to me, "We are willing to take our fair share of reductions in growth." The President certainly does not lack the will and determination for forceful leadership. We really have a chance to do something about our profligate spending.

Raising the debt limit today will allow the Government to operate while the President formulates and pushes his programs.

Mr. Chairman, it is a disagreeable task that confronts us now. We are asked to raise this ceiling by $50 billion to cover the Government's deficit spending through the final 7½ months of this fiscal year.

I would remind the House that this Government borrowing is a massive raid on capital needed by private industry. It will maintain pressure for high interest rates and this huge Government borrowing to finance its operations is a highly inflationary process of transferring capital to immediate consumption.

But we have been doing this for many years. Grandiose deficit spending has become a habit and the economic consequences are terrible.

If we fail to bring the growth rate of the Federal budget under control, the future offers nothing but economic decline and catastrophe. If we think this vote today is painful, I hope that every Member of the House will remember it when we get to the really tough business of voting on authorizations and appropriations bills for 1982 and the slowdown in growth that will be proposed for this fiscal year. If we do not make the tough decision on spending, we cannot avoid the decision of raising the debt ceiling.

Mr. PEYSER. Mr. Chairman, will the gentlewoman yield?

Mrs. HOLT. I am happy to yield.

Mr. PEYSER. The point I think the gentlewoman made is a very good one. I guess what I am curious about is that I notice in the RECORD that the first time that President Carter came to the Congress to make a request of just about the same amount of money as President Reagan is now making, which was really at the start of his administration, only 16 Republicans voted to give him that opportunity to just start.

Mrs. HOLT. I have always voted against increasing the debt ceiling because I saw no hope of making any changes in spending. When Mr. Carter came in, his people came before the Budget Committee; they laid out all of the big spending plans they had; there was no hope. There were no demands for curbing this kind of expenditure.

I see hope now. I voted against it in the Nixon administration. I voted against it in the Ford administration. I think this is a new day.

I do believe that we do have a new Congress here today. We have a new administration. We really have a new beginning. I believe that the last election not only changed the character of this Congress but it gave a powerful message from the people of this country really to curb our appetites.

The people are saying that today. So I think that we do have a chance and I vote for this legislation simply for that reason.

I yield back the balance of my time.

Mr. CONABLE. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina (Mr. CAMPBELL).

Mr. NAPIER. Mr. Chairman, will the gentleman yield?

Mr. CAMPBELL. I yield to the gentleman from South Carolina.

Mr. NAPIER. Mr. Chairman, I am going to vote in favor of an increase in the debt ceiling, but it is not without reservation.

Simply put, the charges to the budget have already been incurred by previous administrations, and I am voting to give our President the authority to pay those prior obligations.

Our mandate, Mr. Chairman, in the 97th Congress is to turn this economy around. I believe the new President deserves our support in preserving continuity in the economy—in being sure the social security checks and VA checks are mailed on time—and I hope my colleagues will join me in voting aye. At this time, I feel there is really no responsible alternative.

Mr. CAMPBELL. Mr. Chairman, I rise in support of the effort to extend the debt limit. Let me say that I have in the past voted not to extend the debt limit, but I also have voted against the spending proposals that caused much of the debt limit extension to take place.

□ 1300

To my colleagues on the Republican side I would say that for those of you who have voted against the spending programs in the past and have voted against the debt limit extensions in the past because you did not have confidence in an administration that would not use the veto to help halt spending, or would initiate programs to curtail Federal spending, you now have a new day and you have an opportunity, and you also have an obligation, to give your new President a chance.

To those on the other side of the aisle who did vote for the spending proposals in the past of the past administration that helped to incur the debt that we now live with, you also have an obligation to extend the Government operation over a period of time.

To those on the Democrat side who have voted constantly against spending proposals, you have no obligation to vote for the debt limit extension other than faith in a new administration, I would urge you to have that faith.

The chairman of the Committee on Ways and Means made a very strong point a moment ago on the causes for the increase when he pointed out that unanticipated inflation caused an increase of $10 billion, and interest payments caused an increase of $12 billion. Let me point out that this is the opportunity to recognize that reckless Government spending of the past must be brought under control by individual rescissions and in curtailments in budgeting authority next year.

The Reagan administration must deliver, or those of us who now stand in support will not stand here a year or so from now. But we in the Congress, if the proposals are given to us, must act on them or else the blame cannot rest with this new administration. In any case, at this point the burden rests on our shoulders to give this administration a chance and to proceed with the Government in a normal fashion.

Mr. Chairman, I yield back the remainder of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. GEPHARDT) who has had a longstanding interest in this bill.

Mr. GEPHARDT. I thank the gentleman.

Mr. Chairman, I urge the Members to vote for this debt ceiling increase with the understanding on all of our parts that this is, indeed, a ceremony without any possible substance. No issue of substance is decided today. We are simply making a ministerial act to back up, to ratify, to carry out decisions that we have made in the past. We have a corporate, almost familial responsibility to pass the debt ceiling today.

If you have voted against every appropriation, against every authorization, if you have not ever written a letter to any bureaucrat asking for any possible spending, you still have a responsibility today as a corporate responsibility to meet the debt. If you have a family, and a family member has the right to go out and make credit, to put down a credit card to buy something, when the bill comes, you have to pay the bill because you are a member of that family. So let us not make any mistake about who is responsible; we are all responsible for the debt that we all, by being Members of this body, have created.

Let me talk about another issue, though, that is very important to me, and it is that we do not need any ceremonies like this any more. The House has passed a procedure that puts this into the budget process where it belongs. When we passed our budgets last year, we raised the national debt ceiling. The only reason we are here today, the only reason the Committee on Ways and Means had to meet the other day and waste a lot of time, the only reason the Senate Finance Committee had to meet the other day and waste a lot of time, the only reason Dave Stockman had to come down here and spend 5 hours and waste his time, when he is trying to figure out the budget, the only reason we had to waste the time of the new Secretary of the Treasury is because, for some unknown reason, we cling to this ceremony as if it meant something.

Last year, because we did not pass the debt ceiling in time, we spent almost $11 million of the taxpayers' money because we fouled up the cash management at the Department of the Treasury, not to mention the thousands of hours that were spent on voting on this over 13 times in the last 2 years.

So my final plea, besides asking you to vote for it—hopefully, for the last time—is that in the days to come you will urge your friends in the other body, especially your friends on the Senate Finance Committee, to get a procedure in the other body that conforms with our procedure so we will not continue wasting the taxpayers' money holding meaningless ceremonies.

Mr. CONABLE. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Chairman, the situation we are in is not analogous to that of a family deciding whether or not to make a new purchase.

Congress has to decide whether to pay our bills. And like any family you have to pay your bills if you want to maintain your credit rating and your respect as a member of the community.

The commitments, unfortunately, have been made as a result of past excesses. And we have no choice but to honor them.

So the question is not whether or not we are going to raise the debt limit. We will.

The question rather is, What political price, if any, will be extracted from the Reagan administration in exchange for raising the debt limit?

On this question I want to address the Members on my side of the aisle.

I can understand Members of the majority party voting in some considerable numbers not to raise the debt ceiling.

But I cannot understand members of the President's party who agree with his efforts to cut spending who are going to vote against the debt limit increase.

The consequence of their action will be that the Reagan administration will have to spend political capital on something they should not have to.

What does this mean? It means that they will have to cowtow to some person or another in this body or the other body and not go after some now supposedly sacred cow of a spending program.

All of this will make it that much harder to cut spending a little further down the road, make it that much harder to balance the budget, make it that much harder to put a cap on spending.

So the Reagan administration, which is trying to cut spending, will find its task that much more difficult. That is just the opposite of what our party is committed to doing.

One of my constituents expressed, perhaps more eloquently than I, the spirit we should bring to our deliberations.

He wrote: "I am not anxious to pay up to $2 for gasoline because our President deregulated the oil companies, but I will do it willingly."

My point is: The several past administrations have not done much to straighten out the souring economy but our new President is trying. We elected him. Every private citizen and elected official must bend over backward to make his ideas work.

If you like his ideas or not, Mr. PETRI, support them.

Past administrations have not done too well; let us give this guy a chance to live up to his promises.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. SHANNON).

Mr. SHANNON. Mr. Chairman, we come today once again to waste our time, the Government's time, the press time, discussing an issue of very little substance.

□ 1310

The issue here today is not what course the country should take, not what we should or should not spend money on in the future, not what the level of taxation should be in the future. The issue is, very simply: Should the U.S. Government meet its past obligations?

Now, I must admit that the visceral Democratic reaction is to look to the Republican side and say, "This is a political opportunity." It is very satisfying to all of us to see so many of you, who have become so expert at throwing stones, find yourselves living in glass houses. But I do not think it is in the best interest of the country, of my party, or of your party to demagog this issue. I do not think it is in the best interest of the country to get bogged down at this point discussing an issue which really is not going to have much bearing on what we are going to be doing with the budget, with tax policy, and with the Nation's economy in the months ahead.

I know that there were some Members who were concerned because, in the past, this has been one of the litmus test issues for the Moral Majority. I do not think anybody's soul is in jeopardy if they vote for this increase in the debt ceiling. I think we have to get on with the Nation's business. The Democratic Party is not going to be irresponsible on this issue. The Democratic Party thinks that the people of the United States deserve a government that has a chance to succeed and an economy that is going to benefit everybody. We are going to have plenty of things to argue with the Republicans about in the next few months. This should not be one of them. So let us get the demagoguery behind us; let us get the symbolism behind us; let us get on with the Nation's business and let us get this debt ceiling lifted on a bipartisan basis at the beginning of the 97th Congress.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Chairman, I rise in opposition to this legislation which would bring the national debt to an astonishing $985 billion of debt, just $15 billion short of the incomprehensible $1 trillion mark. And I think that it is important for us to signal to the

American people that indeed there is a change in direction, and that change in direction, expressed so eloquently by the campaign rhetoric of last fall, must be translated today into the reality of not increasing the national debt to $985 billion.

I have played my part in voting for spending cuts, against budgets and appropriations bills that were excessive. And now the time has come for all of us to say to the American people, "Enough is enough." And $985 billion is too much.

We heard a lot of campaign rhetoric about the big spenders and the inflation builders because of Government spending. Well, let us see how the people who use that rhetoric vote on this issue. Indeed, let us remind ourselves of what many of these people said previously. Let us see how they vote before and see how they vote today. Some of the explanations I have heard today for people changing their votes to support increasing the debt limit are truly ingenious. They are classic examples of political legerdemain. They are some of the most amusing demonstrations of inconsistencies and political light-step toe dancing.

In preparing my remarks, I wanted to use the best arguments available to express to you my strong opposition to this proposal. In order to do this I went back to review previous debates on the issue. I would like to take this opportunity to read to you some of the excellent arguments some of our Republican colleagues have made against raising the debt ceiling in the past. These arguments, together with the massive vote by the American people last November to get the Government off their backs and out of their pockets, should be persuasive today.

I will not call the names of our colleagues when I quote now, but they know who they are and I will be happy to list their names, if requested. When the vote comes, I will be watching carefully to see how these articulate spokesmen vote to see if they, and others who voted against the debt ceiling increase previously, will vote the same way now.

In additional views, printed in the September 24, 1979, report of the Ways and Means Committee on the temporary public debt limit, two of its leading Republican members stated:

> We refuse to vote for this increase in the public debt limit.
>
> Last year we served notice that we would no longer support the periodic increases in the debt ceiling.
>
> The way Congress handles the debt limit directly contradicts the goal of achieving a balanced budget, constitutes a futile and deceptive charade, and contributes to evasion of congressional responsibility for a sound fiscal policy.

During the debate on this issue in the last Congress, I recall a gentleman from Minnesota said the following:

> The bill before us to increase the Federal debt ceiling is the symbol of profligate spending in the Congress • • • It is unfortunate that many of us who are more fiscally conservative cannot vote for it. Our vote against it is perhaps a feeble protest, but it is the only protest we have left.

I recall a gentleman from California making the statement:

> To increase the debt limit would be for this Congress to signal to the people that nothing has changed in our fiscal policies since the 1930's.

And the gentleman from California was right.

Another gentleman from California, during that same debate, said:

> We should be working to reduce the national debt, not to increase it.

A gentleman from Pennsylvania made the following argument:

> It is, indeed, unfortunate that it should be the position of just the minority party to say "no" to repeated deficits. All of us in the 96th Congress must make an effort to heed our constituents' pleas for a cutback in excessive Government spending. Rejecting an increase in the national debt ought to be the first step of many that this Congress takes toward the goal of a sound fiscal policy and a balanced budget, a goal that is earnestly desired by many millions of our fellow citizens.

During the debate a gentleman from Arizona stated:

> I intend to vote against this ceiling. It is one of the few ways we in the minority can express our protest over the reckless course of fiscal mismanagement being pursued by the majority. If this were a real ceiling, we gladly would support it. As it is, increases have become routine, and the debt ceiling serves chiefly as a reminder that it is time to repeat the process.
>
> This unending increase in the Government's borrowing authority is little more than a thermometer for inflationary fever. The raise that will be voted today is, in the long run, another coffin nail for the dying Democrat dollar.

A gentleman from Indiana argued strongly as follows:

> We are being asked today to approve a $38 billion increase in the temporary debt limit for the next 8 months. If we continue to increase the total deficit at that same rate, it will be less than 3 years before the total debt is over $1 trillion. A trillion dollar debt is not something that we should support. The only way to prevent that dubious benchmark in our history is by beginning today to refuse to allow further increases in the total debt.
>
> We must bring the Federal Government's spending habits under control. That seems to be the only way in which we can again have a strong economy. To authorize an additional increase in the temporary debt today will only act as a symbol to the citizens of this Nation that the Congress has yet to hear their demands for a sound fiscal policy. On the other hand, if we refuse to increase the debt, our constituents will, for the first time, know that this Congress is going to take whatever steps are necessary to bring the Federal budget under control.
>
> I strongly urge the defeat of H.R. 1894.

Another gentleman from Pennsylvania said:

> At the heart of our economic problems, in my opinion, is the policy the Federal Government has followed with alarming consistency over the past decade—the policy of spending more money than it takes in.
>
> When we talk of reordering priorities, we need look no further than this interest payment on the national debt to see one major area that could stand some reform.
>
> We cannot expect inflation to really be slowed, or the dollar to be really sound, until we decide to stop spending money as if it grew on trees instead of coming out of the taxpayer's pocket.
>
> I hope my colleagues will agree with me and say "Enough, Enough" and vote against this proposal.

And finally and most eloquently another gentleman from Pennsylvania declared his views:

> Mr. Chairman, the American people have a right to know that it is the Democrat administration and the Democrat majority in this Congress who are asking for an increase in the public debt ceiling. And, once again, the big spenders in the majority party are practicing their traditional philosophy of spend and borrow. What must the American taxpayer think of us today? I believe the answer to that question is simple. The American taxpayer is thinking and believing that the politicians and bureaucrats in Washington have, once again, turned their backs and closed their ears to a message that is sweeping this country from Maine to Hawaii. That message calls for fiscal responsibility, fiscal restraint, firm control, and cuts in the reckless policies of the Democrat big spenders in this Congress.
>
> Today we are not talking about a couple of billion dollars. We are talking about an increase in the public debt ceiling of $38 billion. The Democrats have been borrowing and spending us into the red for decades. The time has come for such fiscal and economic irresponsibility to stop, and the American people have the right to know that the Republicans oppose this increase. Indeed, the Republican Policy Committee, which I have the honor to chair, voted unanimously last week to oppose this increase, to vote it down. We are challenging the thoughtful Democrats in this Chamber to do just that, to join us, to join their Republican colleagues, and vote "no" on this bill.
>
> How can we possibly justify saddling not only our present generation but generations for years to come with this stiffling public debt? The Democrat big spenders have created a monster. One does not run around spending money here and there, paying bills first and then looking in the bankbook to find that there is not enough money to cover what has been spent. That makes no sense. And increasing the public debt ceiling several times each year makes even less sense. Let us begin looking at our bankbooks first.
>
> To those who argue that the debt ceiling must be raised to pay the Government's bills, we say: "It was not the Republicans who voted this country into an $800 billion debt. It was the Democrat majority." Let those who have danced to the Democrat big spenders' tune now vote to pay the piper.
>
> The gentleman from Virginia referred to this being a vote which did nothing more than make an honest woman. I say to that, let those who enjoyed the political pleasures in the boudoir of that woman that got us the deficit spending, let those political pleasure seekers now vote to pay the bill.

I believe we should listen carefully to the arguments being made today against increasing the debt limit and remember the excellent arguments made in the past on this same issue. The sentiments expressed in earlier debates are even more relevant today as we look at an even larger Federal deficit and an even larger public debt. The $985 billion debt means that every man, woman, and child in the United States have $4,348 of debt on his or her shoulders. We are indeed charging fur coats to our grandchildren. A $1 trillion national debt is just around the corner. Let us draw the line.

I urge you to make the commitment to reducing this deficit and reducing this debt by voting against this increase in the debt ceiling. Let us send a sign to the American people that the time to say "enough is enough" has finally arrived.

And, therefore, I ask my colleagues to join me in opposing this request for the increase in the public debt ceiling to $985 billion. I think those people were right when they said that before. I think that is what the American people signaled when they elected this new Congress. And we have come to the point today to put up or shut up. I think the time has come to back up our rhetoric with our votes.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman made the statement earlier on that he believed that this debt ceiling should be much lower than what has come in at $985 billion. My understanding of the situation is that, in order to achieve that debt ceiling, we will have to cut out $15 billion in program spending for 1981, for the present fiscal year. Does the gentleman really believe that we can cut out more spending than that?

Mr. LEVITAS. At least that much.

Mr. CONABLE. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, at the outset, I want to commend the gentleman from Massachusetts (Mr. SHANNON) for the most responsible statement that I have heard here today, and he is to be commended for it.

Mr. Chairman, I support H.R. 1553, to increase the temporary limit on the public debt.

Under current law, the permanent limit on the public debt is $400 billion, and the temporary limit provides an additional $535.1 billion through September 30, 1981.

Thus, the permanent and temporary debt limits together total $935.1 billion, which was consistent with the estimated surplus of $0.5 billion in the first budget resolution for fiscal 1981.

However, estimates for outlays and receipts have changed substantially. The current debt limit will accomodate estimated Treasury borrowing requirements only through about the middle of February.

The second budget resolution for fiscal 1981 projected a deficit of $27.4 billion, which would have required a debt limit of about $978.6 billion through fiscal 1981.

President Carter's budget for fiscal 1982 estimates the 1981 deficit at $55.2 billion, which would require a debt limit of approximately $987.3 billion through the end of fiscal 1981.

In testimony before the Committee on Ways and Means, Treasury Secretary Regan requested that the current debt limit be raised to $985 billion, which he estimated should be sufficient to accommodate Federal borrowing through fiscal 1981.

This request is based on the Carter budget estimates, and does not include the economic program to be submitted by the administration later this month.

In other words, we are voting today to close the books on the fiscal stewardship of the Carter administration.

Obligations have been incurred.

Bills must be paid.

The President received an overwhelming mandate to control inflation and Federal spending.

We should settle the debt limit issue for the remainder of this fiscal year, to give the new administration a fair opportunity to prepare and present its economic program to the people and to the Congress.

Mr. CONABLE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. Mr. Chairman, the increase in the public debt limit to $985 billion through September 30, 1981, proposed by H.R. 1553 is a source of great concern. It is very sobering that this bill represents the seventh increase in the public debt limit since the start of my service in the 96th Congress. Moreover, the debt has doubled just in the past 7 years. Both in size and frequency these debt limit increases are symptomatic of the hemorrhaging of the Federal budget. The outstanding public debt at the end of fiscal year 1970 was $372.6 billion, but at the end of fiscal year 1980 it had escalated to $908.7 billion. If current trends continue, we will witness a national debt of over $1 trillion in fiscal year 1982.

We are faced with this looming debt increase because of the fiscal irresponsibility of the previous administration and past Congresses. The increase in the public debt limit contained in H.R. 1553 will not be used to finance new spending, but rather to finance obligations authorized and appropriated by the last Congress. I cannot help but feel that we have been left holding the bag.

There have been those in the past who attempted to trivialize longstanding conservative concern with the debt by suggesting that, "We only owe it to ourselves." Such a statement fails to incorporate the rising cost of servicing the debt and the profound economic consequences of Federal borrowing.

In 1970 interest paid on the debt was $20 billion, or 2.1 percent of our gross national product (GNP). In 1980, the interest paid was $75.2 billion, or 2.9 percent of GNP. The last budget submission of the former Carter administration estimated interest payments in fiscal year 1981 of $94.1 billion and in fiscal year 1982 of $106.5 billion. These surely are not idle figures. They represent a tremendous strain on the Federal budget at a time when we need to reduce, rather than increase, total Federal spending. Put differently, and perhaps more convincingly, we are presently paying roughly $300 million per day in interest on the national debt alone.

The public debt is costlier, however, than the extraordinary interest payments to holders of Government securities. We are told that higher than anticipated inflation, unemployment, and interest rates since adoption of the first budget resolution in June of last year triggered the increased outlays and reduced receipts largely responsible for this need to increase the public debt limit. No one disputes this development as I have just described it. However, those who use it to justify the increase in the debt, intentionally or unintentionally, distort the cause and effect relationship. Federal borrowing is largely the cause of, and not merely the effect of, these recent economic conditions.

Federal borrowing to finance the deficit, the trust fund surpluses, and federally assisted credit activities—which will be increased with the passage of H.R. 1553—siphons off funds from the Nation's credit markets. From 1968 to 1970, according to testimony by OMB Director David Stockman, the average borrowing of the Federal Government from the public was 8.9 percent of all funds raised in credit markets during that period. But in the period 1978–80, direct Federal borrowing, by comparison, accounted for 14.6 percent of all funds raised in credit markets. In addition, when federally assisted borrowing is added to the 14.6 percent figure for 1978–80, the combined impact reaches 26.6 percent of all funds raised in credit markets.

This reduction in the supply of credit market funds, all other things equal, has an upward pressure on interest rates. Unemployment goes up because of the downward impact of

higher interest rates on interest-sensitive industries such as housing, automobiles, and consumer durable goods generally. The higher unemployment results in greater Federal spending, less revenue, a larger deficit, more borrowing to finance the deficit, and the cycle begins all over again.

Furthermore, Federal borrowing and its impact on credit markets affects inflation. Higher interest rates are passed through to consumers as a cost of doing business. The Consumer Price Index is very sensitive to changes in market interest rates. When interest rates rise, so does the CPI. In turn outlays for the many Government programs indexed to the CPI increase more than expected. Again, the deficit increases, we must borrow more money to finance the deficit, and the economic treadmill continues, all reinforced by the impact of Federal borrowing and excessive spending on expectations of investors, managers, and consumers.

In addition, fewer funds available in credit markets due to Federal borrowing leaves less financial capital available to the private sector for the purchase of the physical capital needed to improve plant and equipment. Failure to so modernize reduces our already negative net increases in productivity. Lower productivity adversely affects both inflation in the long term, and our ability to compete effectively in world markets.

If we are to escape the economic trap of the vicious cycles I have outlined we must understand the budget forces behind this impending increase in the public debt limit. We cannot afford to relearn the lesson of this experience the hard way—namely, that a nation's government cannot continue to spend more money than it takes in, year in and year out, and finance the difference. We can escape the trap by making sizable rescissions in the fiscal year 1981 budget and reduce the fiscal year 1982 budget well below the outlay estimates left behind as the appropriate legacy of the economic mismanagement of the Carter administration. My own budget study, for example, reveals where $56 billion could be taken out of the fiscal year 1981 budget. I am confident that many of my colleagues have their own worthwhile suggestions for budget cuts as well.

Unfortunately the increase in the debt presently before us is for the payment of obligations already incurred. By the time we reach this point in the process, the dirty work has already been done. The time to truly prevent debt limit increases is not to authorize and appropriate the spending in the first place. I hope that my colleagues on the other side of the aisle who are sudden converts to the cause of opposing debt limit increases will keep this in mind as the 97th Congress tackles the fiscal year 1981 and 1982 budgets in coming weeks.

Based on the foregoing, the only responsible vote on this issue is to oppose this proposed increase in the national debt. Only in so doing will we have the incentive to make the necessary reductions in spending in order to start this Nation on the road to an economic recovery.

□ 1320

Mr. CONABLE. Mr. Chairman, I now yield 3 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I appreciate the fact that our colleagues on the other side of the aisle during this debate did not turn this into a politicized partisan issue.

This is a distasteful vote for many of us on both sides of the aisle. But at the beginning of this new administration I do think we should clear the deck of this impediment to moving forward expeditiously on President Reagan's economic proposals so we will not have in the future to act so often and to such an ever-increasing degree on debt ceiling increases. I will vote for the increase today, but with the commitment to reducing the Federal budget this year. I urge my colleagues to vote for this issue and let us get on with the business of getting government under control.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Mississippi has yielded back 2 minutes.

Mr. CONABLE. Mr. Chairman, I now yield 1 minute to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I appreciate the gentleman yielding. I just want to say that I intend to vote for the increase in the debt limit. As a matter of fact, I am sorry that the increase is not more, because I would like to see this vote be the last debt limit increase that we have. If we do not vote in the future to curb spending, we are going to be in such trouble that debt increase votes will be coming with greater regularity, and we will not be able to keep up with them.

I did not vote for the increases in spending that brought this circumstance, but I feel dutybound to see that we meet our bills.

As I told Chairman Volcker of the Federal Reserve in a hearing of the Joint Economic Committee this morning, we need an integrated economic policy to solve our basic economic problems, including our rising Federal debt. The Federal debt is a symptom, not a cause of our economic ills. Its huge increase in recent years reflects faulty economic policy going back several decades.

Since the days of the Great Depression, Government policy has concentrated on the demand side of the economy. It placed all policy variables on stop or go in an effort to either slow down or stimulate demand. The result has been a stagflation roller coaster with ever-rising peaks of unemployment, inflation, and Federal debt.

But modern economists, with the Joint Economic Committee in the forefront, have rediscovered the supply side of the economy. To fight inflation, unemployment, and rising Federal debt, we need a carefully integrated economic program that casts aside old-school Keynesian economics and puts in its place incentives to work, save, invest, and produce more. The goal and need is increased economic growth and reduced inflation.

The U.S. economy produced $2.6 trillion worth of goods and services last year. It could have been $3.75 trillion. Since 1950, the average growth of the U.S. economy in real terms has been 3.6 percent. Many of our industrial friends in Europe and in Japan have grown at annual rates averaging 5.5 to 6 percent. If the United States had grown an average of just 1.5 percentage points faster each year since 1950, at a rate of 5.1 percent, its GNP would now be $3.75 trillion.

With a $3.75 trillion economy, incomes would be 50 percent higher than at present. Jobs would be plentiful. Federal revenues this year would be $200 billion higher, enough to provide for a balanced budget, welfare reform, unquestioned military preeminence, and enough left over to reduce payroll and income taxes instead of raising them. In other words, we can reduce our Federal debt and solve our other economic problems if we can stimulate economic growth. How do we do that?

As I told Chairman Volcker this morning, the Joint Economic Committee has had the answers for several years now. We just need to implement them. Here is the package:

First, gradual reduction in the rate of growth in the money supply to fight inflation; and to pursue a steady monetary course;

Second, reduced growth of Federal spending to free up resources for the private sector to expand plant, equipment, and output;

Third, reduction of the tax barriers to saving and investment. A part of this package should be marginal rate cuts on personal taxes and, most importantly, incentives to saving; and

Fourth, reduce the burden of Federal regulation. This imposes off-budget spending requirements on the private sector in complying with the regulations.

Regarding tax policy, one of the best ways to increase savings is to separate individual taxable income into two

baskets, one consisting of personal service income; the other consisting of income from savings. Under current law, unearned or investment income is tacked on to earned income and is taxed at very high marginal rates for all taxpayers. This discourages saving. Under my proposal each basket of income would be taxed at rates ranging from 14 percent in the lowest bracket to 50 percent at the top. Such a program would greatly stimulate saving at all levels of income.

The foregoing policy package is sound, is workable, and is the best hope for our economic salvation.

Achieving fiscal control over outlays and Treasury borrowing—which increases the Federal debt—cannot be conducted as an accounting exercise or exclusively through legislated spending cuts in the orthodox sense. Only a comprehensive economic package that spurs output and economic growth and lowers inflationary expectations and interest rates has any hope of stopping the discouraging rise in the Federal debt.

Federal spending and Federal deficits arise mostly from our poor economic performance. Unemployment insurance, welfare payments, and rising entitlement outlays are due to a sluggish economy. Inflation drives up the cost of debt servicing and also boosts entitlement outlays because of indexing. These are examples of Federal outlays that increased economic growth can cure. The policy prescription of the Joint Economic Committee will bring renewed health to the economy and will take the pressure off our Federal debt.

Mr. CONABLE. Mr. Chairman, I now yield 1 minute to the gentleman from Utah (Mr. MARRIOTT).

Mr. MARRIOTT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of increasing the public debt.

Increasing the public debt to $985 billion, some $50 billion in increases, does not make any of us very happy. But the facts of life are that its absolutely the necessary and prudent thing to do under the circumstances. We should take the positive approach now in getting the economy squared away. President Reagan has absolutely no choice but to ask for an increase in the public debt ceiling because he has the obligation of paying off Carter's promises. We have an obligation now to trim the budget, to get back to a spending limitation program. We are not going to do that by shutting down the wheels of Government or by protesting. We need to hold President Reagan to his promises and give him the tools he needs now to make his plan work. Controlling the public debt starts with controlling obligations, not by refusing to honor previously made obligations.

My vote today in no way should be implied that I condone what has happened in the past in irresponsible spending, but it does say that I am willing to support the Reagan administration and to give them my vote of confidence. I will do all I can to help the administration make good on their promises, to balance the budget, to keep the debt increases from expanding, and to eventually get this country going again on the right track. In this vote we can send a negative message to the American people that we are as confused as they are, or we can support the President's efforts.

Let us vote to back the administration and close the door on the last of Carter's budget boondoggles, and open the door to fiscal responsibility.

Mr. CONABLE. Mr. Chairman, I now yield the balance of my time to the gentleman from New York (Mr. KEMP).

The CHAIRMAN. The gentleman from New York (Mr. KEMP) is recognized for 5 minutes.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I will be happy to yield to my colleague from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding. I rise in support of this vote to increase the debt limit. I think it is time to get this Nation on the right track. I think we are going to do that, and I think the only reasonable and responsible course is to vote for this legislation.

Mr. KEMP. Mr. Chairman, I will be casting my vote today in favor of this increase in the temporary debt limit as an expression of confidence in our new President and the team he has assembled to help get America moving again. President Reagan has committed himself to submit to the Congress in mid-February a comprehensive economic program which will include major reductions in Federal spending and which will significantly reduce the rate of growth of Federal borrowing, and has committed himself to reducing the tax burden on the American people to encourage economic growth. I believe that he will do these things, and we must help him implement a rational, coordinated economic policy by expeditiously disposing of this last housekeeping item on the old agenda. This vote is a vote of confidence in President Reagan's agenda to stabilize the budget and create new jobs.

This increase in the debt limit is necessary because of spending commitments made before President Reagan assumed control of the Government. The Reagan administration's request for an increase in the debt limit does not and will not represent business as usual. The dismal condition of our economy and the Government commitments it has inherited leave us no choice but to increase the debt limit. Since the present debt limit of $935.1 billion was adopted last year to extend through September 31, 1981, economic conditions, high levels of inflation and interest rates, and increases on budget and off budget financing by the Federal Government have touched off a virtual explosion in Federal borrowing.

While I have been one who has consistently voted against increases in the debt limit in the past, I believe that we are voting on this increase in a new context. A vote in favor of increasing the limit in the past was a vote to condone the misguided demand management economic policies of the past few decades. These were policies that assumed that Government spending produced real economic growth. The Reagan administration is prepared to abandon these misguided policies that have produced the economic stagflation we are suffering, and to pursue policies that are premised on the belief that individual initiative is the source of economic growth. It is our responsibility in the Congress to help the new administration make a smooth transition to these new policies.

If the Congress were to defeat this increase in the debt limit, it would be a signal to the American people and the already shaky financial markets that the Congress and the administration will not be able to work together to enact a comprehensive economic package. As much as anything, the financial markets need a measure of certainty that the Federal Government finances will be handled in a coordinated and rational way. We also need to assure the American people that we will do nothing to threaten the security net of Government services upon which they have come to depend until we restore their opportunities to better themselves economically. An increase in the debt limit to $985 billion is an amount sufficient, subject to the timing and nature of the economic program, to finance the Government's obligations through fiscal 1981. This approach will provide time for Congress and the new administration to work together to implement the economic program and to develop an appropriate debt limit for fiscal 1982.

Failure to raise the debt limit when necessary increases the risk of a default by the U.S. Government. At a minimum, failure to enact the debt limit legislation could lead to postponement of Treasury auctions, market disruptions, higher costs to the Government, and a suspension of the sales of savings bonds. Taken to the extreme, the possibility exists that social security and other Government checks could not be issued if Treasury cash balances were exhausted and there was no authority to issue new debt.

The new administration deserves a chance to implement its economic program without this uncertainty and disruption. The Congress needs to give this administration an opportunity to show that it can run this Government and bring its finances under control. I hope this Congress will give President Reagan that opportunity by voting to increase the temporary debt limit and thereby give him the time he needs to implement his economic program, and I thank our colleagues on the majority side of the aisle for their bipartisan support and comments.

□ 1330

The CHAIRMAN. The Chair will state that the gentleman from Illinois (Mr. ROSTENKOWSKI) has 7 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, an "aye" vote on this resolution is clearly the responsible vote. It is not very productive to question why we are at this pass. We are here.

The choice that confronts us is not a question of whether we approve of big deficits; rather, it is a question of whether we want the Government of the United States to be able to pay its bills. Through the actions of the Congress and the administration, we have reached the point at which the debt ceiling needs to be extended, and the President of the United States has asked us to act today to extend that debt ceiling in order that he can put into effect the programs that he is charged by the Constitution of the United States with putting into effect.

Some of the Members on my side of the aisle have raised questions. "Why," one of them asked, "must I vote for this today when my opponent in the last election excoriated me publicly and tried to portray my votes for the debt ceiling erroneously as big spending votes?"

Well, the only answer to that is: "Because it is the responsible thing to do."

Another Member asked, "Well, since the Members on the Republican side did not give a majority vote to support the extension of the debt ceiling on any of those occasions when our President, President Carter, was in office, why should we bail out their President?"

Well, I think the answer to that is quite simple, too: Because he is not just their President, he is our President, he is the President of all of us, and this is our first and best opportunity to demonstrate that we have the capacity to be responsible, to join ranks, and to give to the new President every opportunity and every chance that the American people desire for him to have.

International adventurers the world over need to understand clearly that when the President of the United States speaks for this Nation in the councils of the world, he speaks for all of us, for a nation united in purpose and capable of a sustained commitment. Our friends and allies throughout the world need to understand that our commitments are reliable and impervious to the corrosive acids of internal political division.

So I ask my colleagues on my side of the aisle to give today a convincing demonstration of what our party and what our country are all about—not confrontation but cooperation and standing together at this time, when the reins of Government have changed hands, in a united determination that we are going to make it work come what may.

Mr. Chairman, to do that, I ask that all of us who can do so cast an "aye" vote and make that demonstration clear to America and clear to the world.

● Mr. HAGEDORN. Mr. Chairman, I rise in support of H.R. 1553, to raise the national debt limit. While I have been a strong and ardent opponent to these measures in the past—and an opponent of programs which require us to raise the debt ceiling—the Reagan administration deserves the support of all Republican Members.

The arguments that I and my Republican colleagues have used in the past to oppose increases in the debt limit are still valid today. But we should remember that it is not the Reagan administration policies that require us to raise the limit. The fact of the matter is that we have no choice but to increase the national debt limit if we plan to honor the commitments already made by the Government. And I think the Reagan administration deserves our support so that it can have a chance to enact its economic program in an atmosphere that focuses on our economic future instead of problems of the past.

I do deserve the right, however, to withhold my future support for such measures if the administration fails to live up to its promises of cutting Federal spending and reducing taxes. In short, if, after a period of time, the Reagan economic policies result in increases in the national debt limit, I and other Republicans will be back here voicing our strong opposition.●

● Mr. LELAND. Mr. Chairman, due to official business in my congressional district, that I was committed for prior to the issuance of the temporary debt limit increase, I regret that I am unable to be present today for House floor activities.

However, I have paired my vote with that of House majority leader, THOMAS S. FOLEY, and am in support of passage of this bill.●

● Mr. SAWYER. Mr. Chairman, the U.S. economy is in urgent need of revitalization. Every American is suffering today because of double-digit inflation, double-digit interest rates, and rising unemployment. The people in my home State of Michigan have been particularly hit hard by this economic squeeze.

We need drastic and immediate action to set the American economy right again. I am confident the new Reagan administration is willing and able to lead this Nation toward economic recovery through major reductions in Federal spending and tax rate reduction.

The legislation we are considering today to increase the Federal debt limit is an uncomfortable one for me. During my 4 years in Congress I have consistently voted against the deficit budgets proposed by the previous administration, and I have never voted to raise the debt limit.

Nevertheless, I am prepared to vote for this resolution with the assurance that this is a one-time increase made necessary by an inherited swollen Federal budget in fiscal 1981 which is now estimated to be $55 billion in deficit, a shocking amount when less than 1 year ago the Democratic majority in Congress planned to balance the budget in 1981. Clearly, we now have no choice but to approve this increase which would otherwise cause the Federal Government to default on its financial obligations, including such items as the issuance of social security checks, payroll checks, and interest on its bonds.

The outlook for 1982 is not rosy. The budget deficit in the fiscal year 1982 Carter budget is estimated to be about $27 billion. The Carter budget also proposed $24 billion in tax increases for fiscal year 1982 and significantly underestimated outlays in several areas. Thus, without major alteration, the budget deficit for 1982 is little better than for the current fiscal year.

I am confident that the action which we take today will demonstrate to our new President that the Congress is willing to work with him toward solving our Nation's economic problems. At the same time, I want to emphasize this does not represent any departure from my strong support for a balanced Federal budget and opposition to deficit Federal spending.●

● Mr. SHELBY. Mr. Chairman, today we are being asked as an item of old business to vote to increase the public debt ceiling by $50 billion. This would raise the limit to $985 billion. As I consistently did in the 96th Congress, I intend to vote against this proposed increase and request my colleagues to do likewise. I am certain that in the not too distant future, we will be asked to raise the limit placed on conditions

of the economy and Government commitments we have inherited.

All too often my constituents tell me that the Federal Government is going to have to learn to live within its budget just as everyone else. This is just one reminder that the public is becoming increasingly convinced that Government fiscal policies—particularly massive and chronic deficits—are the root of our general economic instability, and specifically the cause of inflation. Citizens are turning deaf ears to excuses which continue shifting the blame away from the Government itself, and the public frustration over inept Government fiscal policies is mirrored in grassroots movements for legislation and even constitutional amendments to mandate Federal spending limitations, Federal taxing power limitations, and a balanced Federal budget.

This situation has arisen because the administration and Congress for the last half century have defined budget control in terms of neo-Keynesian fiscal policy. This policy justifies deficits in bad times to counter recessions, deficits in periods of recovery in order to maintain the recovery, and deficits in good times in order to fight off the recession that is predicted to be around the corner.

In short, the vast majority of the citizens of the Nation finds themselves compelled to resort to extraordinary measures in an increasingly desperate attempt to regain control of their economic and social well-being. All of these efforts are directed at the same problem—irresponsible Government fiscal policy which has produced ravaging inflation and reduced real personal income since 1973; not to mention the infringement on personal liberties.

The Federal budget is out of control. Year after year, Congress blithely appropriates tax dollars for Federal programs regardless of their importance or effectiveness. As a result, the Federal debt has grown to the mammoth proportions that we are presented with today. The consequences of rejecting a debt limit increase pale in comparison to the consequences of constantly allowing wasteful Federal spending. It is time we responded to the demands of our constituents. A vote to increase the debt ceiling is a ratification of fiscally irresponsible behavior.●

●Mr. WILLIAM J. COYNE. Mr. Chairman, I support H.R. 1553, the temporary public debt limit increase. The present debt ceiling limit is $935.1 billion, $400 billion of which consists of a permanent ceiling. The balance, $535.1 billion, is a temporary debt ceiling.

The new administration has requested a $50 billion increase in the debt ceiling limitation. The debt ceiling would remain permanent; the balance of $585 billion would be the new temporary debt ceiling.

This temporary ceiling would be effective through September 30, 1981.

Mr. Chairman, the Congress has over the years committed this country to certain policies, the implementation of which require the expenditure of Federal funds. In order to meet those obligations, now that the bills are due, we can either choose not to pay those bills or to pay the bills. The latter course of action, also known as fiscal responsibility, requires that we raise in the debt ceiling limitation.

We must honor the commitments made by previous Congresses and, in order to accomplish that, we must raise the debt ceiling. I urge my colleagues to support this legislation and to avoid the flights of rhetoric to which some on the other side of the aisle, might have been given during the days preceding the November election.

The adoption of the legislation before us today will permit the Federal Government to meet its responsibilities to social security beneficiaries, to the unemployed, and to the many other individuals to whom we have made promises. If we fail to adopt this resolution the Federal Government will not be able to meet its obligations after February 18, 1981, when it is estimated that the Government expenditures will exceed the debt ceiling limitation.

Mr. Chairman, I urge adoption of H.R. 1553.●

Mr. ROSTENKOWSKI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time having expired, pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule. No amendments are in order except amendments recommended by the Committee on Ways and Means, which shall not be subject to amendment.

The text of the bill is as follows:

H.R. 1553

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, during the period beginning on the date of the enactment of this Act and ending on September 30, 1981, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $585,000,000,000 (and any other provision of law providing for a temporary increase in such limit shall not apply).

The CHAIRMAN. Are there any amendments from the Committee on Ways and Means?

Mr. ROSTENKOWSKI. There are no amendments, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DANIELSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1553) to provide for a temporary increase in the public debt limit, pursuant to House Resolution 54, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROUSSELOT. I certainly am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ROUSSELOT moves to recommit the bill, H.R. 1553, to the Committee on Ways and Means.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DOWNEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 104, present 1, not voting 22, as follows:

[Roll No. 10]

YEAS—305

Addabbo	Bethune	Burgener
Albosta	Biaggi	Burton, Phillip
Alexander	Bingham	Butler
Annunzio	Blanchard	Campbell
Anthony	Bliley	Cheney
Archer	Boggs	Chisholm
Aspin	Boland	Clausen
Badham	Bolling	Clinger
Bafalis	Bonior	Coats
Bailey (MO)	Bonker	Coelho
Bailey (PA)	Bowen	Coleman
Barnes	Brinkley	Collins (IL)
Beard	Brodhead	Conable
Bedell	Broomfield	Conte
Beilenson	Brown (CA)	Conyers
Benedict	Brown (CO)	Corcoran
Benjamin	Brown (OH)	Coughlin
Bereuter	Broyhill	Courter

Coyne, James	Hyde	Rhodes
Coyne, William	Ireland	Richmond
Crockett	Jeffords	Rinaldo
Daniel, Dan	Jenkins	Ritter
Daniel, R. W.	Jones (NC)	Roberts (KS)
Danielson	Jones (OK)	Robinson
Daub	Kemp	Rodino
Davis	Kildee	Roe
Deckard	Kindness	Roemer
Derwinski	Kogovsek	Rogers
Dickinson	Kramer	Rostenkowski
Dicks	LaFalce	Roukema
Dingell	Lagomarsino	Rudd
Dixon	Latta	Russo
Donnelly	Leach	Sabo
Dorgan	LeBoutillier	Savage
Dornan	Lee	Sawyer
Dougherty	Lehman	Scheuer
Downey	Lent	Schneider
Duncan	Lewis	Schulze
Dwyer	Livingston	Schumer
Dymally	Loeffler	Seiberling
Edwards (AL)	Long (LA)	Shamansky
Edwards (CA)	Long (MD)	Shannon
Edwards (OK)	Lott	Sharp
Emerson	Lowery	Shaw
Emery	Lowry	Shumway
Erdahl	Luken	Shuster
Erlenborn	Lungren	Simon
Ertel	Madigan	Skeen
Evans (DE)	Markey	Skelton
Fary	Marks	Smith (AL)
Fascell	Marlenee	Smith (IA)
Fenwick	Marriott	Smith (NE)
Fiedler	Martin (IL)	Smith (NJ)
Findley	Martin (NC)	Snowe
Fish	Martin (NY)	Snyder
Florio	Matsui	Solarz
Foglietta	Mavroules	St Germain
Foley	Mazzoli	Stangeland
Ford (MI)	McClory	Stanton
Ford (TN)	McCloskey	Stark
Forsythe	McDade	Stenholm
Fowler	McEwen	Stokes
Frank	McHugh	Stratton
Frenzel	McKinney	Studds
Frost	Mica	Swift
Garcia	Michel	Synar
Gejdenson	Mineta	Tauke
Gephardt	Minish	Taylor
Gibbons	Mitchell (MD)	Thomas
Gilman	Mitchell (NY)	Traxler
Gingrich	Moakley	Trible
Ginn	Moffett	Udall
Glickman	Mollohan	Vander Jagt
Gonzalez	Montgomery	Vento
Goodling	Morrison	Walgren
Gore	Murtha	Walker
Gradison	Napier	Wampler
Gramm	Natcher	Washington
Gray	Nelligan	Waxman
Green	Nelson	Weber (MN)
Grisham	Nowak	Weber (OH)
Guarini	O'Brien	Weiss
Guyer	Oakar	White
Hagedorn	Oberstar	Whitehurst
Hamilton	Panetta	Whitley
Hammerschmidt	Parris	Whittaker
Hance	Patterson	Whitten
Hartnett	Pease	Williams (MT)
Hatcher	Pepper	Williams (OH)
Hawkins	Perkins	Wilson
Heckler	Petri	Winn
Hefner	Peyser	Wirth
Hightower	Pickle	Wolf
Hiler	Porter	Wolpe
Hillis	Price	Wortley
Holland	Pritchard	Wright
Hollenbeck	Pursell	Wylie
Holt	Quillen	Yates
Hopkins	Railsback	Young (AK)
Horton	Ratchford	Young (FL)
Hunter	Regula	Zablocki
Hutto	Reuss	

NAYS—104

Akaka	Boner	Clay
Anderson	Bouquard	Collins (TX)
Applegate	Breaux	Craig
Ashbrook	Brooks	Crane, Daniel
Atkinson	Byron	Crane, Philip
AuCoin	Carman	D'Amours
Barnard	Carney	Dannemeyer
Bennett	Chappell	Daschle
Bevill	Chappie	de la Garza
Dellums	Hertel	Myers
DeNardis	Hubbard	Neal
Derrick	Huckaby	Nichols
Dreier	Hughes	Obey
Dunn	Jacobs	Ottinger
Dyson	Jeffries	Pashayan
Early	Johnston	Patman
Eckart	Jones (TN)	Paul
Edgar	Kastenmeier	Roberts (SD)
English	Kazen	Roth
Evans (GA)	Lantos	Rousselot
Evans (IA)	Leath	Santini
Evans (IN)	Levitas	Schroeder
Ferraro	Lujan	Sensenbrenner
Fields	Mattox	Shelby
Flippo	McCurdy	Smith (OR)
Fountain	McDonald	Spence
Gaydos	McGrath	Staton
Gunderson	Mikulski	Stump
Hall, Ralph	Miller (CA)	Tauzin
Hall, Sam	Miller (OH)	Watkins
Hansen (ID)	Molinari	Weaver
Hansen (UT)	Moore	Wyden
Harkin	Moorhead	Yatron
Heftel	Mottl	Young (MO)
Hendon	Murphy	

ANSWERED "PRESENT"—1

Solomon

NOT VOTING—22

Andrews	Hall (OH)	Rangel
Burton, John	Hinson	Rose
Cotter	Howard	Rosenthal
Fazio	Lederer	Roybal
Fithian	Leland	Volkmer
Fuqua	Lundine	Zeferetti
Goldwater	McCollum	
Gregg	Rahall	

□ 1350

The Clerk announced the following pairs:

On this vote:

Mr. Rahall for, with Mr. Zeferetti against.

Mr. Howard for, with Mr. Volkmer against.

Mr. Rangel for, with Mr. Fithian against.

Mr. Gregg for, with Mr. Solomon against.

Until further notice:

Mr. Leland with Mr. McCollum.

Mr. Rosenthal with Mr. Goldwater.

Mr. Fuqua with Mr. Cotter.

Mr. Fazio with Mr. John L. Burton.

Mr. Lundine with Mr. Rose.

Mr. Roybal with Mr. Hall of Ohio.

Mr. Lederer with Mr. Andrews.

Mr. WEISS changed his vote from "nay" to "yea."

Mr. SOLOMON. Mr. Speaker, on this vote I have a live pair with the gentleman from New Hampshire (Mr. GREGG). Had he been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RAHALL. Mr. Speaker, on the last rollcall, rollcall No. 10, I was unavoidably detained over in the Senate side of the Capitol. Had I been present and voting, I would have voted in the affirmative.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1553, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DELAWARE HONORS FORMER HOSTAGE SGT. GREGORY PERSINGER

(Mr. EVANS of Delaware asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. EVANS of Delaware. Mr. Speaker, this Sunday, February 8, the citizens of Delaware will be honoring Marine Sgt. Gregory Persinger, one of the 52 Americans recently freed from nearly 15 months of imprisonment in Iran.

The city of Seaford will be welcoming home one of its own and the entire State will be paying homage to this brave individual.

I plan to be present for this official welcome home for Greg to share the concern that my colleagues in the Congress had for all of these Americans. I would like to share with my colleagues at this time the official welcoming resolution passed by the Delaware General Assembly and sponsored by the officials elected from Greg's home area, State Representative Tina Fallon, of Seaford, State Senator Lee Littleton, of Laurel, and State Senator Thurman Adams, of Bridgeville. A copy of this resolution honoring Sergeant Persinger follows:

PERSINGER RESOLUTION

DOVER.—The Delaware General Assembly on Jan. 21 unanimously passed House Concurrent Resolution No. 6 as part of the State of Delaware's official welcome home to native son Marine Sgt. Gregory A. Persinger of Seaford after 444 days of captivity as a hostage in Iran.

The prime sponsors for the resolution were State Rep. Tina Fallon (R-Seaford), State Sen. Lee Littleton (R-Laurel) and State Sen. Thurman Adams (D-Bridgeville). All members of the House of Representatives and State Senate co-sponsored the resolution.

The resolution follows in full:

[House of Representatives, 131st General Assembly]

HOUSE CONCURRENT RESOLUTION NO. 6

Whereas, Sergeant Gregory A. Persinger, of Seaford, a member of the Marine Corps of the United States, was one of the 52 hostages taken by Iran on November 4, 1979; and

Whereas, Sergent Persinger, who celebrated his 23rd birthday on Christmas Day, 1980, is the son of Lawrence V. and Jackie Persinger of Seaford; and

Whereas, Sergeant Persinger, enlisted in the Marines soon after his graduation from Seaford High School in 1976; and

Whereas, Sergeant Persinger had completed embassy guard training and had been in Tehran a short time when the Iranian militants seized the hostages; and

Whereas, through the 444 days of confinement Sergeant Persinger demonstrated the courage and dignity that are characteristic of members of the Marine Corps; and

Whereas, Sergeant Persinger, when he has completed the debriefing and comes home to his family will receive a hero's welcome from the people of Seaford with whom we join in this greeting; and

Whereas, in the excitement of the return of Sergeant Persinger we should not lose sight of the fact that every precaution should be taken to prevent another sorry episode of this magnitude so that the members of our consular service and our armed forces may pursue their peacetime activities without fear of molestation; and

Whereas, the example set by Sergeant Persinger provides an inspiration for all of us; and

Whereas, as we welcome Sergeant Persinger upon his return let us remember that our prayers have been answered for him and the other hostages: Now, therefore, be it

Resolved that the House of Representatives of the 131st General Assembly of Delaware, the Senate concurring, welcomes home Sergeant Gregory A. Persinger, of Seaford, one of the 52 hostages held for 444 days by Iran.

Be it further resolved that we commend Sergeant Persinger for his courage and dignity under harsh and unusual circumstances.

Be it further resolved that we join with Lawrence V. and Jackie Persinger, his parents, in expressing our thanks that our prayers for his safe return have been answered.

Be it further resolved that a copy of this resolution, suitably prepared, be delivered to Sergeant Persinger.

APPOINTMENT AS MEMBERS EX-OFFICIO OF BOARD OF TRUSTEES OF JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The SPEAKER. Pursuant to the provisions of section 2(a), Public Law 85-874, as amended, the Chair appoints as members ex-officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House:

Mr. YATES of Illinois; Mr. WILSON of Texas; and Mr. MCDADE of Pennsylvania.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to clauses 6 (e) and (g) of rule X, the Chair appoints as members of the Select Committee on Aging the following Members of the House:

Mr. PEPPER of Florida, chairman; Mr. ROYBAL of California; Mr. BIAGGI of New York; Mr. ANDREWS of North Carolina; Mr. JOHN L. BURTON of California; Mr. BONKER of Washington; Mr. DOWNEY of New York; Mr. FLORIO of New Jersey; Mr. FORD of Tennessee; Mr. HUGHES of New Jersey; Mrs. BOUQUARD of Tennessee; Mr. SANTINI of Nevada; Mr. EVANS of Indiana; Mr. LUNDINE of New York; Ms. OAKAR of Ohio; Mr. LUKEN of Ohio; Ms. FERRARO of New York; Mrs. BYRON of Maryland; Mr. RATCHFORD of Connecticut; Mr. MICA of Florida; Mr. WAXMAN of California; Mr. SYNAR of Oklahoma; Mr. ATKINSON of Pennsylvania; Mr. DERRICK of South Carolina; Mr. VENTO of Minnesota; Mr. FRANK of Massachusetts; Mr. LANTOS of California; Mr. SHAMANSKY of Ohio; Mr. WYDEN of Oregon; Mr. RINALDO of New Jersey; Mr. WAMPLER of Virginia; Mr. HAMMERSCHMIDT of Arkansas; Mr. MARKS of Pennsylvania; Mr. REGULA of Ohio; Mr. DORNAN of California; Mr. SHUMWAY of California; Mrs. SNOWE of Maine; Mr. LUNGREN of California; Mrs. FENWICK of New Jersey; Mr. JEFFORDS of Vermont; Mr. BEREUTER of Nebraska; Mr. TAUKE of Iowa; Mr. PETRI of Wisconsin; Mr. GREGG of New Hampshire; Mr. COATS of Indiana; Mr. WORTLEY of New York; Mr. DAUB of Nebraska; Mr. CRAIG of Idaho; Mr. ROBERTS of Kansas; Mr. HENDON of North Carolina and Mr. CARMAN of New York.

RESIGNATION AS MEMBER OF COMMITTEE ON BUDGET

The SPEAKER laid before the House the following resignation as a member of the Committee on the Budget:

WASHINGTON, D.C.,
February 5, 1981.

Hon. THOMAS P. O'NEILL,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: In view of additional subcommittee duties on the House Appropriations Committee, I would at this time like to withdraw as a member of the Committee on Budget, a position I hold as a representative of the House Appropriations Committee.

With every good wish,
Sincerely,

ELDON RUDD,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION AS MEMBERS OF COMMITTEE ON BUDGET

Mr. MICHEL. Mr. Speaker, I send to the desk a resolution (H. Res. 60) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 60

Resolved, That Jack F. Kemp, of New York, and James G. Martin, of North Carolina be and hereby are elected as members of the Committee on the Budget.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1400

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Oregon (Mr. AUCOIN).

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM FRIDAY, FEBRUARY 6, 1981, TO TUESDAY, FEBRUARY 17, 1981, AND ADJOURNMENT OF THE SENATE FROM FRIDAY, FEBRUARY 6, 1981, TO MONDAY, FEBRUARY 16, 1981

Mr. WRIGHT. Mr. Speaker, I send to the desk a privileged concurrent resolution (H. Con. Res. 58) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 58

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Friday, February 6, 1981, it stand adjourned until 12 o'clock meridian on Tuesday, February 17, 1981, and that when the Senate adjourns on Friday, February 6, 1981, it stand adjourned until 12 o'clock meridian on Monday, February 16, 1981.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TOMORROW

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 1 p.m. on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, we have had consultation with the Secretary of the Treasury, Mr. Regan. He feels confident that the other body will accept the bill we have just passed without amendment.

Based upon those assurances, I think Members may plan, with some confidence, to enjoy the opportunities provided by the Lincoln's birthday

week to be in their home districts and to have a fruitful period of visitation with their constituents. We do not anticipate that we would be in session in the House after tomorrow until Tuesday, February 17.

So I want to wish everbody a very happy Lincoln's birthday, and I know all Members will want to join with the Speaker and the majority leader in wishing to the President of the United States, Mr. Reagan, a very happy birthday on tomorrow.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Of course I yield.

Mr. WALKER. Can the gentleman give us any idea at this time what might be on the legislative schedule for the Tuesday we come back?

Mr. WRIGHT. I am sorry that I cannot at this time. The President has not sent any messages requesting legislation save for that which requested the bill that we have just passed in the House today.

On Wednesday, February 18, we plan to have a joint session at 9 o'clock in the evening for the purpose of hearing the President of the United States present a state of the Union message. So we will meet on Tuesday without any planned legislation and again on Wednesday, and we will expect to hear the President on Wednesday evening, February 18.

Mr. WALKER. Will the gentleman yield further?

Mr. WRIGHT. I yield to the gentleman.

Mr. WALKER. Do I gather from what the gentleman is saying we can pretty much anticipate a pro forma session on Tuesday when we come back?

Mr. WRIGHT. The gentleman is correct.

The only thing that would change that situation would be in the event, which the Secretary of the Treasury regards as quite unlikely, and which the majority leader in the Senate, Senator BAKER, has described as unlikely, that the other body would amend the legislation which we have just passed. In that event, of course, we would have to meet and make some disposition, either agree to the Senate amendment or appoint conferees and vote upon the conference committee report.

Mr. WALKER. If the gentleman will yield further, does he anticipate doing that on that Tuesday if that was the case, or does he anticipate having some feel for that by tomorrow so that we will be acting on that tomorrow?

Mr. WRIGHT. We will most certainly know tomorrow but, based upon the assurances we have just received from the Secretary of the Treasury, Mr. Regan, I think we must anticipate that the other body will pass the legislation in the same form in which it has been passed in the House, in which event the question is moot. Otherwise, of course, we would have to take action on it and not later than February 17, because that runs perilously close to the time in which funds would run out for the operation of the Government of the United States.

Mr. WALKER. I thank the gentleman for yielding.

THE DEBT CEILING

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I did not intend to say something but once in a while something wells up within one, and something just welled up.

I want to congratulate the House and all of my wonderful colleagues on the vote by which we passed this last bill. It is terribly important. I think it is absolutely a proper statesmanlike vote in the right direction.

I heard all of those speeches about "This is different; we voted against debt limits before but now we should not vote against them." I believe that all of that is in the category of rubbish and balderdash and rutabagas, but nevertheless this was a good vote. It has been said, and this is important, that any jackass can kick down the barn door but it takes a carpenter to build one. I welcome my friends from the other side of the aisle to the ranks of the carpenters.

FATHER DRINAN CALLS THE MADRID CONFERENCE A SUCCESS FOR HUMAN RIGHTS

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the Madrid Conference to review the Helsinki accords reconvenes today to complete its deliberations. Late last November, Father Robert Drinan, our former colleague, joined the congressional delegation which attended the Conference to press for human rights and other issues with the 35 signatory nations to the accords.

It should be noted that Father Drinan has long been an outspoken leader for the cause for human rights both in this country and worldwide. His efforts have earned him the respect and admiration of this body and of all those who condemn the infringement of human rights. Our country was founded on the principle that all persons are guaranteed human freedoms and civil liberties, and Father Drinan has not only fought courageously to preserve these human rights, but also to implement them where they have not previously existed. His leadership and dedication for tolerance, understanding, human dignity, and freedom are respected and admired by all who know him.

Father Drinan, who never missed an opportunity to raise the issue of Soviet violations of the accords, has written an article on his observations during the weeklong stay in Madrid. Appearing in the January 17, 1981 issue of America, the noted Jesuit weekly, the article examines the Madrid Conference from the historical perspective of the Helsinki process and accurately describes many of the important meetings which occurred.

Since the Madrid Conference has reconvened for the second phase, I am sure our colleagues will be interested in reading Father Drinan's article, "The Helsinki Spirit at Madrid." The article follows:

THE HELSINKI SPIRIT AT MADRID

(By Robert F. Drinan)

In the early spring of 1981, the representatives of the 35 nations that signed the Helsinki Final Act on Aug. 1, 1975, now meeting in Madrid, will finish their second conference on compliance. As one of 15 members of the U.S. Congressional delegation who attended the conference during its November meetings, I was encouraged to feel that the momentum picked up by the Commission on Security and Cooperation in Europe (C.S.C.E.) at its meeting in Belgrade in 1977–78 and now in its five-month long session in Madrid, may well be irreversible even if the Soviet Union continues to stall the process and stonewall the West.

When President Ford, Prime Minister Pierre Trudeau of Canada, Leonid Brezhnev of the Soviet Union and the leaders of 32 European states solemnly signed the 40,000 word series of agreements in Helsinki in 1975, they sought different objectives, although all said that they were institutionalizing détente. The Soviets secured their principal and long-sought goal, the validation of the borders of Eastern European nations. The United States, never a prime mover in the years-long negotiations that led to the "Final Act," obtained concessions in the field of military, economic and human rights. The NATO nations along with the nonaligned and neutral nations in Europe, felt that at least they obtained a forum where the West could try to influence the mind of the Kremlin.

This uneasy marriage went through a honeymoon in Belgrade and confronted its first serious disagreements in Madrid. But the union is not about to dissolve even though virtually every nation outside the Warsaw Pact excoriated the Soviet Union for its invasion of Afghanistan. The tensions among the Helsinki nations were noted at length by the 1,200 journalists gathered at the Madrid Conference, which opened on Nov. 11.

The Final Act is not a treaty but a partial code of conduct for détente. Its major sections, or its three "baskets" deal with measures to enhance military security, facilitate trade and economic cooperation, expedite immigration and ease the flow of information between the East and the West. Its explosive potential was apparently not foreseen even by the dozens of diplomats who, after countless compromises, fashioned the language of the Final Act. They did not anticipate the expectations that the Helsinki

Accords would arouse, nor the dramatic activity that they would inspire in Czechoslovakia, Russia and elsewhere. Early in 1977, for example, a large group in Czechoslovakia directed a lawyer-like petition to the Prague regime, demanding that it abide by the international covenants on human rights, which it had in effect ratified in the Final Act. At the Madrid meeting of the C.S.C.E., the imprisonment of the leaders of this Charter '77 movement was noted with anger and outrage.

In May 1976, the most significant response to Helsinki occurred in the Soviet Union when Prof. Yuri Orlov and 10 other activists announced the establishment of the first Citizens' Helsinki Watch. The Moscow chapter triggered similar units in the Ukraine, Lithuania, Georgia and Armenia with the Final Act becoming their common bond. Again in Madrid, the delegates from the West lamented with bitterness the imprisonment in the Soviet Union of all of the 39 monitors of Helsinki Watch. An attractive brochure with photos and biographical details of these dissidents was available in Madrid from the United States Helsinki Watch, a group funded by the Ford Foundation.

The potential in the Helsinki Accords prompted the U.S. Congress in June 1976 to establish a new body, the Commission on Security and Cooperation in Europe, now known as the Helsinki Commission. In an extraordinary burst of energy and enthusiasm, this bicameral and bipartisan group, co-chaired by Senator Claiborne Pell (D., R.I.) and Congressman Dante Fascell (D., Fla.) led an aggressive campaign at Belgrade and since to remind the Kremlin of its massive noncompliance with the promises it made five years ago. In the new Congress, Senator Robert Dole (R., Kan.) will replace Pell; predictions are the the Helsinki Commission will continue its activist role of uniting the Western allies in their role of reminding Eastern Europe that it will be bombarded by worldwide criticism if it continues to disregard its commitment in the field of human rights.

A recurring central question at Madrid related to Moscow's intentions. Shattered by the presence of 85,000 Soviet troops in Afghanistan, the delegates from the West were relentless in their diplomatically stated protests to the unyielding spokesmen for the Kremlin. In an extraordinary three-hour session of 14 high-level Soviet officials, the U.S. Congressional delegation found the Russians to be maddeningly unresponsive. The spokesman was Leonid F. Ilyichev, Soviet Deputy Foreign Minister and head of the Russian delegation in Madrid, a member of the Central Committee of the Communist Party and a tough negotiator going back to the days of Stalin. Mr. Ilyichev sought to outmaneuver us by talking at length and by seeking to shift the blame for the Soviet Union's bad press on human rights to alleged distortions of journalists and to claim calumnies by the West over Afghanistan. It was not clear whether Mr. Ilyichev's surprise over the reaction of the West and the world to the invasion of Afghanistan was feigned or real. Did he and his colleagues fail to foresee that over 100 nations in the United Nation's General Assembly would condemn the Soviet Union's brutality towards Afghanistan? Or are they now trying to downplay the reaction by waiting for the world to get accustomed to a Soviet-occupied Afghanistan?

With bombastic dogmatism, Mr. Ilyichev, sought to put all the blame for the deterioration of détente on the United States. He lashed out at America's boycotting of the Olympics, its grain embargo and its curtailment of scientific exchanges as being in themselves violations of the Final Act. He complained about U.S. military movements in the Persian Gulf. His oft-repeated refrain was the contention that most of the issues being brought up in Madrid were internal matters solely within the jurisdiction of the Politburo. He had no response when he was reminded that the very purpose of the Helsinki process was to create a method by which nations could review together each other's compliance with the dozens of commitments which they made at Helsinki. His emotional outbursts may have been traceable in part to the fact that earlier at the Madrid proceedings, he lost his battle to sabotage the conference by changing the agenda.

When required to speak directly to what the Soviet Union had done to implement the Final Act, Mr. Ilyichev's case seemed to come down to his assertion that millions of copies of the Helsinki document had been distributed all over the Soviet Union and that some of the Helsinki commitments were included in the revision of the Soviet Constitution. He did score, however, when he reminded the Americans that in the many years of dialogue and discussion leading up to ratification of the Final Act, the Soviets did not refuse to plan and work for détente with the Americans even though they disapproved vehemently of America's actions in the Vietnam War.

Mr. Ilyichev was characteristically unresponsive to my inquiry about Soviet Jews. I praised his government for permitting some 240,000 Soviet Jews to emigrate over the past decade. I expressed my gratification that in 1979 some 51,000 Soviet Jews were able to leave the Soviet Union. But I expressed sorrow that fewer than 20,000 were able to migrate in 1980. He did not directly tie in his previous tirade against the "brain drain" to the Jewish situation, but it seems to apply. He made no commitment or even comment on the number of Soviet Jews who may be able to migrate in the months and years ahead. He only quarreled that the third basket of the Final Act does not specifically mandate free emigration (actually, it does so by clear reference to the United Nations Declaration of Human Rights). He went on to complain that too many of the Soviet Jews who leave do not go to Israel, but rather to Europe or to the United States, and he contended that alleged forgeries are contained in the invitations to prospective immigrants that arrive from Israel. He had no comment to my statement that some 100,000 applicants for immigration, encouraged to apply by the unprecedented number of persons permitted to leave in 1979, are now refuseniks (those who have applied for visas but are forced to remain) with all of the humiliations that go with that status. A similar silence greeted my reference to the imprisonment of Anatoly Shcharansky and the exile of Dr. Sakharov to Gorki.

One had to be impressed at the vehemence with which Mr. Ilyichev denounced the condemnations of the invasion of Afghanistan by 27 of the 35 Helsinki nations. He was not suggesting that the Soviet Union would withdraw from the C.S.C.E. if this forum continued to be, as Madrid was, a place to condemn and denounce the invasion of Afghanistan. But not a few delegates from the West tempered their outrage over Afghanistan by the realization that the Kremlin is probably looking for a way to ease out of the 40-month old process started at Belgrade. And that way, all at Madrid agree, should not be made available.

The Soviets want the most-favored-nation status granted by the Congress to Rumania and Hungary. They yearn for more trade with the United States although they have little to sell. Should the United States continue to be hard-line and deny these and other privileges until the Soviets leave Afghanistan? Or is détente so desirable that the United States should conclude that the Soviet Union has been punished enough and that normal commercial and cultural ties should be resumed? No one at Madrid seemed to be suggesting such a reversal at this time, but many wondered aloud whether indignation over Afghanistan should be continued even if it means the decaying of détente.

Everyone at Madrid, including the Soviets, praised the "process" of C.S.C.E. by which the 35 signatories of the Final Act reviewed chapter by chapter the implications of the three baskets. It is a tedious process. Someone remarked that the 35 nations constitute an orchestra that has not as yet found a conductor.

The diplomats at Madrid candidly confess to any violations of human rights in which their nations may be involved. But quickly and almost inevitably, the review of topics such as freedom of the press, the right to travel without restrictions, or the reunification of families, brings attention to violations in the Warsaw Pact nations. The Helsinki process has developed into a way to air the nonmilitary tensions between the East and the West. And for the neutral and nonaligned nations in Europe, this process has a unique and valued meaning. For 35 years, Finland, Sweden, Austria, Switzerland, Yugoslavia, Malta, Liechtenstein, Cyprus and San Marino have felt like voiceless orphans, silenced by the thunder and the tensions between the NATO and Warsaw Pact countries. The Helsinki process brought them a voice. A group of them told us their hopes for the Helsinki process.

Switzerland stated that for the first time, it has a forum where, because of the rule of consensus adopted at Helsinki and practiced at Belgrade, it has full equality. It now has a place where it can discuss problems related to divided families and refugees and can enter into multilateral agreements on topics such as tourism.

Sweden noted the very important role which the neutral and nonaligned nations have played in negotiating disputes between the West and the East in the Helsinki process. These nations are not a third bloc, do not desire affiliation with or privileges from either side and now have for the first time a right to be heard and, because of the rule of consensus, a right to prevent an East-West agreement inimical to the interests of the nonaligned countries.

Cyprus, Finland, Malta and Austria all stressed the promise and the potential of the Helsinki process and almost begged the U.S. Congressional delegation never to weaken the future of the Belgrade-Madrid developments, however ponderous, time-consuming and frustrating they might appear.

The consensus in the bars and coffee shops at Madrid was that the Helsinki process has now such a life of its own and that it will not perish. Diplomats and their aides have, however, resisted the creation of a permanent secretariat. They do not want a bureaucratic institutionalization of the

process and besides, they could never get consensus on where the secretariat should be located. Nonetheless, the future of the process will depend on the enthusiasm of the leading powers and the efficiency of those who administer the process during the remaining weeks at Madrid. Former Attorney General Griffin Bell has been the chairman of the U.S. delegation at Madrid with Max Kampelman, an able Washington attorney, as co-chairman. Jerome J. Shestack, the U.S. representative to the United Nations Commission on Human Rights, has been the senior adviser at Madrid. As appointees of the Carter Administration, these individuals will presumably be replaced before or after the Madrid Conference ends its work.

But even if some of the key Helsinki nations lose confidence in the process and conclude that they are engaged in a dialogue of the dead, the nongovernmental agencies (N.G.O.'s) gathered in Madrid with impressive strength. The National Conference on Soviet Jewry, the Union of Councils for Soviet Jews, the Interreligious Conference on Soviet Jewry and the International Fellowship of Reconciliation used the Madrid Conference as a forum. They will be urging that the C.S.C.E. meet again in 1982 and/or 1983 in Bucharest, Brussels or elsewhere.

The 1970's witnessed a surge of activism, propaganda and political pressure on behalf of human rights. One can hope that the fulfillment of internationally-guaranteed human rights will not fade from its present prominence. It is a moral vision that has rallied the activists of Latin America, the dissidents of the Soviet Union and parliamentarians of Europe. If its appeal endures in the 1980's in Europe, it will be due in part to the remarkable process that the Helsinki-Belgrade-Madrid conferences represent. Only the Soviet Union can kill the hope for human rights that has flowered in the Helsinki process. In Madrid, the representatives of the Kremlin not only failed to extinguish that promise, but by their arrogance over Afghanistan and their intransigence on human rights, they united the West in a way never seen before or after Helsinki.

□ 1410

CRISIS CONFRONTS OREGON VETERANS

The SPEAKER. Under a previous order of the House, the gentleman from Oregon (Mr. AuCoin) is recognized for 15 minutes.

● Mr. AuCOIN. Mr. Speaker, over the past few weeks, several thousand of our armed service veterans in the State of Oregon have been caught in a very serious financial crisis with no warning. I rise today to commend their plight, and legislation the Oregon delegation is introducing today to relieve it, to the urgent attention of my colleagues.

Let me sketch for you what has happened. In the closing days of the 96th Congress, the House and Senate approved the Omnibus Reconciliation Act of 1980. Among other provisions, the reconciliation bill reported by the conference committee included a measure to seal a revenue leak by prohibiting cities from issuing tax-exempt, general obligation bonds for the purpose of financing mortgage loans for single-family dwellings.

An increasing number of municipalities were taking advantage of this new use of general obligation bonds, in many instances issuing low-interest mortgage loans without regard to financial need. To the conference committee, this was more than an innovative departure from the traditional municipal practice of using general obligation bonds to finance public works projects; it was recognized as being a potentially massive drain on the Treasury of billions of dollars of revenue, thus assuring an even higher Federal budget deficit.

Unfortunately, the language of this provision also impacts State veterans mortgage programs in Oregon, California, and Minnesota. The Oregon program, which has been in operation since 1945, will be severely curtailed as a result.

Mr. Speaker, to the veterans in Oregon who have been saving their money and looking forward to the day when they will be able to apply for a State veterans loan, this is a severe disappointment. But that is not the crisis.

The crisis is that approximately 5,000 eligible Oregon veterans who applied for loans or who received loan commitments prior to January 1 of this year, the cutoff date under this act, are in trouble.

Notice of the cutoff, as it pertains to State veterans loan programs, was not forthcoming in time for the Oregon Department of Veterans' Affairs to take appropriate action. Between August and December of last year, the State veterans' department incurred loan obligations in excess of $500 million. The loans were to be financed by bond sales in January and April of this year. A substantial portion of those bond sales, representing approximately $207 million in State loan obligations, are prohibited under the Omnibus Reconciliation Act.

Meanwhile, based on past operation of the veterans home loan program in Oregon and secured by letters of commitment, many Oregon veterans have proceeded in good faith to enter into sales contracts and to obtain interim financing from commercial lenders in the expectation of receiving long-term, low-interest loans from the State veterans' department.

Anyone who has ever applied for a home or a farm loan knows that an increase as small as 1 point in the interest rate can make the difference in a family's ability to afford a monthly mortgage payment. For many Oregon veterans, the interest difference between the interim loans they have obtained and the long-term mortgage loans they expected is several points.

For these veterans and their families, the options have come down to these: default and bankruptcy, or litigation.

Either option is disastrous. On the one hand, veterans who have obligated themselves to loans they cannot repay face financial ruin. On the other, the State of Oregon has obligated itself to lend $207 million it does not have and is forbidden to raise. A class-action lawsuit to obtain these loans could be fatal to Oregon's veteran loan program and could jeopardize the stability of other public programs in Oregon as well. The $207 million liability Oregon has incurred is equal to 14 percent of Oregon's State budget for 1981.

Mr. Speaker, the provision of the Budget Reconciliation Act which prohibits use of general obligation bonds for mortgage financing originated early in the 96th Congress, in the House Ways and Means Committee, as the Mortgage Subsidy Bond Tax Act.

It was not the intent of Congress to abolish State loan programs for veterans, but rather to stop a leak in revenue at the municipal level. A version of this act was eventually attached as a provision of the Omnibus Reconciliation Act by the conference committee. In the final push to enact the reconciliation measure, the particular transition problems it posed for the Oregon veterans' loan program were overlooked.

Accordingly, the Oregon congressional delegation is introducing today an amendment to the Mortgage Subsidy Bond Tax Act of 1980 to enable the State of Oregon to proceed with the sale of general obligation bonds to cover the loan liabilities it has incurred on behalf of Oregon veterans. In view of the human dimension of this crisis, its urgency, and the absence of satisfactory alternatives, I call upon my colleagues to support the prompt enactment of this amendment.

The bill follows:

H.R. 1685

A bill to amend the Mortgage Subsidy Bond Tax Act of 1980 to exempt from the coverage of such Act certain general obligation veterans' mortgage bond issues of the State of Oregon

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) the table set forth in section 1104(n)(1) of the Mortgage Subsidy Bond Tax Act of 1980 is amended by adding at the end of the table the following item:

"State of Oregon.....	500,000,000	January 7, 1981 and April, 1981 general obligation bond issues of the State of Oregon for financing for qualifying veterans under the direction of the Oregon Department of Veterans Affairs."

(b) The heading for the table set forth in section 1104(n)(1) of such Act is amended by striking out "City or county" and inserting in lieu thereof "State, city, or county".

SEC. 2. The amendment made by this Act shall take effect as if included in the amendments made by the Mortgage Subsidy Bond Tax Act of 1980.●

● Mr. SMITH of Oregon. Mr. Speaker, the Members of the Oregon delegation to the House of Representatives have today introduced legislation which is intended to provide emergency relief for thousands of Oregon veterans who have been victimized by the enactment of the Mortgage Subsidy Bond Tax Act of 1980.

As you may know, the State of Oregon provides a veterans home and farm loan program to qualified State veterans. Revenue for this program is raised by the sale of tax-exempt mortgage revenue bonds. Prior to January 1 of this year, the Oregon State Department of Veterans' Affairs issued loan commitments to thousands of veterans, in anticipation of bond sales scheduled for January and April of 1981.

During the final days of the 96th Congress, the Mortgage Subsidy Bond Tax Act of 1980 was enacted. Although veterans home loan programs were initially exempted from the jurisdiction of this act, amendments were added during consideration by the Senate/House conference committee which extended coverage to certain veterans home loan programs as well.

Those Oregon veterans who, on the basis of a firm loan commitment from the State department of veterans' affairs, sold their homes, invested their life savings, and entered into land sales contracts, are now in the position of suffering irreparable financial harm. These veterans have become unwitting victims of a Federal law which has toppled a longstanding State program.

It becomes the responsibility of the Congress, then, to see that veterans who negotiated loan applications and commitments prior to the enactment date of the new law, January 1, are provided emergency relief from the devastating effects of the Mortgage Subsidy Bond Tax Act. Our bill asks that the January and April Oregon bond sales be exempted from the new law, so that applications received prior to the enactment date can be honored by the State department of veterans' affairs.

I urge that the House of Representatives act on this bill as expeditiously as possible.●

● Mr. WEAVER. Mr. Speaker, I am pleased to join the other three Members of Oregon's House delegation in introducing legislation intended to remedy a severe problem affecting Oregon's veterans and their families.

These problems have arisen as a result of the implementation of the Mortgage Subsidy Bond Tax Act, a well-intended revenue reform measure which has had unfortunate and, I believe, unintended consequences for the farm and home loan program of the Oregon Department of Veterans' Affairs.

As a consequence of the restrictions contained in this act, many Oregon veterans who had been promised help in purchasing or refinancing homes and farms are now uncertain as to whether and when they will get that help. These are people who have received letters of commitment based on the proceeds of the first two 1981 bond sales, and who have every right to rely on these commitments. Yet they are now threatened with the loss of these promised funds, a loss which will result in the loss of homes and farms which many of these people have worked years to purchase.

In addition, there remain long-term doubts regarding the future prospects for farm loans, refinancing loans, and loans to surviving spouses of these veterans, all of which have been traditional, integral, and valuable parts of the Oregon vets program.

The legislation we are introducing today is designed to hold harmless the citizens who had applied for loans, and received loan commitments, prior to the date of enactment of the Mortgage Subsidy Bond Tax Act. It is not designed to alter that act in any substantial way. It is my hope that by exempting any veterans who applied for loans on the basis of the January and April 1981 bond sales, we can prevent the serious tragedies that now threaten many Oregon families who had made plans and committed their savings to projects for which they were eligible for loans under State law.

I also intend to make serious efforts to remedy the long-term ambiguities which afflict our vets program, and to work on legislation which will clarify the important points at issue without, again, substantially altering the direction of the act as a whole. For the moment, it is my sincere hope that the Congress will take care to insure that its good intentions of last year do not trample on the well-being and carefully laid plans of thousands of Oregonians.●

● Mr. WYDEN. Mr. Speaker, it is with a great sense of urgency that I join my colleagues from Oregon to offer this bill exempting some of our constituents from the provisions of the Mortgage Subsidy Bond Tax Act of 1980.

This correcting legislation addresses an oversight which has put the financial future of a number of Oregon families in jeopardy. These families, who applied for mortgages through Oregon's veterans home loan program, received letters of commitment from the State veterans' administration and proceeded to purchase homes or farms. Many of them sought interim financing, at high interest rates, in anticipation of their mortgages and are now told that their home loans under the veterans' program are indefinitely postponed.

This problem revolves around the January and April bond sales of the Oregon Veterans' Administration. The proceeds from these bond sales are needed to honor the letters of commitment received by the affected Oregon veterans. Unless these bonds are tax exempt there is no way the State veterans' administration can fulfill its letters of commitment. I was not a Member of Congress last year when this legislation was passed, but let us not dwell on that fact.

What we must do is find relief for those families eligible for State veterans' home loans, who applied in good faith, received letters of commitment, but may have their entire life savings wiped out. The Oregon delegation is not asking for anything but this one time technical correction to save several thousand veterans and their families from economic disaster which was caused by their Government. It is our hope that the House will find a way to act on this measure swiftly. A number of Oregonians need the money within several weeks or will be forced to give up their homes. I feel we owe our veterans better treatment than they have received from their Government so far. Mr. Speaker, I pledge my full cooperation, with colleagues from both sides of the aisle to remedy this error as quickly as possible.

Thank you.●

HOUSE CONCURRENT RESOLUTION NO. 25

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ), is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise to remind my colleagues in the House of House Concurrent Resolution No. 25 which I introduced in the very first period of legislative work once the House was organized. It has to do with the overlooked, very little noticed second half of clause 10 of article I, section 8, of the Constitution, the enumerated powers granted to the Congress, and it has to do with defining the crime of international brigandage, outlawry that perpetrated by Iran when it imprisoned the American diplomatic personnel and took possession physically and forcibly of the American Embassy in Tehran.

When we read the history of our country at the time of the writing and the adoption of the Constitution, we can see why the first section of clause 10 was there. It provided for the handling of piracies on the high seas, but mostly the disposition of the cases in which piracies became matters of litigation which, if you will recall the history, had even been tried in the first Continental Congress, and at times

disputations between the Congress and the State governments. There was no such thing as a judicial arrangement such as we take for granted today.

But the second part, just a few words of that clause 10, provides for the definition of the crime and the punishment for acts of violations of international law. It has never been invoked because there has never been anything happen such as happened recently in Iran since before the Crusades, since before the Middle Ages. What we have is a throwback society going back not to the Middle Ages but to the 10th and 9th centuries in the reestablisment of a so-called Islamic Republic.

We in the United States are completely unaware of the significance of this milieu, but we cannot afford to ignore the clear mandate placed upon the Congress to define the crime and provide the punishment therefor.

This may sound moot in view of the fact that the hostages have been released, but we continue to have outrages such as the current imprisonment of an American newspaper person, and also it does not absolve us from the need for punishing Iran for its acts.

The President of the United States, President Carter, I think, did exactly what should have been done. He did it admirably at a time when he received the onset of a political whiplash because it was an election year and he was vulnerable. I think in retrospect we have nothing but gratitude to President Carter for his restraint, for the fact that this was an unprecedented act, and he went through the channels as they properly were used, the United Nations.

Remember, we had two Presidents, President Johnson and President Nixon, who had not gone through world organizations like the United Nations. President Carter did everything. He went through the United Nations. The United Nations backed up the United States. It defined the act of Iran as reprehensible and violative of civilization, civilized societies, and fundamental international law. We went to the International Court of Justice, the world court. Unanimously it held the same way and defined the Iranian outrage as a criminal act.

But we also learned that in these cases there is nobody who is going to do for our country what we must of necessity do ourselves. The reason I waited until the beginning of this Congress to introduce the resolution was that I felt that it was not proper to do it until all of these other channels had been exhausted, and I thought other Members in more powerful positions in the proper committees would have done this. I urge my colleagues to study this resolution and join me.

I have requested of the chairman of the Committee on Foreign Affairs to give me an audience on this resolution. I think we must pass it because if we do not, the present President as well as his immediate predecessor, President Carter, will be vulnerable as to the actions that have been taken thus far in international law to try to uphold America's position in the proper defense of its rights. We have got to define them, as I see it, constitutionally under the mandate that is clearly imposed upon the Congress. The fact that it has never been resorted to is no excuse or release for the Congress not to act.

So I urge my colleagues to please study this and give it serious consideration. This is not a gesture; this is a serious suggestion, very seriously considered and meditated upon. It was very carefully researched, and I hope that we will for the national interest give it serious consideration. I am not one of those who believes that the perfect resolution has been written, and that is why we have the hearing process, the amendatory process, because in that refinement process we can get as near perfection as we can.

But I am convinced that if we do not, we will be vulnerable in two points: First, that we will have a recurrence of this, even in Iran; and second, that in the forum of international law the acts thus far taken may be vulnerable.

THE RIGHTS OF POLICEMEN NEED TO BE PROTECTED, TOO

The SPEAKER pro tempore (Mr. FOGLIETTA). Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on the first day of the new 97th Congress, I introduced H.R. 36, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under the act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights.

This legislation would provide law enforcement officers with certain basic rights that other citizens take for granted. The bill would insure the right of a police officer to engage in political activity during his off-duty time, as well as guaranteeing specific rights to police officers under investigation. Moreover, it would set up a grievance panel to hear the grievances of police officers who claim their rights under this legislation have been violated.

Even though our law enforcement forces are made up of men and women from all races, creeds, and all walks of life, our police are second-class citizens in another sense. They are called upon almost continuously to defend an individual's rights against the criminal elements of society, but they themselves are rarely offered the same defense and protection—the same civil rights—that they offer others through the performance of their duties. Often our police are the objects of intense harassment, abuse, assault, and even death from the very people they seek to protect.

Our policemen uphold the laws and are very often the only visible symbol of authority that the average citizen constantly sees. Perhaps this is why, when a policeman has looked for support from his community, he has frequently been met with a cool attitude from the very people he seeks to protect. People do tend to fear and resent authority—it is part of human nature; that is why our policemen are so often the tragic victims of a frustrated individual's plot to revenge himself upon society.

The passage of this bill of rights would serve to draw deserved attention to the plight, and to the rights of our law enforcement officers, and I urge the support of my colleagues for H.R. 36.

Mr. Speaker, I call the attention of my colleagues to an article on the subject from the December 1980 edition of the publication entitled "The Police Chief," which follows:

POLICE RIGHTS

(By Ordway P. Burden)

As every recruit soon learns, a policeman's lot is not a happy one. He's frequently subject to abuse, both physical and verbal; and he can't count on help from others, except from his fellow officers. So most officers soon develop a stoic attitude—"It's all part of the job."

POLICE ARE FIGHTING BACK

But that attitude appears to be changing as officers who are injured in the line of duty or harassed by defamatory statements or false complaints increasingly are fighting back. As Frank Carrington, former executive director of Americans for Effective Law Enforcement, puts it, "The police are deciding that they don't have to be punching bags anymore."

Throughout the turbulent 1960s and 1970s, there was a steady and disturbing rise in physical assaults on policemen. From 1966 through 1978, the number of felonious assaults on officers soared from 20,523 to 56,130 a year, according to the FBI's Uniform Crime Reports. The number of officers killed annually in the line of duty rose from 53 to 93 over the same period, and last year the death toll jumped to 106.

There has also been an astronomical rise in the number of verbal attacks and malicious complaints against police, including false accusations and defamations. Until recently, the accused police officers turned the other cheek. But no longer. Today many policemen are suing their attackers in civil court.

"Attorneys who specialize in representing police in civil litigation estimate that the number of actions being brought by officers as plaintiffs has at least doubled over the past two years," says Charles E. Friend, author of a primer for police litigants called

Police Rights: Civil Remedies for Law Enforcement Officers (The Michie Company, Charlottesville, VA, 1979).

CIVIL SUITS

Most of the suits for law enforcement officers, Friend says, are for defamation and false complaints, not physical injuries. "Clearly," he writes, "many police officers do not regard unjustified verbal attacks upon their professional or personal reputations as being just part of the job, and they are more ready to seek vindication in court for injuries of this type."

Policemen who have suffered either physical injury or defamation are getting a good deal of encouragement to sue. Several state police associations and two national organizations—Americans for Effective Law Enforcement and the International Union of Police Associations—have been in the forefront of the effort for "Blue Lib."

The AELE publishes a quarterly newsletter called The Police Plaintiff which covers developments in the field. "We're aiming at the interests of the individual cop and the lawyer who might represent him in court," said Frank Carrington. A free sample copy is available by writing to: The Police Plaintiff, Americans for Effective Law Enforcement, Western Region, 501 Grandview Drive, Suite 207-209, South San Francisco, CA 94080.

As an example of a police officer fighting back—and winning—take the case of Barry Anderson, a veteran city police investigator in Dallas, Texas. Anderson was awarded $4,000 by a jury in Dallas District Court last year in his libel suit against a man who had written defamatory letters about him to Dallas police and city officials and the FBI. The letter writer, Robert Putter, had accused Anderson of being "dangerous," "paranoid," and "incompetent" in complaining that the officer had harassed and assaulted his son during two arrests in 1976. The Dallas Police Department had investigated the circumstances of both arrests and found no mistreatment of Putter's son by Anderson.

The district court judge said that Putter's requested instructions to the jury were themselves libelous. "You do not have the right to call a person a thief or a criminal," the judge said. Officer Anderson's legal expenses were paid by the Dallas Police Association.

In another libel case last year, a superior court jury in San Francisco awarded $4.5 million to two San Francisco police inspectors and a former assistant district attorney as a result of newspaper articles about a Chinatown murder trial in 1976. The defendants, the San Francisco Examiner and two reporters, are appealing the award.

The Examiner had reported after an 11-month investigation that a Chinatown gang member named Richard Lee was convicted of murder by perjured testimony. In its articles, the newspaper said that the chief prosecution witness against Lee had signed an affidavit swearing that he had lied when he told police that Lee had confessed the killing to him while they briefly shared a city prison cell. The informer said the police inspectors and assistant DA had promised him help with his own legal troubles if he testified against Lee. After the newspaper stories were published, the informer recanted on his affadavit.

The attorneys for the police inspectors and assistant DA said that the Examiner had evidenced "reckless disregard for the truth" in accepting the informer's version of his dealings with the law enforcement men, and the jury apparently agreed.

The number of civil suits by police officers charging physical injury has been growing, too—although still outnumbered more than two to one by suits alleging defamation and false complaint. More and more, courts have been agreeing that police officers don't have to take physical abuse, either.

Last year, for instance, a former Lake County, Florida, sheriff's deputy won a circuit court judgment of $112,598 in compensatory damages and $50,000 in punitive damages as a result of a 1973 attack on him by a man he was placing under arrest. And in First District Court of Maryland, a Baltimore police officer was awarded $981 from a man and two women who attacked him when he responded to a complaint of a domestic disturbance. It was the first such civil case ever brought by a Baltimore policeman.

There are several reasons why suits for physical injuries are less frequent than for libel and defamation. For one thing, almost every policeman is covered by some form of workmen's compensation which provides for hospitalization and continuing income during a period of disability. Thus, the officer may feel that since he hasn't suffered financial loss, there's no need to sue. Also, an injured officer may face subtle (and not so subtle) pressures to discourage him from filing suit. He may feel that he will lose face with his fellow officers, or there may be hints from his superiors and pressure from outside groups such as civil rights oganizations that he'd better forget it. And, of course, very often he must face the likelihood that even if he is successful in his suit, the attacker will have no assets to pay the judgment.

NEW PRESSURES

In recent years, though, pressure has been developing in the other direction. Police associations are encouraging suits not merely to vindicate or compensate an injured officer but as a deterrent to those who believe they can attack policemen with impunity. Charles Friend writes that after the filing of a $2 million suit against the Progressive Labor Party for injuries suffered by nine officers during a demonstration, Jerry D. Trent, a director of the Los Angeles Police Protective League, said one of the reasons for the suit was to "let groups like the Party know that 'unprovoked attacks on our police officers simply will not be tolerated. . . .'" The League's attorney added that "what we are trying to do is make people understand they can't go along killing and maiming police and get away with it. Officials of police associations in Dallas, Nassau and Suffolk counties in New York State, and Delaware County, Pennyslvania, have made similar statements.

Colonel Adam G. Reiss, superindendent of the Ohio State Highway Patrol, is even stronger in his call for policemen to file suit when they have been wronged. "Law enforcement officers have the same rights as private citizens," he said. "Where any officers are injured civilly in the performance of their duties, they have the right, even the moral obligation, to file suit."

Some police officers think that judges and juries will be hostile to a policeman as plaintiff, but their fear appears to be unjustified. Charles Friend found that a police plaintiff has just about as good a chance of recovery in civil court as any other citizen. What's more, the awards made by juries to policemen have averaged 17 percent higher than for ordinary citizens with similar injuries.

Friend's files for police plaintiff cases show an average award of $39,097 for personal injuries in negligence cases; $55,174 for intentional personal injuries; and $18,143 for defamation or false complaint against the officer. His study indicates, Friend says, "that officers can and do obtain substantial judgments in amounts which often far exceed the limited benefits available under employers' compensation plans and in cases in which no such benefits are available."

One possible bar to civil suits by officers is attorneys' fees, since there is always the risk that a judge or jury will rule against the officer, even if the case seems strong, leaving the officer stuck with his legal costs. Friend discusses at length the ways to find a suitable attorney and make fee arrangements. He notes that, in some cases, the officer may be able to recover his attorney's fees if he wins the case.

That happened in Ohio in 1978 when the Sandusky County Court of Common Pleas ordered a man who had sued an officer for false arrest to pay the officer's $500 legal bill. The case began when Ohio Highway Patrol Trooper Stephen McClain frisked Lawrence Bohler of Detroit on suspicion and found a gun. Bohler charged McClain with false arrest and improper conduct, but Sandusky County Judge Bruce Huffman dismissed the suit on grounds that McClain was acting within the scope of his duties.

The Highway Patrol then sued Bohler for legal fees incurred by the trooper and won the judgment. Highway Patrol legal counsel, Joseph W. Sucro, Jr., commented, "As a result of this decision, people may be held financially responsible for the unwarranted harassment of troopers who are performing their sworn duties."

Blue Lib lives!●

CALL TO CONSCIENCE VIGIL, 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Maryland (Mr. BARNES) is recognized for 5 minutes.

● Mr. BARNES. Mr. Speaker, during the past 2 weeks, this Nation clearly stood as one people to participate in two great historic events: the 40th inauguration of a U.S. President in a peaceful and orderly transition of power, and the welcoming home of our hostage-heroes following 444 days of lawless treatment in Iran.

As our country continues to celebrate the return of our 52 Americans, Congress cannot ignore the plight of hostages in another land; namely, persons who cannot exist and practice their faiths freely and openly in the Soviet Union because they fear for their livelihoods—and their lives.

Mr. Speaker, I am honored this session to be the chairman of the Congressional Call to Conscience Vigil, 1981. And I call upon all of my colleagues to join in this spirited effort to speak out for Soviet Jews, Christians, and others who have been refused the right to emigrate; who have been imprisoned and exiled for their beliefs; who have been harassed, stripped of

their positions, and separated from kin.

We begin this vigil as the Madrid Conference reconvenes to review the Helsinki accords of 1975. Earlier in this Conference, the Soviets expressed their belief that Americans no longer advocate human rights as a key element in foreign policy. The Soviets, of course, are wrong. And our participation in this vigil as well as in special orders, resolutions, and legislation will be among the actions that underscore our commitment to liberty for the victims of tyranny.

The message was simple as we watched our own hostages reunite with their families: The human spirit is unconquerable. And our mission is obvious as other innocent people are held against their will: Congress will remain the conscience of the Republic on human rights issues.

Mr. Speaker, in future weeks, I will keep you and my colleagues informed about Moscow refusenik Lev Blitshtein, whose wife and married children live in New York, and who first applied to emigrate more than 6 years ago. Once an important administrator for meat and dairy production, Mr. Blitshtein has lost his professional rank and is virtually alone; 10 days ago, his son Boris Blitshtein and daughter-in-law Yelena became the parents of their first child, Marsha. It is the second grandchild that Lev Blitshtein has never seen. Within a week, his son Boris will be eligible to apply for U.S. citizenship. I congratulate the Blitshtein family on their good fortune and pledge to work on behalf of their beloved husband and father until he is free.

Once again, I encourage all of my colleagues to join with me and the approximately 40 other Members who are already participating in the vigil for the 97th Congress.●

STATEMENT ON GRAIN EMBARGO DECISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HIGHTOWER) is recognized for 5 minutes.

Mr. HIGHTOWER. Mr. Speaker, I was very disappointed to learn that apparently a campaign commitment President Reagan made to American farmers to lift the ineffective grain embargo against the Soviet Union is, in effect, being overridden or at least postponed by the State Department. For the last 4 years, a major voice in the creation of agricultural policy for this country has been the State Department, not the Agriculture Department. I had hoped that with the change of administrations, we would revert to the tradition of having agriculture policy developed by the Agriculture Department. During his campaign, President Reagan indicated this would be the case.

Now it appears that Secretary of State Haig has prevailed in a Cabinet argument, pursuading the President to maintain the ineffective grain embargo a while longer. I understand that Secretary of Agriculture Block made a very strong case for lifting the embargo to both the President and the Cabinet, but to no avail. I was glad to hear that the new Agriculture Secretary is indeed starting out as a true spokesman for American agriculture. I would hope that if President Reagan does not follow through on his commitment at this time, he will at least immediately come out loud and clear for a very strong farm bill this year.

However, I hope that this latest policy decision will not be an example of what is to be the rule in the future. In the recent past, everyone has been heard from on food policy except the most important people in the process—the food producers. It is not enough for Congressmen from food-producing States and districts to speak out on behalf of the farmer; a strong agriculture in America must have the support of the State Department, the Treasury Department, Interior, and other key departments but actual agriculture policy must be formulated by the Agriculture Department. A strong agriculture is of the utmost strategic importance in world affairs.

Now is the time to lift the grain embargo because the immediate effect on the grain market would be minimal; if we delay until harvest time, a lifting then could have a more pronounced effect on the market. Now is the right time to avoid any market disruptions and prepare for a stable market at harvest time.

I still believe that if our Government is to engage in economic warfare, it should be total rather than a situation where we just take potshots at those we disagree with to the detriment of the agricultural producer. In such total economic warfare, the voice of the State Department should, of course, be heard first, but only then.

□ 1420

NEWS TO REFUTE THE NAY-SAYERS AND DOOM-PROPHETS: NEW YORK STATE—NO. 2 IN POPULATION—WAS ALSO NO. 2 FOR FISCAL YEAR 1980 IN MILITARY PROCUREMENT CONTRACTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. STRATTON) is recognized for 5 minutes.

● Mr. STRATTON. Mr. Speaker, I take this time to bring to the attention of the House, and especially to my colleagues from New York, the very encouraging news that in fiscal year 1980, which ended on September 30, 1980, New York State received the second largest amount in military procurement contracts in the entire Nation.

The winner, as one might expect, was the Nation's largest State, California. Texas was a close third.

I say, Mr. Speaker, that the news that my State of New York has won the silver medal in the military procurement contracts olympics is encouraging news, because in recent months we New Yorkers have been hearing—back in our own State, and even in certain quarters in Washington—that New York State has been slipping behind when it comes to defense funding, and that New York is not getting our fair share of Federal largesse.

Well, this shows that when it comes to defense procurement contracts at least, the No. 2 State in terms of population is also No. 2 in contracts. And that in spite of the much larger aircraft industries located in both California and Texas, I might point out.

So we do have reason to be optimistic. And, Mr. Speaker, let me just say that in my judgment, the reason New York has achieved this second place medal is because of the efforts which our bipartisan congressional delegation has been making in recent years, consciously and cooperatively, to promote defense business for New York State.

That effort obviously has paid off. And in this new Congress, with a new administration in the White House pledged to push for further increases in our defense posture, we shall be pushing to get an even higher dollar total of defense contracts for New York State.

Under leave to extend my remarks I include at this point in the RECORD the item I have mentioned, which lays out the precise figures and other details of this remarkable and reassuring development.

The article follows:

MILITARY SALES: NEW YORK IS 2D

WASHINGTON, January 23.—The state of New York received the second-largest amount in military procurement contracts in the nation during the fiscal year that ended last Sept. 30, the Pentagon said today.

New York got $5.6 billion worth of contracts for aircraft and other weapons and equipment, which was 8.5 percent of the $66.3 billion in contracts awarded in the 50 states. Another $10.1 billion worth of contracts were spread across several states.

The states of Connecticut and New Jersey also ranked high. Connecticut, with $3.9 billion worth of procurement, took a 5.8 percent share of the market while New Jersey, with $1.5 billion worth, got a 2.3 percent share.

The big, and growing, winner was the state of California, which won $13.9 billion worth of contracts, for 20.9 percent of the total. Two years ago, California's share was 19.6 percent. The state of Texas was third,

with an 8.1 percent share worth $5.3 billion.●

HUMAN RIGHTS IN FOREIGN AFFAIRS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ZABLOCKI) is recognized for 15 minutes.

● Mr. ZABLOCKI. Mr. Speaker, human rights has been a cornerstone of American policy since the founding of our Republic, as our Constitution and Bill of Rights attest. The Application of human rights in U.S. foreign affairs activities have drawn increasing emphasis since World War II and the founding of the United Nations. In recent times, U.S. support for human rights has been reaffirmed under both Democratic and Republican administrations.

I bring this matter to the attention of the House today because I believe that Secretary of State Haig or the interpretation of his statement regarding human rights in his first press conference last week, gave the wrong impression to friends and foes alike.

The Secretary was correct when he observed, as others have before him, that human rights is an essential and fundamental aspect of American foreign and domestic policy.

What was misleading was his statement that—

> International terrorism will take the place of human rights . . . because it is the ultimate abuse of human rights.

I hope that Secretary Haig does not intend to suggest that the United States is lessening its support for all human rights, except for terrorism. For if foreign countries perceived diminished emphasis on human rights by the United States, they may downgrade their efforts to observe fundamental rights and freedoms. Such a deemphasis by the United States could only give satisfaction to human rights foes, including the Soviet Union.

I believe that U.S. human rights policy should be based on three principles: First, that adherence to human rights is a fundamental precept of U.S. foreign policy; second, that the United States will continue to support human rights for all people all over the world—including their right to be free from terrorism; and third, that flexible diplomatic strategies should be used because there will be times when quiet diplomacy is more effective in promoting a human rights objective, while in other cases a visible, public approach is best.

These fundamental principles can best be achieved by keeping human rights in the mainstream of fundamental policymaking, not by giving it an extraordinary role. Organizationally this means maintaining the Bureau of Human Rights and Humanitarian Affairs in the Department of State with adequate staff to monitor the implementation of human rights in both Communist and non-Communist countries in bilateral and multilateral contexts. It also means that the Department's Interagency Committee should stay in place to resolve differences when they arise between/among recommendations of member agencies on granting economic and security assistance to countries that have committed gross violations of human rights.

The Committee on Foreign Affairs has both a legislative and oversight responsibility to consider human rights in countries proposed to receive economic and military assistance. In exercising these responsibilities, however, U.S. security must be a paramount concern. However, in seeking to preserve the security of our country and the lives of our citizens, we must support a strong security system which also encourages our allies to respect internationally recognized standards for a liveable world.

In this regard, the other day the Foreign Affairs Committee received President Chun of the Republic of Korea. I am always honored and pleased to meet with leaders of foreign states that are important to U.S. security. Further, I should also point out that President Chun recently commuted the death sentence of Kim Dae Jung, the leader of the opposition party in the Republic of Korea. I am hopeful that President Chun will parole Kim Dae Jung and his 23 codefendants in the near future. The committee and I will be carefully observing the situation and the needs in the Republic of Korea and in other countries of the world that are important to our security.

Human rights is and should continue to be a mainstream activity of foreign policymaking along with such other mainstream concerns as security and economic trade and aid. A free, democratic society requires no less than this.●

RULES OF COMMITTEE ON ARMED SERVICES FOR 97TH CONGRESS

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the rules of the Committee on Armed Services which were adopted by the committee in open session on Monday, February 2, 1981:

COMMITTEE RULES

RULE 1. GENERAL

The rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

RULE 2. FULL COMMITTEE MEETING DATE

(a) The Committee on Armed Services will meet every Tuesday at 10 a.m., and at such other times as may be fixed by the chairman, or by written request of members of the committee pursuant to House rule XI, clause 2(b).

(b) A Tuesday meeting of the committee may be dispensed with by the chairman, but such action may be reversed by a written request of a majority of the members.

RULE 3. SUBCOMMITTEE MEETING DATES

Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the committee on all matters referred to it. Insofar as possible, meetings of the committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

The Committee on Armed Services of the House of Representatives shall be organized to consist of the following standing subcommittees.

The Research and Development Subcommittee which shall have legislative jursdiction over annual authorization for research and development; airlift; and related oversight.

The Seapower and Strategic and Critical Materials Subcommittee which shall have legislative jurisdiction over procurement and construction of naval vessels; sealift; antisubmarine warfare; disposal of naval vessels; strategic and critical materials necessary for the national defense; and related legislative oversight.

The Procurement and Military Nuclear Systems Subcommittee which shall have legislative jurisdiction over the annual authorization for procurement of aircraft, missiles, tracked combat vehicles, and the procurement category, other weapons; military application of nuclear energy, including research and development related thereto; intelligence matters related to national security; and related legislative oversight. The subcommittee also has oversight responsibilities with regard to international arms control and disarmament.

The Investigations Subcommittee which shall have legislative jurisdiction over Armed Services Procurement Regulations and related procurement matters; organization of the Department of Defense, including proposed reorganizations; commissaries and exchanges, clubs and related nonappropriated funds activities of the Armed Forces; naval petroleum reserves; and related legislative oversight; and investigative authority in relation to the committee's general oversight responsibilities.

The Military Personnel and Compensation Subcommittee which shall have legislative jurisdiction over authorized strengths; active-duty and reserve training; recruiting; Reserve Officers' Training Corps; Selective Service; military justice; enlistments and separations; awards; academies; human relations; medical care; pay and allowances; promotion; retirement; and related legislative oversight.

The Military Installations and Facilities Subcommittee which shall have legislative jurisdiction over military construction; real estate acquisitions and disposals; housing

and support facilities; base closures; real estate generally; civil defense; and related legislative oversight.

The Readiness Subcommittee which shall have legislative jurisdiction over the annual authorization for operation and maintenance; the current readiness and preparedness requirements of the Defense establishment, including the supporting defense industrial base; and related legislative oversight.

RULE 5. PRECEDENCE

Chairman of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

RULE 6. PANELS OF THE FULL COMMITTEE AND SUBCOMMTTEES

(a) The chairman may designate a panel of the committee drawn from members of more than one subcommittee to inquire into and take testimony on a matter or matters that fall within the jurisdiction of more than one subcommittee and to report to the full committee. Any such panel shall not continue in existence for more than six months.

(b) The chairman of a standing subcommittee may designate a panel of such subcommittee to inquire into and take testimony on a specific matter within the jurisdiction of that subcommittee and to report to the subcommittee for further reference to the full committee as may be appropriate.

(c) No panels so appointed shall have legislative jurisdiction.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORTS

(a) The chairman shall refer legislation and other matters to all subcommittees of appropriate jurisdiction within 2 weeks unless, by a majority vote of the members of the full committee, consideration is to be by the full committee.

(b) Bills shall be taken up for hearing only when called by the chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee.

(c) The chairman of the full committee, with approval of a majority of the members voting, a majority of the committee being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(d) Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of 3 calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a majority vote of a quorum of the committee.

RULE 8. PUBLIC ANNOUNCEMENT OF HEARINGS AND MEETINGS

The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least 1 week before the commencement of the hearing. However, if the full committee or subcommittee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this rule shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems.

RULE 9. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a majority being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee and/or subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public.

(b) Each hearing conducted by the full committee or subcommittee shall be open to the public except when the full committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance no less than two members of the committee or subcommittee, may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, or would tend to defame, degrade, or incriminate any person. If the decision is to close for national security reasons, the vote must be by rollcall vote and in open session, there being a majority of the committee or subcommittee present. Otherwise, if the decision is to close because the testimony may tend to defame, degrade, or incriminate any person, the vote may be by a majority of those present, there being in attendance no less than two members of the committee or subcommittee. However, if the committee or subcommittee elects to receive such testimony in open session, it may do so only if a majority of the members of the committee or subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. No member may be excluded from nonparticipatory attendance at any hearing of the full committee or subcommittee, unless the House of Representatives shall by majority vote authorize the full committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to members by the same procedures designated in this rule for closing hearings to the public: *Provided, however,* That the full committee or the subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE 10. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

(a) In accordance with the provision of rule XI, clause 3, Rules of the House of Representatives, it is the purpose of this rule to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee or subcommittee hearings or meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage. In that regard, the provisions of rule XI, clause 3(a)-(d) are specifically incorporated herein by reference.

(b) The chairman of the full committee or the chairman of the subcommittees are authorized to determine on behalf of the full committee or its subcommittees respectively whether hearings or meetings which are open may be broadcast, unless the committee or its subcommittees respectively by majority vote determine otherwise.

(c) In accordance with rule XI, clause 3(f), the following provisions shall apply to the broadcasting of committee or subcommittee hearings or meetings which are open to the public:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the executive committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or its subcommittees or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee or subcommittee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee or its subcommittees.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstructive manner.

RULE 11. QUORUM

A majority of the full committee or subcommittee shall constitute a quorum for reporting or tabling a measure or recommendation. A quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two. A quorum for taking any other action shall be not less than one-third of the members of the full committee or subcommittee, unless otherwise indicated in the committee rules.

RULE 12. THE FIVE-MINUTE RULE

(a) The time any one member may address the committee or subcommittee on any bill, motion or other matter under consideration shall not exceed 5 minutes and then only when the member has been recognized by the chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed 5 minutes to address the committee or subcommittee on behalf of an amendment which the member has offered to any pending bill or resolution.

(b) Members present at a meeting of the committee or subcommittee when a meeting is originally convened will be recognized by the chairman alternately by party in the order of seniority. Those members arriving subsequently will be recognized in the order of their arrival, except that the chairman and the ranking minority member of the committee or subcommittee will take precedence upon their arrival.

RULE 13. SUBPENA AUTHORITY

The full committee, and all subcommittees, may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpena may be authorized and issued by the committee, or subcommittee, in the conduct of any investigation or a series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpenas under this rule may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpenas shall be signed by the chairman of the committee or any member designated by the committee.

RULE 14. WITNESS STATEMENTS

(a) Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee rooms to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the committee offices. The requirement of this rule may be waived upon a majority of the full committee or any subcommittee, a quorum being present.

(b) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

RULE 15. ADMINISTERING OATHS TO WITNESSES

The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

RULE 16. QUESTIONING OF WITNESSES

(a) When a witness is before the committee or subcommittee, members of the committee or subcommittee may put questions to the witness only when they have been recognized by the chairman for that purpose.

(b) Members of the committee or subcommittee who so desire shall have not to exceed 5 minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the chairman.

(c) Questions put to witnesses before the committee or subcommittee shall be pertinent to the bill or other subject matter that may be before the committee or subcommittee for consideration.

RULE 17. VOTING AND ROLLCALLS

(a) Except as otherwise provided in these rules, voting on a measure or matter may be by rollcall vote, division vote, voice vote, or unanimous consent.

(b) Voting on reporting annual authorization bills shall be by rollcall vote.

(c) A rollcall of the members may be had upon the request of five or more members present, or in the case of subcommittees, on the request of one-fifth of a majority.

RULE 18. PROXY VOTE

A member may vote by special proxy, which must be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in full committee or subcommittee. All proxies must be filed with the staff director and be available for inspection at any time.

RULE 19. PRIVATE BILLS

No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the Committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the Congress.

RULE 20. SUPPLEMENTAL, MINORITY, ADDITIONAL OR DISSENTING VIEWS

If, at the time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, additional or dissenting views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the staff director of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

RULE 21. POINTS OF ORDER

No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of the committee rules; except that a point of order on that ground may be made by any member of the full committee or subcommittee which reported the measure if, in the full committee or subcommittee, such point of order was (a) timely made and (b) improperly overruled or not properly considered.

RULE 22. PUBLIC INSPECTION OF COMMITTEE ROLLCALLS

(a) The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. With respect to each record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes casts against, the reporting of such bill or resolution shall be included in the committee report.

(b) In the event of such a rollcall vote or votes, when a member is in attendance at any other committee, subcommittee, or conference committee meeting during that time that circumstance shall be so recorded in the rollcall record, upon timely notification to the chairman from that member.

RULE 23. PROTECTION OF NATIONAL SECURITY INFORMATION

(a) All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee shall be deemed to have been received in executive session and shall be given appropriate safekeeping.

(b) The chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other Member of the House of Representatives

who has requested the opportunity to review such material.

RULE 24. COMMITTEE STAFFING

The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of rule XI, clause 5(d).

RULES OF COMMITTEE STANDARDS OF OFFICIAL CONDUCT FOR 97TH CONGRESS

(Mr. STOKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STOKES. Mr. Speaker, pursuant to the requirement of clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith the rules of the Committee on Standards of Official Conduct for the 97th Congress in the RECORD at this point. These rules were adopted by the committee in open session on February 5, 1981:

RULES OF PROCEDURE—COMMITTEE ON STANDARDS OF OFFICAL CONDUCT—97TH CONGRESS

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PART I—SCOPE AND AUTHORITY

SCOPE AND AUTHORITY

Rule 1. (a) These rules govern the procedures to be followed by the Committee on Standards of Official Conduct (hereafter referred to as the "Committee"). So far as applicable, these rules and the Rules of the House of Representatives shall be the rules of each subcommittee of the Committee, but each subcommittee may prescribe additional rules not inconsistent therewith.

(b) These rules are adopted under the authority of clause 2(a) of Rule XI of the Rules of the House of Representatives, 97th Congress.

PART II—GENERAL COMMITTEE RULES

SUBCOMMITTEES

Rule 2. (a) The Chairman may establish subcommittees and may assign to them such functions as he may deem advisable. The membership of each subcommittee shall provide equal representation for the majority and minority parties. The Chairman may refer any bill, resolution, investigation, or other matter before the Committee to an appropriate subcommittee for consideration and may recall any such bill, resolution, investigation, or other matter from the subcommittee to which it was referred.

(b) Any member of the Committee may sit with any subcommittee, but only regular members of the subcommittee may vote on any matter before the subcommittee.

MEETINGS

Rule 3. (a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House is not meeting on that day. When the Chairman determines that there is sufficient reason, he may call a meeting on additional days. A regularly scheduled meeting need not be held when the chairman determines there is no business to be considered.

(b) Insofar as practicable, notice will be provided seven days in advance of meetings. However, the Chairman may, in his discretion, waive such time period for good cause.

MEMBERS REQUIRED FOR QUORUMS AND COMMITTEE ACTION

Rule 4. (a)(1) A quorum of the Committee consists of a majority of the members of the Committee.

(2) A quorum of a subcommittee consists of a majority of the members of the subcommittee.

(b) Except as provided in clause 4(e)(2)(A) of Rule X of the Rules of the House of Representatives and rules 5, 8, 12, 16, and 17 of the Committee rules, action may be taken by the Committee by a simple majority, a quorum being present.

BROADCAST OF COMMITTEE PROCEEDINGS

Rule 5. (a) Whenever any hearing or meeting by the Committee is open to the public, the Committee may permit, except as provided in clause (b) of this rule, by a vote of a majority of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage, under the following rules:

(1) If the television of radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness shall be required against his or her will to be photographed or to otherwise have a graphic reproduction of his or her image made at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness who does not wish to be subjected to radio coverage at a hearing, all microphones shall be turned off, at the request of any witness who does not wish to be subjected to television or still photography coverage at a hearing, all lenses shall be covered, and at the request of a witness who does not wish to have a graphic reproduction of his or her image made at a hearing, the making of such a reproduction at the hearing shall not be permitted. This paragraph is supplementary to clause 2 (k)(5) of Rule XI of the Rules of the House of Representatives relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstuct unnecessarily the coverage of the hearing or meeting by the other media.

(b) Coverage by radio, television, still camera, or electronic recording device of any disciplinary hearing held under supart B or part III of the Committee rules is prohibited.

COMMITTEE RECORDS

Rule 6. (a) The Chairman of the Committee shall, with the approval of the Committee, establish such procedures as in the Chairman's judgment may be necessary to prevent the unauthorized disclosure of any testimony or other information received by the Committee or its staff.

(b) Unless otherwise authorized by the Committee, no information received by the Committee respecting any alleged violation by a Member, officer, or employee of the House of Representatives of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities shall be disclosed to the public before the transmittal under rule 11 of the Committee rules to such Member, officer, or employee of a Statement of Alleged Violation in connection with such violation. After the service of such a Statement on the Member, officer, or employee—

(1) the Statement and any other paper filed pursuant to rule 12 of the Committee rules respecting such violation shall be made available for public inspection at reasonable hours, and

(2) any other paper filed with the Committee respecting such violation shall be made available as authorized by the Committee, except that no paper shall be made available if its disclosure would violate any Executive Order or any Federal law or regulation.

SPECIAL PROCEDURES

Rule 7. The Committee may adopt by resolution any special procedures deemed necessary to a particular matter before the Committee. Copies of such special procedures shall be furnished to all parties and witnesses in the matter.

CHANGES IN COMMITTEE RULES

Rule 8. The rules of the Committee may be modified, amended, or repealed by a vote of a majority of the Committee if before such vote written notice of the proposed modification, amendment, or repeal was provided each member of the Committee.

PART III—COMMITTEE INVESTIGATIVE AUTHORITY

Subpart A—Complaints and Committee Inquiries

COMPLAINTS

Rule 9. (a) A complaint submitted to the Committee under clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives shall be in writing and under oath, setting forth in simple, concise, and direct statements—

(1) the name and legal address of the party filing the complaint (hereafter referred to as the "complainant");

(2) the name and position or title of the Member, officer, or employee of the House of Representatives alleged to be in violation of the Code of Official Conduct or a law, rule, regulation, or other standard of conduct;

(3) the nature of the alleged violation, including, if possible, the specific section of the Code of Official Conduct or law, rule, regulation, or other standard of conduct alleged to have been violated; and

(4) the facts alleged to give rise to the violation.

When facts are alleged upon the information and belief of the complainant, the complaint shall so state and set forth the basis for such information and belief.

(b) All documents in the possession of the complainant that are relevant to and in support of the allegations shall be appended to the complaint.

(c) A complaint by a Member of the House of Representatives may be transmitted directly to the Committee. A complaint by an individual not a Member of the House may be transmitted through a Member who agrees, in writing, to accept it for that purpose. If a complaint by an individual not a Member of the House is submitted to three Members of the House who refuse, in writing, to transmit the complaint to the Committee, the complainant may transmit the complaint directly to the Committee, provided an affidavit is attached stating, under oath, the names of the Members to whom the complaint was submitted and by whom it was rejected in writing.

PROCESSING OF COMPLAINTS

Rule 10. (a)(1) The staff of the Committee shall examine each complaint submitted to the Committee for compliance with clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives and rule 9 of the Committee rules.

(2) If the staff determines that a complaint does not comply with such House and Committee rules, the complaint shall be returned to the complainant with a general statement that the complaint is not in compliance with such rules and a copy of such rules. A complainant may resubmit a complaint.

(3) If the staff determines that a complaint is in compliance with such House and Committee rules, the complaint shall be filed with the Committee. Within five days of the filing of a complaint (A) a copy of the complaint, showing the date of its filing, shall be transmitted to the Chairman and ranking minority member the Committee, and (B) every other member of the Committee shall be notified of the filing of the complaint and of its availability for inspection by the member in the Committee offices. Upon the request of any member of the Committee, the staff of the Committee shall inform the member of the complaints which have been filed with the Committee and which are pending before the Committee.

(4) If within thirty days of the date of the filing of a complaint the chairman and ranking minority member of the Committee jointly.

(A) decide to place the complaint on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee, it shall be so placed on such agenda, or

(B) determine that the complaint be dismissed because it fails to allege facts which constitute a violation of the Code of Official Conduct or applicable law, rule, regulation, or other standard of conduct, the complaint together with the determination that it should be dismissed shall be placed on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee.

Unless the Committee determines under clause (b) that the complaint merits further inquiry, the complaint shall be dismissed and the complainant shall be notified of the dismissal. if upon the expiration of such thirty days, the Chairman and ranking minority member have not taken any joint action respecting the complaint, it shall be placed on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee.

(b) At the meeting at which the Committee is to consider a complaint filed with the Committee, the Committee shall determine whether the violation alleged in the complaint is within the jurisdiction of the Committee and, if so, whether the allegations in the complaint merit further inquiry. The complainant and respondent shall be notified, in writing, of action taken by the Committee respecting the complaint.

PRELIMINARY INQUIRY AND STATEMENT OF ALLEGED VIOLATION

Rule 11. (a)(1) If the Committee determines under rule 10(b) that the allegations of a violation in a complaint filed with the Committee merit further inquiry, the Committee shall conduct a preliminary inquiry to determine whether such violation occurred.

(2) In the preliminary inquiry—

(A) the Committee shall provide the respondent an opportunity to present to the Committee, orally or in writing, a statement respecting the allegations with respect to which the inquiry is being held,

(B) the staff may interview witnesses and examine documents and other evidentiary matter,

(C) the Committee may order the testimony of witnesses to be taken under oath, in which event the oath may be administered by a member of the Committee or by any person authorized by law to administer oaths,

(D) the Committee may require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other things as it deems necessary to the conduct of the inquiry, and

(E) any probative evidence may be used.

Upon the completion of the preliminary inquiry, the staff of the Committee shall prepare and transmit to the Committee a report containing a comprehensive summary of the information received in the inquiry and may include in the report a recommendation for action by the Committee respecting the alleged violation which was the subject of the inquiry.

(b) If the Committee determines on the basis of the report of the Committee staff on the preliminary inquiry respecting an alleged violation that there is reason to believe that the violation occurred, the Committee may direct the staff to transmit to the respondent a Statement of Alleged Violation. A Statement shall be divided into counts and each count shall relate to a separate violation and shall contain a plain and concise statement of the alleged facts of such violation and include a reference to the provision of the Code of Official Conduct or law, rule, regulation, or other standard of conduct alleged to have been violated.

ANSWERS AND MOTIONS AND COMMITTEE ACTION

Rule 12. (a) If a Statement of Alleged Violation is transmitted under rule 11(b) of the Committee rules, the respondent receiving the Statement shall have not less than 21 days in which to respond to it. The response shall be by way of answer or motion, shall be in writing and signed by the respondent or his counsel, and shall be limited to the following:

(1) An admission to or denial of, under oath, each count set forth in the Statement. A denial may include (A) negative and affirmative defenses to the allegations in a count, and (B) any supportive evidence and any other relevant information which the respondent may desire to submit.

(2) An objection to any count in the Statement on the grounds that it fails to state facts which constitute a violation of the Code of Official Conduct or any other applicable law, rule, regulation, or other standard of conduct.

(3) An objection to the jurisdiction of the Committee to consider the allegations contained in the Statement.

(4) A motion for a bill of particulars.

(5) An objection to the participation of any member of the Committee in the consideration of the allegations contained in the Statement on the grounds that the member cannot render an impartial and unbiased decision. The Committee member against whom the objection is made shall be the sole judge of his qualifications. A motion under this paragraph is not in lieu of an answer.

Any motion submitted pursuant to this clause shall be accompanied by a memorandum of points and authorities. Except for good cause shown, no pleading or motion not described in paragraphs (1) through (5) will be considered by the Committee and the Committee will not consider any answer or motion described in such paragraphs which is submitted under this clause after the expiration of such 21 days.

(b) Within 30 days after the receipt of any motion under clause (a) respecting a Statement, the Committee shall consider such motion. Notice of the decision of the Committee respecting the motion shall be furnished the respondent who submitted it. When the Committee has acted on all motions submitted under paragraphs (2), (3), and (4) of clause (a), the respondent shall, in accordance with paragraph (1) of such clause, submit, within fourteen days of the date of the last Committee action, an answer to each count in the Statement not dismissed by the Committee.

(c) Failure to submit, within the applicable time period, an answer to a count of a Statement which has not been dismissed by the Committee shall constitute an admission to the violation alleged in the count.

(d) The Chairman, in his discretion, may extend any time limitation imposed by clause (a) or (b) if he determines that the

extension would facilitate a fair and complete inquiry and may shorten any such time limitation if he determines that there are special circumstances which require the shortening of such time limitation.

(e)(1) As soon as practicable after the expiration of all applicable time limitations for action under clauses (a) and (b) respecting a Statement of Alleged Violation, the Committee shall act, by the vote of a majority of the members of the Committee, to—

(A) hold a disciplinary hearing on the violation charged in the Statement, or

(B) defer action on the Statement but only if there is a judicial proceeding pending.

Failure to achieve a vote of the majority of the members of the Committee on a motion to take any action described in subparagraph (A) or (B) shall constitute dismissal of the Statement.

(2) The respondent to a Statement of Alleged Violation shall be notified in writing of action taken under paragraph (1) by the Committee respecting the Statement.

INQUIRIES ON THE COMMITTEE'S INITIATIVE

Rule 13. Notwithstanding the absence of a complaint filed with the Committee under rule 10 of the Committee rules, the staff of the Committee shall present to it any evidence available to the staff reasonably indicating that any Member, officer, or employee may have committed a violation of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to his conduct in the performance of his duties or in the discharge of his responsibilities. If the Committee determines that the evidence presented by the staff of an alleged violation merits further inquiry, the Committee shall, in accordance with rule 11(a) of the Committee rules, conduct a preliminary inquiry to determine whether such violation occurred. Rules 11 and 12 of the Committee rules shall apply to further proceedings respecting such alleged violation.

COMMITTEE ACTION AFTER CRIMINAL CONVICTIONS

Rule 14. If a Member, officer, or employee of the House is convicted in a Federal, State, or local court of a criminal offense for which a sentence of a term of imprisonment of at least one year may be imposed, the Committee shall conduct, in accordance with rule 11(a) of the Committee rules, a preliminary inquiry to review the evidence of such offense and to determine whether it constitutes a violation over which the Committee is given jurisdiction under clause 4(e) of Rule X of the Rules of the House of Representatives. If on the basis of the report of the Committee staff on the preliminary inquiry the Committee determines that an offense was committed over which the Committee has jurisdiction under such clause, the Committee shall notify the Member, officer, or employee of its determination and shall hold a disciplinary hearing for the sole purpose of determining what action to recommend to the House respecting such offense. Such hearing shall be held in accordance with the requirements of rule 16 of the Committee rules applicable to the second phase of a disciplinary hearing and any recommendation made by the Committee shall be made in accordance with rule 17 of the Committee rules.

DEFINITION

Rule 15. For purposes of this subpart and subpart B, the term "respondent" means a Member, officer, or employee of the House who is charged in a complaint filed with the Committee under rule 10 of the Committee rules or who is charged in a Statement of Alleged Violation transmitted under rule 12 of the Committee rules.

Subpart B—Disciplinary Hearings

DISCIPLINARY HEARINGS

Rule 16. (a) A disciplinary hearing respecting a violation charged in a Statement of Alleged Violation shall be held to receive evidence upon which to base findings of fact and recommendations, if any, to the House respecting such violation. A disciplinary hearing shall consist of two phases. The first phase shall be for the purpose of determining whether or not the counts in the Statement have been proved. The second phase shall be for the purpose of determining what action to recommend to the House with respect to any count found to have been proved.

(b) At a disciplinary hearing the Committee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other things as it deems necessary. Depositions, interrogatories, and sworn statements taken under Committee direction may be accepted into the Committee record. The procedures set forth in clause 2(k) of Rule XI of the Rules of the House of Representatives shall apply to disciplinary hearings.

(c) Prior to setting a date for a disciplinary hearing and issuing subpoenas for witnesses, the Committee shall resolve the scope and purpose of the hearing. A copy of this statement of scope and purpose shall be furnished to all witnesses. During the course of the hearing the Committee may expand or contract the scope in light of evidence received.

(d)(1) The order of phase one of a disciplinary hearing shall be as follows:

(A) The Chairman shall open the hearing by stating the Committee's authority to conduct the hearing, the purpose of the hearing, and its scope.

(B) Testimony from witnesses and other evidence pertinent to the subject of the hearing shall be received in the following order whenever possible: (i) witnesses and other evidence offered by the Committee staff, (ii) witnesses and other evidence offered by the respondent, and (iii) rebuttal witnesses.

(C) Witnesses at a hearing shall be examined first by the Committee counsel or authorized staff member. The Committee members may then question the witnesses under the five-minute rule. The respondent or his counsel may then cross-examine the witnesses. Redirect and recross may be permitted in the Chairman's discretion. With respect to witnesses offered by the respondent, a witness shall be examined first by the repondent or his counsel, and then may be cross-examined by Committee counsel or authorized staff member. Committee members may then question the witness under the five-minute rule. Redirect and recross may be permitted in the Chairman's discretion.

(2) Testimony of all witnesses shall be taken under oath. The form of the oath shall be: "Do you solemly swear (or affirm) that the testimony you will give before this Committee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth, so help you God?" The oath shall be administered by the Chairman or Committee member designated by him to administer oaths.

(e) At a disciplinary hearing the burden of proof rests on the staff with respect to each count to establish the facts alleged therein clearly and convincingly by the evidence that it introduces.

(f) Phase two of a disciplinary hearing shall consist of oral and/or written submission by counsel for the Committee and counsel for the Respondent as to the sanction the Committee should recommend to the House of Representatives with respect to any count of the Statement of Alleged Violation which has been proved. Testimony by witnesses will not be heard at phase two except by a vote of a majority of the Committee.

RECOMMENDATIONS

Rule 17. (a)(1)(A) As soon as practicable after the completion of the first phase of a disciplinary hearing respecting a Statement of Alleged Violation, the Committee shall consider each count contained in the Statement and with respect to each count as originally drawn or as amended shall vote on a motion that the count has been proved. A count shall not be proved unless at least a majority of the Committee vote for a motion that the count has been proved. A count which is not proved shall be considered as dismissed by the Committee.

(B) If the Committee votes that a count has been proved, the Committee may upon completion of the second phase of the disciplinary hearing, by a majority vote of the Committee, consider and vote on a motion that a recommendation be made to the House for appropriate action respecting the violation charged in such count.

(2) If in a vote taken under paragraph (1)(A) respecting a count a majority of the Committee does not vote that the count has been proved, a motion to reconsider that vote may only be made by a Member who voted that the count was not proved. If in a vote taken under paragraph (1)(B) to adopt a recommendation to the House respecting a violation charged in a count a majority of the Committee does not vote in favor of the recommendation, a motion to reconsider that vote may only be made by a Member who voted against the recommendation.

(b)(1) With respect to any violation with which a Member of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(A) Expulsion from the House.

(B) Censure.

(C) Reprimand.

(D) Fine.

(E) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House may impose such denial or limitation.

(F) Any other sanction determined by the Committee to be appropriate.

(2) With respect to any violation with which an officer or employee of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(1) Dismissal from employment.

(2) Fine.

(3) Any other sanction determined by the Committee to be appropriate.

(c)(1) The purpose of this clause is to inform the Members of the House of Representatives as to the general guidelines the Committee considers appropriate for determining which, if any, sanctions to recommend to the House respecting violations proved in a disciplinary hearing. This clause does not limit the authority of the Commit-

tee to make or not to make recommendations for such sanctions.

(2) For technical violations, the Committee may direct that the violation be reported to the House without a recommendation for a sanction.

(3) With respect to the sanctions which the Committee may determine to include in a recommendation to the House respecting a violation, reprimand is appropriate for serious violations, censure is appropriate for more serious violations, and explusion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity.

(d) The Committee report accompanying a recommendation to the House adopted by the Committee under clause (a)(1)(B) respecting a violation charged in a count shall contain a brief but complete statement of the evidence which supported the finding as to that count and a brief statement of the Committee's reasons for the recommendation.

DISCLOSURE OF EVIDENCE

Rule 18. Upon the request of a respondent, the Committee may permit the respondent to inspect, copy, or photograph books, papers, documents, photographs, or other tangible objects which the Committee intends to use as evidence against the respondent in a disciplinary hearing and which are material to the preparation of the defense of the respondent.

Subpart C—Evidence and Witnesses

EXCULPATORY INFORMATION

Rule 19. If the Committee at any time receives any exculpatory information respecting a Statement of Alleged Violation against a Member, officer, or employee of the House of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct, it shall make such information available to such Member, officer, or employee.

ADMISSIBILITY OF EVIDENCE

Rule 20. (a) Any evidence that is relevant and probative shall be admissible in any hearing of the Committee, unless the evidence is privileged or unless the Constitution otherwise requires its exclusion. Objections going only to the weight that should be given to evidence will not justify its exclusion.

(b) The Chairman or other Member presiding at a hearing shall rule upon any question of admissibility at the hearing of testimony or evidence presented to the Committee. The Chairman or other Member presiding may limit the presentation of repetitious evidence. Ruling shall be final unless reversed or modified by a majority vote of the Committee members present.

WITNESSES

Rule 21. (a) A subpoena to a witness to appear at a hearing shall be served sufficiently in advance of his scheduled appearance to allow him a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel should he so desire.

(b) Except as otherwise specifically authorized by the Chairman, no member of the Committee or staff shall make public the name of any witness subpoenaed by the Committee before the date of his scheduled appearance.

(c) Witnesses at hearings may be accompanied by their counsel for the purpose of advising them concerning their constitutional rights and to raise objections to procedures or to the admissibility of testimony and evidence. Counsel for a witness other than the respondent shall not be permitted to engage in oral argument with the Committee. After a witness has testified, his counsel may submit to the Committee, in writing, any questions he wishes propounded to his client and any request for additional witnesses or other evidence. Such request may be granted at the Committee's discretion.

(d) The respondent may apply to the Committee for the issuance of subpoenas for the appearance of witnesses or the production of documents on his behalf. The application shall be granted upon a concise showing by the respondent that the proposed testimony or evidence is relevant and not otherwise available. The application shall be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative.

(e) Each witness subpoenaed by the Committee may sign appropriate vouchers for travel allowances and attendance fees, which may be obtained from the Committee staff.

(f) Each witness appearing before the Committee shall be furnished a printed copy of the rules of the Committee and the pertinent provisions of the Rules of the House of Representatives applicable to the rights of witnesses.

RULES OF COMMITTEE ON AGRICULTURE FOR 97TH CONGRESS

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, pursuant to clause 2(a), rule XI, of the Rules of the House of Representatives, I am filing herewith a copy of the rules of the Committee on Agriculture for printing in the RECORD. The rules were adopted by a voice vote in the presence of a quorum on February 4, 1981.

RULES OF THE COMMITTEE ON AGRICULTURE—U.S. HOUSE OF REPRESENTATIVES

I. GENERAL PROVISIONS

a. *Rules of the U.S. House of Representatives.*—The Rules of the House shall govern the procedure of the Committee so far as applicable, and the rules of the Committee shall be interpreted in accordance with the Rules of the House, except that a motion to recess from day to day is a motion of high privilege in the Committee. (See Appendix B for the applicable Rules of the U.S. House of Representatives.)

b. *Applicability to Subcommittees.*—The following rules shall apply to meetings, hearings and other activities of Subcommittees, which are part of the Committee and subject to its authority and direction, only when specifically so stated.

II. COMMITTEE OR SUBCOMMITTEE BUSINESS MEETINGS

a. *Regular and Additional Meetings.*—The Committee shall meet on the first Tuesday of each month while the Congress is in session. The Committee shall also meet at the call of the Chairman at such other times as he considers to be necessary, subject to advance notice to all committee members. Insofar as practicable, an agenda for all regular and additional Committee meetings, setting forth all the measures and matters to be considered, shall be furnished each committee member prior to the meeting. Items may be placed on the agenda by the Chairman or a majority of the Committee. If the Chairman determines that any meeting convened by him need not be held, he shall give all members of the Committee notice to that effect as far in advance of the meeting day as practicable, and no meeting shall be held on such day. See Rule VI-e for provisions which apply to meetings of Subcommittees.

b. *Special meetings.*—If at least three members of the Committee file a written request in the Committee offices that a special meeting be called by the Chairman to consider a specific measure(s) or matter(s), the Staff Director shall immediately notify the Chairman of the filing of such request. If, within three calendar days after the filing of such request, the Chairman does not call the requested special meeting to be held at a time within seven calender days after the filing of such request, a majority of the members of the Committee may file in the Committee offices their written notice that a special meeting will be held at a specified date and hour to consider a specified measure(s) or matter(s). If such a notice is filed, the Committee shall meet on that date and hour. Immediately upon the filing of such a notice, the Staff Director shall notify all members of the Committee that such special meeting will be held at the specified date and hour to consider the specified measure(s) or matter(s). Only the measure(s) or matter(s) so specified in the meeting notice as filed by the majority of Committee members and transmitted to all Committee members may be considered at a special meeting.

c. *Vice Chairman.*—The Committee shall, by a majority vote, designate one of its members as Vice Chairman who shall perform such duties as the Chairman may direct in the absence of the Chairman.

d. *Presiding Member.*—If the Chairman is not present at any Committee meeting, the Vice Chairman or, in his absence, the ranking member of the majority party on the Committee who is present shall preside at that meeting. If the Chairman is not present at any Subcommittee meeting, the ranking member of the majority party who is present preside at that meeting.

e. *Committee and Subcommittee Meetings Prohibited.*—The Committee or any of its Subcommittees may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

f. *Open Business Meetings.*—Each Committee or Subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee or Subcommittee and such congressional staff and departmental representatives as the Committee or Subcommittee may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to Committee or Subcommittee

hearings or to any meeting that, as announced by the Chairman of the Committee or Subcommittee, relates solely to internal budget or personnel matters.

g. *Records and Rollcalls.*—A complete record of all Committee or Subcommittee action shall be kept in the form of written minutes, including a record of the votes on any question as to which a rollcall is demanded. A rollcall vote shall be ordered upon demand by one-fifth of the members present. The record of such action and the results of the rollcall votes during each session of the Congress shall be made available by the Committee, upon request, for public inspection during regular office hours in the Committee offices and upon telephone request. The information so available on rollcall votes shall include a brief description of the amendment, motion, order or other proposition; the name of each member voting for and each member voting against such amendment, motion, order or other proposition; whether such vote was by proxy or in person; and names of those members present but not voting. A stenographic record of a business meeting of the Committee or Subcommittee may be kept and may thereafter be published if the Chairman of the Committee determines there is need for such a record. The proceedings of the Committee or Subcommittee in a closed meeting other than rollcall votes shall not be divulged unless otherwise determined by a majority of the Committee or Subcommittee. See Rule IV-f for publication of the minutes of meetings.

h. *Quorums.*—A majority of the members of the Committee or Subcommittee shall constitute a quorum of the Committee or Subcommittee for the purpose of convening meetings, conducting business, and voting on any matter: *Provided,* That the Chairman of the Committee may determine that one-third of the members of the Committee shall constitute a quorum of the Committee at any meeting for such purpose (other than for the reporting of any measure or recommendation, and voting on the authorization of subpoenas and on the closing of hearings and business meetings to the public) if he gives written notice to that effect to the members prior to the meeting.

i. *Proxy Voting.*—A member may vote by proxy on any matter before the Committee or Subcommittee other than the issuance of a subpoena pursuant to Rule III-b. The proxy authorization shall be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the Committee or Subcommittee meeting, shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy to be effective shall be signed by the member assigning the vote and shall contain the date and time of day the proxy is signed as well as the date or dates during which it is to be effective. The proxy form required by the Committee or Subcommittee is appended to these rules as Appendix A. In order to be cast in a vote it shall be filed with the Committee or Subcommittee during such vote and must be placed on file with the Staff Director. Proxies shall not be counted toward a quorum.

j. *Location of Persons at Meetings.*—No person other than a Member of Congress or Committee or Subcommittee staff may walk in or be seated at the rostrum area of the Committee or Subcommittee unless the Chairman or a majority of the Committee or Subcommittee determines otherwise.

k. *Consideration of Amendments and Motions.*—A member, upon request, may be recognized by the Chairman to address the Committee or Subcommittee at a meeting for not more than five minutes on behalf of an amendment or motion offered by himself or another member, or upon any other matter under consideration, unless he receives unanimous consent to extend the time limit. Every amendment, substitute amendment, amendment to an amendment, or amendment in the nature of a substitute made in Committee or Subcommittee that is substantial as determined by the Chairman shall, upon the demand of any member present, be reduced to writing, and a copy thereof shall be made available to all members present: *Provided,* That such amendment shall remain pending before the Committee or Subcommittee and may not be voted upon until the requirements of this section have been met.

l. *Points of Order.*—No point of order, other than a point of order that a quorum is not present, against the hearing or meeting procedures of the Committee or Subcommittee shall be sustained unless it is made in a timely fashion either at the commencement of the hearing or meeting or at the time such occasion for a point of order first occurs.

III. COMMITTEE OR SUBCOMMITTEE HEARINGS

a. *Power to Hear.*—For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to sit and hold hearings at any time or place within the United States whether the House is in session, has recessed or has adjourned, but no Subcommittee shall hold meetings or hearings outside of the House unless permission to do so is granted by the Chairman, or a majority, of the Committee.

b. *Announcement of Hearings.*—The Chairman of the Committee or Subcommittee shall publicly announce the date, place and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the Committee or Subcommittee determines that there is good cause to begin such hearing at an earlier date, in which case the announcement of the hearing shall be made by the Chairman of the Committee or Subcommittee at the earliest possible date. The Staff Director shall notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement has been made and enter the announcement into the Committee scheduling service of the House Information Systems.

c. *Power to Subpoena.*—For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. A subpoena may be authorized and issued in the conduct of any investigation or series of investigations or activities by the Committee or by a Subcommittee when authorized by a rollcall vote of the majority of the members of the Committee, a majority being present, except that no proxies may be used to vote on the authorization and issuance of such a subpoena. Authorized subpoenas shall be signed by the Chairman or the Vice Chairman of the Committee or by any other member the Committee may designate. Notice of a meeting to consider a motion to authorize and issue a subpoena shall be given to all members of the full Committee by 5 p.m., of the day preceding the day of such meeting. Compliance with a Committee or Subcommittee issued subpoena may be enforced only as authorized or directed by the House.

d. *Scheduling of Hearings and Witnesses.*—Except as otherwise provided in this paragraph, the scheduling of hearings and witnesses and determination of the time allowed for the presentation of testimony and interrogation shall be at the discretion of the Chairman or a majority of the Committee or Subcommittee. Whenever any hearing is conducted by the Committee or Subcommittee upon any measure or matter, the Committee's or Subcommittee's minority party members shall be entitled, upon request by a majority of them to the Chairman of the Committee or Subcommittee before the completion of the hearing, to call witnesses selected by them to testify with respect to that measure or matter during at least one day of hearing.

e. *Witnesses' Statements in Advance.*—Each witness who is to appear before the Committee or Subcommittee shall, insofar as practicable, file with the Staff Director a written statement of the witness' prepared testimony at least two working days in advance of the witnesses' appearance in order to permit the testimony to be distributed to and reviewed in advance by Committee or Subcommittee members. Witnesses shall provide sufficient copies of their statement for distribution to Commmittee or Subcommittee members, staff and the news media. The Committee or Subcommittee staff shall distribute such written statements to all members of the Committee or Subcommittee as soon as they are received as well as any official reports from departments and agencies on such subject matter.

f. *Testimony of Witnesses.*—The Chairman of the Committee or Subcommittee or any member designated by him may administer an oath to any witness. Each witness who has been subpoenaed, upon the completion of the witness' testimony, may report in person or in writing to the Staff Director and sign appropriate vouchers for travel allowances and attendance fees. All witnesses may be limited in their oral presentations to brief summaries of their statements within the time allotted to them, at the discretion of the Chairman of the Committee or Subcommittee in light of the nature of the witness and the length of time available.

g. *Questioning of Witnesses.*—Committee or Subcommittee members may question witnesses only when they have been recognized by the Chairman of the Committee or Subcommittee for that purpose. Each member so recognized shall be limited to questioning a witness (or panel of witnesses) for five minutes until such time as each member of the Committee or Subcommittee who so desires has had an opportunity to question the witness (or panel of witnesses) for five minutes, and, thereafter, the Chairman of the Committee or Subcommittee may limit the time of further questioning after giving due consideration to the importance of the subject matter and the length of time available. All questions put to witnesses shall be germane to the measure or matter under consideration. Unless the Chairman or a majority of the Committee or Subcommittee determines otherwise, no person shall interrogate witnesses other

than members and Committee or Subcommittee staff.

h. *Open Hearings.*—Each hearing conducted by the Committee or Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the Committee or Subcommittee may, by the same procedure, vote to close one subsequent day of hearing. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony (1) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Rule III(k) or (2) may vote to close the hearing, as provided in Rule III(k). In any event, no member may be excluded from nonparticipatory attendance at any hearing unless the House shall by majority vote authorize the Committee or Subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its meetings to members by means of the above procedure.

i. *Quorum.*—The quorum for taking testimony and receiving evidence shall be two members of the Committee or Subcommittee.

j. *Record of Hearing.*—An accurate stenographic record shall be kept of all testimony taken at public hearings. Any public witness may, during Committee office hours in the Committee offices and within two weeks of the close of hearings, examine the transcript of his or her own testimony and make such grammatical or technical changes as will not substantially alter the nature of testimony given. Members of the Committee or Subcommittee shall receive copies of transcripts for their prompt review and correction for return to the Committee. The Chairman of the Committee may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time in which to make such corrections and further delay would seriously impede the consideration of the legislative action which is the subject of the hearing. The record of a hearing closes ten calendar days after the last oral testimony, unless the Chairman of the Committee or Subcommittee otherwise determines. Any person requesting to file a statement for the record of a hearing must so request before the hearing concludes and must file the statement before the record closes. No written statement becomes part of the record and thus publicly available until such time as it has been approved by the Chairman of the Committee or any Committee staff he designates, and the Chairman of the Committee or Subcommittee or his designee may reject any statement in light of its length or its tendency to defame, degrade, or incriminate any person.

k. *Investigative Hearings.*—The Chairman of the Committee or Subcommittee at an investigative hearing shall announce in an opening statement the subject of the investigation. A copy of the Committee rules (and the applicable provision of the House Rules set forth in Appendix B) shall be made available to each witness. Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. The Chairman of the Committee or Subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; but only the full Committee may cite the offender to the House for contempt. Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person—

(1) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of Rule III(h), if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee or Subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person;

(2) the Committee or Subcommittee shall proceed to receive such testimony in open session only if a majority of the members of the Committee or Subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. In either case the Committee or Subcommittee shall afford such person an opportunity voluntarily to appear as a witness; and the Committee or Subcommittee shall receive and the Committee shall dispose of requests from such person to subpoena additional witnesses.

Except as provided herein, the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses. No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee or Subcommittee. In the discretion of the Committee or Subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee or Subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearings. A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee or Subcommittee.

l. *Broadcasting and Photography.*—Televisions, film making, live radio broadcasting and still photography of all or part of any Committee hearing or meeting shall be permitted only when the Committee by a majority vote agreed or, if the Committee cannot be polled in a timely manner, when approved by the Chairman of the Committee after consultation with the Ranking Minority Member. Except as otherwise determined by the committee, television, film making, live radio broadcasting and still photography of all or part of any Subcommittee hearing or meeting shall be permitted only when the Subcommittee by a majority vote agrees or, if the Subcommittee cannot be polled in a timely manner, when approved by the Chairman of the Committee or the Chairman of the Subcommittee after consultation with the Ranking Minority Member of the Committee or Subcommittee. Any broadcasting, electronic recording, film making, and/or still photography of all or part of a hearing or meeting shall be subject to the provisions of House Rule XI-3(f) which appear in Appendix B.

IV. THE REPORTING OF BILLS AND RESOLUTIONS

a. *Filing of Reports.*—The Chairman shall report or cause to be reported promptly to the House any bill or resolution approved by the Committee and shall take or cause to be taken all necessary steps to bring said bill or resolution to a vote. A Committee report on any bill or resolution approved by the committee shall be filed within seven calendar days (not counting days on which the House is not in session) after the day on which there has been filed with the Staff Director of the Committee a written request, signed by a majority of the Committee, for the reporting of that bill or resolution. The Staff Director of the Committee shall notify the Chairman immediately when such a request is filed.

b. *Content of Reports.*—Each Committee report on any bill or resolution approved by the Committee shall include as separately identified sections:

(1) a statement of the intent or purpose of the bill or resolution;

(2) a statement describing the need for such bill or resolution;

(3) the results of the rollcall vote on the motion to report such bill or resolution, including the total number of votes cast for and total number of votes cast against said reporting;

(4) the detailed statement described in section 308(a) of the Congressional Budget Act of 1974 if the bill or resolution provides new budget authority (other than continuing appropriations) or new or increased tax expenditures;

(5) the estimate of costs and comparison of such estimates, if any, prepared by the Director of the Congressional Budget Office in connection with such bill or resolution pursuant to section 403 of the Congressional Budget Act of 1974 and submitted in timely fashion to the Committee;

(6) any oversight findings and recommendations made by the Committee or the Committee on Government Operations or both to the extent such were available during the Committee's deliberations on the bill or resolution;

(7) a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy;

(8) an estimate of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is reported and for its authorized duration for each of the five fiscal years following the fiscal year of reporting, whichever period is less, together with a comparison of these estimates with those made and submitted to the Committee by any Government agency (The provisions of this clause do not apply if a cost estimate and comparison prepared by the Director of the Congressional Budget Office under Section 403 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and included in the report);

(9) the changes in existing law (if any) shown in accordance with Rule XIII, clause 3, of the House Rules;

(10) the determination required pursuant to section 5(a) of Public Law 92-463, if the legislation reported establishes or authorizes the establishment of an advisory committee; and

(11) such other matter as the Chairman of the Committee determines to be useful for public understanding of the intent and effect of the bill or resolution.

c. *Supplemental, Minority, or Additional Views.*—If, at the time of approval of any measure or matter by the Committee, any member of the Committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the Staff Director of the Committee. All such views so filed by one or more members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which shall:

(1) include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

(2) bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of paragraph (1)(3) of House Rule XI, clause 2) are included as part of the report.

This shall not preclude the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph or the filing by the Committee of any supplemental report upon any bill or resolution which may be required for the correction of any technical error in a previous report made by the Committee upon that bill or resolution.

d. *Availability of Hearings.*—If hearings have been held on any reported bill or resolution, the Committee shall make every reasonable effort to have such hearings printed and available for distribution to the members of the House prior to the consideration of such bill or resolution by the House.

e. *Committee Prints.*—All Committee or Subcommittee prints or other Committee or Subcommittee documents, other than reports or prints of bills, that are prepared for public distribution shall be approved by the Chairman of the Committee or the Committee prior to public distribution.

f. *Publication of Minutes.*—The Chairman of the Committee, in consultation with the Ranking Minority Member, shall cause to be published as a Committee Print on a periodic basis (and insofar as practicable on a semiannual basis) the minutes of all business meetings and hearings of the Committee and any of its Subcommittees and such minutes shall include a record of the attendance of members, all recorded votes and the action on all amendments and motions relating to legislation.

V. OTHER COMMITTEE ACTIVITIES

a. *Annual Appropriations.*—The Committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. The Committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

b. *Budget Act Compliance: March 15* (See Appendix C).—The Committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

c. *Budget Act Compliance: Subdivision of Allocations* (See Appendix C).—As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the Committee (after consulting with the approporiate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolutions, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

d. *Budget Act Compliance: Recommended Changes* (See Appendix C).—Whenever the Committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process, it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

e. *Conference Committees.*—Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall determine the number of conferees he deems most suitable and then recommend to the Speaker as conferees, in keeping with the number to be chosen, the names of those members of the Committee who were primarily responsible for the legislation and, to the fullest extent feasible, those members of the Committee who were the principal proponents of the major provisions of the bill as it passed the House and such other Committee members of the majority party as the Chairman may designate in consultation with the members of the majority party. Such recommendations shall provide a ratio of majority party members to minority party members no less favorable to the majority party than the ratio of majority members to minority party members on the Committee. In making recommendations of minority party members as conferees, the Chairman shall consult with the Ranking Minority Member of the Committee.

f. *Committee Records.*—All Committee or Subcommittee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as Chairman, and such records shall be the property of the House with all members of the House having access thereto. The Staff Director shall promptly notify the Chairman and Ranking Minority Member of any request for access to such records.

VI. SUBCOMMITTEES

a. *Number and Composition.*—There shall be such Subcommittees as specified in clause b of this rule each of which shall be composed of the number of members set forth in such clause, excluding ex officio members. The Chairman may create additional subcommittees of an ad hoc nature as he determines to be appropriate.

b. *Jurisdiction.*—The Subcommittees shall have the following general jurisdiction and number of members.

Commodity subcommittees

Cotton, Rice, and Sugar (17 members, 10 majority and 7 minority).—Cotton, cottonseed, rice, and sugar matters generally.

Livestock, Dairy, and Poultry (14 members, 8 majority and 6 minority).—Livestock, dairy, poultry, and bees generally.

Tobacco and Peanuts (10 members, 6 majority and 4 minority).—Tobacco and peanut matters generally.

Wheat, Soybeans, and Feed Grains (19 members, 11 majority and 8 minority).—Wheat, soybeans, feed grains, oilseeds not otherwise assigned, dry beans, peas, and lentils generally.

Operational subcommittees

Conservation, Credit, and Rural Development (21 members, 12 majority and 9 minority).—Soil and water conservation, small watershed program, commodity futures, agricultural credit and rural development matters generally.

Department Operations, Research, and Foreign Agriculture (11 members, 6 majority and 5 minority).—Foreign agricultural programs, agency review and analysis, research, and pesticides, generally.

Domestic Marketing, Consumer Relations, and Nutrition (10 members, 6 majority and 4 minority).—Marketing orders, domestic marketing, food stamps, nutrition, and consumer programs generally.

Forests, Family Farms, and Energy (15 members, 9 majority and 6 minority).—Family farming, forestry, and energy matters generally.

c. *Referral of Legislation.*—In the case of any measure or matter not specifically described above, or which includes the jurisdiction of two or more Subcommittees, the Chairman may, unless the Committee by a majority vote decides otherwise, refer such measure or matter simultaneously to two or more Subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any Subcommittee), or divide the matter into two or more parts reflecting different subjects and jurisdiction and refer each part to a different Subcommittee, or refer the matter to an ad hoc Subcommittee appointed by him for the specific purpose of considering that matter and reporting to the Committee thereon, or make such other provisions as may be considered appropriate. The Chairman, with the approval of a majority of the Committee, shall have authority to discharge a Subcommittee from further consideration of any bill, resolution, or other matter referred thereto and have such bill, resolution, or other matter considered by the Committee. All legislation and other matters referred to the Committee shall be referred to all Subcommittees of appropriate jurisdiction within two weeks unless, by majority vote of the members of the Committee, consideration is to be by the Committee.

d. *Service on Subcommittees.*—The Chairman and the Ranking Minority Member shall serve as ex officio members of all Subcommittees and shall have the right to vote on all matters before such Subcommittees, but shall not be counted for the purpose of establishing a quorum. Any member of the Committee may have the privilege of sitting with any Subcommittee during its hearings or deliberations and participate therein, but shall not have authority to vote on any matter, nor be counted present for the pur-

pose of a quorum for any Subcommittee action, nor, except as the Subcommittee Chairman or a majority of the Subcommittee may permit, participate in questioning of witnesses under the five-minute rule, nor raise points of order unless such member is a member of such Subcommittee.

e. *Subcommittee Hearings and Meetings.*—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it or under its jurisdiction. Subcommittee Chairmen shall set dates for hearings and meetings of their Subcommittees, after consultation with the Chairman of the Committee and one another, with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings whenever possible. Notice of all such meetings shall be given to the Chairman and the Ranking Minority Member of the Committee by the Staff Director. The provisions of Rule II regarding notice and agenda of Committee meetings and of Rule II-b regarding special meetings shall apply as well to Subcommittee meetings.

f. *Subcommittee Action.*—Any bill, resolution, recommendation or other matter ordered reported to the Committee by a Subcommittee shall be promptly reported by the Subcommittee Chairman or any Subcommittee member authorized to do so by the Subcommittee. Upon receipt of such report, the Staff Director shall promptly advise all members of the Committee of the Subcommittee action. The Committee shall not consider any matters reported by Subcommittees until two calendar days have elapsed from the date of reporting, unless the Chairman or a majority of the Committee determines otherwise.

g. *Subcommittee Investigations.*—Except for the Subcommittee on Department Investigations, Oversight and Research, no investigation shall be initiated by a Subcommittee without the approval of the Chairman of the Committee or a majority of the Committee.

VII. COMMITTEE BUDGET, STAFF, AND TRAVEL

a. *Committee Budget.*—The Chairman shall, for each session of the Congress, prepare a budget providing amounts for staff personnel, necessary travel, investigation, and other expenses of the Committee.

b. *Committee Staff.*—The staff of the Committee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman. Staff assigned to each Subcommittee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman of the Committee and the Chairman of the Subcommittee. Committee members seeking assistance from the staff shall make their requests through the Chairman or Ranking Minority Member. The Chairman shall insure that each Subcommittee is adequately funded and staffed to discharge its responsibilities.

c. *Committee Travel.*—Funds authorized for the Committee under clause 5 of House Rule XI are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States, its territories or possessions. No appropriated funds shall be expended for the purpose of defraying expenses of members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

(1) No member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law; and

(2) Each member or employee of the Committee shall make an itemized report to the Chairman within 60 days following the completion of travel showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, any funds expended for any other official purpose, and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection.

VIII. AMENDMENT OF RULES

These rules may be modified, amended, or repealed, by a majority vote of the Committee, provided that two legislative days written notice of the proposed change has been provided each member of the Committee prior to the meeting date on which such changes are to be discussed and voted upon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COTTER (at the request of Mr. WRIGHT), for today, on account of illness.

Mr. LELAND (at the request of Mr. WRIGHT), for today, on account of official business.

Mr. RANGEL (at the request of Mr. WRIGHT), for February 4, 5, and 6, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CAMPBELL) to revise and extend their remarks and include extraneous material:)

Mr. EVANS of Indiana, for 5 minutes, today.

Mr. COLEMAN, for 5 minutes, February 6.

(The following Members (at the request of Mr. PATMAN) to revise and extend their remarks and include extraneous material:)

Mr. AUCOIN, for 15 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BARNES, for 5 minutes, today.

Mr. HIGHTOWER, for 5 minutes, today.

Mr. STRATTON, for 5 minutes, today.

Mr. ZABLOCKI, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BINGHAM, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,200.

(The following Members (at the request of Mr. CAMPBELL) and to include extraneous matter:)

Mr. YOUNG of Alaska in two instances.

Mr. COATS.

Mr. HANSEN of Utah.

Mr. HARTNETT.

Mr. FORSYTHE.

Mr. KRAMER.

Mr. DANIEL B. CRANE in three instances.

Mr. FIELDS.

Mr. FISH.

Mr. COLLINS of Texas in two instances.

Mr. MCCLORY.

Mr. WHITEHURST.

Mr. RUDD in two instances.

Mr. LOTT.

Mr. HANSEN of Idaho in three instances.

Mr. GILMAN.

(The following Members (at the request of Mr. PATMAN) and to include extraneous matter:)

Mr. MINETA.

Mr. FITHIAN.

Mr. JONES of Tennessee.

Mr. SHELBY in three instances.

Mr. DONNELLY in two instances.

Ms. OAKAR in two instances.

Mr. BEILENSON in two instances.

Mr. LEHMAN.

Mr. OTTINGER.

Mr. FUQUA.

Mr. SCHEUER.

Mr. PEYSER.

Mr. HEFTEL.

ADJOURNMENT

Mr. HIGHTOWER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 24 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, February 6, 1981, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

475. A letter from the Acting Assistant Attorney General (Civil Rights Division), transmitting the annual report for calendar year 1980 on the administration of the Equal Credit Opportunity Act, pursuant to section 707 of Public Law 90-321, as amended (90 Stat. 255); to the Committee on Banking, Finance and Urban Affairs.

476. A letter from the Secretary of Education, transmitting the annual report for fiscal year 1979 on the status of vocational education, pursuant to section 112(c) of the Vocational Education Act of 1963, as amended; to the Committee on Education and Labor.

477. A letter from the Secretary of the Interior, transmitting notice of the proposed refund of $102,198.60 in excess royalties to Shell Oil Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

478. A letter from the Comptroller General of the United States, transmitting a report on positions in grades GS-16, 17, and 18 in the General Accounting Office during the period January 1, 1980, through October 4, 1980, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. Report pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 97-3). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDWARDS of California (for himself, Mr. DELLUMS, Mr. MILLER of California, and Mr. STARK):

H.R. 1683. A bill to establish a Commission to study and coordinate State and local actions for the protection and preservation of the Prime Ridgelands area of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. APPLEGATE:

H.R. 1684. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the annual gift tax exclusion from $3,000 to $10,000; to the Committee on Ways and Means.

By Mr. AuCOIN: (for himself, Mr. WEAVER, Mr. WYDEN, and Mr. SMITH of Oregon):

H.R. 1685. A bill to amend the Mortgage Subsidy Bond Tax Act of 1980 to exempt from the coverage of such act certain general obligation veterans' mortgage bond issues of the State of Oregon; to the Committee on Ways and Means.

By Mr. BEILENSON:

H.R. 1686. A bill to prohibit the use of master meters for gas and electricity supplied to new buildings having more than one unit, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1687. A bill to amend the Internal Revenue Code of 1954 to remove certain limitations on the estate tax marital deduction in certain cases; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 1688. A bill to amend the National Historic Preservation Act to prohibit the demolition or substantial alteration of properties designated as National Historic Landmarks; to the Committee on Interior and Insular Affairs.

H.R. 1689. A bill to amend section 16 of the Urban Mass Transportation Act of 1964, relating to the special needs of the elderly and handicapped; to the Committee on Public Works and Transportation.

H.R. 1690. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

H.R. 1691. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

By Mr. BUTLER:

H.R. 1692. A bill to amend the Internal Revenue Code of 1954 to allow the deduction of certain expenses allocable to the use of a residence in providing music lessons; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 1693. A bill to amend the Export-Import Bank Act of 1945 to authorize the President of the United States to suspend credit for exports to certain countries; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1694. A bill to amend title XIX of the Social Security Act to impose certain requirements relating to the discharge or transfer of medicaid patients from skilled nursing or intermediate care facilities, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1695. A bill to amend the Freedom of Information Act to exempt naval nuclear propulsion information from disclosure in the absence of a finding that such disclosure will not be inimical to the interests of the United States; to the Committee on Government Operations.

H.R. 1696. A bill to amend title 28 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon acts or omissions of U.S. employees, and for other purposes; to the Committee on the Judiciary.

H.R. 1697. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income certain amounts received by members of certain firefighting and rescue units; to the Committee on Ways and Means.

H.R. 1698. A bill to amend title II of the Social Security Act to provide that the waiting period for disability benefits shall not be applicable in the case of a disabled individual suffering from a terminal illness; to the Committee on Ways and Means.

By Mr. JAMES K. COYNE:

H.R. 1699. A bill to amend the Internal Revenue Code of 1954 to provide a deduction for amounts paid into an individual housing account, and for other purposes; to the Committee on Ways and Means.

By Mrs. FENWICK (for herself, Mr. AKAKA, Mr. APPLEGATE, Mr. ASHBROOK, Mr. ASPIN, Mr. ATKINSON, Mr. BADHAM, Mr. BAILEY of Missouri, Mr. BARNARD, Mr. BARNES, Mr. BEARD, Mr. BEDELL, Mr. BENEDICT, Mr. BLILEY, Mrs. BOGGS, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mrs. BOUQUARD, Mr. BOWEN, Mr. BRINKLEY, Mr. BROWN of Ohio, Mr. BURGENER, Mr. CAMPBELL, Mr. CARNEY, Mr. CHAPPELL, Mrs. CHISHOLM, Mr. CLAUSEN, Mr. COELHO, Mr. CORCORAN, Mr. COUGHLIN, Mr. COURTER, Mr. JAMES K. COYNE, Mr. DANIEL B. CRANE, Mr. PHILIP M. CRANE, Mr. D'AMOURS, Mr. ROBERT W. DANIEL, JR., Mr. DANNEMEYER, Mr. DASCHLE, Mr. DAUB, Mr. DAVIS, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DENARDIS, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DOUGHERTY, Mr. DOWNEY, Mr. DREIER, Mr. DUNCAN, Mr. DYSON, Mr. ECKART, Mr. EDGAR, Mr. EDWARDS of California, Mr. EDWARDS of Alabama, Mr. EMERY, Mr. ERTEL, Mr. EVANS of Georgia, Mr. EVANS of Indiana, Mr. EVANS of Delaware, Mr. FASCELL, Mr. FAZIO, Ms. FERRARO, Mr. FIELDS, Mr. FINDLEY, Mr. FISH, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FORSYTHE, Mr. FOUNTAIN, Mr. FRENZEL, Mr. FROST, Mr. GARCIA, Mr. GIBBONS, Mr. GINGRICH, Mr. GINN, Mr. GLICKMAN, Mr. GOLDWATER, Mr. GRAMM, Mr. GRISHAM, Mr. GUARINI, Mr. GUYER, Mr. SAM B. HALL, JR., Mr. HALL of Ohio, Mr. HANSEN of Idaho, Mr. HARTNETT, Mrs. HECKLER, Mr. HILER, Mr. HINSON, Mr. HOLLENBECK, Mrs. HOLT, Mr. HORTON, Mr. HOWARD, Mr. HUBBARD, Mr. HUCKABY, Mr. IRELAND, Mr. JEFFORDS, Mr. JONES of North Carolina, Mr. JOHNSTON, Mr. KASTENMEIER, Mr. KEMP, Mr. KINDNESS, Mr. KOGOVSEK, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEE, Mr. LEHMAN, Mr. LENT, Mr. LIVINGSTON, Mr. LONG of Maryland, Mr. LUJAN, Mr. LUNGREN, Mr. MADIGAN, Mr. MARKS, Mr. MARRIOTT, Mr. MARTIN of North Carolina, Ms. MARTIN of Illinois, Mr. MAVROULES, Mr. MAZZOLI, Mr. MCCLORY, Mr. MCCLOSKEY, Mr. MCGRATH, Mr. MCKINNEY, Ms. MIKULSKI, Mr. MILLER of California, Mr. MINETA, Mr. MINISH, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MONTGOMERY, Mr. MOTTL, Mr. MURTHA, Mr. NELSON, Mr. OBERSTAR, Mr. OTTINGER, Mr. PANETTA, Mr. PARRIS, Mr. PASHAYAN, Mr. PAUL, Mr. PETRI, Mr. PEYSER, Mr. PRICE, Mr. PRITCHARD, Mr. PURSELL, Mr. QUILLEN, Mr. RATCHFORD, Mr. RICHMOND, Mr. RINALDO, Mr. RITTER, Mr. RODINO, Mr. ROBERTS of Kansas, Mrs. ROUKEMA, Mr. ROTH, Mr. ROUSSELOT, Mr. SANTINI, Mrs. SCHNEIDER, Mr. SHELBY, Mr. SEIBERLING, Mr. SENSENBRENNER, Mr. SMITH of New Jersey, Mrs. SMITH of Nebraska, Mr. STANGELAND, Mr. STANTON of Ohio, Mr. SWIFT, Mr. SYNAR, Mr. TAUKE, Mr. TRAXLER, Mr. WALKER, Mr. WALGREN, Mr. WHITE, Mr. WHITEHURST, Mr. WHITTAKER, Mr. WILLIAMS of Ohio, Mr. WILLIAMS of Montana, Mr. WILSON, Mr. WINN, Mr. WOLPE, Mr. WON PAT, Mr. WYLIE, Mr. YATES, Mr. YATRON, Mr. YOUNG of Missouri, Mr. ZEFERETTI, Mr. BINGHAM, Mr. BENJAMIN, Mr. ERDAHL, Mr. GRAY, Mr. DERWINSKI, Mr. LEBOUTILLIER, Mr. BROYHILL, Mr. HILLIS, Mr. LOTT, Mr. NOWAK, Mr. ROE, Mr. SHUMWAY, Mr. SUNIA, Mr. COATS, AND MS. FIEDLER):

H.R. 1700. A bill to amend the Internal Revenue Code of 1954 to allow certain married individuals who file separate returns to be taxed as unmarried individuals; to the Committee on Ways and Means.

By Mr. COLLINS of Texas:

H.R. 1701. A bill to amend the Internal Revenue Code of 1954 to exempt from the windfall profit tax the first 1,000 barrels a day of crude oil production of independent producers and royalty holders; to the Committee on Ways and Means.

H.R. 1702. A bill to remove rate inequities for married persons where both are employed; to the Committee on Ways and Means.

By Mr. DANIEL B. CRANE:

H.R. 1703. A bill to repeal the provisions in title 23, United States Code, relating to a national maximum speed limit of 55 miles per hour; to the Committee on Public Works and Transportation.

By Mr. PHILIP M. CRANE:

H.R. 1704. A bill to amend the Metric Conversion Act of 1975 to provide that the functions of the Federal Government with respect to the metric system shall be limited to coordinating the conversion to such system in areas or industries which desire it, and keeping the public informed thereon, without encouraging in any way the adoption or use of such system; to the Committee on Science and Technology.

H.R. 1705. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DONNELLY:

H.R. 1706. A bill to amend the Internal Revenue Code of 1954 to provide individuals a credit against income tax for amounts paid or incurred by the taxpayer for alterations to his principal residence in order to make such residence more suitable for handicapped family members; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 1707. A bill to amend the Tennessee Valley Authority Act of 1933 to increase the number of members of the board of directors of the Tennessee Valley Authority from three to seven; to the Committee on Public Works and Transportation.

H.R. 1708. A bill to amend title II of the Social Security Act to provide that an individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned; to the Committee on Ways and Means.

H.R. 1709. A bill to amend title II of the Social Security Act to reaffirm the fact that benefits payable thereunder are exempt from all taxation; to the Committee on Ways and Means.

By Mr. FORD of Michigan:

H.R. 1710. A bill to authorize the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives; to the Committee on Post Office and Civil Service.

By Mr. HANCE (for himself, Mr. ARCHER, Mr. BARNARD, Mr. BEARD, Mr. BEDELL, Mr. BOWEN, Mr. BROWN of Ohio, Mr. BROWN of California, Mr. BROYHILL, Mr. JOHN L. BURTON, Mr. CHAPPELL, Mr. COELHO, Mr. COLLINS of Texas, Mr. DELLUMS, Mr. DOWNEY, Mr. FAZIO, Ms. FERRARO, Mr. FISH, Mr. FORSYTHE, Mr. FRENZEL, Mr. FROST, Mr. GARCIA, Mr. DE LA GARZA, Mr. GOLDWATER, Mr. GRAMM, Mr. GRAY, Mr. GUYER, Mr. SAM B. HALL, JR., Mr. HIGHTOWER, Mr. HOLLENBECK, Mr. HOWARD, Mr. HUGHES, Mr. IRELAND, Mr. KAZEN, Mr. LONG of Maryland, Mr. MATTOX, Mr. MINETA, Mr. MURPHY, Mr. PEASE, Mr. PEPPER, Mr. PETRI, Mr. PICKLE, Mr. SABO, Mr. SEIBERLING, Mrs. SCHROEDER, Mr. STENHOLM, Mr. VENTO, Mr. WEAVER, Mr. WHITEHURST, Mr. WILSON, Mr. WIRTH, Mr. WOLPE, and Mr. WON PAT):

H.R. 1711. A bill to amend title 10, United States Code, to authorize the Secretary concerned to comply with the terms of a court decree, order, or property settlement in connection with the divorce, annulment, or legal separation of a member or former member of the uniformed services receiving retired or retainer pay, and for other purposes; to the Committee on Armed Services.

By Mrs. HECKLER:

H.R. 1712. A bill to amend title XVIII of the Social Security Act to provide medicare coverage of personal emergency response services; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HEFTEL:

H.R. 1713. A bill to amend section 924(c) of title 18, United States Code, to strengthen existing mandatory penalties for using or carrying a firearm in the commission of a felony; to the Committee on the Judiciary.

By Mr. HEFTEL (for himself, Mr. DOWNEY, Mr. BENJAMIN, Mr. JONES of North Carolina, Mr. MURPHY, Mr. WON PAT, Mr. STUMP, Mr. MCCLOSKEY, Mr. PANETTA, Mr. DUNCAN, Mr. GINN, Mr. ERTEL, Mr. HINSON, Mr. LEVITAS, Mr. YOUNG of Alaska, Mr. LOTT, Mr. CORRADA, Mr. MILLER of California, Mr. WINN, Mr. GUARINI, Mr. ROE, Mr. COELHO, Mr. YATRON, Mr. PEPPER, Mr. BAILEY of Pennsylvania, Mr. DOUGHERTY, Mr. BEDELL, Mr. WILSON, Mr. LIVINGSTON, Mr. SHUMWAY, Mr. JONES of Oklahoma, and Mr. GOODLING):

H.R. 1714. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to furnish memorial headstones or markers to commemorate veterans who by choice are buried at sea, who donate their bodies to science, or who are cremated and have their ashes scattered without interment; to the Committee on Veterans' Affairs.

By Mr. HEFTEL (for himself, Mr. GUARINI and Mr. MARTIN of North Carolina):

H.R. 1715. A bill to amend the Internal Revenue Code of 1954 to permit tax-free sales of fuels for use in certain buses; to the Committee on Ways and Means.

By Mr. HOLLAND:

H.R. 1716. A bill to authorize the Secretary of the Interior to assist in the preservation of historic Camden in the State of South Carolina, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLLAND (for himself and Mr. FRENZEL):

H.R. 1717. A bill to amend the Internal Revenue Code of 1954 relating to certain dividends received by life insurance companies; to the Committee on Ways and Means.

By Mr. HOPKINS (for himself, Mr. ANDERSON, Mr. ANNUNZIO, Mr. AUCOIN, Mr. BEDELL, Mr. BEVILL, Mr. BROYHILL, Mr. CORCORAN, Mr. DOWNEY, Mr. FINDLEY, Mr. FRANK, Mr. FROST, Mr. GIBBONS, Mr. GLICKMAN, Mr. GOLDWATER, Mr. GORE, Mr. GRISHAM, Mr. GUYER, Mr. HINSON, Mr. HOLLENBECK, Mr. HOWARD, Mr. HUGHES, Mr. KOGOVSEK, Mr. LAGOMARSINO, Mr. LIVINGSTON, Mr. LOTT, Mr. MADIGAN, Mr. MAVROULES, Mr. MAZZOLI, Mr. MINETA, Mr. MINISH, Mr. MOLLOHAN, Mr. MOTTL, Mr. NEAL, Mr. OBERSTAR, Mr. PANETTA, Mr. PEPPER, Mr. PICKLE, Mr. ROE, Mr. RUSSO, Mr. SHUMWAY, Mr. SNYDER, Mr. SOLOMON, Mr. STARK, Mr. STUMP, Mr. VENTO, Mr. WHITEHURST, Mr. WHITLEY, Mr. WHITTAKER, Mr. WINN, Mr. WIRTH, and Mr. YOUNG of Alaska):

H.R. 1718. A bill to direct that a clinical investigation of the safety and efficacy of dimethyl sulfoxide as a drug to be used by persons with arthritis be conducted through the National Institute of Arthritis, Metabolism, and Digestive Diseases; to the Committees on Energy and Commerce.

By Mr. HUGHES:

H.R. 1719. A bill to amend the Internal Revenue code of 1954 to increase to $500 for an individual and $1,000 for a joint return the amount of dividends and interest which may be excluded from gross income, and to make such exclusion permanent; to the Committee on Ways and Means.

H.R. 1720. A bill to establish a task force to identify ocean sites and the nature of radioactive wastes which were dumped into the ocean prior to 1970, and to prepare a comprehensive plan for monitoring and assessing the impacts which such wastes have had on the environment and the public health; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

By Mr. JEFFORDS:

H.R. 1721. A bill to amend the Railroad Retirement Act of 1974 to permit certain post retirement employment on the same basis as is permitted under the social security system; to the Committee on Energy and Commerce.

H.R 1722. A bill to provide for dismissal of any officer or employee of the Federal Bureau of Investigation who impersonates an officer or employee of the Bureau of the Census; to the Committee on the Judiciary.

By Mr. JONES of Tennessee (for himself, Mr. JEFFORDS, and Mr. DERRICK):

H.R. 1723. A bill entitled "The Rural Telephone Bank Amendment Act of 1981"; to the Committee on Agriculture.

By Mr. KRAMER (for himself, Mr. MOTTL, Mr. ROUSSELOT, Mr. HINSON, Mr. COLLINS of Texas, Mr. ATKINSON, Mr. BAILEY of Missouri, Mr. SWIFT, Mr. BENEDICT, and Mr. JAMES K. COYNE):

H.R. 1724. A bill to amend the Internal Revenue Code of 1954 to provide for the partial exclusion of interest from gross income; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 1725. A bill to amend the Internal Revenue Code of 1954 to increase to $500 the amount of dividends and interest each individual may exclude from gross income, and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. LOTT (for himself and Mr. EDWARDS of Alabama):

H.R. 1726. A bill to amend the Disaster Relief Act of 1974 pertaining to the making of grants for repair and reconstruction of nonprofit museums, zoos, libraries, physical fitness centers, and historical facilities which are damaged or destroyed by a major disaster; to the Committee on Public Works and Transportation.

By Mr. LUJAN:

H.R. 1727. A bill to establish the San Joaquin del Canon del Rio de Chama Grant Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 1728. A bill to amend the Internal Revenue Code of 1954 to provide a credit for amounts contributed to an individual hous-

ing account; to the Committee on Ways and Means.

H.R. 1729. A bill to provide for the availability of timber and other forest products in wilderness areas to individuals exclusively for use as firewood in their personal residences; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. McCLOSKEY:

H.R. 1730. A bill to establish a National Service System under which the young people of the United States shall have the choice of either entering voluntary military or civilian service or being subject to induction into military service by random selection; jointly, to the Committees on Armed Services, Education and Labor, and Veterans' Affairs.

By Mr. McCLORY:

H.R. 1731. A bill to amend the Voting Rights Act of 1965 to limit certain aspects of its coverage for other than racial groups; to the Committee on the Judiciary.

By Mr. MICA:

H.R. 1732. A bill to amend title 33, United States Code, pertaining to acquisition of rights-of-way before completion of environmental impact statements; to the Committee on Public Works and Transportation.

By Mr. MINETA:

H.R. 1733. A bill to amend title 38 of the United States Code to make certain veterans entitled to wartime disability compensation for disabilities and diseases caused by or attributable to exposure to atomic or nuclear radiation during their period of active service; to the Committee on Veterans' Affairs.

By Mr. MITCHELL of New York:

H.R. 1734. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay provisions for certain health professionals in the uniformed services; to the Committee on Armed Services.

H.R. 1735. A bill to amend title 32, United States Code, to allow time spent on National Guard duty to be counted toward the time a federally recognized National Guard unit is required to spend each year in summer field training; to the Committee on Armed Services.

H.R. 1736. A bill to direct the Secretary of Defense to make veterans with service connected disabilities and their surviving spouses eligible for commissary and post-exchange privileges; to the Committee on Armed Services.

H.R. 1737. A bill to amend the Solid Waste Disposal Act to provide for financial assistance to municipalities for the closing of open dumps under the Solid Waste Disposal Act and for the construction and operation of sanitary landfills in compliance with the provisions of that act, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1738. A bill to amend the Mineral Lands Leasing Act to permit the disposition of mineral deposits, and lands containing such deposits, which are located in national monuments upon a determination by the President that a national defense emergency exists; to the Committee on Interior and Insular Affairs.

H.R. 1739. A bill to grant a Federal charter to the Italian American War Veterans of the United States; to the Committee on the Judiciary.

H.R. 1740. A bill to award one preference point to National Guard and Armed Forces Reserve veterans applying for employment in the competitive service; to the Committee on Post Office and Civil Service.

H.R. 1741. A bill to amend title 5, United States Code, to extend benefits to former employees of county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1742. A bill to amend section 131, title 23, United States Code; to the Committee on Public Works and Transportation.

H.R. 1743. A bill to amend the Federal Water Pollution Control Act to provide that the limitation on the use of grants for publicly owned treatment works for treatment, storage, or conveyance of flows of industrial users shall not take effect until November 15, 1984; to the Committee on Public Works and Transportation.

H.R. 1744. A bill to amend the Federal Aviation Act of 1958 to require operators of commuter service airports to establish air transportation security programs, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1745. A bill to provide financial aid to local fire departments in the purchase of advanced firefighting equipment; to the Committee on Science and Technology.

H.R. 1746. A bill to amend title 38 of the United States Code to remove the time limitations within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

H.R. 1747. A bill to amend title 38 of the United States Code relating to the recognition of representatives of the Polish Legion of American Veterans as claims agents for claims arising under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

H.R. 1748. A bill to amend title 38, United States Code, to include insomnia within the list of chronic diseases for which compensation may be provided under such title for a service-connected disability; to the Committee on Veterans' Affairs.

H.R. 1749. A bill to amend title 38, United States Code, to increase from 1 year to 7 years the period after a veteran is separated from military service during which development of Parkinson's disease will be presumed to be service-connected; to the Committee on Veterans' Affairs.

H.R. 1750. A bill to amend title XVI of the Social Security Act to provide that increases in social security benefits shall be disregarded in determining an individual's eligibility for supplemental security income benefits, and to provide that support and maintenance furnished a mentally retarded individual living in another person's household shall constitute income to him for supplemental security income benefit purposes; to the Committee on Ways and Means.

H.R. 1751. A bill to amend title XVI of the Social Security Act to provide for the exclusion from income, for purposes of determining eligibility and amount of benefits under the supplemental security income program, of income received by reason of employment in a sheltered work setting; to the Committee on Ways and Means.

H.R. 1752. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer supporting a dependent who is mentally retarded; to the Committee on Ways and Means.

H.R. 1753. A bill to amend the Internal Revenue Code of 1954 to provide that the special expenses incurred in maintaining a retarded or handicapped individual shall be allowable as a medical deduction without regard to the 3-percent floor; to the Committee on Ways and Means.

H.R. 1754. A bill to amend part A of title IV of the Social Security Act to establish a minimum aid to families with dependent children benefit amount to be required of all States, and to provide additional Federal matching for States which are presently below such minimum amount to assist them in increasing their aid to families with dependent children payments to comply with such requirement; to the Committee on Ways and Means.

H.R. 1755. A bill to amend the Tariff Schedules of the United States in Order to increase the rate of duty on certain boxes, cases, and chests lined with textile fabrics; to the Committee on Ways and Means.

H.R. 1756. A bill to amend the Internal Revenue Code of 1954 to permit a taxpayer to deduct certain expenses paid by him for special education furnished to a child or other minor dependent who is physically or mentally handicapped; to the Committee on Ways and Means.

H.R. 1757. A bill to amend title II of the Social Security Act to provide for the computation of benefits thereunder on the basis of the worker's 3 years of highest earnings; to the Committee on Ways and Means.

H.R. 1758. A bill to amend the Internal Revenue Code of 1954 to exempt from Federal income taxation a trust established by a taxpayer for the purpose of providing care for certain mentally incompetent relatives of the taxpayer; to the Committee on Ways and Means.

H.R. 1759. A bill relating to the effective date of the amendment contained in the Multiemployer Pension Plan Amendments Act of 1980 which relates to the treatment of certain retirement benefits under State unemployment compensation laws; to the Committee on Ways and Means.

H.R. 1760. A bill to amend the worker adjustment assistance provisions of the Trade Act of 1974 in order to repeal the requirement that workers may not be covered under certification of eligibility to apply for such assistance unless they are totally or partially separated from adversely affected employment within one year before the date of petitioning for such certification; to the Committee on Ways and Means.

H.R. 1761. A bill to amend title XVI of the Social Security Act so as to make the supplemental security income benefits program more effective, and benefits under such program more realistically available, for mentally retarded persons; to the Committee on Ways and Means.

H.R. 1762. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

H.R. 1763. A bill to authorize the Director of the Federal Emergency Management Agency to donate to State and local governments certain Federal property which was previously loaned to such government for civil defense purposes; jointly, to the Committees on Armed Services and Government Operations.

By Mr. MOLLOHAN:

H.R. 1764. A bill to designate the Veterans' Administration medical center in Clarksburg, W.Va., as the Louis A. Johnson Veterans' Medical Center; to the Committee on Veterans' Affairs.

By Mr. MOORHEAD (for himself, Mr. GRAMM, Mr. TAUZIN, Mr. COLLINS of Texas, Mr. DANNEMEYER, Mr. RINALDO, and Mr. CORCORAN):

H.R. 1765. A bill to reform the Powerplant and Industrial Fuel Use Act of 1978 to encourage a reduction of air pollution and oil consumption by existing electric power-

plants; to the Committee on Energy and Commerce.

By Ms. OAKAR:

H.R. 1766. A bill to amend title XVI of the Social Security Act to eliminate the one-third benefit reduction for those supplemental security income recipients who live in another household, and to continue supplemental security income payments for 3 months when a recipient is institutionalized; to the Committee on Ways and Means.

By Mr. RUDD:

H.R. 1767. A bill to amend the Food Stamp Act of 1977 to restore the purchase requirement in the case of certain benefit recipients, to require State agencies to develop work fare programs for such recipients, and for other purposes; to the Committee on Agriculture.

By Mr. ST GERMAIN:

H.R. 1768. A bill to amend section 431 of the Public Health Service Act to provide funds to the National Institute of Neurological and Communicative Disorders and Stroke for research in the area of regeneration of the spinal cord; to the Committee on Energy and Commerce.

H.R. 1769. A bill to amend title 38 of the United States Code to make certain veterans entitled to wartime disability compensation for disabilities and diseases caused by or attributable to exposure to atomic or nuclear radiation during their period of active service; to the Committee on Veterans' Affairs.

H.R. 1770. A bill to amend the Internal Revenue Code of 1954 to provide that expenditures for woodburning stoves shall be eligible for the residential energy credit for energy conservation expenditures; to the Committee on Ways and Means.

By Mr. SKELTON (for himself, Mr. CLAY, and Mr. MAZZOLI):

H.R. 1771. A bill to direct the U.S. Postal Service to issue a special postage stamp to commemorate the life and achievements of Scott Joplin; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Iowa (for himself and Mr. UDALL):

H.R. 1772. A bill to assist small business concerns, to conserve and develop natural resources, and to enhance the environment, through a program providing incentives to plant trees along the Interstate Highway System; jointly, to the Committees on Agriculture, Public Works and Transportation and Small Business.

By Mrs. SMITH of Nebraska:

H.R. 1773. A bill to amend the Immigration and Nationality Act with respect to the admission and status of aliens who are graduates of foreign medical schools; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. STUDDS (for himself, Mr. RODINO, Mr. MURPHY, Mr. WHITEHURST, Mr. HUTTO, Mr. BEILENSON, Mr. D'AMOURS, Mr. AKAKA, Mr. WEISS, Mr. MOTTL, Mr. ECKART, Mr. HORTON, Mr. GUYER, Mr. GARCIA, Mr. CONTE, Mr. MOAKLEY, Mr. DONNELLY, Mr. VENTO, Mr. BEARD, Mr. JAMES K. COYNE, and Mr. WILSON):

H.R. 1774. A bill to encourage improvement in the energy efficiency of propulsion systems used by U.S. flag merchant vessels and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TAYLOR:

H.R. 1775. A bill to amend title 5, United States Code, to provide that air traffic controllers entitled to immediate retirement annuities may not be entitled to training under section 3381, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LEVITAS (for himself, Mr. ALBOSTA, Mr. ALEXANDER, Mr. APPLEGATE, Mr. ARCHER, Mr. ATKINSON, Mr. AUCOIN, Mr. BADHAM, Mr. BAFALIS, Mr. BAILEY of Missouri, Mr. BARNARD, Mr. BEARD, Mr. BENJAMIN, Mr. BEREUTER, Mr. BEVILL, Mr. BLANCHARD, Mr. BONER of Tennessee, Mrs. BOUQUARD, Mr. BOWEN, Mr. BREAUX, Mr. BRINKLEY, Mr. BROWN of Ohio, Mr. BUTLER, Mrs. BYRON, Mr. CAMPBELL, Mr. CLAUSEN, Mr. CLINGER, Mr. COATS, Mr. COELHO, Mr. COLEMAN, Mr. COURTER, Mr. DANIEL B. CRANE, Mr. D'AMOURS, Mr. DAN DANIEL, Mr. ROBERT W. DANIEL, JR., Mr. DERWINSKI, Mr. DICKINSON, Mr. DONNELLY, Mr. DOUGHERTY, Mr. DORNAN of California, Mr. DUNCAN, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. ERLENBORN, Mr. EVANS of Georgia, Mr. EVANS of Indiana, Mrs. FENWICK, Ms. FERRARO, Mr. FLIPPO, Mr. FORSYTHE, Mr. FOUNTAIN, Mr. FRENZEL, Mr. FROST, Mr. GINGRICH, Mr. GINN, Mr. GRADISON, Mr. GRAMM, Mr. GREGG, Mr. GRISHAM, Mr. GUYER, Mr. SAM B. HALL, JR., Mr. HAMILTON, Mr. HANSEN of Idaho, Mr. HATCHER, Mr. HEFNER, Mr. HEFTEL, Mr. HENDON, Mr. HIGHTOWER, Mr. HINSON, Mrs. HOLT, Mr. HORTON, Mr. HUBBARD, Mr. HUGHES, Mr. IRELAND, Mr. JACOBS, Mr. JEFFRIES, Mr. JENKINS, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. KAZEN, Mr. KEMP, Mr. KILDEE, Mr. KINDNESS, Mr. KOGOVSEK, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LEBOUTILLIER, Mr. LEE, Mr. LENT, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. LOTT, Mr. LUJAN, Mr. LUNGREN, Mr. MCDONALD, Mr. MCGRATH, Mr. MCKINNEY, Mr. MADIGAN, Mr. MARRIOTT, Mr. MAZZOLI, Mr. MILLER of Ohio, Mr. MINETA, Mr. MITCHELL of New York, Mr. MONTGOMERY, Mr. MOORE, Mr. MORRISON, Mr. MOTTL, Mr. MURPHY, Mr. MYERS, Mr. NEAL, Mr. NELSON, Mr. NICHOLS, Mr. NOWAK, Mr. PANETTA, Mr. PARRIS, Mr. PASHAYAN, Mr. PETRI, Mr. PRICE, Mr. PRITCHARD, Mr. ROBINSON, Mr. ROE, Mr. ROSE, Mr. ROTH, Mr. ROUSSELOT, Mr. RUSSO, Mr. SANTINI, Mr. SAWYER, Mrs. SCHROEDER, Mr. SENSENBRENNER, Mr. SHELBY, Mr. SHUMWAY, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. STANGELAND, Mr. STUMP, Mr. SYNAR, Mr. TAUKE, Mr. THOMAS, Mr. TRIBLE, Mr. VOLKMER, Mr. WALKER, Mr. WHITE, Mr. WHITEHURST, Mr. WHITTAKER, Mr. WILSON, Mr. WINN, Mr. WOLF, Mr. WOLPE, Mr. YATRON, Mr. YOUNG of Missouri, and Mr. ZEFERETTI):

H.R. 1776. A bill amending title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. WEAVER:

H.R. 1777. A bill to expand the purposes for which receipts from national forests may be expended for the benefit of counties; to the Committee on Agriculture.

By Mr. WHITEHURST:

H.R. 1778. A bill to terminate the Department of Energy; jointly, to the Committees on Government Operations and Rules.

H.R. 1779. A bill to terminate the Department of Education; jointly, to the Committees on Government Operations and Rules.

By Mr. YOUNG of Florida:

H.R. 1780. A bill to amend the Food Stamp Act of 1977 to provide that individuals who participate in psychiatric residential treatment programs shall be eligible to receive food stamps; to the Committee on Agriculture.

By Mr. CONYERS:

H.R. 1784. A bill to revise the overtime compensation requirements of the Fair Labor Standards Act of 1938 to provide that effective January 1, 1985, employees who work more than 35 hours in any workweek shall receive overtime compensation for such work at twice their regular rate of pay, and for other purposes; to the Committee on Education and Labor.

By Mr. CHAPPELL:

H.J. Res. 166. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. COATS (for himself, Mr. BROWN of Colorado, Mr. DAUB, Mr. EVANS of Iowa, Mr. GREGG, Mr. HANSEN of Utah, Mr. HILER, Mr. JOHNSTON, Mr. LEBOUTILLIER, Mr. MORRISON, Mr. NAPIER, Mr. SMITH of Oregon, and Mr. WOLF):

H.J. Res. 167. Joint resolution proposing an amendment to the Constitution of the United States to change the terms of office for Members of Congress; to the Committee on the Judiciary.

By Mr. FOWLER (for himself, Mr. WEISS, Mr. RICHMOND, Mr. FAZIO, Mr. WON PAT, Mr. ANNUNZIO, Mr. SIMON, Mr. PANETTA, Mr. SCHEUER, Mr. LAGOMARSINO, Mr. ALEXANDER, Mr. KILDEE, Mr. MAZZOLI, Mr. WINN, Mr. RAHALL, Mr. WHITEHURST, Mr. MCDADE, Mr. BOWEN, Mr. MURPHY, Mr. MOLLOHAN, Ms. OAKAR, Mr. WOLPE, Mr. FISH, Mr. FASCELL, Mr. MOTTL, Mr. HORTON, Mr. GUARINI, Mr. CORRADA, Mr. FROST, Mr. LUNGREN, Mr. STARK, Mr. GREEN, Mr. CORCORAN, Mr. VENTO, Mr. YATRON, Mr. TAUKE, Mr. BOLAND, Mr. BEDELL, Mr. D'AMOURS, Mr. ERDAHL, Mr. FRENZEL, Mr. MITCHELL of New York, Mr. CLINGER, Mrs. HECKLER, Mr. ROE, Mr. HUGHES, Mr. PEPPER, Mr. DOUGHERTY, Mr. GRAY, Mr. OTTINGER, Mr. MILLER of California, Mr. WHITTAKER, Mr. FLORIO, Mr. JEFFORDS, Mr. MADIGAN, Mr. DOWNEY, Mr. PASHAYAN, Mr. WAXMAN, Mr. DASCHLE, Mr. PRICE, Mr. O'BRIEN, Mr. WHITTEN, Mr. FUQUA, Mr. SOLARZ, Mr. MONTGOMERY, Mr. DERRICK, Mr. MARRIOTT, Mr. SOLOMON, Mr. WALGREN, Mr. MATSUI, Mr. FINDLEY, Mr. HOPKINS, Mr. ROBINSON, Mr. GUYER, Mr. ADDABBO, Mr. BEARD, Mr. HAMMERSCHMIDT, and Mr. KASTENMEIER):

H.J. Res. 168. Joint resolution designating the month of September 1981, as "National Rehabilitation Month; to the Committee on Post Office and Civil Service.

By Mr. JENKINS (for himself, Mr. LEVITAS and Mr. CONABLE):

H.J. Res. 169. Joint resolution proposing an amendment to the Constitution to protect the people of the United States against excessive governmental burdens and un-

sound fiscal and monetary policies by limiting total outlays of the Government; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.J. Res. 170. Joint resolution proposing an amendment to the Constitution of the United States with respect to public prayer and religious instruction; to the Committee on the Judiciary.

H.J. Res. 171. Joint resolution to authorize and request the President to proclaim May 7 of each year as a National Day of Prayer; to the Committee on Post Office and Civil Service.

H.J. Res. 172. Joint resolution to authorize and request the President to proclaim the second week in April of each year as "National Medical Laboratory Week"; to the Committee on Post Office and Civil Service.

H.J. Res. 173. Joint resolution memorializing Dr. Mahlon Loomis; to the Committee on Post Office and Civil Service.

By Mr. BROWN of Ohio (for himself, Mr. WIRTH, and Mr. RINALDO):

H. Con. Res. 59. Concurrent resolution requesting a report from the Securities and Exchange Commission on acquisition of U.S. firms by foreign nationals; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

By Mr. IRELAND:

H. Con. Res. 60. Concurrent resolution expressing the sense of the Congress that the Postmaster General should issue a postage stamp in honor of the Nation's small businesses; to the Committee on Post office and Civil Service.

By Mr. DONNELLY:

H. Con. Res. 61. Concurrent resolution urging the President to extend certain orderly marketing agreements with Taiwan and the Republic of Korea which limit the exportation from those countries of nonrubber footwear to the United States; to the Committee on Ways and Means.

By Mr. MITCHELL of New York:

H. Con. Res. 62. Concurrent resolution to seek the resurrection of the Ukrainian Orthodox and Catholic Churches in Ukraine; to the Committee on Foreign Affairs.

H. Con. Res. 63. Concurrent resolution to provide for the procurement and display in the Capitol of a facsimile of the Constitution of the United States; to the Committee on House Administration.

By Mr. WHITTAKER:

H. Con. Res. 64. Concurrent resolution authorizing and requesting the President to issue a proclamation observing the 35th anniversary of CARE (the Cooperative for American Relief Everywhere, Inc.), and designating May 10 to 16, 1981, as "CARE Week"; to the Committee on Post Office and Civil Service.

By Mr. McDONALD:

H. Res. 61. Resolution impeaching Nauman Scott, judge of the U.S. District Court for the Western District of Louisiana; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H. Res. 62. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on Foreign Affairs.

By Mr. PERKINS (for himself and Mr. ASHBROOK):

H. Res. 63. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Education and Labor; to the Committee on House Administration.

By Mr. STOKES:

H. Res. 64. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Standards of Official Conduct; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUTLER:

H.R. 1781. A bill for the relief of Evangel Kiddie Kollege; to the Committee on the Judiciary.

By Mr. HOLLAND:

H.R. 1782. A bill for the relief of Henry D. Barnett; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 1783. A bill for the relief of Felipe M. Manalo and Maria Monita A. Manalo; to the Committee on the Judiciary.

By Mr. LaFALCE:

H.R. 1785. A bill for the relief of Gladys Belleville Schultz; to the Committee on the Judiciary.

By Mr. MAVROULES:

H.R. 1786. A bill for the relief of Maria Logfhetis; to the Committee on the Judiciary.

H.R. 1787. A bill for the relief of Richard George Fecteau and John Thomas Downey; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 1788. A bill for the relief of Dr. and Mrs. Milton Margoles; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 1789. A bill for the relief of Rev. Anthony Pepel; to the Committee on the Judiciary.

H.R. 1790. A bill for the relief of John Brima Charles, Jr.; to the Committee on the Judiciary.

H.R. 1791. A bill for the relief of GFM Co.; to the Committee on the Judiciary.

H.R. 1792. A bill for the relief of M. Sgt. Grady H. Haynes; to the Committee on the Judiciary.

By Mr. RAHALL:

H.R. 1793. A bill for the relief of Bernard J. Killeen, Jr.; to the Committee on the Judiciary.

By Mr. ROBINSON (by request):

H.R. 1794. A bill for the relief of Beulah C. Shifflett; to the Committee on the Judiciary.

By Mr. TAYLOR:

H.R. 1795. A bill for the relief of La Lim; to the Committee on the Judiciary.

H.R. 1796. A bill for the relief of Jacobo Cosio-Franco; to the Committee on the Judiciary.

By Mr. WHITLEY:

H.R. 1797. A bill to direct the Secretary of the Department in which the U.S. Coast Guard is operating to cause the vessel *Capt. Tom* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. MURPHY, Mr. GINGRICH, Mrs. BOUQUARD, Mr. ATKINSON, Mr. KOGOVSEK, and Mr. NELLIGAN.

H.R. 27: Mr. BENJAMIN, Mr. BEARD, Mr. BROWN of Ohio, Mr. CORRADA, Mr. JAMES K. COYNE, Mr. ROBERT W. DANIEL, JR., Mr. DREIER, Mr. DUNCAN, Mr. ERTEL, Mr. GINN, Mr. GLICKMAN, Mr. HARKIN, Mr. JOHNSTON, Mr. MCKINNEY, Mr. MADIGAN, Mr. MARRIOTT, Mr. NEAL, Mr. PASHAYAN, Mr. PEPPER, Mr. SMITH of Alabama, and Mr. WILSON.

H.R. 65: Mr. ANNUNZIO, Mr. DAN DANIEL, Mr. TRAXLER, Mr. FROST, Mr. SPENCE, Mr. EMERY, Mr. FAUNTROY, Mr. LELAND, Mr. MINETA, Mr. ATKINSON, Mr. KOGOVSEK, Mrs. CHISHOLM, Mr. PETRI, Mr. DERRICK, Mr. DICKS, Mr. JONES of North Carolina, Mr. PASHAYAN, Mr. PARRIS, Mr. NOWAK, Mr. BINGHAM, Mr. HOWARD, Mr. EVANS of Georgia, Ms. MIKULSKI, Mr. McDONALD Mr. LUNDINE, Mr. NEAL, Mr. WALKER, Mr. ROSENTHAL, Mr. ECKART, Mr. VOLKMER, Mr. EDWARDS of California, Mr. MOLLOHAN, Mr. SUNIA, Mr. BONIOR of Michigan, Mr. WASHINGTON, Mr. MATTOX, Mrs. COLLINS of Illinois, Mr. HAMMERSCHMIDT, Mr. GRAY, Mr. SYNAR, Mr. LUJAN, Mr. FRANK, Mr. GINN, Mr. FASCELL, Mr. TAUZIN, Mr. JONES of Tennessee, Mr. DORNAN of California, Mr. BEDELL, Mr. HARTNETT, Mr. ROBERT W. DANIEL, JR., Mr. McDADE, Mr. RAHALL, Mr. SIMON, Mr. D'AMOURS, Mrs. BOUQUARD, Mr. DE LUGO, Mr. BAILEY of Pennsylvania, Mr. JOHNSTON, Mr. NELLIGAN, Mr. PEYSER, Mrs. SCHNEIDER, Mr. SHELBY, Mr. DUNN, Mr. BARNARD, Mr. LOWRY of Washington, Mr. DWYER, Mr. WEAVER, Mr. AUCOIN, Mr. HIGHTOWER, Mr. MINISH, Mr. BARNES, Mr. FOUNTAIN, Mr. IRELAND, Mr. STANGELAND, Mr. ROSE, Mr. BROWN of California, Mr. DIXON, Mr. ZEFERETTI, Mr. ERTEL, Mr. GARCIA, Mr. RITTER, Mr. DONNELLY, Mr. NELSON, Mr. BROOMFIELD, Mr. CHAPPELL, Mr. HOLLENBECK, Mr. MARRIOTT, Mr. PRICE, Mr. FITHIAN, Mr. MOFFETT, Mr. HILLIS, Mr. HERTEL, Mr. HEFNER, Mr. BOWEN, Mr. SCHEUER, Mr. WEBER of Minnesota, Mr. DASCHLE, Mr. MCGRATH, Mr. SAWYER, Mr. HALL of Ohio, Mr. JAMES K. COYNE, Mr. HARKIN, Mr. HINSON, Mr. FLORIO, Mr. SENSENBRENNER, Mr. LEATH of Texas, Mr. HILER, Mr. BROOKS, Mr. TAYLOR, Mr. APPLEGATE, Mr. ERDAHL, Mr. COLEMAN, Mr. MOAKLEY, Mr. EVANS of Indiana, Mr. MURTHA, and Mr. CLINGER.

H.R. 793: Mr. SHELBY, Mr. KRAMER, Mr. HOWARD, Mr. DORNAN of California, Mr. COLLINS of Texas, Mr. ROBERTS of Kansas, Mr. RUDD, Mr. LAGOMARSINO, Mr. TRAXLER, Mr. SAM B. HALL, JR., Mr. DERWINSKI, Mr. HUTTO, Mr. DE LA GARZA, Mr. EVANS of Georgia, Mr. BEVILL, Mr. PEPPER, Mr. BOWEN, Mr. BARNARD, Mr. MURPHY, Mr. DINGELL, Mr. WHITLEY, Mr. ROBERT W. DANIEL, JR., Mr. HARTNETT, Mr. McDONALD, Mr. WILSON, Mr. SENSENBRENNER, and Mr. JOHNSTON.

H.R. 798: Mr. ROBINSON, Mr. GINN, Mr. ROSE, Mr. DICKINSON, Mr. COUGHLIN, Mr. MOTTL, Mr. KOGOVSEK, Mr. D'AMOURS, Mr. WEISS, Mr. LEHMAN, Mr. HOWARD, Mr. MINETA, Mr. FORSYTHE, Mr. FROST, Mr. PRITCHARD, Mr. HUCKABY, Mr. DOUGHERTY, Mr. BROWN of California, Mr. McDADE, Mr. MITCHELL of Maryland, Mr. GUYER, Mr. FAUNTROY, Mr. LOTT, Mr. HORTON, Mr. BOWEN, Mr. CONYERS, Mr. FISH, Mr. COELHO, and Mr. HARKIN.

H.R. 801: Mr. JOHNSTON, Mr. ROBINSON, Mr. GINN, Mr. GINGRICH, Mr. SAM B. HALL, JR., Mr. LAGOMARSINO, Mr. MURPHY, Mr. HINSON, Mr. COUGHLIN, Mr. MOTTL, Mr. KOGOVSEK, Mr. D'AMOURS, Mr. WEISS, Mr. LOWRY of Washington, Mr. FORSYTHE, Mr. HUTTO, Mr. HIGHTOWER, Mr. PARRIS, Mr. WINN, Mr. STANGELAND, Mr. PRITCHARD, Mr. BARNARD, Mr. KINDNESS, Mr. HUCKABY, Mr. FARY, Mr. DOUGHERTY, Mr. DAVIS, Mr. McDADE, Mr. MADIGAN, Mr. DE LUGO, Mr. LOTT, Mr. BENEDICT, Mr. ROE, Mr. HORTON,

Mr. YATRON, Mr. JAMES K. COYNE, Mr. BADHAM, Mr. FISH, and Mr. COELHO.

H.R. 852: Mr. BREAUX, Mr. KOGOVSEK, Mr. DYMALLY, Mr. MOAKLEY, Mr. SABO, Mr. ST GERMAIN, Mr. MATSUI, and Mr. OBERSTAR.

H.R. 878: Mr. DONNELLY, Mr. JOHNSTON, Mr. LOWRY of Washington, Mr. MURPHY, Mr. ROBERT W. DANIEL, JR., Mr. KOGOVSEK, Mr. ERTEL, Mr. COELHO, Mr. SHUMWAY, Mr. WHITEHURST, Mr. VENTO, Mr. EDWARDS of California, Mr. WEAVER, Mr. GLICKMAN, Mr. FITHIAN, Mr. STARK, Mr. BEDELL, Mrs. BOUQUARD, Mrs. COLLINS of Illinois, Mr. EDGAR, Mr. HEFTEL, and Mr. RITTER.

H.R. 901: Mr. MCCLOSKEY and Mr. YOUNG of Alaska.

H.R. 911: Mr. CONABLE, Mr. PHILIP M. CRANE, Mr. PRITCHARD, Mr. SAM B. HALL, JR., Mr. LAGOMARSINO, Mr. MURPHY, Mr. NEAL, Mr. SHUMWAY, Mr. LAFALCE, and Mr. JOHNSTON.

H.R. 913: Mr. GIBBONS, Mr. ROUSSELOT, Mr. RHODES, Mr. FORSYTHE, Mr. PRITCHARD, Mr. JEFFORDS, Mrs. FENWICK, Mr. MCCLORY, Mr. DREIER, Mr. ERDAHL, Mr. PEPPER, Mr. YATRON, Mr. STANTON of Ohio, Mr. MCCLOSKEY, Mr. HILLIS, Mr. LAGOMARSINO, Mr. DERWINSKI, Mr. BROWN of Ohio, Mr. BUTLER, Mr. MURPHY, Mr. JAMES K. COYNE, Mr. GUYER, Mr. KEMP, and Mr. BLILEY.

H.R. 1042: Mr. ADDABBO, Mr. AUCOIN, Mrs. BOUQUARD, Mr. COELHO, Mr. CORRADA, Mr. FISH, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GINN, Mr. GOLDWATER, Mr. HEFNER, Mr. HORTON, Mr. HOWARD, Mr. LEDERER, Mr. LEHMAN, Mr. LUNDINE, Mr. MAVROULES, Mr. MCHUGH, Mr. MILLER of California, Mr. MITCHELL of New York, Mr. MITCHELL of Maryland, Mr. MOFFETT, Mr. MURPHY, Mr. NATCHER, Mr. NOWAK, Mr. OTTINGER, Mr. PANETTA, Mr. PEPPER, Mr. PRITCHARD, Mr. RAHALL, Mr. RODINO, Mr. ROSENTHAL, Mr. ROUSSELOT, Mr. SCHEUER, Mr. SOLARZ, Mr. STARK, Mr. STRATTON, Mr. TRAXLER, Mr. VENTO, Mr. WAXMAN, Mr. WEISS, Mr. WINN, and Mr. YATRON.

H.R. 1064: Mr. TAUZIN, Mr. IRELAND, Mr. SAWYER, Mr. HILLIS, Mr. HUCKABY, Mr. WILSON, Mr. YOUNG of Missouri, and Mr. MADIGAN.

H.R. 1136: Mr. KOGOVSEK.

H.R. 1137: Mr. KOGOVSEK.

H.R. 1200: Mr. HILLIS, Mr. JAMES K. COYNE, and Mr. GOODLING.

H.R. 1258: Mr. RITTER.

H.R. 1339: Mr. BEARD, Mr. ROE, Mr. HILLIS, Mr. NEAL, Mr. HUCKABY, Mr. WHITTAKER, and Mr. LEATH of Texas.

H.R. 1340: Mr. BEARD, Mr. ROE, Mr. HILLIS, Mr. NEAL, Mr. HUCKABY, Mr. WHITTAKER, Mr. LEATH of Texas, and Mr. FISH.

H.R. 1492: Mr. DOUGHERTY.

H.R. 1493: Mr. DOUGHERTY.

H.J. Res. 9: Mr. CORCORAN, Mr. MOTTL, Mr. WHITEHURST, Mr. WHITTAKER, Mr. JOHNSTON, Mr. BARNARD, Mr. ATKINSON, Mr. STANGELAND, Mr. WILSON, and Mr. GOODLING.

H.J. Res. 131: Mr. ROBINSON, Mr. NATCHER, Mr. PEPPER, Mr. WINN, Mr. MOTTL, Mr. ROE, Mr. SMITH of Iowa, Mr. WHITEHURST, Mr. MURPHY, Mr. ANNUNZIO, Mr. MAZZOLI, Mr. LAGOMARSINO, Mr. WYLIE, Mr. CLAUSEN, Mr. GUYER, Mr. CORRADA, Mr. JACOBS, Mr. FRANK, Mr. MADIGAN, Mr. HOWARD, and Mr. MCDONALD.

H.J. Res. 145: Mr. BAILEY of Missouri, Mr. MURPHY, Mr. GUARINI, Mr. WOLPE, Mr. SCHEUER, Mrs. CHISHOLM, Mrs. COLLINS of Illinois, Mr. DWYER, Mrs. BOUQUARD, Mr. VENTO, Mr. FROST, Mr. HEFNER, Mr. FORSYTHE, Mr. BEVILL, Mr. DOUGHERTY, Mr. HORTON, Mr. YATRON, Mr. GUYER, Mr. HUGHES, Mr. ROE, and Mr. BOWEN.

H.J. Res. 159: Mr. VENTO, and Mr. WIRTH.

H. Con. Res. 1: Mr. DANIELSON.

H. Con. Res. 20: Mr. LEBOUTILLIER.

H. Con. Res. 27: Mr. WEISS, Mrs. FERRARO, and Mr. YATES.

H. Res. 22: Mr. MCCLOSKEY, Mr. OTTINGER, Mr. WEISS, Mr. DOWNEY, Mr. WALGREN, Mr. MONTGOMERY, Mr. EDWARDS of California, Mr. BROWN of California, and Mr. HARKIN.

H. Res. 50: Mr. MURPHY, Mr. VENTO, Mr. RODINO, Mr. DYSON, and Mr. DWYER.

EXTENSIONS OF REMARKS

SOVIETS RECORD SINCE HELSINKI: POLAND ABYSMAL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. PORTER. Mr. Speaker, at Madrid the oversight conference has resumed as part of the 1975 Helsinki Final Act. The time has come to re-evaluate the performance of the Soviet Union since the signing of the 1975 act. The chief of the U.S. Delegation to the Madrid Conference recently gave an interview in the U.S. News & World Report of February 9, 1981, that I would like to share with my colleagues concerning the behavior of the Soviet Union under the Helsinki agreements:

RUSSIA'S RECORD SINCE HELSINKI: 5 YEARS OF CHEATING*

Moscow is on trial at a Madrid meeting policing the 1975 Helsinki Accords on human rights and territorial integrity. The verdict, says the leader of the U.S. team: Guilty on almost all counts.

Q. Mr. Kampelman, what's the point of meeting the Soviets in Madrid to talk about compliance with the Helsinki Final Act guaranteeing human rights and sovereignty of all nations? Haven't the Russians made a mockery of this agreement by their invasion of Afghanistan, their threats to Poland and their repression of dissidents?

A. As one who had serious questions about our signing the 1975 Helsinki Final Act, let me say that we have taken that vehicle and turned it against the Soviet Union at Madrid in a very effective manner. We have used the vehicle to our advantage. I've always believed that if you have a vehicle that you can use to your advantage, you use it and don't throw it away.

The overwhelming feeling in the European press is that the Soviets have been taking it on the chin at Madrid and that they're on the defensive—indeed, they're isolated. Now, that's a political advantage to us.

Q. How are the Soviets reacting to this?

A. They clearly have been surprised. They did not anticipate the overwhelming attack against the Soviet Union for Afghanistan and for violation of human rights. It has never happened before. We are not in a position to judge how effective it is, because we don't know what Moscow is thinking or talking about.

I have very little doubt in my mind that the Soviets have been surprised by the intense allied unity that exists at Madrid—a unity that is strengthened by the addition of Spain, which is now clearly and unmistakably a Western country.

The neutrals and the nonaligneds also have expressed themselves in unmistakable terms on human rights and Afghanistan. I don't think the Soviets expected that. Nor did they expect the constancy of the attack, the stubborness.

We have reason to believe that they expected we would go through the forms and not be effective at all.

Q. Do these verbal attacks really matter very much in practical terms?

A. I am firmly convinced—and I speak as one who has spent many years studying the Soviet system—that the worst thing in the world one can do in dealing with the Soviets is to pretend that they do not make mistakes. They do. I don't think the Soviets are self-sufficient in this world. They also seek respectability.

Their objective, after all, is world influence, and not just internal economic or political stability. All of this is adversely affected by the criticism.

If we hope to reach an accommodation with the Soviets, we must clearly state our requirements and the prerequisities for that accommodation. If we put blinders on ourselves, there is no chance of an accommodation. We will have the kind of relationship that we've had in recent years. We've kidded ourselves into believing we have a peaceful relationship with them, and they have not kidded themselves into believing that they should not build up their strength. It's a relationship that has worked to our disadvantage.

Q. What are the Russians getting out of the Madrid meeting?

A. They've gotten nothing out of it so far. They still have an opportunity to gain something with their proposal for military détente and disarmament, which will be considered in February.

What they hope to gain is a propaganda advantage by being in favor of a conference that would emphasize military détente and disarmament. They hope to put themselves in a position where they're a peace-loving people in the eyes of the Europeans and the eyes of the world. We will counter that.

Q. Will they get backing for their conference on military détente and disarmament?

A. No. They're not going to get the conference. The West is overwhelmingly opposed to it. I don't think the Russians expect to get their conference. They expect to get a propaganda advantage out of favoring the conference.

Q. You've painted a picture of a very tough confrontation at Madrid between the West and the Russians. Does that mean that détente as we've known it over the past decade is dead?

A. What I have said at Madrid is that the United States hopes to achieve détente with the East. It's an objective to be realized. It's not an objective now existing. I have stated explicitly that you cannot have détente while you have the Soviet Union, in effect, acting in complete violation of its human-rights commitments under the 1975 Helsinki Final Act, and becoming increasingly repressive in the area of human rights.

Secondly, we have said that we do not see détente while the Soviet Union is using its troops in Afghanistan in complete violation of the Helsinki Final Act. And we have said that in both of these areas—human rights and Afghanistan—the United States requires specific movement by the Soviet Union before we would be prepared to say that détente can be achieved.

Q. Aren't the Russians getting many of the benefits of détente in the way of trade and credits without paying the price in terms of human rights and refraining from aggression?

A. I want to point out to you that some of these credit arrangements existed during the so-called cold war as well. I see very little difference—other than a difference in words—between what happened in our relationship during the cold war and what's been happening in recent years under the so-called period of détente. That is why I don't like to use the word as a description of the relationship that exists. Indeed, I think it fair to say that it's even a little worse today, because today you've got a hot war being waged by the Soviet Union in Afghanistan, which is a lot worse than the cold war.

Q. What do we want from the Soviets as the price for détente?

A. We want a commitment from the Soviets not to use military force and an honoring of that commitment. And we want a commitment to the human-rights provisions of the Helsinki Final Act, which they signed.

At least, we want to see movement in the right direction on human rights. We recognize that theirs is a different society from ours. But, as I have said to the Soviet delegates in Madrid, I, for one, fail to see why the Soviet Union has got to keep 200 or 400 or whatever number of dissidents in jail. For the Soviets to behave more humanely and to live up to their responsibilities is not going to undermine their society. I do not think that by asking them to live up to their commitments that we're threatening them.

Q. Does this continued violation of their commitments on human rights mean that we are powerless to influence the Soviets on this score?

A. We've had very little influence up until now. If we can be constant about it, we may very well have an effect on them, because I think they need us. But up until now, they have ignored their commitment, and they have felt they can get away with it.

Q. Will the Reagan administration be any more effective in getting Russia to honor its commitments on human rights?

A. I would hope we could be more effective under the Reagan administration than we've been. I speak not as a partisan on this question, because I am a Democrat. I do remember very vividly that the whole business of détente began as a President Nixon phenomenon. And I think it turned out to be misleading.

We shouldn't be misleading about détente. You cannot expect the American society or the peoples of any Western society to make sacrifices in the form of heavier defense spending if they feel it's unnecessary. And if you tell them that we are in a relaxed period—a period of détente—why should they want to spend the money on defense? I certainly hope that under Reagan we will have constancy and a firmness of view.

Q. If you look at the overall implementation of the Helsinki Accords over the past

*Interview with Max M. Kampelman, Chief of the U.S. Delegation to the Madrid Conference.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

five years, just what are the results? Have there been any real gains?

A. You have to make a distinction between the Soviet Union and Eastern Europe. With respect to Eastern Europe, there have been many advances. There have been significant improvements, for one thing, in the trade area for American business. Even in the human-rights field, we've made significant progress on such issues as family reunification. Most of this has been done bilaterally.

For example, the first week I was in Madrid I talked to the ambassador of one Eastern European country about a list of some 1,800 people who were having trouble obtaining exit visas to join their families. He came back and told me that about 600 of these people would soon be granted exit permits. When I asked about the other 1,200, he said that it would take time. But at least we got 600 immediately.

I gave the ambassador of another Eastern European country at Madrid a shorter list—a handful of names—and exit visas were approved in a matter of weeks for every single one on that list. The ambassador came back to me and said, "Done, done, done."

For a number of Eastern European countries, I don't have any names to provide. All have been taken care of.

Q. You still have numerous names of people in the Soviet Union who are unable to get out to rejoin families—

A. Yes. That's why I make the distinction between Eastern Europe and the Soviet Union.

Q. How do the Russians at Madrid respond to all the attacks? Aren't the Soviets counterattacking by criticizing America's human-rights record?

A. As a matter of fact, there's been very little of that. The Russians talk about injustice to the American Indians—not much, but they refer to it.

We've had meetings on this issue. We explain what we in the United States are doing to try to deal with the problem of the American Indian. For example, we talk about the recent Supreme Court decision involving a government payment of more than a hundred million dollars to one tribe. We recognize the problem. We don't deny the fact that there is a problem there.

The Russians may still talk about other issues—for example, Puerto Rico. I've been expecting it, but so far they haven't talked about Puerto Rico, which surprises me.

They've talked once in general terms—in a broad, rambling discussion—about crime in the streets in the United States, about the danger of walking in the streets, about the case of someone who was killed for a dollar in Central Park, about that kind of thing. And they've talked about unemployment, alleging that it is a very gross violation of human rights.

KEY PROVISIONS OF HELSINKI ACCORDS

The Final Act of the 1975 Conference on Security and Cooperation in Europe, held in Helsinki, calls on the 35 signatory nations to:

Respect the inviolability of existing borders.

Refrain from the threat or use of force against any state.

Refrain from any intervention, direct or indirect, in the internal or external affairs of other states.

Respect human rights and individual freedoms.

Grant exit visas to permit the reunification of families.

Support confidence-building measures such as advance notification of military maneuvers and exchange of observers for maneuvers.

Facilitate freer exchange of people, publications and information.●

JOHN CREIGHTON AND THOMAS FLECKENSTEIN OF THE KNIGHTS SOCCER CLUB

HON. CHARLES F. DOUGHERTY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DOUGHERTY. Mr. Speaker, young people in Northeast Philadelphia have an outstanding soccer program due to the dedicated and tireless efforts of two fathers in my district, John Creighton and Thomas Fleckenstein. Their efforts began more than 12 years ago, and, although their own children are now grown and no longer involved in the soccer program, these two men continue to work with young men and women who enjoy the game of soccer.

When the Northeast YMCA opened its field to the children in the neighborhood who wanted to play soccer over 12 years ago, Mr. Creighton and Mr. Fleckenstein helped their own sons and other young boys form a team. Because the "Y" was a young branch and had no money to sponsor a soccer program, the two men joined with other fathers to form the Fathers' Soccer Club to raise money to buy uniforms and soccer balls for the boys who played at the "Y" field.

In 1970 the Fathers' Soccer Club expanded into the Mothers' and Fathers' Soccer Club of the Northeast YMCA. Two more boys' teams were added and Tom Fleckenstein became a coach. During the 4-month soccer league season, a coach spends at least 2 hours a night, 2 nights a week, in practice with his team in addition to the weekend league game. However, the coaches actually begin their work with the teams at the beginning of August, a month before the regular season begins, and bad weather and the championship games usually extend the season into February or March.

The club prospered and became the Knights Soccer Club, an independent self-sustaining organization that operates and maintains a soccer program for boys and girls ages 7 to 17 who are members of the Northeast YMCA.

In 1972 girls' teams were added to the soccer club and Jack Creighton became the junior girl coach. He is still coaching the junior girls 9 years later.

Not only have these two fathers served as coaches, but they have also been active in other activities of the soccer club such as fundraisers and other events. Mr. Fleckenstein has worked in various maintenance programs and has coached the mothers' soccer team, a group of mothers who joined together to have fun and occasionally play soccer. Mr. Creighton has been on the family picnic committee for over 8 years and currently serves as chairman of the grievance committee of the Independent Girls Soccer League, a league of more than 1,000 active girl soccer players. Both men have officiated at many exhibition games as referees or sideline attendants.

Although their own children have grown up and no longer play soccer, Tom Fleckenstein and Jack Creighton still give of their time and talents with no pay of any kind to insure that young men and women in Northeast Philadelphia have the opportunity to enjoy the game.

Mr. Speaker, we extend to Tom Fleckenstein and Jack Creighton our gratitude for the many hours they have devoted to the soccer program in Northeast Philadelphia and for the invaluable contribution they have made to the lives of our young people.●

UNITED STATES NEEDS TO LOOK AT POPULATION CHANGES

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. OTTINGER. Mr. Speaker, on January 19, I introduced H.R. 907, a bill which requires all Government departments and agencies to address the effects of population change on their policies and programs, establishes a White House Office of Population Policy to coordinate and oversee these requirements and declares a national policy of eventual population stabilization.

The bill would improve the Federal Government's capability to prepare timely, accurate, and consistent forecasts of short-term and long-term trends in population, resources, and the environment, both nationally and globally. This will enable Federal, State, and local authorities to make timely and effective adjustments in their policies and programs in light of these projections.

The bill addresses the need to plan for the sweeping demographic trends which are changing the face of the Nation. While our birth rate has dropped, the American population continues to grow by more than 2 million annually. Although women are having fewer children, the sheer numbers of the baby boom generation insure an ongoing natural increase. Immigration, both legal and illegal, is an almost as large source of growth.

Demographic changes may be as important as sheer growth. Millions of Americans are leaving metropolitan

areas to resettle in rural communities. The population will no doubt continue to shift to the South and West. The influx of immigrants taxes the capacities of host communities. The steady aging of the population forces changes in the character and distribution of many services.

Changes in the Nation's population—whether they be in fertility, mortality, immigration, or distribution—affect all of us. They have a profound impact on every sector of society: Health care, education, housing, transportation, employment, retirement programs, environmental protection, and business. In spite of this, the Federal Government simply does not have the capacity to plan ahead for these changes and no systematic focus on them is presently required. This is the aim of H.R. 907.

The purpose of this legislation is not new. In 1938, Congress first recognized the value of a national population policy of stabilization. The National Resources Subcommittee on Population Problems recommended in its report to President Roosevelt that approporiate legislative and administrative actions be taken to shape broad national policies regarding our population problems and that transition from an increasing to a stationary or decreasing population may on the whole be a benefit to the life of the Nation. That was almost 50 years ago.

In 1972, the National Commission on Population Growth and the American Future recommended that organization changes be undertaken to improve the Federal Government's capacity to develop and implement population-related programs, and to evaluate the interaction between public policies, programs, and population trends.

In 1974, the United Nations declared World Population Year, and the United States joined with other countries in endorsing the World Population Plan of Action, a formal agreement calling for each nation to construct its own population policy. The United States still has not honored this commitment, despite the fact that we urge population stabilization on underdeveloped countries and help pay for implementation with taxpayers' dollars. For American diplomacy to succeed in these troubled times, it must acquire credibility by showing that the United States is prepared to tackle at home those problems we ask others to tackle abroad.

More recently, the House Select Committee on Population did a fine job of bringing out the importance of population considerations to our national policy in all of its ramifications. The committee recommended that Congress consider alternative mechanisms for improving the ability of the Federal Government to develop alternative policies and programs for planning for future population change and assess the short-term and long-term costs and benefits of each.

Although the substance of my proposal may be familiar, the urgency for taking action is unprecedented.

The President's Council on Environmental Quality (CEQ) and the U.S. Department of State last summer released the "Global 2000 Report." This report was the result of a 3-year interagency study of U.S. Government projections in the areas of population, resources, and environment. It concluded that a continuation of present trends would lead to a world in the year 2000 that would be "more crowded, more polluted, less stable ecologically, and more vulnerable to disruption than the world we live in now."

The followup report, "Global Future: Time to Act," released on January 14, proposed a series of concerted actions to meet the problems described in the earlier report. To improve the U.S. capability to respond to global resource, environmental, and population issues, the report recommended that the responsibility for developing and coordinating U.S. policy on these issues be centralized in one agency, preferably in the Executive Office of the President. The report further states:

> Coordinated development of policy is absolutely essential. All the pieces must be evaluated and brought together in a coherent whole—a job attempted in this report for the first round, but one that must be continued, expanded, and made a permanent, high priority part of government operations.

H.R. 907 responds to these recommendations.

On January 24, more than 60 national organizations meeting under the auspices of the National Audubon Society, passed a resolution asking Congress to endorse the goal of population stabilization and establish a population policy office to coordinate national and international efforts. H.R. 907 carries out that declaration.

Mr. Speaker, our constituents have long recognized the impact of continued national population growth on the Nation, particularly as it affects energy supplies, natural resources, food and agriculture, the environment, governmental expenditures, and diplomatic relations. According to a 1976 Gallup poll, 87 percent of the public favor an end to U.S. population growth.

Ignoring population growth and changes would not stop them from reshaping our lives and our children's futures. Only conscious efforts at every level of government to understand them and plan ahead will make a difference. To persist in overlooking the many ways in which demographic changes affect the allocation of goods and services is to risk their waste and ineffectual distribution in times of mounting scarcity. For example, it is nonsensical to use taxpayers' money to finance new school construction for communities which attention to demographics could have foretold would have excess facilities, as the Government did in the last decade to the tune of millions of wasted dollars. That is why I believe Congress must act now to improve our ability to forecast and respond to these changes.

I hope my colleagues will join me in supporting this bill and calling for hearings at the soonest possible time.●

TERMINATE THE DEPARTMENT OF EDUCATION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. WHITEHURST. Mr. Speaker, today I am introducing legislation to terminate the Department of Education. My bill provides that the Department will terminate on December 31, 1982, and requires that the President submit a plan to transfer the necessary functions of the Department to other agencies. It states that the President may not submit a plan which would create a new Cabinet-level Department.

I believe that this is the proper approach, rather than simply putting the Department as presently constituted into the Department of Health and Human Services and renaming it HEW. My colleagues will recall that when the Department of Education was created, programs were transferred not only from HEW but from the Department of Defense, the Department of Labor, the National Science Foundation, the Department of Justice, and the Department of Housing and Urban Development. It is very possible that these programs should, and would, be restored to the various agencies from which they were taken.

If the present spending rate continues, the Department will have spent approximately $15 billion in fiscal 1981; however, if the proposed supplementals and rescissions are added in, the figure will be about $15.6 billion. The tentative request for fiscal year 1982 is $16 billion.

Mr. Speaker, I do not believe that we have seen $15 billion worth of achievement from this Department. It was created with the noble goal of reinforcing Federal interest in education, but it has succeeded only in strengthening Federal interference. The ill-conceived, and fortunately now withdrawn, proposal to mandate bilingual education is a case in point.

Mr. Speaker, as one who spent 18 years in the field of education before coming to the Congress, I can assure you of my own strong support for a viable system of education in this

country. At the same time, I recall the destructive meddling that took place in my own district a few years ago that would have done grave damage to the curriculums of two fine State universities in Norfolk, Old Dominion and Norfolk State, and I feel very keenly that it is essential to return the responsibilities for education to experienced, professional educators at the State and local levels. I recognize that many education associations favor the Department still, but I think that we are doing them a grave disservice if we allow the present trend of growing Federal control to continue.

I think that terminating the Department of Education will make it clear that we have a commitment not only to permitting local educators to teach instead of doing increasing amounts of paperwork but also to reducing Government interference in all aspects of our lives, and I urge my colleagues to join me in this effort.

Thank you, Mr. Speaker.●

PAYING FOR THE FUTURE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. FUQUA. Mr. Speaker, as we await President Reagan's revisions to President Carter's budget proposal for fiscal year 1982 many of us are hopeful that the revisions will not be penny wise and pound foolish. A few days ago the Washington Star's lead editorial clearly explained the importance of maintaining our Nation's technological base as represented in the aerospace programs of the National Aeronautics and Space Administration. Of course we have economic problems now, but it makes no sense to try to solve these problems by cutting the strongest sectors of our economy. And a recovery will be made more difficult if not impossible if the technological sources of innovation and productivity improvement are discouraged. One simply cannot put scientists and engineers in a deep freeze. When a technology development team is dispersed, one has to start from scratch to reassemble it. Let us not mortgage our future.

Let me give one specific example. Right now there is a shortage of trained engineers, and there is an attempt to meet this shortage by bringing more students into engineering schools. How can we hope to encourage students to enter a rigorous course of study while at the same time we contemplate cutting the exciting, high-technology programs that are going to give them the real incentive to become engineers?

Mr. Speaker, I commend to all Members the following editorial which appeared on February 2, 1981:

PAYING FOR THE FUTURE

Although Reagan administration officials are not ready to list specific budgetary priorities, there are hints of things to come. For example, David A. Stockman, director of the Office of Management and Budget, said the other day that the administration's plan "will involve an unprecedented effort to change the spending code of the federal government," i.e. the "whole accumulation of entitlements and permanent authority that automatically drive outlays and spending whether any policy decision is made by the administration or the Congress in the interim."

At about the same time, however, Mr. Stockman said something suggesting that the administration is also aware of the harm that may be done if cuts hurt some science and technology programs, with which a nation's future is closely linked.

Responding to a question about the future of the space shuttle, Mr. Stockman called the larger U.S. space effort "a very constructive and very important investment for the country to make, not only because of its technological spin-off, but simply because of the boost that that gives to our economy and our aspirations . . ."

The sentiment may seem self-evident, but it bears emphasis because in fact it hasn't been evident as a matter of policy. Attacks of historical amnesia seem especially severe when they concern the space program.

By the time Apollo 15 was launched, public reaction to the lunar landings bordered on ennui; the encounter with Saturn by Voyager 1, which filled so many with wonderment as recently as last fall, already seems more a series of bright pictures than part of an ongoing program launched nearly four years ago. Voyager 1 was so successful that NASA recently approved a trajectory for its sister ship, Voyager 2, that would take it to Uranus in 1986 after flying by Saturn this August.

Yet as Mr. Stockman suggests, the value of the program is—and the word is used precisely—incalculable. It simply cannot be known what the rewards will be in scientific, military, industrial and technological terms. But if the past is guide, they will be great indeed. And Mr. Stockman seems wise enough to value a society's imagination, too.

The recent past, however, has been most uncertain since President Nixon proclaimed the landing of Apollo 11 on the moon to be the greatest event in history. In the early '70s, NASA cancelled three lunar landings, a "grand tour" of the outer planets, a once-in-a-lifetime chance to probe Halley's comet and, finally, plans for a completely reusable space shuttle. In 1967 dollars, the NASA civilian space budget has declined dramatically.

Former President Carter's 1982 budget suggests the ambiguities of the U.S. commitment. It noted 1978 presidential directives, encouraging space activities "to increase scientific knowledge, develop useful commercial and government applications of space technology and maintain U.S. leadership in space." But it also "recognized" that "funding demands of the space shuttle and the necessity of fiscal restrain would inhibit, in the near term, our ability to pursue major new engineering challenges in the development of space technology." Is that the way to approach a program requiring, above all, long-range planning and commitment?

We are perhaps reading too much into Mr. Stockman's words about the space program. But the issue he addressed is not small or exotic. Professor Walter McDougall recently put it this way: "A thumbnail definition of a great power between the two world wars might have been: 'A nation that builds its own airplanes.' The updated version would be: 'A nation that launches its own spacecraft.' "●

MARRIAGE TAX

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. LOTT. Mr. Speaker, I am pleased to join with the gentlewoman from New Jersey in calling for an end to the notorious marriage tax and in cosponsoring legislation for this purpose.

If any one item stands out in the minds of the American public as an example of the inequity in our present tax system, it is this absurd provision. As it now stands, the law penalizes millions of couples who choose to marry and provides a significant financial reward for those who live together without being married.

We still hear of couples who obtain divorces at the end of each year in an attempt to avoid this penalty. Of course, most Americans are not willing to go to such lengths to get around the law. They simply shake their heads in amazement that this provision is allowed to remain on the books.

Our present tax system was designed for another era when two-income marriages were rare and a wife's salary was considered a luxury. In the average family of today, both spouses must work just to meet everyday expenses, and they are being clobbered with taxes. Aren't these the very people we should be helping with some form of immediate tax relief?

It is time for us as a Congress to show that we are responsive to the overwhelming will of the people on this issue; 1981 should be the year when we bring an end to this discriminatory and ridiculous policy.●

INDIVIDUAL SAVINGS INCENTIVE ACT OF 1981

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. KRAMER. Mr. Speaker, today I am introducing a bill which I believe would substantially improve the dismal economic picture which confronts both individuals and businesses. It has become increasingly evident that our Government's fiscal policies have encouraged consumption and debt and discouraged savings, and hence have impeded capital formation and economic growth. It is past time to rectify this imbalance. While the

Congress took a first step in this direction last year in enacting a tax exemption on the first $200 of interest income, it is necessary to expand on that base to further encourage a higher savings rate than the 4.5 percent which we now show.

Most discussion of this subject has revolved around the appropriate level of exemption of interest income, and the effect that different levels would have on the savings rate and on general revenues. My bill takes a somewhat different approach, in that it provides a tax exemption only for the increase in interest income from one year to the next for individuals under age 65. For those 65 and over, there would be no increase test to qualify for the exemption. In a true sense, this approach encourages new savings by exempting from taxation that interest income which reflects an increase in savings from the previous year. The Individual Savings Incentive Act of 1981 allows interest earned from savings accounts in excess of the previous year's earnings to be tax free up to a total of $500 for an individual or $1,000 for a joint return. In the case of individuals 65 and over, the first $500 of interest income earned on savings would be excluded from taxable income.

This somewhat different approach has two significant advantages over a flat exemption.

First, it results in a lower revenue loss to the Treasury than a dollar for dollar flat exclusion.

Second, because the revenue loss factor is smaller, it is possible to increase the rate of the exemption, thus providing a greater incentive to increase savings.

The Joint Committee on Taxation estimates that the total revenue impact of this proposal for the years 1981-90 would be $23.5 billion. This compares with the estimated revenue loss during the same period from a flat $250 exclusion of $30.4 billion. Thus, the total revenue impact of the $500 exclusion in my bill is actually less than that of a $250 flat exclusion, yet it provides twice the benefit to the taxpayer who increases his savings. Thus, this bill puts the emphasis where it belongs—on increasing the present rate of savings.

If our objective is to provide an incentive for individuals to save more, the approach in the Individual Savings Incentive Act is clearly designed to meet that objective in the most cost-effective manner.

An additional feature of this bill is that it would help protect the savings of the elderly and retired from taxation and the ravages of inflation by exempting the first $500 of interest income earned on savings held by those 65 and over from taxation. This recognizes the special situation of those who would be most likely to be affected by an increase test and who would be least likely to be increasing their savings. Those over 55 account for over two-thirds of all savings and loan deposits, and interest income represents nearly 25 percent of the total income of persons 65 years and older. My bill then takes account of the fact that these individuals have contributed to savings over the years to provide for their retirement, and are far more likely to be drawing down on those savings than to be increasing them as they reach retirement age. Those savings should be protected, and the elderly and retired should not be penalized for their inability to increase their savings at the time in their life when they must rely on those savings, and when in fact they see serious erosion of those savings by double-digit inflation.

The subject of how to further increase our national savings rate will undoubtedly be addressed again this year in the context of tax reduction legislation, and I urge my colleagues to carefully examine the approach contained in this bill, which has the advantages of providing a genuine incentive to increase savings, providing more stimulative effect than the flat exemption approach with a lower revenue loss, and protecting the savings of the elderly.●

NINE-DIGIT ZIP CODE PLAN

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DANIEL B. CRANE. Mr. Speaker, the nine-digit ZIP code plan, which the Postal Service had planned to implement in February, has been delayed until June.

I have opposed this scheme from the beginning, and see no reason to change my mind. As you know, 122 Members of this body petitioned the Postmaster General to delay this plan until the citizenry could speak out. I was happy to be one of those petitioners.

If there is one thing we do not need from Government, it is more numbers.

Under the current five-digit ZIP code, the country is separated into small regions, each with its own code. The proposed nine-digit ZIP would divide the country into still smaller units; in fact, each block has its very own ZIP code.

What next? Well, perhaps the Postal Service will come up with a plan for even greater efficiency. After all, if assigning a ZIP code to each block will produce savings, just think how much we could save by giving each individual residence its own number.

Presto—the Government will have reinvented the street address.

The October 30, 1980 issue of the Sullivan (Illinois) Progress addresses this matter in a timely fashion. The editorial follows:

THROW OUT THE JUNK MAIL

How is it that all the national candidates have missed one of the best possible issues in this campaign? Think how many votes could have been drawn from dissatisfied postal patrons if someone had promised: "If elected, I promise you that there will be a definite improvement in the postal service". Of course, he or she might have had some trouble in keeping that promise, if elected, but it certainly would have drawn a lot of supporters.

What's wrong with this formerly dependable, once bargain priced service? Everyone seems to have an answer, but none of them seem to work. Back a number of years ago, the post office department came up with a cure-all that they labeled the "Zip Code". We were practically guaranteed faster, much improved service if everyone put a string of numbers on each piece of mail sent. The result: The mails slowed down more than ever and prices of mailing soared ever higher.

Complaints get nowhere, but now the department has come up with another cure-all: A bigger-yet zip code, which means that all us doubtless will have to start memorizing even more numbers.

There is no way around the fact that the mail service has gone steadily downhill ever since the job of carrying the mails was taken away from the railroads. Furthermore, when the job of sorting the mails depended largely on hand work, the service was still more efficient, even though out of date. Someplace in recent years, the department seems to have decided that its financial future depended in handling more junk mail, and that caused nothing but an increased volume of stuff and slower than ever service. In view of all that has been tried, the only solution seems to be to return to delivering the letters, newspapers and the magazines, and throwing out the junk mail.●

NOW IS THE TIME TO END THE MARRIAGE PENALTY

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. FIELDS. Mr. Speaker, I am very pleased to join with our colleague, the gentlewoman from New Jersey, Mrs. FENWICK, in today proposing legislation to eliminate the so-called marriage penalty.

It is my firm belief that this legislation is long overdue and that the Federal Government has a responsibility to eliminate this inherent inequity in our Tax Code which is currently adversely affecting as many as 38 million Americans.

At this moment, our Federal tax structure is set up so that a husband and wife who both work may pay as much as 63 percent more in Federal taxes than they would if they were single. For a couple with income of

$30,000 per year, there is a marriage bonus of $1,929 when one spouse receives all the income and a marriage penalty of $903 when the income is split equally.

Besides being a basic inequity in our Tax Code, the marriage penalty has placed the Federal Government in the awkward position of providing a disincentive to marriage, an incentive to divorce, and a disincentive for wives to seek paid employment.

Additionally, in this age of persistent double-digit inflation and ever-increasing consumer prices, the marriage tax has placed its heaviest burden on those couples whose double income is a necessity, rather than a choice.

Clearly, the existence of the marriage penalty is entirely inadvertent, logically indefensible, extraordinarily poor social policy, and perhaps even unconstitutional.

I therefore sincerely hope that both the Reagan administration and this Congress will include this proposal within any tax relief legislation and will allow all married couples the option of filing their taxes as if they were single.

Mr. Speaker, enactment of this bill will eliminate the injustice of the marriage penalty tax without imposing additional taxes on any segment of the taxpaying public.

I urge its immediate adoption.

AMERICAN SHOE INDUSTRY

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DONNELLY. Mr. Speaker, the American shoe industry is in a precarious position. It is one of the most import-impacted industries in our Nation today, with imported shoes accounting for 48.5 percent of the domestic market. This is substantially higher than the much publicized steel industry with 16 percent import penetration and the automobile industry with 27 percent import penetration.

In 1977, the shoe industry was granted a 4-year import control program consisting of orderly marketing agreements between the United States and Taiwan and also the United States and Korea. In addition, the agreement extended the authority to take action against "surge" countries.

While this import relief has had a positive effect in reducing imports from Taiwan and Korea, no action was ever formally approved against surge countries which have cut dramatically into the domestic market bringing about an additional losss of 13,000 jobs since the implementation of the OMA's.

I feel that this extension of the relief program is essential if the domestic industry is going to have sufficient time to realize benefits from revitalization efforts currently underway. The footwear industry and the affected unions have filed for an extension of the import relief program as provided for in the Trade Act of 1974. The International Trade Commission is currently conducting an investigation into the effect that the extension, reduction or termination would have on the American economy. The ITC will present its recommendations to the President, after the investigation, who has the final authority to extend, reduce or terminate the OMA's.

The House concurrent resolution I have filed today, urges the President to grant the extension of the OMA's, allowing the industry the opportunity to become more competitive in the United States and world markets. Since the imposition of the OMA's, the industry has undertaken a number of initiatives to enhance its competitiveness and adjust to import penetration. An ambitious export program, management training programs, and the establishment of the American Shoe Center to foster technological improvements in the industry demonstrate the industry's efforts to improve productivity and competitiveness.

The House of Representatives has a responsibility to see that the American shoe industry is allowed this opportunity to become more competitive. Over 250,000 Americans depend on shoe manufacturing for their jobs.

We, in Congress, should recognize the need to protect those jobs. We must do whatever we can to convince the International Trade Commission and the Reagan administration that it is in the best interest of our Nation to protect those jobs. I urge you to join with me in sending this message of support on behalf of our ailing shoe industry.●

REPEAL REQUIREMENT FOR MULTILINGUAL BALLOTS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. McCLORY. Mr. Speaker, for some time now, I have endeavored to get the Congress to take a close look at what I believe was another unnecessary extension of Federal power. Specifically, I am referring to the bilingual provisions of the Voting Rights Act of 1965, as amended in 1970 and 1975. Though created with the best of intentions, I have seen nothing to indicate that the charges made in 1975 have had any effect other than to increase the costs which States and local communities must bear in supervising the electoral process. The bill I introduce today will remedy the problem by repealing the bilingual provisions.

Section 203 of the act requires that a State or political subdivision must conduct its elections in languages other than English if, prior to August 6, 1985, the Director of the Bureau of the Census determines: First, that more than 5 percent of the citizens of voting age within such State or political subdivision are members of a single-language minority, and second, that the illiteracy rate of such persons as a group is higher than the national illiteracy rate. It should be noted that, for purposes of this act, illiteracy means the failure of a voting-age person to complete the fifth primary grade. Though the definition of language minority in section 203(e) of the act is described as meaning persons who are "American Indian, Asian American, Alaskan Natives or of Spanish heritage," there are documented instances where States and localities have been required to issue ballots and election information printed in Chinese, Japanese, and Tagalog, as well as various other lesser known languages.

The original purpose of the 1965 Voting Rights Act was to insure that black Americans would receive the essential right to participate in our electoral system and that States or localities which had a history of establishing tests or prohibitive devices for the purpose of denying that right would be forced to have future statutes relating to the electoral system cleared by either the U.S. Attorney General or the U.S. District Court of the District of Columbia.

In 1975, Congress extended this principle for a 7-year period, but committed a gross error by identifying the voting difficulties of language minority groups with those of black Americans. In my judgment, this action was not warranted; the difficulty which single-language minorities face in participating in the electoral process is not necessarily due to any State action intended for that purpose. The costly results of our folly must be eliminated. There does not appear to be any evidence, in rebuttal, that the bilingual provisions of the Voting Rights Act have had any significant positive effect on the involvement of single-language minorities in the American electoral process.

In the final analysis, it is the English language which citizens in this country must learn if they are to enter into the mainstream of American culture. This is not to say that ethnic minorities should discard their own heritage and the language which represents that heritage. On the contrary, America has always encouraged diversity. For example, I am Irish and proud of it, but I do not believe that my State of Illinois has any responsibility to provide ballots in Gaelic. I be-

lieve that many immigrants to this country would never have been able to make their important and distinctive contributions to American life had they not learned English. I am afraid that recent efforts to extend bilingualism to the public school system as well as in the voting booth only serves, in the long run, to separate and polarize us.

Where there is no clear need for the Federal Government to involve itself in State matters, the better policy is for it to abstain. In my judgment, this is particularly true in the case of minority language voting rights, and for that reason, my bill will delete the minority language provisions altogether. I hope it will achieve rapid consideration and that the Congress will see fit to act before 1982.●

RELIEF FOR ATOMIC VETERANS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. MINETA. Mr. Speaker, I would like to call my colleagues' attention to the bill I am introducing today that would provide relief for the thousands of veterans who are suffering the effects of exposure to nuclear testing.

This legislation seeks to create a presumption of causality between a veteran's service at an atomic or nuclear test site and any disability or disease attributable to exposure to radiation. Under current law and Veterans' Administration regulation, in order for a veteran to claim compensation for a disability, the disability or disease must manifest itself within 1 year from the date of separation of service.

The nature of the effects of exposure to low-level ionizing radiation are only now being fully evaluated. Evidence indicates, however, that this exposure of the sort thousands of veterans experienced during the atomic and nuclear testing after World War II and ending in 1962, can precipitate leukemia and other types of cancers. A statistical study by the Center for Disease Control found that veterans present at the SMOKY test had a significantly higher proportion of instances of leukemia than present in the general population.

The bill would cover all veterans present at the Nevada test site, Bikini Atol, Eniwetok Atoll, the Johnston Island area, the Christmas Island area, the general Pacific Ocean area in which testing occurred, and as an additional safeguard to cover any others that may have been overlooked, it would consider the time period in which the tests took place. Compensation would be paid for periods of time occurring after the effective date of the bill which is October 1, 1981. The number of veterans and civilians present at these tests is unknown, but estimates place the figure as high as 400,000. The dollar amount of compensation would vary according to standard VA accounting measures based on the degree of disability, term of service, and highest rank held.

Mr. Speaker, these men responded quickly and honorably when they were called upon by their country for assistance. It is now our country's turn to respond in a similar manner to their pleas for help. The text of my bill is printed here for my colleagues to review.

H.R. —

A bill to amend title 38 of the United States Code to make certain veterans entitled to wartime disability compensation for disabilities and diseases caused by or attributable to exposure to atomic or nuclear radiation during their period of active service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 312 of title 38 of the United States Code is amended by adding at the end the following new subsection:

"(d) For the purposes of section 310 of this title, and subject to the provisions of section 313 of this title, in the case of any veteran who, as determined by the Administrator, served in the active military, naval, or air service at the Nevada Test Site located in the State of Nevada or at the Bikini Atoll, the Eniwetok Atoll, the Johnston Island area, the Christmas Island area, or the area around the point located at latitude 29 degrees north and longitude 126 degrees west, located in the Pacific Ocean, at any time during the period beginning on June 30, 1945, and ending on December 12, 1962, and such veteran suffers from any disability or disease caused by or attributable to exposure to atomic or nuclear radiation during such service, such disability or disease shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of such disability or disease during the period of service and that such disability or disease did not become manifest within one year from the date of separation of such veteran from such service.".

SEC. 2. The amendment made by the first section of this Act shall take effect on October 1, 1981, and shall only be effective with respect to compensation paid for periods of time occurring after such date.●

DECONTROL OF OIL

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. YOUNG of Alaska. Mr. Speaker, I applaud the decision made by President Reagan to decontrol oil and refined petroleum products. This decision is the first step toward a rational, cogent, and workable energy policy based upon facts not fantasy; a policy whose premise is based upon production not procrastination. Decontrolling the price of oil will make both producers and consumers of energy more aware and responsive to the true value of energy.

The United States is a storehouse of energy ranging from oil and natural gas to hydroelectric and geothermal power. Decontrolling the price of oil will provide the necessary incentives private industry needs to invest in exploration and development in the United States instead of foreign countries. Such action will allow industry to go forward in producing additional energy from conventional as well as unconventional sources of energy. In years past, many U.S. based companies have chosen to go abroad and search for oil because energy in foreign lands could be produced more cheaply than oil produced domestically. As a result, the United States suffered from a lack of drilling activity and production and an accompanying decline in domestic reserves. The action taken by President Reagan will serve to stimulate activity by private industry in developing U.S. energy resources.

I am excited by the prospect of the United States becoming energy self-sufficient again. I believe that a more realistic approach toward identifying our Nation's natural resources will greatly benefit the national economy. For example, we need to take a close look at our public lands. An accurate inventory or the fuel and nonfuel resources should be taken so that Americans will have a more accurate idea of the treasures stored within American boundaries. We are an energy-rich Nation: Steps should be taken to obtain knowledge about our precious resources so that responsibile decisions regarding land policy may be made.

Belief and support of private industry, large and small, is demonstrated by the acceleration of decontrol of oil. Decontrol may set the stage whereby Alaska may be allowed to contribute even more to the domestic oil and natural gas reserves of the United States. It is possible for the United States to enjoy the wealth of Alaska's resources as rational decisions are made by the administration with respect to areas in Alaska with high resource potential. A transportation corridor known as the Trans-Alaska Pipeline (TAPS) is already in place to take 1.5 million barrels of oil per day to the tanker terminal at Valdez, Alaska. Other onshore areas in Alaska such as the National Petroleum Reserve-Alaska (NPRA) and the Arctic Wildlife Range (AWR) could provide Americans with literally billions of barrels of oil in the coming years. This will result only if proper and prudent land-use decisions are made.

I am excited by the prospect of accelerated decontrol; it will be good for the Nation. The solution to the energy problem is related to a host of variables; political, economic, geographi-

cal, and attitudinal. We must use our resources wisely and efficiently. Allowing the true cost of energy to be exhibited will reflect the true value of energy. I look forward to assisting the President in developing his policy of pruducing energy for the United States.

The Washington Post's editorial commenting on the decision of President Reagan accurately assesses the impact of decontrol. I commend it to my colleagues.

[From the Washington Post]

DECONTROL, AT LAST

President Reagan was absolutely right to decontrol oil and gasoline prices, quickly and without qualification. It is an essential step toward a rational energy policy. You can dismiss all of those tendentious claims about the added cost to the consumer. The added cost to the consumer will probably be in the range of zero. More than five-sixths of the country's crude oil supply is decontrolled. Home heating oil was decontrolled five years ago. As for gasoline, competition is holding actual retail prices well below the legal ceilings. For the country as a whole, these controls have brought nothing but harm, and the end of them will bring nothing but benefit.

The controls were wrong in theory when President Nixon imposed them in 1971. They were demonstrably wrong, as much costly experience already showed, when Congress insisted on perpetuating them in 1975. President Carter wisely began the process of decontrol last spring. The schedule was a gradual one running into next fall, when the law will expire altogether. Mr. Reagan has now sped up that final process by eight months.

Why were controls wrong? Because they disguised the dangerously high cost of oil to the American economy. The control system required refiners with cheap, price-controlled domestic oil to subsidize other refiners' imports. That held the price to American consumers far below the cost of the imports. Americans used a lot and kept the flow of imported oil high. That seriously damaged the country's balance of payments and eroded the value of the American dollar.

The high level of American imports helped create the very tight market that enabled the exporting nations to double their prices in 1979. By now, the price to the American consumer is undoubtedly higher than it would have been in the absence of any price controls at all. As an attempt to protect the American economy from higher oil costs, the controls have been an unmitigated failure.

Prices have been rising, inevitably, even under the controls. They aren't going to rise any faster in the absence of controls, unless another world shortage develops. Decontrol may even slow the rise a little. The control system contained a number of hidden subsidies—includng the usual fat subsidy for the independent refiners—that will now lapse, saving the public a little money.

At worst, in another international shortage and panic like the one in 1979 following the Iranian revolution, prices will indeed rise. How much? It depends on the scale of the shortage. There could be a squeeze on the supply line as early as this spring, if the war continues between Iran and Iraq. But in return for higher prices at the gasoline pump, you will get insurance against a return of the gasoline lines. Those lines were created by the price ceilings, and the cumbersome allocation rules that they required. Having been through two memorable episodes of gasoline lines, most Americans would surely prefer the next time around to pay in money rather than time, anger and anxiety.●

DEPARTMENT OF ENERGY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HUBBARD. Mr. Speaker, while still in the early days of the 97th Congress and a new administration, I would like to share with my colleagues a letter from my constitutent, Mr. William Elton Lile, Auto Autowash, Inc., Hopkinsville, Ky., directed to the Department of Energy's southwest regional center regarding the ridiculous delay in the processing of his application for exception. I certainly share my constituent's sentiments and trust that my colleagues will follow the lead of the new administration in scrutinizing the efforts of the Department of Energy. Mr. Speaker, I submit the following:

I thank you for your phone call explaining that you were going to try and help me with my case. I appreciate all of the information that you gave me and telling me the information and the forms that you needed.

After considering everything involved, I have concluded that it is useless for me to continue my appeal. If the DOE has been unable to act on all the information that I have supplied in the past year, I don't believe they would act on the same information today. I am unable to continue in business under the circumstances so I will have to close and do something else that doesn't require so much bureaucracy. I am convinced that the DOE is for big oil and not for the small operator. As you told me that no matter what your ruling was that the Petroleum Company wouldn't have to comply, they would just appeal so I can't wait any longer. I suppose this was the ultimate aim of the DOE.

I can only hope at this point thay my file on this case will help the incoming administration to see the complete inefficiency of the DOE and will abolish same and make it possible for small business such as mine to survive.

Sincerely,

WILLIAM ELTON LILE,
Auto Autowash, Inc.●

THE IMPEACHMENT OF FEDERAL DISTRICT JUDGE NAUMAN SCOTT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. McDONALD. Mr. Speaker, today it is my undesirable but necessary duty to introduce a resolution impeaching Nauman Scott, judge of the U.S. District Court for the Western District of Louisiana. It is never a pleasing matter to have to call into such complete question the actions of a civil officer, but no choice is left in this case.

Judge Scott has violated the 10th amendment of the Constitution. He has used the 1964 civil rights law as a mere device to illegally expand Federal authority over domestic law, an area of clear State authority.

There has been an overly broad exercise of judicial power violating due process. The judge has usurped the normal procedure of a State court in the exercise of its judicial functions in administering the domestic law of the State.

Judge Scott has committed the foregoing violations and abuses of authority by—

Ordering the principal of the Buckeye School and the school board to expunge school attendance records of the three children who were lawfully attending the Buckeye School, and by coercing them to be bused to the Jones Street School by ordering the Buckeye School to withhold credits that the children earned;

By denying the parents' legitimate request that the contempt hearing in the case be postponed for a few days in order that they could be represented by their attorney, and thereafter carrying out the hearing affecting the children and their parents without the help of counsel to advise them of their rights; and

By setting up a secret panel that decides which children will be bused to which schools, called the biracial committee, the composition of which is a secret and the proceedings of which are kept secret, thereby violating the due process rights of parents and children in the area affected.

To put it succinctly he has acted in a manner unbefitting his office and should be impeached.

Judge Scott argues that segregation is the primary issue, that busing is its sole remedy and that his conduct has been lawful in the pursuit of this end. There can be no question the conduct of Judge Scott has been far from legal or professional. As to the central issue and policy question of domestic law, alleged segregation and Federal intervention, however, some questions need to be asked to put it in perspective. Is the pursuit of a remedy for so-called segregation to be an all pervasive priority where all rights of travel and association are suspended? For instance, what if a single parent needs to have his or her child live with a grandparent in another school district because of an economic hardship and an inability to care for that child. Is he or she to be wholly prohibited from such action clearly in the child's best interest? And what of the rights of custody

of separated parents who now live outside the school district in question? Are their rights to custody of the children living in the school district under the desegregation order to be held completely void? Are we in fact to have the Federal court now routinely supervising all domestic law questions in the districts under a desegregation order to root out and make certain there is not lurking under each domestic dispute the question of segregation which has apparently even surpassed original sin on the scale of importance in human errors? Certainly no rationally minded and sound-thinking person can say "Yes" to these questions.

What we see being clearly and finally established, therefore, is the unfounded nature of busing. The answer is that another solution must be sought by the courts if they intend to pursue their original end, but this social program has unquestionably run its course. Society has been convulsed by busing, the judicial system has violated its constitutional soul in trying to implement it, and neither white nor black families have been the better for it.

Judge Scott has in fact played the trump card in the hand of constitutionalists. He has gone beyond all reason pursuing with unbalanced vengeance his decree. By so doing he has demonstrated to the country with the highest profile possible that the courts have been standing in thin air in pursuit of this unfounded, impractical mechanism. Having done so in violation of the 10th amendment, States rights, and due process, in a highhanded and outrageous fashion unbefitting the bench and the legal system of this country, Judge Scott should be impeached posthaste in accordance with the laws of this land. It is time to finally lay this matter and its tyrants to rest.

Thank you.●

GOVERNMENT REPORT SAYS COAL INDUSTRY TOO REGULATED

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DANIEL B. CRANE. Mr. Speaker, for many years some of us have maintained that the rules and regulations regarding the coal industry are more of a hindrance than a help toward solving our energy crisis. Many of the environmentalists have accused those of us who took this position as being tied into the coal industry. In my case, nothing could be further from the truth. As a U.S. citizen, my sole goal on the energy front is to make us energy independent.

With that in mind, I was both encouraged and upset to find that the January 11, 1981 edition of the Washington Star contained an article entitled "Report Calls Coal Industry Too Regulated." I was upset because I wondered why it took so long for this to be acknowledged. I was encouraged because the reality of the situation finally had come out.

The article relates how a draft report of a year long Government study of coal regulations has concluded that the coal industry is justified in its complaints about unnecessary Government regulation and needless paperwork. I note in particular that the news story comments on the situation regarding mine safety in Illinois and how two different sets of rules, in conflict with one another, are enforced.

In the Illinois case, the amount of potentially explosive dust allowed in a mine is regulated by both the Federal and the State governments. In Illinois, the amount of rock dust is supposed to be controlled by watering down the walls. But the Federal inspector requires that the amount be controlled by spraying rock dust on the walls. Thus, the operator of one mine complained that when the Federal inspector came he had to spray the walls white with rock dust, but when the Illinois inspector came, he had to wash down the walls and therefore wash away the rock dust. I only wonder what would happen if both the Federal and the State inspector arrived at the same time.

It is significant to me that the report on the coal situation came forth during the final days of President Carter's administration. The point of the report, that the coal industry is overregulated, is one conservatives have been making for a long time. I am glad to see the Carter administration finally came to understand this reality.

I would like to bring the January 11, 1981 Washington Star article, "Report Calls Coal Industry Too Regulated" by Lance Gay to the attention of my colleagues.

The article follows:

REPORT CALLS COAL INDUSTRY TOO REGULATED

(By Lance Gay)

A government study of regulations affecting the coal industry has concluded that coal operators are justified in their complaints about government over-regulation and paperwork.

A draft report of a year-long study of coal regulations, released yesterday, found instances where state and federal regulators gave different interpretations for enforcing the same regulations, duplicate regulations or delays in obtaining permits.

"There are a lot of reasons for the coal operators to be damn mad," said Peter Petkas, director of the U.S. Regulatory Council, which embarked on the coal project as a study for the Carter administration of the effect of regulations.

The coal industry is one of the most regulated of American industries, with several federal and state agencies claiming jurisdiction over various aspects of coal extraction. Among the federal agencies dealing with mining are the Department of Interior's Bureau of Mines, the Department of Labor's Mine Safety Enforcement Administration, Interior's Office of Surface Mining, and the Environmental Protection Agency. Each of the states has a similar agency with parallel jurisdiction.

The study found some interagency conflicts in enforcing these differing rules. For example, both federal mine safety rules and state rules regulate the amount of potentially explosive dust that is allowed in a mine to avoid explosions. In Illinois, one federal inspector insisted that the dust be controlled by spraying rock dust on the walls of the mine, while the inspector for the state of Illinois required watering the walls down. The operator of the mine complained that he had to spray the walls white with rock dust when the federal inspector came, then wash the walls down—and thus wash away the rock dust—when the inspector from Illinois visited.

Petkas said the study found the basic problems were not in the basic laws, nor in the regulations themselves, but rather in interpretation given the regulations.

"Most of the problems are coming at the federal-state level and are resulting not from the written regulations themselves, but rather the complexity of the system," he said. "In a strangely elegant way, all things are fitting together and most regulations put out by the federal agencies and the state agencies are consistent. That's not the problem. The problem is application. There is a good deal of disagreement over implementing these regulations, and there is a lot of unnecessary confusion laid on top of that."

Petkas cited the case of strip mining regulations that are being implemented as a result of complex 1977 strip mining legislation and said he agreed with James G. Watt, Ronald Reagan's nominee to be Secretary of Interior, who told the Senate Energy Committee last week that the problem is not the basic law itself but management of the program.

One problem identified by the Council study was that strip mining inspectors do not have the latitude not to write up a violation notice when they uncover a violation of the regulations, no matter how small.

He said that this contrasts to the approach taken by the U.S. Department of Agriculture's food inspectors, who have developed "a symbiotic relationship" with the industry and have been given a large amount of discretion in trying to head off or correct violations of the law.

By taking such a stringent adversary approach to enforcement of mining regulations, Petkas said that the federal government is risking a backlash from operators.

"They are at risk of losing the whole system because operators are angry, and justifiably in some cases," he said.

Joan Davenport, assistant Interior Secretary, said she had several concerns with the Regulatory Council's finding. "The report appears to lack balance inasmuch as the Regulatory Council solicited comments from coal operators but not from citizen and environmental groups concerned that surface mining be conducted so as to protect the environment and restore the land."

Petkas said the study did not attempt to address major policy issues, but rather ex-

amine the impact of the entire regulatory process on a particular industry. Similar studies are being conducted of auto and steel industries by the council.●

MARGARET C. McNAMARA

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. ADDABBO. Mr. Speaker, 2 days ago our Nation lost one of its most conscientious, dedicated, and spirited Americans when Margaret C. McNamara, a woman whose contributions in numerous civic areas the people of this country will long be grateful for, passed away. I am sure I speak for all of us present today when I say this remarkable individual's accomplishments in the fields of education and social services will never be equaled.

Margaret's contribution in the field of education in this country, particularly her goal of assisting young people to experience the joys of reading, was undoubtably her greatest achievement. She understood all too well, that many children from underprivileged families did not have adequate reading materials in the home, and that they would be better motivated to read if it was possible to own their own books. Out of this desire to motivate young people to read, Margaret founded the nationwide reading-is-fundamental program, which today has grown to involve more than 3 million children in all 50 States. Her dedication to leading children to choose and own books inspired her to lead a program that by 1980 had been responsible for distributing the astonishing amount of 37 million books, and it is no wonder that former President Carter awarded her the Nation's highest civilian honor, the Medal of Freedom, just a short time ago. Few Americans were ever more deserving of such an honor.

This energetic woman, with a seemingly endless supply of energy, also was involved in a number of other activities which benefited others who were less fortunate than herself. In 1959 she was named regional director for the White House Conference on Children and Youth, and from 1964 to 1968 was an active member of the National Advisory Council of the Office of Economic Opportunity, as well as giving much of her time to the League of Women Voters. In addition to all that, she also managed to find the time to serve as a volunteer with the Head Start program and the widening horizons program of the Urban Service Corps in Washington.

Margaret McNamara was a woman to be admired for her love of people and this country. She was a woman who gave so much for so many, a woman who fought with all her might until the end. To her husband, and the rest of the McNamara family I offer my heartfelt condolences on their loss, a loss shared by a nation which appreciates all that she did for it. In this time of sadness they surely must be sustained by the memory of her lifetime and numerous achievements, as well as by the respect in which her memory is held by those fortunate enough to have known her.●

RETIREMENT OF DOYLE F. BOEN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. LEWIS. Mr. Speaker, on February 27, the Eastern Municipal Water District will host a special retirement dinner to honor Doyle F. Boen, a man who had been both general manager and chief engineer of the district since it was first formed in 1951. I want to take this opportunity to join with his many friends in expressing my appreciation to Doyle for his many contributions over the past 30 years.

Doyle was one of the first of my constituents to stop by after I took office a little more than 2 years ago. Then, and in our continuing dialog, he has generously shared his expertise, garnered in working almost 50 years with water management problems, with me. I have always found his counsel both helpful and incisive in considering the special and unique water resource questions facing southern California.

Following his graduation from the University of Southern California, Doyle joined the Metropolitan Water District in 1934. Subsequently, he served as city manager and chief engineer of the city of Corona, Calif., for 5 years. During that period, he was primarily responsible for a major expansion of the city's sewer system and the reconstruction of its sewage treatment plant.

When the Eastern Municipal Water District was formed in 1951, Doyle was selected as the general manager and chief engineer, a post he held until his retirement in late December. During those 30 years, the district expanded from 86 square miles to cover more than 533 square miles. Similarly, the population expanded from less than 20,000 to almost 140,000 today. Mr. Speaker, some of my eastern colleagues may not be totally aware of the full impact of water management activities in our area. This is our most scarce and most precious resource. Doyle deserves the highest praise for his activities over the years to serve his constituency.

During those years, Doyle became involved in water and sanitation matters not only at the local level but also at the county, State, and national levels. He was deeply involved in the drafting and subsequent enactment of the Federal Small Reclamation Projects Act, a law which has made much of the growth of the Eastern Municipal Waters District possible.

As part of those activities, Doyle has been recognized repeatedly by his colleagues for his contributions. To mention just a few, in 1974 he received the Outstanding Engineer's Merit Award from the Institute for Advancement of Engineering. The next year, the Bureau of Reclamation presented him with its Citizen Award for "initiative, leadership, and skilled direction in coordinating varied interests resulting in the adoption of the Small Reclamation Projects Act." In 1979, the National Water Resources Association presented him with its President's Award for "continued dedication to water resources development." Finally, only last year, the Riverside-San Bernardino chapter of the American Society of Civil Engineers recognized him as Engineer of the Year.

Doyle has been, and I understand intends to remain, active in a number of water-oriented organizations such as the American Society of Civil Engineers, the Riverside County Water Association, the California Water Resources Association, the National Water Resources Association, and the Southern California Water Conference. I am certain that these organizations and the people of the Eastern Municipal Water District will continue to reap tremendous benefits from Doyle's dedication and his great fund of knowledge. I know I will always welcome his counsel on these matters.●

CITIZEN'S COALITION TO SAVE OUR STEEL INDUSTRY

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HANSEN of Utah. Mr. Speaker, today I would like to share with you the contents of a letter I received from the Citizen's Coalition To Save Our Steel Industry. This comes from a group of concerned citizens who are a great example of what can happen from the grassroots level when people care enough to get involved and be heard:

Our friend, U.S. Steel Corporation's Geneva Works in Central Utah, has fed and clothed and provided a good living for over 5,000 families since World War II. Today our plant is in jeopardy. We don't know who the enemy is, maybe it's the foreign steel which has taken forty percent of our market or perhaps the government for not enforcing fair trade laws. Whatever the real cause, we knew our plant would not be able to stay in business and satisfy the demands of the EPA. The EPA (perhaps bound by

the Clean Air Act) wants U.S. Steel to spend millions the company doesn't have.

When our Geneva plant was being pushed, we formed a Coalition of concerned citizens and began to push back.

The Coalition took off like spontaneous combustion. Suddenly people with varying talents came together to work on the same issue from different angles and with different points of view. There were housewives who took their kids with them to shopping malls to get signatures on petitions, pass out balloons and badges, and ask people to write letters. There were people who liked public speaking and people who liked to write speeches. People who knew newspaper people who placed copy in the press. We had big campaign contributors crawling all over elected representatives. We also had money-raiser types and bookkeepers.

Everyone was a specialist and no one can claim full credit for getting the job done.

When we let it be known that twenty-five thousand people had signed our petitions and another six thousand had written personal letters, we began to be noticed. All of a sudden doors started opening. We had respect. Congressmen, ranking Corporate officials, union leaders and national trade association executives traveled to Utah to talk. Network television went wherever we went.

Not only was our effort successful, but it was just plain fun—a group of friends getting things done together—a social gathering.

No one ever did anything alone.

Each town had its own chairwoman who organized ladies groups. These groups distributed posters, leaflets, petitions, called to get people to attend hearings or to get signatures for letters.

As our membership increased the money poured in. Five dollars was the entry fee. Card tables were set-up in the malls and at the plant gates during shift changes to sign up new members. Unions, customers, and suppliers of the plant, Chambers of Commerce, and people and businesses from thirteen states have all joined our ranks.

The ultimate outcome of our effort is yet to be seen. However, one thing is certain: the work must go on. We know that thousands of citizens across the nation share our concerns. Over twenty-five thousand steelworkers are now on layoff. These are dependable, self-respecting people who earnestly want to earn their own way. But they are being denied the chance. For still other thousands there will be no callbacks. Their plants are closed once and for all.

We must unite and make our voices heard. Let's all stand together to revitalize this vital industry. We hereby invite all citizens to join us.●

BUDGET CUTTING

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. LEHMAN. Mr. Speaker, this Congress will be faced with many major decisions concerning how to trim the Federal budget. There will be many suggestions, including the elimination of fraud, waste, and abuse; more efficient management; reductions in travel and procurement expenses; the elimination of low-priority programs; and reform of entitlement programs.

Before these important decisions are made, however, it is necessary to understand how the growth in Federal spending has occurred and how much of it came to be called uncontrollable.

The growth of the Federal budget has come primarily from two sources. First, there have been increased expenditures for national security. Second, and more important in budgetary terms, there have been increases in income maintenance programs, such as social security, which are indexed to inflation.

Just 30 years ago, benefits for social security and railroad retirement made up less than 3 percent of Federal expenditures. Today, they are more than 20 percent. The proportion of Federal spending tied to the Consumer Price Index is expected to be about 30 percent next year. Ten years ago, only 3 percent was indexed. Thus inflation has had a devastating effect on the budget, particularly in those programs known as entitlements. These are programs in which any eligible person can participate. The more eligible persons there are, the more expensive the program. Unemployment compensation, for example, increases dramatically in times of recession. For this reason, such programs are often referred to as uncontrollable.

Other programs, such as payments to State and local governments, have also increased in recent years. The simple message, however, which comes through after a close look at Federal spending is that the budget is hemorrhaging.

Unfortunately, although everyone can agree that excessive spending must be eliminated, almost every line item in the budget is championed by its own constituency. One person's low-priority program is another's vital concern.

There is also a misconception that the budget can be balanced just by ridding it of fraud, waste, and abuse. It would be easy to eliminate if there were such a line item in the budget with that label. The fact is that while some savings can and should be made by eliminating wasteful spending, most cuts will involve genuine sacrifice.

There is no magic solution that will suddenly balance the budget, and it is important that the public's expectations become more realistic. The attitude reflected in the letters I receive from constituents is "cut the budget, but leave my program alone."

All segments of our society, some with very special and perhaps vital interests will have to cut back. Some cuts will hurt, but nothing hurts as much as runaway inflation that threatens to destroy the very fabric of our social, economic, and political structure.

The Federal deficit may not be the primary cause of inflation, but for fiscal, social, and psychological reasons we will not reduce inflation unless we first reduce Federal spending.

As these reductions are made, we must do what we can to protect those who are most vulnerable. The sick, the aged, and the children in our society must be assured that they will not suffer from reductions in programs which provide a safety net for those who have no other means of support.

The new administration and we in Congress must work together to bring about a just and realistic budget. It can be done. It will be done, but only if we can all work together.●

ALASKA NATURAL GAS TRANSPORTATION SYSTEM

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. YOUNG of Alaska. Mr. Speaker, many of my colleagues have taken a keen interest in the proposed Alaska natural gas transportation system (ANGTS). In view of the world energy situation and the impact that it has had upon the economy of this Nation. I think it is commendable that such importance has been placed on the completion of the ANGTS. I would like to take this opportunity to give a brief introduction of the project for the benefit of the new Members.

The Alaska natural gas transportation system is the largest private construction project of its kind in history. Authorization for the construction of this project is contained within the Alaska Natural Gas Transportation Act of 1976.

The route for the ANGTS was approved by the President's decision in 1977, Executive Order No. 12142. The route consists of four segments: Alaskan, Canadian, U.S. eastern leg, and U.S. western leg. These segments will operate jointly to bring over 26 trillion cubic feet of natural gas to U.S. markets over the next 25 to 30 years. This will be approximately 5 percent of the U.S. natural gas demand given current levels of consumption. Experts estimate, however, that there are significant reserves of natural gas in addition to the reserves that have been indentified at Prudhoe Bay. At the present time, oil is extracted from the Prudhoe Bay field at a rate of 1.5 million barrels of oil per day. The gas extracted with the oil is being reinjected into the gas cap at Prudhoe Bay in order to preserve this valuable energy resource until it is brought to market via the ANGTS.

The areas adjacent to the Prudhoe Bay field, such as the National Petro-

leum Reserve-Alaska (NPRA), the Beaufort Sea, and the Arctic Wildlife Range (AWR) have high probabilities of natural gas reserves. Reserves tapped from these areas will be close in proximity to the ANGTS corridor.

The route for the ANGTS will begin at Prudhoe Bay in Alaska and follow the existing trans-Alaska pipeline route for 548 miles to Delta Junction, Alaska. From this point the ANGTS will follow the Alaska Highway to the Canadian border. The length of the total system including all four legs will be some 4,800 miles. Initial delivery of the total system will be approximately 2 billion cubic feet per day—which will offset the import of foreign oil equivalent to 450,000 barrels of oil per day—however, this delivery can be increased with additional compression to 3.2 billion cubic feet per day.

The final design engineering and cost estimates are in the process of being finalized for the Alaskan segment. The major obstacle thus far is the compilation of a financial package, however, the project sponsors are working hard to resolve this issue. Construction has begun on the Canadian portion or so-called prebuild section of the ANGTS. The eastern and western legs of the system are scheduled to begin construction this year. Completion of the total system is expected sometime in 1985.

The regulatory procedures associated with construction of the ANGTS are being coordinated by the Office of the Federal Inspector of the Alaska natural gas transportation system. The OFI is a unique Federal mechanism designed to provide a "one-window" approach in coordinating and expediting activities and interests of Federal, State, and local concern.

The ANGTS will contribute significantly to the energy supply of the United States. It is not only symbolic of the determination to break our dependence upon foreign oil, it is a message to the world that Americans are willing to take the steps that are necessary in order to reduce our national vulnerability. The ANGTS is also symbolic of this Nation's ability to work with our neighbors, the Canadians, in an effort to construct this critical energy project. The year 1981 will be a year marked by progress toward energy independence, marked by the Alaska natural gas transportation system.●

FREEDOM IS A GOAL WHICH WE ALL PURSUE

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DANIEL B. CRANE. Mr. Speaker, freedom is a goal which we all pursue. However, one of the major threats to freedom is the spread of international communism. An annual commemoration of World Freedom Day is held each year in Taipei, Taiwan, Republic of China, in support of freedom for those nations enslaved under the bondage of communism.

An outstanding leader and key spokesman for freedom in the Republic of China is Ku Cheng-kang, LL.D., who has earned worldwide recognition for his strong stand against godless communism. I wish to direct the attention of the Members to an address delivered by Dr. Ku before the World Freedom Day Rally on January 23 in Taipei.

His address follows:

STRIDE AHEAD INTO THE ERA OF VICTORY FOR FREEDOM

(By Dr. Ku Cheng-kang)

NEW DECADE OF JOINT ENDEAVOR

Premier Sun, Distinguished Guests, Ladies and Gentlemen:

We are on the threshold of a new age in the course of history's development. Both the decade of the 1980s for the whole world and that of the 70s of the Republic of China have started. All the Chinese and others who stand for freedom and democracy have hand in hand stepped into an era of joint endeavor. This World Freedom Day Meeting here today represents the great new unity of such people in the new age, determined to fight on against Red totalitarians.

The 1980s shall see further rise of forces for freedom and democracy. It will be the decade of Communist fall. The ROC's 70s shall see China's reunification in freedom and democracy. The "World Freedom Day" Movement is the major driving force of this new situation.

PRESENT RISE OF FREE DEMOCRATIC FORCES

The present rise of international forces for freedom and democracy is moving in these four major directions:

As regards the bipolar confrontation by freedom and democracy against Communist autocracy, Russia's invasion of Afghanistan and continuous advances into the Mediterranean as well as the Indian Ocean and the Western Pacific have been accompanied by all-out Red Chinese infiltration to create rifts and armed rebellions in free countries, but these moves have made free democratic nations rise speedily with positive military readiness against Red aggression and expansion and better countermeasures against subversion. Unity and cooperation will be further enhanced among free nations. The whole free camp is being consolidated for collective steps to safeguard freedom and democracy.

In the race involving the two camps, the free world progress, prosperity, freedom and well-being are in growingly sharper contrast with the backwardness, poverty, autocracy and suffering under Communism. Greater than ever impacts will be created in the 1980s. More and more people in the free world will discard Communism, and more people behind the Iron Curtain will rise against Red tyranny. Identical thinking will bring unity of purpose and spur joint steps. In the face of a greater awakening of humanity and confronted by the determined surge of people everywhere for well-being, Communism will tread its path to downfall.

Changes within the Red bloc will further expose the failure of Communist rule, widen the rift between revisionists and doctrinaires, and bring sharper clashes for power and hegemony. The struggle waged by Teng Hsiao-ping and other Red Chinese power-holders against the Gang of Four and its followers is widening the crack that will make the Red rule fall apart. The widespread strikes by Polish workers are bringing similar results. Communist regimes will come to their end amidst theoretical bankruptcy and opposition of gallant Iron Curtain masses.

Developments of the free world have been such that people have learned enough from the mistaken policies of appeasement and compromise in the 1970s. Those policies succeeded only in bringing rampant Red expansion, but the exposed Red aggressiveness made the free world wide awake and spurred the rise of righteous forces for anti-Communist campaigns. A surge is shaping up for the destruction of Red tyranny in the 1980s.

CHINA'S UNIFICATION IN FREEDOM AND DEMOCRACY

The rising free democratic forces are the mainstream of the 1980s. Unification of China in freedom and democracy will be the guiding force of history in the decade ahead.

The 900 million people on the Chinese mainland have been plunged in despair by Red rulers and no longer pin any hope to Communism. Even before getting under way, the so-called "four modernizations" started producing four bitter fruits: production suspension, economic withering, currency inflation and social confusion. The trial of the Lin Piao and Chiang Ching cliques came recently as an attempt to heap blames on a few past leaders. By condemning these scapegoats, the regime wants to fool the people under it and divert the attention of the world outside. But the trial, aside from foreboding even fiercer power struggle, has exposed the wickedness of Mao Tse-tung and Chou En-lai, testified to the crimes of Teng Hsiao-ping and others now in power, and proven that the days are numbered for Marxism, Leninism and Communism. The opposition of the mainland masses to the regime will intensify.

In Taiwan, the Republic of China has implemented democratic constitutional rule, brought about great progress through policies of well-being for all, and succeeded in glorifying China's great cultural heritage. Our society has been built as one that is free, democratic, open and prosperous. A bright vista has thus been created for all China. Tremendous attraction and influence are being exerted. The 900 million people on the mainland are receiving encouragement for their anti-Communist struggles to win freedom, democracy and human rights. Their calls for emulation of the Taiwan economy example are evolving into demands for learning from the ROC in politics and for return to the Three Principles of the People. This is enhancing the march to China's unification in freedom and democracy in the 1980s.

The Republic of China will never compromise with the Chinese Reds or contact the Soviets. The firm ROC stand of never departing from the democratic camp has positively contributed to the building of peace and freedom in Asia and the world. The nation continues as a vanguard in man's struggle to safeguard freedom and democracy. Unification of China in freedom and democracy will add 900 million people to the free democratic camp and put all the op-

pressed masses behind the Iron Curtain on their feet for action to terminate Communist rule.

WHAT FREEDOM FORCES MUST NOW DO

Ladies and Gentlemen: The 1980s will usher in victories for freedom and democracy. This highly advantageous turning point of history must be fully grasped so that struggles for freedom, democracy and human rights will triumph before long. To meet this demand, I hereby on this glorious World Freedom Day advance the following calls:

We maintain that the newly-established Reagan Administration resolutely ends the humiliating U.S. policy of detente and compromise with Red forces. The awakened Americans support President Reagan's effort for national renewal. The United States is powerfully demonstrating that she will, with strength, safeguard freedom and peace and, with justice and righteousness, lead the free world.

President Reagan said clearly in his inaugural address that the U.S. would strengthen her ties with free nations and assure them of America's support and firm commitment, matching loyalty with loyalty. The Republic of China has had long-standing cordial historic ties with the U.S. She used to be regarded as an American ally. She is one of America's Asian-Pacific neighbors. She always has been a loyal friend, and the United States used to have commitment in her. We have reasons to request the new U.S. Government to take concrete steps to promote normalization with the ROC and abandon the dangerous mistaken tactics of "allying with the Chinese Reds for the checking of the Soviets" so that America "will again be the exemplar of freedom and a beacon of hope for those who do not now have freedom." The 900 million people on the Chinese mainland are in misery without freedom. America absolutely should not join hands with those Red rulers who have deprived the Chinese mainland people of their freedom.

Strategic interests are such that any U.S. attempt to pit the Chinese Reds against the Soviets will spur the latter's expansion on many fronts. Furthermore, the U.S. inevitably will be dragged into wars regardless of whether the two Red regimes engage in open clashes or become reconciled.

We heartily agree that, as President Reagan said, the will and moral courage of free men and women is a weapon the adversaries of free nations do not have. America's mission today is to bring free nations together and safeguard freedom with this weapon.

We maintain that free nations come to the unequivocal understanding that because of their failure to unite and cooperate as one, the Communists have become so rampant. Free nations therefore should speedily develop common defense cooperation and, with collective strength, check Red expansion and assure regional security.

We maintain that free nations take forceful steps to support the heroic Afghan war against Soviet aggressors, help the Polish workers and other East Europeans cope with Moscow's threat to their campaigns for freedom, aid the Indochinese, the Cubans and the north Koreans who are struggling to be free, and give strength to the Africans for successful fights against subversion, aggression and communization.

We maintain that free nations together encourage the 900 million Chinese mainland people's anti-Communist struggles to regain freedom, democracy and things Chinese. Support should be given the people on both sides of the Taiwan Straits who are striving for China's unification under the Three Principles of the People.

We maintain that our 900 million compatriots on the Chinese mainland fully grasp the regime's current conflict and confusion and rise for a wide-spread anti-Communist revolution to overthrow the Red tyranny.

Ladies and Gentlemen: The history of man's struggle for freedom is written in blood and tears. The road to freedom has to be opened and leveled with firm steps of multitude. We will in the decade ahead break through the Communist mist and build a broad avenue of freedom for all mankind.●

BIAGGI INTRODUCES LEGISLATION TO REMEDY SERIOUS PROBLEM IN ELDERLY AND HANDICAPPED TRANSPORTATION PROGRAM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Aging and chairman of its Subcommittee on Human Services I have reintroduced legislation aimed at remedying a serious flaw in the section 16(b)(2) program under the Urban Mass Transportation Administration.

This program provides funds for nonprofit groups and organizations to purchase certain vehicles for use by the elderly and handicapped. The program as it is constructed today, merely provides the dollars to purchase the vehicle—it does not provide authority or dollars for operating expenses. Consequently, there are areas in this Nation where vehicles are sitting idle because there are no funds for operating expenses such as drivers. This constitutes a tremendous waste of Federal dollars not to mention the fact that it deprives seniors and disabled persons from essential transportation services which can keep them in the mainstream of society.

The bill I have sponsored would permit up to 20 percent of all section 16(b)(2) funds to be used for operating expenses associated with a vehicle purchased with said funds. A priority would be given to those applicants who have already received funds for purchasing vehicles.

I offer this legislation in the spirit of commonsense. Our Aging Committee has studied the transportation problems of the elderly in some great length and one chronic problem is coordination. The 16(b)(2) program in its present construction is a well intentioned but a poorly executed program. My legislation is one step in the right direction.●

REMOVING AN INEQUITY IN THE ESTATE TAX LAWS

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BEILENSON. Mr. Speaker, I am introducing a bill today to ease the burden of Federal estate taxes on certain older surviving spouses.

Under my proposal, there would be an unlimited marital deduction if, at the time the first spouse died, both spouses were over age 72 and had been married for 20 years or more. Decedents meeting these criteria could leave an unlimited amount of their property to their spouses without any Federal estate tax.

This change in estate tax law would allow the surviving spouse to live out his or her remaining years without having to undergo a drastic change in financial status or the need to sell off property to pay the death taxes. Of course, the same assets would be subject to taxation eventually on the death of the second spouse.

Currently, the marital deduction is limited to the greater of $250,000 or, for estates larger than $500,000, 50 percent of the estate. The 50-percent limit for larger estates was chosen in an attempt to equalize the estate tax burden on surviving spouses in community property and common law States. Before the marital deduction was enacted in 1948, surviving spouses in community property States only inherited half of their decedent spouses' property—since they already owned half the community property before their spouses' death—while in common law States they inherited, and thus were taxed on, 100 percent of their decedent spouses' property.

Congress was clearly right in attempting to equalize the treatment of surviving spouses in common law States. However, the change created a new inequity for some surviving spouses in community property States. This occurs when the surviving spouse originally acquired most of the community property. In a common law State, there would be no tax since the survivor would already own the property and thus inherit nothing. In a community property State, the survivor would inherit half the community property and thus owe estate taxes on it. For large estates the extra tax burden is considerable.

This bill would entirely remove the distinction between community, property and common law States, where the spouses are over 72 and have been married at least 20 years. These limitations reduce the burden on the Federal Treasury and prevent deathbed marriages merely to take advantage of the deduction.

I think older Americans ought to be able to live out their lives without the added burden of sizable taxes when their spouses die. The property will still be taxed on the death of the second spouse. I hope this proposal will receive serious consideration by the Congress.●

RURAL TELEPHONE BANK

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. JONES of Tennessee. Mr. Speaker, today I am introducing legislation to extend the authorizations for the Federal contribution to the Rural Telephone Bank. This bill would allow the annual $30 million Federal purchase of class A stock to continue for another 10 years, and repayment by the Bank of the Federal capital seed money would be delayed until after September 30, 1995.

The Rural Telephone Bank has proven to be a vital source of loan funds for developing and upgrading telephone service in rural America. The Nation's rural telephone companies borrow money from the Bank at intermediate interest rate levels and repay over 30 to 40 years. Eventually, the borrowers of the Bank will repurchase the federally owned stock resulting in a lending institution owned by the borrowers.

Without the appropriations authorized by this legislation, the Rural Telephone Bank would have to increase substantially its effective interest rate, thus disqualifying many telephone company borrowers of this loan program. Studies have shown that the result would be a higher net cost to the Federal Treasury. By extending this authorization, the Bank could continue to make loans to improve rural telecommunications facilities and thus improve the overall quality of life of rural Americans.

For more background and information on the Rural Telephone Bank, I am inserting into the RECORD the Comptroller General's report to Congress:

EXAMINATION OF THE RURAL TELEPHONE BANK'S FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1979, DEPARTMENT OF AGRICULTURE

DIGEST

The Rural Telephone Bank, an agency of the United States, was established in 1971 by an amendment to the Rural Electrification Act of 1936 (7 U.S.C. 901), to provide for financing or refinancing the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems in rural areas.

In fiscal year 1979 the Rural Telephone Bank loaned $130 million to rural telephone systems. It has loaned $1.2 billion since its inception. Amounts borrowed from the U.S. Treasury, interest and principal collected on loans, and proceeds from the sale of stock are the Rural Telephone Bank's primary sources of funds.

GAO is required by the Government Corporation Control Act (31 U.S.C. 841) to examine the financial transactions of the Bank. GAO's last report was issued in May 1977 and discussed financial transactions through September 30, 1976.

OPINION ON FINANCIAL STATEMENTS

In GAO's opinion, the Bank's financial statements present fairly its financial position as of September 30, 1979, and the results of its operations and changes in financial position for the period then ended, in conformity with generally accepted accounting principles.

CHAPTER 1

Introduction

Public Law 92-12 dated May 7, 1971, established the Rural Telephone Bank (RTB) to make loans for the construction, improvement, expansion, acquisition, and operation of telephone lines, facilities, or systems in rural areas. The law amended the Rural Electrification Act of 1936 (7 U.S.C. 901) which, since 1949, has authorized the Administrator of the Rural Electrification Administration (REA), Department of Agriculture, to make loans for essentially the same purposes as the REA telephone program, that is, furnishing and improving telephone service in rural areas. To the extent practicable, RTB is to obtain funds from non-Federal sources and to conduct its operations on a self-sustaining basis.

In fiscal year 1979 RTB loaned $130 million to rural telephone systems. It has loaned $1.2 billion since its inception. The amounts borrowed from the U.S. Treasury, interest earned on loans, and proceeds from the sale of stock are RTB's primary sources of funds.

Management and administration

RTB, an agency of the Federal Government, is subject to the direction of the Secretary of Agriculture. The Administrator of the Rural Electrification Administration, who is also the Governor of RTB, is RTB's chief executive officer.

RTB has a 13-member board of directors which is responsible for its management. The Administrator of REA, the Governor of the Farm Credit Administration, five Presidential appointees, and six people elected by RTB's stockholders serve on the board. RTB has no employees; however, the RTB operations are performed by REA employees who also have similar responsibilities for REA operations.

Capitalization

RTB issues three classes of capital stock: (1) class A to the Government, (2) class B to RTB borrowers, and (3) class C to RTB borrowers, organizations eligible to borrow, and organizations controlled by borrowers or eligible borrowers.

Class A stock

Class A stock has a par value of $1 a share and is issued, at par, only to the Administrator of REA on behalf of the United States. The United States provides money for the purchase of class A stock by REA. Public Law 92-12 authorizes the Congress to appropriate up to $30 million annually for the purchase of class A stock until RTB has issued $300 million of class A stock. As of September 30, 1979, RTB had $247,500,000 of class A stock outstanding.

Public Law 92-12 also authorizes RTB to pay the United States a 2-percent annual return on the class A stock outstanding. This return is cumulative and must be paid from RTB's income. In fiscal year 1979 RTB paid $4.9 million to the U.S. Treasury.

RTB must retire its class A stock as soon as practicable after September 30, 1985, as long as its Board of Directors determines that such retirement will not impair RTB's operations.

Class B stock

Class B stock has a par value of $1 a share. Borrowers must purchase, at par, class B stock equaling 5 percent of the amount borrowed excluding the amounts borrowed to purchase such stock. As of September 30, 1979, RTB had $56 million of class B stock outstanding. Although class B stockholders do not receive dividends, they receive annual patronage refunds in the form of additional shares of class B stock. RTB's Board of Directors determines the amount of the patronage refund, which is made from net income after deducting the return on class A stock, cash dividends on class C stock, and any addition to the reserve for contingencies. In fiscal year 1979 RTB issued $3.7 million of class B stock as a patronage refund.

Class C stock

Class C stock has a par value of $1000 a share and is issued at par only to borrowers; to corporations and public bodies eligible to borrow; or to organizations controlled by such borrowers, corporations, and public bodies. As of September 30, 1979, RTB had $548,000 of class C stock outstanding.

Class C stockholders may be paid dividends from RTB's income if the Board of Directors declares such dividends. The Board can only declare dividends on class C stock when income exceeds the 2-percent return on class A stock. Until all class A stock is retired, the dividend on class C stock cannot exceed the average rate of interest RTB pays to borrow money. In fiscal year 1979 RTB paid $32,820 in dividends on class C stock.

Conversion of ownership, operation, and control of the bank

When 51 percent of the maximum amount of class A stock issued and outstanding at any time after September 30, 1985, has been retired:

The powers and authority of the Administrator of REA will be vested in RTB's Board of Directors, and the Board will select a new Government for RTB.

The five Board members appointed by the President will no longer be members of the Board.

RTB will no longer be a U.S. agency.

RTB will continue as an instrumentality of the United States and a banking corporation.

When all class A stock has been retired, RTB loans will not be subject to restrictions imposed by Public Law 92-12; however, after that time, the Congress can continue to review RTB's operations.

CHAPTER 2

Operations

Borrowing power

Public Law 92-12 authorizes RTB to obtain funds by selling its bonds, debentures, notes, and other evidences of indebtedness (collectively called telephone debentures). RTB's Board of Directors determines when telephone debentures may be issued, their interest rate, and other terms and conditions. The amount of outstanding tele-

phone debentures may not exceed 20 times RTB's paid-in capital and retained earnings.

On June 30, 1972, Public Law 92-324 gave the Secretary of the Treasury the authority to purchase RTB's telephone debentures. The Secretary of the Treasury determines the rate of return that must be realized on any telephone debentures purchased. The current average yield on outstanding marketable U.S. securities with comparable maturity must be considered.

At September 30, 1979, cumulative debenture borrowings from the Secretary of the Treasury amounted to $394,868,000 at various interest rates, as shown below.

BORROWINGS FROM TREASURY

Interest rate	From inception through Sept. 30, 1979
7.250	$5,071,000
7.375	7,667,000
7.500	10,017,000
7.625	10,461,000
7.750	24,451,000
7.875	29,603,000
8.000	11,092,000
8.125	60,571,000
8.250	48,290,000
8.375	53,989,000
8.500	37,376,000
8.625	9,037,000
8.750	11,647,000
8.875	6,103,000
9.000	52,995,000
9.125	12,097,000
9.250	4,401,000
Cumulative total	394,868,000

RTB can repay amounts borrowed from the Treasury through the sale of telephone debentures at any time. Repayments will be applied to the oldest amounts outstanding. No amounts borrowed from the Treasury had been repaid as of September 30, 1979.

The Secretary of the Treasury can sell acquired telephone debentures at any price considered appropriate. All purchases and sales of telephone debentures by the Secretary are treated as public debt transactions of the United States.

Lending power

RTB can make loans, in conformity with policies approved by the Board of Directors, to corporations and public bodies which have received an REA loan or loan commitment or have been certified by the Administrator of REA to be eligible for a loan or loan commitment. RTB's loans may be made: for the same purposes as REA loans made under section 201; to finance or refinance the construction, improvement, expansion, acquisition and operation of telephone lines, facilities, or systems in rural areas to improve efficiency, effectiveness or financial stability of borrowers; or to finance the purchase of class B stock.

The Rural Electrification Act requires that RTB, rather than REA, loan funds if the borrower is eligible for an RTB loan and RTB has funds available. However, all loans for telephone system facilities which, on the average, will have three or fewer subscribers for each mile of telephone line are to be made by REA unless the borrower elects to take an RTB loan instead.

RTB loans can only be made when, in the judgment of the Governor of RTB, (1) the loan has adequate security and will be repaid within the time agreed and (2) the borrower is able to earn net income before interest which is at least 150 percent of the interest requirements on all of its outstanding and proposed loans or, if this is not true, this requirement should be waived because it prevents emergency restoration of the borrower's system or otherwise results in severe hardship to the borrower.

The Governor of RTB determines the terms and conditions of RTB loans that are not specified by law. The Rural Electrification Act, as amended, requires that the interest rate on an RTB loan be equal to RTB's average cost of money; however, the interest rate cannot be less than 5 percent per annum. The act also requires that RTB loans be repaid within 50 years.

RTB borrowers may not sell or dispose of property, rights, or franchises acquired under the provisions of the Rural Electrification Act, as amended, without the approval of RTB's chief executive officer until any loans obtained from RTB, including all interest and charges, have been repaid.

Cost of operations

The interest cost of money borrowed from the Treasury through the sale of telephone debentures in fiscal year 1979 ranged from 8.875 to 9.25 percent a year. The total interest cost for fiscal year 1979 was $27,930,503.

The Rural Electrification Act authorizes RTB to partially or jointly use the facilities and services of REA or any other agency of the Department of Agriculture without cost, and thus are not shown as expenses on the RTB statement. Costs incurred by REA as it provides facilities and services to RTB are generally for salaries and related benefits, employee travel, and automatic data processing.●

NATIONAL INSTITUTE OF ARTHRITIS

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HOPKINS. Mr. Speaker, today I am introducing a bill to require the National Institute of Arthritis to conduct clinical trials of the drug dimethyl sulfoxide, or DMSO. As many will recall, this bill was introduced in the last Congress and enjoyed widespread support. More than 110 Members cosponsored the legislation and, in fact, it was adopted by the full House of Representatives in the form of a floor amendment to the Health Research Act, a bill which reauthorized our National Institutes of Health.

Unfortunately, during the final days of the Congress, a substitute bill was adopted and the amendment dropped. And so, despite hearings held in both the House and Senate, despite the support of many of my colleagues, we are no closer to knowing the truth about this potential ray of hope for those who suffer chronic pain than we were 17 years ago.

Mr. Speaker, 31 million Americans of all ages suffer from the crippling disease known as arthritis. One in every seven Americans is a victim. Someone new is added to this list every 33 seconds. There is no known cure for arthritis, and there are innumerable quacks and charlatans offering fake cures for arthritis sufferers.

There is, however, an inexpensive chemical compound which appears to offer significant relief from the nagging aches and pains accompanying this disease. My bill simply directs the National Institute of Arthritis to conduct a clinical survey of this promising remedy, known as dimethyl sulfoxide or DMSO. The purpose of the study is to determine the safety and effectiveness of DMSO in helping relieve some of the pain and suffering experienced by these 31 million Americans every day.

DMSO is not a new drug. It is not a rare drug. And it is not an expensive drug. DMSO costs about $4 a quart to produce and it is the byproduct of the manufacture of paper. The medicinal properties of DMSO first came to light in the United States in the early 1960's when it was discovered that DMSO is rapidly absorbed into the skin. Since that time it has been approved for human use in a dozen other countries. But in the United States DMSO is approved for only one rather rare bladder disease in humans, and also for veterinary use.

Doctors have testified before the House Select Committee on Aging that DMSO significantly reduces pain, inflammation, and swelling, and helps promote healing in soft tissue injuries. Professional athletes have indicated that use of DMSO is widespread among their ranks. Yet for the average American suffering from arthritis, the drug is officially off limits. Why? Because the Food and Drug Administration is adamant in its refusal to approve DMSO and persistent in its attempts to discredit DMSO proponents.

Nor are the future prospects very bright that DMSO will ever be available except in bootleg form. Again, DMSO is not rare and it is not expensive. But few firms are willing to devote their private resources to the testing and development of a substance commonly found in nature, cheap to produce, and in all probability not patentable. The income potential is simpy not there to meet their investment criteria. Thus, there are no tests currently being conducted to determine the value of DMSO for use by patients with arthritis.

The situation at present is that thousands of Americans are going abroad, primarily to Mexico, to obtain DMSO treatments at outrageous prices. Thousands more are treating themselves at home with DMSO they obtain from their veterinarians in a concentration designed for horses, not humans; or with DMSO they obtain from their hardware store, where it is sold as an industrial solvent; or with DMSO they obtain through smoke shops, drycleaners, and other outfits in a few States where DMSO is legal. Continued national media attention serves only to increase the unauthorized use of DMSO by individuals who

use it at their own risk and without medical supervision.

Efforts on the part of the administration to discourage the use of DMSO by the public must, in my opinion, be combined with vigorous efforts to pursue research into its safety and effectiveness. Public demand and scientific doubts where DMSO is concerned will only be put to rest through efforts to establish the truth.

It is time for an objective, unbiased study to determine once and for all whether or not DMSO is the ray of hope 31 million Americans are praying for. It is time to put to rest the false claims and false hope. For these reasons, I am reintroducing my bill to require that the National Institute of Arthritis conduct clinical tests of DMSO. I welcome the support of my colleagues who have already joined in sponsoring this bill, and am hopeful that other Members will also support our efforts.●

WOMEN'S RIGHTS DAY

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. LEACH of Iowa. Mr. Speaker, today is Women's Rights Day. Over 1,000 representatives from various women's organizations have converged on Washington to talk to lawmakers about issues ranging from equal employment protection to curtailment of sexual harassment in the working environment.

This will be an exciting, progressive decade for women. An analysis of the November elections indicates a greater percentage of women than ever before have entered the political process and won election to public office.

This growing coalition of female officeholders is significant in several respects. Not only are more lawmakers becoming more attuned to women's issues, but it is clear the American electorate no longer considers gender to be a decisive factor at the ballot box. An attitudinal change of this magnitude augurs well for the future progression of women's rights in America.

As the struggle for passage of the equal rights amendment continues, today is an appropriate time to reaffirm why we need such an amendment:

For every $1 a man earns, a woman earns only 59 cents;

A title-by-title review of the United States Code, reveals over 800 sex-biased laws;

Nondiscriminatory laws of one State cannot carry over to other States;

Without an ERA, nondiscriminatory legislation in any political jurisdiction can be reversed, modified, or eliminated by statute.

While the prospects for successful approval of the ERA in three more State legislatures before the 1982 deadline look bleak today, some solace can be taken from the fact that the fight itself has caused a searching analysis of the issue of rights and opportunities as they apply to women in an international as well as American context.

Hopefully, as the issue matures over the decades ahead, a fuller appreciation for the societal problems facing women will cause forthright legislative responses.

Welcome to all the representatives from the various women's organizations on Capitol Hill today.●

TRIBUTE TO THE IRANIAN RESCUE MISSION VOLUNTEERS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HOWARD. Mr. Speaker, on Inauguration night, I joined with the rest of the country in following the news of the release of the 52 brave Americans who had spent 14 difficult months in Tehran. I was joyful, but a poignant note of sadness permeated the happiness nonetheless, when a television commentator relayed an emotional message from the family of one of the Americans who had been in Iran.

Unexpectedly, the grief was not that of a relative of one of the former hostages. Rather, it was from the family of one of the eight men who had died in the Iranian desert last April 25. She asked that her loved one be remembered; and may I assure her that he is.

The names are now symbols of the courage that is inherent in the American character—Richard L. Bakke, Lynn Davis McIntosh, Dewey L. Johnson, Charles T. McMillan II, George N. Holmes, Jr., John Davis Harvey, Harold L. Lewis, and Joel C. Mayo. May we always remember them.

Let us remember not simply their names, but also their gallantry. All volunteers, they placed their lives on the line for those they hardly knew in a remarkable act of selflessness. Let us be mindful that they acted to help their Nation maximize its prestige abroad, in an act that far transcends the everyday duties of patriotism.

If we are in a period of national celebration for the release of the hostages, let us also enter a period of national pride that America produces men of valor such as these. They understood, to recall the words of Woodrow Wilson, that "it is a fearful thing to lead this great and peaceful people into war" but they, like the American people who supported the rescue mission, understood that there are times when bold actions are called for. Let us be gratified that when that time arrives, despite our best efforts to reconcile the dictates of justice with the desire for peace—our Nation can draw on men like these.●

CARE WEEK

HON. ROBERT (BOB) WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. WHITTAKER. Mr. Speaker, I am pleased to introduce this concurrent resolution today in the House which designates the week of May 10 as "CARE Week" and recognizing 35 years of outstanding service by the Cooperative for American Relief Everywhere, Inc.—better known by most of us as CARE.

CARE was conceived back in 1945 by 22 major American organizations made up of Cooperatives, relief agencies, religious organizations, and labor in order to aid the needs of millions of men, women, and children left destitute in Europe after World War II. CARE was a cooperative venture, conceived by cooperatives in this Nation. Today, CARE carries that cooperative spirit through all nations in which they help the sick and hungry.

Since 1945, CARE has grown with assistance from the passage of Public Law 480, providing major supplies of food from the United States. In 1962, CARE branched out into the medical services with the beginning of MEDICO.

Today CARE is more than just feeding hungry people—CARE also provides instruments for self-help and development to farmers and teachers in their communities and villages, education of modern medical techniques and child care, and the implementation of long-range 5-year plans in agriculture in providing loan funds and food-for-work projects.

Partnership programs are now carried out by CARE in nutrition, development, and health care. Throughout all programs and relief efforts, the aim of CARE—to help the impoverished help themselves—is clearly seen since these efforts undergird the assistance, rather than completely support a project.

CARE is the second largest nonprofit, nonpolitical, nonsectarian, nongovernmental agency and with over 46 million contributions received over the years CARE has continued to grow. The organization of CARE's staff and operations in utilizing contributions is truly outstanding—the CARE organization delivers in excess of $5 worth of aid for each $1 contributed.

Whether feeding hungry children in a Third World nation, or setting up temporary homes after natural disas-

ters, as they did in Italy late last year, the Cooperative for American Relief Everywhere, Inc. (CARE), I believe, can be held as a symbol of pride for this Nation.

Mr. Speaker, I would urge my colleagues to join me in cosponsoring this resolution and to pass it quickly to the President for his signature so the week of May 10 can be designated as "CARE Week" for 1981.●

TRIBUTE TO THE LATE OLIN TEAGUE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BROWN of California. Mr. Speaker, I join my colleagues in the House of Representatives in paying tribute to Olin "Tiger" Teague, distinguished Congressman from the State of Texas, who passed away on January 23, 1981.

"Tiger" was an American hero who served his country in war and peace. he was the most decorated soldier to serve in Congress, and was a natural choice to speak for the interests of American veterans. He will be best remembered for his decisive leadership role as chairman of the Science and Technology Committee, as well as for his ardent support for the advancement of the space program. He launched many of the programs which brought our Nation to a position of world leadership in space exploration.

On a more personal basis, it was my privilege to work closely with "Tiger" Teague on both of his committees—for 8 years on the Veterans' Affairs Committee and for 12 years on the Science and Technology Committee. I have never met a person who was more scrupulously fairminded in his treatment of his colleagues, and somewhat to my surprise, I found remarkably few issues on which we disagreed as to what best served the national interest in our work on these committees.

"Tiger's" sagacity and insights earned him the respect of his colleagues and friends. He will perhaps be best remembered as a man of conscience, a man who loved his country, and a man who cared about people. We will miss him.●

LOVE AFFAIR WITH THE AUTOMOBILE

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. SHELBY. Mr. Speaker, if ever the American love affair with the automobile is embodied in one person, it has to be Lauren Skinner.

He remembers seeing his first car, in 1904, at the age of 7. He and his family were living on a farm south of Linden, in Marengo County. A chauffeur-driven car with three Sweetwater women stalled on the road in front of their farm.

A neighbor put the three Sweetwater women in his surrey and took them on to Linden, while the chauffeur stayed behind to fix the car. Finally he got the car fixed, and chugged off toward Linden, while a 7-year-old boy watched him go.

"You could smell that gasoline behind it," said Lauren, with a faraway look in his eyes. That gasoline smelled good."

From that first look, he was hooked. He wound up a young man in Birmingham in 1919, working on cars for Cruse-Crawford Motors. Then he got word that some men in Thomaston would build him a garage if he would come there.

His garage turned out to be a shed on the side of the county mule barn, and he began fixing cars there.

He sold some Model T Fords for a Selma agency, and remembers going to York to assemble them.

> They would come seven Model T's in a boxcar, and the dealer would take 14 men over there with him to assemble them. Two men working together could put together two cars in about four or five hours. Then you'd put the fenders in the back seat and drive it back to Thomaston or Selma.

Even today, he said, "I could put one together right now. I knew where every piece went, where every bolt went."

Then, in 1926, Nash asked him to be a dealer in Thomaston, and he sold Nash cars, and Ramblers, until he retired a few years ago. When he retired, he had the oldest American Motors dealership in the world.

Besides his 1902 Rambler, he has four other cars—a 1948 Nash Ambassador, a 1970 Checker limousine, a 1974 Cadillac, and a 1979 Lincoln Continental.

He likes to travel by car, and puts some 40,000 miles a year on the Cadillac. He has driven to Alaska eight times, and makes a trip each fall to Vermont.

When asked why he loves cars so, Lauren responds:

> Well, cars have always been my hobby and I tried to pick up enough money from 'em to make a living. They always fascinated me. I loved to work on 'em, I loved to fool with 'em, I loved to ride in 'em, and you don't have to hitch up a horse and buggy.

Lauren Skinner and his wife, Marguerite, are truly colorful people of Thomaston, Ala., and I wanted to share this delightful, refreshing story with my colleagues in the House.●

BARRIER FREE HOME BILL

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. DONNELLY. Mr. Speaker, today, I have introduced the barrier free home bill. This legislation will provide incentives for homeowners, with handicapped family members, to make home improvements designed to allow handicapped individuals to remain in the residence. Under present statutes, many family members are actually discouraged from providing home care for handicapped family members. By not extending a helping hand to these families, households are faced with relinquishing prime responsibility for these individuals to various public and private institutions requiring increasing outlays of Federal money.

The barrier free home bill will allow a 50-percent tax credit, up to $1,000 per year, with a ceiling of $5,000 to install facilities needed to maintain as normal life as possible to severely handicapped family members. The Treasury Department has estimated that this proposal will lead to a revenue loss of $140 million during fiscal year 1982. Although, I believe that this is a substantial amount, I also feel that the millions of dollars saved by removing individuals from State and federally financed institutions will more than offset this amount.

Congress previously has instructed that both public and private buildings must remove architectural barriers. Now we should assist the families of handicapped citizens to make the same commitment in their own home. Furthermore, I believe that if we can free handicapped individuals from many of the obstacles which they encounter and prevent these people from spending their lives in institutions, we may save money but most important, we will be helping people who need and deserve this assistance.●

U.S. SUSPENSION OF ARMS TO ROYAL ULSTER CONSTABULARY TO CONTINUE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs, I have been deeply involved in the issue of human rights for Ireland. In this spirit, in July of 1979, I sponsored an amendment which was offered during consideration of the State Department appropriation bill for fiscal

year 1980. The amendment sought to bar the sale, shipment, or export of any U.S. arms to Great Britain for use in Northern Ireland to protest a January 1979 sale, approved by the State Department, of 3,500 rifles to the Royal Ulster Constabulary, the main police force in Northern Ireland.

The amendment was withdrawn following a commitment of a full investigation by the House Foreign Affairs Committee, which in fact was conducted just 2 weeks later. As a result of this investigation, the Department of State announced on August 31, 1979, that it was suspending all future sales and exports of U.S. arms to the Royal Ulster Constabulary, pending a full review of U.S. policy.

My motivation for sponsoring the amendment was the conflict between our sale of weapons to the RUC and section 502(b) of the Foreign Assistance Act. This provision prohibits the sale of U.S. weapons to any nation or organization which practices a pattern of violating human rights. The Royal Ulster Constabulary has been cited on numerous occasions, by such reputable international organizations as Amnesty International and the European Commission and Court of Human Rights and the British Government-appointed Bennett Commission, for various violations of human rights in their treatment of prisoners and suspected criminals.

On January 5, 1981, I wrote a letter to Chairman CLEMENT ZABLOCKI of the House Foreign Affairs Committee to get an updated status on the suspension issue. I received a response from the chairman today which I wish to place in the RECORD immediately after my letter to him.

I maintain my opposition to any sale of arms to the RUC while they engage in practices which violate human rights. The terrorism which exists in Northern Ireland is deplorable and must be ended if there is to be peace. However, if terrorism is to end—all culprits must agree to do so—and this includes not only the civilian paramilitary groups but also the forces of official violence such as the RUC.

The letters follow:

JANUARY 5, 1981.

Hon. CLEMENT J. ZABLOCKI,
Chairman, Committee on Foreign Affairs, Washington, D.C.

DEAR MR. CHAIRMAN: As Chairman of the Ad Hoc Congressional Committee for Irish Affairs, I am writing to obtain an updated status report on the suspension of United States arms sales to the Royal Ulster Constabulary (RUC) of Northern Ireland.

The suspension, which took effect in August 1979, was to remain in effect pending a full review of United States policy on Northern Ireland. The Specific questions I pose are:

(1) How is the review progressing? What areas of policy have been discussed besides prior arms sales?

(2) Is there any projection on how long the suspension might remain in effect?

(3) Have there been any discussions with the incoming Reagan Administration on this topic?

I would appreciate hearing from you as soon as it is possible.

With best wishes, I am
Sincerely,

MARIO BIAGGI.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 2, 1980.

Hon. MARIO BIAGGI,
Chairman, Ad Hoc Congressional Committee for Irish Affairs, Washington, D.C.

DEAR MARIO: Thank you for your letter in which you have requested an updated status on the suspension of U.S. arms sales to the Royal Ulster Constabulary of Northern Ireland.

According to the Department of State, their review of the issuance of licenses for guns to the RUC remains in progress. At this time they cannot give a projected date when the internal review will be completed. As I understand, the Reagan administration has not had the opportunity to adequately review the issue of arms to the RUC, or to formulate U.S. policy with respect to Northern Ireland. Thus, the status quo remains in effect.

Please be assured of my continued interest in this matter and I will advise you at the earliest possible date of any information which I receive from the Department of State.

With best wishes, I am
Sincerely yours,

CLEM, *Chairman.*●

AMERICAN FORAGE AND GRASSLAND COUNCIL

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HOPKINS. Mr. Speaker, I would like to bring to your attention, and that of my colleagues, a meeting which will be taking place in Lexington, Ky., from June 15 to 24, 1981.

The American Forage and Grassland Council, in conjunction with the University of Kentucky, is hosting the XIV International Grassland Congress on the University of Kentucky campus.

The significance of grasslands to American agriculture is growing all the time, and I feel this meeting will focus on the most important issues facing American farmers. With the increasing need to expand food production for our growing world population, the pressing problem of reducing both environmental pollution and relative energy use, the scientists and technicians from all pasture, forage, and range-related disciplines of the world will have an excellent opportunity to actively participate in the exchange of research findings and ideas on grassland improvement, production, and utilization.

As you might imagine, I am very pleased that such a conference is being organized in my hometown of Lexington, and want to commend both the American Forage and Grassland Council and the University of Kentucky for undertaking such a project. If I can provide information about the meeting, I hope those interested parties will contact my office. Thank you very much.●

INEQUITIES IN SUPPLEMENTAL SECURITY INCOME PROGRAM

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Ms. OAKAR. Mr. Speaker, today I am introducing a bill which will eliminate two of the inequities in our supplemental security income program. Under the present law, if a SSI applicant or recipient is living in the household of another, it is assumed that he is receiving in-kind assistance which is equal to one-third of the benefit standard. Therefore, the amount of SSI assistance he receives is reduced by one-third. Most often, it is the low-income elderly and handicapped individual who lives with another person because he needs some personal assistance and has no financial resources to purchase such assistance. Many times these elderly and handicapped SSI recipients would be forced to move to an institution—at an even greater expense to the taxpayers—if they were not receiving support and in-kind assistance from their families and friends with whom they live.

The second part of my bill would allow SSI payments to be continued for 3 months for recipients who are placed in a nursing home or other institution. Under the present law, if a SSI recipient enters a medical institution in which a major part of his bill is paid by the medicaid program, his monthly SSI payments are reduced to $25 beginning with the first month of his institutionalization. Very often these recipients are elderly or handicapped individuals who are institutionalized for a temporary period of rehabilitation and fully desire and intend to return to their previous living arrangement. These recipients continue to pay rent, utilities, and other household expenses which must be paid even while the person is in the institution. Because of this reduction in benefits, many SSI recipients are forced to give up their households even though they might eventually be able to leave the institution. Consequently, they are also forced to give up their hope of returning to their previous level of independent living, and they often spend the remainder of their days in the institution.

It is my hope that this bill will correct the inequities of our SSI system which now penalizes low-income elder-

ly and handicapped individuals who depend on families or friends for in-kind assistance or who remain in an institution for more than 1 month.

The following is a summary of the bill.

H.R. —

A bill to amend title XVI of the Social Security Act to eliminate the one-third benefit reduction for those Supplemental Security Income recipients who live in another household, and to continue Supplemental Security Income payments for three months when a recipient is institutionalized

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SUPPORT AND MAINTENANCE IN ANOTHER PERSON'S HOUSEHOLD

SECTION 1. (a) Clause (i) of section 1612(a)(2)(A) of the Social Security Act is amended to read as follows: "(i) in the case of any individual (and his eligible spouse, if any) living in another person's household, support and maintenance received in kind from such person shall not be included,".

(b) Clause (iii) of section 1612(a)(2)(A) of such Act is amended by striking out "and the provisions of clause (i) shall not be applicable".

ELIGIBILITY OF INDIVIDUALS IN CERTAIN MEDICAL INSTITUTIONS

SEC. 2. (a) Section 1611(e)(1)(A) of the Social Security Act is amended by striking out "subparagraph (B) and (C)" and inserting in lieu thereof "subparagraphs (B), (C), and (D)".

(b) Section 1611(e)(1) of such Act is further amended by redesignating subparagraph (C) and subparagraph (D), and by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(B) Except as provided in subparagraph (C), in any case where an eligible individual or eligible spouse is in a hospital, extended care facility, nursing home, or intermediate care facility, such individual's benefit for the period ending with the third consecutive month throughout which he is in such hospital, home, or facility shall be determined as though he were continuing to reside outside the institution under the same conditions as before he entered the institution.

"(C) In any case where an eligible individual or eligible spouse, throughout any month, is in a hospital, extended care facility, nursing home, or intermediate care facility, receiving payments (with respect to such individual or spouse) under a State plan approved under title XIX, and such month is either—

"(i) the first month in any period of eligibility under this title based on an application filed in or before such month, or a month in a continuous period of months beginning with such first month, throughout which such individual or spouse is in a hospital, extended care facility, nursing home, or intermediate care facility (whether or not receiving payments with respect to such individual or spouse for each month in such period), or

"(ii) the fourth consecutive month throughout which, or a month in a continuous period beginning with such fourth consecutive month throughout which, such individual or spouse is in a hospital, extended care facility, nursing home, or intermediate care facility (whether or not receiving payments with respect to such individual or spouse for each month in such period),

the benefit for such individual for such month shall be payable—

"(iii) in the case of an individual who does not have an eligible spouse, at a rate not in excess of $300 per year (reduced by the amount of any income of such individual which is not excluded pursuant to section 1612(b));

"(iv) in the case of an individual who has an eligible spouse, if only one of them is in such a hospital, home, or facility throughout such month, at a rate not in excess of the sum of—

"(I) the rate of $300 per year (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the one who is in such hospital, home, or facility), and

"(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1612(b), of the other); and

"(v) in the case of an individual who has an eligible spouse, if both of them are in such a hospital, home, or facility throughout such month, at a rate not in excess of $600 per year (reduced by the amount of any income of either spouse which is not excluded pursuant to section 1612(b));

except that for purposes of any provision of law other than this subparagraph, any benefit determined under clause (iv) shall be deemed to be payable at a rate equal to the sum of the rate of $300 per year and the applicable rate specified in subsection (b)(1), reduced by any income of either spouse which is not excluded pursuant to section 1612(b).".●

THE 63D ANNIVERSARY OF UKRAINIAN INDEPENDENCE

HON. CHARLES F. DOUGHERTY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. DOUGHERTY. Mr. Speaker, last week our entire Nation, indeed the whole world, witnessed in the honors paid to the returning 52 how precious we hold our liberty.

In the face of Soviet aggression both within and outside of the borders of the U.S.S.R. and in the midst of the ever-expanding threat from terrorist groups in troubled spots around the world, it is important that we keep our pledge to support those who refuse to let their own dreams of freedom die.

Today in the Halls of Congress, as we commemorate Ukrainian Independence Day, we pay special tribute to the spirit of freedom which lives on in the hearts and minds of all Ukrainians.

For a quarter of a century, Members in every Congress have observed the independence of Ukraine. This is its 63d anniversary. Upon the collapse of the Tsarist Russian Empire, the Ukrainian National Republic was established on January 22, 1918, highlighting another phase of independence for the Ukrainian Nation. By 1920 it was destroyed in the first wave of Soviet Russian imperialism that in a succession of waves has reached in our day into Afghanistan and which many think is being challenged by the workers' movement in Poland.

But the 40 million Ukrainians under Soviet domination and their 2 million brothers and sisters of Ukrainian descent in the United States have consistently opposed the repressive policies of the Kremlin and have earnestly sought to keep alive their independent, national spirit. As a result, Ukrainian intellectuals are being arrested and sentenced to long terms of internment in prisons, concentration camps, and psychiatric institutions.

In addition, the U.S.S.R. has imposed severe restraints on Ukrainian language and literature. In the name of "russification," the young people of Ukraine are being forced to attend Russian-language schools. This attempt to crush the spirit of the Ukrainian people by striking at their cultural and religious roots masquerades as official Soviet policy. The annihilation of the Ukrainian language would deprive these brave and proud people of the spark which fans the flame of their indomitable spirit—their history and their heritage.

We take this occasion to applaud those who willingly engage themselves in this struggle and who refuse to let their dream of freedom die.●

HOUSE CONCURRENT RESOLUTION 52 AND INTERNATIONAL TERRORISM: THE LESSONS OF TEHRAN

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. FITHIAN. Mr. Speaker. I recently introduced House Concurrent Resolution 52, a resolution to establish an International Office of Diplomatic Security within the United Nations Secretariat. The purpose of this office would be to monitor compliance of signator nations with international agreements which guarantee the protection of diplomatic missions and their personnel.

The return of the American ex-hostages from our Tehran Embassy underlines the need to protect and safeguard diplomatic missions and their personnel. Public attention has been fixed on this problem for almost 15 months. The Government has recently focused its attention on the problem of international terrorism. But when the yellow ribbons fade, what important lessons will we as a nation have learned from this unfortunate experience? What would we do next time if a similar situation occurred? In an excellent article in Newsweek on February 9, 1981, Brian Jenkins carefully describes the lessons of Tehran and the

need to develop diplomatic measures to respond to future acts of international terrorism. I have included a copy of Mr. Jenkins' article entitled "When the Yellow Ribbons Fade" for the benefit of my colleagues in the House of Representatives.

The article follows:

WHEN THE YELLOW RIBBONS FADE

When the yellow ribbons fade, what meaning will the hostage episode have for Iran, for the United States and for the future?

Seen as an act of terrorism, which clearly it was, the seizure of the American Embassy in Teheran capped a decade of growing international terrorism. In the '70s, taking over embassies became a common form of protest and coercion. The seizure of the American Embassy in Iran was in fact the 35th time in ten years that armed extremists, on behalf of one cause or another, had taken over an embassy or a consulate. This does not include the numerous times when mobs sacked embassies or unarmed protesters occupied them without taking hostages. However, as an act of terrorism the episode in Iran was unique because of the Iranian Government's complicity in it.

To be sure, governments before had been the accomplices of terrorists, providing them with financial support, training camps, asylum, weapons smuggled in diplomatic pouches. Idi Amin's soldiers in Uganda openly assisted the team of Palestinian and German terrorists who hijacked a French airliner to Entebbe in 1976. But the episode in Iran was the first time that a government openly embraced an act of terrorism committed within its borders, made the terrorists' demands its own and ultimately took charge of the negotiations.

Turmoil: Holding the hostages brought nearly universal condemnation to Iran, but that did not seem to trouble the Iranians or cause them great hardship. If terrorism brought them no reward, the world imposed no great cost either, nor could it. Iran destroyed its own economy. The political turmoil was its own creation. As we discovered, it's hard to coerce a country that appears intent upon national suicide.

On the balance sheet for Iran, consider these questions: Is the Iranian revolution more firmly rooted now than it was on Nov. 4, 1979? Is the Iranian Government more stable? Are Iran's frontiers more secure? Are the Iranian people more united? Are they prouder? Iran would seem to have gained little.

Looking at it from the American side, the affair influenced an election, raised disturbing questions about our military competence and ended an era.

The seizure of our embassy in Iran confronted us with a form of terrorism new to our experience. Prior to the event, neither the American Government nor the American people fully appreciated the extent to which a single terrorist incident could mesmerize a nation and thoroughly distract its government. After the election, Hamilton Jordan said that frustration over the hostage crisis was the principal factor in Carter's defeat.

The post-Vietnam era came to its unofficial end during the Iranian crisis, when the Administration, many of whose members had vigorously opposed the war in Vietnam, indeed any military intervention abroad, suddenly found itself in a situation in which they considered the use of military force to be appropriate and useful. President Carter thus joined every President in this century in ordering soldiers into action overseas.

The seizure of the American Embassy also altered one of the widespread attitudes of the post-Vietnam era. Since the Vietnam War, the American people have carried a heavy cargo of guilt, as if our great wealth and power had made us a principal source, if not the sole source, of evil in this world.

In the Iranian crisis, this attitude dissolved. Not since the early 1950s, perhaps not since World War II, have the American people been so united in their outrage and anger, so agreed on its source. True, some might argue, and did, that we brought this trouble on ourselves through our intimate relationship with the Shah. But the public mood was reflected in the cruel caricatures of the ayatollah, the graffiti scrawled on walls and the defiant bumper stickers—not in the columns of foreign-policy analysis. The folks didn't need to be told who the villains were.

Although American unity was a positive result of the incident, the prospects for global unity against terrorism seem more remote than ever. Government-backed kidnappings and assassinations are being carried out more frequently, with bolder disregard for the fragile international regime that governs relations between nations. No longer does a handful of nations make and enforce the rules; a growing number of nations no longer abide by them.

Security: This raises a critical policy question: can a world so unevenly respectful of sovereignty, so economically interdependent, impose constraints on terrorist governments? The hand-wringing and finger-wagging seen in international forums do not suffice. World opinion carries little weight with nations so self-righteous as to be immune to it. Economic sanctions appear unenforceable, particularly when those imposing the sanctions depend on the target for some vital resource. Military intervention is risky.

Terrorists have seized embassies on eight occasions since the American Embassy in Iran was taken over. Doubtless, it will happen again despite the increased security measures that are turning embassies into fortresses. Diplomats now routinely receive hostage training—and so they should, for terrorism will not go away.

What will we do next time, That question must be answered next time. There are no formulas; each episode is unique. However, we can prepare for the next time. Right now the government's attention is focused on terrorism. That will not last. When we are not under the gun, the problem of terrorism is considered no more than a nuisance. That itself is part of the problem. Terrorism attracts everyone's attention for a brief moment, then it is virtually ignored. Now is the time to develop a permanent arsenal of response measures, both military and diplomatic. The incident in Iran aroused the world's wrath and compassion. Now is the time to translate that into concrete agreements among those nations that still place a premium on human life.●

MAYOR OF EUTAW, ALA., RESIGNS

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. SHELBY. Mr. Speaker, I would like to recognize Mr. William Tuck, who has just recently resigned after serving as mayor of Eutaw, Ala., for 32 years. I believe that congratulations are certainly in order for this loyal public servant and his outstanding record.

William served 4 years on the town council before entering the race for mayor in 1948. He has been successful in his bid for reelection eight times. He was reelected to his ninth term last August, but resigned on January 1, because of his appointment to the Greene County Racing Commission. "Other people hold government jobs and jobs like this, but I do not want to cause any problems for the town or anyone else so I decided to resign," William said.

As can be expected, Eutaw has undergone many changes during the 32 years of William's leadership, but it is not the change or accomplishments of goals that sticks in the mayor's mind.

According to William:

We have managed to do a lot of things for the people of Eutaw during the past 32 years but I think my greatest personal satisfaction has been the honor of representing the finest people in the world. You know that is what I think about all the people in Eutaw and Greene County—they are just the finest you can find anywhere and to have been able to serve them has been my greatest pleasure.

William points out:

I went a lot of places on behalf of the town over the years—Montgomery, Washington, wherever I needed to go to get help for the town. The town paid my travel expenses but nothing more. I was fortunate that my brother and I were in business together and we both felt strongly about serving the public.

With his help I was able to take off when I needed to make trips or work with the council or public on some problem or another. I got to meet a lot of people doing the work for the city. I met people from the President on down and I enjoyed that but it was the reason I got to meet them that is important. I was trying to do something for the people of the town.

During the 32 years he was in office, Mayor Tuck saw and implemented many changes in Eutaw. He also had a few honors to come his way which indicated the respect others had for him. One of the honors was being elected president of the Alabama League of Municipalities—not a bad accomplishment for the mayor of a small town.

In addition to the job of mayor, he has served as chairman of the Legislative Committee of the Alabama

League of Municipalities and chairman of the Aeronautics Committee. He has also served on the board of directors of the Greene-Hale Counties Gas District since its organization in 1958. He is a past president of West Alabama Congress of Mayors and is presently on the Industrial Committee of WARDEC, representing Greene County. For the past 12 years, William has held the position of president of the local Salvation Army Service unit.

William Tuck is truly an outstanding individual. His devotion and service to the people of Eutaw, Greene County, and the State of Alabama, are outstanding in the public service arena.

I am honored to be able to share this exceptional story with my colleagues in the House of Representatives, and certainly wish William Tuck well in his future endeavors.●

LEGISLATION TO PROHIBIT MASTER UTILITY METERING

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BEILENSON. Mr. Speaker, I am today reintroducing legislation I sponsored last year to prohibit the use of master meters for gas and electricity supplied to new buildings which have more than one unit. Passage of this bill would cut back on the considerable amount of energy currently wasted in apartments and commercial buildings with master metering.

As we all realize, the need for our Nation to save energy is absolutely essential. Our reliance on imported oil makes us politically and militarily vulnerable and causes severe economic problems that contribute to unemployment, inflation, the deflated value of the dollar, and our balance-of-payments deficit.

In our efforts to cut back on our use of imported oil, we have greatly neglected one abundant source of energy—conservation. Conservation is our cheapest, cleanest, and most readily available energy alternative. And, conservation does not have to mean undue sacrifice—recent studies show that the United States can use 30-40 percent less energy than it now does with no reduction in our standard of living. Conservation is thus the equivalent of an alternative energy source: It is far cheaper and easier to save a barrel of oil than to produce or import one.

At the present time the gas and electricity usage of the majority of tenants in the United States is metered at a single point for an entire building. When such master metering—rather than individual metering—is used, tenants utility expenses are included in their total rent charges; as a result, individual tenants are not directly aware of the amount of their gas and electricity consumption and thus have no economic incentive to cut back on usage. Not surprisingly, a tenant has a tendency to use less energy when he has to pay directly for it—as is the case when he receives a monthly utility bill that reflects his own individual consumption of energy.

The wasteful habits of tenants who receive their utility service by means of master metering have long been recognized by both utility company personnel and apartment owners and managers.

This considerable and unnecessary waste of energy was confirmed in a 1975 report prepared for the former Federal Energy Administration. After an extensive study of master metering of electrical service in apartment houses in 10 major cities, the conclusion was reached that residential customers whose electrical service was provided through master meters consumed about 35 percent more electricity than those in similar apartments who received service through individual meters and who thus paid directly for the energy used. Had the customers with master meters used the same reduced amount of energy as the individually metered customers, they would have saved 7 billion kW hours in a year—the equivalent of 13 million barrels of oil. This bill calls for individual metering of gas, as well as electricity, so the savings would be even greater.

The evidence provided in the FEA study is supported by officials at the Department of Housing and Urban Development, who state that a 35-percent reduction in electricity use occurred in public housing projects when the projects were converted from master metering to individual metering. In 1976, HUD issued regulations which required the conversion of all public housing projects to individual metering, where the conversion would be cost effective, by November 1978.

Laws which restrict the use of master meters in multifamily dwellings have been enacted in seven States: California, Florida, Maryland, Minnesota, North Carolina, Oregon, and Texas. None of the utility commissions in those seven States report any major problems with the implementation of such laws.

The feasibility of totally eliminating master metering from residential service has also been proven in Chicago, Ill., where a Commonwealth Edison Co., policy of refusing to serve new residential customers through master meters has been in effect for 25 years. That policy has been successfully defended in the Illinois courts, and the company has established workable practices for the maintenance and servicing of their distribution systems in large buildings.

In most cases, conserving energy by installing individual metering would not cause undue sacrifice for tenants or cramp their lifestyles: A large proportion of the excess energy used in buildings with master metering occurs when air-conditioning and heating units are left to operate at high levels while tenants are away from their apartments during the day or on vacations.

Since 40 percent of the total housing, stock that will be available in the United States by the year 2000 will be built in the next 20 years, truly significant energy savings could be made through more energy-efficient building design requirements, including individual utility metering. We must use every reasonable means possible to reduce energy use starting immediately, and I believe that this legislation will contribute significantly to an effective energy conservation effort.●

TRIBUTE TO OLIN "TIGER" TEAGUE

HON. LAWRENCE J. DeNARDIS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 28, 1981

● Mr. DeNARDIS. Mr. Speaker, I was not a colleague of the late Olin E. Teague of Texas, who served in the House from 1946 to 1978, 32 years of most impressive service. Reading the tributes offered by those who knew Chairman Teague gives the newly arrived Member the vision of a legislative giant, a man of great personal courage, a teacher and mentor, and a figure with true public policy vision and the tenacity and skill to achieve it. Olin Teague left indelible marks on this Nation's policy toward its veterans and its policy on the exploration of space.

I cannot help but feel that 32 years of yeoman's service to constituents in Texas, to veterans throughout the Nation, to the critically important scientific and technological community, to the Democratic Party, and to the House of Representative as a political institution should be marked in a very special way. Drawing old fashioned inspiration from a truly remarkable legislative career ought still to be the order of the day.

Olin Teague's remains rest at Arlington National Cemetery, a hero among thousands of heroes. Texas A. & M. University graduated hundreds of men who made substantial leadership contributions to the U.S. effort in World War II. Lieutenant Colonel Teague led the 1st Battalion, 314th Infantry, of the 79th Division, the Cross of Lorraine, into France 4 days after the Normandy landings. The battalion fought in numerous engagements across France during which its com-

mander earned three Silver Stars, three Bronze Stars, and three Purple Hearts. Colonel Teague was severely wounded in December of 1944 while reconnoitering the Siegfried line. He recovered from those wounds and was elected to the House in 1946 from the hospital in Temple, Tex., which now bears his name.

Chairman Teague's wounds continued to cause him discomfort and pain throughout his 32 years in the House. As I said earlier, it was in that time that Olin Teague left his personal mark on veterans' programs and the space program. From the readings of the tributes in the CONGRESSIONAL RECORD, I gather that the chairman was loved by Republicans and Democrats, by the older veterans of the House and the newer Members, by those who approached him for needed counsel or favors and were never turned away, and by junior members of his committees who materially benefited from his solicitude, his generosity, and his friendliness. He was a legislator who believed in accommodation, compromise, and consensus, but who at the same time was fierce in the defense or the promotion of his public policy objectives.

I regret that I did not have the opportunity to meet Olin Teague and to serve with him, and I look to those who did have the privilege of serving with him to find the appropriate way of marking his life and achievements so that generations of legislators and citizens to come will have a true mark against which to measure public service in the House of Representatives.●

A TRIBUTE TO SENATOR ALBERT S. RODDA

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. MATSUI. Mr. Speaker, as a result of last November's election, the California Legislature has lost one of its finest members, Senator Albert S. Rodda of Sacramento.

Al Rodda served in the State senate for 22 years, from 1958 to 1980, compiling a progressive record highlighted by his many contributions in the areas of finance, education, and protection of our natural environment.

I am pleased to join his many other friends in recognizing the accomplishments of this distinguished legislator, who has served in the traditions of Franklin Roosevelt and Adlai Stevenson. I know that other members of the California delegation will join me in expressing a congressional tribute to a man who has helped improve the quality of life in our State.

Al Rodda departed the State legislature as the chairman of the senate finance committee, where he helped our State struggle with the impact of proposition 13. Prior to his leadership of the finance committee, he headed the senate education committee, serving as chief architect for many of the improvements and innovations in California's public school system. Holding a doctoral degree from Stanford University, Senator Rodda was a respected educator, teaching history and economics at Sacramento City College for 20 years.

His Senate career has also included chairmanship of the select committee on innovation in school finance and character education and membership on the Senate natural resources and wildlife committee, the select committee on the maritime industry, the joint legislative budget committee, the joint legislative audit committee and the joint legislative committee on fairs, allocations, and classifications. In addition, he served on the local allocation board.

In a legislative career that spanned the administrations of three two-term Governors, Al Rodda authored 565 bills, constitutional amendments, and resolutions. His record includes sponsorship of bills in the areas of conservation and environmental protection; tax relief and tax reform; school finance, construction, and curriculum reform; collective bargaining in education; and four Senate versions of the State budget.

He also authored legislation to enact a master plan for the special education of developmentally disabled youth; to prohibit experimentation on live animals in public schools; to provide State financing of light-rail facilities; and to reorganize the governance of the University of California.

He was especially proud of his achievements directly affecting Sacramento and Sacramento County, including bills to preserve the old Governor's mansion; to create the California Fair and Exposition; to establish the Sacramento Regional Transit District; to help finance the Sacramento Medical Center; to finance local school construction; and to plan and develop the California Railroad Museum in Old Sacramento.

Sharing in over two decades of public service has been Al's wife, the former Clarice Horgan. Mrs. Rodda has been active in many Sacramento community organizations, including the Ladies' Aid to Retarded Children, the Crocker Art Gallery Service Group, the Altar Society of the Immaculate Conception Church, the Sacramento Association for the Retarded, the Cenacle Retreat League, and the Sacramento County Democratic Women's Club.

Senator and Mrs. Rodda are the parents of three children, Mary Elizabeth, a teacher, and Steven, and Margaret Ann, both attorneys.

At the age of 68, Al Rodda could have retired from public life after a long and distinguished career. But he is going to continue to use his expertise in State government finance to benefit the people of California as executive director of the commission on State finance.

On behalf of the California delegation, I want to wish Al Rodda all the best as he undertakes this new service to our State.

We are grateful for the years of dedicated, creative effort Albert S. Rodda has given to make California a better place to live.●

IT IS TIME TO END THE GRAIN EMBARGO

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. COATS. Mr. Speaker, there is some indication from the President that he may cancel a campaign promise and continue the grain embargo to the Soviet Union.

This is a very serious matter to the farmers of my district. Export markets which took over 10 years to cultivate and establish were terminated overnight, leaving grain farmers with heavy debt loads to finance while suffering losses of up to $1 a bushel in the price of grain.

No one disputes the reality that some action against the Soviet Union was made necessary by their reprehensible invasion of Afghanistan and other crimes against international peace and stability. The farmers in my district are the first to recognize this. But their question, and mine, remains: Why were they singled out to bear the brunt of U.S. foreign policy decisions regarding the Soviets?

The grain embargo has surely cost the Soviets money and inconvenience. Whether it has achieved its goals beyond that is highly doubtful. American farmers have been caused nearly as much inconvenience and expense; yet the troops are still in Afghanistan, anti-American agitation continued in Iran even during the final hours when the hostages' freedom was secured, and the U.S.S.R. seems totally unwilling to modify its foreign policy and behave in a more acceptable manner.

The embargo has been far from successful in changing Soviet actions, which was intended as its main goal. It has cost the American farmer, and will cost the American taxpayer even more in terms of direct outlays and tax losses. The export markets lost to our competitors during the embargo may never be recovered. If we are to be firm and effective in our dealings with the Soviet Union, then let us institute an embargo of all items—especially

the high technology on which the U.S.S.R. depends. Let all of us share the burden of foreign policy equally. But let us stop demanding that the farmers alone shoulder the expense and the disruption of their businesses.●

VIKTOR BRAILOVSKY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. PORTER. Mr. Speaker, under a special order from my distinguished colleague from New York, I rise today to protest the Soviet mistreatment of Viktor Brailovsky and other Soviet refuseniks, and to put the Soviet Union on notice that the Congress is deeply concerned with their continued violations of the human rights and fundamental freedoms section of the Helsinki accord.

Viktor Brailovsky, his wife, and two children have been trying to emigrate to Israel since 1972. He was dismissed from his position as a computer scientist at the Institute of Electronic Control Machines because of his emigration request. He has been harassed continuously and has been jailed numerous times. His home has been searched and invaluable scientific papers and Jewish cultural materials have been confiscated.

On the eve of the Madrid Conference, Brailovsky was arrested on grounds of slandering the Soviet state because he led a group of 230 refuseniks on an appeal to President Leonid Brezhnev for free emigration of Soviet Jews.

Since his arrest, Brailovsky's health has deteriorated. He has not been provided with adequate medical care for the treatment of a liver ailment and permission for his wife to visit him has been denied.

Unfortunately, the case of Dr. Brailovsky is not an isolated one. Vladimir Kislik, Vladimir Tufeld, Abe Stolar, Josif Mendelevich, Yuli Kosharovsky, Ilya Essas, Aba Taratuta, Arkady Yampolsky, Grigori Hess, Arkadii Mai, Leonid Volvovsky, Lev Shapiro, Dimitry Shchiglik, Natalia Chechik, Itzak Kogan, and thousands of others have also been denied basic human rights. It is time for the Soviets to end the continued inhuman treatment and persecution of Soviet refuseniks. The Congress has the responsibility to bring before the world the torture that Jews have experienced at the hands of the Soviet Government and bring to bear every possible effort to release them from its tyranny.●

THE DEATH OF MATTHEW SEXTON

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. SHELBY. Mr. Speaker, Choctaw County, in Alabama's Seventh Congressional District, suffered a great loss recently with the death of Matthew Sexton, 73, of Butler.

Not many people achieve the measure of admiration and respect that Matthew enjoyed. He earned that admiration and respect because he genuinely cared about people and about the welfare of his community.

He was a rarity—a man who had the vitality and know-how to be extremely effective in getting things done, yet warmth and sensitivity that made him a beloved leader.

In the fall of 1933, Matthew took the job as assistant county agent of Choctaw County. He was promoted to Choctaw County Extension Chairman in 1947 and remained in active, faithful service in that position until his retirement on September 30, 1976.

His knowledge of local history, his skill as a raconteur, his ready sense of humor, and his magnetic personality gave him a charm that endeared him to many. Matthew's simple philosophy of life was "the only way to have a friend is to first be one yourself."

Surviving are his wife, Lois Weaver Sexton; one daughter, Mrs. Sandra Sexton Kirkland of Butler; one brother, Mr. Paul Sexton of Prattville; three sisters: Mrs. Gertrude Freeman of Prattville, Mrs. Rae S. Kellner of Las Vegas, Nev., and Mrs. Carrie Mae Whatley of Baltimore, Md.; and two grandchildren.

Matthew Sexton's life should serve as a memorial to him for all time in Choctaw County, for he truly devoted it to serving the people that he loved and cared for.

He left many fond memories and I am sure that this fine gentleman will never be forgotten.●

THE DEATH OF FORMER REPRESENTATIVE EMANUEL CELLER

HON. JOHN L. NAPIER

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. NAPIER. Mr. Speaker, I would like to take this opportunity to join with my colleagues in paying tribute to former Representative Emanuel Celler, who died January 15, 1981, at age 92.

It was not my privilege to know Mr. Celler personally. However, I remember him well from the years I spent as a staff member for a Senate committee. His name was legend. He had been here forever. His unswerving dedication to this country and to the integrity and fairness of our legal system was well known to all.

I would like to join with my colleagues now in sending my deepest sympathy to his family and friends.●

FISH URGES MEDALS, PAY FOR RETURNEES

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. FISH. Mr. Speaker, the response to the return of the American hostages from Iran has been overwhelming. From the touchdown at Stewart Air Force Base to the public receptions in Washington and New York to the small hometown celebrations, the American people have demonstrated their joy at the safe return of our citizens and their outrage at the treatment accorded the hostages while in captivity. I would like to share with my collegues the reaction of one American, the only living honorary commander of the American Legion, my father, Hamilton Fish, Sr. The article is from the Newburgh Evening News, Sunday, January 25, 1981:

FISH URGES MEDALS, PAY FOR RETURNEES

NEWBURGH.—We welcome home all of the gallant American public servants who have added honor and glory to the American Flag, former congressman Hamilton Fish Sr. said Saturday night.

"The people of Orange County are proud that our heroic hostages will arrive first at the Stewart Airport and be stationed at the Thayer Hotel in West Point," continued the venerable Balmville patriot.

"The Iranian militants defied all principals of international law, resorted to tactics of terrorism and barbarism, but not one U.S. hostage caved in against the brutal kidnappers. The Congress should either give them the Congressional Medal of Honor or similar gold medal and double their pay from the time of imprisonment. It should be done within a month and not delayed," said the past national commander of the American Legion.●

FOOD STAMP REFORM ACT

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. RUDD. Mr. Speaker, I am today introducing legislation which would substantially reduce the costs of the food stamp program by targeting assistance to those most truly in need and removing other recipients from the rolls.

No Federal program is in more need of fundamental reform and cost reductions than the food stamp program.

Countless working Americans have witnessed the abuses firsthand in grocery stores across this country. They have observed fellow citizens—many of whom are not much, if any, financially worse off than they—obtaining free groceries with food stamps supplied by the Federal Government.

Of course, food stamps are not free. Taxpaying Americans spent $9.2 billion for this program in fiscal year 1980. Costs are now predicted to be at least $11.1 billion, perhaps more, during fiscal year 1981 unless meaningful efforts are made to restrict benefits to only the truly needy and deserving.

The need for cost-saving reforms is further underlined by the latest projections that the fiscal year 1981 budget—once portrayed as balanced—will now likely result in a deficit of $50 billion or more.

The growth in the food stamp program has been astronomical. What started out in 1965 at a level of $34 million serving 435,000 recipients has skyrocketed to $9.7 billion, and in September of 1980 served 22 million, or 1 out of every 10 Americans. The Congressional Budget Office's projected cost for fiscal year 1982 is now $12.5 billion and the Carter administration's request for fiscal year 1982 is $12,882,000.

The following chart denotes the exponential growth in the appropriations for the food stamp program in recent years:

FOOD STAMP APPROPRIATIONS

[In thousands of dollars]

	Budget authority
Fiscal year:	
1961	[1]3,725
1962	[1]48,900
1963	[1]50,000
1964	[1]45,000
1965	[2]60,000
1966	[3]100,000
1967	[4]139,525
1968	[5]185,000
1969	280,000
1970	610,000
1971	1,679,000
1972	2,289,214
1973	2,500,000
1974	3,000,000
1975	4,874,600
1976	5,203,000
1977	5,514,400
1978	5,627,000
1979	6,679,200
1980	9,182,000
1981	9,729,000

[1]Pilot program with section 32 funding.
[2]$35,000,000 of section 32 funds; $25,000,000 by direct appropriation.
[3]Includes $2,000,000 reappropriation.
[4]Includes $29,549,000 reappropriation.
[5]Includes $23,200,000 reappropriation.

Source: House Committee on Appropriations.

The growth of the program has continued unabated. Participation levels have escalated in the past 2 years:

RECENT MONTHLY FOOD STAMP PARTICIPATION

[Number of persons participating, in millions]

October 1978	15.3
November 1978	15.4
December 1978	15.9
January 1979	17.4
February 1979	18.0
March 1979	18.5
April 1979	18.6
May 1979	18.4
June 1979	18.3
July 1979	18.4
August 1979	19.0
September 1979	19.3
October 1979	19.4
November 1979	19.6
December 1979	20.2
March 1980	21.7
April 1980	21.8
May 1980	21.7
June 1980	21.7
July 1980	21.9
August 1980	22.1
September 1980	22.0

Source: Food and Nutrition Service.

During the past 4 years, the Carter administration and the Democratic leadership in the Congress have been totally unresponsive to the need for reform in this program.

I am today introducing legislation which I hope can serve as a focal point for meaningful and long-overdue reform as reauthorization is considered in 1981. This list is not comprehensive, but does present a number of proposals which deserve serious consideration by those truly interested in making the food stamp program more responsive to recipients and taxpayers alike. The CBO estimates that the changes made by the bill would save $3.7 billion from an otherwise estimated cost of $12.5 billion in fiscal year 1982.

PURCHASE REQUIREMENT

A great part of the growth in program costs of the food stamp program is attributable to the decision by the Congress in 1977 to eliminate the purchase requirement as a prerequisite for participation.

Under the purchase requirement, participants with income were expected to contribute a small percentage of their incomes in exchange for food stamps representing larger denominations in value. Households with little or no income were not required to pay anything. Higher income households were required to pay up to 30 percent of their net income for food stamps.

The Congressional Budget Office has estimated that many low and lower middle income families have chosen to reallocate their limited incomes so as to select those commodities which are subsidized, thereby continuing to maintain their real purchasing power in nonsubsidized goods.

The CBO noted in an April 22, 1980, memorandum that since the elimination of the purchase requirement, the food stamp program has become more of a direct income transfer program, directly substitutable for nonfood purchases. Hence, the propensity to participate in the program increases with relatively high rates of inflation in nonfood, but still basic items.

In other words, low and lower middle income families are responding to inflation by enrolling in the food stamp program in order to spend what money they have on other necessities—and sometimes unessential items—which are not subsidized by the Federal Government.

The Congressional Budget Office has estimated that the full restoration of the purchase requirement, at the same level as when terminated in 1977, would reduce food stamp costs by $774 million at fiscal year 1981 spending levels.

Surely, the Congress should not be so blind to the post-1977 escalation of participation but to admit that the total elimination of the purchase requirement was a mistake, and that it should be reinstituted.

Its restoration would recognize the simple fact that when citizens have to put forth some money in order to participate in a matching Federal program, they are less apt to do so if they are marginally needy than if they must contribute nothing at all.

Since those marginally eligible are the ones who drop off—while those most in need remain—restoring the purchase requirement would serve to refocus benefits to those at the lower income level while tending to discourage marginal families from participation. It would also give those making the contribution for the higher value allotment a sense of contributing to their own needs.

The proposal incorporated within this legislation would not mandate a restoration of the full purchase requirement for all families, but rather would exempt the elderly, blind, and disabled—categories already recognized as deserving of special consideration. These groups would continue to be provided with food stamps without regard to the purchase requirement if they otherwise meet the income and assets test criteria of existing law.

Elderly, blind, and disabled households constitute at least one quarter of the food stamp caseload.

The exemption for these groups would insure that the food stamp program is tailored to assist those least able to help themselves.

The other most deserving category, the truly poor, would be exempt in practice from the restoration of the purchase requirement which even before 1977 exempted households at the lowest income levels.

Our colleague, the gentlewoman from New Jersey (Mrs. FENWICK) first conceived of exempting these categories in an amendment she offered to S. 1309 on May 8, 1980. I believe that as Members reflect further on this concept, they will see the wisdom of restoring the purchase requirement principle.

GROSS INCOME LIMIT

Another element essential to food stamp reform is that income eligibility be established at the gross, rather than net income level.

For instance, in December 1980, each household was entitled to an $80 per month standard deduction as well as dedictions of up to $110 per month for child care expenses and/or excess shelter costs.

Such deductions permit families with incomes substantially above the poverty line to participate in the program.

The following figures, verified by the Congressional Budget Office, indicate the effective gross income limits which were in effect in December, assuming the maximum exemptions, in comparison with actual poverty standard as defined by the Office of Management and Budget:

MAXIMUM EFFECTIVE GROSS INCOME ELIGIBILITY (UNDER EXISTING LAW), PERIOD OF JULY TO DECEMBER 1980

	Net income cutoff	Maximum gross income
Family size:		
1[1]	$3,790	$7,588
2[2]	5,010	9,113
3	6,230	10,638
4	7,450	12,162
5	8,670	13,687
6	9,890	15,212

[1] OMB poverty level.
[2] Assumes working household eligible for 20-percent earned income credit, $80 standard deduction, $110 dependent care/excess shelter deduction. (Does not assume deductions for payments above $35 for medical expenses which are available for elderly, blind and disabled.)

Note.—Figures verified by Congressional Budget Office.

I do not believe that the majority of working taxpayers support the concept of providing benefits to those who are themselves above the poverty line in gross income.

The Department of Agriculture's most recent statistics, published in February 1980, indicate that approximately 13 percent of all benefits are paid to households with gross incomes above the poverty line.

This proposal provides a built-in work incentive to encourage nonworking households to obtain jobs and thereby work themselves off the food stamp rolls. For those families with earned income, the income eligibility ceiling would be 15 percent above the poverty line.

Again, as with the restoration of the purchase requirement, the elderly, blind, and disabled would be exempt from the gross income limitation. The existing net income limitations would continue to apply, effectively continuing the exemption for those elderly, blind, or disabled recipients who have high medical expenses—all above $35 monthly of which is deductible from income.

TIGHTEN WORK REGISTRATION

Additionally, Mr. Speaker, the Congress needs to tighten the work registration provisions of the food stamp program.

For instance, parents responsible for the care of children up to 12 years of age are presently exempted from registering for work.

Obviously, children customarily begin school around age 6, and thus there is no logical reason for allowing a higher age exempting the parent from work requirements otherwise applicable.

Additionally, the aid to families with dependent children (AFDC) program administered by the Department of Health and Human Services has a similar work provision, but Congress has set that age limit for children which exempts participation at age 6.

There has been some discussion within the Ways and Means Committee to reduce this level even further—possibly to age 3. Should the AFDC program be modified further, the food stamp program should parallel it in this respect.

An amendment to accomplish this change was offered by our colleague from California (Mr. ROUSSELOT) during House consideration of S. 1309, and was initially accepted by the House. However, the provision was stricken in the conference on S. 1309 with the Senate.

The food stamp law provides a special deduction for dependent care expenses. This was included within the law specifically to encourage parents to work. Yet the high age exemption provides the opposite incentive. Congress should standardize the philosophy behind the program toward work incentives.

Latest statistics from the Department of Agriculture indicate that 35.1 percent of the present household heads are exempt from the work registration requirement because they are responsible for the care of children or incapacitated adults. Obviously this proposal is a modest and reasonable change which would encourage parents to begin registering for work when their youngest child reaches age 6.

WORKFARE

Additionally, Mr. Speaker, I believe that it is important to more forcefully implement the concept of working as a prerequisite for food stamps.

Therefore, the bill includes a provision originally offered in a larger context of all public assistance bills by our colleague from Illinois (Mr. FINDLEY), which would mandate that States adopt "workfare" programs whereby able-bodied recipients would be required to perform some useful public work in exchange for Federal benefits.

The principle of work fare has been widely heralded by many Americans who believe that simple equity requires beneficiaries of Federal assistance to perform useful tasks in exchange for these benefits.

Minimum requirements would be established by the Department of Agriculture as a foundation for these State work fare programs.

The successful reforms in California's welfare program implemented by President Ronald Reagan during his term as Governor should serve as a model for effective reform in work registration requirements in the food stamp program.

The community work experience program initiated in California required certain able-bodied adults to work 20 hours a week for their welfare grants.

Obviously, the provisions of this legislation are confined to the food stamp program although they do have broad implications for application in other public assistance programs as well.

Working recipients could provide needed services in community work projects that might otherwise go undone for lack of funds.

The work fare requirement would apply to those same people who presently must register for work. The requirement to perform public work would be terminated by their acceptance of paid employment which raises them above the eligibility limit.

ELIMINATE STRIKERS

One area of the food stamp program where obvious savings could be obtained is through the total elimination of strikers from the food stamp rolls.

Present law presents the appearance of a prohibition against strikers, but, in reality, simultaneously provides an exception clause which allows most strikers to enroll in the program. Countless local communities can attest to this practice as food stamp offices are swamped with applications paralleling local labor disputes and strikes.

Indeed, under the expedited procedure of the food stamp program, strikers are often placed on the food stamp rolls within days of the initial walkout.

Clearly, working American taxpayers should not be required to subsidize other Americans who have consciously and voluntarily decided not to work. The present practice of providing such generous and immediate benefits serves to place the Federal Government on the side of strikers. I believe the Federal Government should be neutral in such disputes.

The U.S. Department of Agriculture's statistics, published in February 1980, indicated that approximately 2.1 percent of all food stamp households contained strikers. While this may be a small percentage of the caseload, it is nevertheless 2.1 percent too many.

The bill would eliminate the eligibility of strikers to receive food stamps unless they were otherwise entitled to receive them before the strike began.

OVERLAP

One of the most obvious examples of food stamp abuse is in the area of overlap with other domestic funding programs.

The largest program in which this overlap of services occurs is the school lunch program. The General Accounting Office has noted this as long ago as June 13, 1978, in a report to Congress on domestic food assistance programs.

Under the present food stamp program, households are provided with an allotment of food stamps to pay for three meals per day at reasonable costs, providing a nutritionally adequate diet. However, the Congressional Budget Office estimates that approximately 6.8 million children whose families already receive food stamp allotments on their behalf are participating in the school lunch programs as well.

The net effect of this overlap is that families with children who receive federally financed free school lunches are subsidized for four, rather than three, meals per day, with resulting increased costs to the taxpayers.

This aspect of the omnibus legislation is modeled after legislation introduced in 1980 by the distinguished Senator from North Carolina (Mr. HELMS), the new chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, and other members of the Senate Agriculture, Budget, and Appropriations Committees.

A similar proposal was offered by our colleague from Missouri (Mr. COLEMAN), both as a separate legislation and as an amendment to S. 1309 on May 8, 1980. While the amendment was rejected at that time, the continuing budget crisis makes it imperative to reconsider this reasonable reform proposal.

The provision would reduce the allotment of food stamps the most generous possible calculation of the food stamp programs assumed cost of one meal per day for family members participating in the school lunch program.

Such a restriction would eliminate duplication which the CBO estimates costs taxpayers over half a billion dollars a year. Needy children would still receive their school lunches. Their parents would continue to receive food stamps.

This is a modest proposal to reduce the dual compensation existing under the present circumstances. The entire duplication between these two programs would not be eliminated by this section. Short of an overly complex plan, some duplication would inevitably remain, but this provision is a move in the right direction.

It should be noted, Mr. Speaker, that the school lunch program is only one of the programs which currently overlaps with the food stamp program.

Other domestic feeding programs which frequently provide food stamp families with additional nutritional benefits are the women, infants, and children (WIC) program, summer feeding, school breakfast, special milk, and child care feeding.

While the provisions of this particular bill only address the elimination of overlap between the food stamp and school lunch programs—the Agriculture Department's two largest feeding programs—other, smaller programs should also be considered.

Households with members participating in these other feeding programs—primarily designed for children—are being overcompensated in total food stamp benefits at a great cost to the American taxpayer.

One option would be for Congress to adopt a policy of considering total food benefits available to multiple-program participants when determining eligibility and level of benefits in the food stamp program as a means of eliminating the present duplication.

Another option would be similar to that proposed in this bill for the food stamp/school lunch overlap—to simply reduce by the per meal cost the food stamp benefits to which a recipient who participates in other feeding programs is entitled.

ELIMINATE DINE-OUT

Mr. Speaker, one new feature of the food stamp program which is now small, but which contains the ingredients for massive expansion and abuse, is the so-called dine-out provision of the current law.

Under the dine-out pilot projects, certain food stamp recipients, currently limited to the elderly, blind, and disabled, may use food stamps in authorized restaurants.

While most Americans customarily think of food stamp redemption as confined to grocery stores, present law actually allows purchases at several types of locations.

For example, food stamps can be redeemed for meals served by alcohol and drug treatment centers, or even for hunting and fishing equipment in parts of Alaska. With regard to the elderly and disabled, stamps may be used in a variety of ways, for food at home or away from home.

The most common kinds of meals provided for the elderly are Meals on Wheels—meals at senior citizens' centers, apartment buildings occupied primarily by those over 60, or federally subsidized housing for the elderly—or meals from public or nonprofit organizations, including schools, eating establishments, and groups created for other purposes, but which offer meals for persons age 60 or more.

However, a thus far little-used provision of the law also allows food stamp redemption in private retail establishments, such as restaurants that contract with the State to offer reduced price meals to persons 60 or over.

It is this latest category only which would be eliminated under the provisions of this legislation.

The administrative costs associated with seeking and setting up contractual arrangements with restaurants are excessive. Surely this provision goes beyond the original intent for the food stamp program.

Additionally, it is clear that the food stamp coupon allotments, which are based on at-home food costs, will rapidly be depleted under dine-out provisions at even the most economical restaurants.

Congress has been generous in establishing alternative redemption centers for the elderly, blind, and disabled as cited above.

However, the current provision allowing these recipients to eat at restaurants clearly abuses the concept of the program and holds it up to even greater public derision.

The Department is spending scarce resources trying to establish dine-out contracts which would prematurely exhaust the recipients' monthly coupon allotment. Such projects are simply not cost effective—for either the recipient or the taxpayer.

Since the existing food stamp law provides a myriad of other redemption processes to accommodate the mobility and health problems unique to the elderly, blind, and disabled, it seems to me prudent to eliminate this dine-out provision.

ELIMINATE OUTREACH

To add to the irony of the food stamp program is the fact that despite the monumental growth of the program, the Federal Government requires the States administering the program to continue to seek additional participants.

At a time when the Federal Government should be seeking every reasonable means to streamline its operations, it is incongruous that official policy mandates this outreach aspect of the food stamp program.

Outreach is simply no longer needed and should be eliminated. To require scarce tax dollars to be spent advertising this program is a mistaken notion which should be ended immediately.

The House approved a limitation on outreach activities during the consideration of S. 1309 on May 8, 1980. However, that limitation was eliminated during the conference with the Senate.

Surely Congress can and should eliminate the Federal provision which has been interpreted by the Department of Agriculture to require telephone hotlines, films, media, radio and TV advertisements, and newspaper advertisements to be used to encourage food stamp participation.

The bill adopts the total ban on outreach activities—a proposal offered by our colleague from California, Mr. SHUMWAY, in 1980. Should the Government continue this outreach policy, the participation levels and costs of the food stamp program will continue to skyrocket.

ENERGY ASSISTANCE

Mr. Speaker, one of the ways in which eligibility levels in the food stamp program are inflated is by excluding certain forms of income in the definition of "income" for eligibility purposes.

One such case is that of energy assistance. Federal, State, and local energy assistance payments made to needy households to assist them in paying their winter heating bills do, indeed, improve the overall financial condition of the household—freeing up income for other purposes.

To exempt such payments from the definition of income, as is the case presently, understates the true financial picture of the recipient household.

Such a practice effectively allows more households to qualify for food stamps and allows them to be eligible for more benefits than they would otherwise be entitled.

The first concurrent budget resolution for fiscal year 1981 included in the savings assumptions the provision that energy assistance be included in the definition of income for eligibility purposes.

The Congressional Budget Office has estimated that the inclusion of this provision would result in savings of approximately $200 million annually.

While this is a small savings relative to the overall expense of the program, it is important because an accumulation of such smaller savings can mean large savings, and in that as a matter of principle legitimate income should be defined as such.

A closely related matter is how the food stamp program should treat certain other inkind benefits—particularly housing subsidies.

The value of public housing, reduced-cost housing, and otherwise federally subsidized housing clearly benefits the household and effectively improves its financial condition. Yet such housing transfers are not currently included within the definition of income.

While this bill does not deal specifically with housing assistance, I believe that Congress should consider the value of housing subsidies in the definition of income when determining eligibility for food stamp participation.

This concept would be consistent with the principle enunciated earlier of taking into account other food benefits when determining food stamp eligibility and benefits.

Food benefits and housing subsidies fall in the broad and growing category of inkind benefits which presently are excluded from the definition of income in the food stamp program. Yet these and other public assistance programs do enhance the overall condition of the recipient households. The value of benefits received under these programs should be counted in order to assess the true level of need in the food stamp program.

Actually, this principle has broad application. Benefits in one program should be considered in determining eligibility for other programs.

INDIVIDUALIZATION OF ALLOTMENTS

Another recommended reform is that the Food and Nutrition Service utilize various specific categories which it presently records in determining the proper level of benefits allotted to each household.

Mr. Speaker, one of the original objectives of the food stamp program was to target supplemental food assistance to those most in need in our society. It is an objective which needs more attention in the 1980's.

At the present time, there is an inequitable distribution of benefits to some households caused by the use of the standard allotment.

All food stamp allotments are based on the thrifty food plan costs for a four-person household consisting of two adults—a man and a woman—aged 20 to 54, and two children, one in the 6 to 8 age group and the other aged 9 to 11.

The thrifty food plan is the least costly of four food plans developed by the Department of Agriculture. It is designed to provide most of the National Academy of Sciences' 1974 recommended dietary allowances considered to be adequate to meet the known nutritional needs of healthy persons. This is the same food plan which the Department presently uses to determine food stamp costs.

The monthly uniform allotment for a four-person household in March of last year, for instance, was $209.

Family of 4	Thrifty food plan cost
Male, 20 to 54 years	$61.60
Female, 20 to 54 years	50.30
Child, 6 to 8 years	43.00
Child, 9 to 11 years	54.00
Total	208.90

However, the General Accounting Office estimated in 1978 that only 2.5 percent of food stamp households were composed of this particular combination of family members. The food stamp allotments for other household sizes are not determined by similarly calculating the average cost of food to households of varying age and sex composition, even though these figures are available from the Department of Agriculture. Rather, other allotment levels are determined by dividing the standard allotment level by 4, multiplying the result by household size, and applying an adjustment to reflect economies of scale.

The GAO noted the inequities which this system creates in its June 13, 1978, report, "Federal Domestic Food Assistance Programs—A Time for Assistance and Change":

> Because the uniform allotment amounts are based on the needs of an average family, the combination of free food stamps and a reasonable investment of household funds could enable some recipients, such as a household consisting of a mother and three young children, to receive benefits above their thrifty food plan costs. On the other hand, a similar combination of free food stamps and a reasonable investment of household funds would probably not be enough to provide a nutritionally adequate diet for a five-person household in which the children are all teenage boys (p. 34).

Let us look at several inequities based on food cost prepared by the Department of Agriculture.

The uniform food stamp allotment for all participating four-person families in the continental United States is $209, regardless of the actual age or sex of the family members.

Thus families whose composition vary from the uniform allotments receive either substantially more or less than the amounts needed to cover their food costs.

For example, a mother with three young children would have received a uniform food stamp allotment meeting about 135 percent of her family's nutritional needs based on the thrifty food plan:

Family of 4	Thrifty food plan cost
Female, 20 to 54 years	$50.30
Child, 1 to 2 years	27.90
Child, 3 to 5 years	33.80
Child, 6 to 8 years	43.00
Total cost (need)	155.00
Uniform coupon allotment	209.00

A family of four with two teenage boys, however, would have received a uniform allotment covering only about 90 percent of its nutritional needs:

Family of 4	Thrifty food plan cost
Male, 20 to 54 years	$61.60
Female, 20 to 54 years	50.30
Male, 15 to 19 years	63.50
Male, 12 to 14 years	57.60
Total cost (need)	233.00
Uniform coupon allotment	209.00

The GAO reported in 1978 that average uniform food stamp allotments exceeded appropriate thrifty food plan costs by 9 percent. Based on estimated program costs for fiscal year 1981 of $10.7 billion, this proposal would result in substantial savings in the program, potentially as much as $963 million.

Individualization of food stamp allotments would generate substantial savings and would simultaneously target benefits more equitably than the present system, where some households might be getting more than they need while others are getting less.

The Congressional Budget Office gave the same assessment of this recommendation in 1977:

Providing applicant food stamp households an allotment level determined by the specific sex and age characteristics of the household would significantly reduce federal bonus costs and presumably come closest to targeting benefits on specific nutritional needs. (The Food Stamp Program: "Income or Food Supplementation?", Congressional Budget Office, January 1977, p. 53.)

Mr. Speaker, the current categories which are used by the Food and Nutrition Service, including their March 1980 costs, and which would continue to be used under my amendment are as follows:

Children	
7 months to 1 year	$25.80
1 to 2 years	29.00
3 to 5 years	35.20
6 to 8 years	44.90
9 to 11 years	56.30
Males	
12 to 14 years	60.10
15 to 19 years	66.10
20 to 54 years	64.10
55 and above	57.00
Females	
12 to 19 years	53.60
20 to 54 years	52.20
55 and above	47.30
Pregnant	65.80
Nursing mothers	69.80

The use of all of these categories would not be necessary. They could be clustered but still provide a more accurate assessment of nutritional need.

While there would be some bookkeeping associated with this requirement, based on the GAO's savings estimate, the benefits would far outweigh the costs of implementing the proposal. Charts could easily be prepared for use by State agencies with a minimum of complexity.

CONCLUSION

Mr. Speaker, these food stamp reform proposals included in the legislation I am introducing, are drawn largely from recommendations made by the General Accounting Office, analyses of the Congressional Budget Office, and concepts previously considered by the Congress.

I believe that the severity of the Federal Government's present fiscal crisis in general, and the high cost of the food stamp program in particular, demand a careful reconsideration of the issues presented in this legislation.

I hope that these ideas can serve as a launching pad for constructive discussion and refinement of these and other concepts to retarget assistance to families who need it most, with consequent reduction in overall costs and a savings to the hardworking American taxpayers whom we represent.●

TRIBUTE TO "WILLIE" NEESE

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. JONES of Tennessee. Mr. Speaker, I rise today to pay special tribute to Mr. W. J. "Willie" Neese of Paris, Tenn. Mr. Neese passed away recently at the age of 73. He was a civic-minded man who worked hard to improve the quality of life in his community, serving as its mayor for 4 years and its spokesman in the Tennessee State Legislature for four 2-year terms.

Right after returning from service in the U.S. Navy during World War II, Mr. Neese was instrumental in forming the Veterans for Better Government League in Paris. From the efforts of that organization, a new charter was written for the city.

Throughout his life, Mr. Neese was active in the Democratic Party and worked tirelessly in many political campaigns. His brother, Charles, was administrative assistant to the late Senator Estes Kefauver and now sits as a Federal district judge in Tennessee.

The loss of Willie Neese to west Tennessee is more than the loss of a civic-minded and hard-working public servant; it is also a deep personal loss to me. Willie Neese and I were longtime friends and I had great respect for him and his family. I want to express my deepest sympathy to his lovely wife, Allene and their children.

I would like to take this opportunity to insert in the RECORD the following two newspaper articles printed on the occasion of his death.

[From the Paris Post-Intelligencer, Jan. 12, 1981]

PUBLIC SERVICE MARKED LIFE OF W. J. NEESE

Death from a heart attack ended the mortal life of W. J. Neese Sunday morning, but he will long be remembered in his native community for his many accomplishments and public-spirited contributions to Paris and Henry County.

Better known by his nickname, "Willie," William Jerome Neese was a self-made man in the sense that he overcame early economic obstacles. Through his own ingenuity and hard work he became a successful businessman and developer.

But it is not for his business success that he will be remembered. Rather it will be his record of public service in the halls of the Tennessee Legislature, as mayor of Paris and for his activity in many other areas of civic and community endeavor which are listed in detail elsewhere in today's edition.

Standing as a perpetual memorial to his genius as a legislator is the state vocational-technical school that bears his name, located across from Henry County High School. As Henry County's representative, Neese single-handedly persuaded the late Gov. Buford Ellington to include an appropriation in the state budget to begin construction of the trade school, which has since been doubled in size and which provides opportunity for young people and adults alike to learn skills and trades that will equip them to get better-paying jobs.

Of all his accomplishments, Willie Neese probably cherished the trade school above others, although his interest in young people extended beyond that. As a charter member and first exalted ruler of the Paris Elks Lodge and past president of the Tennessee Elks Association, his interest in the Elks extended beyond its fraternal aspects. As a trustee he worked consistently to raise funds for the Elks Foundation, used to provide grants to assist student nurses to complete their education and become qualified to assume positions of responsibility in the health field. His interest in the underprivileged was also well known as a result of his successful endeavors to provide better housing for those forced to exist in sub-standard homes.

W. J. Neese was a public figure who involved himself in local government to bring about changes for the good. But, as in the case of so many other successful men and women in public life, there was a private side of his life that few outside his immediate family knew about. In addition to being a devoted husband and father, he was compassionate and generous in giving help to the less fortunate, the needy and poor.

If there is such a thing as a self made man, W. J. (Willie) Neese was just that. To his credit, he used much of his material possessions and his God-given talents in public service to the county and community he loved.

And while no man is perfect or makes no mistakes, the life of this man could be well summed up in one of the creeds of the Benevolent Order of Elks which states: "The faults of our brothers, we write upon the sands; their virtues on the tablets of love and memory."

FORMER PARIS MAYOR NEESE DIES

Former Paris Mayor W. J. (Willie) Neese, 73, one of Henry County's most prominent citizens, died Sunday morning at Henry County General Hospital's emergency room following a heart attack.

Born on Sept. 10, 1907, in Elkhorn, Neese spent more than a decade as a state and local political office holder.

Following his graduation from Grove High School where he served as captain of his football team for one year, Neese attended Toler's Business College and the University of Tennessee. For several years he worked for retail outlets and the Miller-Jones Shoe Co. During World War II, he served with the U.S. Navy.

In the early 1940s he was instrumental in forming the Veterans Better Government League in Paris. From this league came the city manager charter for Paris.

Neese was elected in 1964 to represent this district in the state legislature and served four terms as representative. He served on numerous committees and devoted much of his energy to the areas of conservation, farm problems and vocational education.

As a member of the House Ways and Means Committee, he was able to get a supplemental appropriation to begin construction on the W. J. Neese Area Vocational Technical School in Paris. He managed to have $5 million allocated to Paris Landing State Park, and was instrumental in the passage of a bill allowing farmers to buy

temporary overweight license tags for their trucks.

In a tight race for Speaker of the House in 1970, Neese lost the speakership to Rep. James R. McKinney of Davidson County on the fourth ballot.

Neese was elected to the City Commission in 1972 and was elected mayor by the commission, a position he held for four years.

He was the son of the late Anna Nunn and Charles Gentry Neese. On Nov. 3, 1929, he was married to the former Mildred Allene Walker, and they became the parents of three children—Mrs. Charles (Ann) Walker of Madisonville, Ky., Mrs. Larry (Diann) Jordan of Memphis, and William J. (Bill) Neese Jr. of Clarksville.

Neese was a charter member of the Paris Elks Lodge, served as its first exalted ruler and was past president of the Tennessee Elks Association.

A member of the board of trustees of the Paris Lodge for many years, Neese also served a three-year term as a member of the Grand Lodge Americanism Committee. He was a strong supporter of the Elks National Foundation and organized the Elks Benevolent Trust Fund, which provides funding for the Tennessee Elks nursing scholarship program. Approximately $30,000 a year is dispensed to deserving students who wish to follow nursing as a career. Neese had been named "Elk of the Year" by his lodge, and had held numerous offices in the state organization.

An avid checker player, Neese was the promoter of a national checker tournament held at the old Elks Lodge. He was a real estate developer, a member of the First United Methodist Church and at the time of his death was one of three directors on the local Natural Gas Board.

Funeral services will be held at 11 a.m. Tuesday at McEvoy Chapel with the Rev. Woodward Adams Jr. of First United Methodist Church officiating. Burial will follow in Maplewood Cemetery. First cousins of the deceased will serve as active and honorary pallbearers. Other honorary pallbearers will be members of Elks Lodge 816.

Visitation began at McEvoy's Funeral Home after 2 p.m. today.

In addition to his wife and three children, he is survived by his stepmother, Mrs. C. G. Neese of Chickasaw Rd.; one brother, Judge Charles G. Neese of Greenville; five grandchildren, Jay Walker of McKenzie, Cathy Neese of Clarksville, Jeanette Cope, Paige Walker and Jeaneese McGraw, all of Madisonville, Ky.; and two great-grandchildren, Deanna and Mandy Cope.

The family has suggested that persons wishing to make memorials address them to the Henry County Heart Fund.●

TAX RETURN HELP FOR SENIOR CITIZENS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BIAGGI. Mr. Speaker, as an original member of the House Select Committee on Human Services, I am acutely aware of the many problems that confront citizens in performing the essential yet frequently difficult and time-consuming task of preparing their Federal income tax returns. When the citizen is elderly or disabled, these problems are often multiplied.

In order to assist those in need, I am inserting into the CONGRESSIONAL RECORD a checklist of itemized deductions prepared by the Internal Revenue Service which senior citizens will find extremely beneficial in filing their 1980 tax returns. It will insure that those deserving citizens receive all to which they are entitled.

In addition to this report and to further facilitate the cumbersome tax-filing process, I would like to point out that the Internal Revenue Service as well as various community groups, by way of the volunteer income tax assistance (VITA) program, offer free tax return preparation assistance to the elderly, handicapped and low-income taxpayers. To obtain this assistance, senior citizens need simply to call one of the following toll-free IRS telephone numbers: (212) 732-0100 which is for residents of Manhattan, the Bronx and Staten Island, or (212) 596-3700, which is for residents of Queens and Brooklyn.

The IRS checklist I discussed earlier and present here is as follows:

IRS ASSISTANCE IS AVAILABLE TO HELP YOU

How to find help: If you have questions or need assistance on any Federal tax matter, help is available at the IRS. The toll-free telephone number for your area is listed in your telephone directory under "United States Government, Internal Revenue Service," and in your tax forms instruction booklet. Should you need to visit an IRS office, call this toll-free number to find the location of the office nearest you.

Publications to assist you: The IRS also prepares many free publications which will help answer your tax questions. In addition to the general publication 17, "Your Federal Income Tax," there are publications available on specific topics, such as "Tax Benefits for Older Americans" (publication 554), "Credit for the Elderly" (publication 524), and "Estimated Tax and Withholding" (publication 505). Single copies of publications can be ordered by mail using the order form in your tax package or by calling the forms/tax information number listed in your telephone directory under "United States Government, Internal Revenue Service."

Other special programs offering assistance: In addition, through the volunteer income tax assistance (VITA) program, older Americans can obtain free tax return preparation assistance from IRS trained volunteers at conveniently located sites throughout the country. Your local IRS office will be able to tell you where and when you can find this assistance in your area. A special program to provide assistance to individuals age 60 and over will be available in some areas. The IRS can tell you if trained volunteers working in the tax counseling for the elderly program are located near you.

CHECKLIST OF ITEMIZED DEDUCTIONS FOR SCHEDULE (FORM 1040)

Medical and dental expenses

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3 percent of your adjusted gross income (line 31, Form 1040).

Insurance premiums

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3 percent limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3 percent rule.

Drugs and medicines

Included in medical expenses (subject to 3 percent rule) but only to extent exceeding 1 percent of adjusted gross income (line 31, Form 1040).

Other medical expenses

Other allowable medical and dental expenses (subject to 3 percent limitation):

Abdominal supports (prescribed by a doctor).
Acupuncture services.
Ambulance hire.
Anesthetist.
Arch supports (prescribed by a doctor).
Artificial limbs and teeth.
Back supports (prescribed by a doctor).
Braces.
Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. You should have an independent appraisal made to reflect clearly the increase in value.
Cardiographs.
Chiropodist.
Chiropractor.
Christian Science practitioner, authorized.
Convalescent home (the entire cost, if the main reason for being there is to get medical care).
Crutches.
Dental services (e.g., cleaning, X-ray, filling teeth).
Dentures.
Dermatologist.
Eyeglasses.
Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).
Gynecologist.
Hearing aids and batteries.
Home health services.
Hospital expenses.
Insulin treatment.
Invalid chair.
Lab tests.
Lipreading lessons (designed to overcome a handicap).
Medicare A, voluntarily paid, if you are 65 or older and not entitled to social security benefits.
Medicare B, supplementary medical insurance.
Neurologist.
Nursing services (for medical care, including nurse's board paid by you).
Occupational therapist.
Ophthalmologist.
Optician.
Optometrist.
Oral surgery.
Osteopath, licensed.
Pediatrician.
Physical examinations.
Physical therapist.
Physician.
Podiatrist.
Psychiatrist.
Psychoanalyst.
Psychologist.
Psychotherapy.
Radium therapy.

Sacroiliac belt (prescribed by a doctor).
Seeing-eye dog and maintenance.
Speech therapist.
Splints.
Surgeon.
Telephone/teletype special communications equipment for the deaf.
Transportation expenses for medical purposes (actual or 9¢ per mile plus parking and tolls; but not general repair and maintenance expenses, insurance, or depreciation in either case; or actual fares for taxi, buses, etc.).
Vaccines.
Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).
Wheelchairs.
Whirlpool baths for medical purposes.
X-rays.

Expenses may be deducted only in the year you paid them. If you charge medical expenses on your credit card, the expenses are deducted in the year the charge is made regardless of when the bill is paid.

Taxes

Real estate.
General sales.
State, local, or foreign income.
Personal property.

If sales tax tables are used in arriving at your deduction, ordinarily you may add to the amount shown in the tax tables the sales tax paid on the purchase of the following items: Automobiles, trucks, motorcycles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pensions or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, dividends untaxed under the dividend exclusion, interest on municipal bonds, untaxed part of unemployment compensation and public assistance payments).

Contributions

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 31, Form 1040). However, contributions to certain private nonoperating foundations, veterans organizations, fraternal societies, or nonprofit cemetery companies, are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible).

Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 9¢ per mile plus parking and tolls) for charitable purposes (may not deduct general repair and maintenance expenses, insurance, or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationary, phone calls) while rendering services for charitable organizations.

Care of unrelated students in your home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

Interest

Personal loan.
Home mortgage.
Auto loan.
Installment purchases (television, washer, dryer, etc).

Bank credit card—can deduct the finance charge as interest if no part is for service charges, loan fees, credit investigation fees, or similar charges.

Other credit cards—you may deduct as interest the finance charges added to your monthly statement, expressed as an annual percentage rate, that are based on the unpaid monthly balance.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money and only if the charging of points is an established business practice in your area. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the separately stated "finance charge."

Casualty or theft losses

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. Report your casualty or theft loss on Schedule A. If more than one item was involved in a single casualty or theft, or if you had more than one casualty or theft during the year, use Form 4684 for computing your personal casualty loss.

Miscellaneous

Appraisal fees to determine the amount of a casualty loss or to determine the fair market value of charitable contributions.
Union dues.
Cost of preparation of income tax return.
Cost of tools for employee (depreciated over the useful life of the tools).
Dues for Chamber of Commerce (if as a business expense).
Rental cost of a safe-deposit box used to store taxable income-producing property records.
Fees paid to investment counselors (if the fees relate to investments that produce taxable income).
Subscriptions to business publications.
Telephone and postage in connection with investments.
Uniforms required for employment and not generally wearable off the job.
Maintenance of uniforms required for employment.
Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).
Business entertainment expenses.
Business gift expenses not exceeding $25 per recipient.
Employment agency fees under certain circumstances.
Cost of a periodic physical examination if required by employer to keep your job or in order to get the job.
Cost of bond if required for employment.
Expenses of an office in your home if used regularly and exclusively for business purposes.
Educational expenses that are: (1) required by your employer to maintain your position; or (2) for maintaining or sharpening your skills for your employment.

Political campaign contributions

You may claim a credit (line 38, Form 1040, or line 12a, Form 1040A) for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general, or special election. The credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, (4) local committee of a national political party, or (5) certain newsletter funds set up and maintained by a person who holds, has been elected to, or is a candidate for nomination or election to a public office. The amount of the tax credit is one-half of the political contribution, with a $50 ceiling ($100 for couples filing a joint return).

Presidential Election Campaign Fund

Additionally, you may voluntarily earmark $1 of your taxes ($2 on joint returns) for the Presidential Election Campaign Fund.

OTHER TAX RELIEF MEASURES

Filing status	Required to file a tax return if gross income is at least—
Single (under age 65)	$3,300
Single (age 65 or older)	4,300
Qualifying widow(er) under 65 with dependent child	4,400
Qualifying widow(er) 65 or older with dependent child	5,400
Married couple (both spouses under 65) filing jointly	5,400
Married couple (1 spouse 65 or older) filing jointly	6,400
Married couple (both spouses 65 or older) filing jointly	7,400
Married filing separately	1,000

Additional Exemption for Age.—Besides the regular $1,000 exemption, you are allowed an additional exemption of $1,000 if you are age 65 or older on the last day of the taxable year. If both a husband and wife are 65 or older on the last day of the taxable year, each is entitled to an additional exemption of $1,000 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1981, you will be entitled to the additional $1,000 exemption because of age for your 1980 Federal income tax return.

"Zero Bracket Amount."—The "zero bracket amount" is a flat amount that depends on your filing status. If you are married filing jointly or a qualifying widow or widower, your zero bracket amount is $3,400. If you are single or a head of household, your zero bracket amount is $2,300. If you are married filing separately, it is $1,700. It is not a separate deduction; instead, the equivalent amount is built into the tax tables and tax rate schedules. Since this amount is built into the tax tables and tax rate schedules, you will need to make an adjustment if you itemize deductions. However, itemizers will not experience any

change in their tax liability and the tax computation will be simplified for many itemizers.

Tax Tables.—Tax tables have been developed to make it easier for you to find your tax if your income is under certain levels. Even if you itemize deductions, you may be able to use the tax tables to find your tax easier. In addition, you do not have to deduct $1,000 for each exemption because this amount is also built into the tax table for you.

Multiple Support Agreements.—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $1,000 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more that 10 percent of the mutual dependent's support, but only one of them, may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

Sale of Personal Residence.—You may exclude from your gross income some or all of your gain from the sale or exchange of your principal residence, if you meet certain age, ownership, and occupancy requirements at the time of the sale or exchange. The exclusion is elective, and you may elect to exclude gain only once for sales or exchanges after July 26, 1978. If you were age 55 or older before the date of sale or exchange, you may elect to exclude up to $100,000 of gain on the sale or exchange if you owned and occupied the residence for 3 of the 5 years ending on the date of sale (or 5 of 8 years if you were 65 or older on the date of the sale or exchange. This applies only to a sale or exchange before July 26, 1981). Form 2119 (Sale or Exchange of Principal Residence) is helpful in determining what gain, if any, may be excluded.

Additionally, payment of tax on the gain on the sale or exchange of your personal residence in excess of the excluded amount will be deferred if, within 18 months before or 18 months after the sale or exchange, you buy and occupy another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence; (2) you were on active duty in the U.S. Armed Forces; or (3) your tax home was abroad. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Credit for the Elderly.—You may be able to claim this credit and reduce taxes by as much as $375 (if single), or $562.50 (if married filing jointly), if you are:

(1) Age 65 or older, or

(2) Under age 65 and retired under a public retirement system.

For more information, see instructions for Schedules R and RP.

Credit for Child and Dependent Care Expenses.—Certain payments made for child and dependent care may be claimed as a credit against tax.

If you maintained a household that included your dependent under age 15 or a dependent or spouse incapable of self-care, you may be allowed a 20 percent credit for employment related expenses. These expenses must have been paid during the taxable year in order to enable you to work either full or part time.

For detailed information, see the instructions in Form 2441.

Earned Income Credit.—If you have a dependent child who shares your principal place of abode in the United States, you may be entitled to a special payment or credit of up to $500. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if you reported earned income and had adjusted gross income (line 31, Form 1040) of less than $10,000, you may be able to claim the credit.

Earned income means wages, salaries, tips, strike benefits, other employee compensation, disability pensions, and net earnings from self-employment (generally amount shown on Schedule SE (Form 1040) line 13). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

Residential energy credit

The law provides certain tax incentives to encourage energy conservation and conversion to renewable energy sources.

A credit of up to $300 may be claimed for expenditures for energy conservation property installed in or on your principal residence, whether you own or rent it. The residence must have been substantially completed by April 20, 1977. Items eligible for the credit are limited to the following: insulation (fiberglass, cellulose, etc.) for ceilings, walls, floors, roofs, water heaters, etc.; exterior storm (or thermal) windows or doors; caulking or weatherstripping for exterior windows or doors; a furnace replacement burner which reduces the amount of fuel used; a device to make flue openings (for a heating system) more efficient; an electrical or mechanical furnace ignition system which replaces a gas pilot light; an automatic energy-saving setback thermostat; and a meter which displays the cost of energy usage.

For years beginning after 1979, the maximum credit for renewable energy source property is $4,000. Equipment used in the production or distribution of heat or electricity from solar, geothermal, or wind energy sources for residential heating, cooling, or other purposes may qualify for this credit.

Energy credits may be claimed by completing Form 5695 and attaching it to your Form 1040.

Examples of items which do not qualify for energy credit are the following: carpeting, drapes, awnings, shades, wood paneling, fire screens, new or replacement walls (except for insulation inside the walls), exterior siding, heat pump, wood- or peat-fueled burning stoves, fluorescent lights, hydrogen fueled residential equipment, equipment using wind energy for transportation, expenditures for a swimming pool used as an energy storage medium, and greenhouses.

For further information, consult the instructions for Form 5695 and IRS Publication 903, Energy Credits for Individuals.●

EXCISE TAX AND THE SMALL BUS OPERATOR

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. HEFTEL. Mr. Speaker, in 1978, the Congress passed the Energy Tax Act—Public Law 95-618—which exempts specific bus operators from the Federal excise tax on diesel fuel. The intent was to encourage the use of the energy efficient intercity bus and to assure the continued viability of the intercity bus industry.

Internal Revenue Code section 6427B, however, requires a bus operator engaged in intercity, charter, local, and special operations to pay the excise tax and then file for a refund. Bus operators from across the country, including those from my own State of Hawaii, have advised me that this is an extremely inefficient procedure and is particularly burdensome to small bus operators.

The bill which I am proposing today will do nothing more than give effect to the intent of Congress as expressed in Public Law 95-618. Bus operators would no longer have to go through the long and complicated process of paying the tax and then filing for a refund. Essentially, they would be permitted to make their purchases free of the excise tax. The revenue impact would be minimal and would, in fact, save money in that the time and expense of processing and refunding the excise tax would no longer be necessary. The bill would also ease the time-consuming and expensive burden of Federal paperwork requirements. The intercity bus industry is comprised of primarily small businesses and the time and expense which they must now devote to Government paperwork requirements is staggering. My bill would help ease this burden and would enhance the ability of the small bus operator to utilize his time in more productive ways.

Mr. Speaker, in our energy conscious society, the bus engaged in charter, intercity, or special operations is rapidly proving to be an effective means for Americans to lessen their dependence on foreign oil. It is the most fuel efficient mode of transportation, achieving 146 passenger-miles per gallon in 1979. Fully loaded, a bus can get nearly 300 passenger-miles per gallon. Equally important, the intercity bus industry currently provides service to over 15,000 U.S. communities. The vast majority of these communities—

14,000—have no other form of public transportation. It is an essential form of transportation which carries more people than any other form of public intercity transportation.

Mr. Speaker, the legislation my colleagues and I are introducing today seeks to enhance the effectiveness of an important segment of our transportation industry, which plays a valuable role in our efforts to achieve energy independence. I urge my colleagues to support this important legislation.●

THE MARRIAGE TAX

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. PEYSER. Mr. Speaker, today the gentlewoman from New Jersey, Mrs. FENWICK, introduced legislation that would eliminate the marriage tax currently facing two-earner married couples, by allowing these couples the option of filing as if they were single. I strongly support this legislation.

Very shortly millions of Americans will be filing their Federal income tax returns, and 38 million of these people will be paying a tax penalty simply because they are married. The marriage tax phenomenon is familiar to all of us. It refers to the situation which occurs when couples get married and switch from computing their taxes individually to filing jointly, and as a result, pay additional taxes.

Under present tax law married couples are treated as one tax unit, which must pay tax on its total taxable income. While couples may elect to file separate returns, the tax law is carefully structured so that filing separate returns leads to a tax increase for almost all married couples. This has prompted some couples to file for divorce, or to decide not to marry.

This situation discourages one of the marriage partners from taking jobs. If one of the couple decides to work, that person's first dollar of income will be taxed at the same rate as the last dollar earned by that person's spouse. This penalty, combined with nondeductible commuting and housekeeping costs creates a work disincentive for many people.

Mr. Speaker, as we are all aware, President Reagan will soon submit his proposal for tax reductions. I believe that any such proposal must include provisions to repeal the marriage penalty. It is clear that we must act to correct the discrimination that presently exists in our Tax Code as it relates to married couples. I urge my colleagues on the Ways and Means Committee to consider the correction of this inequity as a priority in their consideration of a tax cut.●

SRI LANKA'S 33D ANNIVERSARY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. SCHEUER. Mr. Speaker, I rise today to honor the people of the Democratic Socialist Republic of Sri Lanka on the 33d anniversary of the regaining of the nation's independence. The year 1981 is of added significance for Sri Lanka because this year marks the 50th anniversary of the granting of universal adult franchise.

Sri Lanka has pursued a policy of improvement for the nation's population through the provision of adequate health care, education, nutrition, and through the stimulation of economic growth. The success of these programs is evidenced in an impressive increase in the life expectancy to 64 years for males and 67 years for females and a literacy rate of 88 percent.

The present government has stressed economic development as a major national goal. To this end the government has emphasized agricultural self-sufficiency and the attraction of foreign investment for industrial growth. The government's landmark efforts in the field of reproductive health have been an important component of their overall plan to increase the quality of life for the citizenry.

I salute, Mr. Speaker, the nation of Sri Lanka on the anniversary of their independence.●

UKRAINIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. GILMAN. Mr. Speaker, on July 4, 1776 our Founding Fathers proudly proclaimed our freedom from colonization and domination. As a result of that Declaration of Independence some 205 years ago, our Nation and the entire world has come to regard freedom as a basic human right; an integral part of our way of life. Our Nation's recent hostage ordeal underscored for all of us the grim reality of the deprivation of the precious right to liberty. While those feelings are still fresh in mind, let us focus our attention on a nation whose "hostage live" existence is subject to exploitation by the domination of an authoritarian power. January 22 marked the 63d anniversary of Ukrainian independence. At that time we were celebrating the return of our 52 freed Americans.

Mr. Speaker, there is a nation of people who for only a few short years, between 1918 and 1922, knew what was meant by the term freedom; and that freedom was at best, unstable and weak. However, the aspirations and goals of the courageous Ukrainians remains steadfast in seeking to achieve freedom from foreign domination. At present the Ukrainians exist under Soviet rule. They live under the constant threat of Russification, of the elimination of Ukrainian identity, and the assimilation of the Soviet state. Yet they are somehow able to retain a strong national spirit in their fight to regain national independence.

The history of the Ukrainian people is more of struggle and instability. Until 1917, the Ukraine was known as "Little Russia", and czarist regimes tried for two centuries to Russianize all forms of Ukrainian life. In 1918, the hopes of the Ukrainian people were realized when Parliament proclaimed the Independent Ukrainian National Republic. Unfortunately, that independence and freedom from domination was short lived, as the Bolsheviks took control over the Republic in 1922. Since then, the Ukraine has been under the control of the Soviet Union. The Soviet leadership, under Mr. Brezhnev, states that "there are no oppressed, exploited class; there are no oppressed, exploited nationalities," in the Soviet Union. I know, and this Nation knows, that any country which is not an independent, free state, is indeed the victim of exploitation and oppression.

The American Ukrainian citizens annually celebrate the anniversary of Ukrainian independence on January 22. It is in this celebration that they reaffirm the vigil and hope for freedom and national independence. It is a day, however, for Ukrainian people in the U.S.S.R., like any other day. It is a day on which all celebrations are prohibited by the Soviet Government. Any acknowledgement of that important day may only be silently remembered.

Mr. Speaker, on this anniversary of Ukrainian independence I urge my colleagues to support the Ukrainians in their struggle for independence. It is necessary that we keep them, and their plight, in mind as we discuss the foreign policy matters, and as we act out the ideals upon which this country was built. I believe it is important to uphold the ideals of human and national rights and to lend our aid and energies to the right and just goals of the oppressed states in the world including any Ukrainians living under Soviet domination.

UKRAINIAN INDEPENDENCE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Ms. OAKAR. Mr. Speaker, on January 22, Ukrainians throughout the

free world commemorated the 63d anniversary of the establishment of the Ukrainian National Republic. With the collapse of the csarist empire, the Ukrainian Republic began on January 22, 1918, and lasted for 2 independent and democratically free years. It was in 1920 that the Soviet imperialist aggression extinguished the Ukraine's flame of freedom, and the Ukraine has since been an occupied country, subject to the dictatorial will of Moscow. From 1920 until today, the political and spiritual courage of the Ukrainian people lives on in their struggle to regain their precious right of self-determination lost to them in Soviet domination and repression.

I am happy to join with all Americans of Ukrainian descent in celebrating the 63d anniversary of the establishment of the Ukrainian National Republic on January 22, 1918. I also reaffirm my support of the cause of the Ukrainian people to reclaim their rightful privilege of self-government, based on the principles of political freedom, equality, and justice.

In recognition of the democratic heritage, distinctive cultural identity, and national heroism of the Ukrainian people, I join with Ukrainian Americans everywhere in observing the commemoration of their 63d anniversary of independence.●

FREE VIKTOR BRAILOVSKY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. DWYER. Mr. Speaker, the Jewish community of central New Jersey has expressed its deep concern for the plight of Dr. Viktor Brailovsky, leader of the Soviet Jewish emigration movement, who has been imprisoned since November for his efforts and is presently in very poor health.

I share that deeply felt concern and gladly join my colleagues in cosponsoring House Concurrent Resolution 50, urging that Dr. Brailovsky receive proper medical attention and that he and his family be allowed to emigrate from the Soviet Union, a journey he has bravely sought for 8 years under continued Soviet harassment.

Dr. Brailovsky led a group of 237 other "refuseniks" in signing a letter to President Brezhnev last November protesting the refusal to grant them exist visas. This action let to his arrest, in clear violation of international law and fundamental human rights.

He has fought hard for those rights. Despite constant harassment, which has included the loss of his job as a noted teacher and researcher, the confiscation of valuable scientific and Jewish cultural papers, and repeated arrests and subsequent imprisonment for his activities on behalf of Jews in the U.S.S.R., Dr. Brailovsky has persisted in his valiant struggle for freedom for the oppressed Soviet Jew.

Now he is fighting for his life, a fight he has waged continuously in the face of overt Soviet threats because he has the courage to fight to try and protect the fundamental liberties to which he and all others are entitled.

Mr. Speaker, Mr. FISH, and my esteemed colleagues who unite in this effort in behalf of Viktor Brailovsky, I hope that our interest will spur the Soviets into swift attention to his ordeal.

His is a chapter in the universal epoch of all those who came before him, those who are with him now, and those who will follow him, who have dedicated their lives to freedom.●

VIKTOR BRAILOVSKY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SCHUMER. Mr. Speaker, I would like to join my colleagues in protesting the treatment of Dr. Viktor Brailovsky by the Soviet Union. Dr. Brailovsky has suffered the wrath of this totalitarian regime for 8 years. He has been subjected to several imprisonments, lengthy interrogations, and continuous harassment.

What terrible crime did he commit? Dr. Brailovsky's crime has been his staunch refusal to watch passively while the Soviet Government attempts to stamp out Judaism among its people, and his indefatigable determination to retain the most basic of human rights—freedom of thought and expression. Denied his job after applying for an exit visa, Dr. Brailovsky continued his work by founding the Moscow Seminar of Jewish Scientists. Not to be intimidated by totalitarian thuggery, Dr. Brailovsky was, until his most recent arrest, a cofounder and the single most important force behind the publication "Jews in the U.S.S.R.," an unofficial cultural journal that has been important in the dissemination of information to the Jewish community.

I would like to express my appreciation to Mr. FISH for bringing the matter of Dr. Brailovsky to the attention of the House. I also would like to expand our concern a little bit. Dr. Brailovsky's arrest on the eve of the Madrid Conference and his treatment in prison are vivid examples of official antisemitism in the Soviet Union. They show the bankruptcy of Soviet claims of adherence to the Helsinki accords.

He is not alone, however. The close to 3 million other Jews in the Soviet Union are less visible than Dr. Brailovsky, but they are subjected to the same official mistreatment and harassment by the Soviet Government. I hope that all Members will join in asking the Soviet Government to end its abuse of Dr. Brailovsky, and challenging it to open its doors to all Jews who wish to leave the country for places where they might enjoy their basic human rights.●

REV. RAYMOND BAUMHART

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mrs. COLLINS of Illinois. Mr. Speaker, it is with immense pleasure and pride that I rise to pay tribute to the outstanding and sensitive leader of Loyola University of Chicago and a constituent, Rev. Raymond C. Baumhart.

On February 7, 1981, the alumni of Loyola University will honor the leadership and administration of a man who for 10 years served his university and surrounding Chicago community with insight and excellence excelled by none.

Reverend Baumhart, a distinguished man in his own right, a very talented and gifted writer, is equally at home in theology and philosophy as he is in the business world.

Father Baumhart has written extensively on business ethics and educational administration. He wrote the book, "An Honest Profit: What Businessmen Say About Ethics in Business" (Holt, Rinehart, 1968), and coauthored "Cases in Business Ethics" (Appleton-Century, 1968). His articles have appeared in numerous magazines, including America, Harvard Business Review, Social Order, and Printer's Ink.

He is a member of the Commercial Club of Chicago, the Economic Club of Chicago, the Tavern Club, the Chicago Committee, the Mid-America Club, Beta Gamma Sigma, and the Friends Committee of the Latino Institute of Chicago. He was Cardinal O'Hara lecturer at Notre Dame University, and is the recipient of the Order of Cavalier award from the Republic of Italy, the Rale Medallion from Boston College, and an honorary doctor of laws degree from Illinois College.

He also serves on the board of directors of the Jewel Cos., Inc.—since 1973, and the Continental Illinois Bank—since 1976. He was a member of the American Management Association's theologians advisory council (1964-69), and served as a consultant to the Fabricast Division of General Motors in Bedford, Ind. (1957), and to the National Conference of Christian Employers & Managers (1963-67).

By utilizing "the Jesuit flavored concern for the individual," Reverend Baumhart has combined job training, emphasis on humanities and arts, and adhering to budget limits, to make Loyola a first-rate institution. An institution sporting a new science facility, modern law school, research into such topics as neurology to the epistles of St. Paul. He has done it all and he had done it well.

In closing, I would like to share with my colleagues and Loyola alumni and friends a copy of a letter written to Father Baumhart last year by Archbishop John Cardinal Cody:

DEAR FATHER BAUMHART: Although I cannot be present in person to greet you and offer my congratulations as you round out ten years as President of Loyola University on July 31, 1980, I assure you that I will be joint with you, your brother Jesuits and friends in offering my thanks to you for all that you have done for the great metropolitan area of Chicago, the Archdiocese, Loyola University, the priests, religious, brothers and lay people who have benefited by your services as President of the University.

These have been indeed ten eventful years and under your guidance and leadership, the University has risen to new heights, both as an important community service as well as an Institution to which the Church can rightfully express its sincere appreciations. This I do as the Chief Shepherd of two and one-half million Catholics and I hope and pray that the growth and development of Loyola University and all its affiliates will continue to expand.

Wishing you personally an abundance of blessings as you continue your dedicated service, I am, dear Father Baumhart,

Very gratefully yours in Christ,

JOHN CARDINAL CODY,
Archbishop of Chicago.

Father Baumhart, I am indeed humbled by your givings. May the Lord continue to guide you in your efforts to educate Loyola, Chicago, and the Nation.●

INFANT MORTALITY RATES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1981

● Mr. BINGHAM. Mr. Speaker, infant mortality rates are rising in the Soviet Union, and life expectancy is declining. Death rates for middle-age people have jumped.

These are some of the startling conclusions presented in an article by Nick Eberstadt in the February 19, 1981, issue of the New York Review of books. Mr. Eberstadt is a visiting fellow at the Harvard Center for Population Studies and the editor of "Fertility Decline in the Less Developed Countries."

His article is in the form of a review of "Rising Infant Mortality in the U.S.S.R. in the 1970's" by Christopher Davis and Murray Feshbach, U.S. Bureau of the Census, and comments at length on that study, but the article's many footnotes attest to the fact that Mr. Eberstadt has drawn on many other sources as well.

The following comprises part I of the text of Mr. Eberstadt's article. To save space, the footnotes have been omitted. Likewise, part II, which attempts to explain the phenomena reported in part I and to assess their significance, is not included here:

THE HEALTH CRISIS IN THE U.S.S.R.

(By Nick Eberstadt)

If we could judge it solely by advances in health, the twentieth century would be a fabulous success. Few of us who take food and doctors for granted realize or appreciate this. In 1900 life expectancy for the whole of the human race was about thirty years. Today it is twice as long: at least sixty-one years, possibly sixty-three or more. Since the human lifespan was probably never much less than twenty for any length of time—to drop much below that level is to court eventual extinction—this means that about three-fourths of the improvement in longevity in the history of our species has occurred in the last eighty years.

Over much of this century the nation in the vanguard of the revolution in health was the Soviet Union. In 1897 Imperial Russia offered its people a life expectancy of perhaps thirty years. In European Russia, from what we can make out, infant mortality (that is, death in the first year) claimed about one child in four, and in Russia's Asian hinterlands the toll was probably closer to one in three. Yet by the late 1950s the average Soviet citizen could expect to live 68.7 years: longer than his American counterpart, who had begun the century with a seventeen-year lead. By 1960 the Soviet infant mortality rate, higher than any in Europe as late as the Twenties, was lower than that of Italy, Austria, or East Germany, and seemed sure to undercut such nations as Belgium and West Germany any year.

Results like this could not have been achieved without a total transformation of living conditions for the USSR's sizable Asian and Muslim minority. This indeed has taken place. By 1960 Moscow could demonstrate that its Central Asians were living fifteen years longer than the Iranians, twenty years longer than the peoples of Pakistan, and nearly twice as long as the Afghanis. In the face of these and other equally impressive material accomplishments, Soviet claims about the superiority of their "socialist" system, its relevance to the poor countries, and the inevitability of its triumph over the capitalist order were not easily refuted.

Things look very different today. The Sixties and the Seventies have proved devastating to Soviet society. To observant travelers and analysts this is apparent in a hundred different ways; none, however, is so dramatic as the turn in health of the Soviet peoples. As Christopher Davis and Murray Feshbach's startling report argues in convincing detail, health conditions in the USSR have worsened steadily since the mid-1960s, and the deterioration shows no signs of stopping.

Although its findings are sensational, "Rising Infant Mortality in the U.S.S.R." is a very careful piece of work. The credentials of its authors are unimpeachable: Davis is now England's leading authority on Soviet health care, Feshbach the foremost American expert on Soviet population trends. Their study is based on data not from spy satellites, intelligence agencies, or "think tanks," but rather from reports released by the Soviets themselves.

As the title suggests, Davis and Feshback pay closest attention to infant mortality. According to Moscow's Central Statistical Bureau (TsSU), infant mortality increased by more than a third between 1970 and 1975. Since 1975 TsSU has not reported the USSR's infant mortality rate, but Feshbach's estimate, based on the fragmentary evidence of local reports and adjusted for the approximately 14 percent of all infant deaths that authorities do not include in their mortality totals, is that it could be as high as forty per thousand today. Infant mortality rates in both Western Europe and the United States are currently under thirteen per thousand.

Epidemic infant mortality, however, is only part of the picture. Except for teenagers, who are virtually indestructible so long as they do not kill themselves or each other, nearly every age group in the Soviet Union had higher death rates in 1975, the last year in which such figures were published, than in 1960. For men and women over thirty trends were particularly harsh. Death rates jumped almost 20 percent for people in their fifties, and by more than 30 percent for those in their forties. Men fared much worse than women: since 1965 their life expectancy may have declined as much as four years, to something like sixty-two today. Women, however, have not been spared: their life expectancy peaked at around seventy-three in the early 1970s, and may have dropped since then. This means that the average Soviet life span could be under sixty-eight today—lower, in other words, than it was in the late 1950s.

Measured by the health of its people, the Soviet Union is no longer a developed nation. Caloric intake, educational attainment, and the ratio of doctors to people all seem to be higher in the USSR than in Western Europe, and yet in the USSR life expectancy is six years lower, and its infant mortality rate three times as high. There is not a single country in all of Europe, in fact, in which lives are so short, or babies' death rates so high—not even impoverished, half-civilized Albania. In the realm of health, the Soviet Union's peers are to be found in Latin America and Asia. If Feshbach's estimates are right, life expectancy in the USSR is about the same as the average for Costa Rica, Jamaica, Malaysia, Mexico, and Sri Lanka. By the same token, the Soviet infant mortality rate could be replicated in a nation composed in equal parts of Chile, the Dominican Republic, Panama, Taiwan, and Trinidad. These nations, however, are moving up, while the Soviet Union is moving down. If current trends persist, most of Latin America and East Asia will surpass the Soviet Union in a matter of years.

There can be no mistaking it: the Soviet Union is in the grip of a devastating health crisis. We can only understand the full severity of this situation when we remember how difficult it is to push life expectancy down these days. The amenities of modern life—cheap food, clean water, mass education, rapid communications, easy travel, competent doctors, wonder drugs, and the like—make it extremely hard to stay sick or die young. The health-promoting force of these innovations is so powerful that it cannot be overcome even by modern warfare: World War I did not succeed in lower-

ing France's life expectancy, or World War II Japan's. The only country in modern times to have suffered a more serious setback in life expectancy was the "Democratic Republic of Kampuchea," Pol Pot's Cambodia. Clearly, something in Russia is going very, very wrong.

What is it that ails the Soviet Union? We cannot be sure. The only people in a position to know are the Soviet authorities, and they have been reluctant to advertise their nation's health crisis, or to highlight the flaws in their system responsible for it. As a consequence, Westerners are left with a puzzle in which most pieces are missing. Some of the blank spaces can be filled in reasonably well through detective work, and Davis and Feshbach turn out to be very good detectives. However, theirs is primarily a study of infant mortality, and every age group has its own set of vulnerabilities. The declining quality of baby food and nursing formula, the rising (though, by Western standards, hardly scandalous) rate of illegitimacy, and the uterine damage caused by the six to eight abortions the average Soviet woman undergoes during the childbearing years—all of which Davis and Feshbach document—may partly explain the increase in infant mortality, but it will not account for the rising death rates of metalworkers in Kharkov, elderly men in Georgia, or the middle-aged women who work on the USSR's collective farms.

We are not left wholly in the dark, however. The biggest problems affect everyone. One of these is alcoholism. Americans consider themselves a nation of problem drinkers, and not without reason, but the thirst for alcohol in the Soviet Union is a problem of an entirely different dimension. In the early 1970s, according to a study by Duke University's V. G. Treml, the Soviet Union's per capita intake of hard liquor was more than twice as high as America's or Sweden's. Another report by Treml suggests that drinking is even heavier today, thanks in part to the increase in purchasing power Soviet citizens enjoyed during the years of détente. Urban families in the Soviet Union devote nearly the same proportion of their weekly budget to alcohol that American families devote to food, and things have gotten to the point where factory foremen mark their workers sober and fit for duty if they can stand.

Mortality breakdowns by cause of death are hard to come by for the Soviet Union, but John Dutton, a researcher now at North Carolina State University, has made a strong case for the complicity of heart disease in pushing up men's death rates, and this is something alcoholism can exacerbate or even cause. Vodka and samogon (Russian moonshine) seem to take their toll on women and children as well. Davis and Feshbach note that Soviet doctors now rate alcoholism the third most frequent cause of illness for women, and that a report from Lithuania connects excessive drinking on the part of mothers and of mothers-to-be with half or more of the infant deaths in that Republic.

Then there is pollution. Again, we think of this as a Western affliction, which indeed it is. The condition, however, seems to take on new meaning in the USSR. Its most obvious manifestation is air pollution. Western visitors have compared the air quality in some Soviet cities unfavorably with Japan's. Davis and Feshbach show that the nation's rising incidence of respiratory disease is rather unfavorably linked with what Soviet doctors call "changes in the environment associated with urbanization." But those forms of pollution which can be seen are probably the least dangerous. Misuse and overuse of pesticides and fertilizers, the careless release of industrial waste and heavy metals into the waters, and radiation emitted from poorly constructed or only partially safeguarded nuclear facilities present far more deadly perils.

A samizdat book cited in "Rising Infant Mortality" suggests the sort of price the Soviet peoples may be paying for their government's indifference to these hazards. Purportedly based on suppressed official data, this study by "Boris Komarov" claims that birth defects in the USSR are rising by five to six percent a year, and that the number of "defective" children whose care must be left to the state is increasing by more than 200,000 annually. The work of "Komarov" is as yet uncorroborated, but if pollution is in fact wreaking this sort of havoc on the newborn it must be killing off adults as well.

Soviet reports often refer to death by "trauma"; this category seems to include suicide, murder, and fatal accidents. Suicide in the USSR may be on the rise, but there is really no way of telling: for official purposes, it does not exist. Conceivably, a spate of suicides could affect a nation's death rate, but suicide accounts for such a small fraction of all deaths—less than 1 percent even in Scandinavia—that this is unlikely. The same holds true for murder: a few populations suffering from pathologically high homicide rates do in fact experience a slight shortening of life span; but there is no evidence that any of the Soviet peoples are among these.

Accidents are another story. Heavy machinery and electrical equipment are dangerous under the best of circumstances, and become no safer when produced on shoddy assembly lines and placed in the hands of drunken workers. The Soviet Union may have only a tenth as many motor vehicles as the United States, but it has just as many traffic fatalities. The carnage in the factory and in the field, under the tractor or the blades of the harvester, is even greater. Davis and Feshbach have estimated elsewhere that as much as a fifth of the rise in death rates for men in their late thirties may be attributed to the increasing frequency of accidents.

Could a progressive decline in the health of an entire nation, affecting people of nearly every ethnic background and nearly every age group, take place without a breakdown in the medical system? In theory, the answer is yes, but given the specifics of the Soviet situation—a monotonous but clearly ample diet, a slow but steady improvement in housing, a well-educated and relatively skilled populace—some sort of failure in medical care would seem almost a foregone conclusion. Davis and Feshbach, always conservative in their appraisals, feel they lack sufficient evidence to prove the Soviet health care system is in decline; the picture they paint, however, hardly inspires confidence.

Influenza, which has been reduced to a nuisance in the rest of the industrial world, is not yet under control in the Soviet Union, and kills tens of thousands of babies each year. The proportion of children dying from "pneumonia," in fact, is said to be on the increase. Many of the young victims, it seems, start out ridden with rickets, which weakens them to the point where flu can finish them off. Rickets is unknown in the rest of the rich world, and in much of the poor world as well, because it is so easy to cure: it comes from a want of vitamin D, and is remedied by either a change in diet, food fortification, or cheap and convenient vitamin supplements. If Soviet medicine is unable to deal with these simple problems, it is unlikely to be effective against the more serious and considerably more complicated challenges of cancer, renal disorder, or ischemic heart disease.

Why might the quality of medical care in the Soviet Union be declining? There are at least three reasons. First, the Soviet health strategy seems decidedly misguided. When extra funds are to be had, they are spent expanding facilities rather than upgrading them. Medicine is not a prestigious profession in the USSR. It is considered women's work, which means its practitioners can expect to be underpaid and poorly provided for. Like the Red Army of an earlier era, Soviet physicians assault the adversary in huge numbers, but without sufficient ammunition. The USSR has more than twice as many health personnel as the United States, but they must work in hospitals which frequently lack necessary drugs and anesthetics, in which such items as disposable bedding and needles are unknown, and in which even obtaining sterilized instruments can be a demanding ordeal. Their morale is probably not improved by the Ministry of Health's obvious insensitivity to the needs of the infirm. (What other nation can boast a cardiology clinic on the top floor of a five-story walk-up in its capital city?) For these and other reasons, doctor and patient alike do their best to avoid the hospital. According to Davis and Feshbach, obstetricians, gynecologists, and pediatricians now only work twenty-eight hours a week, and the number of patients treated per bed fell 20 percent from 1958 to 1974.

Corruption may also be playing its part. For obvious reasons, figures on the Soviet Union's "second economy" are unavailable, but it is known to be enormous, and to touch nearly everything. Among the goods for sale in the shadow markets are medical services, and patients who want to be sure of quick or competent treatment must be ready to pay their state-provided doctors a handsome "tip." Similarly, the invalid in search of nominally free but perennially scarce medication must be willing to pay cash and forgo questions. By pulling medical resources out of circulation, the "second economy" works precisely against those people who need help most: the poor and the people scattered in the country. Corruption is said to be on the rise in every part of the USSR's enormous "socialist" bureaucracy. If this is true it could help to account for a growing health problem on the part of the USSR's most vulnerable groups.

Finally, there is evidence that the Kremlin has decided to economize on medical care for its people. As medical techniques become more sophisticated, complex, and ambitious, they necessarily become more expensive, since diagnosing and treating disease must remain a human task in an increasingly automated economy. Yet over the past generation the Soviet Union has devoted an ever smaller fraction of its GNP to combating illness. According to one plausible set of estimates, the share was 9.8 percent in 1955, but only 7.5 percent in 1977. We may quibble with these specific numbers, but the trend is clear, and the Soviets themselves acknowledge it. According to one official quoted in Rising Infant Mortality, health expenditures as a share of the national budget fell from 6.6 percent around 1965 to 5.2 percent in 1978. The Soviet

Union may be the only advanced society to allocate progressively more modest proportions of its output to maintaining the health of its people.

It is one thing for a nation's leadership to embark upon a foolhardy policy or to find its plans undercut by the dishonesty of subordinates; it is quite another to pursue a course which will surely mean unnecessary hardship for most of its people. How can we account for what is apparently a high-level decision on the part of a "socialist" government to neglect health care? Inexplicable though this may seem to us, there could be good reasons for it if we take account of Soviet politics. In fact, from the perspective of the Politburo, this cruel choice might seem not only logical, but even reasonable.

From a financial standpoint, the towering problem of the post-Stalin era has been the inefficiency of the economy. A vigorous and dynamic economy is a *sine qua non* for successful long-term competition with the West. Unfortunately, the Soviet economy has always been an unpredictable machine, and in recent years it has become increasingly temperamental and stubborn. To force it on, its attendants must stoke it with ever greater quantities of capital. The USSR's rate of economic growth has dropped sharply since the mid-1960s, slipping below that of its OECD rivals in the 1970s, and yet investment has been eating up an ever larger share of total output. From 1965 to 1977 (the last year for which we have detailed estimates) capital requirements for the economy rose from something like one ruble in four to very nearly one in three. But investment had to be propped up at all costs; this necessarily meant trimming back elsewhere.

But what was expendable? The United States and its NATO allies were financing their rising investments in social services at the expense of the military, but for Soviet leaders this course was and remains unthinkable. (More than global ambitions are at stake here: a reduction in the role of the military in Soviet society could have very unsettling effects at home.) The masters of the planned economy were left with only one option; they had to reduce the proportion of goods and services for consumers.

In theory, this would be a simple operation; after all, their command over both society and economy is supposed to be total. In reality, it would prove a tricky business, it was no longer possible to force the populace to tighten its belt indefinitely in the name of a distant Socialist utopia. When Stalin died, standards of living by many measures were lower than they had been under Nicholas II. As his successors disassembled his apparatus of terror, they discovered beneath it a phenomenon they associated with bourgeois nations, but understood only poorly: consumer expectations. These could be a powerful force, and had to be taken very seriously, as Nikita Khrushchev's unhappy career was to attest, for in the final analysis he was expelled from office in disgrace at least partly because he couldn't fill the larder.

This lesson was not lost on Brezhnev and Kosygin. If they were put in a position where they had to enforce sacrifices on the consuming public, they would do so quietly and very carefully. Tampering with the diet had become dangerous: peasants, workers, and bureaucrats alike now judged a regime by what it put on their plates. The availability and quality of food would have to be improved, even if it meant buying tens of millions of tons of grain from adversaries. Nor would it be feasible to save money by cutting back on the production of such things as brassieres or refrigerators: even a schoolboy would know that nothing in a public economy is so jealously coveted as private property. But who would notice or complain if the government skimped a bit on public, and therefore essentially intangible, services like health care? Denying a sick man an operation, after all, is not nearly so difficult as taking away a healthy man's shoes.

There is more to keeping people healthy, however, than checkups and digitalis. Medicine's role in lengthening lives is conspicuous because it is basically curative; of even greater importance are those quiet facets of our daily routine which prevent illness from breaking out in the first place. Decent meals, we all know, are a vital ingredient to a healthy life; less celebrated but perhaps no less essential is the web of personal relationships which can support us against adversity. A mother's care for her baby, a family's attention to its elderly or troubled members, and the will to live which such things inculcate, in an often unnoticed way, do for the health of an affluent nation what a ministry of health could never hope to duplicate.

Davis and Feshbach do not pass judgment on the state of mental and social health in the USSR. They are wise not to: their study is careful, fully documented, and grounded in statistics. By contrast, the evaluation of a nation's mood can only be impressionistic, ambiguous, and highly subjective. Nevertheless, the human element of any social problem is important, and remains impossible to ignore. If we treat the bits of information supplied by "Rising Infant Mortality" and the accounts of refugees and Western tourists as possibly misleading but important clues which we must put together into a plausible and consistent whole, we will have a better chance of understanding the role of human relations in the health crisis in the USSR.

Let us look at the evidence we have on hand. Death rates for men and women, babies and adults, for city and country, and so far as we can tell, for every ethnic group, are on the rise. Alcoholism, as I have pointed out, is apparently pandemic. (It is so much a part of daily life, in fact, that the state provides drying-out stations in the cities and alcoholic wards for most of the large factories.) Although we cannot tell about murder or suicide, death rates for accidents seem to be unusually high, and increasing.

"Rising Infant Mortality" points out that Soviet experts have linked the illness of many babies with contaminated infant formula; it seems that even though this problem has been recognized for several years, it has gone uncorrected. The death rate for children in state-run day care centers, Davis and Feshbach note, is twice as high as for those whose families look after them. Despite the evidently appalling conditions that must be endured in these institutions, some 40 percent of the Soviet Union's parents send their children to them. Abortion serves as the nation's primary form of contraception, and in any given year on the order of ten to sixteen million babies are aborted. The number of live births, by contrast, hovers between four and five million.

Moreover, refugees tell of dying patients denied treatment because their ambulance driver was out shopping, or turned up too drunk to get behind the wheel. Visitors who can read Russian often remark on the incessant complaints about absenteeism in the local papers, and the frequency with which party leaders insist that economic targets could be met, even exceeded, if only more workers showed up at their jobs.

What do these things say about alienation and depression, the desire of people to look after their health and to keep others alive? How can we fit these bits of information together to suggest that some virulent strain of anomie is not running rampant or that the Soviet social order is not in the midst of a deadly decay?●

SENATE—*Friday, February 6, 1981*

(Legislative day of Monday, January 5, 1981)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. JEREMIAH DENTON, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Lord God of Abraham, Isaac, and Jacob—of Moses and the prophets—Jesus and the apostles; Lord God of the ages and all peoples of all races, grant that this Nation may fulfill its God-destined role among all nations.

Heighten our gratitude for the blessings so lav'shly bestowed upon us; deepen our humility in recognition of the resources so uncommonly plentiful in our land; broaden our sense of justice to include the deprived and the forgotten of the world; lengthen the outreach of our love and goodness to include all who suffer, the homeless and the hungry, the persecuted and the oppressed.

Sensitize us to the hurt and pain of all peoples at home and abroad. Make us advocates of the voiceless, the weak, the poor, the elderly, the neglected. Let compassion be the hallmark of our deliberations.

We pray this in the matchless name of Him who in love gave His life for all peoples. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 6, 1981.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JEREMIAH DENTON, a Senator from the State of Alabama, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. DENTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE PRESIDENT'S ADDRESS TO THE NATION

Mr. BAKER. Mr. President, I would like to take a few moments this morning to express my commendations to President Reagan for his economic message to the American people this past evening.

The address, the President's first such speech to the country since his inauguration some 17 days ago, was a realistically somber accounting of our economic condition. But it was also a justifiably optimistic accounting of what we can and must do to right that condition.

In short, President Reagan was on the mark. He was clear and concise. He was correct.

This truly is the most critical period of America's economic life since the Great Depression of five decades ago. And President Reagan is responding to this watershed time in our history with the same calm determination that our Chief Executive of that time, President Franklin D. Roosevelt, exhibited so grandly.

Just as President Roosevelt presented the Congress and the Nation with a comprehensive program for economic recovery, so too will President Reagan, beginning in just a few days now and continuing for many weeks and months to come.

And just as the American public rallied around FDR and the admittedly bitter tonic he prescribed for economic recovery, so too is public support galvanizing behind President Reagan and his equally strict prescription.

Thus, the baton is about to be passed to the Congress. Ours will not be an easy task. Each of us will face in a very few days probably the most difficult, painful decisions we have ever been forced to make in public life. But we must not shirk from those decisions. We must make them. For if we do not, future Presidents and future Congresses will almost certainly inherit an economic morass that will, quite frankly, almost certainly be too far down the road of fiscal ruin to save.

In conclusion, Mr. President, the Nation is ready. President Reagan eloquently displayed last evening that he and his administration are ready. And I am confident we in the Congress will soon prove ourselves ready as well.

SENATOR ROBERT C. BYRD

Mr. BAKER. Mr. President, I had the opportunity this morning to watch the distinguished minority leader on television. He, as usual, comported himself not only with dignity and grace but in a way that reflects credit on the Senate as a body.

I listened carefully to detect what I fully anticipated would be a note of bipartisan support in passing the legislation which is before us. I felt encouraged after I heard the presentation of the minority leader.

There are certain unanswered questions that were suggested in his remarks, but I hope and I expect that before this day is out we will find ourselves of one mind, one will, and one determination to do the people's business and get on with the matter at hand.

In all seriousness, Mr. President, I commend the minority leader for his appearance this morning on national television. As always, he did it with style and grace, and very well indeed.

Mr. President, I have no further need for my time under the standing order. I am prepared to yield it to the minority leader or to place it under his control.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader. I will not have need of the time he has so graciously offered.

I will say that the majority leader is, as usual, most gracious. He is always courteous and always a gentleman. I thank him for his kind words.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, since it appears there is no need for my time on the other side of the aisle, I yield back my time, reserving 1 minute.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as Mr. PROXMIRE may need.

Does the Senator from Missouri wish any time?

Mr. EAGLETON. No, Mr. President. I have an order for 15 minutes.

Mr. PROXMIRE. Mr. President, I thank the leader. I will be as brief as I can be.

GENOCIDE IN CAMBODIA

Mr. PROXMIRE. Mr. President, I think some of us had an opportunity this morning, perhaps, to see on the Today show the reports on the genocide in Cambodia, one of the most heart breaking, heart rending, disturbing events that has taken place in recent years. But it should remind us that genocide is not something that took place under Hitler in Germany alone. It persists, and it will take a unified action of the nations of the world.

The sad fact is the United States took the initiative against genocide and won support in the United Nations for a genocide treaty right after World War II under the leadership of President Harry Truman.

We won that support for that treaty and that treaty has been ratified by every major nation in the world, except the United States. It has not been ratified by us, not because it has been partisan. Republican Presidents as well as Democratic Presidents, including President Reagan, have supported the Genocide Treaty. Secretary of State Haig has indicated that he thought it was a matter of great embarrassment to us that the Senate has not ratified it.

Yet year after year goes by and we have had this treaty pending longer than any other treaty in the history of the Senate. The previous record was 21 years. Here is a treaty that has been pending for 31 years without action.

I will not say it is a disgrace, but it is certainly a matter of great shame for many Americans, to those who recognize the great history of our country.

Let me just say in conclusion, Mr. President, that this country has been the world leader in supporting the ideals of the United Nations. Regardless of recriminations and the feeling that it has been given too high a priority, I am proud, and I know most Senators are proud, of the fact that we also support human rights throughout the world and the dignity of men around the globe.

Mr. President, these two ideals come together, it seems to me, in the Genocide Convention in a remarkable way. They represent the best of both of these historic ideals of U.S. foreign policy, U.S. involvement in human rights and support.

I would hope, Mr. President, in view of the fact that genocide continues, that it is the most hideous crime that can be imagined—after all, it is the planned, premeditated destruction and murder of an entire people by a government—that we at long last ratify this treaty that has overwhelming support by every religious group in this country, by the American Bar Association, by both political parties, and by most political leaders.

Mr. President, I yield the floor.

ORDER OF PROCEDURE

Mr. ROBERT C. BYRD. Mr. President, I yield to Mr. EAGLETON my remaining time, if he should need it.

Mr. BAKER. Mr. President, before the Senator from Missouri begins, might I make a request?

Mr. EAGLETON. Yes.

ORDER DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that following on after the time allocated by the special order to the distinguished Senator from Missouri, there be a brief period for the transaction of routine morning business, not to extend beyond 15 minutes, during which Senators may speak for not more than 3 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield back the time I may have remaining under the standing order.

RECOGNITION OF SENATOR EAGLETON

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Missouri is recognized for not to exceed 15 minutes, plus the time yielded by the minority leader.

Mr. EAGLETON. I thank the Chair.

HOSTAGE-TAKING—PAST AND FUTURE

Mr. EAGLETON. Mr. President, so much has been said and written on the hostage crisis that I am a bit reluctant to add more words to an already overanalyzed affair. There is one facet, however, that I would like to pursue.

I was present on the South Lawn of the White House when President Reagan received the 53 liberated hostages. I traveled part of the parade route and saw firsthand the thousands of jubilant, yet tearful Americans lining the streets awaiting the arrival of these 53 marvelous Americans. One did not have to hear a word in order to appreciate fully the emotion and joy of the moment.

At the White House ceremony itself, President Reagan received his greatest round of applause when he uttered these words:

> Those henceforth in the representation of this nation will be accorded every means of protection that America can offer. Let terrorists be aware that when the rules of international behavior are violated, our policy will be one of swift and effective retribution.

Reflecting on this at the time, I was struck by the contrast of thousands of people applauding the safe return of the 53 and, at the same time, having thousands applauding the President in enunciating a future policy which might, if applied, result in the death of a hostage, or hostages, taken in some, God forbid, future act of international irrationality. It was clear to me, in the juxtaposition of these two events—the return of the 53 and the President's tough words—that America truly was of two inconsistent minds on the issue.

On the one hand, we were gleeful with the safe and sound return of the 53. On the other hand, we wished we had blasted the hell out of Iran for seizing the 53 in the first place.

A day or two later, this dichotomous attitude was compounded in the extreme by Secretary of State Haig's press conference remarks when he said:

> Well, I said, I think, to somebody last night that (the President's statement) was consciously ambiguous . . . (but) any terrorist government or terrorist movement that is contemplating such actions I think knows clearly what we are speaking of.

Just what do those words mean? How can we be both "consciously ambiguous" and at the same time send a precise signal that tells terrorists "clearly what we are speaking of?"

How is a signal both "ambiguous" and "clear" at one and the same time?

In reflecting over the Reagan words and the Haig words simultaneously, I thought it might be interesting to see what else in our historical past might shed some light on what to expect in the future. While the Iran hostage crisis is unique in many aspects, it is not a total aberration.

I learned, for example, that there have been the following hostage-taking incidents involving U.S. Foreign Service personnel in the period from 1963 through 1980.

In November 1963, the Deputy Chief of the U.S. Military Mission to Venezuela was kidnaped by the FALN and held for 6 days before being released.

In October 1964, the Deputy Chief of the U.S. air mission to that same country was also kidnaped by the FALN. He was released after 3 days.

In August 1968, John Gordon Mein, the U.S. Ambassador to Guatemala, was kidnaped.

In September 1969, U.S. Ambassador to Brazil Charles Burke Elbrick was kidnaped in Rio de Janeiro by leftist guerilla terrorists, who demanded the release of 15 prisoners and the publication of an antigovernment manifesto. The next day the government agreed to the demands, and Elbrick was released 2 days later.

In March 1970, also in Guatemala, U.S. Labor Attaché Sean Holley was kidnaped and exchanged for four political prisoners of that government.

In the Dominican Republic, in March 1970, Lieutenant Colonel Crowley, the U.S. Air Attaché, was kidnaped and ransomed for 20 political prisoners by the Government of the Dominican Republic.

In Brazil, in April 1970, U.S. Consul Curtin C. Cutter escaped a kidnaping attempt.

In Ethiopia, in April 1970, Jack Fry, a member of the Peace Corps, was kidnaped from a train and released 5 days later.

June 1970 saw two incidents in Jordan. Morris Draper, chief of the U.S. political section was held for 22 hours by the PFLP. His release was negotiated by the host government. In addition, several Americans, including a Foreign Service officer, were held hostage by Fedayeen guerillas in Amman. They were subsequently released unharmed.

Uruguay was also a hotspot that summer of 1970. U.S. AID Public Safety Adviser Daniel Mitrione was kidnaped in Montevideo and AID Adviser Dr. Claude Fry was also kidnaped, along with the Brazilian consul to Uruguay.

In that same city, AID Public Safety Officer Spann was held while his car was used in a bank robbery. He was then released unharmed.

Trouble surfaced again in Jordan in September 1970, when USIS Cultural Affairs Officer Jon Stewart was held and interrogated by a terrorist group. Also held and questioned in a separate incident was Sergeant Graham of USDAO, who was kidnaped for 8 days.

The litany of such incidents goes on:

In Iran, in November 1970. Ambassador MacArthur evaded a kidnap attempt during an event which foreshadowed later troubles with that nation. At least one shot was fired at the Ambassador and a hand axe was hurled through the rear window of his limousine. Fortunately, there were no injuries.

In Turkey, in February 1971, five U.S. airmen were kidnaped and later released unharmed; in March 1972, three NATO technicians there were kidnaped.

In our own hemisphere, once more, U.S. Ambassador to Haiti John Knox was held for 18 hours with Consul Ward Christensen for the release of Haitian political prisoners. The Americans were released unharmed after a ransom was paid. That incident occurred in January 1973.

In October 1975, two American employees of the Embassy in Beirut were kidnaped at a roadblock while driving to work. They were identified as the director and deputy director of a USIA printing facility there.

And on February 14, 1979, U.S. Ambassador to Afghanistan Adolph Dubs was kidnaped in his car in Kabul on the way to the Embassy. During a gunbattle between the rightwing Muslim terrorists holding Dubs and government forces, Dubs was shot and fatally wounded.

Note that Dubs was the fifth U.S. Ambassador to be killed in the line of duty as a result of terrorist activity. Going back to 1973, U.S. Ambassador to Sudan Cleo A. Noel, Jr. an assistant, and a Belgian diplomat were killed by Black September terrorists when demands were not met for the release of Sirhan B. Sirhan from prison in the United States. The terrorists were also seeking the release of 17 of their comrades from Jordanian and West German jails. The perpetrators of these killings were convicted by the Sudanese Government and then were turned over to the PLO.

Another murder of a U.S. diplomat occurred in 1970, when U.S. advisor to Uruguay Daniel Mitrione, in a case I mentioned earlier, was found dead 10 days after he was kidnapped by Tupamaro guerillas after Brazilian authorities refused to release 150 prisoners in exchange for Mitrione and a Brazilian diplomat. The Brazilian was freed after a reported payment of a ransom by his family.

Other deaths in these types of incidents were the killing of U.S. Ambassador to Guatemala John Gordon Mein during a kidnap attempt in 1968 and the murder of three NATO technicians in Turkey in March 1972. The three were killed when the Turkish Government refused ransom demands.

In reviewing the history of these occurrences, I learned of the 1948 incident in Mukden, China, which has some spooky resemblances to the 1979–81 Iran hostage ordeal.

Consider the details of the Mukden affair, keeping the Iran crisis in mind: American diplomats were held against their will for more than a year; the President ordered the Joint Chiefs of Staff to draw up military contingency plans to get them out of captivity; and the State Department urged other nations to apply pressure for the release of the Americans.

President Truman, like President Carter, tried negotiating the release of Consul General Angus I. Ward and his staff. Truman also considered military options. In the end, the Mukden affair was probably resolved, according to one observer, because the Communist Chinese were more sensitive to their image in the world than they had been previously, when they used American hostages to stir up revolutionary fervor. Does this sound at all familiar?

In more recent memory, there is the seizure of the USS *Pueblo* on January 23, 1968. It was not until December 22 of that year that the commander of the vessel, 82 of his crewmen, and the body of an 83d crewman, killed when the ship was seized, were released by their North Korean captors. The North Koreans retained the ship itself. During their captivity, the Navy personnel were tortured and humiliated, as were our hostages in Iran.

The Mukden, *Pueblo*, and Iran situations have several common threads. In each case, the United States was given the choice of negotiating for the safe release of our people or risking their lives through distant and difficult military action, which had the strong possibility of escalating into war very quickly.

Our Government won the safe release of U.S. Ambassador to Colombia Diego Asencio, who was seized in the midst of the Iranian hostage crisis on February 27, 1980. Thirty terrorists brazenly took Asencio and 15 ambassadors from other countries hostage during a diplomatic reception at the Embassy of the Dominican Republic in Bogota. Asencio was released after 61 days, on April 27, 1980, because an anonymous $2.5 million ransom was paid.

We concurrently have another American hostage being held in that country, Chester Bitterman of the Summer Institute for Linguistics. He was captured January 27 of this year by a subelement of the group which took Ambassador Asencio hostage. The State Department is facilitating an exchange of information between the Bitterman family and the Colombian Government at this time.

We are now facing a situation of imprisoned Americans in Colombia with the Bitterman case and in Iran with the Cynthia Dwyer case. She has been held by the Iranians for 9 months, accused by her Iranian captors of being a CIA operative. This week, she appeared before a revolutionary council tribunal on spying charges.

Although the Iran situation had characteristics that were all its own, it was not without precedent in the Mukden and *Pueblo* incidents.

Since 1963, many, many Americans have been kidnapped or held hostage around the globe. We will face hostage problems once again in 1981 and, indeed, throughout the coming years.

We will then learn how President Reagan will implement his words. We will then learn the meaning of Secretary Haig's "consciously ambiguous" yet "clear" signal to terrorists.

I wonder what the future holds for our country and American hostages in distant lands.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, what is the next order of business?

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with Senators permitted to speak for up to 3 minutes each.

Mr. BAKER. Mr. President, I thank the Chair.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SENATE SCHEDULE

Mr. BAKER. Mr. President, I am advised that the minority is conducting a meeting this morning which all or most of their members will be in attendance.

I think the better progress of the Senate schedule will be accommodated frankly if we do not attempt to transact any business during that period since so many of our Members will not be able to attend and be in the Chamber.

RECESS UNTIL 10:30 A.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate stand in recess until 10:30 a.m.

There being no objection, the Senate, at 9:30 a.m., recessed until 10:30 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SPECTER).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M.

Mr. BAKER. Mr. President, a meeting of Senators is still in progress, and I ask unanimous consent that the Senate stand in recess until 11 o'clock.

There being no objection, the Senate, at 10:31 a.m., recessed until 11 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GORTON).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEBT LIMIT EXTENSION

The PRESIDING OFFICER. The clerk will state the pending business.

The legislative clerk read as follows:

A bill (H.R. 1553) to provide for a temporary increase in the public debt limit.

AMENDMENT NO. 2

(Formerly numbered UP amendment No. 3)

The PRESIDING OFFICER. The clerk will state the pending question.

The legislative clerk read as follows:

The Senator from Iowa (Mr. JEPSEN) proposed amendment No. 2.

The text of the amendment follows:

At the appropriate place, insert the following new section:

SEC. 2. (a) Notwithstanding any other provision of law, there is hereby imposed an embargo on the export of all goods or services to the Union of Soviet Socialist Republics, except as specifically excluded by the President for national security purposes.

(b) The embargo imposed by subsection (a) shall be in effect during any period during which the President imposes an embargo on the export of grain or any other agricultural product to such country (including the embargo in effect on the date of the enactment of this Act).

(c) During the next two years the President shall, at least once every six months, send to the Congress a review of the adherence of the Soviet Union to international agreements, including the Helsinki Accords of 1975.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, it is my understanding that the distinguished Senator from Iowa, whose amendment is pending, may seek recognition. If he wishes, I will yield to him for that purpose.

Mr. JEPSEN. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors of amendment No. 2 to H.R. 1553: Mr. DOLE, Mr. ANDREWS, Mr. GRASSLEY, Mr. WEICKER, Mr. LEVIN, and Mr. BOREN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, I yield to my distinguished colleague from Arkansas (Senator PRYOR) for the purpose of presenting a statement concerning my amendment.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. PRYOR. I thank my distinguished friend from Iowa for yielding the floor to me at this time.

Mr. President, I would like to state that I am one of the cosponsors with the distinguished Senator from Iowa, Senator JEPSEN, of this particular amendment dealing with the Soviet grain embargo that is to be attached, hopefully, to the debt ceiling bill.

Mr. President, last year, when this embargo was imposed by then-President Carter, I was one of the earliest and strongest supporters of this particular action being levied against the Soviet Union, in retaliation for the uncalled for and uncivilized invasion of Afghanistan. In fact, at that time, I called for an across-the-board embargo of all goods being exported to the Soviet Union.

During the last 13 months, however, Mr. President, I have attempted, in the very best way possible, to monitor the impact and the implementation of the particular embargo.

Mr. President, I would like to make it clear that I am not necessarily reversing my position as it relates to the embargo. However, I am, after looking at how this embargo has been executed, at this time stating my strong support for the Senator's amendment, and stating my belief that after 13 months of this embargo that it has not worked, that it has not been implemented fairly, and that I do think the time for its lifting has come.

More specifically, what our amendment attempts to do is to say that if we are to have an embargo of the grain and food, which this Nation so abundantly produces, that embargo is going to be extended further than farm products. It will be extended across the board for all business and for all of our commerce in our dealings with the Soviet Union.

I would also like to echo what I think the Senator from Iowa has said during the course of this debate on this very critical issue.

The American farmer has always been on the very front line in support of preserving our national security and integrity.

I can recall, Mr. President, last year after this embargo was imposed, when I spoke to several farm groups in my home State of Arkansas expressing my support for then-President Carter's decision to impose the embargo.

I must say that the statements in support of the embargo were received with, let us say, mixed emotions. Our farmers at that time sensed that the embargo would not be fairly implemented. Very honestly, Mr. President, I think the farmers, the agricultural community and industry of this Nation were absolutely right in that particular perception they had at that time, 1 year ago.

I do support this amendment offered by Senator JEPSEN. I do not think the embargo as imposed by President Carter has worked. I do not think it meets the basic test of what we might call in this body the fairness doctrine. I think it has hurt farmers but it has not necessarily hurt business.

If we are going to go into the business of embargoing anything, I hope that embargo will be across the board.

Finally, Mr. President, I would like to state that I am in firm accord with an amendment which was attached to the Jepsen amendment of yesterday, offered by the distinguished Senator from Michigan, Senator LEVIN.

I think that particular amendment offered by Senator LEVIN, and which I understand was agreed to and supported by the distinguished Senator from Iowa, has a particular approach which does give the President, in time of national security, national calamity, or whatever distress may befall this Nation, the flexibility in imposing embargos to take the actions he considers to be necessary under the circumstances at a given time.

I think the Levin amendment actually had a strengthening effect upon the Jepsen amendment.

Mr. President, I rise today as a supporter of this concept. I think it is fair. In fact, Mr. President, as I have said since last January, I think it is the only approach that is fair, not only for the American farmer, but also for our entire American citizenry.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. DOLE. Will the Senator yield 1 minute?

Mr. JEPSEN. I yield.

Mr. DOLE. Mr. President, having spoken briefly on the amendment yesterday, I will again indicate to the Senator from Iowa my support of the amendment, and also for the statement just made by the distinguished Senator from Arkansas, Senator PRYOR.

As the Senator from Iowa knows, there is a meeting to take place with the President on February 17 with reference to the grain embargo and the President's action on the embargo.

There were inaccurate stories circulating yesterday that the President decided to extend the embargo. I think the accurate account of the Cabinet meeting was that no decision was reached.

I would suggest that it is still in the process of the President reviewing the present state of the embargo, which he certainly is doing with justification. There have been new circumstances since the original embargo, the Soviet threat to Poland just to name one.

It may take just a while for the President to make a decision.

This Senator is confident that at the appropriate time, in the not too distant future, the President will lift the embargo and perhaps announce other plans dealing with the Soviet Union insofar as grain sales are concerned or sales of any other commodities, technologies, or materials.

I applaud the Senator from Iowa for focusing the attention of the Senate on this very important issue, not just to those of us from farm States but to all Americans who are concerned about our relationship with the Soviet Union.

I thank my colleague for yielding.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. JEPSEN. The Senator from Iowa will yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from Iowa for yielding. I share the concern which has been expressed by my colleagues here repeatedly on the floor about the effects of the grain embargo, the effects on the American farmer, which are adverse, and the effects on the Soviet Union, which have proved to be less adverse than had been expected by the proponents of the embargo. I do not think it has been effective except in terms of hurting the American farmer.

As I said to the former administration at the time the embargo was imposed, I would support the embargo if the farmer was not singled out to bear the burden. There are only two classes of American citizens who have suffered as a result of the action taken by the former administration against the Soviet Union for its actions in Afghanistan: The American farmer was one and the American Olympic athlete was the other. No one else has shared in any part of this burden directly imposed as a matter of policy by this Government in its actions to underline our concern and distaste for what the Soviet Union has done in Afghanistan.

This, I am constrained to say, is not the time to send the wrong kinds of signals to the Soviet Union with respect to lifting the embargo. But if the embargo is to be effective, it must hold the grain within this country. If the American people want to support an embargo aimed at depriving the Soviet Union of supplies, there is only one way to do that. That is to hold the grain inside the boundaries of this country. Otherwise, the grain will get into the world market and once it is there, it will get into Soviet hands. That is one way to prevent that. If we, as people, are willing to pay the price of holding the grain within this country and providing the economic support for the American farmer that is necessary as a result of that action, then I think we should do so openly. We ought not to be playing around with saying that the farmer and the farmer alone ought to bear this burden.

Mr. President, I would support the action of extending the embargo to all goods and services to make the point and also to spread the embargo to the other segments of the society so the farmer alone is not the only one who pays the price of this U.S. policy.

Mr. President, I commend the Senator from Iowa for his leadership in this matter. I support him fully in the effort he has undertaken here today and I shall follow the lead he has set. I hope that we will, sometime, stop punishing the farmer as we try to make some point with the Soviet Union.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. JEPSEN. Mr. President, since yesterday, this Senator has met with the Vice President; this Senator has visited with members from some agricultural associations as late as 10:30 this morning in the White House. This Senator has been advised that, indeed, there had been some journalistic license taken when either the innuendo or the direct statements were made that the President had, indeed, refused to lift the embargo. I see there are columns in this morning's paper where it now has become fact that the President has, according to the columns, refused to lift the embargo.

Frankly, Mr. President, this is just not so. There has not been a decision made at this time. It has been discussed very briefly and will be discussed more on the 17th of this month. It is being discussed this morning, very briefly. It has been discussed by members of the Committee on Agriculture and interested members of the agricultural community in the last 24 hours.

I also point out to those members of the administration who feel that the grain embargo is so desirable that, on September 26 of last year, the following Senators voted to lift the embargo: ARMSTRONG, BAKER, BAUCUS, BELLMON, BENTSEN, BOREN, BOSCHWITZ, BURDICK, COCHRAN, CULVER, DANFORTH, DOLE, DOMENICI, DURENBERGER, EXON, GARN, HART, HATCH, HEINZ, HELMS, JACKSON, JEPSEN, KASSEBAUM, LAXALT, LUGAR, MAGNUSON, MATHIAS, McCLURE, McGOVERN, MELCHER, PACKWOOD, PRESSLER, ROTH, SCHWEIKER, SIMPSON, STEVENS, TALMADGE, WALLOP, WARNER, and YOUNG.

I point out to the administration that there are several of these Senators, of course, who are not here now, but I assure my colleagues, that there are Senators like PRYOR, GRASSLEY, SYMMS, ANDREWS, HAWKINS, LEVIN, and others who are here. If we want to put this to a vote and test whether we are going to respond to the will of the people and to the assurances of the understandings that the American agricultural community of this country have had, we shall do so. And we shall do so at a later date, if necessary.

In all fairness to our President, Mr. President, who has been absolutely foursquare, straight from the shoulder, and honest in all of his dealings with me and, to the best of my knowledge, with everyone, every association, in everything that has taken place since his becoming President on the 20th of January, I intend now to withdraw this amendment. I do so with compliments to the President for his integrity and the expressed promise to me that this issue has not been decided and that it will be very carefully looked at and will be discussed and shared with all of those concerned in representing the agricultural community of this country. So, Mr. President, I now, at this time, do withdraw the amendment.

I acknowledge and express my appreciation to my majority leader for his assistance and his understanding as this transpired. I express my appreciation to Senator DOLE for his usual wisdom in counsel and guidance that he gives to those of us who are younger in tenure here in the Senate, and he does it free of charge.

Mr. President, I withdraw the amendment. I trust and hope that we can follow the President's wishes today to increase the debt limit as he asks it and I wish him a happy birthday.

I thank the Chair.

The amendment was withdrawn.

AMENDMENT NO. 3
(FORMERLY UP AMENDMENT NO. 4)

(Purpose: To decrease the level of the temporary debt limit from $585,000,000,000 to $558,000,000,000)

The PRESIDING OFFICER. The clerk will state the next amendment.

The legislative clerk read as follows:

The Senator from West Virginia (Mr. ROBERT C. BYRD) for himself and Mr. BRADLEY, Mr. CHILES, Mr. BUMPERS, Mr. HART, Mr. LEVIN, Mr. MATSUNAGA, Mr. INOUYE, Mr. BAUCUS, Mr. BOREN, and Mr. GLENN, proposes an amendment numbered 3.

On page 1, line 7, strike out "$585,000,000,000", and insert in lieu thereof the following: "$558,000,000,000".

Mr. ROBERT C. BYRD. Mr. President, on behalf of myself, Mr. BRADLEY, Mr. CHILES, Mr. BUMPERS, Mr. HART, Mr. LEVIN, Mr. MATSUNAGA, Mr. INOUYE, Mr. BAUCUS, Mr. BOREN, Mr. GLENN, and others on my side of the aisle, I modify the amendment which I offered on behalf of these Senators last evening by striking the figure $558 billion on line 2 of the amendment and inserting in lieu thereof the figure $563 billion.

The PRESIDING OFFICER. The amendment is so modified.

The modified amendment is as follows:

On page 1, line 7, strike out "$585,000,000,000", and insert in lieu thereof the following: $563,000,000,000".

Mr. ROBERT C. BYRD. Mr. President, I am informed that the figure $963 billion, on the basis of information submitted by the Department of the Treasury and the Congressional Budget Office, would be sufficient to take the administration well into the month of May before any request, even if then, would have to be made to further extend the debt limit. So that, instead of reducing the $50 billion figure by a total of $27 billion, the reduction would only be $22 billion. The $985 billion would become $963 billion, rather than $958 billion.

Mr. President, I hope that the Senate will adopt this amendment. It is offered for a number of reasons, one being that the Senate ought to be dealing with a debt limit extension figure based on the assumptions of President Reagan, which, in turn, would be based on his economic package, expected to be submitted to a joint session of the Congress and the American people on February 18. The $985 billion figure is based on the Carter budget. Mr. Reagan indicated in a speech in September of last year, in Chicago, that, in his judgment, by making a comprehensive effort to wipe out fraud and abuse in Federal programs, the overall fiscal year 1981 budget could be cut by 2 percent, possibly even 3 percent. That would be within the range of $13 to $18 billion.

So, in view of the fact that the budget limit extension request by Mr. Reagan is based on the Carter budget and he has indicated that he can execute such savings, those of us who suport the amendment feel that before we extend the debt limit beyond, let us say, May, we ought to have before us the details of the economic package which the President intends to reveal to the joint session and the American people on the 18th. Then we can go from there.

If there is a request in May or at some point later to extend the debt limit further, we can make that decision on the basis of the needs at that time and, also, we would have before us the details of the President's economic package. That is the reason, the main reason, for our submitting this amendment at this time.

We certainly want to be reasonable. The $958 billion figure that was chosen yesterday and which was incorporated into the amendment as it was first offered was what we thought would be a reasonable figure to get the administration into April—certainly into March, mid-March, perhaps.

But we have decided to revise the figure upward. We do not want to unduly create pressures on the President and the administration. We feel that, based on the Treasury numbers, the new figure would be more flexible and more reasonable, and therefore we modify the amendment accordingly.

I have asked all Democratic Senators to withhold offering any other amendment to the debt ceiling bill. Senator METZENBAUM had indicated previously that he intended to offer an amendment to recontrol the price of oil until September, 30, 1981, as had been the case before the President's action on decontrolling the price.

I know that this is a matter about which Senator METZENBAUM and a number of other Senators feel very deeply. I have discussed the matter with Mr. METZENBAUM on several occasions during the last few days and yesterday morning and again this morning. He has agreed to my request not to offer the amendment. I have assured him, in return, that I will assist him in bringing this issue to a vote at the earliest possible date. So I wish personally to express my appreciation to him.

I know how reluctant he is to refrain from offering the amendment at this time. He feels very strongly about it. But other Senators on my side of the aisle have acceded to a similar request by me, Mr. CHILES being one, and other Senators, as I say.

Mr. METZENBAUM then acceded to my request with the understanding that I do everything I can to assist him—and I have no doubt that I can assist him—in bringing the matter to a vote at the earliest possible date, and I have assured him that I will do that.

So I thank him, and I thank all other Senators on my side who have agreed not to proceed at this time with amendments. This should enable us to reach a vote on the amendment which is now pending at a reasonably early hour today.

I understand that the distinguished majority leader will offer a motion to table the amendment, which is certainly within his rights. I have no personal feeling against him for doing that. I would do the same if I were in his position and felt as he does about it. I recall that on occasions I have moved to table amendments by him. I did so without any personal feeling, and I am sure the same is true with respect to him in this instance.

I hope that the motion by Mr. BAKER to table my amendment will fail. It is a good amendment. I should like to see the Senate vote on it, and I hope that Senators will vote against the tabling motion when it is made.

There are some other Senators on my side of the aisle who will want to speak on this amendment.

Mr. BAKER. Mr. President, will the Senator yield to me briefly, so that I can make an inquiry of the minority leader?

Mr. ROBERT C. BYRD. I yield to the distinguished majority leader.

Mr. BAKER. I thank the minority leader.

Mr. President, I will not speak at length. I am pleased that it appears now that we are about to reach a vote on the Byrd amendment.

The distinguished minority leader and I have discussed the time for such a vote, and I have represented to him that it was my intention to move to table, at a mutually convenient time. He may be assured that I consider a tabling motion purely a procedural matter, that it is often used by the leadership on both sides of the aisle, and certainly it implies nothing except the necessity to try to implement a legislative program.

Mr. President, I hope we can agree on a time certain to vote. Procedures have been difficult and very interactive today.

I wonder whether the minority leader would be agreeable to a vote on a motion to table his amendment to begin, say, at 11:45. That would be about 15 minutes from now.

Mr. ROBERT C. BYRD. That would be agreeable to me. Senator BRADLEY indicates that it would be agreeable to him.

Mr. METZENBAUM. Mr. President, I should like to speak for a moment or two on the question of recontrol.

Mr. ROBERT C. BYRD. That is agreeable to me.

Mr. BAKER. In that case, I ask unanimous consent that at 11:45 I be recognized for the purpose of making a motion to table the Byrd amendment, and I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, reserving the right to object, it is not clear to me how many people wish to speak on this issue. It would be my desire to be recognized to speak, and I believe that what I have on my mind would require about 15 minutes.

I wonder whether the majority leader would be disposed to adjust the schedule for the tabling motion in some way so that I might be recognized for that purpose.

Mr. BAKER. Mr. President, I add to the request previously made the proviso that the time remaining before the vote on the tabling motion be equally divided between the distinguished Senator from Kansas (Mr. DOLE) and the distinguished minority leader, and that the time be adjusted to 12 o'clock.

Mr. DOLE. That would not give me any time.

Mr. ROBERT C. BYRD. Mr. President, if the distinguished majority leader will yield, I am content with 7 minutes on this side, if the distinguished majority leader could assure Mr. ARMSTRONG of 15 minutes, and we could vote easily at——

Mr. BAKER. That would be 12 o'clock.

Mr. President, I modify the request to provide for the recognition of the majority leader to make the motion to table at 12 o'clock meridian.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. On the conditions I previously stated as to the division of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, was it included in the time that there be 7 minutes allocated to the minority and the remaining time between now and 12 o'-

clock would be allocated to the control of the distinguished chairman of the Finance Committee?

The PRESIDING OFFICER. That is the order.

Mr. BAKER. Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. I thank the minority leader.

Mr. ROBERT C. BYRD. I thank the majority leader.

I yield the Senator from Ohio (Mr. METZENBAUM) 2 minutes.

Mr. METZENBAUM. Mr. President, the majority leader reflects my views as well as the views of a number of other Senators who feel strongly that the issue of recontrol should be put to a vote in the Senate.

We all heard the President's message last evening about the serious economic conditions facing this country. On the same day, however, the airlines increased their rates 5 percent solely as a result of increased fuel prices.

It is my view and the view of many other Members of this body that it is not possible to control the spiral of inflation so long as we have continually increasing energy prices.

I note with concern and dismay that the President also is contemplating deregulating the price of natural gas, a subject which has been on the floor of the Senate on many occasions. I believe that proposing deregulation may be a way of carrying out campaign commitments, but I do not believe deregulation will help the President achieve his objective and the objective of all Members of Congress, of bringing down the spiral of inflation, of bringing a halt to this cruel injustice upon so many people in this country.

Therefore, I am pleased that the minority leader has indicated that he will assist me in bringing this issue to a vote at a later point. I say to the Members of this body that the issue will come to a vote on the floor at the earliest possible time.

I reluctantly agreed not to offer the amendment today, because I felt the leader's efforts to indicate the position of the minority on the debt limit extension are important. I want to cooperate with him and the other Members on this side.

Mr. ROBERT C. BYRD. Mr. President, I again thank my distinguished friend, the Senator from Ohio.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I yield 7 minutes to the distinguished Senator from Colorado.

Mr. ARMSTRONG. I was hoping that I might be yielded more than that. Would it be convenient for the Senator to yield me more time?

Mr. DOLE. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from Kansas has 20 minutes.

Mr. DOLE. I yield 12 minutes to the Senator from Colorado.

Mr. ARMSTRONG. I thank the Senator. I am grateful to the Senator from Kansas for yielding to me.

Mr. President, I believe that the issue before us today has been portrayed improperly as a housekeeping measure. In fact, we have been told on one occasion or another that it is just a formality, that it is virtually a ministerial task. Yet, it is interesting to note that consideration of this matter, on and off the record, has been accompanied by much public groaning and agonizing by my Republican colleagues.

In the meantime, many of those on the other side of the aisle have exhibited a somewhat smirky demeanor; because the Democratic Members of this body sense—correctly, in my judgment—that the GOP, in its first major legislative action of the year, is about to do exactly the opposite of what my Republican friends and I have spent several decades telling the American people that we believe in.

We are going to do exactly the opposite, that is, that we are about to raise the national debt.

It is not surprising to me that the minority leader and other Democratic partisans are watching this benevolent metamorphosis with glee. They have been stung, and they are going to get even. That is the message that they have transmitted through the media, and I have no doubt that is exactly what they are going to do in this Chamber today.

We Republicans have been out on the campaign trail going after them, hammer and tong, portraying them as the party of big spending, inflation, and deficits that result.

We have used and I have used, and many others on my side of the aisle have used, the recorded votes on increasing the debt ceiling as the evidence to prove our charge.

Now a curious role reversal has occurred.

I say to the ladies and gentlemen of the Senate that, if anyone is wondering why it is that the American people think that the inmates have taken over the asylum around here, I will submit this week's action in Congress as prima facie evidence of why.

The Democrats who have been telling us all along that it is all right to have big spending and big deficits, and that it is reasonable, even meritorious to raise the debt ceiling, are now saying we are going to vote against it because we want to embarrass the Republicans politically. And the Republicans who have been saying it is wrong in principle, it is morally wrong, it is financially wrong to raise the national debt are now preparing to do exactly that.

Surely, it is no wonder that there is a degree of cynicism abroad in the country. Surely, it is no wonder that people at home think that politicians will do or say just about anything out on the campaign trail and when push comes to shove one cannot tell what they are liable to do when serious policy questions are being voted on in the Senate.

Mr. President, it is my belief that any kind of excess tends to dull one's senses, whether it is the excess of drink, the excess of food, or certainly the excess of spending tends to coarsen one's ability to discern the true measure of what is being voted on.

Fifty billion dollars—think of it—what a staggering sum? Just to put that in perspective $50 billion is half of everything that Americans will save this year. In the third quarter of 1980 Americans were saving at the rate of $100 billion a year. In this one action, in this one less than a year increment of increase in the national debt we are proposing to soak up half of everything that the American people will save this year, and we are doing it at a time when they are saving less than they ever did before, when new investments in capital goods and job producing investments are so desperately needed. We are going to wipe out half of that just in one action here today.

I understand that the capitalization of General Motors, which is one of our large industrial companies, is $32 billion. We are going to wipe out way more than that just in this one vote today.

Do Senators know that from the American Revolution until the First World War the whole expenditure of this Government was less than $1 billion? Today, in one stroke, in one vote, we are going to authorize an increase in the national debt that is 50 times as much as was spent from the American Revolution until 1917?

Do Senators know the first time that the total of the Federal debt exceeded $50 billion, the amount by which we are going to raise it today? That has not been 100 years or 75 years ago. It was in 1941 that the national debt first crossed $50 billion.

Do Senators know that the first time that the total budget of the Federal Government for all purposes in peacetime exceeded $50 billion? When do they suppose that was—1920 or 1930? No. The first time that that happened, I am advised, was 1954, the first time that that happened in peacetime.

Mr. President, as large a sum as $50 billion is, that is not the real cost of the action that we are taking today because immediately after we borrow this money we are going to start paying interest on it, and at the present rate of interest in the next 10 years what we are borrowing today is going to cost us an additional $96 billion in interest payments, and over 20 years just the $50 billion we are borrowing today is going to cost us $151 billion.

Think what we could do if we put that in productive investment in what this country needs to industrialize, if we put it in plant and equipment, or if we leave it in the hands of the private sector and leave it to the taxpayers as I think we should do.

If the Senate will excuse me a parochial note, I simply wish to also point out that just to pay the interest on the amount that we are going to borrow, if we increase by $50 billion, not to pay the interest on the whole national debt but only the interest on this $50 billion

is going to take all of the taxes that we paid this year by the people of my State. Every penny of taxes that was paid by the people of Colorado, by the people of Utah, and by the people of Maine will go to pay the interest just on this segment, just this portion of the debt.

In case anyone is wondering how many States will pay all of their taxes, every nickel, every dime of Federal taxes that they are going to pay this year just to pay the interest on the remainder of the debt that is going to happen to the people of Vermont, Wyoming, South Dakota, North Dakota, Louisiana, the Washington, D.C., area, New Hampshire, Rhode Island, Hawaii, Utah, Nebraska, West Virginia, Mississippi, Arkansas, Arizona, South Carolina, Kansas, Oklahoma, Oregon, and there is one other State that I cannot read in my notes. There are 26 States and all the residents of those States are going to pay all their taxes this year just to pay the interest on the national debt.

And here we are in a routine ministerial housekeeping measure extending that by another $50 billion.

I do not think we should do that, but I have listened respectfully to the arguments which suggest that we should, and I wish to analyze each of the arguments I have heard briefly.

Mr. President, may I inquire how much time I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. ARMSTRONG. Mr. President, it becomes clear to me that I am not going to be able to complete my thoughts within the 12 minutes which has been allotted to me. So, rather than analyzing in detail at this moment the main issue, I will return to that subject after the vote on the tabling motion, and I wish to only use the 4 minutes which remain to me to discuss the question of whether or not the minority leader is right in suggesting that we reduce the amount of the proposed increase.

Mr. President, I am chagrined to say that once again the distinguished minority leader is a jump ahead of me, for had he not offered this amendment I should have surely done so.

I do not want to increase the national debt by $25 billion or $10 billion or by any amount. But if we are going to increase it, if we have to take that awful step, then surely it is wise to minimize the amount of damage that we are going to do.

I think that is really the effect of the minority leader's motion, so I am going to vote "no" when the question comes on tabling, and I will suggest to the minority leader and to all of my colleagues that in fact we can get by very handsomely on the amount of the proposed increase. Indeed, as I shall explain in my further remarks after the tabling motion is voted on and defeated I trust, at that time I would wish to discuss in some detail the cash flow of this Government because we have been led to believe that if we do not pass some kind of a debt extension really the Government is going to come to a halt, and nothing could be further from the truth.

I have here and I will share with the Senate and then ask at the proper time to have printed in the RECORD information furnished me this week by the Secretary of Treasury which indicates to me that really if we did not increase the national debt by 10 cents there are other alternatives which would permit us to go on and do our business, albeit with some inconvenience and some dislocation, for a long enough period of time that we could then have before us the President's economic package and consider the possible budget savings, possible changes in the regulatory environment, and possible institutional reforms of the budget process.

Mr. President, under the circumstances, since I intend to rise again to speak on the broader question of arguments raised in support of the debt ceiling, let me just conclude my remarks at the moment by urging my Republican colleagues to vote against the motion when it comes to table the Byrd amendment.

I regret that fate has given to me the role of opposing the majority leader in offering this tabling motion. I understand why he does it. But I think that the Senate and Nation will be well served by an extended, not exhaustive, but at least a greater debate upon the Byrd amendment and the question it presents.

For those reasons, it is my intention to vote against tabling.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I have listened to the Senator from Colorado, and I do not agree with his conclusion, but certainly I understand he is a man of strong conviction, and we hope we can prevail without that one vote. If not, we may be here for some time.

But in any event, I regret to some extent that some of the other amendments will not be offered, but I understand Senator METZENBAUM will offer an amendment at some appropriate future time with reference to recontrol or recontrol of decontrol.

But the matter before us today is simply whether or not we should extend the debt ceiling. There are probably a lot of things we could do at this point other than increasing the debt ceiling that would be less painful to some.

The best evidence we have from the Joint Tax Committee and from the Treasury is that the amendment offered by Senator BYRD would have meant coming back to this issue within the next 2 or 3 weeks.

I think now with the modification we could probably sustain the Government and it could pay its bills, at least maybe up until May, as the distinguished Senator from West Virginia indicated, because a lot of money comes in in April, at tax paying time, and would help get us through May.

I have read a lot of the statements made over the past years by Democrats about the necessity to move ahead with the debt ceiling. I did not read any of those made by Republicans. I already knew all of those arguments as to why we should not. But being one who has voted to extend the debt ceiling from time to time I believe I understand where we are today.

I do not believe that the opposition by the Democrats is any reflection upon their willingness to cooperate with the President. After all, this is his birthday and we would not want to do anything but please him today.

I must sugest that claiming this as his first legislative victory will not be something that he will cherish, whether it falls on this date or any other date. But when he came to Government he found very quickly that in order to pay the Nation's bills it would be necessary to ask for an extension of the debt limit. He had no choice. He said, as I recall, in a letter he sent to the Congress, that he did it with great regret. He was not responsible for any of the bills that had been run up in this country. But in any event he did what he should have done.

Whether he should have gone up $50 billion or less was a matter of judgment. Frankly, early on my advice was not to go all the way through the fiscal year, but to go about halfway, and then we would have some vehicle to attach budget cuts and tax cuts to at a later time. But that was not the judgment made by the leadership and by the President and, therefore, it is our responsibility to support the President, and I am certain we will have overwhelming support on both sides of the aisle.

Hopefully we will demonstrate that support after we table the amendment. Then I would hope we would all express ourselves on the question of final passage, not because we want to vote to extend the debt limit, but because it indicates we favor any spending program that may have been responsible for the tremendous debt, but because we understand that as a Nation we should pay our bills.

I yield to the majority leader.

ADJOURNMENT OF THE HOUSE FROM FEBRUARY 6 TO FEBRUARY 17, 1981, AND ADJOURNMENT OF THE SENATE FROM FEBRUARY 6 TO FEBRUARY 16, 1981

Mr. BAKER. Mr. President, I ask that the Senate proceed to the immediate consideration of House Concurrent Resolution 58, which is the adjournment resolution sent to us by the other body.

The VICE PRESIDENT. The clerk will state the resolution by title.

The legislative clerk read as follows:

Concurrent resolution (H. Con. Res. 58) providing for an adjournment of the House from February 6 to February 17, 1981, and an adjournment of the Senate from February 6 to February 16, 1981.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. I realize what the rules say with regard to this resolution. I had sort of hoped that the resolution would await the extension of the debt limit so that any circumstances that might arise would not be made more stringent by the adoption of the resolution.

Conceivably this subject that is before us in regard to the debt limit could go beyond today. I hope it will not. But it was for that reason that I hoped we

would not perhaps take up the adjournment at his time.

Mr. BAKER. Mr. President, I thank the distinguished minority leader. Once again, he and I discussed this matter a little before, and I respect his point of view and I appreciate his statement. I would prefer, however, to go forward with the consideration of this resolution at this time.

There being no objection, the Senate proceeded to consider the resolution.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution. (Putting the question.)

The concurrent resolution (H. Con. Res. 58) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORITY FOR CERTAIN ACTION DURING ADJOURNMENT

Mr. BAKER. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until February 16, 1981, the Secretary of the Senate be authorized to receive messages from the President of the United States and the House of Representatives and that they be appropriately referred.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until February 16, 1981, the President of the Senate, the President pro tempore, or the Acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF PROCEDURE UPON RECONVENING ON FEBRUARY 16, 1981

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate reconvenes on Monday, February 16, 1981, that the reading of the Journal be dispensed with; that no resolution come over under the rule; that the call of the calendar be dispensed with; and that the Senate immediately proceed to a period for the transaction of routine business, not to exceed 1 minute, with Senators permitted to speak therein.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I will not object, this request permits a bit of morning business so that committee reports and statements can be brought in. It prevents bills from coming in under the rule. It disposes with the call of the calendar under rule VII and rule VIII. It does not prevent the bill which I have at the desk which would come up automatically for a second reading from going on the calendar once objection is made to further action on that measure at that time.

It does qualify any measures that are on the calendar at that time under the 1-day rule.

I have no objection, provided the distinguished majority leader intends to adjourn.

Mr. BAKER. Mr. President, I would tell the distinguished minority leader it is my intention to move to adjourn the Senate after we conclude today's business.

Mr. LONG. Mr. President, reserving the right to object, I am concerned about a number of matters that could conceivably happen. I do not know what the majority leader has in mind. If I understood what he had in mind, I may not be inclined to object at all. I can conceive of a scenario that I would not be happy about at all. At this point, I feel I must object.

Mr. BAKER. Mr. President, will the Senator withhold his objection?

If I can have unanimous consent to proceed for 30 seconds——

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I would like to assure the Senator I have nothing in mind except to provide for an orderly procedure when we reconvene after adjournment. To this point, the Senate has recessed at the close of business on each day. It is my intention, as I pointed out, to adjourn today, instead of recessing.

These are purely housekeeping matters. They have nothing to do with anything of substance. I give my personal representation to the Senator from Louisiana I have nothing else in mind.

Mr. LONG. Mr. President, can we be assured that those of us who might object to some matter coming before the Senate, that we might strongly oppose being brought forth in this fashion, will have our rights protected? That is what I am concerned about.

Mr. BAKER. I think the Senator may be talking about things such as televising sessions of the Senate, which I understand the distinguished Senator opposes and which I support. I will give him my personal assurance that no aspect of that will be involved.

Mr. LONG. There might be other things. Can we be assured that those of us who might object to some particular matter will not have our rights prejudiced, a legislative matter or a change in the rules, or something of that nature?

Mr. BAKER. No rights are prejudiced under this request. The request is straightforward and means nothing more than what it says on its face.

Mr. LONG. Then I have no objection.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. BAKER. I yield.

Mr. ROBERT C. BYRD. Mr. President, Dick Russell told me that every rule in the book has a counter-rule. I am not concerned that we on this side will be caught napping. I do not care what the distinguished Senator has in mind, the distinguished majority leader.

Mr. BAKER. I sort of got that feeling.

Mr. ROBERT C. BYRD. I assure my colleagues, Mr. LONG and others, that their rights are going to be well protected.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BAKER. I thank the Senator from Kansas for permitting the interruption.

DEBT LIMIT EXTENSION

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, how much time does the Senator from Kansas have?

The VICE PRESIDENT. Two minutes remain.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

The VICE PRESIDENT. Who yields time?

Mr. PERCY. Mr. President, will the distinguished minority leader yield me 1 minute?

Mr. ROBERT C. BYRD. I cannot. I only have 5 minutes, I am sorry to say, and I promised to yield to Mr. BRADLEY.

Mr. PERCY. Mr. President, will the distinguished floor manager on the majority side yield me half a minute?

Mr. DOLE. As I understand it, there should have been 3 minutes left.

Mr. ARMSTRONG. Mr. President, is there any of my time left?

The VICE PRESIDENT. All the time of the Senator from Colorado has expired.

Mr. DOLE. I yield 30 seconds to the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague. I just simply want to reaffirm that I hope we have a strong vote for tabling. The place to cut the budget is through the budget process itself, not on the debt limit. We certainly have a President of the United States and a Director of the Office of Management and Budget who want to cut spending. Congress will have its chance to modify spending when the President sends up his revised budget in 2 weeks.

For heaven's sake, we should not hold up the Government and put it in an embarrassing fiscal position. Let us have an overwhelming vote on the tabling motion.

Mr. DOLE. I reserve the remainder of my time.

The VICE PRESIDENT. Who yields time? If neither side yields time——

Mr. ROBERT C. BYRD. Mr. President, I yield my time to Mr. BRADLEY.

The VICE PRESIDENT. The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, the Federal Government is now operating under a temporary debt ceiling of $935.1 billion. This figure, which originated in the first budget resolution for fiscal year 1981, was supposed to serve us until September 30 of this year. But then the recession interceded. With people out of work, Government tax collections went down and Government spending increased to provide unemployment insurance payments and other assistance to help the unemployed and their families cope with their economic difficulties. Continued high interest rates, which the Government must pay when borrowing money to meet these costs of recession, also contributed to the rise in the Federal debt. As a result of all these forces, the temporary debt limit of $935.1 billion will not accommodate the Government's

financial requirements and obligations beyond mid-February.

Once the debt ceiling is reached and the Government's supply of operating cash is exhausted, no funds will be available to make payments under any authorized program or contractual obligation. That means no checks for social security; no pay checks for those serving in the Armed Forces; no payments to State and local governments carrying out programs in partnership with the Federal Government; no payments to construction companies working on highway projects or mass transit systems; no crop subsidy payments to farmers; and many, many others. In short, the U.S. Government would have to default on its obligations.

Such a disruption in the lives of our citizens and the workings of our businesses is in no one's interest. And it is certainly not my intent, or the intent of any Member of the Senate, I believe, to allow such an event to come to pass.

At the same time, I cannot support the new administration's request for an increase of $50 billion in the temporary debt limit. By their own explanation, as Secretary Regan told the Finance Committee the other day, this figure reflects the amount that would be required under the economic and program assumptions presented in President Carter's budget report and recommendations on January 15. Yet you will recall that Mr. Stockman, the new OMB Director, has promised that everything in the Carter budget would have to be reworked "from top to bottom."

Since then we have also been assured by the new administration that it intends not only to propose massive spending cuts in the fiscal year 1982 budget, but also significant tax cut legislation, effective sometime in this fiscal year, and even cuts in remaining fiscal year 1981 funding of some billions of dollars. All of these proposals leads me to question whether we are being truly responsible if we simply ratify a rise in the debt limit based on economic assumptions that the new administration insists will be no guide to the progress they expect to make.

I think a more limited approach is indicated—one that will provide for the necessary increase in the debt limit ceiling, but one that will permit the Congress to consider the longer term issue once we have had the opportunity to see the administration's cut and spending cut proposals.

The amendment that Senator ROBERT C. BYRD offered today on behalf of most Democrats in this body simply does that.

Under its provisions the debt limit would be temporarily increased not to $985 billion, but to $963 billion which, according to the distinguished Senator from Kansas and the Joint Committee on Taxation, will get us through to the end of April and which, according to the Congressional Budget Office, will also get us to the end of April.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Congressional Budget Office specifying those dates and the specific revenues that would be subject to the debt limit.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., February 6, 1981.

Hon. ROBERT C. BYRD,
Minority Leader,
U.S. Senate, Washington, D.C.

DEAR SENATOR BYRD: This letter is in response to your request for the Congressional Budget Office's projections of the monthly levels of federal debt subject to limit for fiscal year 1981. These projections, which are attached, are based on our preliminary analysis of President Carter's 1982 budget estimates for fiscal year 1981 and the following critical assumptions:

1. A combined unified and off-budget deficit of $80 billion for fiscal year 1981.

2. A surplus of $4.5 billion in federal trust funds.

3. A cash balance of $15 billion at the end of each month.

The actual end-of-month balance usually varies. Also attached are CBO's projections of the monthly levels of debt subject to limit with our best estimates of projected end-of-month balances.

I hope that this information will be useful.

Sincerely,

ALICE M. RIVLIN,
Director.

ESTIMATED FEDERAL DEBT SUBJECT TO LIMITATION

[In billions of dollars]

End of month	Federal debt subject to limit with $15 billion end-of-month cash balance	CBO projections of end-of-month cash balances	Federal debt subject to limit with projected end-of-month cash balances
February	947	11	943
March	960	8	953
April	955	18	958
May	969	11	965
June	963	14	962
July	971	10	966
August	981	12	978
September	986	21	992

Mr. BRADLEY. Mr. President, by the end of April we will have had the opportunity, in conjunction with our established budget processes, to consider the shape and size of the budget for the remaining months of this fiscal year and the prospects for fiscal year 1982. We should then be able to make a more accurate and more responsible estimate of our debt limit requirements.

Mr. President, the approach we are taking today is a sound and reasonable approach. It says—

Let us not increase the debt limit without being certain of what the requirements will be under this administration's new budget, new tax cut legislation, and new assumptions about the next fiscal year.

So, Mr. President, I urge my colleagues to join in support of this amendment. I think it is reasonable, I think it is sound, and I think it speaks to the need to consider the merits of the upcoming budget cuts and the tax cut legislation.

There has been much made about this being a political gesture. Mr. President, this is not a political gesture; this is a responsible gesture, one that gives us the time necessary and necessary information to make recommendations for the upping of the debt limit.

The VICE PRESIDENT. All the time of the Senator from New Jersey has expired.

The Senator from Kansas is recognized.

Mr. DOLE. I have about a minute and a half. Give me about 30 seconds just to indicate that I feel very strongly on this question—I appreciate the remarks of the distinguished Senator from New Jersey, and we look forward to his assistance in cutting the budget. But we have had enough increases in the debt ceiling of $25 billion, $35 billion, $50 billion, and I have never seen such concern expressed on the other side before. But in any event we understand the game that is before us, and I just suggest that we should support the President on this vote and support the motion to table, if the majority leader will now make it.

Mr. BAKER. Mr. President, I now move to table the Byrd amendment. I inquire, have the yeas and nays been ordered?

The VICE PRESIDENT. The yeas and nays have been ordered.

Mr. BAKER. Mr. President, I yield back any remaining time.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the amendment of the Senator from West Virginia. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ARMSTRONG (after having voted in the negative). Mr. President, on this vote, I have a pair with Senator STEVENS. If he were present and voting, he would vote "yea" and I have voted "nay." For that reason, I withdraw my vote.

Mr. BAKER. I announce that the Senator from Maine (Mr. COHEN), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MELCHER), and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER), would vote "nay."

The VICE PRESIDENT. Are there any other Senators seeking to vote?

The result was announced—yeas 52, nays 41, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—52

Abdnor	Grassley	Nickles
Andrews	Hatch	Packwood
Baker	Hatfield	Percy
Boschwitz	Hawkins	Pressler
Byrd, Harry F., Jr.	Hayakawa	Quayle
Chafee	Heinz	Roth
Cochran	Helms	Rudman
D'Amato	Humphrey	Schmitt
Danforth	Jepsen	Simpson
Denton	Kassebaum	Specter
Dole	Kasten	Stafford
Domenici	Laxalt	Symms
Durenberger	Long	Thurmond
East	Lugar	Tower
Garn	Mathias	Wallop
Goldwater	Mattingly	Warner
Gorton	McClure	Weicker
	Murkowski	

NAYS—41

Baucus	Exon	Mitchell
Bentsen	Ford	Nunn
Biden	Hart	Pell
Boren	Heflin	Proxmire
Bradley	Hollings	Pryor
Bumpers	Huddleston	Randolph
Burdick	Inouye	Riegle
Byrd, Robert C.	Jackson	Sarbanes
Chiles	Johnston	Sasser
Cranston	Kennedy	Stennis
DeConcini	Leahy	Tsongas
Dixon	Levin	Williams
Dodd	Matsunaga	Zorinsky
Eagleton	Metzenbaum	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Armstrong, against.

NOT VOTING—6

Cannon	Glenn	Moynihan
Cohen	Melcher	Stevens

So the motion to lay on the table Mr. ROBERT C. BYRD's amendment (No. 3), as modified, was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 5

(Purpose: to increase the level of the temporary debt limit to $604,000,000,000)

The VICE PRESIDENT. Are there further amendments? The Chair recognizes the Senator from Idaho.

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The VICE PRESIDENT. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an unprinted amendment numbered 5.

On page 1, line 7 strike "585,000,000,000" and insert in lieu thereof, "$604,000,000,000".

Mr. McCLURE. Mr. President, it may come as quite a shock to some in this body to hear the senior Senator from Idaho—who spoke on this floor many times before, arguing as forcefully as he knows how against measures which result in Federal deficits—offer an amendment which would have the effect of increasing the debt ceiling to a figure higher even than the administration has requested.

However, let me assure Senators that I have not abandoned my principles or my beliefs. I offer this amendment to make what I believe is an important point.

The minority leader, in his remarks on offering his amendment to reduce the debt ceiling request by $27 billion—$22 billion, I think, in the revision—argued that the reduction should take place because President Reagan's $985 billion request was based on President Carter's budget. But that is just the point. The President and Congress, for that matter, are in fact hamstrung by the spending policies of the previous administration and Congress. In fact, Mr. President, it is those policies which I am afraid will lead us to a higher debt than the administration is willing to request.

I understand that no one wants the national debt to cross over the trillion-dollar mark, but the sad fact is that past actions of Congress will push the debt beyond $1 trillion, despite all our efforts to cut Federal outlays. We must understand that and face up to it now, today, and let the people of this country know it has happened and why, rather than keeping the bad news from them until a time the leaders on the other side will calculate to politically embarrass the Reagan administration in their efforts to control spending.

The PRESIDING OFFICER (Mr. WARNER). The Senate will be in order. The Sergeant at Arms will obtain order in the Senate. The Senator from Idaho will suspend until such time as there is order in the Chamber.

The Chair recognizes the Senator from Idaho.

Mr. McCLURE. I thank the Chair, and I thank my colleagues.

Mr. President, in his budget, President Carter set his estimate of the Federal debt at the end of fiscal year 1982 at $1,057,664,000,000. If this figure is anyhing like the other overly optimistic estimates of the Carter administration, it is unrealistically low.

President Reagan has told us that he will reduce outlays in fiscal year 1981 by $13 billion and by $40 billion from the Carter budget for fiscal year 1982—in other words, a $53 billion reduction in proposed spending. Using the Carter estimates, that would put the Federal debt at $1,004,000,000,000, even after the $53 billion reduction in spending.

That is the figure I am suggesting we set as the debt ceiling, because to me it is a more realistic estimate and perhaps even an optimistic estimate. That is, then, an increase in the temporary debt ceiling of $68.9 billion, instead of the $49.9 billion contained in the bill.

Mr. President, I enjoy the political process as much as anyone else, and I certainly understand what the distinguished minority leader has been trying to do here today. But, perhaps unlike others in my party and perhaps in the new administration, I have learned that the old "go along to get along" philosophy will not work in an era of crisis.

As the President said last night, we are in an economic crisis. I, for one, am not willing to stand by and see the scenario set whereby the confidence of the American people in a President who offers the best possible hope of turning around the incredibly wrongheaded tax-and-spend philosophy of the past years is categorically shattered.

I hope that those who share my support for the goals that the President has outlined will support my amendment as a realistic statement of where we are and where we are likely to be within the next 12 months.

Mr. President, I have spoken to the President of the United States, who is as sincere as any man can be in his attempts to get spending under control and to reduce the size of the deficit. I have indicated that there is absolute certainty—at least in the mind of this Senator—that before 12 months are out, we will have passed the trillion-dollar debt ceiling because of past policies, and Congress will have been asked to participate in that action and Congress will have voted to increase the debt ceiling.

The increase in the debt ceiling from $935 billion to $985 billion is temporary, as everyone in this body knows. We will be back before the end of this year, facing that action, sought by others, to finance the spending that has been placed into law by action of this body and the other body in years past, supported by administrations of both parties in the past, which will push the debt beyond $1 trillion; and an attempt will be made—and is being made now—to delay that action until it becomes a Reagan administration responsibility.

Mr. President, it is not a Reagan administration responsibility. It is the responsibility of Congress and past administrations who have created the inevitability, the absolute certainty, that that will occur.

The purpose of my amendment is to recognize that right now, that the debt will go beyond $1 trillion; and it will go beyond $1 trillion in spite of the efforts of this Congress and in spite of the efforts of this administration to cut it below that.

Mr. HART. Mr. President, will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Colorado for a question, without losing my right to the floor.

Mr. HART. I should like to make sure that I understand the nature of the proposal and the rationale.

Is it the position of the Senator from Idaho, then, that holding down the level of the debt ceiling is not a means by which we can control spending? Is that correct?

Mr. McCLURE. The Senator is not correct.

The Senator from Idaho is trying to say that an honest statement of where we stand, based upon past policies and current programs, even with $53 billion of reduction from the spending levels that were suggested to us in the Carter administration budget, will still leave us beyond the $1 trillion mark in aggregate national debt.

Mr. HART. Let me repeat my question, because the Senator did not respond.

What I am asking is whether, as a process or a procedure, holding down the level of the debt ceiling is a method by which we can control Government spending.

Mr. McCLURE. I understand the Senator's question.

The Senator perhaps does know that the Senator from Idaho has always argued in the past, on exactly that point, that it is a means by which we can discipline the spending process. I have always supported that in the past.

Today, for the first time in the 14—going on 15—years I have served in Congress, I will be voting to extend the debt ceiling, not because I have abandoned the notion that indeed it is a useful exercise to try to limit spending by putting a ceiling on the debt. I believe that this administration and this Congress, for the

first time in two, three, or perhaps four decades, may be of a mind to actually accomplish what many of us have talked about during the last several years. I want to give the administration the room to do that. In this amendment, I want to indicate what the parameters of the problem are.

Mr. HART. The Senator from Colorado does not seek to embarrass or single out any colleague; that is not the purpose. What this Senator is trying to do is to find out the position of the sponsor—and anyone else who cares to respond—about the procedural question of whether we can control Government spending by holding down the debt ceiling. I am not sure that the Senator has responded.

Mr. McCLURE. I am trying to respond as fully and accurately as I can. I believe it is a useful device.

Of course, the only ultimate way to keep spending down is to cut the programs that Congress has heretofore enacted and to reduce the size of the appropriations we are asked to fund for future spending.

Mr. HART. As I understand the Senator's argument, essentially, it gets down to this: If you do not trust an administration or a party, then you vote to hold down the debt ceiling. If you do trust an administration or a party—in this case, the present administration—then you vote to increase the ceiling. Is that an accurate analysis?

Mr. McCLURE. No, that is not an accurate analysis. Of course, I am sure the Senator would state it in that way.

What I am simply trying to say is that we have a new administration and a new mood in Congress. I believe that the Senator from Colorado shares this feeling that there is now in this Congress a mood to do something about the growth of the national debt and the increase in Federal spending.

I think that is a new mood. I do not think it has been here in the past. The actions of past Congresses certainly do not reflect that it has been here in the past.

What I am trying to suggest in this amendment is that we set what will be, in my judgment, a realistic expectation of the best that we can attain under a realistic assessment of where the momentum of past spending and past programs will carry us inevitably in the next 12 months.

This contemplates that the debt ceiling would force a reduction in future spending of $53 billion in the remainder of fiscal year 1981 and fiscal year 1982.

That seems to me to be a very useful device by which we can go on record today as saying we are going to cut the size of the growth of Federal spending, we are going to do the hard things that have to be done to revise entitlement programs, we are going to get control of the relatively uncontrolled spending, but we recognize that even with that what we have in the past have set in motion will carry us beyond the $1 trillion debt mark.

Mr. HART. It seems to me that essentially the only difference between what the Senator from Idaho is saying and what the minority leader proposes is that because the Senator from Idaho has confidence in this administration and what he calls the new mood in Congress he is prepared to give the administration and his colleagues in Congress a lot more latitude than the minority leader was.

It seems to me that if we are talking about testing that mood, finding out how sincere and genuine people's attitudes are in the White House and Congress, they would be more likely to support the position taken by the minority leader.

Then one final point, and that is as one Member of this body who has had contact, in the electoral sense, with the constituents recently and had to answer a lot of erroneous arguments about the linkage between voting for paying the Government's bills and fiscal responsibility, I hope out of this discussion today and the point of view taken by the Senator from Idaho, and many others here, that we have laid to rest for a long time the misapprehension that has been created in this country at great political expense that somehow voting to pay the Government's bills is fiscally irresponsible.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BRADLEY. Mr. President, will the Senator yield?

Mr. McCLURE. Mr. President, I will be happy to yield in just a moment, if I may, but I wish to respond to the Senator from Colorado.

I do not believe that it will have that effect. I hope it does not have that effect because I do believe that a vote on the debt ceiling has political meaning to the people of this country, not just because various politicians have said so, but because the people out there understand that a debt ceiling is a measure of the performance of Congress in terms that are very real to them. That is not phony. That is real. They understand it.

Certainly, the more responsible way to deal with the question of the growth of debt is to deal with the reasons why it grows, not simply to look at the end result of that process and then deny the funding of the debt, but the realistic area must lie with the control of the appetite for expenditure and the reasons why we spend.

But the people of this country understand that when the debt grows the way it grows something is wrong in what we have been doing in the lawmaking bodies of Congress.

I am happy to yield under the same circumstances.

Mr. HART. Mr. President, the people of the country do not necessarily understand, particularly when they are told the opposite with very expensive advertising campaigns and a lot of political rhetoric, that merely because you are voting to pay the bills of the country does not mean you are fiscally irresponsible. That is the issue. And to use symbolic votes and things of that sort to confuse the people of this country does not elevate the level of the public dialog or serve this body well.

Mr. McCLURE. I understand the Senator's feeling and if I had been bitten in that way, I would respond the same way, I suspect, but I have not been bitten in that way in the past. I may be after today. But I trust that I am not.

I am happy to yield to the distinguished minority leader without losing my right to the floor.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator for yielding to me.

Is the distinguished Senator serious about offering his amendment?

Mr. McCLURE. Let me say in response——

Mr. ROBERT C. BYRD. If he is, will he yield to me so that I might ask for the yeas and nays?

Mr. McCLURE. Mr. President, I wish to hear from the managers of the bill before I answer that question. I wish to see what their responses will be.

Mr. ROBERT C. BYRD. Did the Senator ask the manager of the bill about the manager's opinion concerning offering the amendment?

Mr. McCLURE. No, I have not consulted with the distinguished manager of the bill because I was determined to offer this amendment and raise this issue in the Chamber. I did not want him to dissuade me.

Mr. ROBERT C. BYRD. So the Senator is not sure as to whether or not he is serious about offering of his amendment?

Mr. McCLURE. No. I am serious. I am not certain at this point whether I will wish to push it to a vote because I do not know what the attitude of the managers of the bill will be with respect to the amendment which I am offering.

Mr. ROBERT C. BYRD. If the Senator is serious, why not go ahead and get the yeas and nays?

Mr. McCLURE. The Senator from West Virginia knows the rules as well as I know the rules, and it may be at some time before that, in view of the dialog that takes place here, I may desire to withdraw the amendment which I could not do without unanimous consent if the yeas and nays are ordered.

Mr. ROBERT C. BYRD. So the Senator is not serious about offering the amendment?

Mr. McCLURE. No; I will not say to the Senator from West Virginia that is the case any more than I tried to say that the Senator from West Virginia was not serious about his amendment, although I am certain that the Senator from West Virginia did know when he offered his amendment that there would be a motion to table and that there would be some considerable partisan nature to the vote which would be taken upon this motion to table.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. McCLURE. I am happy to yield.

Mr. ROBERT C. BYRD. I will be glad to move to table the Senator's amendment and go ahead and have the yeas and nays on it as we did in the case of my amendment. I was serious about offering my amendment and I expected it to come to a rollcall vote.

Mr. McCLURE. And I understand what the Senator is saying, and I think the Senator from West Virginia understands what the Senator from Idaho is saying.

Mr. ROBERT C. BYRD. I understand

what the Senator is saying. He is not serious about offering his amendment.

Mr. McCLURE. No; the Senator characterizes my motives, and I think that is a little outside the realm of ordinary debate. I do not characterize his motives. I do not hope he will attempt to characterize mine.

I am trying in a very serious way to raise what I think is a fundamental misperception on the part of the public, and the Senator from Colorado indicated earlier that he thinks the public has misperceptions about the meaning of the increase in the debt limit.

Mr. BRADLEY. Mr. President, will the Senator yield for a question?

Mr. McCLURE. I yield without losing my right to the floor.

Mr. BRADLEY. Mr. President, this gets to the point that the majority leader is making.

What is the institutional analysis underlying the Senator's proposal that the debt limit must be raised to over $1 trillion in this year? Both the CBO and the Treasury Department have concluded that debt limit will not be at $1 trillion at the end of this year.

Mr. McCLURE. Let me say to my friend, the analysis that I made was expressed in my opening remarks, and I will repeat them.

The Carter budget submission to Congress indicates that at the end of fiscal 1982 the national debt would stand at $1,057,000,000,000. President Reagan has indicated that he believes that he can cut $13 billion from such spending during the remainder of fiscal 1981 and an additional $40 billion of cuts in spending in fiscal 1982.

That would be an aggregate reduction from the Carter budget of $53 billion. That leaves us at $1 trillion 4 hundred million after the cuts of $53 billion that have already been suggested could be made.

Mr. BRADLEY. So what the Senator is saying is that this is his personal analysis; this is not the analysis of the Joint Tax Committee of Congress or the Treasury Department or the Congressional Budget Office, but it is the Senator's personal analysis that because of Federal spending the debt limit will have to be raised over $1 trillion?

Mr. McCLURE. I have indicated to the Senator where the figure came from and how I arrived at that figure.

Mr. BRADLEY. I am pleased that the Senator has stated for the record that this was his personal analysis and his desire because on previous occasions the Senator has argued the opposite point.

In fact, on June 26, 1980, in this very Chamber, the Senator moved to shorten the debt limit period instead of lengthening it. I can quote the Senator, but I am sure he remembers his speech very well.

Mr. McCLURE. Go ahead and quote it. I thought it was pretty good then and I think it is pretty good now.

Mr. BRADLEY. I quote the Senator:

> Mr. President, for the reasons cited above I propose a simple amendment to the debt resolution. The amendment simply provides that the debt limit will be extended through September 30, 1980 rather than through February 28, 1981. This is consistent with the previous practice of Congress.

I submit to the Senator that is precisely the effect of the amendment offered by the minority leader that the Senator voted against.

Mr. McCLURE. Mr. President, the reason that I offered the amendment then was precisely the condition that has been created as we come here today. In my judgment the date chosen for the debt limit extension was chosen in order to embarrass a new administration coming in, that the first act that they would have to make would be to come to Congress and ask for an increase in the debt limit just as I am certain that the short period if we had set it then would have allowed us as a Congress to face that fact last year before the elections rather than to go to the American public with a rather strained set of figures so that Members of this body and the other body could ask for the votes of the people without having really told them what the condition of this country was.

I did not prevail in that instance. I wish I had prevailed in that instance.

But we have now before us a situation in which we have a new Congress, a new attitude in the country, a new administration that is saying we are going to effect those cuts that this Congress was unwilling to confront before the election last fall.

So the situation is fundamentally different today than it was at the time we were taking that action before.

Mr. BRADLEY. But it is still the Senator's personal view that even with those cuts and the changed assumptions that will be involved in the budget that the Federal debt limit will have to be extended beyond $1 trillion in the next year; is that correct?

Mr. McCLURE. Excuse me, if the Senator will repeat his question, I was engaged with a colleague.

Mr. BRADLEY. It is still the Senator's personal judgment, given the new budget that will come forward, with the new assumptions that underlie that budget, that Federal spending will still be over $1 trillion?

Mr. McCLURE. Well, the Senator can characterize my actions in whatever way he wishes, but I wish he would not try to put words in my mouth.

I have said this is a $53 billion reduction which the President has now said that he can effect in his first look at the Carter budget. I hope we can do better than that. But I know he says he can do this $53 billion reduction, and that the debt at the end of fiscal 1982 would not be the $1,057,000,000,000 that President Carter said it would be, that it be no more than $1,004,000,000,000 after that $53 billion in savings.

Mr. BRADLEY. Does the Senator's amendment extend the debt limit to over $1 trillion by September of 1981 or at the end of fiscal 1982 as the Carter budget did?

Mr. McCLURE. It sets the limit at $1,004,000,000,000.

Mr. BRADLEY. By what date?

Mr. McCLURE. Under the terms of the bill that is before us.

Mr. BRADLEY. By September 30, 1981, although the Carter budget assumed we would not be at $1 trillion until the end of fiscal year 1982?

Mr. McCLURE. That is correct, the Senator is correct. Mr. Carter assumed a massive increase in the debt in 1982.

Mr. BRADLEY. So that the Senator is saying that even with the budget cuts the increase in the debt necessary in the next 9 months will place the Federal debt limit over $1 trillion.

Mr. McCLURE. Of course not. The Senator knows better than that.

Mr. BRADLEY. The Senator is not suggesting that the debt limit be raised to over $1 trillion by September 30, 1981?

Mr. McCLURE. I am suggesting that the debt limit be increased today.

Mr. BRADLEY. But this resolution will be effective until September 30, is that correct?

Mr. McCLURE. The resolution will be effective until September 30, yes. The resolution will be effective today and for all the period of time between now and then.

Mr. BRADLEY. I see.

So the Senator says he wants to increase the debt limit, but he does not feel it will be fully necessary to increase the debt because spending will be reduced?

Mr. McCLURE. It will recognize the increase in the debt which is projected through 1982 in the Carter budget after the savings which President Reagan has already identified he can accomplish.

As I have said before, I hope we can do better than that, and if indeed we do better than that we do not have to spend every dollar that is under the limit.

All I am trying to say here today is let us recognize that when, as, and if in the next 12 months we get to an increase of the debt limit beyond the $1 trillion mark it is not the result nor the responsibility nor caused by this administration or this Congress. It is because of actions of past administrations and former Congresses which they have taken to set in motion the spending which will inevitably occur until we can control it.

Mr. BRADLEY. Even though the Treasury Department, the Congressional Budget Office, and the Joint Committee on Taxation do not agree with the Senator's assumptions or with the Senator's projections?

Mr. McCLURE. Let me say I have not always agreed with the Joint Committee before; I have not always agreed with the Treasury Department before; I have not always agreed with CBO before, and I do not believe the Senator from New Jersey has always believed in the figures they have given us before.

Mr. BRADLEY. I thank the Senator.

Mr. McCLURE. I would be happy to yield the floor.

Mr. ARMSTRONG. Mr. President, I would like to recap the bidding here just a little. We are now at $935.1 billion in debt, and we are considering a bill which in its unamended original form would add some $50 billion to the debt or if we should adopt the pending amendment even more. That number $985 billion, which it would be if we add to the present debt limit, is the number $985 followed by 9 zeroes.

If the Senate will pardon a personal

note, when I arrived here 8 years ago as a Member of the other body, the national debt stood at $435 billion or less than half of where it stands at the present time.

This is the 20th increase in the debt ceiling in 8 years, and each time the debt limit has been increased, the same tired arguments have been trotted out to justify doing something which in our hearts we knew was not good for the future of this country.

In Moliere's play "The Physician In Spite of Himself," there is a character who, in spite of himself during the course of the play, gradually sickens and grows more and more ill. There is nothing wrong with him really except that another character in the play, a doctor, is administering the wrong medicine to him.

That is just about what Congress and the national administrations have been doing to the economy of this country. We have injected 20 times in the last 8 years alone massive doses of the wrong medicine, more debt and, as a consequence, our economy has grown sicker and sicker and sicker. Indeed, none of us has to look beyond our own circle of friends and acquaintances to see the evidence of how serious the situation has become.

Inflation is rising, employment is declining, and productivity is down, the price of gold is up, the stock market is stagnant and, worst of all, there is a mood of tension and uneasiness among investors and businessmen and consumers which is approaching, if it has not already reached in some quarters, the stage of panic.

This need not have happened. Each year we have passed by opportunity after opportunity to impose discipline on our spending habits.

Frankly, most of the amendments which would have been necessary if taken one at a time would not have been all that difficult to swallow. Most have been amendments which would have reduced spending by a few percentage points here and a few percentage points there. But by refusing to adopt any substantial number of these saving amendments we have been forced to spend and sink deeper and deeper into debt and, as a consequence during my time here in Washington, we have increased the debt on the average of every 5 months. That is right, every 5 months.

I cannot help imagining what the state of our country's economy might be if the private sector had spent or invested the $450 billion that we instead poured into debt just in the 8 years since I, a relatively new Member of this body, have been in Washington.

Suppose that money had been spent on new machinery, buildings, new plants, investing in research and development, savings for new homes, expanding trade opportunities abroad, just think of how the productive private sector could have used those funds.

Think how different our jobs would be as Members of the U.S. Senate if our constituents in the private sector had had that $450 billion instead of having it run up as additional debt of the National Government in the last 8 years alone. Maybe in that case we would not have had to come into this Chamber at midnight just before Christmas of 1979 to bail out the Chrysler Corp. Maybe the Chrysler Corp. would not have been sick and would not have needed that kind of a bailout.

Maybe if we had taken some of these opportunities to restrain spending and getting us into more debt, we would not have had to spend so much time, and I bet every Member of the Senate has done it, speaking to constituents, young couples priced out of the housing market by skyrocketing costs and, particularly, the skyrocketing costs of interest.

Maybe we would not have been hostage to the OPEC nations if we had been investing more in energy production, investment syphoned off by the Federal Government as the Federal sector has invaded the capital markets of this country to a greater and greater extent.

Mr. President, in this one stroke in this bill, which does not even account for the whole debt increase for a whole fiscal year, but in this single bill, we are talking about using up half of everything that Americans will save this year because we are now saving at the rate of about $100 billion a year, and that is about half that, and it will not even take us for one full year.

Mr. President, I send to the desk and ask unanimous consent that there be printed in the RECORD at this point a table showing the trend by which we have increased debt in this country from just about $1 billion in 1916 to just about $250 billion in 1950, to about $435 billion when I came here 8 years ago, to nearly $1 trillion today.

I ask unanimous consent that that table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE A3.—*Outstanding public debt subject to limitation at end of fiscal year 1916–80, and on January 27, 1981*

[*In millions*]

Fiscal year:	
1916	$1,225
1917	2,976
1918	12,455
1919	25,485
1920	24,299
1921	23,977
1922	22,963
1923	22,350
1924	21,251
1925	20,516
1926	19,643
1927	18,512
1928	17,604
1929	16,931
1930	16,185
1931	16,801
1932	19,487
1933	22,539
1934	27,053
1935	28,701
1936	33,779
1937	36,425
1938	36,882
1939	40,371
1940	43,219
1941	49,494
1942	74,154
1943	140,469
1944	208,077
1945	268,671
1946	268,932
1947	255,767
1948	250,381
1949	250,965
Fiscal year:	
1950	255,332
1951	253,283
1952	257,233
1953	264,220
1954	269,379
1955	272,348
1956	270,619
1957	269,120
1958	275,395
1959	282,419
1960	283,827
1961	286,308
1962	296,374
1963	302,923
1964	308,583
1965	314,126
1966	316,293
1967	323,143
1968	[1] 348,534
1969	[1] 356,107
1970	[1] 372,600
1971	[1] 398,650
1972	[1] 427,751
1973	[1] 458,264
1974	[1] 475,181
1975	[1] 534,207
1976	[1] 620,556
Transition quarter	[1] 635,822
1977	[1] 699,963
1978	[1] 772,691
1979	[1] 827,614
1980	[1] 908,723
1981 [2]	[1] 932,291

[1] Includes FNMA participation certificates issued in fiscal year 1968 in debt of fiscal years 1968–79.

[2] Debt at close of business, January 27, 1981.

Source: Annual Report of the Secretary of the Treasury for fiscal year 1942, table 34, p. 544, for 1916–17; Annual Report for fiscal year 1962, table 507, for 1938 and 1939; Annual Report for fiscal year 1976, Statistical Appendix, table 21, p. 67, for 1940–76; Treasury Bulletin, April 1980, table FD–8, p. 26 for 1977 and 1978 and Monthly Statement of the Public Debt of the United States September 30, 1980, and Daily Treasury Statement, January 27, 1981.

Mr. ARMSTRONG. Mr. President, I might say before I begin to analyze in detail the arguments that have been presented in favor of this bill that it is my intention and purpose when next we consider the debt limit increase to prepare for the use and benefit of Members of the Senate and others who may be interested, an attractive and even an artistic lapel button which says "Trillionaire."

Think of it, soon we shall be trillionaires, and it is my prediction unless there are reforms of a very, very consequential nature adopted it will not be long before we will be wearing such buttons.

It will be just in the next few months that we will be asked to raise the debt ceiling above $1 trillion.

I want to point out again, and I mentioned this in my earlier remarks, but I want to come back to it because there are a few Senators in the Chamber who were not present then, that just to pay the interest on the increase which we are voting today, just the interest on the increase not on the other $425 billion in debt, but just the interest on the $50 billion which we are going to borrow today, we will pay $96 billion in interest at present rates over the next decade, $151 billion in interest on the $50 billion we are going to borrow today in the next 20 years.

What that literally means, if I may be excused a parochial note, is that the people of Colorado are going to pay every dime of tax that they pay to the Federal

Government just to pay the interest on this last $50 billion installment of debt and, for that matter, they will be joined by the citizens of Utah and the citizens of Maine because it is going to take all of the taxes from Colorado, Utah, and Maine just to pay the interest on this $50 billion.

Mr. McCLURE. Mr. President, will the Senator from Colorado yield to the Senator from Idaho without losing his right to the floor?

Mr. ARMSTRONG. I would be happy to, before or after, but if the Senator would like to note, let me say that Idaho is one of 26 States whose taxes will be required in their totality to pay for the balance of the interest on the national debt.

I would be happy to yield now without losing my right to the floor.

Mr. McCLURE. I thank the Senator for yielding.

I only wanted to make a point that when I first came to Congress in 1967 the interest on the national debt was $7 billion a year.

The interest on the national debt now, just 14 years later, is 10 times that; not just up a little, it is over 10 times, probably over 11 times, what it was just 14 years ago.

I think we throw these numbers around. The Senator mentioned the fact that we are about to become trillionaires, at least in terms of the national debt. These become only numbers. A trillion is a thousand billion; a billion is a thousand million. They are only numbers.

But if we are able to spend $1,000 a day, took no time off for weekends or holidays or Christmas or anything else, spent $1,000 a day, 365 days a year and an extra day in leap years, and started in doing that the year Christ was born, you would not have spent $1 billion until the year 2067. And we are talking about interest on the national debt that approximates about 1,500 years at that rate.

So I think that the interest on the national debt, the growth of the national debt, the size and extent of our spending is a matter of national concern.

I just wanted to add to the RECORD here, with respect to the colloquy I had earlier with the Senator from New Jersey about who agrees and who disagrees, the Joint Economics Committee has developed information that indicates that the deficit is likely to be larger than stated in the Carter budget because some of the assumptions with respect to the income are fallacious under the current economic conditions. Therefore, the reductions, to get down to $1 trillion 4 billion national debt ceiling by the end of 1982, require greater savings than the $53 billion that I have suggested be used to arrive at the figure that I have offered in my amendment.

Mr. President, I also know that the mood of the Congress and the Senate being what it is today, there is very little likelihood that there will be anything that is voted upon except the pending bill. There have been agreements on the other side of the aisle that they would not offer amendments, and I understand in the spirit of that there is a request we do not offer amendments on this side of the aisle.

Because of that understanding, Mr. President, I withdraw my amendment.

Mr. ROBERT C. BYRD. Mr. President, can the Senator withdraw the amendment if he does not have the floor?

The PRESIDING OFFICER. The Chair advises that the Senator from Idaho does not have the floor.

Mr. McCLURE. Mr. President, I asked that I be recognized without the Senator losing his right to the floor and I was recognized.

The PRESIDING OFFICER. The Senator is correct.

Mr. ROBERT C. BYRD. Mr. President, I did not object. I would have objected, except for a question. I would have objected if I knew the Senator was going to withdraw his amendment.

Mr. McCLURE. The Senator did not object.

The PRESIDING OFFICER. The Chair rules that the distinguished Senator from Colorado has retained the floor.

Mr. McCLURE. And the Senator from Idaho was recognized and could, therefore, withdraw his amendment, is that not correct?

The PRESIDING OFFICER. The Chair states that the Senator from Idaho was not recognized in terms of taking the floor.

Mr. McCLURE. Mr. President, if necessary, I will ask that the record be read back.

I asked unanimous consent that the Senator from Colorado be permitted to yield to the Senator from Idaho without losing his right to the floor.

The PRESIDING OFFICER. That is correct.

Mr. McCLURE. And there were no restrictions or conditions placed upon that. That unanimous consent was granted.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLURE. The Senator from Idaho was then recognized.

The PRESIDING OFFICER. The Chair's ruling is that the Senator from Colorado yielded the floor to the Senator from Idaho, but there was no stipulation that it was for the purpose of taking the floor such that he has a right to act upon his amendment.

Mr. McCLURE. Excuse me?

The PRESIDING OFFICER. The Senator from Colorado having obtained the floor, two Senators cannot have the floor at the same time. Consequently, the Senator from Idaho did not obtain the right with which he could act upon his amendment.

Mr. McCLURE. Mr. President, I will not quarrel with the Chair, nor will I appeal the ruling of the Chair at this time. But I do not want the record to stand upon the basis that, under these conditions, the Senator who is then recognized is not recognized, which is what I understand the ruling of the Chair to mean.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. ARMSTRONG. Mr. President, while the Senator from Idaho was discussing his amendment, the Senator from Colorado has been reflecting that my thought about preparing label buttons that say "I'm a Trillionaire" will soon be outmoded. Based upon the trend of recent events, I shall quickly have to prepare a button that says, "I'm a Zillionaire".

I wonder if the people out in the country would be pleased to know that we are debating and interrogating each other on the question of who has the floor when, in fact, the residents of 26 States are going to pay the entirety of their Federal taxes just to pay the interest on the debt we have already run up, and here we are talking about raising it another $50 billion.

Mr. President, I now want to take a few minutes to analyze, with as much care as I can, the arguments that have been presented in favor of this resolution. It is commonly said that there are two sides to every argument and, in this case, there are at least two sides and three amendments and four points of order. But I want to go through, in a systematic way, the arguments which I have heard presented in support of raising the debt ceiling.

First of all—and this is the one which you can hear on every street corner—"Well, it's regrettable, but we just don't have any choice. There is no choice."

I think this argument, although it is popular and widespread, is so manifestly wrong that anybody could see through it. There are obviously other choices.

For example, we could amend this bill to rescind some of the spending which is necessitating the debt increase. There are any number of amendments which the Senator from Colorado has offered at one time or another to curtail spending in programs which I deem to be wasteful or extravagant which could easily be incorporated into this debt ceiling resolution and would moderate if not entirely eliminate the need to increase Federal spending and thereby to increase the Federal debt.

Another possibility was that which was suggested by the distinguished minority leader, that we might reduce the amount. It is interesting to me that, although the tabling motion carried by a lopsided majority, a number of Members on this side of the aisle who voted to table confided to me that, really, they think it would be a good idea, perhaps, to have not raised the debt ceiling quite so high and that both for reasons of principle and tactics it would be a bit better if a lower amount had been suggested in the first place or had been put on in the committee, or in one way or another they really agreed that the minority leader, the Senator from West Virginia, was probably right but this was not the opportune time to give an expression to that point of view.

A third possibility, which gives lie to the claim that there is no choice but to pass this resolution, however odious we may find it, is the thought that we might couple the debt limit increase with some measure of significant budgetary reform.

Now, the American people have given President Reagan a mandate to get Federal spending under control and yet Congress has, in recent years, tied the President's hands. I do not mean President Reagan's. I mean President Reagan and President Carter and President Ford and President Nixon.

About 6 years ago, in what I believe to be a most unwise action, precipitated

largely by our distaste for the then President of the United States, we took away the little remaining management control which Presidents have over the rate of Federal expenditures.

Our President presides over the largest budget in the world and yet he has less actual management control over that budget than any Chief Executive you can think of. For example, the Governors of virtually every State in the Nation and most mayors and certainly every corporate executive have the power to block wasteful, duplicative, or unnecessary spending. But Congress has denied this essential management tool, this prerogative, to our President.

Under present law, if the President discovers that funds appropriated by Congress for a particular purpose are no longer required or are more than are required to achieve a purpose which has been specified, he may not prevent the money from being spent unless he first obtains the explicit permission of the Congress to do so.

The Congressional Budget and Impoundment Control Act of 1974 so provides. It protects the prerogatives of Congress, but in doing so it has set the stage for waste, extravagance, and unnecessary spending.

Here is why:

The President's desire to rescind or curtail the expenditure of funds can be thwarted simply by congressional inaction. If the President determines that funds appropriated for a particular purpose need not or should not be spent, he must inform Congress of his intention to rescind the spending. But if both Houses of Congress do not pass resolutions approving the rescission within 45 days of the President's announcement, then the funds must be spent, they must be made available for obligation, no matter how manifestly unwise that spending may be.

How has this system we have had in the last 6 years worked out? Senators know that rescissions are seldom or never approved when they are sent up by the President. In the last 6 years, 85 percent of all the proposed rescissions sent to the Congress by Presidents of the United States have been turned down.

Most of them have never even been brought to a vote. They have just been ignored. The last fiscal year, fiscal year 1980, provides a typical case in point. In that year, a year of near record budget deficits and double digit inflation, President Carter sent rescission requests totaling $1.6 billion from a budget of $679.6 billion. Congress rejected by inaction $1.1 billion of this request. Thus, out of $679.6 billion, a scant $500 million was saved by rescission from the President. Do you know what proportion $500 million is of $579.6 billion? It is approximately 8/100 of 1 percent of the total.

This power to prevent wasteful spending, the power of rescission, the power of impoundment, has been used by Presidents all down through history. President Jefferson blocked $50,000 that had been appropriated for gunboats on the Mississippi River after the Louisiana Purchase had removed the threat which the gunboats were originally intended to guard against. Another reason was to prevent waste when President Van Buren blocked payments of a duplicate pension to a military widow. President Truman refused to spend money to build VA hospitals until a study was made to determine the geographical need for them. There have been similar instances all through our history.

Unfortunately, this process became very controversial in 1972 when President Nixon attempted to force Congress to adopt the block-grant housing approach by imposing a moratorium on funding the housing program authorized by Congress. The President won the battle when an appeals court ruled against a lawsuit brought by Members of Congress. But Congress retaliated by enacting the Budget and Impoundment Control Act of 1974. That is how we have come to the situation we are in today, where the President has to spend the money when savings can be made, unless Congress explicitly approves the savings.

To return to the main point, have we a choice on this debt ceiling increase? I would suggest yes, that one choice would be to put an amendment on this debt ceiling increase to give the President strengthened powers of rescission. As a matter of fact, I have drafted and introduced a proposal which would do exactly that. It is a very simple measure. My plan would simply say that when the President notified Congress of his intention to rescind spending, that the rescission would be automatically approved unless, during the following 45 days, Congress passed a resolution disapproving that rescission. This basic change to, in effect, a congressional veto rather than congressional approval, would alter the climate for presidential action by requiring a positive, considered action by Congress to block proposed rescissions instead of killing rescissions through inaction.

Such an amendment was exactly what I intended to offer on this bill, and I have every reason to believe, based on conversations with approximately 3 dozen Members of this body, including the distinguished Senator from Nebraska who I see on the floor, and others, that the amendment would, in fact, pass, and at the right time I believe it will pass. I intend fully to offer it because I think to give the President strengthened powers in this regard is only good management.

May I say to my friends on the other side of the aisle, this is not a conclusion I have reached because a Republican occupies the White House. It is exactly the same amendment for which I sought support on both sides of the aisle last year when a Democrat occupied the White House.

I think it is preposterous to create a situation in which the President of the United States is so constrained as is now the case. Well, then, why do I not just offer this amendment? Why do I not just call it up right now? As a matter of fact, I have a copy of it here. The answer is very simply that I have been asked not to do so by the administration.

I just want to make one thing clear. The reason I am not calling up this amendment is not because of my loyalty to the President, although I yield to no Member on either side of the aisle in terms of my loyalty to our new President. I support him fully and expect to support him. In fact, I will bet before this term of his is over I will have supported him more often than most Members of this body. But that is not the reason I am withholding this amendment. Nor is it because of my admiration for him or party regularity, or any of those considerations. But simply because I think it would make him look ridiculous and me as well for me to have an amendment to strengthen his powers and the administration saying, "Please don't pass such an amendment."

Yet that is what will happen because the administration has made a deal with the leaders of the other body for a clean bill. It is not clear to me how a bill that increases the debt imposed upon the people of this country by $50 billion is clean in any case, or why it would not be cleaner if we incorporated some measure of reform along with all or a portion of the debt increase.

In any case, having taken that position, the administration is adamant in opposing amendments of any kind. Under the circumstances, it seems to me that to offer the amendment at this time would prejudice its ultimate adoption, hopefully at an early date.

Mr. President, one of the reasons advanced in support of this debt ceiling increase is that really this is all just a charade, it does not matter whether we increase the debt or not. As one of my colleagues mentioned to me just a few minutes ago, this is really just a charade, it does not matter, the only way to control Federal spending is through the budget process, the appropriations process.

I would suggest to my colleagues that nothing could be further from the truth. I am deeply involved in the budget process. I am in my third year as a member of the Senate Budget Committee. I served for 4 years on the House Appropriations Committee. I watched that process very carefully. I will tell you that the one place where all the budget and tax decisions of the Congress of the United States are finally reconciled and come to a head is in the debt ceiling. It is not in the budget resolution, it is not in the reconciliation process, but it is right here. If we do not authorize the Treasury to borrow more money, the spending will not occur. Do not kid yourself. This is not a question of borrowing money to accommodate spending that has already occurred, an argument one also hears from time to time. But the spending will not occur if the debt ceiling is not increased, and it is just as simple as that.

Mr. President, one of the arguments which I heard advanced earlier in the week in support of the debt ceiling increase went like this: It was said why do a lot of us not get behind the debt ceiling increase, but in any event pass a sense of the Senate resolution saying we do not think this is a good idea but we are going to go along with it, and then suggesting a series of reforms which would be the price of voting to again in-

crease the debt ceiling at some future time. Among the reforms which were proposed were modification of the Budget Act of 1974 to restore the authority of the President to impound appropriated funds when such action is required to prevent the increase of Federal indebtedness.

Another reform that was suggested in the draft of the sense of the Senate resolution which I saw called for modification of the Budget Act of 1974 to increase the authority of the President to rescind budget authority, in effect the amendment I described a moment ago.

Another proposal was to reform the process by placing the offbudget items, estimated this year at $23 billion, on the budget, so the public could see the whole thing.

Another suggestion was the endorsement of a constitutional amendment to require a balanced budget, and so on and so forth.

Mr. President, I share the concerns and recommendations that are in this sense-of-the-Senate resolution and, if it is presented to the Senate, I shall vote for it. But, believe me, Mr. President, it is no substitute for taking action. It is the difference between signing a petition and making a law. It is the difference between drawing a line in the dust and daring somebody to step over it and preventing them from stepping over it.

In my opinion, and I say this with all regard and affection for those interested in this resolution—and it is a good resolution—it does not get the job done. If we are really serious about the proposed reforms outlined in this sense-of-the-Senate resolution, at least half of them—at least half of them—will be proper amendments to the bill now pending.

Mr. President, one of the arguments that is advanced in support of the debt ceiling increase is the Chicken Little argument: The sky is falling. If we do not pass this debt ceiling, we are told, something awful is going to happen; we are going to run out of money; the Federal Government will not be able to operate. Let the record reflect that that is not so. If there is no increase in the Federal debt, I am advised by the Treasury that nonetheless, without any new borrowed money, the Federal Treasury will receive $39 billion in receipts during February, $43 billion in March, $71 billion in April, $40 billion in May, $69 billion in June and so on through the year. Something on the average of $50 billion a month will be coming in, whether we ever borrow another nickel.

The outlay side is what causes the problem. The outlays, projected for the next several months, somewhat exceed—not by enormous amounts, but somewhat exceed—in some but not all of the next several months the expected level of receipts.

The point, Mr. President, is that we are not getting ready to jump off a $50 billion cliff, but that there will be a gap, which gradually accumulates, of excessive outlays over receipts. I point this out because the Government will not stop if we fail to pass this increase. No essential function will be prejudiced.

As a matter of fact, we would not even have to restrain any outlays for a couple of months beyond the February 18 deadline that we have been given by the Treasury. The reason I say that is that, built into their figures, according to testimony submitted to the Senate Committee on Finance, is a $3 billion pad and an estimated $15 billion month-end cash balance. If we take that $18 billion and apply it to the month-by-month shortfall figures, what we find out is what really, the shortfall is not very serious at all in the next 60 to 90 to 120 days and that even the most modest restraint in spending would get us over that hump—over the hump, say, between now and June 30—without any increase in the national debt.

Mr. President, I send to the desk and ask unanimous consent to have printed in the RECORD at this point a projection of Federal budget, debt, and cash for the period February through September of 1981. This is a report which was prepared and furnished to me by the Treasury and I have asked them to give us four columns of data—receipts, outlays, the net change in debt, and the amount of the standing debt based on these projections at the end of each month.

I think, as Senators review these data, they will quickly see that the emergency is not nearly so great as it has been portrayed and that, with only the modest efforts at restraint, we could easily get by the next 90 to 120 days with no increase in the national debt.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

PROJECTION OF FEDERAL BUDGET, DEBT AND CASH, FEBRUARY-SEPTEMBER 1981 [1]

[In billions of dollars]

	Receipts	Outlays [2]	Net change in debt [3]	Debt [4]
February	39	56	17	952
March	43	57	14	966
April	71	59	−11	955
May	40	57	20	975
June	69	59	−7	968
July	52	60	6	974
August	49	56	9	983
September	64	57	[5] 4	987

[1] Based on Jan. 15, 1981, budget estimates and Treasury projections.

[2] Including budget outlays and net off-budget outlays.

[3] Equals difference between receipts and outlays, adjusted for changes in Government account investments, accrued interest, checks outstanding, and other minor items.

[4] Debt subject to limit at end of month, assuming a constant month-end $15 billion cash balance.

[5] Debt increase of $4 billion, despite cash surplus of $7 billion, due primarily to $13 billion investment in Treasury securities (increases debt) in civil service retirement trust fund, which represents the annual Federal contribution to the fund.

Source: Office of the Secretary of the Treasury, Office of Government Financing, Feb. 5, 1981.

Mr. ARMSTRONG. Mr. President, there is still another argument which I hear presented in support of this debt bill. That is that if we do not pass it by the 18th of February, there will be bond issues now scheduled that will not be brought to market, that there will be a crisis on Wall Street, that there will be panic in the financial markets. I do not for a minute believe that, because I have been here on other occasions when we were given deadlines, and somemtimes we met them and sometimes we did not.

I could not see that there was any great crisis on those occasions when we failed to pass an increase in debt, even on those occasions when we permitted the so-called temporary increase to expire and we had $4 or $5 billion in, in effect, illegal bonds floating around the country. I could not see there was any panic on Wall Street. That is not the case here. We are not talking about expiration; only about failing to increase the amount of the debt ceiling.

Mr. President, even if I thought there would be a crisis on Wall Street, I would not be afraid to turn back this resolution and leave the debt ceiling where it is because, as the distinguished Senator from New Hampshire said in another forum a few days ago, this is supposed to be a crisis. When we talk about raising the debt ceiling $50 billion, that should be a crisis. It should not be routine. It should not be a housekeeping measure. It should be an occasion for anguished thought, a time when we look at our hole card.

I say this, Mr. President: There may not be a crisis on Wall Street, but there is a crisis out on Main Street, and it is coming to a boil a little more every day.

This crisis argument, that there is a deadline we have to meet, has been used to justify every one of the 20 increases in the debt limit in the 8 years I have been a Member of this body and the other body. Every year, the same argument: it is a crisis and we have to do it. I say it would be cheaper to pay the cost of the crisis, whatever it is, in refunding of bond costs, incremental increase in the interest rates on Treasury securities. Whatever the problem is, it would be better to pay the cost than it would be to have had a $50 billion runup in the national debt the last 8 years.

Mr. President, I have even heard it said by one of the most distinguished and knowledgeable Members of this body, that, really, we should not worry, that the debt limit is really declining; that the amount of the Federal debt is declining if you measure it as a percentage of gross national product. I have not heard that argument on the floor today, although I have often heard the distinguished Senator from Louisiana make that argument. He has pointed out in his eloquent manner that, while the dollar amount is rising, as a proportion of the total gross national product, the debt limit is declining. I note that in passing.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield?

Mr. ARMSTRONG. Yes; I yield.

Mr. ROBERT C. BYRD. Will he indicate how long he intends to hold the floor? I merely ask this question to ascertain how long he intends to delay the vote on the extension of the debt limit. We on our side of the aisle are ready to vote on the question of extending the debt limit whenever the Senator yields the floor.

Mr. ARMSTRONG. Mr. President, it is my intention to speak only a few more mintes. although I must say that I am warming to my subject. As I think about it, I am mustering a greater sense of indignation over what is about to occur, so

I may run over a little my intended deadline. But I think I shall not be more than perhaps another 5 or 10 minutes.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator.

Mr. ARMSTRONG. Mr. President, to return to the discussion of whether or not we can console ourselves with the rising increase in the national debt because it is a smaller and smaller proportion of the gross national product, I want to make three observations:

First, that one reason it may be declining as a proportion of the gross national product is that much of the debt was run up at a time when the general level of prices was lower and, in effect, through inflation, we have vitiated much of the value which was originally borrowed.

Or, to put it another way, those who say that inflation is a thief who steals silently in the night must have had in mind the fate of people who bought Government securities. I have and I treasure a $100 savings bond which was bought by my great-grandfather and given to my father in about the year 1940, a $100 bond.

In those days, they tell me—I was only 3 years old at the time—$100 was a monthly wage. Today, it would not go very far.

So $100 which was borrowed 40 years ago represents a smaller claim on the total economy than it did in those days. I believe it is one of the reasons why the funded debt appears to be less as a percentage of gross national product.

Second, the calculation of the Federal debt as a smaller proportion of the gross national product than it was at some former time does not take into account the huge runup in private debt which also overhangs the economic future of our country.

Third, and most important of all, the debt which we are increasing today, unless we come to our senses, represents only a portion, and not the largest portion, of the true Federal debt.

There is another Federal debt which is not subject to legislative limit, which is approximately $2 trillion, and I refer of course to the $600 billion in unfunded liability of the Federal employees retirement program and the $1.5 trillion estimated liability in the social security program.

If you roll that in with the $985 billion debt that we are going to have here, then of course the total of Federal obligations as a percentage of the gross national product is very high, indeed.

I note in passing, for those interested in such matters, that the total of all Federal debt today undoubtedly exceeds the total of all the assets in the country, so maybe instead of getting a zillionnaire button, I am going to get a bankruptcy button.

Mr. President, others are waiting to speak, including the Senator from Nebraska, and I want to make just one more point before I yield the floor.

I have heard the argument expressed often on this side of the aisle that even though this is a bitter pill for us to swallow, we must thank the President; that we—I think it probably includes the vast majority of the Members on my side of the aisle, practically all of them I guess—are very much concerned about raising the national debt. We have been against it as a matter of principle. We have campaigned against it.

As I said in my remarks earlier in the day, we have held up to Democratic Members of this body their votes to increase the national debt as the index of their fiscal irresponsibility. Yet, here we are preparing to do exactly that.

People have said to me—some of them in states of evident emotional tension—"I don't like it. I don't want to do it. I will never do it again. But this once, the first time out, I have to back the President."

I just want to say—and let the record reflect—that I want to back the President, too. My family and I support the President in prayer. I support his legislative program. I support his objectives to get this country turned around. I disagree with his tactical decision in this case. It pains me to do so.

However, I do not believe that for me to simply support the President because he is a member of my own party, in doing something which could have been avoided, in my judgment—at least avoided in part or at least alleviated with reform amendments to this debt increase—would be true to what I believe in.

I cannot help recalling what the great Parliamentarian Edmund Burke told the electors of Bristol. He said:

> Your representative owes you, not his industry only, but his judgment; and he betrays instead of serving you if he sacrifices it to your opinion.

That is how I feel toward the President. I want to back the President, but I do not believe I am backing him by going against my own best considered judgment of this matter.

In fact, I say to my Republican colleagues that if they really want to do the President a favor on this issue, they will vote "no" on increasing the debt. I know that he has asked us to vote in favor of it. I realize that he has reached an agreement on this issue with the leadership of the other body.

However, if we all go along with that, the message we have conveyed to the leadership of the other body is this: If you want to put the squeeze on the Senate, the way to do it is to go to the White House, because the President can deliver all the Republicans, even on an issue which is detrimental to them, even an issue they never voted in favor of in their lives, even an issue on which no Senator in the State has voted in favor.

I suggest that if all the members of the Republican Party in this body go along with that, we are going to see that squeeze applied over and over again.

I have no doubt that this debt ceiling measure is going to be passed, but I hope at least a few Members on this side of the aisle will not make it too easy, will not transmit that signal to the Speaker of the other body, and will be a true friend of the President, by voting against the increase in the debt ceiling.

THIRTY-MINUTE RECESS

Mr. BAKER. Mr. President, I believe that the process of the Senate might be expedited if we had a brief recess. If the minority leader is agreeable, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, the Senate, at 1:36 p.m., recessed until 2:06 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WEICKER).

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mrs. KASSEBAUM assumed the chair.)

ORDER OF PROCEDURE

Mr. BAKER. Madam President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Madam President, will the distinguished majority leader withhold that suggestion and allow me to speak for 1 minute?

Mr. BAKER. I am happy to.

Mr. ROBERT C. BYRD. Madam President, this side is ready to vote on the extension of the debt limit. It would be perfectly agreeable with me if Mr. McCLURE wishes to withdraw his amendment. I shall not ask for the yeas and nays on it so as to require unanimous consent for its withdrawal. If he wishes to withdraw it, it will be all right with those of us on this side. We are ready to vote on the extension of the debt limit.

Mr. BAKER. Madam President, I thank the distinguished minority leader. I am pleased to know that. The minority leader and I have discussed this before.

I think we can arrive at a time to vote. I think I am happy to invite the attendance of Senator McCLURE and let him attend to the business of withdrawing his amendment. At the time he reaches here, perhaps no later than 3 o'clock at the outside, I think, we would be able to establish a time certain.

Mr. ROBERT C. BYRD. By then, Madam President, I may change my mind.

Mr. BAKER. Madam President, I have been here a while and I take account, I even take judicial notice, of the fact that the distinguished minority leader may change his mind. But this world is full of risks and that is one risk I have to take.

I suggest the absence of a quorum.

Mr. WEICKER. Will the distinguished majority leader withhold for a moment?

Mr. BAKER. I am happy to withhold my suggestion.

GOV. ELLA GRASSO

Mr. WEICKER. Madam President, I rise in tribute to Gov. Ella Grasso of Connecticut. I served with Governor Grasso in the State legislature, when she was secretary of state, and when she served in the House of Representatives and I

in the U.S. Senate. It always was a surprise to those of us who live in the State of Connecticut that the emphasis on Governor Grasso and the position she held was an emphasis based on the fact that she was a woman. I think anybody, not just this Senator from Connecticut but anybody who resides in the State of Connecticut, can tell you that she earned every one of her positions by virtue of her ability.

The fact that she was a woman was the last thing that crossed anybody's mind in the State of Connecticut.

She was possessed of enormous ability, compassion, integrity, and political savvy. There just are not any better to be found in the area of government or politics.

In these comments, I express to her husband, Tom, and her whole family my respects and my deep affection for each of them.

I will miss, sincerely miss, a great human being. If I were asked what I consider her outstanding achievement, I would say it is that she performed her duties as Governor during one of the most difficult periods for all the Governors of the 50 States. These were times of enormous fiscal difficulties, and she brought the State of Connecticut through intact—indeed, in excellent shape.

People say that she was tough. She was—in the pursuit of good. What she set out to do, she accomplished. In what is sometimes considered a tough profession, I think it can well be said of Ella Grasso that nobody ever laid a glove on her.

So this is in the nature of a farewell to someone for whom I had great affection as a person and deep respect as a professional. Politics in Connecticut and government in Connecticut just will not be the same without her. When the best player walks off the field, it just is not quite the same game.

In any event, my heartfelt wishes go to her family. Where she is now, she sits in arms of a strength equal to her own.

ELLA GRASSO

Mrs. HAWKINS. Madam President, it is with deep regret that I address my colleagues today concerning the death of Gov. Ella Grasso. Governor Grasso had a long and distinguished career serving the people of Connecticut. She has left a legacy of inspiration to me and other women interested in serving their country through political action.

Ella Grasso's life was a true example of the American dream. The child of Italian immigrants, she was proud of her working class background. She once boasted that it took her years to learn that "youse" is not the plural of you. Despite her modesty, Ella Grasso excelled academically. She was admitted to the prestigious Chaffee School on a scholarship, was admitted to Phi Beta Kappa in her junior year and later graduated Magna Cum Laude from Mount Holyoke.

Her political career was equally distinguished. In the early part of her political life, the Republican Party was fortunate to have her as a member. Unfortunately, she later followed what she termed her "true inclinations" and joined the Democratic Party. Her interest in politics stemmed from her involvement in the League of Women Voters, where she developed an understanding of the issues and a knowledge of how to translate that interest into action.

Mrs. Grasso's political career was marked throughout by her interest in the consumer. During her two terms in the Connecticut General Assembly she sought to eliminate the antiquated county governmental structure, reorganize the municipal court system and set up a State Office of Mental Retardation.

As Connecticut's Secretary of State, Mrs. Grasso turned her office into a "people's lobby" where ordinary citizens could air their grievances or seek advice. This open door policy was continued during her tenure as Congresswoman from the Sixth District of Connecticut. She took an active and leading role in the House Committee on Education and Labor and the Veterans' Affairs Committee.

She capped her long and illustrious career by becoming the first woman to be elected a State Governor on her own and not as the wife of a previous incumbent. As Governor, Ella Grasso worked hard on an issue close to my heart, the overcharging of customers by electrical companies. Governor Grasso commissioned a private investigation that revealed that three major electric companies had overcharged their customers by $19 million over a 3-year period.

I am saddened by the passing of this great lady, but the examples that she set, and the inspiration that she provided to all who knew her, will live on.

Mr. THURMOND. Madam President, will the distinguished Senator yield?

Mrs. HAWKINS. I yield.

Mr. THURMOND. Madam President, I wish to be associated with the remarks of the able Senator from Florida.

I had the pleasure of knowing Governor Grasso. I remember attending a meeting in Connecticut at which she attended and we both spoke on this occasion. We were celebrating the election of the national commander in chief of one of our great veterans' organizations.

I was deeply impressed at that time with her capacity, courage, character, and compassion.

I think she was a great citizen, and I am sure our Nation mourns her loss at this time.

TRIBUTE TO THE LATE GOV. ELLA GRASSO

Mr. DODD. Madam President, it is with a deep sense of regret that I rise as my first words as a Member of this body to mourn the loss of our former Governor and former colleague in the House of Representatives.

I rise to express my deep sorrow and the sorrow I know of millions of people all across this country, not to mention the residents of my home State of Connecticut, over the loss of our very distinguished Gov. Ella Grasso.

The stark message stomped in the snowy expanse of a Connecticut field was simple. Aerial photographs showed it best; it said "Help—Ella."

It was the 1978 blizzard and Ella Grasso was Connecticut's Governor. The people who elected her and the hearty few whose footprints created the eloquent plea knew the Governor cared. They knew she would help.

Ella Grasso was that kind of lady. We in Connecticut felt her compassion and her understanding. We saw over and over again the sparkling results of her strong and courageous leadership.

Last night, Ella Grasso faced the first defeat of a career marked by brilliant victories. In mourning her passing, we cannot help but remember the celebrations we shared in her more than 25 years of public service.

In every office she held, Ella Grasso's mark was excellence.

As a State representative from Windsor Locks she simplified State government.

As secretary of state—a post she held for a dozen years—her enthusiasm was boundless, her popularity increasing as people recognized her special talents.

As a Member of Congress, she built upon an already glowing record, working to stop the economic decline of Connecticut's industrialized cities.

And, finally, as Governor, her rare blend of tenacity and compassion earned her the love and respect of every citizen and every colleague.

As a politician, she was a leader; tough, outspoken, unbeatable. Ella met every challenge, charming ally and adversary with a quick wit and, when needed, a sharp tongue. She knew her audiences, mixing as well with Fairfield County industrialists as she did with small children.

Personally, she represented this melange of influences. The daughter of Italian immigrants who spoke only halting English, Ella would go on to preparatory school and to Mount Holyoke College. She understood the diverse people in Connecticut because, in her special way, they represented her own style and charm.

And, we knew she cared. We sensed her special ability to console and, when necessary, to confront. We knew she understood when disaster struck us—either as individuals or as a community.

Even as she resigned from public office, she thought of us. "I love you all," she said at the close of her statement.

That affection was returned from throughout the State during her illness and her time in office. She made us feel like family, like her special family. And, we share the deep loss felt by her husband, Tom and her children Jim and Susane.

Ella leaves us with bright memories of her triumphs and her trials. She leaves us hopeful for the future she helped to improve, and confident that the promise she represented will be realized.

In our sorrow, we mourn more than the loss of an able leader. We grieve for a friend.

Mr. President, I ask unanimous consent that an editorial that appeared in the Hartford Courant, written by a for-

mer staff member of hers and a very close friend of mine, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIBUTE TO ELLA GRASSO

(By Nancy Lewinsohn)

A few months after Ella T. Grasso announced her candidacy for governor, she was walking from her congressional office to the Capitol for an afternoon session of the House of Representatives. A tall lanky bachelor colleague was flirting with a young blonde at the foot of the stairs.

Ella rushed to the congressman's side, linked arms and pulled him away, trilling, "Charlie, dear, I'm sorry to be late. I hope you didn't worry."

The congressman was dumbfounded, and by the time he recovered, he was climbing the stairs to the Hall of the House.

"You did not act very gubernatorial, Ella," he growled, and they chuckled together as they climbed.

Ella enjoyed her prankishness, there was no doubt about that. It was a joyful element in a rich, complex medley of pronounced qualities and talents unique to this special person. She was an original.

Indeed, she was witty and whimsical, taming the feistiest university audience with humor light and kindly meant; but she could also frost a tough foe with the turn of a phrase, if not a single steely glance.

She was a compassionate friend, paying a state employee's insurance premium in hard times, and giving legislators far from home bad weather hospitality, with milk and cookies waiting on the night stand; but she could also carry disagreement from friendly encounter to silent challenge.

She was a gentle presence that entered a room quietly and was felt; and she was wonderfully hearty.

Personally, she hurt easily and punished herself unmercifully, working ungodly hours. She shunned vacations, relaxing seldom; but sometimes she did so by trying to beat Sherlock Holmes to the solution of a crime.

A most valuable political attributable came naturally to Ella Grasso. Herself a blend of different cultures and influences, she related spontaneously to all people at their own level. It was not difficult for her to move easily among seniors and small children, welfare mothers, national leaders, businessmen and workers all in a single day. At least partially responsible was her natural warmth that radiated, gathering people to her.

From all over the state they came to talk; they also called or caught up with her on the campaign trail. Because she listened they told her their problems and they asked her counsel. Instinctively they regarded her as their friend.

She said that being a woman was neither an advantage nor a disadvantage to her political career. Her strong inclination to mother, to protect, however, certainly shaped her style. Just as she fretted about those around her—whether we were too fat or too thin, and if single, whether or not friends were fit companions—so in the greater arena she gave government a decidedly personal stamp.

The people of Connecticut were her flock. She told groups of schoolchildren that to know what government needs to do to help people you must know about their lives—their problems, where they are and where they want to go. She was always discovering.

Through a vast, sometimes changing network of informants, some political and others not, she personally kept in touch with life throughout the state. It was perhaps unnerving, but not unusual, for a troubled stranger to receive an early morning call from the governor asking how she could help.

Ella Grasso had a keen, creative, agile mind Her facility for expression was rare. She could dart from topic to topic, often speaking cryptic phrases that were baffling to those who had not mastered her vocal shorthand. When she put pen to paper we watched in amazement as her hand flew across the paper, a virtual torrent of words tumbling into perfect sentences marked by a personal flair.

Publicly she commanded a situation by fitting her demeanor to the requirements at hand. She spoke eloquently without a text. Her prose could be simple, folksy, pithy remarks, or loftier thoughts delivered with the rounded vowels and high pitch of what we called her Mount Holyoke voice. It was always enriching to hear her call on a vast growing store of quotes, often favorite passages from Shakespeare, Frost and St. Vincent Millay. Frequently, she drew on the wise comment of John M. Bailey and other political greats.

Our governor was a spirited woman, tenacious, vibrant, courageous and strong. A whirlwind of energy, she energized those around her, family, staff and friends.

She was highly competitive, and in the political arena she relished a good fight and a conquest. When she believed she was right she stood her ground.

Nowhere, however, could she have shown her mettle more clearly than in her final battle with illness. To fight and lose the hardest fight of all in the public eye and maintain quiet dignity throughout—that was truly gubernatorial.

I knew Ella Grasso as congresswoman, governor and friend. We used to talk at great length. We joked and gossiped and laughed. We discussed important issues and other meaningful things. Sometimes we disagreed, now and then tempestuously; but never finally—always there was to be another round, another chance to match wits and exchange ideas.

Now that comforting thought is gone.

The first full realization of this loss came when she called me not so long ago. We chatted briefly but warmly. Neither of us put into words what we both knew—that it was our unspoken farewell.

Goodbye, dear Governor.

DEATH OF GOV. ELLA GRASSO

Mr. KENNEDY. Madam President, Ella Grasso's death has deprived the people of Connecticut, New England, and the Nation of one of our most effective and respected leaders, throughout her brilliant career in public life, she always met the highest standards of compassion and commitment in service to the people. And her magnificent courage was never more evident than in these recent weeks as she struggled bravely against the disease that now has claimed her life.

QUORUM CALL

Mr. BAKER. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATSUNAGA. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEBT LIMIT EXTENSION

The Senate continued with the consideration of the bill.

Mr. BAKER. Madam President, I think we are now probably ready to try to wrap this thing up.

I am prepared to advise the distinguished minority leader that because of the absence of certain Members on both sides of the aisle who are attending a funeral here in town, I would hope that we could establish a time for a vote on final passage say beginning at 3:15 this afternoon, and if there is a general willingness to do that I understand that the minority leader had earlier indicated that he would not object to a request by the distinguished Senator from Idaho that he withdraw his amendment and that we order the yeas and nays on final passage and that that vote would occur beginning at 3:15 p.m.

Mr. ROBERT C. BYRD. Madam President, it is agreeable with me to vote now or at any time between now and 3:15 or to vote at 3:15.

I will be very glad to agree to the request that the Senate proceed to a vote on final passage at 3:15 p.m.

Mr. BAKER. I thank the minority leader.

Might I now yield to the disinguished Senator from Idaho?

Mr. ROBERT C. BYRD. Madam President, I would object to the majority leader's yielding for that purpose until we get an agreement. I hope the majority leader——

Mr. BAKER. Madam President, I ask unanimous consent that the vote on final passage on the bill to provide for a temporary increase in the public debt limit occur at 3:15 p.m., and I ask for the yeas and nays, and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. I yield to the Senator from Idaho.

Mr. McCLURE. Madam President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

REQUEST FOR PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Madam President, I ask unanimous consent that there now be a brief period for the transaction of routine morning business not to extend beyond the hour of 3:10 in which Senators may speak for not more than 10 minutes.

Mr. CHILES. I object or reserving the right to object, I wonder if during part of this time the resolution I had. a sense-of-the-Senate resolution, whether we might take that up? I would take a very quick time limitation on that to dispose of it.

Mr. BAKER. As a freestanding resolution?

Mr. CHILES. Yes.

Mr. BAKER. Not as an amendment to the debt limit?

Madam President, I really must say I have no objection to it. I have not seen the resolution and I would yield to the distinguished chairman of the Finance Committee to speak on that point.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. I am not certain——

Mr. BAKER. Madam President, I withdraw my request for a period for the transaction of routine morning business.

The PRESIDING OFFICER. The request is withdrawn.

Mr. DOLE. Just to make certain, the pending business now is the debt ceiling?

The PRESIDING OFFICER. That is correct.

The Senator from Iowa is recognized.

Mr. JEPSEN. Madam President, last night President Reagan spoke to the American people straight from the shoulder. He clearly and concisely detailed the plain facts about Government and the economy in a way that was both convincing and a bit frightening. The fright came not from the President's tone or manner but simply from the facts, and those facts are that the Federal budget is out of control, that our economic malaise stems principally from the intrusion of Government into the private economy, that declining economic growth and rising inflation threaten our very survival as a Nation, and that drastic, immediate measures are needed to reverse our Nation's course before calamity occurs.

I wholeheartedly endorse President Reagan's analysis of the economic situation and the cure. We must reduce governmental spending as a percentage of our national output. We must keep tight control on the Nation's money supply. We must reform and eliminate unnecessary Government regulations.

Mr. DOLE. Madam President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Did the Senator complete his statement?

Mr. JEPSEN. I am waiting for instructions from the Presiding Officer on whether I may proceed or not.

The PRESIDING OFFICER. Senators will take their seats, please. The Senator from Iowa.

Mr. JEPSEN. Let me repeat, I wholeheartedly endorse President Reagan's analysis of the economic situation and the cure. We must reduce governmental spending as a percentage of our national output. We must keep a tight control on the Nation's money supply. We must reform and eliminate unnecessary Government regulations, and we must move quickly to reduce the tax burden on the American people.

The vast majority of the Members of Congress also endorse these propositions in a general way. But many balk at specific details. They favor controlling Government spending but they will never vote for any specific cut. They favor reducing the growth of money but always in the future, not now. They favor regulatory reform but again may never endorse the elimination of any specific regulation, and they favor a reduction in the tax burden but only if it can be directed toward their particular constituencies rather than going to all taxpayers across the board.

President Reagan understands these realities and the political difficulty for implementation of his program that they represent. He also understands that the President merely proposes, Congress disposes, and that is why I applaud his efforts to work with the Congress on all aspects of the development of his economic program.

I would charge that all members of his Cabinet would do well to study very carefully their leader and his humbleness and his sincerity in trying to get the facts, trying to understand both sides of everything, and then coming up, after visiting with friends and counsel, and making a decision that is necessary for the country.

As one Senator who has made a total commitment to improving our economy and increasing productivity, I stand ready to do everything within my power to help the President develop a workable, politically saleable program, and get it through the Congress, and I pray for his success because our Nation depends on it.

In a few short minutes I am going to do something I have promised I would never do, and that is vote for an increase in the debt ceiling. I am going to do so because today for the first time in 26 years the ball is on our court, the rubber hits the road. We fish or cut bait. Any critic can kill a play, but very few critics write one.

It is a new beginning, and I am going to support the President of the United States because I believe with all of my heart that he is committed to, is sincere and has the will and the resolve to, follow through on what is best for our country and will stick by his guns and call it as he sees it and work for it.

I repeat, I pray for his success. Our Nation depends on it.

I thank the Chair.

Mr. DOLE. Madam President, it is my understanding that at 3:15 we will have a vote on final passage.

In the past hour and a half there have been a number of discussions on this side of the aisle and, perhaps, some on the other side of the aisle. This is a very difficult vote, I assume, for many, both Republicans and Democrats, and many Republicans for reasons best known to themselves have never voted to increase the debt ceiling, and many Democrats or some Democrats have had the same experience.

But I would suggest that some of us are no longer looking at this in a totally objective fashion, and I would remind those who may read the record hereafter that President Reagan was inaugurated on January 20, and here on February 6 we are asked to take final action on his initiative to increase the debt ceiling, which certainly was none of his doing.

On the other hand, it has been my feeling over the years that if someone ran up an obligation then it should be paid. I have voted to extend the debt ceiling from time to time, but I believe, as has been pointed out by the Senator from Iowa and others, that we do have an obligation as Republicans. We do control the Senate of the United States, and we have an obligation and an opportunity to support our President, and I would hope our colleagues on the Democratic side would look at this vote on final passage as an effort to cooperate with the new President of the United States.

And I know all the politics of the debt ceiling. I have been on both sides of that issue. I understand that some of the liberals who vote for all the spending never vote for debt increases and some of the conservatives who vote against all the spending vote against debt increases. But that is not our legacy. It is the legacy of President Carter we are voting on today and not the efforts of President Reagan.

We are going to have many opportunities in the Senate of the United States to do a little political fencing on both sides of the aisle. I think everyone appreciates that and I hope that certainly those members who serve on the Senate Finance Committee will march together as we vote to increase the debt ceiling. I know I can count on my distinguished colleague, the Senator from Louisiana (Mr. LONG). We appreciate his support earlier in the day.

Mr. LONG. Madam President, will the Senator yield?

Mr. DOLE. Madam President, I am happy to yield.

Mr. LONG. Madam President, had the public seen fit to continue the Democrats in control of the Senate, I would be standing here managing the bill and asking the Senate to vote for the bill. I deem it my responsibility to do the responsible thing.

I have already said that after the parties change control it takes a majority a while to learn to be responsible and it takes the minority a while to learn to be irresponsible. But I just have not learned how to be irresponsible.

So the Senator can count on me for what little influence I have to support his efforts to provide enough money to pay the debts as they fall due. My judgment is that we would have had the same problem no matter how the election went. The party in the majority would have had the burden of asking for authority to pay the bills.

I appreciate the Senator's problem, and but for the judgment of the voters the situation might have been reversed. I might have been pleading for the Senator's vote.

Mr. DOLE. I appreciate that.

There have been a lot of rapid conversions around here on this issue. There were a great number in the House. I never saw such a change.

But I think some of us have been rather consistent in support of our obligation to pay our debts and have some credibility now to ask others who may be wavering to all work together to indicate to the President, on his birthday, of all days to have to bring this up, to support the President of the United States, who is celebrating his birthday and I know can hardly wait to sign this particular legislation. This is something that President Reagan has been looking forward to for years. [Laughter.]

And to think that this was the last piece of legislation that we had in the last Congress and it is the first piece of legislation we have in this Congress. Had we not amended the Byrd amendment and had it passed, we would have been here 2 weeks from now raising it again. Fortunately, that amendment was tabled.

It is the opinion of this Senator that there are sufficient votes now, maybe by

a wider margin, depending on my Democratic colleagues. But I really believe that when they look at their record and look and check up on their responsibilities, there will be a very, very large vote to increase the debt ceiling to indicate their desire to cooperate.

I listened with great interest last night to President Reagan mention cooperation with the Congress and the Democrats, as well as members of his own party. He even put the Democrats ahead in that statement. That is an indication of the cooperation we are going to have from President Reagan.

In fact, just 3 days ago, he came to the Capitol. He met in the President's room. I understand he plans to do that frequently. That is an indication of his desire to work together to help turn the economy around.

To those who are making what they consider to be a real sacrifice in voting for this extension, I suggest that if, in fact, the President does not come forth with an economic package that calls for deep cuts in Federal spending pretty much across the board and if, in fact, he does not send us a tax-reduction package that provides for rate cuts for individuals and accelerated depreciation and other matters in the package that are of interest to some in this body, then perhaps we should all vote against the next debt increase. But I do not think we have to worry about that.

It has been said by some that, "Well, President Reagan will lose his nerve and it will be business as usual," but this Senator doubts that. I think the larger question is, will Congress lose its nerve, or do we have any nerve to lose, I guess, would even be the larger question. That will be determined in a series of votes that will probably start in the next 30, 40, to 50 days.

Madam President, I do hope that this is the first in many series of debates on the floor where we can work out our differences and cooperate, particularly in view of this rather unpleasant legislation that we find before us today.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, before we make this historic vote today, I have to be the first to say that I am not happy with extending the debt ceiling one more time or any more times. I have to agree that I think the distinguished Senator from Colorado has made many devastating and important points.

But I also think the President of the United States made some important points last evening. He did not mince any words. He came out and told us how really bad off we are in this country. I think it has been both parties over a period of 50 years that have brought this about. When he said we are almost $80 billion in debt, he meant the $55 billion on budget, plus $23 billion in off-budget items that were only $9 billion 4 years ago.

Just in the last 4 years, we have jumped from a little over $400 billion budget to $739 billion in fiscal year 1982. From a little over $650 billion in national debt to almost a trillion dollars and the interest from $42 to $100 billion in just a matter of 4 or 5 years.

I intend to vote to lift the debt ceiling. I intend to show my support for the President of the United States, not because I like voting to lift the debt ceiling. I do not. I am going to hold my nose as hard as I can and vote for it so that I can support the President of the United States and I think one of my dearest friends on Earth, Dave Stockman, who has had the guts to tell people in this country that we have to cut back and tell us up here in Congress we have to cut back.

But I am doing so with the belief that we will really work in the U.S. Senate and hopefully the whole Congress for budget reform. We all feel that there are at least seven major areas of budget reform that ought to be considered by this Congress and by everybody concerned. All I can say is that I am going to do everything I possibly can to help bring it about.

One reason the Congressional Budget Office is always wrong in its projections is because of the econometric model it has been using. They only use the demand side of the econometric equation. They have never looked at the supply side. And the fact of the matter is that they have never been right yet as long as I have been on the Budget Committee.

I think it is time to start getting into the substance of what really is going to save this country, and that is the appropriation process and let us get away from this archaic anachronism called the debt limit.

I hope all of our colleagues will work together this year, not only for President Reagan in what he has been biting the bullet and trying to do, but for budget reform and literally tell the Congress to do what is right for the American taxpayer. I am going to do everything I can. I am going to support the President and, I might add, David Stockman.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, I really do not think that voting to raise the debt limit while holding your nose makes it any more responsible or irresponsible than just voting for it. It does not really make a very great deal of difference with your constituents. It may be of some interest to those on the Senate floor to know that somebody finds it is very repugnant to have to vote for a debt ceiling increase for the first time in his or her life.

I think the Senator from Virginia (Mr. WARNER) will probably be the first Senator from Virginia ever to vote for a debt ceiling increase.

I did support the Byrd amendment and I would still support the Byrd amendment, because there is a tax cut connected to this increase, and we should have a more definitive analysis of it before we approve a debt ceiling to accommodate it.

I could summarize my feelings about the debt ceiling increases much as one of my colleagues did the other day in private. He said:

> You know, to vote against the debt ceiling reminds me of a man who walks into a restaurant and says, "Waiter, bring me a menu." He looks at the menu and sees a nice strip sirloin at $13.95. He says, " I believe I will take that $13.95 sirloin, medium rare." They bring it to him and he has a feast. After he finished eating it, the waiter brings a bill for $13.95. Then he complains to the waiter, that the steak costs too much.

Just as beauty is in the eye of the beholder, so is excessive spending. Some people argue that liberals do all the spending and that conservatives vote against spending and vote against the debt ceiling. It does not make any difference whether you are a liberal or a conservative. Everyone in this body has supped at the trough of fiscal irresponsibility, whether it was on defense or social programs. There is plenty of blame to go around in this body, and there is not any point in saying this is Jimmy Carter's mess.

We all voted to raise the debt ceiling when Gerald Ford's last deficit was $65 billion. The deficit actually arose after he left office, and then we had to vote to raise the debt ceiling to accommodate that deficit.

So it is wrong to suggest that only a small band of people in this body are responsible for this. The truth of the matter is the U.S. Government has no choice but to pay its debts and assume its responsibilities.

I hope there is a new day dawning, as the Senator from Idaho has suggested. Maybe there will be. Yet, if the President does not submit his proposed spending cuts before he submits that tax cut, he is going to find out exactly what Jimmy Carter found out when he did not couple decontrol with the windfall profit taxes—that he has lost his leverage.

Jimmy Carter got a lot less than he wanted and a lot less than he could have gotten by waiting to approve decontrol.

That is what will happen to this President. He should be very cautious.

Mr. THURMOND. Madam President, with considerable reluctance, I plan to vote in favor of this legislation to increase the temporary public debt limit by $50 billion to a level of $985 billion.

I am confident that President Reagan and his administration have requested this debt limit increase with the same reluctance. Realistically, however, the administration has little choice, inasmuch as the present debt ceiling will be reached within a few days and the Federal Government could no longer pay its bills without an increase in the statutory ceiling. If the Treasury were so constrained, benefits to veterans and social security recipients, pay for military personnel, and other necessary Federal payments would be jeopardized.

Madam President, it should be pointed out that neither the current huge public debt nor the necessity of further increasing it are the doing of the Reagan administration or of those of us in Congress who have been and are fiscal conservatives. The responsibility for the current situation properly lies at the door of the Carter administration and preceding liberal-dominated Congresses who together rang up a combined Fed-

eral deficit of more than $180 billion in the last 4 years.

Madam President, I am pleased that our new President will soon recommend substantial reductions in Federal spending. I know that he shares my own desire, and the obvious desire of the vast majority of the American people, to achieve a balanced Federal budget as soon as reasonably possible. This is a goal that we absolutely must move toward promptly, systematically and with unwavering discipline and determination. The future economic survival of our Nation depends on it.

With the combined political will of a President committed to fiscal responsibility and a more conservative Congress, I believe we can stop this pattern of continued deficit spending and accompanying periodic boosts in the public debt limit.

Mr. BOREN. Madam President, last night President Reagan spoke to the Nation about the economic catastrophe which we face if we do not stop living beyond our means. The President told the people the truth and the Nation is bound to be better because of it.

This is not the time for partisanship. We must put the well-being of the Nation above the interest of any political party or individual political ambition.

I wish that it were possible for me, in conscience, to support the President's proposal to raise the national debt limit by $50 billion which is included in H.R. 1553. I simply do not believe that an increase of that magnitude is justified. I supported the amendment by Senator BYRD of West Virginia to reduce the amount of the increase.

I have voted against raising the debt limit most of the time in the past as a symbol of my opposition to a continuing runaway growth of Government spending which has undermined the soundness of our economy.

In order to give the new President a chance to provide new leadership in the economic area, I am willing to consider voting for an increase in the debt limit if there is a clear commitment to reduce spending and if the amount of the increase of the debt is held to a minimum.

A $50-billion increase is too much, however. It would send the wrong message to the country. It would not keep the pressure on the Congress and the administration to cut Government spending. If the full $50-billion increase is passed, the administration will not have to confront the debt issue again until late fall.

It is my feeling that if we are forced to review the debt limit more often, it will cause us to work as hard as possible to keep spending down.

Our Nation cannot continue in the direction which it has taken in the past. Government has grown so quickly and the tax burden has grown so large that people no longer have the ability to save or to invest their money in new plants and technology to help American workers compete in the world marketplace

The Government debt has become an intolerable burden on our economy. Government deficits and Government borrowing in the credit markets have caused interest rates to skyrocket to levels which will bankrupt many Americans and cripple the total economy if not reduced.

The magnitude of the problem is indicated by the fact that in 1963 under President John Kennedy, the total Federal budget was only $81 billion. It is estimated that just the interest payment on the national debt could go above $100 billion in the next 12 months. If interest rates go higher, the Federal interest payment could reach levels beyond the Government's reasonable ability to pay.

As one financial analyst, Richard Russell, said recently—

I don't think there's any question that if the U.S. Government were a corporation it would already be bankrupt.

Time is running out. All of us must pull together to hold down spending and taxes. Holding down increases on the debt limit helps us to impose discipline on ourselves.

● Mr. ROTH. Madam President, I rise in reluctant support of the debt limit extension.

It is not particularly pleasing to me to have to vote for a measure which brings our crushing national debt to the brink of $1 trillion. That means that the Federal Government will then owe $4,444 to every man, woman and child in America. And make no mistake, if we do not change our ways, our debt is likely to exceed $1 trillion before the end of the year.

The plain fact of the matter is that we now must pay the bill for the extravagance of the past.

President Reagan has inherited a disastrous economic situation. He is moving decisively to correct the mistakes of the past. But success will not come overnight

The Federal budget is like a runaway locomotive—it cannot be stopped on a dime.

The brakes must be put on as hard as possible, but without jackknifing the entire train.

This resolution will enable us to move ahead with the difficult actions which desperately need to be done.

In fact, I am supporting this resolution today precisely because I believe President Reagan will do what is necessary to turn the budget and our economy around.

However, I want to put the administration on notice that my future support of debt limit extensions will depend on whether or not they bite the fiscal bullet hard enough.

For too long, the Government has tried to buy champagne on a beer budget, and the taxpayers of this country have awakened with a terrific hangover.

And even if we stop consuming the bubbly today, our national headache is going to continue. There is no way to avoid it.

Let us pass this debt limit bill, distasteful as it is, so that we can get on with the real work of restraining the budget.

There will be plenty of other far more meaningful opportunities in the coming weeks and months to prove to our constituents that we are all fiscal conservatives.●

Mr. MATTINGLY. Madam President, I have heard a lot of talk here today from both sides of the aisle that the responsible thing to do is vote for increasing the public debt limit.

If Congress, however, had been more responsible in the past, we would not be confronted with this painstaking experience. Unfortunately, such was not the case. Instead, Government was busy creating program after program, agency after agency, which, in turn, created regulation after regulation—all of which, as sad as it may be, straddled the American worker with unnecessary economic burdens.

Now I am asked to share the burden and shoulder my part of the debts somebody else ran up. I remain unconvinced, and fully intend to vote against this proposal.

Regardless of one's opinion on the issue, I think everyone will admit that this is a frustrating experience and one which could and should have been avoided. Unless the debt limit increase is passed, or so I am told, the Government printing presses will shut down and the entire bureaucracy will grind to a screeching halt. Moreover, we are going to face the same issue again this fall, again next spring, and again and again into the unforeseeable future—a pattern that my more senior colleagues are aware of.

Now, I am not one of the Federal Government's or the bureaucracy's greatest admirers, but even I would not like to see the Department of Defense close down, the judiciary and prison systems grind to a halt, social security recipients and veterans find that their checks are no good, and so forth.

But, I am not going to begin my Senate career by joining in this perpetual pattern of simply increasing the debt ceiling. Instead, I ask my colleagues to join me in demanding fundamental reform in the areas of budgetary and fiscal action, such as slashing Federal spending and reducing overburdensome taxes, as opposed to repeating the mistakes of the past, which obviously have not worked.

A vote to increase the Federal debt without any commitment to cut spending and taxes would send a signal to the American people that Congress will conduct business as usual. The mandate of 1980 was not one for business as usual. It was, instead, an order for Congress to come to grips with its past irresponsible spending habits. If this Congress and administration increases the debt limit without committing to real economic reform, the hopes of the American people as expressed on November 4 will be frustrated.

Congress needs to send a signal, not to Wall Street, but to the American people. Moreover, we must do more than only send a signal. We must bring about change which will restore confidence in the electorate and make the economic future for working Americans once again one of optimism.

The realities of the budget process are such that there are alternatives to simply increasing the debt limit. A debt limit can and should be coupled with giving the President power to rescind spending funds previously appropriated, or with a

total economic package of tax and spending cuts.

Another alternative could be interim funding on the deficit. Unfortunately, the alternatives for the working people of America have been diminished or totally eliminated. Such workers have been forced involuntarily to tighten their belts. Now is the time for Government to do some belt tightening and help these individuals and their families who continue to suffer and lose the constant battle against inflation and taxes.

The American public has caught on to the fact that the public debt is directly related to inflation. They realize that inflation is their enemy—an enemy created and perpetuated by irresponsible Government. They may not understand the details of the budget, but they do understand that a loaf of bread costs 75 cents and a tank of gasoline nearly $30. They understand that they cannot borrow money at a reasonable interest rate because Uncle Sam has cornered the borrowing market. They understand that almost every day there is something new—insurance has gone up; property taxes and mortgage payments have increased; it costs $4 to clean a suit; and almost $60 to tune the automobile. The American workers and taxpayers know good and well that "the harder they work the behinder they get."

Needless to say, Government spending practices are leading up to an economic doomsday. Time is running out. Congress must help the taxpayers of America by reducing inflation and thereby creating economic growth, restoring the integrity of the paycheck, and creating jobs for those who are unemployed.

When this debt limit is finally passed, the individual share for every man, woman, and child in this country will be $4,300. That is over $17,000 for a family of four, and that is on top of regular taxes.

The time for fundamental reform is now. We must not begin this reform by voting for the increase in the debt limit. Therefore, I will cast my vote against this bill.

Mr. DURENBERGER. Madam President, with great reluctance I will be casting my vote today in support of the bill to increase the ceiling on the national debt. This has been a difficult decision for me. I have voted against an increase in the ceiling in the past because I strongly disagree with the spending practices that have required such increases.

But President Reagan makes a legitimate argument in asking for the right to begin his term with a "clean slate." The spending commitments that require this change in the debt limit were inherited from the Carter administration. In his speech to the Nation last evening, the President made clear his intention to cut back these spending commitments to the greatest extent possible. Allowing the President to proceed with this approach insures that the cutbacks will be made in a fair, logical, and orderly fashion.

In contrast, if we reject the debt limit resolution, all Federal commitments would come to an immediate halt. This includes essential items such as national defense, veterans' benefits, and assistance for the retired and disabled. It is impossible to justify proceeding in such a chaotic manner.

The Federal debt limit extension does not authorize the expenditure of any Federal dollars. It adjusts Federal borrowing authority to meet spending commitments made during the passage of the budget and appropriations bills. As you know, Mr. President, I voted against the budget and many of those appropriations bills. From my perspective, they contained spending commitments that were unjustifiable under present economic circumstances.

I believe this past election has given us the mandate to make the difficult choices required by the urgent need to restore stability to the Federal budget. But we must let the new administration and the new Congress have the opportunity to grapple with these problems without causing the extreme chaos that would result from failing to raise the debt ceiling.

Raising the debt ceiling this time will not be the last time it must be done, for the new limit is sufficient only through the end of this fiscal year. Even under the most optimistic projections our Government will have a deficit in fiscal year 1982, and we will be forced to increase the limit once again. But I am today putting my colleagues on notice that unless we make the difficult choices to get rid of excessive spending so that we dramatically reduce the projected deficit in 1982, I will not be voting for the increase the next time we are called upon to do so.

● Mr. ABDNOR. Madam President, I speak today with very mixed emotions. I have long been an advocate of fiscal responsibility, and I believe that my record of service in the other body speaks for itself on that particular point. I must honestly say that the vote I cast today does not come without considerable thought. As I noted earlier, I am a fiscal conservative who feels we should spend on programs that are necessary, yet affordable. When one looks at the state of the Nation's economy today I can honestly say that had the Congress taken a strong stance such as I have advocated we would not be here today looking at legislation to raise the debt limit. Unfortunately, however, that is not the case.

We have spent recklessly without the forethought of the consequences. The increase in the past 4 years alone is a staggering figure. The trend must be reversed. It is imperative that we take action to bring this mess under control. It is time to face the music. It will not be an easy task. The decisions are going to be difficult. But we must not only talk about "biting the bullet," but actually do it. There is no doubt in my mind that the steps we take may not be politically popular, but the problem this country faces stands above politics. The results November 4 indicate to me that the country is willing to take those steps. We must provide that leadership.

I will cast a vote for the increase of the debt ceiling. But I must say that today will and must mark the dawn of a new beginning. The debt exists. We have got the obligation to meet the existing commitment. The previous administration's economic policy got us to this point. We have got the obligation to meet the existing commitment. The previous administration's economic policy got us to this point. We have got to give President Reagan the opportunity to get the economy back into shape. As we stand here today, I would ask my colleagues in the Senate to put politics aside and ask themselves the best way to get the country moving.

Before closing, I emphasize once more that this is not an easy vote for me. Indeed, it is very, very difficult. I certainly do not plan to do it again. If we take those steps necessary to control Government spending, we can reverse the trend, and I hope someday to stand in this body and vote to reduce the debt limit as we create budget surpluses.●

● Mr. CHAFEE. Madam President, casting this vote to increase the national debt limit by $50 billion, to $985 billion, is not an easy or pleasant task. In short, it reflects yet another year during which Federal spending has run out of control and out of balance.

The consequences of our failing to take care of this fiscal matter, however, would be costly and chaotic. Social security recipients and people who depend on medicaid or medicare would quickly find themselves in the cold should we fail to pass this debt limit increase.

Taking this action, as everyone understands, is clearly not an indication of the economic strategy course we expect to follow under the Reagan administration. The new President has inherited a domestic situation that he did not create. In fact, we are facing economic problems unparalleled in our history since World War II. As Americans, we owe President Reagan the best possible chance for success with his economic program.

Mr. President, I ask unanimous consent that an editorial from the Providence Journal titled "Interim Higher Debt Ceiling" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INTERIM HIGHER DEBT CEILING

President Reagan has sharp federal budget cuts in the works, of that he's left little doubt. Meanwhile, to cope temporarily with an inherited fiscal mess, Mr. Reagan has proposed a $50 billion rise in the government's debt ceiling—a painful but necessary step to meet previous commitments not of his making. It would be hypocritical for Congress to balk at this.

The lawmakers are largely responsible for the overspending that requires the debt hike. For them to become obstructionists now that the bills they voted are coming due would amount simply to mischievous posturing. Rather than hassle the new Administration on this issue, Congress—Democrats as well as Republicans—ought to be ready to cooperate on the reductions ahead that will really count.

There will be plenty of opportunities then to demonstrate genuine frugality. A specious show of this with reference to the debt boost will only create bookkeeping distractions that won't help White House budgetmakers in charting a tighter fiscal course for the nation. Congressional Republicans reportedly rebel-

ling at the higher debt figure ought to straighten out their priorities. With the GOP in power, they particularly have to act more responsibly.●

● Mr. NICKLES. Madam President, when I ran for this office, I told the people of Oklahoma that I was against inflationary Government spending, and that I favored cutting Government expenditures to ease our heavy tax burden and to balance the budget. I still stand firm on my commitments; my convictions have not changed.

I will support the increase in the debt limit in order to give the Reagan administration and Congress time to implement their spending cuts along with their economic proposals, to get our country moving once again.

I would not support the administration's request to raise the temporary debt limit under almost any circumstance. It goes against the very core of my philosophy. But this is a new administration and Congress, having to deal with old debts for which we are not responsible. My first inclination is to vote against the measure, but careful reconsideration says we must act responsibly when it comes to the past. The administration, I beileve, will be offering major budget cuts that I will vigorously support. My commitment for less government will soon be proven as I work to cut Government expenditures substantially.

It is the responsibility of Congress to see to it that administration proposals to cut the budget are enacted. Together we decide whether or not we can clean up our economy. Those decisions rest squarely on our shoulders. If this body does not make substantial budget cuts, I intend to oppose future requests for debt ceiling increases.

Our children's futures have been mortgaged by previous administrations and Congress. It must stop. We must not continue that action by hiking the debt limit every year.●

Mr. WARNER. Madam President, I intend to vote for the bill pending to raise the debt limit.

Madam President, I rise today in support of H.R. 1553, the bill to increase the debt limit and extend it to September 30 of this year. I do this with the greatest reluctance.

In the past two decades, the ceiling on the Federal debt has been raised an extraordinary 31 times—20 times in the last 8 years—a direct and dramatic reflection of the explosive increase in Federal spending and deficits. In my judgment, this record is inexcusable and irresponsible.

During the course of my service in the Senate, I have opposed increasing the debt ceiling. The answer to our Nation's economic problems is not simply to raise the debt limit every time we run up againts the ceiling, but rather to cut back Government spending until the budget is balanced and we are living once again within our means.

Yet today, we find ourselves in a precarious position. If the Senate fails to allow this increase in the debt limit, the United States will find itself in a situation of default. If the Government were a private enterprise, the analogy would be that of insolvency.

I expressed my concerns to President Reagan and today he sent me a personal letter, urging immediate passage of the bill, which I share with my colleagues.

Madam President, I ask unanimous consent to have printed in the RECORD the letter to which I have made reference.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., February 5, 1981.

Hon. JOHN W. WARNER,
U.S. Senate,
Washington, D.C.

DEAR JOHN: As you know, last week the Administration was forced to request an increase in the debt ceiling to 985 billion dollars. This request was made with deep regret, but the reasons for taking this step are persuasive to me and I am sure they will be to you as well.

Our fundamental economic problem is not the debt ceiling. That is merely a symptom. Its upward spiral reflects the continuing effects of the misguided economic policies of the past. These undesirable effects will not disappear overnight. The key now, however, is to focus on changing our basic economic policies.

To that end, I will submit a new comprehensive economic program in the coming weeks—a program which will include major reductions in projected spending. With the support of the Congress, that program will begin to get at the real, fundamental problems. I know these proposals will merit your support.

In the meantime, we must continue to pay the price of our unfortunate inheritance. The Treasury must, among other things, be able to continue to make Social Security payments; it must continue to meet the Federal Government payroll; and it must be able to continue to pay off credit obligations held by individual Americans. Failure to increase the debt limit threatens these critical areas.

With these inescapable facts in view, and with an eye on the special need to preserve orderly financial markets at this time, I ask your support of legislation to increase the debt ceiling.

Sincerely,

RON.

Mr. WARNER. Madam President, clearly, serious difficulties would arise should the debt ceiling not be increased.

Just as clearly, the need for increasing the ceiling at this time is the reflection of past economic policies that have not worked.

With the economic proposals that President Reagan is submitting to Congress in these next weeks. I am confident that our Nation can address the real causes as well as the consequences of our incredible debt.

As an expression of my deep concern over this rising debt and the legislative procedure pending today, I have cosponsored with my colleagues the following resolution.

Madam President, I ask unanimous consent to have printed in the RECORD the resolution to which I have made reference.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas federal expenditures mandated by previous law have resulted in continued outlays in excess of revenues;

Whereas deficit spending fuels inflation, and inflation and high tax rates have resulted in shackling the nation's economy;

Whereas taxes have increased to the point where they discourage economic activity;

Whereas lessened economic output reduces employment and the tax base thus contributing to greater deficits;

Whereas the President has pledged to take actions and propose legislative changes leading to the elimination of federal deficit spending;

Whereas the President of the United States presides over the largest budget in the world, yet has less management control over the budget than almost any other chief executive, in contrast to the governors of virtually all of the 50 states who have the power to block wasteful, duplicative and needless spending;

Whereas such powers play an integral part of the governors' duty to maintain constitutionally mandated balanced budgets, and the President of the United States, as executive with far greater responsibilities for the economic well-being of the nation, should have available similar tools;

Whereas the true condition of federal finances would be exposed if so-called "on-budget" entities were treated as an integral part of the budget; and

Whereas the President of the United States has announced his intention to transmit to Congress on February 18, 1981 a package of spending limitation reductions and tax rate reduction proposals which will lead to the elimination of federal deficit spending and restore economic vitality. Now therefore be it:

Resolved, That the United States Senate hereby affirms that:

Future amendments to the federal debt limit must be preceded by adoption of legislation to limit federal expenditures, and

The Senate shall act immediately and expeditiously to the passage of legislation necessary to effect major spending reductions and tax reductions such as those proposals are received by Congress, and that future amendments to the federal debt limit must be preceded by the adoption of such expenditure limitation and budgetary reforms as are necessary to eliminate the financing of new federal indebtedness. Such federal expenditure control reforms should include at least some combination of the following:

1. The modification of the Congressional Budget and Impoundement Control Act of 1974 to restore the authority of the President to impound appropriated funds when such action is required to prevent the increase of federal indebtedness.

2. The modification of such Act to increase the President's ability to implement budgetary rescissions.

3. The modification of such Act to strengthen the congressional budget reconciliation procedure to enforce a real congressional budget ceiling on a Congress which has failed to balance its budget for 44 of the last 50 years, even under the new Congressional budget process.

4. The modification of such Act to eliminate the misleading practice of understating real federal expenditures by placing "on budget" the $23 billion of projected fiscal 1981 expenditures and all future federal expenditures now considered to be "off budget".

5. The establishment of a requirement for strict scrutiny and congressional approval of both private borrowing under government guarantees and borrowing by government-sponsored entities.

6. The endorsement by the President and consideration by the Congress of one of the numerous amendments to the Constitution

which would require balanced annual federal outlays and revenues which are pending before the Subcommittee on the Constitution of the Committee on the Judiciary of the Senate.

7. The adoption of new rules of Congressional procedure and the improvement of relations between the executive and legislative branches to prevent transmission to the President of spending bills which would exceed the annual Congressional budget ceiling.

Mr. WARNER. Madam President, having expressed my deep concerns to both the President of the United States and the Senate by resolution, I now intend to follow the limited, but responsible, course of action open to me by voting in support of the bill to raise the debt limit.

America is plodding aimlessly toward the gallows of insolvency. We, as legislators, should be reminded of the immortal words of Ben Franklin when, on the eve of the signing of the Declaration of Independence, he said: "Either we hang together or most assuredly we will hang separately." Following his wisdom that has transcended the times, a vote in support of the President marks the first step away from the gallows and toward a new economic independence.

The PRESIDING OFFICER. Under the previous order, the hour of 3:15 having arrived, the Senate will now vote on H.R. 1553. If there be no further amendment to be offered, the question is on the third reading and passage of the bill.

Mr. ROBERT C. BYRD. Madam President, when we get to the vote, I ask that the well be kept clear, that the clerk repeat the name of each Senator after he votes, and that we have order in the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be read the third time.

The bill was ordered to a third reading and was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll and ascertain the presence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

The question is, Shall the bill pass? The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we keep the well cleared?

The VICE PRESIDENT. The well will be cleared. The Senate will be in order. The clerk will proceed.

The legislative clerk resumed the call of the roll.

Mr. CRANSTON. Mr. President, will you clear the well, please?

The VICE PRESIDENT. The Senate will be in order. The well will be cleared. Senators standing in the well will take their seats. The clerk will suspend until the well is cleared.

The legislative clerk resumed the call of the roll.

Mr. LEAHY. Mr. President, we do not have order. The well should be cleared.

The VICE PRESIDENT. The clerk will suspend and the well will be cleared. The Senate will be in order. The Senators will take their seats. The clerk cannot hear the Senators. Will the Senate be in order? The clerk will suspend until the well is cleared.

The clerk will continue.

The legislative clerk resumed the call of the roll.

Mr. BAKER. I announce that the Senator from Maine (Mr. COHEN), the Senator from Oregon (Mr. PACKWOOD), the Senator from Alaska (Mr. STEVENS), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. MELCHER), the Senator from New York (Mr. MOYNIHAN), and the Senator from Massachusetts (Mr. TSONGAS) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. MELCHER) would vote "nay."

The VICE PRESIDENT. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 73, nays 18, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—73

Abdnor	Grassley	Murkowski
Andrews	Hart	Nickles
Baker	Hatch	Pell
Bentsen	Hatfield	Percy
Biden	Hawkins	Pressler
Boschwitz	Hayakawa	Quayle
Bradley	Heinz	Randolph
Bumpers	Helms	Riegle
Burdick	Hollings	Roth
Byrd, Robert C.	Humphrey	Rudman
Chafee	Inouye	Sarbanes
Chiles	Jackson	Schmitt
Cochran	Jepsen	Simpson
Cranston	Johnston	Specter
D'Amato	Kassebaum	Stafford
Danforth	Kasten	Stennis
Denton	Kennedy	Symms
Dodd	Lavalt	Thurmond
Dole	Leahy	Tower
Domenici	Levin	Wallop
Durenberger	Long	Warner
Eagleton	Lugar	Weicker
Garn	Matsunaga	Williams
Goldwater	McClure	
Gorton	Mitchell	

NAYS—18

Armstrong	East	Nunn
Baucus	Exon	Proxmire
Boren	Ford	Pryor
Byrd, Harry F., Jr.	Heflin	Sasser
DeConcini	Huddleston	Zorinsky
Dixon	Mattingly	
	Metzenbaum	

NOT VOTING—9

Cannon	Mathias	Packwood
Cohen	Melcher	Stevens
Glenn	Moynihan	Tsongas

So the bill (H.R. 1553) was passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate debt limit bill, S. 393, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I take the floor at this time to ask the majority leader what the program is for the remainder of the day and for Monday, February 16, the day the Senate reconvenes following the Lincoln Day recess.

Mr. BAKER. I thank the minority leader for his inquiry.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. The Senate will be in order.

The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, it is my hope that certain noncontroversial items on the Executive Calendar—Administrator of the Federal Highway Administration and certain other nominations from the Armed Services Committee—might be disposed of this afternoon.

It is also my understanding that a resolution will be offered by the distinguished Senator from North Carolina, and there will be debate on that resolution, but it will not be voted on today and it will be taken down before we adjourn.

Mr. President, I understand that there was some consideration by the Senator from Florida to offer another resolution, perhaps on the same basis—that is, for debate, but with the understanding that it would not be disposed of today and would be taken down before adjournment.

Beyond that, I know of no other business to be done today. There are two or three housekeeping items which I will discuss with the minority leader.

The VICE PRESIDENT. The Senator will suspend.

The Senate will be in order. The majority leader cannot be heard. The Chair asks that the Senate be in order and that the well be cleared.

The Senator will proceed.

Mr. BAKER. I thank the Chair.

Other than those remaining housekeeping items, I know of no other business to come before the Senate today, and there will be no other rollcall votes today.

Mr. President, on Monday, February 16, the Senate will reconvene pursuant to the resolution heretofore adopted; and it will be our pleasure to hear the reading of President Washington's Farewell Address at that time by the distinguished Senator from Kansas (Mrs. KASSEBAUM). I do not expect any further business to come before the Senate on Monday, the 16th.

Mr. ROBERT C. BYRD. Mr President, the majority leader is entitled to be heard. He is trying to outline the pro-

gram. I hope the Chair will maintain order, in accordance with the requirements of the rule.

The PRESIDING OFFICER (Mr. RUDMAN). The Senate will be in order.

Mr. BAKER. Mr. President, on Tuesday, the situation is not yet clear.

The President of the United States has requested permission to address a joint session of Congress on the 18th of February, at 9 o'clock in the evening.

But beyond that, I have no clear view of what other legislative or executive business may come before us after the presentation of the Washington Farewell Address on Monday, and I will consult and confer with the minority leader as other messages or legislative or executive opportunities are presented to the Senate.

That about describes the situation as I see it at the present time.

Mr. ROBERT C. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I am happy to yield.

Mr. ROBERT C. BYRD. Mr. President, I wish to be sure that I understand the majority leader.

There will be no business transacted on the date of the reading of the Farewell Address of George Washington. Am I correct?

Mr. BAKER. Mr. President, the minority leader is correct.

I suppose there should be some slight reservation that in the event of some extraordinary emergency of some sort that required the attention of Congress we have in the past done business on that day, but it is not my intention to do business on that day.

Mr. ROBERT C. BYRD. I thank the majority leader.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, while I have the floor, I might inquire would the minority leader be in a position to clear the items on the Executive Calendar which I referred to earlier, or perhaps it will be better if we waited until a little later to do this?

Mr. ROBERT C. BYRD. If we might wait just a little while.

Several Senators addressed the Chair.

Mr. BAKER. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The majority leader and minority leader are unable to be heard.

The Senate will please be in order.

Mr. ROBERT C. BYRD. Mr. President, I thank the Chair.

May I say in response to the majority leader's inquiry the nomination that was reported out of the Committee on Environment and Public Works is clear. I assured my distinguished senior colleague, Mr. RANDOLPH, that this matter would be voted on today. There is no objection on this side of the aisle to proceeding now if the majority leader wishes.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering Calendar Order No. 28, Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration, vice John S. Hassell, Jr.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

FEDERAL HIGHWAY ADMINISTRATION

The legislative clerk read the nomination of Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. STAFFORD. Mr. President, I am very pleased, as chairman of the Environment and Public Works Committee to recommend to my distinguished colleagues that Mr. Ray A. Barnhart be confirmed as Administrator of the Federal Highway Administration.

The Environment and Public Works Committee held a hearing on Mr. Barnhart's nomination on Wednesday, February 4. The members of the committee had an opportunity to discuss the highway program with the nominee. We found him to be very knowledgeable about the issues he will have to address as Federal Highway Administrator. He will be an articulate spokesperson for the agency.

The committee ordered Mr. Barnhart's nomination reported by a vote of 15 to 0, or unanimously. This shows the confidence the members of the committee on both sides of the aisle have in the nominee.

For the past 2 years, Mr. Barnhart has been one of three commissioners of the Texas Highways and Public Transportation Department. He has also been a member of the board of directors of the Texas Turnpike Authority. He has first hand experience in implementing the highway program at the State level.

In addition, Mr. Barnhart has served in local government and in the Texas State legislature. This experience will serve him well in carrying out the responsibilities of the Federal Highway Administrator. He knows the importance of having a Federal-State-local partnership which will work well and which will work efficiently in providing the best possible highway system

Mr. President, Mr. Barnhart recognizes the economic constraints all programs are experiencing. I agree with his statement before the Environment and Public Works Committee that the Federal responsibility for the highway program must be redefined. Our resources must be concentrated on protecting and maintaining the tremendous capital investment which has been made. Mr. Barnhart understands the importance of protecting that investment.

Mr. President, I believe Mr. Barnhart is an excellent choice for Administrator of the Federal Highway Administration and I urge my colleagues to confirm him for this position.

Several Senators addressed the Chair.

Mr. RANDOLPH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I ask recognition in my own right, not for questioning, but if I could accommodate a question to the chairman of the committee of someone I am very delighted to do it.

The PRESIDING OFFICER. Does the Senator from Vermont yield the floor for the purposes of a question?

Mr. STAFFORD. I yield.

Mr. RANDOLPH. Mr. President, I am asking time under my own arrangement made earlier, but I wish to be very courteous to our colleague who is asking a question of the Senator from Vermont, and I am glad to have him yield to him if he desires for a question.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. RANDOLPH. Mr. President, the Senate is today considering a nomination as important as any Cabinet position which we have considered in the last 3 weeks. The Administrator of the Federal Highway Administration operates and manages one of the largest Federal-aid programs. The Federal-aid highway program has annual expenditures of in excess of $8 billion.

The President has nominated an individual with experience to fill this key position. Ray Barnhart, of Texas, is a former member of the Texas Highway Commission and the Texas Turnpike Authority. He understands the operation of a large highway program and is aware of the interrelationship between a State and Federal program.

The Federal-aid highway program is a partnership. It works well because of this relationship and has brought into being a modern system which moves people and products.

I have counseled with this nominee, in a personal conference and during the hearing on his nomination, on his philosophy on highway issues. He has demonstrated a commitment to continuation of a viable Federal-aid highway program. He is mindful of the problems facing this program and will work with the Congress to provide adequate highway funding in future years to continue our investment in this transportation system. I support the nomination of Ray Barnhart and I am prepared to work with him to meet the transportation challenges of this decade.

Mr. President, Ray Barnhart has talked with members of the Committee on Environment and Public Works in personal conferences. I appreciate the fact that he did so. That was done prior to his appearing before our committee for a hearing on his nomination.

I have seldom, if ever, listened to a formal statement by a nominee from the President for a Cabinet or sub-Cabinet position, which calls for the advise and consent of the Senate, that I approved

of more fully than that made by Mr. Barnhart. It was not that he was addressing himself just to the need for a continuation of the Federal-aid highway program. He was discussing the many problems that are connected with transportation, and his philosophy presented not by someone who had the material written for him, but he himself preparing every word which we heard succinctly, understandably, and earnestly, with the full knowledge of the grasp of the duties that will come to him.

On our Federal program we spend in excess of $8 billion at the present time. I doubt if many people give the attention to this sort of position which should be given to it. It perhaps is as important as the other Cabinet nominations that have been approved in this body.

I did not know Ray Barnhart until I first talked with him prior to the formal hearing. I have studied his record, understand his commitment, I think the Nation and all of our people will be not only amply, but greatly served by his leadership. As our able chairman of the committee has stated, the vote for his confirmation did not come several days after the hearing itself. The vote for his confirmation came within hours after the completion of that meeting. The vote was unanimous, 15 members, Republicans and Democrats, voting for him.

I take this occasion once more to say that within this committee, the Environment and Public Works Committee, seldom if ever has the so-called politics or partisanship been raised as a principal issue. Senator STAFFORD, as chairman, and I, as ranking minority member, believe in a strong transportation program and expanded the subcommittee so that we might serve. There might be some discussion back and forth, some facetious remarks made one way or the other, but always we have worked with the one commitment, to improve the quality of life in America, and to provide for the movement of people to and from their jobs, and the products of the fields and the factories and the mines. Those products must be carried to the ultimate consumers of this country on roads and over the network under safe conditions. This is society which, very frankly, is built today more than ever before on our reliance on the wheels of America.

I take longer than usual to say that I stand and speak not only in support with my vote for this nomination but to call to be read, I hope by the Members of this Senate, the background of this man, his experience, his depth of understanding. He will do well for America and now for the 230 million men, women, and children who live here.

I speak at this moment not as a Democrat or even a member of a political party, to which I am proud to belong since I first voted in 1922 for John W. Davis, a West Virginian, to be President of the United States, but I do it under the responsibility of a Member of this body as we advise and consent on a nomination sent to us by the President of the United States.

I hope the vote in this body, I say to our able chairman, will be unanimous.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I am very pleased we will be voting on the confirmation of Ray A. Barnhart as the Administrator of the Federal Highway Administration today. I have known Mr. Barnhart for several years through the Reagan campaign organization, and on the highway Ron Reagan followed to the White House, and I know that he is a man of high integrity and tremendous capability.

I was very pleased with Mr. Barnhart's comments before the Environment and Public Works Committee about his views on the Federal-aid highway program and various other highway issues that we will be dealing with during the session. As a member of the Texas State Highway and Public Transportation Commission and the board of directors of the Texas Turnpike Authority, Ray has gained a great deal of expertise in the Nation's highway program.

As the new chairman of the Subcommittee on Transportation, I will be working closely with Chairman STAFFORD of the full committee and Mr. Barnhart in his role as the Federal Highway Administrator to review all of the various highway programs and problems to insure the most efficient use of funds to maintain a vital Federal Highway System.

We are all faced with an awesome job in the coming years of providing a good transportation network under our tighter budgetary limitations. I feel confident, though, that Ray Barnhart will provide us with the proper knowledge and expertise to help us formulate policies which will maintain the best road system possible.

I urge my colleagues to confirm Mr. Barnhart as Federal Highway Administrator.

I am delighted with the choice of Ray Barnhart for the position he will hold. I will be supporting him and I share the point of view of our distinguished chairman and the distinguished Senator from West Virginia that I hope it is a unanimous vote in confirmation.

I have had the privilege of knowing Mr. Barnhart for many years. In fact, he and I traveled on that highway for the last 5 or 6 years that led Ronald Reagan to the White House. We traveled that together.

In addition to that, he has excellent qualities and experience with respect to being on the Texas Highway and Public Utility Commission.

His testimony shows he is a man who is already well informed and well versed as to the responsibilities he will have.

I look forward, as the new chairman of the Public Works Subcommittee on Transportation, to working with him to see that the dollars spent on highways are spent in the best possible fashion in this country.

● Mr. BENTSEN. Mr. President, I support the nomination of Ray Barnhart as Federal Highway Administrator. Over the past 10 years, I have been heavily involved in the development of the Federal-aid highway program as a member, and later as chairman, of the Transportation Subcommittee of the Committee on Environment and Public Works. I am pleased to say that Ray Barnhart, as a nominee to the Administrator's post, brings with him an existing knowledge of the highway program and its problems. Ray Barnhart has spent the past 2 years as a member of both the Texas State Highway and Public Transportation Commission and the Texas Turnpike Authority. In these positions he has seen the current problems of the Federal-aid highway program. He has seen the problems of inflation dramatically increasing the costs of highway construction. He knows of the critical needs to reduce the time it takes to build highway projects from the current length of 7 years. He has seen the impact of decreased gasoline consumption reducing highway trust fund revenues. He knows of the problems that have resulted in the highway program as efforts to balance the Federal budget have reduced the highway obligations ceiling at midyear. He knows of the problems States have in dealing with the Federal government on highway projects.

I look forward to these perspectives becoming a part of the basis for highway legislation in this Congress. Ray Barnhart has also served in the Texas State legislature. His experiences there will greatly aid him in dealing with the Congress as it considers new legislation and oversees the functions of the Federal Highway Administration.

On Wednesday, Ray Barnhart appeared before and was later recommended by the Committee on Environment and Public Works. I was pleased to see the enthusiasm he showed about taking on tasks of the FHWA Administrator. His responsibilities will be substantial—administering over $8 billion per year in Federal-aid highway funds, of supervising a large and capable staff of highway experts, and of preparing critical policy proposals on the future of the world's greatest highway system—a system that is critical to the commerce of this Nation and a system in critical need of adequate funding. His past experiences qualify Ray Barnhart for these tasks. I look forward to working with him during his tenure as Federal Highway Administrator.

I urge the Senate to confirm Ray Barnhart.●

Mr. STAFFORD. Mr. President, I ask unanimous consent that the statement of Mr. Barnhart, the nominee to be Administrator of the Federal Highway Administration, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF RAY A. BARNHART BEFORE THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Good morning Mr. Chairman, members of this committee. I am honored to appear before you today as President Reagan's nominee as Administrator of the Federal Highway Administration, and I wish, for the record, to sincerely express my appreciation to him and to Secretary Drew Lewis for their confi-

dence in recommending me to this position in what I genuinely believe to be one of the finest agencies of Federal Government.

As a just-resigned commissioner of a State transportation agency, I frankly acknowledge to you that if recommended by this Committee, and confirmed by the Senate, during my tenure I shall do everything within my power to impress upon this Administration and the American people how essential is an efficient and accessible transportation system. Mobility is something we Americans have grown to expect and accept often without being mindful of how dependent upon we are.

Too often our highway programs have been, in the public mind, derided as pork-barrel type public works primarily benefiting contractors and material suppliers and heavy haulers. But my concern is not to pour concrete in strips on the ground to pave the countryside, but to provide a means whereby goods can be brought to market, factories can disperse their products, ports can expand our commerce, and people can move about freely.

In short, so that men and women can have access to diverse jobs and fuller lives, and sustain a standard of living unknown to most other nations of the world. The economic vitality of our country is dependent, not just upon the soundness of the American dollar, but upon the soundness of our transportation system. Not one farmer, blue collar worker, white collar worker, professional, rich or poor person fails to be in large measure dependent upon transportation. It is not a luxury but an essential. Such is true also in matters of national security, for the great Interstate Highway System was conceived as a basic element of our defense system—it still is! I mention these things not to lecture to you gentlemen, for several of you have been instrumental in formulating these programs and have done a great public service by it, but simply because others may be interested in these proceedings. I try never to miss an opportunity to promote those causes in which I believe.

I said earlier that I believe the FHWA is one of the finest agencies in the Federal Government. I believe that—I know that, I know too that within this department are men and women of great capacity, of concern, of talent—professionals. If confirmed as Federal Highway Administrator I intend to see that professional judgment is once again accorded the respect it merits.

This new Administration, the new Congress, and people in general are all acutely aware of the major difficulties now facing our Nation. A run-away economy-dependence upon foreign energy—the high cost of money—inflation—the endless pages of governmental regulations. In his inaugural address President Reagan said that economic ills came upon us over several decades and they will not go away overnight. However, he said, they will go away because we have the capacity to do what needs to be done. I would intend to follow that direction and work closely with Secretary Lewis, whose leadership I respect, and with the Administrators of the other transportation modes who jointly share responsibility for resolving our transportation problems. From the FHWA perspective existing programs now in effect will be closely analyzed and evaluated. Must we not then, redefine what is the Federal responsibility? If we accept the premise that the Federal-aid highway program was created to assist the states in constructing and improving roads that serve the national interest, have we not expanded the program beyond its proper Federal role when we finance, say, the curbing and guttering of city streets in a town in Texas?

Is it in the national interest to delay a major project for years by mandating duplicatory studies at great expense when all the affected local governments and levels of government, cities, counties, states, have reached agreement? It is an unacceptable waste of public funds when the average time to start construction of a major project takes 7 years 3 months. From conception to contract, 7 years and 3 months! Multiply that time frame by the present rate of inflation and we see that we double the cost of every project before we turn a spade of dirt. We must, we shall, reduce the amount of time that it takes to make governmental decisions and we shall avoid intrusions by Federal Government into areas properly the business responsibility of the respective States.

I said that I respected the professional qualities of the men and women here within the FHWA. I must say too, that I am convinced that your individual States, with their departments of transportation, must be staffed by men and women of no less capability. Professionals in State governments must be accorded greater latitude in the administration of their own funds—for they must know far better than we, hundreds of miles away, how best to serve the needs of your citizens.

Serving as highway commissioner in Texas I have learned first hand the challenges which face a highway agency, and I am familiar with their operations. I recognize the strong Federal/State relationship which has existed over the past 60 years in administering the Federal-aid highway program. While most program authority has been delegated to the State division level, which is the main reason for the good relationship, increased redtape has frayed some edges in this association. I intend to mend those edges as I said earlier by reemphasizing the role of local authorities, consistent with our congressional charge. There is a need for government! Many directives by FHWA and DOT have, in fact, well served the public need. Additionally, we in FHWA have a congressional mandate to follow in protecting the Federal dollar and the interests of Federal Government. We shall do so.

One specific area I believe we all agree needs immediate attention is the preservation of the Interstate Highway System. Highways in this country account for 90 percent of all travel and some 40 percent of freight tonnage. By the end of this decade a major proportion of the Interstate will be worn out if present usage continues, and we know that it shall.

In examining an annual and growing expenditure of some $8 billion plus of Federal funds for highways, I believe we must rethink the Federal mission and the traditional methods of funding. I suspect that certain construction projects now in planning stages may not meet the test of economic feasibility. Certainly some new location investments will be necessary, but our efforts will be more and more focused upon preserving past investments and obtaining greater use out of existing facilities.

I consider programs such as those which provide for resurfacing, restoration, and rehabilitation, and hopefully reconstruction, of the Nation's highways, especially of the Interstate, of utmost importance, as is the problem of deficient bridges. Also, the numerous special interest or categorical programs must be consolidated and, in some cases, I believe responsibility for these programs should be returned to the States.

I have just begun to review the very crucial studies which the Department of Transportation has submitted pursuant to congressional mandate—the highway cost allocation study, the 1981 Interstate Cost Estimate and the Highway Needs Study, as well as the 1981 highway bill which the last administration drafted. If confirmed, I pledge to you that I shall work closely with you on the pressing issues that these documents address.

I thank you for your time, and I ask for your support and your confidence in confirming me as Federal Highway Administrator. I will work to aid the President, the Secretary, and this Congress, in carrying out the mandates of our fellow citizens—indeed of our Nation.

Mr. STAFFORD. Mr. President, I know of no further speakers on this side on this particular issue. I think, unless Senator RANDOLPH knows of somebody, we are ready to vote.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration? [Putting the question.]

The nomination was confirmed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there are other nominations I hope we can deal with this afternoon, but for the moment I would like to postpone that. There are other matters to be dealt with. However, I first yield to the Senator from Kansas and then I will have a request to make.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

DECONTROL OF CRUDE OIL AND REFINED PETROLEUM PRODUCTS

Mr. McCLURE. Mr. President, I support the decision of President Reagan on January 28, to eliminate the remaining control on crude oil and refined petroleum products.

In the long run, decontrol will be beneficial to our country by increasing domestic energy production, by encouraging the use of alternative fuels and technologies, such as synthetic fuels, solar energy, and renewable resources, and by fostering more efficient use of the energy resources we have.

The free market is still our very best allocation system. The imposition of Federal regulation of domestic oil production over the last 8 years has discouraged domestic energy production, encouraged energy consumption, and aggrevated our balance payment.

The action of President Reagan in immediately completing the decontrol of domestic oil production and marketing has removed any uncertainty that decontrol would be successfully completed. The only issue is whether to complete the

decontrol of crude oil immediately rather than gradually. This decision was delegated to the President in 1975 by the then Democratic Senate, in the Energy Policy and Conservation Act. Decontrol would have occurred anyway by October 1, 1981, under existing law. The argument before us is based on the President exercising his authority under that same law and decontrolling domestic crude oil, gasoline, and propane at an earlier date—9 months earlier than would have occurred anyway.

What has been provided by President Reagan is the certainty that will spur a large increase in domestic drilling. Decontrol also will permit termination of the reporting requirements which have accompanied controls. These requirements have been particularly onerous on the smaller industry members. The President has directed the Secretary to eliminate or modify current reporting or recordkeeping requirements associated with controls as soon as possible.

The allocation controls remaining on gasoline and propane are abolished. This will eliminate the risk of artificial shortages such as those that occurred last year when the Government's allocation system had the effect of keeping supplies tight. Therefore, prices were artificially high. This conclusion is supported by studies by the Department of Energy, the Justice Department, and others. Under the controls product shortages occurred in some areas while products were plentiful in others. Without controls the suppliers now are able to shift available supplies within the distribution system and from region to region to meet actual demand, rather than historical demand as under controls. The free market is still our best allocation system.

But there is a need for an orderly transition from controls to no controls, therefore President Reagan retained certain regulatory provisions until March 31, 1981. The State governments will continue to be authorized to allocate small amounts of distillates through that date. This will assure that any hardships that arise can be dealt with by State and local governments. Present stocks of petroleum products domestically and internationally are adequate to assure that shortages will not occur as a result of decontrol. The available distillate stocks are sufficient to meet the needs of New England this winter as well as the needs of farmers nationwide for spring planting.

The President also took steps to insure that those in the middle and at the end of the marketing chain, such as independent refiners, jobbers, wholesalers, and retailers would not be adversely affected by the marketing practices of major suppliers. Therefore the current "buy/sell" program that now benefits some refiners will continue through that date. This will enable those refiners who made business decisions based on this program a transition period to adjust to decontrol.

Because of my concern that the marketplace adjust to decontrol in a reasonable and responsible way, I notified the chief executive officers of each major oil corporation of my concern that the majors must provide adequate notice of marketing actions in the post-decontrol time frame. Any attempt to take advantage of decontrol, or to threaten reliable deliveries in essential regions, particularly rural and agricultural communities, could result in congressional reconsideration of control legislation. Such an outcome would be indeed unfortunate.

Concern has been expressed for the impact of decontrol on inflation and consumer prices. But such effects will be minimal.

According to the Congressional Budget Office, "Since decontrol would have been completed by October 1, 1981, in either case, neither product prices nor the CPI (Consumer Price Index) are expected to be higher after that date as a result of immediate decontrol." By October the difference will be zero.

After September 1981 the prices of petroleum products will be generally unaffected by the decision to decontrol crude oil immediately rather than gradually. According to the Congressional Budget Office will, however, affect product prices between now and October 1, 1981. Prices will rise by approximately 9 cents per gallon within 30 days of implementation. Over the next 8 months the average price of gallon of refined product will increase by approximately 5 cents relative to the phaseout of controls. But by October this difference will decline to zero. In other words the October price will be what it would have been anyway.

However the benefit of the Federal Government at this critical time when we are faced with increasing budget deficits—which is the very reason why we are here today increasing the Federal debt ceiling—the benefit will be to increase Federal revenues by approximately $4.6 billion in fiscal year 1981 and approximately $0.4 billion in fiscal year 1982.

According to the Congressional Budget Office immediate decontrol will result in a gross increase in revenues of $11.7 billion to domestic oil producers. Much of this increase, however, will be paid to the Federal Government in the form of increased windfall profits and corporate income taxes. Windfall profits tax liabilities will raise by $6.3 billion and oil producer liabilities under the corporate income tax will increase by $1.4 billion.

In addition increased Federal revenues will accrue to the Government in the form of increased royalty payments on oil produce on federally owned lands. This could amount to another $0.2 billion in revenues.

Admittedly there will be increases in Federal outlays as a result of higher fuel costs and their effects, but the net effect will be to decrease the Federal budget deficit by approximately $4.6 billion in fiscal year 1981 and by $0.4 billion in fiscal year 1982. One of the reasons we are here today is to raise the Federal debt limit. The effect of the amendment before us will be to increase the Federal deficit.

Mr. President, President Reagan's decision to expedite the decontrol of crude oil and gasoline, and propane was the right decision. By this immediate and decisive action, he has demonstrated again his commitment to national and international leadership in the critical areas of economic and energy policy.

LITHUANIAN INDEPENDENCE DAY

Mr. SARBANES. Mr. President, February 16 will mark the 63d anniversary of the establishment of the Republic of Lithuania. On this day, it is customary for those of Lithuanian ancestry and their many close friends to commemorate the founding of a progressive and independent Lithuania which, for its all-too-brief existence of 22 years, was a beacon of democracy. We are deeply saddened to recall how quickly the events of World War II cut short Lithuania's independence when, in 1940, a brave Lithuania was overrun by the Soviet Union.

Symbolizing the determination and courage of the Lithuanian people, February 16 provides an opportunity for all Americans to reflect on the proud heritage which belong to our fellow citizens of Lithuanian descent and to renew our dedication to the principles of freedom and liberty for which Lithuanian Independence Day stands. In the more than 700 years since the formation of a united Lithuania, the history of this valiant nation has been filled with accounts of battle and struggle against aggressors. Throughout many tragic invasions, the Lithuanian defenders stood resolutely against their foes and their commitment to freedom remained steadfast.

Above all the gallant Lithuanian people have withstood centuries of relentless pressure to abandon their religion, culture and language. The success of Lithuanian immigrants in maintaining their cultural heritage has resulted in countless valuable contributions to American society. In the last century Lithuanians could be found working as foundrymen in western Pennsylvania; as weavers in New England and New Jersey; as tanners in Philadelphia, as dockworkers in Cleveland; as tailors in Baltimore. Today, their descedents are leading members of the professions and the business, artistic and academic communities.

Many of the social and cultural activities repressed in their homeland found strong expression in America and the culture of this country has been greatly enriched by the artistic, literary, and social contributions made by Lithuanian Americans. In particular, Lithuanian Americans can be proud of their long-standing tradition of self-help and voluntarism. There are over 2,000 Lithuanian charity and mutual aid organizations in the United States. Many such groups were active during World War I in aiding Lithuanians suffering as a result of war and in assisting Lithuania to obtain the cherished goal of independence realized in 1918.

One of the first acts of the representatives of that new Lithuanian nation following their declaration of independence was their adoption of a new national flag. Its colors were symbols both of the beauty of the Lithuanian countryside and the bravery of its people. At the top of the banner was a bar of deep yellow, recalling the gold of grain and the land's

agricultural wealth. The middle of the flag was green, symbolic of the verdant forests of Lithuania. Then came a deep red stripe, symbolizing the blood of Lithuanian patriots who over centuries had fought, many times to their death, in defense of their beloved country.

Mr. President, this struggle and its deep meaning to Americans of all ethnic backgrounds has been beautifully told by a distinguished Baltimorean of Lithuanian ancestry, the late Nadas Rastenis. Dr. Rastenis, an attorney, former member of the Maryland House of Delegates, and an outstanding community leader, who passed away on May 10, 1980, at the age of 89, was also a renowned poet. He was known as the Honorary Lithuanian-American Poet Laureate for his stirring epic poem, "War's Curse," composed in 1941, and many other works, and in 1976 he was awarded the Grand Medal of the Third World Congress of Poets held in Baltimore. In honor of America's bicentennial, Dr. Rastenis wrote the stirring poem, "America":

AMERICA

America, the true Democracy;
America, Sweet Land of Liberty;
All lands, near-by and far across the sea,
For light and Leadership look up to Thee.

Sincere and peaceful nations of the world,
Crushed by aggressor's heels, still fight and cope;
Thy Starry Flag in battlefields unfurl'd
Is their sole comfort, confidence and hope.

Today all lands and shores, from pole to pole,
Fight mad aggressors, scorn their brazen lies;
America, in Thy unselfish goal,
The people of all lands are Thy allies.

Lithuania, the land of my own birth,
And the Lithuanians living ev'rywhere,
In wiping out the madmen from this Earth
Are doing and will do their fullest share.

So lead America this great crusade,
And all the lands and shores will follow Thee;
United Nations, with Thy blessed aid,
Will make this world forever safe and free.

Then, 'neath the golden sun and azure skies,
Free nations at Thy side will march ahead;
And then, beside other independent nations' flags will rise
Lithuania's Flag of Yellow, Green and Red.

Mr. President, while it is indeed a great tragedy that the period of freedom enjoyed by the people of Lithuania should have been so ruthlessly repressed, their ongoing devotion to the principles of human rights commands the admiration and support of all freedom-loving peoples for their cause.

LIMITING IMPORTS OF JAPANESE CARS—ADDITIONAL COSPONSORS OF S. 396

Mr. DANFORTH. Mr. President, yesterday Senator BENTSEN and I, along with six of our colleagues, introduced a bill to assist the U.S. auto industry by temporarily limiting imports of Japanese cars. Only the extraordinarily perilous state of our largest industry could force me to such an extraordinary measure.

Today's Wall Street Journal reported that U.S. automakers plan closings at eight more U.S. cars and truck plants next week. This brings to 16 the number of U.S. auto industry plants that will be closed next week. This is the most extensive round of plant closings this year and will bring to more than 52,000 the production workers being temporarily idled. This merely seems to underscore the perilous condition of the industry.

I ask unanimous consent that the Senator from New Mexico (Mr. SCHMITT) and the Senators from Montana (Mr. BAUCUS and Mr. MELCHER) be added as cosponsors to S. 396. This brings to 11 the number of cosponsors to this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. HELMS. Mr. President, I ask unanimous consent, without losing my right to the floor, that I may yield first to the distinguished Senator from South Carolina (Mr. THURMOND), to the distinguished Senator from Minnesota (Mr. DURENBERGER), and to the distinguished Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

RECEIPT OF REPORTS PURSUANT TO LAW

Mr. THURMOND. Mr. President, as President pro tempore of this body, I have recently received several documents as mandated by law. I want to inform my colleagues that the following reports have been received by the Senate and are available for review in my office,

1. The Final Report of the U.S. National Alcohol Fuels Commission entitled, "Fuel Alcohol: An Energy Alternative for the 1980s," received pursuant to P.L. 95-599;

2. The New Jersey Pinelands Comprehensive Management Plan, received from the Department of Interior pursuant to Public Law 95-625. (This Plan will go into effect at the end of a ninety day period, dating from January 16, 1981); and

3. A report on the Western New York Nuclear Service Center, received from the Department of Energy, Pursuant to P.L. 96-368.

(The remarks of Mr. DURENBERGER and Mr. PROXMIRE in connection with the introduction of legislation are printed under statements on bills and joint resolutions.)

FISCAL REFORM

Mr. HELMS. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

Mr. SARBANES. Mr. President, reserving the right to object, is it the Senator's intention then to take down the resolution?

Mr. HELMS. That is correct. It has been cleared with the distinguished minority leader.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 64) expressing the sense of the Senate that no future amendments to the federal debt limit be approved without the previous adoption of actions by the President and the Congress to balance federal outlays and revenues without increasing taxes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. HELMS. Mr. President, I ask unanimous consent that when the resolution is printed, that it list the sponsors in the following order:

Mr. Helms (for himself, Mr. Hatch, Mr. Warner, Mr. D'Amato, Mr. Gorton, Mr. Rudman, Mr. Denton, Mr. Garn, Mr. Jepsen, Mr. Baker, Mr. Domenici, Mr. Mattingly, Mr. Nickles, Mrs. Hawkins, Mr. Tower, Mr. Thurmond, Mr. East, Mr. Humphrey, Mr. Wallop, Mr. Dole, Mr. Kasten, Mr. McClure, Mr. Symms, Mrs. Kassebaum, Mr. Durenberger, Mr. Danforth, Mr. Quayle, and Mr. Grassley).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, the purpose of this resolution is very simple. It is to make it absolutely clear that before the Senate will again accept an increase of the national debt, the Congress and the President must make arrangements to put the country's fiscal house in order. This resolution commits the U.S. Senate to act on spending cuts and tax rate cuts which will be sent to Congress by the President of the United States.

This resolution also will commit the Senate to the consideration of reforms which would make Federal spending easier to control.

Mr. President, earlier this afternoon, there was a vote on increasing the debt ceiling limit. Many Senators voted to increase the ceiling, in contradiction of votes cast by those Senators in previous years. The fact is that the debt ceiling increase was made imperative through no fault of the incumbent President of the United States, but I will not get into that.

Mr. President, I ask unanimous consent, just for emphasis, that there be printed in the RECORD at this point a portion of the resolution beginning with "Resolve that the United States Senate hereby affirms that."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Resolved that the Senate hereby affirms that:

Future amendments to the federal debt limit must be preceded by adoption of legislation to limit federal expenditures;

The Senate shall act immediately and expeditiously to pass legislation necessary to effect major spending reductions and tax reductions as those proposals are received by Congress; and

Future amendments to the federal debt limit must be preceded by the adoption of such expenditure limitation and budgetary reforms as are necessary to eliminate the financing of new federal indebtedness. Such federal expenditure control reforms should include at least some combination of the following:

1. The modification of the Congressional Budget and Impoundment Control Act of 1974 to restore the authority of the President to impound appropriated funds when such action is required to prevent the increase of federal indebtedness.

2. The modification of such Act to increase

the President's ability to implement budgetary rescissions.

3. The modification of such Act to strengthen the congressional budget reconciliation procedure to enforce a real congressional budget ceiling on a Congress which has failed to balance its budget for 44 of the last 50 years, even under the new Congressional budget process.

4. The modification of such Act to eliminate the misleading practice of understating real federal expenditures by placing "on budget" the $23 billion of projected fiscal 1981 expenditures and all future federal expenditures now considered to be "off budget".

5. The establishment of a requirement for strict scrutiny and congressional approval of both private borrowing under government guarantees and borrowing by government-sponsored entities.

6. The endorsement by the President and consideration by the Congress of one of the numerous amendments to the Constitution which would require balanced annual federal outlays and revenues which are pending before the Subcommittee on the Constitution of the Committee on the Judiciary of the Senate.

7. The adoption of new rules of Congressional procedure and the improvement of relations between the executive and legislative branches to prevent transmission to the President of spending bills which would extend the annual Congressional budget ceiling.

Mr. HELMS. Mr. President, I ask unanimous consent that the entire resolution be printed at the conclusion of the discussion of this resolution; that is to say, following the comments by Senator HATCH and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I yield to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I have served on the Budget Committee for 2 years and I have observed the shambles about which President Reagan talked to us last evening—the economic shambles the country is really in.

I do not blame either party for it. I blame both parties for it. For 44 of the last 50 years, we have failed to balance the budget of the United States. We have run up almost a trillion dollar deficit.

In just the last 4 years we have had well over $200 billion in deficits if you include off-budget spending items. We have failed to bring off-budget items on budget so that the American people know how bad it really is.

We have had inordinate jumps in the size of budgets since the Budget Act came into being. In fact, just since 1974 we have had an incredible splurge in Federal spending, in Federal deficits, in interest on the Federal debt, in Federal programs, and in all of the rest that many of us have spoken about many times in this distinguished body.

That is, we have had these increases after the Budget Act came into being.

As I have served on the Budget Committee, I have seen some very difficult times. I have seen that the budget process is not working in the U.S. Congress, even though the best intentions were part of the enactment thereof.

I have written an article for Barron's criticizing the budget process. As I recall, it was in July or August 1979. And I made other arguments on this topic in an article in the Reader's Digest published in July 1980.

I believe that the Congressional Budget Office has been misleading the U.S. Congress continuously with their budgetary projections because they have been unwilling to really look at the need for reasonable and good econometric models—models which look at all sides of the econometric equation.

I believe the CBO will continue to mislead us unless we make some major changes there.

I also believe that President Reagan knows that we have to reform the budget process. But as there have been around every President, there are some around him who do not understand or who do not otherwise want to reform that process.

All I can say is that it is about time that this process be reformed if it is to remain a process. We have just gone through a horrendous year. The last so-called balanced budget was announced on May 15, 1980, when all of us knew at that time that we were going to be at least $30 billion in deficit. Congress was using phony figures to mislead the American public.

There has been a failure to live up to the law in not enacting the second concurrent budget resolution on or before September 15, 1980, and acting in accordance with continuing resolutions right up to today. There has been a failure to live within the basic rules of the budget process. All of us are involved, including myself.

We have to do something about it if we are going to have a meaningful process here.

There has been a failure to bring off-budget items on to the budget, which is important. That special category has jumped from $9 billion in fiscal 1976 to $23 billion in fiscal 1981. It will go much higher in fiscal 1982 unless we do much more about it.

The American people deserve to know about the $55 billion in on-budget deficit spending and $23 billion in off-budget spending, or around $78 billion in total budget deficits just 4 months into the fiscal year.

This means that unless something is done, unless we all work to assist the President of the United States and the Director of the Office of Management and Budget, David Stockman, we are going to go way above $78 billion in deficits, for this year. Fiscal 1982 probably will even be worse if something is not done.

The interest against the national debt is more than the total Federal budget was just a few years ago. We cannot continue this way.

That is why we have filed this resolution today expressing the sense of the Senate concerning budget reform. We have listed seven basic approaches or modifications of the congressional budget process. One, to strengthen and give the President the right of impoundment; two, to strengthen his ability to rescind or to implement budgetary rescissions; three, to strengthen the congressional budget reconciliation process to enforce a real congressional budget ceiling on this Congress; four, to place off-budget items on-budget so that the American people can know just exactly what the deficits are; five, to establish the requirement for strict scrutiny and congressional approval of both private borrowing under Government guarantees and borrowing by Government-sponsored entities—borrowing which has gone out of sight between May 15 of last year and the present time; six, the endorsement by the President and consideration by the Congress of one of the numerous constitutional amendments to mandate a balanced budget; and, seven, the adoption of new rules and congressional procedures for the improvement of relations between the executive and legislative branches to prevent transmissions to the President of spending bills which would exceed the annual congressional budget ceiling.

We know that not all of these can be or probably will be enacted in any one bill, but some of them, if not all or most of them, should be.

We think it is time for this debate to take place. We think it is time for the U.S. Congress to put its house in order. We think it is time to make a determination whether the budget process is going to work or whether it is not going to work. We think it is time for all of us to take measure of the problems that we are facing now and that we are going to have to face in the future.

At this point, Mr. President, Senator HELMS and I would like to commend Dr. Michael Pillsbury and Howard Segermark for their work on the budget process reflected in this debate. Dr. Pillsbury, in particular, drew upon his experience as a former staff aide to the Senate Budget Committee and former Senator Henry Bellmon to draft these seven reforms.

Mr. Segermark has spent long hours in lending his expertise as one of the strongest people on Capitol Hill to bring the issues of inflation, monetary reform, fiscal responsibility, and sound economics out into the open where they can be debated. Hopefully over the next weeks and months, we will see a fitting conclusion where we can solve the budgetary problems of this country.

Mr. GRASSLEY. Will the Senator yield?

Mr. HATCH. In just a moment I will yield the floor.

Mr. President, today I voted to extend the debt ceiling for the first time in my career here in the Senate. I did so to show support for President Reagan and for his Director of OMB, David Stockman, both of whom are dear friends of mine. I believe that it is not easy for them to have to advocate this debt limit increase at this time. But the increase is meant to gain time so that they can put true budget reform, true economic reforms, into shape and send them up here to the Congress where hopefully we will put aside our partisan differences and, in a bipartisan way, resolve the conflicts which face us.

I yield to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I thank the Senator from Utah for yielding.

Mr. President, I rise to comment on the resolution introduced by the Senators from North Carolina and Utah. I join in cosponsoring that resolution.

A few minutes ago I also voted, for the first time as a Member of the Congress, to increase the national debt. I did so for the reason that the national debt is a carry-over from the previous administration. Without this legislation, the work of this administration would be hamstrung so that the goals of this administration could not be reached.

I cast my vote in favor of the bill because we of the majority party in the Senate have a responsibility to govern. That responsibility results from last November's election and means that we have to make some tough decisions.

The resolution of the Senator from North Carolina is a resolution by statute that tries to accomplish worthy goals. I agree with his objectives.

We must consider whether a statutory approach is the right way to bring a sound fiscal policy to the Federal Government. Certainly a statutory change is better than allowing the law to remain in its present form.

I have long been an advocate, as I know the Senator introducing this resolution has been an advocate, of a constitutional amendment that would force fiscal discipline upon the Congress of the United States. We have not had such discipline during the past 30 or 40 years; it will be necessary if we are to win the war against inflation.

There may be those who feel that a resolution as worthy as this one is going to accomplish our goals. Yet, I take this opportunity to remind my colleagues that in the fall of 1978, the senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) introduced an amendment, which carried by a 2-to-1 margin, to require a balanced budget by fiscal year 1981. As a Member of the House of Representatives, I fought to secure passage of that short amendment; we were equally victorious. So, the President, in October 1978, signed into law legislation stating that it was the policy of the Federal Government to have a balanced budget in fiscal year 1981.

We found that respect for a statute is not what it ought to be and now we have an unbalanced budget for fiscal year 1981.

This resolution is really not going to correct the fiscal policies of the Congress of the United States and the Federal Government. We will not solve the problem until there is a will by ourselves to restrain our increases, to live within our income. Ideally, in the Congress of the United States and within the Federal Government, the way to bring about a sound fiscal policy would be for us to exercise some self control and keep our expenditures within our income.

Mr. President, a constitutional response, as opposed to simply changing the statutes, to the problem is workable and necessary. I have seen the constitutions of States that have such requirements. The same discipline can be brought to the Congress of the United States.

Again, Mr. President, I want to say that I appreciate the introduction of the resolution at this time. But I think that, without the proper constitutional language, we will not have an effective solution to the deficit spending habits of the Congress.

Mr. President, I yield back my time.

Mr. HELMS. Mr. President, one or two more comments concerning the concept of deficit spending.

Last week, I visited with President Reagan at the White House for about 30 minutes, and we discussed his dismay that it was absolutely essential to increase the debt ceiling.

He said to me, "I intend to be the first President in history to come to Congress and ask for a reduction in the debt ceiling."

It was with that commitment on the part of a decent, honorable man that I reluctantly voted this afternoon, for the first time, to support legislation to increase the debt limit. It was a painful decision.

However, it should be borne in mind, with all due respect to the former President, Mr. Carter, that our budgetary problems of today were inherited by a President who has been in office just 16 days. I feel that President Reagan deserves a fair chance to carry out his programs to reduce the cost of Government, without having to cope with a complete shutdown of the Federal Government.

That is why this Senator from North Carolina and Senators from other States voted reluctantly to increase the debt limit. It is always dangerous to say, "Never again," but at this moment it is my intent never again to vote for an increase in the debt limit. Extraordinary circumstances will have to be presented to me in order for this Senator to be persuaded to support any further increase in the debt limit.

Mr. President, Ronald Reagan appeared on radio and television last night with an impressive set of remarks to the American people. I hope he does this repeatedly and frequently, because the American people need to understand, beyond any peradventure, that the Federal Government has no funds to spend except money taken from the taxpayers, or the demonstrably ruinous deficit financing. It takes either through taxation and other revenue producing activities, or it takes through the financing of budget deficits. Inflation is caused by the monetization of those debts—the excessive creation of money—through the Federal Reserve System purchase and handling of those Federal debt instruments.

When the Federal Government imposes taxes equal to the amount of the expenditures, then citizens can know to what degree they are being burdened to pay for those Federal outlays. Congress has to approve the taxes to match the level of outlays. Congress has to justify expenditures which are popular or necessary with equal taxes, which are never popular.

When the President and the Congress so operate the Federal Government that the politically popular expenditures exceed the politically unpopular taxes, then Congress is hiding the cost of its largess. Politically, it is a "something-for-nothing" pretense. It is about as straightforward as a con-game. It is about as honest as a chain letter that promises windfall wealth. It is the ultimate "free lunch," except there's nothing free about it.

Mr. President, let us not be deluded: inflation is caused by Federal deficit spending, and inflation is the greatest economic disruptor ever conceived by man. And the American people now realize that the evil of inflation is caused by deficit spending.

One major way inflation disrupts the economy is in its destruction of the ability of people to measure relative economic worth. During inflationary periods, the value of currency is not stable, and its utility as the most important standard of measuring value is lost. And when the most important economic standard is corrupted, the other standards in the society come under attack. The relativism inflation imposes on the economy has been paralleled in our time by relativism in other values as well.

Inflation also cripples our society by concentrating economic power in the big corporations and the big unions. Only the big corporations have the power to ride out inflation and the money to pay for economists to aid in overcoming inflation. Only the big unions have the muscle to win gains for union members in times of inflation. In other words, the great competitive vitality that our economy has exhibited in the past is discouraged, because the small businesses are hit hardest by inflation, and the small unions are less able to operate. The innovators are discouraged, and penalized, by Government-imposed inflation.

During inflation other centers of power in the society for various educational and charitable work are crippled. The resources of churches, schools, and other nongovernmental groups and organizations are eroded by inflation, and as a result, the good works that once were performed by nongovernment organizations are now left only to government.

And during an inflationary period, the independence of the individual is undermined. The worker that saves for retirement finds that the value of savings has been cut drastically, and the worker finds government aid the only way to survive.

INFLATION AND THE FOUNDERS

One of the earliest reasons for forming the Union was to preserve the sanctity of contracts between individuals in the various colonies. It was rightly held that for commerce to grow and the Nation to prosper, contracts between citizens should be held enforceable.

But what do we do today?

If I rent a house from someone for a given sum, I am in effect paying a different real amount every month. The lease I signed to rent for a sum certain is being violated regularly—not by either party to that lease, but by the Federal Government which is corrupting the medium of exchange in which that contract is denominated.

By its depreciation of the dollar, the Government has not only eliminated the sanctity of contracts, it has almost made it impossible for a contract to be written in terms of constant value.

An honest dollar is necessary for honest business.

THE ECONOMICS OF BUDGET DEFICITS

Twentieth century budget deficits have been rationalized by politicians because of the allegedly salutary effects that deficits have on the Nation's economy. John Maynard Keynes said that the Government could stimulate economic activity by increasing aggregate demand: That is, by putting money into people's hands through Government deficits. Since Government spending is always politically popular the politicians naturally embraced the economics of Lord Keynes. The less attractive aspects of Keynes' economics were ignored: The inflation, the economic disruptions, and the aggrandizement of Government power.

Keynes' economic theory is today the dominant school of thought in our great Government-supported universities and certainly in the high policy centers of our Government. But, the contemporary Keynesian view of the economy has ceased to fit the facts. The Keynesian policies of stimulation have resulted in inflation and high unemployment—stagflation. When he was asked about these two problems, the Secretary of the Treasury said, "We don't know enough about inflation." It was as if the side effects of Keynesian policies indicated something basically wrong with reality rather than something basically wrong with Keynesian economics.

In an editorial sometime ago in the Washington Post, the contention was advanced that a balanced budget would put economics back to the era of Calvin Coolidge. The obvious unintentional irony is that it was during Coolidge's administration that Keynes was writing his most important works, and it indeed is the economics of that generation that we must discard.

The "common wisdom" which is held by all practicing Keynesians states that in times of economic slowdowns, the Federal Government should spend more than it takes in to stimulate the economy. Not only are these attempts at stimulation almost always timed wrong, but the stimulation is almost never accompanied by reciprocal spending cutbacks when the economy is overheated.

Ironically, the Post editorialist overlooked one of the most important tools of demand stimulation—the monetary authority of the Federal Reserve System. And the Fed does not necessarily need the excuse of Federal deficits to expand the money supply.

If the regulation of demand is the axis of economic activity as held by orthodox Keynesians, then the Federal Reserve System should be able to do the job. The politically unattractive part about this is, of course, that the Keynesian politicians would have no excuse for free lunch giveaway programs.

In fact, of course, we are now coming to the realization that the economy is not the simplistic thing that the orthodox Keynesians would have us believe. The economy depends in large part on the kinds of incentives there are for economic activity.

A balanced Federal budget will require Congress to look toward economists that have answers and not excuses. A balanced budget will require that Federal expenditures can justify themselves within the confines of firm spending limits. And, a balanced budget will eliminate the excuse for the scourge of inflation.

Mr. President, if there are no further comments on the pending resolution, I ask unanimous consent that it be laid aside for consideration after the recess.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, what was the request?

IN DEBT TO THE DEMOCRATS

Mr. FORD. Mr. President, I ask unanimous consent that an article by Mark Shields "In Debt to the Democrats" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN DEBT TO THE DEMOCRATS

(By Mark Shields)

In October 1973, then vice president Spiro ("Pass the envelope please") Agnew boldly confronted what would now be called a midlife career crisis.

Roughly put, the two professional options available to the vice president of the United States were: either to pursue a number of very attractive challenges in the private sector or to do shirts and socks in the Lompoc prison laundry.

That might help to explain how the American people some eight years ago, watched while a vice president turned into a novelist-business consultant and why, this week, Rep. John Rhodes of Arizona owes House Speaker Tip O'Neill a public apology.

When Agnew became a novelist, Jerry Ford became vice president and John Rhodes succeeded Ford as House Republican leader. With only about a third of the House to lead, Rhodes found time to write a pretty good book about Congress in which he described O'Neill as "the most partisan man I know." Undoubtedly, President Reagan would use other words, in this first week of February 1981, to characterize the Democratic speaker and his House colleagues. To Reagan, the House Democrats must have looked a lot more like patriots than partisans.

Irony wrote the legislative script. The first test of the Reagan administration on the Hill, was the White House's push to get the public debt ceiling raised from $935 billion to $985 billion.

Reagan had little reason to expect a lot of help from his own party members in Congress. For a generation now, House Republicans have been consistently preaching fiscal responsibility and persistently voting against raising the debt limit. It may not have been good government, but just consider the great material it provided for the next batch of direct-mail fund-raising letters.

Think of the paragraphs that could be composed on governmental economy by comparing the respective House records of the two parties on past votes. Between them, Presidents Kennedy and Johnson 12 times requested a rise in the public debt ceiling; twelve times House Republicans overwhelmingly opposed those requests. All 12 times, large majorities of House Democrats voted with their president. Hurray for the GOP and boo for the Democrats. Who cares whether Grandma's Social Security check bounced for insufficient funds?

Just to prove they were not narrow partisans—and the fact that the chief executive had been their leader and colleague counted for very little—House Republicans voted against every one of President Ford's seven requests to increase the debt limit. By contrast, the House Democrats were pushovers, supporting Ford six out of seven times and Richard Nixon eight of the nine times he sought an increase.

During the Carter years the House GOP played political hardball. The last time the House had raised the debt ceiling was on June 4, 1980, when not a single Republican was recorded among the 203 yea votes.

The strategy that time was clear: let the Democrats, five months before a presidential election, be tagged with the blame for more debt, more inflation and the further impoverishment of future generations.

That basic message, along with supporting evidence linking the Democrats to the last outbreak of pinkeye, was mailed twice to all registered and unregistered voters—and the message got through. Ronald Reagan has become the first Republican president since Ike to work with a Republican majority in either house.

But of the 152 House Republicans elected in the last 10 years, only 23 of them voted even once to raise the debt ceiling. Madelyn Murray O'Hair would be more comfortable singing at midnight mass than most House Republicans would be voting for a higher debt limit.

On Feb. 5, 1981, perhaps a hundred House Democrats, with help from the Democratic Study Group, waited until the last two minutes to vote on the debt question. They watched while a hundred House Republicans, many of whom had taunted and tried to beat the Democrats on this very issue, did something for the very first time: voted to raise the debt ceiling.

Eighty-one percent of the House Republicans, the highest percentage in 28 years, voted to support the new president and to raise the debt ceiling. From the death of an old campaign tactic may have been born a new sense of party responsibility. If so, if the House Republicans really have had a successful vertebrae transplant, then credit must be paid to the White House congressional liaison staff and to the president, who was willing to risk defeat. But some credit for the House Republicans' discovering fiscal responsibility on debt-limit votes should go to Tip O'Neill and the Democrats, who have showed them how all these years.

Mr. HELMS. I asked that the pending resolution be set aside for further consideration after the recess.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, my understanding was that it would be pulled down, that it would not be left pending for further action after the recess.

Mr. HELMS. It in no way was indicated by me, I say to the distinguished minority leader.

Mr. ROBERT C. BYRD. Is it the Senator's plan not to pull this down?

Mr. HELMS. That is correct.

Mr. ROBERT C. BYRD. Then, I think we had better get the majority leader.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. HELMS. Mr. President, I reserve the right to object.

The PRESIDING OFFICER. The Senator may not reserve the right to object.

Is there any objection to terminating the quorum call?

Mr. HELMS. None. I found out what I wanted to know.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, the Subcommittee on International Economics——

Mr. ROBERT C. BYRD. Mr. President, what about the request of the Senator from North Carolina? I reserve the right to object to that.

The PRESIDING OFFICER. Does the Senator from North Carolina withdraw that request or is that request still on the floor?

Mr. HELMS. No.

The PRESIDING OFFICER. The Senator does not withdraw the request.

Is there objection to the request of Senator from North Carolina?

Mr. ROBERT C. BYRD. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS. I am sorry. I did not understand the Chair.

The PRESIDING OFFICER. The objection has been heard to the request of the Senator from North Carolina.

Mr. HELMS. Mr. President, I suggest the absence of a quorum then.

The PRESIDING OFFICER. The clerk will call the roll.

Will the Senator withhold until we start?

Mr. HELMS. I withhold.

The PRESIDING OFFICER. The Senator withholds.

Mr. HELMS. Yes.

The PRESIDING OFFICER. Then the Senator from Maryland.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HEINZ). Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the immediate consideration of the pending resolution.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, what is sought here is to get the resolution put on the calendar of resolutions and motions over under the rule. The matter is up already before the Senate.

Mr. HELMS. That is correct.

Mr. ROBERT C. BYRD. And it is up under certain conditions. The desire now is to put it on the calendar of resolutions and motions over.

I have no objection provided that the previous request bringing it before the Senate is vitiated to the extent that that previous action by the Senate in allowing it to come up is not continued.

Mr. HELMS. Mr. President, if the Senator will yield, the truth of the matter is that we are in something of a dilemma. There is a problem of definition of the words "taking down" as opposed to "withdrawing," and in order to reach an accommodation and to maintain the comity that has always existed between the distinguished minority leader and others, I am perfectly willing to have the resolution go over under the rule, and that is essentially what we seek with my unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, will the Senator change his request to simply provide that his resolution be placed on the calendar of resolutions and motions over?

Mr. HELMS. Well, it is essentially the same thing. Yes, if that will clarify it, I would be delighted to do that.

The PRESIDING OFFICER. Is there objection?

Mr. CHILES. Mr. President, reserving the right to object, I had a resolution which all day was talked about sort of in the same way as the resolution by the distinguished Senator from North Carolina was talked about.

I was also told I could take that up this afternoon after the vote and we would have a discussion, we would not have a vote. I think something was said about that, that it would be taken down, and whatever that means I would like it to mean the same thing for my resolution that it now means for the Helms resolution. I would like to be included in the unanimous-consent request.

Mr. ROBERT C. BYRD. Mr. President, will the Senator include the Senator from Florida's resolution in his request?

Mr. HELMS. I think that is perfectly fair. Yes, I would be delighted to.

Mr. ROBERT C. BYRD. Then I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the resolution (S. Res. 64) follows:

S. RES. 64

Whereas federal expenditures mandated by previous law have resulted in continued outlays in excess of revenues;

Whereas deficit spending fuels inflation, and inflation and high tax rates have resulted in shackling the nation's economy;

Whereas taxes have increased to the point where they discourage economic activity;

Whereas lessened economic output reduces employment and the tax base thus contributing to greater deficits;

Whereas the President has pledged to take actions and propose legislative changes leading to the elimination of federal deficit spending;

Whereas the President of the United States presides over the largest budget in the world, yet has less management control over the budget than almost any other chief executive, in contrast to the governors of virtually all of the 50 states who have the power to block wasteful, duplicative and needless spending;

Whereas such powers play an integral part of the governor's duty to maintain constitutionally mandated balanced budgets, and the President of the United States, an executive with far greater responsibilities for the economic well-being of the nation, should have available similar tools;

Whereas the true condition of federal finances would be exposed if so-called "off budget" entities were treated as an integral part of the budget; and

Whereas the President of the United States has announced his intention to transmit to Congress on February 18, 1981, a package of spending limitation reductions and tax rate reduction proposals which will lead to the elimination of federal deficit spending and restore economic vitality: Now therefore be it:

Resolved, That the United States Senate hereby affirms that—

Future amendments to the federal debt limit must be preceded by adoption of legislation to limit federal expenditures,

The Senate shall act immediately and expeditiously to pass legislation necessary to effect major spending reductions and tax reductions as those proposals are received by Congress, and

Future amendments to the federal debt limit must be preceded by the adoption of such expenditure limitation and budgetary reforms as are necessary to eliminate the financing of new federal indebtedness. Such federal expenditure control reforms should include at least some combination of the following:

1. The modification of the Congressional Budget and Impoundment Control Act of 1974 to restore the authority of the President to impound appropriated funds when such action is required to prevent the increase of federal indebtedness.

2. The modification of such Act to increase the President's ability to implement budgetary rescissions.

3. The modification of such Act to strengthen the congressional budget reconciliation procedure to enforce a real congressional budget ceiling on a Congress which has failed to balance its budget for 44 of the last 50 years, even under the new Congressional budget process.

4. The modification of such Act to eliminate the misleading practice of understating real federal expenditures by placing "on budget" the $23 billion of projected fiscal 1981 expenditures and all future federal expenditures now considered to be "off budget".

5. The establishment of a requirement for strict scrutiny and congressional approval of both private borrowing under government guarantees and borrowing by government-sponsored entities.

6. The endorsement by the President and consideration by the Congress of one of the numerous amendments to the Constitution which would require balanced annual federal outlays and revenues which are pending before the Subcommittee on the Constitution of the Committee on the Judiciary of the Senate.

7. The adoption of new rules of Congressional procedure and the improvement of relations between the executive and legislative branches to prevent transmission to the President of spending bills which would exceed the annual Congressional budget ceiling.

THE NECESSITY OF REDUCING BOTH TAXES AND FEDERAL SPENDING

Mr. CHILES. Mr. President, I send to the desk a sense-of-the-Congress resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 7) relating to the necessity of reducing both taxes and Federal spending.

Mr. CHILES. Mr. President, I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CHILES. Mr. President, I am offering this resolution on behalf of myself and Senators NUNN, JOHNSTON, DECONCINI, EXON, BOREN, PRYOR, HEFLIN, BUMPERS, and SASSER.

We had originally planned to introduce this resolution as an amendment to the bill to raise the Federal debt ceiling. We do not like running Federal deficits and we do not like raising the debt ceiling to accommodate bigger deficits. Many of our Republican colleagues have been talking about the need for tax cuts, whether spending cuts are achieved or not. We do not think that is responsible.

The resolution we are offering, therefore, simply puts the Congress on record for not having any tax cuts take effect until spending cuts are enacted into law. It does not keep the committees and the Congress from working on the tax cuts, it simply says they should not actually go into effect before the spending cuts do. That is the only way we can hold down the size of the deficit.

The resolution also restores the policy we adopted in 1978 under the Nunn-Chiles-Bellmon amendment that we need to progressively reduce government spending as a percent of GNP each year. That is the best way of measuring the size of government and the burden on the taxpayer. The percent has been going up steadily, and we want to see it go down.

The experience of past Congresses has taught us that it is a lot easier to pass tax cuts, which make people happy, than to pass painful budget cuts. Last year, the Democrats broke new ground in the budget process by passing an omnibus reconciliation bill, which cut $5 billion out of a variety of programs. The initial instruction to Congress, which I sponsored at the Budget Committee, told the committees to report their savings by June 9 of last year. It turned out to be November 26 before we got the committees to complete their work and both Houses of Congress to agree on the savings provisions. The delay of 6 months cost us billions of dollars in this year's budget.

I hope this experience is not repeated, and that we can get major budget cuts through Congress rapidly. But we cannot just hope that difficult things will happen. We have to get Congress on record that no tax cuts will take effect before significant spending cuts are actually enacted into law. Otherwise, we face the possibility of deficits as big as $75 or $100 billion. If that happens we are going to get even worse inflation and chaos in the financial markets. High interest rates have already devastated the ability of Americans to buy homes or cars. If we get bigger Federal deficits, that situation will get even worse.

Mr. President, I want to repeat what President Reagan said last night about Federal deficits as a means to stimulate the economy. He said:

> It hasn't worked. We don't have to choose between inflation and unemployment—they go hand in hand.

I agree with the President. If we let a tax cut go into effect without spending cuts, we are going to have a bigger deficit, more inflation, higher interest rates, and more unemployment.

The other major provision of our resolution, Mr. President, is to reestablish the policy that we have to reduce Federal spending as a percent of gross national product. That is, the Government has to start taking less of people's earnings instead of more. We first introduced that principle as the Nunn-Chiles-Bellmon amendment to the Tax Reduction Act of 1978. That amendment made tax cuts from 1981 to 1983 contingent upon balancing the budget by 1982 and reducing Federal spending from 21 percent to 19.5 percent of GNP by 1983. Unfortunately, while that amendment passed the Senate overwhelmingly, it was watered down to a nonbinding "national policy" in the conference agreement with the House. If we had been able to make those spending limits stick back in 1978, we would not be considering such a high debt limit today.

Instead, we face spending of over 23 percent of GNP and a deficit of over $40 billion in 1982. Those numbers are too high and we must cut them down. We are therefore asking our colleagues to go on record for a responsible course of action that will reduce Federal spending and move us toward a balanced budget.

I would like to see us enact a tax reduction this year. The hearings on industrial growth and productivity which I have been chairing at the Budget Committee have convinced me that we need better economic incentives for long-term investment and the development of advanced technology. Recent increases in the social security tax rate have hit businesses with higher costs which they translate into prices. At the same time, wage earnings have less money to pay those prices. And certainly inflation is driving everyone into higher and higher tax brackets. However, I cannot in good conscience support tax cuts which are not linked to spending cuts that reduce the Federal deficit. If Congress adopts nothing but a big tax cut, the resulting inflation will take as much back out of people's pockets as the tax cut claims to put in. The result would be nothing but a cruel hoax.

Mr. President, this country needs a demonstration of responsibility to restore faith in the economy and faith in Government. Last year we made a good faith effort to balance the budget in the face of raging inflation. Delays in passing the spending cuts and the fall off in the housing and automobile industries undercut our effort. Interest rates came down from 20 percent when we looked serious about cutting spending, then went back up again as the deficit rose. If the country sees that kind of spectacle again, the economy is heading for another nosedive. The American people just do not believe that you can balance the budget by cutting taxes without cutting spending.

I therefore ask my colleagues to adopt this resolution and let the people know we are serious about reducing Federal deficits and not having the debt ceiling go higher and higher.

Mr. President, at the conclusion of my remarks, under the unanimous-consent agreement, the resolution would go over.

I now yield to the distinguished Senator from New Jersey.

REPORT OF SENATOR BILL BRADLEY ON THE FINANCE COMMITTEE HEARINGS ON SPECIAL OIL TAX AND TAX REDUCTION MEASURES

I. INTRODUCTION

Mr. BRADLEY. Mr. President, in view of the need to reduce U.S. vulnerability to oil supply disruptions in both the short and the long term, the Subcommittees on Taxation and Debt Management Generally of the Senate Committee on Finance held four hearings between November 11 and December 5, 1980. The hearings focused primarily on market-oriented, tax-based approaches to managing oil supply emergencies and encouraging import reduction to determine if they could be more efficient and equitable than the existing policies to manage such emergencies.

The most immediate reason for the hearings was the outbreak of war between Iran and Iraq in September, 1980, and concern that the conflict could go on for many months, causing substantial foreign oil price increases and supply restrictions.

The hearings also were designed to complement a 1980 Senate Energy Committee study on the Geopolitics of Oil that examined worldwide political, social, military, and economic factors which will determine the price and availability of oil through the rest of this century. That study concluded that an energy policy aimed mainly at reducing oil imports could not adequately protect the United States in the years ahead. It recommended highest priority for:

Building ample national petroleum reserves;

Developing alternatives to oil price control and allocation systems for insuring the efficient distribution of supplies and equitable burden sharing during a disruption; and

Developing better plans and capabilities, in concert with allies and trading partners, to prepare for energy emergencies.

Furthermore, the Finance Committee hearings responded to recommendations in the 1980 report of the majority leader's economic task force that, in addition to rapidly filling the strategic petroleum reserve—SPR—the United States should develop effective alternatives to gasoline rationing in order to manage oil import disruptions and stop the huge outflow of dollars from American consumers to foreign oil producers that occurs when production is curtailed and prices skyrocket.

Other Members of Congress have voiced similar concerns and made similar recommendations. Last September, the day after the Iran-Iraq war began, Senator PERCY held hearings on emergency

preparedness in the Senate Governmental Affairs Committee. Testimony from senior administration witnesses before that committee made clear how ill prepared we are to prevent oil price increases and manage supply disruptions. Senator PERCY called upon the administration to prepare new proposals for international agreements to restrain foreign oil price increases in a disruption and to develop nonregulatory alternatives to rationing to conserve and allocate supplies during an emergency. And as recently as this January, in Senate Energy Committee hearings chaired by Senator MCCLURE on the 1981 world petroleum supply outlook, witnesses from Government and industry warned us that, unless the war winds down soon, we should expect further price increases due to a much more protracted loss of oil supply from Iran and Iraq.

Finally, the hearings anticipated expiration this September of the standby authorities contained in the Emergency Petroleum Allocation Act (EPAA). Congress must shortly decide whether to renew these authorities; rely exclusively on market forces to balance supply and demand during an emergency; or adopt tax-based, market-oriented alternatives to gasoline rationing and oil price controls to allocate scarce supplies and reduce the economically depressing effects of petroleum disruptions.

II. BACKGROUND

Soon after Iran and Iraq went to war, it became clear that both sides were unprepared to compromise their military objectives and unable to force a swift end to the hostilities. By the beginning of 1981, the war had reduced world oil production by more than 300 million barrels and induced a $3 per barrel boost in the world oil price. And with each passing day, the world market was losing another 1 to 2 million barrels of oil as a result of the war. At that rate, the cumulative production losses due to the war could exceed 500 million barrels of oil by summer and approach 1 billion barrels by next winter.

Given these circumstances, world oil prices are likely to rise another $5 to $10 per barrel in 1981 unless we are prepared to prevent excess demand later this year or to allow world oil stocks to fall toward the dangerously low levels of April 1979.

For every $5 per barrel increase in the world price of oil, another $10–$12 billion U.S. dollars goes to foreign producers each year.

It also was apparent by early 1981 that the United States probably could not do much to terminate the war or limit the physical damage. The belligerents and their supporters were focusing only on their own survival, security and success—with little regard for the damage that their military operations were inflicting on the international economy. Moreover, Iranian forces seemed to be concentrating their attacks on oil production, processing and distribution facilities—presumably to increase their own oil export earnings and minimize Iraq's.

The previous administration responded to the Iran-Iraq war by encouraging refiners to draw down stocks and by pressing unsuccessfully for oil import ceilings which would be binding on all members of the International Energy Agency (IEA).

This reliance on stock drawdowns to moderate price increases due to the war has discounted the likelihood of much longer or successive oil supply disruptions before stocks could be replenished. This policy leaves us more exposed to grave risks while doing nothing to prevent the loss of U.S. revenues to foreign oil producers.

III. CONCLUSIONS

It is imperative for the 97th Congress, the new administration, and cooperative allies to rapidly develop emergency preparedness measures that will moderate future world oil price increases and reduce American payments to OPEC during disruptions, while still maintaining sufficient stocks to buffer the economy against longer or successive oil supply interruptions.

Until the United States and other western countries have ample petroleum stockpiles and coordinated strategies for using them, the best mechanisms for achieving these objectives are probably an emergency tariff on foreign oil, or a tax on the refining of oil, paired with the simultaneous return of revenues to American consumers through tax reductions and transfer payments.

An emergency oil tax or tariff would moderate world oil price increases and reduce payments to foreign oil producers by inserting a wedge between the domestic sales price of oil and the OPEC price. This wedge would raise domestic oil prices, thereby lowering oil consumption and the demand for foreign crude. This, in turn, would reduce the price that OPEC can charge without cutting back production. The reason is that if producers try to raise prices without reducing output, their revenues would fall as buyers avoided overpriced supplies.

An emergency oil tax, or tariff, would enable us to raise the domestic oil price independently of the OPEC price. This means that much more of the revenues from higher oil prices would remain in the United States instead of flowing to OPEC. Moreover, because higher oil prices would reduce consumption, the net increase in the domestic sales price would be somewhat less than the world price plus the emergency oil tax or tariff. If other major importing countries adopted equivalent measures, world prices would be reduced even further.

To cushion the economy against higher crude prices, the revenues from the emergency oil tax or tariff, as well as from existing oil taxes, should be returned to consumers through reduced withholding on income and payroll taxes.

Low-income individuals and families who pay little or no taxes should be compensated through increases in entitlements and other transfer payments. To avoid undue burdens on any one sector, income group, or region, the tax reduction and transfer payment mechanisms should be designed to compensate those who are most adversely affected and least capable of absorbing higher oil prices. This means that we need to devise a transfer payment formula to compensate States that bear a disproportionate share of the burden of higher oil prices due to supply disruptions.

These mechanisms to return the revenue must all be in place prior to the imposition of an emergency oil tax or tariff so that there is no net increase in the tax burden borne by the American public.

Mr. President, these conclusions lead to the following recommendations:

First, national policies for managing energy emergencies must give much higher priority to moderating world oil price increases and preventing large windfall gains to foreign oil producers during supply disruptions.

Second, oil stockpiles offer the best protection in emergencies and we must speed up filling the strategic petroleum reserve.

Third, because our strategic stockpile is still so small, and because the Iran-Iraq war probably will continue through summer and flare up again in subsequent years, we should not encourage the depletion of private petroleum inventories much further toward the dangerously low levels of April 1979.

Fourth, to insure adequate petroleum reserves, it is now essential that we be prepared to supplement stock drawdown policies with an emergency oil tax or tariff and compensatory tax reduction and transfer payments. Such action would also help to moderate oil price increases, minimize the transfer of additional income from domestic consumers to foreign producers, and allocate petroleum supplies as efficiently and equitably as possible. Without such measures, OPEC could raise prices another $5 to $10 a barrel, costing the United States an additional $10 to $25 billion a year.

Fifth, Congress must cushion the economy against the impact of higher oil prices. To do that, Congress should pass legislation providing that revenues from emergency oil taxes or tariffs, as well as the additional receipts from the windfall profits tax, will be rapidly returned to the American public through tax cuts and transfer payments. Such legislation must be adopted before any emergency oil tax or tariff is imposed.

Sixth, the administration, therefore, should prepare appropriate legislation for Congress' immediate consideration. The proposal should be submitted to Congress no later than April 30, 1981.

Seventh, an emergency oil tax or tariff would be most effective if other major oil-importing countries adopted equivalent measures to restrain their demand for foreign crude. Hence, the administration should immediately initiate high level consultations with other OECD countries on the need for collective action and report to the Congress on the progress of these consultations this spring.

Eighth, major foreign oil producers should be persuaded to accept these measures as necessary to protecting their own long-term security.

Ninth, even if the Iran-Iraq war winds down soon, Congress must shortly decide what stand-by authorities should replace the Emergency Petroleum Allocation Act. Mechanisms for an emergency oil tax or

tariff and compensatory tax relief and transfer payment are likely to enable the oil market to work more equitably and efficiently than price control, supply allocation and rationing measures. Accordingly, Congress should consider tax-based approaches as alternatives to regulatory programs.

Mr. President, I yield the floor. I thank the distinguished majority leader for his rapt attention to these remarks, and the distinguished Senator from Michigan (Mr. LEVIN), and the distinguished Presiding Officer from my neighboring State across the river, Pennsylvania.

Mr. LEVIN. Will the Senator yield for just one moment?

Mr. BRADLEY. I am glad to yield.

Mr. LEVIN. Mr. President, I commend the Senator from New Jersey for his excellent, thorough analysis. I am glad it will be in the RECORD for all of us who were not here today to have a chance to review it.

Mr. BRADLEY. I thank the Senator. I am sure that many of my colleagues are listening on their boxes today. I wanted to give them some food for thought for the upcoming recess.

Mr. BAKER. Mr. President, I join with my friend from Michigan, the acting minority leader, in expressing our appreciation to the Senator from New Jersey for his presentation. I especially liked that ninth and final paragraph. That was very good.

Sincerely, Mr. President, my deep appreciation to the Senator for his remarks.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nominations on the Executive Calendar beginning with Calendar No. 23, Verne Orr, of California, to be Secretary of the Air Force, through page 8, including nominations placed on the Secretary's desk, excepting Calendar No. 28, the Federal Highway Administration, which was confirmed earlier today; that the nominations be considered en bloc; that they appear in the RECORD as if considered and approved by the Senate separately.

Mr. ROBERT C. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE

The legislative clerk read the nomination of Verne Orr, of California, to be Secretary of the Air Force.

Mr. THURMOND. Mr. President, I rise in support of the nomination by President Ronald Reagan of Verne Orr to the position of Secretary of the Air Force.

Mr. Orr has appeared before the Senate Armed Services Committee for his nomination hearings and demonstrated a good understanding of the requirement to rebuild our national defense posture and in particular the need for moving promptly to address the programs of the Air Force.

He brings to this position the experience of a period of military service during World War II and subsequent duty in the Reserve Forces.

During a period of rapidly rising costs for all types of weapon systems, Mr. Orr's superior background and long experience as a financial manager should serve him well in his new responsibilities.

In addition to a highly successful business career he has had government experience as a manager through his service as director of the California Department of Motor Vehicles during President Reagan's service as Governor of that State. He followed this position by acting for 5 years as director of finance for the State of California.

Mr. Orr also has an outstanding record of public service as a result of his activities in Pasadena, Calif., and in Los Angeles County. This work resulted in many high civic positions as well as wide public recognition and numerous public awards and honors.

Mr. President, I urge the Senate to give the nomination of Mr. Orr early and favorable approval.

Mr. TOWER. Mr. President, we now have before us the nomination of Mr. Verne Orr to be Secretary of the Air Force. The Department of the Air Force must confront several critically important and complex issues in the near term—particularly in the area of our strategic capabilities. These decisions are the most important and far-reaching decisions which this country has faced in recent years.

The American public is keenly aware of the disastrous economic situation in which we find ourselves and is, in my opinion, prepared to support the Reagan administration's urgent call for fiscal restraint. Mr. President, the American public is also keenly aware of the considerable amount of money which will be required to improve our defense capabilities which have been neglected for quite some time. I might say at this time that after listening to the Chiefs of the three services in hearings conducted this week before the Committee on Armed Services, it is clear to me that absent some immediate initiatives on our part (which will not be inexpensive), this country may find its national security irreversibly compromised.

Mr. President, the need for fiscal restraint cast against the requirement to improve dramatically our defense capabilities makes it more important than ever that we painstakingly guard against wasteful spending and that we use our defense dollars in a manner which will result in a significantly improved defense posture. Although Mr. Orr has not been intimately involved in defense issues in recent years, he did serve admirably in the U.S. Navy during World War II and does in my view have considerable financial experience resulting from several business ventures in the private sector and from his duties as the director of the Department of Finance for the State of California.

I believe that Mr. Orr will provide a very necessary insight to the considerable problem of utilizing the funds which this Congress will provide in a most effective and result-oriented fashion. It is also my opinion that after listening to Mr. Orr's testimony before the Committee on Armed Services that Mr. Orr has the intellect which will enable him to master quickly the more important military problems confronting his Department and provide the leadership and direction of the quality so often demonstrated by his immediate predecessor, Mr. Hans Mark.

The Committee on Armed Services has carefully considered the qualifications of Mr. Orr and has indicated its support in the committee's report filed yesterday.

Mr. President, I now urge the Senate to confirm the nomination of Mr. Orr to be Secretary of the Air Force.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Edward C. Schmults, of Connecticut, to be Deputy Attorney General.

Mr. THURMOND. Mr. President, I am pleased to recommend Mr. Edward C. Schmults for confirmation as the Deputy Attorney General of the United States. On February 5, the Judiciary Committee voted to recommend Mr. Schmults by a unanimous vote of 18 to 0.

Mr. Schmults' background has prepared him well for this position. Born in Paterson, N.J., and currently residing in Greenwich, Conn., Mr. Schmults received a bachelor of science degree from Yale University in 1953. In 1958, he graduated cum laude from Harvard Law School.

He is admitted to practice in all New York State courts and several Federal courts, including the Supreme Court of the United States. Mr. Schmults has written a number of impressive legal articles and has contributed to several legal treatises. He served his country as an officer in the U.S. Marine Corps from 1953 to 1955.

Mr. President, Mr. Schmults is well known by many Members of the Senate. In 1974 he served as Under Secretary of the Treasury and from 1975 to 1977 he was Deputy Legal Counsel to former President Ford. Since 1977, he has practiced law with the New York firm of White & Case, where he has become an expert in banking and securities law.

Mr. Schmults possesses the knowledge and experience to serve in an exemplary manner as Deputy Attorney General. He possesses that rare ability to mediate and resolve problems, while still exercising the good judgment required of a person serving in a position of such authority. I am sure he will meet the many challenges ahead with deliberation, fortitude, and perseverance.

I am very pleased that President Reagan has continued to nominate individuals of such high caliber. I urge my colleagues to support the nomination of Mr. Schmults.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. ARMY

The legislative clerk proceeded to read the sundry nominations in the U.S. Army.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations in the Foreign Service.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. BAKER. Mr. President, I ask unanimous consent that it may be in order to move the reconsideration of these nominations en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I so move.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table is agreed to.

Mr. BAKER. Mr. President, I ask that the President be immediately notified that the Senate has granted consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Nominations confirmed en bloc are as follows:)

U.S. ARMY

The following-named officers for appointment to the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

Maj. Gen. Charles P. Graham, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. James M. Rockwell, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Albert B. Akers, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Emmett W. Bowers, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Story C. Stevens, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Lt. Gen. James M. Thompson, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Edward B. Atkeson, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Richard X. Larkin, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Robert L. Wetzel, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Edmund R. Thompson, xxx-xx-xxxx, xxx-... Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Jack N. Merritt, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Lt. Gen. Glenn K. Otis, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Guy S. Meloy III, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Maxwell R. Thurman, xxx-xx-x..., xxx-... Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. William E. Read, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Robert Arter, xxx-xx-xxxx, Army of the United States, U.S. Army), to be major general.

Maj. Gen. Edward C. Peter II, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Stan R. Sheridan, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Nathaniel R. Thompson, Jr., xxx-xx-xxxx Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. William E. Cooper, Jr., xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Harvey D. Williams, xxx-xx-xxxx xxx-... Army of the United Staes, (brigadier general, U.S. Army), to be major general.

Maj. Gen. Drake Wilson, xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Clarence S. McKnight, Jr., xxx-xx-xxxx Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Emmett Paige, Jr., xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Orlando E. Gonzales, xxx-xx-xxxx xxx-... Army of the United States (brigadier general, U.S. Army), to be major general.

Maj. Gen. Duard D. Ball xxx-xx-xxxx, Army of the United States (brigadier general, U.S. Army), to be major general.

The following officer for appointment as a Reserve Commissioned officer in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

Brig. Gen. Van Hixson, xxx-xx-xxxx to be major general.

The following-named officers for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447, to be major general.

Col. Bernardo Loeffke, xxx-xx-xxxx Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. John H. Moellering, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Robert F. Molinelli xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Albin G. Wheeler, xxx-xx-xxxx Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. William E. Potts xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Bruce R. Harris xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Orren R. Whiddon, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Donald J. Delandro xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Gerald H. Bethke, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. John J. Yeosock xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army) to be brigadier general.

Col. Donald S. Phil, xxx-xx-xxxx Army of the United States (lieutenant colonel, U.S. Army, to be brigadier general.

Col. William E. Sweet xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. James W. van Loben Sels xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Robert E. Wagner xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Houston P. Houser III xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Peter M. Dawkins, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Jerome B. Hilmes, xxx-xx-xxxx Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. William H. Gourley, xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Ronald W. Zeltman, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Burton D. Patrick xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Isaac D. Smith, xxx-xx-xxxx U.S. Army, to be brigadier general.

Col. Ronald M. Holdaway, xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Henry G. Skeen xxx-xx-xxxx U.S. Army, to be brigadier general.

Col. Fred Hissong, Jr. xxx-xx-xxxx U.S. Army, to be brigadier general.

Col. Thurman D. Rodgers xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Sidney T. Weinstein xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. James R. Taylor xxx-xx-xxxx, Army of the United States (lieutenant colonel), to be brigadier general.

Col. Rocco Negris, xxx-xx-xxxx U.S. Army, to be brigadier general.

Col. Stephen R. Woods, Jr. xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Forrest T. Gay III xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Jackson E. Rozier, Jr xxx-xx-xxxx, Army of the United States (major U.S. Army), to be brigadier general.

Col. Lee D. Brown, xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. James E. Shelton xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Lynn H. Stevens, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Harry D. Penzier xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Robert W. Pointer, Jr xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Walter W. Kastenmayer xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. George R. Robertson xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Jack D. Woodall, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Curtis F. Hoglan. xxx-xx-xxxx U.S. Army, to be brigadier general.

Col. Mildred E. P. Hedberg xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Edwin H. Aguanno, xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. James Piner, Jr. xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Eugene R. Cromartie xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. William S. Carpenter xxx-xx-xxxx, Army of the United States (major, U.S. Army), to be brigadier general.

Col. Jere L. Hickman xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Carlton P. Weidenthal xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. Donald C. Hilbert xxx-xx-xxxx, U.S. Army, to be brigadier general.

Col. James C. Cercy, xxx-xx-xxxx Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Harry E. Soyster, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Joe J. Breedlove, xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Donald E. Eckelbarger xxx-xx-xxxx, Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Johnnie H. Corns, xxx-xx-xxxx Army

of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Thomas A. Sands [xxx-xx-xxxx], Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Ray H. Lee, [xxx-xx-xxxx] U.S. Army, to be brigadier general.

Col. Cecil N. Neely, [xxx-xx-xxxx] Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Robert G. Lynn [xxx-xx-xxxx], U.S. Army, to be brigadier general.

Col. Fred E. Elam [xxx-xx-xxxx], Army of the United States (major, U.S. Army), to be brigadier general.

Col. Robert D. Morgan [xxx-xx-xxxx], U.S. Army, to be brigadier general.

Col. Anthony A. Smith [xxx-xx-xxxx], Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Ellis D. Parker [xxx-xx-xxxx], Army of the United States (lieutenant colonel, U.S. Army), to be brigadier general.

Col. Roy M. Strom, [xxx-xx-xxxx], U.S. Army, to be brigadier general.

Col. William F. Burns [xxx-xx-xxxx], U.S. Army, to be brigadier general.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service officer nominations beginning Alan H. Dodds, to be a Foreign Service Information Officer of class 1, and ending Gregory Lagana, to be a Foreign Service Information Officer of class 7, which nominations were received by the Senate and appeared in the Congressional Record on January 5, 1981.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

HAITIAN-CUBAN IMMIGRATION COST

Mr. HUDDLESTON. Mr. President, last night, the President of the United States directed the attention of the American people to the economic plight of the United States. He rightly pointed out that one of the difficulties that we are faced with has been the continuing deficits piled up by the Federal Government. Much has been said here this afternoon about those deficits and addressing that problem and moving toward a balanced budget.

One of the reasons that our budget is not in balance, one of the reasons that a situation has developed that was alluded to by the distinguished Senator from Utah as a reason that we are not able to achieve a balanced budget from year to year, is the unexpected expenditures that are thrust upon the Congress by situations over which we actually have no control. One such situation has been the expenditure that was required, that was not anticipated, was not included in the President's submission of a budget earlier in the year, but for which we were required, in order to accommodate a situation after the fact, to appropriate a large sum of money. The total amount, as a matter of fact, was $734.4 million. That was to accommodate the influx of Cubans and Haitians, who came to this country in an illegal fashion.

I call my colleague's attention to an article that appeared today in the New York Times, written by Edward T. Pound, that details the expenditures in dealing with that inflation of immigrants. We have spent, to date, $532 million, Mr. President, to accommodate the Cubans and Haitians who came last year to our shores—not invited by the United States, no policy by the Congress of the United States conscientiously determining that this was good for the country, no decision made by the President of the United States, in reality, that we ought to do this. The decision was made by the dictator of the country of Cuba, Mr. Fidel Castro, who decided that he would send to our shores—without any prescreening on our part whether some of those people should not be included—a large number of Cubans, totaling over 125,000. And we, the taxpayers of the United States, have had to pay the bill.

The Congress of the United States had no choice. They were here. The communities to which they came could not and should not be expected to bear the cost. So we appropriated, after the fact, $734.4 million, which takes us only up to September 30 of this year. And that is just the tip of the iceberg as to the total cost as far as the American people are concerned.

There are several things about that influx of immigrants, Mr. President, that are quite interesting, I think. One is that we now have an operation, in addition to this money already spent, the one camp where they are now being held until they can be resettled at Fort Chaffee, Ark., that is costing the taxpayers $396,000 every day—every day. We have incarcerated 1,736 who have criminal records and who could not, under any stretch of the imagination, come legally into this country under the immigration laws that we have established. They preclude individuals with criminal records to come here; 1,736 of those are here.

Can you imagine, Mr. President, that someone just recently suggested that we ought to make an agreement with Mr. Castro that if he would take these individuals back—these people that he sent here, who came illegally, that we have paid the expense for—we will accept another 100,000 of his citizens and pay all the bills for that. I think this indicates, Mr. President, the ridiculous situation that our immigration and refugee laws have come to in this country.

Mr. President, I have said on this floor before that they are out of control. I have said that the U.S. Congress and the executive branch of this country have abdicated our right to determine what new citizens we shall bring into this country to the despots and the dictators of the world. Mr. Castro has more control over who will come to this country and how many and when than does the Congress of the United States or does the President of the United States, unless we have a change in policy.

I do not believe that this situation should continue.

The distinguished chairman of the Judiciary Committee was in the Chamber. I know that he has a particular interest in this subject. The chairman of the subcommittee of the Judiciary that handles immigration, the distinguished Senator from Wyoming (Mr. SIMPSON), has a very deep interest in this matter and has served on the President's Special Commission on Immigration. That Commission is about to wind up its work and undoubtedly will have some recommendations to make.

I say to my colleagues that I am going to continue to work on this problem until we have some sensible, enforceable policies relating to immigration and refugee policy for our country. The time has come, and this is the year to do it, and I believe we can get it done this year.

I point out that the figures I gave and the costs apply only to the Cubans. It does not include the 14,000 Southeast Asian refugees who come to this country every month as part of a program.

We are spending well over $2 billion a year—probably now $3 billion a year—on refugees. Much of this expenditure as I have pointed out, comes to us without our planning it—it is dumped upon us—and $532 million or $734 million, even in this day and time and even in the budgets we are talking about, is a substantial sum of money. There will be long arguments on this floor in the next few months and in the Appropriations Committee over whether to cut certain budgets by that amount.

It is coincidental but it is well to the point that just this past year—the Senator from North Carolina (Mr. HELMS), who is on the floor, participated in it—we cut about the same figure, about $530 million, when we were trying last year to achieve some kind of balanced budget, from the school lunch program—taking food, if you will, out of the mouths of indigent children, to try to achieve some kind of fiscal responsibility and balance the budget.

While we were doing that and imposing that difficulty and that sacrifice upon our people, we have dumped on us a cost exceeding that, which we have to bear.

That is one reason why we are having a difficult time in reaching a balanced budget. This is a serious problem and one that many in this body recognize. I believe that before the end of this year, we will have some reasonable approaches to the question of our immigration policy.

It is also ironic that we have thousands of good citizens around the world who have relatives here who are citizens. Those people want to come here, and we want them to come here, but because of the quota system, they have been waiting for years and may have to wait years again.

Yet, Fidel Castro can send us 125,000, including several thousand criminals, who just walk in; and we pay the cost and set them up and give them a chance to be citizens.

They immediately acquire virtually all the rights of those who have lived here forever, and they take advantage of the public assistance programs we have for our citizens. It is not right. I believe there is a question of fairness to American citizens who are here. There certainly is a question of the expenditure, the tremendous cost. There is a question of the unemployment situation that already exists in the country and who is to get

the few jobs that are available for citizens.

Mr. President, I ask unanimous consent that the article that appeared in the New York Times, by Mr. Edward T. Pound, be printed in the RECORD.

There being no objection the article was ordered to be printed in the RECORD, as follows:

HAITIAN-CUBAN COST PUT AT $532 MILLION

(By Edward T. Pound)

WASHINGTON, February 5.—Federal officials said today that the Government had spent about $532 million to handle the entry and resettlement of 125,000 Cubans and 12,400 Haitians who emigrated to the United States last year.

Congress appropriated $734.4 million for the Cuban-Haitian refugee exodus through next Sept. 30. The officials said in interviews today that they should be able to live within that budget if they were not confronted with a new wave of refugees.

"We don't anticipate a recurrence, but there's always a possibility," said Robert L. Bowen, a spokesman for the Cuban-Haitian Task Force, an interagency Federal project. Mr. Bowen pointed out that Fidel Castro, the Cuban leader, "has reminded us several times that we're in charge of Key West, but he's in charge of Mariel," a reference to the port on the northern coast of Cuba from which the Cubans departed for the United States last spring.

Mr. Bowen, who said the bulk of the money had been used for programs related to the Cuban refugees, added that the United States had already spent $89 million to operate the refugee camp at Fort Chaffee, Ark., where there are 4,884 Cubans. He said that the camp was costing the Government $396,000 a day to operate but that the costs were being reduced as refugees were being resettled.

FOUR CAMPS CUT TO ONE

After the wave of Cubans began arriving in southern Florida last April 21, the Government set up four camps for them. Only the Fort Chaffee facility remains in operation. For the Haitians who continue to trickle in—157 arrived last week—the Government is maintaining a holding facility outside Miami.

Cost figures on the refugee program were supplied by Mr. Bowen and Oliver W. Cromwell, a spokesman for the Federal Office of Refugee Resettlement. Much of the money, they said, has gone to Florida, where 86,000 Cubans have been resettled, with most of them residing in the Miami area.

Mr. Cromwell said that his agency was responsible for reimbursing states for the costs they have encountered as a result of the Cuban-Haitian emigration. He said these costs include medical assistance, welfare payments to refugees and the state's administrative expenditures.

"There is a lot of screaming from the states for money," Mr. Cromwell said, adding that, with a budget of $190 million, his agency had thus far awarded some $95 million in grants.

OTHER AGENCIES' EXPENDITURES

According to Mr. Bowen, an additional $437.3 million has been expended by other Federal agencies, including the task force and groups such as the Federal Emergency Management Agency and the Departments of Education, Justice and Transportation as well as the Treasury.

He said that substantial costs had been incurred for operating Fort Chaffee and the other refugee camps and in retaining private resettlement agencies, such as the United States Catholic Conference. These private agencies provide numerous services, he said, including job referral and insuring that housing and food are available.

Mr. Bowen said that of the 125,000 Cubans who had come to the United States since last April, 118,000 had been resettled. Besides those who remain in Fort Chaffee, he said, 1,736 are being held in Federal prisons because of crimes committed in Cuba. Of the 12,400 Haitians who emigrated to the United States, he said, all but about 600 had been resettled.

The influx of Cubans added greatly to the work load of the Immigration and Naturalization Service and taxed its resources. A Presidential council said in a report today that it had found "symptoms of organization illness," including poor planning and lack of stability in top jobs, in the immigration service. The President's Management Improvement Council said that automation was essential to handle millions of aliens entering the country each year, but that the service's system was only partly automated.

MESSAGE FROM THE HOUSE

At 4:17 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of section 2(a), Public Law 85–874, as amended, the Speaker appoints as members ex officio of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House: Mr. YATES, Mr. WILSON, and Mr. MCDADE.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 272. An act to increase the membership of the Joint Committee on Printing; and

H.R. 1553. An act to provide for a temporary increase in the public debt limit.

The bills were subsequently signed by the President pro tempore (Mr. THURMOND).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DOLE, from the Committee on Finance:

R. T. McNamar, of California, to be Deputy Secretary of the Treasury.

W. Dennis Thomas, of Maryland, to be a Deputy Under Secretary of the Treasury.

(The above nominations from the Committee on Finance were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MATSUNAGA (for himself, Mr. JACKSON, Mr. ROBERT C. BYRD, Mr. RANDOLPH, Mr. STEVENS, Mr. BUMPERS, Mr. PRYOR, Mr. HART, Mr. ARMSTRONG, Mr. INOUYE, Mr. PERCY, Mr. HUDDLESTON, Mr. FORD, Mr. MELCHER, Mr. BAUCUS, Mr. DOMENICI, Mr. BURDICK, Mr. METZENBAUM, Mr. BOREN, Mr. HARRY F. BYRD, JR., Mr. WARNER, Mr. WALLOP, Mr. SIMPSON, Mr. SPECTER, and Mr. HEINZ):

S. 434. A bill to authorize an accelerated research, development and demonstration program to advance in situ technologies for energy production from underground coal deposits and unconventional gas resources; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO:

S. 435. A bill for the relief of John Brima Charles, Jr.; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 436. A bill to amend the Internal Revenue Code of 1954 to increase the competitiveness of American firms operating abroad and to help increase markets for United States exports; to the Committee on the Judiciary.

By Mr. ANDREWS:

S. 437. A bill for the relief of Lourdes Tubig Zindel; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 438 A bill to amend the Congressional Budget Act of 1974 to establish a system for scheduling and reporting outlays of departments or establishments; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, by unanimous consent pursuant to the order of August 4, 1977.

By Mr. MATTINGLY:

S. 439. A bill to restrict bail pending appeal where the conviction involves a drug related offense; to the Committee on the Judiciary.

By Mrs. KASSEBAUM:

S. 440. A bill to make certain amendments to title 18 relating to bail; to the Committee on the Judiciary.

By Mr. NUNN (for himself, Mr. CHILES, Mr. MATTINGLY, Mr. HOLLINGS, Mr. SCHMITT, Mr. DIXON, Mr. DECONCINI, Mr. JOHNSTON, and Mr. SASSER):

S. 441. A bill to provide limited assistance by the Armed Services to civilian drug enforcement agencies; to the Committee on Armed Services.

By Mr. JACKSON (for himself and Mr. GORTON):

S. 442. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Energy and Natural Resources.

By Mr. DANFORTH (for himself and Mr. HATCH):

S. 443. A bill to clarify the limits of the authority of the Department of Education; to the Committee on Labor and Human Resources.

By Mr. WILLIAMS (for himself and Mr. CRANSTON):

S. 444. A bill to amend the Internal Revenue Code of 1954 to provide incentives for the construction and rehabilitation of real property; to the Committee on Finance.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 445. A bill to establish a State set-aside system for propane, middle distillates, motor gasoline, residual fuel oil, and aviation fuels, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SYMMS (for himself and Mr LUGAR):

S. 446. A bill relating to the treatment of certain annuity contracts; to the Committee on Finance.

By Mr. RANDOLPH:

S. 447. A bill to redesignate the days on which Washington's Birthday, Memorial Day, and Columbus Day are celebrated to make each such day a legal public holiday; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

S. 448. A bill to amend the Internal Revenue Code of 1954 to exempt certain fuels used in connection with intercity, local and school buses, from the Federal excise tax; to the Committee on Finance.

By Mr. MATSUNAGA (for himself and Mr. INOUYE):

S. 449. A bill to amend section 37 of the Internal Revenue Code of 1954 to increase

the amount of the credit for the elderly; to the Committee on Finance.

By Mr. MATSUNAGA (for himself, Mr. BOREN, Mr. FORD, and Mr. HUDDLESTON):

S. 450. A bill to amend the Internal Revenue Code of 1954 to provide that the investment tax credit shall apply to the acquisition of work and breeding horses to the extent that the cost of such horses does not exceed $100,000 for the taxable year; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. HAYAKAWA, and Mr. CRANSTON):

S. 451. A bill to require Federal agencies to take steps to mitigate losses of United States agricultural land caused by Federal programs or actions, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BOREN:

S. 452. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of gain on the sale or exchange of foreign investment company stock; to the Committee on Finance.

By Mr. INOUYE:

S. 453. A bill for the relief of Ms. Rosalva Anguiano Bonilla; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 454. A bill to modernize certain aspects of the authorities of the U.S. Army Corps of Engineers; to the Committee on Environment and Public Works.

By Mr. GOLDWATER:

S. 455. A bill to amend title 39, United States Code, to establish Free Enterprise Postage Stamps; to the Committee on Governmental Affairs.

By Mr. MATSUNAGA (for himself, Mr. GLENN, Mr. INOUYE, Mr. BUMPERS, Mr. JOHNSTON, Mr. KENNEDY, and Mr. METZENBAUM):

S. 456. A bill to provide for an accelerated program of research, development, and demonstration to achieve the early technology applications for advanced batteries technologies for energy storage, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRANSTON:

S. 457. A bill to amend the Internal Revenue Code of 1954 to provide for increased investment by individuals through a tax-deferred rollover account; to the Committee on Finance.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, and Mr. DECONCINI):

S. 458. A bill to amend title 38, United States Code, to extend the period of eligibility for certain Vietnam-era veterans to request readjustment counseling, to extend the program of veterans readjustment appointments in the Federal Government, and to extend the educational assistance and rehabilitation program delimiting periods for Vietnam-era and service-connected disabled veterans, respectively, under certain circumstances; to the Committee on Veterans Affairs.

By Mr. SARBANES (for himself, Mr. MATHIAS, and Mr. WARNER):

S. 459. A bill to provide for reconstruction and rehabilitation of the Woodrow Wilson Memorial Bridge, and for other purposes: to the Committee on Environment and Public Works.

By Mr. INOUYE:

S. 460. A bill for the relief of Patrick D. Chu; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

S. 461. A bill for the relief of Melba Robateau; to the Committee on the Judiciary.

By Mr. BAUCUS:

S. 462. A bill to authorize a feasibility study for additional hydro-electric capacity; to the Committee on Energy and Natural Resources.

By Mr. GOLDWATER:

S. 463. A bill to protect retired and disabled persons by preserving the integrity of the Consumer Price Index; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER (for himself and Mr. MOYNIHAN):

S. 464. A bill to amend the Internal Revenue Code of 1954 to adjust provisions governing private foundations; to the Committee on Finance.

By Mr. MATHIAS:

S. 465. A bill for the relief of Panivong Norindr and Panisouk Norindr; to the Committee on the Judiciary.

By Mr. BURDICK (for himself and Mr. ANDREWS):

S. 466. A bill to provide for the reinstatement and validation of U.S. oil and gas lease numbered M–15450 (ND).

By Mr. TOWER:

S. 467. A bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. THURMOND:

S. 468. A bill to amend title 38, United States Code, to expand the eligibility of former prisoners of war for certain health-care benefits provided by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MATSUNAGA:

S. 469. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to provide for the office of Poet Laureate of the United States; to the Committee on Labor and Human Resources.

S. 470. A bill to amend title II of the Social Security Act and chapter 2 of the Internal Revenue Code of 1954 to provide optional coverage under the social security program for householders; to the Committee on Finance.

By Mr. DANFORTH:

S. 471. A bill for the relief of Patricia Iheonye; to the Committee on the Judiciary.

By Mr. HEFLIN:

S. 472. A bill to amend the Internal Revenue Code of 1954 to reinstate the nonbusiness deduction for State and local taxes on gasoline and other motor fuels; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mrs. KASSEBAUM):

S. 473. A bill to amend the Internal Revenue Code of 1954 to provide that the amount of the charitable deduction allowable for expenses incurred in the operation of a motor vehicle will be determined in the same manner Government employees determine reimbursement for the use of their vehicles on Government business; to the Committee on Finance.

By Mr DURENBERGER:

S. 474. A bill to amend the Internal Revenue Code of 1954 to provide that the amount of the medical expense deduction allowable for expenses incurred in the operation of motor vehicle will be determined in the same manner Government employees determine reimbursement for use of their vehicles on Government business; to the Committee on Finance.

S. 475. A bill to amend the Internal Revenue Code of 1954 to clarify the definition of specially defined energy property for purposes of the investment tax credit; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. BOSCHWITZ):

S. 476. A bill to amend the Internal Revenue Code of 1954 with respect to the valuation of bank holding company assets for the purpose of determining the amount certain private foundations are required to distribute; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. MOYNIHAN, Mr. SCHMITT, Mr. LEVIN, Mrs. KASSEBAUM, Mr. DURENBERGER, Mr. BAUCUS, Mr. WALLOP, Mr. CRANSTON, Mr. HATFIELD, Mr. BENTSEN, Mr. PACKWOOD, Mr. DECONCINI, Mr. HEFLIN, and Mr. RIEGLE):

S.J. Res. 28. Joint resolution designating the week beginning March 8, 1981, as "Women's History Week"; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. BURDICK, Mr. RANDOLPH, Mr. SCHMITT, Mr. CHILES, and Mr. STAFFORD):

S.J. Res. 29. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with the first Sunday in June of each year as "National Garden Week"; to the Committee on the Judiciary.

By Mr. RIEGLE:

S.J. Res. 30. Joint resolution to designate April 26, 1981 as "National Recognition Day for Veterans of the Vietnam Era"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MATSUNAGA (for himself, Mr. JACKSON, Mr. ROBERT C. BYRD, Mr. RANDOLPH, Mr. STEVENS, Mr. BUMPERS, Mr. PRYOR, Mr. HART, Mr. ARMSTRONG, Mr. INOUYE, Mr. PERCY, Mr. HUDDLESTON, Mr. FORD, Mr. MELCHER, Mr. BAUCUS, Mr. DOMENICI, Mr. BURDICK, Mr. METZENBAUM, Mr. BOREN, Mr. HARRY F. BYRD, JR., Mr. WARNER, Mr. WALLOP, Mr. SIMPSON, Mr. SPECTER, and Mr. HEINZ):

S. 434. A bill to authorize an accelerated research, development, and demonstration program to advance in situ technologies for energy production from underground coal deposits and unconventional gas resources; to the Committee on Energy and Natural Resources.

UNDERGROUND COAL GASIFICATION AND UNCONVENTIONAL GAS RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT

Mr. MATSUNAGA. Mr. President, today I am introducing a bill which was passed by the Senate last year and is intended to help solve our Nation's energy problem, while providing a full measure of environmental protection. The bill will accelerate our research, development, and demonstration program for in situ technologies for producing energy from underground coal deposits and unconventional gas resources. I am pleased that I am joined in the sponsorship of this bill by Senators JACKSON, RANDOLPH, ROBERT C. BYRD, BURDICK, INOUYE, HARRY F. BYRD, JR., PERCY, STEVENS, DOMENICI, HUDDLESTON, FORD, BUMPERS, HART, METZENBAUM, HEINZ, MELCHER, WALLOP, BAUCUS, SIMPSON, WARNER, ARMSTRONG, BOREN, PRYOR, and SPECTER.

I am sure that other Members of the Senate, after they have had time to review the text of the bill, will also want to join in cosponsorship.

The production of gas in the United States peaked in 1972, and during the past 6 years has stabilized at an annual production rate more than 10 percent below this peak. Even then, it is important to point out that more natural gas is produced in our country than petroleum.

However, natural gas production is expected to drop during the next 20 years, as is expected to be the case for oil. Can we expect the highly inflationary price

increases for oil, as partly caused by oil price decontrol, to boost the production of domestic petroleum and natural gas? The answer is a resounding no.

Since the Arab oil embargo in 1973 both oil and natural gas prices have effectively escalated by more than a thousand percent. One would think that the law of economics would come into play resulting in a production glut because of the attractive economics. As I mentioned earlier, though, the past 8 years have actually witnessed production declines. Very obviously we have reached a point of diminishing returns, for while only 60 wells need be drilled in Saudi Arabia to produce at a rate of one million barrels per day, we need to drill 60,000 wells in the lower 48 States to attain the same production. I frankly find the thousand-fold factor almost unbelievable, but data are available to substantiate my statement.

By relying in only conventional sources of natural gas associated with oil deposits, it will be difficult to eliminate oil importation. As a matter of fact, there are discussions going on now among natural gas countries in the rest of the world on the possible establishment of a cartel to control the price and supply in a manner analogous to the OPEC cartel. In the light of world instabilities, we as a Nation can ill afford to depend upon imported energy of any kind, the price and supply of which are completely in the hands of an international cartel.

It is clear that we need an infusion of a source of indigenous energy capable of meshing with the established infrastructure. There is already a massive investment in the pipeline delivery system and end-use equipment which can be best amortized by its continued use over its remaining lifetime. Without new sources of gas, part of this investment will be wasted because natural gas will not be available over the full useful life of the system and equipment.

Gas additionally happens to be environmentally desirable both from the production and utilization points of view, and is therefore a premium fuel for applications in this period of heightened public concern about many of our energy sources.

There are many opportunities for augmenting conventional natural gas supply from domestic resources. Beyond the much publicized production of high and medium Btu gas from coal conversion plants, there are several sources of future domestic gas. These unconventional gas resources include underground coal gasification, geopressured aquifers, coalbed methane, Devonian shales, and tight sands gas formations. One or more of these resources can be found in most areas of the Nation. Many are in close proximity to existing pipelines and potential markets.

An important objective is to determine as quickly as possible the technical, economic, environmental, and social barriers to the development of these resources. Without a strong program for the early resolution of these questions, we will continue to debate the energy questions of our day without adequate knowledge of what contribution these important unconventional gas resources can make to the energy supply system.

The purpose of my bill, Mr. President, is to maintain a program within the Department of Energy which is aimed at the early resolution of these uncertainties. Mr. President, I would not seek to convince the Congress to consider such legislation unless these resources were a significant part of our domestic energy resources. As it is clearly shown in the table, which I ask unanimous consent to be printed in the RECORD at this point, there are tremendous resources suitable for enhanced gas recovery techniques.

The table follows:

RECENT PROJECTIONS OF THE POTENTIAL OF UNCONVENTIONAL GAS[1]

[Economically recoverable resources (Tcf)]

	Dollars/Mcf	Lewin, 1978		NPC, 1980	
		Base tech.	Adv. tech.	Base tech.	Adv. tech.
Tight gas	2.50	70.0	150.0	[2] 60.0	[2] 110.0
	3.50	100.0	180.0		
	5.00–5.75	110.0	190.0	[2] 80.0	[2] 160.0
	9.00			100.0	170.0
Devonian shale	2.50	1.7	4.3	7.3	11.8
	3.50	8.4	16.2	14.5	20.1
	5.00–5.75	10.5	18.6–25.3	18.5	27.5
	7.00			23.5	32.7
Coalbed methane	2.50		2.0–11.0		5.0
	3.50		2.0–22.0		13.1
	5.00–5.75		2.0–27.0		25.4
	7.00				33.9
Total[3]	2.50	72.0	165.0	67.0	127.0
	3.50	108.0	218.0		
	5.00–5.75	121.0	242.0	99.0	212.0
	7.00			109.0	232.0
	9.00			124.0	237.0

[1] Lewin & Associates, Inc., "Enhanced Recovery of Natural Gas," October 1978, HCP/T2705-02, and National Petroleum Council, Committee on Unconventional Gas, Progress Reports.

[2] Preliminary—7 basins only.

[3] Assuming high side of range and interpolating.

Moreover, Mr. President, 93 percent of our Nation's vast coal resources are not technically or economically recoverable today by conventional underground or surface mining techniques. While the recoverable resources are considerable, they are by no means inexhaustible and they constitute only a small percentage of our plenitude.

Much of the remaining coal reserves may be more economically and environmentally utilized by underground coal gasification processes, wherein the coal is converted in situ into low, medium, or high Btu gas. The estimated national resources for underground coal gasification are between 80 and 1,800 billion tons. Even if the lower figure were to prove to be the recoverable resource, this corresponds to an energy equivalent to the remaining recoverable U.S. reserves of crude oil.

It has furthermore been brought to my attention that underground coal gasification produces a byproduct, carbon dioxide, that shows promise for eliminating a key stumbling block in the transportation of coal through slurry pipelines. One of the emotional issues blocking serious consideration of this transport option is the perceived lack of water. A March 1980 study by Arthur D. Little, Inc., discusses the transportation of coal by using liquid carbon dioxide instead of water. The advantages are impressive, for if the proposal proves to be feasible, water need not be used, friction losses in the pipe would be lower and, at the end of the line, the medium of transportation can quite easily be separated from the coal.

There is no denying that it would not be prudent to launch a major effort in these unconventional gas technologies, unless there were indeed prospects and promises of overcoming the barriers to the commercial use of these potential resources. Fortunately, we do have cause for optimism in a progressive program for the commercialization of these technologies.

Representatives from the private sector have told me that the in situ fossil fuel technologies need one final boost in way of demonstrating engineering feasibility before they can take over. Initial field tests on underground coal gasification have been highly successful, while early attempts at demonstrating the practicability of some of the unconventional gas resource extraction techniques have shown promise. The research and development have been accomplished, and American industry is on the verge of commercializing these vast resources.

There is clear cause to accelerate our activities in all these unconventional gas technologies. The projected economics of these technologies show significant amounts of recoverable resources at prevailing natural gas prices and substantial increases in the recoverable resources, when compared to alternative energy sources and when further advances are made in the current technology.

In fact, the contribution of unconventional gas resources to our national energy supply depends more on advances in technology than on increased prices. A successful effort will double estimates of recoverable reserves. An aggressive program is absolutely necessary to improve present state-of-the art technologies and to foster advanced technologies. It is very unlikely that private firms will independently make the large expenditures necessary to bring about these technological advances. Industry's funds for strictly private projects are usually limited to high payoff, near-term efforts.

This is not to say, Mr. President, that private industry is not willing to foster these advanced technologies, but rather that there is a clear role for the Federal Government to initiate and to cost-share in many of these technology development and demonstration activities. To illustrate the willingness of industry to participate in unconventional gas research and development, I call my colleagues' attention to the Gas Research Institute, which will spend between one-third and one-half of their supply research and development funds over the next 5 years on underground coal gasification and enhanced gas recovery technologies.

Mr. President, my bill would establish a 10-year program for fostering commercialization of these unconventional gas resources. The bill contemplates the expenditure during that period of $200 million for underground coal gasification facilities and $300 million for enhanced gas recovery projects. The bill establishes national goals of production of at least 15 million cubic feet per day from underground coal gasification by 1987, with perhaps as much as 2 trillion cubic feet per day by the year 2000. A goal of 1 trillion cubic feet by 1990 from unconventional gas resources and 6 trillion by the year 2000 is also established by the bill.

The bill further provides direction for a research and development program, requires solicitation for demonstration activities, and calls for development of a commercialization strategy for the unconventional gas resources. The bill also authorizes $100 million in fiscal year 1982, including $25 million for in situ coal gasification and $125 million for fiscal year 1983, including $30 million for in situ coal gasification.

Mr. President, I believe this bill will foster a positive attitude within the Government and the industry toward unconventional gas resources, which are among our most environmentally desirable sources of new energy supply. With a broad utilization of these resources we can maintain a strong economy, as we eliminate our dependence on foreign sources of energy. I urge my colleagues to cosponsor this important and timely legislation and support its enactment at an early date.

By Mr. BENTSEN:

S. 436. A bill to amend the Internal Revenue Code of 1954 to increase the competitiveness of American firms operating abroad and to help increase markets for U.S. exports; to the Committee on the Judiciary.

INCREASING U.S. COMPETITIVENESS ABROAD AND INCREASING MARKETS FOR U.S. GOODS

● Mr. BENTSEN. Mr. President, over the past 3 years this Nation has rung up an accumulated trade deficit of some $90 billion. I have long maintained that international markets are the crucible in which the competitiveness of an economy is compared and tested against the world standard. The United States, Mr. President, is failing this test in many respects. If we are going to remain competitive in vast, rapidly expanding global markets we must be prepared to make some basic, fundamental changes in economic policy. And, at the same time, we must eliminate wherever possible impediments or unilateral restraints on our ability to export.

It has become apparent, for instance, that this country can no longer afford or accept a tax policy that makes it prohibitively expensive to station American business representatives in vital foreign markets. Sections 911 and 913 of the Tax Code must be changed to reflect the realities of world trade and the logic of export competitiveness.

International trade, Mr. President, is an extremely competitive business where a thin margin can make a vital difference. Our competitors for world markets generally have comprehensive trade policies; they recognize the iron link between exports and domestic prosperity. Their governments, their private sector, and their labor movements generally work together in the search for export opportunities.

That unfortunately is not the case in America, and perhaps it is one reason for our huge and chronic trade deficits that debase the value of our currency, fan the fires of inflation, and raise real doubts about our ability to compete for world markets.

Our businessmen abroad are the frontline troops in the battle for exports.

The United States is the only major trading nation to tax the income of its businessmen overseas; to tax their schooling and housing allowances as income, to tax incentive bonuses and cost-of-living allowances. In our rush to generate additional tax revenues with sections 911 and 913 we have saddled our commercial representatives with a competitive disadvantage that is frequently impossible to overcome. We are driving our people from the marketplace at precisely the time an effective U.S. commercial presence abroad is most urgently required. We have created a situation in which American business is forced to rely increasingly on third country nationals to market our products.

Accordingly, Mr. President, I am introducing legislation today to simplify and liberalize sections 911 and 913 of the Internal Revenue Code in an effort to insure that Americans working overseas receive tax treatment generally no less favorable than that accorded to our competitors.

I introduced similar legislation in the 96th Congress and, together with Senator CHAFEE and others, worked to remove this disincentive to U.S. exports. The legislation I am proposing today is identical to that introduced by Congressmen PICKLE and ARCHER (H.R. 911). It provides for a $75,000 exclusion in 1981, increasing $5,000 each year to $95,000 in 1985. The effective date of the legislation is December 31, 1980. The proposal also provides for a housing deduction for expenses in excess of $5,500 and provides for nontaxability of housing furnished in a camp.

A taxpayer would qualify for this exclusion if he or she is present for 11 out of 12 months in a foreign country.

This proposal, Mr. President, has the benefit of simplicity. It is easy to understand, implement, and enforce. During the last Congress we were unable to pass one single piece of legislation that would enhance our export performance.

Given the increasing importance of international trade as an element in domestic prosperity, the intense competition for world markets, and our continuing trade deficits, I sincerely hope that we can move promptly to provide sections 911 and 913 relief to the American business community overseas along the lines I have proposed.●

By Mr. DOMENICI:

S. 438. A bill to amend the Congressional Budget Act of 1974 to establish a system for scheduling and reporting outlays of departments or establishments; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, by unanimous consent pursuant to the order of August 4, 1977.

OUTLAY SCHEDULING AND REPORTING ACT OF 1981

● Mr. DOMENICI. Mr. President. In these early days of the 97th Congress, it is imperative that we make every effort to assert control over Federal spending. If there is a message in last November's election results, and I believe there is, it is that the American people are not only ready but are in fact demanding that Federal expropriation of the Nation's wealth be brought to a halt.

The Budget Act was designed to give Congress greater direct control over Federal expenditures. As chairman of the Committee on the Budget, I am committed to making that process work. But, I realize, as do several of my colleagues, that the process needs to be revised and strengthened.

The Senate has many new faces this year who are committed to reducing Federal expenditures. In the final analysis, there can be no substitute for this commitment. However, we can and should put statutory mechanisms in place which will enhance our ability to achieve our fiscal goals.

It is with this thought in mind that I have offered this limited amendment to the Congressional Budget Act. This amendment is no "cure-all," but it is one of several measures which will take us that much closer to an effective congressional budget process.

During the last few years, we have witnessed an extraordinary growth in the rates at which Federal agencies expend funds. This growth did not result for the most part from deliberate congressional decisions to increase spending. Rather, most of it resulted from upward reestimates of spend out rates under various Federal programs. Some of this was caused by more adverse economic conditions than originally expected, but much of it can not be explained on economic grounds.

To demonstrate just how serious the problem of unanticipated outlay growth has become, I ask that a table summarizing the fiscal years 1980 and 1981 outlay growth experience be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

GROWTH OF FEDERAL OUTLAYS OVER ORIGINAL TARGETS DURING FISCAL YEARS 1980 AND 1981

[In billions of dollars]

	1980	1981
President's original budget	531.6	615.8
President's revised budget	(1)	611.5
First Budget Resolution	532.0	613.6
President's mid-year review	542.4	633.8
Second Budget Resolution	547.6	632.4
President's estimates in budget for following year	563.6	662.7
Latest CBO estimate	(1)	660.3
Revised Second Budget Resolution	572.65	(1)
Actual outlays	579.6	(1)
Outlay growth over First Budget Resolution	47.6	47.6

1 Not available.

Mr. DOMENICI. Mr. President, this table shows that the actual Federal outlays were $47.6 billion above the targets set in the 1980 first budget resolution. Those outlays were $32 billion higher than the supposedly binding ceilings set in the original second budget resolution.

In fiscal 1981, this disturbing pattern of outlay growth is continuing, and indeed, it is even more striking than in fiscal 1980. Outlays are now estimated by the Congressional Budget Office to be $660.3 billion in fiscal 1981—$46.7 billion above the targets set in the first budget resolution and $26.9 billion above the ceilings established by the second budget resolution. We are only one-third of the way through the fiscal year and we have already had tremendous erosion in the fiscal discipline Congress tried to impose last year.

When outlays grow, deficits grow, and Federal borrowing increases. Congress simply must get a better handle on Federal outlays if it is to be effective in controlling fiscal policy.

The amendment to the Budget Act that I propose would require all Federal departments and agencies to submit early in the fiscal year a monthly outlay schedule to the Appropriations Committees of the House and Senate, and to the Congressional Budget Office. Substantial deviations in the actual rate of spending from that projected in the submitted schedule would require the consent of the Appropriations Committees.

It would fall to the Congressional Budget Office to review the submitted schedules and deviations and inform the Appropriations Committees and the Congress as a whole of the impact of the variations on already established congressional budget policies.

It is not enough to insist on congressional review of executive branch spending decisions. I believe that it is fair to say that all of my colleagues, on both sides of the aisle, are disturbed by the disproportionate amount of funds which are spent in the last quarter and especially in the last month of a fiscal year.

Too many agencies spend too much money in September, just before the end of the fiscal year. A chorus of critics have charged that last-minute spending is an attempt to spend money before it reverts back to the Treasury, so that next year's budget for that agency would not be cut. I am convinced that the dangers of fraud, waste, and inefficiency are too great to ignore, and we would be remiss in our duties if we failed to correct what is clearly a manageable problem.

Therefore, this amendment would attempt to end this "September Song," by prohibiting the obligation of more than 35 percent of a department or agency's total budget during the last quarter and no more than 15 percent during the last month of the fiscal year.

Of course, there will be circumstances in which year-end spending is predictable or necessary, or both. This amendment does not preclude such spending where it is necessary. But it is no longer to be the norm.

The Budget Committee has been directed to review the Budget Act and it is my attention to pursue this matter as part of that larger effort. I would welcome the thoughts of all of my colleagues on this subject. With the exception of national defense, there is no more pressing matter than the revitalization of the American economy and the reassertion of congressional control over Federal spending.●

By Mrs. KASSEBAUM:

S. 440. A bill to make certain amendments to title 18 relating to bail; to the Committee on the Judiciary.

AMENDMENTS TO THE UNITED STATES CODE RELATING TO BAIL

● Mrs. KASSEBAUM. Mr. President, each of us has read news reports of some violent crime committed by repeat offenders who are free pending trial for an earlier crime. We shake our heads, castigate a lax judiciary and sympathize with an outraged constituency. Unfortunately, that is about all we do. It is time we did more.

When an offender first comes in contact with our criminal justice system, it should impress him with its commitment to the preservation of law and order. It is at this point that deterrence from future crime can best be accomplished. It is also at this point that those individuals evidencing a proclivity for further mischief can be identified and detained. Quite frequently, however, it is at this point of first contact that the opportunity for crime prevention is missed and the offender's impression of official weakness is reinforced.

Prior to the passage of the Bail Reform Act of 1966, bail for defendants awaiting trial on Federal criminal charges, and bail for convicted defendants who were appealing their conviction, was committed to the sound discretion of the trial judges, subject to the constitutional mandate of the eighth amendment that the purpose of the bail be to assure the presence of the defendant and that it not be excessive. The exercise of discretion in the fixing of bail was subject to review by appellate courts who were limited to determining only that the lower court did not abuse its discretion.

The Bail Reform Act, however, removed from trial courts the discretion to determine the type and amount of bail which could be imposed and mandated that, in all but the most egregious cases, defendants are to be released from jail on their own signature—personal recognizance. In order to enforce this mandate for personal recognizance, the act requires that any defendants who are not released on their own signature are entitled to a court hearing after 24 hours. The defendant is also entitled to appeal bail determination, and, under the act, the court of appeals, instead of reviewing for abuse of discretion as the law previously permitted, is allowed to make its own independent determination of bail following the act's mandate that personal recognizance be used.

The effect of the act's mandatory personal recognizance provisions has been to straitjacket the trial court's ability to utilize alternative forms of bail, such as sureties and corporate bonds, in questionable cases. The trial courts, although best able to assess the circumstances affecting the defendant's character in the community, law-abiding tendencies, employment, family stability, and other factors properly bearing on the likelihood of reappearance, have been denied discretion to do so in favor of a congressionally imposed, inflexible standard which has permitted release of many defendants who have then committed further criminal activity and often fail to appear, becoming fugitives who must be located and recaptured.

In the last 3 calendar years, 1978 to 1980, there have been 11,164 Federal defendants who were released under the Bail Reform Act who failed to appear and became Federal fugitives. Many are still being sought by law enforcement agencies. As to these fugitives, justice has been thwarted and additional law enforcement resources consumed in efforts to relocate them. This large number of "bail jumpers" is convincing evidence that the Bail Reform Act preoccupation with personal recognizance was misplaced, and that trial judges should be restored their previous discretion to make determination of bail.

Although there is no constitutional right to bail for a convicted felon, the Bail Reform Act has again mandated that these convicted defendants shall be released on their personal recognizance except when the trial court has reason to believe that the defendant will flee or is a danger to the community. As in the pretrial bail situations, the trial court should be permitted broader discretion in the determination of bail on appeal than that permitted under the act, and alternatives to personal recognizance should be permitted rather than discouraged. Use of personal recognizance on appeal bonds should be disallowed or limited only to highly exemplary situations within the trial court's discretion, and appeals should be limited to review of discretion.

Mr. President, in order to correct these abuses of the trial process I am introducing a bill today that would:

First, repeal those provisions of the act (18 U.S.C. 3146) which mandate use

of personal recognizance in all but the most egregious cases, in favor of return to the courts of discretion to select the type and amount of bail consistent with constitutional standards.

Second, add a provision that magistrates and courts may in their discretion permit release on personal recognizance only in those cases where the defendant produces convincing evidence of his responsible character, family and community responsibility, lack of prior criminal record, and in cases where the crime charged did not involve acts or threats of violence to persons or property, possession of instrumentalities or substances capable of harming persons or property, trafficking in drugs, extortion or racketeering, and where the crime charged did not carry an aggregate sentence of more than 5 years confinement.

Third, repeal the Bail Reform Act provisions (18 U.S.C. 3147) which permit appellate courts to conduct independent determinations of bail before conviction, and substitution of a provision which provides for expeditious appeal of bail orders thought to be excessive, in which the court of appeals can only reverse the lower court for a clear abuse of its discretion.

Fourth, repeal the Bail Reform Act provision (18 U.S.C. 3148) which mandates release of convicted defendants pending appeal on personal recognizance except when the defendant is proved to be a danger to the community or likely to flee, and restore the discretion of the trial court to fix bail pending appeal in appropriate cases.

In addition to these reforms, the bill would also address the problems of bail forfeiture. Under current law, when a released defendant fails to appear, his bail is declared forfeited in accordance with 18 U.S.C. 3150, and Federal Rules of Criminal Procedure 46(e)(1). However, the present provision of FRCrP 46(e)(2) permits the court to set aside the forfeiture if it appears that "justice does not require the enforcement of the forfeiture." In practice, courts often set aside the entire forfeiture once the defendant is reapprehended, regardless of the causes of the defendant's failure to appear or the length of time of his flight. My proposal would amend FRCrP 46(e)(2) to permit setting aside of the entire forfeiture only if the failure of the defendant to appear, which caused the forfeiture, was not the result of his own conduct. Thus, if a defendant commits a crime while on bond and is arrested or convicted in another place, his own conduct caused his inability to appear. Likewise, intentional flight by the defendant should not permit the forfeiture to be totally excused once the defendant is finally reapprehended.

Mr. President, it is my belief that we can protect ourselves from some criminal activity by improving the deterrent nature of our laws and by isolating, as early as possible, those who appear likely to repeat their offenses. On the basis of that belief, I urge the Senate's attention to this proposal. I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a) and (b) of section 3146 of title 18, United States Code, are amended to read as follows:

"(a) Any person charged with an offense, other than an offense punishable by death, shall, at his appearance before a judicial officer, be admitted to bail. If the defendant is admitted to bail, the amount thereof shall be such as in the judgment of the judicial officer will insure the presence of the defendant. The following factors shall be considered as bearing on the appearance of the defendant—

"(1) the nature and circumstances of the offense charged;

"(2) whether the defendant is charged with or has been previously charged with offenses involving violence or threats of violence to persons or property, or offenses involving the possession of instrumentalities or substances capable of harming persons or property;

"(3) the weight of the evidence against the defendant;

"(4) the severity of the penalties for the offenses charged;

"(5) the defendant's family ties, employment and financial resources;

"(6) the length of the defendant's residence and employment in the community;

"(7) the defendant's arrests and convictions for violations of criminal laws;

"(8) the defendant's record of appearances at court proceedings;

"(9) the defendant's character in the communities in which he has lived; and

"(10) the defendant's mental condition and history of drug-related problems.

Other factors may be considered by the judicial officer if they relate to the defendant's presence.

"(b) The judicial officer may release the defendant on his personal recognizance only if the defendant produces convincing evidence that—

"(1) he has no prior arrests or convictions for criminal violations;

"(2) he has demonstrated a responsible record of employment;

"(3) he has family members which he supports in a satisfactory manner;

"(4) he is a person of good character in the communities in which he has lived; and

"(5) the crime or crimes charged—

"(A) do not involve acts or threats of violence to persons or property;

"(B) do not involve the possession of instrumentalities or substances capable of harming persons or property;

"(C) do not involve trafficking in drugs, extortion or racketeering; and

"(D) do not carry an aggregate sentence of more than five years' confinement.

"(c) A judicial officer authorizing the release of a person under this section shall issue an appropriate order containing a statement of the conditions imposed if any, shall inform such person of the penalties applicable to violations of the conditions of his release and shall advise him that a warrant for his arrest will be issued immediately pertaining to the admissibility of evidence upon any such violation.

"(d) Information stated in, or offered in connection with, any order entered pursuant to this section need not conform to the rules in a court of law.

"(e) Nothing contained in this section shall be construed to prevent the disposition of any case or class of cases by forfeiture of collateral security where such disposition is authorized by the court.

SEC. 2. Section 3147 of title 18, United States Code, is amended to read as follows:

(a) In any case in which a person is detained pursuant to 18 U.S.C. 3146, an appeal may be taken to the court having appellate jurisdiction over such court.

(b) Any order appealed pursuant to this section shall be reversed only if there is a clear abuse of judicial discretion in applying the standards set forth in section 3146. If the order is reversed, the court shall remand the case for further hearing.

(c) Any appeal pursuant to this section shall be disposed of not later than thirty days from the filing of such appeal.

SEC. 3. Section 3148 of title 18, United States Code, is amended to read as follows:

"3148. Release in capital cases or after conviction

"(a) A defendant charged with a capital offense or who has been convicted of an offense and is either awaiting sentence or sentence review or has filed an appeal or a petition for a writ of certiorari, has no right to bail. In the case of a defendant who has been convicted of an offense, the trial court may admit the defendant to bail in such amount as in the court's judgment will insure the presence of the defendant after considering the same factors as for bail prior to conviction set forth in section 3146. The court may release the convicted defendant on his personal recognizance only if the defendant produces convincing evidence to satisfy the requirements for personal recognizance before conviction set forth in section 3146, and, in addition, the court specifically finds that there is substantial likelihood that the conviction will be reversed.

"(b) If bail is fixed for a convicted defendant pending sentence or appeal, the defendant may appeal the bail order to the court having appellate jurisdiction which shall reverse the bail order of the trial court only for a clear abuse of judicial discretion.

"(c) Any appeal pursuant to this section shall be disposed of within 30 days from the filing of such appeal."

SEC. 4. Paragraph 2, subsection (e) of Rule 46 of the Federal Rules of Criminal Procedure is amended to read as follows:

"(2) SETTING ASIDE. When the ends of justice do not require enforcement of the forfeiture, the court may direct that the forfeiture be set aside upon such conditions as the court may impose. However, the court shall not set aside the forfeiture if it is shown that the failure of the defendant to appear was the result of his own willful criminal conduct during the period of his release."●

By Mr. NUNN (for himself, Mr. CHILES, Mr. MATTINGLY, Mr. HOLLINGS, Mr. SCHMITT, Mr. DIXON, Mr. DECONCINI, Mr. JOHNSTON and Mr. SASSER):

S. 441. A bill to provide limited assistance by the armed services to civilian drug enforcement agencies; to the Committee on Armed Services.

MILITARY ROLE IN DRUG ENFORCEMENT

● Mr. NUNN. Mr. President, on behalf of myself and Senators CHILES, MATTINGLY, HOLLINGS, SCHMITT, DIXON, DECONCINI, JOHNSTON, and SASSER, I am today introducing a bill which is designed to remove certain roadblocks which have prevented the military from providing very limited but important assistance to civilian law enforcement officials in the war against drugs.

Similar legislation is being introduced in the House today by my distinguished

colleague from Georgia, Congressman BILLY LEE EVANS.

This bill is the outgrowth of extensive work done by the Permanent Subcommittee on Investigations, of which I served as chairman in the 96th Congress, into impediments faced by law enforcement agencies in their effort to combat organized narcotics trafficking. Our investigation into illegal narcotics profits culminated in 5 days of hearings in December 1979, wherein we heard testimony from some 34 witnesses who detailed the tremendous scope of narcotics traffic and the too often ineffective efforts of the Federal Government to deal with the problem.

A report on that investigation was filed by the subcommittee on August 4 (S. Rept. 96–887).

Members of the subcommittee heard testimony from several witnesses that it would be very beneficial to the overall drug enforcement effort if the military could provide more valuable information and support services to civilian drug enforcement officials than is permissible under existing law.

Robert Asack, Director of Air Control, U.S. Customs Service, told the subcommittee that the equipment which civilian law enforcement agencies possess is not sufficient to deal with the sophisticated equipment used by drug traffickers. Mr. Asack stated that it would be extremely beneficial if the military could pass along drug-related information that it acquires in the normal course of its operations. He went on to add that the military is handicapped in providing this cooperation by the posse comitatus statute (18 U.S.C. 1385), and that without some modification in present law the military cannot alert Federal law enforcement agencies of suspected drug traffickers.

Mr. Asack's plea for military assistance was echoed by James Smith, attorney general of the narcotics-plagued State of Florida. To use Mr. Smith's words—

> Every agency of the Federal Government needs more staff and better equipment. The thinness of these forces is an indictment of the National government's haphazard approach to the problem.
>
> I urge Congress to consider carefully amending the doctrine of Posse Comitatus. I am told that [the] use of the armed services in reporting the movement of vessels and aircraft is essential to detection of clandestine shipments. This is currently prohibited by the doctrine contained in 18 U.S.C. Section 1385.
>
> The doctrine is a valuable protection against military involvement in civil law enforcement. It should not be tampered with in any but the more dire circumstances. In my opinion, such circumstances exist.
>
> However, I believe there is a way to deal with Posse Comitatus that would leave the essential protections of the doctrine intact.

I believe that Mr. Smith's assessment of the serious threat which the flow of drugs poses to American society is accurate. I also believe that the doctrine of military noninvolvement in civilian law enforcement must continue to be respected in order to protect the civil liberties of our citizens.

Yet I am convinced that the legitimate needs of law enforcement can be accommodated without compromising the civil liberties which we hold dear.

The thrust of the bill we are introducing is to expand the areas in which military support services could be provided to civilian law enforcement, such as the sharing of information and the loaning of equipment and facilities. But we would continue to prohibit the direct involvement of military personnel in narcotics seizures, arrests, or other civilian law enforcement responsibilities, other than to provide training and expert advice to civilian authorities.

Cooperation between the military and drug enforcement officials has been subject to a number of conflicting Federal court interpretations that have left the waters very murky. The purpose of the bill, therefore, is not to embark the military upon an unprecedented involvement in civilian affairs; rather it intends to clarify the authority of the military to participate in these support activities by removing unnecessary legal obstacles which have in the past significantly limited the extent of this cooperation.

There is ample precedent for legislation of this kind, providing for very limited military involvement in domestic matters. For example, a number of other statutes on the books operate as exceptions to the doctrine of posse comitatus. These authorize military participation in activities that potentially involve civilian law enforcement. Among the areas of permissible military involvement are in the enforcement of the customs laws, the suppression of insurrections, and the investigation of crimes against members of Congress. Where the need for military assistance has presented itself with full force, Congress has in the past seen to it that limited assistance has been forthcoming.

This bill will provide access to equipment which drug enforcement officials would otherwise never be able to afford, and access to expert personnel whose assistance could prove to be invaluable. One major virtue of this legislation is that it allows drug enforcement officials to capitalize on existing programs, facilities, and equipment without having to make the tremendous capital expenditures necessary to install and operate its own radar system or to purchase highly sophisticated aircraft.

The bill will eliminate considerable duplication of activity and waste of resources, and it will accomplish this without compromising either military readiness or the civil rights of American citizens. Moreover, this bill will permit the military to pass along information it normally collects about boats and aircraft suspected of drug trafficking to civilian law enforcement officers. It would also allow the military to plan training missions such as airborne surveillance training in locations where drug enforcement objectives could be achieved as a complement to the primary goal of training military personnel.

I should emphasize that this bill does not expand on the military's authority to gather information. The information that they would pass to civilian authorities would be that which they already gather during normal military operations, such as surveillance flights over the Caribbean. Any direct involvement in domestic law enforcement would be limited strictly to training functions.

When the military is free to see and hear drug trafficking, it should not be struck deaf and dumb by legislation which prohibits them from turning this evidence over to the proper authorities.

Mr. President, the drug epidemic in America is a cancer which is spreading faster than the ability of law enforcement to contain it. The smuggling of narcotics generates tremendous profits, and from those profits traffickers are able to equip themselves with an array of the very finest boats, aircraft, and weapons. At present, they are better manned and better equipped than the agents assigned to stop them. Unless some means are found to better the odds, law enforcement will continue to lose its war against smugglers, and American society will be the loser.

I believe this legislation will help to tip the odds back in our favor. The time to do this is now.

Mr. President, I ask unanimous consent that the text of our bill, a section-by-section analysis of it, and two letters of support be printed in the RECORD.

There being no objection, the bill, analysis, and letters were ordered to be printed in the RECORD, as follows:

S. 441

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of subtitle A of title 10, United States Code, is amended by adding after chapter 17 the following new chapter:

"CHAPTER 18—MILITARY COOPERATION WITH DRUG ENFORCEMENT OFFICIALS

"Sec.
"371. Definitions.
"372. Use of information obtained by members of the armed forces.
"373. Use of armed forces equipment and facilities.
"374. Training and advising Federal drug enforcement officials.
"375. Training and advising members of the armed forces.

"§ 371. Definitions

"As used in this chapter:

"(a) 'Controlled substance' means a drug or other substance, or immediate precursor, included in schedule I, II, III, IV, or V of section 202 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 812).

"(b) 'Drug enforcement official' means a civilian who is an agent or officer of the Drug Enforcement Administration, Department of Justice, authorized as such under 21 U.S.C. 878, an officer of the U.S. Customs Service, Department of Treasury, authorized under 26 U.S.C. 7607 or an officer of the U.S. Coast Guard, Department of Transportation, as authorized under 19 U.S.C. 1401, 14 U.S.C. 141 and 14 U.S.C. 143 or who is otherwise involved in the enforcement or prosecution of the controlled substances laws.

"(c) 'Equipment' includes, but is not limited to, transportation vehicles such as aircraft, seagoing vessels, and land vehicles; and information-gathering or disseminating equipment such as radar, telescopes, video-screens, and satellite monitors.

"§ 372. Use of information obtained by members of the armed forces.

"Notwithstanding any other provision of law, The Secretary of Defense or his designee is authorized to provide to Federal drug enforcement officials any information collected during the normal course of military operations which may be material to a violation of Federal laws relating to the use of controlled substances. Nothing in this section shall prevent Federal officials to whom such information is provided by the Secretary or his designee from making such information available to State and local officials charged with enforcing State narcotics laws."

"§ 373. Use of armed forces equipment and facilities

"The Secretary of Defense or his designee is authorized to make available any equipment, base facility, or research facility of the armed forces to any Federal drug enforcement official if the transfer, loan, or use of equipment or of facility will not adversely affect the military preparedness of the United States.

"§ 374. Training and advising Federal drug enforcement officials

"The Secretary of Defense or his designee is authorized to assign members of the armed forces to train Federal drug enforcement officials in the operation of military equipment made available pursuant to section 373 and to provide expert advice relevant to the purposes of this chapter, if the provision of such training and advice will not adversely affect the military preparedness of the United States. Nothing in this section shall be construed as authorizing members of the armed forces to become directly involved in drug seizures, arrests, or other civilian law enforcement responsibilities other than to provide training and expert advice.

"§ 375. Training and advising members of the armed forces

"Drug enforcement officials may provide training and expert advice, including tactical advice on the identification of drug traffickers, to members of the armed forces and may provide expert advice to such members on any other matter related to the purposes of this chapter.".

SEC. 2. The table of chapters at the beginning of such title and at the beginning of Part I of subtitle A of such title are amended by adding after the item relating to chapter 17 the following new item:

"19. Military Cooperation With Drug Enforcement Officials---------- 371.".

SECTION-BY-SECTION SUMMARY AND EXPLANATION OF THE BILL

PURPOSE

To clarify the role of the military in drug enforcement, define the support services which the military may provide to civilian drug enforcement officials, and establish procedural requirements for and restrictions upon the military's providing such support services. This legislation functions as a limited exception to the doctrine of "posse comitatus," or military non-involvement in civilian law enforcement, contained in 18 U.S.C. 1385. It sets out to clarify conflicting interpretations of that statute which have significantly limited the types and amounts of support services which have been provided by the military to civilian drug enforcement agencies.

SCOPE

This legislation authorizes the military to provide certain specifically defined support services to Federal drug enforcement officials, such as providing information on drug smugglers gathered during routine military border surveillance and making available equipment, base facilities and research facilities. It also limits military involvement by prohibiting the direct involvement of military personnel in arrests, seizures or other civilian law enforcement activities other than to provide training in the use of equipment, or to supply expert advice.

SECTION 371 DEFINITIONS

This section specifies that only agents of the Department of Justice, Drug Enforcement Administrator, Department of Treasury or Coast Guard are authorized to make requests for military assistance under the act. Definition (c) gives examples of the types of equipment which the military may make available to drug enforcement officials, without limiting them to any specific type or types.

SECTION 372

The military routinely conducts radar and airborne surveillance of our borders for national defense purposes. This section will permit the military to pass along to drug enforcement any information which comes to their attention through this surveillance or through any other means that indicates a possible violation of narcotics laws. Once this information is in the hands of federal officials they will be free in appropriate cases to make the information available to state authorities.

SECTION 373

The Secretary of Defense may provide drug enforcement officials with equipment, base facilities and research facilities if he determines that to do so will not adversely affect military preparedness.

SECTION 374

The Secretary of Defense may make available military personnel to provide certain limited support services to drug enforcement officials. Military personnel may train drug enforcement officials in the use of military equipment or supply advice in areas of military expertise. Military officials may not engage in direct law enforcement activities such as arrests or seizures.

SECTION 375

Drug enforcement officials may provide military personnel with any training or expert advice which might assist the military to providing effective assistance in drug enforcement matters.

REGIONAL ENFORCEMENT
NARCOTICS UNIT,
Cincinnati, Ohio, September 3, 1980.

Hon. SAM NUNN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NUNN: The Cincinnati, Ohio, Enquirer, on August 27, 1980, carried an article which stated you and your colleague, Senator Lawton Chiles of Florida, are submitting legislation to the Senate in which certain provisions of the posse comitatus act would be amended. You are to be congratulated for your effort in this field of law enforcement.

As the commander of the local drug enforcement effort, I have had occasion to see, first hand, the drug abuse problem in this country rise from a low proportion of our population to a vertual epidemic. Law enforcement has met with resistance at almost every hand. The National Organization for the Reform of Marijuana Laws (N.O.R.M.L.) has exerted financial and political pressure and employed the media from "Playboy" magazine through daily papers to downplay the seriousness of not only marijuana use but also cocaine, heroin and clandestine tablet abuse. The courts have ruled unfavorably on police cases involving search and seizure to the extent that it is the police who are on trial and the issue of the possession of illegal substances, admitted by the defendant in many cases, takes a back seat to the manner used by law enforcement in discovering that possession. Thus, it is apparent that law enforcement must seek other means of combatting this problem.

The U.S. Drug Enforcement Administration has found that on a dollar for dollar ratio, money spent in locating, identifying and apprehending drug dealers overseas, at the point of origin of almost all this nation's illegal drugs, is the most efficient means of enforcement. This brings out two points. One is the fact that should the drugs be taken at their source and the violators arrested, the major traffickers will be eliminated from the field of endeavor. Secondly, the courts in foreign lands, who, by the way do not have the drug problem this country is experiencing, are much harsher in dealing with drug traffickers and are less interested in whether the officers dotted their "i's" and crossed their "t's" or, for that matter, even had a search warrant.

Still, most of the drugs are getting through to the United States by aircraft and vessel with 90 percent of all marijuana in the country stemming from Columbia as well as almost all the methaqualone and 100 percent of all cocaine and heroin from other nations.

Law enforcement, chiefly the Coast Guard, seize an average of 12 vessels per month in the waters off the coast of Florida while local law enforcement and Customs seize about 100 aircraft each month involved in drug trafficking. Yet, we see that this is only 10 percent of the carriers transporting illegal drugs into the nation.

In speaking to the Chief of Coast Guard Patrol in the Florida area, I was advised that Coast Guard vessels are being neglected for maintenance and crews have almost no time off in their virtual solo effort in apprehending drug transporters in the waters of their concern, many times asking and receiving the help of the State Department in acting as the police of foreign powers such as Panama, the Bahamas and the United Kingdom in searching suspect vessels far at sea in International territory with the vessels being of foreign flag, as almost all are.

Recently, a local drug violator, who, incidently was just released from Federal prison for aircraft drug smuggling, was apprehended, by accident, as he landed his DC-6 on a highway in Kansas having mistaken the road for a clandestine runway. He admitted flying from Columbia non-stop over Louisiana at an altitude of 50 feet for 300 miles to avoid law enforcement radar detection as was pre-planned by his co-conspirators. Is this the way a Russian "Bear" aircraft could come in to drop H-Bombs? I doubt it. Undoubtedly, military aircraft and radar had him "scoped" all the way and yet, no law enforcement agencies were notified when it was determined not to be a military target.

The U.S. Air Force, Navy and Marine Corps expend millions of dollars yearly in training missions, many involving the use of U.S. Military aircraft and vessels, in efforts to improve radar detection capabilities. The military aircraft and vessels, I am sure, try every trick possible to try to foil the air, sea and ground radar seeking them out.

Using the new "enemy" of this Nation, the drug trafficker, their vessels and aircraft as "drones" in seeking out better means of detection would be far less expensive to the Country and would, should this information be passed on to law enforcement, culminate in a profit to the Nation, rather than a loss.

In my study of posse comitatus, I find that only the Army is directly precluded from direct assistance to law enforcement in seeking out and apprehending criminals. The Navy, Marine Corps and Air Force are not specifically named and precluded. However, it is the policy of the military to withhold all such aid in the apprehension of civil law violators lest they be accused of intentional flaunting of the "spirit" of the law.

I further believe there is precedent in employing the military in aid of law enforcement. The United States Marine Corps was used in the protection of the mail when criminals were wont to rob mail cars on trains and mail trucks on the road in the twenties and thirties. The U.S. Marines were employed in the apprehension of criminals at Alcatraz in the late nineteen forties and I am sure there are other such examples of direct military aid to law enforcement. Is not the sanctity of our borders, especially given the scourge of drug abuse this Country suffers as a result of such intrusions, at least as important as the U.S. Mail getting through? I think so and I believe from your proposed legislation, that you agree.

As a member of a Statewide Narcotics Officer's Association, as well as a Cincinnati Police officer of twenty four years experience, I intend to do whatever I can to aid you in your legislative action. I will see that all Ohio Congressmen and Senators are advised by letter of our collective feelings in support of your bill and will ask that our Chief of Police, Colonel Myron Leistler, address this question of support to the International Association of Chief's of Police and other august groups of which he is counted as a member.

This, to my way of thinking, is the most important step that could possibly be taken at present for the welfare of this Nation and its citizens. Thank you for your effort on our behalf.

Respectfully,

PAUL E. GUTHRIE,
Police Sergeant,
Commander RENU.

STATESBORO, GA., *September 1, 1980.*

Hon. SAM NUNN,
Senate
Washington, D.C.

DEAR SENATOR NUNN: I've read the transcript of your hearing last December on Illegal Narcotics Profits, so am aware of your concern and interest in drug trafficking. Today, the Atlanta Constitution contained an article in which the question is raised as to the legality of the use of technology belonging to the military in pursuit of drug smugglers, and whether this is a violation of the Posse Comitatus Act.

Anyone who thinks the drug traffic is not a threat to our national security is unaware of the impact it is having on society and our economy. All our resources should be used to combat this festering condition or it will engulf the entire nation instead of just Florida and Georgia. The use of military resources should be assured by whatever is the most effective means. The longer the situation exists, the greater it becomes entrenched and powerful, corrupting local citizens, persons in influential positions, and local law officials, while inflation and other costs to society rage out of control.

Please pursue every means to bring some control over this criminal activity—use of the military resources and various tax investigative procedures—so that honest, legitimate citizens will not have to bear so costly a burden.

Yours truly,

LYNN WALSHAK.●

● Mr. CHILES. Mr. President, I am pleased to join Senator NUNN in introducing this proposal to clarify the doctrine of posse comitatus in relation to drug law enforcement activities. This legislation represents another significant step resulting from the Permanent Subcommittee on Investigations' continuing inquiry into narcotics trafficking. It is a further effort to insure that all appropriate and available resources of the Federal Government are brought to bear in the war on illicit drugs.

Over the last decade we have witnessed a tremendous growth in drug use and drug trafficking. Drugs are now available and are used throughout our society. What has become starkly clear in recent years is that we are losing the battle to stem the flow of illegal drugs.

The series of hearings by the Permanent Subcommittee on Investigations portrayed illicit narcotics as a multibillion-dollar, worldwide business which is so large and so sophisticated in its operations that present law enforcement efforts are simply overwhelmed in trying to combat it. It is a business that generates upward of $50 billion in revenues a year. For my own State of Florida, which has become a focal point for drug smuggling from Latin America, the dimensions of the narcotics trade are staggering. Marihuana and cocaine trafficking represent one of the State's largest commercial activities. It is a $7 billion a year industry which has tremendous impact on the economy. Along with the economic impact, it spawns violent crime, public corruption, and poses serious health risks for millions of Americans.

The posse comitatus statute dates from the post-Civil War period. It was originally proposed to prevent the use of Army troops in assisting the local marshal. What it establishes in law is an important principle prohibiting military involvement in civil law enforcement.

While the general principle that military force should not be used in civilian matters is clear, the language of the statute itself is somewhat vague. It has been subject to various interpretations by the courts and has been applied in more recent years by regulation to the other branches of the military.

The current onslaught of illegal narcotics now flooding the United States geographically illustrates that the present effort to control the drug flow is not adequate. In examining why this is the case, the posse comitatus statute, as currently interpreted and applied, can be seen as a considerable stumbling block to effective surveillance and interdiction of narcotics smugglers.

The hearings by the permanent subcommittee brought to the forefront the posse comitatus issue. As testimony depicted the immense scope of the drug trade and as we pursued the question of why we are losing the battle against narcotics trafficking, several witnesses pointed to the posse comitatus situation as one factor.

Florida Attorney General Jim Smith, in testifying on Florida's problems as the dropoff point for marihuana and cocaine smuggled from Colombia and the difficulties State and local law enforcement officials experience in patrolling Florida's thousands of miles of coastline, raised the posse comitatus issue.

General Smith testified:

Finally, I urge the Congress to consider carefully amending the doctrine of posse comitatus. I am told that use of the armed services in reporting the movement of vessels and aircraft is essential to effective detection of clandestine shipments . . .

The law can be amended to allow transfer of information obtained in military surveillance to Federal and State law enforcement authorities. That's all we are talking about, pure information. There would be no involvement of the armed services in prosecuting these cases.

When questioned on the use of military manpower or equipment in tracking aircraft suspected of transporting drugs, Robert Asack, Director of Air Control, U.S. Customs Service, told the subcommittee that this was not permissible without some change in the law or a broader interpretation of posse comitatus. He indicated:

We would like the military to detect, track and then call us if there are any intruders coming across the border that they don't consider hostile but which are of high interest to us.

In a similar vein, leading law enforcement officials in south Florida, as well as the commissioner of the Florida Department of Law Enforcement, have recommended changes to the U.S. Attorney General:

We understand that the U.S. Customs Service may be limited in manpower and resources necessary to track aircraft or vessels once identified by radar surveillance. But surely the military has an interest in tracking any strange aircraft coming to our shores. We understand that some authorities conclude that the military cannot be used to provide tracking information to Customs and local law enforcement for to do so would be to violate the Posse Comitatus Act. Has the Government really researched this issue? If careful research reveals that tracking by the military of planes from the northern coast of South America and advising Customs of these planes would violate the Act, then we urge amendment of the Act.

Our military establishment should be put to good use. We do not believe that the Posse Comitatus Act was meant to prevent the military from assisting in the fight against this foreign menace.

Perhaps the most difficult facet of posse comitatus lies in the uncertainty as to what the military can do within the limits of the statute. Because of this uncertainty, the military often must err on the side of being too cautious. The Department of Defense, in addressing the question of assisting other Federal agencies in drugs and narcotics interdiction, points to the posse comitatus prohibition as the most troublesome aspect in terms of making its resources available. The Department characterizes the act as "severely restricting" the granting of requested assistance from other Federal agencies.

The Drug Enforcement Administration, which has the principal responsibility for drug law enforcement, would echo the view that the Department of Defense is severely restricted in providing assistance. DEA Administrator, Peter Bensinger, comments:

The tendency in recent years on the part of both the Department of Defense and Courts has been to interpret Posse Comitatus so narrowly as to virtually preclude any but the most indirect cooperation domestically between the military and drug law enforcement agencies.

With the tremendous influx of illicit narcotics smuggled from South America by boat and plane, the U.S. military

could be of critical importance in helping to identify and stop this criminal traffic. DEA maintains that the military has capabilities of a support nature which are unique and would prove invaluable in the suppression of drug trafficking.

In the face of an ever growing drug trade and the failure of present enforcement efforts to contain it, there is an obvious and pressing need for expanded cooperation between the military and drug law enforcement officials. Such cooperation could involve the sharing of information derived from radar and other surveillance activities; the loan of military equipment and facilities; and the services of the military to provide training and advice. To clarify the law in order to allow this type of cooperation would certainly not violate the essential principle of the posse comitatus statute. What it certainly would do is improve materially our drug enforcement capability.

The legislation we propose today is a carefully drawn measure which spells out in specific terms the assistance the military may provide with respect to drug law enforcement. It makes clear that there will be no interference with the military mission and no direct involvement of Armed Forces personnel in civilian law enforcement functions. The bill simply authorizes the sharing of information relative to a violation of a Federal Controlled Substances Act; the loan of equipment and facilities; and the use of Armed Forces personnel for training and expert advice.

Mr. President, I believe we must recognize the urgency of moving to strengthen this Nation's ability to wage war on the drug traffickers. This legislation is a significant step in that direction and I urge its prompt consideration by the Senate.●

Mr. SASSER. Mr. President, I join with Senator NUNN and several of my distinguished colleagues in sponsoring S. 441, a bill to amend the U.S. Criminal Code to allow the use of the military to assist State and local law enforcement agencies to combat drug related crimes.

A member of the Senate Permanent Subcommittee on Investigations along with Senator NUNN, I am only too aware of the insidious forces this legislation is designed to combat.

During the subcommittee hearings in the 96th Congress, the scope and breadth of the illegal narcotics-for-profit trade was outlined in graphic detail. Participation in those hearings was a chilling experience, even for those familiar with the lawless and cynical behaviors of criminals.

The trade in illegal and illicit narcotics goes well bevond our borders. Marauding international narcotics mercenaries possess air and sea trafficking capabilities of small nations. They roam the seas and they dart through the skies, funneling narcotics through an illegal trade network that is beyond surveillance capability of State and local law enforcement officials.

Routine American military operations are frequently aware of potential narcotics trafficking operations. Suspicious movements in the air and sea off our boundaries are often carriers of narcotics, destined for delivery and distribution within the United States.

It is eminently reasonable to allow such information to be passed along to State and local law enforcement agencies engaged in the war against narcotics.

Such information cannot, however, be passed along under current statutes. It has been a long-established tradition in this country—a tradition reinforced by statute—to prohibit the use of military forces in the work of State and local law enforcement.

The international narcotics mercenaries are not, however, the stuff of routine law enforcement.

The military, which routinely acquires information on suspicious, and potentially dangerous narcotics-related activity, must be able to provide important information in these circumstances, and to assist State and local law enforcement officials in learning the best possible methods for combating this evil influence.

Certainly, safeguards should be established to insure that the military does nothing more than assist. The statute prohibiting the use of the military as a posse comitatus stands as one that maintains a sensible tradition. As such, this legislation is clear and strict as to what the military can do in assisting State and local law enforcement officials.

I am certain, that upon reviewing this legislation and being fully cognizant of the enemy it is designed to combat, my colleagues will also support this legislation.

By Mr. JACKSON (for himself and Mr. GORTON):

S. 442. A bill to amend the Wild and Scenic Rivers Act; to the Committee on Energy and Natural Resources.

AMENDMENT OF WILD AND SCENIC RIVERS ACT

● Mr. JACKSON. Mr. President, I seek recognition to introduce a bill on behalf of myself and Senator GORTON intended to begin the study of four rivers in my State, the Hoh, the Dosewallips, the Quillayute, and the Humptulips, for possible inclusion in our National Wild and Scenic Rivers System. In addition, this bill would designate that portion of the Dosewallips River which is already within the Olympic National Forest and under Federal management as a segment of the Wild and Scenic System.

Mr. President, Congress has recognized that the provisions of the Wild and Scenic Rivers Act are a useful tool to identify and protect our Nation's most pristine streams. Washington State is home for several such streams, and their beauty in Washington comes not only from their scenic value but also from their habitat for thousands of salmon and steelhead trout. I want to be sure that we protect that habitat and that scenic beauy. This bill is a step toward that goal.

Fishery resources are vitally important to the people of the Nation. In Washington State, millions and millions of steelhead and salmon are harvested in the sports and commercial fisheries of Indians and non-Indians alike. Our fishery, once generated from strong, naturally-spawning stocks of fish native to Northwest streams, has had to turn more frequently to the production of fish from hatcheries. Too often, the habitat of the streams no longer supports the large natural runs. Fortunately, for the streams we address in this bill, we have time to preserve their relatively good fishery habitat and save the cherished natural runs of salmon and steelhead.

Mr. President, the fishery resources aside, the rivers we address in this bill are several of the most dramatically beautiful in this country. They are located on the Olympic Peninsula and have their origins in the mountains that rise between Puget Sound and the Pacific Ocean—the mountains of Olympic National Park. They flow east, north and west as they cut through the mountains and provide the path for miles of hiking trails leading to the interior of Olympic National Park. Their surroundings include the famous Olympic rain forest and their cold cascades are a dramatic reminder of our need to properly protect and manage these important natural resources.

As I have indicated, the fishery resources provided by these rivers are very important. The studies authorized by this bill are specifically intended to develop means to maintain and enhance the stocks while minimizing any conflict with the plans of any non-Federal land managers in the area. In addition, recognizing the work that has already been done by the Forest Service on the Dosewallips River, the bill calls for the immediate designation of that portion of this river within the Olympic National Forest as within the National Wild and Scenic Rivers System.

Mr. President, I see this bill as a tremendous opportunity to preserve a rich scenic and fishery resource. I urge the Senate to support it. My colleague in the House of Representatives, Congressman DON BONKER, represents the area containing all of these rivers. I am pleased to report that Congressman BONKER strongly supports this measure and will be urging passage of a similar bill in the House.

Mr. President, I ask unanimous consent that the text of my bill to amend the Wild and Scenic Rivers Act be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 442

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 3(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1274) is further amended by inserting the following new paragraph at the end thereof:

"(51) Dosewallips, Washington.—The segment from the boundary of the Olympic National Park to the eastern boundary of the Olympic National Forest; to be administered by the Secretary of Agriculture. In carrying out subsection (b) of this section, the Secretary of Agriculture shall carefully consider management options which will maintain and enhance the river fisheries. For the purposes of the segment designated by this paragraph, there are authorized to be appropriated such sums as may be neces-

sary for development. The Secretary shall take such action as is required under subsection (b) of this section within one year from the date of enactment of this paragraph.".

SEC. 2(a). Section 5(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1276) is further amended by inserting the following new paragraphs at the end thereof:

"(89) Hoh, Washington: The segment between the boundary of the Olympic National Park, near the confluence of the Hoh River and the South Fork of the Hoh River, downstream to its confluence with the Pacific Ocean.".

"(90) Dosewallips, Washington: The segment from the eastern boundary of the Olympic National Forest to the mouth.".

"(91) Quillayute, Washington: The segment of the main stem and its Soleduck, Bogachiel, and Calawah tributaries outside the boundaries of the Olympic National Park, but including the segment within the Olympic National Park coastal unit.".

"(92) Humptulips, Washington: The entire river including the West Fork.".

(b) Section 5(b)(3) of such Act is amended by adding the following at the end thereof: "The studies of the rivers named in paragraphs (89) through (92) of subsection (a) shall be completed not later than October 1, 1983.".

(c) Section 5 of such Act is amended by adding the following new subsection at the end thereof:

"(e) The study of the rivers named in paragraphs (89) through (91) of subsection (a) shall include an analysis of the various means which may be practicable and appropriate, consistent with other provisions of this Act, to maintain and enhance the fisheries resources of such rivers.".

SEC. 3. Section 5(b)(4) of the Wild and Scenic Rivers Act is amended by striking the second sentence and inserting in lieu thereof the following:

"There are authorized to be appropriated for the purpose of conducting the studies of the rivers named in subparagraphs (59) through (74) and (89) through (92) such sums as may be necesasry.".●

● Mr. GORTON. Mr. President, I am pleased to cosponsor, with Senator JACKSON, legislation authorizing studies for several river segments on the Olympic Peninsula in Washington State for eventual designation as wild and scenic rivers.

The Pacific Northwest is richly blessed with spectacular mountain ranges and abundant natural resources. Of particular note are the many streams and rivers on the Olympic Peninsula whose headwaters lie high in the Olympic Mountains. These rivers contain abundant quantities of salmon and steelhead resources which are unequaled in the contiguous United States.

These valuable fishery resources spawn in these rivers and depend upon balanced habitat conditions for survival. In many areas, the long term survival of these fishery stocks are threatened due to continued loss of streamside vegetation and the degradation of water quality. Indians and non-Indians alike are deeply concerned about the increasingly reduced quantities of these fishery stocks.

The Wild and Scenic Rivers Act provides a vehicle for protecting these valuable resources. The act establishes a mechanism for recognizing and protecting important and unique river resources which possess outstanding wilderness, esthetic and recreational values. The rivers included in this legislation feature all of these qualities in abundance.

The bill would immediately designate as a segment of the Wild and Scenic System the portion of the Dosewallips River which runs through Olympic National Forest. Studies would also be authorized for several river segments, including the Hoh; Humptulips; Quillayute and it's Soleduck, Bogachiel, and Calawah tributaries; and the segment of the Dosewallips River from the eastern boundary of the Olympic National Forest to its mouth. These studies will provide recommendations for future action by Congress as to whether or not these river segments should be designated as wild and scenic rivers.

Salmon and steelhead resources are vitally important to the economy of the Pacific Northwest. This legislation will help maintain, enhance, and protect these valuable fishery resources in the designated river segments on the Olympic Peninsula.●

By Mr. DANFORTH (for himself and Mr. HATCH):

S. 443. A bill to clarify the limits of the authority. A bill to clarify the limits of authority of the Department of Education; to the Committee on Labor and Human Resources.

EDUCATION REFORM ACT OF 1981

Mr. DANFORTH. Mr. President, today I am introducing a bill, together with Senator HATCH, which will make clear our intent when we established the Department of Education several years ago: That the Department is to be an administrative convenience only—a one-stop shop—not a superschool board, formulating policies with respect to curriculum, teaching methodologies, education policy, and other matters traditionally within the exclusive province of State and local governments.

Many of us tried to make clear the limits of the Department of Education when the legislation establishing the Department was considered by Congress.

To insure that the new Department would not involve itself in areas of curriculum and other traditionally local concerns, Senator ROTH and I offered an amendment to the Department of Education legislation, which became section 103 of Public Law 96–88.

Section 103(b) provides:

No provision of a program administered by the Secretary (of Education) or by any other officer of the Department (of Education) shall be construed to authorize the Secretary of any such officer to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school or school system . . . except to the extent authorized by law.

In an effort to clarify any ambiguity in the statutory language, the matter of local control was emphasized in hearings, Committee reports, and two colloquies on the floor.

Notwithstanding the clear legislative intent of section 103, the Department of Education began immediately to exceed its mandate. One of its first actions was to publish proposed regulations which, with great specificity, mandated that school districts provide bilingual education for foreign-language speaking students. The regulations would have imposed requirements with respect to curriculum, programs of instruction, personnel, and textbooks.

The legal basis for the regulations rested on title VI of the Civil Rights Act of 1964. Title VI is a general statute prohibiting discrimination on the ground of race, color or national origin in programs receiving Federal aid. While the Supreme Court has interpreted title VI to require that schools give special help to students who speak a foreign language and have limited English proficiency, it has never mandated a particular form of assistance. There is no evidence anywhere that Congress intended to mandate that the Nation's schools offer bilingual education.

Nevertheless, the Department of Education used title VI as the excuse to propose regulations which would have set out in minute detail exactly what a school would have to do for its foreign-speaking students. Under the proposed regulations, a school district wanting to vary from the Department of Education approach, no matter how inconsequential the change, would have been required to seek a waiver from Washington.

This encroachment by Washington is wrong and in violation of clear congressional intent. It is only one example of a pattern which ultimately could lead to centralization of all education decisions in Washington. For example, I understand that the Department of Education has been looking at the area of student discipline.

I was gratified to see that the new Secretary of Education has withdrawn the bilingual education regulations, and I assume the administration will prevent other encroachments from occurring. But it is not enough to hope for a sensible administration. Therefore, I am introducing a bill today, together with Senator HATCH, to clarify the limits of the Department of Education.

There has been great pressure in the last few years to enact legislative vetoes as a mechanism to rein in the excesses of Federal agencies. I have opposed legislative vetoes because they seem to stand our Government on its head. The legislative branch is supposed to legislate; the executive branch, to implement and administer. A legislative veto implies that Federal agencies are now legislating, while the legislative branch judges the results.

Rather than a legislative veto, I believe Congress should get back in the business of legislating with precision and specificity. Too often, in an attempt to reach a compromise, Congress leaves the intent vague. I fear this was the result when the Department of Education was established.

At present, the Department of Education is prohibited from controlling the curriculum, program of instruction, administration, or personnel of a school "except to the extent authorized by law." That last phrase, I learned, is an enor-

mous loophole. The bill we are introducing today tightens the language of section 103(b) so that interference in areas of traditionally local concern can only occur to the extent expressly required by Federal statute. I believe the burden should be on the Department—not on school boards and Congress—to show that regulations infringing these local concerns are intended by Congress. If Congress wants to preempt the State and local governments in matters of bilingual education, student discipline, testing, or any other matter, it should be done clearly and expressly, as was intended by the Constitution. This bill seeks to return us to our appropriate roles.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 443

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Education Reform Act of 1981."

SEC. 2. Section 103(b) of the Department of Education Organization Act (20 U.S.C. 3403(b)) is amended to read as follows:

"(b) Neither the Secretary nor any other officer of the Department shall exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, over any accrediting agency or association, or over the selection or content of library resources, textbooks, or other instructional materials by any educational institution or school system, except to the extent expressly required to do so by Federal statute. For the purposes of this provision, 'Federal statute' shall not include Federal regulations, Federal rules, or Federal guidelines."

By Mr. WILLIAMS (for himself and Mr. CRANSTON):

S. 444. A bill to amend the Internal Revenue Code of 1954 to provide incentives for the construction and rehabilitation of real property; to the Committee on Finance.

REAL ESTATE CONSTRUCTION AND REHABILITATION TAX INCENTIVES ACT OF 1981

● Mr. WILLIAMS. Mr. President, I am today introducing a comprehensive legislative package revising the Tax Code's treatment of real estate construction and rehabilitation. This legislation is designed to provide needed, general stimulus to the full spectrum of development activities; and, in particular, to promote the conservation of the Nation's existing rental housing stock while simultaneously reviving the unsubsidized multifamily housing starts which must occur if the Nation is to emerge from its present rental housing crisis.

I am pleased to be joined in introducing this bill by Senator CRANSTON. I also want to note that a substantially similar bill was supported during the second session of the 96th Congress by all segments of the realty development industry, including the National Association of Homebuilders, the National Association of Realtors, the Coalition for Low and Moderate Income Housing, the International Council of Shopping Centers, the Building Owners and Managers Association International, the Council of State Housing Agencies, the National Apartment Association, the National Multihousing Council, the National Realty Committee, and the National Leased Housing Association.

Mr. President, I believe that there are compelling reasons for the inclusion of the provisions of this bill within the overall tax cut legislation expected to be enacted this year. There is widespread general agreement that the present depreciation rules contained in the Tax Code are unnecessarily complex, and do not permit businesses to set aside realistic replacement costs in a time of inflation. This bill would correct that situation in the construction area. And, by so doing, it would tuneup and accelerate the massive economic engine of the building industry, pumping new vigor into our troubled economy and taking tens of thousands of productive American workers off unemployment rolls and putting them back onto payrolls.

I would like to review, for the benefit of my colleagues, the major provisions of this bill, and the reasons underlying this proposal:

A shortened, auditproof, nonrecapturable depreciation scheme is provided for all new construction activity. Low-income housing receives the most favorable treatment, qualifying for 12-year, straightline amortization. All other multifamily rental housing can be written off over 16 years. All nonresidential construction would be depreciated on a straightline basis over 20 years.

The Senate Finance Committee, in the Tax Reduction Act of 1980 (H.R. 5829), recognized that the present available combination of useful lives, accelerated depreciation, and component depreciation for new construction creates uncertainty, complexity, and substantial administrative burdens for both the taxpayer and the IRS. It therefore adopted, as part of that legislation, the proposal which I made in the 96th Congress that all realty be permitted 20-year straightline depreciation, except for low-income housing which would have been amortized over 15 years. I have departed from that original proposal this year to some extent, by suggesting more favorable treatment for multifamily rental housing particularly for low-income people, than any other type of construction, for two important reasons.

The first is that this more favorable depreciation merely carries forward the slightly more generous useful lives which are permitted to rental housing at present, under Revenue Procedure 62–21. The guideline life provided for apartment buildings is 40 years, and the average useful life claimed by taxpayers under what the IRS calls the "facts and circumstances" of their project is 32 years. By contrast, the guideline lives for other types of structures such as offices or factories range from 45 to 60 years, and the claimed useful lives vary from 37 to 43 years.

The second, and major reason, is that the continuing deterioration in nonassisted rental housing starts demands that the Congress earmark this type of development activity for preferential treatment. In this regard, I must again call to my colleagues attention the shockingly distressed condition of the multifamily housing sector. Rental housing starts have never fully recovered from their decline during the 1974–75 recession. And, in the past 2 years, they have tumbled precipitously, from 445,000 units in 1978 to approximately 250,000 units in 1980. Further, the private market is rapidly abandoning any participation in rental housing construction, except in those cases where Government subsidies are provided. In 1972, only 22 percent of rental starts were assisted units. By 1978, that had doubled to 44 percent and, in 1980, nearly 60 percent of all new starts required some form of Government subsidy. Although I am one of the strongest proponents of assisted housing projects in the entire Congress, I think that this trend is unhealthy, and indicates the need for the removal of roadblocks, and the establishment of new incentives, to get the private market working again to build apartments for those Americans who neither want nor need Government-subsidized housing.

The time for action to revive rental housing is now. The national vacancy rate has dipped below the crisis mark of 5 percent, limiting the mobility of our citizens and permitting exorbitant rents to be charged for many apartments. Given that the Nation loses up to 300,000 rental units annually due to destruction and abandonment, it is clear that we are actually suffering a net annual loss of apartments. A Joint Economic Committee study has projected that 615,000 rental units need to be built annually throughout the 1980's to help meet America's housing needs. In that context, the paramount importance of earmarking rental housing for preferential tax treatment is manifest.

Low-income assisted rental housing requires slightly more favorable treatment than nonassisted housing in order to be able to continue to attract equity capital, given the mandated restrictions on return, and the limited potential for appreciation inherent in such housing.

While I include a detailed cost analysis of this legislation later in this statement, Mr. President, I do wish to note at this point that the projected revenue losses from this dramatic simplification of depreciation treatment are surprisingly modest. That is because taxpayers can currently achieve nearly comparable results through a combination of shorter claimed lives plus accelerated and component depreciation. This portion of the bill, therefore, may provide its greatest liberating effect on new construction not through tax expenditures, but by providing the taxpayer with certainty of treatment and freedom from the expensive accounting manipulations and the threat of review and audit by the IRS.

The investment tax credit for the rehabilitation of older commercial and industrial buildings is raised from 10 to 25 percent. The upward revision, which was included in the Finance Committee's 1980 Tax Reduction Act, will assure that the overall revision in depreciation treatment for new construction will not provide an unbalanced incentive for businesses to relocate from their present locations. As a member who has been

particularly concerned about the detrimental effects of plant delocations on the older communities of the Nation, I believe it is essential that any tax reduction bill offers established enterprises a fair choice between upgrading their present facilities or constructing new plants or offices.

Section 189 of the code, which requires that construction period interest and taxes be amortized over a 10-year period, is repealed. This action will have the greatest stimulative effect on new construction of any portion of this legislation, and will remove the major feature of the code discriminating against construction activity.

In any other field of endeavor, taxes and interest on loans, are deductible in the year they are incurred. But, for realty development, present law makes the unreasonable demand that they be folded into construction costs and amortized. This is inherently unfair, particularly for interest costs inasmuch as they are paid on a short-term construction loan which is retired when the structure is ready for opening and receives permanent financing.

The repeal of section 189 will permit these legitimate, out-of-pocket costs to be expensed in the year incurred, and will thereby remove the major impediment against investment in new industrial and commercial facilities.

Section 167(k) of the code, permitting the rapid amortization of multifamily housing rehabilitation costs, is made applicable to all rental housing. At present, the 5-year depreciation of such expenses is restricted solely to low income assisted housing. When it is realized that 41 percent of the Nation's rental units are 40 years old or older, and that these older units tend to house lower-income individuals, it can be seen that it makes no sense to restrict the availability of rehabilitation incentives solely to assisted housing. In the housing crisis, just as in the energy crisis, conservation is our most immediate and least expensive source of supply. This expansion of the code can do much to curtail the abandonment of existing rental housing. It will also provide landlords with an alternative to converting their buildings to condominiums or cooperatives as a means of financing needed upgrading.

My proposal would also raise the present minimum per unit expenditure qualifying for rapid amortization from $3,000 to $5,000, and the maximum from $20,000 to $30,000. These new figures more accurately reflect the present costs of housing rehabilitation.

Finally, my legislation would make it clear that congregate and single-room-occupancy housing serving low-income elderly and handicapped residents are to be included within the definition of low-income housing for Tax Code purposes. This clarification mirrors the action of the Congress, in the 1980 Housing Act, making these residential arrangements eligible for rehabilitation loans under the section 312 program.

Section 167(k), as well as the code provisions promoting historic preservation and the removal of architectural barriers to the handicapped, would be permanently enacted. Last year, the Congress extended for 2 years, until the end of 1963, the code sections relating to low-income housing rehabilitation and historic preservation. These provisions, as well as those regarding architectural barriers, have proven to be effective incentives to socially desirable ends, and have not been subject to abuse. I believe that we should provide those who undertake these activities with the certainty that these incentives will remain on the books until such time as we develop better alternatives. It simply makes no sense to have to renew them every few years, on the undemonstrated supposition that, before the expiration date, Congress will devise some nontax alternatives to promote the same ends.

I think my colleagues should also be aware of the tremendous employment benefits which flow from the rehabilitation of existing structures, in comparison to new construction. The National Trust for Historic Preservation has estimated that each $1 million spent on rehabilitation activities produces 109 jobs, whereas the same amount spent on new construction provides only 70 jobs. This result is due to the fact that a higher proportion of the new construction dollars must, of necessity, be spent on land acquisition and materials. This legislation which I am introducing places great emphasis on rehabilitation activities because they are proven generators of substantial employment, and because their cost-effectiveness permits the most efficient allocation of capital to realty activities in competition with other competing investment opportunities.

The Energy Tax Act of 1978 is clarified to make explicit the original congressional intent that the business energy tax credit be made available for multifamily housing, as well as office buildings.

I was most disturbed to learn recently, Mr. President, that the IRS's proposed regulations for carrying out that law specifically exclude energy conservation mechanisms for the heating and cooling systems of multifamily apartment buildings, on the rather incredible grounds that they are not "commercial processes." My review of the legislative history of that act—in fact, of its entire justification—convinces me that the Congress absolutely intended to provide incentives for energy conservation in all existing structures, including apartment buildings and offices. At a time when landlords increasingly must contemplate condominium conversion or other dispositions of their properties due to unfavorable earnings, it would be the height of shortsightedness to deny them an incentive to reduce both their long-term costs and the Nation's energy dependence.

The so-called family rental tax is eliminated. The Congress has delayed, until the middle of 1981, the proposed IRS regulations which would deny to a taxpayer certain deductions if he rents an apartment to a relative, even if the relative is using the unit as a principal residence and is paying the same market rent that would be charged a stranger. It is my belief that the Tax Code should not erect barriers to this type of family assistance, and I therefore propose to clarify the code to prevent this undesirable result.

Mr. President, in addition to these major provisions, this legislation makes a number of needed technical changes to remove impediments to realty activity. These include—

Equalizing the tax preference arising under section 167(k) with that for new construction, thereby eliminating one of the code's present biases against rehabilitation.

Clarifying the code's references to low-income housing, and State and local housing assistance programs.

Eliminating the code's limitation on an individual's deduction of investment indebtedness interest for real property investments.

Clarifying the code so that the "business beginning" of real estate development activities will be considered on the date on which a taxpayer commences construction activity. Although the Congress acted last year to place section 195 in the code, providing for the 60-month amortization of startup expenditures, considerable uncertainty still exists in this area due to the traditional IRS position that a real estate business does not commence until the day a building opens for occupancy.

Providing for greater efficiency and increased rehabilitation activity in the use of tax-exempt housing bonds by permitting advance refunding, and the use of proceeds to remove first liens.

Mr. President, in concluding my introductory remarks on this legislation, I come to the key question in this cost-conscious year: "How can we accomplish the most good for the least cost?" The attached table, which provides the estimated tax losses by calendar year for this bill's three major components, shows that the cost is quite modest in the context of a tax cut package which is expected to begin in the $30 billion range in 1981 and climb steadily thereafter. For they show that we can provide simplified, audit-proof depreciation for all new construction, a major increase in the incentive to upgrade existing plants and offices, and the removal of the major disincentive to realty investment, for a cost which begins at $1.4 billion and then stabilizes in the range of $1.8 to $1.9 billion.

The tax losses from the remaining provisions of the bill would be negligible, and would certainly not lift its cost above the neighborhood of $2 billion. In judging those estimates, my bill would take effect upon enactment, and that any tax package is likely to have little or no retroactive effect. Therefore, actual 1981 losses would be reduced accordingly. Further, these are static revenue loss estimates, which make no attempt to factor in the tax revenues stemming from increased real estate construction and rehabilitation activity. Such revenues are likely to offset substantially these estimates. For example, the National Association of Homebuilders has estimated that switching to 20/15-year depreciation for unassisted/low-income

rental housing would increase multifamily rental starts by 105,000 units annually, generating $1.47 billion in wages and $310 million in additional Federal personal and corporate taxes. My somewhat more generous 16/12-year depreciation would of course have even greater stimulative effect.

Mr. President, in conclusion I must again stress my belief that this is an eminently reasonable and sorely needed piece of legislation. It provides the degree of stimulus regarded as necessary by the full spectrum of the American building community, to construct and rehabilitate the apartments, offices, stores, and factories which America needs. It can help to expand our industrial and technological base, rebuild our cities, and put tens of thousands of unemployed workers back into productive, taxpaying jobs. And it can do all this without providing unneeded tax cut windfalls which would reduce our ability to achieve a balanced Federal budget. I certainly hope that my colleagues will give this proposal their deepest consideration, as I believe that something along these lines must be a major component of any tax reduction package legislated this year.

Mr. President, I ask unanimous consent that the text of this bill and a table showing expenditures effects be printed in the RECORD in full.

There being no objection, the bill and table were ordered to be printed in the RECORD, as follows:

S. 444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Real Estate Construction and Rehabilitation Tax Incentives Act of 1981".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

TITLE I—CAPITAL COST RECOVERY TREATMENT OF NEW SECTION 1250 PROPERTY

SEC. 101. DEPRECIATION OF SECTION 1250 PROPERTY.

Subsection (j) of section 167 (relating to special rules for section 1250 property) is amended to read as follows:

"(j) SPECIAL RULES FOR SECTION 1250 PROPERTY.—

"(1) GENERAL RULE.—Except as otherwise provided in this section, in the case of section 1250 property subsection (b) shall not apply, and the term 'reasonable allowance' as used in subsection (a) shall mean only an allowance computed under the straight line method using a useful life of—

"(A) 12 years in the case of low-income housing described in clause (i), (ii), (iii), or (iv) of section 1250(a)(1)(B),

"(B) 16 years in the case of other residential rental property described in section 167(k)(3)(D), and

"(C) 20 years in the case of any other section 1250 property.

"(2) APPLICATION OF GENERAL RULE.—Paragraph (1) shall apply with respect to section 1250 property placed in service after the effective date of the Real Estate Construction and Rehabilitation Tax Incentives Act of 1981.

"(3) TRANSITIONAL RULE FOR USED SECTION 1250 PROPERTY.—In the case of section 1250 property acquired after the effective date of such Act, the original use of which did not commence with the taxpayer—

"(A) which is placed in service within 60 months after such date, paragraph (1) shall not apply and the provisions of this subsection, as in effect on the day before the date of enactment of such Act, shall apply with respect to such property, or

"(B) which is placed in service more than 60 months after the date of enactment of such Act, subsection (b) and paragraph (1) shall not apply, and the term 'reasonable allowance', as used in subsection (a), shall mean, at the election of the taxpayer—

"(i) an allowance computed under the straight line method using the appropriate useful life described in paragraph (1), or

"(ii) an allowance computed using the remaining economic useful life of the property (determined in accordance with regulations prescribed by the Secretary).".

SEC. 102. TECHNICAL AMENDMENT.

Subparagraph (C) of section 312(k)(2) is amended by striking out "(j)(1)(C)" and inserting in lieu thereof "(j)".

TITLE II—INCREASE IN INVESTMENT TAX CREDIT FOR REHABILITATED STRUCTURES

SEC. 201. CHANGES IN INVESTMENT TAX CREDIT.

Subsection (g) of section 48 (relating to special rules for qualified rehabilitated buildings) is amended by adding at the end thereof the following new paragraph:

"(4) ADDITIONAL 15 PERCENT CREDIT.—In the case of property which is treated as section 38 property by reason of subsection (a)(1)(E), section 46(a)(2)(B) shall be applied by substituting '25 percent' for '10 percent'.".

TITLE III—DEDUCTION OF CONSTRUCTION PERIOD INTEREST AND TAXES

SEC. 301. REPEAL OF SECTION 189.

(a) IN GENERAL.—Section 189 (relating to amortization of real property construction period interest and taxes) is repealed.

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by striking out the item relating to section 189.

(c) DEDUCTION OF UNAMORTIZED BALANCE OF INTEREST AND TAXES REQUIRED TO BE AMORTIZED BY SECTION 189 BEFORE ITS REPEAL.—To the extent that a taxpayer does not elect, after the date of enactment of this Act, to treat the unamortized balance of construction period interest and taxes (as defined in section 189(e)(1) of the Internal Revenue Code of 1954 as in effect on the day before the date of enactment of this Act) as chargeable to capital account under section 266 of such code, the taxpayer may deduct such unamortized balance under the appropriate provisions of such Code for the first taxable year of the taxpayer ending after December 31, 1980, as if such unamortized balance constituted such interest and taxes paid or incurred in such taxable year.

(d) APPLICATION OF SECTION 263.—Paragraph (1) of section 263(a) (relating to capital expenditures) is amended—

(1) by striking out "or" at the end of subparagraph (F),

(2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof a comma and "or", and

(3) by adding at the end thereof the following new subparagraph:

"(H) interest for which a deduction is allowable under section 163 or taxes for which a deduction is allowable under section 164.".

(e) EFFECTIVE DATE.—The repeal made by subsection (a) and the amendment made by subsection (d) shall apply—

(1) in the case of nonresidential real property, to construction periods beginning on or after the first day of the first taxable year beginning after December 31, 1975, and

(2) in the case of residential real property (other than low-income housing), to taxable years beginning after December 31, 1977.

TITLE IV—EXTENSION AND EXPANSION OF EXISTING INCENTIVES

SEC. 401. PERMANENT EXTENSION, ETC., OF CERTAIN EXPIRING CODE SECTIONS.

(a) SECTION 167(k) AMENDMENTS.—

(1) PERMANENT EXTENSION OF PROVISION.—Subsection (k) of section 167 (relating to depreciation of expenditures to rehabilitate low-income rental housing) is amended—

(A) by striking out "and before January 1, 1982," in paragraph (1), and

(B) by striking out subparagraph (D) of paragraph (3).

(2) EXTENSION OF PROVISION TO ALL RESIDENTIAL RENTAL PROPERTY.—Subsection (k) of such section is amended—

(A) by inserting "and Other Residential Rental Property" in the caption of such subsection immediately after "Housing",

(B) by inserting "or residental rental property" immediately after "low-income rental housing" each place it appears in paragraphs (1), (2), and (3)(A), and

(C) by adding at the end of paragraph (3), as amended by paragraph (1)(B), the following new subparagraph:

"(D) RESIDENTIAL RENTAL PROPERTY.—The term 'residential rental property' means a building or structure that, for any taxable year, derives at least 80 percent of its gross rental income from dwelling units (within the meaning of subsection (k)(3)(C)). For purposes of the preceding sentence, if any portion of such building or structure is occupied by the taxpayer, the gross rental income from such building or structure shall include the rental value of the portion so occupied.

(3) INCREASE IN LIMITATIONS.—Paragraph (2) of section 167(k) (relating to limitations) is amended—

(A) by striking out "$20,000" in subparagraph (A) and inserting in lieu thereof "$30,000", and

(B) by striking out "$3,000" in subparagraph (B) and inserting in lieu thereof "$5,000".

(4) LOW-INCOME RENTAL HOUSING TO INCLUDE CONGREGATE AND SINGLE-ROOM-OCCUPANCY HOUSING.—Subparagraph (B) of section 167(k)(3) is amended by striking out the period at the end of the subparagraph and inserting ", and also means any building of a type which would be eligible to receive a rehabilitation loan pursuant to subparagraphs (B) and (C) of section 312(c)(4) of the Housing Act of 1964."

(b) PERMANENT EXTENSION OF SECTION 167(n).—Paragraph (2) of section 2124(c) of the Tax Reform Act of 1976 (relating to depreciation of improvements) is amended by striking out ", and before January 1, 1981".

(c) PERMANENT EXTENSION OF SECTION 167(o).—Paragraph (2) of section 2124(d) of the Tax Reform Act of 1976 (relating to substantially rehabilitated property) is amended by striking out ", and before July 1, 1981".

(d) PERMANENT EXTENSION OF SECTION 190.—Subsection (c) of section 2122 of the Tax Reform Act of 1976 is amended by striking out ", and before January 1, 1983".

(e) PERMANENT EXTENSION OF SECTION 191.—Paragraph (4) of section 2124(a) of the Tax Reform Act of 1976 (relating to effective date for section 191) is amended by striking out ", and before June 15, 1981".

(f) PERMANENT EXTENSION OF SECTION 280B.—Paragraph (3) of section 2124(b) of the Tax Reform Act of 1976 (relating to demolition) is amended by striking out ", and before January 1, 1981".

"SEC. 402. MINIMUM TAX TREATMENT OF RAPID AMORTIZATION OF LOW-INCOME RENTAL REHABILITATION EXPENDITURES.

Paragraph (2) of section 57(a) (relating to accelerated depreciation on real property) is amended by adding at the end thereof the following new sentence: "In the case of property with respect to which the taxpayer has made an election under section 167(k), the amount treated as an item of tax preference under this paragraph shall not exceed the amount which would have been determined as an item of tax preference under this paragraph if the taxpayer had used an allowance computed under the declining balance method using a rate not exceeding twice the rate which would have been used if the allowance had been computed under the straight line method.".

SEC. 403. SECTION 1250 AMENDMENTS.

(a) CLARIFICATION OF REFERENCE TO SIMILAR STATE OR LOCAL LAWS.—Clause (1) of section 1250(a)(1)(B) (relating to applicable percentage for certain insured mortgage section 1250 property) is amended by striking out "under similar provisions of State or local laws" and inserting in lieu thereof "under provisions of State or local laws establishing the definition of and intended primarily to finance or assist housing for families or individuals of low or moderate income".

(b) LOW-INCOME HOUSING TO INCLUDE SECTION 221(d) INSURED HOUSING AND CERTAIN OTHER SUBSIDIZED HOUSING.—Subparagraph (B) of section 1250(a)(1) (relating to applicable percentage) is amended—

(1) by striking out clause (ii) and inserting in lieu thereof the following:

"(ii) in the case of dwelling units—

"(I) which, on the average were held for occupancy by families or individuals eligible to receive subsidies under section 8 of the United States Housing Act of 1937, or under the provisions of State or local law providing for subsidies of a similar nature for low- or moderate-income families and individuals,

"(II) with respect to which a mortgage is insured under section 221(d) of the National Housing Act, or

"(III) which are government-assisted housing, if at least 20 percent of the units in such housing are held for occupancy by families or individuals eligible to receive subsidies under section 8 of such Act or equivalent rental assistance to assure that tenants do not pay more than a specified percentage of their incomes for rent,

100 percent minus 1 percentage point for each full month the property was held after the date the property was held 100 full months;", and

(2) by adding at the end thereof the following new sentence: "For purposes of clause (ii)(III), the term 'government-assisted housing' means housing which is financed, insured, or assisted by loan, interest reduction payments, rental subsidies, or tax abatement under Federal, State, or local law.".

TITLE V—REMOVAL OF IMPEDIMENTS TO NEW REAL PROPERTY DEVELOPMENT

SEC. 501. LIMITATION ON DEDUCTION OF INTEREST ON INVESTMENT INDEBTEDNESS.

Subparagraph (D) of section 163(d)(3) (relating to definitions for limitation on interest on investment indebtedness) is amended by inserting "(other than section 1250 property)" immediately after "property"

SEC. 502. BUSINESS BEGINNING FOR REAL PROPERTY ACTIVITIES.

Subsection (d) of section 195 is amended by striking out the period at the end of the subsection and inserting in lieu thereof ", and a business which involves the construction, reconstruction, or erection of real property shall be treated as beginning when the taxpayer commences the construction, reconstruction, or erection of such property."

SEC. 503. USE OF TAX EXEMPT BOND FUNDING IN CONNECTION WITH RESIDENTIAL REAL PROPERTY.

(a) ADVANCE REFUNDING TO BE AVAILABLE.—Paragraph (7) of section 103(b) (relating to advance refunding of qualified public facilities) is amended—

(1) by inserting "or residential real property" immediately after "facilities" in the caption of such paragraph, and

(2) by inserting "or residential real property for family units" after "facility" in subparagraph (A).

(b) USE OF PROCEEDS TO REMOVE EXISTING FIRST LIENS.—For purposes of subparagraph (A) of section 103(b)(4) of the Internal Revenue Code of 1954 (relating to certain exempt activities), the use of any part of the proceeds of an issue of obligations to remove existing first liens encumbering property which is to be rehabilitated shall be treated as a use of such proceeds to provide residential real property for family units within the meaning of section 103(b)(4)(A) of such Code.

SEC. 504. PERSONAL USE OF RESIDENCE BY FAMILY MEMBER NOT TO TRIGGER DISALLOWANCE OF DEDUCTIONS.

(a) Paragraph (2) of section 280A is amended to read as follows:

"(2) PERSONAL USE OF UNIT.—For purposes of this section, the taxpayer shall be deemed to have used a dwelling unit for personal purposes for a day if, for any part of such day (except for the day of arrival and the day of departure) the unit is used—".

(b) Subparagraph (A) of section 280A(d)(2) of the Internal Revenue Code of 1954 (relating to personal use of unit) is amended by inserting before the semicolon at the end thereof the following: "(unless such member of the family pays a rental which, under the facts and circumstances, is fair rental and uses the unit as his principal place of residence)".

SEC. 505. ENERGY TAX CREDIT TO BE AVAILABLE TO RENTAL HOUSING AND OTHER COMMERCIAL BUILDINGS.

Paragraph (5) of section 48(l) is amended by adding at the end thereof the following new sentence: "For purposes of this section, a commercial property and commercial facility shall include low-income rental housing or residential rental property, office buildings, and other commercial buildings."

TITLE VI—EFFECTIVE DATES

SEC. 601. GENERAL EFFECTIVE DATES.

Except as otherwise provided, the amendments made by this Act shall apply upon enactment.

ESTIMATED TAX EXPENDITURE EFFECTS OF MAJOR PROVISIONS OF THE "REAL ESTATE CONSTRUCTION AND REHABILITATION TAX INCENTIVES ACT OF 1981"

[In millions of dollars]

	Calendar year—				
	1981	1982	1983	1984	1985
1. Revised depreciation of real property [1]	108	235	290	308	351
2. Increased investment tax credit for rehabilitation [1]	489	573	647	731	788
3. Repeal of sec. 189 [2]	800	900	1,000	800	800
Total	1,397	1,708	1,937	1,839	1,939

[1] Senate Finance Committee, Rept. No. 960940, "Tax Reduction Act of 1980", p. 18.

[2] Testimony of the National Association of Realtors before the Senate Finance Committee, reprinted in "Tax Cut Proposals—Part 3," p. 1508.

Note: The Finance Committee estimate for revised depreciation of real property is for those provisions of the Tax Reduction Act of 1980 which provide for 20-yr straight-line depreciation for all real property except for low-income housing, which would be depreciated over 15 yr; plus an electable 15-yr accelerated depreciation for owner-occupied commercial and industrial property. Therefore, they may vary somewhat from the impact of the 20/16/12 yr proposal contained in "The Real Estate Construction and Rehabilitation Tax Incentives Act of 1981".●

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 445. A bill to establish a State set-aside system for propane, middle distillates, motor gasoline, residual fuel oil, and aviation fuels, and for other purposes; to the Committee on Energy and Natural Resources.

OIL DECONTROL

Mr. MITCHELL. Mr. President, I rise to express my opposition to the action by which all oil prices were suddenly decontrolled on January 28.

There are benefits to our economy from a free market in energy. Because the world price of oil is an artificially administered one, other energy sources today appear much more price-competitive with oil. Decontrol will force us to move expeditiously to exploit our indigenous energy sources so that we may ultimately enjoy a truly free market in energy prices—not whatever price the OPEC cartel wants to impose on us.

Gradual oil price decontrol was the wisest and most equitable course to take: Wise because it gave the economy a buffer against massive upward price swings, and equitable because it asked the oil companies, our citizens, and every region of the country to share the costs of carrying out a national policy. The oil companies were asked to accept somewhat lower profits for a time. Citizens were asked to pay gradually higher prices. And the allocation system made sure that energy-importing states—like Maine—would not suffer spot shortages when wealthier and more accessible States bid up the price of oil, making it less profitable to market in States like Maine.

But the sudden decontrol of oil prices is neither wise nor equitable.

It leaves our economy defenseless against another massive OPEC price rise.

It makes consumers, especially those in the North, carry the entire burden of this national policy.

It transfers wealth from one region to another.

It pits region against region.

And it leaves energy-poor regions vulnerable to supply disruptions and curtailment of services.

A Government policy that lets one region of our Nation reap the benefits while another region pays the costs is both unfair and shortsighted.

Congress should correct the unfairness.

I urge the Congress to reinstate the gradual phase-out of oil price controls, so that those controls will end in October as originally scheduled.

The additional time will, at the very least, permit rational planning by businesses, by individuals and by Congress to offset the worst effects on the economy and the public.

We should take three other steps immediately.

First, we should streamline and rationalize the programs of low-income fuel assistance and home weatherization.

Second, we should move on an accelerated and expanded program of tax and other incentives to help smaller businesses accommodate the higher costs of oil price decontrol.

And third, we should maintain the existing authority of State governments to

allocate a minor portion of supplies to alleviate emergencies and spot shortages within their States.

These are modest steps, but they can help overcome some of the most immediate effects of oil decontrol.

There is little doubt that the costs of ultimate decontrol will be substantial. But the costs of immediate decontrol will be just as great, and because they come without warning, they will be more disruptive for businesses, individuals, and governments around the country.

And there is ample evidence of the costs sudden decontrol will have.

Those who blame the oil price control program for our energy problems assert that a free market will solve all those problems. They forget the background against which the system of controls and allocations came into being, and the artificially administered price conditions under which all international oil supplies are sold today.

And they ignore the fact that energy prices affect the prices of every other product and service in our economy.

When President Nixon extended price controls to the oil sector in 1971, before the oil embargo, he did so because energy costs affect our entire economy and cause cost and price increases, both directly and indirectly.

When the Arab oil embargo of 1973–74 quadrupled world oil prices, our Nation moved to the development of the huge Alaskan resources and the goal of energy independence.

Domestic prices were controlled, because both the Republican administration and the Democratic Congress of that time recognized an important fact: The relationship between OPEC governments and the multinational oil companies is not an adversarial one. It contains no mechanism to make the oil companies fight OPEC price hikes. Price controls were one counter pressure we could employ in the international market. The huge productive capacity of the OPEC nations could be somewhat countered by the enormous U.S. oil market.

In 1975, President Ford and the Congress recognized the need to continue that counter pressure. Mandatory controls were continued through 1979, and the President was given discretionary power to retain controls through October of this year.

That phase-out was based on the hope that by this time the world economy would have assimilated the oil price shock and returned to a free market system. Free market experts assured us that the OPEC cartel would disintegrate, and world oil prices would find a reasonable level.

Well, here it is 1981, and OPEC shows no signs of disintegrating, even though two of its members are in a shooting war, another is busily exporting terrorism throughout the world, and all of them have differences of opinion about every international issue except one: Higher oil prices.

The confident claim that the OPEC countries lacked the sophistication to hold a cartel together proved to be groundless.

It is against the factual existence of an administered international market—not a free market—that confident assertions are today being made that oil price decontrol will free the market forces that will moderate prices, encourage conservation, and most importantly, increase production.

Will it moderate prices?

Is there any incentive for major oil companies to resist OPEC price hikes which guarantee that their own reserves increase in value? Is there any incentive for major oil companies to fight for increased OPEC production when lower production and higher prices bring the same or greater profits?

In fact, no. The artificial linking of our domestic prices with the OPEC-administered world price is an incentive to slow down production, not increase it.

A businessman with a product which he knows with 100-percent certainty will be worth more tomorrow than it is today is not likely to rush to sell that product today.

That is a reasonable reaction, and it is a reaction our economic system can handle—in a free market.

But there is no free market when OPEC can raise the price of oil to any level it wants, and the world's largest customer takes no steps whatsoever to offset those increases.

This linkage of our prices to the artificially high world price serves neither American security interests nor American economic interests.

Will immediate decontrol increase conservation greatly?

So far, it has been shown that a 10-percent price increase results in about a 1 to 2 percent consumption decrease—not a very encouraging ratio. But even that is optimistic: When oil price decontrol began in April 1979, gasoline was about 82 cents per gallon. Today it sells at about $1.33 per gallon; that's a 50-percent price increase. Personal gasoline expenditure has risen 29 percent.

But gasoline consumption has dropped just 2 percent.

Studies consistently show that the most effective gasoline conservation comes from a switch to a fuel-efficient automobile. And Americans are switching to smaller cars; they are switching by the hundreds of thousands. The domestic auto industry knows that. But beyond the expensive purchase of a more efficient car, there is little real hope for more conservation. Decontrol of oil prices will not bring jobs closer to homes, and it will not reduce the distances in rural States like Maine, where frequent trips between workplace and home are essential for workers and businessmen alike.

Conservation in home and commercial heating faces the same limitations: The purchase of a fully insulated, airtight house by every homeowner would produce an immediate dramatic saving in oil. But neither our population nor our construction industry can accommodate an overnight turnover in housing stock.

The capital investments homeowners have already made in insulation, in double-glazing, in fuel-efficient furnaces, in backup wood and other heating systems, in solar auxiliary systems, are all desirable, and further efforts in this direction should be encouraged.

But the fact is that after a home is insulated, after a better furnace is installed, after a smaller car is purchased, after a business has eliminated fuel waste and squeezed every useful drop from its energy supply, after all possible conservation steps are taken, there is a point below which we cannot use less oil.

Price rises can force conservation only to a limited extent. They cannot force conservation where people are existing in homes barely heated to 60 degrees.

The need for conservation, it is asserted, will be reduced by the massive new production that will flow in the wake of decontrol.

But does anyone seriously believe that the oil companies will move up production or exploration plans because decontrol occurred 7 months earlier than anticipated? The hard fact is that every drilling rig in the Nation is working and exploration is slowed in some places because of a shortage of rigs.

Even oil industry analysts acknowledge that immediate decontrol will have no significant effect on production. John Lichblau, of the Petroleum Industry Research Foundation, said he expected only slight improvements in conservation and only minimal increases in production. The administration has produced no analysis which contradicts that.

It simply asserts that the incentive of extra dollars will spur the oil companies to explore and produce more.

That is an assumption.

But domestic well-head prices have risen 111 percent since decontrol began, and domestic production has remained static: Some 8.5 million barrels per day.

That is a fact.

If a doubling of prices does not provide an incentive, is there any reason to believe that tripling them will do so?

The major oil companies have shown less desire to explore than an appetite to acquire other companies.

Forty percent of our coal reserves are owned by oil companies. All our uranium supplies are controlled by oil companies. The nine major solar energy companies are controlled by oil companies.

During 1979 and 1980, while domestic well-head prices were doubling, and world prices were going through the roof, the Exxon Corp. spent $1.2 billion to buy Reliance Electric; Shell spent $3.6 billion to buy Belfridge Oil; Sun Oil bought out Texas Pacific Oil; and Getty purchased a major cable television network.

That history of acquisitions is surely a better measure of oil company intentions than the repeated claim that controlled prices were an insufficient incentive to produce.

So I find little that persuades me that immediate decontrol will bring us significantly moderated price increases, or significantly reduced consumption, or significantly higher production.

If the 7-month speedup in decontrol offered few gains but threatened few costs, it could be discounted.

But the unspoken contention is that the economic effects of immediate decontrol will be worthwhile.

When inflation is under control, a

modest increase in energy costs can be absorbed, filtered through the economy, and the economy can be expected to make its adjustments, increasing productivity here, reducing consumption there, with an overall minimal price effect.

But when inflation is not under control—as it most emphatically is not today—even a modest increase in energy prices can set off another spiral in the price of manufactured products, food, and the cost of living; because people need energy to move to their jobs and to heat their homes. In fact, no activity in our Nation can go forward without energy.

When our cost of living is rising at 1 percent monthly—12.4 percent last year—additional costs for energy accelerate price increases, force salary demands higher, and undercut any deflationary effects we might enjoy from more conservation or increased production.

In fact, the deflationary effects of conservation or production are illusory in an administered market. The history of gradual decontrol since April, 1979 illustrates that. For example, OPEC price rises have more than wiped out whatever benefit the country may have gained from moving to more fuel-efficient automobiles.

When we went to gradual decontrol, the world oil price was around $13.35 per barrel—with predictions that it could reach $16 or even $18 per barrel. That is history now. Oil prices today range between $35 and $40 per barrel. The facts have made nonsense of the claim that decontrol would cost the country $26 billion. In fact, it will cost the country closer to $150 billion.

And they have made nonsense of the prediction that decontrol would keep American dollars in America. The OPEC nations show no diminution in their ability to siphon off every extra dollar we are ready to pay.

Despite the fact that gradual decontrol did not fall as lightly on the economy as was predicted, it at least had the advantage of maintaining some relative stability in our economy. Most importantly, it gave us time to enact the investment and productivity incentives that we need to fuel a strong recovery from the recession.

For in an economic recovery, the demand for oil does not diminish, it grows. Economic expansion needs oil.

Demand-induced price increases might well have come when decontrol finally occurred in October. But gradual decontrol would have assured us at least a short breathing spell for an economic recovery to take hold before being hit with further energy price increases. As it now stands, we have the worst of both worlds: a slow recovery coupled with high inflation, and the certainty of immediate inflation increases.

Immediate decontrol will add at least one-half of a percentage point to this year's inflation rate; it will raise prices by 1 percent immediately. Even the Wall Street Journal estimates that gasoline prices will rise at least 10 cents per gallon as a result of immediate decontrol.

Treasury Secretary Regan has testified that immediate decontrol will increase oil company receipts by $5 billion over the next 7 months, even with no rise in world oil prices.

Is this impact on our economic recovery worthwhile?

And what about the effect on the economic circumstances of working men and women right now?

All the Northern States have a winter heating season that lasts well beyond February. In Maine, the heating season continues to May, and even May can be a cold month in Maine. Decontrolling the price of an essential commodity in the middle of a period when Americans simply must buy more of it is an unreasonable and unfair tax on those people.

Immediate decontrol will increase costs to our Government at a time when our huge deficit demands the utmost restraint in Government spending.

It will cost the Federal Government $2.4 billion instead of $1.6 billion to fill the Strategic Petroleum Reserve—our only safeguard against a calamitous oil supply interruption. It will add just under a billion dollars in fuel costs for our Defense Department and other Government agencies—a billion dollars of tax money.

Immediate decontrol will impose a massive tax on the public in the form of higher heating costs in the middle of winter. It will impose the additional tax of higher gasoline prices for every American who drives to work.

The Congressional Budget Office says these costs to consumers could go as high as $11.7 billion in the coming 7 months.

So the economic effects will be clear: An earlier increase in inflation with all its attendant costs to the economy; a substantial reduction in the available capital for investments in productive capacity; and higher costs to Government and to every American, especially those living in the north.

Gradual decontrol would have forced us to accommodate to OPEC price increases, but on our own timetable, and with some ability to project the economic results and take them into account. We may even have been able to strengthen our energy policy to counteract the lack of market forces in world oil supplies.

Immediate decontrol does none of those things.

And the adverse effects of immediate decontrol are not a matter of speculation. They are already a reality. Yesterday's New York Times reported on the front page that:

> Gasoline and heating oil prices are rising much faster than the Reagan Administration predicted when it decontrolled crude oil prices last week, and evidence is mounting that they will climb even further, analysts say. Yesterday, for example, three major suppliers, the Exxon Corporation, Texaco, Inc., and the Shell Oil Company announced new increases for both products.

Last night CBS news showed that all the major oil companies—Exxon, Texaco, Mobil, Gulf, Chevron, Amoco—have announced gasoline and heating price rises between 4 and 7 cents much faster than the 3-to-5 cents 30-day estimates the administration wants us to believe.

You need not rely on the media for such information. All you have to do is travel around Maine, as I have in recent days, to see that the price of gasoline and home heating oil is rising as a result of the President's decontrol decision.

And it is hurting people. This morning, I received a letter from a woman in Gorham, Maine, who wrote:

> I am quite concerned over President Reagan's recent action regarding the deregulation of oil prices. Certainly, the need for exploration and less dependence on foreign oil is obvious, but many of us are reaching the saturation point. How much more of a burden do you think the average person can stand?
>
> My thermostat is set at 50 degrees. I don't think I can get much more conservative than that without having frozen pipes.
>
> It is difficult to express one's absolute frustration in a letter. Our cost of living increases don't begin to keep up with the present level of inflation. The unfortunate thing is that we're not talking about luxuries, but rather the necessities like food, oil and gasoline.

The tragedy is that this is not an isolated case. Millions of Americans, especially the elderly on low incomes, confront the same burden.

The very least that the Congress can do is to rescind the President's action and permit decontrol to occur on the orderly schedule originally established.

I hope my colleagues will agree.

But Congress has an obligation to look beyond the immediate problems of the decontrol decision as well.

Whether decontrol remains a fact or whether it is postponed to October, when the control comes off, people will face the prospect of higher prices for basic essentials.

For fortunate families, that will mean delaying some purchases, reducing savings, or otherwise revising their budgets to pay more for their heating and transportation costs.

For less fortunate families, it will mean cutting back on the food budget, putting off home insulation projects, or taking a second job to make ends meet.

For the least fortunate, for the elderly poor and those who cannot work, it will mean disaster.

I hope that tax cuts can somewhat alleviate the pain for most working Americans, even if they cannot fully offset it.

With the budgetary restraints we face today, I cannot advocate massive increases in assistance.

But I believe we can and should pursue the goal set forth by the Governors of New England States recently: To give maximum flexibility to the States to use the weatherization and low-income fuel funds in their States in the most efficient way.

Current law prohibits the use of low-income fuel assistance money for any purpose other than paying for fuel. Even if State workers find that the fuel consumption of a house can be reduced dramatically by installing better insulation, or double-glazing, the law does not permit the use of fuel assistance funds, even if no funds from the weatherization program remain.

Yet clearly, the goal of both programs is to aid those who cannot afford the higher costs of energy: Preferably by adding needed insulation; where necessary by providing emergency aid to buy fuel directly.

If these two funding programs complemented each other, States could more rationally design weatherization programs and target the low-income fuel assistance to the most needy. The funding constraints on the weatherization program now mean that dollars are spent each winter to buy expensive heat for houses which could be insulated for a relatively smaller sum.

Both as an immediate and a long-term goal, I believe expanding the flexibility of these two programs is worthwhile. It could be done simply, and would not have to await lengthy studies. Nor would it require extensive congressional debate over higher spending figures and offsetting budget cuts.

I urge the administration to examine what regulatory flexibility can be found in the program. I will also be developing legislation to enact the needed flexibility into law.

Conservation efforts have largely focused on homeowners and automobile use, since these represent a huge proportion of our energy consumption.

But business use of energy should also be a concern.

Congress will review tax incentives of various kinds this session to encourage modernization, new investment and improved productivity. I know the special needs of small businesses will be given full consideration. What I believe should also be done—and what I will do—is focus on energy-related tax incentives to help smaller businesses cope with the costs of decontrol. Those could range from broadening basic incentives for conservation—for such costs as insulation, automatic thermostat and timing devices on equipment or space heating equipment—to encourage the move to alternative fuel sources by accelerated depreciation schedules for installing such items as new boilers.

New England now has 150 companies which use wood-fired boilers. The development of machinery which chips wood for more efficient burning and easier transportation makes wood-fired boilers one reasonable alternative in that region. Additional incentives may spur smaller companies to invest more heavily in that indigenous energy resource, thus making the entire Nation less dependent on oil imports and making our own region less vulnerable to spot shortages and other supply disruptions.

Other regions have indigenous energy resources that could well be more widely utilized through accelerated and expanded incentives to smaller companies to consider the often heavy initial investments.

A more focused approach is needed to help the small business sector—the most innovative and faster growing part of our economy—to overcome the high costs of decontrol, and to move to alternative energy sources.

Finally, we can and should take one small step to maintain the ability of our State Governors to protect their people against supply disruptions, spot shortages and other emergencies by enacting into law the present regulatory provisions which let States set aside a small percentage of oil for use in emergencies.

Although the oil industry contends that the State set-aside provision is not needed, Maine's experience in the 1979 shortage demonstrates very vividly that it is, indeed, essential.

During the 1979 shortage, the industry allocated heating oil to refiners. and refiners limited amounts available to the local dealers. They refused to provide additional fuel oil for regions suffering hardships or emergencies.

In a totally deregulated market, area dealers in emergency situations would be forced to rely on the spot market. Spot market prices soar during shortages and the supply dries up quickly. It would be unconscionable to permit a situation to arise where an overseas supply interruption could force people in some regions to pay greatly inflated spot market prices or suffer actual shortages.

Today, I am introducing, for Senator COHEN and myself, legislation which will give the option of establishing a State set-aside program. My bill gives those States which choose the option the authority to enforce the set-aside, and provides maximum flexibility to administer it. My bill would permit the President to adjust the set-aside percentages in the event of a national emergency.

This legislation will not alleviate the price increases that will come from decontrol; it cannot prevent the changes in supply patterns that will develop in the future; but it does give our State governments the authority they need to protect their people in the case of emergencies and spot shortages. I believe it is essential to provide this minimal protection against supply shortages and disruptions.

Mr. President, the people of this country are angry and upset over the dramatic increases in the cost of gas and oil, and they are deeply concerned about their ability to cope with these increases. We, their representatives. have the duty and obligation to take action to ease the burden. The four-point program I have outlined will not solve our energy problems. It will not bring back gas and oil prices of a dollar a gallon. But it does represent a reasonable step in the right direction. I urge the Members of the Senate to support this program.

By Mr. SYMMS (for himself and Mr. LUGAR):

S. 446. A bill relating to the treatment of certain annuity contracts; to the Committee on Finance.

TREATMENT OF CERTAIN ANNUITY CONTRACTS

Mr. SYMMS. Mr. President, today I am introducing legislation which addresses a gross injustice in the administration of our tax laws. The legislation I am introducing provides for the revocation of Internal Revenue Service Ruling 80–274, which prohibits the tax deferral for an individual who purchases an insurance annuity from an insurance company with the insurance company's proceeds being held at a financial institution.

Revenue Ruling 80–274 was based upon Revenue Ruling 77–85 which in the opinion of the U.S. district court, many of my colleagues both in the House and Senate, and myself is completely illegal. The Internal Revenue Service, in issuing Revenue Ruling 80–274, proceeded via the "administrative fiat" route, to slice away at segments of annuities industry, safe in the knowledge that the Anti-Injunction Act is their shield and weapon against the taxpayer.

The issuance of this regulation was not only a matter of tax law, but also a matter of who makes the law. This is yet another instance of a Government agency usurping the authority vested in the U.S. Congress to make the law. In addition, not only have they usurped the law, but they have shown their disregard for the legislative branch by remaking the tax law without our consultation and in the face of our opposition.

However, in addition to their usurpation of legislative powers, I would also like to mention that their intent in promulgating these regulations was not in the best interest of the country or the citizenry.

Presently, the U.S. economy is experiencing a severe and growing shortage of capital, which contributes to high interest rates and the slowing of economic growth. Every industry is being affected by the growing shortage of capital. and the housing industry, one of the Nation's major industries, is in a severe bind.

The savings associations in the U.S. finance about two-thirds of America's housing and their ability to lend depends directly on individual savings deposited in those institutions. Because of the increasing cost of living, taxes, inflation, and so forth, the amount of individual savings has steadily declined which has, in turn, decreased the ability of the savings and loan institutions to lend.

Tax deferred annuities have proven to be very successful, particularly with lower- to middle-income people because it enables them to work with their financial institution as a facilitator of their purchase. The program encourages individuals to save, which has a twofold benefit to our society—first, it encourages the formation of capital which is desperately needed in our economy, and second, it provides a needed service to senior citizens in that it enables them to build a personal retirement account at a time when the social security program is in jeopardy.

In a letter to Treasury Secretary G. William Miller, chairman Jay Janis of the Federal Home Loan Bank Board wrote on October 10, 1980:

> I am concerned about the adverse impact of ruling on savings account funded annuity plans because these plans can be a significant incentive for increased savings by a major segment of the American public, and because these annuity plans have the potential to become a significant source of stable funds for Federally insured savings and loan associations.

The arbitrary and capricious Revenue Ruling 80–274 fails to provide any reasoned legal analysis for its conclusion. In fact, as I stated earlier the U.S. district court found that Revenue Ruling 77–85, upon which Revenue Ruling 80–

274 was based, was incorrect as a matter of law.

I am very hopeful that my colleagues both in the House and Senate will quickly address this problem, and be mindful that it is just another example of the Government's regulatory process being used as a vehicle to not only usurp the powers of the legislative branch but to inhibit the normal functioning of the economy.

By Mr. RANDOLPH:

S. 447. A bill to redesignate the days on which Washington's Birthday, Memorial Day, and Columbus Day are celebrated to make such day a legal public holiday; to the Committee on the Judiciary.

REDESIGNATION OF CERTAIN HOLIDAYS

● Mr. RANDOLPH. Mr. President, today I am introducing legislation which, if enacted, will return the three remaining special Monday holidays to their original date of observance. George Washington's Birthday would be returned to February 22; Memorial Day to May 30 and Columbus Day to October 12.

It was for a convenience sake that the special Monday holiday legislation was created in 1968, by the enactment of Public Law 90–363. I believe that by passing my proposal we can return some of our traditional values to our way of life.

I am not against 3-day weekends. These weekends can be preserved, but let us not use our Nation's most important days as a vehicle of convenience. Special weekends could be called worker holidays.

America has a heritage that is important and it must be maintained. The veterans of this Nation and their service organizations recognized this commitment and approached many of us in Congress and requested that Armistice Day be returned to its original observance. It was my privilege and responsibility to support this effort and cosponsor the measure that became Public Law 94–97, which redesigned Veteran's Day to November 11 (beginning in 1978) rather than the fourth Monday in October.

Mr. President it was my obligation to sponsor legislation in the last two Congresses which would have returned Memorial Day to its original observance of May 30. Also, during the 96th Congress I sponsored a measure which would have returned the Father of our Country's birthday to February 22. Unfortunately these three proposals were not considered by the Judiciary Committee.

Several of my colleagues are cooperating in this effort. I hope Members will become cosponsors of this legislation.

I am hopeful that we will receive the needed support in this Congress to return these historical dates to their actual date of observance. Editorials in many newspapers are supportive of my effort.

The proposal has the full support of major veterans organizations: the American Legion, Disabled American Veterans, and the Veterans of Foreign Wars.

As drafted this measure would become effective in 1983. I believe that this delay should provide ample time for the necessary changes that must be made in returning the meaningful dates to their original observance.

Mr. President, I ask unanimous consent that the bill and letters and resolutions of support by the major veterans organizations be printed in the RECORD at this point.

There being no objection, the bill and resolutions were ordered to be printed in the RECORD, as follows:

S. 447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6103(a) of title 5, United States Code, is amended—

(1) by striking out the item relating to Washington's Birthday and inserting in lieu thereof the following:

"Washington's Birthday, February 22.";

(2) by striking out the item relating to Memorial Day and inserting in lieu thereof the following:

"Memorial Day, May 30."; and

(3) by striking out the item relating to Columbus Day and inserting in lieu thereof the following:

"Columbus Day, October 12.".

SEC. 2. This Act shall take effect on January 1, 1983.

DISABLED AMERICAN VETERANS,
Washington, D.C., February 2, 1981.

Hon. JENNINGS RANDOLPH,
Senate Committee on Veterans' Affairs,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR RANDOLPH: It has come to my attention that you shortly intend to introduce legislation in the United States Senate which would return the official observance of federal holidays to their traditional dates (pre-Public Law 90–363, the "Monday Holiday Law").

I want you to know that you have the strong support of the Disabled American Veterans for this endeavor.

The DAV recalls with deep appreciation that you were in the forefront of those in the Congress who were successful in gaining enactment of legislation that returned the date of November 11th of each year to the observance of Veterans Day. We further recall your introduction of S. 517 in the 96th Congress, a bill that proposed to return May 30th of each year as the official observance date for Memorial Day.

The delegates to our most recent National Convention have again mandated the DAV to seek the return of May 30th for Memorial Day's celebration. As yourself, the DAV believes that for the sake of promoting commercial/recreational interests, we have greatly detracted from the significance of the day originally set aside to honor the memory of those Americans who sacrificed their lives in the military service of their country.

In closing, may I again state that you have the appreciation and support of the DAV in your efforts to return dignity and meaning to our federal holidays.

Sincerely,

JOHN F. HEILMAN,
National Legislative Director.

THE AMERICAN LEGION,
Washington, D.C. January 30, 1981.

Hon. JENNINGS RANDOLPH,
U.S. Senator,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR RANDOLPH: The American Legion as a patriotic service organization has long favored the restoration of traditional holidays to their original dates. It has been our enduring position that changing the dates of many of these holidays has wrecklessly diminished both observation and reverence for the events and meaning these dates were originally intended to symbolize.

Last August The American Legion's national convention, as in previous years, again overwhelmingly adopted the enclosed resolution calling upon Congress to restore Washington's Birthday to February 22, Memorial Day to May 30, and Columbus Day to October 12. We warmly endorse your intentions, Senator Randolph, to restore these important holidays to their rightful places on the calendar.

You may be sure that The American Legion is prepared to place the full weight of its resources behind your efforts concerning this issue.

Sincerely,

MYLIO S. KRAJA,
Director, National Legislative Committee.

62D NATIONAL CONVENTION OF THE AMERICAN LEGION

Resolution No. 409
Committee: Americanism
Subject: Restoration of various holidays to their original dates

Whereas, The dates of patriotic holidays have been changed from their original dates to provide "three-day weekends"; and

Whereas, The present observance of these patriotic holidays places emphasis on a structured and unnatural recreational holiday rather than on a contemplative review of significant dates in American History; and

Whereas, The time-honored traditional observances of those holidays have been eroded; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in Boston, Massachusetts, August 19–21, 1980, that The American Legion call upon the Congress of the United States to restore Washington's Birthday to February 22, Memorial Day to May 30 and Columbus Day to October 12 each year.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D.C., January 27, 1981.

Hon. JENNINGS RANDOLPH,
Ranking Minority Member, Committee on Environment and Public Works, U.S. Senate, Washington, D.C.

DEAR SENATOR RANDOLPH: It is my understanding that you intend to introduce legislation to amend 5 U.S.C. 6103 to, among other measures, reestablish May 30th of each year as a legal public holiday commemorating Memorial Day.

Kindly find enclosed a copy of our current Resolution No. 113 entitled, "Restore Memorial Day To May 30th," which was passed by the voting delegates to our 81st National Convention held in Chicago, Illinois last August supporting the passage of legislation to return the commemoration of Memorial Day to its rightful and historic date, May 30th.

On behalf of the more than 1.9 million men and women of the Veterans of Foreign Wars of the United States, please be advised you have have our full support in amending the Monday Holiday Act.

With best wishes and kind personal regards, I am

Sincerely,

ARTHUR FELLWOCK,
Commander-in-Chief.

RESOLUTION NO. 113—RESTORE MEMORIAL DAY TO MAY 30

Whereas, on May 30, 1868 General John A. Logan inaugurated Memorial Day as the day of remembrance for the sacrifices made by

the military who died in the War of 1860–65; and

Whereas, for over a century the citizens of this country have honored the military dead from all of America's wars on this date; and

Whereas, this day has become the principle time that this nation pays solemn tribute to over one million men and women who have paid the supreme sacrifice and the hundreds of thousands bedridden, crippled or maimed former warriors who have served their country when called upon; and

Whereas, under the provisions of the "Monday Holiday Law" as enacted by the United States Congress, Memorial Day is now observed on the last Monday of May; and

Whereas, such tampering with this traditional holiday makes a mockery of portions of our American heritage and tradition; and

Whereas, the Veterans of Foreign Wars and other patriotic organizations have been working to restore Memorial Day to May 30th; now, therefore

Be it resolved, by the 81st National Convention of the Veterans of Foreign Wars of the United States. That the Legislative Committee be directed to take appropriate action to urge our United States Congressmen and Senators to support and pass legislation to return the commemoration of Memorial Day to its rightful and historic date, May 30th.●

By Mr. MATSUNAGA:

S. 448. A bill to amend the Internal Revenue Code of 1954 to exempt certain fuels used in connection with intercity, local, and schoolbuses, from the Federal excise tax; to the Committee on Finance.

EXEMPTION OF BUS FUEL FROM FEDERAL EXCISE TAX

Mr. MATSUNAGA. Mr. President, I am introducing a bill to correct a problem in the Internal Revenue Code. In 1978, the Congress passed the Energy Tax Act which exempts specific bus operators from the Federal excise tax on diesel fuel. The Congress enacted this provision to encourage the use of energy efficient intercity bus transportation.

Bus transportation is the most efficient mode of travel; this form of transportation achieved 146 passenger-miles-per-gallon of fuel last year. Fully loaded, a bus can provide nearly 300 passenger-miles-per-gallon.

In addition, intercity bus transportation services over 15,000 communities in the United States. Approximately 14,000 of these communities have no other form of public transportation.

Thus, bus transportation is not only fuel efficient, it is essential for many communities. At this time, intercity buses carry more people than any other form of public intercity transportation.

Under section 6427(b) of the Internal Revenue Code as enacted by the Energy Tax Act of 1978, a bus operator engaged in intercity, charter, local, and special operations, is exempt from the Federal excise tax on diesel fuel. However, the bus operator although exempt, must pay the excise tax first, and subsequently file for a refund. Bus operators from across the country have complained about this clumsy, burdensome procedure.

My bill would end this complicated process of paying the tax first and then filing for a complete refund for the money paid. The revenue impact would be minimal. But, the bill would save bus operators as well as the Government from the administrative expenses in paying the tax, completing the refund application, and processing the refunds.

By Mr. MATSUNAGA (for himself and Mr. INOUYE):

S. 449. A bill to amend section 37 of the Internal Revenue Code of 1954 to increase the amount of the credit for the elderly; to the Committee on Finance.

INCREASE IN TAX CREDIT FOR THE ELDERLY

Mr. MATSUNAGA. Mr. President, today I am introducing a bill to increase the elderly tax credit. The Senate version of the Revenue Act of 1978, included a provision increasing the elderly tax credit. This increase was a culmination of a long effort in the Senate Finance Committee to provide additional tax relief for the elderly.

In February of 1978, the Finance Committee approved my request for budget authority to allow later consideration of an increased credit. After subsequent hearings, the committee acted on the proposal to increase the credit and included the measure as part of the Revenue Act. Despite widespread support in the Senate, however, the Senate conferees on the Revenue Act had to recede on this measure and the provision was deleted from the final version of the Revenue Act. Failure to enact the Senate provision leaves the credit at an inadequately low amount.

The elderly tax credit is intended to provide nonsocial security retirees with the same tax benefits which social security retirees now enjoy by virtue of the tax exemption on social security benefits. The credit when enacted in 1976, matched the average social security benefit payments.

However, social security benefits have increased annually while the credit amount has not changed. Since 1976 social security benefits have been adjusted annually to meet cost-of-living increases by 42 percent cumulatively. Today the average yearly social security payment is $3,960 for a single retired worker and $6,756 for a retired worker and spouse. In comparison, the maximum elderly tax credit remains at $2,500 for a single person and $3,750 for a married couple.

My proposal does not create full parity. I propose to increase the maximum elderly tax credit to $3,000 and $4,500 for a single retiree and a retired married couple respectively. This is a modest adjustment which would reduce tax revenues by $278 million annually because of lower individual tax liability. I hope that the elderly tax credit proposal would be enacted as part of an overall individual tax reduction program which will also benefit the elderly and provide needed, additional tax relief.

By Mr. MATSUNAGA (for himself, Mr. BOREN, Mr. FORD, and Mr. HUDDLESTON):

S. 450. A bill to amend the Internal Revenue Code of 1954 to provide that the investment tax credit shall apply to the acquisition of work and breeding horses to the extent that the cost of such horses does not exceed $100,000 for the taxable year; to the Committee on Finance.

EXTENSION OF INVESTMENT TAX CREDIT TO WORK AND BREEDING HORSES

Mr. MATSUNAGA. Mr. President, in 1978, the Senate approved a provision extending the investment tax credit to working and breeding horses. Unfortunately, in the final rushed days before adjournment, the conference committee on the Revenue Act of 1978 deleted this provision. Today I have introduced a bill to end this unfair exclusion of working and breeding horses from the investment tax credit.

The exclusion of depreciable livestock from the investment tax credit provision was enacted in the Revenue Act of 1962; this exclusion was based on a parallel exclusion in the depreciation recapture provisions of section 1245 of the Internal Revenue Code.

However, the Tax Reform Act of 1969 repealed the livestock exclusion from the depreciation recapture; in other words, upon sale livestock is subject to the same depreciation recapture rules as other personal property. The House version of the 1971 revenue bill recognized the need to end the corresponding exclusion of livestock from the investment credit provision; that House bill ended the general exclusion of livestock from the investment credit. Under this change eligible livestock had to be used in a trade or business for the production of income and be subject to depreciation with a useful life of 3 years or more.

However, the House bill fell short of correcting the matter fully. While ending the exclusion for livestock from the investment credit, the House legislation continued to exclude horses. The exclusion of horses applies not only to animals used for sporting purposes but also to horses used for working and breeding. No plausible explanation has been given for this denial of the investment tax credit for working and breeding horses.

The bill I have introduced for myself, Senator BOREN, Senator FORD, and Senator HUDDLESTON extends the investment tax credit to horses, other than horses held for race or show purposes. Working horses will include riding or draft horses which are not used for racing or show purposes.

My bill limits the amount of credit that may be claimed. Only the first $100,000 of investment in eligible working and breeding horses would qualify for the credit. Furthermore, only the first $100,000 with respect to any one horse would qualify. This "per horse" limitation would restrict the total amount of credit to be claimed where a horse is acquired by a syndication or a partnership. In addition, breeding horses would have to be held, as other eligible investment credit property, for at least 7 years to earn the full 10-percent credit and at least 3 years to earn any credit at all.

By Mr. LEAHY (for himself, Mr. HAYAKAWA and Mr. CRANSTON):

S. 451. A bill to require Federal agencies to take steps to mitigate losses of U.S. agricultural land caused by Federal programs or actions, and for other purposes; to the Committee on Governmental Affairs.

FARMLAND PROTECTION POLICY ACT

Mr. LEAHY. Madam President, I rise to introduce legislation which proposes Federal action with respect to the preservation of farmland in the United States. It is my intent to offer this bill as an amendment to the 1981 farm bill.

The Farmland Protection Policy Act would require a review by Federal agencies of policies or programs which lead to unnecessary conversions of agricultural land for development purposes. The proposed bill would support the formidable efforts undertaken by numerous State and local government officials to avert such conversions of high-quality agricultural land. This bill would not affect private property rights, and is not an attempt to influence State and local actions in that direction. However, prompt action on this measure will display to the Nation Congress' forethought and interest in preserving rather than exploiting one of our Nation's most important natural resources—agricultural land.

The citizens of this country have come to recognize that higher levels of Federal spending and new Federal programs are not the solution to every problem. Some problems have to be taken care of by State and local governments. Such is the case with the loss of agricultural land. However, when the States take the responsibility to solve their own problems, the least they should expect is cooperation and support by Federal administrators, not actions which thwart their efforts and exacerbate the problem.

The loss of agricultural land, including the Nation's prime farmland, is an ideal example. Some 48 States have enacted laws, proposed studies or pursued a range of alternative farmland retention programs. Despite local efforts, agricultural land conversions continue at a rapid rate. The Soil Conservation Service indicates that from 1967 to 1977 some 30 million acres of rural land were converted to urban use. Other studies show that if current trends continue, by the year 2000 the United States could lose 7 percent of its prime farmland base. Florida, Rhode Island, and New Hampshire could lose all of their prime farmland within the next 20 years. My own State of Vermont could lose 43 percent or 160,000 acres of its prime or unique farmlands. North Carolina could lose 966.000 acres. California could lose 1.2 million acres. Montana could lose 276,000 acres—over 23 percent of its total farmland base. The list goes on and includes virtually every State in the Union.

The Federal Government should be supporting State and local officials who have taken assertive steps to thwart the conversion of agricultural land. Quite to the contrary, Federal agencies have exhibited a callous disregard for local preservation efforts and often contribute to the loss of agricultural land.

The U.S. Department of Agriculture (USDA) and the Council on Environmental Quality recently completed and released the results of the national agricultural lands study. Many aspects of the study are revealing, but it is especially noteworthy that of the 131 Federal programs reviewed, 70 percent of them contributed to a significant reduction in the availability of agricultural land through development in one form or another. Approximately 30 programs helped maintain the availability of agricultural land.

The Department of Housing and Urban Development, the Farmer's Home Administration, and the Economic Development Administration were singled out as the agencies whose programs significantly contributed to the loss of American farmland. The Veterans' Administration, the Water and Power Resources Service, the Department of Energy, and the Environmental Protection Agency, among others, also contributed to the decline in the amount of agricultural land, however, not quite as severely as the aforementioned agencies. In addition, the study went on to note that Federal economic development, capital improvements, housing, and environmental protection and natural resources development often lead to actions which foster land-consuming urban and rural growth.

We all recognize that rural economic growth is essential and desired by agricultural communities. However, current policies in this area are often shortsighted and sometimes lead to the loss of agricultural lands. Furthermore, these dangerous trends and policies are expected to continue.

The following list, compiled by the National Association of Conservation Districts, provides some examples of the Federal Government's contributions to the loss of agricultural land. These are situations where inadequate planning and shortsighted policies resulted in the unnecessary loss of agricultural land.

North Carolina (Rowan County)—water treatment—Agency: EPA. Action: Extension of Grants Creek interceptor. Ag land impact: 15,000 acres of prime agricultural land were converted and 2,500 reduced. Comment: These types of projects speed the process of prime land lost to development.

Montana (Toole County)—Highway—Agency: FHA. Action: location and construction Interstate Highway. Ag land impact: 2,000 acres of agricultural land were lost and an additional 500 acres were affected. Comment: The project could have benefited greatly from a better design.

Alabama (Tuscaloosa County)—Highway—Agency: FHA. Action: Construction of Interstate 59. Ag land impact: 2,000 acres of agricultural land converted.

Kentucky (Henderson County)—Dam and reservoir—Agency: COE. Action: Construct Uniontown dam, initiated in 1974. Ag land impact: 3,600 acres of prime agricultural land to be converted during the first five years of project implementation.

Iowa (Buchanan)—Highway—Agency: FHA. Action: Highway construction of I-300 and State Rt. 520. Ag land impact: 1,200 acres of cropland to be converted during the next five years. Comments: "The project resulted in loss of agricultural business and increased service costs. The cross roads have also resulted in increased costs to individual farms."

Iowa (Harrison County)—Allied Power Coop.—Agency: RCA. Action: Coal-fired power plant, on line in 1981. Ag land impact: Between 240 and 2,000 acres of land will be converted; 95% cropland, 50% prime to be converted. Comment: "Possibility of locating in other areas where they would not utilize prime farmland."

Georgia—Fort Stewart—Agency: DOD. Action: military base expansion. Ag land impact: 1,675 acres of cropland to be converted.

In addition to concern shown by State and local officials, a national opinion poll has documented general public alarm over the loss of agricultural land.

In January 1980, Louis Harris & Associates, Inc., released the results of a national survey on the public's attitude toward soil and water conservation policy. The survey was commissioned by USDA to solicit public opinion and assess the public's understanding of agricultural issues. The effort was one of several activities undertaken in response to the Soil and Water Resources Conservation Act of 1977 (RCA), Public Law 95-192.

Some of the survey's major findings are summarized below:

By almost 2 to 1, the public feels that the country should save its resources for future generations rather than using them to benefit the present generation.

The loss of good farmland is considered a serious problem by over 53 percent of Americans; over 50 percent consider the misuse of our soil and water resources a very serious problem.

Over 25 percent indicated that one of the highest priorities for federal actions is to "help make sure our best farmland is not used for other things."

Some 51 percent of the public said that federal efforts to make certain prime farmland is not used for other purposes is beneficial.

The results of the survey also pointed out that while concern over the loss of farmland was considerable, it was not as significant as concern over increasing costs of food. Eighty percent said increases in the cost of food was serious. However, those most concerned with food inflation anticipate shortages of good land for producing food in the next 10 years. Moreover, those interviewed expressed opinions that conservation and related issues should be a joint public and private responsibility, the burden of which should be shared fairly between the Government and farmer, or other landowner.

Mr. President, I ask my colleagues to join me in supporting the Farmland Protection Policy Act because the preservation of farmland is essential and paramount to the growth and well-being of this country and is justifiably sound—legally, politically and constitutionally.

During the past three congressional sessions, we have not even exhibited a piecemeal approach toward measures to bolster farmland preservation efforts. The Farmland Protection Policy Act is the centerpiece upon which to build strategic Federal-State policies in support of local governments that undertake their own preservation programs.

The proposed legislation responds to the findings of the national agricultural lands study, by requiring Federal agencies to review policies and programs that may encourage the conversion of farmland to other uses. Federal recognition of the importance of farmland as a national resource lends respect and encouragement to State and local governments to enact policies consistent with

the collective interests of not only the respective community, but also the Nation, and the world.

The Federal Government should employ a cautious yet constructive approach in the future, spurred on by State legislation and local action. The local governments have expressed an enthusiastic attitude. The public has expressed concern.

I cannot emphasize enough that the loss of farmland contributes to rising food and land prices, limits our ability to feed ourselves and the world, and, thereby, will eventually seriously threaten our national security.

Mr. President, in summary, the Farmland Protection Policy Act would cause Federal policies and programs to limit their contributions to the loss of American farmland. It would move the Federal Government to respect the farmland preservation efforts of State and local governments. The bill does not authorize the Federal Government in any way to regulate the use of private or nonfederal land or to affect the property rights of owners of such land.

Mr. President, I ask unanimous consent that a summary of the Farmland Protection Policy Act and a copy of the bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill and the summary were ordered to be printed in the RECORD, as follows:

S. 451

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farmland Protection Policy Act".

FINDINGS, PURPOSE, AND DEFINITIONS

SEC. 2. (a) Congress finds that—

(1) the Nation's agricultural land is a unique natural resource and provides food and fiber necessary for the continued welfare of the people of the United States;

(2) each year, an alarmingly large amount of the Nation's agricultural land is irrevocably converted from actual or potential agricultural use to nonagricultural use;

(3) the decrease in the Nation's agricultural land base threatens the ability of the United States to produce food and fiber in sufficient quantities to meet domestic needs and the demands of our export markets;

(4) the extensive use of agricultural land for non-agricultural purposes undermines the economic base of many rural areas;

(5) Federal actions are important determinants in the conversion of agricultural land to nonagricultural uses and often are directly responsible for the conversion of agricultural land to nonagricultural uses; and

(6) the Federal Government should take steps to assure that its actions do not cause United States agricultural land to be irreversibly converted to nonagricultural uses in cases in which other national interests do not override the importance of preservation of the land nor otherwise outweigh the benefits of preservation.

(b) The purpose of this Act is to establish procedures with respect to the administration of Federal law and regulations that will assure that the Federal Government, by its actions, does not cause the unnecessary loss of United States agricultural land.

(c) As used in this Act—

(1) the term "agricultural land" means any land, including cropland, pastureland, rangeland, or forest land, that is used, or is capable of being used, for agricultural, forestry, or timber production purposes, as determined by the Secretary of Agriculture by regulations, which shall be issued by the Secretary within 30 days after the date of enactment of this Act;

(2) the term "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, or any territory or possession of the United States; and

(3) the term "unit of local government" means the government of a country, municipality, town, township, village, or other unit of general government below the State level, or a combination of units of local government acting through an areawide agency that, under State law or an agreement for joint exercise of power, has responsibility for the formulation of regional development policies and plans.

FARMLAND PROTECTION POLICY

SEC. 3. (a) Each department, agency, independent commission, or other unit of the Federal Government shall develop, within 60 days after the date of enactment of this Act, procedures for identifying the effects of its programs and actions with respect to the conversion of agricultural land to nonagricultural uses.

(b) In administering the laws and regulations of the United States, each department, agency, independent commission, or other unit of the Federal Government shall—

(1) identify and take into account the negative effects, if any, that any program or action that it proposes to undertake may have with respect to the preservation of United States agricultural land and, as appropriate, consider alternative programs or actions that will lessen such negative effects;

(2) in any instance in which such unit of the Federal Government proposes to use, or in any way authorize or license the use of, any agricultural land for a nonagricultural purpose—

(A) give public notice of such proposed use,

(B) solicit the views of interested persons regarding such proposed use,

(C) consider alternative proposals that avoid unnecessary use of agricultural land for nonagricultural purposes, and

(D) take steps to assure that such proposed use, to the maximum extent practicable, is consistent with any plans or policies of the State or unit of local government concerned to lessen the amount of conversion of agricultural land to nonagricultural uses; and

(3) as appropriate, make available to States, units of local governmeent, individuals, and others with which it has dealings, information useful in restoring, maintaining, and improving the quantity and quality of agricultural land.

(c) The provisions of subsection (b) of this section shall become effective 60 days after the date of enactment of this Act.

CONFORMATION OF EXISTING POLICIES AND PROCEDURES

SEC. 4.(a) Each department, agency, independent commission, or other unit of the Federal Government shall review the provisions of law, administrative rules and regulations, and policies and procedures applicable to it that are in effect on the date that section 3(b) of this Act becomes effective to determine whether any provision thereof will prevent such unit of the Federal Government from taking appropriate action to mitigate losses of United States agricultural land directly or indirectly caused by its programs or actions or from complying fully with the provisions of this Act. Each such review shall be completed within 90 days after the date of enactment of this Act.

(b) Not later than 120 days after the date of enactment of this Act, each department, agency, independent commission, or other unit of the Federal Government shall, as appropriate, develop proposals for action to bring its programs, authorities, and administrative activities into conformity with the purpose and policy of this Act. Proposals for administrative action shall be published in the Federal Register, and legislative proposals shall be submitted to the President for transmittal to Congress.

STATEMENT OF LIMITATION

SEC. 5. This Act does not authorize the Federal Government in any way to regulate the use of private or nonfederal land or to affect the property rights of owners of such land.

SUMMARY OF THE MAJOR PROVISIONS OF THE FARMLAND PROTECTION POLICY ACT

PURPOSE

The purpose of the Farmland Protection Policy Act is to establish procedures with respect to the administration of Federal law and regulations to assure that the Federal Government, by its actions, does not cause the unnecessary loss of United States agricultural land.

REQUIREMENTS FOR FEDERAL AGENCIES

The bill would require Federal agencies to—

(1) identify and take into account the negative effects, if any, of proposed Federal programs or actions with respect to the preservation of United States agricultural land and, as appropriate, consider alternative programs or actions that will lessen such negative effects;

(2) whenever an agency proposes to use, or license or authorize the use of, agricultural land for a nonagricultural purpose—

(A) give public notice of the proposal;

(B) solicit comments on the proposal;

(C) consider alternative proposals that would avoid unnecessary use of the land for nonagricultural purposes; and

(D) to the maximum extent practicable, take steps to assure that the proposed use is consistent with State or local farmland protection plans or policies;

(3) as appropriate, make available to State and local governments and private persons information useful in restoring, maintaining, and improving agricultural land;

(4) within 90 days after the date of enactment of the bill, review authorities and programs in effect at the time the bill is enacted to determine whether any provision of those authorities or programs will prevent the agencies from taking steps to mitigate losses of farmland caused by their programs or actions or from complying with the bill; and

(5) within 120 days after the date of enactment of the bill develop proposals for action to bring their authorities and programs into conformity with the purpose and policy of the bill.

STATEMENT OF LIMITATION

The bill contains a statement of limitation as follows: The bill does not authorize the Federal Government in anv way to regulate the use of private or nonfederal land or to affect the property rights of owners of such land.

By Mr. DOMENICI:

S. 454. A bill to modernize certain aspects of the authorities of the U.S. Army Corps of Engineers; to the Committee on Environment and Public Works.

WATER PROJECTS AMENDMENTS OF 1981

● Mr. DOMENICI. Mr. President, I am today introducing legislation intended to improve and strengthen the operation of the U.S. Army Corps of Engineers in

several important ways. I am convinced that these changes, together with other, more sweeping reforms that I intend to introduce soon, will enable the programs of the corps to operate more efficiently, and thus to serve more effectively the needs of the public.

This bill is virtually identical to legislation I introduced during the 95th Congress, and again in the 96th Congress. Most of the provisions of that legislation were passed by the full Senate in the 95th Congress. In fact, they were passed on three separate occasions by the Senate, as part of the omnibus water resources legislation. That omnibus legislation, however, has not been passed by the full Congress for reasons totally unrelated to these provisions.

Each of these provisions, I believe, continues to merit the consideration and support of the Senate and the Congress. I must point out that there have been some modest changes in the language to reflect alterations that were adopted in subcommittee during the 96th Congress.

Section 2 of the bill would lessen the major windfall benefits that might occur to the advantage of a single large landowner as a result of a Federal water resources project. The language would require that beneficiaries of such large windfalls share in the cost of the project.

Section 3 amends a 1909 act of Congress, clarifying the ability of the Corps of Engineers to rebuild navigation projects without specific congressional authorization. The corps has sought such a clarification following a court decision sharply limiting the scope of the 1909 act.

Section 4 requires the specific development of information regarding dam safety on proposed Federal water projects.

Section 5 requires that Federal water agencies submit information on recreational alternatives when proposing a water resources project.

Section 6 requires that the Department of Transportation undertake the analysis of transportation benefits for future navigation projects, since that department carries the broad responsibility of our national transportation policy. Work on such projects, of course, remains with the corps.

Section 7 establishes a system to deauthorize automatically older project authorizations.

Section 8 establishes a system to rescind automatically the authorization of unused and unnecessary studies.

Section 9 establishes an advisory board to assist the Congress and the Corps of Engineers in evaluating the merit of complaints relating to water resources projects.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Water Projects Amendments of 1981".

ELIMINATION OF WINDFALL BENEFITS

SEC. 2. (a) Prior to initiating construction of any water resources project authorized prior to this Act, or subsequent to this Act, which is under the jurisdiction of the Secretary of the Army, acting through the Chief of Engineers, and which can be anticipated to provide flood control benefits, more than 10 per centum of which are produced by an increase in anticipated land values to a single landowner, the Secretary shall enter into an agreement with such owner or owners that provides that such owner or owners will contribute, either prior to construction or when such benefits are realized, 50 per centum of that portion of the project's costs allocated to the owner's benefits.

(b) For any study initiated by the Secretary subsequent to the enactment of this Act, the Secretary shall, if appropriate, include information in such study report on the likelihood that any single landowner would be subject to the requirements of subsection (a) of this section.

NAVIGATION REHABILITATION

SEC. 3. Section 4 of the Act of July 5, 1884 (23 Stat. 147), as amended by the Act of March 3, 1909 (33 U.S.C. 5), is hereby amended to read as follows:

"SEC. 4. The Secretary of the Army, acting through the Chief of Engineers, is authorized to operate, maintain, and keep in repair and rehabilitate any project for the benefit of navigation belonging to the United States or that may be hereafter acquired or constructed: *Provided,* That whenever, in the judgment of the Secretary of the Army, the condition of any of the aforesaid works is such that its reconstruction or replacement is essential to efficient and economical maintenance and operation, as herein provided for, and if the cost shall be less than $25,000,000, the Secretary may proceed with such work: *Provided further,* That the project does not increase the scope or change the location of an existing project: *And provided further,* That nothing herein contained shall be held to apply to the Panama Canal."

DAM SAFETY INFORMATION

SEC. 4. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary of the Army, acting through the Chief of Engineers, or the Secretary of Agriculture, acting under Public Law 83-566, as amended, which recommends the possible construction of a water impoundment facility, shall include information on the possibility of failure of such facility due to geologic or design factors, the potential impact of the failure of such facility, and information on the design features that would prevent, lessen, or mitigate such failure or the impact of such failure.

RECREATIONAL BENEFITS INFORMATION

SEC. 5. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary of the Army, acting through the Chief of Engineers, or the Secretary of Agriculture, under authority of Public Law 83-566, as amended, shall describe the benefits of other, similar recreational facilities within the general area of the project, and the anticipated impact of the proposed project on such existing recreational facilities.

TRANSPORTATION BENEFIT CALCULATIONS

SEC. 6. Beginning in the first full fiscal year after enactment of this section, the Secretary of Transportation shall be responsible for the preparation of all calculations on transportation-related benefits for any future water resources project proposed by the Secretary of the Army, acting through the Chief of Engineers. As a part of such calculations, the Secretary of Transportation shall identify, with reasonable specificity, the impact of such proposed project on the usage and the economic viability of competing modes of transportation.

DEAUTHORIZATIONS OF BACKLOGGED PROJECTS

SEC. 7. (a) Any project, that is under the responsibility of the Secretary of the Army, acting through the Chief of Engineeers, and for which construction has not commenced within ten years following the date of the authorization of such project shall no longer be authorized after such ten-year period unless the Secretary of the Army, acting through the Chief of Engineers, notifies the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives that continued authorization of such project remains needed and justified and, within sixty calendar days (excluding days on which either the House of Representatives or the Senate is not in session because of any adjournment of more than three calendar days to a day certain) following transmittal of such notification to the Congress, each committee adopts a resolution directing the continued authorization of the project.

(b) Any project qualifying for deauthorization, or which will qualify within one hundred and eighty days of enactment of this section, shall not be deauthorized until such one hundred and eighty days have elapsed, utilizing the terms and procedures of subsection (a) of this section.

DEAUTHORIZATION OF BACKLOGGED STUDIES

SEC. 8. (a) Any resolution authorizing a survey by the Secretary of the Army, acting through the Chief of Engineers, is automatically rescinded and is no longer authorized if no funds are expended for such survey within four full fiscal years following its approval.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to submit to the Congress, within six months of enactment of this section, a list of all existing studies, whether authorized by resolution or by law, that have an inactive or deferred status, and all surveys on such list may be deauthorized within ninety days thereafter by resolution of either the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives.

ADVISORY BOARD ON WATER RESOURCES COMPLAINTS

SEC. 9. (a) There is hereby established an Advisory Board on Water Resources Complaints (hereinafter referred to as the "Board"), which is authorized to evaluate complaints of any existing water resources project undertaken by the Secretary of the Army, acting through the Chief of Engineers, and to make recommendations thereon. The scope of Board review shall include changes in project operations, possible construction of new facilities or devices that would alleviate any anticipated or actual damages or other adverse and definable unintended effects, or changes in requirements for local interests to provide, pay for, or share in the costs of, any features of any project undertaken by the Secretary of the Army, acting through the Chief of Engineers.

(b) The Board, which is authorized to hire necessary staff, shall be comprised of three members. One member shall be a Federal employee serving at the pleasure of the President. Two members shall be appointed by the President from the general public for terms of four years. Such public members, while attending meetings of the Board, shall be entitled to receive compensation at a rate not in excess of the maximum rate of pay

for grade GS–18, as provided in the General Schedule under section 5332 of title 5 of the United States Code, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently. Anyone who has been an employee or officer of the United States Army Corps of Engineers shall be ineligible to serve as a public member of the Board.

(c)(1) The Board shall meet at least four times annually to review matters referred to it by any State or local public agency, the Secretary of the Army, the Committee on Environment and Public Works of the Senate, or the Committee on Public Works and Transportation of the House of Representatives. At such meetings, the Board is authorized to review all information relating to any request for a change affecting an authorized project, and to recommend alterations in the project that can be achieved administratively or by appropriate legislation. Any recommendation by the Board shall include a statement evaluating the reasonableness and equity of the request; an estimate, if appropriate, of the cost of such alteration and the effect such cost would have on the relation of total project benefits to costs; an explanation of how the request meets or fails to meet established national water resources policy. Recommendations by the Board are advisory and not subject to judicial review.

(2) A copy of any recommendation by the Board under paragraph (1) of this subsection shall be transmitted to the Secretary of the Army and to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives, as well as any interested State or local public agency. Following a review of any such recommendation, the Secretary of the Army shall promptly notify the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives of any decision or proposal based upon such recommendations, together with a statement detailing any disagreement with the Board's recommendation.

(d) The Board shall, from time to time, report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on issues and problem areas brought before it for advisory opinions, together with any recommended changes in the procedures or practices of the Secretary of the Army, acting through the Chief of Engineers, that would alleviate such problems in future projects.

(c) To carry out the purposes of this section, there is authorized to be appropriated to the Board the sum of $750,000 for the fiscal year ending September 30, 1982, and for each fiscal year thereafter.●

By Mr. GOLDWATER:

S. 455. A bill to amend title 39, United States Code, to establish free enterprise postage stamps; to the Committee on Governmental Affairs.

FREE ENTERPRISE POSTAGE STAMP ACT

● Mr. GOLDWATER. Mr. President, it is my pleasure today to introduce a free enterprise postage stamp bill as a companion measure to the legislation that my son, Congressman GOLDWATER of California, has sponsored.

Both his bill and mine are aimed at generating and testing new methods for reducing the unrelenting pressure on the Postal Service for rate increases. What we are asking is that the Postal Service explore, as a 1-year demonstration program, the feasibility of issuing and selling the rights to free enterprise stamps to private businesses, who could get their corporate name or symbol on the stamp. These stamps would then be resold at full, first class postage value to the public as a regular postage stamp. If the program is proven successful, it could be implemented on a large scale and perhaps raise many additional millions of dollars for the Post Office.

Mr. President, my version of the bill calls upon the Postal Service to invite competitive bids for the printing of free enterprise stamps in packages of not less than 2,600,000 stamps in any particular series. No more than 15 separate issues of special stamps can be printed in the trial year and the combined total of stamps issued cannot exceed 300,000,000. In comparison, there are approximately 15 new issues of commemorative stamps each year, the same number I have selected as a starting point in the bill. The average number of total stamps within a single commemorative series is approximately 160 million.

The bill provides that the minimum acceptable bid for a series of free enterprise stamps is 5 cents per stamp, or $130,000 for the minimum series of 2,600,000 stamps. There is a requirement of at least 2,600,000 stamps in any issue because the Postal Service tells me this is the break even point at which the full printing costs, as well as any actual mailing costs, of the stamps will be recovered. In other words, the money paid for the rights to the stamp by a private business would be straight income to the Postal Service, clear of any expenses of printing or distribution.

Of course, there are strict safeguards written into the bill assuring that offensive messages or images will not appear on the stamps.

Mr. President, I make no claim that the bill is a panacea for all the problems in the post office. I recognize the fact that it is exceedingly difficult to get the cost of a stamp down. For example, the Postal Service claims it requires an extra half-billion dollars a year to reduce the cost of a stamp by a single penny.

Still I think it will be useful to set up a test program so we can learn whether skyrocketing rate increases can at least be postponed by innovative approaches not yet utilized by the Postal Service. When we consider that an estimated $55 billion was spent for commercial advertising last year in the United States, it is not unreasonable to think that a new method of low-cost public relations or advertising may look attractive to some firms who wish to introduce a new theme or put their logo in front of the public.

The post office may already possess ample legal authority to adopt the kind of program mandated by the free enterprise stamp bill. However, it is my belief the Postal Service should be required to operate the trial problem in order to show the public it is making every conceivable effort at holding rate increases down.

Also, I will openly declare my willingness to change the language or figures used in the bill. In fact, Congressman GOLDWATER and I have agreed that the Senate version of the bill should propose different numbers of stamps and minimum bids than are used in this bill, H.R. 1532. In this manner, we can be assured that the free enterprise stamp concept will be fairly examined in its widest range of possible uses.

Mr. President, I hold a deep respect for the historic role of the post office as an institution that links America together by providing an ever-present means of communication with each other, as individuals and groups, whether we are sending a message across town or to the most distant point in the Nation. If it were not for the commonsense of identity and interest that we share as Americans—a spirit that was fostered by the spread of information and news in the mails—our Nation may not have united behind our successful American Revolution or ratified the Constitution.

The legislation I introduce today is offered in the spirit of seeking to help a valued and important social institution fulfill its public service at the lowest possible cost to users, and I hope it will be considered in that light.

Mr. President, I ask that the text of the bill may appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Free Enterprise Postage Stamp Act."

FREE ENTERPRISE POSTAGE STAMP ADVISORY COMMITTEE

SEC. 2. (a) Chapter 2 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§209. Free Enterprise Postage Stamp Advisory Committee

"(a) There shall be a Free Enterprise Postage Stamp Advisory Committee, of which the Postmaster General shall be the Chairman, the Deputy Postmaster General shall be the Vice Chairman, and the Chairman of the Federal Trade Commission shall be the third member.

"(b) The Postal Service shall consult with and receive the advice of the Advisory Committee regarding the approval of bids for the printing, distribution, and sale to the public of any free enterprise postage stamp issue, as provided for in section 404(c) of this title.

"(c) The Advisory Committee may receive from the Postal Service such personnel, penalty mail privileges, and similar services, as the Advisory Committee considers necessary to assist it in performing its duties and functions under this section and section 404(c) of this title.

"(d) The members of the Advisory Committee shall serve without compensation, but the Postal Service is authorized to reimburse such members for all reasonable travel expenses incurred by them in attending the meetings of the Advisory Committee.".

(b) Section 206(b) of title 39, United States Code, is amended by inserting ", except those aspects of postal operations with regard to which the Postal Service consults with and receives the advice of the Free Enterprise Postage Stamp Advisory Committee, pursuant to section 209 of this title" after "postal operations".

FREE ENTERPRISE POSTAGE STAMPS

SEC. 3. Section 404 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(c)(1)(A) The Postal Service, in administration of the powers granted under subsection (a)(4) of this section, is authorized to enter into a contract with any domestic business enterprise for the purpose of printing, distributing, and selling for such domestic business enterprise a free enterprise postage stamp issue, consisting of not less than 2,600,000 postage stamps that contain the logo of such domestic business enterprise. The Postal Service shall approve for printing, distribution, and sale only a free enterprise postage stamp containing a logo that complies with any technical specifications established by the Postal Service for postage stamps generally and that is—

"(i) the trade name of such domestic business enterprise;

"(ii) the registered trade-mark, service mark, collective mark, or certification mark of such domestic business enterprise; or

"(iii) a mark, symbol, name, word, slogan, phrase, numeral, illustration, or device, or any combination of the foregoing, that is capable of distinguishing the goods or services of such domestic business enterprise and does not consist of or comprise—

"(I) immoral, deceptive, or scandalous matter;

"(II) matter that may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute;

"(III) the flag or coat of arms or other insignia of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof;

"(IV) a name, portrait, or signature identifying a particular living individual without his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, without the written consent of the widow; or

"(V) a mark that so resembles a mark registered in the Patent and Trademark Office or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when applied to the goods of such domestic business enterprise, to cause confusion, or to cause mistake, or to deceive.

"(B) The Postal Service shall not print, distribute, or sell more than fifteen free enterprise postage stamp issues in any calendar year under this subsection.

"(2)(A) The Free Enterprise Postage Stamp Advisory Committee shall formally advertise the availability of, and invite bids for the use of, Postal Service facilities for the printing, distribution, and sale to the public of not to exceed 300,000,000 free enterprise postage stamps in issues of not less than 2,600,000 postage stamps each and for a minimum price of five cents per each stamp in any such issue, except that only domestic business enterprises shall be permitted to bid for any such free enterprise postage stamp issue. The Advisory Committee shall make such advertisement a sufficient time before the date set for the opening of bids to permit full and free comptition.

"(B) The bids shall be opened publicly at the time and place stated in the advertisement. The Advisory Committee shall review the bids received for each issue and recommend to the Postal Service the bidder whose bid, conforming to the invitation for bids, will be the most economically advantageous to the Postal Service, except that the Advisory Committee shall recommend the rejection of all bids for any issue if the Advisory Committee determines that such rejection is in the public interest.

"(C) Upon receiving the recommendations of the Advisory Committee pursuant to subparagraph (B) of this paragraph, the Postal Service shall make the award for each issue with reasonable promptness by giving written notice to the bidder whose bid, conforming to the invitation for bids, will be the most economically advantageous to the Postal Service, except that the Postal Service shall reject all bids for any issue if it determines that such rejection is in the public interest.

"(D) Free enterprise postage stamps approved and printed under the provisions of this subsection shall be distributed and sold by the Postal Service in a manner similar to the distribution and sale of commemorative postage stamps by the Postal Service. All revenues raised by the sale of free enterprise postage stamps shall be deposited in the Postal Service Fund, pursuant to section 2003 of this title.

"(3) As used in this subsection, 'domestic business enterprise' means any corporation, partnership, joint stock company, business trust, proprietorship, or any association for business purposes that (A) is created or licensed in the United States, or organized under the laws of any State or under the laws of the District of Columbia or under the laws of the United States; (B) has its headquarters and its principal place of business within the United States; and (C) is not a government agency or instrumentality (including any municipal corporation or other public corporation) or government corporation.".

REPORT BY POSTAL SERVICE

SEC. 4. Not later than 12 calendar months after the date of the enactment of this Act, the United States Postal Service shall prepare and submit to the Congress a comprehensive report on the effectiveness of the amendments to title 39, United States Code, made by this Act in raising revenues for the operations of the Postal Service. Such report shall include any recommendations for legislative changes that the Postal Service finds necessary or desirable as a result of administering such provisions of title 39, United States Code.

EXPIRATION DATE

SEC. 5. This Act shall expire twelve calendar months after the date set for the opening of bids for the first issue of free enterprise stamps authorized pursuant to this Act.●

By Mr. MATSUNAGA (for himself, Mr. GLENN, Mr. INOUYE, Mr. BUMPERS, Mr. JOHNSTON, Mr. KENNEDY, and Mr. METZENBAUM):

S. 456. A bill to provide for an accelerated program of research, development, and demonstration to achieve the early technology applications for advanced batteries technologies for energy storage, and for other purposes; to the Committee on Energy and Natural Resources.

ADVANCED BATTERY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT

Mr. MATSUNAGA. Mr. President, I am introducing legislation today to accelerate the national effort in research, development, and demonstration activities related to advanced battery energy storage systems. Joining with me in the introduction of this significant and timely measure are Mr. GLENN, Mr. INOUYE, Mr. BUMPERS, Mr. JOHNSTON, Mr. KENNEDY, and Mr. METZENBAUM.

The Advanced Battery Research, Development, and Demonstration Act would establish a national goal of demonstrating, by 1984, the capability to supply 100,000 advanced batteries per year to support a larger, self-sustaining electric vehicle market. The bill provides for the introduction of the next generation of batteries currently in the research stage of development, such as the aluminum-air battery, not later than 1990, to permit a further significant growth in electric vehicle acceptance.

In addition to transportation applications, the bill establishes as a national goal, by 1987, the capability to provide 10,000 battery storage systems per year to support rapid penetration of solar power systems into the Nation's electric generation networks. Windpower systems are currently expected to supply only from 15 percent to 20 percent of the total electricity in a given grid system, while solar-powered systems are generally limited by the availability of the Sun. These renewable technologies should have the potential for supplying all the required energy in a given locality, and this bill is intended to improve this prospect.

This act, furthermore, will foster cooperation in advanced battery research and development among government, universities, industry, and the national laboratories, and could lead to an exportable technology for the United States.

Mr. President, as a nation we presently consume nearly half of the petroleum, of which half is imported, for transportation. Electric vehicles offer a significant opportunity for conserving petroleum by using indigenous energy resources to produce the electricity for charging their batteries. Battery technology has been the key obstacle to the widespread utilization of electric vehicles, because the available power packages did not have sufficient acceleration, speed, and range. The future generations of batteries have the promise to match the performance standards currently offered by the internal combustion engine.

However, Mr. President, I am concerned that we are not providing the necessary support to develop these advanced batteries in a timely manner. A year ago I visited one of our national laboratories and fortuitously was introduced to the aluminum-air battery. This battery, it was explained to me, could power a five-passenger vehicle 250 miles or more with driving characteristics very similar to the conventional internal combustion automobile. Every 2,000 miles or so the aluminum plates would need to be replaced, but another attractive feature of the battery is that the benign and purified aluminum compound powder that is formed as waste matter can be recycled and refined back into aluminum plates. And interestingly enough, renewable energy, such as photovoltaic cells or wind energy conversion systems, can be used in the recycling process.

Thus, while 10 gallons of gasoline or 200 pounds of synthesized coal would be required to power the latest energy efficient American automobile 250 miles, producing various amounts of air pollution products, similar performance can

be obtained by using only 37 pounds of aluminum and 6½ gallons of tap water. Furthermore, the pollution-free waste product can be recycled by use of indigenous energy sources.

I asked the program scientists when we could expect a vehicle prototype. At the current funding level of $2½ million per year, the target year was expected to be 1988. For double this amount, however, they felt that the length of time could be cut in half, to pave the way for early commercialization in this decade.

The aluminum-air battery, although a personal favorite of mine, is only one of a number of attractive prospects. Dr. Edward Frieman, past Director of the Office of Energy Research, confided to me that he thought that the lithium batteries showed the greatest promise. In any case, there is every reason to believe that energy storage, and battery development in particular, can receive a much needed boost in advancement by the provisions of this act.

We will this year be spending something on the order of $150 billion for transportation fuel. It is contemplated that the program to be established by this act will require the expenditure of $100 million by the Federal Government during each of the next 5 fiscal years.

Mr. President, the Iraq-Iran conflict is only an early warning that severe dislocations could occur to the world supply of petroleum. It is imperative that we proceed with an aggressive program of battery development so that we can reduce our dependence on imported oil in the earliest time frame possible.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Advanced Battery Research, Development, and Demonstration Act."

FINDING

SEC. 2. The Congress hereby finds that—

(1) the continued importation of large amounts of foreign petroleum is a threat to the national security of the United States;

(2) over half of the petroleum consumed in the United States is used in transportation;

(3)) substantial amounts of petroleum and natural gas are used by electric utilities for meeting peak demand;

(4) electric vehicles offer a significant opportunity for conserving petroleum by using solar, coal and other domestic energy resources to produce the electricity for charging their batteries;

(5) the lack of advanced battery technology is the key obstacle to electric vehicles with sufficient acceleration, speed, and range;

(6) energy conservation can be increased through load-leveling in electricity demand by use of advanced batteries for energy storage;

(7) a significant limitation on the use of direct sunlight as an energy source for electricity is the unavailability of advanced batteries;

(8) it is in the national interest to accelerate efforts to develop and commercialize advanced batteries;

(9) it is an appropriate role for the Federal Government to accelerate research, development, and demonstration activities in advanced battery technologies in order to hasten their introduction into general commercial use.

SEC. 3. (a) It is therefore declared to be the policy of the United States and the purpose of this Act to accelerate the national effort in research, development, and demonstration activities related to advanced battery energy storage systems. Further, it is declared to be the policy of the United States and the purpose of this Act that the objectives of such program shall be—

(1) to promote an aggressive research and development program to perfect an advanced battery system suitable for each identifiable energy storage need;

(2) to establish a national goal of demonstrating, by 1984, the industrial capability to supply 100,000 advanced batteries per year to support a larger, self-sustaining electric vehicle market;

(3) to achieve at the earliest practicable time, but not later than the year 1985, the demonstration of commercial capability of other advanced batteries, such as the aluminum-air battery, to permit a further significant growth in electric vehicle acceptance;

(4) to establish as a national goal the operation, by 1985, of the first advanced battery system into commercial load-leveling and demand-reducing applications;

(5) to establish as a national goal by 1987 the industrial capability to provide 10,000 battery storage systems per year to support rapid penetration of solar power systems into the Nation's electric generation networks;

(6) to foster cooperation in advanced battery research and development among government, universities, industry, and national laboratories;

(7) to promote the broad participation of domestic industry in the advanced battery program;

(8) to foster the technological expertise in the United States which will promote export markets for advanced batteries and for products incorporating advanced batteries such as electric vehicles;

(9) to promote greater public interest and acceptance of electric vehicles and solar energy through the introduction of reliable, cost-competitive advanced batteries; and

(10) to complement the intent and goals of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act, Public Law 94-413 as amended.

(b) It is contemplated that the research, development, and demonstration program established by this Act will require the expenditure of a total of $500,000,000 by the Federal Government during the next five fiscal years.

DEFINITIONS

SEC. 4. For the purposes of this Act—

(1) the term "Secretary" means the Secretary of Energy;

(2) the term "cell" means an electrochemical device, consisting of two electrodes and an electrolyte, which converts chemical energy directly to electrical energy;

(3) the term "battery" means (1) a group of cells which can be restored to original fully charged state by the passage of an electrical current from an outside source or by the application of heat or light, or (2) an electrochemical device for the conversion of energy from renewable sources to electricity;

(4) the term "advanced battery" means a battery which offers major increases in energy density, power density, range, cost, or recharging cycles for a given unit weight compared to conventional, commercially available lead-acid batteries.

RESEARCH AND DEVELOPMENT ACTIVITIES

SEC. 5. (a) The Secretary shall assure that the current supporting research program is expanded to include at a minimum—

(1) scientific investigations of electrochemical phenomena and reactions;

(2) examination of new electrolyte systems and ion conducting materials;

(3) examination of new candidate electroactive materials; and

(4) development of diagnostic techniques for elucidating reaction kinetics and mechanisms.

(b) The Secretary shall assure that the current program of exploratory investigations is expanded to include at a minimum—

(1) performance of half-cell and full-cell evaluations of new candidate battery systems;

(2) determination of life limiting mechanisms;

(3) definition of performance potential;

(4) evaluation of cell design variations; and

(5) development of high energy density, primary batteries, such as the aluminum-air battery.

(c) The Secretary shall accelerate development and engineering activities—

(1) to refine cell designs for mass production;

(2) to select and evaluate low cost materials of construction;

(3) to optimize cell reliability and performance capability;

(4) to construct multi-cell batteries;

(5) to develop necessary battery control systems;

(6) to determine and correct battery failure modes; and

(7) to estimate ultimate battery cost.

DEMONSTRATIONS AND TECHNOLOGY APPLICATIONS

SEC. 6. (a)(1) The Secretary shall, at the earliest practical time, conduct field tests and demonstrations of each advanced battery, and in preparation therefor, he shall—

(A) define specific field test missions;

(B) construct prototype battery systems;

(C) evaluate performance in mission environments;

(D) define limitations and pursue corrective actions; and

(E) establish final product design.

(2) Pursuant to paragraph (1), the Secretary shall conduct demonstrations of each advanced battery suitable for use in electric utility load-leveling applications at the Battery Energy Storage Test Facility and other electric utility sites.

(b) The Secretary shall ensure that activities in the advanced batteries program are fully coordinated with the activities under the Electric and Hybrid Vehicle Research, Development and Demonstration Act, Public Law 94-413 as amended, and in conducting his responsibilities, the Secretary shall give special emphasis to opportunities to utilize the Secretary's authorities under Sections 7 and 10 of such Law to foster demonstration and production of advanced batteries which result from successful research and development activities.

(c)(1) In conjunction with the activities under this section the Secretary shall establish technology applications programs to foster manufacturing process development, cost reduction programs, and pilot line operations.

(2) Pursuant to paragraph (1) the Secretary shall develop a technology applications program for each advanced battery which is proven to be suitable for use in conjunction with dispersed applications of renewable energy sources, such as wind energy and photovoltaic systems.

(3) In developing these programs the Secretary shall ascertain the most effective

forms of Federal assistance for achieving the purposes of this Act and report to the Congress his findings no later than January 1, 1983.

CRITERIA FOR PROGRAM ACTIVITIES

SEC. 7. The Secretary shall assure that his activities under sections 5 and 6 are consistent with the following criteria:

(1) the fabrication, operation, and maintenance costs of advanced battery energy storage systems shall be minimized;

(2) programs established under this Act shall be conducted with the express intent of bringing advanced battery costs down to a level so that systems using such batteries are cost competitive with alternatives available to users;

(3) priority shall be given in the conduct of programs established under this Act to those projects in which cost-sharing funds are provided by private, industrial, agricultural, or government entities or utilities; and

(4) to the extent that the Secretary is limited by the availability of funds to carry out the objectives of this Act, priority, but not exclusive emphasis, should be given in the early years of the programs to activities under section 5 and in the later years of the programs to activities under section 6.

COMPREHENSIVE PROGRAM MANAGEMENT PLAN

SEC. 8. (a) The Secretary shall prepare a comprehensive program management plan for the conduct of the research, development, and demonstration activities under this Act. Such plan shall include at a minimum—

(1) a presentation of the program strategy which will be used to achieve the purposes of this Act;

(2) a five-year program implementation schedule, including identification of detailed milestone goals with associated budget and program resources requirements;

(3) cost-benefit analyses of the activities and programs authorized under this Act;

(4) further basic research needed to solve problems which may inhibit or limit development of advanced battery energy storage systems; and

(5) an analysis of institutional, environmental, and economic considerations which are limiting the utilization of advanced battery technologies.

TECHNICAL PANEL ON ADVANCED BATTERIES

SEC. 9. (a) A technical panel on advanced batteries of the Energy Research Advisory Board shall be established to advise the Secretary on the conduct of the advanced battery energy storage program.

(b)(1) The technical panel shall be comprised of such representatives from domestic industry, universities, government laboratories, and other scientific and technical organizations as the Chairman of the Energy Research Advisory Board deems appropriate based on his assessment of the technical qualifications of each such representative.

(2) Members of the technical panel need not be members of the full Energy Research Advisory Board.

(c) The activities of the technical panel shall be in compliance with any laws and regulations guiding the activities of technical and fact-finding groups reporting to the Energy Research Advisory Board.

(d) The technical panel shall review and may make recommendations on the following items, among others:

(1) the preparation of the five-year program plan prepared pursuant to section 8;

(2) the type of future demonstrating activities needed to meet the objectives of this Act along with their projected completion dates;

(3) the adequacy of participation by universities and industry in the program;

(5) institutional, environmental, and economic factors limiting, or prospectively limiting, efforts to achieve commercial application of advanced battery energy storage systems.

(e) The technical board shall submit to the Energy Research Advisory Board on at least a triennial basis a written report of its findings and recommendations with regard to the advanced battery program.

(f) After consideration of the technical panel report, the Energy Research Advisory Board shall submit such report, together with any comments such Board deems appropriate, to the Secretary.

REPORTS

SEC. 10. As a separate part of the annual report submitted pursuant to section 801 of the Department of Energy Organization Act (Public Law 95–91), the Secretary shall submit to Congress an annual report of activities pursuant to this Act. Such report shall include—

(a) modifications to the comprehensive program management plan for implementing this act;

(b) an evaluation of the state of the advanced battery energy storage program in the United States;

(c) a summary of the findings and recommendations of any report of the Energy Research Advisory Board on advanced batteries;

(d) an analysis of the progress made in commercializing advanced battery technologies; and

(e) suggestions for improvements in the advanced battery program, including recommendations for legislation.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There is hereby authorized to be appropriated to the Secretary $70 million for the fiscal year ending September 30, 1982; $85 million for the fiscal year ending September 30, 1983; and $100 million for the fiscal year ending September 30, 1984.

● Mr. GLENN. Mr. President, I rise in support of the Advanced Battery Research, Development, and Demonstration Act of 1981.

I have often said that if I could have but one, and only one energy wish granted for our Nation, it would be for practical energy storage, and, in particular, electrical energy storage. Economic electrical energy storage would have a nearly incalculable impact on our long-term energy supply picture. Economic electrical energy storage would allow us to substitute coal, hydroelectric, and nuclear energy for petroleum and natural gas in transportation and utility energy systems. We could effectively and efficiently utilize inexhaustibles such as solar, wind, and tidal energy, by spreading the supply of these intermittent energy sources over a 24-hour period. Utilities could use their facilities much more efficiently and would be able to reduce current rates of growth in the cost of electricity.

Mr. President, the energy storage system with the most potential at this time for many applications is one based on rechargeable batteries. I believe that this important legislation, which I am proud to cosponsor, will give battery R. & D. the push it needs to make practical electrical energy storage feasible.

Probably the most serious potential energy shortage confronting the United States for at least the remainder of the century is that of liquid fuels for transportation. While the transportation sector has historically accounted for about 25 percent of the total energy consumed in the United States, it is unique in that it is almost totally dependent on liquid fuels—over 97 percent of all transportation services are provided by petroleum-derived fuels. Transportation accounts for about half of all petroleum we use and over 53 percent of all transportation energy is consumed by automobiles. While this potential shortage can be ameliorated by developing more energy-efficient autos and by producing synthetic fuels, significant contributions could be made by widespread use of electric vehicles. Technically, however, the biggest obstacle to the electric automobile has been the lack of a cheap, lightweight, powerful and long-lasting battery.

We are nearing the point where electric vehicles can be practicable. According to Department of Transportation statistics, about 90 percent of all car trips are for 20 miles or less, 95 percent for 50 miles or less, and 99 percent for 100 miles or less. Our best electric vehicles typically have a 50- or 60-mile range, but only if their batteries are fully charged and the temperatures are moderate. In order to have a practical electric vehicle, we have to have one that has a range of probably 150 miles or so at moderate temperatures and operating conditions. A breakthrough in battery technology could make this possible. Some 15 to 20 different batteries have been identified as potential candidates for electric-vehicle candidates, including the aluminum-air, the sodium-sulfur, the lithium-metal-sulfide and the zinc-chloride batteries, all of which will receive more attention if this bill is passed.

Mr. President, I mentioned earlier that utilities could make effective use of electrical energy storage systems—particularly those using batteries. Such systems could be attractive on several counts: both their input and output would be entirely electrical and could be made to respond rapidly to load changes; storage capacity could be increased in modular increments and the batteries themselves could be produced and installed rapidly when they were needed; and dispersed and intermittent sources such as wind, solar and tidal energy could be utilized.

For my money, the most intriguing new electrical energy storage concept of this type is being developed at the NASA Lewis Research Center at Cleveland. Called the reduction/oxidation, or "Redox" system, it is an unusual battery whose anode and cathode consists of enormous tanks of liquid chemicals separated by a membrane along which ion-flow occurs. Preliminary results from the laboratory's working scale model indicate an impressive 70- to 75-percent rate of efficiency for the system. And because the battery's capacity is limited only by the size of the tanks—which one could make, theoretically, as small as a bathtub or as large as the Pentagon—it could also prove to be highly practical for use by electrical utilities.

Mr. President, for too long we have been neglecting R. & D. in this area. While this bill will provide what will seem to be by some a substantial increase in funding for the battery R. & D. program—from about $40 million in outlays

in fiscal year 1981, to $70 million in fiscal year 1982, $85 million in fiscal year 1983, and $100 million in fiscal year 1984—in relative terms, it is a pittance. The $40 million in outlays for this fiscal year would not even be enough to buy 1 million barrels of oil from OPEC, and we have been importing about 6.5 million barrels of oil per day. I submit, Mr. President, that we cannot afford not to invest these funds in our energy future.

Mr. President, I mentioned at the beginning of my remarks that my energy wish for the Nation would be for practical energy storage systems. I am convinced that the provisions of this bill will help to make my wish a reality.●

By Mr. CRANSTON:

S. 457. A bill to amend the Internal Revenue Code of 1954 to provide for increased investment by individuals through a tax-deferred rollover account; to the Committee on Finance.

CAPITAL GAINS "ROLLOVER" ACCOUNTS

Mr. CRANSTON. Mr. President, I am introducing legislation today to establish a major incentive for investment by individuals through a tax-deferred rollover account.

The basic purpose of my bill is to help individuals make long-term commitments of capital and savings to productive investments without suffering adverse tax consequences from moving assets from nonproductive to productive investments.

As the tax law now stands, when an individual realizes a gain upon the transfer of assets from one investment situation to another the gain is taxable the same as it would be if the individual used his gain as income for the purposes of consumption or other uses outside the scope of continued investment. Thus, there is no incentive for reinvestment.

Not all such transfers in which gains are realized are treated as a taxable event however. The best known instance, of course, is the deferral of capital gains taxes allowed when an individual reinvests the proceeds realized from the sale of his personal residence into another personal residence.

My bill proposes to apply the same tax deferral treatment to reinvestments of capital gains, that is deferral of taxes due on a rollover of capital gains into other investments.

The deferral of taxes will enable individuals to make longterm commitments of substantial amounts of capital into a series of investments such as stocks, bonds, enterprises and the like.

Under my proposal only realized gains will be deferred. Interest and dividends received will be treated as ordinary income of the investor in the tax year received just as it would under normal investment circumstances. It is not the purpose of this proposal to set up a shelter for ordinary income.

The purpose of my bill is to help meet the enormous need of our economy for substantial commitments of capital for long-term periods. It is estimated that our economy will require about $5.3 trillion in capital investment in the next 10 years to replace worn out equipment, expand plant capacity, and promote research and development to sustain even a modest level of economic growth.

Where is this capital to come from?

A significant source of capital today is frozen in investments made many years ago. The holders of those investments, in some cases, literally are waiting to die in order to avoid heavy taxation if they should realize their gains today. Some prefer to accept their return in the form of dividends. Many other investors, however, must make prudent decisions based upon the potential return of a new investment against remaining locked in an old one and accepting dividend income instead of gains.

The tax-deferred rollover account would offer such investors very substantial incentives to move their capital into new dynamic investments with a greater potential for profit. I think our general economy would benefit greatly from movement of capital from older, less productive enterprises into newer ones.

Under my proposal the economy and the Treasury will benefit so long as the investor retains his capital in the rollover account.

The economy benefits directly from the investment in business and other enterprises and indirectly from the lessened purchasing power of the investor who no longer has surplus dollars available to bid up prices on goods and consumables, thus fueling inflation.

The Treasury benefits, of course, from a strong, healthy economy, but also from the tax revenues which will flow to the Treasury as a result of the original investment. These revenues are received in the form of income taxes, capital gains realized by other investors, a lowered rate of inflation and the numerous benefits of a good economy.

I want to emphasize that my proposal is tax revenue positive. A dollar invested in equities in a company returns about 28 cents to the Treasury in new tax revenues each year the original dollar remains invested.

Dr. William Ballhaus, president of Beckman Instruments, has calculated that for each year a dollar is invested in his company the return in new revenue to the Treasury is 28.7 cents—year after year after year.

The tax on $1 of capital gain at the maximum rate is about 28 cents for one time only.

I ask my colleagues to compare the value to the Treasury of $1 of capital invested for 10 years with the value of $1 of capital gains taxed once. The invested dollar is worth 10 times, $2.87, what the taxed dollar, 28 cents, is worth to the Treasury.

Dr. Ballhaus did his study with three other companies and found similar, even better, results.

It is for these reasons that I say that the deferral of capital gains taxes on rollovers of capital gains is revenue positive as far as the Treasury is concerned.

Throughout the life of the rollover account, the Treasury receives tax on interest and dividends paid on stocks and bonds held by the account—I wish to emphasize that these taxes will not be at a sheltered rate, but at the individual investor's ordinary income tax rate.

When the rollover account is liquidated the Treasury will receive taxes on gains realized at the capital gains tax rate.

Death of the trustor will not result in avoidance of capital gains taxes. Under my bill the capital gains accrued in the trust account will be taxed immediately.

This proposal is a fair bargain for all concerned.

It represents in my view the qualities which should be found in sound proposals for investment incentives in the tax laws:

A firm promise of reward for sound investments in so far as tax treatment is concerned;

Clear direction toward productive investment by limiting the rollover to investments in stocks and bonds;

Artificial accounting losses are not rewarded;

No shelter for ordinary income;

Clear and fair rules for payment of taxes when the deferral period is at an end;

Elimination of tax avoidance as a consequence of death of the taxpayer.

Not all investment incentives can be so strictly structured nor should they.

This proposal for tax-deferred rollover accounts administered by trustees accountable under law for carrying out their duties properly is a sound and sure way from the point of view of the Treasury to promote investment decisions free of tax considerations until the gains are realized.

The time has come to study such proposals to determine the potential for promoting sound investment in the productivity of America.

I urge my colleagues to consider my proposal and I welcome their suggestions for improvements.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA and Mr. DECONCINI):

S. 458. A bill to amend title 38, United States Code, to extend the period of eligibility for certain Vietnam-era veterans to request readjustment counseling, to extend the program of veterans readjustment appointments in the Federal Government, and to extend the educational assistance and rehabilitation program delimiting periods for Vietnam-era and service-connected disabled veterans, respectively, under certain circumstances; to the Committee on Veterans' Affairs.

VIETNAM-ERA VETERANS' READJUSTMENT AMENDMENTS OF 1981

Mr. CRANSTON. Mr. President, I am today, on behalf of Senators MATSUNAGA, DECONCINI, and myself, introducing S. 458, a measure that would extend two programs of special benefit to Vietnam-era veterans and extend the eligibility periods for utilization of certain readjustment benefits in the cases of particularly disadvantaged Vietnam-era veterans. The provisions of the bill would:

First, extend by 2 years the period of eligibility for certain Vietnam-era veterans to seek readjustment counseling from the Veterans' Administration and provide for a tolling of the eligibility period to request such counseling for veterans who

are unable to receive such counseling by virtue of a medical condition or incarceration in a Federal, State, or local jail or penal institution.

Second, extend for 2 years, until September 30, 1983, the authority for veterans readjustment appointments, under which disabled and educationally disadvantaged Vietnam-era veterans are hired by Federal agencies on a noncompetitive, probationary basis, with the opportunity for training and eventually regular civil service status.

Third, extend until September 30, 1983, for Vietnam-era veterans whose delimiting periods have expired or will expire before that date, the period of time in which they may use GI bill benefits for the pursuit of apprenticeship or on-job training or, in the case of such veterans who do not have a high school diploma, for the pursuit of secondary education courses or vocational objective course.

Fourth, provide that, solely for the purposes of determining eligibility for an extension of the GI bill or rehabilitation delimiting period as a result of a disability, an alcohol or drug dependency or abuse disability from which the veteran has recovered shall not be considered to be the result of the veteran's willful misconduct.

GENERAL EXTENSION OF READJUSTMENT COUNSELING ELIGIBILITY

The program run by the VA to provide readjustment counseling to those veterans who need help in readjusting to civilian life following their active-duty service during the Vietnam era is staffed to a great extent by Vietnam-era veterans themselves. It provides counseling services, including individual, group, and family counseling, at 91 vet centers, facilities located apart from traditional VA facilities, and at selected VA medical centers in areas where there are no vet centers.

Mr. President, the VA's implementation of the authority to provide readjustment counseling to Vietnam-era veterans—authority provided by Public Law 96–22, the Veterans' Health Care Amendments of 1979—has been a remarkable success with over 100,000 visits with veterans recorded by December 31, 1980.

Although this authority was provided far too late—I first proposed it in 1971 and the Senate first passed it in 1972 but it was not enacted until June 13, 1979—and the VA program implementing this authority, Operation Outreach, is still in its relatively early existence and thus is not without the problems that characterize programs in the early going, I am confident that this effort to meet the readjustment needs of Vietnam-era veterans, especially those who served in the Vietnam theater, represent a vital and important governmental program and should continue to be available to all Vietnam-era veterans for at least 2 more years.

However, under current law—section 612A(a) of title 38, United States Code, as enacted by Public Law 96–22—a Vietnam-era veteran must, in order to be eligible for VA readjustment counseling services, request such services by September 30, 1981, or by the end of the 2-year period beginning on the date of his or her discharge or release from active duty, whichever is later. For the vast majority of Vietnam-era veterans—the 8.7 million who were discharged prior to October 1, 1979—this means that the last day on which they will be eligible to begin to participate in the readjustment counseling program will be September 30, 1981. To provide these veterans with an additional 2-year period in which they may apply, this bill would push the application cutoff date back to September 30, 1983, for them.

I am proposing this extension because, as I have noted, the VA's Operation Outreach is still a relatively young program and an extension is necessary for it to reach its full potential. The VA, under Administrator Max Cleland, made a most credible effort to get the program underway as soon as it became effective in October 1979; it hired and trained over 350 individuals within 5 months, formed them into four-person teams, and located and leased space in appropriate facilities in the geographic areas to which the teams were assigned so that 80 centers were in operation by May 1980 when the Committee on Veterans' Affairs held an oversight hearing on the VA's efforts. However, the results have not been uniform and a number of minor problems are still being worked out.

Also, as a result of the different experiences in actually opening the facilities of the various teams funded pursuant to Public Law 96–103, the HUD-Independent Agencies Appropriations Act of fiscal year 1980, under which the program received its original funding, some centers opened as early as January 1980 whlie others in the original contingent of 91 are just now opening. Also, the Congress, in Public Law 96–526, the HUD-Independent Agencies Appropriations Act for fiscal year 1981, has just provided funding for 30 new centers, which will not get under way for at least a few more months.

Because of this staggered schedule of openings, very few of the vet centers will have been in operation for periods approaching 2 years by September 30, 1981—the end of the eligibility period for veterans released from active duty before October 1, 1979—and many of the centers will have been in operation for less than a year by that date. The average period will be much less than 2 years.

Moreover, it takes a substantial period of time for a new vet center to establish a reputation in its community and overcome the initial skepticism of its target clientele. Thus, most of the centers will fall far short of realizing their maximum potential by that date, and it is vital that additional time, in the form of extended eligibility for those who would avail themselves of a center's services, be provided.

Mr. President, I base my support for Operation Outreach and the eligibility extension on the great response that I have heard from many veterans and first-hand reports from members of the committee staff who have personally visited over 20 vet centers, in all parts of the country, over the past several months, as well as on information gained through the normal committee oversight processes of reviewing agency progress reports and conducting oversight hearings. In this regard, I would like to quote a response I received from a witness at a committee field hearing in January 1980, when I asked the witness, Dr. Charles Figley, a Vietnam combat veteran and a recognized authority on the readjustment problems that some Vietnam veterans are facing, his views on the VA's efforts to establish Operation Outreach in the few months since the program had been authorized and whether he felt such a program, run by the VA, could be effective. His answer was:

> Most Vietnam veterans have been turned off by the VA. That situation may be changing quickly, however, thanks to Max Cleland and Operation Outreach. The main reason being that the critics of the VA . . . are working with the VA now.
>
> More of those kind of people are involved in Operation Outreach than any single activity ever in the history of this Vietnam veterans' movement, so I think that in many ways a lot of disbelievers about Senate bill 7 and about the VA's Operation Outreach are believers, where they were not two years ago.
>
> I think it's absolutely remarkable that the VA could even develop a program by October 1 [1979], not to mention beginning to open these Outreach Centers within a year's time.

As the committee heard from a variety of witnesses — including several members of vet center teams—at the May 1980 oversight hearing on this program, the early success that Dr. Figley noted had continued. Thus, I strongly believe that the program is helping to meet very important needs and that it fully deserves the opportunity to continue to do so through an extension of the eligibility period.

Mr. President, I am aware that there is some concern that not all of the centers are operating at the same level of activity and that it might be appropriate for the VA to consider modifying its use of resources available to the program. I am further aware that there is concern that an extension of eligibility might be seen as an endorsement of all VA efforts in this area to date, thereby thwarting any movement to reexamine those efforts. Therefore, I want to stress that, in urging this extension, I am not advocating that all centers currently in operation or all those scheduled to be opened in the near future remain open until or beyond the end of the extended eligibility period.

Decisions on staffing and location of centers are to be made by the VA, with appropriate input from congressional sources, of course, and this extension of eligibility would not alter that responsibility. I am also concerned that the VA must continue to evaluate the performance of the various centers and make adjustments as appropriate.

I realize that there are other issues pertaining to Operation Outreach that the Congress probably should address—such as the extent to which other VA services, such as job counseling or VA benefit counseling, should be provided in vet centers and the extent of coordination between readjustment counseling

and other VA programs; the proper relationship between vet centers and their parent VA facilities; and the possible future role for vet centers or the concept embodied in such centers as a service-providing mechanism to reach other veterans. These and other issues should, I believe, receive appropriate attention during committee deliberations on this legislation to extend eligibility for the program.

Whatever the ultimate resolution of those issues may be, however, I am convinced, from the record made by Operation Outreach to date, that there was and is a real need for a targeted effort to reach those Vietnam-era veterans who have not yet adequately readjusted to civilian life following their service and that the VA's Operation Outreach has made a successful start toward this goal. Extending the period by 2 years within which veterans can come to the VA and seek readjustment assistance is absolutely necessary to permit the program to realize its full potential.

In addition, Mr. President, I believe it is critical for the Congress to act expeditiously on this extension in order that a clear message to dispel the uncertainty about the future of this program—which during site visits the committee staff noted is evident and becoming more severe—can soon go out to all Vietnam-era veterans and those individuals who currently staff the vet centers. I would emphasize that this assurance is of vital importance to the maintenance of current staffing levels at vet centers now in operation.

READJUSTMENT COUNSELING EXTENSIONS BASED ON MEDICAL NECESSITY AND INCARCERATION

Mr. President, as I noted earlier, the bill I am introducing today would also provide for a tolling of the eligibility period to request readjustment counseling for Vietnam-era veterans who are unable to receive such counseling by virtue of a medical condition or their incarceration in a Federal, State, or local jail or penal institution.

The provision that would provide for the tolling of the eligibility period for a medical condition is designed to ensure that no eligible veteran loses the opportunity to apply for this very important service because of a disabling medical condition. This tolling provision is patterned on a provision in the recently revised vocational rehabilitation program as set forth in new section 1503 of title 38, as amended by section 101 of Public Law 96–466, the Veterans' Rehabilitation and Educational Amendments of 1980, and in the provision recently revised in that law, section 1662(a)(1) of title 38, pertaining to use of GI bill benefits.

Mr. President, the bill also provides for the tolling of the eligibility period for those who are unable to receive readjustment counseling by virtue of incarceration, in an attempt to address a very real problem area that current law and the VA's implementation of that authority have not been able to meet. The Bureau of Prisons estimates that there are in Federal and State institutions approximately 30,000 incarcerated veterans who served during the Vietnam era.

Beginning at an oversight hearing on issues relating to incarcerated veterans held in July 1979—shortly after Public Law 96–22 was enacted but before the readjustment counseling authority became effective—and continuing to the present, I have heard many eloquent and compelling requests from incarcerated Vietnam-era veterans for readjustment counseling. Many of these veterans have made the point that, had the VA had the authority to provide readjustment counseling at an earlier time, they might have received the help they needed to return to a normal life following their military service and would, therefore, have avoided the behavior that led to their incarceration.

I think that this point has undoubted merit in some cases and is a factor in the complexities of human behavior and motivation.

I first formally raised my concerns in this regard as part of a September 28, 1979, letter to the Administrator Cleland on the VA's plans to implement the readjustment counseling authority provided by Public Law 96–22. I received a reply to my letter in a December 7, 1979, letter from Administrator Cleland.

In the interim, I received a letter from the Reverend Peter Salerno, the director of the incarcerated veterans project of the National Council of the Churches of Christ, regarding this subject which enclosed an exchange of correspondence he had had with the General Counsel of the VA. I wrote to Reverend Salerno on February 28, 1980, and forwarded a copy of that letter with my comments to Administrator Cleland on a March 6, 1980, letter.

Mr. President, I ask unanimous consent that relevant excerpts from the first two letters, together with copies of the remaining correspondence be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., September 28, 1979.

Hon. MAX CLELAND,
Administrator of Veterans' Affairs,
Washington, D.C.

DEAR MAX: I am writing to express my strong interest in the full and effective implementation of the readjustment counseling program authorized by the Veterans' Health Care Amendments of 1979, Public Law 96–22, and to mention some observations and concerns that I have about the implementation of that program.

* * * * *

Second, I would appreciate having your views on the degree to which the VA plans to establish linkages with other programs dealing with Vietnam-era veterans. Specifically, I am interested in knowing how, if at all, you see "Operation Outreach" working with the White House Veterans Federal Coordinating Committee's Veterans Outreach and Community Service project, the Disabled American Veterans' Forgotten Warrior Project, organizations such as the Flower of the Dragon, the American GI Forum, and the Urban League's veterans project funded by the Secretary of Labor pursuant to authority under title III of CETA, and the National Council of Churches' effort aimed at incarcerated veterans. I would hope that, in each instance, your staff would work closely with representatives of the various programs and that, at the local level, where there is a VA team and a representative of one of the other efforts located in the same general geographic area, you would encourage close cooperation, particularly so that the VA program would be recognized as the primary resource for psychological readjustment assistance for veterans in the need of such help. One of the key gains that I would anticipate flowing from such cooperation would be the ability of representatives of the other efforts, particularly where the other program has been in a given community for an extended period, to help the staff of your readjustment counseling centers gain entry into the community and establish the types of relationships that should help the VA teams gain the acceptance needed to serve effectively the target veteran population.

With particular reference to the National Council of Churches' program, I realize that the VA's initial efforts will not be directed at presently incarcerated veterans. However, I believe that there may be a disproportionately large need for readjustment counseling in the incarcerated veteran population and that, therefore, it is important that the VA begin to develop a specific plan to reach such veterans for readjustment counseling purposes, either during the halfway house stage or upon reentering their communities. In light of this, I would encourage a strong working relationship with the National Council of Churches project.

In this connection, it appears that it may prove to be impossible, as a practical matter, and inadvisable because of possible conflict with ongoing prison efforts, to provide effective readjustment counseling to veterans who are presently incarcerated. It may be necessary, therefore, to amend the readjustment counseling authority to toll (in a manner similar to the provision in section 1662 of title 38 tolling the delimiting date for chapter 34 training for disabled individuals) the period within which an individual must apply to receive such counseling, for individuals, such as those who are incarcerated, who are precluded from making application within the period set forth in new section 612A. I would appreciate your views on the desirability of such legislation and your providing, as a technical assistance, draft legislation to provide for such a tolling.

* * * * *

Max, I appreciate your dedication to this program. I am confident that, under your leadership, it can be a vital and effective effort that will well serve those veterans of the Vietnam-era who continue to have difficulty making their readjustments from their military experience to civilian society. Thank you for your prompt and personal attention to this letter.

With warm regards,
Cordially,

ALAN CRANSTON,
Chairman.

VETERANS' ADMINISTRATION,
Washington, D.C., December 7, 1979.

Senator ALAN CRANSTON,
Chairman, Committee on Veterans' Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing in response to your letter of September 28, 1979, in which you raised a number of concerns regarding the new readjustment counseling program.

* * * * *

Your letter continues by suggesting technical assistance drafting legislation which would benefit the incarcerated veteran. At this time, I can only say that I share your concern and view this possibility in a positive vein. We would be pleased to provide you assistance as you may desire.

* * * * *

Thank you for your continued interest in and support of this very important program.

If I may provide you any additional information, please contact my office.

Sincerely,

MAX CLELAND,
Administrator.

COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., March 6, 1980.

Hon. MAX CLELAND,
Administrator of Veterans' Affairs
Washington, D.C.

DEAR MAX: Enclosed is a copy of my letter to Reverend Peter Salerno, Director, Incarcerated Veterans Project, National Council of Churches, which responds to his concerns about providing readjustment counseling to incarcerated veterans.

In the penultimate paragraph, I discuss the VA's authority to provide readjustment counseling by contract with non-VA sources and express my belief that the National Council of Churches project is a prime candidate for a contract to provide readjustment counseling for incarcerated veterans.

I would appreciate your attention to this issue and a response at your earliest convenience.

Thank you, Max, for your continuing cooperation with the Committee.

With warm regards.

Cordially,

ALAN CRANSTON,
Chairman.

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C. February 28, 1980.

Rev. PETER SALERNO, Jr.,
Director, Incarcerated Veterans Project, National Council of the Churches of Christ in the U.S.A., Louisville, Ky.

DEAR DR. SALERNO: I am writing by way of follow-up to your meeting of December 13 with Committee staff regarding the availability to presently incarcerated veterans of the readjustment counseling authorized by Public Law 96–22.

At the outset, I want to note that I do not disagree with the views you and a number of others expressed at the Committee's July 11 hearing on incarcerated veterans that, of those veterans of the Vietnam-era presently incarcerated, a not insignificant proportion can probably trace a relationship between the difficulties that led to their conviction/incarceration and their service in the military during the Vietnam era. However, despite that fact, I do not believe that a full-scale effort by the VA to provide readjustment counseling for incarcerated Vietnam-era veterans under Public Law 96–22 is appropriate or desirable at this time, nor do I believe that the legislative history of Public Law 96–22 supports a contrary conclusion.

As you know, the VA's readjustment counseling effort is a new program and the VA is working hard to recruit and train individuals to begin the new outreach and counseling effort, a most difficult task. If, in addition to the difficulty of getting the program started, most or all of the new employees in the program had to be trained to confront and deal with the additional psychological overlay resulting from the experience of incarceration, something which obviously would have to be addressed if a counselor were to meet the needs of an incarcerated individual, there would be a serious question as to whether the program would be able to get underway in a timely or effective manner.

In this same regard, I note that the initial resources available to the program are relatively limited in comparison to the potential demand—there will initially be only 86 teams to serve the entire country—and, although I am satisfied that this number of teams will be sufficient to get the program started, I do not believe that this initial staffing would permit any concerted effort by each center to reach incarcerated veterans. Although I recognize that there are a significant number of such veterans who might benefit from readjustment counseling. I do not believe that the needs of this population, when compared to the needs of the total population of Vietnam-era veterans, justifies a concerted emphasis on reaching incarcerated veterans at this point. Given available resources, I believe that it is vital that the VA get the maximum return in terms of veterans served for each dollar expended.

I also question whether the VA program is equipped generally to deal with the combination of problems related both to military service and to prison life. I believe that this point is the same one that Guy McMichael expressed in his September 21 letter to you. As Guy noted, the goal of this new program is to assist veterans to overcome a "readjustment problem" which this Committee viewed as "low-grade motivational or behavioral impairment which interferes with a veteran's normal interpersonal relationships, job or educational performance, or overall ability to cope reasonably effectively with his or her daily life problems" (S. Rept. No. 96–100, p. 27). Although it is clear that a presently incarcerated veteran could be experiencing such difficulties or that such an inability to cope could be what led such a veteran to the behavior that ultimately resulted in the incarceration, it is equally clear that incarcerated veterans are confronted with other problems of a wholly different nature and magnitude that arise from their incarceration. Therefore, the readjustment counseling program presently contemplated by the VA, if offered to incarcerated veterans on a wide-scale basis, could well fall short of the mark in terms of addressing an incarcerated individual's real needs during incarceration, thus proving to be a disappointment and compounding other problems confronting the veterans. This is what I believe Guy was seeking to suggest in his letter to you, and I believe it is a valid point and one about which more information is needed before the VA readjustment counseling program is specifically directed toward incarcerated veterans.

There is also legitimate concern that, because the VA program has as a fundamental goal the providing of an opportunity for those Vietnam-era veterans who are experiencing readjustment difficulties to come to terms with their military service in a non-institutional, low-key atmosphere, the program might not be well designed to work in a prison setting. In a prison setting, rather than a storefront locale where an interested veteran could come on his or her own terms and time, the program would be carried out in a highly structured environment, complete with schedules and timetables. I am concerned that this change, without appropriate countervailing steps being taken, could deprive the VA program of much of its effectiveness in a prison environment.

Taking the various concerns together, I believe that the VA's decision at this point—not to put significant emphasis on reaching presently incarcerated veterans but rather, as I urged in my September 28, 1979, letter to the Administrator, to cooperate with prison officials, on both the federal and state level, in order to advise veterans who are preparing to leave prison of the opportunity for readjustment counseling by the VA in their communities under this new program—is appropriate. I continue to believe very strongly that the VA, other Federal agencies and programs, state agencies, non-governmental efforts such as your program, and other resources must be focused on incarcerated Vietnam-era veterans so as to provide access to available benefits and services that can contribute to their effective rehabilitation. However, I do not believe that the VA's new readjustment counseling program, at least at this time, can be expected to make a major contribution to this effort.

This is not to say, however, that an individual readjustment counseling program should not attempt to help incarcerated veterans where it has counselors with the experience and desire to do so, where it believes—after assessing the demand in its community—that it has resources that can be used for this purpose, and where it can develop the necessary supportive arrangement, with the administration and counseling staff of the institution in question. I think that these decisions can properly be made, however, only on the local level at each center.

However, I believe that the authority under Public Law 96–22 for the VA to provide readjustment counseling by contract with non-VA sources provides the best approach at this point. The VA has committed, as recently as February 21 at a hearing before the Committee, that it would publish the regulations to implement this contract authority this month and the 2 million dollars will be available for such contracts in fiscal year 1980. In addition, the President's budget request for fiscal 1981 includes $5.6 million for this contract authority. I believe that a project to provide readjustment counseling to incarcerated veterans, so as to test the feasibility of such effort, would be a most appropriate use of these contracting funds, and I am advising the Administrator of Veterans Affairs of my views in this regard by separate letter. I would think that your organization, with its well developed linkages to a network of community based providers with vast experience in working with incarcerated veterans, would be a prime candidate for such a contract.

I appreciate your deep concern for incarcerated veterans and your commitment to their needs and urge you to continue your fine work with the VA and other agencies in this area.

Sincerely,

ALAN CRANSTON,
Chairman.

NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A.,
New York, N.Y., October 1, 1979.

Mr. GUY H. MCMICHAEL III,
General Counsel, Veterans Administration,
Washington, D.C.

DEAR GUY: With regard to your letter of September 21 concerning psychological readjustment for incarcerated veterans, I have a very serious question that your interpretation, on behalf of the Veterans Administration, may violate the intent of Congress regarding Public Law 96–22, the Veterans' Health Care Amendments of 1979. There is no evidence in the bill that the intention of Congress was to specifically exclude incarcerated veterans from receiving readjustment assistance.

Further, I draw your attention to the fact that incarcerated veterans were included in the President's October, 1978 memo which directed those specific activities that played a significant part in obtaining readjustment counseling; that in Senate hearings set up specifically to deal with the subject of V.A.'s effectiveness in delivering services to incarcerated veterans, not a single challenge was made to my testimony, along with that of a number of others, to the need for inclusion of incarcerated veterans in readjustment. Thus, I feel that we have a clear case where legislators have produced a most helpful piece of legislation only to find that the administering agency has circumvented their intentions through restrictive interpretation.

However, there is more that disturbs me, and here I speak as one trained in the field of Psychology, a discipline in which I have

a Doctorate and in which I exercise a considerable amount of expertise.

Your rationale as to why incarcerated veterans are not eligible for psychological readjustment gives evidence of a subjective bias and prejudice against incarcerated veterans which does not square with the facts.

That is to say, that your letter, on behalf of the V.A., reflects a cultural stance that persons in prison are sub-human and not worthy of assistance from society. That kind of cultural stereotyping assumes that such persons, because they are in prison, "deserve what they get." Such thinking is at best, punitive in nature and at worst, abandonment.

The facts are that the majority of incarcerated Vietnam era veterans, as evidenced in a number of studies (see enclosed Massachusetts study), are not criminally sociopathic or psychopathic nor are they chronic offenders. It has been substantiated that the vast majority are first-term offenders, with no previous history of criminal activity, which therefore significantly elevates their potential for rehabilitation.

Hence, it is, in my opinion, unconscionable to: (1) stereotype incarcerated veterans according to prevailing cultural prejudices which do not square with reality; (2) to thus treat incarcerated veterans as if they were criminally sociopathic or psychopathic; and, (3) to lastly make the statement that because of "their very status," they are unable to participate in "normal daily living patterns." There are veterans in prison who are able to live normal daily lives and who, in fact, have made an excellent adjustment and are making significant contributions while incarcerated. I again refer you to the Senate testimony and a number of studies which have shown that veterans make for model prisoners because of their previous experience and training in the military. I feel the statement made in your letter, "incarcerated veterans who by their very status are unable to participate in normal daily living patterns" is fallacious and manifests a basic lack of understanding of the needs of incarcerated veterans and their potential for rehabilitation. Further, I remind you that of those veterans incarcerated, half of them hold honorable discharges which indisputedly entitles them to all benefits afforded by the V.A.

The purpose of psychological readjustments—as quoted in your letter—is accurate, and if there is any group of veterans who, by definition and need, are more eligible for this assistance, I do not know of them.

In closing, you may be well assured that I will continue to work with the V.A. on psychological and readjustment at all levels to insure that it carries out its present tasks to incarcerated veterans as mandated by the full intent of the President and Congress.

Sincerely yours,

PETER SALERNO, Jr.

VETERANS ADMINISTRATION,
Washington, D.C., September 21, 1979.

Rev. PETER SALERNO, Jr.,
Director, Incarcerated Veterans Project, National Council of the Churches of Christ in the U.S.A., Louisville, Ky.

DEAR REV. SALERNO: Thank you for your letter of August 6, 1979, which expressed your views concerning the readjustment counseling program for veterans of the Vietnam era, established by Public Law 96-22, the Veterans' Health Care Amendments of 1979.

Our review of this new legislation, and its history, indicates that it was intended as an outreach program to assist veterans who have a "readjustment problem" which was construed to be "a low-grade motivational or behavioral impairment which interferes with a veteran's normal interpersonal relationships, job or educational performance, or overall ability to cope reasonably effectively with his or her daily life problems." Our review of the legislative history discloses no indication that Congress ever intended that readjustment counseling be extended to incarcerated veterans who by their very status are unable to participate in normal daily living patterns.

Notwithstanding the above, we are all aware that, when an individual reaches a post-incarcerated status, any readjustment problems that he might still be suffering as a result of service during the Vietnam era would, no doubt, be complicated by additional readjustment problems associated with incarceration. For this reason, we must work together to assure that those individuals who are released from incarceration are made aware of the eligibility for this new benefit and are assisted in receiving the benefits to which they are entitled. We would sincerely hope that we could continue to work with you so that the needs of this type of post-incarcerated veterans are met. In this connection, I have been advised by Dr. Don Crawford that he would be most happy to continue to dialogue with you to explore how best this can be accomplished.

We appreciate your concern for, and efforts in behalf of, incarcerated veterans, and look forward to working with you.

Sincerely,

GUY H. MCMICHAEL III,
General Counsel.

Mr. CRANSTON. Mr. President, despite my best efforts urging the VA to implement the authority in Public Law 96-22 to provide readjustment counseling on a contract basis, both to insure that such counseling is available on a general basis in areas where the VA is unable to provide the necessary facilities and, more particularly, to attempt to address the needs for such services of incarcerated veterans nearing release, the agency has yet to implement the contracting authority. As a result, other than in isolated instances where existing vet center teams have been able to visit jails and prisons and provide some counseling services, incarcerated Vietnam-era veterans generally have not received any readjustment counseling assistance from the VA. Thus, I am proposing a tolling of eligibility to receive such counseling for these veterans so that they will be eligible to receive readjustment counseling following their release from incarceration or at such earlier time as the VA develops and implements an effective program of readjustment counseling that can be provided to eligible individuals during their incarceration.

EXTENSION OF THE VETERANS READJUSTMENT APPOINTMENT AUTHORITY

Mr. President, section 5 of the measure I am introducing today would extend for 2 additional years the authority set forth in section 2014(b) of title 38, United States Code, for veterans readjustment appointments—VRA's. This authority, which would otherwise expire on September 30, 1981, permits certain disabled Vietnam-era veterans and educationally disadvantaged Vietnam-era veterans to be given excepted appointments in the Federal civil service. The purpose of the VRA authority is to assist these veterans by making it possible for them to be hired noncompetitively into the Federal civil service and to develop additional skills through a program combining education and training with the opportunity for a regular career appointment.

On March 26, 1970, President Nixon issued Executive Order No. 11521, which established a special civil service appointment authority for certain veterans and disabled veterans of the Vietnam era. Under that original authority, the eligibility requirements specified that in order to be considered for an appointment a veteran must be qualified for the position, must have completed no more than 14 years of education, must have served on active duty during the Vietnam era, and generally must have been separated from the service for 1 year or less. Veterans who met these established eligibility requirements could be given a VRA to any position in the competitive service at or below the General Schedule—GS-5 level or its equivalent. A veteran who satisfactorily completes 2 years of substantially continuous service under a VRA and an education or training program is converted to career conditional employment and automatically acquires a competitive status for civil service purposes.

In 1973, I authored provisions, enacted in Public Law 93-508, that codified the VRA authority as section 2014(b) of title 38, extended the eligibility period for certain veterans who enrolled in a program of education within one year after release from active duty, and provided for the continuation of the program through June 30, 1978.

In connection with the Veterans' Programs Extension Act of 1978, Public Law 95-520, I authored provisions—based upon legislation submitted by the administration—to extend and expand the VRA program substantially. Section 6(b) of Public Law 95-520 extended eligibility to all Vietnam-era veterans with no more than 14 years of education, not just those separated after April 9, 1969, and covered by the original 1970 Executive order, and eliminated from the eligibility criteria the maximum limitation on the number of years of education for those with service-connected disabilities rated at 30 percent or more, and those who were discharged or reucation for those with service-connected disability. In addition, the measure raised the grade-level limitation for VRA's from GS-5 to GS-7, expanded requirements for reporting on the use of this authority, and extended the program for three years through September 30, 1981.

Mr. President, it should be stressed that the VRA program does not provide for the creation of additional Government jobs. The authority is used by those executive departments and independent agencies with employees subject to the competitive service. All VRA positions are regular civil service positions that count against an agency's staffing ceiling. Federal agencies' participation in the VRA program is influenced by such factors as budgetary considerations and the types of positions available that attract the interest and are compatible with the qualifications of VRA eligibles. Since the program's inception in 1970, VRA's have provided employment op-

portunities for more than 150,000 Vietnam-era veterans.

The December 1980 report on the VRA authority prepared by the Office of Personnel Management—OPM—pursuant to the statutory reporting requirements, indicates that the VRA authority continues to be of significant value in terms of assisting eligible Vietnam-era veterans in finding work. During the 6-month period from April through September 1979, the 10 executive departments and 14 independent agencies that participated in the program reported a total of 10,700 hires under the VRA authority—or nearly 5 percent of all new hires made by those 24 agencies during that period. Also during that period, minorities received 42 percent of all VRA's and women received 10 percent; service-connected disabled veterans received 6.6 percent of the appointments made.

Nearly one-half—45.4 percent—of all VRA appointments made during the April to September 1979 period were made by the Defense Department; the Navy alone hired 2,045 VRA's. The Veterans' Administration hired the most VRA's—3,798 or 36 percent of all those hired agencywide. Eight other agencies' proportional representation of VRA hires among total new hires exceeded the governmentwide proportion—4.9 percent; those included the Government Printing Office, the Departments of Justice and Transportation, and the General Services Administration.

The success of the VRA program can also be evidenced by the high governmentwide retention rates of veterans who were initially appointed under the VRA authority. OPM data indicate that of the almost 19,000 VRA's on board as of June 30, 1976, almost 75 percent have continued their Federal employment—85 percent at the GS-5 level or above—as of June 30, 1979.

Mr. President, the need for continuation of a program of employment assistance to Vietnam-era veterans should be readily apparent. Unemployment statistics released by the Bureau of Labor Statistics just this morning show that in January, while the unemployment rate for all workers remained unchanged from December, the rates of unemployment for Vietnam-era veterans continued to increase. In the case of younger Vietnam-era veterans, ages 25 to 29, the rate of unemployment in January increased by more than 23 percent over the rate in December—from 8.7 percent to 10.8 percent. Overall, the January 1981 unemployment rate for Vietnam-era veterans ages 25 and older was 17.5 percent higher than it was in January 1980. The rates for minority group veterans, which are computed on a quarterly basis, continued to be higher than rates for nonveterans during the fourth quarter of 1980. No statistics are available on the extent of unemployment among disabled veterans although estimates of unemployment among severely disabled veterans range as high as 50 percent, according to the Disabled American Veterans.

It is most appropriate, Mr. President, that extension of the VRA authority be viewed as a complement to the extension of the readjustment counseling eligibility period proposed in section 2 of the measure we are introducing. Firsthand reports from the field indicate that the single largest problem cited by Vietnam-era veterans seeking assistance at vet centers is lack of a job. This program—one that is tried and tested and has a proven record of success—can hold out to those veterans the prospects of not only a job, but skill education and training as well. The VRA authority offers a ready, almost no-cost source of assistance to unemployed, undereducated, and disabled Vietnam-era veterans, and its continued availability through September 30, 1983, would provide the vet centers with a valuable means for assisting some veterans.

TARGETED DELIMITING PERIOD EXTENSION

The bill would also provide for a "targeted" delimiting period extension—that is, an extension of the 10-year period following discharge during which a Vietnam-era veteran may use his or her GI bill benefits—for Vietnam-era veterans to pursue on-job or apprenticeship training programs and for educationally disadvantaged Vietnam-era veterans, those without high school diplomas, to pursue high school equivalency courses or vocational training. Specifically, section 3(2) of the bill would extend, effective October 1, 1981, until September 30, 1983, the delimiting period of an eligible veteran who served on active duty during the Vietnam era, and whose delimiting period has expired or would otherwise expire prior to September 30, 1983, in order to allow the veteran to use his or her entitlement to educational assistance for certain specified purposes—either pursuit of a program of apprenticeship or other on-job training, or, if the veteran does not have a high school diploma or equivalency certificate, for the pursuit of an approved vocational objective or the pursuit without charge to entitlement, of a high school education course.

This provision is designed to provide, in a cost-effective manner, for a limited extension of the delimiting period for those very veterans of the Vietnam era—those who are unemployed and educationally disadvantaged—who have never effectively utilized the GI bill benefits to which they are or were entitled and are most in need of education or training assistance.

During the 96th Congress, on September 7, 1979, the Committee on Veterans' Affairs favorably reported in S. 870 a targeted delimiting extension provision—with the identical substantive effect as this proposal except that the extension was then for an earlier period—and the Senate passed that provision on January 24, 1980, as section 201(3) of the Senate amendment to H.R. 5288, the then proposed "GI Bill Amendments Act of 1979." Unfortunately, the House would not agree to it and it was not included in the final version of H.R. 5288 signed into law on October 17, 1980, as Public Law 96-466 the Veterans' Rehabilitation and Education Amendments of 1980.

Mr. President, it is an unfortunate irony that the readjustment benefits available under the GI bill often have not been utilized by those Vietnam-era veterans who need them most.

The needs of Vietnam-era veterans who are unskilled, unemployed, or underemployed are very much evident in the high rates of unemployment that I cited previously. Of equal concern are the needs of educationally disadvantaged Vietnam-era veterans—that is, those who were discharged from active duty without having ever obtained a high school diploma or equivalency certificate. Although the average educational attainment at the time of separation for the Vietnam-era veteran was higher than that for veterans of other service periods, nearly 20 percent of the men and women who served during this period—more than 1.7 million individuals—were released from active duty with less than a high school education. Yet, only 599,000—just 35 percent—of those educationally disadvantaged Vietnam-era veterans had participated in any training under the GI bill through 1979.

These are the groups on which this proposal is targeted—those most in need of assistance—those who are basically unskilled, underemployed, or unemployed and could benefit most from programs of on-job or apprenticeship training and those who are educationally disadvantaged and seeking to obtain a high school diploma or vocational skill.

Mr. President, I wish to stress that this proposal does not provide for a general extension for all veterans as they reach their delimiting dates. Instead, it provides the VA and the eligible veteran a "one shot" opportunity at this extension—until September 30, 1983—for those who are now in need of additional assistance in recognition of special circumstances that may have combined to make it difficult for these particular veterans to make effective use of their GI bill benefits during their 10-year delimiting periods—such as events in the economy and lack of adequate VA outreach.

DELIMITING-PERIOD EXTENSIONS NECESSITATED BY ALCOHOL OR DRUG DISABILITIES

Mr. President, the bill would also provide for an extension or tolling, of a Vietnam-era veterans' GI bill delimiting period when the veteran has been prevented by an alcohol or drug dependence or abuse disability, from which the veteran has recovered, from pursuing a program of education. Similarly, the bill provides for a delimiting period extension with respect to a VA rehabilitation program for a service-connected disabled veteran and an extension of the period of eligibility for requesting readjustment counseling when the veteran has been prevented from participating in the program involved. These provisions, in section 2 (2), (3)(1), and (4) of the bill, would thus put alcohol and drug disabilities on essentially the same footing as other disabilities with respect to delimiting and eligibility period extensions.

In the GI Bill Improvement Act of 1977, Public Law 95-202, the Congress provided for the granting of extensions of the 10-year GI bill delimiting period in the case of an eligible veteran who is prevented from pursuing a program of education during that period due to a

mental or physical disability not the result of the veteran's willful misconduct. Under that law, the delimiting period does not run during any period of time that the veteran is determined to have been unable to pursue training because of the disability.

However, there have been a number of instances in which the VA has denied a delimiting-period extension to an otherwise eligible veteran under this authority on the grounds that the disability on which the veteran based his or her claim was an alcohol or drug abuse or addiction disability. The VA has based its denials in these cases on the legislative history of the 1977 provision that addressed the issue of how determinations of disability should be made for the purposes of the extension. In particular, the report of the Veterans' Affairs Committee, Senate Report No. 95-468, on the provision which was enacted as section 203(a)(1) of Public Law 95-202, in discussing the concept of "willful misconduct," stated at pages 69-70:

In determining whether the disability sustained was a result of the veteran's own "willful misconduct", the Committee intends that the same standards be applied as are utilized in determining eligibility for other VA programs under title 38.

The report further referenced VA regulations and manual provisions relating to the determination of willful misconduct for the purposes of determining service-connected disability. Under the VA's interpretation of those standards—38 CFR section 3.301(C)(2) and (3)—alcoholism and drug addiction and injuries proximately and immediately resulting from the effects of the deliberate ingestion of an alcoholic beverage or voluntary use of a drug—such as an injury incurred in a traffic accident caused by the veteran's driving while under the influence of alcohol or a drug—are considered to be the result of willful misconduct.

Subsequently, the committee reexamined the practical consequences of denying a delimiting-period extension in such cases and the differences between awarding such an extension on the grounds of alcohol or drug disabilities and awarding other VA benefits, such as compensation or pension, based on such disabilities. As a result of this reexamination, the committee saw no substantial purpose to be served by denying a veteran a GI bill delimiting-period extension when the veteran was prevented by a drug or alcohol disability, during part or all of the ordinary 10-year delimiting period, from using GI bill benefits and the veteran has recovered from the disability. In fact, in the committee's view, it could be expected that GI bill educational assistance would have considerable value to the social and economic rehabilitation of veterans who have recovered from disabilities related to alcohol or drugs.

In contrast, the committee noted that some undesirable consequences might flow from a similar rule being applied for purposes of other VA benefit programs, such as service-connected compensation, where the rate and duration of benefits depend directly upon the severity and duration of the disability. Under that program, an individual receiving benefits for alcoholism or drug addiction would have a strong financial incentive—in the form of a higher rate of compensation or the continuation of receipt of compensation—in the worsening or prolongation of the disability, both of which are to some extent within his or her control because they depend upon the amount, frequency, and duration of his or her consumption of alcoholic beverages or drugs. In any event, where the issue is whether to grant a GI bill delimiting period extension, the committee did not perceive that considering drug and alcohol disabilities not to be the result of willful misconduct in the case of a veteran who has recovered from the disability would have any of the possibly undesirable consequences that may seem to arise in other contexts.

Thus, the committee reported in S. 870—and the Senate passed in section 201(2) of H.R. 5288—a provision to establish that an alcohol or drug dependence or abuse disability from which the veteran has recovered shall not be considered to be the result of willful misconduct for purposes of deciding requests for delimiting-period extensions.

Similarly, in the bill to revise and update chapter 31, relating to VA rehabilitation programs for service-connected disabled veterans, S. 1188, the committee reported on May 15, 1980, and the Senate passed on September 4, 1980, a comparable provision to permit a service-connected disabled veterans' delimiting period for a chapter 31 rehabilitation program to be tolled—in the same manner as was proposed for GI bill eligibility—on account of an alcohol or drug disability from which the veteran has recovered.

As in the case of the Senate-passed targeted delimiting period extension, and despite our strongest urgings, the House would accept neither the GI bill nor the rehabilitation program provision for delimiting-period extensions based on drug or alcohol disability.

Because I strongly believe both that the opportunity to use GI bill and VA rehabilitation program benefits can be extremely important to the readjustment and rehabilitation of the Vietnam era and disabled veterans involved and that the delimiting-period extensions for those who were prevented by alcohol or drug disabilities—from which they have recovered—from using those benefits would be fully consistent with the readjustment and rehabilitation goals of both programs, the bill we are introducing today to facilitate Vietnam-era veterans' readjustment includes both delimiting period extension provisions. In addition, it carries forward the same theory for readjustment counseling eligibility in the tolling provision proposed in section 2(2) of the bill.

Mr. President, I wish to make clear in making these proposals, however, that I am not taking the position that the same results could not be achieved administratively under current law. In fact, when these provisions were deleted in negotiations with the House Committee on Veterans' Affars, both committees stated, in a document in lieu of a joint explanatory statement accompanying a conference report that was inserted in the RECORD in both bodies at the time of final passage—27354, September 25, 1980, and 27575, September 26, 1980—that, with respect to the deletion of both provisions, they were "taking no position as to whether such a (statutory) provision is necessary in order to authorize the VA" to grant such extensions. The VA has for a considerable time had these issues under review, and I am hopeful that it will be able to conclude that "medical condition" delimiting period extensions may be granted in such cases for these readjustment and rehabilitation purposes.

APPROPRIATE RESPONSE TO VIETNAM VETERANS

Mr. President, events in recent days have underscored the importance of the vet center program and the need for an extension of the eligibility to receive readjustment counseling and the other forms of readjustment assistance dealt with in this bill. In the midst of the great joy and exuberation that has accompanied the safe return of the hostages from their captivity in Iran, the Nation has again heard from Vietnam veterans. Without in any way seeking to diminish the reception provided to the former hostages, many of these veterans have reminded us—very poignantly—that the veterans of the Vietnam war—the vast majority of whom, when called by their country, carried out their duties in that conflict in a truly heroic manner—received no similar welcome home. Most often, these veterans were met with general disregard by their fellow citizens. At worst, many of these brave men and women were scorned and maligned.

Mr. President, this phenomenon of the Vietnam veterans' reaction to the welcome for the former hostages has been widely reported and discussed in the media. One article, which appeared in the Los Angeles Times, captures the nuances of the situation as well as any that I read, and I ask unanimous consent, Mr. President, that that article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VIET VETS REACT TO THE HOSTAGES

(By Kathleen Hendrix)

Homecoming. Some called them "baby killers," then "crybabies." There were no yellow ribbons, no parades, no welcome home and no thanks.

Small wonder that many Vietnam veterans are watching with mixed reactions the homecoming of the 52 hostages from 14 months of captivity in Iran.

Their happiness is dampened by a bitter irony they foresee. The same government that plans to spare no expense helping the hostages readjust has already clamped down on efforts to help Vietnam veterans.

Like most Americans, Vietnam veterans—at least those contacted for this article—describe themselves as "glad," "proud," "tickled to death" that the hostages are home and that their homecoming is such an overwhelming one. Of the homecoming, they tend to say, "This time they're doing it right."

NO SOUR GRAPES

This time the veterans say they do not want to detract from the hostages—no sour grapes. They have some painful memories,

though, and the events of this week have brought them to the surface.

John Di Fusco, formerly an Air Force guard in the central highlands of Vietnam, has found himself purposely avoiding the news on television, he said.

Currently Di Fusco is directing "Tracers," a play about the Vietnam war written by himself and seven other veterans who act in it.

"It was almost like a conscious disinterest," he said of his avoidance of television this week. "And it bothered me that it bothered me. The fact they were making heroes of the eight who died on the rescue mission, and then that they were making heroes of the 52 hostages. All I could see were the 55,000 who died in Vietnam. It's just once again that great feeling of being left out."

NOBODY HOME

The feeling is strong enough that a group of veterans are meeting this morning at Patriotic Hall to express their concerns to the public about what it means to watch this homecoming and remember theirs.

Homecoming? For many there was none. It was if nobody was home, at least no one cared.

Hank Hahn, now a computer salesman living in Playa del Rey, was an aviator in the Navy. He came home from Vietnam to Rigby Island in Washington in 1967, took a cab to Seattle with a few friends, still in uniform, went to a bar and started "half celebrating," he remembered. Somebody baited them about the Navy and Vietnam, there was a fist fight, he got out of there, out of uniform and "went and found a woman."

Chris McGinley Schneider, a student at Pasadena City College, came home from a year of nursing in the Army's 95th Evacuation Hospital in Da Nang, in June, 1971, with a plane carrying heroin addicts scheduled for stateside treatment. One of them fell off the plane and cut himself, she said. Schneider helped him, getting her rumpled fatigues bloodied in the process. When she showed up at a commercial airline a few hours later, the ticket salesman would not check her torn duffel bag, then told her, "We don't want you on our plane." Looking at her with revulsion, he said, "Just look at you."

Shad Meshad, now regional coordinator of the Vietnam Veterans Outreach Program, flew home on a "Christmas drop" in 1970 after a year in Vietnam as an Army social worker/psychology officer. He got past the "protesters and peacemongers" outside Travis AFB and then spent hours at the San Francisco airport drinking and drinking—not getting drunk—talking himself down, telling himself, "This is normal; this is normal." Coming home, he says now was "the hardest part of Vietnam."

Rick Sykes, who says he recently finished work as a production manager of a feature film, came home from two years with the Army in 1968. He does not describe the details of his homecoming, but he remembers his feelings when he enlisted at age 19.

"Part of the reason I served," he said, "was a concept of what it would be like to come back. You went to come back, but you really didn't know if you were coming back."

He said this while sitting on a couch at the Vet Center in Venice, laboring over his choice of words, bringing them out slowly. Looking at the welcome the hostages have received, he said, has made him feel, "Geez, how different it might have been if I'd felt welcomed." Then he stopped and asked, "How do I sound? It's not envy or jealousy. Just kind of a deep-rooted sadness for that period of time." He nodded his head across the room towards his jacket, and said, "I've got a yellow ribbon on my sleeve."

No matter how it might have been, it turned out to be, for many, a very difficult time. Some veterans have yet to readjust to being home. Others thought they had it all squared away only to find themselves recently experiencing problems. The problems—depressions, flashbacks, irritability, angry flareups, sleeplessness, alcohol and drug abuse, difficulties in forming or sustaining intimate relationships, suicidal tendencies, violent behavior—are all symptomatic of what has come to be called "delayed stress syndrome."

These are the same kinds of delayed reactions to stress that the government is so carefully trying to prevent and anticipate treating in the hostages. The same government was not anxious to admit the existence, or prevalence, of the syndrome among Vietnam veterans. For that reason, many veterans find the treatment of the hostages both a source of bitterness and satisfaction.

FIGHTING EVERY INCH

"They're getting immediate response to needs that it took years for the Vietnam veterans to make the public aware of," Ron Kovic said. A former Marine sergeant, Kovic came home from Vietnam a paraplegic, wrote "Born on the Fourth of July" about his experience, and got himself arrested around the country demonstrating for veterans and against the war. Speaking from his home in Pasadena, he said of the recent official recognition of delayed stress syndrome, "We had to fight every inch of the way for that."

At the storefront Vet Center in Van Nuys, where Vietnam veterans come for counseling and treatment, director Fred Hoskins said, "There's a feeling among the guys here that the hostages would never be receiving this treatment (for delayed stress) if it weren't for us (i.e. Vietnam veterans)."

"What's being done with the hostages is exactly what needs to be done," Jerry Melnyck, a Vietnam era veteran who directs the Vet Center in Venice said. "This should be equated with what the Vietnam veteran went through. Had they been welcomed back with open arms they probably would not be having the problems they've been having 10 years later. The veteran is not a psychotic who became such by killing someone. He's just a person who's gone through a lot of stress. I just wish somebody would get up right now and make the connection—'This is what we learned from the Vietnam veteran.'"

Although the Veterans Administration has provided veterans with psychiatric care in the past and recognized the existence of what was then called "traumatic war neurosis" among veterans of former wars, such treatment was usually for more extreme cases and ones obviously connected to war experience in symptoms and in time of occurrence.

Only recently have the more subtle and remote symptoms of delayed stress been recognized and treatment provided.

In 1979, Congress passed legislation providing treatment for delayed stress syndrome among Vietnam veterans. Operation Outreach was a storefront counseling and treatment program funded initially for less than $10 million, scheduled to terminate in 1982.

In some instances individual centers have only recently opened. They are not yet fully staffed. Others were ready to open, but cannot because of the across-the-board government hiring freeze that President Reagan made an early order of business.

This, in the face of lavish treatment being given the hostages, outrages some veterans.

"It is," Ron Kovic said, "a slap in the face."

"Listen to this," Chris Schneider said, returning to her telephone with a recent Times article describing the treatment planned for the hostages. She said she had whole sections underlined.

"Psychiatrists, psychologists, nutritionists, physical therapists—" she raced through the article, "they're even going to measure for stress through biochemical analysis of their saliva. Nobody even took my blood pressure. . . . A three month follow-up, reunions at one years intervals . . . I read all this and I couldn't help thinking, 'My God!' And I felt guilty about it. They've been through a really hard time. They deserve all the love, warmth and attention they're getting—just like the Vietnam vets deserve it."

I'M HAPPY FOR THEM

Charlotte Miller, a former Army nurse in Da Nang, has been receiving weekly counseling at the Vet Center in Baltimore. She praises her treatment, says it has probably saved her life.

"I've cried. I've welcomed them home. I'm happy for them," Miller said of the hostages, "and all the money that's being spent I don't begrudge them. But when I hear that President Reagan is planning to cut our funding, then I will have a problem. Just look at the money being spent on airfares alone for the families of the hostages. Did they fly parents of wounded soldiers to the hospitals where they were being treated? I just can't handle it if they cut the funding for us—now that we're finally having our time. It's not a parade, but it's the only chance we've had. They just can't take it away from us."

Roger Melton went into Vietnam in 1965 as a machine gunner on an armored personnel carrier with the 1st infantry. Now he is a therapist treating Vietnam veterans referred to him privately by Disabled American Veterans or at the Southern California Counseling Center in Los Angeles.

That the Vet Centers might be phased out at such a time he finds baffling. "Now that delayed stress is established and recognized—it's even appearing in subheads on stories about the hostages—I think it will be hard for them to deny the need for veterans to receive treatment. This may be a problem Reagan will have."

"You can't go back and give us the homecoming you are giving the hostages," Shad Meshad said. "But you can continue our program and help us welcome home those who've been having such difficulties. The people we deal with are really not home yet."

The Vietnam vets do not resent their fate and envy the hostages. They see a chance to turn the situation to their advantage—personally and collectively.

Personally, Roger Melton said, the anger of some of the veterans in therapy is helping them.

"Some of them may still be denying a lot from Vietnam," he says, "and this can trigger off all the resentment they've been holding in. Those who don't have someone to talk to, however, they'll be left with anger and rage. Sometimes this will trigger off nightmares or flashbacks for them."

He has found himself fascinated by the nation's reaction in general, he said, suggesting that America itself has been experienced delayed stress reactions to Vietnam, and denying and repressing the range of feelings attached to that war.

"It's almost as if the nation has been waiting for something to happen ever since the shame and disgrace of Vietnam. Part of this not dealing with the Vietnam veteran is part of not wanting to deal with their own guilt. Personally what's gotten into me is the use of the media—glorifying a situation far beyond its meaning. It's a symbolic situation to bring the American people together. The government is using this."

Chris Noel, an actress living in Tarzana, served in Vietnam with Armed Forces Radio and entertained troops. She agrees the country has been reunited by the hostages' homecoming and said, "I see the American flag flying and it's wonderful. I'm hoping the citizens will take the Vietnam veterans into their hearts now. Men and women who took care of our country have to be taken care of when they're hurting."

Lou Ross wants to take advantage of this same feeling of unity to make the country aware of those he is convinced are still being held as POWs in Vietnam.

A CLEAN-CUT TYPE

A former naval officer, in and out of Vietnam in 1964 through 1966, he wants it emphasized he is clean cut, short haired and a Mormon.

He lives in Salt Lake City and is a commercial jet pilot. In Newport on business this week, he was making contact with local veterans organizations and the Vet Centers.

According to Ross there is significant reason to believe there are many POWs in Vietnam, perhaps hundreds, more than the 24 he says the government still documents as such.

"We've got to make the public aware and demand a full accounting," Ross said. "If it were not for the media and the relentless daily coverage the hostages would not be home. The media wouldn't allow them to be forgotten."

The veterans have to create the same situation for the POWs, he said, but they do not have enough clout. That is why he wants to unite various groups. The media is the way to go, he says.

Ron Kovic hopes the country learns from the experience of the past 14 months and gets some perspective.

"The return should not only be a time of celebration," he said, "but of sober and careful analysis of our foreign policy. Many are forgetting why the hostages were taken in the first place. It's the same American foreign policy and the same bumbling that brought us to Vietnam. It's really great to see patriotism come back, but I say it can also be really dangerous if it's blind. We could be respected around the world if we learned the lessons of foreign policy."

It is time for Vietnam veterans, Hank Hahn said, to realize that what the government is doing for the hostages, the veterans will have to do for themselves, by becoming a political entity.

"The government has spent more on saving the eagles than saving the vets," he laughed. "The Veterans of Foreign Wars aren't going to do it for us. It's up to us. A lot of us, like myself, who are 35–45, have become pretty successful. We have to get to these people as well as to the ones who are hurting. The hostages are seen as part of a national honor now. We were just something to stick in the back drawer. A lot of the guys feel like they really lost the war, I know. I don't feel like I'm a loser. It was never in the cards to win."

It has not taken the hostage situation to make Vietnam veterans angry about their own homecoming. It has simply reminded them.

"I don't want anyone else to suffer that degree of alienation," Shad Meshad said of his own homecoming. "It hurts me we could have done that."

After listening to hundreds of veterans talk about their anger and hurt over the years, and after dealing with about 20 of them in the past few days, Roger Melton said, "After all the talk about wanting more benefits, better programs, specific things, if you ask them what they have really wanted from the country all along it gets down to this. They wanted the country to say, 'Thanks'."

Mr. CRANSTON. Mr. President, as many of the Vietnam veterans discussing the hostages' return have commented, it is too late now for a ticker tape parade and besides, a parade for Vietnam veterans is not what is needed at this point in our history. What is needed is the type of positive governmental response that is represented by the VA's readjustment counseling program and the continued availability of appropriate tangible forms of education, training, and employment assistance for those Vietnam-era veterans who have not been able to achieve minimal educational attachment or vocational skills or find and hold decent jobs during their readjustments.

The need that is met by the vet centers themselves has been demonstrated again in recent days as vet centers across the country have reported a sharp increase in visits and calls from veterans and their families in reaction to the Nation's response to the hostages' return.

Mr. President, it is unlikely that the general demand for this type of service provided by the vet centers will soon diminish and, for that reason, I believe early action to extend the period of eligibility is called for. A clear signal, as soon as possible, that the Nation remembers Vietnam veterans and is committed to helping those most in need, those who have not satisfactorily readjusted following their service, is the most appropriate response that we can make to Vietnam veterans now in the wake of the hostages' return. Such an action would be both symbolic—like the parades for the former hostages—in that it would affect directly only a portion of the population—as well as a real tangible response in offering help to those Vietnam veterans who still need readjustment counseling and basic training and vocational help. For them, it would be far more than symbolism; it would be a sincere effort to meet very definite needs that, I regret to say, will otherwise not be met by society.

Enactment of this measure, Mr. President, is the best response to the anguish aroused in our Vietnam veterans at this time, and I will work for speedy action on this measure and urge all of my colleagues to join me in that effort.

COST ESTIMATES

Mr. President, I am submitting this measure to the Congressional Budget Office for a complete cost estimate, and I will make that estimate known as soon as it is available. In the meantime, the following information indicates the expenditures that enactment of this bill is likely to entail.

In fiscal year 1981, $23.9 million has been appropriated for the readjustment counseling program. In fiscal years 1982 and 1983, comparable amounts, with increases to take into account the effects of inflation and any manifest need for program expansion, would be required for the support of the program with the eligibility extension proposed in section 2 of the bill in effect.

With respect to the targeted delimiting period extension proposed in section 3(2) of the measure, the Congressional Budget Office last year estimated the first-year cost of such a proposal at $46 million and the 5-year cost at $144 million.

The proposals in sections 3 (1) and (4), relating to delimiting period extensions for those who have recovered from alcohol and drug abuse disabilities, are not expected to result in any significant cost. Similar proposals were estimated by CBO last year to entail no significant cost.

The extension of the veterans' readjustment appointment authority, proposed in section 5, would entail no significant cost.

Mr. President, I ask unanimous consent that the text of S. 458 be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vietnam-Era Veterans' Readjustment Amendments of 1981".

SEC. 2. Section 612A(a) of title 38, United States Code, is amended—

(1) by striking out "two years after the effective date of this section" and inserting in lieu thereof "before October 1, 1983"; and

(2) by adding at the end the following new sentence: "Notwithstanding the first sentence of this subsection, in any case in which the Administrator determines that a veteran was, at any time during the period in which such veteran was eligible to request such counseling under such sentence, prevented from receiving such counseling—

(1) because of a medical condition of such veteran, or

(2) because such veteran was incarcerated in a Federal, State, or local jail or penal institution,

such period shall not run during the period of time that such veteran was so prevented from receiving such counseling. For the purposes of this subsection, the term 'medical condition' means a disability, including an alcohol or drug dependence or abuse disability.".

SEC. 3. Section 1662(a) of title 38, United States Code, is amended—

(1) in paragraph (1), by inserting at the end the following new sentence: "For the purposes of this paragraph, an alcohol or drug dependence or abuse disability from which the veteran has recovered shall not be considered to be the result of willful misconduct."; and

(2) by adding at the end the following new paragraphs:

"(3) Notwithstanding the expiration of the applicable delimiting period under paragraph (1) of this subsection, any eligible veteran who served on active duty at any time during the Vietnam era may, effective October 1, 1981, be provided educational assistance under this chapter until September 30, 1983, for the purpose of permitting such veteran to pursue—

"(A) a program of apprenticeship or other on-job training; or

"(B) an approved vocational objective or secondary education course if such veteran does not have a secondary school diploma (or an equivalency certificate).

"(4) A program of education consisting exclusively of flight training may not be approved in the case of any veteran pursuing a program of education under paragraph (3) of this subsection.".

SEC. 4. Section 1501 of title 38, United States Code, is amended—

(1) by redesignating clauses (3) through (9) as clauses (4) through (10); and

(2) by inserting after clause (2) a new clause (3) as follows:

"(3) The term 'medical condition' means a disability, including an alcohol or drug dependence or abuse disability, of a veteran.".

SEC. 5. Section 2014(b)(3) of title 38, United States Code, is amended by striking out "1981" and inserting in lieu thereof "1983".

By Mr. SARBANES (for himself, Mr. MATHIAS and Mr. WARNER):

S. 459. A bill to provide for reconstruction and rehabilitation of the Woodrow Wilson Memorial Bridge, and for other purposes; to the Committee on Environment and Public Works.

REHABILITATION OF WOODROW WILSON BRIDGE

● Mr. SARBANES. Mr. President, I have today, joined by my colleagues, Senator MATHIAS and Senator WARNER, introduced legislation which would authorize the Federal Highway Administration to reconstruct and rehabilitate the Woodrow Wilson Bridge. This bridge, spanning the Potomac River, links Maryland, Virginia, and the District of Columbia. As a segment of I–495, the Capital Beltway, the bridge is a vital link in the transportation system of the National Capital region and of the Interstate Highway System. Due to the heavy daily traffic flow across the bridge—an average of nearly 100,000 cars a day—the structure is disintegrating and requires urgent attention.

Construction of the Woodrow Wilson Bridge was originally authorized by Public Law 83–704, signed into law on August 30, 1954. Seven years later, under the auspices of the Department of Commerce, it was opened to traffic. The Federal Government is the sole owner of the Woodrow Wilson Bridge. At the time it was opened Maryland, Virginia, and the District of Columbia reached an agreement with the Federal Government whereby the local jurisdictions would assume responsibility for routine operation and maintenance of the bridge. This agreement was embodied in Public Law 87–358. signed into law on October 4, 1961. Thus, while the Federal Government retained the ownership of the bridge and ultimate responsibility for it, the three local jurisdictions have expended approximately $450,000 annually for routine maintenance of this facility.

The current state of the bridge is a matter of serious safety concern. Deterioration of both the roadbed and the reinforcing rods which support the substructure of the bridge has developed to the point where there is danger of a serious disaster unless prompt reconstruction is undertaken. It is no longer a question of maintaining the bridge but an urgent requirement that its deck be totally rebuilt. The hazardous condition of the bridge has contributed to the high number of serious accidents, totaling more than 200, which occurred on the span during the past 3 years.

At the time of its construction over 20 years ago, the Woodrow Wilson Bridge was considered to be up to date in both design and construction. The state-of-the-art of bridge building has advanced substantially during the intervening years. The Maryland Department of Transportation, which has developed preliminary plans for the rahabilitation effort, has proposed the use of readily available, sophisticated and cost-effective technology in order to insure continued service of the bridge for the next half century.

This legislation provides for an undertaking by the Federal Government to bring the federally owned Woodrow Wilson Bridge up to the standards of safety and design applicable to all bridges under the Interstate Highway system. It addresses a serious situation and I urge that this bill be enacted promptly so that the critical deficiencies of the Woodrow Wilson Bridge are corrected as soon as possible.●

Mr. MATHIAS. Mr. President, I would like to commend my colleague from Maryland, Mr. SARBANES, for introducing legislation to authorize the Federal Highway Administration to reconstruct the Woodrow Wilson Memorial Bridge across the Potomac River. The bridge, as everyone knows, connects the Maryland and Virginia sides of Interstate 95, the major north-south artery along the heavily traveled East Coast.

When the bridge first opened in 1961—and I can remember it well because it was during my first term in Congress—it represented a landmark in the Interstate Highway System at a time when the system was in its infancy. Since then, it has proved to be a lynchpin of the East Coast Interstate System, and that is the problem. Traffic on the Woodrow Wilson Bridge has grown at such a fast pace during these 20 years that it now carries 104,000 vehicles daily, including both commuters and long-distance travelers. Twenty years ago, it carried 20,000 to 25,000 vehicles daily. This heavy use has taken its toll. The structure has significantly deteriorated throughout the concrete deck portion and has become a safety hazard. Hence, the need for this legislation.

The bridge contractor tells me that he has had to respond to 287 emergency repair calls during the 3-year period from July 1977 to July 1980. And the resulting patches frequently have been as large as from 4 to 16 feet. Actual punctures to the deck are not uncommon. And right now a single disabled vehicle ties up at least one traffic lane. The reconstructed bridge will be equipped with a safety lane.

The situation has become so intolerable that State authorities are considering limiting use of the bridge. If this happens, not only would commuter traffic be affected, but truck traffic would have to be rerouted, causing an interruption of commerce from Maine to Florida.

In considering this legislation, many of my colleagues may raise legitimate concerns about the interruption of traffic during this reconstruction period. That, of course, entered my mind, as well. State officials have assured me that they will make every attempt to keep the impact on normal traffic to a minimum by carrying out much of the necessary work at night and on weekends.

The bridge is owned by the Federal Government. In fact, it is unique in that it is the only federally owned interstate bridge. The responsibility, therefore, for keeping this vital link in the interstate system open and safe devolves squarely on the Federal Government. The States of Maryland and Virginia and the District of Columbia have no legal responsibility to invest local funds into this reconstruction project. They have shown their good faith, however, by sharing the maintenance cost over the years. And over and above the call of duty, they have also put up the design money so the reconstruction project could proceed without delay.

State and Federal engineers have expressed doubts that the bridge deck can survive an additional year without major repairs, which surely argues for immediate action. I, therefore, urge my colleagues to act on this legislation as soon as possible.

By Mr. BAUCUS:

S. 462. A bill to authorize a feasibility study for additional hydro-electric capacity; to the Committee on Energy and Natural Resources.

CANYON FERRY DAM

● Mr. BAUCUS. Mr. President, on January 29, S. 306 was introduced. This legislation would authorize Interior Department hydroelectric plant construction. Among other projects, S. 306 contains an authorization for the construction of a powerplant enlargement at the Canyon Ferry Dam in Montana.

During the last Congress, S. 1420 was the legislative vehicle for authorizing Interior Department hydroelectric plant construction. It, too, contained a section authorizing powerplant enlargement at Canyon Ferry Dam in Montana. This proposal excited considerable controversy within Montana.

By the end of the congressional term significant work had been undertaken by my colleague from Montana, Senator Melcher, to insure that this construction would not occur without a favorable feasibility study having first been completed. S. 1420 was amended to provide that a feasibility study be undertaken and that it must be favorable to the project for the authorization to become finalized. Further, Senator MELCHER worked hard to insure that any negative impacts from such a project would be mitigated.

Senator MELCHER, who serves on the subcommittee responsible for this legislation, deserves much credit for his efforts to amend the Canyon Ferry proposal in these ways. Indeed, despite my strong reluctance to agree to the authorization of the project without first completing a feasibility study, Senator MELCHER 's long and hard work to amend the original proposal to provide for construction authorization contingent upon a feasibility study, led me to withhold my objections to final passage of the bill. S. 1420 passed the Senate but did not pass the House of Representatives. That is why, this Congress, S. 306 has been introduced.

Mr. President, I am today introducing legislation to authorize the Secretary of the Interior to conduct a feasibility investigation of the potential for adding hydroelectric generating capacity at Canyon Ferry Dam in Montana. My purpose is to substitute this feasibility investigation authorization for the contingent authorization for construction contained in S. 306.

I believe that much of the controversy over the Canyon Ferry proposal has been the result of the short-cut in the authorization process that S. 1420 and now

S. 306 envisions. To many people, the Canyon Ferry provision of S. 1420 seemed to put the cart before the horse: Congress would be authorizing construction based upon a feasibility study Congress had not reviewed.

There are a number of questions about the proposed Canyon Ferry project that a feasibility study can address: The construction authorization in S. 306 includes a generator unit of 90,000 kilowatts. A feasibility study may conclude that a different size generator with differing impacts may be more cost-beneficial.

Also, a feasibility study may give Congress a better idea of the appropriate level of impact mitigation funding necessary to accompany project construction.

Accordingly, I would like to get this issue off to a fresh start. S. 306 would authorize project construction conditioned upon the completion of a favorable feasibility study. Instead, the legislation I am introducing today would authorize a feasibility study only. Congress would retain its option to authorize or not to authorize construction until after Congress has had the opportunity to review a feasibility study.

This only makes sense. When there are projects of potentially significant local impact, Congress ought to await authorization action until it has feasibility studies completed and a chance to review what proponents and opponents of the projects have to say aobut the findings of these studies.

It is my strong hope that this legislation can be swiftly enacted. Everyone's interest will be served by a speedy completion of a Canyon Ferry powerplant expansion feasibility study: To quote Senator MOYNIHAN under a different context, "Not a drop of water has ever been polluted by a feasibility study." Further, everyone promoting this project, as well as the Senate by passage of S. 1420, has agreed to the need for a feasibility study.

The only question in debate is whether to reserve the congressional option to authorize or not authorize construction until after the study is completed. Speedy passage of the legislation I am now introducing can insure that there are no undue delays in construction if, indeed, construction is found to be necessary and feasible. The certain way of delaying construction is to proceed with a so-called short cut authorization process.●

By Mr. GOLDWATER:

S. 463. A bill to protect retired and disabled persons by preserving the integrity of the Consumer Price Index; to the Committee on Labor and Human Resources.

COST-OF-LIVING PROVISIONS FOR FEDERAL RETIREMENT PROGRAMS

● Mr. GOLDWATER. Mr. President, I am introducing today legislation to prohibit the President or Secretary of Labor from revising or replacing the Consumer Price Index, if the revision would reduce the benefits of retirees. The bill is similar to S. 2430 that I introduced last March 18.

The reason for my bill stems out of several news reports last year that Carter administration economists were targeting their budget reduction efforts on citizens least able to cope with inflation, older persons. President Carter was reportedly considering cuts of indexed retirement programs by at least $5 billion.

This quick fix to the budget would be obtained under the Carter administration plan by changing the weight given different components of the Consumer Price Index. Since social security, railroad retirement, civil service and military pensions are all linked to the CPI, the former President's economic advisers recommended that the index be arbitrarily revised to show a smaller rate of inflation than the traditional system would indicate.

It was argued for the proposed change that housing costs distorted the index since most retired persons do not purchase new homes. The worst aspect of the proposal was the assumption that the President could immediately implement it by issuing an Executive order telling the Secretary of Labor or Commissioner of the Bureau of Labor Statistics to revise the measuring system for the political goal of cutting indexed benefits.

President Carter never did totally adopt this heartless scheme, but its legacy shows up in one of his last acts as President, the 1982 fiscal year budget submitted to Congress on January 15. At page 42 of the economic assumptions accompanying President Carter's budget message, he asks Congress "to substitute an alternative index for adjusting Federal benefits now tied to the CPI * * *." The same document reasserts the unproved, and as I shall show false, argument that the CPI overstates "the importance of housing in total living costs." Also, at page 59 of "The United States Budget in Brief," the Carter administration proposes what it calls "a more representative index to replace the Consumer Price Index * * *."

In other words, the people who want to manipulate the CPI as a matter of deliberate policy aimed at cutting retirement payments have revealed the opening step in their game plan. Only now they not only propose revising the index; they ask for its replacement.

Although the 1982 budget document calls for the enactment of legislation to substitute an alternative index, I have seen no disclaimer that the change cannot be adopted without statutory authority should Congress refuse to act favorably on the idea. Since the camel has sneaked its nose under the tent, I do not want to take any chances. I am introducing today both a bill to flatly bar the executive branch from juggling CPI data, or replacing the index, if the change reduces retirement benefits. The bill specifically mandates that the Department of Labor continue to compile and publish the CPI for use in determining cost-of-living increases in Federal retirement programs and to issue data with the same frequency as now occurs. Now, I am not at all concerned that President Reagan will adopt the retirement changes considered by former President Carter; but I do want to put complete assurance in the permanent law that no President will ever implement this misguided approach to budget cutting.

Indexing helps over 36 million persons who will receive social security benefits in 1981, plus additional millions of civilian and military Federal retirees and railroad retirement beneficiaries. I feel strongly that no substantive changes should be made reducing their payments. I am not referring to routine technical revisions updating the index, but to adjustments deliberately aimed at, or resulting in, reduced benefit levels.

It is an unfortunate fact of life that the typical retired person is going to fall behind inflation even with the small $10 or $20 a month average cost-of-living increase the law now gives him. The amount of higher electricity and heating bills, medicines and foods, far exceeds the tiny increase older families receive from the inflation index.

Now, I will take up the claim that housing costs distort the index. In my opinion, this is a simplistic and misleading ploy designed to cover the political end of lowering future retirement benefits. The truth is that the index does not assume all or most retired persons purchase a new home every year. To the contrary, the index assumes the great majority of older persons do not have any mortgage interest payments at all.

An official February 1980 publication by the Bureau of Labor Statistics, designated "CPI Issues; Report 593," itself states that "the CPI does not assume that everyone buys a new house every month * * *." The same publication, by the office that compiles and publishes the Consumer Price Index, declares that "those who purchase their own home before the base period are assumed to have no house or mortgage interest costs at all."

The Bureau of Labor Statistics informed me that the current base period for the index covers 5 years, from 1969 through 1973, during which only 6 percent of all households purchased housing. In other words, the CPI assumes that the other 94 percent of the housing population has no purchase or mortgage costs at all, even if older people are still paying on a 25-year mortgage.

Moreover, the housing component of the CPI includes more than the cost of new homes. It includes property taxes, home insurance, and maintenance and repairs. These are expenses that all homeowners must pay, whether they purchase a new house or not. And everyone who says older people do not pay higher real estate taxes and insurance premiums and repair costs does not know what he is talking about.

In fact, I believe the present index is slanted against, not in favor of, retired persons. The CPI–W index, used to calculate cost-of-living adjustments, does not even include retirees.

We must not renege on our promise to elderly persons now that the very economic conditions have occurred for which cost-of-living increases were designed. Retired persons must not become sacrificial lambs to inflation.

Mr. President, I ask that the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 463

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, it shall be the duty and responsibility of the Bureau of Labor Statistics, within the Department of Labor, to continue after the date of enactment of this Act to compile and publish the Consumer Price Index (or any similar index, by whatever name it may be called) which pursuant to Federal law is utilized for the purposes of determining cost-of-living increases in periodic benefits, pension, annuity, retirement pay, or similar periodic payments payable under—

(1) the Federal old-age, survivors, and disability insurance benefits program established by title II of the Social Security Act, and the program of supplemental security income for the aged, blind, and disabled established by such title;

(2) the civil service retirement program established by subchapter III of chapter 83 of title 5, United States Code;

(3) the military retired pay program described in section 1401a of title 10, United States Code;

(4) the Railroad Retirement Act of 1974; or

(5) any other Federal program which provides for the payment of pensions, annuities, retirement or retired pay, dependents' or survivors' benefits, or similar payments which are payable on account of the past performance of personal services by the recipient of the payment, or a member of his family.

(b) Any Consumer Price Index (or similar index) which is required under subsection (a) to be compiled and published shall be compiled and published on the same basis, in terms of the frequency of publication and the time period covered by a particular publication, as was the practice with regard to the publication of such index in the period immediately preceding January 1, 1981. Also, in the compiling of such index and the data utilized in connection therewith, no change in the conceptual assumptions, techniques, statistical methods, spending categories, items or areas sampled, or other factors to be included, or the relative weight to be assigned to the various factors included in the formulation of such index (as such index was formulated in such period) shall be made, if such change would have the effect of significantly reducing the amount of the cost-of-living increases provided by any of the programs referred to in paragraphs (1) through (4) of subsection (a) as compared to the amount of such increases which would otherwise be payable if such change had not been made.

By Mr. DURENBERGER (for himself and Mr. MOYNIHAN):

S. 464. A bill to amend the Internal Revenue Code of 1954 to adjust provisions governing private foundations; to the Committee on Finance.

FOUNDATION PAYOUT LEGISLATION

Mr. DURENBERGER. Mr. President, contrary to repeatedly expressed congressional intent, one provision of present law is rapidly reducing the ability of our independent foundations to continue their important charitable work. Today, with Senator MOYNIHAN, a Finance Committee colleague who is also deeply concerned about this alarming trend, I am introducing a bill that would eliminate the tax law provision which is the source of this problem. An identical bill has been introduced in the House by Congressmen CONABLE, BRODHEAD, and FRENZEL. Passage of this bill is essential if foundations are to continue as a vital part of American philanthropy.

FOUNDATIONS: A NATIONAL RESOURCE

To see the importance of preserving foundations for the future, we need only consider what they have contributed in the past. Throughout this century the thousands of American foundations, large and small, have enriched the lives of all Americans. Again and again, foundation grants have played a key role in supporting dramatic breakthroughs in medicine and in other fields of scientific research. Hookworm, malaria, yellow fever, typhus, influenza, rabies, yaws, tuberculosis, amoebic dysentery—each of these diseases poses much less of a threat today than in the past thanks to foundation supported research. Similarly, many of the basic tools of modern scientific research, such as the oscilloscope, the electron microscope, and the laser, are the products of foundation grants.

Foundation contributions have by no means been limited to the field of science. For example, the quality of American higher education also owes much to foundation support. Early in this century foundations were instrumental in upgrading and expanding medical education in the United States. Since World War II virtually every college and university in the country has received foundation support to construct new facilities, to improve faculty salaries, and to stimulate greater public and alumni support through matching contributions. At the same time, foundation scholarship programs have made higher education affordable for many, many thousands of Americans.

Foundations have also been leaders in responding to basic human needs. Indeed, through continuing support of hospitals, schools, nursing homes, youth programs, counseling services and many other human services programs, foundations have ministered to Americans at their time of greatest need.

These are but a few of the contributions which foundations have made in the past; but they suffice to suggest the sorts of contributions they can make in the future. Further, as we consider the future role of foundations we should bear in mind that Congress has already subjected foundations to the strictest scrutiny and has taken effective action to eliminate foundation abuses. The private foundation rules, enacted as part of the Tax Reform Act of 1969, constitute a detailed, comprehensive set of safeguards on foundations. Widespread audits of foundations by the Internal Revenue Service in the decade since enactment of these rules have revealed virtually universal compliance. Thus, as we consider the importance of preserving foundations' ability to respond to human needs, we can be confident that foundation resources will in fact be used in the public interest.

PRESENT LAW AND THE EROSION OF FOUNDATION GRANT CAPABILITY

Data published in the Foundation Directory show that the real value of foundation assets, taking into account inflation, dropped almost 30 percent between 1972 and 1977. A recent survey by the Council on Foundations indicates a further decline of 11 percent from 1977 to 1979. The experience of foundations across the country indicates that a key factor in this alarming erosion of foundation grant capability is the requirement of present law that foundations distribute their entire realized income.

Present law requires foundations to distribute their entire realized income, or an amount equal to 5 percent of their investement assets—whichever is greater. This payout requirement was intended to insure that every foundation would make reasonable current distributions in support of charitable activities. However, while this basic objective remains as important as ever, dramatic changes in economic conditions have transformed the requirement that foundations distribute their entire realized income into an efficient mechanism for the forced liquidation of foundations.

The operation of this mechanism is clear. Traditionally, foundations and other endowed charities have invested a substantial part of their assets in long-term bonds and other conservative debt instruments. Indeed, both Federal and State laws regulating foundation investments have encouraged foundations to adopt this prudent investment strategy, which in today's inflationary environment offers the attractive prospect of high current yields.

However, the present payout rule requires foundations to distribute the entire income realized on such investments.

Thus, while every other class of tax exempt organization can take advantage of the high yields available on such investments to preserve their charitable purchasing power against inflation, foundations cannot. By virtue of the present payout requirement foundations enter the fight against inflation handicapped by an artificial—and wholly unintended—investment constraint.

THE SOLUTION

To remove this handicap, the bill which I am introducing today with Senator MOYNIHAN would eliminate the requirement that foundations distribute their entire realized income. I should emphasize that foundations would continue to be required to distribute an equal to at least 5 percent of the value of their investment assets. This 5-percent payout requirement reflects a reasonable expectation as to the real rate of return on foundation investments, and insures that foundations will continue to make substantial current distributions to charity.

On the other hand, this bill reflects the importance of preserving the ability of foundations to continue to respond to human needs. It will give foundations the same flexibility in working to preserve their charitable purchasing power as is currently available to all other charitable organizations. In 1969 Congress

made it absolutely clear that the payout rule was not intended to force foundations out of business. We must now reaffirm that commitment.

OTHER ISSUES

The bill addresses three other smaller issues of importance to foundations. First, foundations would not be required to meet the recordkeeping and reporting requirements if a grantee receives less than $10,000 during the year. Second, to simplify the recordkeeping necessary to keep track of descendants of their contributors so as not to violate the severe restrictions on the business relationships between a foundation and its "disqualified persons," the bill would provide that a substantial contributor's lineal descendants, other than children and grandchildren, not be treated as disqualified persons. A third change would permit foundations to rely on official Internal Revenue Service rulings recognizing the public charity status of potential grantees instead of requiring them to make their own determination for purposes of meeting the requirements for an exception to the recordkeeping rules.

The voluntary sector of our society makes irreplaceable contributions to the good of our Nation. This bill will facilitate the continuation of this important role. I urge my colleagues to give it their prompt consideration.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. AMOUNT OF REQUIRED DISTRIBUTIONS.

(a) GENERAL RULE.

(1) Paragraph (1) of section 4942(d) of the Internal Revenue Code of 1954 (defining distributable amount) is amended by striking "or the adjusted net income (whichever is higher)".

(2) Paragraph (3)(A) of section 4942(j) of the Internal Revenue Code of 1954 is amended to read as follows:

"(A) which makes qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated—

"(i) equal to substantially all of its adjusted net income (as defined in subsection (f)), or

"(ii) if that amount exceeds substantially all of its minimum investment return (as defined in subsection (e)), equal to substantially all of its minimum investment return, and if its actual qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) exceed its minimum investment return, substantially all of such qualifying distributions (within the meaning of paragraph (1) or (2) of subsection (g)) are made directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated; and".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall apply to the determination of a private foundation's distributable amount for taxable years beginning after December 31, 1980. The amendment made by subsection (a)(2) shall apply to the determination of a foundation's status as an operating foundation for taxable years beginning after December 31, 1980.

SEC. 2. TECHNICAL AND ADMINISTRATIVE AMENDMENTS.

(a) EXEMPTION OF CERTAIN SMALL GRANTS FROM EXPENDITURE RESPONSIBILITY REQUIREMENT.

(1) GENERAL RULE.—Paragraph (4) of section 4945(d) of the Internal Revenue Code of 1954 (defining taxable expenditure) is amended to read as follows:

"(4) as a grant to an organization unless—

"(A) the private foundation exercises expenditure responsibility with respect to such grant in accordance with subsection (h),

"(B) such grant is to an organization described in paragraph (1), (2), or (3) of section 509(a), or

"(C) the aggregate amount of grants made during the private foundation's taxable year by the foundation (and all other private foundations effectively controlled, directly or indirectly, by the same person or persons who control the foundation in question) to such organization does not exceed $10,000."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to grants made after December 31, 1980.

(b) DEFINITION OF FAMILY MEMBER.

(1) GENERAL RULE.—Subsection (d) of section 4946 of the Internal Revenue Code of 1954 (defining members of family) is amended to read as follows:

"(d) MEMBERS OF FAMILY.—For purposes of subsection (a)(1), the family of an individual shall include only his spouse, ancestors, children, grandchildren, and the spouses of children and grandchildren."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on January 1, 1981.

(c) RELIANCE UPON DETERMINATIONS BY THE SECRETARY.—

(1) GENERAL RULE.—Section 4946 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following subsection.

"(e) RELIANCE UPON DETERMINATION BY THE SECRETARY.—A grant by a private foundation to an organization which has been determined by the Secretary to be an organization described in paragraphs (1) and (2) of section 509(a) or in paragraph (3) of section 4942(j) shall be treated as a grant to such an organization provided that the grant or other expenditure is made prior to the earlier of the date of publication of notice by the Secretary that the organization is no longer described in paragraphs (1) or (2) of section 509(a) or in paragraph (3) of section 4942(j) or the date on which the foundation acquires actual knowledge that the organization has been notified by the Secretary of such a change in the organization's status or that the receipt of such grant will cause such a change in the organization's status."

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to grants and other expenditures made after December 31, 1980.

By Mr. TOWER:

S. 467. A bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

AMENDMENT OF TRUTH IN LENDING ACT

● Mr. TOWER. Mr. President, today I am introducing a bill which is virtually identical to a bill, S. 414, which Senator CHAFEE introduced and which Senator GARN and I cosponsored. The bill amends the Truth in Lending Act to encourage cash discounts, continues a ban on credit card surcharges, and makes a technical amendment to the Truth in Lending Act. It is a noncontroversial bill and needs to be passed by February 27, 1981 in order for the ban on credit card surcharges to continue.

The only change this bill makes to S. 414 is that a new title IV is added which would extend until December 31, 1982, the time that a national bank could hold real estate where the real estate was acquired on or before December 31, 1980, and the real estate was carried on the books of the bank at a nominal value on that date.

The purpose of the change is to give Congress sufficient time to examine a law which was enacted over 100 years ago and whose irregular implementation and enforcement by the office of the Comptroller of the Currency could cause financial hardship to over 100 commercial banks across the country. The law enacted in 1864 requires commercial banks to divest within 5 years property which they might have acquired through various means. Banks were intended to be financial intermediaries and not commercial enterprises. Over the years, however, banks have acquired real estate through settlement of debts, foreclosures and other means, and have written down the value of such properties to zero or a nominal value. Therefore, the properties are carried at no risk to the shareholders of the bank or the depositors of the bank.

Over the past 50 years, various regional offices of the Office of the Comptroller of the Currency have interpreted the law differently. Many have allowed banks to continue ownership of such property if the property was carried on its books at a nominal value. Now the Comptroller has ordered all such banks to divest such propetries in light of the existing law. This has caused some hardship among several banks who have held such properties under guidance from the Comptroller's office which was opposite of the policy recently enunciated by the Comptroller.

The result of this amendment will be to maintain the status quo of affected banks until the end of 1982. By that time, the Congress will have been able to examine the policy behind the enactment of the divestiture provision which was enacted in 1864. The financial institutions industry has changed considerably since that period of time, and this and other important issues dealing with the structure of financial institutions will be the subject of hearings to be held by the Financial Institutions Subcommittee later in the year.

I am hopeful that in lieu of reporting S. 414 from the Banking Committee that this bill, which is virtually identical to S. 414, can be reported from the committee after the hearing to be held on this bill February 18, 1981.●

By Mr. THURMOND:

S. 468. A bill to amend title 38, United States Code, to expand the eligibility of former prisoners of war for certain health-care benefits provided by the Veterans' Administration, and for other purposes; to the Committee on Veterans Affairs.

EXPANDED BENEFITS FOR FORMER PRISONERS OF WAR

Mr. THURMOND. Mr. President, I rise today to introduce legislation which will provide expanded Veterans Administration medical and compensation benefits to former prisoners of war. This measure also will extend certain VA educational benefits to those U.S. military personnel recently held hostage in Iran.

Mr. President, the primary focus of this legislation is based upon several recommendations contained in a recent study conducted by the Veterans' Administration and the Department of Defense concerning the status of our former prisoners of war. This VA study was mandated by Public Law 95-479 and will be distributed to each Senator today.

This 2-year study of an estimated 100,000 living ex-POW's revealed that a significantly greater proportion of these individuals have service-connected disabilities than do other living veterans who served during the same period. The study also showed that a higher proportion of former POW's are more severely disabled than their counterparts. In short, the study reveals that the survival of the POW experience was likely to be at a significant cost to the future physical and mental health of these veterans.

Mr. President, this bill will affect the status of our former POW's in several ways.

First, the Administrator of Veterans' Affairs will be given the authority to establish an advisory committee to advise him of the continuing problems and needs of our former POW's.

Second, this legislation will reduce to 60 days the present 6-month duration of prisoner of war status for the receipt of VA compensation due to dietary deficiencies.

Third, the establishment of service-connection for psychoneurosis and psychosis for former prisoners of war regardless of when such a disability is first shown will be authorized.

Mr. President, I believe it is important that my colleagues understand the current law regarding this third element of the proposed bill. Over the years, Congress has recognized the unique hardships and deprivations suffered by prisoners of war. Therefore, certain presumptions in law apply for purposes of establishing eligibility for VA disability compensation. It is currently provided at 38 U.S.C. 312(c)(1) that any of a list of diseases caused by nutritional deficiencies suffered at any time following service separation by veterans who had been held captive during wartime will be presumed service connected. There also is a post service presumptive period for psychoses suffered by the veteran, but this is limited to 2 years following service separation, 38 U.S.C. 312(c)(2).

In the study of former POW's, the VA recommended eliminating the 2-year post service time limitation for the psychosis presumption. The VA's review of medical literature had confirmed a significantly higher incidence of psychosis among former POW's, with onsets in some cases occurring many years after service.

Fourth, this bill will authorize both inpatient and outpatient treatment on a priority basis for former POW's at VA health-care facilities.

Fifth, the proposed legislation will extend educational benefits authorized under chapter 34 of title 38 U.S.C. to those military personnel recently held hostage in Iran.

This provision will affect very few individuals, primarily the young men who enlisted after December 31, 1976. Prior to that date, personnel completing more than 180 days active duty service are eligible for chapter 34 educational benefits. Subsequent to December 31, 1976, an individual becomes eligible for VA educational benefits only if he or she contributed monthly to a special account while on active duty. It goes without saying that the ability of the former hostages to participate in this contributory program was totally nonexistent while they were held captive in Iran.

Mr. President, I urge my colleagues to study this legislation and the VA report on the status of former POW's. I believe these men are special individuals who have suffered immeasurably for our Nation, and we should assist them with their continuing physical and psychological problems.

By Mr. MATSUNAGA:

S. 469. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to provide for the office of Poet Laureate of the United States; to the Committee on Labor and Human Resources.

OFFICE OF POET LAUREATE OF THE UNITED STATES

Mr. MATSUNAGA. Mr. President, I am introducing today a bill which would amend the National Foundation on the Arts and Humanities Act of 1965 to establish the office of Poet Laureate of the United States.

The proposed poet laureate would be appointed by the President from among poets whose work reflects the qualities and attributes associated with the historical heritage, present achievements, and future potential of the United States. He or she would serve for a term of 5 years and would be compensated at a rate set by the President. I envision the office as being largely honorary with, perhaps, nominal compensation.

The United States is one of the few great nations in the world which has failed to give official recognition to its great poets. England, from which we inherited most of our cherished democratic traditions, officially created the position of poet laureate in the 17th century. However, the "unofficial" origin of the honorary position dates back to the reign of King Henry III in the 13th century. Japan and China also gave official recognition to their greatest poets long ago. In our own country, poets such as Carl Sandburg, Robert Frost, Walt Whitman, Henry Wadsworth Longfellow, Archibald MacLeish, Robert Penn Warren, Phyllis McGinley, and James Dickey have captured the American spirit in a unique and timeless way. Such contributions to our national heritage should be encouraged and stimulated. By creating the post of poet laureate, we would give the many young and relatively unknown American poets of today something to which they could aspire. We would be telling them that we value their contributions as much as those of the other builders of our Nation, such as engineers, scientists, explorers, statesmen, tradesmen, and others.

Mr. President, I hope that my bill will be given early, favorable consideration by Congress, and I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 469

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National Foundation on the Arts and Humanities Act of 1965 is amended by adding at the end thereof the following new section:

"POET LAURFATE OF THE UNITED STATES

"SEC. 15. (a) There is established the Office of Poet Laureate of the United States. The Poet Laureate shall perform such duties as the President shall prescribe, but the duties so prescribed shall not impair the continuation of the creative work of the individual chosen to be Poet Laureate.

"(b) The Poet Laureate of the United States shall be appointed by the President after consideration of the recommendations of the National Council on the Arts from among poets whose works reflect the qualities and attributes associated with the historical heritage, present achievement, and future potential of the United States. The Poet Laureate shall be appointed for a term of five years, and shall receive compensation at a rate set by the President, but not to exceed sixty per centum (60%) of the salary of a Federal District Court Judge."

By Mr. MATSUNAGA:

S. 470. A bill to amend title II of the Social Security Act and chapter 2 of the Internal Revenue Code of 1954 to provide optional coverage under the social security program for householders; to the Committee on Finance.

SOCIAL SECURITY COVERAGE FOR HOMEMAKERS

Mr. MATSUNAGA. Mr. President, I am introducing today a bill which would amend the Social Security Act to provide voluntary coverage for homemakers.

The measure is similar to one which I sponsored several years ago while serving as a member of the Select Committee on Aging in the U.S. House of Representatives. As the result of a study conducted by that committee, I had an opportunity to observe at firsthand the plight of homemakers who had devoted a lifetime to the care of home and family and reached retirement age without a retirement plan of their own.

More recently, the Interdepartmental Task Force on Sex Discrimination established by President Carter identified widespread discrimination against women in pension plans of all types, including social security. A preliminary report issued by the U.S. Department of Justice in November 1978 observed that

Although American society purports to place such a high value on motherhood and

the family . . . (it) has permitted the development of a pension system which ignores (the homemaker and mother).

As a result of the task force findings, the Department of Health, Education, and Welfare will be recommending to Congress several changes in the social security system, including proposals to provide social security coverage for homemakers. The voluntary program which I propose would be a good starting point.

The intangible benefits of homemaking as a career have long been extolled by leading Americans in both the private and public sectors. It is the career of choice of many women and a small but significant number of men. Nevertheless, homemakers have never received the tangible recognition and benefits based on their own labor which have long been enjoyed by other American workers.

My bill would accomplish two objectives: First, it would assure homemakers of an adequate retirement pension, if they choose to enroll in the program. Second, it would give official recognition to homemaking as a career for the first time.

Under the bill's provisions, a homemaker could receive credit for a social security retirement pension as a "self-employed person." The benefits would be based on a 40-hour week, with earnings at the level of the hourly Federal minimum wage—now $2.90 per hour.

Mr. President, I strongly believe that the time has come to provide adequate benefits for the "silent partner" of the American worker—the homemaker. Indeed, consideration of the matter is long overdue. I trust that my bill will receive early consideration.

I request unanimous consent to have the text of the measure printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 470

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"OPTIONAL COVERAGE FOR HOUSEHOLDERS

"(h)(1) Notwithstanding any other provision of this title, for purposes of determining entitlement and the amount of any monthly benefit for any month after the month in which this section is enacted, or entitlement to and the amount of any lump-sum death payment in the case of a death occurring after such month, payable under this title on the basis of the wages and self-employment income of any individual, and for purposes of section 216(1)(3), such individual shall be deemed to have engaged in self-employment in each calendar quarter during all of which he or she was a householder (within the meaning of paragraph (2)) and with respect to which an election under section 1402(j) of the Internal Revenue Code of 1954 is applicable, and to have derived net earnings therefrom in the amount determined (with respect to the taxable year of which such quarter is a part) under paragraph (3).

"(2) For purposes of this title, an individual shall be considered as a householder (and as performing householder service) during any quarter only if such individual—

"(A) maintains or participates in the maintenance of a household and conducts or supervises its affairs, not for a wage or salary, during such quarter, and

"(B) is not less than 18 years of age at the beginning of such quarter.

"(3) The amount of the net earnings for self-employment which an individual is deemed to have derived for householder service under paragraph (1) in any taxable year, for purposes of this title, shall be the amount determined with respect to such year, under section 1402(j)(3) of the Internal Revenue Code of 1954, for purposes of contributions by such individual under chapter 2 of such Code.".

SEC. 2. Section 1402 of the Internal Revenue Code of 1954 (definitions relating to tax on self-employment income) is amended by adding at the end thereof the following new subsection:

"(j) OPTIONAL COVERAGE FOR HOUSEHOLDERS.—

"(1) IN GENERAL.—Any individual who was a householder (within the meaning of paragraph (2)) during any quarter in the taxable year may elect, in such manner and form as may be prescribed in regulations made under paragraph (6), to be covered as a self-employed individual under the insurance system established by title II of the Social Security Act with respect to householder service performed by him or her during such taxable year.

"(2) DEFINITION.—For purposes of this chapter, an individual shall be considered as a householder (and as performing householder service) during any quarter if such individual—

"(A) maintains or participates in the maintenance of a household and conducts or supervises its affairs, not for a wage or salary, during such quarter, and

"(B) is not less than 18 years of age at the beginning of such quarter.

"(3) EXTENT OF COVERAGE.—The amount of net earnings from self-employment which an individual is deemed to have derived as a householder in any taxable year by reason of an election with respect to such year under subsection (a) shall be an amount—

"(A) equal to the amount produced by multiplying 40 by the minimum hourly rate or rates currently in effect under section 6(a)(1) of the Fair Labor Standards Act of 1938 (section 206(a)(1) of title 29, United States Code), for each full week in such year any part of which falls within a quarter (within such taxable year) for which such individual is a householder (within the meaning of paragraph (2)),

"(B) reduced (but not below zero) to the extent that the inclusion of all or any part of the amount or the amount described in subparagraph (A) would not, if credited to such individual's self-employment income for such taxable year under title II of the Social Security Act, increase the number of quarters of coverage for which such individual would be credited under such title over the number of quarters for which such individual would be credited for such year under such title without regard to the election made by such individual with respect to such year under subsection (a).

"(4) ELECTION IRREVOCABLE.—Any election made by an individual under this subsection with respect to any taxable year shall be irrevocable.

"(5) REGULATIONS.—The Secretary or his delegate (in consultation with the Secretary of Health and Human Services) shall prescribe such regulations (including regulations designed to facilitate proof of householder status) as may be necessary or appropriate to carry out this section.".

SEC. 3. (a) Section 211(a) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"The term 'net earnings from self-employment' also includes any amount deemed under section 1402(j)(3) of the Internal Revenue Code of 1954 to have been derived by an individual as a householder.".

(b) Section 1402(a) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

"The term 'net earnings from self-employment' also includes any amount deemed under subsection (j)(3) to have been derived by an individual as a householder.".

SEC. 4. (a) The amendments made by this Act shall apply with respect to taxable years beginning after the date of the enactment of this Act.

(b) In the case of any individual who is entitled to a monthly insurance benefit under title II of the Social Security Act for the month in which this Act is enacted on the basis of the wages and self-employment income of a person (himself or another individual) who performs householder service within the meaning of section 211(h)(2) of the Social Security Act during one or more calendar quarters in any taxable year beginning on or before the date of the enactment of this Act, the Secretary shall upon application filed by such individual within six months after the date of the enactment of this Act (notwithstanding section 215(f)(1) of the Social Security Act) recompute the primary insurance amount of such person as provided in section 215(a) of the Social Security Act and as though the year in which this Act is enacted were the last year of the period specified in section 215(b)(2)(C) of the Social Security Act. A recomputation under this subsection shall be effective for monthly benefits beginning with benefits for the month following the month in which this Act is enacted.

(c) The requirement in section 202 (f), (g), or (h) of the Social Security Act (as in effect for the period involved) that proof of support be filed within two years after the date of the insured individual's death in order to establish eligibility for benefits, in any case where such individual would not be an insured individual without the application of section 211(h) of such Act (as added by the first section of this Act), shall be deemed to be satisfied if such proof of support is filed within the two-year period beginning on the date of the enactment of this Act (and such two-year period shall be deemed to be the applicable period prescribed for purposes of section 202(p) of the Social Security Act).

By Mr. HEFLIN:

S. 472. A bill to amend the Internal Revenue Code of 1954 to reinstate the nonbusiness deduction for State and local taxes on gasoline and other motor fuels; to the Committee on Finance.

REINSTATING DEDUCTION FOR STATE AND LOCAL TAXES ON GASOLINE

Mr. HEFLIN. Mr. President, I am introducing today a bill which will restore the tax deduction for computing Federal income taxes for State and local fuel taxes on gasoline and other motor fuels. Much has been said, Mr. President, about the need to cut taxes on American corporations and businesses in order to stimulate this country's economic recovery, and I, of course, support many of the proposals that have been discussed in recent weeks.

I too feel that economic recovery and the problem of inflation are the key problems which are facing this country today, but I think that we sometimes lose sight of the average American taxpayer and the impact of taxes on the working men and women of this country

as they go about their daily activities. In my judgment, we must never forget that it is really the average American taxpayer who pays the bulk of the taxes in this country that support the important Federal programs, from aid to the elderly to national defense.

Mr. President, 1979 was the first year that the average American taxpayer was not able to deduct State and local taxes in computing his Federal income tax liability, and I, like many other Members of this body, received a great deal of mail and large amount of comment as I travel about my State about this issue. My constituents certainly feel that Congress has in effect raised their taxes by disallowing this deduction, and there has been a hue and cry throughout this country about the insidious ways that Congress increases taxes indirectly, rather than in an open and above board manner.

I just hope that as we talk about a 10-percent tax cut, as is being proposed by the new administration, that some of these cuts will inure to the benefit of the average American taxpayer.

Mr. President, as I understand it, this deduction was deleted from the Tax Code by the Revenue Act of 1978. I was not a Member of this august body at that time, but had I been here, I would have done everything within my power to make sure that this deduction was not taken away from the American taxpayers. In my judgment, the deduction is well justified and its removal by the Congress was in effect a tax increase placed upon the American taxpayers in an indirect fashion.

Mr. President, the business community of this country is allowed to deduct almost every conceivable expense as an ordinary and necessary business expense, but the working man of this country who is often forced to commute to and from work over long distances every day is not allowed to deduct the expense of operating his automobile to commute back and forth. I think that perhaps we should consider putting the working man on a more even par with the business community in this situation so that our tax laws will be seen by the average working man and woman as being more fair and equitable.

This amendment represents a step in the right direction since it would at least allow the working man who must drive long distances to and from work every day the opportunity to deduct the gasoline taxes he is required to pay in order to earn his livelihood.

Mr. President, it's my understanding that in the year 1983 alone the tax increase due to the elimination of this deduction will amount to $2.2 billion. This is $2.2 billion from the pockets of the average American taxpayer who is called upon today to pay every increasing cost for all types of fuel.

In my judgment, Mr. President, the restoration of this tax deduction will be neutral as far as fuel consumption is concerned. It merely places the law back like it was before the ill-advised action of Congress in 1978.

Mr. President, I have stated over and over on the floor of this Senate that the American taxpayers deserve a break. Americans have always believed in a fair and equitable tax system, and they do not mind paying reasonable taxes so long as they are called upon to pay only their fair share. What American taxpayers object to are paying taxes which are disproportionate and then seeing their tax dollars wasted by the Government. I think this tax deduction is fair and equitable, and I urge the Members to support my bill.

Mr. President, I ask that my bill be printed in its entirety at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 472

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 164 of the Internal Revenue Code of 1954 (relating to taxes) is amended by adding at the end thereof the following new paragraph:

"(6) State and local taxes on the sale of gasoline, diesel fuel, and other motor fuels.".

(b) The heading of paragraph (5) of section 164(b) of such code (relating to separately stated general sales taxes) is amended by adding "and gasoline taxes" after "general sales taxes".

(c) Paragraph (5) of section 164(b) of such Code (relating to separately stated general sales taxes) is amended by adding "or of any tax on the sale of gasoline, diesel fuel, or other motor fuel" after "any general sales tax".

SEC. 2. The amendments made by this Act shall apply to taxable years beginning after December 31, 1980.

By Mr. DURENBERGER (for himself and Mrs. KASSEBAUM):

S. 473. A bill to amend the Internal Revenue Code of 1954 to provide that the amount of the charitable deduction allowable for expenses incurred in the operation of a motor vehicle will be determined in the same manner Government employees determine reimbursement for use of their vehicles on Government business; to the Committee on Finance.

VOLUNTEER MILEAGE DEDUCTION

Mr. DURENBERGER. Mr. President, today I am reintroducing a bill whose time has come. My bill would amend the Internal Revenue Code to provide an incentive for increased contributions of personal services to charitable organizations.

Mr. President, one of the most exciting and challenging opportunities we are going to face as a nation in the next decade is in the area of service delivery. It will also be one of the most difficult tasks, not because we lack the ability and creativity to design and encourage alternative delivery systems, but because we are not offering the right incentives. We are not sending the signals that say we trust the private sector to deliver needed public services.

Mr. President, my bill will send such a signal to the private sector.

Philanthropy, the private giving of money and labor, plays a large role in the United States. The nonprofit segment of the private sector reaches into almost every field of human interest supporting a variety of institutions such as religious organizations, health clinics, civic organizations, museums and libraries, and social service organizations such as United Ways.

Throughout my career, I have had the good fortune to be involved in a wide range of public service organizations. These opportunities have given as much to me as I hope I have to them.

I have been fortunate these past 2 years to meet, as a public servant, with numerous philanthropic organizations. These experiences have cemented my belief that the private sector is ready and willing to take on the many tasks facing us as a nation, and to provide the needed services at the national, State, local, and neighborhood levels.

I share the belief with millions of Americans that we must make a commitment to our neighbors, to our communities and to our country. In fulfilling that commitment, we must give both our time and our financial support to the extent we are able.

The goal of my bill is to recognize, at least in part, the value of the contributions of their time made by those millions of Americans and to encourage greater personal service to nonprofit charitable organizations. It is appropriate because these volunteers play an indispensable role in American life, and because private giving is essential in maintaining the level of services and benefits our nonprofit organizations provide to ultimate beneficiaries.

Numerous studies have shown that the value of a dollar given to a charitable organization is increased in value three to four times through the efforts of volunteers. When we in this country are looking for innovative ways to meet the demand and the need for public services, it is fitting that we should turn to these volunteers. In many cases, we can better accomplish our necessary social obligations without adding to the size of the Federal bureaucracy.

Year by year, Americans have given enormous sums of money and labor to support private charitable activities, but not nearly as much as was needed and could have been wisely used. Contributions have not kept up with inflation and the growing needs in human services.

One of the disincentives to the contribution of personal services is the policy of the Internal Revenue Service relating to mileage allowances. This policy provides that individuals who contribute their time and labor to charitable activities and use a personal automobile may deduct a standard mileage rate of 9 cents per mile as a contribution. Or, if they choose, they can instead deduct their actual unreimbursed expenses for gas and oil. Parking fees and tolls are deductible in either case, but depreciation, insurance, and repairs are not deductible.

Mr. President, it is my understanding that a 7-cents-per-mile figure was initially set in 1958 and was adjusted recently by 1 cent. The 7-cents-a-mile allowance figure was not realistic in 1958 and the insignificant 1-cent change hardly reflects the rate of inflation and the increase in the cost of fuel since that time.

The bill I am introducing would increase the mileage deduction to make it comparable to the allowable deduction for use of an automobile on Government business. At present this is 20 cents per mile.

Mr. President, we do not know what the potential is for the private giving of service. But, we do know that our giving will grow to meet our needs if we remove the financial disincentives now facing volunteer service.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170 of the Internal Revenue Code of 1954 (relating to charitable deductions) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

"(h) AMOUNT OF DEDUCTION FOR EXPENSES OF OPERATING A MOTOR VEHICLE.—The amount allowable as a deduction under this section with respect to expenses incurred by the taxpayer for the operation of a motor vehicle shall be equal to the amount the taxpayer would have received if the taxpayer were engaged on official business for the Government and reimbursed under section 5704 of title 5.".

(b) The amendment made by subsection (a) shall apply with respect to the operation of a motor vehicle occurring after the date of the enactment of this Act in taxable years ending after such date.

By Mr. DURENBERGER:

S. 474. A bill to amend the Internal Revenue Code of 1954 to provide that the amount of the medical expense deduction allowable for expenses incurred in the operation of a motor vehicle will be determined in the same manner Government employees determine reimbursement for use of their vehicles on Government business; to the Committee on Finance.

MEDICAL MILEAGE EXPENSE DEDUCTION

Mr. DURENBERGER. Mr. President, I rise today to introduce legislation that would increase the current mileage deduction for medically related trips to equal that granted Government employees.

Mr. President, I have become acutely aware of the need for economic assistance for those who have to make numerous and long trips to the hospital or clinic for medical care. My bill would help to alleviate the economic hardships faced by those whose health or the health of a loved one requires them to travel to seek medical assistance, by raising the current mileage deduction to 20 cents per mile from the current 9 cents per mile.

Mr. President, there comes a time in each of our lives or in the life of one we know and love, where medical assistance is necessary. This is especially true for those who have been stricken by cancer or other terminal diseases.

The emotional burdens on a family unit that is faced with a terminally ill family member are self-evident and need not be stated here. However, the financial burden borne by each family is second only to the distress caused by the disease itself.

In addition to medical expenses, the out-of-pocket nonmedical expenses range from between 15 to 25 percent of the family budget. These nonmedical expenses include loss of pay, transportation to different medical facilities, food and lodging while away from home, child care, special clothing and special food. The burdens also include inability to change jobs and move because of loss of medical coverage for the affected individual. Travel then becomes paramount to receiving medical attention in many instances.

In testimony given by Grace Powers Monaco, a representative of Candlelighters, an international coalition of families whose child contracts cancer. in 45 States, Canada, Australia, and Europe, before the Senate Finance Committee, on which I serve, we learned of the devastating effects upon the lives of families whose child contacts cancer. After accidents, the second leading cause of death among American children is cancer.

Although cancer is the second leading cause of death for our children, children account for only 1 percent of the population affected by cancer in this country. What this means is that specialized cancer care facilities to provide skilled treatment for children are not right around the corner. Even if a family can be assured that all its direct medical expenses are paid, the other costs I mentioned earlier are unbearable and indeed are as direct costs as the medical treatment itself.

Let us help these families and others with medically related travel by increasing the mileage deduction to a more realistic level in light of the costs of operating an automobile today.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 213 of the Internal Revenue Code of 1954 (relating to medical expense deductions) is amended by inserting after subsection (f) the following new subsection:

"(g) AMOUNT OF DEDUCTION FOR EXPENSES OF OPERATING A MOTOR VEHICLE.—The amount allowable as a deduction under this section with respect to expenses incurred by the taxpayer for the operation of a motor vehicle shall be equal to the amount the taxpayer would have received if the taxpayer were engaged on official business for the Government and reimbursed under section 5704 of title 5."

(b) The amendment made by subsection (a) shall apply with respect to the operation of a motor vehicle occurring after the date of the enactment of this Act in taxable years ending after such date.

By Mr. DURENBERGER:

S. 475. A bill to amend the Internal Revenue Code of 1954 to clarify the definition of specially defined energy property for purposes of the investment tax credit; to the Committee on Finance.

AUTOMATIC ENERGY CONTROL SYSTEM CREDIT

Mr. DURENBERGER. Mr. President, today I am introducing a bill to clarify congressional intent as to the applicability of the energy tax credit for automatic energy control systems installed in commercial buildings.

Recently, the Treasury Department in its final regulations to implement Public Law 95-618, the Energy Tax Act of 1978, failed to include automatic energy control systems installed in commercial buildings for eligibility for the energy credit for business property. Yet the Finance Committee report on the bill defined automatic energy control systems as "equipment used to control energy usage for environmental space conditioning or for manufacturing processes in ways which automatically minimize such energy usage." The committee also expressly stated that equipment installed in commercial facilities was to be eligible for the credit. The Ways and Means Committee and conference reports contained language of similar import.

To clarify the congressional intent, the bill I am introducing today substitutes the phrase "commercial activity" for "commercial process" in section 48 (l) (5) of the Internal Revenue Code. This change should make it abundantly clear that Congress intended in the 1978 legislation to include automatic energy control systems installed in commercial buildings in the section 48 credit.

The energy credit can be a powerful incentive to reduce the amount of energy used in the United States. This incentive will be greatly diminished, however, if congressional intent is not clarified. Energy saved in commercial buildings is just as important as energy saved in industrial buildings. I urge my colleagues to join me in supporting this measure.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 475

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (5) of section 48(l) of the Internal Revenue Code of 1954 (defining specially defined energy property) is amended by striking out "commercial process" and inserting in lieu thereof "commercial activity".

(b) Subparagraph (B) of section 48(l) (10) of such Code (defining existing) is amended by striking out "commercial process, such process" and inserting in lieu thereof "commercial activity, such activity".

(c) The amendments made by this section shall take effect as if included in the amendments made by subsection (b) of section 301 of the Energy Tax Act of 1978.

By Mr. HATCH (for himself, Mr. MOYNIHAN, Mr. SCHMITT, Mr. LEVIN, Mrs. KASSEBAUM, Mr. DURENBERGER, Mr. BAUCUS, Mr. WALLOP, Mr. CRANSTON, Mr. HATFIELD, Mr. BENTSEN, Mr. PACKWOOD, Mr. DECONCINI, Mr. HEFLIN and Mr. RIEGLE):

S.J. Res. 28. Joint resolution designating the week beginning March 8, 1981, as "Women's H'story Week"; to the Committee on the Judiciary.

WOMEN'S HISTORY WEEK

● Mr. HATCH. Mr. President, it is a pleasure for me to reintroduce for the Senate's consideration a resolution designating the week of March 8, 1981, as "Women's History Week." I offered an identical resolution during the last Congress in which I was joined by 17 of my colleagues as cosponsors. I am hopeful, Mr. President, that this resolution might receive prompt consideration and passage.

Mr. President, women have played an enormous part in the shaping of our American society, serving in roles as diverse as homemakers and soldiers. They have provided the impetus for many important social reforms and they have made individual contributions in the fields of science, education, medicine, religion, and government. Further, they have clearly led the way in establishing and leading the charities and philanthropic organizations which have greatly improved the quality of American life.

It is good that all of us remind ourselves of the great sacrifices and struggles which bought our heritage as a free and prosperous Nation. My work in preparing this resolution led me to reflect on the difficulties the women pioneers faced when they reached the great Salt Lake Valley and began the settlement and development of Utah. Salt Lake City is now among America's largest cities and is a center for commerce, culture, and recreation. It is testimony to the perseverence of yesterday's pioneer women as well as to today's women who are in the forefront of civic activities.

I urge my colleagues in the 97th Congress to join me in sponsoring this resolution and in celebrating the many significant achievements and contributions of women to our great national heritage.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the CONGRESSIONAL RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 28

Whereas American women of every race, class, and ethnic background helped found the Nation in countless recorded and unrecorded ways as servants, slaves, nurses, nuns, homemakers, industrial workers, teachers, reformers, soldiers, and pioneers;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of our Nation's life by constituting a significant portion of the labor force working in and outside of the home;

Whereas American women have played a unique role throughout our history by providing the majority of the Nation's volunteer labor force and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in the country;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor union movement, and the modern civil rights movement;

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued in the body of American history: Now, therefore, be it

Resolved by the the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 8, 1981, is designated as "Women's History Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

● Mrs. KASSEBAUM. Mr. President, it is with pleasure that I join Senator HATCH as a cosponsor of a joint resolution designating the week of March 8, 1981, as "Women's History Week." As Senator HATCH has noted, it is appropriate that Congress set an example for the Nation by encouraging the appreciation of a "missing part" of our national heritage.

I have a particular interest in the role women have played in my own State of Kansas and want to take this opportunity to highlight a few of these contributions. The pragmatic women who initially settled in Kansas withstood the physical and mental rigors of a dismal, dirty, and lonely existence to help "raise an empire from the sparseness of the bare prairie."

From the early years of Kansas statehood, Kansas women actively particiipated in political life—notably in the temperance and populist movements. Most notorious among temperance activists in Kansas was Carry Nation, whose hatchet-wielding blitzes through Kansas taverns are well known. While never really accepted by mainstream temperance advocates, Carry Nation enjoyed the empathy of thousands of women whose own lives had been touched by uncontrolled drinking.

The temperance movement was also indirectly responsible for bestowinng on Kansas the honor of claiming the world's first woman mayor. The name of Susanna Salter, a Women's Christian Temperance Union activist, was placed on the ballot for mayor of Argonia by antitemperance pranksters. Mrs. Salter was not aware of her candidacy. Much to the surprise of all concerned, she was elected by a two-thirds majority and served—admirably, I understand—as mayor for 1 year.

In 1888, the city of Oskaloosa also made political history by electing an all-female city government. In one report of this election, headlined "The Latest Kansas Innovation," Frank Leslie's Illustrated Newspaper noted:

The previous city government was instructed for public improvement. They proved so far remiss in their duty that even the wornout sidewalks have not been repaired. The citizens tired of this inactivity and determined a change, and a radical change at that. The ticket was prepared, and the ladies asked to allow their names to stand . . . Their majority was almost two to one . . . The citizens are well pleased, and even enthusiastic, over the result.

Apparently, other Kansas cities eagerly followed this lead. In 1899, President McKinley observed that Kansas had elected more women to public offices than any other State in the Union.

Kansas women also actively participated in the populist movement. Among the most forceful populist activities was Mary Elizabeth Lease, a woman gifted with spellbinding speaking abilities. She was truly the voice of the populist movement in Kansas and throughout the country, having delivered more than 160 speeches on behalf of the party prior to the elections of 1890. Her admonition that "farmers should raise less corn and more hell" is one which has been long remembered.

The lives of countless other women also deserve to be a part of our national memory and designation of a "Women's History Week" would provide an excellent forum for filling the many gaps in our knowledge about these remarkable individuals. I urge my colleagues to join in support of this resolution.●

By Mr. HEINZ (for himself, Mr. BURDICK, Mr. RANDOLPH, Mr. SCHMITT, Mr. CHILES, and Mr. STAFFORD):

S.J. Res. 29. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with the first Sunday in June of each year as "National Garden Week"; to the Committee on the Judiciary.

NATIONAL GARDEN WEEK

● Mr. HEINZ. Mr. President, I am pleased to introduce today a joint resolution to designate the calendar week beginning with the first Sunday in June of each year as "National Garden Week."

Garden clubs play an important role in the culture of our country and their efforts deserve proper recognition. The dedication and service of more than 500,000 members of garden clubs in this country merits the support of all civic-minded individuals.

This resolution is aimed at providing support and encouragement for the activities of garden clubs across the country. I urge my colleagues to join with me in recognizing those involved in the worthy efforts of all garden clubs.

Last year, when I introduced this resolution, the text of a pamphlet issued by the National Council of State Garden Clubs entitled "A Force for Good" was entered into the RECORD, and I ask unanimous consent that it again be reprinted in full along with the text of the resolution.

There being no objection, the joint resolution and pamphlet were ordered to be printed in the RECORD, as follows:

S.J. RES 29

Whereas the gardeners of this country produce a multitude of foods for our people and enable us to export foods to other countries which are in desperate need; and

Whereas our gardeners help to preserve and foster our traditional spirit of independence and individual initiative; and

Whereas gardening instills in our people, both young and old, a greater appreciation for nature, in general, and for our beautiful land, in particular; and

Whereas such appreciation naturally leads to a greater respect and care for our environment; and

Whereas gardening, in addition to being most beneficial for our country, furnishes a pleasant and productive full- or part-time activity for a large number of our citizens; and

Whereas our gardens also yield flowers of great variety and breathtaking beauty; and

Whereas these flowers bring beauty into our lives and satisfy our esthetic needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation—

(1) designating the calendar week beginning with the first Sunday of June of each year as "National Garden Week"; and

(2) urging Federal, State, and local government agencies, as well as citizens and private organizations, to observe that week with educational efforts, ceremonies, and other appropriate activities which shall include the wearing of garden flowers as a symbol of our appreciation for the efforts and contributions of our gardeners.

A Force for Good

As has been recognized for years, any number of women, organized and dedicated . . . whether 40 or 40,000 or 500,000 . . . compose a force to be reckoned with.

And "strong force" is a proper description for the members of the over 14,000 clubs that comprise the National Council of State Garden Clubs, Inc.

While their interest and backgrounds are as diverse as their numbers, these approximately 500,000 garden club members from every state in the nation evince their strength in many areas.

They are strong in their love of gardening.

They are strong in their interest in their communities.

They are strong in their concern for the evironment.

They are strong in their desire to preserve, conserve and enhance natural resources.

They are strong in their pride of heritage.

They are strong in their conviction that through their combined efforts they can and will accomplish their goals.

This dedication and strength arises from one of the most closely knit organizations in the world . . . National Council of State Garden Clubs, Inc.

Since its beginning in 1929, National Council has grown from 13 charter state federations to a membership representing every state in the Union and one federation representing the National Capital Area. It is organized on state and regional levels, with the clubs having complete freedom and flexibility in their activities. In addition to the State Federations there are over 70,000 Junior, Intermediate and High School Gardeners. National and International Affiliates number 125 clubs. National Officers and Committee Chairmen provide leadership and ideas for the clubs. Members are given the choice of a large number of projects involving conservation, horticulture, beautification, landscape design, preservation, restoration and education.

In keeping with the philosophy on which the organization was founded, clubs—whether large or small, urban or rural—are concerned with community beautification, roadside development, good horticulture practice, litter control, environmental action, education of youth, the preservation or restoration of historic sites. Through its member services National Council provides member clubs a vast array of researched and annotated material covering these subjects. Slides, pamphlets and program ideas are available for a small fee. Books on various types of gardening, flower arranging and flower shows, landscape design, birds and other related subjects are offered at discount to members.

Through the Council's official publication, The National Gardener, members are provided information concerning the actions of the organization and well written articles on subjects relevant to its aims.

The objectives established by the founders have been retained, and as with any alive, on-going organization in a changing world, new concepts are constantly being put forth and all objectives broadened.

Members of a group with "Garden Club" in its name are obviously devoted to the pursuit of growing plants, flowers, shrubs, trees, fruits, vegetables, the landscaping of their home grounds and are concerned with the environment that affects them. Specific information on methods of growing trees, indoor gardening, improved cultivars, hydroponic and organic gardening is available from chairmen who are specialists in these methods. At this writing a committee has been appointed to develop guidelines and curriculum for a Gardening Study Course, with emphasis placed on the very highest academic standards for this new educational program. Through Landscape Design courses members have the opportunity to gain knowledge in home landscaping, as well as good land-use planning and community involvement.

Flower Show Schools are designed to interest and guide members in growing and showing beautiful horticulture specimens in flower shows and in their home grounds, as well as training them in the use of these specimens in creating artistic designs. Flower shows perform an important community service by providing the public an opportunity to see and appreciate natural and artistically created beauty.

The curriculum in flower show schools and landscape design courses are constantly updated. Bi-lingual courses in both are now offered, with a number of flower show schools having been held in Central and South America, Panama and Mexico. By request, landscape design study courses are being made available to International Affiliates.

A scholarship fund makes it possible to offer scholarships to qualified students in specified fields. In addition to those provided by the National organization, hundreds of other worthy students are being assisted through scholarships given by the state organizations.

Intensive training at Environmental Education Workshop Schools, conducted by the USDA Forest Service and co-sponsored by industry, resulted in trained leaders in every state federation who are well equipped to conduct similar workshops in their own communities.

Members are kept informed on pending legislation at local, state and national levels that affects the environment, land-use energy conservation, and other areas of concern.

Through the Civic Development committee, member clubs are encouraged to develop projects in their communities that change liabilities into assets and to influence citizens and agencies to cooperate in these efforts.

Conservation of National Resources has been one of the basic concerns of National Council since its inception. Guidelines have been formulated to assist clubs in understanding the expanded role of conservation, and they present ideas for educational enrichment and environmental action.

Efforts in the area of World Gardening are felt around the world. Among the many projects are contributions to CARE, American Kor-Asian Fund, which help developing nations improve their food production. Contributions of money for equipment, seeds, tools, trees to various countries demonstrate the concern of garden clubs for their fellow man.

This concern is also shown in Garden Therapy projects. Members devote their time, talents and efforts to bring garden-related activities to groups and individuals, young and aged, who are physically, mentally or emotionally ill or disabled. Through the program aid is given in the rehabilitation and recovery of the handicapped.

During America's Bicentennial Year, garden clubs participated in the celebration in many ways. On the national level four projects were undertaken. A college contest was held with each state submitting a college featuring the state bird, tree and flower made from natural materials. Every state was represented and the 51 colleges were displayed at National Council Headquarters in St. Louis, Missouri, during the bicentennial year, with the top winners awarded special ribbons.

Another bicentennial project was the planting of "Liberty Trees," commemorating Boston's Liberty Tree that was the rallying point for patriots during the Revolution. Millions of trees were planted on private and public grounds in parks and around government buildings.

A magnificent International Flower Show was held in Miami Beach, Florida, a first in National Council history. With a bicentennial theme, it attracted entries and visitors from all over the United States, Australia, Central and South America, Mexico, the Philippines and the Caribbean islands.

The fourth project was a comprehensive Network of Historic Trails. Work on the trails of historic significance is being done at the regional, state and local club level from the deep south to the northwest, from east to west, assuring the preservation and restoration of these trails for future generations to enjoy. It was encouraging when a bill was passed by Congress establishing a National Historic Trails System, adding permanence to the project.

Recently, National Council accepted the challenge of an ambitious program of conservation. It endorsed the program of the American Land Trust (ALT) and agreed to assist in acquiring and conserving America's significant and threatened land areas. ALT enlisted the help of The Nature Conservancy to administer the program. The major goal of ALT is to select at least one wilderness or natural land area of prime environmental importance in each of the 50 states. Every area chosen will be evaluated to insure that it is adequately protected and is large enough to retain its natural qualities for the next 200 years.

National Council President, Mrs. Vernon L. Conner, stated in her announcement of the program. "This program provides National Council members with the opportunity to make an investment in America's future, the effects of which will be felt and known for a hundred years and for generations to come." An article in The National Gardener states: "Garden club members have always been conservation minded.

"Through the years they have conducted workshops, given programs, listened to conservationists from various fields and achieved considerable success in many worthwhile conservation projects. With this opportunity to assist in a nation-wide conservation movement, 'Operation Big C', one which will cover our land like a blanket, they can help ensure for hundreds of years the safe-keeping of thousands of acres of ecosystems which would otherwise be lost for all time. This affords them an opportunity to more fully and meaningfully utilize their cumulative knowledge and experience."

The women of National Council of State Garden Clubs continue what they have been busy doing for almost half a century . . .

combining their efforts to achieve a better world.

"National Council has a distinguished heritage and its members can take pride in its progress," declared Mrs. Conner. "Each decade has presented new problems, and goals have been expanded to meet the needs of each new era.

"The greatest resources of National Council are its members," continued the National Council president. "Working together, our organization's resources become significant community resources and this 'working togetherness' enables us to meet mutual commitments of service to our community, state and nation."

Truly, women of the National Council of State Garden Clubs comprise a mighty force for good.●

By Mr. RIEGLE:

S.J. Res. 30 Joint resolution to designate April 26, 1981 as "National Recognition day Day for Veterans of the Vietnam Era"; to the Committee on the Judiciary.

NATIONAL DAY OF RECOGNITION FOR VIETNAM VETERANS

● Mr. RIEGLE. Mr. President, in the atmosphere of national thanksgiving which has surrounded the recent return of our citizens who were held hostage in Iran, there is an ironic undercurrent. There are many of us who look at the Vietnam conflict and feel that the thousands of U.S. veterans who served and died there, or were crippled or blinded, or held prisoner—the thousands who have had their lives permanently altered by their service in Vietnam, have never received appropriate recognition. We have not yet come forth as a nation and adequately thanked those Vietnam veterans for their sacrifices and service to our Nation.

Moreover, many severe problems faced by the returning veterans of the Vietnam conflict have never been fully dealt with. Over 480,000 are currently unemployed; and, due to the 10-year delimiting date provision of the G.I. bill, some 60 percent of Vietnam veterans are not eligible for educational benefits under the G.I. bill. I regard the present and past treatment of our Vietnam veterans as intolerable. It is my hope that the resolution I propose today for a "National Day of Recognition" on April 26 will spark a renewed interest in our Vietnam-era veterans and an outpouring of support and understanding. It is also the purpose of my joint resolution to set in motion a week of symposia, hearings and conferences to deal openly and directly with the issues of greatest concern to Vietnam veterans.

All Americans should be proud of our Vietnam veterans—just as proud as we are of our veterans of World War I, World War II, and the Korean conflict.●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. ROTH, the Senator from Georgia (Mr. NUNN) was added as a cosponsor of S. 10, a bill to establish a Commission on More Effective Government, with the declared objective of improving the quality of Government in the United States and of restoring public confidence in Government at all levels.

S. 20

At the request of Mr. SASSER, the Senator from Maine (Mr. MITCHELL) was added as a cosponsor of S. 20, a bill to amend title 18 of the United States Code to prohibit the robbery of a controlled substance from a pharmacy.

S. 32

At the request of Mr. CHAFEE, the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 32, a bill to grant a Federal charter to the Italian American War Veterans of the United States of America.

S. 43

At the request of Mr. SASSER, the Senator from Maine (Mr. MITCHELL), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 43, a bill to amend the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare and submit, for every bill or resolution reported in the House or the Senate which has certain specific economic consequences, an estimate of the cost which would be incurred by State and local governments in carrying out or complying with such bill or resolution.

S. 45

At the request of Mr. SASSER, the Senator from Maine (Mr. MITCHELL) was added as a cosponsor of S. 45, a bill to reform the laws relating to the provision of Federal assistance in order to provide State and local governments with greater flexibility in managing programs and projects using such assistance.

S. 47

At the request of Mr. SCHMITT, the Senator from Oregon (Mr. HATFIELD), the Senator from Indiana (Mr. LUGAR), the Senator from Idaho (Mr. MCCLURE), the Senator from Nevada (Mr. LAXALT), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of S. 47, a bill to amend the Immigration and Nationality Act to establish a temporary worker's visa program between the United States and Mexico.

S. 67

At the request of Mr. BUMPERS, the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 67, a bill to improve and expedite the administrative process and clarify the standards for judicial review of administrative action.

S. 169

At the request of Mr. HEINZ, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 169, a bill to amend sections 169 and 103 of the Internal Revenue Code with respect to tax treatment of pollution control facilities.

S. 171

At the request of Mr. SASSER, the Senator from New Jersey (Mr. BRADLEY) was added as a cosponsor of S. 171, a bill to amend the Internal Revenue Code of 1954 to reduce the tax effect known as the marriage penalty by permitting the deduction, without regard to whether deductions are itemized, of 20 percent of the earned income of the spouse whose earned income is lower than that of the other spouse.

S. 195

At the request of Mr. GOLDWATER, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 195, a bill to incorporate the U.S. Submarine Veterans of World War II.

S. 254

At the request of Mr. SCHMITT, the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 254, a bill to authorize public land States to select certain public lands in exchange for land taken by the United States for military and other uses, and for other purposes.

S. 312

At the request of Mr. LEVIN, the Senator from Colorado (Mr. ARMSTRONG), was added as a cosponsor of S. 312, a bill for the relief of Maria and Timofei Chmykhalov, and for Lilia, Peter, Liubov, Lidia and Augustina Vashcenko.

S. 317

At the request of Mr. BENTSEN, the Senator from North Dakota (Mr. ANDREWS), the Senator from Michigan (Mr. RIEGLE), the Senator from Kentucky (Mr. FORD), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Oklahoma (Mr. BOREN), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 317, a bill to amend the Internal Revenue Code of 1954 to provide faster tax deductions for depreciation and larger investment tax credits in order to help combat inflation and increase the U.S. position in world trade.

S. 321

At the request of Mr. BENTSEN, the Senator from Hawaii (Mr. INOUYE), the Senator from Missouri (Mr. EAGLETON), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of S. 321, a bill to amend section 265 of the Internal Revenue Code of 1954 with respect to the deduction, by certain financial institutions, of interest paid on deposits of public funds where those deposits are secured by tax-exempt obligations.

S. 360

At the request of Mr. DURENBERGER, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 360, a bill to amend the Internal Revenue Code of 1954 to improve productivity and employment by promoting capital investment in small business, and for other purposes.

S. 396

At the request of Mr. DANFORTH, the Senator from Montana (Mr. BAUCUS), the Senator from Montana (Mr. MELCHER), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 396, a bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983.

S. 405

At the request of Mr. DOLE, the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 405, a bill to amend title 5 of the United States Code to require Federal agencies to analyze the benefits, costs, and other adverse effects of proposed rules, to provide for judicial review of any such analysis, to provide for periodic review of agency rules, and for other purposes.

S. 415

At the request of Mr. CRANSTON, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 415, a bill to amend title 38, United States Code, to increase the maximum amount payable in Veterans' Administration specially adapted housing assistance, and for other purposes.

S. 416

At the request of Mr. CRANSTON, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 416, a bill to amend title 38, United States Code, to increase the maximum amount of the automobile assistance provided to certain severely service-connected disabled veterans, to extend eligibility for the provision of automobile adaptive equipment to certain other service-connected disabled veterans, and for other purposes.

SENATE JOINT RESOLUTION 4

At the request of Mr. BURDICK, the Senator from Hawaii (Mr. INOUYE), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Texas (Mr. BENTSEN), the Senator from Georgia (Mr. NUNN), the Senator from Iowa (Mr. JEPSEN), the Senator from Utah (Mr. GARN), the Senator from Mississippi, (Mr. COCHRAN), and the Senator from California (Mr. CRANSTON) were added as cosponsors of Senate Joint Resolution 4, a joint resolution to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week."

SENATE JOINT RESOLUTION 12

At the request of Mr. INOUYE, the Senator from Montana (Mr. BAUCUS), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of Senate Joint Resolution 12, a joint resolution to authorize and request the President to designate November 14 of each year as "Operating Room Nurses Day."

SENATE JOINT RESOLUTION 20

At the request of Mr. SASSER, the Senator from Hawaii (Mr. INOUYE), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of Senate Joint Resolution 20, a joint resolution to designate the month of April, 1981 as "Gospel Music Month."

AMENDMENT NO. 2

At the request of Mr. JEPSEN, the Senator from North Dakota (Mr. ANDREWS), the Senator from Iowa (Mr. GRASSLEY), the Senator from Connecticut (Mr. WEICKER), the Senator from Michigan (Mr. LEVIN), and the Senator from Kansas (Mr. DOLE) were added as cosponsors of amendment No. 2 proposed to H.R. 1553, a bill to provide for a temporary increase in the public debt limit.

SENATE CONCURRENT RESOLUTION 7—CONCURRENT RESOLUTION RELATING TO THE NECESSITY OF REDUCING TAXES AND FEDERAL SPENDING

Mr. CHILES (for himself, Mr. NUNN, Mr. JOHNSTON, Mr. DECONCINI, Mr. EXON, Mr. BOREN, Mr. PRYOR, Mr. HEFLIN, Mr. BUMPERS, and Mr. SASSER) submitted the following concurrent resolution; which was considered, and, by unanimous consent, ordered to lie over under the rule:

S. CON. RES. 7

Resolved, That it is the sense of Congress that no bill to reduce Federal revenues shall take effect until the enactment of legislation to reduce currently authorized and appropriated spending programs by a sufficient amount to progressively reduce Federal outlays as a percent of the Gross National Product in the current and future fiscal years.

Remarks in connection with this concurrent resolution appear earlier in today's RECORD.

SENATE RESOLUTION 65—RESOLUTION REGARDING DRAIZE TEST

Mr. DURENBERGER (for himself, Mr. DOLE, Mr. TSONGAS, Mr. PERCY, Mr. DECONCINI, and Mr. LEVIN) submitted the following resolution; which was referred to the Committee on Environment and Public Works:

S. RES. 65

Whereas Federal regulations require the Draize rabbit eye irritancy test for predicting human ophthalmic response in pesticides and household products; and

Whereas since development of this painful test over thirty-five years ago there has been enormous scientific innovation while the Draize test remains basically unchanged; and

Whereas the reliability of the Draize test has been called into question: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Consumer Product Safety Commission, the Environmental Protection Agency, and the Food and Drug Administration set aside research time and funding to develop and validate an alternative nonanimal testing procedure.

Mr. DURENBERGER. Mr. President, for decades the Federal Government has supported animal research which benefits the health and welfare of the human race. This research is necessary and helpful. Most researchers and institutions strive to give the animals the most comfortable existence possible and understand the difference between legitimate animal research and animal cruelty. However, there is one test performed on albino rabbits which raises legitimate questions. That test is the Draize eye irritancy test, and its impact as well as its effectiveness have been increasingly questioned.

Under the auspices of the EPA and/or Consumer Product Safety Commission most of our household products, cosmetics and pesticides receive research on their safety when coming in contact with our skin and/or eyes. When one reads that a product may irritate the eyes, one can assume the Draize eye irritancy test has been performed. Presently, rabbits are placed in a cage and then harnessed so they cannot move. Drops of chemicals such as detergents, oven sprays, bleaches, cosmetics, are placed on the rabbit's eye. Records of the amount and severity of the damage to the rabbit's eye are documented. If the chemical is harsh, the animal can go blind or suffer severe ulcerations of the eye. These tests cause great pain to the animals," which are not anesthetized. The results of the test are also questionable.

Within the last few years both Government and industry have expressed concern over the use of this test. I want to encourage such concern. Last year I witnessed an episode of the television show 20/20, which featured a segment on animal breeding, tending and testing. One of the issues raised was the continued justification for the Draize test. I was embarrassed at the way Federal officials responded to questions posed by the reporter.

For example, the reporter asked why the Federal Government utilizes such a painful test, and why the animal was not given pain medication. The official responded that "No one thought of it." He said that there was no "outside pressure." Private industry has moved toward humanizing its testing procedures without such "outside pressure," and I see no reason why Government cannot do the same. But if outside pressure is required, it should certainly be provided.

The resolution I introduce today is identical to the resolution I introduced in the closing days of the 96th Congress. Since the introduction of that resolution, the Environmental Protection Agency, the Consumer Protection Agency, and the Food and Drug Administration have put a moratorium on in-house Draize testing. But while both Agencies have an in-house moratorium, they still require industries to perform the test as a condition to acceptance of their products in the consumer market. The situation has improved, but it has not improved enough.

This morning, on behalf of myself, Mr. DOLE, Mr. TSONGAS, Mr. PERCY, Mr. DECONCINI and Mr. LEVIN, I am introducing a resolution which will send a clear message to the Federal agencies involved to "commit research time and funding to study, develop, and validate alternative nonanimal testing procedures." The resources are available. Thirty-five years ago the Draize test was probably necessary and innovative. Today it is inhumane.

There are alternatives to the Draize test, and there is every reason to believe those alternatives could replace the test over a period of time. In view of the questions being raised over the accuracy of the test, there is no commercial or humanitarian reason to delay that "phasing out" process.

I am encouraged that the NIH is convening a February 18–20, 1981, conference on the development of methods to replace the Draize test. I am also pleased

to note that Ethical Treatment of Animals has acted to further the dialog on alternative testing procedures by holding a conference immediately following the NIH effort.

With the Draize test costing $500 to $700 per series for dubious results, it is imperative for public agencies and private interests to combine their efforts to develop alternatives.

Mr. President, I want to encourage my fellow Senators to join an already prestigious group of Senators and support consideration of this measure.

SENATE RESOLUTION 66—RESOLUTION DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY

Mr. MURKOWSKI (for himself and Mr. STEVENS) submitted the following resolution; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, and the Committee on Energy and Natural Resources:

S. RES. 66

Resolved, that the Senate disapproves the proposed deferral of $7,960,000 of budget authority relating to the Exploration of the National Petroleum Reserve in Alaska (deferral D81-35), as set forth in the message transmitted by the President to the Congress on January 16, 1981, under section 1013 of the Impoundment Control Act of 1974.

● Mr. MURKOWSKI. Mr. President, as part of the fiscal 1981 appropriations bill for the Department of the Interior and related agencies, Congress provided for the establishment of a private leasing program in the National Petroleum Reserve in Alaska. At the same time, funds were included in the bill to continue the Federal drilling program until the private program was in place.

The Department now anticipates that the first lease sale in NPR-A will be held in December of this year. It will be the winter of 1982 before actual work is begun in the reserve by private companies.

In January, President Carter submitted a proposed deferral to the Congress relating to NPR-A. The effect of the deferral, if allowed to stand, is to terminate all Federal drilling activity in the reserve at the end of the current drilling season. The funds proposed for deferral were intended to be used for the preparation of four additional wells for drilling next year. Instead, the Department would use the money for close-out costs.

It is essential that the Federal program continue in NPR-A until the private drilling is in place. The information gained by drilling the four additional wells next year should aid the Department in selecting tracts for additional sales and should result in higher bids. Even more important is the need to omit the existing drilling rigs to the NPR-A for the private leasing program. It is difficult to obtain rigs for Arctic exploration and we fear that deferral of this money and the closing out of the exploration program will insure that the rigs are moved out of the Arctic and will be unavailable for use when private leasing occurs. There is no place in America where there is greater agreement that exploration on Federal lands should occur. It is essential that this program be continued so that private exploration can be carried out without interruption of activity.

I am, therefore, introducing a resolution on behalf of myself and Senator STEVENS disapproving the deferral of these funds.●

SENATE RESOLUTION 67—RESOLUTION APPROVING PAY RECOMMENDATIONS REGARDING MEMBERS OF CONGRESS

Mr. CHAFEE (for himself, Mr. DANFORTH, and Mr. RANDOLPH) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 67

Resolved, That, with respect to the recommendations of the President which were transmitted to the Congress with the President's budget for fiscal year 1982 pursuant to section 225(h) of the Federal Salary Act of 1967 (2 U.S.C. 358), the Senate disapproves the recommendations for increases in rates of pay for positions described in subparagraph (A) of section 225(f) of such Act (2 U.S.C. 356(A)), relating to Members of Congress.

● Mr. CHAFEE. Mr. President, today I am introducing a resolution disapproving that part of the President's proposal pertaining to a pay increase for Members of Congress. My resolution would permit a pay raise for executive level employees, members of the Judiciary, and certain members of the legislative branch.

This resolution is identical in intent to one that I introduced on January 15, 1981, the day that President Carter's budget for fiscal year 1981—containing the proposed pay raise—was submitted to Congress. The resolution was redrafted in order to conform more closely to the format of the proposed pay increase.

I am pleased that the Senator from Missouri (Mr. DANFORTH) and the Senator from West Virginia (Mr. RANDOLPH) have joined me as cosponsors of this resolution, and I look forward to its prompt consideration.●

SENATE RESOLUTION 68—RESOLUTION APPROVING PAY RECOMMENDATIONS REGARDING POSITIONS UNDER EXECUTIVE SCHEDULE

Mr. CHAFEE (for himself, Mr. DANFORTH, and Mr. RANDOLPH) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 68

Resolved, That, with respect to the recommendations of the President which were transmitted to the Congress with the President's budget for fiscal year 1982 pursuant to section 225(h) of the Federal Salary Act of 1967 (2 U.S.C. 358), the Senate approves the recommendations for increases in rates of pay for positions described in subparagraph (D) of section 225(f) of such Act (2 U.S.C. 356(D)), relating to certain positions under the Executive Schedule.

SENATE RESOLUTION 69—RESOLUTION APPROVING PAY RECOMMENDATIONS REGARDING CERTAIN PERSONNEL IN THE JUDICIAL BRANCH

Mr. CHAFEE (for himself, Mr. DANFORTH, and Mr. RANDOLPH) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 69

Resolved, That, with respect to the recommendations of the President which were transmitted to the Congress with the President's budget for fiscal year 1982 pursuant to section 225(h) of the Federal Salary Act of 1967 (2 U.S.C. 358), the Senate approves the recommendations for increases in rates of pay for positions described in subparagraph (C) of section 225(f) of such Act (2 U.S.C. 356(C)), relating to certain positions in the judicial branch.

SENATE RESOLUTION 70—RESOLUTION APPROVING PAY RECOMMENDATIONS REGARDING CERTAIN POSITIONS IN THE LEGISLATIVE BRANCH

Mr. CHAFEE (for himself, Mr. DANFORTH, and Mr. RANDOLPH) submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 70

Resolved, That, with respect to the recommendations of the President which were transmitted to the Congress with the President's budget for fiscal year 1982 pursuant to section 225(h) of the Federal Salary Act of 1967 (2 U.S.C. 358), the Senate approves the recommendations for increases in rates of pay for positions described in subparagraph (B) of section 225(f) of such Act (2 U.S.C. 356(B)), relating to certain positions in the legislative branch.

AMENDMENTS SUMBITTED FOR PRINTING

EXPORT TRADING COMPANIES ACT

AMENDMENT NO. 4

(Odered to be printed and referred to the Committee on Banking, Housing, and Urban Affairs.)

Mr. PROXMIRE submitted an amendment intended to be proposed by him to the bill (S. 144) to encourage exports by facilitating the formation and operation of export trading companies, export trade associations, and the expansion of export trade services generally.

Mr. PROXMIRE. Mr. President, I am today introducing an amendment to the Export Trading Company Act of 1981 (S. 144) providing standards for financial institutions control of export trading companies.

This amendment would permit control of export trading companies by bank holding companies, Edge Act corporations and bankers' banks subject to the prior approval of the Federal Reserve Board. Any such banking organization controlling an export trading company would be required to show that the in-

vestment would contribute significantly to the export of goods or services with special emphasis on small, medium-size, and minority concerns; that the export trading company would operate consistent with minimizing financial risk and maintaining a separation between banking and commerce; and that export benefits outweighed adverse financial factors.

With a single regulatory agency (the Federal Reserve) administering the control provisions, and with the standards I have discussed, the risks to the banking system of bank involvement in trading companies is minimized. At the same time, banks would be permitted to become involved to a much greater extent than they have historically been permitted in the export sector.

I ask unanimous consent that the text of the amendment be printed in full in the RECORD following my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

S. 144

Beginning on page 10, line 11, strike out all through page 16, line 21 and insert in lieu thereof the following:

(b)(1) Notwithstanding any prohibition, restriction, limitation, condition, or requirement of any law applicable only to banking organizations, a banking organization, subject to the limitations of subsection (c) and this subsection and the procedures of this subsection, may invest directly or indirectly in the aggregate, not to exceed 5 per centum of its consolidated capital and surplus (25 per centum in the case of an Edge Act Corporation or Agreement Corporation not engaged in banking) in the voting stock or other evidence of ownership of one or more export trading companies.

(2)(A) A banking organization may—

(i) invest directly or indirectly not more than an aggregate amount of $10,000,000 in one or more export trading companies without the prior approval of the appropriate Federal banking agency; and

(ii) invest directly or indirectly an aggregate amount in excess of $10,000,000 in one or more export trading companies only with the prior approval of the appropriate Federal banking agency.

(B) Any banking organization which makes an investment under authority of subparagraph (A)(i) shall promptly notify the appropriate Federal banking agency of such investment and shall file reports on such investment as such agency may require.

(C) The following limitations shall apply to export trading companies whose shares are held by one or more banking organizations and to the banking organizations holding such shares:

(1) Except as provided in subsection (d), no banking organization may acquire 20 per centum or more of the voting stock or otherwise control an export trading company.

(2) Except as provided in subsection (d), no banking organization may acquire voting stock of an export trading company if such acquisition would result in 50 per centum or more of the voting stock of the export trading company being owned by banking organizations.

(3) The name of an export trading company shall not be similar in any respect to that of a banking organization that owns its shares.

(4) At any point in time, the total dollar amount of the direct and indirect investments by a banking organization in an export trading company combined with extensions of credit to such export trading company by the banking organization and its direct and indirect subsidiaries shall not exceed 10 per centum of the banking organization's capital and surplus.

(5) A banking organization that owns any voting stock of an export trading company shall divest such stock if the export trading company takes a position in commodities or commodities contracts, in securities, or in foreign exchange, other than as may be necessary to facilitate export transactions.

(6) No banking organization holding voting stock or other evidences of ownership of any export trading company may extend credit or cause any affiliate to extend credit to such export trading company or to its customers on terms more favorable than those afforded similar borrowers in similar circumstances, and such extension of credit shall not involve more than the normal risk of repayment or present other unfavorable features.

(d)(1) With the prior approval of the Board of Governors of the Federal Reserve System, but subject to the limitations contained in subsections (b)(1) and (c), a bank holding company, bankers' bank, or an Edge Act Corporation may—

(A) acquire 20 per centum or more of the voting stock or otherwise control an export trading company; and

(B) acquire voting stock of an export trading company if such acquisition would result in 50 per centum or more of the voting stock of the export trading company being owned by banking organizations.

(2) The Board of Governors of the Federal Reserve System shall not approve an application under this subsection unless it determines on the basis of the record that—

(A) such investment would contribute significantly to the export of goods or services with special emphasis on small, medium-size, and minority concerns; and

(B) the export trading company agrees to and will operate consistent with minimizing the financial risk of the investing bank holding company, bankers' bank, or Edge Act Corporation or any bank affiliated with such investing bank holding company, bankers' bank, or investing Edge Act Corporation and with maintaining a separation between banking and commerce.

(3) The Board of Governors of the Federal Reserve System, upon receiving an application under this subsection, shall provide a copy to the appropriate Federal and State banking agency of the affiliate banks of the bank holding company and shall consult such agencies before taking final action on the application.

(e)(1)(A) In the case of every application under this section, the appropriate Federal banking agency shall take into consideration—

(i) the financial and managerial resources, competitive situation, and future prospects of the banking organization and export trading company involved;

(ii) the benefits of the proposal to United States business, industrial, and agricultural concerns; and

(iii) the benefits to be derived from improving the competitiveness of United States exports in world markets.

(B) The appropriate Federal banking agency may not approve any investment for which an application has been filed under this section unless it finds that there are significant export benefits and that such benefits clearly outweigh, in the public interest, any adverse financial, managerial, competitive, or other banking factors associated with the investment involved.

(C) Any disapproval order issued under this section shall contain a statement of the reasons for such disapproval.

(2) In approving any application submitted under this section, the appropriate Federal banking agency may impose such conditions by regulation or otherwise as it deems necessary, considering the circumstances of the investment involved—

(A) to limit the banking organization's financial exposure to an export trading company including establishing inventory to capital ratios, based on the capital of the export trading company, for those circumstances in which the export trading company may bear a risk on inventory held; and

(B) to prevent—

(i) conflicts of interest;

(ii) unsafe or unsound banking practices;

(iii) undue concentration of resources; and

(iv) decreased or unfair competition.

(3)(A) In imposing conditions under paragraph (2), the appropriate Federal banking agency shall give due consideration to—

(i) the size of the banking organization and export trading company involved;

(ii) the degree of investment and other support to be provided by the banking organization to the export trading company; and

(iii) the financial strength and management of other investors in the export trading company.

(B) The appropriate Federal banking agency shall not impose any conditions under paragraph (2) which unnecesarily disadvantage, restrict, or limit export trading companies in competing in world markets or in achieving the purposes of section 2 of this Act.

On page 17, line 22, strike out "(e)" and insert in lieu thereof "(f)".

On page 18, lines 14 and 15, strike out "Except for violations of subsection (b)(3) of this section, the" and insert in lieu thereof "The".

On page 19, line 1, strike out "(f)" and insert in lieu thereof "(g)".

On page 19, line 14, strike out "(g)" and insert in lieu thereof "(h)".

NOTICES OF HEARINGS

APPROPRIATIONS SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

Mr. McCLURE. Mr. President, the hearing schedule for the Appropriations Subcommittee on the Department of Interior and Related Agencies has been finalized. In order to apprise interested parties of the hearing dates, I ask unanimous consent that the schedule in its entirety be printed in the RECORD at this point.

There being no objection, the schedule was ordered to be printed in the RECORD, as follows:

1981 HEARING SCHEDULE—SENATE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

Room 1224, Feb. 19.—Outside witnesses: Indian Programs;

Room 1224, Feb. 25.—Museum Services: Indian Education; and

Room 1224, Feb. 26.—Woodrow Wilson, National Capital Planning Commission, Navajo-Hopi.

Room 1318, Mar. 3.—Fish and Wildlife Service;

Room 1318, Mar. 4.—Office of Water Research and Technology/Holocaust Memorial Commission/Advisory Council on Historic Preservation;

Room 1318, Mar. 10.—Indian Health Service, Bureau of Land Management;

Room 1114, Mar. 12.—Heritage Conservation and Recreation Service;

Room 1114, Mar. 25.—DOE: Alternative Fuels, Economic Regulatory Administration; and

Room 1114, Mar. 26.—Outside witnesses: non-Indian.

Room 1114, Apr. 1.—Bureau of Indian Affairs;

Room 1114, Apr. 2.—Office of Surface Mining, Smithsonian Institution;

Room 1114, Apr. 8.—Secretary of Interior, Office of the Secretary, Solicitor;

Room 1114, Apr. 9.—DOE: Strategic Petroleum Reserve, Energy Information Administration, Naval Petroleum Reserves;

Room 1114, Apr. 21.—Forest Service, Federal Inspector for the Alaska Pipeline, Pennsylvania Avenue Development Corporation;

Room 1114, Apr. 22.—Secretary of Energy;

Room 1114, Apr. 28.—National Endowment for the Arts, National Endowment for the Humanities; and

Room 1114, Apr. 30.—National Park Service.

Room 1223, May 6.—Congressional witnesses, Geological Survey;

Room 1223, May 7.—DOE: Conservation, Fossil;

Room 1223, May 13.—Fine Arts Commission, National Gallery of Art, Bureau of Mines; and

Room 1223, May 14.—Territorial Affairs.

All hearings will begin at 9:00 a.m.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY

Mr. MATHIAS. Mr. President, the Subcommittee on International Economic Policy of the Committee on Foreign Relations, which I chair and on which Senator DODD of Connecticut is the ranking minority member will hold oversight hearings on Wednesday, February 25 and Friday, February 27 on "The U.S. Stake in the Global Economy: Issues in Relations with Developing Countries." The purpose of the hearings is to examine U.S. interests in the developing countries and to consider alternative strategies to advance U.S. interests.

The hearings will include panels on the following subjects:

First, implications for the United States of the Increasing Foreign Debt of Developing Countries.

Second, strategic Implications of the Mineral Resources of Developing Countries.

Third, prospects for Increasing Renewable Energy Resources and Energy Conservation in Developing Countries.

Fourth, the economic implications of Developing Countries' Population Growth and Migration Patterns.

Fifth, alternative Strategies for the United States in the Global Economy.

The hearings will be held in Room 4221 of the Dirksen Senate Office Building, beginning at 10 a.m. each day. Persons interested in testifying or desiring additional information about the hearings may contact the following staff members: Bob Russell (202) 224–4651; Janice O'Connell (202) 224–7523; Gerry Connolly (202) 224–7523.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. COHEN. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of an open business meeting before the Senate Select Committee on Indian Affairs.

An open business meeting is scheduled for February 17, 1981 beginning at 11 am., in Room 424 of the Russell Senate Office Building. The committee will consider proposed changes in the rules of the Committee.

For further information regarding the business meeting, you may wish to contact Timothy Woodcock of the committee staff on 224–2251.

ADDITIONAL STATEMENTS

A TRIBUTE TO GALLANT AMERICANS—VICTIMS OF THE TEHRAN FIASCO

● Mr. HEFLIN. Mr. President, I would like to share with the Members of the Senate and the readers of the CONGRESSIONAL RECORD a poem entitled "A Tribute to Gallant Americans—Victims of the Teheran Fiasco." This poem was written by my friend, Rubin Morris Hanan of Montgomery, Ala. Mr. Hanan is one of America's great citizens. His life has exemplified the finest elements of American citizenship. I ask that it be printed in the RECORD.

The poem follows:

A TRIBUTE TO GALLANT AMERICANS—VICTIMS OF THE TEHERAN FIASCO

(By Rubin Morris Hanan)

O my friends, my gallant friends,
My cousins through gyneological feelings,
For you too were tortured like your Jewish
Brothers, o fifty-two gallant friends!

I felt with you from cell to cell
Within the confines of your embassy,
A four-hundred-and-forty-four-day night,
Only to return to a bright American light!

O my friends, my gallant friends,
Your ordeal has been heard from brave man
To brave woman, from sobs of pain, and
Now the joy of shared and beautiful freedom!

We love you, o friends, our cries
Are choked through history, the gentile and
The Jew, torn away from companions just as
You in that awful, terrible Iranian night!

Your life, like the Jew who survived the
Holocaust, will shine brighter now, but you
Will always remember, and keep your word
Within your lovely souls, o children!

Even the grass and trees are moved,
Touched by your human heart, the
Belief in your marvelous love,
Your agony turns to brilliant freedom!

We all love you like the drops of rain
Falling from the sky onto the earth,
Fifty-two beautiful drops to make a
People unite in its very thirst!

Your prison has turned to heroism,
Because you are brave, because you
Believe, and the torture will turn
To love and hope and courage and patriotism!

God bless America! ●

FEDERAL ESTATE AND GIFT TAX

● Mr. RIEGLE. Mr. President, yesterday, Senator EAGLETON and I introduced S. 392, which will reform the Federal Estate and Gift Tax. Several proposals of this nature have been advanced in recent years, in fact my distinguished colleagues Senators WALLOP, BOREN, and others, introduced separate legislation dealing with this problem. Last Congress, Senator Nelson developed the concept embodied in this legislation that will bring substantive relief to thousands of farms and small businesses; who all too frequently must sell their assets to pay exorbitant estate taxes.

The main components of this legislation are:

(1) An increase in the estate tax exemption from the current $175,000 to $800,000;

(2) A simplification of the special use valuation rules for family farms and businesses. This change will benefit the elderly, disabled, and minors;

(3) An increase in the amount that gifts may be given to relatives tax-free from the current amount of $3,000 to $6,000;

(4) A repeal of the "widows tax." This has been especially burdensome to people who wish to transfer the estate to their spouses; and

(5) A widening and reduction in the estate tax brackets.

I have found farmers in my State almost unanimous in their opinion that the estate tax situation is the single largest factor in the breakup of farms that have been run by one family for three or four generations. Small business people have expressed similar concerns, especially as a business grows in value over time and the worries increase over how the large Federal estate tax liability will be paid by heirs.

Land values have risen dramatically in recent years, and farmers are under terrific pressures to sell their holdings to real estate speculators. The existence of a heavy real estate tax only serves to increase this pressure, and results in the loss of productive farmland to developers.

I am confident that this Congress will enact estate tax reform. Although several approaches have been suggested, including mine and the legislation sponsored by Mr. WALLOP, I find a consensus on the basic criteria for these changes. I feel strongly that the farmers and small business people of the country want estate tax reform, and I urge that we incorporate this into any general tax reduction plans that we adopt. ●

THE HOUSEMAN MEMORANDUM—LEGAL SERVICES CORPORATION

● Mr. McCLURE. Mr. President, I have recently come into possession of an extraordinary memorandum written by Alan W. Houseman, the Director of the Legal Service Corporation's research institute.

That memorandum, sent in violation of 18 U.S.C. 1913 and 42 U.S.C. 2996f(a)(5), lays out a comprehensive legislative strategy for thwarting those Senators or members of the administration who oppose maintenance and growth of current levels of Legal Services funding.

In violation of 42 U.S.C. 2996f(b)(5), the memorandum lays out strategy for insuring continuation of "aggressive advocacy (that is, advocacy which utilizes the full scope of representation including legislative and administrative representation, litigation and community education: * * * and advocacy which is not restricted in what defendants can be sued, for example, Government entities)." Current Federal law prohibits

support for "training programs advocating particular public policies or encouring political activities."

The memorandum specifically attacks President Reagan's position on Legal Services, together with Members of the Senate whom it characterizes as "far right."

Mr. President, I ask that the Houseman memorandum be printed in the RECORD.

The memorandum follows:

LEGAL SERVICES CORPORATION

DECEMBER 29, 1980.

To State Coordinators and Other Interested Parties, January 5, 1980

From Alan W. Houseman

Subject Summary of our Overall Activities, Strategy and Perspective

To assure that there is full knowledge among all critical actors in the effort we are undertaking to preserve aggressive legal services, I have prepared this summary of our activities, strategy and perspectives. Much of this comes from the oral remarks that have been given at the Regional Meetings and will not be new to most of you. Most of this information has been and will be supplemented in more detailed ways.

OVERALL PERSPECTIVE

Today we face a severe threat to the continuation and growth of aggressive legal services. At stake is the survival of the legal services movement. By that I mean:

Survival of committed, aggressive and political staff whether they are lawyers, paralegals, support staff or other advocates;

Survival of aggressive advocacy, (i.e., advocacy which utilizes the full scope of representation including legislative and administrative representation, litigation and community education; advocacy which seeks all possible remedies; and advocacy which is not restricted in what defendants can be sued, e.g., government entities); and

Survival of client involvement and control.

All three of these are essential to the legal services movement. All three of these are under attack and must be pressured and strengthened.

Far more is at stake than the survival of Legal Services. Many social benefit and entitlement programs that have developed during the 60's and 70's to provide concrete benefits to poor people are threatened. As we proceed in our fight, we must take all the steps necessary at national, local or state levels to assure the continuation of other social benefit and entitlement programs. It is essential that we join with others in preventing cutbacks in these programs, and preventing changes in other federal policies, such as affirmative action, which are essential to the continued development of poor people and minorities in this country. At no time must we let our own concerns override the more basic concerns of poor people.

BASIC PRINCIPLES

It is useful to repeat the basic principles which guide the actions that will be collectively taken to preserve legal services.

1. Using all methods of counseling and representation, legal services exists to provide highest quality legal services to all those unable to afford legal assistance in a manner which best enables poor people to assert their rights and interests and effect change in ways that they themselves choose.

2. LSC and the legal services community will continue to emphasize utilization of program resources in a manner that has the greatest impact on the largest number of poor people.

3. Legal Services must be accountable to the low-income community in program governance, allocation of limited resources, and addressing the most pressing legal problems of a particular local community.

4. The staff attorney system of delivery is essential to effective legal services and will remain the core of our delivery system.

5. LSC and the legal services community will resist any and all efforts to dismantle effective, existing programs. We will never compromise the basic values and structures of this program and we will continue to resist efforts that would impose restrictions or undermine aggressive advocacy for poor people.

SCOPE OF POTENTIAL THREAT

We will certainly face serious efforts by opponents of aggressive legal services to:

(1) Appoint members to the LSC Board who are not supportive or even hostile to aggressive legal services and the staff attorney system. Currently five terms are up; in June, the additional six positions will be up for nomination.

(2) Add additional restrictions on the types of representation (legislative and administrative advocacy), on types of cases (aliens, education, abortion, suits against government entities), or on attorney fees, support and training.

(3) Reduce our appropriations and/or earmark existing or new funds.

(4) Increase control of legal services staff and advocacy through a hostile bureaucracy, through political pressure from Congress, or through local and state government.

(5) Substantially alter our current delivery system and reallocate current resources to judicare and other private attorney models of delivery.

(6) Increase the role of local and state governments in funding and overseeing legal services delivery.

There will also be attempts by the "far right" to dismantle or eliminate the legal services program. These proposals have surfaced during the transition and will also arise during consideration of our reauthorization in 1981.

We can not now predict what efforts will be made, by who and their timing to restrict or dismantle legal services. There are many possible scenarios that may develop both in the short and long run. What we are doing is to plan for every possible development.

POLITICAL SITUATION

We have a new administration headed by a President who has historically shown hostility to Legal Services. While Governor of California, President-elect Reagan attempted to veto and dismantle California Rural Legal Assistance. He also sought to impose additional controls on aggressive advocacy by Legal Services attorneys.

In the only public statement (in the American Bar Association Journal), the President-elect gave great deference to the pro bono efforts of private attorneys and called for an evaluation of the Legal Services Corporation to ensure "that it is serving the purpose for which it was intended." He went on to say: "Such a program should not be used to fund, at taxpayers expense, suits which are in reality attempts to force a judicial resolution of political and public policy issues properly left to the elective branch through its representatives in Congress . . . I would also like to explore possible alternatives to the monolithic federal approach to the legal problems of the poor. I believe there is room for increased activity on the part of local government and local bar associations."

Some of President-elect Reagan's senior advisers and key cabinet members are people who may not be particularly supportive of legal services and who lack understanding of our program.

We face a much more conservative Senate which is now controlled by Republicans and southern Democrats. Many of the newly elected Senators are ideologically opposed to legal services. While we have some strong support in the Senate Committee on Labor and Human Resources, we face severe problems with the entire Senate.

While the House is still in Democratic control, it is much more conservative. Many believe there is now a majority of conservatives in the House which can block most liberal legislation. Although, our committee will remain supportive, we will continue to face, as we have in the past, severe problems on the floor.

The American Bar Association, though remaining steadfast in support of aggressive legal services, has moved to introduce legislation seeking to mandate the involvement of private attorneys in the delivery of legal services. We must not let this development affect their support for effective, aggressive advocacy.

Many of our allies are themselves politically weakened. Moreover, the organizations from which we traditionally received support have not yet made the survival of legal services a high priority. We may not have reached out sufficiently to other potential allies whether on a national or local level.

We have lost the support of large numbers of clients and poor people. Client involvement and control has not become a reality in most programs. Client organizations both on a local and national level have few resources to effectively advocate continuation of legal services.

We are not prepared for battle. We are not effectively united. The Legal Services Corporation has not had to face a major political crisis since its inception. The Legal Services Community has not had to face a political crisis of this severity since 1973. There are many new people in Legal Services. Some may not share the values of the community's leadership. Some may not be willing to take political risks to preserve aggressive advocacy.

On the other hand, we do not start from a position of weakness. We are stronger and more geographically diverse than ever before. We have able and committed staff working in programs throughout the country.

The Legal Services Corporation is an independent entity. Many people on the Hill, in the administration and the press perceive LSC to be an efficient and well run institution.

We have more resources to devote to this effort than we have had in the past. We are more sophisticated politically at both national and local levels.

WHAT WE ARE DOING TO WAGE THIS BATTLE

First, we are attempting to unite and join together in this struggle. We have formed a coalition with PAG, the National Clients Counsel (NCC), NLADA, the National Organization of Legal Services Workers (NOLSW) and the Minority Caucus. It will be expanding to include others from within the legal services community, such as National Association of Indian Legal Services (NAILS), migrant farm workers group, women's caucus, Organization Legal Services Backup Centers (OLSBUC), state support and others. It will also expand to include organizations who are allies and supporters of legal services.

The coalition members will be forming an outside entity to lobby and coordinate survival activities on behalf of the legal services community. This entity will be established soon and will begin to function early in 1981.

Second, we are expanding and strengthening our state coordination network. This is essential in order to assure effective communications within the community and for our congressional efforts.

Third, we are seeking to diversify and strengthen the base of local and state programs. It is essential to broaden the base. In the short run, a strong local political base will be critical if we are to successfully obtain support from Congress for the continua-

tion of an aggressive legal services program. Effective lobbying in Washington will require local programs to establish credibility and a base in their communities and to develop allies who can and will assist them in persuading their Congressmen and Senators to support legal services. In the long run, a strong local base will be necessary to survive possible efforts at local and state control through block grants or private bar control.

These plans involve a series of regional meetings that will attempt to help programs identify how to shore up and strengthen their base of support including support from the private bar, increased support from organizations that can be effective allies, effective use of the media and improved relations with Congressional offices. In addition to the meetings, there will be technical assistance, training and other assistance available to local programs.

Fourth, we are strengthening our base of support nationally by developing closer ties and better relationships with Civil Rights, labor, elderly, consumer and many other organizations and individuals who have been allied with us in the past. We are also reaching out to new organizations as well to develop alliances and obtain support. Because legal services is only one of many issues with which these organizations are concerned, the National Support Centers and others will be joining with these organizations in common efforts to prevent benefit program reductions.

Fifth, we are addressing short-term issues that require immediate action. Through the National Legal Aid and Defender Association the coalition has identified potential nominees for the LSC Board of Directors who are supportive of legal services but also acceptable to the Reagan Administration. In addition, we are working to acquaint key people in the Reagan Administration and in Congress (including the new Senate leadership) with our program, its independence, and its achievements. We are shoring up and strengthening the support we have among some members of the Reagan team. We are identifying those who can influence members of the transition teams and the appointees of the new administration.

Sixth, we are taking steps to protect programs and our overall delivery system. We will address basic bureaucratic and programmatic vulnerabilities that have been identified by GAO reports and by others. We are also reviewing our entire support structure to make sure it is sufficiently insulated from political pressure and can function effectively in the future.

Seventh, we will be increasing the Washington lobbying efforts of the Corporation and our organizations. NLADA, for example, has hired a full-time experienced lobbyist to work on legal services and other matters. The new entity being formed will substantially expand our lobbying capacity.

Eighth, we are developing an affirmative legislative strategy to deal with the difficult situations we face in the next session of Congress with regard to both appropriations and reauthorization.

This year it will be necessary for us to get our reauthorization through Congress. The Senate will not approve our appropriations without a reauthorization. We will also need to work again with the Budget Committees in the House and Senate. Last year, the budget process played a major role in getting priorities on substantive legislation as well as appropriation levels. Finally, confirmation in the Senate of LSC Board nominees may require some efforts by the legal services community.

Although an affirmative political strategy has not yet been fully dveloped, it will include at least the following components:

1. Selling the merits of legal services to Congress, media and others at the local, state and national level. Much of this will be done by local people and local programs.

2. Developing a broad range of support from a wide sector of groups and organizations and making it in the interest of these groups for legal services to continue without restrictions. This will require effective work at a local, state and national level by legal services programs around the substantive issues affecting the members of the groups and organizations from which we seek support.

3. Improving our relationships with the private bar. We are developing a concrete partnership with the American Bar Association and other bar associations to preserve and expand legal services. This will require full implementation of the Delivery System Study Policy Report and increased involvement of private lawyers in the delivery of legal services. As part of our strategy we are seeking increased funds for expansion in the Fiscal Year 1982 Budget request. By seeking funds from Congress, we believe we can obtain support for the maintenance and expansion of existing programs and prevent mandates in the Legal Services Corporation Act that would reallocate current resources.

4. Developing an affirmative response to Congressional efforts to impose restrictions on legislative representation and other limitations on the scope of representation to be provided to our clients.

To develop this affirmative strategy we are preparing at least two background papers for circulation and discussion. John Dooley is preparing a paper discussing the private bar issues and options to address them. We are also preparing a paper analyzing possible options to prevent legislative representation restrictions. We will be meeting with a number of people to discuss each of these issues and will be holding strategy discussions with the coalition members in early January.

In considering our affirmative strategy we are meeting with many advocates who are experienced in political and legislative strategy in Washington. We are seeking their views on how to take the initiative, how to best use the private bar issue and how to prevent restrictions on case types or the scope of representation.

Regardless of our efforts in Washington, an affirmative legislative strategy is dependent upon effective relations on a local level with congressional offices, with state and local bar associations, and with organizations and individuals who are potential supporters and allies.

WHAT MUST BE DONE

Each legal services program must undertake the following:

1. Develop a specific action plan at state and sub-state levels. This plan should detail how each state will seek to maintain and improve or develop Congressional relations, relations with local and state bar associations, relations with allies and supporters, and relations with local and state governmental entities. The plan must also discuss efforts to develop and improve media relations and develop new media contacts. Finally, the plan should specifically include concrete steps to maintain, improve and/or develop meaningful relations with poor people's organizations.

Many states have already developed such plans. Others are beginning to do so and will be completing the plans at the regional meetings.

These plans will require every program to shift program resources to undertake the efforts outlined in the plan and to change the priorities and work of project directors and staff.

2. Appoint a program coordinator or coordinators who will have overall responsibility for coordinating the implementation of the state and sub-state plans and assuring that all survival activities are carried out.

3. Develop timely and effective communications with the state coordinator. The state must assure that the coordinators have adequate staff and a means of communicating effectively and in a timely manner with all programs.

4. Develop effective internal communications networks that assure all staff with adequate and timely information about developments nationally and within state and local areas.

5. Continue to identify people who have contacts with officials of the Reagan Administration. State Coordinators and relevant Washington actors should be informed of these contacts. Please make sure I am informed of these contacts.

6. Continue to identify potential Board nominees who are supportive of legal services and yet potentially acceptable to a Reagan Administration. Names of potential nominees should be sent to Howard Eisenberg at NLADA.

7. Analyze new members of Congress from your area and review all old members of Congress. What is needed is carefully compiled information about all members of Congress. This includes: attitudes, public statements and prior voting records toward legal services and other social benefit programs; their supporters and major contributors from within the bar and general community; possible contacts with their supporters; and their political base in the district or state. This information should be sent to the state coordinator and Office of Government Relations. OGR will develop an analysis of each Congressional person and office. The completed analysis will be sent to each state and program coordinator. The analysis will also include such information as prior Congressional voting records on legal services, positions on other poor people's issues, committee assignments, names and background of key staff, and which members influence this member.

The difficulties we will face now and during the next few years will require sacrifice and discipline by LSC and program staff. Among other things:

1. We must start taking this effort very seriously if we are to succeed.

2. When program coordinators are asked to do something by the state coordinator, by LSC or members of the coalition, they must act responsibly and without delay to see that the tasks are done or that we are immediately informed that they can be done so that we can take the necessary actions to see that they are done.

3. This is the time to act and act quickly to organize within each state and local program to shore up and strengthen the base of political support.

4. Coordinated activity is important. This is not a time to act totally independent of the effort that is being initiated. Project directors and staff will have many good ideas, practical suggestions, intelligence and experience to share with national actors and with other programmatic people. It is important to work together and keep in touch.

COALITION BUILDING

A critical means of strengthening the local political base is to develop coalitions and working relationships with local organizations and individuals who would see it in their interest to assure the continuation of an aggressive legal services program.

Effective coalitions and working relationships will involve programs assisting these groups and organizations in concrete ways. Merely acting in concert or seeking assistance will not be sufficient. The local program must actually assist groups, individuals and coalition members so that they have a real stake in the survival of the legal services program. The legal services program must become an integral part of their activities.

Usually coalitions and working relationships will evolve out of common work on substantive issues. Legal services should seek out others in the community who may be involved on similar issues of concern to the program and client community. They should also seek to participate in activities by others that affect issues and problems of the client community.

There are a variety of others with whom local programs can develop relationships. Some are involved in advocacy for the poor (such as Community Action Programs); some are involved in services for the poor. Many are involved in common issues which affect both the poor and the members of the groups. (e.g., unions and food stamps; Associations of Retarded Persons and special education; elderly organizations, etc.) Many are involved directly in advocacy for populations which include the poor (civil rights, etc.).

In developing working relationships and coalitions on substantive issues, legal services programs and staff should not forget their principal role as advocates for the poor. The point of developing working relationships and coalitions is to strengthen the power of poor people not to shift the program toward a different population. Legal services should not be viewed as compromising the interests of poor people for its own survival or for the broader good of the coalition. Moreover, legal services should seek to involve poor people directly in the coalitions and bridge relationships between poor people and individuals and organizations with common interests or issues.

THE BROADER PICTURE—THE NEEDS OF OUR CLIENTS

The struggle for survival of aggressive legal services should never be perceived by us to be a higher priority than the struggles that poor people will face during the next several years as this new administration and Congress attempt to curtail social benefit and entitlement programs and civil rights activities. We must not under any circumstances stop using most of our resources and most of our energies to continue providing aggressive impact advocacy to improve the lives and power of poor people.

Moreover, we must take immediate steps to develop effective efforts within each state and on a national level to preserve the gains won by poor people and their advocates during the last 15 years. And we must continue to strive to increase social benefits, improve housing and health care, prevent arbitrary private and public actions, improve job and educational opportunities, and eliminate discrimination.

This will require targeting increased resources on substantive issues which will arise on a national and state level: development of more effective national and state networks of staff, clients and other advocates and allies; improved communications to each state about national developments and within each state about national, state and local developments; strengthening our capacity for legis'ative and administrative advocacy; and developing more effective strategies that use all of the tools available including more effective use of litigation as well as community education, legislative and administrative representation, networking and coalition building.

Working with national and state support projects, we are strengthening current efforts and developing new approaches that will assist local and state programs in undertaking these critically important activities for survival of poor people's basic needs. Although there are different networks that will be used to work directly on these "substantive" activities, (i.e., the substantive networks that have developed through national and state support projects), we will keep all state coordinators informed of national substantive developments.

Thus, as we enter this struggle for our survival, we must never forget that the purpose of our effort and the shift of some resources to our survival is not to save ourselves (or our jobs), not to save our current ways of doing things or even our current structures for that matter. Instead, the purpose of our efforts is to preserve for poor people a force that they can call upon to use to improve their economic and social well-being.●

VETERANS' ADMINISTRATION AGENT ORANGE STUDY

● Mr. CRANSTON. Mr. President, on Monday, February 2, the Comptroller General issued a final decision in the matter of a formal protest filed with respect to the Veterans' Administration's attempt to procure expertise from outside the agency to design a protocol for an epidemiological study of the possible long-term health effects of exposure to agent orange. As many of my colleagues know, this study was mandated by the Congress almost 14 months ago in section 307 of Public Law 96–151 in an effort to assure concerned veterans and members of the general public that the Federal Government is doing all it can to address the existing very strong concerns about pos-ible harm from exposure of our troops in Vietnam to agent orange.

Mr. President, GAO's review of this protest has covered many, many months, during which time all activities related to commencing the agent orange study have been stalled. In essence, the VA is still at square one.

Mr. President, I remain concerned that all aspects of this very important study be conducted in a manner that is as unbiased and credible as possible. I understand fully the concern of those who have raised questions about the VA's ability to meet this challenge and its initial action to procure the needed expertise to design the study. Certainly, all of us sincerely hope the study will provide a great deal of useful, unbiased information about how the health of Vietnam veterans may have been affected by exposure to agent orange.

With the Comptroller General's decision behind us, I hope that the Veterans' Administration will proceed with the greatest expeditiousness to conclude all the steps necessary to get on with the design of the protocol for this vital study and then get on with the study itself.

Mr. President, I ask that a copy of the Comptroller General's decision be printed in the RECORD at this point.

The decision follows:

THE COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., February 2, 1981.

[Decision]

Matter of: National Veterans Law Center.

1. Use of firm fixed-type contract is not subject to legal review since statute mandates use of such contract type absent determination to contrary by agency.

2. Solicitation provision stating that award will be made to offeror with lowest price and evaluation score of 80 points or better establishes pre-determined cut-off score which may be improper.

3. Request for proposals provision that contractor should not have been associated with prior publicized position on matters which are subject of procurement with high public interest is not overly restrictive of competition, since biased public position is implicit in restriction, and agency's desire to obtain unbiased contractor is reasonable.

4. Government's standard reservation of right to make award on basis of initial proposals does not constitute improper refusal to conduct discussions with offerors.

5. Discussions have occurred where offerors respond to agency request for explanation of offers and any necessary price revision resulting therefrom by revising technical proposals or price proposals or both.

6. Request for proposals does not place undue emphasis on price for study design that requires considerable technical expertise where evaluation factors indicate agency's intent to apply high standard of technical acceptability in establishing competitive range.

7. Allegation that statement in RFP that agency will itself conduct epidemiological study to be designed by contractor is restrictive of competition because many scientists will refuse to stake their reputations on study over which they have no control is without merit where it is not shown that conduct of such study by party other than study designer is unusual or beyond legitimate agency needs.

8. Allegations that study as contemplated by VA will not satisfy requirements of statute mandating study are without merit where agency plan to conduct study itself is consistent with statute.

The National Veterans Law Center (NVLC) protests the award of a contract to any offeror under request for proposals (RFP) No. 101 (134c)–8–80, issued by the Veterans Administration (VA) for a protocol (study design) for an epidemiological study of phenoxy herbicides, specifically Herbicide Orange ("Agent Orange"), as used in Vietnam. We are denying the protest.

BACKGROUND

Public Law 96–151, § 307(a)(1), 93 Stat. 1097 (1979), directs the VA to:

"[D]esign a protocol for and conduct an epidemiological study of persons who, while serving in the Armed Forces of the United State during the period of the Vietnam conflict, were exposed to any of the class of chemicals known as 'the dioxins' produced during the manufacture of the various phenoxy herbicides (including the herbicide known as 'Agent Orange') to determine if there may be long-term adverse health effects in such persons from such exposure. * * *"

On March 19, 1980, the VA issued the subject RFP requesting firm fixed-price offers for the required study design. The NVLC filed the instant protest with this Office, and subsequently also filed a complaint for declaratory and injunctive relief in the United States District Court for the District of Columbia (Civil Action No. 80–1162). The court denied the plaintiff's request for a temporary restraining order but retained jurisdiction over the case. The court has requested our opinion in the matter.

We have also been requested by a member of Congress to respond to all of the issues raised by the NVLC which, in addition to alleged procurement law violations, include a claim that as presently contemplated the study itself will not comply with the requirements of Public Law 96–151.

No award has yet been made in this procurement, although it is our understanding that proposals have been received and evaluated.

ANALYSIS

Adequacy of specifications

I. The NVLC contends that the RFP does not meet the requirement of section 1–3.802(c)(1) of the Federal Procurement Regulations (FPR) (1964 ed.) that RFPs contain specifications which are as complete

as possible. The specifications are alleged to be particularly deficient because the RFP anticipates award of a firm fixed-price contract.

The NVLC has presented a number of arguments in support of its contention that the specifications are inadequate.

It is the VA's position that the specifications are as complete as possible. In addition, the VA states that it "provided a description of what was available insofar as facilities, capabilities and the like at the pre-proposal conference." The VA does not, however, deny that the RFP itself is silent concerning the available data about the population to be studied. Rather, it argues that if the work statement is "far from definite" as the NVLC contends, it is because the VA intends the contractor to exercise its own judgment in identifying the population to be studied.

The RFP Statement of Work provides in pertinent part as follows:

"STATEMENT OF WORK

"The contractor will be required to develop the design for a comprehensive epidemiological study of subjects who shall be persons who, while serving in the Armed Forces of the United States during the period of the Vietnam conflict were exposed to dioxins produced during the manufacture of various phenoxy herbicides (including 'Agent Orange'). The design will include detailed methods for analysis and interpretation of the data obtained during the study.

"In addition to providing the study design, the contractor will be expected to provide prompt justified modifications in the study's protocol in response to the several scientific or other bodies that will review it.

"Once the study has commenced, the contractor will be expected to consult with the responsible officials of the Veterans' Administration on the progress of the investigation in order to assure that the objectives of the study design are being met. The epidemiological study itself will be conducted by the VA, including examination of the subjects and data collection, according to the design of the contractor.

* * * * *

"The contractor will recommend the level of certainty that the study should reach in concluding that specific effects are or are not due to the phenoxy herbicides and/or their contaminants.

"The numbers of study subjects and control populations required for successful completion of the study must be estimated by the contractor and the mechanism by which individual subjects and controls are to be chosen must be specified. The contractor will be expected to adapt the estimates of size of the study and control samples and their method of selection to the realistic constraints of facilities, staff and time under which the study must be conducted. The latter will be defined during protocol development by close collaboration with the VA contracting officer's technical representative."

No additional details regarding the source, accuracy, condition or the availability of the data needed to identify and work with the population to be studied are specified in the RFP.

A firm fixed-price contract provides for a price which is not subject to adjustment based on the contractor's cost experience during performance, and thus places full responsibility in terms of profits or losses for costs below or above the firm fixed-price on the contractor. FPR § 1-3.404-2(a). Accordingly, firm fixed-price contracts are suitable for use in procurements when reasonably definite design or performance specifications are available and whenever fair and reasonable prices can be established at the outset, and where the uncertainties involved in contract performance can be identified and reasonable estimates of their possible impact on costs made. FPR § 1-3.404-2(b). Thus while there may be a reasonable basis under the guidelines of FPR 1-3.404-2(b) to award a cost-type contract, the use of a firm fixed-price contract is not legally objectionable. We reach this conclusion because of the language of 41 U.S.C. 254(b):

"Neither a cost nor a cost-plus-a-fixed-fee contract * * * shall be used unless the agency head determines that such method of contracting is likely to be less costly than other methods or that it is impractical to secure property or services of the kind or quality required without the use of a cost [type] * * * contract."

We view the foregoing as creating a statutory requirement for the use of a fixed-price contract except where the agency head in his discretion finds otherwise under the circumstances described in the statute. We also do not believe the agency head is required to make the determination that the use of a fixed-price contract is inappropriate for use in a given situation merely because a third party believes cost-type contracting would be more appropriate under the circumstances of a procurement such as this one. Thus, whether or not this Office would agree with the decision to seek a firm fixed-price contract is legally irrelevant and the decision is not subject to legal objection.

In this respect, we point out that several offers were received from offerors who were apparently willing to take the risks inherent in a firm fixed-price contract. Whether additional offers might have been received if cost-type contracting were used is legally beside the point.

We note here that the VA has argued that if modifications in a firm fixed-price contract are necessary, mechanisms exist so that adequate compensation can be agreed upon under the "Changes" clause of the contract.

We believe, however, that in view of the very general nature of the specifications the likelihood of a legally valid modification to the contract would be minimal under the "Changes" clause. Certainly a contractor would not be entitled to "get well" for any errors in judgment it may have made with respect to price because of an indefinite work statement in the RFP.

II. Next, we turn to several other allegations made by the NVLC concerning the adequacy of the specifications, which we find to be without merit. The first of these is that the RFP provides for the study to be carried out by the VA but no information is provided about the facilities or personnel available for this. The NVLC argues that it is impossible to design the protocol without this knowledge.

While we agree with the NVLC that this information is crucial since the protocol must take into account the facilities available for conducting the study as designed, we believe that the RFP contains sufficient information in this regard to allow for intelligent competition.

Specifically the RFP provides that the facilities, staff and time under which the study will be conducted will be worked out during protocol development by close collaboration between the contractor and the VA. Consequently, all prospective offerors were advised that the exact facilities available had not yet been determined, but that the contractor's needs would be considered in establishing them along with the needs of the VA. Moreover, it was clear that the contractor would not be expected to complete development of the protocol before these necessary determinations were made. We think that this provided an adequate basis on which to submit a proposal.

The NVLC also argues that the RFP is deficient because it lacks details about the "end point symptoms" it seeks to study and contains only a cursory list of organ systems which should be considered. In this regard, the RFP specifically provides as follows:

"The variables chosen for the study should include organ systems theoretically most often affected by exposure to the chemicals in Herbicide Orange (e.g., liver kidney, skin and nervous system)."

It is our understanding that the diseases and symptoms which may result from exposure to "Agent Orange" are largely unknown and that this is, in fact, a primary reason why there is a need for an epidemiological study such as the one mandated by Public Law 96-151. Thus we find nothing objectionable in the RFP's lack of detail in this regard. We believe that the VA has sufficiently advised offerors of the general scope of the requirement and intends that offerors use their individual judgment and intends that offerors use their individual judgment in arriving at their own approach to the problem. There is nothing objectionable in this. *Complete Irrigation, Inc.*, B-187423, November 21, 1977, 77-2 CPD 387.

Last, the NVLC contends that the specifications are inadequate because the RFP indicates that time and price will be heavily weighted factors in selecting the contractor, yet no indication of time or price expectations is offered.

At the outset, we note that while the NVLC has identified particular portions of the RFP as containing these inadequate specifications, we are unable to identify where it is provided that time will be a heavily weighted selection criterion. The RFP does provide, however, that offerors must estimate how long it will take to complete the study. We assume that it is this requirement to which the NVLC refers.

We recognize that the length of the study can vary widely depending upon what type of study is proposed. For example, a contractor could propose a study to be conducted at a particular point in time or one which would take place over a number of years, or both. It is apparent, however, that the VA intended this to be a matter for the contractor's judgment, and we believe that it is implicit in this requirement that the VA would find either or both approaches acceptable, if they were properly justified. Thus we must conclude that offerors were sufficiently informed in regard to the Government's time expectations.

With regard to the lack of any price expectation in the RFP, we are aware of nothing which requires the inclusion of such information in a solicitation. Consequently, we must conclude that this allegation is without merit.

Predetermined competitive range

The RFP provides that award will be made to that offeror with the lowest price and with an evaluation score of 80 points or better. The NVLC argues that this establishes a pre-determined cut-off score and is improper under the decisions of this Office. The VA contends that this 80 point factor is a "qualifying score" and that it was cited only to apprise offerors of the relative importance the VA attaches to the areas of evaluation. The VA states that it does not view this as establishing a competitive range in advance and, further, that such factors have been determined to be acceptable by this Office in the past, citing to our decision in 52 Comp Gen. 382 (1972).

A pre-determined cut-off score is one arrived at in advance of proposal evaluation and subsequently used to establish the competitive range. One example is a solicitation provision requiring that prior to consideration of price as a determining factor, a proposal must receive a numerical score placing it within the top three eligible proposals. *Donald N. Humphries & Associates; Master Tax, Inc.; Innocept Inc.*, 55 Comp. Gen. 432 (1975), 75-2 CPD 275. In this case, prior to

consideration of price as a determining factor, a proposal must receive a score of 80 or above. We fail to perceive any difference between this so-called qualifying score and a pre-determined cut-off score.

We have held that the practice of using a pre-determined cut-off score to establish the competitive range is improper. *Donald N. Humphries & Associates; Master Tax, Inc.; Innocept, Inc., supra;* 50 Comp. Gen. 59 (1970). Rather, the competitive range should be determined by examining the array of scores from all proposals submitted and borderline proposals should not automatically be excluded from consideration. Id.

In 52 Comp. Gen., supra, we found that in a procurement where proposals were required to receive a score of at least 85 points in order to be considered technically acceptable, a decision to exclude an offeror from the competitive range was not improper when that offeror's score fell well below the acceptable cut-off score and was low in comparison to the array of scores achieved by other offerors. Thus, where offerors are not prejudiced by the application of such a cut-off score, there is no basis to sustain a protest in that regard. This does not mean, however, that we approve of the use of such a device. Rather, since it cannot be prospectively determined that the actual application of such a cut-off score will prove to be nonprejudicial in any given case, we believe that including such a score in an RFP, for whatever reason, is inconsistent with sound procurement policy.

Nonetheless, we point out that neither the offerors nor any of the parties solicited objected to this provision or advanced this as a reason for not participating in this procurement. In addition, our examination of the record plainly indicates that none of the offerors was in fact prejudiced by the use of this device since those who were not within the competitive range had scores significantly below the 80 point cut-off score. B–171857, May 24, 1971.

Restriction against offerors associated with prior publicized positions

The NVLC argues that the inclusion of the following statement in the RFP is ambiguous and overly restrictive of competition:

"In view of the sensitive nature of this study, the contractor should not have been associated with a prior publicized position regarding the effects of phenoxy herbicides and/or their constituents on human health."

The NVLC contends that this restriction is ambiguous because it could be read to cover not only academic articles but also meetings or organizations in which an offeror, or someone with whom he is associated, took any position on "Agent Orange" or any related chemical. The protester further argues that this phrase, while attempting to eliminate bias, does not necessarily do so, while excluding people who are not biased.

The VA states that due to the publicity surrounding the "Agent Orange" issue and the agency's desire to obtain an unbiased contractor, the requirement contained in the RFP was an essential part of the minimum needs of the Government. The VA further points out that this Office has frequently stated it will not question an agency's determination of what its minimum needs are unless there is a clear showing that the determination has no reasonable basis.

We believe that the VA's desire to obtain an unbiased contractor is reasonable, and the NVLC does not in fact question this. Rather the NVLC's concern lies in the alleged ambiguities in this requirement and its consequent effect on competition.

We do not find this provision to be either ambiguous or overly restrictive of competition. While a literal reading of the clause in question may be interpreted to exclude any person or organization that has previously conducted and published or reported upon a scientific inquiry into the effects of phenoxy herbicides in any respect (there have been a number of such inquiries conducted on behalf of or by various agencies including the Environmental Protection Agency), we think a reasonable interpretation of the language, in the context of the RFP, cannot be viewed as so all inclusive. Thus, a "biased public position" is implicit in the restriction if it is to be reasonably applied. We are not persuaded by anything in the record that the competition was limited by the provision in question.

We recognize, however, that the clause in question does not exclude all persons from participating in the procurement where a potential conflict of interest may exist such as an individual or organization which had been a paid consultant for one of the manufacturers of "Agent Orange." There is no evidence, however, that this conflict in fact occurred among the offers received.

Additional grounds of protest

The NVLC has raised several other allegations concerning the conduct of this procurement which we find to be without merit. We will discuss each issue briefly.

First, the NVLC alleges that the VA does not intend to negotiate with all responsible offerors as required by section 1–3.805–1(a) of the FPR. In this regard, we note that the RFP reserves the right to make award on an initial proposal basis.

This reservation is consistent with FPR § 1–3.805–1(a) which provides that in certain enumerated situations an agency may make award on the basis of initial proposals without holding discussions with offerors. Thus, we have held that the Government's reservation of the right to make award on the basis of initial proposals does not constitute refusal to conduct discussions with offerors. *North American Telephone Association*, B–187239, December 15, 1976, 76–2 CPD 495.

In any event, the record in this case reveals that the VA did in fact conduct discussions with all offerors. Although the VA has characterized these as "clarifications," the test of whether discussions have occurred is whether an offeror has been afforded an opportunity to revise or modify its proposal. *CEL–U–DEX Corporation*, B–195012, February 7, 1980, 80–1 CPD 102. In this case, after receipt and preliminary evaluation of initial proposals, the VA wrote to each offeror asking for additional explanation of its proposal and stating that any necessary price revisions should accompany the response. Each offeror responded to this request. Some offerors revised their cost proposal, some revised their proposed staffing, and some did both. It is, therefore, clear that discussions were in fact held with all offerors. See 51 Comp. Gen. 479, 481 (1972).

The NVLC also alleges that the criteria for the selection of the contractor put undue emphasis on price. The protester argues that price is not properly the deciding factor where scientific expertise, rather than a fungible item, is being purchased. In support of this position, the NVLC cites FPR § 1–3.805–1, which provides that while lowest price is properly the deciding factor in many contracting decisions, it need not be the primary consideration in the award of research or special or professional services contracts. The NVLC concludes that this "shortsighted" focus on price is arbitrary and unreasonable.

The selection of evaluation factors and the relative weights assigned to them are matters primarily for consideration by the contracting agency, and our Office will not substitute its judgment for that of the agency unless it is clearly and convincingly shown that the agency's actions in establishing and applying such factors and weights are arbitrary, capricious, or not reasonably supported by the facts. *Houston Films, Inc.*, B–184402, December 22, 1975, 75–2 CPD 404.

Notwithstanding that we have found the VA's use of an 80 point pre-qualifying score inappropriate as a general matter, in our view it does reflect an intent to employ a high standard for determining technical acceptability, rather than a minimum one. That intent appears to be consistent with the indication in Public Law 96–151 that the study design should be of a high caliber.

The NVLC next contends that the VA's plan to carry out the study itself discourages potential offerors. The NVLC points out that the contractor is expected to serve as a consultant to the VA during the conduct of the study, yet control over the study apparently will be entirely in the VA's hands. It is argued that many scientists will not submit offers under these conditions since they are asked to stake their reputations on a study over which they have no control.

This "lack of control" by the study's designer would exist whether the VA or another contractor conducted the study. Moreover, we understand that unlike a "laboratory" study the conduct of an epidemiological study by a party other than the designer is not unusual. In any case, the fact that some potential offerors may hesitate to submit proposals because of the VA's intent does not render the solicitation improper or the specifications unduly restrictive or competition so long as the specification represents the legitimate needs of the agency. *See H.M. Sweeney Company*, B–197302, June 12, 1980, 80–1 CPD 413. Thus, we must conclude that this allegation is without merit.

The NVLC also alleges that the RFP limits the length of proposal submissions to three pages only. This page limitation is alleged to be arbitrary and inappropriate for selection of a contractor best suited to the Government's needs.

Our examination of the record shows that the RFP calls for offerors to submit a three page summary of the components of the proposal. There is no limitation on the length of the proposal itself and the record shows that all offerors submitted proposals which were considerably longer than three pages in length. Thus, we find no merit to this allegation.

The NVLC also asserts that the study as presently contemplated by the VA will not comply with the statutory mandate of Public Law 96–151. The NVLC has raised several allegations in this regard. These can be characterized as follows: (1) the RFP contemplates adapting a general study design to meet VA capabilities and facilities, but such a design will not produce a scientifically valid study; (2) the VA plan to carry out the study is unscientific and will not comply with the statute because VA personnel are biased, such a study will not be credible, and veterans will refuse to go to VA facilities; (3) the study contemplated by the RFP is not a scientifically valid epidemiological study as required by the statute, but a clinical screening study instead.

In support of its first allegation, the NVLC argues that the VA plans to select a contractor on the basis of a general submission in response to inadequate specifications, and after the contractor and design are selected, work with the contractor to fit the design to the study. This allegedly will not produce a scientifically valid study since the study design should be made to fit the problem to be investigated rather than be predetermined and then adapted to the problem at hand.

We find no indication in the RFP that the contractor will be required to provide a general study design and then adapt it to the problem at hand. While, as we have previously discussed, the RFP does require the contractor to adapt study and control sample size to the realistic constraints of the facilities, staff and time under which the study will be conducted, this adaptation is to take

place during, not after, protocol development.

The NVLC's second allegation stems from the RFP provision that the epidemiological study itself will be conducted by the VA. It is argued that the scientific validity of the study is contingent on the neutrality of the fact gatherers, yet VA personnel are biased by the prior positions taken by VA officials on the "Agent Orange" issue and by the possible negative implications for the VA of finding a positive relationship between "Agent Orange" exposure and veterans' health problems.

This "bias" allegedly will also result in a study lacking credibility since the VA's conclusions will inevitably be viewed with suspicion. As a result, it is argued, the study will not dispel the suspicion, doubt and innuendo which were underlying concerns that prompted enactment of the statute. Finally, the NVLC alleges that veterans will refuse to participate in the study because they are alienated by the VA's past actions, such as ignoring the Agent Orange issue and trying to keep information away from veterans and the general public.

At the outset, it must be recognized that Public Law 96-151 specifically provides that "*the Administrator of Veterans Affairs* shall design a protocol for and conduct an epidemiological study * * *." (Emphasis added.) Consequently, we cannot conclude that a decision by the VA to conduct the study itself is contrary to the statutory mandate. In fact, it is entirely consistent with that mandate. Moreover, we do not believe there is any basis upon which to presume that a study conducted by the VA will be scientifically invalid.

We are aware that the Senate version of the provision under consideration here would have provided for the Department of Health and Human Services (HHS) to conduct the study and that the provision's sponsor felt that in terms of scientific objectivity and validity, HHS was the best equipped agency to conduct the study. See 125 Cong. Rec. S 17,994 (daily ed. Dec. 6, 1979) (remarks of Senator Cranston). Nonetheless, the compromise version as passed by both Houses substituted the VA for HHS.

The explanatory statement accompanying the compromise agreement makes it clear that the VA was regarded as the most appropriate Federal agency to conduct the study. This statement also shows, however, that Congress did not intend to limit the VA from contracting-out any portion of the study. The pertinent portion of the explanatory statement provides as follows:

"In addition, the Committees note their view that the VA, by virtue of its traditional mandate to provide services and benefits for veterans and their survivors is the Federal agency most likely to carry out the needed study with the requisite sympathy and understanding for the individuals concerned. *The Committees also note that the VA has authority, pursuant to section 213 of title 38, to enter into contracts with private or public agencies or persons for any necessary services for or in connection with any portion of the mandated study.*" 125 Cong. Rec. S 17,997 (daily ed. Dec. 6, 1979). (Emphasis added.)

In this respect, the VA has stated that no final decision has yet been made concerning what parts of the study will be performed by whom, nor will such a decision be made until the protocol has been approved. While we review this statement as inconsistent with the RFP provision on which the NVLC has predicated its allegation, it does reflect a willingness on the part of the VA to reconsider its position if a different approach is required.

The NVLC's last allegation is that the study contemplated by the RFP is not the scientifically valid epidemiological study ordered by the statute, but rather a clinical screening study.

In this respect we note that the solicitation continuously refers to the study as epidemiological and that no mention is made of a clinical screening study. Moreover, our examination of the proposals actually submitted in response to the RFP reveals that these offerors apparently understood the RFP to contemplate an epidemiological study rather than a clinical screening study. We find no merit to this assertion.

It is our understanding that there are a number of factors which can influence the validity of the study, some of which are beyond anyone's control. For example, the ability of any scientists or scientific group to arrive at a valid means of determining how to actually measure exposure to Agent Orange will have a decisive effect on the validity of the study. As the NVLC itself recognizes, this may be an impossible task.

The protest is denied.

MILTON J. SOCOLAR,
(For the Comptroller General
of the United States.) ●

INSPECTORS GENERAL

● Mr. BAUCUS. Mr. President, as we all know, President Reagan has summarily fired Inspectors General throughout the Government. His stated reason, according to a deputy White House press secretary is he "wants to put his own team in there." I rise today to object vigorously to such action.

When the Inspector and Auditor General Act was passed in 1978, the intent of Congress was to insure that the integrity and independence of the Inspectors General would be protected and that they would be free from political interference. This body required that each Inspector General be appointed and confirmed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration or investigation. Being a "team player" was not, is not and should not be a requirement. In fact, Congress was concerned enough about the independence of Inspectors General to include in the law that Inspectors General would report not only to agency heads but also directly to the Congress.

During the last 2 years, I have had the opportunity to work with Inspectors General at several different agencies. I have found their independence and the quality of their work refreshing. They have improved the operation of Government. To politicize these offices would only serve to hamper the nonpartisan activity of combating waste and fraud.

For example, during the 1970's, the General Services Administration had an investigative unit that was a political football. As a result, a hemorrhage of fraud and corruption went unheeded within the agency until made public by the press. We are doomed to repeat past lessons unless we have independent, nonpolitical Inspectors General. Government waste and fraud have become multibillion-dollar businesses that all too often depend on political connections for their existence. We cannot afford Inspectors General kept on tight political leashes that are yanked each time an Inspector General strays from the "team."

At the conclusion of my remarks, I wish to place in the RECORD a recent letter to me from Inez Smith Reid how IG's view their role. Ms. Reid was the former Inspector General of the Environmental Protection Agency. During the last year, Ms. Reid's efforts netted the taxpayers $50.6 million in savings. I do not know if Ms. Reid is "meaner than a junkyard dog," apparently another requirement of President Reagan, but I do know that she and many of her fellow Inspectors General have served the public and served them well. To summarily fire all of them is an affront to Congress and to the taxpayer.

During the next several weeks I will be seeking support for changes in the Inspector General Act to prevent another Inspector General massacre. I would not hesitate a moment to support the removal of an Inspector General if he or she is not doing the job. However, we should seek to hire and confirm the best available individuals as Inspectors General and then leave them alone long enough to do their job. If we do not change the law we will be served by toothless tigers always fearful of having their chains yanked.

I also submit for the RECORD a February 2, 1981, Washington Post article outlining some of the work conducted by IG's in the past 2 years.

The material follows:

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, D.C., January 23, 1981.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAUCUS: For the last year I have labored hard and long as the Inspector General of the Environmental Protection Agency. With only 138 PFIEs (124 with the hiring freeze) for the entire country, my staff and I have persisted in the most difficult effort of identifying and eliminating fraud, waste, abuse, and mismanagement in EPA's programs and operations—especially in the 28 billion dollar wastewater treatment construction grants program.

Having labored so hard against terrible odds to achieve the objectives that the Congress set forth in the Inspector General Act of 1978, you can perhaps understand my shock and anger at the manner in which I was removed from my position as Inspector General. I learned that I was "fired," as the news media put it, by watching the evening television news at the end of the working day. No one had informed me by telephone or in writing prior to the news broadcasts that I was to be removed. On the day of the announcement I worked in my office, without a lunch break, from 7 a.m. to 4 p.m. The Agency also has my home telephone number in case of emergencies.

The day after the news broadcasts of my "firing" I went to my office at 7 a.m. thinking I might find a written communication. There was none. I called two people at the Agency thinking that they might enlighten me. They had not yet arrived. At approximately 8:30 a.m. one of the persons I had called arrived to hand me my removal letter. The letter was received on January 22, 1981, dated January 21, 1981, and announced that I had been removed, effective January 20, 1981. Subsequently, I discovered that the

person who delivered the letter to me on January 22, 1981 had come to my office after I had left on January 21, 1981 to deliver the letter. When he could not find me, he reportedly told someone who is not at all connected to my office nor a high Agency official to "tell Inez she has been fired."

This procedure hardly accords with the dignity due a Presidential Appointee who has been confirmed by the Senate, nor with concepts of fairness and decency under which this country operates. To be summarily dismissed without cause is bad enough but to be informed of that dismissal through the news media and through someone not connected to my office is indecent.

Two other matters should be mentioned. I am deeply troubled by the fact that no one has been designated as Acting Inspector General. With many sensitive audits and investigations in progress that require the careful attention of an Inspector General, it is irresponsible not to have an Acting Inspector General. My inquiries as to who to leave in charge remain unanswered. Finally, it should be noted that I was offered an opportunity to negotiate a consultancy status to finish work on outstanding investigations and other work. Yet, as you know, a consultant cannot supervise anyone. And it is impossible to do my work with respect to outstanding audits and investigations without the ability to supervise.

When I entered EPA as its first Inspector General, I had high hopes for achieving the objectives of the Inspector General Act. We are just beginning to make substantial progress. In the last 12 months, through our audit work, we achieved savings to EPA of 50.6 million dollars. In addition, we have participated in the work of three grand juries and have several active investigations under way. Although I would like to continue the work I started here at EPA, I leave today with a sense of accomplishment but with a sense of fear that the objectivity and independence that the Inspector General Act sought to instill has now been tainted. Throughout my tenure as Inspector General, I sought to act without regard to partisan political considerations. I sincerely hope that the Inspectors General appointed under the Inspector General Act will be able to carry out their most difficult tasks without regard to partisan political considerations.

I have enjoyed my work and thank you for the opportunity to have served EPA as its first Inspector General.

Sincerely,

INEZ SMITH REID.

[From the Washington Post, Feb. 2, 1981]

FIRED U.S. WASTE-FIGHTERS BARE GOVERNMENT FOULUPS

(By Charles R. Babcock and Patrick Tyler)

There are 15 men and women out there in the federal bureaucracy who could tell President Reagan where a lot of bodies are buried as his administration begins its much-heralded search for waste, fraud and mismanagement in federal programs.

They make up the corps of inspectors general at major federal agencies. But, instead of debriefing them, Reagan fired them all last week.

Inez Smith Reid, the inspector general at the Environmental Protection Agency, for instance, could talk about the $133,000 worth of unused airline tickets dating back to 1972 that she found under a secretary's desk during a recent audit.

Thomas F. McBride, the former Watergate assistant special prosecutor who was inspector general at the Agriculture Department, could detail the widespread use of food stamps as an underground currency to buy drugs, illegal weapons and cars.

June Gibbs Brown, the IG at the Interior Department, might volunteer her discovery that a youth camp director in Missouri ordered 1,072 pairs of leg chaps, 3,736 pairs of work gloves, 112 stepladders and 1,509 desk calendars, all for a camp that was scheduled to enroll 136 youngsters.

The IGs' tales of waste and fraud range from the trivial to the enormous, from the Energy Department employe who was caught running up $100 in long-distance telephone bills between his office and a pornographic story "hotline" in the Midwest to the mortgage bankers in Puerto Rico who set up phony housing sales to siphon off millions from the Department of Housing and Urban Development.

When Reagan abruptly fired the IGs last week, some Democratic sponsors of the 1978 inspector-general legislation criticized the move as politicizing the fledgling corps. Congress' intent, they said, was to create independent, nonpolitical offices in the major executive departments, though the president has the right to replace the IGs.

Reagan's aides did say the fired inspectors can reapply for their jobs in the new administration if they think they can meet the new president's challenge to rip into waste and fraud like a "junkyard dog." Several IGs are trying to stay on.

During his presidential campaign, Reagan continually declared the elimination of "waste and fraud" a top priority. He tied the success of his entire tax-and-budget slashing recovery program to finding and cutting tens of billions of dollars in fraud and waste from government programs.

When asked during his televised campaign debate with President Carter how he would cut spending while cutting taxes and increasing the defense budget, Reagan replied, "I believe there is enough extravagance and fat in government."

He cited the Carter Cabinet secretary who once estimated that there was $7 billion of fraud and waste in the Department of Health, Education and Welfare alone, and the General Accounting Office estimate of the "tens of billions of dollars that is lost in fraud alone."

While hard figures on the magnitude of waste and fraud are elusive, several members of the outgoing class of Carter inspectors general agreed in interviews that they barely dented the problem. They also contend that, while fraud is prevalent, mismanagement and inefficiency do the greatest damage to taxpayers' wallets.

Like good bureaucrats, the inspectors say that they would do better if they only had more help, that they don't have enough auditors and investigators to police the multibillion-dollar programs. Some say they have been hampered by backbiting in their own offices, lack of support from Cabinet officers, or the difficulty of merging sometimes incompatible audit and investigative staffs.

But their biggest complaint is that program managers in the various agencies aren't held accountable for correcting the problems the IGs uncover.

"Cabinet officers need to start demoting and firing program managers for inattention and negligence to waste and fraud issues," said Agriculture's McBride.

Donald L. Scantlebury, director of the GAO's accounting and financial management division, which investigates waste and fraud for Congress, is sympathetic to the IG's frustration. "I think the [IG] concept is working out well," he said. "But it's a little early to expect dramatic results."

The idea of putting independent inspectors inside the Cabinet agencies was resisted by the executive branch for years. The first inspector general's office was set up at Agriculture in 1962 after internal audits failed to uncover the schemes of Texas fertilizer swindler Billy Sol Estes. But Agriculture Secretary Earl L. Butz abolished the office during the Nixon administration.

The first statutory inspector general was established after a House investigation found that HEW had only 10 investigators to oversee a $118 billion program. A 1978 law set up IGs in 13 additional agencies. The Department of Energy got an inspector general a year later. Because of hiring freezes, however, only about 5,300 of an authorized 5,900 slots for auditors and investigators have been filled.

The Defense Department, which doesn't have an inspector general, does have 18,000 auditors and investigators to oversee a $185 billion budget. By contrast, the Department of Health and Human Services, HEW's successor, has only about 100 auditors and 100 investigators to watch over a $260 billion budget.

Several of the inspectors general regard the required semiannual report to Congress as their greatest weapon against unrepented federal program managers. "Without that statute we wouldn't last eight seconds," one outgoing IG said.

Some of these reports are filled with undecipherable statistics, while others are highly readable chronicles of program abuse. McBride's latest report, for example, tells of two Greenville, S.C., men who sold five cars and trucks, 32 firearms and some marijuana to undercover agents in return for food stamps. In Gary, Ind., the assistant fire chief was convicted of selling $11,000 in food stamps for $7,000 cash to undercover agents from McBride's office.

Paul R. Boucher, IG at the Small Business Administration, said in a report early this year that five farmers who received $1.4 million in SBA disaster aid loans at 3 percent interest diverted some of the funds to 10 percent interest certificates of deposit, and bought stocks and tax-free municipal bonds with more of the funds.

Richard B. Lowe III, who has been acting IG at the gigantic HHS, said he was upset to learn that the Social Security Administration doesn't have adequate controls to prevent employees with access to computers from diverting benefit checks to themselves.

The greatest cheaters, according to the audits, are not individual welfare or health care recipients, but doctors and pharmacists and other providers of services who overbill the government. A recent HHS audit screen detected abuse in laboratories in the Los Angeles area that led to an FBI undercover investigation called "Labscam" and several kickback indictments.

EPA's Reid, with only 95 auditors, has been trying to police the nation's largest public works project—the $30 billion sewerage construction effort designed to clean up the nation's rivers—and she says she loses sleep over the vast areas of EPA operations she couldn't even look at.

"Because of poor management, the federal government is losing millions, perhaps billions of dollars," she said.

When Energy Department inspector general J. Kenneth Mansfield looked into a synfuels pilot plant built by Ashland Oil, he found that firm had put up a $1 million brick administration building instead of the prefabricated model called for by DOE. As it happened, the elaborate new building was adjacent to an Ashland refinery.

Too late to recover the government's loss, Mansfield called for sweeping management changes on the project, some of which were adopted.

Several of the outgoing IGs voiced the concern that Reagan's pledge to cut billions in waste will fall on its face unless their successors get more help.

To put a serious dent in waste, they said, the president will have to increase support for the program, especially within the Office of Management and Budget and in some agencies where sub-Cabinet administrators have starved the inspectors' budgets, cut travel funds to do audits, refused to place all

auditors directly under the control of the inspectors and, in some cases, attempted to head off investigations.

"I personally would not want to continue [in the job] without a commitment that the agency wanted this kind of work done or that they intended to support it," said Interior's Brown. She said she found then-Secretary Cecil D. Andrus a pleasure to work for, but that he was seldom there to back her up when program chiefs ignored her audit findings or refused to recoup challenged expeditures.

Reid said that then-EPA Administrator Douglas Costle never returned her memos. "To this day I don't know what his feeling was about the program," she said.

The day after the Energy Department's Mansfield released a report critical of a top aide to former Energy Secretary Charles W. Duncan, Jr., Duncan called the surprised inspector into his office and asked him to consider a job in Paris, even though the department had no office there.

Most of the fired inspectors have been on the job less than two years, and some of them said they were deeply wounded by Reagan's action.

"I really like my job and want to keep it," said former prosecutor Boucher at SBA, who in the waning hours of the Carter administration blew the whistle on a presidential assistant who got Carter to sign an order quadrupling the size of a minority aid program even though Congress had forbidden it.

A career man in Carter's Senior Executive Service, Boucher sent in his reapplication for the job to Reagan Thursday.

One inspector general summed up his view of Reagan's firing this way:

"Everybody wants a strong IG operation until it starts investigating them. The administration may start out thinking they want junkyard dogs, and what they may end up getting is French poodles." ●

NO TIME FOR HIGHER ENERGY PRICES

● Mr. BIDEN. Mr. President, the inflationary impact and social strain brought about by Mr. Reagan's decision to remove the remaining price controls on oil, gasoline, and propane mark a less than favorable beginning for the new administration. His action is hasty, ill timed, and contrary to the interests of millions of Americans, especially the elderly and those on fixed incomes, who have drained any and all of their savings to pay for their heat this winter. The President's action will produce higher prices throughout every sector of the economy and give an immediate boost to inflation—but it will not add any significant reserve of oil to America's fuel supply.

Even more serious than Mr. Reagan's decision to remove controls on oil comes the latest news of his reported intent to end all natural gas price controls by September 30 of this year. By shelving the gradual natural gas decontrol timetable enacted over 2 years ago, the President and his advisers would guarantee an even more astronomical "shock" of price increases that would be anybody's guess to predict. More importantly, I believe that either or both decisions will sap the last ounce of the average American consumer's disposable income, mete out a serious blow to any economic recovery initiatives, and spur an added inflationary spiral.

Mr. President, the day has long since passed when oil companies need to be given any additional economic incentive to explore for and produce oil. The merest glance at all the news reports showing waiting lists for virtually every item of drilling equipment in this country shows that additional profits, even exorbitant profits, are already available and are being reaped by the oil companies.

More rapid decontrol of oil prices will not get any more wells sunk or pipe more oil to market because there is no equipment with which to do it.

On the other hand, Mr. President, the day is here—now, today—when we must begin to reduce the persistent and crippling inflation that every American has had to confront in recent years. How we in the Congress go about the task of inflation fighting will no doubt be the subject of great and passionate debate in the weeks and months ahead.

But I will tell you how inflation will not be brought under control and reduced: It will not be controlled or reduced by removing, willy-nilly, all oil and gasoline price controls, and by doing that adding what the Congressional Research Service estimates at over 1 percent additional inflation. It will not be controlled or reduced by making American consumers pay what the Congressional Budget Office has estimated to be an additional $10 billion for oil-derived energy between now and September 30 when all controls on oil would have died their own death. And, Mr. President, inflation will not be controlled or reduced by giving the major oil companies this additional bonanza which has already increased their assets $160 billion overnight.

Likewise, Mr. President, inflation will not be brought under control or reduced by retreating from the very difficult compromise reached in the Natural Gas Policy Act—A retreat Mr. Reagan appears ready to lead. The specific result of that extremely long and painful congressional debate came about with full recognition that the extreme price impact of gas deregulation on consumers and the economy must be spread out over time. Axing the results of that carefully and laboriously negotiated compromise would put to waste hundreds of hours of work by the Congress and would seriously jeopardize this Nation's economic well-being.

Mr. President, in his inaugural address to the Nation, Mr. Reagan said that inflation "threatens to shatter the lives of millions of our people." At the time he made that statement, I believed he was describing our national predicament rather than foretelling the effect of his decisions. Two weeks later, his decision to decontrol oil, gasoline and propane ahead of schedule and his alleged proposal to lift the lid on natural gas prices promises to make that threat more a reality for millions of Americans.

In my part of the country, Mr. President, where we have experienced an especially cold winter—although by no means as severe as that which has been encountered in New England and elsewhere—many middle-income families have had to deal with "mortgage size" heating bills. With several more months of the heating season left, the President's action on oil controls heaps insult on top of injury.

The additional prices that Americans will have to pay as a result will make it that much more unlikely that they will be able to afford the new X-body cars, K-cars or world-cars, the sales of which will help to save energy, reduce foreign oil imports, and help to rehabilitate the American automobile industry. The drain on family incomes will also make it virtually impossible for Americans to make the investments in their homes necessary to save energy. The situation may even get worse, since the President appears ready to slash funds for mass transit, as well as ready to abandon many Federal programs designed to aid conservation and solar development.

Mr. President, I believe that the case with automobiles provides just one example of how the accelerated ending of oil controls will be felt throughout the entire economy. It will stymie many of the efforts aimed at ending the worst problems of inflation, high unemployment and a sluggish economy.

The administration also claims that ending oil controls will reduce oil consumption by some 50,000 barrels of oil per day. While I am not convinced of that particular number, I am not, Mr. President, going to quarrel with their forecast. I will predict, unfortunately, that if such conservation does come about it will be at the expense of those people in this Nation who cannot afford to spend another dime for energy—the low- to middle-income wage earners who have already sacrificed most of the warmth of their homes and much of the use of their cars. That is why I opposed President Carter's original decontrol proposal and why I also oppose this action by President Reagan.

In all, Mr. President, I believe Mr. Reagan's action to eliminate the remaining oil price controls at this time is a mistake that will tax the American consumer even further when his back is already to the financial wall. By the same token, if indeed the President is thinking of similarly lifting price controls on natural gas, I urge him to reconsider the wisdom of adding still another burden to the already overburdened American household.●

GOLD MEDAL AWARD OF THE NATIONAL RETAIL MERCHANTS ASSOCIATION

● Mr. CRANSTON. Mr. President, I submit for the RECORD an address made by Mervin G. Morris on receiving the Gold Medal Award of the National Retail Merchants Association. One of America's outstanding retailers and civic leaders, Mervin Morris explains the major role retailing plays in our economy—a role which qualifies it as one of the key elements in the Nation's economic structure.

A fellow Californian, Mr. Morris is chairman emeritus of Mervyn's and a director of Dayton Hudson Corp. He also serves as a trustee of Golden Gate University and of the University of Southern California and as a member of the

board of the Stanford University Graduate School of Business. Active in many civic organizations, he is founder of the Mervin G. Morris Cardiovascular Research Fund and of the Morris Neurological Research Fund of Stanford Hospital.

The address follows:

A LEADERSHIP ROLE FOR AMERICA'S RETAILERS

(By Mervin G. Morris)

I am deeply honored to receive this "Gold Medal" award. I am honored, first, because of the outstanding retail leaders it has recognized in the past. But even more important, I am honored because I have tremendous respect and admiration for the organization that is presenting it: the National Retail Merchants Association.

As you no doubt know, I was privileged to serve as the first chairman of N.R.M.A. from California in 65 years. And I am more privileged still to be one of the few from my state to receive the coveted "Gold Medal" award.

This award represents a special personal honor. And I would be remiss if I did not share that honor with my former colleagues at Mervyn's, some of whom are here today. Without their loyalty, dedication, and talent, I would not be standing here today, accepting this award. So thank you, men and women at Mervyn's. And thank you, N.R.M.A. Thank you all very much.

Like many of you, I have spent most of my adult life in retailing. Like some of you, I am not the first generation in my family to be in the retail business. Indeed, my great grandfather started the family tradition, selling clothes to the gold miners during the California Gold Rush of the mid-1800's.

How retailing has changed since those days! How our society has changed! What a dramatic evolution, even revolution, we have seen in our industry, particularly in the last 25 years.

Today I want to take the occasion of this award to reflect on some of these fundamental changes we have witnessed, both in our industry and in our society. More importantly, I want to discuss where we are headed as retailers, particularly how we can become "first class" leaders in this country—instead of "second class" citizens.

RETAILING IN NEW ECONOMIC AGE

The experiences of my generation of retailers can best be summed up in one word: change! During my retail career, I have seen probably the most dynamic and accelerated period of growth and development in the history of retailing. Today our stores offer selections never before dreamed of, in locations and environments that would have boggled the mind of my great-grandfather.

Consider the awe with which he would view today's retail landscape: climate-controlled shopping malls—anchoring entire suburban communities; new and revitalized central business districts; and the tremendous social changes that have resulted in expanded shopping hours and new retail formats.

This dramatic retail evolution has both contributed to, and been a reflection of, the dawning of a new economic age in this country. But, unfortunately for retailers, it is a new age that dawned almost unnoticed—its significance almost unappreciated.

I am talking about the fact that the industrial society, as defined by previous generations, ended in 1954. That's right, 1954.

After that year, according to the labor department, the number of workers employed to produce goods fell behind the number employed to distribute, sell, and service those goods—or to render services of one sort or another. Today, two-thirds of all employees in America produce services, not goods.

UNREALIZED IMPORTANCE

We have passed from the industrial age to the post-industrial age and very few of us even noticed. I doubt that very many of us, even in this room, realize just how important our industry is to this new economic age. Together, retail and wholesale trade now constitute the nation's largest industry. Today, trade accounts for more than 20 percent of this nation's private sector gross national product. To put it another way, we account for one out of every four jobs in the private sector.

Trade also is one of the fastest growing sectors of the economy. According to the Bureau of Labor statistics, trade employment grew roughly 40 percent in the last decade—compared to about 3.5 percent in manufacturing. That's over 10 times as fast!

Equally significant is the size of the retailing segment alone, without wholesaling. In 1979 alone, the sale of general merchandise, apparel and furniture amounted to $222 billion, or 12 percent of the total private sector gross national product. And in the most recent retail census, taken in 1977, these retail segments alone employed 2.5 million people with a payroll of more than $22 billion.

SECOND CLASS IMAGE

These are impressive statistics on the economic power of today's retail industry. But, unfortunately, they have been largely ignored. In spite of these figures, too many still cling to the old notion of the Industrial Age. Too many think we still live in a time when merchants played "second fiddle" or even "third fiddle," to the so-called captains of such industries as steel, automobiles and construction. Too many people view retailing as a "second class" industry—an image that is perpetuated by our educational institutions.

For years they have taught that there is a difference between so-called "basic" industries and "nonbasic" industries. And, believe me, in their books we are still in the "nonbasic" category, despite the obvious transition to a service-type economy

The impact of this false image is illustrated by how those outside of retailing regard our industry. Just last August, Gallup surveyed Fortune's 500 chief executive officers to get nominations for today's "most respected business leader." Not one single retailer made the top 20 when it was published in the Wall Street Journal. Last year, when "re-industrialization" was the cover story on Business Week, Dun's Review, and Newsweek, they concentrated exclusively on the problems of basic or "first class" industries. They ignored the retail industry and our need for government attention.

Last October, when Business Week editorially supported tax relief for "basic industries," the magazine called similar relief for our industry a "rip-off of the public." (I suppose there is one advantage of having this "second class" image. At least nobody has yet suggested nationalizing our industry!)

Now let me give one last example of what this "second class" image is costing us. The I.R.S. has just proposed regulations that determine who will, and will not, receive the tax credit for making energy improvements. You guessed it! Retailing is out of the latest draft—a move that could cost our industry millions of dollars.

Senator Barry Goldwater said it well when he complained to treasury secretary G. William Miller last October in these words, "I frankly see this ruling as a carryover of the old and mistaken view that retailing is not as important as manufacturing."

The point I am making is this: An outmoded view of our economic importance is the source of direct costs, economic and political, that subtracts from our "bottom lines" each and every day. Moreover, such attitudes, if they are allowed to continue, represent a major challenge to our individual and collective futures. They challenge our ability to invest in expansion, to seek a fair return on that investment and to attract and keep quality people in our industry.

MODERN MESSAGE: RETAILING MEANS MORE

The first step in meeting that challenge is to explode the old Industrial Age definitions of economic standing and what constitutes "basic" industries. And, to do that, we must begin by changing our own attitudes, and the public's attitude, about our industry. We must build public awareness that retailing is not just selling or merchandising.

Modern retailing is much more. It is the major link in America's distribution network. Indeed, in many respects, retailing is distribution! Where would the producers of goods be without the mechanism that distributes those goods to consumers? Where would consumers be? The answer is obvious: we would be limited to those goods that are pre-sold by the manufacturer. Almost 40% of the total output of the American economy (almost 1 trillion dollars in 1979) flows through the retail industry annually.

Where would this nation's economy be without that industry? The answer is: severely crippled. The distribution skills that we have developed in the retail trade industry now make possible the growth and expansion of manufacturing—that so-called "basic" industry. We have created the nationwide, even worldwide marketplace, to which manufacturers bring their products for us to distribute and sell.

DISTRIBUTION REVOLUTION

The "bottom line" message to get across is a simple one: Our distribution revolution has replaced the Industrial Revolution. The force driving the American economy forward today is not mass production. It is efficient distribution, including aggressive merchandising and all the many skills of our retailing industry. We must elevate ourselves from the "second class" status we inherited from the industrial society. We must claim the "first class" status we deserve as a major factor in the distribution revolution.

POLITICAL CHALLENGES

Once we have cleared away the old Industrial Age myths, the second step is to meet the political challenges before us. After all, it is not as if we don't have a local political base to work from. Despite the "second class" image, it is not as if we aren't popular back home. When was the last time you were asked to head the United Way drive in your community? When was the last time you were solicited to aid in a civic event or to organize an effort for downtown development? Probably just yesterday! And that's a comment on the excellent reputation retailers have earned as good citizens in their local communities.

But the question becomes: how can we translate that hard-earned community respect into more clout in public policy-making? My answer to that is two-fold: first, we must make even better use of our trade associations and all their resources. Those of us here today, who participate in N.R.M.A. or other trade association programs, have a clear understanding of the challenge before us. Now we must urge our colleagues who are not here to join us and get active.

If our political concerns as retailers are to be met, we must strengthen our organized coalition to advance and to defend our interests. The need for such an effort is painfully clear in that retailers today bear, dollar for dollar, the highest effective tax rate of any industry. Today we know that our trade associations are needed, not only as a way to help us understand new credit procedures and inventory controls, but as vital political forces for the retail industry.

An excellent example of that was the new trade treaty negotiated last year. Although it was not perfect by any means from our industry's point of view, it did effectively counter a growing mood of protectionism. Thanks to the leadership of our trade associations, retailers led the fight for reducing trade barriers. Without that fight, our industry could not continue to serve, efficiently and effectively, as the customer's purchasing agent in world markets.

But the point is, our trade associations did it with the help of a "grassroots" lobbying effort by retailers all across the country. Many people right here in this room participated in that effort, contacting their local members of Congress, using their local clout. That experience tells us, the best political activity is local—and personal. After all, you're the ones on the firing line. You know more than any public official how a proposed regulation or piece of legislation will impact your business.

The next time you see a problem, pick up the telephone, call your associations' Washington office, and let them know your views and concerns. The next time they call you and ask your help in contacting your local officials on behalf of our industry, say yes! That is the best way for N.R.M.A., and the entire retail industry, to build its political agenda and its political base.

FIVE PERCENT CHALLENGE

But, beyond strengthening our trade associations, and using them more effectively, there is yet another way we can translate local community respect into "first class" citizenship and more clout in public policymaking. That way is for us to do an even better job of being a good citizen in our local communities.

Retailers, more than most, have a good record of paying back the community they serve for the profits they make. Yet, with few exceptions, we have failed to take full advantage of the opportunity to strengthen our communities with real dollar contributions. Like most American business, retailers fail to take full advantage of the 5 percent tax deduction allowed for charitable contributions. Indeed, the national average for corporate giving falls short of even 1 percent!

Dayton Hudson, which I now serve as a director and which now includes Mervyn's, is the only retailer among a growing list of "corporate 5 percenters" around the nation. And, I might add, instead of losing our "family business" identity, which so many feared would happen with the merger, Mervyn's now has a new dimension because of Dayton Hudson's "5 percent policy." We have come to recognize and enthusiastically endorse the business sense of such a policy.

After all, if we want to have a viable business, we must have viable communities. If we are to protect our market share, we must first protect and build our entire market. In that sense, 5 percent is not a charity at all. It is a business investment. And it certainly makes more sense than sending all that money to Washington, and letting them decide how to spend it! Furthermore, I submit, it is an investment in credibility that strengthens our clout in the local communities where we operate.

I am quite confident that if more retailers followed the practice of giving 5 percent, our stature as an industry would be more secure. Indeed, retailers would be at the forefront of America's leaders.

DEMONSTRATE LEADERSHIP

Ladies and gentlemen, I firmly believe that we have the necessary elements right in this room to achieve a "first class" leadership role.

We have a better understanding of our economic importance and what a "second class" image costs us every day. We have a group of the most talented, highly respected community leaders in the nation. We have strong trade associations to assist our political efforts and an open invitation to help build a strong political agenda.

Now it is up to us to demonstrate that we have the conscience and the commitment to help solve America's problems in a way that strengthens the community as a whole.

We have a rare opportunity to show that we are not past our prime as an industry, or as a nation, and that retailers can be among the leaders of an ecomonic revitalization in the 1980's.

With the track record of this group to build on, I, for one, am confident that we can succeed.

Thank you very much.●

S. 425—AMENDMENT OF MORTGAGE SUBSIDY BOND ACT

● Mr. HATFIELD. Mr. President, I am pleased to join with Senator PACKWOOD in introducing S. 425, legislation that would rectify an oversight of the Congress in enacting the Omnibus Reconciliation Act of 1980. The Oregon veterans' home loan program has been an important mortgage lender in my State and began providing opportunities for nomeownership to qualified veterans in 1945. The Omnibus Reconciliation Act included the controversial Mortgage Subsidy Bond Act which passed in the House of Representatives as H.R. 5741 in early 1980. H.R. 5741 was added in the conference on the reconciliation measure at the insistence of the House Ways and Means Committee and, unfortunately, the Senate did not get the opportunity to consider H.R. 5741 on its own merits.

Although the general intention of the Mortgage Subsidy Bonds Act was to allow present general obligation bonds for residences of veterans to continue, the act imposed two new requirements that have caused 13,000 pending applications to be put on hold. Of these 13,000 applications, approximately 40 percent are affected by requiring that substantially all of the proceeds of the bond issue be used for residential purposes and providing that the proceeds cannot be used to acquire or replace existing mortgages.

Thus, an individual who has entered into a land sale contract to buy a mobile home and 15 acres of property with the intention of refinancing with a VA loan may not be able to receive a mortgage from any bond sale that occurs after January 1, 1981. Upon the opinion of Oregon's bond counsel and the attorney general of the State of Oregon, the VA has severely curtailed its policy on home loans. Five thousand individuals who are immediately affected have applied for a loan, received a letter of commitment or have incurred substantial obligations in reliance upon existing VA requirements.

The State was planning to fund these applications by January and April 1981 bond sales, but the provisions of the act are effective January 1, 1981, and, therefore, the bond sales must comply with the act. The State of Oregon is now scrambling to finance as many of these letters of commitment as possible and the entire Oregon delegation has committed itself to resolving the problems of affected Oregon veterans. The legislation that we are introducing in both the House and the Senate today seeks to hold harmless those individuals who have sold their homes, made improvements, and made substantial economic commitments in the expectation of receiving funds from the January and April 1981 bond sales.

The retroactive effect of this law upon existing veterans programs is ironic because the primary intention of the Mortgage Subsidy Bonds Act was to curtail the abuses in mortgage revenue bonds that were proliferating for middle and high income people. Detailed transition rules were written for mortgage revenue bonds, but none were provided for State veterans programs. Equity demands that relief be provided for these individuals.

The Oregon State Attorney General is also concerned that a class action law suit might be filed on behalf of affected applicants if relief is not provided. The Reconciliation Act only limits the tax exempt status of the bonds, but present applicants may clearly qualify for the loans under existing Oregon law. The State may be forced to pay for these mortgages, regardless of the economic costs, or face a crippling law suit that would severely jeopardize the Oregon veterans program. We cannot afford to risk these painful consequences and I hope that my colleagues on the Senate Finance Committee will recognize the immediacy of the need for relief.

The legislation we introduce is strictly limited to the January and April 1981 bond sales and holds harmless those individuals who applied prior to January 1, 1981. This legislation is simply designed to give relief to some 5,000 Oregon veterans who in good faith have made substantial economic commitments in the justified expectation of receiving funds from the State.

I believe that long-term relief may also be needed after regulations are issued in order to solve the problems of farm loans, refinancing and home improvements. The problems are fully discussed in the Attorney General's opinion that is included in the CONGRESSIONAL RECORD of yesterday. The State veterans programs have remained fairly stable over the last 10 years in contrast to the explosion of mortgage revenue bonds. It may be that my colleagues will want to consider a substantial exemption for veterans programs from the Reconciliation Act as part of a comprehensive effort to provide new incentives for military service. In any event, the host of problems that have occurred in Oregon may typify problems that are occurring in other States and, therefore, expedited hearings may be helpful to resolve the complex provisions of the Mortgage Subsidy Bond Act.●

S. 414—CASH DISCOUNT ACT

● Mr. CHAFEE. Mr. President, yesterday I introduced S. 414, a bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes.

I ask that the text of S. 414 be printed in the RECORD.

S. 414

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That this Act may be cited as the "Cash Discount Act".

TITLE I—CASH DISCOUNTS

SEC. 101. Section 167(b) of the Truth in Lending Act (15 U.S.C. 1666f(b)) is amended to read as follows:

"(b) With respect to any sales transaction, any discount from the regular price offered by the seller for the purpose of inducing payment by cash, checks, or other means not involving the use of an open-end credit plan or a credit card shall not constitute a finance charge as determined under section 106 if such discount is offered to all prospective buyers and its availability is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board.".

SEC. 102. Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by redesignating subsections (x) and (y) as subsections (y) and (z), respectively, and by adding after subsection (w) the following:

"(x) As used in this section and section 167, the term 'regular price' means the tag or posted price charged for the property or service if a single price is tagged or posted, or the price charged for the property or service when payment is made by use of an open-end credit plan or a credit card if either (1) no price is tagged or posted, or (2) two prices are tagged or posted, one of which is charged when payment is made by use of an open-end credit plan or a credit card and the other when payment is made by use of cash, check, or similar means. For purposes of this definition, payment by check, draft, or other negotiable instrument which may result in the debiting of an open-end credit plan or a credit cardholder's open-end account shall not be considered payment made by use of the plan or the account.".

SEC. 103. Any rule or regulation of the Board of Governors of the Federal Reserve System pursuant to section 167(b) of the Truth in Lending Act, as such section was in effect on the day before the date of enactment of this Act, is null and void.

TITLE II—BAN ON CREDIT CARD SURCHARGES

SEC. 201. Section 3(c)(2) of Public Law 94-222 (15 U.S.C. 1666f note) is amended to read as follows:

"(2) The amendments made by paragraph (1) shall cease to be effective on February 27, 1984.".

TITLE III—TECHNICAL AMENDMENT TO TRUTH IN LENDING

SEC. 301. Section 625(c) of Public Law 96-221 is amended by adding at the end thereof the following: "Any creditor who complies with such amendments and any assignee of such a creditor shall be subject to the provisions of sections 130 and 131 of the Truth in Lending Act, as amended by sections 615 and 616, respectively, of this title.".●

THE HOSTAGES

● Mr. BUMPERS. Mr. President, much was said since our fellow citizens were seized in Iran and held hostage, and more has been said since their release, but I beg the Senate's brief indulgence to consider only a few more words.

This capture of innocent people rightly outraged the country and the world. It was cowardly, and we justly abhorred it. Despite our outrage and abhorrence, we should not stoop to vengeance, because, as President Reagan has said, it is not worthy of us. It might lend undeserved dignity to the terrorists.

It is difficult, of course, to refrain from warning these and other terrorists that our twice-turned cheek will not be turned again. Yet, such threats are clearly unnecessary because the fruitlessness of such terror is now self-evident, as is our determination to resist it. These terrorists demanded the Shah's return, but he did not return. They demanded his wealth, but they did not get it. They threatened to hold "trials," but none were held. Above all, they sought to divide us, but found us unified. That is the lesson for all terrorists.

The past days of yellow ribbons, joyful tears, parades and mutual congratulations have clearly demonstrated our renascent national unity, which was burnished and hardened by our 14-month vigil. The hostage's safe return signaled the triumph of that unity, and that triumph is what we celebrate.

Our unity has endured for two centuries. It has been tempered by testing, and it has overcome all attacks. It allowed us to steer the true and difficult course. We did not yield to terror, nor did we surrender to the temptation to use force. We abandoned neither our citizens nor our commitment to the orderly resolution of disputes. There was no ransom or retreat. We are free to deal with nations rationally, not as emotions would compel us.

It is easy to recognize heroism in battle and to extol its virtues. It is more difficult to value the quiet heroism of simple endurance and patience. Yet, both kinds of heroism have been necessary to build and defend this Nation. It is appropriate that our recent celebration has focused upon 53 Americans who embody the simple virtues which, we like to think, characterize all average Americans.

They were not shot into space. They did not volunteer to lead a suicide attack. They were simply victims of circumstance, but they did not shrink from their fate. They met it straight on, and they endured, despite abuse, because they were confident that we would persevere in obtaining their release.

From all accounts, each hostage conducted himself or herself admirably throughout the ordeal. All of them desired to be free, but none of them sought to purchase freedom by discrediting the United States. Similarly, the entire Nation sought their release but would not yield to dishonor. In short, both the hostages and the Nation were equally united.

It is appropriate that their release was achieved by patient diplomacy. It is essential for us to recognize the value of this quiet heroism, in contrast to easily observed bloodshed, which would have only released the hostages into martyrdom.

There are those who favor war as a unifying force. Let them remember how we were here united, without bloodshed. It is the threat, not the means of dealing with it, which unites us.

The seizure of innocent people is a sign of weakness, not strength, and it is almost as much to be pitied as chastised. This incident must teach would-be terrorists to seek an orderly and legal redress of their grievances, so they will be armed with the law. Similarly, in the words of Thomas More in "A Man for All Seasons," we should not "threaten like a dockside bully," but rather threaten with the law.

There is a need for greater understanding throughout the world. We must be mindful of others' suffering; we must open our hearts and our arms to give help. We should do so freely, as befits a wise government, a good people, and a great nation.●

S. 433—HEALTH INCENTIVE REFORM ACT

● Mr. BOREN. Mr. President, I am again pleased to be cosponsoring the Health Incentives Reform Act, introduced by my colleague from Minnesota, Senator DAVID DURENBERGER.

As I stated upon first becoming associated with this legislation in the last session of Congress, Senator DURENBERGER is to be commended for his leadership in the complex matter of health care reform. I believe his proposal for private sector-based reform of the health system is a sound one. For too long Congress has relied on the old prescription of more and more Federal regulation as the strategy for dealing with rising health costs. That approach has been tried and found wanting, however, and the present economic crisis demands we seek new solutions.

I feel, as do an ever-increasing number of our colleagues in the Senate, that by strengthening competitive incentives in the health care system we can successfully meet the challenges of health care reform in the 1980's. Health care providers and consumers alike must become more aware of the costs associated with that care. I believe the Health Incentives Reform Act addresses itself directly to that issue. It is therefore my hope that in the coming days the Senate shall give careful, serious consideration to this important piece of legislation and the promise it holds for effective and efficient private sector-based reform of our Nation's health care system.●

ABC NEWS SPECIAL "AMERICA HELD HOSTAGE: THE SECRET NEGOTIATIONS"

● Mr. KENNEDY. Mr. President, on January 28, ABC News broadcast an outstanding 3-hour special report on the negotiations that led to the dramatic release of the 52 American hostages from Iran last month.

The report was prepared by Pierre Salinger, the chief of the network's news bureau in Paris, and a task force of 60 other persons. The report was originally broadcast on January 22. Because of the extremely favorable reception it received, it was updated and rebroadcast last week.

Mr. President, I commend ABC News and Mr. Salinger for the high quality of this special report and its important contribution to our understanding of the hostage crisis.

This broadcast is an example of television news at its best. I believe that the program is an important part of the his-

torical record of these events, and I ask that a transcript be printed in the RECORD.

The transcript follows:

AMERICA HELD HOSTAGE: THE SECRET NEGOTATIONS

ANNOUNCER. Tonight, instead of our prime time schedule, in response to unprecedented requests from across the nation, ABC News will broadcast an update of the astonishing report, America Held Hostage: The Secret Negotiations.

(Signature music).

For the next three hours, you will see an almost unbelievable account of international intrigue, shadowy figures and secret meetings.

(Visual).

Our investigation has continued since our first report, and for this update tonight we have new documents and new revelations by central figures who could not talk until now: Former Presidential Aide Hamilton Jordan, Former White House Counsel Lloyd Cutler, Former Secretary of State Cyrus Vance, among others.

(Visual).

This chronicle was pieced together by Pierre Salinger, Chief of the ABC News Paris Bureau, and a task force of sixty ABC producers, editors and camera people.

Visual. Day 143, March 25, 1980.

March 25th, 1980; Day 143 of the Iran Hostage Crisis. We begin with the story of a note:

PIERRE SALINGER (Vo).

"What U.S. wants.

(a) Captors released unharmed—quickly,

(b) When desired, normal relations with Iran under the existing government, recognizing the results of the revolution,

(c) An opportunity for Iran to air grievances through U.N., International Court of Justice, or media. J. C." (Jimmy Carter).

Visual. Christian Bourguet.

That hand-written note was given to this man, Christian Bourguet, a French left-wing lawyer, at the end of a ninety minute meeting with Jimmy Carter in the White House.

That unusual event is but a small part of an extraordinary and heretofore secret story we are going to tell you tonight. It is a story of the Carter Administration's relentless search for the freedom of the American hostages.

If it took the Carter Administration a long time to get the hostages freed it was not from lack of trying. The cast of this story, in addition to Bourguet, includes some fifty persons from twenty countries, all of whom played some role in trying to obtain the release of the hostages.

Visual. Hamilton Jordan.

Hamilton Jordan, President Carter's White House and campaign chief of staff, the man who had become the motive force in Carter's effort to free the hostages. He would travel all over Western Europe holding secret meetings with intermediaries of the Iranian government.

Visual. Sadegh Ghotbzadeh.

Sadegh Ghotbzadeh, the Foreign Minister of Iran, and close to the Ayatollah Khomeini, He would make an all-out effort to get the hostages released, finally ruining his career and putting his own life in danger.

Visual. Kurt Waldheim.

Kurt Waldheim, the old world diplomat who heads the United Nations, would panic in Teheran, complicate the hostage negotiations and mislead the United States on what he had done.

Visual. Hector Villalon.

Hector Villalon, an international businessman and wheeler-dealer who has made a small fortune in selling everything from Cuban cigars to Middle East oil. He would bring the American government the proof of Waldheim's failure in a secret audio cassette made in Teheran.

Visual. Omar Torrijos.

General Omar Torrijos, the leader of Panama, the man who signed the new Panama Canal treaty with President Carter and became his friend. He would invite the Shah of Iran to Panama and then agree to arrest him when the United States told him the arrest might free the hostages.

Visual. Helmut Schmidt.

West German Chancellor Helmut Schmidt. His government handed the United States a secret Iranian contact who unblocked the negotiations, and led to the freedom of the hostages.

Visual. Mohammed Heikal.

Mohammed Heikal, the Middle East's most prestigious journalist, a man trusted by Khomeini. The Americans would ask him to deliver a message to Teheran he considered so preposterous he refused to do it.

Visual. Hilarion Capucci.

Hilarion Capucci, Archbishop of Jerusalem; jailed by the Israelis for running arms to the Palestinians. He would go to Teheran after the Tebaz raid to undertake one of America's most distasteful missions during the Hostage Crisis.

Visual. Bruno Kreisky.

And Austrian Chancellor Bruno Kreisky. He would put one of America's bitterest enemies, Yasir Arafat, the head of the PLO, to work for the hostage cause.

Visual. Yasir Arafat.

SALINGER. As colorful as the cast of characters are the sites where the meetings took place; where messages were delivered surreptitiously, where scenarios were written to bring about the release of the Americans in Teheran.

Visuals. Rome, Geneva, Berne & Cairo.

(Vo). They range from the prestigious Haster Hotel on the hill overlooking the Spanish Steps in the Piazza D'Espagne in Rome, to the lavish home in Geneva of the Prince Sadudrian Aga Khan, the former head of the United Nations Refugee Agency. There were meetings in the Bellevue Palace Hotel in Berne, and in a private home along the Nile in Cairo.

SALINGER. The story has all the elements of a fictitional spy thriller, but it is all true. We will tell you that story tonight, much of it for the first time, in great detail.

You will learn how, when it seemed nothing or very little was being done to liberate the hostages, there was a continuing secret activity. We will tell you about secret meetings and reveal to you a number of heretofore secret documents. It is the story of the search for freedom of the American hostages.

IRANIAN DEMONSTRATORS. Down with Carter; down with the Shah. Down with Carter; down with the Shah. Down with Carter; down with the Shah. Down with Carter; down with the Shah.

(Signature music).

ANNOUNCER. This is an ABC News Special, America Held Hostage: The Secret Negotiations, reported by ABC News Paris Bureau Chief, Pierre Salinger.

SALINGER. While much of what we're going to tell you tonight is being reported for the first time, it is necessary to spend a few minutes understanding what triggered the Hostage Crisis.

Visual. February 14, 1979.

(Vo). The trouble had been brewing for some time and the new Iranian leaders were whipping up a frenzied anti-Americanism which was spilling onto the streets.

(Visual/Street Scuffle).

American diplomats in Teheran had warned the State Department that the Embassy compound was not adequately protected. It urged them to prevent the ousted Shah of Iran from coming to the United States.

(Visual. Drawings by Freda Reiter).

But when the Shah's doctors said he was desperately ill and needed an operation in the United States, President Carter overrode his advisors and permitted the Shah to come to New York.

SALINGER. It is now clear from the medical evidence we have acquired and interviews with doctors that the Shah's operation would have been performed without threat to his life in Mexico; but his good friends, David Rockefeller and former Secretary of State Henry Kissinger, urged him to have the operation in the United States. For the Iranians it was a red flag.

(Visual. American Flag Burning).

They saw the Shah in the United States as a start of a plot to overthrow the Khomeini regime, and as an argument they pointed out that the United States Government and the CIA had played a role in overthrowing the government of Premier Mohammed Mossadeq in 1953 and bringing the Shah back to power.

(Visual. 1953).

SALINGER. It was in that atmosphere that came the events of November 4th. ABC's Bob Dyk tells us what happened that day and some new details on why the United States Embassy was assaulted and the hostages taken.

(Visual. Bob Dyk—November 4, 1979).

BOB DYK (Vo). They went over the Wall November the fourth, a damp and chilly Sunday morning, about four hundred of them. No serious attempt was made by the Embassy's Marine security guards to defend the installation. They were told to use tear gas but not bullets.

In theory, the tear gas was supposed to buy enough time for the Embassy staff to destroy all secret documents. The plan failed.

(Visual).

According to one of the militants, the actual takeover was plotted by seventy to eighty radical Islamic students a few days after the Shah arrived in New York. They were led by the Ayatollah Khomeini, a cleric with political ambitions.

(Visual/Chanting).

The militants had two goals in mind: First, to force the resignation of Iran's provisional Prime Minister, Mehdi Bazargan.

(Visual).

The militants considered Bazargan too friendly with the West. Bazargan quit. The second goal was to force the U.S. to return the Shah to stand trial in Iran. That aim was not achieved.

The militants originally planned to release the Americans and vacate the Embassy after Bazargan's downfall. We now know that neither the militants nor Khomeini, who was having serious problems at the time trying to establish has Islamic Republic, correctly estimated the impact the Embassy's occupation was having on the people of Iran, how it would arouse their deep feelings against the Shah and the U.S.

(Visual).

Though Khomeini didn't know in advance of the militants' plans to seize the Embassy, he was quick to endorse it when it was actually taken over, and he freely offered his advice and support to the militants through his son, Ahmed.

(Visual).

To the mobs outside the gates, the militants were becoming folk heroes. They held a news conference to state their terms for releasing the hostages, but the U.S. again refused to turn over the Shah. The result: a deadlock for many months to come.

(Visual. Khomeini).

Khomeini delighted in America's humiliation; it made him as powerful a personality as the Shah once was.

SALINGER. No nation in modern times had ever confronted such a problem. Its diplomats were held hostage in a bitterly hostile and unpredictable country, with the approval of that nation's government. It was not

surprising, therefore, that the first reaction of the United States was to cast a wide net across the world seeking anyone, anywhere to help resolve the crisis.

In the first twenty-four hours the words from Teheran were encouraging; Prime Minister Mehdi Bazargan was telling the Americans not to worry, that the occupation of the Embassy was just like a campus sit-in in the United States in the 1960's; but it soon became clear that was not the case.

Visual. Habib Chatty, Secretary of Islamic Conference.

On November 6th, just two days after the hostages were taken, the United States turned to Habib Chatty, the veteran Tunisian diplomat who was the newly elected Secretary General of the Islamic Conference, and asked him to set up a direct communication with the Iranians. It was Chatty who gave the Americans for the first time Iran's official and uncompromising demands.

HABIB CHATTY (Voice of Translator). First, that the Shah be released to the Iranian government. Secondly, that his wealth be repatriated to Iran. Third, that the United States recognize all of the harm that they have done to Iran. Four, that the United States agree not to intervene anymore in the internal affairs of Iran. Until such time as these conditions have been met, no release of the hostages can be expected.

SALINGER. Except for the addition of the demand for the return of Iranian assets seized ten days after the hostages were taken, and the dropping of the demand for an American apology, Iran's conditions for the release of the hostages remained the same as the demands Chatty reported to the United States Government. The net also activated Austrian Chancellor Bruno Kreisky in Vienna, producing its first success.

Cut to: Bruno Kreisky, Austrian Chancellor.

BRUNO KREISKY (Voice of Translator). I found out that the only institution, the only organization which had a strong position in the new Iran, with the revolutionary Iran, was the PLO, The Palestine Liberation Organization. So I tried to contact the leader of the PLO, Mr. Yasir Arafat, to find out to what extent he could be and he would be helpful in solving the hostage problem. I contacted him very early, immediately after the story of the hostages happened.

Visual. Day 17—November 20, 1978.

I found him extremely cooperative, and personally I believe, and I am convinced, that the first of the hostages who were released from Teheran were released probably because of the assistance of Mr. Yasir Arafat and the Palestine Liberation Organization.

SALINGER. The PLO initiative Kreisky told us about brought about the release of thirteen hostages in November of 1979. It was strange that Yasir Arafat, a man who is such a sworn enemy of the United States, would perform for it such a valuable service.

(Visual/Hostages—Singing, over).

The release of these hostages raised hopes that others would soon follow. It did not turn out that way.

Visual. Ramsey Clark.

The net spread even wider. Ramsey Clark, the former Attorney General, was sent off to Teheran by Carter because he had met the Ayatollah Khomeini, but he was stopped in Turkey, Khomeini wouldn't see him.

Visual. Amadou Mahtar M'Bow.

Amadou Mahtar M'Bow, the Secretary General of UNESCO, was contacted. He sent a message to Bani-Sadr hand carried to Teheran by Sean MacBride, the former head of Amnesty International and the winner of the Nobel and Lenin Peace Prizes.

(Visual).

Former Italian Prime Minister Giulio Andreotti, asked by the United States to locate people with contacts in Iran, found the French lawyers, Christian Bourguet and Francois Cheron, who would play a critical role in the hostage negotiations.

Visual. Felipe Gonzalez.

Felipe Gonzalez, the head of the Spanish Socialist Party, would go off to Teheran with Olaf Palme, the former Swedish Prime Minister and Kreisky, the Austrian Chancellor, to try to do something about the hostages.

SALINGER. But if in casting that net the American government believed it could end the Hostage Crisis rapidly, it would be mistaken. The secret negotiations to free the hostages would be long and frustrating, as we will tell you in a moment.

Visual. Day 19—November 22, 1979.

REPORTER. By now it is plain, the Shah cannot stay in the U.S. He is moved from New York to Lackland Air Force Base in Texas while a haven is found for him. One of the world's richest men is a pariah, a "man without a country".

Visual. Day 38—December 11, 1979.

December 11th. Hamilton Jordan confers in Panama with General Torrijos, a close friend since the Panama Canal treaty negotiations. Torrijos says, Bring the Shah here.

Visual. Day 42—December 15 1979.

December 15th. The Shah reaches Panama and is whisked off to Contadora Island, elusive wraith, moving in a trail of security men and medical bulletins.

Visual. Day 45—December 18 1979.

December 18th. President Carter writes to Panama's President Royo, "We hope the Shah's stay in Panama will facilitate a solution to the crisis." Royo writes Carter promising full support.

Visual. Day 52—December 25 1979.

December 25th, Christmas Day. Panama tries to negotiate the release of the hostages. The Shah is the bait.

(Visual/Ayatollah Khomeini.)

SALINGER (Vo). When the Ayatollah Khomeini had gone to France in 1978, he had been joined there by Sadegh Ghotbzadeh, a fervent anti-Shah exile. Ghotbzadeh had returned in triumph to Teheran with the Ayatollah, and a year later had become the Foreign Minister.

SALINGER. When Ghotbzadeh heard the Shah had arrived in Panama, he set out to find a fellow political exile he had known in Paris, Hector Villalon.

Cut to. Hector Villalon.

HECTOR VILLALON (Voice of Translator). He was especially interested in the experience I had in U.S. and Latin American political affairs.

SALINGER. Villalon's special knowledge of Latin America and the Spanish language would prove helpful to the Iranians in Panama. He had fled his native Argentina after the death of Juan Peron, and had settled down in Paris where he had become a friend of the French lawyer, Christian Bourguet.

Bourguet was also a friend of Ghotbzadeh and a supporter of the Iranian revolution, so it made sense that when Ghotbzadeh finally found Villalon in Paris and asked him to come to Teheran, he took Bourguet with him.

(Visual.)

(Vo). This was the first time either of them would be directly linked to the Hostage Crisis. They would end up working on it for more than a year. In Teheran the two men met with Ghotbzadeh. Bourguet explains what happened:

Cut to. Christian Bourguet.

CHRISTIAN BOURGUET (Voice of Translator). I think it was the evening of December 21st. He gave us copies of letters that were going to be sent to Panama by diplomatic courier, and he told us to advise the Panamanians that a decision had been made by the Revolutionary Council with the approval of the Ayatollah Khomeini to release three hostages for Christmas as a gesture to the Panamanian government.

Visual: Gallegos, Kupke, Lopez.

SALINGER (Vo). The three hostages picked for release were William Gallegos and James Lopez, both of Hispanic origin, and Frederick Lee Kupke, an American Indian. The Panamanians had asked for such a gesture from the Iranians before they accepted to seriously discuss the possible extradition of the Shah.

SALINGER. While they were traveling, a French Parliamentary delegation showed up in Qom, the religious capital of Iran and the then site of the Ayatollah Khomeini's headquarters.

(Visual).

(Vo). Headed by the French Senator, Madame Brigitte Gros, all the members of the delegation represented Districts, which included the village of Neuf-le-chateau where Khomeini had lived while in exile in France. The parliamentarians were received in Qom by Khomeini and saw Bani-Sadr, who told them in confidence about the upcoming release of the three hostages.

The French legislators then flew back to Paris two days before Christmas. When they arrived at Charles De Gaulle Airport, they held a press conference during which they torpedoed the release of the hostages.

VILLALON (Voice of Translator). Right away they made a statement to the press, and announced the release of the three hostages in advance. As a result of that the possibility of releasing the three American citizens was lost.

SALINGER. Marcel Salamin, a close advisor of the Panamanian leader, General Omar Torrijos, who later became an intermediary between Panama and Iran, concurs with Villalon's conclusions.

Cut to. Marcel Salamin, Panamanian Ambassador.

MARCEL SALAMIN (Voice of Translator). Because of the indiscreet disclosure by a French Senator, the students staged a demonstration in front of the Embassy and blocked the release.

SALINGER. So when Christmas Day dawned in Panama, and Hector Villalon and Christian Bourguet went around to visit Panamanian President Aristedes Royo, they had no gift of three hostages for Panama. The premature public announcement of the release of the three hostages had caused the first opportunity to be lost.

Visual. Day 40—December 13, 1979.

REPORTER (Vo). By now the bitterness and frustration over events in Iran subdue the season in America. President Carter says the national Christmas tree will remain dark until the hostages are freed.

Visual. Day 52—December 25, 1979.

CHOIR. (Singing). Silent night, Holy night, Son of God . . .

REPORTER (Vo). For the families of the fifty-three Americans being held in Teheran, the Yuletide season is particularly bleak.

(Visual/Teheran).

AMERICANS. (Singing). Silent night, holy night, All is calm, all is bright; Round yon virgin, mother and child;

REPORTER (Vo). In Iran, Christmas music comes from the cold Embassy compound. Khomeini has let clergymen in for services. The hostages are unwilling stars in this propaganda film. We now know they had been abused and humiliated.

Visual. Day 54—December 27, 1979.

REPORTER. (Vo). By now Soviet troops have swept into Afghanistan, dramatically changing the power game in the Persian Gulf. As much as it would like to, the United States can no longer encourage disintegration of authority in Iran in order to free the hostages. There's fear in Washington that the Soviet Union might take advantage of Iranian internal disorder and march to the warm waters of the Persian Gulf.

President Carter tells ABC's Frank Reynolds he believes the Russians can no longer be trusted.

President JIMMY CARTER. My . . . opinion of the Russians has . . . changed . . . most drastically the last week than even the pre-

vious two and a half years before that. . . . It's only now dawning upon the world the . . . magnitude of the . . . action that the Soviets . . . undertook in invading Afghanistan.

(Visual).

REPORTER. (Vo). American strategy changes. From now on President Carter must deal delicately with the Khomeini regime, firm enough to free our citizens, not tough enough to push Iran into the Soviet orbit. Visual. Day 59—January 1, 1980.

Day 59, January 1st. An angry mob of Afghan and Iranian demonstrators storm the Soviet Embassy in Teheran, but this time Khomeini's revolutionary Guards evict the protestors.

CORRESPONDENT. Can you say anything to us? What can you tell us about your trip?

REPORTER. (Vo). That same day, U.N. Secretary General Waldheim arrives in Teheran to neogotiate the release of the hostages; but public hostility to Waldheim will cut short his visit.

Cut to: Pierre Salinger.

SALINGER. The U.N. Secretary General should not have gone to Teheran in the first place. From the moment he arrived in Teheran on January first to his hasty exit on January fourth, it was a disaster. Tonight we are going to tell you the inside story of the Waldheim mission, and why he failed.

(Visual).

(Vo). The Secretary General had been persuaded to make the trip by Pakistani Foreign Minister Aga Shahi; so when Waldheim finally made the decision to go to Iran just after Christmas 1979, he sent Aga Shahi to Teheran to receive assurances from the Iranian government.

(Visual/Shahi Interview).

Waldheim wanted to see the Ayatollah Khomeini and the hostages; the Iranians would give Waldheim no assurances, but he went to Iran anyway, convinced by Aga Shahi that things would work out.

(Visual).

SALINGER: Before Waldheim left for Teheran, the American government made it clear to the Secretary General that it was fundamentally against the idea of a United Nations Commission investigating past United States crimes in Iran. For the United States it would have been a considerable embarrassment, and the mood in America would not support the idea of the United States apologizing.

But the Americans also knew that what the Iranians wanted most of all at that time was just such an investigation. The United States told Waldheim it was ready for a trade-off: if the Iranians will release the hostages, then Iran can have its U.N. Commission and investigate past U.S. actions in Iran to its heart's content. It was the best negotiating card the United States had at that time, and the only thing they were willing to put on the table.

Cut to: Kurt Waldheim.

SALINGER (Vo). Waldheim, in an exclusive interview with ABC for this program recalls his contacts with the American government:

KURT WALDHEIM, Secretary General of the U.N. I was not empowered to negotiate . . . but . . . it was agreed . . . that I would try to find means and ways to solve the crisis, to contact . . . the Iranian authorities to find out in what way the problem can be solved and the, the United States Government gave me their ideas . . .

(Visual).

SALINGER (Vo). In Teheran, Waldheim was shaken by the tough reception he received and the threats on his life announced by the Iranian government.

IRANIANS. (Chanting). Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter . . .

WALDHEIM (Vo). It was certainly a dangerous situation. I . . . was confronted with the victims of SAVAK, which was a very emotional affair. I . . . had the incident . . . in the, on the cemetery; . . . I wanted . . . to pay tribute . . . to the victims . . . of the revolution; but then it turned out to be a huge demonstration . . . attacking me . . . directly . . .

WALDHEIM. All this was . . . of course . . . a very . . . sad experience . . . and it made it almost impossible . . . to have . . . talks . . . which would . . . really lead . . . to a solution of the problem.

Visual. Day 61—January 3, 1980.

SALINGER (Vo). The fact is that Waldheim was in a state of panic when he met with the Revolutionary Council and did not stick to the plan agreed on with the American government.

IRANIANS (chanting). Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter; down with the Shah! Down with Carter; down with the Shah!

SALINGER (Vo). The U.N. Secretary General had been particularly affected by the riot directed at him in the Teheran cemetery, and by the announcement on the Iranian radio that his life had been threatened. That was his state of mind when he went to meet the Revolutionary Council.

The reason we can be so explicit tonight about what went on inside the meeting between Waldheim and the Revolutionary Council is that we can reveal to you for the first time that a secret taping was made of that meeting. Here is what happened:

(Visual).

Instead of proposing as the American government had asked him to, a U.N. Commission after the hostages were released, Waldheim reversed the plan. He proposed a U.N. Commission that would go to Iran without any prior agreement on the release of the hostages. Waldheim was aware before he went to Teheran that the United States Government was totally opposed to this idea.

In an interview for this broadcast with ABC News U.N. Correspondent Lou Cioffi, Waldheim confirmed he changed the plan.

Cut to. Day 416—December 23, 1980.

LOU CIOFFI, Correspondent. Mr. Secretary General, before you left for Teheran it's reported that you had agreed with the United States, or the United States had agreed, that you would go there and offer a U.N. Commission to the Iranians in exchange for the hosta . . . release of the hostages. And yet when you got there and you talked to the Revolutionary Council, the Commission . . . did not automatically mean the release of the hostages, but simply set a process in motion. . . . What happened between?

WALDHEIM. . . . That is correct, of course . . . we had to set in motion a process. . . . The Commission, the Inquiry Commission, was a means to achieve the release of the hostages. . . .

(Visual).

WALDHEIM (Vo). . . . We did recognize . . . the grievances of the Iranian . . . authorities, the Iranian people on the one hand, but we also made clear that . . . the American . . . people and their, its government also have their grievances . . . about . . . the teratment . . . of . . . the hostages.

So the purpose was to, to agree on the setting up of a U. N. Inquiry Commission . . . which would lead then . . . to the release of the hostages.

SALINGER. Waldheim's reversal would prove a crucial error in the hostage crisis. He had given away the best negotiating card the United States had at that time, the creation of a Commission to investigate alleged U. S. crimes in Iran, and he had gotten nothing for it, not one single hostage.

What's more, Waldheim would be less than candid in reporting the results of his Teheran meetings to the United States Government, and would be considerably embarrassed when three weeks after the meeting with the Revolutionary Council, the secret tapes of that meeting would reveal to President Carter, who was at Camp David, the degree to which the U. N. Secretary General failed to carry out the agreed American strategy.

To update this chapter of our story, Secretary General Waldheim has reacted angrily to the report on our original broadcast that he accepted the Iranian view of a United Nations Commission without the prior release of the hostages, and in an attempt to diminish the importance of the secret tape recordings of his meeting with the Revolutionary Council, he says he did not negotiate with them. His principal negotiations, he says, were with Foreign Minister Ghotbzadeh.

Cut to. Courtesy—NBC U.N. Secretary General. January 23, 1981.

WALDHEIM. . . . Let me say that . . . the negotiations did not take place in the Revolutionary Council . . . to which . . . this broadcast . . . is . . . making reference . . . The talks, the discussions . . . negotiations . . . did pl . . . take place with Foreign Minister Ghotbzadeh and with him for many hours, and there I . . . did make this . . . suggestion which was . . . discussed and agreed upon by Washington: namely, to set up an Inquiry Commission . . . linked . . . to the release of the hostages . . . either before or at least simultaneously with the setting up of that commission. That is the truth.

Cut to. Issues and Answers.

SALINGER (Vo). But in an interview on ABC's Issues and Answers on January 6th, 1980—only forty-eight hours after he left Teheran—Waldheim was emphasizing the importance of his meeting with the Revolutionary Council, and saying his report to the U.N. Security Council would be based on that meeting.

Visual. January 6, 1980.

WALDHEIM. The . . . report which I . . . shall present to the Security Council tomorrow . . . will . . . contain my impressions, certainly, and also some ideas which were discussed with the Revolutionary Council, how to . . . overcome the difficulties, because there are two aspects: . . . we want the hostages—not only the Americans, the international community wants the hostages—. . . the Iranians want . . . the Shah and want an inquiry . . . in . . . the violation of human rights by the previous regime. So we have to . . . try to work out some sort of package . . . deal which makes it possible that we get the hostages, but we have also to accept something which satisfies the Iranians.

SALINGER. We have no desire to continue a polemic with the Secretary General and are willing to let the public make up its own mind on the merits of our arguments.

Mr. Waldheim sent us an emissary who showed us memorandums Mr. Waldheim had received from the United States Government the day before his departure for Teheran. Those memorandums confirm what we said, that the United States was willing to accept a U.N. Commission if there was a prior release of the hostages. The Secretary General, in an interview with ABC's Lou Cioffi we have shown you a few moments ago, concedes that he accepted the Iranian position, that the release of the hostages become part of the process of a U.N. Commission.

Since our program last Thursday, Waldheim's honor and good faith have been defended by former President Carter, former Secretary of State Cyrus Vance, former Deputy Secretary of State Warren Christopher and others. President Carter pointed out, among other things, that the Secretary General was not an employee of the United States, but of an international organization, something Waldheim has stressed repeatedly in his own defense.

None of these leaders, however, challenged our basic fact that Mr. Waldheim accepted the Iranian position of a U.N. Commission without prior release of the hostages while he was in Teheran. And we still firmly believe that is a fact. Update interviews and documentation confirm the United States Government came to accept the new Waldheim proposal because it had no other place to go.

In any case, even Waldheim's most ardent defenders concede his mission was a failure. That failure would fundamentally change the negotiating tactics of the United States Government and propel Hamilton Jordan, the closest man to President Carter, to the center stage in the effort to free the American hostages.

We will tell you that story in a moment.

SALINGER. Hamilton Jordan became the principal actor during the hostage drama as a result of the failure of the mission of U.N. Secretary General Kurt Waldheim. This is how that happened:

(Visual).

Two Panamanians had gone to Teheran to discuss Iran's desire to extradite the Shah. There they had dealt with the French lawyer, Christian Bourguet, and the Argentinian businessman, Hector Villalon. They had been impressed with the access these two men had to the Iranian leadership.

On their return to Panama, they gave a report to President Aristedes Royo and Armed Forces Commander Omar Torrijos. The two men agreed that Carter should be informed immediately about his new and valuable link to Iran. Torrijos made the call to Carter, and the President responded by sending Hamilton Jordan to meet a Panamanian delegation at Homestead Air Force Base in Florida.

Visual. Homestead AFB.

The result of this meeting was that Jordan would be thrust into the principal role in the effort to free the hostages.

(Visual).

A week later, Jordan was in London where he met face to face with Villalon and Bourguet for the first time for twelve hours. Other participants at the meeting were Harold Saunders, the Assistant Secretary of State for the Middle and Near East; and Gabriel Lewis, the former Panamanian Ambassador to Washington.

Cut to. Gabriel Lewis, Panamanian Ambassador.

GABRIEL LEWIS. I personally thought that . . . we have accomplished something. At least the United States have somebody to talk to who have direct contact with the people back in Teheran.

(Visual).

SALINGER. (Vo). Both Bourguet and Villalon were immediately impressed by Jordan.

Cut to. Christian Bourguet.

BOURGUET (Voice of Translator). I had never met him. First of all I was surprised by his age because he's a very young man. Secondly, I was surprised by the openness and the direct way in which he approached problems.

Cut to. Hamilton Jordan.

SALINGER. (Vo). Until now Hamilton Jordan has been reluctant to speak publicly about the details of the secret negotiations. In an interview which I conducted from New York with Jordan in Atlanta for this program, he was equally impressed with Bourguet and Villalon.

HAMILTON JORDAN. And then out of the blue, almost as if . . . they'd been sent by God, appeared . . . these two people who . . . appeared to have . . . credentials and contacts, and as a result I became, not only an admirer of Hector Villalon and Christian Bourguet, but I became their friend; and they acted honorably and in the interest of resolving this crisis . . . throughout.

(Visual.)

SALINGER (Vo). Bourguet spent much of the time at the meeting convincing the Americans that the Iranian request for the extradition of the Shah from Panama had to be taken seriously. As a starter, Bourguet urged the United States not to oppose the idea of the Panamanians arresting the Shah.

BOURGUET (Voice of Translator). I tried to explain that the problem of the extradition of the Shah, the return of the Shah's assets, that the Iranians considered this their fundamental problem; and that if the U.S. did not become aware of this, no beginning could be made. Mr. Jordan's reaction at the beginning was astonishment. He didn't believe that things were as serious as I was telling him.

SALINGER (Vo). At one point during the marathon conversation, Bourguet put in a call to Teheran and got Ghotbzadeh on the telephone. He tried to get Ghotbzadeh to talk to Jordan, but the Iranian Foreign Minister refused.

For Bourguet and Villalon, the London meeting was of extraordinary importance. One of their main missions was to explain to the Americans what the Iranians really felt.

SALINGER. They had now established a continuing link to the very top level of American power, Hamilton Jordan, the closest aide of the President of the United States. Jordan did not waste any time calling another meeting with Bourguet and Villalon.

Visual. Day 83—January 25, 1980.

(Vo). Less than a week after the first meeting in London, the two men stepped off a plane from Teheran and were whisked to the White House. They brought with them a spectacular and heretofore unrevealed present for the Americans which they had obtained in Teheran, the audio cassettes of the meeting between Waldheim and the Iranian Revolutionary Council.

These cassettes revealed to the Americans for the first time the full extent of Waldheim's failure, the fact that he had proposed to the Iranians the creation of a U.N. Commission without the prior release of the American hostages, something which up to then was unnacceptable to the Carter Administration. Hector Villalon explains why they brought the cassettes.

VILLALON (Voice of Translator). When the Secretary General returned to the United States, he made some public statements which were not precisely accurate on the facts and the events. It was possible for the United States Government to misinterpret Waldheim's meeting with the Revolutionary Council. So it was necessary for us to ask the Revolutionary Council for the original tapes of that meeting.

SALINGER (Vo). Despite the controversy over Waldheim, Jordan saw the significance of the cassette in another light.

JORDAN. . . . the tape was important in, in that it demonstrated that these two men that I had had contact with were in fact people who had a close relationship and the confidence of the revolutionary government.

SALINGER. Even though the Americans were against the plan as presented in Teheran by Waldheim, they still believed the U.N. Commission might eventually lead to a solution of the Hostage Crisis.

(Visual.)

(Vo). Bourguet and Villalon bought a suggestion from Foreign Minister Ghotbzadeh on how to break the impasse over the proposed Commission. If the United States would accept the idea of the U.N. Commission without the prior release of the hostages, Iran would accept the idea of asking the Commission to see all the hostages.

SALINGER. That idea was tantalizing to the Americans at that time because they were very concerned about the conditions in which the hostages were being held.

JORDAN. At that point in time we did not know if all of our hostages were alive or well or how they had been treated. So . . . the Commission going to Iran and seeing each of our hostages was a—a very critical element of—of the scenario, and tested at the outset the government's ability to get into the compound and to see the hostages.

SALINGER. The Americans accepted Ghotbzadeh's idea. Jordan, Harold Saunders, and Henry Precht, the head of the Iran Desk of the State Department, sat down with Bourguet and Villalon to hammer out the first plan, which they called a "scenario", for the creation of the U.N. Commission.

The two intermediaries then flew to Teheran to present the plan to the Iranians. The first reaction of Bani-Sadr and Ghotbzadeh was extremely positive.

Visual. Day 99—February 10, 1980.

(Vo). So at the Bellevue Palace Hotel in Berne, Switzerland, where Bourguet and Villalon arrived for a secret meeting with Hamilton Jordan and Harold Saunders, the intermediaries were in a state of elation. They saw the release of the hostages within their grasp.

The scenario for the U.N. Commission which the American government had helped write had the approval, not only of President Bani-Sadr, Foreign Minister Ghotbzadeh and the Revolutionary Council, more importantly, it had the blessing of the Ayatollah Khomeini. Not only that; for the first time, Bourguet and Villalon were bearing letters signed by Bani-Sadr and Ghotbzadeh officially authorizing them to negotiate with the Americans on behalf of the Iranians. For two days the four of them worked out an updated, minute-by-minute scenario for the creation of the U.N. Commission.

(Visual).

This new plan called for Iran to ask the Commission to see the hostages while they were in Teheran, and called for the United States to agree to the creation of the Commission without the prior release of the hostages provided that the Commission see all the Americans.

SALINGER. But the scenario went further than just the creation of the U.N. Commission. We now know there was a clear and firm link between the Commission's work and the release of the hostages. Contrary to what was being said in public, the plan was for President Carter to issue a statement, once the hostages were freed, which regretted the grievances felt by the Iranian people because of past actions of the United States in Iran.

Simultaneously, Iran would admit it committed a moral mistake in taking the hostages, and would agree to abide by international laws. Christian Bourguet recalls the provisional language that the Iranians insisted upon:

BOURGUET (Voice of Translator). But what the Iranians wanted was for the American government to recognize the interference of past American administrations in the internal affairs of Iran.

For example, the training of the Shah's police by American experts, the role of the CIA in the overthrow of Mossadeq, and the return of the Shah. And the Iranians wanted the Americans to commit themselves to noninterference in the internal affairs of Iran.

SALINGER (Vo). Jordan says today, however, that whatever language of regret that was agreed upon, the U.S. never intended to apologize.

JORDAN. . . . there was another stipulation we were to state . . . that we would not intervene in the internal affairs of Iran, and we were to take note of the grievances felt . . . by the Iranian people, but there was, there was no . . . apology in our scenario.

SALINGER (Vo). Working from notes he had written on the back of hotel laundry lists, Bourguet called Ghotbzadeh in Teheran and spelled out the scenario to the Iranian Foreign Minister.

BOURGUET (Voice of Translator). These are notes that I made on some paper in the hotel room. I told Ghotbzadeh he was going to receive a message through the Swiss Embassy in Teheran, indicating the Americans had accepted the scenario.

SALINGER. The U.N. Commission was launched. It had been carefully planned, but would it work? In a moment we will continue this inside story of what went on behind the scenes in this chapter of the search for freedom.

* * * * *

SALINGER. It was Day 100 of the hostage crisis, and work was going ahead for the formation of the U.N. Commission. The implementation of the scenario for the Commission got off to a good start.

(Visual).

As agreed, U.N. Secretary General Waldheim called Ghotbzadeh at the exact time outlined, Noon, New York time, February 11th, to announce that he was forming the Commission.

The next day, February 12th, Ghotbzadeh sent Waldheim a telex. Here we reveal for the first time what this highly important message said:

Visual.

"Our country, in conformity with agreements we have made, confirm that we would like the U.N. Commission to talk to each of the hostages."

Ghotbzadeh was keeping his promise to the Americans to have Iran ask the U.N. Commission to see the hostages in return for the United States approval to send the Commission without the prior release of the hostages.

After sending the telex, Ghotbzadeh headed for a week's trip to Western Europe, during which it was reported in the French press he had met with Hamilton Jordan. Ghotbzadeh denied it at the time.

(Visual/Sadegh Ghotbzadeh, Iran Foreign Minister).

GHOTBZADEH. This information is totally false because I never heard of the name of Mr. Hamilton Jordan til they told me that I've met him.

SALINGER. Jordan who has been candid on a number of points on his role in the negotiations, will not discuss this subject.

What we do know is that in Paris on February 19th, Bourguet and Villalon met Ghotbzadeh to discuss the U.N. Commission plans. And we know that on the same day in Paris Jordan met with Bourguet and Villalon.

As Ghotbzadeh arrived back in Teheran, the Commission members gathered in Geneva, full of optimism.

(Visual).

————. See you this afternoon.

————. See you.

SALINGER: After several days of work, they flew off to Teheran.

(Visual).

It would take some time before they would come to realize that their mission was doomed to fail.

From the start, it appeared the Iranians were prepared to play out the scenario which the American government had helped write and which they had approved. There is irrefutable proof that both Bani-Sadr and Ghotbzadeh wanted to make the Commission idea work.

ABC News has obtained these heretofore secret minutes of meetings held by Ghotbzadeh and Bani-Sadr with the Commission on the first day they were in Teheran. In each meeting it was stressed that Iran was aware of the scenario. At one point in the meeting with the Commission, according to these secret minutes, Bani-Sadr said, quote:

(Visual).

"That a scenario had been established and that Iran had participated in this scenario." (end quote).

Later in the meeting in response to a question from the Syrian member of the Commission, Bani-Sadr was reminded that it was the Iranians who had asked the Commission to see the hostages. The President replied, quote:

"There won't be any deviations in the plan, and Iran will execute the plan." (end quote).

(Visual).

But by March 8th, thirteen days after the Commission arrived in Teheran, they had still not seen the hostages. The members of the Commission were getting restive and applying increasing pressure on the Iranians to carry out their promise.

That day, March 8th, the Revolutionary Council had made a major decision. It had voted to transfer the hostages from the control of the militants to the government. Acting on that decision, Ghotbzadeh set out to arrange the transfer and move the scenario ahead. Bourguet and Villalon were there.

(Visual).

BOURGUET. The plans had been made for the transfer to be done by helicopter. There is a helicopter pad in the Embassy and another one in the Ministry of Foreign Affairs, and so it could definitely be done, and Ghotbzadeh called in the military people.

(Visual).

VILLALON. The Foreign Minister and the militia had received a permit to bring the helicopter in. But then we got some news from the inside of the Embassy that the pro-Communist team within the Embassy that was maintaining the hostages was prepared to play a martyr's role. That is, to kill everybody and commit suicide. It was a tragic situation. The Minister sent two delegations, and they came back with the report that these fanatics, these fools, were ready to do anything to prevent the Commission from coming in.

SALINGER. Actually, the United States government had received alarming information that the hostages might be killed. Just before the U.N. Commission went to Teheran, Harold Saunders contacted a key intermediary with the Iranians, Mohammed Heikal, an Egyptian journalist and former Minister of the Egyptian government and asked him to send this message to Teheran. The message said, quote:

"The USG, U.S. Government, is gravely concerned about reports we have received in the past few days indicating that some of the diehard militants at the U.S. Embassy compound may seek to kill some or all of the hostages if they are forced to release them. The U.S. is interested in receiving some form of assurance that the Iranian authorities are able to take measures to prevent this. The murder of the U.S. hostages would be a tremendous setback to stability in the region, would put the U.S. and Iran at odds for some time to come, and would blacken irrevocably the image of the Iranian revolution. If it is true that such action is planned, it is obviously the work of persons who want to further destabilize the situation in the region and undermine the goals of Iran's Islamic revolution." (end quote)

Heikal passed the message on to Ahmed Khomeini, the son of the Ayatollah.

In an interview done for this broadcast, Ghotbzadeh recalls another dramatic incident regarding the hostages while the U.N. Commission was in Teheran.

GHOTBZADEH. I remember one night they want . . . they want to see Rafsanjani and talk to him. But if you put the pressure on us, that the United Nations Commission see the hostages, we'll transfer them to the government. But if you want to take the hostages, you've got to announce it eight hours before you're coming to . . . get them and giving . . . our time . . . giving us the time to announce it over the radio, and then we're going to open the gates of the Embassy . . . everybody gets in. So obviously there was a conspiracy of pro, practically . . . putting in danger of the ho, life of the hostages.

Then . . . this transfer of the hostages obviously backed down.

SALINGER. What was incredible was that on March 8th, Day 126 of the hostage crisis, Ghotbzadeh and the men around him in his office planning their transfer, did not even know the identities of the hostages.

Ghotbzadeh asked Christian Bourguet to get the list from some American newsman then in Teheran. And when that failed, Bourguet drew up this questionnaire, which was to be given to each American as he left the Embassy.

But their release from the Embassy was not to be. At one-thirty, Ahmed Khomeini, the son of the Ayatollah, called Ghotbzadeh to say his father had not yet approved the transfer. Ghotbzadeh tried to assemble the Revolutionary Council, but they refused to meet. It was now impossible to transfer the hostages.

Then, on March 10th at the Hilton Hotel, the Commission gathered to meet Ghotbzadeh who arrived in a state of agitation. He had just learned at a meeting of the Revolutionary Council that the Ayatollah Khomeini had decreed the Commission could not see the hostages without first issuing a partial report of their findings, something which was not in the scenario.

VILLALON. The Imam, wanted the Commission to make a report to tell the Iranian people the reality of what it had found in its fifteen days of work. That is recognized that some crimes had been committed by the Shah, and that the U.S. had intervened in this conflict.

SALINGER. The Commission rebelled. They insisted on sticking to the scenario and making their report on their return to New York.

For three of the five members of the Commission, the Ayatollah's demand was the final straw, and they wanted to go home. Ghotbzadeh argued with the Commission to stay.

For the first time, we can tell you tonight what went on inside the room where the Commission and Ghotbzadeh met until the early hours of March 10th. Bourguet and Villalon were witnesses.

(Visual).

BOURGUET. In one room there was the Commission that was discussing with the Iranian ministers. In the next room there was Villalon and myself who were on the telephone with the White House. And in a third room there was the technical staff of the Commission who were in direct communication with Mr. Waldheim.

(Visual).

VILLALON. President Carter himself spent a long time by the telephone following the thing. And finally said, the United States is not opposed to the Commission doing its duty. That was the formula.

(Visual).

SALINGER (Vo). In effect, faced with the total disintegration of the U.N. Commission plan and with the hope fading for the release of the hostages, Carter gave in to the Ayatollah Khomeini's demands.

He agreed on the telephone with Bourguet and Villalon that the Commission could make a report on the crimes of the Shah before seeing the hostages.

But Andres Aguilar, the Commission member from Venezuela, broke up the whole thing. He refused to go along with Khomeini's demand despite Carter's pleas, saying it was unacceptable blackmail.

VILLALON. The Venezuelan delegate took me aside and said, Listen, even if President Carter asks me to say what I found here, I'm not going to do it. I do not agree to continue this thing.

SALINGER. (Vo). The French and Sri Lankan delegates sided with Aguilar. And at five in the morning, the Commission broke up.

GHOTBZADEH. And I think that was the biggest mistake they ever made. I think . . . although we came very close to resolve the

problem of the hostages during the stay of the U.N. Commission here and after the Commission departed, suspicion was created so much that we were much far off than we were before the Commission came.

SALINGER. The members of the Commission had not even been able to deliver this personal message from Jimmy Carter to the hostages. The message, revealed tonight for the first time, started, quote:

"This is President Jimmy Carter." (end quote).

And went on to praise the courage and patriotism of the hostages. It went on, quote:

"You have the love and respect of our entire country. When you return, you'll be met with an outpouring of affection, beyond anything you can possibly imagine." (end quote).

(Visual).

(Vo). So not only had the Commission been unable to deliver the message, worse still, its mission had failed.

(Visual/Airplane takeoff).

SALINGER (Vo). Hamilton Jordan analyzes the reasons for the failure of the U.N. Commission plan.

JORDAN. Unfortunately, our people were used throughout as political pawns in the power struggle in . . . Teheran. We were told that from the outset and throughout our negotiations that the scenario had been approved, not only by the Revolutionary Council—which I know for a fact it was . . . but also by Ayatollah Khomeini.

Ultimately . . . in, in the power struggle that took place, place in through, in Teheran throughout the crisis, up until the last few days when they were released . . . the religious hardliners were using . . . the negotiations of President Bani-Sadr and Foreign Minister Ghotbzadeh . . . as a political argument in their struggle for power in Teheran . . .

So I think ultimately . . . our efforts failed because at a critical point in time . . . some members of the Iranian leadership did not have the, the political courage to do what they had pledged to do.

SALINGER (Vo). In an interview conducted for this program, Harold Saunders, the Assistant Secretary of State who participated in the evolution of the plan, gave ABC News correspondent Barry Dunsmore his reason why the U.N. Commission failed.

HAROLD SAUNDERS, Assistant Secretary of State. While we thought when we embarked on that scenario that it had the full agreement of the Revolutionary Council and of Ayatollah Khomeini, it became apparent even while the U.N. Commission was in the air on its way to Teheran that . . . Khomeini either had changed his mind or had not fully agreed to the ex, . . . the scenario from beginning to end.

You remember when the U.N. Commission was on its way to Teheran, he announced that the problem would be resolved by the, by the parliament when it was formed.

SALINGER. This ended the first phase of the Carter Administration's secret negotiations to free the hostages.

In a few moments we will see how Panama and Iran, with the full knowledge of the United States, worked together to get the Shah of Iran under arrest to bring about the liberation of the American hostages.

* * * * *

SALINGER. It was the ultimate irony for a man like the Shah who had held the fate of millions in the palm of his hand . . . that he could no longer control his own destiny. Living in exile on tiny Contadora Island in Panama, the Shah became the increasing target of scheming and intrigue.

The Iranians wanted him back . . . that had been their first condition for the release of the hostages, but Panamanian law made extradition of the Shah difficult, even impossible. Under Panamanian law no person could be extradited to a country where the death penalty existed. The orgy of executions in Iran at the beginning of the revolution was a stark reminder that the death penalty did exist there, but Panamanian law also said that if a foreign country brought charges against one of its citizens . . . with enough presumption of guilt, the Panamanian Government had to arrest that person while the charges were studied.

The American Government never favored the idea of extraditing the Shah to Iran, but it came to accept the idea of the Shah being arrested . . . if somehow this highly symbolic act for the Iranians could be translated into freedom for the American hostages. The Panamanians were willing to do what the Americans wanted and if arresting the Shah was acceptable to the United States, they would arrest the Shah.

With this background it is easier to understand what happened in the sixty days which elapsed between January 23rd and March 23rd, 1980, two important dates in the story of the American hostages as it was linked to the Shah and to Panama.

We will recall that the French lawyer, Christian Bourguet, and the Argentinian businessman, Hector Villalon, had flown off to Teheran on January 21st after their first meeting in London for twelve hours with Hamilton Jordan, the right hand man of President Carter.

Iranian Foreign Minister, Sadegh Ghotbzadeh, was very excited with this new high level American contact. Ghotbzadeh believed that through Jordan he could get the Americans to pressure Panama into extraditing the Shah and bringing him back to Iran. At that time Ghotzbadeh still firmly believed extradition of the Shah was possible.

Also such a spectacular coup would be of great help to Ghotbzadeh personally. He was a candidate for President of Iran and his campaign was going badly. That overpowering need for a dramatic event to help his campaign is part of the explanation of the bizarre events which took place on January 23rd.

That morning at three thirty Christian Bourguet received a call from an excited Ghotbzadeh . . . who told him he had received an important call from Panamanian President, Aristedes Royo.

BOURGUET. He had received a telephone call from the Panamanian President telling him that Panama had made a decision to arrest the Shah and that this was going to be announced in the morning and that they would confirm this by telex.

SALINGER. Bourguet, who had planned an early flight to Paris that morning . . . rolled back over to sleep. A half hour later, four AM, the phone rang again. It was Ghotzbadeh who reported this time he had talked to the Panamanian leader, General Omar Torrijos.

BOURGUET. I was a little sleepy but he told me he had received a second telephone call from General Torrijos to tell him that the decision had been made to arrest the Shah.

SALINGER. Bourguet cautioned Ghotzbadeh to say nothing about the phone call until the telexes arrived.

BOURGUET. I advised him to wait until he received the confirmation telex. He had apparently instructed that the announcement of the arrest not to be given until the telex had been received. The telex was supposed to arrive at seven o'clock but there was a problem because Ghotbzadeh had understood seven o'clock Teheran time, whereas President Royo was speaking seven o'clock Panamanian time.

SALINGER. The confusion stems from the fact that seven AM Teheran time is not the same thing as seven AM Panama time. There is, in fact, eight and one-half hours difference between the two. At the time Foreign Minister Ghotbzadeh realized an error had been made because of the difference in time.

GHOTBZADEH, Iranian Foreign Minister. He said he's going to . . . announce it . . . announce the decision in the morning . . . Panama time, which is going to be the afternoon . . . our local time. Unfortunately, here . . . the minister say to release information . . . before and . . . obviously what, I'm sure . . . has annoyed certain number of . . . officials in Panama was a premature . . . announcement here.

SALINGER. Panamanian President Royo was indeed upset with Ghotbzadeh's early morning announcement that the Shah had been arrested as a first step in the extradition proceedings. It was all a misunderstanding. After interviewing all of the principals we can now tell you what really happened.

Royos and Torrijos did call Ghotbzadeh in the middle of the night. They told Ghotbzadeh that Panama was going to announce that when the Iranians filed their extradition papers . . . the Shah would be arrested as required under Panamanian law. Panama gave Iran sixty days to get together the necessary documents . . . but because of bad telephone lines and a language problem Ghotbzadeh only got the message that the Shah was going to be arrested.

He apparently did not hear or understand . . . that the arrest would only come when the extradition papers were filed. The language barrier was significant, for example, General Torrijos does not speak English and Ghotbzadeh does not speak Spanish. While the incident was unfortunate it did clarify for the Iranians just what they had to do to get the Shah arrested and as the days went by Ghotbzadeh because increasingly convinced that the Panamanians would not extradite the Shah but that they would arrest him with the proper documentation . . . something which would be highly symbolic in Iran and facilitate the negotiations . . . for the release of the hostages.

(Visual).

Back in Panama there were important and daily civil disorders. The presence of the Shah had provoked an angry reaction among part of the Panamanian population. For the first time in ten years the National Guard was ordered to take repressive measures.

General Torrijos was paying dearly for his friendship with President Carter, a friendship that led to Panama's invitation to the Shah . . . but for the former Iranian monarch his sojourn in Panama was proving beneficial. His health had improved dramatically during the month of January.

He had gained twenty-four pounds and his doctors were pleased with his recovery from the New York operation . . . but then things went bad again. His spleen which had caused him problems since childhood was found to be cancerous. He secretly entered a Panama hospital for treatment . . . but it was not only the health problems that bothered the Shah and his aids, they were aware of the increasing activity in Iran to prepare the extradition papers so the Shah would be arrested and as Robert Armao, the Chief Advisor to the Shah, told us in an exclusive interview for this program, the Shah and his entourage began to believe the former monarch would be arrested.

ROBERT ARMAO Shah Spokesman. The . . . administration was so anxious to come to a conclusion with the hostages they were capable of doing anything. They were willing to . . . shuffle him off to Panama when they knew . . . they knew full well what Torrijos was. They knew Torrijos and company very well. They knew the state of the Shah's health. They knew what the ultimate outcome was going to be so . . . based on the . . . treatment we received at the hands of the Panamanians the Shah felt, yes, arrest and extradition were possible.

SALINGER. That fear of arrest aggravated the Shah's health. His spleen operation was scheduled for March 15th but then cancelled when the Panamanians refused to let the Shah's own doctors perform the surgery . . .

and now he wanted to get out of Panama at all costs.

ARMAO. Remaining in Panama . . . posed a medical concern which . . . we apprised Hamilton Jordan and Lloyd Cutler. He refused the operation by the Panamanian doctor and . . . if he didn't move to have the operation he would have died. The consensus of the . . . several friends of the Shah's around the world including Doctor Kissinger, including David Rockefeller, including . . . several other prominent Americans, Europeans was that the Shah should leave Panama as soon as possible because we were risking our lives every day we stayed there.

SALINGER. As Armao just said the Shah's entourage had expressed concern about the Shah's health to Lloyd Cutler, Special Counsel to President Carter, and Hamilton Jordan.

But it was not just health that was worrying the former Iranian monarch. It was the fact that the lawyers for the Iranian government were closing in on him with the necessary papers to put him under arrest.

In a moment we will tell you the dramatic story of the Shah's last days in Panama.

SALINGER. We have been telling you about the Shah's final days in Panama and the move to arrest him. What was in the wind was a deal . . . the Shah would be arrested in Panama if the hostages would be transferred from the control of the militants to the control of the government of Iran.

So when Christian Bourguet arrived in Panama on March 20th . . . carrying these final extradition documents necessary to get the Shah arrested . . . the Shah became very uneasy. Bourguet now knew that if the paper were filed before the deadline set by the Panamanians . . . which was ninety-six hours away . . . the Shah would be arrested.

Hamilton Jordan, who dealt extensively with the Panamanians, gave me an assessment of what would have happened if the extradition papers had been filed.

JORDAN. One thing that's, that's been lost in this whole . . . review of the negotiations, Pierre, is the fact that . . . the Panamanians have, have a law and legal processes which must be . . . respected. And according to their, to their laws, I think it was pointed out in your earlier program, at the point in time that extradition papers were presented to the Panamanians, the Panamanians technically had to . . . to hold the Shah in some type of symbolic . . . house arrest.

SALINGER. For Iran even the symbolic arrest of the Shah would have been a sensational victory. For it would have proved to the people of Iran that the former occupant of the Peacock Throne was nothing but a common criminal.

The Shah himself was made aware by General Torrijos that he would be arrested, as the Shah's advisor, Robert Armao, told us.

ARMAO. General Torrijos came to him at one point, unbeknownst to me. I found out . . . several days later and told him that I might have to announce that you're under house arrest just to . . . he said, just to . . . play along this drama and . . . the Shah didn't answer him. Then a few days later the Shah told me. At this time, of course, the Shah's health was seriously deteriorating and the Shah just told me . . . one day . . . he said, You know . . . he said, to me it doesn't matter He said, what I'm worried about is my wife and the children . . . and my family . . . different family members were coming and going.

He said, that's what worries me . . . He said, my . . . what . . . what difference do I . . . do I make? It doesn't make any difference to me . . . But in the end he realized that they probably would have turned him over to the Iranians.

SALINGER. But something critical was missing before the extradition papers could be filed . . . which would bring the arrest of the Shah, the official Iranian Power of Attorney. The Iranian official carrying that key document would not arrive in Panama until Saturday, March 22nd, but the government offices were closed until Monday.

So the deadline for the filing was extended until the close of business Monday, March 24th. On Friday, March 21st, Bourguet was suddenly summoned to a meeting with General Torrijos. He was surprised to find Hamilton Jordan there. He did not know the White House aide was in Panama.

BOURGUET. Hamilton Jordan was there. He said, we have some serious problems. The Shah wants to leave Panama. Jordan said, under these conditions what is your analysis of the situation? What do you think of the various possibilities?

One, he will leave Panama and return to the United States, two go to Egypt, three . . . someplace else, four . . . he will stay in Panama where he will be arrested. I said the first solution, going to New York, was the worst. I'm not even sure it doesn't mean the death of the hostages.

For Egypt . . . there would be some serious consequences because of the links of the United States with Egypt after Camp David and because the Iranians believe Panama is an extension of the United States . . . It is my opinion . . . he had to stay in Panama.

SALINGER. Jordan actually agreed with the assessment. It was clear to Bourguet that the United States government from the moment the Shah had arrived in Panama . . . been willing to accept even the most drastic steps . . . including the arrest of the Shah, if that would lead to the liberation of the hostages.

Juan Materno Vasquez was the Panamanian lawyer representing Iran in the extradition proceedings.

JUAN MATERNO VASQUEZ. At no moment was the legal process of the extradition expected to be approved, the arrest, yes. It was something desired by Iran, Panama and the United States.

SALINGER. General Torrijos was agreeable to arresting the Shah, but he told Bourguet there was an important condition the Iranians had to perform first.

BOURGUET. He said perhaps I could make a decision myself to arrest him . . . but you understand this would be an act of politics on my part. In order to take this political action . . . there would have to be one thing of great importance accomplished by the Iranians and that would be to transfer the hostages out of the custody of the militants.

SALINGER. Bourguet immediately contacted Villalon in Teheran to tell him the news. The next day, Saturday, March 22nd, Torrijos called back Bourguet and gave him a deadline of twenty-four hours to accomplish the transfer. When Bourguet communicated the deadline . . . it was just before dawn on March 23rd in Teheran.

It took the Iranians more than twelve hours to get a meeting organized to discuss Torrijos' ultimatum. It was the Persian New Year and Bani-Sadr and many members of the Revolutionary Council were off in the provinces. Ghotbzadeh was full of optimism that the Shah could be held in Panama, although he feared financial and political pressures from the United States on the United States on the former Iranian monarch to leave.

GHOTBZADEH. Well there had been an attempt . . . by . . . Mr. Kissinger and Mr. Rockefeller to . . . make the Shah transfer somewhere else than . . . Panama . . . I think it was Egypt.

SALINGER. But his hopes would be shattered during a meeting which got underway at eight P.M. in the office of President Bani-Sadr . . . where Hector Villalon and some Iranian aides were also present.

The men in that room were faced with a double ultimatum . . . the one laid down by General Torrijos which gave them twenty-four hours to do something about moving the hostages out from custody of the militants . . . and a second and more subtle ultimatum . . . the increasing signs that the Shah was panicking in Panama . . . and wanted to get out of that country at any price.

He had been told by friends that his arrest was certain. Villalon described what happened.

VILLALON. Bani-Sadr spoke with Bourguet who still did not believe that the Shah would leave Panama. Bourguet considered it merely a threat . . . But a little later the Panamanian lawyer Mr. Materno Vasquez contacted us and told us there was a great deal of international pressure on Panama to get rid of the Shah.

I got Torrijos on the telephone and he told me the situation was untenable because the Iranian government had not taken any steps to resolve the problem. Torrijos said, we are asking you simply to transfer the hostages from the militants to the control of the government . . . then I can intervene.

We were trying to get more time when the journalist, Mr. Rouleau, came into the room.

SALINGER. Eric Rouleau is the correspondent for the French afternoon daily, Le Monde, and a specialist on Iranian affairs.

ERIC ROULEAU, Correspondent Le Monde. There was Bani-Sadr . . . wearing curiously a pajama . . . barefooted . . . sitting on a sofa with his legs crossed and talking to Sadegh Ghotbzadeh, the Foreign Minister . . . Hector Villalon . . . the . . . Argentinian businessman, who was acting as a go-between and a couple of aides and there was a heated discussion . . . and they was asking themselves what . . . how . . . are we going to do . . . what are we going to do to get the hostages out of the hands of the . . . Islamic students . . . And they were calling all the time Panama and discussing it over the phone and trying to convince . . . Mr. . . . General Torrijos to . . . adjourn the departure of the Shah until they are able to bring out the hostages from the . . . Embassy . . . from the compound.

There was an argument with Mr. Bani-Sadr and Mr. Ghotbzadeh . . . Mr. Ghotbzadeh wanted to use force . . . to get them out. Mr. Bani-Sadr was saying that this was not . . . decent . . . that he was prepared to go to the Embassy and convince the students to give up the hostages.

At some time . . . at some point . . . it was about midnight . . . I think . . . the phone . . . rang and . . . Ghotbzadeh started talking on the phone and I gathered it was . . . Torrijos talking to him and . . . Ghotbzadeh was beseeching . . . actually beseeching . . . the Panamanian leader, asking him to wait until the next day, seven A.M.

I remember . . . the time . . . seven A.M. He said by tomorrow seven A.M. Teheran time we would have got the hostages out of the hands of Islamic students . . . and suddenly there was a silence and . . . Ghotbzadeh became livid . . . the telephone practically dropped from his hands . . . and he said to those four people sitting . . . facing him, he said, the Shah has left . . . and I remember he didn't even say goodbye. He just . . . left the phone, came back . . . and there was a long silence . . . Everybody was struck . . . by that piece of news.

SALINGER. Hector Villalon remembers the dramatic end a little differently.

VILLALON. I picked up the phone to speak to Torrijos again. Torrijos said, since you need more time, I can't do anything. I can't intervene; the Shah is going to leave; the plane is there. I have no reason to intervene.

Bani-Sadr tried again to convince Torrijos. Torrijos said, no, I can't do anything. I can't intervene and that is how the Shah left, that is he fled.

SALINGER. Ghotbzadeh now believes that letting the Shah leave Panama was America's greatest mistake in the hostage crisis. Interviewed in Teheran for this broadcast, he said he believed the only way to get Iran's leaders to observe international law and get the hostages released . . . was to

prove to them that international law worked for Iran in Panama.

GHOTBZADEH. And I had a . . . telex from the President and he's under care . . . security care of the Panamanian government . . . and . . . they told me . . . again that . . . he is . . . put under the surveillance of the government . . . and again that question of Panama was . . . if you want . . . another American major mistake . . . because . . . when we had started . . . getting information together and . . . pleading to the Panamanian courts for . . . extradition of the Shah . . . if the American would have . . . stayed on the principles and keep the Shah over there, at least the process of the extradition . . . would have occurred.

Then some face . . . would have been created in law concerning international . . . laws and international regulations. The Shah left . . . and in that unfortunately some Americans were involved. It's for the Americans to say who was involved. We don't know the reality . . . but the reality should be . . . digged in the United States who obstructed that . . . because, as I said, it was extremely important . . . that we show to our people that some laws and regulations are being applied in the world . . . therefore, we should be abiding with it.

Every time we came close to that . . . it was blown up and it . . . the case of . . . of Panama was exactly one major setback for our viewpoints, that is . . . to abide with . . . international laws.

SALINGER. That is how the Shah's departure was seen from Teheran . . . but there are also witnesses in Panama. First, Juan Materno Vasquez, the Panamanian lawyer, representing Iranian interests.

MATERNO VASQUEZ. Hamilton Jordan was there saying that the Shah should stay but representatives of Rockefeller and Kissinger were telling the Shah that the extradition petition was valid and that he would be arrested and sent to Iran.

SALINGER. Panamanian President, Aristedes Royo, adds his point of view.

ROYO. It didn't work . . . because the Iranian government never really accepted the idea of liberating the hostages until the government of the United States met many other requirements . . . requirements different from holding the Shah in Panama.

I mean by this, the solution was really in the hands of United States more than it was in the hands of . . . Panama.

SALINGER. At the Shah's residence on Contadora Island . . . his principal advisor, Robert Armao, recalls the scene at that fateful moment.

ARMAO. When Cutler arrived that . . . final night in . . . Panama . . . he . . . offered the Shah the option that if his health deteriorated to such a point, they would welcome him back to the United States. So Lloyd Cutler said to the Shah in that meeting that he was welcome back to the United States . . . but Cutler suggested . . . that the Shah abdicate the throne perhaps.

They were preying on the Shah's . . . pride knowing that he would never do this. So on the one hand, we had the President telling . . . Princess Asraf . . . the Shah . . . he wouldn't let the Shah down . . . On the other hand, you had Cutler down there giving him a . . . half-hearted invitation back to the United States.

Later on that evening . . when I went back to sit with the Shah and discuss our plans, he told me what Cutler said. That he suggested he abdicate . . . abdicate, and he said that obviously he wouldn't, he couldn't. And he said . . . he is not welcome by the Carter Administration in the United States. Therefore, we'll go to Egypt.

For some reason . . . til this day I don't understand there was an urgency for us to get out of Panama . . . that last twenty-four hours. The United States had a concern to get us out before Monday . . . and I could never understand that . . . Lloyd Cutler . . . told me not to wait for Sadat's plane . . . that he would try and find a charter and we should move very quickly.

The only charter he later told me he could find was this four hundred passenger DC 8 when we were only a party of eight people . . . and the cost was over two hundred and . . . fif . . . over . . . well over $250,000.

SALINGER. White House Counsel Lloyd Cutler in an interview for this broadcast gives us his version of his private meeting with the Shah in Panama.

LLOYD CUTLER. I don't think it's fair to say we were trying to persuade him to do one thing or the other . . . I don't want to comment on a private conversation I had with the Shah that no one else attended. But . . . it was our view that were he to return to the United States, it should be made as nonpolitical as possible. And that he should make it clear in that event, he had no intention of seeking to regain the throne.

SALINGER. Cutler also said the Shah had to be gotten out of Panama because with the filing of the extradition papers, he was certain to be arrested or held in Panama.

CUTLER. The very weekend that the Shah was to have his operation, which was aborted because of the argument between the doctors, and he then decided to leave was also the weekend in which after months of delay, the lawyers for Iran finally arrived in Panama to present their expedition papers, extradition papers, which were to be filed on the following Monday.

As I mentioned earlier, in that event as a technical, legal matter, the Shah would have been required to remain in Panama until those proceedings were over. Since he was unwilling to have an operation there, afraid to do so, if he had been detained and if he had died for lack of this spleen operation, which was an emergency procedure that he needed, the re, moral responsibility of the United States and indeed of the Panamian government would have been very heavy.

For that reason we felt as long as he had decided to leave, he should leave as promptly as possible.

SALINGER. The Shah was desperately ill with a hundred and four degree temperature, but he was determined to leave Panama. When Bourguet heard the Shah's plane had actually taken off . . . he desperately tried to reach Jordan, but the White House aide had already left for Washington. He finally reached Henry Precht, the head of the Iran desk of the State Department . . . who told him the Americans would attempt to stop the Shah's plane in the Azores . . . But Precht warned Bourguet the Iranians had to move the hostages away from the custody of the militants.

Bourguet relayed the message to Teheran but Bani-Sadr had gone to sleep with orders to his guards that he not be awakened.

ROULEAU. The phone rang into my room . . . woke me up and there was Hector Villalon on the phone, very excited, saying . . . Eric . . . the Prime Minister is in trouble. He has a . . . a very important, a very urgent message to transmit to the . . . Chief of State, Mr. Bani-Sadr and . . . so I said, well, so what? So he said, yes, but . . . we are . . . we have been trying to get on the phone to him for the past hour, but his bodyguards would not wake him up. They have instructions not to wake him up until tomorrow at seven A.M. and this is too urgent.

So . . . since you have . . . had a long relationship with the President . . . you know . . . Mr. Bani-Sadr lived fifteen years in Paris, and I knew him then . . . would you please call . . . him. They put . . . they might wake him up for . . . for . . . wake him up for you. So . . . I did try . . . and I failed of course like the Prime Minister and then I understood from Mr. Villalon later on that . . . the reason why Mr. Torrijos was in such a hurry was that he wanted to . . . make a statement that night . . . saying that if the Americans would . . . intercept the Shah or arrest the Shah . . . on the Azore Islands, he would . . . get the hostages out of Islamic students.

In fact there was a plan . . . to send some . . . militias to get them out by force.

SALINGER. Nobody stopped the Shah in the Azores. The departure of the Shah was a classic example of the failures of both sides, which affected the fate of the hostages. The Iranians had sixty days to get the extradition papers to Panama . . . but their lawyers showed up with the documents . . . only seventy-two hours before the deadline expired.

They had twenty-four hours to get the hostages out of the hands of the militants . . . but could not agree how to do it. The Panamanians gave the Iranians a twenty-four hour deadline to move the hostages . . . and let the Shah depart before the deadline expired. Hamiltan Jordan was frantically trying to get the Shah kept in Panama . . . while White House Counsel Lloyd Cutler was ordering up the plane that took the Shah to Egypt.

The only thing the Shah left behind to show he had been in Panama was this handwritten note to General Torrijos.

"I want to thank you once more for all the signs of friendship, hospitality and human understanding that you have shown my wife and myself since you so graciously invited us to come to your beautiful country."

Another opportunity had been lost.

It was a weary and discouraged Bourguet who was ushered into the White House two days later. There for the first and last time Bourguet met with President Carter. It was an unforgettable meeting, with an unusual ending. We will tell you the inside story of that meeting . . . in a few minutes.

(Visual).

ANNOUNCER. By now, President Carter is dropping in the opinion polls. The Rose Garden strategy that helped him in November is hurting him now.

March 25th.

TED KENNEDY. I love New York.

ANNOUNCER (Vo). Senator Kennedy defeats President Carter in the New York Primary. Polls show the public is frustrated and irritated by the President's seeming inability to end the hostage crisis.

SALINGER. As March came to a close, the hostages had been imprisoned in Teheran for more than 140 days. Frustration and even a sense of desperation was settling over the White House. Not only had they failed to liberate the Americans, there was a pervasive feeling of total failure in communication between Washington and Teheran.

To deal with that problem, there were a whole series of messages initiated in a period of one week. We will look at that flood of communications, starting with perhaps the most unorthodox message of them all.

When Christian Bourguet arrived in Washington two days after the Shah left Panama, he was convinced that the United States had lost its best chance up to then to obtain the release of the hostages. He was also convinced of the good faith of the United States government in trying to keep the Shah in Panama. Whisked directly from Dulles Airport to the White House in an official limousine, Bourquet found the mood grim.

He was immediately taken to the office of Hamilton Jordan. They discussed ways in which the hostage negotiations could be revived. Early in the afternoon word came to Jordan's office that the President wanted to see Bourguet. The French lawyer was escorted across the Rose Garden into a room on the ground level of the White House living quarters. There, the left wing French

lawyer and the President of the United States found themselves face to face for the first time.

BOURGUET. He received me very warmly, and he told me how upset he was about what had happened in Panama with the departure of the Shah. He was aware how this made things more complicated, and he thanked us for our efforts.

SALINGER. In the ensuing conversation Bourguet, one of the Westerners who best knows Iran, told President Carter some things that shocked him.

BOURGUET. At a given moment he spoke of the hostages, saying, you understand that these are Americans. These are innocents. I said to him, yes, Mr. President, I understand that you say they are innocent. But I believe you have to understand that for the Iranians they aren't innocent. Even if personally none of them has ever committed an act, they are not innocent because they are diplomats who represent a country that has done a number of things in Iran.

You must understand that it is not against their person that the action is being taken. Of course, you can see that. They have not been harmed. They have not been hurt. No attempt has been made to kill them. You must understand that it is a symbol, that it is on the plane of symbols that we have to think about this matter.

SALINGER. At the end of the meeting, Carter started writing in a notebook in front of him. The words in pencil filled only one page, but it was an important message directed to the Iranian leadership.

BOURGUET. He had a little notebook. And at the end of the discussion, he told me, so that there will be no possible confusion, so it is quite clear what my position is, here is what the United States government wants.

He said, here, you can turn this over to Mr. Bani-Sadr, to the Ayatollah Khomeini. This is what we want. This is the summary of our position.

SALINGER. I asked him if he showed the note to the Iranians.

BOURGUET. Yes, of course, I gave copies to them, to President Bani-Sadr, to the members of the Revolutionary Council.

SALINGER. Bourguet told me about their reactions.

BOURGUET. The only thing that interested them was the last paragraph. That is the fact that President Carter had recognized in writing the rights of the Iranians to present their claims to the International Court of Justice in a very broad manner. The fact that he recognized this in writing, this was for them the proof that there was really a willingness on the part of the United States to resolve the situation, to solve the problem.

SALINGER. I asked Bourguet why he thought Carter had made the mistake of writing "captors" instead of "captives." Was he upset?

BOURGUET. Yes. I believe at the end of our discussion, he was definitely upset.

SALINGER. Before we leave this story of the handwritten note, we should briefly discuss two other messages between Washington and Teheran.

The first, drafted in Berne, Switzerland, was a handwritten letter from Hamilton Jordan to President Bani-Sadr. The letter was an effort to pick up the pieces after the failure of the U.N. Commission. It had two principal points:

It ratified the willingness of the United States to continue dealing with Iran through Bourguet and the Argentinian businessman, Hector Villalon.

Second, it proposed the creation of a joint U.S./Iran commission which would deal with outstanding financial problems between the two countries.

The second message is the one published by the Ayatollah Khomeini's office on March 27th, purporting to be a personal letter from President Carter to the Ayatollah.

It is now clear no such letter existed although the published text included whole paragraphs of previous secret U.S. messages to Iran. But no matter what the origin of the letter, its publication angered Carter.

Two days later, he sent a tough message to President Bani-Sadr giving the Iranian government forty-eight hours to move the hostages out from custody of the militants into the hands of the government. Failure to do this, Carter said, would bring tough new sanctions from the United States.

We'll tell you that story in just a moment.

SALINGER. We've been telling you the story of a tough new message that President Carter sent to the Iranians . . . in which he gave the Iranian government forty-eight hours to transfer the American hostages out of the custody of the militants into the hands of the government.

That threat was taken very seriously in Teheran. The Revolutionary Council discussed the Carter message for two days. On the afternoon of March 31st, the day before the Wisconsin primary, they agreed to take over the hostages as Carter had demanded if the United States recognized the right of the Iranian parliament which was about to be elected, to make the final decision about the hostages.

The Revolutionary Council gave Bani-Sadr instructions to send a message to Carter with that proposition.

French lawyer, Francois Cheron, the partner of Christian Bourguet, was with Bani-Sadr at the time and recalls what happened.

FRANCOIS CHERON. Bani-Sadr told me that . . . everybody agreed, Imam and the students and the Revolutionary Council and all the people involved in Teheran with the, the case. He was sure that the, the hostages could . . . could be transferred under the control of the Iranian government.

SALINGER. For some unexplained reason, Bani-Sadr modified the terms of the Revolutionary Council. The message which was delivered to Washington in the night of March 31st, April 1st, said that if Carter recognized the right of the new parliament to make the decision on the hostages, the Revolutionary Council would take over the hostages, or keep them at the Embassy under government control with the militants becoming members of the Revolutionary Guard.

Still, the intent was the same.

Now, let us take a detailed look at what happened on April 1st, Wisconsin primary day, recalling what ABC News reported that day.

(Signature Music.)

Super. ABC News World News.

Tonight, April 1, 1980.

FRANK REYNOLDS. Good evening. It's primary election day in Wisconsin and Kansas. And we'll have a report on the voting in both states later in this broadcast.

But in Iran on this one hundred and fiftieth day of captivity for American hostages, the President of Iran offered to remove the hostages from the control of the militants at the Embassy. The President of the United States promptly welcomed the offer as a positive step and deferred further sanctions against Iran.

But a few hours later, warned the Iranians that American patience is not endless. And, in Mr. Carter's words, failure to bring this outrage to an end is directly contrary to the best interests of the Iranian people.

So it has been a day on which it is possible to be encouraged, but impossible to be certain that real progress has been made.

SALINGER. What happened in Teheran that morning was that Ahmed Khomeini, the son of the Ayatollah, had read a tough speech on behalf of his father, which was violently anti-American.

(Visual).

It had forced Bani-Sadr to give an equally anti-American speech so not to be out of line with the Ayatollah.

But at the end of his speech, Bani-Sadr had offered to take over the hostages if the United States ceased hostile action against Teheran.

Five A.M., Washington: At the White House Carter met with his advisors to review the message they had received during the night and the text of Bani-Sadr's speech.

Seven A.M.: Carter made a statement in his office in which he judged Bani-Sadr's speech as positive. But he failed to make any mention of the right of the new parliament to make a decision on the hostages, which Bani-Sadr told him in the message was a precondition for the transfer of the hostages.

Now, let us hear what ABC's John Scali reported from the State Department that Tuesday evening.

JOHN SCALI. ABC News has learned that President Bani-Sadr has told President Carter that White House statements so far do not meet the conditions he has set for transferring the hostages out of the militants' hands. Bani-Sadr has appealed for a more specific declaration that the U.S. will not retaliate against Iran.

Bani-Sadr's request was made in the telephone call late today by a third party to Secretary of State Vance who in turn advised the President.

SALINGER. Considering how closemouthed the Administration was being at that time on its secret hostage negotiations, Scali was remarkably close to the truth.

What actually happened when Bani-Sadr heard that Carter had failed to mention the Iranian parliament in his early morning statement, he set out to see clarification. He summoned Cheron to his office, who called Christian Bourguet in Paris. Bourguet in turn called Hamilton Jordan at the White House, urging him to send a message to Teheran recognizing the right of the parliament to make the hostage decision.

So when Bani-Sadr had heard nothing at seven P.M. Teheran time, he feared that pursuing the negotiations would cause him troubles with Khomeini.

He gave an interview to CBS in which he lashed out at the United States.

At virtually the same instant, the telex machine in the Swiss Embassy in Teheran started to spit out a message from Washington. Carter had finally acknowledged the competence of the Iranian parliament to make the decision on the hostages. But the message went unread that night. The Swiss Embassy had closed for the day.

It was only the next morning that the message was finally delivered to Bani-Sadr. The Iranian President read it to his entourage, stuffed it in his pocket and went out to participate in Iran's Nature Day. Another opportunity had been lost.

In our update interviews with American and foreign officials, there is unanimity of view. That this April 1st initiative was considered almost a sure chance to get the hostages out.

Leading Swiss sources have told ABC that a Swissair plane was sitting on the runway of Zurich with doctors aboard ready to fly to Teheran. These same Swiss officials now tell us that enough cots had been brought to the Foreign Ministry in Teheran for all the hostages to rest until they went to the airport.

Former Secretary of State Cyrus Vance confirmed this fact today in an interview with ABC's Barry Dunsmore.

BARRY DUNSMORE. Indeed, it is a fact that . . . preparations were made at the Ministry . . . for the receipt of the hostages. I talked to Bruce Laingen about this recently when I was in Wiesbaden. He said lockers were moved in. . . . Other arrangements were made in the Foreign Ministry . . . for the sleeping arrangements for the hostages.

So I think that things were quite close at that point.

SALINGER. Hamilton Jordan recollects that day, April 1st, and tries to analyze why the hope failed.

JORDAN. . . . The day of the speech by Bani-Sadr and the statement by the President, we were very close then. And I'm not sure that . . . we'll ever know precisely why . . . why we failed. My own assessment is that . . . President Bani-Sadr . . . caught up in the political conflict and turmoil in Teheran, did not have the political will or, or courage to . . . effectuate the transfer of the hostages.

SALINGER. Once again, the American efforts to release the hostages had run afoul in the power struggle in Teheran.

The two Iranians who had really tried to do something about the hostages, President Bani-Sadr and Foreign Minister Ghotbzadeh, had seen their power systematically reduced by the religious leaders. The principal weapon of the religions leaders was that Bani-Sadr and Ghotbzadeh were pro-American because they were trying to release the hostages.

It was also becoming increasingly clear that rational messages had no impact on Iran's revolutionary leadership.

The United States would now decide to stop talking and take drastic action.

ANNOUNCER. By now, hopes for a resolution of the crisis have faded. Efforts by Bani-Sadr to transfer control of the hostages from the militants to the government have failed. The Ayatollah said no.

(Visual).

April 7th. President Carter retaliates by ordering all Iranian diplomats out of the United States. The break in relations is coupled with new economic sanctions.

CARTER. It must be made clear that the failure to release the hostages will involve increasingly heavy costs to Iran and to its interests.

(Visual).

ANNOUNCER. April 8th. Ayatollah Khomeini calls the United States bloodthirsty.

April 9th. There are hints of a Naval blockade against Iran. U.S. Warships are already in the area. In Teheran, the militants threaten if there is the slightest military attack on our land, we will destroy the spy hostages and the Embassy. The tension builds.

(Visual).

April 17th. President Carter imposes more sanctions and threatens military action.

CARTER. I am compelled to repeat what I have said on previous occasions. Other actions are available to the United States, and may become necessary if the government of Iran refuses to fulfill its solemn international responsibility. The American hostages must be freed.

April 24th. Foreign Minister Ghotbzadeh threatens to cut off the entire Persian Gulf and block Western oil supplies if the U.S. mines Iranian ports.

Then, April 25th, Day 174 of the hostage crisis. Eight Americans die in an aborted rescue mission to free the hostages.

SALINGER. What led a desperate President to do something he had vowed he would never do? Use force in the Iran hostage crisis.

The evidence is now clear that rising public indignation of the long detention of the hostages, the failure of months of quiet, secret but unsuccessful negotiations, and the pressures of a political campaign that was going sour, all played a role.

Hamilton Jordan, who lived through that period of desperation, gives us a behind-the-scenes look at the Tebaz decision.

JORDAN. So it was a confluence of events, namely, our negotiations had failed; our efforts to make contact with the Iranian leadership and develop an honorable solution to the crisis had failed; instability in Iran; increased concern about the safety of our people, a heightened concern; and the development of a rescue plan in which the military had high confidence. It was in that atmosphere that President Carter, I will always think correctly, attempted to rescue our people.

SALINGER. In any event, Carter finally gave in to his National Security Advisor, Zbigniew Brzezinski, who told him there was a military plan which would work. It failed. It was one of the worst military defeats and humiliations in the history of the United States.

Bob Dyk, who was in Teheran at the time, tells us the story of Operation Blue Light.

BOB DYK. The disastrous attempt to free the hostages by military force, this is what became of it. On the morning of April the 25th, President Carter broke the news.

CARTER. It was my decision to attempt the rescue operation. It was my decision to cancel it, when problems developed in the placement of our rescue team for a future rescue operation. The responsibility is fully my own.

In the aftermath of the attempt, we continue to hold the government of Iran responsible for the safety and for the early release of the American hostages who have been held so long.

DYK. Iranians celebrated the mission's failure as a victory for Allah, Khomeini, and the militants, who promptly scattered the hostages throughout the country, to discourage U.S. military planners from trying again.

Basically, the plan was this: To fly a volunteer team of U.S. servicemen into Teheran where they would break into the Embassy, free the hostages, and fly them to Turkey.

Three transports, one of them a tanker, flew in from Egypt. And helicopters from an aircraft carrier penetrated from the south. The destination was an abandoned airstrip near Tebaz, about three hundred miles southeast of Teheran.

This chart shows the flight path one of the helicopters followed. Aborted because of equipment failure, it ended in the desert, eight U.S. servicemen burned to death. A fiery collision between the tanker, and one of the helicopters.

SALINGER. The Tebaz raid was a shock and surprise to the men the United States was using as intermediaries in the hostage negotiations. It also put them in a very delicate situation.

None of them had prior knowledge that the United States had suddenly shifted from the road of secret negotiations to that of military action.

The Iranian who at that time was the most involved in the hostage matter, Sadegh Ghotbzadeh, also showed from the start that he did not want the Tebaz raid to affect future negotiations. He did so in a call to one of the intermediaries, French lawyer, Christian Bourguet.

BOURGUET. He wanted some clarification as to the reason for which the operation had been launched at that time. But he also wanted me to tell the Americans that neither he, nor the Ayatollah Khomeini, would seek any revenge against the hostages because this attempted military intervention had occurred.

Ghotbzadeh told me to tell the Americans, "You have been punished enough like this. It's an act of God. Let's start again."

SALINGER. Argentinian businessman, Hector Villalon, was also in touch with Teheran soon after the Tebaz raid. Both he and Bourguet were preaching moderation to the Iranians, who on one hand were shocked by the raid, but on the other, impressed by the sacrifice made by Secretary of State Vance in resigning.

CYRUS VANCE. (Secretary of State) First I believe that ten to fifteen of the hostages would've been killed, even if the raid had been able to go through, and they had been able to reach the Embassy.

Secondly, it was a very difficult and complicated . . . rescue operation to carry out many thousands of miles from home.

In addition to that, I believe that it is a strong likelihood that new hostages would have been taken.

VILLALON. The decision made by Secretary of State, Cyrus Vance, with respect to this matter, made a great impression on the Iranians. And this enabled Ghotbzadeh's decision to avoid a break. And it was he who made the wisest possible statement, the most moderate statement possible which permitted the Imam to make a moderate statement of his own.

SALINGER. But in our update investigation, we have discovered another startling fact about communications after the Tebaz raid. A top official in Iran even picked up the phone and put in a call from Teheran to Hamilton Jordan's private number in Washington, to discuss the raid with him.

Bourguet and Villalon also had talks with their contacts at the State Department in the immediate aftermath of the Tebaz raid.

VILLALON. I think that they were honest. They said that they were not able to prevent it. "We were against it. We couldn't stop it."

SALINGER. Even today, rereading the moderate statements made in Iran after the Tebaz raid, their tone is surprising. It is now clear the Vance resignation was one reason.

But the intermediaries, Christian Bourguet and Hector Villalon, deserve a great deal of credit for convincing the Iranians that nothing should be said which would compromise future negotiations.

But Bourguet and Villalon were not the only intermediaries who were shocked by Tebaz. In Cairo, Mohammed Hassamen Heikal heard the news of the raid with incredulity. Heikal, a distinguished Egyptian journalist, who had been the right hand of the late Egyptian President, Gamal Abdul Nasser, had been employed as an intermediary by the United States Government since January.

HEIKAL. I think that we were near a solution at that time . . . we were near a solution at that time. But then all of a sudden, out of the blue, the Tebaz thing happened. We were, oh, my God, all this happened now, at this moment. It's going to blow everything sky high. I mean it will be very difficult after that to try to build any bridges.

(Visual).

SALINGER. Heikal had an exceptional advantage to the American government. He had a close relationship with the Ayatollah Khomeini. Heikal had been recruited as an intermediary by Harold Saunders, the Assistant Secretary of State for the Middle and Near East, at a meeting in London in mid-January.

For four months he had been passing American messages to Khomeini. For example, he had passed a message to Teheran on March 9th, after the United States government received information that the militants at the Embassy might try to kill the hostages.

But several days after the Tebaz raid, when a middleman brought him a new message for the Iranians, Heikal was shocked by what the United States government was asking him to pass on to Teheran. In effect, the message was suggesting to the Iranians that they use the Tebaz raid as a way of proclaiming victory over the United States by issuing a statement on the moral superiority of the Islamic Republic. And pointing to the humiliating defeat of the United States.

It suggested that the Iranians show the great humanitarian face of Islam by releasing the hostages. It went on to suggest that the hostages be taken to Tebaz with the press so the newspaper correspondents could note their disparaging remarks.

The message for Heikal was written by Harold Saunders, and was sent to Heikal in such a way that the United States government could deny it had ever written it.

Heikal remembers the message.

HEIKAL. I received a message asking me to . . . you know, to . . . convey to the Iranians—as if the idea was coming from me—that, you know, this is the time to be real Moslems. Now they have proved themselves against the . . . power of United States and United States have proved that they have no guts, and that . . . it's only a giant with a feet of clay, and, you know, now, it's time to show Moslem indemnity and then the hostages can be taken to the Tebaz . . . Tebaz . . . where the . . . in the middle of the ruins of the American airplanes and from there released as a show of Islamic tolerance.

And I looked to the man who passed to me this message. I said, do you really . . . do they really want me to pass this message to Teheran? And he said, "Yes, I think so." I said, they must think I'm crazy.

SALINGER. Heikal was a supporter of the Iranian revolution. But he found phrases like moral superiority of the Islamic republic, and success of the Iranian revolution degrading, coming from the United States government.

He was also shocked by the suggestion of the Americans that the hostages be taken to Tebaz with the press.

(Visual).

Harold Saunders, the Assistant Secretary of State for the Middle and Near East, who was intimately associated with the hostage negotiations from the first to the last day, not only denies writing the message, but says he cannot conceive of anyone in the American government making such a suggestion.

HAROLD SAUNDERS. Assistant Secretary of State for the Middle and Near East: I don't . . . I don't recognize the message and I think as I said previously the . . . I did not authorize such a message or see such a message, or know the contents of such a message, and none of my colleagues in the Department did. I think that as far as the . . . some of the particular ideas that . . . in this message about taking the hostages to the site of the rescue attempt . . . failed attempt in the desert is just a thought that, I think, could not have crossed the mind of any of us who were . . . who'd given heart and soul to getting our colleagues out in safety and dignity, and protecting the dignity of our nation. It's just not something that . . . that we would've done, and I'm certainly glad to have a chance to . . . deny that.

SALINGER. But the message exists.

It was delivered to Heikal in Cairo by the same man Saunders used to originally persuade Heikal to act as an intermediary of the United States government.

And it was delivered after Saunders made a call to ascertain that Heikal was indeed at home in Cairo.

Here are some other details on the message.

It is written in such a way that the United States government could deny ever sending it.

(Quote). "Would appreciate following idea be presented to Heikal as coming from you." (End quote).

The "you" being the intermediary who delivered the message. Here are other key paragraphs in the message.

(Quote). "The American Hostages have served the purpose Iran has wanted. They have served as a pretext to show the world dramatically the evil of the Shah's regime, and the United States government support for it. The hostages just are not needed any longer. The hostages will be released. Iran never intended to harm them anyway. The gesture dramatized Islam's magnanimity and compassion. There was never any hatred for the American people, only the U.S. government." (Unquote).

This message convinced Heikal the time had come to terminate his work as an intermediary.

Several weeks later, he would pass on a technical message to Teheran. But the Tebaz message effectively put an end to his work as a direct contact with Khomeini.

This was unfortunate for the American government, for with his special links to Khomeini, Heikal was one of the best men the United States could have found to plead its case in Teheran.

The plane carrying the bodies of the dead Americans left behind in the Iranian desert arrived at the Zurich Airport on May 5th.

Archbishop Hilarion Capucci of Jerusalem had been charged by the United States to recover the bodies. That even provided one of the few glimpses the public got of Hector Villalon and Christian Bourguet during all the time they were involved in the hostage negotiations.

ANNOUNCER. By now, it is summer, 1980, a time of maneuver and of impasse.

Both Iran and the United States are preoccupied with politics. The hostages are all but forgotten.

But the two nations cannot forget each other. In Iran, obsession with America is so great, that on July 4th, a day of no historic significance there, hundreds of thousands of Iranians surge through Teheran and other cities vilifying the U.S.

(Visual).

The politics of annhiliation have reduced opposition to the Khomeini government.

But Iran does have a new parliament. And a new Prime Minister. Mohammed Ali Rajai. On the last day of August, day 302, Muskie writes Rajai asking for early release of the hostages. The negotiating season has begun.

(Visual).

SALINGER. In the end, it was the government of West German Chancelor, Helmut Schmidt, who put the United States on the track to the final solution of the hostage crisis.

The irony is that Schmidt was the Western European leader who really disliked Jimmy Carter. Yet Schmidt and his government handed Carter the ultimate card to free the fifty-two Americans.

It was late August when the word came to the United States government that the West Germans had found a highly-placed Iranian ready to talk and deal with them to try to solve the hostage crisis.

The key man in finding the Iranian was Gerhard Ritzel, the West German Ambassador to Teheran—a quiet but effective operator with the revolutionary government who kept a very low profile.

The man Ritzel turned up for the Americans was Sadegh Tabatabai. Tabatabai was perfectly placed to help. His sister is married to Ahmed Khomeini, the son of the Ayatollah. He had been the Deputy Premier and spokesman of the short-lived government of Prime Minister Mehdi Bazargan. Tabatabai had been educated as a young man in West Germany. And unlike most of the current leaders of Iran, travelled extensively to the West. He had continued to maintain his German ties after his return to Iran.

(Visual).

Working patiently, Ritzel brought Tabatabai to accept being a middleman for the American government, passing on messages to the Ayatollah through Ahmed Khomeini.

The American push to liberate the hostages worked on two levels.

On August 31st, aware that the German channel had been set up, Secretary of State Edmund Muskie, sent a letter to the newly appointed Iranian Prime Minister, Mohammed Ali Rajai, a former primary school teacher who had been arrested and tortured by the Shah's secret police, the SAVAK.

In the letter, Muskie asked Rajai to take a new look at the hostage situation. Muskie said the United States would recognize Iran's revolutionary regime and not interfere in Iran's internal affairs if the hostages were freed.

While waiting for a reply, the Americans continued to work with the Germans and Tabatabai to get the Ayatollah Khomeini to say something publicly which would move the hostage negotiations along.

On September 11th, Tabatabai sent word to the Americans through the Germans that the Ayatollah Khomeini would make an important declaration the next day, setting four conditions for the release of the hostages.

Tabatabai even told the Americans what Khomeini's four conditions would be.

Return of the Shah's wealth;

Cancellation of U.S. claims against Iran;

Unfreezing of Iranian funds in the United States;

And U.S. guarantees of non-interference in the internal affairs of Iran.

If the Americans had any doubt about Tabatabai, it was erased the next day. Just as the Iranian intermediary had signalled. Khomeini issued his four points at the end of a long rambling speech.

Notably missing from the Ayatollah's list was the old Iranian demand for an American apology for past actions in Iran. It was a clear signal from Teheran that the Iranians really wanted to talk. At last the United States had something concrete on which to base negotiations.

The United States government did not waste a minute in following up on the Ayatollah's setting of conditions.

Deputy Secretary of State, Warren Christopher, arrived in Western Europe, highly visible, and announcing he was going to make a tour of our principal allies to discuss the hostage crisis.

(Visual).

But behind the scenes, he had another motive for the trip. On September 17th, Christopher held a previously unrevealed meeting at a secret location outside Bonn, the capital of West Germany. The West German government had gone to considerable trouble to provide the location for the secret rendezvous. There, Warren Christopher, representing the United States of America, and Sadegh Tabatabai, representing the Islamic Republic of Iran, held the most important meeting of the months long effort to free the American hostages.

Tabatabai had come to West Germany under the cover of being a member of a mission to Europe headed by the governor of the Iranian Central Bank, Ali Reza Nobari. At the meeting outside Bonn, Christopher and Tabatabai discussed ways in which the Ayatollah's demands could be implemented by the United States.

The feeling in the American government at that time was that they were very, very close to the ultimate solution of the hostage crisis. But once again, fate intervened.

(Visual)

Iraq, encouraged by what it saw as the disintegration of leadership in Iran, decided it was the right time to settle an old score with the Iranians over the sovereignty of the oil rich territories on the Iran/Iraq frontier.

The Iraqis invaded Iran. And the incursion officially became a war on September 22nd, only five days after the meeting between Christopher and Tabatabai.

Now the problem of the United States government was to convince Iranians that it had no hand in the Iraqi invasion. The men who pulled off this feat were the intermediaries who had been active from the start in the secret negotiations to free the hostages, the French lawyer, Christian Bourguet, and the Argentinian businessman, Hector Villalon.

The man they worked through was Sadegh Ghotbzadeh, who had been stripped of his post as Foreign Minister by his religious opponents, but continued to maintain a close working relationship with the Ayatollah Khomeini.

Villalon contacted Ghotbzadeh to find out

what the United States could do to get the parliament debate on the hostages back on the track. Villalon recalls what Ghotbzadeh told him.

VILLALON. Ghotbzadeh was clear. He said to us, "If you succeed in convincing the United States to make a statement on the Iran/Iraq war, a statement that would show that the United States has a just position on this matter, then," Ghotbzadeh told us, "I will be able to go to the Ayatollah Khomeini with this statement, and that will unblock the situation on the hostages."

SALINGER. Villalon said he went to the State Department with this information from Ghotbzadeh, and suggested a direct phone conversation between a high U.S. government official and Ghotbzadeh. But Villalon realized he was putting Ghotbzadeh's life in danger.

VILLALON. All the telephones are tapped by the Muljis and the Iranian internal security. Ghotbzadeh talking by telephone directly to the State Department was a great risk. He would, in fact, be risking his life. He could be accused of being an American spy.

But despite this, Ghotbzadeh agreed to talk directly with Harold Saunders.

SALINGER. Harold Saunders, the Assistant Secretary of State for the Middle and Near East, got Ghotbzadeh on the telephone in Teheran, and assured him that the United States had no responsibility for the Iraqi invasion of Iran, and considered Iraq the aggressor in the conflict.

As a direct result of that telephone call between Saunders and Ghotbzadeh, Secretary of State Muskie made a public statement on October 20th.

EDMUND MUSKIE, October 29, 1980. The United States has nothing to gain by taking sides in this conflict. We are working for an end to the fighting between the two nations.

We believe that this conflict can and must be resolved through respect for cardinal principles of international law . . . that territory must not be seized by force of arms; that disputes should be settled by peaceful means. We are opposed to the dismemberment of Iran.

SALINGER. As Villalon predicted, the Muskie statement resulted in aiding the moderate forces in the Iranian parliament to adopt the conditions for the hostage release.

On November 2nd, just two days before the Presidential election in the United States, the Iranian parliament adopted the final version of the four conditions the Ayatollah stated the United States had to meet before the hostages could be released. The stage was set for the final push to liberate the Americans.

A final note. In the forty-eight hours before the U.S. Presidential election, after the parliament had adopted the conditions for the release of the hostages, Harold Saunders, from Washington, was in frequent telephone contact with Ghotbzadeh in Teheran to see if the hostage negotiations could be unblocked before the election. The talks failed. (Visual).

And Jimmy Carter went down to defeat on the very same issues which had once made him popular.

The decision by the parliament to fix the conditions for the hostage release on November 2nd, opened the final phase of the hostage negotiations.

But there was an irony. The West Germans, who had played such a giant role in putting the United States on the right track, were frozen out of the final negotiations by the Iranians.

Leaders of the Iranian government saw West Germany as an ally of the United States, closely linked ideologically and politically with what they considered "The Great Satan."

The Iranians preferred now to deal through sure friends, the Algerians. And it was the Algerians who finally pulled off the successful final negotiations.

SALINGER. The hostage crisis finally ended in the Teheran bazaar! There is no other way to describe the last month of the negotiations.

On December 19th, when the Algerian delegation which had been handling the negotiations since early November brought the United States the new demands of Iran, they were mind boggling. Twenty-four billion dollars in guarantees for the release of the fifty-two Americans. Four hundred and sixty-one million dollars for each hostage.

In the United States, the Iranian offer was labeled as ransom. But behind the scenes, the small group of men and women handling the negotiations for the United States, which came to be known as the Core Group, was privately pleased. The Iranians had put a price on the table. And at that point, they were asking for guarantees, and not hard cash.

The other thing in the negotiations was that there was a clear deadline. The customer was going to leave the bazaar on January 20th. It was the end of Jimmy Carter's presidency, and the beginning of Ronald Reagan's.

Lloyd Cutler, the former White House Special Counsel, is firmly convinced that January 20th was a deadline which pushed both the Iranians and the Americans to resolve the crisis.

LLOYD CUTLER, former White House Special Counsel. And both we and the Algerians were able to persuade the Iranians that at the very least, a new government would take months to think over what it should do before it will pick up the negotiating task even if it were disposed to do so.

And I said that I think it's not only important that January 20th was coming, but that there was going to be a change in administration. If President Carter had won, and we were in the same negotiations, January 20th could have come and gone without causing any incident at all. This way, it was a real deadline that drove the Iranians, and, of course, to a very considerable extent, drove us. We wanted to get this done before we left.

SALINGER. But it did finally come down to money for the hostages. Money for human lives.

ABC's Mike Connor details the last five days of frenzied international financial negotiations.

MIKE CONNOR, ABC News. Thursday, January 15th: A cable from Algiers arrives at the White House. It contains news of a surprising breakthrough in the financial negotiations. Iran wants to pay back, in full, all of it outstanding loans from American banks. Former Deputy Secretary of the Treasury, Robert Carswell.

ROBERT CARSWELL, former Deputy Secretary of the Treasury. There was a . . . there was a photo-taking session at the White House, and . . . anybody who wanted to have his picture taken with the President . . . well, was over there. This was Noon on the 15th. And I was there with my children and the message came in just after that very brief occasion with the President.

And I went up . . . and I was up in Lloyd Cutler's office in the White House, and we went over the message which came from Christopher in Algiers that outlined what those new terms were.

CONNOR. The cable was a shock, because until then negotiations between Iran and the U.S. banks had centered mainly on reactivating Iran's loans. The hope was that Iran would make good on its loan commitments, and continue future payments after the hostages were released.

But the American banks didn't trust Iran to do that. So Iran's offer to pay off all its loans, in full, was a major step towards unfreezing its assets.

CARSWELL. The decision by the Iranians to pay off the bank loans, really eliminated any bank opposition to returning those deposits.

Just the mechanics alone of paying off what turned out to be hundreds of loans, and trying to bring up to date what the amounts were that would be required to pay them off, that was a horrendous problem.

CONNOR. But the mechanics proved to be more difficult than anyone had envisioned. On Friday, officials from twelve of the largest American banks were summoned to Washington, where they met throughout the weekend with government officials, trying to solve financial problems that they had never confronted before.

At one point, the president of Chase Manhattan, had to rely on a pocket calculator for help.

CARSWELL. We had to keep open the Federal Reserve Bank of New York, which is the central bank of the United States, the Bank of England, which is the central bank of the United Kingdom and Prime Minister Thatcher suggested to them that they do this, and they did. And the twelve largest banks in the United States also kept their operations office open all during that period. Bankers' hours were not observed.

CONNOR. One major problem faced, how much interest should American banks pay Iran for deposits held over the last fourteen months.

Iran wanted seventeen percent. The banks wanted thirteen percent. The difference, a hundred and thirty-one million dollars.

The agreement: An escrow account, with the disputed amounts to be negotiated or arbitrated at a later date.

Saturday and Sunday were spent verifying the exact amounts in the Iranian accounts. Because the State Department had informed the banks that once the figures had been telexed to Iran, there could be no change.

But early Monday morning, a snag developed. Ali Reza Nobari, Governor of Iran's central bank, charged that the American banks were sabotaging the agreement by slipping in a last minute appendix. It looked like the deal was going to fall apart.

According to the American bankers, the misunderstanding concerned a standard banking clause which would have prevented future claims by Iran against the banks.

CARSWELL. As soon as we found out about that language, we . . . we meaning the Treasury, I talked to . . . all the banks and they agreed to eliminate the language immediately. It was not in . . . a sense, a key part of any of the . . . transaction, and it simply got in there in a way that it probably shouldn't have.

So we let the Iranians know immediately that the banks were prepared to take that out, and we actually gave them language to take it out.

Whether it had any substantive impact, or whether this was just an excuse to gain some time, I guess we'll never know. But, for a period it was used as the reason why they weren't going to proceed, and that cost, if that was the real reason, I don't know, some hours.

CONNOR. By Monday night, everything seemed to be in place for the final instructions from Iran. But there was one last hangup.

CARSWELL. And they told us that at ten o'clock, that message was ready to be transmitted. It actually didn't come until three A.M. So we all sat there, wondering what was going on, whether the deal had blitzed, whether there was some change, whether we . . . they were having problems in Teheran, whether there were mechanical difficulties. Nobody knew. And doesn't know to this day.

CONNOR. You still don't know.

CARSWELL. Ah, yeah. The machine came to life at 2:30 A.M. Around four hours, just absolutely dead. And then when it came through at 2:30, it was jibberish. They were

just, you know, chitchatting across the machine. And, you know, saying are you there? And the guy running the telex back, "Yes, I'm here. When are you going to transmit?" And they say, "Wait a minute," and that kind of thing.

That went on until three A.M. and then the message started to come through.

CONNOR. But, as this copy of the actual telex shows, the final message was garbled, and in some cases incomprehensible. The security code was wrong. And there were many typographical errors.

These figures, for instance, should have read, First National Bank of Chicago. And this string of zeros should have read seventy million dollars.

CARSWELL. Meanwhile time was slipping away, and if we were to get this thing done on that last day, we didn't have any time. So Bill Miller monitored this along with the rest of us, and after a point, he talked to . . . bankers in Washington and assessed where it was and . . . everybody agreed that it had gotten to a point where it was merely a question of letting the details get cleaned up afterwards.

SALINGER. The Algerian intermediaries who were involved in these frantic final negotiations had been very discrete on their role.

But what we have pieced together from private conversation with Algerians in a position to know, are these facts.

When Iranian Prime Minister Rajai came to the United Nations on October 15th, the Iranian government had already decided to get rid of the hostages.

The Algerian negotiators came to believe the way the U.S. banks were dragging their feet in the negotiations, put the release of the hostages in danger.

And the Algerians believed the biggest obstacle in pulling off the final deal was the deep-seated lack of trust the Iranians had in the United States.

In the end, it came down to the final twenty-four hours. In the center of the drama was the White House. Where Jimmy Carter was spending a sleepless and high-tensioned last night as President of the United States.

Two of Carter's closest aides and friends, former White House Chief of Staff, Hamilton Jordan, and former White House Press Secretary, Jody Powell, were there. And lived through that night with Carter. They tell us what they felt, and what happened. Starting with Jordan.

JORDAN. It was like a scene out of a . . . movie, almost unreal, and eerie. Here President Carter was in the waning hours and minutes of his administration, not even having time to . . . reflect on his presidency or his last hours in the White House, or his last several hours at his desk, but waiting and listening and talking and prodding, to try to have this agreement consummated by the time he left office.

It was a very eerie and poignant and emotional experience for all of us, and there was a quality of unreality about it all that I'll never forget.

POWELL. At this point, the President had last been asleep . . . about midnight, not that night but the night before, Sunday night, so he had been up . . . virtually since . . . Sunday morning without . . . with only about an hour's rest.

And all we really need to do, at this point, we think, is to get the money and the frozen Iranian assets into an escrow account, get that agreement signed, have the . . . have it certified and notification go to the Iranian government, and the hostages should . . . leave.

CARTER (On the telephone). Well, I was wondering if you had any report to give me. Mm, hm. Nothing concerning the effort?

POWELL. The red telephone is a secure telephone. This is one of dozens of conversations that the President and others from the Oval Office had with our intelligence agencies over the course of the twenty-four to forty-eight hours before the release to keep constantly informed of any information they had that might be important to the situation.

CARTER (on the telephone). Right on, man, that's great. That's great. Okay now, the next step then . . . now the bank . . . okay, so the Bank of England has certified their deposit there?

POWELL. It's now shortly before seven o'clock, and the President has just been notified by the Secretary of the Treasury William P. Miller, that the United States has completed the process of transferring the appropriate amount of the frozen Iranian assets into the escrow account at the Bank of England.

CARTER. The money's in the bank, our action is complete. Iran is being notified through Algeria that the money's there. That's all we need to tell them.

POWELL. He thought, we all thought, that that certification process which basically did not involve any action on the part of the United States government at all, would take something in the neighborhood of fifteen, perhaps thirty minutes.

As it turned out, that . . . that became almost an hour and a half.

CARTER. It would help thinking of something.

POWELL. Secretary Vance, of course, has been part of the plans since . . . for months. He is . . . his role being to . . . leave as soon as we know that they're going to be . . . that they're on their way back, to try to meet them when they get off the plane.

CARTER. Now you're probably the only . . . you and I are probably the only two people that all the hostages will recognize. They wouldn't recognize Dave or . . . they might recognize Chris right now. I think it would be nice if you were there to greet them.

VANCE. All right. I'll do that.

CARTER. Then you can come back to me.

VANCE. That would be wonderful. That's great.

POWELL. Various ways that a briefing of the President can be interrupted, that's one of the more unusual, but one of the more pleasant for him.

Your cameraman happens to apparently have sources of information that the United States government does not because he turns and focuses on the clock at almost the precise moment that the . . . that the Algerian government is delivering that certification to the government of Iran. We, of course, don't know that and it's about ten minutes before we get . . . word that it's taken place.

That picture, I think, comes as close to summing up the last few days of this Administration as any I've seen. The President on the telephone, on the secure phone, and the First Lady waiting expectantly to see what next.

By this time, Jerry Rafshoon and other friends of the President that have been with him for a long time have begun to gather some of them in the Oval Office, some of them outside in the . . . Anteroom.

It's very obvious to all of us that very shortly the President will have to leave the Oval Office for the last time to go over to welcome the President-elect and the new First Lady to the White House.

And that it's very unlikely at this point that he will have the opportunity, which we've worked for for so long, to walk out and announce to the country that our people are on . . . their way back.

The President leaves the Oval Office for the last time shortly after 10:20 to walk across to the Diplomatic Reception Area to receive Governor and Mrs. Reagan. At that point, he's not had a chance to change into his morning coat. He has had a chance to get a haircut at the First Lady's request. And after they come in and are seated, he has to excuse himself briefly to change into the Inaugural attire.

SALINGER. Carter had gotten the hostages out. But Ronald Reagan would welcome them on the South Lawn of the White House.

I'll have some final thoughts in a few moments.

* * * * *

SALINGER. Having told you this remarkable story tonight, we should pause at the close of the program to reflect on what it means. Why did so many efforts to free the hostages fail? What was the underlying reason that the nation many considered to be the most powerful on earth could not convince a nation in revolutionary disarray to hand back its diplomats?

The reasons are multiple and fundamental.

First, there is no evidence even today, that people in the United States government ever really understood the mentality and motivations of Iran.

As a corollary to that, there is no evidence either that the leaders of Iran understood the United States.

The dialogue between the United States and Iran represented a massive culture gap. We based our thinking on traditional Judeo-Christian efforts. And what we professed was a respect for international laws. But in the eyes of the Iranians, international law was a creature of the West. Something which they, the Iranians, had not helped to create, and something in their eyes made even more irrelevant by what they perceived as steady violations of those international laws by the United States government.

Mohammed Heikal, the Egyptian journalist and statesman, who acted as intermediary for the American government, discussed that very point with the Ayatollah Khomeini. Khomeini's answer is fascinating and revealing:

MOHAMMED HEIKAL. You know, for example, when I said to Khomeini . . . you know, it's against international law. And he said, "What's this international law? Have we participated in it?" I said, "No." "Have we put it? Have we wrote it?" "No." He said "Is there anything in the international law which says anything about . . . conducting a coup d'etat against a nationally and free-elected government in a country?" "No." "Is there anything in this international real estate . . . you know, and international law against the pillage of the wealth of a country?" "No." "Is there anything in this international law against which would protect the people of Iran from the Shah of Iran taking all their wealth for himself?" "No."

SALINGER. Eric Rouleau, the correspondent of the French daily newspaper, "Le Monde," who spent much of the time after the taking of the hostages in Iran, also believes that lack of understanding was fatal to American efforts to liberate the hostages.

ERIC ROULEAU. For a long time, the United States government misunderstood completely . . . completely the psychology, the mentality, of the new Islamic Iranian leadership. They did not understand all the background. Most of these people, now in power, have spent years in prisons being tortured by the SAVAK, which was notoriously linked up to the CIA. And the hatred of America, was . . . was and is practically as big, as large, as their hatred of the Shah and the SAVAK.

And the Americans, at least some of them, I mean . . . amongst the people who are responsible in the government, just did not understand it.

SALINGER. But Rouleau believes that the misunderstanding was not a one-way street. He also places much of the blame on the Iranians.

ROULEAU. I mean, It's incredible to what point they didn't understand. For example, on this question of the hostages, in the latest negotiations on the hostages business,

it took the Algerian Ambassador in Teheran weeks to convince the Iranian leadership that Mr. Carter does not act in the United States as Mr. Khomeini does in Iran.

You see, most of the people in power in Iran have never gone out of their own country. I don't know whether Mr. Rajai has been out of his country before he went to New York. They are very modest people. Mr. Rajai was a teacher in a primary school, all his life, except for the years he spent in prison being tortured. Now if you take a primary school teacher in some small town in Iran and you make of him a Prime Minister, how do you expect him to understand the American Constitution?

SALINGER. But misunderstanding was not the only reason for failure. There were other vital causes for the constant disappointment in the hostage negotiations. With only a few small exceptions, the American government spent most of its time trying to get the hostages out by negotiating with the very people in Iran who could not release them.

The brunt of the negotiating efforts were directed to President Abolhassan Bani-Sadr and Foreign Minister, Sadegh Ghotbzadeh. Both civilians in a government run by the Moslem clergy, both having spent long years of exile in the West, these two men from the start considered the taking of the hostages a mistake.

Bani-Sadr and Ghotbzadeh were more open to dialogue than the rest of the Iranian leadership, and at least seen from the United States, were viewed as more moderate than the Ayatollah Khomeini or the ruling Muljis.

But Bani-Sadr and Ghotbzadeh, despite clear efforts to bring about the liberation of the hostages, were checkmated every time. The reason was that they did not have real power in Iran. This power resides with the Ayatollah Khomeini, and the leadership of the Iranian Republican Party.

People like the Ayatollah Behisti, and the Speaker of the Iranian Parliament, Ali Akbar Hashemi Rafsanjani.

It was not until the German government entered the picture in late August, early September, that the United States government got through to the real power group. And then the hostage situation moved toward resolution.

Before that, the only intermediary the United States used who had ties to the religious leadership was Mohammed Heikal, who was highly respected by the Ayatollah Khomeini, and because of this friendship, Heikal was able to communicate directly with Khomeini. The other intermediaries could not.

Harold Saunders, the Assistant Secretary of State for Middle and Near East, told Heikal one day in Geneva, "We the United States Government, have no line into Qom," the religious capital of Iran.

The third reason was that the hostages were always pawns in the continuing power struggle inside the Iranian revolution.

The slightest indication that any leader is willing to deal with the United States on the hostage question, was used against him, as a sign that he was a willing tool of American imperialism. The agent of "The Great Satan," as the United States was called in Iran.

Finally, we cannot overlook the geopolitical reasons why it took so long to free the hostages.

After the Soviet Union invaded Afghanistan six weeks after the hostages were taken, it became in their national interest to encourage turmoil in Iran. Working through people inside and outside Iran, the Soviet Union did everything possible to block the release of the hostages, and inflict maximum humiliation on the United States.

As to how history will judge the Carter Administration's effort to bring about the release of the hostages, Hamilton Jordan, while not pretending to objectivity on the subject, believes the verdict will be favorable.

JORDAN. I hear all of the commentary and political rhetoric about we should've done this and we should've done that. So many of the things that are being recommended today publicly, and that are being said publicly, would have meant our people returned in caskets instead of alive. So, I believe, as I look back over the past fourteen months, and it was a difficult time for the hostages, their families, the American people, for the President, I'd always believe that in spite of mistakes that we probably made along the way, that history will judge that President Carter handled this very difficult crisis well.

SALINGER. There are those in America who believe the United States should've walked away from the hostage crisis. They point out that the Iranians are used to haggling in the bazaar. And their argument is it takes two to haggle. And if the United States had refused to deal, the Iranians would've come running after them.

But the Americans are not used to the idea of sacrificing human life. And this negotiating tactic would've been unacceptable to the majority of the American people.

So we negotiated. And in the end, we freed the hostages.

Their return home was a victory of the human spirit, but not a victory for America.

This is Pierre Salinger. Good evening.●

SUBMISSION OF COMMITTEE RULES

● Mr. ROTH. Mr. President, on January 19, 1981, the Committee on Governmental Affairs held its organizational meeting. At that meeting, the committee unanimously adopted its rules of procedure. Pursuant to rule 26.2 of the Standing Rules of the Senate, I am hereby submitting those rules for the RECORD.

The rules follow:

RULES OF PROCEDURE ADOPTED BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

PURSUANT TO RULE XXVI, SEC. 2, STANDING RULES OF THE SENATE

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. Meeting dates. The committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite committee business. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

B. Calling special committee meetings. If at least three members of the committee desire the chairman to call a special meeting, they may file in the offices of the committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within three calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special committee meeting will be held, specifying the date and hour thereof, and the committee shall meet on that date and hour. Immediately upon the filing of such notice, the committee clerk shall notify all committee members that such special meeting will be held and inform them of its date and hour. If the chairman is not present at any regular, additional or special meeting, the ranking majority member present shall preside. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

C. Meeting notices and agenda. Written notices of committee meetings, accompanied by an agenda, enumerating the items of business to be considered, shall be sent to all committee members at least three days in advance of such meetings. In the event that unforeseen requirements or committee business prevent a three-day notice, the committee staff shall communicate such notice by telephone to members or appropriate staff assistants in their offices, and an agenda will be furnished prior to the meeting.

D. Open business meetings. Meetings for the transaction of committee or subcommittee business shall be conducted in open session, except that a meeting or portions of a meeting may be held in executive session when the committee members present, by majority vote, so determine. The motion to close a meeting, either in whole or in part, may be considered and determined at a meeting next preceding such meeting. Whenever a meeting for the transaction of committee or subcommittee business is closed to the public, the chairman of the committee or the subcommittee shall offer a public explanation of the reasons the meeting is closed to the public. This paragraph shall not apply to the Permanent Subcommittee on Investigations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

E. Prior notice of first degree amendments. It shall not be in order for the Committee, or a subcommittee thereof, to consider any amendment in the first degree proposed to any measure under consideration by the Committee or subcommittee unless a written copy of such amendment has been delivered to each member of the Committee or subcommittee, as the case may be, and to the office of the Committee or subcommittee, at least 24 hours before the meeting of the Committee or subcommittee at which the amendment is to be proposed. This subsection may be waived by a majority of the members present. This subsection shall apply only when at least 72 hours written notice of a session to mark up a measure is provided to the committee.[3]

F. Agency comments. When the Committee has scheduled and publicly announced a markup meeting on pending legislation, if executive branch agencies, whose comments thereon has been requested, have not responded by the time of the announcement of such meeting, the announcement shall include the final date upon which the comments of such agencies, or any other agencies, will be accepted by the Committee.[4]

RULE 2. QUORUMS

A. Reporting legislation. Nine[4] members of the committee shall constitute a quorum for reporting legislative measures or recommendations. (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

B. Transaction of routine business. Six members of the committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.[5]

For the purpose of this paragraph, the term "routine business" includes the convening of a committee meeting and the consideration of legislation pending before the committee and any amendments thereto, and voting on such amendments.[6] (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

C. Taking sworn testimony. Two members of the committee shall constitute a quorum for taking sworn testimony: Provided, however, That one member of the committee shall constitute a quorum for such purpose, with the approval of the chairman and the ranking minority member of the committee, or their designees. (Rule XXVI, Sec. 7(a)(2), Standing Rules of the Senate.)

[3] Amended October 1, 1975.
[4] Amended February 4, 1977.
[5] Amended February 4, 1977.
[6] Amended November 7, 1973.

D. Taking unsworn testimony. One member of the committee shall constitute a quorum for taking unsworn testimony. (Rule XXVI, Sec. 7(c)(2), Standing Rules of the Senate.)

E. Subcommittee quorums. Subject to the provisions of sections 7(a) 1 and 2 of Rule XXVI of the Standing Rules of the Senate, the subcommittees of this committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

F. Proxies prohibited in establishment of quorum. Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. Quorum required. No vote may be taken by the committee, or any subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. Reporting legislation. No measure or recommendation shall be reported from the committee unless a majority of the committee members are actually present, and the vote of the committee to report a measure of matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Rule XXVI, Sec. 7(a) (1) and (3), Standing Rules of the Senate.)

C. Proxy voting. Proxy voting shall be allowed on all measures and matters before the committee, or any subcommittees thereof, except that, when the committee, or any subcommittee thereof, is voting to report a measure or recommendation, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question and then, only if the absent committee member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. All proxies shall be addressed to the chairman of the committee and filed with the chief clerk thereof, or to the chairman of the subcommittee and filed with the clerk thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the committee as to how the member establishes his vote to be recorded thereon. (Rule XXVI, Sec. 7(a)(3) and 7(c)(1), Standing Rules of the Senate.)

D. Announcement of vote. (1) Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such a measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee. (Rule XXVI, Sec. 7(c), Standing Rules of the Senate.)

(2) Whenever the committee by rollcall vote acts upon any measure or amendment thereto, other than reporting a measure or recommendation, the results thereof shall be announced in the committee report on that measure unless previously announced by the committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the committee who was present at the meeting. (Rule XXVI, Sec. 7(b), Standing Rules of the Senate.)

(3) In any case in which a rollcall vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or recommendation. (Rule XXVI, Sec. 7 (b) and (c), Standing Rules of the Senate.)

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The chairman shall preside at all committee meetings and hearings except that he shall designate a temporary chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the chairman (or his designee) is absent ten minutes after the scheduled time set for a meeting or hearing, the senior Senator present of the chairman's party shall act in his stead until the chairman's arrival. If there is no member of the chairman's party present, the senior Senator of the committee minority present shall open and conduct the meeting or hearing until such time as a member of the majority enters.[7]

RULE 5. HEARINGS AND HEARING PROCEDURES

A. Announcement of hearings. The committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearing, unless the committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Rule XXVI, Sec. 4(a), Standing Rules of the Senate.)

B. Open hearings. Each hearing conducted by the committee, or any subcommittee thereof, shall be open to the public unless the committee, or subcommittee, determines that the testimony to be taken at that hearing may (1) relate to a matter of national security, (2) tend to reflect adversely on the character or reputation of the witness or any other individual, or (3) divulge matters deemed confidential under other provisions of law or Government regulations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

C. Radio, television, and photography. The committee or any subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television or both, subject to such conditions as the committee, or subcommittee, may impose. (Rule XXVI, Sec. 5(c), Standing Rules of the Senate.)

D. Advance statements of witnesses. A witness appearing before the committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least one day prior to his appearance, unless this requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for failure of compliance. (Rule XXVI, Sec. 4(b), Standing Rules of the Senate.)

E. Minority witnesses. In any hearings conducted by the committee, or any subcommittee thereof, the minority members of the committee shall be entitled, upon request to the chairman by a majority of the minority to call witnesses of their selection during at least one day of such hearings. (Rule XXVI, Sec. 4(d), Standing Rules of the Senate.)

RULE 6. COMMITTEE REPORTS

A. Timely filing. When the committee has ordered a measure or recommendation reported, following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Rule XXVI, Sec. 10(b), Standing Rules of the Senate.)

B. Supplemental, minority, and additional views. A member of the committee who gives notice of his intention to file supplemental, minority or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part, thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views. (Rule XXVI, Sec. 10(c), Standing Rules of the Senate.)

[7] Adopted December 9, 1974.

C. Draft reports of subcommittees. All draft reports prepared by subcommittees of this committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the committee at the earliest practicable time.

D. Cost estimates in reports. All committee reports, accompanying a bill or joint resolution of a public character reported by the committee, shall contain (1) an estimate, made by the committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next five years thereafter (or for the authorized duration of the proposed legislation, if less than five years); (2) a comparison of such cost estimates with any made by a Federal agency; or (3) a statement of the reasons for failure by the committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Rule XXVI, Sec. 11(a), Standing Rules of the Senate.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. Regularly established subcommittees. The committee shall have eight regularly established subcommittees.

The Subcommittees are as follows:

Permanent Subcommittee on Investigations.

Governmental Efficiency and the District of Columbia.

Energy, Nuclear Proliferation and Government Processes.

Federal Expenditures, Research and Rules.

Intergovernmental Relations.

Civil Service, Post Office and General Services.

Oversight of Government Management.

Congressional Operations and Oversight.

B. Ad hoc subcommittees. Following consultation, with the ranking minority member, the chairman shall, from time to time, establish such ad hoc subcommittees as he deems necessary to expedite committee business.

C. Subcommittee membership. Following consultation with the majority members, and the ranking minority member, of the committee, the chairman shall announce selections for membership on the subcommittees referred to in paragraphs A and B, above.

D. Subcommittee meetings and hearings. Each subcommittee of this committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the committee.

E. Subcommittee budgets. Each subcommittee of this committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the committee, not later than January 10 of that year, its request for funds for the 12-month period beginning on March 1 and extending through and including the last day of February of the following year. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification; addressed to the chairman of the committee, which shall include (1) a statement of the subcommittee's area of activities, (2) its accomplishments during the preceding year; and (3) a table showing a comparison between (a) the funds authorized for expenditure during the preceding year, (b) the funds actually expended during that year, (c) the amount requested for the current year, and (d) the number of professional and clerical staff members and consultants employed by the subcommittee during the preceding year and the number of such personnel requested for the current

year. (Rule XXVI, Sec. 9, Standing Rules of the Senate.)

RULE 8. CONFIRMATION STANDARDS AND PROCEDURES

A. Standards. In considering a nomination, the Committee shall inquire into the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated. The Committee shall recommend confirmation, upon finding that the nominee has the necessary integrity and is affirmatively qualified by reason of training, education, or experience to carry out the functions of the office to which he or she was nominated.

B. Information Concerning the Nominee. As a requirement of confirmation, each nominee shall submit on forms prepared by the Committee the following information:

(1) A detailed biographical resume which contains information relating to education, employment and achievements;

(2) A financial statement which lists assets and liabilities of the nominee; and

(3) Copies of other relevant documents requested by the Committee, such as a proposed blind trust agreement.

At the request of the Chairman or the Ranking Minority Member, a nominee shall be required to submit a certified financial statement compiled by an independent auditor.

Information received pursuant to this subsection shall be made available for public inspection; provided, however, that tax returns shall, after review by persons designated in subsection (C) of this rule, be placed under seal to ensure confidentiality.

C. Procedures for Committee Inquiry. The Committee shall conduct an inquiry into the experience, qualifications, suitability and integrity of nominees, and shall give particular attention to the following matters:

(1) A review of the biographical information provided by the nominee, including any professional activities related directly to the duties of the office to which he or she is nominated;

(2) A review of the financial information provided by the nominee, including tax returns for the three years preceding the time of his or her nomination;

(3) A review of any actions, taken or proposed by the nominee, to remedy conflicts of interest; and

(4) A review of any personal or legal matter which may bear upon the nominee's qualifications for the office to which he or she is nominated.

For the purpose of assisting the Committee in the conduct of this inquiry, a Chief Investigator shall be designated by the Chairman and a Minority Investigator shall be designated by the Ranking Minority Member. The Chairman, Ranking Minority Member, and the designated Investigators shall have access to all investigative reports on nominees prepared by any Federal agency, including the Federal Bureau of Investigation. The Committee may request the assistance of the General Accounting Office in conducting an audit of financial information provided by nominees.

D. Report on the Nominee. After a review of all information pertinent to the nomination, a confidential report on the nominee shall be submitted to the Chairman and the Ranking Minority Member. The report shall detail any unresolved or questionable matters that have been raised during the course of the inquiry. Copies of all relevant documents and forms, except any tax returns, submitted pursuant to subsection (B) shall be attached to the report. The report shall be kept in the Committee office for the inspection by Members of the Committee.

E. Hearings. The Committee shall conduct a public hearing during which the nominee shall be called to testify under oath on all matters relating to his or her suitability for office, including the policies and programs which he or she will pursue while in that position. No hearing shall be scheduled until at least 72 hours after the following events have occurred: The nominee has responded to pre-hearing questions submitted by the Committee; and the report required by subsection (D) has been submitted to the Chairman and Ranking Minority Member, and is made available for inspection by Members of the Committee.

F. Action on Confirmation. A mark-up on a nomination shall not occur on the same day that the hearing on the nominee is held. In order to assist the Committee in reaching a recommendation on confirmation, the staff shall make an oral presentation to the Committee at the mark-up, factually summarizing the nominee's background and the steps taken during the pre-hearing inquiry.

G. Application. The procedures contained in subsections (C), (D), (E), and (F) of this rule shall apply to persons nominated by the President to positions requiring their fulltime service. At the discretion of the Chairman and Ranking Minority Member, those procedures may apply to persons nominated by the President to serve on a part-time advisory basis.●

MR. CARLUCCI AND PORTUGAL

● Mr. HELMS. Mr. President, I have received a communication from the Deputy Secretary of Defense, Mr. Frank C. Carlucci III.

Mr. President, I submit this letter for the RECORD.

The letter follows:

The Honorable JESSE A. HELMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HELMS: Your floor statement at the time of my confirmation contains a number of inaccuracies which I will not attempt to answer here.

One in particular concerns me, however, because it does a serious injustice to the Portuguese people. Contrary to your assertion, at no time did I ever claim that I saved Portugal from Communism. The Portuguese people saved Portugal. I was glad to have been able to implement a supportive U.S. policy in that effort during my tenure as Ambassador. But I would not be so arrogant as to make a claim that implies a gross interference in another nation's internal affairs.

I would be grateful if you would find an opportunity to correct the record on this point.

Sincerely,

FRANK C. CARLUCCI.

Mr. HELMS. Mr. President, I am happy to lay Mr. Carlucci's letter upon the record, but for the sake of convenience, I also submit for the RECORD excerpts from my statement of February 3.

The excerpts follow:

The same technique of preempting Marxist-Leninism by backing Marxist leaders was evident in his activities as Ambassador to Portugal. Mr. Carlucci now speaks rather grandly of how he saved Portugal from Communism. I did not engage in any debate with him. It seems to me that the record is fairly clear that he did so by giving the full backing of the U.S. Embassy to the far left Socialist, Mario Soares, while giving every appearance of spurning Mr. Sa Caneiro, the leader of the far more moderate Social Democratic and Social Democratic center groups.

In 1976, the magazine Washingtonian wrote of Mr. Carlucci in the period:

Carlucci steps carefully among the land mines of his diplomatic assignment. His supporting a predominantly Socialist government, many of its coalition cabinet members Marxists. Despite this coloration, this current government is rightfully thought of as Centrist. It sits in the middle of a political spectrum that swings from the Maoist left (Mao might flinch) to the extreme right (some Fascists have literally donned the black shirt). The American-supported government's economic program is, however, to the left of that of Allende's Chile, which we sought to destroy only two years ago.

Mr. Carlucci's policy may have been in the center of the socialist spectrum, but yet it was far to the left of Allende. It left no room for traditional values.

After Mr. Carlucci left, the Portuguese were able to vote down Mr. Soares, the exponent of what is known as "Euro-communism;" but Mr. Sa Caneiro died tragically in a plane crash only a few weeks ago. And I think that it is evident that Portugal's moderates have not yet recovered from Mr. Carlucci's ambivalent effort and, Mr. President, ambivalent is the most charitable word that comes to mind.

Mr. HELMS. Mr. President, I would note that the key sentence to which Mr. Carlucci takes exception is the following: "In his activities as Ambassador to Portugal, Mr. Carlucci now speaks rather grandly of how he saved Portugal from communism." Obviously, the printed text of the RECORD often does not adequately capture the emphasis and intonation of spoken debate. My emphasis was on "how." I did not accuse Mr. Carlucci of arrogance; I did and I do question his espousal of a strategy which sought to preempt communism by supporting left-wing Marxists. A regime which was, in the Washingtonian's words, "to the left of that of Allende's Chile," should not be the beneficiary of active U.S. support when there are better alternatives available.

Nor was there any intention to denigrate the courage and strength of the Portuguese people. Indeed, I believe that my specific point was that it was due to the exertions of the Portuguese moderates that they overcame not only communism, but compromises with Marxism—a point effectively explained in the Washingtonian magazine article to which I referred earlier.

Mr. President, it was this attitude of Mr. Carlucci's which many have found so disconcerting. The Senator from North Carolina shares Mr. Carlucci's desire to harbor no illusions about Communist aims, but I still have doubts about whether the most effective way to fight Marxism-Leninism is to give U.S. aid and comfort to Marxism.

Mr. President, I have absolutely no ill feeling toward Mr. Carlucci as a person. I did not enjoy opposing his nomination. I did it as a matter of perceived duty, regardless of the unpleasantness involved in voting against a nomination sent forward by a President whom I greatly admire and have long supported. But in the final analysis, Mr. President, I owe my friend, President Reagan, something more than unquestioning allegiance. I owe him and the American people my honest opinion.●

MRS. CATHERINE WILLIAMS HONORED

● Mr. JEPSEN. Mr. President, a nation is often judged by the individuals it rec-

ognizes throughout its history. Likewise, a State too is so judged.

It is with particular pleasure that I rise today to recognize and pay tribute to a fellow Iowan, a distinguished individual, a dedicated public servant, and a friend to all who are in need of service—Mrs. Catherine G. Williams, deputy commissioner of the Iowa Department of Social Services.

Catherine Williams has always believed in people, especially in their right to live and grow in the best environment possible. She has spent a career helping others to improve their living conditions and to find needed encouragement in a strengthened family structure. Uppermost in her commitment to human rights has been the belief that women form an intergral part of our society. She believes women can be a positive force working both within the family unit and the business community.

Commissioner Michael Reagen calls his deputy an extraordinary person who has dedicated her life to making things better for troubled Iowans. I am hopeful that through her consulting work, Catherine will continue her service to this agency and to the State of Iowa.

Catherine Williams joined the Polk County welfare office in 1948 as a stenographer. At the outset she gave little thought to working her way up the department ladder. However, she was developing a keen interest in helping families and children and wanted to learn more about county jobs which would afford her that opportunity. To strengthen her chances for advancement, Williams began attending night school and summer classes at Drake to earn a degree in sociology. Her chance finally came and she became a Polk County child welfare worker. The job was not only a career-opener it was an eye-opener as well.

Williams says today—

I started out believing everyone was good. I just couldn't understand at first why people abused their children, why families could not care for their children properly.

Williams realized at this point that to understand her clients' problems she would need more training. As she tells it—

I realized that the desire to help people was not enough. I needed to put training and practice into a disciplined framework.

In pursuit of the "disciplined framework," Williams completed her Drake degree in 1961 and plunged headlong into graduate social work studies at the University of Iowa. The educational achievements brought added responsibilities at DSS—child welfare supervisor for Polk County followed by child welfare staff development specialist for State training programs.

While serving the department of social welfare in these positions, Williams established the first training plans with the Des Moines school system for educable children from Woodward State Hospital-School. She organized a foster parents group for Polk County comprised of foster parents who cared for Woodward children. Additionally, Williams established a foster parent resource system. In a move she considered a standout in her career, Williams held the first statewide training program for foster parents of retarded children.

It was becoming more and more apparent that Williams had much to offer as a social welfare manager. She quickly ascended through the new department of social services' executive ranks in central office. She became associate director and director of the bureau of family and adult services, director of the division of community services, deputy commissioner, and, for several months last year, acting commissioner.

As the titles changed, Williams' basic concern for Iowa's children and families never wavered. She is especially proud of her role in setting up the State's first homemaker program which quickly set a precedent for similar programs throughout the country. She takes pride in her efforts to secure additional funding for an educational program which helped ease children back into their community school systems.

As deputy commissioner, Williams saw her dream of creating a legislative liaison bureau become reality. Much earlier she had recognized the need for a centralized DSS office which could maintain constant communication with State and Federal legislators and serve as repository for legislative rules and program regulations. The ACT Unit, as the bureau came to be known, met this need.

Williams' numerous achievements have been recognized by those within State government and by her peers outside the public sector. Last year alone she was elected to the Iowa Women's Hall of Fame sponsored by the Commission on the Status of Women; named Iowa "Social Worker of the Year" by the State chapter of the National Association of Social Workers (NASW); and selected as the second Mark Hale Lecturer for the NASW's annual Iowa Professional Symposium.

Although Williams cherishes these individual achievements, she prefers to stress the strides made by DSS during her career.

I am proud that in my role as enabler, social services has moved ahead in most programs and that we are viewed as a progressive State in children and family services.

Mr. President, on January 23, 1981, Deputy Commissioner Catherine Williams retired from the Iowa Department of Social Services to join a private consulting firm.

Williams expects Iowa to remain a forerunner in effective human services delivery.

"Our reputation is a good one," she says, "Our credibility has increased. If we continue to work the way we have in the past, we will do well. Commissioner Reagen is providing leadership and vision for the Department. I leave, confident that human services are in good hands."

Retirement from DSS will not slow the pace of the woman who once said, "I'm always testing that limit." As a consultant in Johnson, Williams Associates, consultants in social and management systems, Williams will use her knowledge and experience particularly in areas which affect minority women.

Her departure has brought strong feelings from managers, staff persons and private citizens. All are sad to see her go, grateful for her contributions and happy that she will continue to use her vast knowledge to better the human services field.

There is no question that the State of Iowa, its citizens, and the welfare of the Nation have greatly benefited from her zeal and generous endeavors on behalf of people everywhere.

I wish her well, and hope that we will continue to hear from her in the future.●

CAPITAL COST RECOVERY ACT

● Mr. HEINZ. Mr. President, on January 27, I introduced S. 287, the Capital Cost Recovery Act of 1981, which is the Senate companion to H.R. 1053 introduced by Representative JIM JONES and Representative BARBER CONABLE. My bill has now attracted 36 cosponsors. I believe this act, otherwise known as 10–5–3, must be passed this year if America is to once again become a land of noninflationary growth, whose technology and products are esteemed above those of others by both foreign and domestic consumers.

To slow inflation, America must become more productive. Productive growth is effective in slowing inflation because it allows the interests of employers and employees to advance simultaneously while rewarding consumers as well. With productivity growth, employers can afford higher wages yet earn profits although prices do not go up. They may even fall. It can be accurately said that we experience inflation because we are not productive enough.

Recent American productivity growth has left much to be desired. Just last week, it was announced that productivity fell by eight-tenths of 1 percent in 1980. This represents another year that prices had gone up, wages unsuccessfully chased prices, and profits growth was less than inflation.

To restore productivity growth, we must provide better incentives for investors to apply their wealth toward modernizing America's industrial facilities. First, however, we must eliminate the current penalties for investing in modernization. Since 1974, the Bureau of Economic Analysis, the official economic statisticians within the Commerce Department, has calculated that tax deductions for depreciation expenses were below the rate that physical assets owned by businesses were literally wearing out. This has unquestionably had a chilling effect on our rate of industrial development.

Consider a comparison. If Federal tax policy allowed employers to deduct only a fraction of wages paid in calculating taxable income, no one would disagree that such a policy is misguided because it discourages hiring. In just the same way, allowing employers to deduct only a portion of plant and equipment owner-

ship expenses at the time of their occurrence discourages them from purchasing modern tools.

I ask to have printed in the RECORD a table based on the Bureau's figures on this depreciation problem. As these figures indicate, the way depreciation deductions are calculated must be changed radically if the gap between actual and tax depreciation is to be eliminated.

The table follows:

[In billions of dollars]

Year	Bureau of Economic Analysis actual depreciation [1]	IRS tax depreciation	Depreciation gap
1974	98.5	96.8	1.7
1975	117.3	106.4	10.9
1976	129.3	114.9	14.4
1977	144.0	131.3	12.7
1978	161.4	147.3	14.1
1979	184.6	167.7	16.9
1980 (estimate)	209.3	190.2	19.1

[1] Nonfarm, for profit private sector only, depreciation of rental property excluded.

Mr. HEINZ. I believe 10–5–3, or the Capital Cost Recovery Act, is the remedy that is so urgently needed. Under 10–5–3, industrial and commercial structures would be depreciated over 10 years, all equipment would have a 5-year life, and trucks and cars would face a tax life of 3 years. Also, conforming changes are made in investment tax credits. Instead of 3.3 percent, 6.6 percent, and 10 percent credit for assets with over 3, 5 or 7 years of useful life, a full 10 percent tax credit is provided for assets in classes 10 and 5, and a 6 percent credit is provided for trucks and cars.

Of course, changing the tax laws by eliminating the depreciation tax gap will not lead to greater productivity unless businessmen know how to apply the new method. For example, under the existing system, there are over 130 types of depreciable property, and over 30 different tax lives.

This complexity in the depreciation rules can rightfully be blamed for a greater depreciation tax gap facing the small businessman than for his larger counterpart. Rather than fight his way through the maze of such difficult regulations, the small businessman ignores them. Instead, he writes off physical investments more slowly than big businessmen do, who can afford the lawyers and accountants necessary to minimize the depreciation gap written into the existing system.

Importantly, observers agree that small businesses can make a large contribution toward raising national productivity and employment by buying more modern equipment. Thus, the very large depreciation gap facing the small businessman is especially counterproductive. It makes us all poorer, and it makes prices higher.

Although simple in concept, the Capital Cost Recovery Act will eliminate the tax depreciation gap. In so doing, passage of the Capital Cost Recovery Act will send a powerful message to American employers. It would say that a fairer, simpler system for calculating the cost of modernizing facilities has been put in place, and it would say that the Congress is serious about renewing productivity growth and slowing inflation.

While these reasons are sufficient grounds alone for moving swiftly, there is yet another reason to pass productivity-raising legislation, strengthening America's long-range international security.

Security planners have long and rightfully held that this Nation's safety rests on more than its ability to direct firepower at foreign lands when provoked. In any sustained conflict, the ability to produce clothing, food, and fuel are equally vital to the firing of weaponry. The necessary industrial base will be there provided America does not lose its present competitive edge over other nations. Right now, the American worker is more productive than his counterpart anywhere else. However, that margin is slipping rapidly. If this adverse trend continues, the day will surely come when America becomes a second-rate economic power. If this ever happens, America's place in a dangerous world will become even more dangerous. I urge my colleagues, many who were cosponsors of this legislation last year, to join me in efforts to restore American productivity growth and to sustain this margin of safety we hold in international affairs.

I ask that the text of the Capital Cost Recovery Act of 1981, along with a statement on the minor revisions made in last year's legislation, be printed in the RECORD.

The material follows:

S. 287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Capital Cost Recovery Act of 1981".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents; amendment of 1954 Code.
Sec. 2. Capital cost recovery allowance.
Sec. 3. Changes in investment tax credit.
Sec. 4. Amendments related to depreciation.
Sec. 5. Disposition of recovery property subject to recapture under section 1245.
Sec. 6. Minimum tax amendment.
Sec. 7. Technical amendments.
Sec. 8. Effective date.

(c) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. CAPITAL COST RECOVERY ALLOWANCE.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by inserting after section 167 the following new section:

"SEC. 168. CAPITAL COST RECOVERY DEDUCTION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of recovery property, there shall be allowed the recovery deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—

"(1) IN GENERAL.—The recovery deduction for the taxable year shall be the aggregate amount determined by applying to the capital cost of recovery property the applicable percentage determined in accordance with the following table:

"CAPITAL COST RECOVERY TABLE

	The applicable percentage for the class of property is—		
	Class 1	Class 2	Class 3
"If the recovery year is—			
1	10	20	33
2	18	32	45
3	16	24	22
4	14	16	
5	12	8	
6	10		
7	8		
8	6		
9	4		
10	2		

"(2) TRANSITIONAL APPLICABLE PERCENTAGES.—

"(A) For transitional applicable percentages for additions to capital account of class 1 property before 1985, see subsection (h)(2).

"(B) For transitional applicable percentages for additions to capital account of certain class 2 property before 1985, see subsection (h)(3).

"(c) RECOVERY PROPERTY.—For purposes of this title—

"(1) RECOVERY PROPERTY DEFINED.—Except as otherwise provided in subsection (g), the term 'recovery property' means tangible property (other than land)—

"(A) used in a trade or business, or

"(B) held for the production of income.

"(2) CLASSES OF RECOVERY PROPERTY.—

"(A) CLASSIFICATION TABLE.—The classification of recovery property shall be determined in accordance with following table:

"CLASSIFICATION OF RECOVERY PROPERTY

"Class 1	Class 2	Class 3
Buildings and structural components of buildings.	Recovery property not taken into account under class 1 or class 3.	Automobiles, taxis, and light-duty trucks.

"(B) $100,000 LIMIT FOR CLASS 3.—In the case of any taxpayer for any taxable year, the capital cost (for which such year is recovery year 1) taken into account under class 3 shall not exceed $100,000.

"(C) SPECIAL RULES FOR APPLYING THE $100,000 LIMIT.—

"For special rules relating to the $100,000 limit, see subsection (1)(2).

"(d) CAPITAL COST.—

"(1) IN GENERAL.—For purposes of this section, the term 'capital cost' means, with respect to any property, the addition to capital account for the taxable year (determined without regard to the section 1016(a)(2) adjustment for such year).

"(2) SPECIAL RULES FOR PROPERTY NOT YET PLACED IN SERVICE.—In the case of property which has not been placed in service before the close of the taxable year—

"(A) PAYMENT RULE.—Except as provided in subparagraph (B), the addition to capital account shall be treated as made when payment of an amount is made.

"(B) SELF-CONSTRUCTED PROPERTY.—If the property is constructed (in whole or in part) by the taxpayer, capital cost shall be determined under paragraph (1) without regard to subparagraph (A) of this paragraph.

"(C) PAYMENTS AND CHARGES PRIOR TO 1981.—Any amount paid or properly charged to capital account prior to 1981 for property which is first placed in service by the taxpayer after 1980, shall be included in capital cost for the taxable year in which such property is placed in service.

"(3) AMOUNTS MUST BE FOR PERIOD AFTER 1980.—For purposes of this section, except as provided in paragraph (2), capital cost does not include any amount paid or properly charged to capital account for any period before January 1, 1981.

"(4) SPECIAL RULES.—

"(A) PUBLIC UTILITY PROPERTY ELECTION.—For election to determine capital cost of public utility property by treating advance payments as made when property is placed in service, see subsection (1)(3).

"(B) TRANSITIONAL RULE FOR FISCAL YEAR TAXPAYERS.—For special transitional rule for determining capital cost of fiscal year taxpayers, see subsection (1)(5).

"(e) TAXPAYER MAY DEDUCT LESS THAN FULL ALLOWANCE.—

"(1) IN GENERAL.—For any taxable year the taxpayer may deduct all or any portion of the amount allowable under subsection (a). The deduction for any taxable year may be increased or decreased at any time before the expiration of the period prescribed for making claim for refund of the tax imposed by this chapter for such taxable year.

"(2) CARRYOVER OF UNUSED DEDUCTIONS.—Any amount allowable for the taxable year by subsection (a) but not deducted for such taxable year shall be carried forward and may be claimed as a deduction for any succeeding taxable year. Any deduction so claimed shall be treated as an addition to the capital cost recovery deduction allowable under subsection (a) for such succeeding taxable year.

"(3) ALLOCATION OF DEDUCTIONS.—If by reason of paragraph (1) the taxpayer deducts less than the amount allowable for any taxable year, the amount deducted shall be apportioned among the taxpayer's recovery property in the same proportion as the amount allowable in respect of the recovery property bears to the total amount allowable in respect of recovery property. A similar rule shall be applied in the case of the allowance of a deduction in a succeeding taxable year under paragraph (2).

"(4) ADJUSTMENTS TO BASIS.—For purposes of section 1016(a)(2), in the case of recovery property the amount allowable under this subtitle for exhaustion, wear and tear, and obsolescence shall be the amount allowable by subsection (a) of this section.

"(f) RECOGNITION OF GAIN OR LOSS AND ADJUSTMENT TO CAPITAL COSTS ON RETIREMENT OR OTHER DISPOSITION.—

"(1) GENERAL RULE.—Gain or loss shall be recognized on the disposition of recovery property, unless nonrecognition is specifically required or permitted by another provision of this chapter.

"(2) MASS ASSET ACCOUNTS.—In lieu of recognizing gain or loss, a taxpayer who maintains mass asset accounts of recovery property may, under regulations prescribed by the Secretary, elect to include in income all proceeds realized on the disposition of such property.

"(3) ADJUSTMENT TO CAPITAL COST.—For purposes of this section, if gain or loss is recognized on the disposition of recovery property, the capital cost of such property shall cease to be capital cost as of the beginning of the taxable year in which such disposition occurs.

"(4) DISPOSITION INCLUDES RETIREMENT.—For purposes of this subsection, the term 'disposition' includes retirement.

"(g) PROPERTY EXCLUDED FROM APPLICATION OF SECTION.—

"(1) CERTAIN PROPERTY EXCLUDED.—The term 'recovery property' does not include—

"(A) property placed in service by the taxpayer before January 1, 1981,

"(B) residential rental property (within the meaning of section 167(j)), and

"(C) property with respect to which the taxpayer—

"(i) is entitled to elect amortization (in lieu of depreciation), and

"(ii) elects such amortization.

"(2) CERTAIN METHODS OF DEPRECIATION.—The term 'recovery property' does not include property if—

"(A) the taxpayer elects to exclude such property from the application of this section, and

"(B) for the first taxable year for which a deduction would be allowable under this section with respect to such property—

"(i) the property is properly depreciated under the unit-of-production method, the retirement-replacement method, or any other method of depreciation not expressed in a term of years, or

"(ii) the property is a leasehold improvement which is properly depreciated over the term of the leasehold.

"(3) SPECIAL RULE FOR CERTAIN PUBLIC UTILITY PROPERTY.—

"(A) IN GENERAL.—In the case of public utility property (within the meaning of section 167(l)(3)(A)), such property shall be treated as recovery property only if the taxpayer uses a normalization method of accounting.

"(B) USE OF NORMALIZATION METHOD DEFINED.—For purposes of subparagraph (A), a taxpayer uses a normalization method of accounting with respect to any public utility property if both the taxpayer's rates and its operating results on its regulated books of account reflect a tax expense determined by—

"(i) a method of depreciation on the property which is the same as, and

"(ii) a depreciation period for the property which is no shorter than,

the method and period used to determine its depreciation expense on the property for purposes of establishing its cost of service for ratemaking purposes.

"(C) SECRETARY TO PRESCRIBE REGULATIONS.—The Secretary shall provide such regulations as may be necessary or appropriate to prevent the reflection (directly or indirectly) in rates or operating results of an amount of tax expense which is inconsistent with either the depreciation method described in subparagraph (B)(i) or the depreciation period described in subparagraph (B)(ii).

"(4) CERTAIN SALES, LEASES, AND OTHER TRANSACTIONS IN PROPERTY PLACED IN SERVICE BEFORE 1981.—The term 'recovery property' does not include property acquired directly or indirectly from a person who used such property before January 1, 1981, if—

"(A) within 1 year after the property is so acquired, the property is leased back to such person, or

"(B) the person so acquiring the property bears a relationship specified in section 267(b) to the person using such property before January 1, 1981.

"(h) TRANSITIONAL APPLICABLE PERCENTAGES FOR CLASS 1 PROPERTY AND CLASS 2 PROPERTY.—

"(1) IN GENERAL.—The Secretary shall prescribe tables setting forth transitional applicable percentages—

"(A) for additions to capital account of class 1 property before January 1, 1985, and

"(B) for additions to capital account of class 2 property before January 1, 1985.

If for any taxable year for any property there is a transitional applicable percentage, such transitional percentage shall be substituted for the applicable percentage set forth in subsection (b).

"(2) TRANSITIONAL APPLICABLE PERCENTAGES FOR CLASS 1 PROPERTY.—The transitional applicable percentages for class 1 property shall be determined in accordance with the following assigned recovery periods:

"Transitional Recovery Periods for Class 1 Property

"For additions to capital account in—	The transitional applicable percentage shall be based on a capital cost recovery period of the following number of years:
1981	18
1982	16
1983	14
1984	12

"(3) TRANSITIONAL APPLICABLE PERCENTAGES FOR CERTAIN CLASS 2 PROPERTY.—The transitional applicable percentages for class 2 property shall be determined in accordance with the following assigned recovery periods:

"Transitional Recovery Periods for Certain Class 2 Property

"For additions to capital account in—	The transitional applicable percentage shall be based on a capital cost recovery period of the following number of years:
1981	ADR lower limit.
1982	ADR lower limit minus 1 year.
1983	ADR lower limit minus 2 years.
1984	ADR lower limit minus 3 years.

The capital cost recovery period determined under this paragraph shall in no case be less than 5 years.

"(4) ADR LOWER LIMIT DEFINED.—For purposes of paragraph (3), the ADR lower limit for any class of property is the lower limit of the asset depreciation range in effect on January 1, 1981, for such class of property under section 167(m). For purposes of the preceding sentence, lower limits in excess of 9 years shall be treated as equal to 9 years, and any lower limit which is not a whole number of years shall be rounded down to the next lower whole number of years.

"(5) TABLES TO BE SIMILAR TO SUBSECTION (b) TABLE.—The tables prescribed under paragraph (1) for any class of property for any assigned recovery period shall be based on principles similar to those used in the construction of the table under subsection (b) for that class of property.

"(6) SPECIAL RULE FOR CERTAIN CLASS 2 PROPERTY.—

"(A) IN GENERAL.—In the case of so much of the taxpayer's additions to capital account of class 2 property before January 1, 1985, as does not exceed an aggregate of $100,000 for any taxable year (and for which additions such year is recovery year 1), the applicable percentages determined under paragraph (3) shall not apply and in lieu thereof the applicable percentages set forth in subsection (b) shall apply in determining the recovery deduction with respect to such property for any recovery year.

"(B) SELECTION OF PROPERTY TO BE TREATED UNDER SPECIAL RULE.—In the case of any taxable year to which subparagraph (A) applies and in which the taxpayer's additions to capital account of class 2 property (for which such year is recovery year 1) exceed an aggregate of $100,000, the taxpayer shall select the items of class 2 property to which the transitional applicable percentages determined under paragraph (3) shall apply. Such a selection, once made, may be changed only in the manner, and to the extent, provided under regulations prescribed by the Secretary.

"(i) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) RECOVERY YEAR 1, ETC.—The term 'recovery year 1' means, with respect to any capital cost, the first taxable year for which a deduction with respect to such cost is allowable under subsection (a). The immediately following taxable year shall be recovery year 2, and the taxable years which follow shall be numbered accordingly.

"(2) SPECIAL RULES FOR APPLYING THE $100,000 LIMIT FOR CLASS 3 PROPERTY.—

"(A) IN GENERAL.—If for any taxable year the capital cost (for which such year is recovery year 1) of automobiles, taxis, and light-duty trucks exceeds $100,000, the taxpayer shall select the items to be treated as class 3 property, but only to the extent of an aggregate capital cost of $100,000. Such a selection, once made, may be changed only in the manner, and to the extent, provided by such regulations.

(B) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return,

the limitation under subparagraph (A) and under subsection (c)(2)(B) shall be $50,000 in lieu of $100,000. This subparagraph shall not apply if the spouse of the taxpayer has no property which may be taken into account as class 3 property (for which this is recovery year 1) for the taxable year of such spouse which ends within or with the taxpayer's taxable year.

"(C) CONTROLLED GROUPS.—In the case of a controlled group, the $100,000 amount specified under subparagraph (A) and under subsection (c)(2)(B) shall be reduced for each component member of the group by apportioning $100,000 among the component members of such group in accordance with their respective amounts of capital cost of automobiles, taxis, and light-duty trucks.

"(D) PARTNERSHIPS.—In the case of a partnership, the limitation contained in subparagraph (A) and in subsection (c)(2)(B) shall apply with respect to the partnership and with respect to each partner.

"(E) CONTROLLED GROUP.—For purposes of this paragraph, the term 'controlled group' has the meaning assigned to such term by section 1563(a), except that the phrase 'more than 50 percent' shall be substituted for the phrase 'at least 80 percent' each place it appears in section 1563(a)(1).

"(3) PUBLIC UTILITY MAY ELECT NOT TO TAKE INTO ACCOUNT ADVANCE PAYMENTS.—

"(A) IN GENERAL.—In the case of public utility property (within the meaning of section 167(l)(3)), the taxpayer may elect to treat all additions to capital account for the period before property is placed in service as made during the taxable year in which the property is placed in service.

"(B) EFFECT OF ELECTION.—An election under subparagraph (A) shall apply to all public utility property of the taxpayer for the taxable year for which the election is made and all subsequent taxable years unless the Secretary consents to a revocation of such election.

"(4) MAKING OF ELECTIONS.—Any election (or selection) under this section shall be made at such time and in such manner as the Secretary may by regulations prescribe.

"(5) TRANSITIONAL RULE FOR DETERMINING CAPITAL COST OF FISCAL YEAR TAXPAYERS.—If—

"(A) the taxpayer's taxable year is a period other than the calendar year, and

"(B) a transitional applicable percentage applies to additions to capital account in any portion of the taxable year.

then the capital cost for such taxable year shall be separately computed for each portion of a calendar year included within the taxable year.

"(j) CROSS REFERENCE.—

"For special rule with respect to certain gain derived from disposition of property the adjusted basis of which is determined with regard to this section, see section 1245.".

SEC. 3. CHANGES IN INVESTMENT TAX CREDIT.

(a) APPLICABLE PERCENTAGE.—Subsection (c) of section 46 (relating to qualified investment) is amended by adding at the end thereof the following new paragraph:

"(7) APPLICABLE PERCENTAGE FOR RECOVERY PROPERTY.—Notwithstanding paragraph (2), the applicable percentage for purposes of paragraph (1) shall be—

"(A) in the case of class 1 or class 2 recovery property (within the meaning of section 168), 100 percent, or

"(B) in the case of class 3 recovery property (within the meaning of section 168), 60 percent."

(b) CREDIT FOR EXPENDITURES BEFORE PROPERTY IS PLACED IN SERVICE.—Subsection (d) of section 46 is amended to read as follows:

"(d) QUALIFIED PROGRESS EXPENDITURES.—

"(1) IN GENERAL.—The amount of the qualified investment of any taxpayer for the taxable year (determined under subsection (c) without regard to this subsection) shall be increased by the aggregate of the applicable percentage of each qualified capital cost of the taxpayer for the taxable year.

"(2) QUALIFIED CAPITAL COST.—For purposes of paragraph (2), the term 'qualified capital cost' means the capital cost described in section 168(d)(1) for the taxable year with respect to any property which has not been placed in service before the close of such taxable year if such property when placed in service, can reasonably be expected to be recovery property which is section 38 property.

"(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' has the meaning given to such term by subsection (c)(7).

"(4) NO QUALIFIED PROGRESS EXPENDITURES FOR PROPERTY FOR YEAR OF RECAPTURE.—In the case of any property, no qualified progress expenditures shall be taken into account under this subsection for the first taxable year for which recapture is required under section 47(a)(3) with respect to such property, or for any taxable year thereafter.".

(c) AMENDMENT OF RECAPTURE RULES.—

(1) IN GENERAL.—Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) SPECIAL RULES FOR RECOVERY PROPERTY.—

"(A) GENERAL RULE.—If during any taxable year section 38 recovery property is disposed of, or otherwise ceases to be section 38 property with respect to the taxpayer, before the close of the recapture period, then the tax under this chapter for such taxable year shall be increased by the recapture percentage of the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from reducing to zero the qualified investment taken into account with respect to such property.

"(B) RECAPTURE PERCENTAGE.—For purposes of subparagraph (A), the recapture percentage shall be determined in accordance with the following table:

[In percent]

"If the taxable year in which the recovery property ceases to be section 38 property is—	The recovery percentage for each class of property is—	
	Class 1 and class 2	Class 3
The taxable year in which placed in service	100	100
The first taxable year after the year in which placed in service	80	66
The second taxable year after the year in which placed in service	60	33
The third taxable year after the year in which placed in service	40	0
The fourth taxable year after the year in which placed in service	20	0

"(C) DEFINITIONS AND SPECIAL RULES.—

"(i) SECTION 38 RECOVERY PROPERTY.—For purposes of this paragraph, the term 'section 38 recovery property' means any section 38 property which is recovery property (within the meaning of section 168).

"(ii) RECAPTURE PERIOD.—For purposes of this paragraph, the term 'recapture period' means, with respect to any property, the period consisting of the taxable year in which such property is placed in service and the 4 succeeding taxable years (the 2 succeeding taxable years in the case of class 3 property).

"(iii) CLASSIFICATION OF PROPERTY.—For purposes of this paragraph, property shall be classified as provided in section 168.

"(iv) PARAGRAPH (1) NOT TO APPLY.—Paragraph (1) shall not apply with respect to any recovery property.".

(2) TECHNICAL AMENDMENTS.—

(A) Subparagraph (D) of section 47(a)(3) is amended—

(i) by striking out "paragraph (1), paragraph (1)" and inserting in lieu thereof "paragraph (1) or (5), as the case may be, such paragraph", and

(ii) by striking out "PARAGRAPH (1)" in the subparagraph heading and inserting in lieu thereof "PARAGRAPH (1) or (5)".

(B) Paragraph (6) of section 47(a) (as redesignated by paragraph (1)) is amended by striking out "paragraph (1) or (3)" and inserting in lieu thereof "paragraph (1), (3), or (5)".

(C) Subparagraph (B) of section 47(a)(7) (as redesignated by paragraph (1)) is amended by striking out "paragraph (5)" and inserting in lieu thereof "paragraph (6)".

(d) AMENDMENT OF SECTION 48.—The last sentence of section 48(a)(1) (defining section 38 property) is amended by striking out "includes only property" and inserting in lieu thereof "includes only recovery property and any other property".

SEC. 4. AMENDMENTS RELATED TO DEPRECIATION.

(a) RECOVERY DEDUCTION TREATED AS DEPRECIATION.—Subsection (a) of section 167 (relating to depreciation) is amended by adding at the end thereof the following new sentence: "In the case of recovery property (within the meaning of section 168), the recovery deduction allowable under section 168 shall be deemed to constitute the reasonable allowance provided by this section, and such property shall be considered for purposes of this title as property of a character subject to the allowance provided under this section."

(b) NO ADDITIONAL FIRST-YEAR DEPRECIATION FOR RECOVERY PROPERTY.—Paragraph (1) of section 179(d) (defining section 179 property) is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(D) which is not recovery property (within the meaning of section 168).".

(c) TERMINATION OF CLASS LIFE SYSTEM.—Subsection (m) of section 167 (relating to class lives) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—This subsection shall not apply with respect to property placed in service after December 31, 1980.".

SEC. 5. DISPOSITION OF RECOVERY PROPERTY SUBJECT TO RECAPTURE UNDER SECTION 1245.

Paragraph (3) of section 1245(a) (defining section 1245 property) is amended by striking out "or" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", or", and by adding at the end thereof the following new subparagraph:

"(E) recovery property (within the meaning of section 168).".

SEC. 6. MINIMUM TAX AMENDMENT.

Subsection (a) of section 57 (defining items of tax preference) is amended by inserting after paragraph (11) the following new paragraph:

"(12) CAPITAL COST RECOVERY DEDUCTION.—

"(A) IN GENERAL.—With respect to each property which is class 1 or class 2 recovery property (as determined under section 168) and which is subject to a lease, the amount (if any) by which the recovery deduction allowed for the taxable year is greater than the straight-line capital cost recovery amount determined in accordance with subparagraph (B).

"(B) STRAIGHT-LINE CAPITAL COST RECOVERY AMOUNT.—For purposes of this paragraph, the straight-line capital cost recovery

amount shall be the amount of the depreciation deduction which would have been allowed for the taxable year had the taxpayer depreciated the property, beginning with the middle of the taxable year in which placed in service, under the straight-line method for each year of its useful life assuming—

"(i) a useful life of 10 years in the case of class 1 recovery property, and

"(ii) a useful life of 5 years in the case of class 2 recovery property.

"(C) LIMITATIONS.—

"(i) CORPORATIONS.—This paragraph shall not apply to any taxpayer which is a corporation (other than an electing small business corporation as defined in section 1371(b)) or a personal holding company (as defined in section 542).

"(ii) PROPERTY MANUFACTURED OR PRODUCED BY TAXPAYER.—This paragraph shall not apply with respect to any property which is manufactured or produced by the taxpayer.

"(D) PARAGRAPHS (2) AND (3) DO NOT APPLY TO RECOVERY PROPERTY.—Paragraphs (2) and (3) shall not apply to recovery property (within the meaning of section 168).".

SEC. 7. TECHNICAL AMENDMENTS.—

(a) EARNINGS AND PROFITS.—

(1) Subsection (k) of section 312 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) EXCEPTION FOR RECOVERY DEDUCTION.—If for any taxable year a recovery deduction is allowable under section 168 with respect to any recovery property, then the adjustment to earnings and profits for depreciation of such property for such year shall be the amount so allowable (but not in excess of the straight-line capital cost recovery amount determined under section 57(a)(12)(B)).".

(2) The paragraph heading of paragraph (2) of section 312(k) is amended to read as follows:

"(2) EXCEPTION FOR CERTAIN METHODS OF DEPRECIATION.—".

(b) AMENDMENT OF SECTION 381.—Subsection (c) of section 381 is amended by adding at the end thereof the following new paragraph:

"(27) UNUSED DEDUCTIONS UNDER SECTION 168.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 168, and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 168 in respect of the distributor or transferor corporation.".

(c) AMENDMENT OF SECTION 383.—Section 383 (relating to special limitations on certain carryovers) is amended by striking out "and to any net capital loss" and inserting in lieu thereof "to any unused deductions under section 168(e), and to any net capital loss".

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years ending after December 31, 1980.

REVISIONS IN THE CAPITAL COST RECOVERY ACT

1. Date changes:

The dates throughout the bill have been altered to reflect an effective date of January 1, 1981. This involves changing the date in the title of the bill and throughout the text at places dealing with the transition period and other miscellaneous items.

2. Definition of capital cost:

On page 4, new IRC sec. 168(d)(1) has been altered to remove the word "net" from the definition of "capital cost." This removes an unclear meaning from the definition.

3. Pre-effective date payments:

On page 5, new IRC sec. 168(d)(2) has been expanded by a new subparagraph (C) which describes the treatment of progress payments made before the effective date of the bill. Because current law does not recognize progress payments for depreciation, there has been some question about the treatment of such payments. This provision makes it clear that pre-effective date payments will be covered by the new law, but they will not be included as a capital cost until the year the asset is placed in service.

4. Small business transition rule:

On page 13, new IRC sec. 168(h) is expanded to include a new subparagraph (6) which allows an immediate application of the 5-year category (class 2 property) to $100,000 of additions to the capital account for each year during the transition period. This was part of the original draft in 1979, but which was inadvertently omitted from the text when submitted to the sponsors. The purpose is to remove the bookkeeping which would be required during the transition if small businesses were placed under the sliding scale in the 5-year category.

5. Minimum tax provision:

On page 24, sec. 6 of the bill amending IRC sec. 57 (the minimum tax) is amended by changing the new subparagraph (12)(C)(i) to replace the word "and" with "or." This particular provision was drafted to exclude corporate taxpayers from the imposition of the minimum tax on capital cost recovery deductions. However, the use of the word "and" required that a taxpayer be both a corporate and a personal holding company. This was an error which is corrected by using the word "or."●

RESPONDING IN KIND: AN ANSWER TO JAPANESE PROTECTIONISM

● Mr. SCHMITT. Mr. President, I am pleased to join in cosponsoring S. 396 to establish a quota for the import of Japanese automobiles. Auto imports from Japan have exploded in recent years from 381,000 in 1970 to over 1,617,000 in 1979. The dollar amount of these imports was over $6.4 billion in 1979. In the face of the recent decline in the domestic automobile industry, and the continuing existence of Japanese restrictions on U.S. exports to that country, congressional action is necessary.

I am a strong believer in free markets, and I believe we should be willing to accept the fact that domestic industries must face foreign competition head on. In that way U.S. consumers gain the benefits of greater selections in price and quality in the marketplace. However, the United States cannot be the only one to open its markets to foreign producers; there must be reciprocity. Unfortunately, in all too many instances, this has not been the case with the Japanese and some of our other allies. Let me point out just two glaring examples of Japanese behavior in this regard:

FRESH ORANGES

Japan has erected dual impediments to the importation of fresh oranges from the United States: High import duties combined with quantitative limitations effectively frustrate an open market situation.

The duty on fresh oranges imported into Japan is 40 percent from December 1 through May 31, and 20 percent from June 1 through November 30. This is an unrealistic level. The U.S. import duty for fresh oranges (including Japanese mikans) is 1 cent per pound, resulting in an ad valorem equivalent of approximately 10 percent (based upon a conservative value of 10 cents per pound). The Japanese import duty should be harmonized with the U.S. import duty.

In addition to this high duty, Japan has placed a quantitative limitation on the importation of fresh oranges. Although Japan recently agreed, in the Multilateral Trade Negotiations, to increase its import quota to 82,000 tons by 1983, this remains minimal. The 82,000 tons is equivalent to less than 3 percent of the Japanese mikan (tangerine) production.

The Western citrus industry has two varieties of oranges: Valencia or summer oranges and navel or winter oranges. In conjunction with its quota system, Japan has implemented a license system which requires that the bulk of the fresh orange imports enter Japan during the late spring or summer. This virtually precludes Western navel growers from participating in Japanese markets.

HIDES

There is probably no other sector of trade between the United States and Japan that is more influenced by Japanese Government policy than the trade in hides, leather and leather products. Since the end of World War II, the Japanese have followed a policy of buying U.S. cattlehides and then isolating their tanning and some of their leather products industries from international competition by means of quotas and high tariffs.

The effects of the Japanese policy of importing only raw material and severely resisting imports of leather and manufactured leather products, has had an enormous impact not only on the balance of trade between the two countries, but upon the economic distribution of scarce resources and on employment possibilities in the United States. In addition, Japanese firms, hiding behind a protectionist barrier, are willing to pay non-economic prices for raw materials, thus adding to inflationary forces in the sector.

In 1979, out of a total U.S. hide production of a little over 34 million, over 7 million hides went to Japan. These 7 million hides produce between $500 to $600 million worth of leather. U.S. tanners, however, were able to ship only $5 million worth of leather into this huge market. The low level of these shipments were in contravention of the Japan-United States agreement on leather which was estimated to allow movement of $30 to $40 million worth of leather per year.

Early in 1979, after almost 2 years of negotiation, the United States was able to conclude an agreement with the Government of Japan calling for an increase in the illegal Japanese quotas for U.S. leather imports. The Japanese at that time agreed to facilitate the utilization of these quotas. So far, the Japanese have issued licenses and have gone through the motions of living up to the agreement. However, the statistics clearly prove otherwise. The Japanese have not lived up to that portion of the agreement that involves "facilitation of the utilization of the quotas or licenses."

Mr. President, these are just two of

many examples of the kind of treatment U.S. agricultural exporters have received at the hands of the Government of Japan. Until these practices are eliminated, the United States will simply have to respond in kind. The legislation introduced by the distinguished Senator from Missouri (Mr. DANFORTH) which I am pleased to cosponsor, is a step in the right direction.●

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO RECEIVE REPORTS ON FRIDAY, FEBRUARY 13, 1981

Mr. BAKER. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until February 16, 1981, on Friday, February 13, 1981, the Secretary of the Senate be authorized to receive reports from 9 a.m. until 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ENHANCED EQUIPMENT PACKAGE TO SAUDI ARABIA

Mr. LEVIN. Mr. President, we continue to hear talk about the potential sale of an enhanced equipment package to Saudi Arabia. Having been in the Middle East in December and having spoken with a number of people about this issue, I want to share my thoughts with my colleagues.

In 1977, the Congress approved the sale of 60 F-15's to the Saudis, after explicit commitments to the Congress that such planes would not be enhanced with offensive equipment so as to present a threat to Israel.

Such offensive equipment included bomb racks and specially fitted fuel tanks for long-range capability. The Saudis are now requesting the "enhanced" equipment despite those clear commitments made in 1977.

Their request should be rejected.

Sixty-eight Members of the Senate, including many who voted for the 1977 sale have signed a letter to President Carter urging him to deny the request for enhanced equipment, and I ask unanimous consent that a copy of that letter appear in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEVIN. Mr. President, President Carter, during the recent campaign, vowed not to approve any equipment for the F-15's which would give the aircraft "offensive" capability. President Reagan clearly implied the same position in his B'nai B'rith speech in Washington.

Beyond the need to honor our clear commitment and contract, other factors indicate that such a sale is not in the interest of stability in the region.

The Saudis apparently seek the additional capability as a way of protecting themselves from a variety of dangers.

The threats to the Saudis and their oil are many. First and foremost are internal threats from Muslim fundamentalists such as took over the Mosque in Mecca, and potentially from certain Palestinian elements who work in the oil fields and who are placated by public statements of support—and money—from the Saudis for the PLO. Offensive armaments for the F-15's will not be useful against such internal threats.

The second most serious threat is an external commando-like raid against the oil fields.

The fact made clear to me on my recent visit to Saudi Arabia is that it is difficult to protect key points in the oil pipelines running to the tanker ports on the Saudi coast. Such difficulty opens the Saudis to a commando-like assault against which the F-15's are of little value.

A third possible threat is an invasion by Iraq or Iran.

The F-15's may be of some greater value as a deterrent to such an invasion if given greater offensive capability. But the deterrent effect of retaliatory air capability was of limited value in preventing an invasion by Iraq against Iran and Iran's revolutionary madness is not affected apparently by retaliatory threats, as seen by the hostages' situation and by Khomeini's attempts to stir up the Shia in Iraq and Saudi Arabia to overthrow their governments.

No real Saudi security need, then, is filled by this equipment. But real regional tensions and instability would be created.

Giving the Saudis F-15's offensive capability also would threaten Israel and require additional defensive measures on their part to meet the additional threat. Only if one discounts the avowed threats to Israel by Saudi leaders and their continued major financial support of the PLO and its terrorist activities against Israel, and the fact that the Saudis have participated—albeit often late and weakly—in the three Arab wars against Israel, can one be sanguine about the potential use of offensively capable F-15's against Israel.

I informed both Prince Abdullah and the Air Force Chief of Operations Fahd that, in my opinion, neither President Carter nor President Reagan would propose the enhancement package to the Congress and, if they did so it would be rejected.

We must learn that the Saudis need our protection as much as we need their oil. Their sheltered way of life, their religious orthodoxy and their monarchy with its billions of dollars of investments abroad cannot survive under the domination of Russia or her surrogates. The oil weapon threat must be put in its place. The Saudis must know that we know they need our protection and, if they cut off oil to us in retaliation for some action they do not approve of, we would have that much less incentive to protect them against the threatening world they face.

For all these reasons, President Reagan should reject the request for the enhancement package and, if he does not. Congress should.

EXHIBIT 1

U.S. SENATE,
Washington, D.C., June 27, 1980.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: According to recent news reports, Saudi Arabia has asked to purchase from the United States additional military equipment related to the 1978 sale of 60 F-15's. It is our understanding that included in this request are such items as multiple-ejection racks, conformal fuel tanks, KC-135 aerial refueling tankers, AIM 9-L air-to-air missiles, and AWACS. We would like to remind you of assurances given by your Administration concerning such military equipment and to register our firm opposition to the Saudi request.

When the proposed F-15 sale was debated more than two years ago, major concerns were voiced in Congress as to the aircraft's potential offensive capability. In response to these concerns, officials of your Administration provided the Congress with a series of assurances and understandings that emphasized the defensive role and restricted the potential offensive threat posed by the F-15's. In particular, a letter from Secretary Brown on May 9, 1978, to Senator John Sparkman, then Chairman of the Senate Foreign Relations Committee, stipulated the following:

"The F-15 we plan to sell to Saudi Arabia will have the same configurations as the interceptor model approved for the United States Air Force."

"The plane requested by Saudi Arabia will not be equipped with the special features that could give it additional range. Specifically, the planes will not have conformal fuel tanks ("fast packs"), i.e., auxiliary fuel tanks that conform to the body of the plane, and Saudi Arabian KC-130 tankers do not have equipment for air refueling of the F-15."

"Saudi Arabia has not requested that the plane be outfitted with multiple ejection racks (MER 200) which would allow the plane to carry a substantial bomb load. The United States will not furnish such MER's."

JULY 1980.

SIGNERS OF SENATE F-15 LETTER

William L. Armstrong (R-Colo.), Howard H. Baker, Jr. (R-Tenn.), Max Baucus (D-Mont.), *Birch Bayh (D-Ind.), *Henry Bellmon (R-Okla.), Joseph R. Biden (D-Del.), David L. Boren (D-Okla.), Rudy Boschwitz (R-Minn.), Bill Bradley (D-N.J.), Dale Bumpers (D-Ark.), John H. Chafee (D-R.I.), Lawton Chiles (D-Fla.), *Frank Church (D-Idaho), William S. Cohen (R-Maine), Alan Cranston (D-Calif.), and *John C. Culver (D-Iowa).

John C. Danforth (R-Mo.), Dennis DeConcini (D-Ariz.), Robert Dole (R-Kans.), Pete Domenici (R-N. Mex.), David Durenberger (R-Minn.), *John A. Durkin (D-N.H.), Thomas F. Eagleton (D-Mo.), Wendell H. Ford (D-Ky.), Gary Hart (D-Colo.), and Orrin G. Hatch (R-Utah).

Howell Heflin (D-Ala.), John H. Heinz (R-Pa.), Walter D. Huddleston (D-Ky.), Gordon Humphrey (R-N.H.), Daniel K. Inouye (D-Hawaii), Henry M. Jackson (D-Wash), *Jacob K. Javits (R-N.Y.), Roger W. Jepsen (R-Iowa), Nancy Landon Kassebaum (R-Kans.), Edward M. Kennedy (D-Mass.), Paul Laxalt (R-Nev.), and Patrick J. Leahy (D-Vt.).

Carl Levin (D-Mich.), Richard G. Lugar (R-Ind.), *Warren G. Magnuson (D-Wash.), Charles McC. Mathias, Jr. (R-Md.), Spark M. Matsunaga (D-Hawaii), *George McGovern (D-S. Dak.), Howard M. Metzenbaum (D-Ohio), George J. Mitchell (D-Maine), *Robert Morgan (D-N.C.), Daniel Patrick Moynihan (D-N.Y.), *Gaylord Nelson (D-Wis.), Bob Packwood (R-Oreg.), Claiborne Pell (D-R.I.), Larry Pressler (R-S. Dak.), and William Proxmire (D-Wis.).

David Pryor (D-Alaska), Donald W. Riegle, Jr. (D-Mich.), William V. Roth, Jr. (R-Del.), Paul S. Sarbanes (D-Md.), Jim Sasser (D-Tenn.), *Richard S. Schweiker (R-Pa.), Alan K. Simpson (R-Wyo.), Ted Stevens (R-Ala.), *Donald Stewart (D-Ala.), *Richard Stone (D-Fla.), Paul E. Tsongas (D-Mass.), John

*Not returning to 97th Congress.

W. Warner (R-Va.), Lowell P. Weicker, Jr. (R-Conn.), Harrison A. Williams, Jr. (D-N.J.), and Edward Zorinski (D-Nebr.).

BOOKER T. WASHINGTON BUSINESS ASSOCIATION

Mr. LEVIN. Mr. President, I commend the Booker T. Washington Business Association of Detroit for its 50 years of extraordinary work to promote minority participation in economic growth and business.

Each year, at its annual brotherhood luncheon, the association honors an outstanding member of the Michigan community for his or her contribution to the involvement of minorities in business. On February 13, the association will honor Coleman A. Young, the mayor of Detroit, for his effective involvement in both the Booker T. Washington Business Association and in the community that has so greatly helped provide minority opportunities.

The Booker T. Washington Business Association, an affiliate of the National Business League in Washington, was founded by Rev. William H. Peck in 1930. It provides education, technical assistance, advocacy of legislation, activities, and a voice that aids minority business persons. Programs include tax management seminars, a speakers' bureau, and a community service committee.

The BTWBA is based on the "helping people to help themselves" philosophy and strives to achieve cooperation between Government and the private sector to provide opportunities for minorities.

I am pleased to speak of its fine history and good deeds.

ADJOURNMENT TO MONDAY, FEBRUARY 16, 1981

Mr. BAKER. Mr. President, I have no other business nor do I know of any other matters to be disposed of or business to be transacted. In the absence of such, I move, in accordance with the provisions of House Concurrent Resolution 58, that the Senate stand in adjournment until 12 o'clock meridian on Monday, February 16, 1981.

The motion was agreed to and, at 5:26 p.m., the Senate adjourned until Monday, February 16, 1981.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 6, 1981:

DEPARTMENT OF DEFENSE

Verne Orr, of California, to be Secretary of the Air Force.

DEPARTMENT OF JUSTICE

Edward C. Schmults, of Connecticut, to be Deputy Attorney General.

FEDERAL HIGHWAY ADMINISTRATION

Ray A. Barnhart, of Texas, to be Administrator of the Federal Highway Administration.

DEPARTMENT OF STATE

Foreign Service officer nominations beginning Alan H. Dodds, to be a Foreign Service information officer of class 1, and ending Gregory Lagana, to be a Foreign Service information officer of class 7, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 5, 1981.

IN THE ARMY

The following-named officers for appointment to the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

To be major general

Maj. Gen. Charles P. Graham [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James M. Rockwell [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Albert B. Akers [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Emmett W. Bowers [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Story C. Stevens [redacted], Army of the United States (brigadier general, U.S. Army).

Lt. Gen. James M. Thompson [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edward B. Atkeson [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard X. Larkin [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert L. Wetzel [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Edmund R. Thompson, [redacted] Army of the United States (brigadier general, United States Army).

Maj. Gen. Jack N. Merritt [redacted], Army of the United States (brigadier general, United States Army).

Lt. Gen. Glenn G. Otis [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Guy S. Meloy III [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Maxwell R. Thurman, [redacted] Army of the United States (brigadier general, United States Army).

Maj. Gen. William E. Read [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Robert Arter [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Edward C. Peter II [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Stan R. Sheridan [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Nathaniel R. Thompson, Jr., [redacted] Army of the United States (brigadier general, United States Army).

Maj. Gen. William E. Cooper, Jr., [redacted] Army of the United States (brigadier general, United States Army).

Maj. Gen. Harvey D. Williams [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Drake Wilson, [redacted], Army of the United States (brigadier general, United States Army).

Maj. Gen. Clarence E. McKnight, Jr., [redacted] Army of the United States (brigadier general, United States Army).

Maj. Gen. Emmett Paige, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Orlando E. Gonzales, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Duard D. Ball, [redacted] Army of the United States (brigadier general, U.S. Army).

The following officer for appointment as a Reserve Commissioned officer in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. Van Hixson [redacted].

The following-named officers for temporary appointment in the Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general

Col. Bernardo Loeffke, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. John H. Moellering, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert F. Molinelli [redacted], U.S. Army.

Col. Albin G. Wheeler, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William E. Potts [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Bruce R. Harris [redacted], U.S. Army.

Col. Orren R. Whiddon [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald J. Delandro [redacted], U.S. Army.

Col. Gerald H. Bethke [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. John J. Yeosock, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald S. Pihl [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William E. Sweet [redacted], U.S. Army.

Col. James W. van Loben Sels [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert E. Wagner [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Houston P. Houser, III [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Peter M. Dawkins, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Jerome B. Hilmes [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. William H. Gourley [redacted], U.S. Army.

Col. Ronald W. Zeltman [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Burton D. Patrick [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Colonel Isaac D. Smith [redacted], U.S. Army.

Col. Ronald M. Holdaway, [redacted], U.S. Army.

Col. Henry G. Skeen [redacted], U.S. Army.

Col. Fred Hissong, Jr. [redacted], U.S. Army.

Col. Thurman D. Rodgers [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Sidney T. Weinstein [redacted], U.S. Army.

Col. James R. Taylor [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Rocco Negris, [redacted], U.S. Army.

Col. Stephen R. Woods, Jr [redacted], U.S. Army.

Col. Forrest T. Gay, III [redacted], U.S. Army.

Col. Jackson E. Rozier, Jr [redacted],

Army of the United States (major, U.S. Army).

Col. Lee D. Brown, [redacted], U.S. Army.

Col. James E. Shelton, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Lynn H. Stevens, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Harry D. Penzler, [redacted], U.S. Army.

Col. Robert W. Pointer, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Walter W. Kastenmayer, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. George R. Robertson, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Jack D. Woodall, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Curtis F. Hoglan, [redacted], U.S. Army.

Col. Mildred E. P. Hedberg, [redacted] U.S. Army.

Col. Edwin M. Aguanno, [redacted], U.S. Army.

Col. James Piner, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Eugene R. Cromartie, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. William S. Carpenter, [redacted], Army of the United States (major, U.S. Army).

Col. Jere L. Hickman, [redacted], U.S. Army.

Col. Carlton P. Weidenthal, [redacted] U.S. Army.

Col. Donald C. Hilbert, [redacted], U.S. Army.

Col. James C. Cercy, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Harry E. Soyster, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Joe J. Breedlove, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Donald E. Eckelbarger, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Johnnie H. Corns, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Thomas A. Sands, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Ray H. Lee, [redacted], U.S. Army.

Col. Cecil N. Neely, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Col. Robert G. Lynn, [redacted], U.S. Army.

Col. Fred E. Elam, [redacted] Army of the United States (major, U.S. Army).

Col. Robert D. Morgan, [redacted] U.S. Army.

Col. Anthony A. Smith, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Ellis D. Parker, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Col. Roy M. Strom, [redacted], U.S. Army.

Col. William F. Burns, [redacted], U.S. Army.

HOUSE OF REPRESENTATIVES—*Friday, February 6, 1981*

The House met at 1 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, teach us always to live as You would have us live, to serve as You would have us serve, that by our example we may be worthy of the high calling that we have received. May we adore You as our creator, be kind to one another as members of the human family, and ever seek truth in all our endeavors. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

IN HONOR OF THE LATE ELLA TAMBUSSI GRASSO

(Mr. MOFFETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOFFETT. Mr. Speaker, last night, the Honorable Ella Tambussi Grasso, the 83d Governor of the State of Connecticut, lost a heroic struggle against cancer. She was 61 years of age. The Members of this body—both those who served with her and those who are familiar with her good works—and the citizens of the State of Connecticut have lost a good friend.

Today, I am paying tribute to Mrs. Grasso for her service to our State and to our country, and for the remarkable strength with which she faced her illness. My colleagues, Mr. COTTER, Mr. MCKINNEY, Mr. RATCHFORD, Mr. GEJDENSON, and Mr. DENARDIS, join with me in asking the House to pause and to remember Mrs. Grasso.

As the man who now represents the Sixth Congressional District that Mrs. Grasso herself represented prior to her election as Governor, I can attest to the high regard in which she was held. As a Member of Congress, Ella Grasso's service on the Veterans' Affairs Committee and on the Education and Labor Committee won her high marks from her colleagues. At home, she was always on the scene, reaching out and helping. She was a woman of infinite compassion. On this record, she was elected chief executive of our State of Connecticut. Mrs. Grasso was the first woman elected to the office of Governor without succeeding her husband. She was elected and she was reelected solely on her own merit. And she served our State with great distinction until her illness forced her to resign, effective December 31, 1980.

Recently, the author Susan Sontag wrote:

> Illness is the night side of life, a more onerous citizenship. Everyone who is born holds dual citizenship, in the kingdom of the well and in the kingdom of the sick. Although we all prefer to use only the good passport, sooner or later each of us is obliged, at least for a spell, to identify ourselves as citizens of that other place.

All of us can only marvel at that courage with which Ella Grasso lived "on the night side of life." And the Connecticut delegation believes that for the courage and her service, this House should pay her tribute and stop for a moment to reflect on the life of this extraordinary public servant. Our thoughts are with Mrs. Grasso's family during this painful period.

Following my remarks I am including a resolution, which the Connecticut delegation plans to present to the family of Mrs. Grasso, and other extraneous matter in the RECORD.

Finally, Mr. Speaker, on February 17, we will have a special order. At that time, we will ask all Members to sign a tribute to this remarkable woman.

H. RES. —

A resolution relating to the death of the Honorable Ella Tambussi Grasso

Whereas the Honorable Ella T. Grasso served in the United States House of Representatives for two consecutive terms in the Ninety-second and Ninety-third Congresses; and

Whereas her service in the House of Representatives was distinguished, meritorious, and marked by great compassion; and

Whereas Ella T. Grasso was elected Governor of the State of Connecticut; and

Whereas her distinctive ability in the office of Governor won Mrs. Grasso reelection for a second term in office; and

Whereas her second term in office as Governor was tragically shortened when Mrs. Grasso was stricken by cancer; and

Whereas Mrs. Grasso won the admiration, love, and respect of all citizens by her courageous battle against the disease: Now, therefore, be it

Resolved, That the House has learned with profound sorrow of the death of the Honorable Ella T. Grasso.

Resolved, That this resolution, with signatures by Members of Congress and appropriate expressions of sympathy, be transmitted to the family of the deceased as a mark of respect to her memory.

CONNECTICUT'S ELLA GRASSO DIES; ILLNESS FORCED GOVERNOR TO RESIGN

(By Richard Pearson)

Ella T. Grasso, 61, a Democrat who was governor of Connecticut from 1975 until she resigned Dec. 31 because of ill health, died yesterday in Hartford of cancer.

She was the first woman governor who had not been preceded in office by her husband. Or, as Gov Grasso once put it, she was the nation's "first lady governor who was not a governor's first lady."

Gov. Grasso was born to Italian immigrant parents and was reared in the political system of Connecticut's legendary John M. Bailey. Bailey, long-time state chairman of the Democratic Party and national party chairman during the 1960s, guided her rise to power.

Gov. Grasso served more than 25 years in elective office and never lost an election. She spent four years in the state legislature, 12 years as Connecticut's secretary of state, then was a member of the U.S. House of Representatives from 1971 to 1975. She was elected governor in 1974 and reelected four years later.

When she first assumed office, she took leadership of a state confronted with financial difficulties and the specter of recession.

Gov. Grasso fought to hold down spending while resisting the imposition of a state income tax. To buttress her policy, she rejected a $7,000-a-year increase in her own pay. Advised that this was not legal under state law, she accepted the pay increase, then returned the amount of the raise to the state treasury.

When she and other state officials traveled to New York City to find buyers for $100 million in Connecticut bonds in 1976, they traveled by Greyhound bus.

She began losing popularity as her first term drew near its close because she was forced to retrench economically, curtail some state services and lay off state workers.

Gov. Grasso regained a measure of popularity during the blizzard of February 1978 when she set up a state command center, traveled by helicopter to trouble spots throughout the state and trudged through snow drifts on her fact-finding mission. She eventually became known throughout much of the state as "Mother Ella."

In 1978, Robert Killian, the state's lieutenant governor, ran against Gov. Grasso in the Democratic primary. Gov. Grasso pointed out that under her governorship, 260 new businesses had been attracted to the state and that the condition of Connecticut's treasury had improved from a $70 million deficit to a $95 million surplus.

She defeated Killian by a 2-to-1 margin and whipped her Republican challenger in the November election, Ronald A. Sarasin, 613,000 votes to 422,000.

In April 1980, Gov. Grasso underwent surgery for ovarian cancer. In late November, she was hospitalized with phlebitis and it was discovered that the cancer had spread

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□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

to her liver. Doctors determined in December that the cancer by then had involved her intestinal tract. On Dec. 4, Gov. Grasso announced that she lacked the "stamina or the endurance" to continue in office and resigned, effective at the end of the year.

Known for her vivacious personality and firm beliefs, she became well known outside her own state. Gov. Grasso was a member of the Democratic National Committee from 1956 to 1958. She served on the platform committee at the Democratic National Convention in 1960, and cochaired the resolutions committees at the 1964 and 1968 conventions. She was chairman of the New England Governors Conference in 1977.

At the 1968 convention, she helped push through a minority report that opposed continued American involvement in Vietnam. She also was one of those who walked out of the convention to protest the tactics used by the Chicago police department to quell demonstrations.

During her years in Congress, she fought for the expansion of minimum wage laws, increased veterans benefits, greater funding for Social Security and health programs for the elderly, and voted against funding for the Supersonic Transport.

Born Ella Rosa Giovanna Oliva Tambussi in Windsor Locks, Conn., Gov. Grasso was the daughter of parents who had come to this country from the Piedmont section of Italy. Her father was a baker, she recalled, "so we always had enough to eat." Gov. Grasso characterized her mother as a woman who was a "great reader" and pushed the future governor on to that pursuit.

After attending Catholic schools in Windsor Locks, Gov. Grasso won a scholarship to the Chaffee School in Windsor, Conn. She then went on to Mount Holyoke College in South Hadley, Mass., from which she graduated magna cum laude in 1940. She studied sociology and economics and was elected to Phi Beta Kappa. She earned a master's degree there in 1942 and was a statistics instructor before returning to Connecticut.

During World War II, she was assistant state research director for the federal War Manpower Commission. Her first move into politics was to join the League of Women Voters in 1943. She was elected to the state house in 1952.

During her years as Connecticut's secretary of state from 1959 to 1971, she turned her first-floor office in the Capitol in Hartford into a "people's lobby" and encouraged citizens to visit her and air grievances. She also was chairman of the Democratic state platform committee during these years.

A talented and gifted speaker, Gov. Grasso spoke fluent Italian. She was a member of the Connecticut Council of Catholic Women and the Order of Sons of Italy.

She was the wife of Thomas A. Grasso, a retired school superintendent, whom she married in 1942. They had two children, James and Suzanne, both of whom are teachers.

Ex-Governor of Connecticut Dies of Cancer

(By Matthew L. Wald)

HARTFORD, February 5.—Former Gov. Ella T. Grasso of Connecticut, the first woman to be elected governor in her own right in the United States, died here today. She was 61 years old.

Mrs. Grasso, who fell ill with cancer halfway through her second term, was pronounced dead at 6:03 P.M. at Hartford Hospital. Officials said funeral arrangements would be made public tomorrow.

After surgery for the removal of her ovaries and radiation treatment failed to stop the spread of cancer, Mrs. Grasso announced last Dec. 4 that she would resign on New Year's Eve, and she was succeeded by William A. O'Neill, the Lieutenant Governor.

DREW NATIONAL ATTENTION

When she was elected Governor in 1974, Mrs. Grasso drew national attention as being in the vanguard of a new era in politics. But her popularity in Connecticut was as a protector of the status quo who ran the state with frugality and without an income tax.

For many voters, her election marked the ascent to political power not of women, but of Americans of Italian descent.

"All my friends in the women's movement get angry at me for saying this," Mrs. Grasso said during her first term as Governor, "but I never thought that being a woman gave me any special political problems. It was only when my friends from the foreign press, in New York, kept coming here and writing about me as a woman candidate that I began to think I was doing something unusual."

Although she was the first woman to be elected governor who was not the wife or widow of a governor, her political path was not unusual.

And while she did not seek to change the nature or the direction of government, she was a pioneer, in the mid-1970's, in giving the public access to officials and records, and she also led the state's efforts to help the old and the retarded.

First elected to public office in 1954, Mrs. Grasso was an old hand at operating within the Democratic Party and the established political system long before she became Governor.

A TRADITIONALIST IN HARTFORD

For two terms in the United States House of Representatives, Mrs. Grasso was an advocate of liberal social programs and the spending of money to stimulate the economy, but in Hartford she was a traditionalist.

"That became more obvious and conspicuous in her as Governor," said Joseph J. Fauliso, who was president pro tem of the State Senate during her tenure. Her philosophy, Mr. Fauliso said, was remarkable for being "tenacious in the retention of values."

Moderate though she was, she left her mark on state government. As a State Representative from her native Windsor Locks, she was a moving force in the successful drive to simplify state operations by eliminating an entire layer of government, the counties, a goal she adopted in her days in the League of Women Voters.

In the late 1950's, she was one of the architects of a new State Constitution, which took effect in 1960.

As Governor, she created a stronger Department of Public Utilities Control, championed a "sunshine" law that opened many functions of government to public scrutiny, and reorganized the executive branch to make it more efficient.

A PERIOD OF ECONOMIC GROWTH

She also kept state spending low, in part by holding increases in welfare benefits well below the rate of inflation, limiting aid to the cities and—in a memorable political blunder in 1975—by laying off 500 state workers just before Christmas.

Partly because of a favorable tax structure, Connecticut enjoyed relatively low unemployment and healthy economic growth under her stewardship. Austere in her personal use of state money, she scrapped the Governor's limousine in favor of a standard cruiser of the state police, and later a high-mileage compact car.

In a state in which more than half the voters are Roman Catholic, Mrs. Grasso also left a mark of conservatism on the government, choosing, for example, to prohibit the state financing of abortions under Medicaid. "I do not wish to be a party to killing the children of the poor," she said, a formulation that dismayed feminists.

She also consistently opposed the extension of legalized gambling, an important source of state revenue.

One disappointment to those who saw her primarily as a woman was the small number of women she appointed to high positions. Her appointments, in fact, also alienated old-line politicians. Her explanation, in an interview, was that "people expect skills."

QUESTION OF MODERN POLITICS

"Purely political appointments of persons with no credit other than party affiliation are no longer part of our modern politics," she said.

An aura of personal concern served Mrs. Grasso well in two natural disasters during her governorship.

In February 1978, when austerity moves had lowered her popularity, a paralyzing snowstorm hit the state. Mrs. Grasso rushed to the State Armory in Hartford, walking the last mile after her car had bogged down in the snow, and ordered that the whole state be "closed" for three days, with cars banned from the roads while the snowplows did their work.

On that occasion, and again when a tornado struck Windsor and Windsor Locks in October 1979, Mrs. Grasso appeared on television and appealed for cooperation to alleviate the hardship. The image of a compassionate Governor toiling long hours during the disaster did much to enhance her popularity.

Perhaps to remind herself of the importance of the snowstorm in defining her relationship with the people of the state, Mrs. Grasso framed and kept at her desk an aerial photograph taken at the time. It was of a message written in footprints in the virgin snow on an open field. It said "Help—Ella."

A legislative aide from her Washington years remembered that when a constituent came in with a personal problem, "you almost got the impression you were talking to your mother, someone who was generally concerned about the little things that were happening to you: Were you out of a job? Was your family O.K.?"

But with her appointees she was tough, and often profane, and her staff sometimes gleefully recounted colorful tongue-lashings administered to upper-level state employees.

She was born Ella Rosa Giovianna Oliva Tambussi on May 10, 1919, to Giacomo and Maria Oliva Tambussi, who were immigrants from the Italian Piedmont. As Governor, Mrs. Grasso referred often to the hardships of her childhood, to make current difficulties seems small by comparison. Once, when a crowd of young reporters questioned her sharply about how the citizens could endure the gasoline shortage of the summer of 1979, she replied: "You see, it's easier for me than it is for you. I was a child of the Depression."

Mrs. Grasso came from a family of modest circumstances in the tightly knit Italian

community of Windsor Locks, an old mill town. Her mother was "a great reader" and her father, a baker, "pretended he could read and write," Mrs. Grasso once told an interviewer. "It took me years to learn that 'youse' is not the plural form of 'you,' " she said.

ELECTED TO PHI BETA KAPPA

Her diction, however, was flawless, with an almost patrician inflection, acquired after years in exclusive schools, which she attended on scholarships. Mrs. Grasso attended the Chaffee School, a girls' preparatory school in Windsor Locks that later merged with the Loomis School, a similar institution for boys. The Chaffee yearbook predicted that she would be the first woman to be mayor of Windsor Locks.

She went on to Mount Holyoke College, majoring in sociology and economics and being elected to Phi Beta Kappa in her junior year. To supplement her scholarship, she worked as a baby sitter and a laboratory instructor in statistics. She graduated magna cum laude in 1940 with a bachelor of arts degree and received her master's in 1942.

Later that year, she married Thomas Grasso, a teacher and later school principal in East Hartford. For three summers early in their marriage, they owned and operated the New Colony Movie Theater in Old Lyme, on the shore of Long Island Sound. She sold the tickets in the box office and he collected them at the door.

ROLE IN LEAGUE OF WOMEN VOTERS

Mr. Grasso, who retired while Mrs. Grasso was Governor, frequently escorted his wife to her political appearances.

During World War II, Mrs. Grasso became the state assistant director of research for the Federal War Manpower Commission. In 1943, she joined the League of Women Voters, and as a member, she said, she became acquainted with the issues facing the state.

"I think that is why I went into government, because I realized early on that if I was concerned with problems, the best way of getting them solved was to be part of the decision-making process," she said.

She went to work for the Democratic organization, led by the late John M. Bailey. with his blessing, she was elected to the state's House of Representatives in 1952 and again in 1954, when she was made assistant leader of the badly outnumbered Democrats.

WAS GUIDED BY BAILEY

In the House she became a protégé of Mr. Bailey. According to politicians who knew them both, Mr. Bailey saw in Mrs. Grasso a bright, aggressive, yet personable figure of tremendous appeal to voters as a woman and as a member of a rising ethnic group that was challenging the political supremacy of the incumbent Irish.

After four years in the House, backing such projects as the elimination of counties, reorganization of the court system and development of a state office of mental retardation, Mrs. Grasso was shepherded by Mr. Bailey to the Democratic National Committee, where she served for two years, and then back to Connecticut as Secretary of the State, traditionally a woman's post.

Mrs. Grasso turned the office into a "people's lobby" for private citizens with problems. Soon she was garnering more votes than the Governors who ran at the top of the ticket.

PUSHED ANTIWAR PLANK

In the 12 years she spent in the Secretary's post, Mrs. Grasso was also active in party affairs, reportedly sometimes writing Mr. Bailey's speeches. She was a delegate to the Democratic National Convention in 1968, where she pushed for a platform plank against the Vietnam War. Mrs. Grasso walked out of the convention hall in Chicago to protest what was viewed as police brutality against antiwar demonstrators.

In 1970, again with the backing of Mr. Bailey, she ran for Congress from the Sixth District, when the incumbent, Thomas J. Meskill, ran for Governor. Despite a general defeat for the Democrats in Connecticut that year, she won.

It was a job she took with some reluctance, because it disrupted her personal life. For two terms in Congress she flew home every weekend to her husband and two children, James and Susane, who lived at home. Both children later became teachers.

But Mrs. Grasso's introduction to Washington was not typical of the women entering the House of Representatives in that period. "For most of them, it was their first elective office," said a legislative assistant to Mrs. Grasso. "They were coming into politics either as a result of the feminist movement, or, for the Democrats, opposition to Vietnam. It was their baptism into politics, but for her it was merely a continuation of something that had been going on for 20 years." The aide added: "She was very much the old-school politician."

In the House in Washington, her main concern was the economic decline of New Britain, Bristol, Torrington and the other aging industrial cities of her district. She voted for economic-stimulus bills, and as a member of the Education and Labor Committee she helped draft the Comprehensive Employment and Training Act.

But according to colleagues who knew her at the time, Mrs. Grasso was frustrated by the unwieldiness of the House. She returned to Connecticut and sought John Bailey's help in obtaining the nomination to run for Governor in 1974.

FINDING A WINNER

In choosing Mrs. Grasso, Mr. Bailey felt he had found a winner. And with Mr. Bailey's help, Mrs. Grasso reduced her main rival, Robert K. Killian, to being a candidate for Lieutenant Governor.

The campaign against the Republican candidate, Representative Robert H. Steele, had some ugly aspects.

Supporters of Mr. Steele printed bumper stickers reading "Connecticut Can't Afford a Governess," and he tried unsuccessfully to paint Mrs. Grasso as a closet advocate of a state income tax, anathema in Connecticut.

She in turn campaigned on the contention that the Meskill administration had been lax in supervision of the electric utilities, which had overcharged consumers $19 million in three years, the Public Utilities Commission found.

FOUND THE CUPBOARD BARE

Mrs. Grasso won the election with almost 60 percent of the vote, but faced serious problems on assuming office. She looked into the state's cupboard and pronounced it bare. In a harsh budget, she broke a promise that she would pass all revenue-sharing aid through to the towns, and cut the welfare budget and laid off state employees.

She also earned the enmity of state employees by trying to extend their workweek. That bruising fight ended in compromise, but she lost in a battle to abolish the State Gaming Commission and to merge the War Veterans Fund with the General Fund.

Mr. Bailey died early in Mrs. Grasso's term as Governor, depriving her of a valuable ally in the battle to control the General Assembly's Democratic majority.

She cut travel by state employees and told them to use postcards instead of letters, and she even returned $7,000 of her $42,000-a-year salary. But her frugality in government programs, including welfare and education, earned her the hostility of many legislators.

Staff members argued that there was little choice. "Who would not have loved to do all the good things, build all the buildings, start all the programs," said Aaron Ment, her legal adviser in the first term. But the mood of the state—with which she was always in tune, supplemented by frequent "office hours" around the state—was not for spending.

There were frustrating political fights, too. In 1974, her campaign manager was Mr. O'Neill, an East Hampton restaurateur who would succeed her as Governor but who at the time was assistant minority leader of the House. After the election she made him party chairman, but in the summer of 1976 she decided someone else could do it better, and sought his ouster.

She failed, in a demonstration of the power of small towns and suburbs in controlling the Democratic Party. It was a difficult time politically for the Governor, whose continuing opposition to tax reform prompted some liberal Democrats to explore alternative candidates.

Perhaps in a gesture of reconciliation, she left the choice of Lieutenant Governor to the Democratic convention, which picked her old friend and then enemy, Mr. O'Neill. Meanwhile, the current Lieutenant Governor, Mr. Killian, sought the nomination for Governor and a bitter primary campaign followed.

But despite the political troubles, she trounced her opponents in the primary and in the November 1978 election. She argued that she had kept the state solvent without recourse to an income tax, and even made progress in some areas not requiring money. For example, she made Connecticut a leader in the public disclosure of officials' assets and campaign financing, and opening the meetings and records of government agencies.

By her second term, Mrs. Grasso had also acquired a national reputation. Periodically, she was mentioned as a potential Vice Presidential candidate.

The 29 other state governors of her party elected her chairman of the Democratic Governors Conference in July 1979 and she helped swing that organization to an endorsement of President Carter for renomination, during a time when polls showed that Democrats nationwide, and especially in Connecticut, favored Senator Edward M. Kennedy.

Her campaigning for President Carter, however, was curtailed by her illness.

● Mr. ANDERSON. Mr. Speaker, I was deeply saddened to learn of the passing yesterday of a good friend, and former colleague of ours, Gov. Ella Grasso.

You and I both know, Mr. Speaker, that in any given year, we work with so many fine people here in Congress. Multiply this by the 12 years that I

have been privileged to serve in the House, and a realization develops as to the quantity of outstanding individuals that Americans all across the country choose to represent them by popular vote. Even among this group, Ella was gifted.

Ella was brilliant, a Phi Beta Kappa; she was hard working, something which was readily apparent to all of us who were here during her Washington years; and she knew how to get along with people. This combination of traits meant that she brought able, effective, compassionate leadership to every position in which she served. And Ella served her country and the Democratic Party in a number of different capacities. Each day that she served put the lie to the old adage that our democratic system does not place good people in high positions. The people of Connecticut, as do all Americans, recognize quality and, by and large, vote for people who are in possession of it. And Ella never lost an election.

During her 4 years here, Ella and I became good friends. We ate lunch together often. We talked about many things. Among these, of course, was the talk about pending legislation that always seems to abound in our dining rooms downstairs. But we talked of other things too, and no matter what we talked about, Ella cared. She cared about the poor, she cared about the needy, she cared about the disabled and the handicapped. And she cared about the Nation's economy and security. But, and this is what is so difficult, rather than being mastered by any of these particular interests, she mastered them. And people able to do that particularly in the early and middle 1970's when we worked together, have always been in short supply.

Ella, of course, went on to become a tremendously popular Governor of Connecticut. We are told that she became known there as "Mother Ella." If there were more "Mother Ella's" around, this country would be an immeasurably better place.

Mr. Speaker, Lee and I will both miss Ella Grasso. So will all those in Connecticut and the country who were touched by her presence. Our thoughts are with her husband, Dr. Thomas Grasso, and their children, and we join them in knowing that Ella will never be replaced.●

● Mr. GEJDENSON. Mr. Speaker, as you are aware, Gov. Ella Grasso of Connecticut died Thursday, February 5, at 5:49 p.m. Her body will lie in state on Sunday and Monday at the State Capitol in Hartford. Her death is a great loss to us all, and I know those Members who served with her while she represented the Sixth District of Connecticut will join with me in expressing our great regret at her passing. Like many others today, I have been reflecting on the impeccable record of public service that Mrs. Grasso leaves to her family, her friends, her colleagues and her constituents. Her hard work and dedication—first as a State representative in the 1950's, as secretary of the state of Connecticut, as the Congresswoman from the Sixth District and, finally, as Governor—are a legacy to us all. Having served as a State legislator during Mrs. Grasso's tenure and having worked as her legislative liaison, I feel a deep personal loss. She will be sadly missed.●

● Mr. RODINO. Mr. Speaker, Ella Grasso died last night in Connecticut and I join all Americans in mourning the passing of this great lady. Her service as Governor of the State of Connecticut and as a Member of the House of Representatives from 1971 to 1975 was marked by integrity, belief in people, and commitment to good government.

Ella Grasso was the personification of the modern American dream. Despite her national acclaim, she never lost sight of her roots, and in fact never stopped working for the people of Connecticut. The daughter of Italian immigrants who arrived in America at the turn of the century, Ella Grasso became interested in politics and joined the League of Women Voters at the age of 23. She won election to the Connecticut State House at 32 and from then on never lost an election.

Her record of electoral victories and accomplishments for her State are monuments to Ella Grasso's tremendous energies. During her two terms in the House, Ella Grasso became my friend and ally. I remember her deep commitment to improving the lot of America's working men and women, in particular her support for expanding the minimum wage, for improving veterans benefits and the social security system, and for providing proper health care programs for the elderly.

Not long after her election as Connecticut's Governor in 1975, Ella Grasso became a national spokeswoman for the problems of Northeastern States and a strong advocate for the needs of the millions of citizens residing in the Northeast. She always worked for all the people, not for special interests or narrow political causes. Her outstanding record as the first woman in America to become Governor of her State in her own right has led the way for other women to become active participants in the American political process.

Ella Grasso was a warm and sincere person who gave 25 years of her life in the service of her State and the Nation. I feel privileged to have called her my friend, and I express my deepest sympathies to her family.●

GENERAL LEAVE

Mr. MOFFETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the life, character, and public service of the late Honorable Ella Tambussi Grasso.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

INTRODUCING LEGISLATION TO AUTHORIZE SALE OF GENERAL OBLIGATION BONDS TO PAY FOR THE DISTRICT'S ACCUMULATED DEFICIT

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAUNTROY. Mr. Speaker, in late January, I announced my D.C. legislative agenda for the 97th Congress. At that time, I unveiled three legislative proposals I had introduced for consideration by the Congress and indicated that I would introduce a fourth proposal which would complete the major legislative items I intend to pursue for the District of Columbia during this Congress.

These three proposals include a bill which seeks to achieve a formula-based Federal payment, a bill which would give the District control over its budget and a bill designed to streamline the congressional review period over local government acts.

The fourth item concerns the District's current accumulated deficit. I had reserved introduction of such a bill because several proposals had been presented, and I wanted to analyze the merits of each.

I am pleased to announce that after lengthy study, careful consideration, and much discussion, including expert analysis by staff of three congressional committees, an agreement has been reached by the Mayor, the D.C. Council Chairman, the Chairman of the Council's Finance and Revenue Committee and me concerning the best method of liquidating the accumulated deficit. I have today introduced a bill to authorize the District of Columbia to issue and sell general obligation bonds for the purpose of liquidating the deficit. These bonds will be backed by the full faith and credit of the District, will not require a Federal loan guarantee, will be tax exempt, and most important, according to competent bond counsel, and financial advisers, are expected to receive an investment grade rating.

Much has been made of the District's financial problems. While the financial problems are serious, they are not of crisis proportions. The recent

audit report which was rendered without any qualifications demonstrates that the city's money problems are manageable.

I must emphasize, however, that this will make sense only if the bonds are marketable. To insure marketability, we have included a provision to allow the D.C. Council to dedicate a specific revenue source for payment of the debt service on the bonds. This dedicated revenue source coupled with the District's reasonably sound financial condition leads the experts to believe that these bonds will be high grade and will thus be more easily marketable.

I trust my colleagues in the House and Senate will be encouraged by this proposal. It really asks nothing of the Congress. It does not burden nor commit the Federal Government in any way.

COMMUNIST MORALITY

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, much has been said and written concerning President Reagan's statement that Communist morality condones what we consider immoral behavior if such behavior is in the service of the Communist Party.

The President's words came to mind as I read a recent Associated Press story. The headline said: "Police Dogs Thwart Berlin Wall Escape."

Here is the story in its entirety:

WEST BERLIN.—Two police dogs thwarted an escape attempt at the Berlin Wall early Tuesday, attacking a would-be defector from East Germany, witnesses reported.

West Berlin police quoted the witnesses as saying the man was grabbed moments later by East German border guards who took him away in a jeep.

I would guess that most Americans think the Berlin wall is a thing of the past. But it still claims its victims, week after week, month after month, quietly but certainly. Self-proclaimed human rights activists never complain, never protest, never condemn the Communists.

A wall keeping human beings confined like animals is considered a proud accomplishment by the Communists. That is the kind of moral system we are dealing with.

President Reagan did us a service by reminding us of it.

THE YELLOW RIBBON AND THE RED ROSE

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, on Thursday, January 22, I had the privilege of attending a breakfast with a group of 1,200 or more prolifers from my own State of Ohio. While I was one of the speakers that morning, the speech by Mrs. Linda Theis was the most powerful one and addressed the main aspects of the prolife movement. It is more than the question of legalizing or outlawing a particular practice; it is a question of the principle upon which this great Nation was founded. Mrs. Theis' remarks are appropriate for all of us to consider and I include them at this point:

We have spent a good many years in this great and noble movement—some of us as many as 9 or 10 years now—and have seen very many phases in our growth pattern from our humble beginnings.

We remember the time when we knew in our hearts that abortion was not the answer to our social problems, but we were not quite sure of what to do about changing this very "negative solution" that had been legalized across the entire United States.

We remember, too, the time when we knew very little about our political process or even how politics affected us as American citizens.

But one thing we have known from the very beginning—we have known that there is nothing more important to the survival of humanity or to the survival of our society—to the survivors of our families, of our children—than a healthy, loving and sincere respect for the dignity of human life—all human life.

Abortion seeks not to procure and nurture life—but to degrade and destroy it. And the mentality that allows this mass execution of the innocent will assuredly have an effect on the social attitudes toward those who are sickly, those who lay comatose, those who are less than perfect, and those who are elderly.

We have known from the start that abortion offers no comfort, no warmth, no help to a needy mother nor to her unborn baby. And we have acted upon that basis.

We have come to know that the only way we can rid our society of this horrendous thing we call abortion is through the passage of a Human Life Amendment to the U.S. Constitution and we not only know that this has to be done, but we are more aware—now more than ever before—of the strategies and the tactics, of the educational endeavors involved in forcing Congress to act upon the firm and very solid recommendations we have to make to regain legal personhood for all our children.

We have grown—grown in awareness, in confidence. We certainly have grown in expertise in areas many of us would never have investigated had it not been for the motivation we felt to protect our unborn. And very importantly—we have grown in numbers.

At the present time we have 115 affiliate chapters across the State of Ohio, with nearly 150,000 members and a Board of Directors, and chapter presidents, and individual members who are wonderful, sincere hard-working pro-lifers.

It's very important, I think, that every one of you realize the importance of your involvement, for this organization could not nor would it be the effective and well-respected social activist organization that it is at this moment—without you—without every one of you here.

You are extremely important because you have a very special kind of caring quality about you—and a very special kind of power.

Each and every Congressional District must be considered the all-important one that it is, for each and every District has one Congressman—and each and every Congressman has one vote—and each and every one of us has the power to influence that vote.

We have done just that in the past election—and we will continue to do so in the next elections until, with the grace of God, we have the two-thirds Senate majority that we need for the passage of a Human Life Amendment.

In the last few days we have seen, and have been a part of, the great joy that we, as a Nation, felt at the return of 52 of our American brothers and sisters from the hands of foreign terrorists. It has been wondrous to see the National concern for those hostages—as it should be. For each and every life should be of National concern.

During the 444-day period during which the 52 Americans were stripped of their freedom by the barbaric attitudes in a foreign government, at least 1.5 million innocent and defenseless Americans were stripped of their freedom—and their very lives—forever by the barbaric attitudes of our very own Nation. How ironic that some Americans become emotional and totally grief-stricken over the loss of freedom for some of our fellow Americans, while condoning, even promoting, the deliberate killing of equally important and deserving Americans.

We will no longer allow the atrocity of abortion to eat away at the moral fiber of this great country. We will work tirelessly and constantly to assure tomorrow's children that they may live to enjoy the wonders and miracles bestowed upon humanity by the Creator.

We will not be accomplices to these crimes of abortion, but rather stand tall and sturdy so as to uphold the principles upon which this great America was founded.

The time is now, America—Hear the message loud and clear. Search your soul and recognize our inhumanity to the most defenseless and innocent of human beings—the unborn.

We will, with the help of you good people, make the Red Rose as much a National Symbol as the Yellow Ribbon is today.

GRAIN EMBARGO SHOULD BE BROADENED TO INCLUDE ALL U.S.-U.S.S.R. TRADE ITEMS

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, there are those who argue that the Soviet grain embargo is justifiable primarily for national security reasons. If that argument is true, then I believe it necessarily follows that the embargo should be broadened to include all U.S. trade with the Soviet Union.

Why single out grain? Certainly our current exports of sophisticated technology would compromise our national

security interests—even more so than grain. Mr. Speaker, let me stop here to say that I do not accept the premise that the grain embargo, imposed in isolation from other products in our society, is justifiable for national security reasons. And I suggest that those who do, engage in faulty and dishonest reasoning.

DEMOCRATS OFFER DIFFERENT VIEW ON FUNDRAISING PRACTICES

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, as the newly elected chairman of the Democratic Congressional Campaign Committee, I rise to inform my leadership and my Democratic colleagues that I shall never, during my tenure, put their name to any document they have not seen.

I understand that President Reagan has disavowed the Republican fundraising letter dated January 21, 1981, that bears his signature. I believe the President, and I can well imagine his embarrassment, and his displeasure for whoever is to blame for misappropriation of his signature.

Mr. Speaker, I would also like to address my Republican colleagues. By definition we are all politicians, and we all know that the practice of politics can be tough. But there are also bounds that should not be crossed. After all, we must be able to put our differences aside in order to serve the people we represent.

You have my pledge that while we will contest you with vigor and intensity, it will be done honorably.

I trust we can put this unhappy incident behind us and move on to address the problems facing this country.

POLITICS AS USUAL FOLLOWS REPUBLICAN "NEW BEGINNING"

(Mr. SHANNON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHANNON. Mr. Speaker, just 17 days ago, Ronald Reagan was inaugurated and promised this country a new beginning.

One day later, Ronald Reagan and the Republican Party were back to politics as usual. The beginning may have been new, but it certainly was short.

Just 1 day into his administration, Ronald Reagan signed a letter to thousands of Americans predicting that Democrats in this House would thwart his efforts to solve the problems facing our Nation.

Not a single vote had yet been cast on the floor of this body on a Reagan program or proposal, and already Democrats were being labeled obstructionists.

Mr. Speaker, I believe the President and the House Republican leadership owe the majority, each and every Member, an apology. I would have thought so even before yesterday when, without the responsible leadership of the Democrats in this House, the debt ceiling increase requested by President Reagan could not have passed.

Mr. Speaker, I ask whether the cooperation we saw yesterday or the partisan attacks typified by the Republican Congressional Campaign Committee letter will prove to be the style of the much ballyhooed "New Beginning."

REPUBLICAN PARTY'S FUNDRAISING TACTICS CALL FOR PUBLIC APOLOGY

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, if either truth in advertising or consumer protection standards applied to the Republican Party's fundraising tactics, their program would be in trouble. Thousands of Americans are being deliberately misled by a solicitation supposedly signed by President Reagan within 24 hours of his inauguration.

The leadership of the Republican Party should be expected, like a manufacturer of a defective product, to apologize to the public, recall the solicitation, refund the contributions and provide proof of their actions to this House. To do less is an insult to the political process. Reflecting upon their experiences last fall, the Republican Party may also wish to run national advertising. Their message could, for a change, be positive. Perhaps they could quote President Reagan's speech last night:

> To the Congress of the United States, I extend my hand in cooperation, and I believe we can go forward in a bipartisan manner. I have found a real willingness to cooperate on the part of the Democrats and members of my own party.

WON PAT LAUDS REAGAN KOREA POLICY

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, I was very pleased to read in the papers the report that President Reagan has totally rejected further withdrawals of American Forces from South Korea.

The President is to be congratulated for his staunch decision to continue American support for South Korea. The estimated 39,000 U.S. troops we have stationed in South Korea is a small price to pay for the continued stability of that important part of the world.

Several years ago I was alarmed when former President Carter said he wanted to pull out U.S. forces in Korea. I said then and believe today that such action would be total folly for United States-Asian policy.

Following President Carter's announcement of his intention to pull troops out of Korea, Representatives SAM STRATTON, chairman of the House Armed Services Subcommittee on Investigations, BOB DANIEL, ROBIN BEARD and I made an inspection trip of Korea on behalf of the Armed Services Committee. Upon our return, we said that this Nation would not be well served if our troops left Korea. In the following months, the committee held several hearings into the matter and issued a report which supported our contention that stability in Korea can only be assured with the continued presence of major U.S. Forces and a continued strong military commitment to the leaders of South Korea from this Nation. In the months which have since passed since we issued our report, nothing has happened to change my mind on this issue.

Today, the Republic of South Korea remains very vulnerable to invasion from its northern neighbor. South Korea is outnumbered and outgunned by its adversary. While I was pleased that the evidence we compiled against the troop pull-out by our committee led the President to shelve his plan, I was concerned that it would be reactivated. The announcement by President Reagan is proof that this will not happen under his administration and this is good news indeed.

Continued peace in Asia is vital to American interests. This Nation now enjoys good relations with Japan, South Korea, Taiwan, and the People's Republic of China. I have no doubt that all out war in South Korea would seriously disrupt the balance of power in Asia and trigger off far reaching political and military complications.

It is apparent from his comments that President Reagan and his advisers share my concerns and beliefs. This is certainly good news. I applaud his statement of continued support for South Korea and also for his expression of future support for Japan, Australia, New Zealand, and the Association of South East Asian Nations (ASEAN).

We in Guam have experienced first hand the horrors of war in the Pacific. We do not want to experience war again without good reason. Keeping a strong military commitment to our friends in Asia and the Pacific will insure a peaceful future in that part of the world.

Thank you.

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ROLLCALLS—1980 SESSION FINAL FIGURES

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANIELSON. Mr. Speaker, on November 21, 1980, I reported on my analysis of all rollcall votes in the House of Representatives during the 2d session, 96th Congress, through October 2, 1980. Those remarks appear on page 30578 of the CONGRESSIONAL RECORD for that date. That report covered the first 622 rollcalls of the 681 which were recorded during 1980.

In order to complete that analysis for 1980, I am including today the balance of the 681 rollcall votes of the 1980 session, through adjournment on December 16, 1980. I am also including herewith tables for the full year showing the number of votes carrying by 90 percent or more, a summary by type of vote, and the top 10 rollcall requesters from 1978 through 1980. The listing of rollcalls is alphabetical, by Member requesting the rollcall.

1980 VOTES CARRYING BY 90 PERCENT OR MORE

[Jan. 3, 1980–Dec. 16, 1980]

Percent	Number of rollcalls in 1980 with this percentage	Number of rollcalls in 1980 with this percentage and over	Aggregate percent of 1980 rollcalls this percent and over
100	46	46	7.6
99	42	88	14.6
98	21	109	18.0
97	25	134	22.2
96	19	153	25.3
95	14	167	27.6
94	13	180	29.8
93	8	188	31.1
92	7	195	32.3
91	4	199	32.9
90	6	205	33.9

SUMMARY OF ROLLCALLS BY TYPE OF VOTE

[Jan. 3, 1980–Dec. 16, 1980]

Type of vote	1980	Percent
Agree to sections 1 thru 5 and 7	1	0.1
Agree to section 6 (fiscal year 1980)	1	.1
Agreeing to conference report	38	5.8
Agreeing to the amendment	157	23.1
Agreeing to the amendments	10	1.5
Agreeing to the resolution	89	13.1
Approving the Journal	23	3.4
Asking for a conference	1	.1
Asking for further conference	1	.1
Closing portions of conference	2	.3
Commit with instructions	1	.1
Concur in Senate amendment 95 with amendment	2	.3
Concur in Senate amendment with amendment	2	.3
Concur in Senate amendment	1	.1
Engrossment and third reading	1	.1
Holding a secret session	1	.1

SUMMARY OF ROLLCALLS BY TYPE OF VOTE—Continued

[Jan. 3, 1980–Dec. 16, 1980]

Type of vote	1980	Percent
Hour of meeting	1	.1
Motion to adjourn	1	.1
Motion to consider	2	.3
Motion to discharge	1	.1
Motion to instruct conferees	3	.4
Motion to limit debate	2	.3
Motion to postpone	1	.1
Motion to recommit	2	.3
Motion to reconsider	1	.1
Motion to table	5	.7
Ordering a second	5	.7
Ordering the previous question	11	1.6
Passage	75	11.0
Postponing consideration	1	.1
Presidential veto	2	.3
Previous question recede and concur with amendment in Senate amendment	1	.1
Quorum	77	11.3
Recede and concur with amendment in Senate amendment	3	.4
Recede from disagreement Senate amendment 95	1	.1
Recede and concur in Senate amendment	1	.1
Recede and concur in Senate amendment 36	1	.1
Recommit conference report with instructions	3	.4
Recommit conference report	1	.1
Recommit with instructions	12	1.8
Reconsider concur Senate amendment 95 with amendment	1	.1
Reconsider postponing	1	.1
Refer to Rules Committee	1	.1
Resolving into committee	41	6.0
Suspend rules and agree	9	1.3
Suspend rules and concur	1	.1
Suspend rules and pass	71	10.4
Sustain ruling of Chair	1	.1
Table appeal from ruling	3	.4
Table holding a secret session	1	.1
Table motion to instruct	4	.6
Table postponing consideration	1	.1
Table reconsider Senate amendment 95 with amendment	1	.1
Table reconsider postponing	1	.1
Total	681	100.0

TOP 10 ROLLCALL REQUESTERS

[1978–1980]

	1980			1979			1978		
	Rank	Number of rollcalls	Percent	Rank	Number of rollcalls	Percent	Rank	Number of rollcalls	Percent
Bauman	1	66	9.7	1	70	9.2	1	77	8.2
Ashbrook	2	52	7.6	2	65	8.6	2	71	7.5
Rousselot	3	38	5.6	4	18	2.4	3	46	4.9
Frenzel	4	33	4.8	.....	7	.9	.....	5	.5
Collins (Texas)	5	18	2.6	.....	3	.4	.....	7	.7
Broomfield	6	16	2.3	.....	2	.3	9	12	1.3
Dannemeyer	6	16	2.3	3	23	3.0	.....	.....	.....
Wydler	8	14	2.1	.....	8	1.1	.....	8	.8
Latta	9	12	1.8	10	12	1.6	.....	3	.3
Symms	10	11	1.6	5	16	2.1	6	23	2.4
Burton, P.	.....	1	.1	.....	.....	.....	8	13	1.4
Cunningham	.....	.....	.....	.....	.....	.....	10	11	1.2
Erlenborn	.....	3	.4	7	14	1.8	X	8	.8
Kramer	.....	3	.4	9	13	1.7	.....	.....	.....
Mottl	.....	3	.4	.....	5	.7	4	30	3.2
Sensenbrenner	.....	10	1.5	7	14	1.8	.....	.....	.....
Volkmer	.....	2	.3	.....	10	1.3	7	22	2.3
Walker	.....	4	.6	6	15	2.0	.....	5	.5
Weiss	.....	5	.7	.....	7	.9	10	11	1.2
Wilson, C. (California)	.....	3	.4	.....	11	1.5	5	26	2.8

ROLLCALL VOTES LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL

[Oct. 3, 1980–Dec. 16, 1980]

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent		Day
								Yea	Nay	
653	801202	Closing portions of conference	(Automatic)	H.R. 8105	359	0	.....	100	0	Tuesday.
643	801119	Agreeing to the amendment	Ashbrook	H.R. 6704	239	123	.....	66	34	Wednesday.
658	801203	do	do	H.J. Res. 637	164	208	.....	44	56	Do.
679	801213	Quorum	Bauman	.....	.....	.....	268	.....	.....	Saturday.
676	801210	Suspend rules and agree	do	H. Res. 826	337	19	.....	95	5	Wednesday.
630	801113	Agreeing to the amendment	Brooks	H.R. 7112	255	118	.....	68	32	Thursday.
631	801113	Passage	do	do	345	23	.....	94	6	Do.
677	801211	Suspend rules agree to conference report	Broyhill	S. 1097	218	84	1	72	28	Do.
656	801202	Agreeing to the amendment	Cleveland	H.R. 6417	181	183	.....	49.7	50.3	Tuesday.
649	801121	Agreeing to conference report	Collins (Texas)	H.R. 7584	240	59	1	80	20	Friday.
673	801205	do	Dicks	H.R. 8105	321	36	.....	90	10	Do.
675	801205	Suspend rules and pass	Dingell	H.R. 8379	205	126	2	62	38	Do.
669	801204	Agreeing to conference report	Eckhardt	H.R. 7591	325	25	.....	93	7	Thursday.

ROLLCALL VOTES LISTED ALPHABETICALLY—BY MEMBER REQUESTING THE ROLLCALL—Continued

[Oct. 3, 1980–Dec. 16, 1980]

Roll	Date	Type of vote	Requester	Bill	Yea	Nay	Present	Percent Yea	Percent Nay	Day
670	801204	Agreeing to conference report	Eckhart	H.R. 7018	334	13		96	4	Thursday.
674	801205	Ordering a second	do	H.R. 8379	221	86	1	72	28	Friday.
659	801203	Passage	Edgar	H.J. Res. 637	272	106		72	28	Wednesday.
680	801213	Recede and concur in Senate amendment	do	do	161	102		61	39	Saturday.
641	801118	Suspend rules and pass	Erlenborn	H.R. 5888	313	56		85	15	Tuesday.
650	801201	do	do	H.R. 5935	97	259	1	27	73	Monday.
665	801204	Agreeing to the amendment	Ertel	H.R. 6417	86	286		23	67	Thursday.
663	801203	Suspend rules and concur in Senate amendment	Florio	H.R. 7020	274	94		74	26	Wednesday.
642	801119	Resolving into Committee	Foley	H.R. 6704	326	6	1	98	2	Do.
657	801203	Agreeing to conference report	Frenzel	H.R. 7765	334	45		88	12	Do.
666	801204	Agreeing to the amendment	do	H.R. 6417	250	107		70	30	Thursday.
660	801203	Agreeing to the resolution	do	H. Res. 821	227	140		62	38	Wednesday.
661	801203	do	do	R. Res. 822	222	144	1	61	39	Do.
654	801202	Suspend rules and pass	do	H.J. Res. 598	317	57	1	85	15	Tuesday.
648	801120	Passage	Glaimo	H.R. 7265	333	39		90	10	Thursday.
668	801204	do	Harsha	H.R. 6417	346	33	1	91	9	Do.
645	801119	Agreeing to the amendment	Heckler	H.R. 7548	47	328		13	87	Wednesday.
644	801119	Quorum	do				349			Do.
646	801119	Agreeing to the amendment	Jeffords	H.R. 7548	132	231	1	36	64	Do.
662	801203	do	Kostmayer	H.R. 8378	161	218		42	58	Do.
639	801118	do	Latta	H. Con. Res. 448	154	232		40	60	Tuesday.
638	801118	Agreeing to the resolution	do	H. Res. 810	223	143		61	39	Do.
640	801118	do	do	H. Con. Res. 448	203	191	1	52	48	Do.
633	801113	Agreeing to the amendment	Lowry	S. 885	93	245	1	28	72	Thursday.
632	801113	Quorum	do				311			Do.
629	801113	Agreeing to the amendment	Maguire	H.R. 7112	159	205	1	44	56	Do.
667	801204	do	Miller (California)	H.R. 6417	94	253		27	73	Do.
637	801117	Suspend rules and agree	Miller (Ohio)	H. Res. 693	341	19	1	95	5	Monday.
647	801120	Resolving into Committee	Montgomery	H.R. 7265	333	2	1	99	1	Thursday.
636	801107	Suspend rules and agree	Moore	H. Con. Res. 376	363	2		99	1	Monday.
651	801201	Suspend rules and pass	Perkins	H.R. 7745	237	118	1	67	33	Do.
664	801204	Agreeing to the resolution	Quillen	H. Res. 802	186	189	1	49.6	50.4	Thursday.
678	801212	Suspend rules and agree	Roe	H. Res. 829	51	191	1	21	79	Friday.
624	801112	Resolving into Committee	Rousselot	S. 885	347	5	4	99	1	Wednesday.
672	801205	Agreeing to conference report	Sawyer	S. 1615	249	98		72	28	Friday.
671	801205	Recommit conference report with instructions	do	do	172	191		47	53	Do.
655	801202	Agreeing to the amendment	Shuster	H.R. 6417	109	266		29	71	Tuesday.
681	801215	Approving the Journal	Solomon		225	18	1	93	7	Monday.
625	801112	Motion to limit debate	Weaver	S. 885	245	95		72	28	Wednesday.
634	801114	Quorum	do				312			Friday.
635	801117	Suspend rules and pass	do	S. 885	284	77		79	21	Monday.
627	801113	Agreeing to the amendment	Wydler	H.R. 7112	65	306		18	82	Thursday.
628	801113	do	do	do	158	215		42	58	Do.
626	801113	Approving the Journal	do		307	12	2	96	4	Do.
623	801112	Quorum	do				345			Wednesday.
652	801201	Suspend rules and pass	do	S. 1280	164	192		46	54	Monday.

Mr. ASHBROOK. Mr. Speaker, will my distinguished colleague yield?

Mr. DANIELSON. I would be happy to yield to the distinguished gentleman from Ohio.

Mr. ASHBROOK. I would be pleased to know if I have continued my rating in the "top 10."

Mr. DANIELSON. I think that the gentleman did. He has demonstrated great expertise.

Well, he slacked off a little. That last 2 months, he only called for two rollcalls from October 2 through December 16. I think that impaired the gentleman's record a bit.

Mr. ASHBROOK. I thank my colleague for that information.

AUTHORIZING SPEAKER TO DECLARE RECESSES AT ANY TIME TODAY

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that it shall be in order for the Speaker to declare recesses at any time today, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Tuesday, February 17, 1981, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPOINTMENT AS ADDITIONAL MEMBERS OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to clause 6(e), rule X, and clause 1(a), rule XLVIII, the Chair appoints as additional members of the Permanent Select Committee on Intelligence the following Members of the House:

Mr. ROBINSON of Virginia; Mr. ASHBROOK of Ohio; Mr. MCCLORY of Illinois; Mr. WHITEHURST of Virginia; and Mr. YOUNG of Florida.

KIMBERLEE REDDINGTON BATES RIZIO WINS FIRST PRIZE IN VFW VOICE OF DEMOCRACY SCHOLARSHIP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 5 minutes.

● Mr. JEFFORDS. Mr. Speaker, I am honored today to present the excellent essay, by Kimberlee Reddington Bates Rizio of Manchester Vt., which took first prize in the Vermont competition for the VFW Voice of Democracy Scholarship. The topic of the essay is "My Commitment to My Country." I would like to offer my warm congratulations to Kimberlee for her fine effort, and say that I am very proud of her for doing her part to uphold the ideals and traditions of this Nation.

Essay follows:

1980–81 VFW VOICE OF DEMOCRACY SCHOLARSHIP PROGRAM, VERMONT WINNER, KIMBERLEE REDDINGTON BATES RIZIO

Over two hundred million of us live in one of the highly praised countries in the world. We are Americans and stand for all that our nation symbolizes. Each one of us has equal rights and freedoms. Our country was founded with the ideals of freedom and equality, and every day brings a new interpretation to these words. We have moved and changed with Time, yet our nation has kept its ideals.

A commitment is a personal duty. As a citizen, each person has obligations to his country. The United States does not make as many demands upon its citizens as other nations do, but Americans do have some commitments which must be fulfilled. The most important duty is preservation. As a citizen, I must try to preserve the American way of life and everything the United States stands for. Obviously, these things cannot be tracked down and put in a cage. The whole basis of America is freedom. This freedom is essential to the lifestyle of the United States.

I love America, not only as my homeland, but as a country which has shown what generations of willing citizens can do in two hundred years. Our heritage is a remarkable story. Started by a need for escape from persecution, this country showed the world that determination can build empires. We live in a country which gives us freedom to do as we please, within the law, plus, equality in society. I am considered an individual, but also a part of the group called Americans. Our country established these principles and many others; they all add up to the growth of a respected nation. The story of our country's history, is one which I plan to relate to any person who is interested. Americans have a reputation for backing their nation and beliefs one hundred percent at all times, and this is something which cannot be lost. A country cannot thrive without public support. It is a duty of the American people to maintain this strong support by instilling pride and respect in the hearts of others.

America must be kept as a united body. I believe that sacrifice is the key in this situation. My duty as an American is to give unceasingly of my time for my country. I will do anything that America asks of me in the best way I possibly can. If everyone feels the same way and gives just a little, a country will prosper. The past and present are full of sacrifices made by Americans. As a citizen, it is one of my obligations to help my country to stay united.

I am concerned not only with the past and the present, but also with the future. I think it is necessary to preserve the American lifestyle for oncoming generations. My ancestors preserved America so that I could live in it as freely as they had, and it is now my turn to give someone else that privilege. Through preservation, future generations will have everything that we have available to them.

I, as an American, hope to make the United States and its ideals for freedom and equality as longlasting as possible. This is my commitment to my country. I hope that all Americans will work together toward this goal. United, we can maintain the beliefs, freedoms, and lifestyles of today for the future. The history of our nation is essentially a list of the struggles for all these things—they must be preserved. If we all work together, future generations will understand the true meaning of ". . . one nation, under God, indivisible, with liberty and justice for all".●

HOW TO FREE THE SCHOOLS: SOME SUGGESTIONS FOR THE NEW ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, President Reagan's new Secretary of Education, Terrel Bell, has said that he is in full agreement with the education plank of the 1980 Republican platform. I can assure Secretary Bell that every pledge in that platform is worth fighting for. Academic excellence need not be a partisan or ideological issue. If the Republican strategy for education wins, everybody will win: Parents, teachers, and children alike.

Some of those fights will be long and hard, requiring new legislation as far-reaching as the original Elementary and Secondary Education Act of 1965. But others will be easy. There are areas where the old regime has used purely administrative means to launch major assaults on academic freedom and intellectual excellence. What the old regime started by administrative means, the new administration can stop in the same way. With the mere stroke of a pen, Secretary Bell can make landmark reforms.

Two such reforms would be in interpretation of title IX of the 1972 Education Amendments, which bars discrimination by sex in any education program which receives Federal funds. Title IX begins with this statement:

No person in the United States shall on the basis of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance.

The Office for Civil Rights, both within the old Department of Health, Education, and Welfare and within the new, hopefully soon to be extinct Department of Education, has in essence rewritten that statutory language. OCR has enforced title IX as if it allowed the bureaucracy to monitor and regulate, not just any education program or activity receiving Federal financial assistance, but all programs and activities of any institution receiving such assistance. Under OCR's homemade law, a college which receives research grants for its physics department has to revamp all its other activities—including, for example, its athletic program—in order to meet microscopically detailed regulations, even if these other activities do not receive a dime of Federal money.

OCR has used this grotesque distortion of the law to ram its extremist ideology down the throats of State, local, and private educators. With brazen disregard for congressional intent, it has moved to regulate extracurricular activities and intercollegiate sports; to change employment practices and compel health and leave benefits for pregnancy disability, including abortions; to mandate the kinds of locker rooms and other facilities available to male and female students; and to attempt to ban sororities and fraternities and mother-daughter or father-son activities and to require coed offcampus living facilities. In the course of these maneuvers it has forced schools and colleges to produce detailed and voluminous reports which divert precious time and money away from education.

Secretary Bell is under no obligation whatsoever to continue this deliberate misinterpretation of the title IX statute. He can and should reverse it: the sooner the better.

The second potential reform in title IX enforcement is a logical corollary of the first. Once title IX is interpreted correctly, the old regime's false and pernicious standard of what makes a college a recipient institution will meet the oblivion it so richly deserves.

Several small independent colleges, like Michigan's Hillsdale and Pennsylvania's Grove City, have made major financial sacrifices to avoid accepting Federal subsidies with their accompanying regulatory entanglements. But, just like other colleges, these institutions enroll students who as individuals are receiving Federal aid in the form of grants or loans for tuition. The old HEW, and the Carter Department of Education, took the position that a college is to be treated as a recipient institution, subject to the full weight of detailed Federal regulations, if it enrolls so much as one such student.

This position constitutes nothing less than an imperious attempt to erase the distinction between public and private, and Secretary Bell can and should reverse it as soon as he has had a chance to study the issue.

Specifically, he should apply to his Department's individual student-assistance programs the same logic that he acknowledged during his confirmation hearing on January 15 for the education benefits provided under the GI bill. Guaranteed student loans, Pell grants, supplemental educational opportunity grants, college work-study, and national direct student loans must not continue to be used as devices to erode the independence of independent colleges.

There are several other areas ripe for immediate reform. The most scandalous is bilingual education, where programs and regulatory activities of the old U.S. Office of Education and the new Department have been not merely wasteful but positively damaging to millions of Hispanic children. During the last 2 years the tide has begun to turn on these issues, as thoughtful Americans have observed the stress and turmoil triggered by French separatists in Canada. More and more observers have come to see that linguistic unity is a benign and necessary complement to ethnic diversity, and that the children of immigrants are only harmed by programs which consciously delay their mastery of English.

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To his great credit, Secretary Bell has already acted to withdraw former Secretary Hufstedler's August 1980 draft bilingual regulations, which were the most wrongheaded in a long series of wrongheaded Federal decisions on this subject. This decision marks a major turning point, but it should be seen as only the first step in a long road back to sanity.

The second step, which should follow as quickly as possible, would be to revoke the 5-year-old Lau remedies which explicitly legitimize bicultural education and which indefensibly stigmatize local programs of English as a second language (ESL) and high-intensity English instruction. There is no more statutory or judicial requirement for these informal guidelines than for the Hufstedler regulations, and they should be replaced by new guidelines or regulations.

The new policy should give maximum freedom to local school districts, and should explicitly acknowledge the legitimacy of total English immersion and ESL programs.

The third step would be to seek dramatic changes in the discretionary grant programs authorized by the Bilingual Education Act of 1968. Since this step would require congressional action, I will discuss it at greater length some other time.

Let me mention briefly just three more opportunities for immediate administrative reforms. First, Secretary Bell should instruct his new Assistant Secretary for Civil Rights to seek to reopen the Adams case. This long, convoluted lawsuit was still being used by the old regime during the last few weeks of its existence as a vehicle for imposing radical structural changes on State university systems, all for the sake of a mindless obsession with numerical racial quotas. Reversing the damage this one case has already inflicted will be a long and arduous task; all the more reason to begin immediately.

Second, President Reagan should issue a reorganization plan to block the scheduled transfer of the Department of Defense Dependents Schools system into the Department of Education. This transfer, which would nearly triple the size of the Education Department, is completely indefensible in terms of managerial logic; the only reason it was ever attempted was to give the Carter administration a pretext for the claim that the Federal education enterprise was large enough to deserve a Cabinet chair of its very own.

Third, the President should instruct Secretary Bell to stop enforcing the Education Appeal Board regulations which have been formally disapproved by Congress. Substantively, these regulations are trivial compared to the 1980 bilingual regulations; but circumstances have made them the focus of a landmark constitutional dispute. If President Reagan decides to break with recent Presidential precedent and formally accept the constitutionality of Congress right to enact laws which include provisions for legislative disapproval of executive branch regulations, he will obviously reap political benefits on Capitol Hill. But that is not the reason why he should do so. He should do so because it is the correct view of the Constitution, and a golden opportunity to help rescue the regulated from the regulators.

Every one of the steps I have outlined would contribute toward the goals of the Republican platform: Deregulating our schools and colleges, cutting paperwork and redtape, and restoring commonsense to education. Even if the Democrats in Congress manage to block every one of his legislative proposals, these early moves would enable Secretary Bell to do more good for education in just a few weeks than former Secretary Hufstedler did in her entire 9-month tenure. And they would bring fresh hope to millions of parents, students, and real educators who know that, after years of unwarranted Federal harassment, the time is now for a new beginning.

"THE LAWMAKERS" BEGINS NEW SEASON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

● Mr. O'NEILL. Mr. Speaker, I want to call to the attention of my colleagues the return to the Public Broadcasting System network the show "The Lawmakers." With a new format and more widespread coverage, the show is beginning its second year. There is no show like it on television. For a half hour a week the producers seek to summarize what we do here. That is no easy task but they do an excellent job. Paul Duke, a familiar figure on Capitol Hill, is senior correspondent on the show. He is ably assisted by Cokie Roberts and Linda Wertheimer of National Public Radio.

The show is seen in the Washington area live on WETA channel 26 on Thursdays at 9 p.m. and Saturday at 1:30 p.m. It is also on most PBS stations at different times around the United States.

In a recent show, Charlie McDowell, one of the show's commentators did a particularly good piece about "politicians." That is a word we do not hear too much. I am a politician and I am proud of it. I commend this to everyone's reading.

POLITICIANS

Congress is full of people who really enjoy being called senators and congressmen and congresswomen. They don't mind being called distinguished lawmakers, or even statesmen. Few will object if you just call them patriots. What they are wary of being called is politicians. The term has a bad connotation, and it seems to be getting worse all the time. A good way to get elected these days is to run against politicians, against Washington, against the government itself. The trick is to persuade the voters somehow that you are not a politician.

This is fakery. It misrepresents the art of lawmaking. And it demeans, further, an honorable effective and essential profession—that of the politician.

I wish every member of congress could be required to take the following oath:

"I affirm that I am a politician. That I am willing to associate with other known politicians. That I have no moral reservation about committing acts of politics. Under the constitution, I insist that politicians have as much right to indulge in politics as preachers, single-issue zealots, generals, bird-watchers, labor leaders, big business lobbyists and all other truth-givers. I confess that as a politician, I participate in negotiations, compromises, and trade-offs in order to achieve something that seems reasonable to a majority. And although I try to be guided by principle, I confess that I often find people of principle on the other side, too. So help me, God!"●

BACKBONE OF THE MILITARY IS PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, today I am proposing two pieces of legislation that I believe are vital to the well-being of our Armed Forces. The backbone of our military is the people who serve and my legislation will benefit both those who are presently in the service of their country and those who we are attempting to recruit.

The overriding defense manpower objective is to increase the combat effectiveness of the Armed Forces, and I am convinced this is done by recruiting and retaining capable, motivated people. Unfortunately, I feel that in today's sophisticated military we tend to overlook this major component, but the measures I am proposing are geared to getting back to the basics by providing adequate incentives for the men and women who are willing to dedicate themselves to our Nation by serving in the Armed Forces.

The first bill calls for a GI education package that would greatly expand the education benefits to volunteers who are high school graduates and serve at least 3 years on active duty or 2 years of active duty in addition to 4 years in the Reserves. Because the critical fields in the military are finding it difficult to retain their personnel, another provision in this bill is geared to resolving this problem and would allow the Department of Defense to pay tuition in advance for those in these critical fields in exchange for a promise of future military service from these students. And

a third provision, to encourage key career personnel to remain in the service, calls for allowing them the option of transferring their education benefits to their children and spouses.

Mr. Speaker, I believe that the GI bill was an incentive in the past for getting and retaining good military personnel and I feel that my bill will help us return to a system that worked very well in the past.

The other measure I am proposing deals with the pay, allowances, and special incentive pay for members of the armed services, and hopefully this bill will help resolve the serious personnel problems facing our military. If we allow our crucial manpower to be depleted, no amount of sophisticated weaponry can maintain a quality national defense system.

My bill would remove the President's authority under present law to put a cap on cost-of-living pay increases for our military personnel. It provides for a 9-percent pay increase, over and above full comparability for first-term personnel. The pay increase would be phased in at a rate of 3 percent a year for 3 years. Finally, it provides an 18-percent pay increase, over and above full comparability, for career personnel defined as enlisted pay grades E-4 and up, warrant officers and commissioned officers O-3 and up. These increases also would be phased in over a 3-year period.

Mr. Speaker, from many of the reports and news stories issued, it is very obvious that the military pay is inadequate. Just last year in my home town paper, the San Antonio Light, an article pointed out the military records show almost $140,000 in food stamps were redeemed at commissaries at the city's four air bases during this past fiscal year. And when you read other stories that point out that technicians on our Navy ships are making only half as much as his civilian counterpart, who also gets paid overtime and can go home to his family, we must come to the realization that to retain adequate military personnel we must be willing to provide them with incentives for giving their all to our national defense.

If our Nation demands a topnotch military force then our Nation must also be willing to respond to the needs of our military personnel.

I am very hopeful that there will be strong bipartisan support for both of these proposals as I believe we all realize that we can no longer neglect the serious problems in our Armed Forces today.

To end my statement I am offering a quote that I have used many times before, but one that I believe we can not hear enough, "God and the soldier, all men adore in time of trouble and no more. For when wars are over and all is righted, God is neglected and the soldier slighted."

Also, I place into the RECORD at this time an article, quite disturbing, appearing in a recent issue of Federal Times:

RECRUITING CURBS MAY LEAD TO DRAFT, DOD OFFICIAL SAYS

(By Tom Philpott)

The Defense Department's personnel chief says a military draft may be needed as early as 1982 if Congress "chokes off" the services' manpower supply with new restrictions on recruit quality.

Robert B. Pirie Jr., Assistant Defense Secretary for Manpower, Reserve Affairs and Logistics, said the new congressional ceilings on "Category IV" recruits threaten DoD goals in fiscal years 1982 and 1983 and thus may speed a return to peacetime conscription for the wrong reasons.

Some people might even conclude, he said, "that Congress already has voted for peacetime conscription. It's just a matter of when it happens—in 1982 or 1983—given those restrictions."

The restrictions Pirie referred to are included in fiscal year 1981 Defense Authorization Act passed by Congress in September. They limit the number of Cat IV recruits—those who score in the lowest acceptable category on the military entrance exam—to an average in all military branches in fiscal year 1981 of 25 percent. The limits will be tightened in fiscal year 1982 to no more than 25 percent Cat IVs for each service and, in fiscal year 1983, to only 20 percent for each service. The Cat IV total was 46 percent for the Army and 30 percent for DoD overall in fiscal year 1979.

Pirie said the all-volunteer concept cannot survive if Congress enforces those ceilings unless substantial increases are made in recruit pay and unless recruit advertising budgets double.

Pirie said the restrictions are unnecessary because recruit quality has not declined significantly in recent years. He said the all-volunteer force can be sustained "at reasonable costs with reasonable effort for the indefinite future."

People should understand, he said, that a return to a peacetime draft won't be the result of any decline in recruit quality or a drop in the male youth population in the mid-1980s.

"All those manpower issues don't go to the heart of the conscription question, which will be settled on social and political grounds, quite apart from the other considerations," Pirie said.

"There are people who feel that we are simply not dedicated enough to defending ourselves unless we accept the sacrifice of drafting our youth . . . They feel that way and it's a political force. We can put a pin in the bubble of all the bum arguments that peacetime drafters raise till Hell freezes over, but we're not going to get rid of that feeling.

Now (West Germany's) Chancellor (Helmut) Schmidt is telling us that we have to do that to prove we are serious about defense. He's not willing to spend three percent of his damn budget to prove that he's serious, but we have to draft our youth to prove that we're serious.

Pirie has held the top manpower job in DoD since November 1978 and was Deputy Assistant Defense Secretary in the recruitment division for the first two years of the Carter administration. He is under consideration for reappointment to that post in the incoming Republican administration. However, the job hasn't been offered yet and Pirie's not saying whether he'd accept it if it were.

At the urging of the services, he won Defense Secretary Harold Brown's approval to conduct a full report on the adequacy of military pay in the summer of 1979. The study found serious deficiencies in pay levels, travel entitlements and housing allowances. Pirie recommended and Brown endorsed a $650 million boost in compensation for the fiscal year 1980 budget. But President Carter rejected nearly all of the corrective steps proposed.

Pirie said he was as surprised as anyone when Brown recently said his greatest failure as defense secretary was not recognizing shortfalls in military pay soon enough to prevent an exodus of thousands of experienced, highly skilled personnel.

"I have to accept my share (of the blame) also," Pirie said, "I mean we started that study pretty late. It was evident we had a lot of problems when we started it."

Pirie said his advice to the Reagan team is:

Restore military pay comparability with the civilian sector. "We cannot let compensation slip as it did from 1974 through 1979." Pirie said it now appears service pay is about two percent short of some level of comparability. Whether that requires an interim pay raise early next year is not clear, he said.

Make substantial increases in DoD civilian personnel strength and smaller increases in military personnel totals. A hiring freeze on DoD, he said, would impact "quite seriously" on military readiness.

Fight to remove congressional restrictions on Cat IV recruits. That was a "bad public policy decision," he said, "made in a bad atmosphere, with bad information."

Support an education benefits program similar to the GI Bill, but one that can be targeted for personnel with specific skills who could use the benefits without leaving the service.

Budget for more family housing, more military construction and more maintenance money for property and equipment now in the field.

A CONGRESSIONAL VETO OF BUREAUCRATIC RULES IS NEEDED—WHO MAKES THE LAWS ANYWAY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 10 minutes.

● Mr. LEVITAS. Mr. Speaker, our Government belongs to the people of this country. It should not oppress them. It should serve them. It should be responsive to them. The people who make the laws and regulations that govern their lives should be accountable to the American people. In recent years, this Government has not always acted in this fashion.

In an effort to help our Government return to its proper role, I am introducing legislation which would begin to restore to the people a measure of control over executive and independent agency rulemaking, because the rules spewing forth from these unelected bureaucracies are a major cause of the problem.

It is a problem of rampant government. It is a problem of cynicism of Americans about government because of that type of unaccountable and unresponsive and unelected government.

Embodied in the principles of the Magna Carta, the Declaration of Independence, the Constitution, and the Bill of Rights is the basic tenet that government must be by the consent of the governed and that the process of law is fundamental and essential. Would any American citizen seriously argue that a person should be deprived of liberty or property under decrees which no elected official has participated in promulgating? Yet today the fact is that vastly more rules are made by the decree of the unelected bureaucracy than by the elected Members of Congress. In most instances a consequence of violating these administrative rules is imprisonment or fine or both.

If you ask the man on the street who makes the laws in this country, he would likely tell you that Congress does. But, he would be wrong, because more edicts regulating his life are promulgated by unelected bureaucrats than are passed by the elected Congress. An administrative rule is, in effect, a law. It has the same force and effect as a law. A person can go to jail, in many instances, for violating an administrative, bureaucratic rule just the same as if he had violated an act of Congress.

One has only to glance at the daily Federal Register to realize that executive and independent agencies have evolved into a fourth branch of Government with hosts of regulations which carry the force of law without legislative consideration. While it may be true that Congress has previously given—or abandoned—to the bureaucracy the power to enact these administrative laws, that does not justify continuing this practice.

There is definitely a need to have administrative rulemaking to fill the gaps between the broad principles embodied in acts of Congress, but this does not mean that Congress should leave it to civil servants or appointed officials to pass thousands upon thousands of far-reaching rules that can put citizens in jeopardy of losing liberty or property without having anyone elected by the people or answerable to them involved in the process.

The bill which I am introducing will give the public, through their elected representatives, an input into and a control over the rules which govern their lives by means of a legislative, or congressional, veto procedure for administrative rules and regulations. This bill will help cut down on bureaucratic redtape, reduce the regulatory outpouring from Federal agencies, and make the rules that are adopted more reasonable.

Congressional veto of administrative rules and regulations is not a new idea. The House of Representatives particularly has shown strong support for this concept. In the 94th Congress, the House Judiciary Committee reported a bill applying congressional veto of administrative rules and regulations across the board. This bill was debated on the floor under suspension of the rules near the end of the session. Unfortunately, it failed by two votes to receive the necessary two-thirds vote for passage. However, the strong vote in favor, 265 to 135, clearly demonstrates the support of the House. That support was bipartisan with 165 Democrats and 100 Republicans, including liberals, moderates, and conservatives, joining in voting for this bill.

In the 95th Congress, no comprehensive bill was reported for consideration by the House. However, 186 Members of the House cosponsored my bill providing for congressional veto of administrative rules and regulations, and significant votes were taken on the issue. On at least five separate occasions, congressional veto amendments patterned after the comprehensive bill were approved on the House floor to various agency or program authorizations such as HUD, FTC, and the FIFRA program. In addition, similar amendments were often offered during committee and subcommittee consideration of legislation, such as the Department of Education Organization Act and the Surface Transportation Assistance Act.

The most noteworthy votes on this issue were taken on the FTC conference report. Although the House passed an amendment providing for congressional veto of FTC regulations by a 2-to-1 vote, 272 to 139, the Senate refused to accept this provision in conference.

On two separate occasions in the 95th Congress, the House voted to reject the FTC conference report because it did not contain a congressional veto of FTC regulations. The first vote was 146 to 255; the second vote was 175 to 214. In the 96th Congress, the House voted unanimously to reject Senate amendments to the bill which would have eliminated the congressional veto, and voted 257 to 115 to instruct the House conferees to insist on the legislative veto language in the House bill. That two-time rejection of the conference report by the 95th Congress, and the overwhelming support for the congressional veto in the 96th Congress, constituted unprecedented action by the House and firmly established this body as the leader in the fight for regulatory reform. That fight was finally won with regard to the FTC when the conference committee included a meaningful and effective legislative veto which was accepted by both Houses and signed into law by President Carter on May 28, 1980.

I am reintroducing today comprehensive legislation to provide for congressional veto of administrative rules and regulations. This bill is identical to the one reported by the House Judiciary Committee in 1976. Congressional veto of administrative rules and regulations provides an ongoing procedure whereby Congress may review and reject agency actions—a mechanism that is necessary to insure that the principles upon which our country was founded are upheld.

The procedure set forth in this bill provides that whenever a rule or regulation is adopted under the Administrative Procedures Act, it will be referred to Congress for 60 days before it becomes effective. If during that 60-day period, either the House or the Senate adopts a resolution of disapproval, which is not rejected by the other body within 30 days, the rule in whole or part stands vetoed. While some critics have described this as a one-House veto, it is not. It is a modified one-House veto. Since both Houses of Congress could participate in the process, the principle of bicameralism is respected.

My proposal provides for an expedited procedure for bringing such resolutions to the floor of the House or Senate modeled after the procedures used for consideration of Presidential rescission and deferral messages. In addition, it contains a retroactive provision which will allow either House of Congress to review regulations previously adopted and, if necessary, refer them back to the administrative agency for reconsideration and repromulgation under the procedures of congressional veto.

Legislative review of executive actions is not a startling new proposal. There is ample precedent for such action in both Federal and State law. Since 1932, approximately 186 different acts of Congress with 264 separate provisions mandating some sort of congressional approval or disapproval of executive implementation of those laws, have been passed. Thirty-five States have on their books laws which provide for legislative review and/or veto of administrative rules and regulations. Even in the last Congress, President Carter signed into law at least 25 bills containing congressional approval or disapproval provisions or amendments to such provisions previously enacted.

Section 1013 of Jefferson's Manual for the 96th Congress lists the many laws providing various procedures whereby Congress has reserved to itself the right to review, by approval or disapproval, certain actions of the executive branch or independent agencies and, in one case, the rules of evi-

dence recommended by the Supreme Court.

Congress has not only repeatedly provided for congressional veto of administrative rules and regulations, but has exercised that power. For example, both the House and Senate have exercised one-House vetoes of regulations promulgated by the General Services Administration pursuant to the Presidential Recordings and Materials Preservation Act.

And more recently, in 1980, the House acted to veto regulations promulgated by the Federal Energy Regulatory Commission under the Natural Gas Policy Act of 1978, and acted with the Senate to veto President Carter's oil import fee, and, on four separate occasions, acted to veto regulations of the Department of Education.

Congressional veto of administrative rules and regulations addresses a central and most serious question: Who makes the laws in this country? Is it the elected Congress or the unelected bureaucrats who rule by administrative fiat?

Time and time again, the administrative agencies have usurped the authority of Congress through their quasi-legislative process of rulemaking. We have seen our legislative efforts frustrated or distorted when the implementing rules and regulations are published. The administrative agencies have oftentimes promulgated rules which are oppressive, arbitrary, or go clearly beyond the intent of Congress in passing the enabling act. Once that pithy little clause, "The Secretary shall have the power to promulgate regulations * * *", it is your guess and mine how far the administrative agency will go or, indeed, how lenient it will be.

What has resulted is a citizenry that is becoming increasingly cynical, frustrated, and angry with their Government. If we look just at the sheer number of regulations promulgated within a year, we can understand the extent of their anger. In 1977, the Federal Register had 65,603 pages, up 8.5 percent from the previous year. In any one year, the bureaucracy adopts about 9,000 regulations. Congress, on the other hand, passes about 600 laws. It becomes clear who is running the lives and schools and local governments and businesses of the citizens of this country—unelected bureaucrats, not elected representatives.

The means of recourse presently available to our citizens are limited. Judicial review is a costly process prohibitive to the average citizen when a decision may be put off for years and particularly when the scope of judicial review is circumscribed. The nature of judicial review is not only limited and expensive, it is always ex post facto, and all presumptions favor the agency rule. A mere scintilla of supporting evidence can justify a rule in court even in face of overwhelming evidence to the contrary. This point is illustrated by a Supreme Court decision of a few years ago in Union Electric Co. against EPA that held the economic and technological infeasibility of regulations cannot even be considered in judicial determinations.

While the administrative comment period theoretically does afford the citizen the opportunity to express his views on a proposed regulation, it does not require the agency to take serious note of the comments submitted. Moreover, unless the average citizen reads the Federal Register daily, which would not make him an average citizen, the comment period is likely to go by without his knowing about the rule until it becomes effective.

Remedying legislation can be, and oftentimes, is introduced, but we know too well that this is a cumbersome and time-consuming process which is not adequate to repeal or change administrative rules. Also, why should the full mechanism of enacting a law be required to reject mere agency rules? Greater oversight, stricter standards for the appointment of Cabinet members, agency chairmen and commissioners, and greater reliance on the authorization and appropriations process are additional tools available to Congress to control executive and independent agencies in general. But, these mechanisms are also not adequate to address the problem a particular regulation may present. They are not targeted, and their remedies are ex post facto—after the damage has been inflicted on the public. Congressional veto of administrative rules and regulations would prevent the damage.

Congressional veto of administrative rules and regulations would have a twofold effect. It would make the administrative agencies more responsive to the public and to congressional intent by establishing the unquestioned realization in each agency that they cannot promulgate regulations with impunity. They will know that Congress is paying attention to what they are doing, looking over their shoulders, and can take action if they go off on the wrong track. It is axiomatic that we will see more carefully drafted regulations, as well as more attention being paid to the views of citizens during the comment period. In short, the main benefit of the congressional veto is that it exists. Its very existence will sensitize the bureaucracy and make it more responsive.

It would also force Congress to draft legislation more carefully and to spell out its intent more clearly. Congress is far too lax in delegating authority broadly and without guidelines to administrative agencies. When hard decisions have to be made, we pass the buck with vaguely worded statutes. Who can or should vote against safe cars, clean air, or nondiscrimination? But when the implementing regulations are published loading cars up with expensive equipment of little benefit, or EPA imposes a parking ban on cities, or EEOC refuses to let a police department ask potential employees if they have a criminal record, the actual benefits of safe cars, clear air, or nondiscrimination is called into question. If we realize that we have the ultimate responsibility for the administrative rules that flow from these enabling acts, we will be more careful.

Moreover, the public will have a larger voice in the rulemaking process. Access to Congressmen and Senators is far easier than access to anonymous, faceless bureaucrats. Most Federal administrators are hardworking, dedicated, and talented people who do their job and serve the public faithfully and well. Some few, however, are zealots who in some elitist way think they—not the people or the elected Congress—run the country. The purpose of a congressional veto is to deal with this problem and to see that the public is given an input, through their elected representatives, in the promulgation of administrative rules. That is why so many organizations and individual citizens support this idea—because it gives them a say-so in the rules that run their lives. It provides a remedy to the citizens of this country for us, as their elected representatives, to say when the bureaucracy has gone too far, perverted the intent of Congress and promulgated arbitrary and oppressive regulations.

To say that Congress has neither the time nor the resources to review administrative rules and regulations is begging the question. These rules and regulations can be as far-reaching in effect as laws, and we cannot shirk our responsibility and let them go by without scrutiny simply because they are not called such. Some of the bills we consider are not as significant in effect as the regulations we ignore because they are called regulations. In the 95th Congress, approximately 18,000 bills were introduced for consideration. This amounted to almost twice the number of rules and regulations promulgated. Only those bills and resolutions which were important and necessary were considered in committee and eventually received attention by Congress. Such would be the case with congressional veto of administrative regulations.

In addition, committees already have a review and investigations subcommittee with the responsibility of monitoring a particular function of the bureaucracy. The staffs of these, and other legislative subcommittees review the activities of the Federal agencies every day, as well as review the regulations promulgated by the agencies. The problem is they cannot really do anything about the bad regu-

lations. Congressional veto will be an asset to oversight activities in that it will help the committee staff to focus on problem areas without allowing the administrative excess or abuse to continue while long-range oversight activities get underway. It will not necessarily add to staff size, but it will make them function more effectively. If any minor additional costs are incurred, though it is unlikely, they will be well worth it. It will overwhelmingly save the public millions or even billions of dollars resulting from oppressive regulations.

It is interesting to note that one of the specific grievances enumerated against King George to justify American independence and revolution as penned in the Declaration of Independence was:

He (King George) has erected a multitude of new Offices, and sent hither swarms of officers to harass our people, and eat out their substances.

Legislative veto of administrative rules and regulations is a way to make a start toward restoring to the people those rights for which the Declaration of Independence spoke over 200 years ago. It is our chance to restore to the people their right to govern themselves and to restore their confidence in their own Government. If we truly believe in a system of government by the people, our support of this principle is a way to make our words and beliefs match our votes and our deeds.

My bill cannot be termed liberal or conservative; it crosses ideological lines. Indeed, more than 230 Members of the House in the 96th Congress, and already more than 100 Members of the House in the 97th Congress, have joined me in cosponsoring my bill, and they have come from all across the political spectrum. The mandate of the 1980 election was a mandate for my colleagues on both sides of the aisle. The American people have demanded a return to representative government. They have given us a mandate to move away from a government of unelected bureaucrats who rule by administrative fiat. The new Congress and the new Presidency share a responsibility to work the will of the American people. I commend this bill to my colleagues in the 97th Congress and hope for a united front in reclaiming for ourselves and our citizens the right of rule by the people and not by bureaucracy.●

RIDICULE OF ETHNIC GROUPS IN THE BROADCAST MEDIA MUST STOP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on the first day of this new 97th Congress, I introduced House Concurrent Resolution 3, which would put the Congress of the United States on record in opposition to films and television or radio broadcasts which defame, stereotype, demean, or degrade ethnic, racial, or religious groups.

Denigrating remarks about any group in society concerning characteristics over which they have no control, such as race and ethnicity, and those which are associated with the very beginning and ending of life, such as religion, are immoral in themselves. But, in addition—and this is the special concern of Congress—they strike at the heart of a healthy and wholesome political system. While the immorality of such expressions concerns each of us personally, this resolution recognizes that the vitality of our political institutions and our values is dependent upon harmonious relations among various ethnic groups. From the mutual respect accorded these groups will grow a stronger and more dynamic democracy.

The motion picture, radio, and television industries have been deficient in their responsibility to help create a society in which individuals can respect their heritage and its institutions, and I call upon the Congress to take a stand against such abuse.

The members of our minority and ethnic groups should not have to witness their portrayal as criminals, idiots, or other undesirable characters. Each minority group is justifiably proud of its ancestry, its accomplishments, and its contributions to American society. When this self-pride is threatened, we jeopardize the human qualities which have most contributed to America's greatness.

Stereotypes as presented on television can be particularly influential to the young child. To a great degree, we become what we see, whether in life or in the media. Thus the challenge to the media is very great indeed, since modeling implies that children will be influenced not only by being told what they should be like but by observing what people with whom they can identify are actually like or portrayed as being.

When the media allow and encourage aspersions to be cast upon groups, portraying them as "superstitious" Catholics, "dumb Polacks," or part of the "yellow peril," or as "welfare blacks," or as "Italian criminals," or as the "lazy bandito," or the "racist hardhat," or the "Jewish loan shark," then social harmony becomes a political concern. The denigrated groups become defensive and hostile to other groups and to institutions which appear to be controlled by others. Such groups cannot help but question the worth of their allegiance to a political system which seems to affirm attacks upon them.

The motion picture and broadcast media have become central to the American way of life and have profound influence, particularly on children. The television set is a perfect instrument for those who would spawn prejudice against and prejudgment of our fellow human beings.

In such a situation, democracy and representative government do not have a chance. Insulted groups harden hearts and minds to others and freedom of speech becomes a monolog rather than a dialog. Supporters of this resolution do not want Government censorship; they want the leaders in the electronic media industry to exercise a social conscience in human relationships just as they want industries to exercise a social conscience in matters of employment, pollution abatement, and pricing policies.

When private industry defaulted in their social responsibility, they were subjected to governmental regulation. My resolution calls for an evaluation and an accounting by the media industry a year after congressional passage to determine the adequacy of the code of ethics or the guidelines which they develop and apply under the legislation.

I would like to quote a statement of mine in the 1971 hearings on a similar resolution:

Polish-Americans, Greek-Americans, Italian-Americans, Mexican-Americans, black-Americans, and members of every other minority and ethnic group, who by their vigor and pride have contributed so much to America's strength and greatness—have every right to be free from the harm directed at them by thoughtless panderers of hatred and discord. Every minority group is justifiably proud of its ancestry, its accomplishments, and its contributions to the advancement of world civilization. When we destroy this pride in "self"—we destroy the very quality Americans possess that has made America great.

Mr. Speaker, I urge the support of all of my colleagues for House Concurrent Resolution 3.●

THE FAMILY FARM ESTATE TAX RELIEF ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, one of the most unfortunate problems afflicting our Nation's agricultural sector today is the steep decline of the family farm. Today I am renewing my efforts to halt that decline by providing estate tax relief to family farms. This tax relief is essential if families are to be able to continue to work the land and pass on farms from generation to generation.

The decline of the family farm is well documented, and a few statistics from a recent report by the Department of Agriculture on the structure

of agriculture tell the story. Over the past 30 years, the number of farms in this country has declined by more than 50 percent—a loss of almost 2.5 million farms. Meanwhile, the trend toward concentration is shown by the fact that average farm size has more than doubled during the same period. As of 1978, 15.3 percent of the farms possessed almost 70 percent of all farmland. Obviously the decline of the family farm has been rapid, and we must take firm action if this trend is to be halted.

The key decision for a family on whether or not to continue to hold on to its farm very often centers on how to pay the estate tax on the farm property. Current tax law takes this problem into account, granting alternative, or use, valuation of property, as well as time extensions for payment of taxes, to most farms that continue as family operations. However, the estate tax is still a burden for these families, and it is often the catalyst in a decision to sell the property. That is why I believe estate tax reform is essential to protecting those families who want to continue farming their land.

The bill I am introducing today is similar to the legislation I introduced in the 96th Congress, H.R. 3720, which gained 67 cosponsors. It would provide a substantial exemption from estate taxes for all but the largest family farms. The exemption would serve as an alternative, not a supplement, to use valuation. Farm property valued at up to $750,000 would be totally exempt from the estate tax, and a partial exemption would be granted to those with farm property valued at up to $2,505,000.

Under my bill, the exemption would be subject to the same restrictions that exist for use valuation of property. Thus, the farm would have to be passed on to a member of the decedent's family, and the family would have to maintain material participation in the operation of the farm. If within 15 years of the decedent's death the heir disposed of the property, the property would become eligible for the estate tax under the same procedure that applies for use valuation.

The exemptions granted by this bill are substantially greater than those in my earlier bill. Unfortunately, land values are escalating at such a phenomenal rate that the land-rich farmer has a gross estate that is falsely inflated, and the estate tax problems facing a family are that much greater. Farmers simply do not have the cash to pay taxes on land that is valued at $3,000 an acre and up.

These are not only trends and statistics, though. We are talking about individual families who want to carry on the work of their parents and grandparents. Through no fault of their own, they are being squeezed out of this birthright, and I believe we in Congress can and must help to preserve for them the opportunity to maintain their farms.

Our Nation simply must commit itself to preserving family involvement in the farms of America. This bill is a step in that direction.

Following is the text of my legislation:

H.R. 1819

A bill to amend the Internal Revenue Code of 1954 to exempt certain farm property from the estate tax

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Family Farm Estate Tax Relief Act of 1981".

SEC. 2. (a) Part III of subchapter A of chapter 11 of the Internal Revenue Code of 1954 (relating to gross estate) is amended by inserting after section 2032A the following new section:

"SEC. 2032B. EXCLUSION OF CERTAIN FARM PROPERTY.

"(a) GENERAL RULE.—If—

"(1) the decedent was (at the time of his death) a citizen or resident of the United States, and

"(2) the executor elects the application of this section with respect to all qualified farm property and files the agreement referred to in subsection (e)(2),

there shall be excluded from the value of the gross estate a portion of the value of qualified farm property, as determined under subsection (b).

"(b) AMOUNT OF EXCLUSION.—The portion of the value of qualified farm property which shall be excluded from the gross estate under subsection (a) shall be determined in accordance with the following table:

"If the value of qualified farm property is:	The exclusion is:
Not over $750,000	The value of qualified farm property.
Over $750,000 but not over $900,000.	$750,000 plus 85% of the excess over $750,000.
Over $900,000 but not over $1,050,000.	$877,500 plus 60% of the excess over $900,000.
Over $1,050,000 but not over $1,200,000.	$967,500 plus 30% of the excess over $1,050,000.
Over $1,200,000 but not over $1,350,000.	$1,012,500.
Over $1,350,000 but not over $1,500,000.	$1,012,500 minus 35% of the excess over $1,350,000.
Over $1,500,000 but not over $1,650,000.	$960,000 minus 70% of the excess over $1,500,000.
Over $1,650,000 but not over $$2,505,000.	$855,000 minus 100% of the excess over $1,650,000.
Over $2,505,000	$0.

"(c) VALUE OF QUALIFIED FARM PROPERTY.—For purposes of this section, the value of qualified farm property is the value of such property which is included in gross estate under this part (without regard to this section or section 2032A).

"(d) DEFINITION OF QUALIFIED FARM PROPERTY.—For purposes of this section, the term 'qualified farm property' means qualified real property as defined in subsection (b) of section 2032A, other than qualified real property to which paragraph (2)(B) of such subsection applies.

"(e) ELECTION; AGREEMENT.—

"(1) ELECTION.—

"(A) IN GENERAL.—The election under this section shall be made not later than the time prescribed by section 6075(a) for filing the return of tax imposed by section 2001 (including extensions thereof), and shall be made in such manner as the Secretary shall by regulations prescribe.

"(B) ELECTION NOT ALLOWED IF ELECTION MADE UNDER SECTION 2032A.—No election may be made under this section with respect to an estate if an election has been made with respect to such estate to have the value of any portion of qualified real property determined under section 2032A(a).

"(2) AGREEMENT.—The Agreement referred to in this paragraph is a written agreement signed by each person in being who has an interest (whether or not in possession) in qualified farm property to which an election under this section applies consenting to the application of section 2032A(c) with respect to such property.

"(f) SPECIAL RULES.—

"(1) APPLICATION OF ADDITIONAL TAX.—For purposes of applying subsection (c) of section 2032A, any amount excluded from gross estate under this section shall be treated as an amount by which the value of qualified real property is decreased under section 2032A(a).

"(2) VALUE OF INTEREST IN QUALIFIED FARM PROPERTY FOR PURPOSES OF ADDITIONAL TAX.—In determining the value of an interest in qualified farm property for purposes of section 2032A(c), the portion of the amount excluded under this section for qualified farm property which shall be allocated to such interest shall be an amount which bears the same relation to such amount excluded, as the value of such interest (determined without regard to this section or section 2032A) bears to the value of all qualified farm property similarly determined."

(b) The table of sections for part III of subchapter A of chapter 11 of the Internal Revenue Code of 1954 is amended by inserting after the item relating to section 2032A the following new item:

"Sec. 2032B. Exclusion of certain farm property."

SEC. 3. (a) Subparagraph (D) of section 2032A(b)(1) of such Code is amended to read as follows:

"(D) such real property is designated in the agreement referred to in subsection (d)(2), or, in the case of qualified farm property with respect to which an election is made under section 2032B, in the agreement referred to in subsection (e)(2) of such section."

(b) Paragraph (3) of section 2032A(b) of such Code is amended by inserting "or section 2032B" after "without regard to this section" each place it appears.

(c) Subsection (c) of section 2032A of such Code is amended by adding at the end thereof the following new paragraph:

"(8) CROSS REFERENCE.—

"For additional amounts treated as amounts subject to tax under this subsection, see section 2032B(f)(1)."

(d) Paragraph (1) of section 2032A(d) of such Code is amended to read as follows:

"(1) ELECTION.—

"(A) IN GENERAL.—The election under this section shall be made not later than the time prescribed by section 6075(a) for filing the return of tax imposed by section 2001 (including extensions thereof), and shall be made in such manner as the Secretary shall by regulations prescribe.

"(B) ELECTION NOT ALLOWED IF ELECTION MADE UNDER SECTION 2032B.—No election may be made under this section with respect to an estate if an election has been made with respect to such estate under section 2032B."

SEC. 4. The amendments made by this Act shall apply to estates of decedents dying after December 31, 1981.●

RECESS

The SPEAKER pro tempore. Pursuant to the previous order of the House, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 1 o'clock and 19 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1600

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MOAKLEY) at 4 p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 1553. An act to provide for a temporary increase in the public debt limit; and

H. Con. Res. 58. Concurrent resolution providing for an adjournment of the House from February 6 to February 17, 1981, and an adjournment of the Senate from February 6 to February 16, 1981.

The message also announced that the Senate agreed to the following resolution:

S. RES. 36

Resolved, That the following-named Members be, and they are hereby, elected members of the following joint committees of Congress:

Joint Committee on Printing: Mr. Mathias of Maryland, Mr. Warner of Virginia, and Mr. Cannon of Nevada.

Joint Committee of Congress on the Library: Mr. Mathias of Maryland, Mr. Hatfield of Oregon, Mr. Baker of Tennessee, Mr. Pell of Rhode Island, and Mr. Williams of New Jersey.

EXPORT TRADING COMPANIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. BONKER) is recognized for 5 minutes.

● Mr. BONKER. Mr. Speaker, this bill we are introducing today to promote the formation of export trading companies is the same as H.R. 7230 which passed the House Foreign Affairs Committee last July. Unfortunately, the House did not have time to consider the legislation in the 96th Congress.

If there is any doubt about the importance of this legislation, one only needs to look at our trade balance with one trade ally—Japan.

During the last 10 years, we have incurred a $47 billion trade deficit and today the dollar value of Japanese goods sold in the United States exceeds the combined dollar value of American oil imports from the Middle East.

At the start of our trade relationship we supplied the Japanese with manufactured goods in exchange for silk and tea.

Now, as one congressional report stated:

It appears as though we are a developing nation supplying a more advanced nation—we are Japan's plantation: haulers of wood and growers of crops in exchange for high technology.

We import from Japan, autos, steel, tractors, radios, motorcycles, and video and audio tape players.

We export to Japan soybeans, cattle feed, wood, coal, and wheat.

This bill deserves the overwhelming support of all of my distinguished colleagues. It fosters the creation of trading companies to boost exports from the United States.

These trading companies should be particularly useful to the thousands of smaller manufacturers who cannot afford the cost and risks of exporting directly.

Commerce Department studies show that these new companies have the potential ultimately to lift overall U.S. exports by as much as 30 percent.

Surveys suggest that as many as 20,000 additional firms could be exporting. They are inhibited by a lack of exporting know-how; uncertainties about business practices abroad; the complexities of United States and foreign documentation; the problems of packing for export and arranging for overseas transportation; and inadequate financial resources.

A great variety of enterprises currently provide export trade services to U.S. producers—freight forwarders, brokers, shippers, jobbers, insurance companies, commercial banks, export management companies, advertising firms, trade lawyers, foreign purchasing agents, and others. But most fulfill only one or a few of the many functions required to engage in export trade.

Export success can often depend on intermediaries which take the actual risks and can easily develop economies of scale in marketing, transportation, financing, and other export services.

Export trading companies would provide comprehensive one-stop service to smaller exporters including market analysis, distribution, documentation, financing, and after-sales service. Additionally, they could buy and sell on their own account and thus would be able to resell the products of small and medium-sized companies overseas.

A few American trading companies and trade associations specializing in agricultural commodities or raw materials—such as timber and grain—do exist, but they do little to expand exports of U.S. manufacturers. In fact, as I indicated previously, the United States finds itself in a colonial situation with respect to exports. We ship out our raw resources and buy manufactured products in return.

This situation is no more acute than in the wood products industry. As a country we are a heavy exporter of raw logs—but our export of finished products is all but negligible. We are not obtaining the full economic benefit of our natural resource. In addition, we continue to import some 30 percent of our finished wood products from Canada.

This makes little sense at a time when high interest rates have crippled the housing and lumber industries. The domestic market for finished wood products has vanished as housing starts have plummeted. In Washington State, housing starts are down 35 percent. The lumber industry is in turn dramatically affected—last year more than 100 of the 818 sawmills in the 12 Western States closed their doors, and another 275 curtailed shifts or made other adjustments. In Washington State, about one-third of the 4,500 plywood workers are unemployed. Many smaller sawmills have been particularly hurt, and may never go back into business.

We in Congress must do what we can to promote export of our finished products, at a time when the domestic market is in trouble. Today, the smaller mills—as well as many other manufacturers—simply do not have the expertise to barter and negotiate effectively with foreign governments. As a result, we are forced to take these markets as we find them, limiting ourselves to the exportation of raw resources, while the foreign governments protect their domestic processing industries at the expense of our own.

U.S. producers have not until recently had access to general purpose trading companies. Such companies now operate in the United States, but only on behalf of Japan, Korea, and Western European countries. Entities which are owned or subsidized by foreign governments compete directly with private U.S. exporters for shares of the world market.

The United States finds itself at a disadvantage today in the world market. This is reflected in our balance-of-trade deficit, which is currently running at an annual rate of more than $40 billion.

Although this is due in large measure to our reliance on foreign oil, it is a fact that the United States is not sophisticated in dealing with the intricacies of foreign markets. Our exporters do not receive the Government support and subsidies of their foreign competitors. Worse, they often discover that their most serious obstacles are

the legal and regulatory restraints of their own Government.

As a result, we have been losing ground in the export market. Between 1960 and 1970, the U.S. share of world exports dropped from 18 percent in 1960 to 15.4 percent in 1970. The percentage continued to decline during the 1970's and only began picking up at the end of the decade, as the value of the dollar dropped, making U.S. goods more attractive to foreign buyers.

Today, export of goods accounts for about 7.5 percent of our GNP—the lowest percentage of any industrialized nation, according to the Commerce Department. For example, France's exports account for 16.7 percent of its GNP; Germany's, 22.6 percent; Italy's, 22.3 percent; the Netherlands', 38.3 percent; and the United Kingdom's percentage is 23.1.

The free market, in theory, ought to have generated American export trading companies long ago. But the market forces are imperfect, due to Government regulation, the structure of American enterprise, and traditional ways of doing business.

For example, Government regulations exclude U.S. banks from offering most export trading services. Federal Maritime Commission regulations prevent export traders that take title to goods from receiving commissions for freight brokerage from carriers. Antitrust uncertainties deter U.S. companies from expanding export trading activities in cooperation with other U.S. producers.

This legislation achieves a good balance between encouraging export trade on the one hand and safeguarding the existing appropriate antitrust provisions that protect the domestic competitors of export trading companies and export trade associations.

The threat of antitrust action has served as a deterrent to broader utilization of the Webb-Pomerene Act and the formation of trade associations for the purpose of promoting exports.

The vagueness of that act leaves uncertain what activities will constitute a substantial restraint of domestic trade.

This bill ends that uncertainty.

By establishing prior certification and by setting precise standards for antitrust exemptions and by transferring the authority for administering the act from the Federal Trade Commission and the Justice Department to the Commerce Department, we have increased significantly the degree of certainty involved in creating export trade associations or export trading companies for specified export activities.

In addition, small- and medium-sized firms engaged in international transactions would benefit from the development of export trading companies, which would enable them to pool resources and technical expertise and to achieve economies of scale.

The rapidly growing service-related industries are vital to the well-being of the U.S. economy since they create jobs for 7 out of every 10 Americans, provide 65 percent of the Nation's gross national product, and offer the greatest potential for significantly increased industrial trade involving finished products.

This legislation is not a panacea for all our trading ills nor will it solve our export problems overnight.

But, trading companies are badly needed to help U.S. businesses to compete with foreign trade organizations.

This legislation goes a long way toward providing that assistance.

The time has never been better for the Congress to exercise some leadership in the area of promoting exports.

Without new legislation to reduce impediments and encourage U.S. trading companies, we will simply fail to realize our export potential as a country.

A summary and the bill follow:

PURPOSE AND SUMMARY

The purpose of this bill is to increase exports of U.S. goods and services by encouraging and facilitating the provision of export trade services to U.S. companies through the greater use of export trading companies and export trade associations. The bill seeks to accomplish that purpose by the following principal means:

First, an office is to be established in the Department of Commerce to promote and encourage the formation of export trading companies and export trade associations;

Second, export trading companies are given greater access to financial resources and marketing expertise through bank participation in export trading companies, assistance by the Economic Development Administration and the Small Business Administration in meeting the startup costs and operating expenses of small- and medium-sized export trading companies, and Export-Import Bank loan guarantees, secured by accounts receivable and inventories, to export trading companies;

Third, antitrust exemptions of the Webb-Pomerene Act are extended to associations formed for the purpose of exporting services and to export trading companies and a certification procedure is established under the Webb-Pomerene Act so as to provide greater certainty to export trading companies and export trade associations;

Fourth, DISC and Subchapter S tax incentives are made available to export trading companies.●

CONCERN FOR HUMAN RIGHTS IS IMPORTANT TO OUR NATIONAL SECURITY

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, it is not hard to understand why President Reagan invited President Chun of South Korea to visit Washington and why, at the end of the visit, President Reagan had some kind things to say about President Chun and his country, South Korea, despite its internal problems. We have a strong interest in the continuing independence of South Korea.

President Reagan chose that occasion to point out that thousands of Americans gave their lives in Korea "in defense of freedom." Ironically, there is still precious little freedom in South Korea today. The commutation of Kim Dae Jung's death sentence and the lifting of martial law by President Chun shortly before his trip to Washington were rightly welcomed as steps away from repression. Tuesday's Washington Post reports that Mr. Chun has pledged further steps to restore democratic institutions in South Korea. Certainly the United States has an interest in encouraging such steps and in monitoring the South Korean Government's actions to implement Mr. Chun's pledge.

For this reason, it seems unfortunate that President Reagan also chose the occasion to remark that the internal affairs of other countries are none of our business. While Mr. Reagan made similar statements when he was a private citizen, now that he is President they take on an entirely new dimension. Even as to countries which are our adversaries, it would be difficult to square such a remark with our often expressed concerns over such matters as violation of basic human rights in the Soviet Union. President Reagan himself has expressed such concerns. The Helsinki agreement, to which the United States and the Soviets are both parties, recognizes that some political rights and some human rights are so basic that they are properly the concern of all countries.

In the case of a country, such as Korea, with which we have mutual defense arrangements or to which we have extended tremendous material and moral support, it is just plain incorrect to assert or imply that we have no concern as to how that country's government treats its citizens. The tremendous outpouring of protests by Americans, including resolutions adopted by the Congress, protesting the planned execution of Kim Dae Jung is proof to the contrary.

Such concern is not only proper in a moral sense but from a practical standpoint. I find myself in agreement with the Reagan administration that our national interests in the Far East require a continued U.S. military presence in South Korea. However, the fate of repressive regimes to which we have provided economic and military support in the past—for example, Batista in Cuba, Thieu in South Vietnam, the Shah of Iran, General Romero in El Salvador, and President Somoza in Nicaragua—ought to have taught us that, in the long run, military strength alone will not maintain

regimes whose brutality and repression alienate their own people. Have we any reason to believe that the Chun regime can survive if it likewise alienates the people of South Korea?

The damage potential of President Reagan's remarks will, if they are not promptly corrected, go far beyond South Korea. They cannot help but embolden tyrants like Marcos in the Philippines and rightwing terrorists in El Salvador and Guatemala. They will strike a body blow to our efforts to push regimes like those in Argentina and Chile to cease their atrocities.

Above all, if there is one thing worse than encouraging the enemies of freedom and human rights, it is dismaying freedom's friends. One of the great strengths of the United States among the peoples of the world has been that, from the founding of our Nation to the present, we have stood for humanity. "We hold these truths to be self-evident * * *," we proudly proclaimed in 1776 and have since fought a revolutionary war, a civil war, and two world wars to prove that we meant it. We diminish ourselves in the councils of the world and in the eyes of humanity, if we now choose to abandon these principles in our dealings with other nations, cherishing them only for ourselves.

If our policy were to rely only on military force and economic power to protect our interests as a nation, we would find in the end that all our power is not enough. We would, like Napoleon, learn the hard way the profound truth of his own maxim: "In war, the moral is to the material as three is to one."

I would hope that, on reflection, President Reagan would find himself in general agreement with the thoughts expressed above. If he does, I would hope that he would select some appropriate occasion in the near future to publicly reassert our Nation's continuing concern for basic human rights everywhere in the world.●

RULES OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS FOR 97TH CONGRESS

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, pursuant to rule XI, clause 2, I present for printing in the RECORD the rules adopted by the Committee on Interior and Insular Affairs:

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

A. RULES OF GENERAL APPLICATION

Rule 1. Rules of the House.—The Rules of the House of Representatives are the rules of its Committees and Subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in Committees and Subcommittees. Written rules adopted by the Committees, not inconsistent with the Rules of the House, shall be binding on each Subcommittee. Each Subcommittee of a Committee is a part of that Committee and is subject to the authority and direction of that Committee. Rule XI of the Rules of the House, which pertains entirely to Committee procedure, is incorporated and made a part of the Rules of the Committee which are supplementary to the Rules of the House.

Rule 2. Time, Place of Meetings.—(a) While Congress is in session, regular business meetings of the Committee shall be held in the regularly assigned committee room, Longworth House Office Building, beginning at 9:45 a.m. on each Wednesday, except that whenever any party caucus or conference conflicts with such meeting of the Committee, then the Committee shall meet on Thursday or on such other day as may be mutually agreed upon by the Chair and the Ranking Minority Member. Such meeting shall be called to order and presided over by the Chair, or in the absence of the Chair, by the ranking majority member of the Committee present.

(b) Special meetings shall be held at the call of the Chair or upon written request of members of the Committee as provided in Rule XI, Clause 2, of the Rules of the House. When a regularly called party caucus or party conference is scheduled to be in session after 10 a.m. on any day, and the Chair is so advised not later than 12 noon on the preceding day, the regularly scheduled Committee meeting for that day shall be rescheduled as provided in paragraph (a) of this rule.

(c) Each meeting of the Committee or any of its Subcommittees for the transaction of business, including the mark-up of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided however,* That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to any meeting that relates solely to internal budget or personnel matters.

Rule 3. Agenda for Meetings.—The agenda for Committee meetings, setting out all items of business to be considered, shall be delivered to the office of each Member at least two calendar days in advance of the meeting: *Provided,* That this requirement may be waived by a majority vote, a quorum being present.

Rule 4. Adjournment of Meetings.—A motion to adjourn shall not be approved unless the Chair, in his discretion, recognizes a Member for the purpose of making such motion and the motion is approved by a majority of the Members present and voting.

Rule 5. Committee Procedure.—(a) The date, time, place and subject matter of all public hearings of the Committee or any of its Subcommittees shall be announced at least 1 week in advance of the commencement of such hearings. If the Committee, or any of its Subcommittees, determines that there is good cause to expedite the hearing, it shall make, the announcement at the earliest possible date. Any such announcement shall be promptly published in the Daily Digest.

(b) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided,* That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing: *Provided further,* That two or more Members at a meeting held for the purpose of taking testimony may determine, by a majority vote,

(i) to close such hearing for the purpose of discussing whether testimony or evidence to be received would endanger national security or tend to defame, degrade, or incriminate any person in violation of rule XI, 2(k)(5) of the Rules of the House; or

(ii) to close the hearing as provided in rule XI 2(k)(5) of the House.

(c) No Member may be excluded from nonparticipatory attendance at any hearing of the Committee, or its Subcommittees unless the House, by majority vote, authorizes the Committee or its Subcommittees, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close such meetings to Members by the same procedures designated in this rule for closing meetings to the public.

(d) Each witness who is to appear before the Committee or one of its Subcommittees shall file with the Committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement is waived by the Committee.

(e) The right to interrogate witnesses before the Committee or any of its Subcommittees shall alternate between the Majority Members and the Minority Members. In recognizing Members to question witnesses, the Chairman may take into consideration the ratio of majority and minority party Members present and may recognize two majority party Members for each minority party Member recognized. Each Member shall be limited to 5 minutes in the interrogation of witnesses until such time as each Member of the Committee who so desires has had an opportunity to question the witness.

(f) No bill, recommendation, or other matter reported by a Subcommittee shall be considered by the Committee until 2 calendar days have elapsed from the time of the action of the Subcommittee and such action has been reported by the Committee Clerk to all Members of the Committee and, in the case of a bill, a copy has been delivered to the office of all Members so requesting the same, together with a section-by-section explanation and, if a change in present law is involved, a section-by-section comparison with the present law: *Provided,* That this requirement may be waived by a two-thirds vote of a quorum of the Committee Members.

Rule 6. Quorum.—No measure or recommendation shall be reported from the Com-

mittee unless a majority of the Members of the Committee is present, but for the purpose of transacting any other Committee business one-third of the Members shall constitute a quorum. Testimony and evidence may be received at any meeting at which there are present two or more Members of the Committee. A quorum, once established, shall be deemed present unless a Member objects to the transaction of business due to the lack of a quorum. When a call of the roll is required to ascertain the presence of a quorum, the offices of all Members shall be so notified and the Members shall have not less than 10 minutes to prove their attendance. The Chair shall have the discretion to waive this requirement when a quorum is actually present or whenever a quorum is secured and may direct the clerk to note the names of all Members present within the 10 minute period.

Rule 7. Proxies.—A vote by any Member in the Committee or in any Subcommittee may be cast by proxy, but such proxy must be in writing. Each proxy shall designate the Member who is to execute the proxy authorization, shall assert that the Member is absent on official business or otherwise unable to attend, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Rule 8. Subpenas and Oaths.—(*a*) A subpena may be authorized and issued in the conduct of any investigation or series of investigations or activities when authorized by a majority of the Members of the Full Committee, a quorum being present. Authorized subpenas shall be signed by the Chair of the Committee or by any other Member it may designate.

(*b*) The Chair of the Committee, the Chair of any of its Subcommittees, or any Member designated by either, may administer oaths to any witness.

Rule 9. Journal, Rollcalls.—(*a*) The proceedings of the Committee shall be recorded in a journal which shall, among other things include a record of the votes on any question on which a record vote is demanded. A copy of the journal shall be furnished the Ranking Minority Member through the Minority Counsel. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. No demand for a rollcall shall be made or entertained except for the purpose of securing a record vote or in the apparent absence of a quorum.

(*b*) At the beginning of any meeting of the Committee, the Chair may announce to the Committee, in its discretion, that further proceedings will be postponed on any motions on which a recorded vote is ordered or on which the vote is objected to under Rule 6 until immediately preceding the conclusion of the meeting. In such instances, the Committee shall proceed with the consideration of the next regularly scheduled measures or matters until all such business is disposed of or until such time as the Chair announces that the question will be put on the matter deferred. The question on any motion so postponed shall be put by the Chair and shall be disposed of by the Committee, without further debate, as expeditiously as possible. If the Committee adjourns before the question is put and determined on such motion, then the first order of business at the next meeting shall be the disposition of such motion.

(*c*) The result of each rollcall vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public.

Rule 10. Filing of Committee Reports.—(*a*) All Members of the Committee shall be given an opportunity to review each proposed Committee report for at least 2 days (excluding Saturdays, Sundays, and legal holidays) prior to filing.

(*b*) If, at the time of approval of any measure or matter by this Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) after the copy of the Committee report in substantially final form is completed, excluding formal or technical changes, in which to file such views, in writing and signed by that Member or Members, with the Clerk of the Committee. In the event that substantial or significant changes are made in the Committee report, such Member shall have not more than one calendar day to review such changes and alter his or her views in responding thereto. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter.

Rule 11. Record of Committee Proceedings.—(*a*) Evidence, testimony, and information relevant to any measure or matter before the Committee will be received for inclusion in the record of proceedings as determined appropriate. A formal transcript need not be made in all instances and the Chair may exercise discretion as to content of the record. A complete record of all Committee action, which shall include a record of the votes on any question on which a rollcall vote is demanded, shall be kept and retained in the permanent files of the Committee. All printing of proceedings or of other matter shall be subject to general principles promulgated by the Chair as well as by approval in each instance not only by the Chair of the appropriate subcommittee but also by the Chair of the Committee.

(*b*) All transcripts of public meetings and hearings shall be available for review in the offices of the Committee. Unrevised and unedited hearing transcripts shall not be reproduced in any form without the written consent of the Chair or of the Member involved. Transcripts of other public meetings of the Committee and its subcommittees shall not be reproduced in any form without the written consent of the Chair of the Committee or, as appropriate, of the Chair of the subcommittee involved, in his or her discretion. Records and transcripts of public meetings of the Committee, conducted during any prior Congress, may be made available for review in the offices of the Committee, but such records and transcripts shall not be reproduced except as permitted by the House of Representatives.

(*c*) No records or transcripts of Committee meetings held in executive session shall be released unless the Committee directs otherwise. All classified documents, transcripts, or other materials shall be maintained in an appropriately secured location and shall not be released for review by any unauthorized person. Authorized persons must review such classified materials at an appropriate location in the Committee offices, but such material shall not be removed from the Committee offices for any reason without the written permission of the Chair and, as appropriate, of the Chair of the subcommittee involved.

Rule 12. Broadcasting of Committee Hearings.—(*a*) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which Committee hearings, or Committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its Committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(*b*) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(*c*) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photograph, or by any of such methods of coverage, and the personal behavior of the Committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearing or other meeting or the activities of Committee members in connection with that hearing or meeting or in connection with the general work of the Committee or of the House; or

(2) cast discredit or dishonor on the House, the Committee, or any Member or bring the House, the Committee, or any Member into disrepute.

(*d*) The coverage of Committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause. No recording of Committee or Subcommittee proceedings shall be permitted except as authorized pursuant to these rules.

(*e*) Whenever any hearing or meeting conducted by any Committee of the House is open to the public, that Committee may permit, by majority vote of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the Com-

mittee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The following rules shall apply to the Committee and its Subcommittees:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed position, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed on the Committee rostrum or in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves at any time during the course of the hearing or meeting, on the Committee rostrum or between the witness table and the Members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

Rule 13. Committee Staffs.—(a) Pursuant to Rule XI, Clause 6, of the Rules of the House, the permanent staff of the Committee shall consist of not more than 30 staff members who shall be selected on the basis of fitness to perform the duties of their respective positions as follows:

Three shall be chosen by the Committee from nominations approved by a majority of the Members of the Minority party of the Committee;

One shall be chosen by the Committee from nominations submitted by the Chair of each of the standing Subcommittees of the Committee;

One shall be chosen by the Committee from nominations submitted by the ranking minority party member of each standing Subcommittee of the Committee; and

The balance of any unfilled positions shall be chosen by the Committee from nominations approved by a majority of the Members of the Majority party Members of the Committee;

The staff members selected by the Majority party shall be assigned such legislative, oversight, and administrative duties and responsibilities as the Chair of the Committee may prescribe and shall assist Committee Members in connection with matters related to Committee business. Each staff member nominated by a Subcommittee Chair shall be under the general supervision and direction of that Subcommittee Chair. The staff members selected by the Minority party shall be under the general supervision and direction of the Minority party Members of the Committee who may delegate such authority as they determine appropriate.

(b) A Subcommittee Chair shall be entitled to select and designate additional staff members, subject to the approval of a majority of the Majority party Members of the Committee, to assist the Subcommittee in carrying out its legislative, investigative and oversight responsibilities. The Minority shall be accorded fair and equitable consideration with respect to the appointment of additional staff, but Minority staffing shall continue to be approximately one-third Minority representation on the Committee. Such staff members shall be assigned such duties pertaining to Subcommittee business as the Subcommittee Chair or the Minority, respectively, deem advisable and shall be compensated at a salary commensurate with the responsibilities prescribed by such Subcommittee Chair or by the Minority.

(c) Notwithstanding paragraphs (a) and (b) of this rule, the Committee may employ such additional nonpartisan staff as it deems necessary to conduct the administrative and clerical functions of the Committee. Such staff shall be in addition to any staff designated exclusively for the Majority or Minority party and shall be appointed only with the approval of a majority of the Members of the Majority party and with the approval of a majority of the Members of the Minority party. The Chair of the Committee shall establish and assign the duties and responsibilities of such members of the staff and they shall be compensated at a salary commensurate with the responsibilities prescribed.

(d) In the event that staff is not otherwise available pursuant to paragraphs (a) and (b) of this rule, from the funds provided for the appointment of Committee staff pursuant to any primary and additional expense resolution:

(1) The Chair of each standing Subcommittee is authorized to appoint at least one staff member who shall serve at the pleasure of the Subcommittee Chair.

(2) The ranking Minority party Member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking Minority party Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (a) and (b) shall be compensated at a rate determined by the Subcommittee Chair pursuant to Rule XI, Clause 5(d) of the House of Representatives.

(4) The staff positions made available to the Subcommittee Chair and ranking Minority party Members pursuant to subparagraphs (1) and (2) of this paragraph shall be made available from the staff positions provided under Rule XI, Clause 6 unless such staff positions are made available pursuant to a primary or additional expense resolution.

(e) All staff selected pursuant to this rule shall be approved by the Committee and shall not be assigned any duties other than those pertaining to the business of the Committee and its Subcommittees. The staff of a Subcommittee shall be under the general supervision and direction of the Chair of that Subcommittee. The staff assigned to the Minority shall be under the general supervision and direction of the Minority party Members of the Committee who may delegate such authority as they determine appropriate. The staff of the Committee not assigned to a Subcommittee or to the Minority shall be under the general supervision and direction of the Chair of the Committee, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as determined appropriate.

B. SUBCOMMITTEES: JURISDICTION, COMPOSITION, AND POWERS

Rule 14. Subcommittee Rules.—The Rules of the Committee, where applicable, shall be the Rules of its Subcommittees.

Rule 15. Reference of Legislation.—

(a) Except for bills, resolutions, or matters involving Indians and Indian Tribes which shall be retained for consideration by the Committee unless referred by the Chair to an appropriate standing, select, or special Subcommittee, every bill, resolution, or other matter referred to the Committee shall be referred to subcommittee within 2 weeks from the date of its referral to the Committee unless the Chair, with the approval of a majority of the Majority Members of the Committee, orders that it be retained for consideration by the Committee or that it be referred to a select or special Subcommittee.

(b) A bill, resolution, or other matter referred by the Chair to a Subcommittee may be recalled therefrom by him or her with the approval of a majority of the Members of the Committee for the Committee's direct consideration or for referral to another Subcommittee. The Chair shall so inform the Members of this recommendation, in writing, and such recommendation shall be effective within 1 week if approved by a majority of the Members of the Committee.

(c) A bill, resolution, or other matter referred by the Committee to a Subcommittee

may be recalled from such Subcommittee at any time by majority vote of a quorum of the Committee for its direct consideration or for reference to another Subcommittee.

Rule 16. Subcommittees.—There shall be the following six standing subcommittees of the Committee: Subcommittee on Energy and the Environment, Subcommittee on Water and Power Resources, Subcommittee on Public Lands and National Parks, Subcommittee on Mines and Mining, Subcommittee on Insular Affairs, and Subcommittee on Oversight and Investigations. Additional standing subcommittees may be created by resolution of the Committee.

Rule 17. Jurisdiction of Subcommittees.—(a) The jurisdiction, including legislative, investigative, and oversight responsibilities, of the six standing Subcommittees shall, subject to alteration as other Subcommittees are created, be as follows:

Subcommittee on Energy and the Environment

(a) Recommendations with respect to laws and programs under the jurisdiction of the Committee made by the Council on Environmental Quality in its annual Environmental Quality Report to the Congress.

(b) Selected matters and proposals, as referred by the Chairman, involving the environmental impacts of any laws or programs under the jurisdiction of the Committee.

(c) Regulation of the domestic nuclear energy industry, including regulation research and development of reactors and nuclear regulatory research and special oversight functions with respect to nonmilitary nuclear energy and research and development, including the disposal of nuclear waste.

(d) Petroleum conservation on the public and other Federal lands and conservation of the uranium supply in the United States.

(e) Legislation concerning the transportation of natural gas from or within Alaska or concerning the disposition of oil transported by the Trans Alaska oil pipeline.

Subcommittee on Water and Power Resources

(a) Irrigation and reclamation projects and other water resources development programs, including policies and procedures relating thereto.

(b) Compacts relating to the use and apportionment of interstate waters.

(c) Water rights.

(d) Saline water research and development program and water resources research program.

(e) Water resources planning conducted pursuant to the Water Resources Planning Act.

(f) Programs involving major interbasin movement of water or power.

(g) Legislation affecting the use of geothermal resources for the production of water and power.

Subcommittee on Public Lands and National Parks

(a) Public lands, generally, including measures or matters related to entry, easements, withdrawals, and grazing.

(b) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

(c) Forest reserves created from the public domain.

(d) National Wilderness Preservation System.

(e) National Park System, National Wild and Scenic Rivers System, National Trails System, and other national units established for the protection, conservation, preservation, or recreational development of areas of public domain lands, or on reservations created out of the public domain, or under the jurisdiction of the Department of the Interior, including such military parks, battlefields, and national cemeteries as the Secretary of the Interior may administer within the District of Columbia.

(f) National outdoor recreation and historic preservation plans and programs, including the Land and Water Conservation Fund and the National Historic Preservation Fund, and the preservation of prehistoric ruins and objects of interest on the public domain and elsewhere.

(g) All measures and matters involving the Trust Territory of the Pacific Islands and Antarctica.

Subcommittee on Insular Affairs

Legislation and general oversight and investigative authority over activities, policies, and programs in Puerto Rico, Guam, Virgin Islands, American Samoa, and the Northern Mariana Islands.

Subcommittee on Mines and Mining

(a) Mining interests generally.

(b) Mineral resources of the public lands.

(c) Mineral land laws, and claims and entries thereunder.

(d) Geological survey.

(e) Mining schools and experimental stations.

(f) Proposed long-range domestic minerals programs, including availability of domestic minerals to fulfill all domestic requirements.

Subcommittee on Oversight and Investigations

(a) General and continuing oversight and investigative authority over activities, policies, and programs within the jurisdiction of the Committee as may be referred to the Subcommittee by the Chair of the Full Committee, after consultation with the Chair of the principal standing legislative Subcommittee involved. .

(b) Such remedial legislation resulting from the findings or recommendations of the Subcommittee as may be referred to the Subcommittee by the Chair of the Full Committee, after consultation with the Chair of the principal standing legislative Subcommittee involved.

(b)(1) In order to enable the Committee to carry out its responsibilities under Rule X, Clause 2 of the Rules of the House, each Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that Subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that Subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that Subcommittee.

(2) Pursuant to Rule X, Clause 2, of the Rules of the House, the Chair of the Committee and the Chair of the Subcommittee having jurisdiction over the matter involved or their respective designees, shall meet with representatives of the Committee on Government Operations to discuss and to assist in coordinating oversight plans of their respective committees.

Rule 18. Party Ratios.—The Chair shall negotiate with the Minority with respect to the size of each Subcommittee, with due regard for the preference of Members for Subcommittee assignments, except that party representation on each Subcommittee shall be no less favorable to the Majority party than the ratio for the Committee.

The Chair, if approved by a majority of the Members of the Majority party, and the Ranking Minority Member, if approved by a majority of the Members of the Minority party, may serve as Members of each Subcommittee.

The size and party representation for each Subcommittee during the 97th Congress shall be as follows:

Subcommittee [1]	Total members	Majority party [2]	Minority party [2]
Energy and the Environment	20	12	8
Water and Power Resources	12	7	5
Public Lands and National Parks	24	14	10
Insular Affairs	8	4	4
Mines and Mining	12	7	5
Oversight and Investigations	10	6	4

[1] The Chair and the Ranking Minority Member of the Full Committee serve as ex officio Members of all Subcommittees, but are voting Members only on the Subcommittee to which they are assigned pursuant to Rule 18.

[2] The Delegates from Guam and the Virgin Islands and the Resident Commissioner from Puerto Rico do not count for purposes of the ratio between the majority and minority parties.

Rule 19. Special or Select Subcommittee.—The Chair is authorized, after consultation with the Ranking Minority Member of the Committee, to appoint such special or select Subcommittees as he deems advisable for carrying out the responsibilities and functions of the Committee. Party representation on each such Subcommittee shall be in the same proportion as that on the Committee.

Rule 20. Powers and duties of Subcommittees.—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it. The Chair of each Subcommittee shall set dates for hearings and meetings of their respective Subcommittees after consultation with the Chair of the Full Committee and of other Subcommittees with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings wherever possible.

Rule 21. Travel.—(a) Subcommittee hearings outside of Washington, D.C., and travel by Members and staff shall be subject to approval by the Chair of the Committee pursuant to regulations promulgated by the Committee on House Administration. Each Subcommittee Chair may, for the purposes of field trips or hearings outside of the District of Columbia, assign any Members of the Committee to that Subcommittee.

(b) Staff members assigned to any Subcommittee may travel in connection with their respective duties only with the approval of the appropriate Subcommittee Chair and with the approval of the Chair of the Committee. Prior to submitting such travel requests to the appropriate Subcommittee Chair, all Minority staff travel shall be subject to such approval as the Minority Members of the Committee deem appropriate. All such travel shall be subject to the regu-

lations promulgated by the Committee on House Administration.

Rule 22. Subcommittee Chair.—(a) The Majority Members of the Committee shall have the right, in order of Full Committee seniority, to bid for Standing Subcommittee Chairs. Any such bid shall be subject to approval by a majority of the Majority Members of the Committee. The Minority shall select a counterpart to the Subcommittee Chair for each of the Subcommittees. The Chair of select and special Subcommittees shall be appointed by the Chair of the Committee, subject to approval by a majority of the Majority Members of the Committee except that no Subcommittee Chair shall be Chair of another legislative Subcommittee of the House.

(b) Members chosen to chair a Subcommittee shall retain a ranking position on not more than one other retained Subcommittee. Any Subcommittee Chair serving on more than two Subcommittees shall be assigned positions on additional Subcommittees only after all other Members are assigned to Subcommittees and their ranking established on such Subcommittee, then the Subcommittee Chairs may serve in the order of their ranking on the Committee.

Rule 23. Duties of Chair Upon Favorable Action by Committee.—Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chair shall report the same or designate some Member of the Committee to report the same to the House and shall use or cause to be used all parliamentary methods to secure passage thereof, without such additional authority being set forth particularly in the motion to report each individual bill or resolution. Without limiting the generality of the foregoing, the authority contained herein extends in appropriate cases to moving in accordance with Rule XXIV, Clause 5, of the said rules that the House go into the Committee of the Whole House on the State of the Union to consider the bill or resolution; and to moving in accordance with Rule XXIV, Clause 2, of said rules for the disposition of a Senate bill or resolution that is substantially the same as the House bill or resolution as reported.

Rule 24. Committee Budget and Expenses.—(a) Each Subcommittee Chair and the ranking Minority Members of the Committee shall submit to the Chair a budget for each session of the Congress covering the funding required for staff, travel, and miscellaneous expenses. The Chair shall prepare a consolidated budget for each session of Congress which shall include amounts required for all activities and programs of the Committee and the Subcommittees, except those Committee expenses to be paid from appropriations provided for by statute.

(b) Upon approval by the Committee of each such budget, the Chair, acting pursuant to Rule XI, Clause 5, of the Rules of the House, shall prepare and introduce in the House a supporting expense resolution, and take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(c) The Chair shall report to the Committee any amendments to each expense resolution and any changes in the budget necessitated thereby.

(d) Authorization for the payment of additional or unforeseen Committee and the Subcommittee's expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) Committee members shall be advised of the availability of each monthly report, prepared by the Chair for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year, anticipated expenditures for the projected Committee program, and detailed information on travel.

Rule 25. Recommendation of Conferees.—Whenever in the legislative process it becomes necessary to appoint conferees, Majority Members shall be recommended to the Speaker as conferees as determined by the Majority, and Minority Members shall be recommended to the Speaker as conferees as determined by the Minority. Recommended party representation shall be in the same proportion as that in the Committee.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SENSENBRENNER) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 5 minutes, today.

Mr. ASHBROOK, for 10 minutes, today.

(The following Members (at the request of Mr. MOAKLEY) to revise and extend their remarks and include extraneous material:)

Mr. O'NEILL, for 5 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. LEVITAS, for 10 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. SOLARZ, for 10 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 60 minutes, on February 18.

(The following Members (at the request of Mr. KAZEN) to revise and extend their remarks and include extraneous material:)

Mr. BONKER, for 5 minutes, today.

Mr. MOFFETT, for 60 minutes, February 17, 1981.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SENSENBRENNER) and to include extraneous matter:)

Mr. FORSYTHE.

Mr. FISH.

Mr. HILLIS.

Mr. PETRI.

Mr. HYDE.

Mr. ASHBROOK in four instances.

Mr. BEREUTER.

Mr. MICHEL in two instances.

Mr. BROYHILL.

(The following Members (at the request of Mr. MOAKLEY) and to include extraneous matter:)

Mr. MOFFETT.

Mr. EDWARDS of California.

Mr. ZABLOCKI.

Mr. GEJDENSON.

Mr. RUSSO.

Mr. RAHALL.

Mr. DE LUGO.

Mr. RALPH M. HALL.

Mr. BARNES.

Mr. SOLARZ.

Mr. REUSS.

Mr. BAILEY of Pennsylvania.

Mr. OTTINGER.

Mr. ROSENTHAL.

Mr. ROE.

Mr. COELHO.

Mr. SKELTON.

Mr. FRANK.

Mr. RODINO.

Mr. MILLER of California.

Mr. DYSON.

Mr. D'AMOURS.

(The following Members (at the request of Mr. KAZEN) and to include extraneous matter:)

Mr. TRAXLER.

Mr. D'AMOURS.

Mr. CHAPPELL.

Mr. APPLEGATE.

Mr. FAUNTROY.

Mr. MOFFETT.

Mr. SKELTON.

Mr. PANETTA.

Mr. RODINO.

Mr. CONYERS.

Mr. DE LA GARZA in 10 instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 272. An act to increase the membership of the Joint Committee on Printing.

ADJOURNMENT TO TUESDAY, FEBRUARY 17, 1981

Mr. KAZEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. In accordance with House Concurrent Resolution 58, the Chair declares the House adjourned until 12 o'clock noon on Tuesday, February 17, 1981.

Thereupon (at 4 o'clock and 2 minutes p.m.), pursuant to House Concurrent Resolution 58, the House adjourned until Tuesday, February 17, 1981, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

479. A letter from the Deputy Assistant Secretary of Defense (administration), transmitting notice that the Navy has waived the requirement for the examination of records by the Comptroller General from a contract, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

480. A letter from the Assistant Secretary of the Air Force (Research, Development

and Logistics), transmitting notice of the proposed conversion to contractor performance of the family housing maintenance function at Fairchild Air Force Base, Wash., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

481. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense articles to Somalia (Transmittal No. 81-17), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

482. A letter from the Chairman, Board of Trustees, Public Defender Service for the District of Columbia, transmitting the annual report of the Service for fiscal year 1979, pursuant to section 306(a) of Public Law 91-358; to the Committee on the District of Columbia.

483. A letter from the Secretaries of Labor, Agriculture, and the Interior, transmitting the third joint annual report on the Young Adult Conservation Corps, pursuant to section 807 of the Comprehensive Employment and Training Act; to the Committee on Education and Labor.

484. A letter from the Secretary of Energy, transmitting notice of a delay in submission of the third national energy plan required from the President, by Public Law 95-91; to the Committee on Energy and Commerce.

485. A letter from the Acting Administrator, Energy Information Administration, Department of Energy, transmitting reports for the month of October 1980, on sales of refined petroleum products and retail gasoline, pursuant to section 4(c)(2)(A) of the Emergency Petroleum Allocation Act of 1973; to the Committee on Energy and Commerce.

486. A letter from the Chairman, Federal Trade Commission, resubmitting two proposed amendments to the Trade Regulation Rules on Games of Chance in the Food Retailing and Gasoline Industries, pursuant to section 21(g)(2) of Public Law 96-252; to the Committee on Energy and Commerce.

487. A letter from the Secretary, Interstate Commerce Commission, transmitting notice that the Commission is exercising its authority under the former provisions of section 10707 of title 49, United States Code, to extend for 3 months the statutory deadline for rendering a decision in the consolidated case involving Docket No. 37276 (Sub-No. 1), *Coal, Wyoming to Redfield, Ark.*, and Docket No. 37456, *Arkansas Power and Light Co.*, v. *Burlington Northern, Inc., et al.*, pursuant to former 49 U.S.C. 10707(b)(1); to the Committee on Energy and Commerce.

488. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to sell certain defense articles and services to Somalia (Transmittal No. 81-16), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

489. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to sell certain defense articles and services to Somalia (Transmittal No. 81-17), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

490. A letter from the Acting Administrator, Agency for International Development, transmitting the annual report of the Agency's Inspector General for fiscal year 1980, pursuant to section 624 of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

491. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, transmitting a report on bilateral assistance to eastern Caribbean countries, pursuant to section 313(b) of Public Law 96-533; to the Committee on Foreign Affairs.

492. A letter from the Comptroller General of the United States, transmitting the annual report on the activities of the U.S. General Accounting Office during the fiscal year ended September 30, 1980, pursuant to section 312(a) of the Budget and Accounting Act of 1921; to the Committee on Government Operations.

493. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting notice of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

494. A letter from the Acting Assistant Secretary of Transportation for Administration, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

495. A letter from the Secretary, Railroad Retirement Board, withdrawing the notice of proposed changes in two existing records systems submitted on December 2, 1980, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

496. A letter from the Assistant Secretary of Agriculture (Administration), transmitting a report on the Department's disposal of foreign excess property for fiscal year 1980, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

497. A letter from the Acting Administrator of General Services, transmitting a followup report on the recommendations contained in the September 21, 1979 report of the Board of the Export Council, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

498. A letter from the Acting Administrator of General Services, transmitting a followup report on the recommendations contained in the September 1979 report of the President's Commission on the Holocaust entitled ". . . Report to the President—President's Commission on the Holocaust," pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

499. A letter from the Chief Justice of the United States, transmitting the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C. on September 24 and 25, 1980, pursuant to 28 U.S.C. 331 (H. Doc. No. 97-18); to the Committee on the Judiciary and ordered to be printed.

500. A letter from the Acting Secretary of Labor, withdrawing the proposed regulations implementing the airline employee protection program, previously submitted pursuant to section 43 of the Airline Deregulation Act of 1978; to the Committee on Public Works and Transportation.

501. A letter from the Secretary of Labor, transmitting the annual report for calendar year 1979 on the administration of the Employee Retirement Income Security Act of 1974, pursuant to section 513(b) of the act; jointly, to the Committees on Education and Labor and Ways and Means.

502. A letter from the Comptroller General of the United States, transmitting a report on unanswered questions on educating handicapped children in local public schools (HRD-81-43, February 5, 1981); jointly, to the Committees on Government Operations and Education and Labor.

503. A letter from the Comptroller General of the United States, transmitting a report on controlling Federal Government costs for coal liquefaction programs (PSAD-81-19, February 4, 1981); jointly, to the Committees on Government Operations, Energy and Commerce, and Science and Technology.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER:

H.R. 1798. A bill to amend the Internal Revenue Code of 1954 to provide for the indexing of certain assets; to the Committee on Ways and Means.

By Mr. BONKER (for himself and Mr. BINGHAM):

H.R. 1799. A bill entitled the "Export Trading Act of 1981"; jointly, to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, the Judiciary, and Ways and Means.

By Mr. BROWN of California:

H.R. 1800. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BROYHILL:

H.R. 1801. A bill to amend the Communications Act of 1934 to authorize the appropriation of funds for fiscal years 1982, 1983, and 1984, for the administration of such act by the Federal Communications Commission; to the Committee on Energy and Commerce.

By Mr. CLAUSEN:

H.R. 1802. A bill to consolidate and simplify the administration of Federal aid for elementary and secondary education authorized by the Elementary and Secondary Education Act of 1965, as amended, in order to eliminate unnecessary paperwork and undue Federal interference in our schools, and for other purposes; to the Committee on Education and Labor.

By Mr. COLLINS of Texas:

H.R. 1803. A bill to amend section 924(c) of title 18 of the United States Code to increase the minimum additional penalties for the commission of Federal felonies with firearms; to the Committee on the Judiciary.

H.R. 1804. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. DANIELSON (for himself, Mr. BEILENSON, Mr. BONIOR of Michigan, Mr. JOHN L. BURTON, Mrs. CHISHOLM, Mr. CLAY, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. DELLUMS, Mr. DIXON, Mr. FAUNTROY, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GRAY, Mr. GORE, Mr. HAWKINS, Mr. HYDE, Mr. MCDADE, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MITCHELL of New York, Mr. MYERS, Mr. RICHMOND, Mr. SOLARZ, Mr. WAXMAN,

Mr. WEISS, Mr. WON PAT, Mr. YATES, and Mr. ZEFERETTI):

H.R. 1805. A bill to amend the copyright law, title 17 of the United States Code, to provide for royalties for the commercial use of sound recordings, and for other purposes; to the Committee on the Judiciary.

By Mr. EVANS of Georgia:

H.R. 1806. A bill to provide for the cooperation between the armed services and local, State, and Federal law enforcement officials; to the Committee on Armed Services.

By Mr. FAUNTROY:

H.R. 1807. A bill to authorize the District of Columbia to issue and sell general obligation bonds for the purpose of paying certain liabilities of the District, and for other purposes; to the Committee on the District of Columbia.

By Mr. GEPHARDT:

H.R. 1808. A bill to amend the Internal Revenue Code of 1954 to allow certain transfers of imported beer from customs custody to a domestic brewery without payment of tax; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. BOLLING, Mr. DOWNEY, Mr. OBERSTAR, and Mr. KOGOVSEK):

H.R. 1809. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for social security taxes paid in 1981 and 1982; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 1810. A bill to increase the pay, allowances, and special and incentive pays of members of the uniformed services; to the Committee on Armed Services.

H.R. 1811. A bill to establish new educational assistance programs for veterans and for members of the Armed Forces; jointly, to the Committees on Veterans' Affairs and Armed Services.

By Mr. GOODLING:

H.R. 1812. A bill to amend title II of the Social Security Act to end the payment of child's insurance benefits (on the basis of student status) to individuals who have attained age 18; to the Committee on Ways and Means.

By Mr. HEFTEL:

H.R. 1813. A bill to provide a uniform time for the closing of polling places in the 1984 election of the electors of the President and Vice President of the United States and to make the day of the Presidential election in 1984 a national holiday; jointly, to the Committees on House Administration and Post Office and Civil Service.

By Mr. HUGHES:

H.R. 1814. A bill to amend the Atomic Energy Act of 1954 to extend certain provisions of the Price-Anderson Act to excess energy costs incurred following the closure of a nuclear powerplant due to a nuclear incident, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEE:

H.R. 1815. A bill to amend the Indian Self-Determination Act to provide that grants under such act may not be made to a tribal organization for proceedings the tribal organization initiates based on the claim that land was acquired without compliance with the laws of the United States relating to conveyances by any Indian, Indian nation, or tribe or Indians; to the Committee on interior and Insular Affairs.

By Mr. LEHMAN:

H.R. 1816. A bill to amend title 18, United States Code, to provide penalties for obtaining or attempting to obtain controlled substances from pharmacies by force or by breaking and entering, and for other purposes; to the Committee on the Judiciary.

By Mr. O'BRIEN (for himself and Mr. BENJAMIN):

H.R. 1817. A bill to amend the Clean Air Act to provide compliance date extensions for steelmaking facilities on a case-by-case basis to facilitate modernization; to the Committee on Energy and Commerce.

By Mr. OTTINGER:

H.R. 1818. A bill to amend the Uniform Time Act of 1966 to change the date each year on which daylight saving time begins from the last Sunday in April to the last Sunday in February; to the Committee on Energy and Commerce.

By Mr. PANETTA:

H.R. 1819. A bill to amend the Internal Revenue Code of 1954 to exempt certain farm property from the estate tax; to the Committee on Ways and Means.

By Mr. PETRI:

H.R. 1820. A bill to require any airport receiving Federal assistance to provide reasonable access to the terminal area of the airport to motor common carriers of persons seeking to provide transportation to and from the airport; to the Committee on Public Works and Transportation.

By Mr. SHANNON (for himself, Mr. BRODHEAD, and Mr. DOWNEY):

H.R. 1821. A bill to amend the Internal Revenue Code of 1954 to provide that sales of nonproductive assets will not be eligible for capital gains treatment; to the Committee on Ways and Means.

By Mr. SOLARZ (for himself and Mr. WAXMAN):

H.R. 1822. A bill to amend title 18 of the United States Code to make it a Federal crime to vandalize a house of worship or any religious articles therein; to the Committee on the Judiciary.

By Mr. TRAXLER (for himself and Mr. BRODHEAD):

H.R. 1823. A bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983; to the Committee on Ways and Means.

By Mr. WRIGHT:

H.R. 1824. A bill to provide that the clerk hire allowance for the Delegate from American Samoa shall be equal to the clerk hire allowance for the Delegate from Guam; to the Committee on House Administration.

By Mr. APPLEGATE:

H. Con. Res. 65. Concurrent resolution expressing the sense of the Congress that the Congress should appropriate funds for the construction of high-Btu coal gasification demonstration plants in Noble County, Ohio, and Perry County, Ill., to the Committee on Science and Technology.

H. Con. Res. 66. Concurrent resolution expressing the sense of the Congress that the United States should implement an aggressive policy that would lead to the recovery and revitalization of the American economy, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Ways and Means, the Judiciary, Government Operations, and Energy and Commerce.

By Mr. LOWRY of Washington (for himself, Mr. EDGAR, Mr. OBERSTAR, and Mr. PEASE):

H. Con. Res. 67. Concurrent resolution expressing concern over the situation in El Salvador; to the Committee on Foreign Affairs.

By Mr. MOFFETT (for himself, Mr. WALGREN, Mr. GOODLING, Mr. WOLPE, Mr. ROSENTHAL, Mr. BINGHAM, Mr. SOLARZ, Mr. BONKER, Mrs. COLLINS of Illinois, Mr. CROCKETT, Mr. DOWNEY, Mr. DYMALLY, Mr. ERDAHL, Mrs. FENWICK, Mr. GILMAN, Mr. HOWARD, Mr. LAGOMARSINO, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. PEPPER, Mr. RANGEL, Mrs. SCHROEDER, Mr. SHAMANSKY, Mr. SIMON, and Mrs. SNOWE):

H. Con. Res. 68. Concurrent resolution to express the sense of the Congress that the United States should provide immediate humanitarian assistance to Somalia in order to help that nation cope with the massive influx of refugees; to the Committee on Foreign Affairs.

By Mr. OTTINGER (for himself, Mr. DOWNEY, Mr. GLICKMAN, Mr. HOWARD, Mr. OBERSTAR, Mr. STARK, Mr. WEISS, Mr. WOLPE, Mr. SUNIA, Mr. FRANK, Mr. FAZIO, and Mr. EDGAR):

H. Res. 65. Resolution declaring that the President should continue the termination of military assistance to Bolivia, the severe curtailment of economic assistance to Bolivia, and the reduced official U.S. presence in Bolivia, until the Bolivian regime takes certain corrective actions; to the Committee on Foreign Affairs.

By Mr. PRICE (for himself and Mr. DICKINSON):

H. Res. 66. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Armed Services; to the Committee on House Administration.

By Mr. STOKES (for himself, Mr. SPENCE, Mr. RAHALL, Mr. CONABLE, Mr. ALEXANDER, Mr. MYERS, Mr. WILSON, Mr. FORSYTHE, Mr. HOLLAND, Mr. BROWN of Colorado, Mr. BAILEY of Pennsylvania, and Mr. HANSEN of Utah):

H. Res. 67. Resolution authorizing an investigation and inquiry by the Committee on Standards of Official Conduct; to the Committee on Rules.

By Mr. UDALL:

H. Res. 68. Resolution providing for the expenses of investigations and studies to be conducted by the Committee on Interior and Insular Affairs; to the Committee on House Administration.

By Mr. ZABLOCKI:

H. Res. 69. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Foreign Affairs; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

9. The SPEAKER presented a memorial of the Legislature of the State of South Dakota, relative to disclosure of certain election information before closing of the polls; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 1825. A bill for the relief of James E. Kennedy; to the Committee on the Judiciary.

H.R. 1826. A bill for the relief of Shinji Oniki; to the Committee on the Judiciary.

By Mrs. HECKLER:

H.R. 1827. A bill for the relief of Melba Robateau; to the Committee on the Judiciary.

By Mr. LEHMAN:

H.R. 1828. A bill for the relief of Gloria Evon Mayne; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 1829. A bill for the relief of Stephen Dyer; to the Committee on the Judiciary.

H.R. 1830. A bill for the relief of Jennifer Ferrer; to the Committee on the Judiciary.

By Mr. O'BRIEN:

H.R. 1831. A bill for the relief of Theodore Michalopoulos; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 1832. A bill for the relief of Shabbir Ahmed Bala; to the Committee on the Judiciary.

H.R. 1833. A bill for the relief of Virgilio Cabeza and Marissa Cabeza; to the Committee on the Judiciary.

H.R. 1834. A bill for the relief of Florencio C. Ching; to the Committee on the Judiciary.

H.R. 1835. A bill for the relief of Gladys Viviani Silberstein de Levi; to the Committee on Judiciary.

H.R. 1836. A bill for the relief of John Dimas; to the Committee on the Judiciary.

H.R. 1837. A bill for the relief of Mrs. Marianne E. Hellon and her two minor children; to the Committee on the Judiciary.

H.R. 1838. A bill for the relief of Louie R. Lopez and Luke R. Lopez; to the Committee on the Judiciary.

H.R. 1839. A bill for the relief of Guillermo Esteban Perez-Garcia; to the Committee on the Judiciary.

H.R. 1840. A bill for the relief of Lehi L. Pitchforth, Jr.; to the Committee on the Judiciary.

H.R. 1841. A bill for the relief of Isabelita Clima Portilla; to the Committee on the Judiciary.

H.R. 1842. A bill for the relief of Jesus King Tan, Margaret Pearl Liyao Tan, and Jesse William Liyao Tan; to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 1843. A bill for the relief of Carey E. Eyre, Jr.; to the Committee on the Judiciary.

H.R. 1844. A bill for the relief of Carey E. Eyre, Jr.; to the Committee on the Judiciary.

H.R. 1845. A bill for the relief of Carey E. Eyre, Jr.; to the Committee on the Judiciary.

By Mr. SIMON:

H.R. 1846. A bill for the relief of Madhav Prasad Sharma; to the Committee on the Judiciary.

H.R. 1847. A bill for the relief of Zahid Saqib; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1: Mr. ANTHONY, Mr. BARNARD, Mr. BENJAMIN, Mr. BOLAND, Mr. JAMES K. COYNE, Mr. D'AMOURS, Mr. DE LA GARZA, Mr. FAZIO, Mr. FORSYTHE, Mr. GOODLING, Mr. KOGOVSEK, Mr. LEE, Mr. MARRIOTT, Mr. MOLLOHAN, Mr. MOTTL, Mr. MURPHY, Mr. NOWAK, Mr. PEASE, Mr. RAHALL, Mr. SCHEUER, Mr. VOLKMER, Mr. WHITEHURST, Mr. WON PAT, Mr. YATRON, Mr. YOUNG of Missouri, and Mr. ZEFERETTI.

H.R. 188: Mr. ROUSSELOT, Mr. STUMP, Mr. ROBERT W. DANIEL, JR., Mr. DERWINSKI, Mrs. HOLT, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. MARRIOTT, Mr. YOUNG of Alaska, Mr. PASHAYAN, Mr. BADHAM, Mr. FRENZEL, Mr. RITTER, Mr. BEARD of Tennessee, Mr. LOTT, Mr. TRAXLER, Mr. JAMES K. COYNE, and Mr. JOHNSTON.

H.R. 328: Mr. LEBOUTILLIER.

H.R. 560: Mr. MITCHELL of New York.

H.R. 1100: Mr. LOTT.

H.R. 1290: Mr. PANETTA, Mr. PAUL, Mr. LOTT, Mr. TAUKE, Mr. HIGHTOWER, Mr. NICHOLS, Mr. NEAL, Mr. ROUSSELOT, Mr. GLICKMAN, and Mr. JAMES K. COYNE.

H.R. 1765: Mr. WINN, Mr. EDWARDS of Oklahoma, Mr. FORSYTHE, Mr. DANIELSON, Mr. GOLDWATER, Mr. GRISHAM, Mr. DORNAN of California, Mr. SHUMWAY, Mr. BADHAM, Mr. MOORE, Mr. BREAUX, Mr. ARCHER, Mr. LOWERY of California, Mr. ANDERSON, Mr. LIVINGSTON, Mr. LAGOMARSINO, Mr. BURGENER, and Mrs. BOGGS.

H.J. Res. 159: Mr. WAXMAN and Mr. STOKES.

H. Con. Res. 55: Mr. JEFFRIES, Mr. CORRADA, Ms. MIKULSKI, Mr. SUNIA, Mr. CLAUSEN, Mr. WHITTAKER, Mr. WIRTH, Mr. FUQUA, Mr. WAXMAN, Mr. RINALDO, Mr. STOKES, and Mr. MOFFETT.

H. Res. 50: Mr. CORRADA, Mr. STOKES, and Mr. SCHUMER.

EXTENSIONS OF REMARKS

THE 1981 DEMOCRATIC PARTY

HON. MICHAEL D. BARNES
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BARNES. Mr. Speaker, as Ronald Reagan assumes the Presidency of the United States, it should be reported that the Democratic Party is not in a quiescent state; all over this country Democratic leaders and activists are meeting to discuss the future of the Democratic Party. To state it succinctly, there is a serious reevaluation underway of all the themes, ideas, and policy positions which have traditionally guided the Democratic Party. This is a healthy process and one which should occur throughout all of the major institutions of our society to adjust to the complexities and changes of the 1980's.

One such effort which deserves attention is the revival of the National Democratic Forum. The Democratic Forum existed from 1973 to 1977 when the party was out of power and provided intellectual stimulus and a means of serious issue discussion within the Democratic Party.

As a part of the effort to reestablish the National Democratic Forum, a number of thought-provoking papers, setting a focus for discussion of the future of the party, have been prepared. One of these papers was developed by two longtime active leaders of the Democratic Party, Stephen I. Schlossberg and Ted Van Dyk.

Mr. Speaker, I insert the paper entitled "The 1981 National Democratic Party" in the RECORD for the information of our colleagues:

THE 1981 NATIONAL DEMOCRATIC PARTY

Samuel Johnson's observation that "nothing concentrates a man's mind like the imminence of hanging" applies equally to political parties: For example, the Democratic Party in 1981.

What happened to us last November?

Jimmy Carter was not the only loser. Hundreds of Democrats at federal, state and local level also lost their jobs, some of them in surprising upsets. Carter's weakness cannot be given sole blame for their defeats.

Many reasons have been offered:

Our party had become over-identified with demanding interest groups and unpopular social issues, deficit spending and inflation, and a "soft" foreign policy and loss of American influence in the world;

Right-wing money and direct-mail overwhelmed us at their points-of-attack;

The public mood was moving rightward;

And (particularly cited by those who would not change a comma in our New Deal catechism) we were just plain outspent, outorganized, and outhustled by a Republican juggernaut guided by GOP Chairman Bill Brock.

The purpose of this particular paper is not to weigh any of the above factors more heavily than the others. Some, in fact, may have had little to do with final November outcomes. And we should, after all, give some credit to Ronald Reagan and a Republican campaign which largely succeeded in positioning our opposition on the side of home, family, work, economic growth, national strength, wholesomeness, and governmental efficiency.

Two points, however, do seem worth making.

First, surveys since 1968 have shown steadily-increasing numbers of Americans moving away from federally-conceived, financed and administered solutions to the country's problems and from those who espouse them.

Second, and relatedly, similar data indicate that decentralization and personal participation are increasingly ascendent demands in the electorate. They also show that people do not like government these days, but that they least dislike those units of government closest to themselves. They also demand the opportunity to personally hear and be heard on those issues which impact them.

Both these points should be borne in mind as we look ahead not only to our political preservation but also to our future approaches to public policymaking. They surely should dictate, at a minimum, our seeking new approaches which move away from centralization, bureaucracy, impersonalism and a limiting of personal choice and freedom and move toward a return of power to the individual citizen, to those levels of government closest and most accountable to him, and to the private sector.

None of this, by the way, should be meant to imply that our party's greatest wellspring of strength—that is, our historic and unyielding commitment to economic and political justice and to the less-fortunate in our society—should in any way be compromised. It is our reason to be. This is, however, to suggest that we should not equate that commitment with statism.

Part of the next year's task must be to fully, and without inhibition, write and talk these things through within our party. Many of us began reexamining Democratic Party approaches and ideas 10 and 12 years ago. But only since November's debacle has "the imminence of hanging" for 1982 and 1984 Democratic candidates begun to stimulate a consensus opinion that we ought to move beyond the assumptions of the 1930's to new ideas which fit new times.

The other part of the task must be to organize and rule ourselves, as a party, in such a way as to build public confidence in our rationality and competence and to develop, assist and elect candidates who will serve their country honestly and well.

Much as we might wish it, none of these can be done rapidly, by a few leaders, or by "putting things back the way they were" before the participatory age. It will have to be done the hard way—in discussions, debates, resolutions and struggles from the grassroots levels upward as well as from national levels down. But, once begun, we should be on the way to the rebuilding of a party which, despite its recent defeats, still provides the single greatest impetus for social progress in America and which commands the loyalty of more people than does any other institution in our country.

I. DELEGATE AND CANDIDATE SELECTION

Pre-1968, our party's national nominees, platforms, and rules were largely determined by Democratic elected officials and party officers who knew the Presidential candidates as peers and who were faced with daily responsibility for governance. Since that time, because of "reforms" properly intended to broaden and deepen citizen participation, we largely have transferred that power to Presidential candidates, their organizations, the media, and those interest groups able to exert leverage on the candidates. At the 1980 New York City convention, only 45 U.S. Senators and Congressmen were included among the 3,331 delegates. We have, in fact, reached the point where many Democratic elected officials and candidates purposely avoid participation in the national convention so as to avoid association with controversial platform planks or conflict with those groups which support or oppose them.

Over three post-reform Presidential-nominating campaigns, we now know several unintended effects we have created in the process:

Namely, that delegate slates now consist most largely of true-believers chosen for their loyalty either to a single candidate or single issue rather than of elected officials or party officers with loyalty to the Democratic party or accustomed to give-and-take;

That the whole nominating process can be disproportionately impacted by the early Iowa caucuses and New Hampshire primary and the candidate who spends his time, money and organization there;

That, since voter turnout in primaries is notoriously low, the advantage lies with those candidates mechanically adept at voter identification and turnout, able to identify with "single issues," or willing to barter their independence for money and votes from disciplined interest groups;

That the national platform becomes the instrument of the party nominee and consists of the full "laundry list" of specific demands placed against him by farmer, labor, consumer, business, minority, ethnic, and other groups whose support he needs, regardless of the demands' impact on the party or the society-at-large;

That, since the identity of the Presidential nominee has been determined prior to the national convention, and since his delegates cast the deciding votes, the national convention no longer is a deliberative exercise taking into account the legitimate and balancing interests of various regions, groups and leaders within the party, but a coronation of the nominee and celebration by his close supporters. (One half expects to see the heads of the losers on pikes.)

Out of this process, it is perfectly possible that we will in future nominate a man or woman who is qualified, experienced, responsible and respected by the Democratic

officeholders who later must work with a President at federal, state, and local level.

It also is possible that we will construct a party platform which courageously tells the truth to the American people and omits promises which cannot and should not be kept. But the present rules make it unlikely.

Our party clearly cannot return to the time when a handful of people made decisions for us all and many groups were excluded from participation. Nor should it turn its back on the democratization of the process which is reflected in the present ragged mixture of primaries and caucuses which choose the Presidential nominee. But it should: (1) attempt to bring greater reason and order to the nominating process; (2) bring elected Democratic officials and party officers back into the process; and (3) restore a meaningful role to the national convention.

In the nominating process, any one of several changes could materially improve what we have now. Four or five regional primaries, spaced a week or two apart, would expose the candidates to the local and regional issues which they should understand and address. They would remove the present disproportionate importance of less-populous "early" states such as Iowa and New Hampshire. They would reduce the travel costs and disorientation involved in shuttling by the candidates from one time zone to another, and back again. They would not give a candidate from a particular region any advantage or disadvantage over the long haul. Alternatively, even the present primary system would be greatly improved by establishment of more uniform rules in each. Some primaries allow crossovers. Some elect delegate slates separate from the Presidential-popularity vote. Some are advisory only. Some are combined with a caucus. There are other variations. There should be an understanding by the voters, and by the candidates, that there is a consistency and fair play to be expected from the primary process, no matter the state where it occurs, and that a candidate's percentage in the voting should bear direct relation to his share of delegates.

Within either a changed or existing sequence of primaries and caucuses, provision must be made for inclusion of elected and party officials. Proposals vary. Some say that from 10 to 50 percent of total delegate places should be set aside for U.S. Senators and Congressmen, governors, state legislative leaders, state chairmen, and party officers and that these persons should come to the national convention formally uncommitted to any Presidential candidate. Others suggest that a certain percentage of seats should be so reserved, but all or most of these persons should be committed to a presidential candidate, lest the voters in their state see the outcome of their state's primary or caucus effectively reversed by such officials. The Democratic National Committee should address this issue immediately, not only because we must stop the alienation of our elected officials from party processes, but also because we need their inputs and commitments to what the party does. It is presently all too easy, for instance, for an elected Democratic official to walk away from a county, state or national platform on the basis that "I didn't have anything to do with it. . . . it was all done by a few true-believers and special-interest people." If such an official is a participant in the process, by rule, he or she will have no choice but to honestly contribute to it and, one would hope, to influence and support it. Unless we bring our elected officials back, we will contribute further to doing at all levels what we already have done at the national level—namely, creating candidates who do and say as they please, making their own bargains with interest groups, with no regular tie with the Democratic Party per se other than the use of its label.

The national convention's role would be enhanced by reserving a percentage of delegate seats for elected officials and party officers, as outlined above, who would thus have power to make the difference in any close nominating, rules platform or credentials contest. The credentials, rules and platform committees all should likewise be constituted with seats set aside for a certain percentage of officials and party officers. The platform committee should be sharply reduced in size and the draft document itself should be directly referred from a small drafting subcommittee, to include for the first time formal representatives of the Democratic Congressional leadership and Democratic Governors and Mayors Conferences, to the full committee for plank-by-plank vote. No minority plank should be referred to the general convention floor with less than 40 percent of the signatures of the full committee. These changes would put platform-drafting largely back into the hands of men and women with daily responsibility for, and knowledge of, policy. It would also reduce the impact of "runaway" drafting subcaucuses among the presently-large platform committee membership (in 1972, the first year the new "reform" rules applied to the platform process, a "rural caucus" jammed through a plank pledging the national Democratic Party's support for 125 percent of parity. The action, if translated into serious policy, would have broken the federal treasury).

One proposal calls for election, state-by-state, of Democratic convention delegates all of whom would arrive at the national convention uncommitted to any Presidential candidate. This certainly would add to the convention's role as deliberative body. But, it would seem it also would break faith with the democratization and responsiveness which have been set in motion over the past 12 years and which the American people continue to demand. No, grassroots voters should continue to have a greater stake than that. But the party Establishment also needs to get back in the game.

II. MONEY AND TECHNICAL ASSISTANCE

Many Democrats, pointing to recent Republican example, complain that the Democratic National Committee did not in 1980 dispense funds to deserving federal, state and local-level candidates. The fact is, it hasn't done so on any scale in the memory of active living Democrats dating back to Franklin Roosevelt. But there is no reason it should not do so. The leftover 1968 debt is finally within sight of liquidation. The Democratic National Committee should now begin to close the 10-year-lead which the Republican Party has established in direct-mail experience and technology. And it should be prepared to counter state-by-state the millions of dollars and sophisticated computer planning which the Republicans have mobilized to wage the all-important reapportionment battle. Strangely, the Democratic Party has continued to receive much of its money from large donors and special-interest organizations while the Republican Party has been successful in broadening its base among medium-size and small donors. Early Reagan Administration cuts of traditional Democratic social programs; Reagan initiatives harmfully impacting labor and senior citizens; and looming issues involving separation of church-and-state and civil liberties should provide immediate impetus to any national Democratic direct-mail fundraising effort.

Simultaneously, the DNC should begin to institute the kind of technical assistance programs which proved so successful for Republicans last fall. Issue research and polling data should be shared with Democrats in Congress and with state party organizations. Field organizers should travel the country to help local Democratic organizations identify and recruit potential candidates and to provide them with campaign skills training. Regional coordinators should help state and county organizations institute their own computerized direct-mail, fundraising and communications programs. Television and radio spots on major issues, easily adaptable for use by Congressional, state and local candidates, should be mass-produced by the DNC and provided at little cost to candidates. (At present, most campaigns are eating up some 50% of their total budgets on media expenditures, much of it for production.)

A lively, meaty monthly newsletter should be published with circulation to media, Democratic officeholders, and state and county party organizations. The newsletter not only should contain critiques of Reagan proposals, but also excerpts from thoughtful speeches by Democrats; reprinted articles on public issues from mass-circulation and specialized magazines and newspapers; summaries of opinion trends; editorial cartoons; summaries of major Democratic legislative proposals; and news from various states. It should be sufficiently entertaining and substantive so as to be quoted elsewhere, upset the Republican opposition, serve as a source of stimulus and morale for Democrats, and raise revenues from those who will pay for subscriptions on a quantity or individual basis. Voter identification and registration programs should be packaged by the DNC and taken to each of the state parties for implementation. Legal counsel should concentrate particularly on lending technical assistance to those Democratic organizations which must fight their way through redistricting before 1982. Both Congressional and state-legislative balances-of-power will be at stake in these cases.

In summary, the DNC should quickly make the transition from being the ad hoc instrument of an incumbent President largely unconcerned with party affairs beyond the White House to one which sees itself as a rallying point and central service-bureau for millions of grassroots Democrats, thousands of candidates, and the established Democratic leadership and campaign organizations in the Congress and in the states.

III. POLICY DEVELOPMENT

As noted, the party badly needs to rethink many of its central premises and approaches. One should not expect the Democratic National Committee, however, to produce sharply-honed new policy proposals. The moment it strays too far from fundraising and technical assistance it becomes, by definition, a player in a potential factional struggle. The DNC, nonetheless, should help provide the framework for dialogue and rethinking through a reconstituted Democratic Policy Council. This Council, as past ones, should be broadly based and include Congressional, state and local-level Democratic elected officials; past Democrat-

ic appointees; representatives from labor, business, consumer, farmer and other groups traditionally active within the party; ethnic and minority representation. It should establish sub-groups to study various foreign and domestic policy sectors. It should issue analyses of Republican policies and proposals. It should coordinate staff work for the mandated midterm conferences we will need to develop and disseminate our evolving views. It should not, however, aspire to issuance of finished Democratic Party policy proposals. No, new thinking and initiatives will come from individual Senators and Congressmen, from state officeholders, from writers and academics, and from independent centers of policy-development. But the DNC can provide an invaluable function by providing, through the Policy Council, a place where issue-oriented Democrats can make contact with each other and be exposed to each other's thinking. The DNC should provide a forum for thinking and communication. It can serve as a transmission belt for dissemination of proposals and ideas offered and developed elsewhere. But it should bear in mind that others in the party have primary responsibility for policy development. And it should concentrate its energies on the nuts-and-bolts functions (under subtitle II) which cannot be done as well elsewhere.

IV. THE NEXT NATIONAL CHAIRMAN

In light of the above tasks, the next DNC Chairman should possess the following qualities. He or she should be someone who will raise money; enthusiastically undertake the nitty-gritty work of party operations and technical assistance; defer to Congressional leaders and other elected officials as policy spokesmen; entertain no personal thoughts of running for public office; patiently see through the amending and updating of party rules and procedures; and not choose sides in any 1984 Presidential-nominating contest. He or she should not be a defeated Democratic candidate seeking vindication; a would-be candidate seeking media and party exposure; an ideologue; strongly identified with any particular faction or potential Presidential candidate. Then, quite obviously, there are the necessities for competence, integrity, and a background of experience with present party rules and processes over the past 12 years.

SUMMARY

We need to update our thinking, rationalize our party rules, change our convention and delegate selection processes, bring elected officials back into party activities, and begin providing tangible financial and technical assistance to Democratic candidates at all levels. As last November should have proved to us, we are overdue in doing all these things.●

TRIBUTE TO JOHN BRIZENDINE OF LONG BEACH—1981'S MOST OUTSTANDING SALESPERSON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ANDERSON. Mr. Speaker, on February 13, 1981, the Long Beach, Calif., chapter of the Sales and Marketing Executives' Organization will present its Most Outstanding Salesperson Award to one of my district's most distinguished citizens, John Calvin Brizendine.

The Outstanding Salesperson Award is presented annually to the private citizen who has most successfully promoted the city of Long Beach to the outside business world.

John Brizendine was born in Independence, Mo., on August 3, 1925. Notable achievement came early. He received the Eagle Scout Award from the Boy Scouts of America in 1940. He served as a naval aviator in the U.S. Navy during World War II. After the war, he returned home to marry his high school sweetheart, Shirley McFarlane. He continued to serve in the U.S. Naval Reserve from 1946 to 1961.

In 1949 and 1950 respectively, John obtained his bachelor of science degree and his master's degree in aeronautic engineering from the University of Kansas. He joined the Flight Test Department of Douglas Aircraft Co., a division of McDonnell Douglas Corp., in Long Beach. As a flight test engineer, he rose to prominence, advancing to program manager for the DC-8, the DC-9, and the DC-10 programs. He was then promoted to vice president of engineering, and from there to executive vice president at Douglas Aircraft Co.

In 1973, John became president of Douglas Aircraft Co., and the same year was made a member of the board of McDonnell Douglas, where he shoulders further internal responsibilities. In addition to serving as president of Douglas, he is currently corporate vice president of the McDonnell Douglas Corp. at large.

John Brizendine's high concern for the quality of our social fabric is clearly demonstrated by his participation in community organizations. A member of the Boy Scouts' Executive Council, he received the Distinguished Eagle Scout Award in 1975 in recognition of his business achievements. He received the Silver Knight Award of the National Management Association in 1965 for his distinguished service.

In 1974, the University of Kansas honored him with its Distinguished Alumnus Citation. He also served as two-time campaign chairperson of the United Way from 1978 to 1980, spearheading drives raising $3.5 million and $3.8 million respectively for United Way Region 3.

These are but a few of his many accomplishments. It is clear that John is a worthy recipient of the Sales and Marketing Executives' Organization's Outstanding Salesperson Award. My wife, Lee, joins me in saluting John, his wife Shirley, and their children, John Sands Brizendine and Suzanne "Suzi" Jansen, for this noteworthy achievement, and we wish them continued success in the future.●

GRAIN EMBARGO

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BEREUTER. Mr. Speaker, in a recent editorial, the Sioux City (Iowa) Journal pointed out that there are those who argue that the Soviet grain embargo is justifiable primarily for national security reasons. The Journal effectively demonstrates that that argument is an example of faulty and dishonest reasoning. I request that the editorial be reprinted in full for the benefit of my colleagues.

[From the Sioux City (Iowa) Journal, Feb. 1, 1981]

EMBARGO RHETORIC

Apparently some folks in the Reagan administration are backing off from that campaign commitment to remove the embargo on grain sales to Russia. There are indications that other conservative planners feel the same way.

This is too bad, since it tends to lower Reagan's credibility in the farm states. Beyond that, the farm segment tends to feel that if embargos are such an effective weapon against Russia, let's embargo everything.

Reagan's ag secretary, John Block, still stands firm in opposing the continued embargo, especially on corn and wheat. But apparently the full Cabinet will be considering the matter and who knows what will happen in that situation?

A disturbing manifestation of conservative shift on the grain embargo comes from the Heritage Foundation, which is a Washington-based, conservative think tank that has been giving lots of advice to the Reaganites in the last couple of months. We say "disturbing," because indications are Reagan has been taking the Heritage Foundations's advice—and now the outfit is arguing in favor of continuing the grain embargo. In the past, we've found a lot to agree with in Foundation analyses. But in this instance, we don't think the Foundation's arguments are valid.

The pro-embargo stance of the Heritage Foundation comes in a study made by Paige Bryan, an international economist who is currently associate director of foreign trade policy at the U.S. Chamber of Commerce.

She says that if the U.S. "were to tighten its controls (on grain exports to the USSR), and seriously seek cooperation from other suppliers in 1981, Soviet citizens would feel the effects and there would be noticeable repercussions in the Soviet economy."

While admitting that the grain shortfall the U.S. imposed on the Soviet was not as great as originally planned, Bryan argues that the embargo had a negative impact on the Soviet economy in three areas: It reduced Soviet meat consumption, it slowed growth in the "highly vulnerable" agricultural sector; and it generally aggravated problems with the Soviet's 1980 harvest.

It will be recalled that U.S. farmers were quite disturbed when the grain embargo was called. They figured they were going to lose money. And they did, at first.

But Bryan answers these criticisms by citing circumstances that cushioned the economic blow for U.S. farmers. She says the

fact that the U.S. crop was lower than expected increased grain prices, and largely cancelled the price-depressing effects the embargo might have had.

True; but Bryan can't use that as a valid argument. It all happened after the fact. At the time the embargo was placed, everything indicated the farmer was going to lose money. The Carter administration admitted it, and decided to embargo anyhow. As far as the Carter camp was concerned, the farmer was going to have to swallow a bitter economic pill. We don't think Bryan or anyone else can come along and say the embargo was justified economically because of factors that played on the situation months later. And for Bryan to argue that a short crop increases grain prices is to reveal a startling lack of expertise in farm production, not to mention basic arithmetic—especially for an economist.

Bryan argues also that actions taken by the administration to protect farmers from the potential adverse effects of the embargo were successful, for the most part. They were not. Conditions beyond the control of either farmer or administration "protected" farmers, if a drought and an increased world grain market can be called protection.

Finally, the Heritage Foundation-Chamber of Commerce expert believes "The embargo aimed at the Soviets is justifiable, principally, on national security grounds."

If that is true, we and the rest of the farm economy could suggest that a fuller embargo on all U.S.-Soviet trade would be even more justifiable on national security grounds. Let the entire American economy be placed into the arena, not just agriculture. Certainly Bryan can agree that this would really increase the economic pressure. (What kind of national outcry would follow, especially from Bryan's Chamber of Commerce constituency, we hate to imagine.)

All this aside, we can understand why there is such a great temptation for an administration—Carter, Reagan or any other—to plump for a grain embargo. In one dramatic action, the nation can fight Russia and at the same time offer the American consumer relief from higher food prices. Embargoing grain sales outside the U.S. guarantees lower food prices at home, right?

It's specious reasoning. But without going into all the pros and cons—if that's the real reason for all the current conservative concern about the Soviet grain embargo, why doesn't someone have the grace to be honest about it?●

THE MARRIAGE TAX MUST BE ELIMINATED

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. PORTER. Mr. Speaker, over the past decade, the United States has witnessed a dramatic shift in the American work force. Most American families today need two incomes simply to make ends meet. Consequently, more than half of all married women in the country are now working, with women entering the work force at a rate of about a million a year. By the end of 1990 anywhere from two-thirds to three-fourths of all married women under age 35 will be working. These are the women who suffer the inequities of tax laws developed a decade ago.

Until 1969, unmarried people generally paid higher Federal taxes than did their married counterparts. Congress' remedy for this inequity was to maneuver the tax tables so that a single wage-earner would not benefit greatly by marrying someone with an independent income. But this revision inadvertently created the marriage tax, a tax falling on married couples if the income of one spouse exceeds 20 percent of the income of the other—and the more equal the two incomes, the larger the tax.

The United States is the only country in the Organization for Economic Cooperation and Development in which the tax cost of the second earner's entry into the work force is higher than that of the first. Almost 40 million Americans may pay more taxes simply because they are married.

A recent Justice Department study described the marriage tax as the major source of sex discrimination in the Tax Code. By taxing the income of the second spouse at such a high marginal rate—the effective tax rate on a $20,000 second income can easily reach 55 percent or more when social security and State income taxes are included. Our current Tax Code has the negative effect of discouraging marriage or discouraging married women from taking a job.

The marriage tax is blatantly unfair and contrary to sound social policy. Many working wives feel frustration after having made the decision to go to work when they discover that their income is so heavily taxed that the decision barely pays off.

Tax equity is not only long overdue, but it is widely supported. A Gallup poll found that 83 percent of those surveyed favor the elimination of the marriage tax.

Congresswoman FENWICK has championed the proposal to eliminate the marriage tax by simply allowing two-earner couples the option of being taxed as if they were single. This approach would preserve the benefits of filing jointly for one-earner couples and would not alter the tax rates for singles. This is a sound piece of legislation and one that I am proud today to add my name to as cosponsor.●

TRIBUTE TO SUZIE DISTASO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ANDERSON. Mr. Speaker, in Torrance, Calif., on February 15, the South Bay Democratic Club will meet to honor Suzie Distaso and give to her the Democrat of the Year Award. This award is given to those individuals who are willing to give freely of their time and talent for the good of the Democratic Party.

Suzie certainly deserves this honor. She is always in the forefront when it comes to serving and giving herself to causes she feels will be helpful and effective. For example, she serves on the California Democratic Council, the County Central Committee, the State Central Committee and is one of the mainstays of the RFK Democratic Club of the South Bay. Other than her political party activities, Suzie also takes an active role in the Alliance for Survival, the Hand Gun Control Coalition, and is a vital part of the Pacific Unitarian Church.

As a longtime Torrance resident, she has grown up with the area and understands the many problems of the South Bay, and she has set about to change her world for the better. She is a dedicated, willing person who has an abundance of energy and is always ready to help. She finds it hard to say no when needs are presented. Suzie's efforts are being recognized by this award.

Besides holding down a full-time job, Suzie makes time for her family. She and her husband, John, have two fine daughters, Lara, 12, and Cindy, 11.

Lee and I are glad to be part of this occasion. We extend our congratulations and best wishes to the Distaso family and wish them years of happiness and success.●

CHESTER CONGREGATIONAL CHURCH—250TH ANNIVERSARY

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. D'AMOURS. Mr. Speaker, I would like to take this opportunity to congratulate the Chester Congregational Church on its 250th anniversary, which will be celebrated on October 20, 1981.

Situated in the lovely New England town of Chester, N.H., this church possesses a remarkably rich history. The earliest chronicles of the Chester Congregational Church date back to 1731, and were recorded in a parchment covered book maintained by the first pastors of the church, Rev. Moses Hale and Rev. Ebenezer Flagg. Formally organized on October 20, 1731, during the reign of His Majesty King George II of England, the church from its inception provided the early settlers of Chester a house of worship, a refuge during times of crisis, and a place to share their dreams of making a better life in a great new land.

During its 250 years of existence, the dedicated and devoted members of the Chester Congregational Church have

visited the sick, ministered to the needs of the poor, comforted the bereaved, and promoted high Christian ideals among the young people of the community.

The church is presently under the leadership of Rev. Marnette S. O'Brien. Her congregation continues to thrive and has every reason to be proud of its unique heritage.

I want to extend my warmest congratulations to Reverend O'Brien and the members of the Chester Congregational Church on this special occasion.●

FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BROYHILL. Mr. Speaker, I am today introducing legislation to eliminate the standing authorization for the Federal Communications Commission contained in the 1934 Communications Act and instead put the Commission's authorization on a 3-year schedule.

At present, the Energy and Commerce Committee and its Subcommittee on Telecommunications, Consumer Protection and Finance have direct oversight responsibility for the FCC; however, our committee lacks one of the most fundamental oversight tools—a regular authorization process for the Commission.

With the requirement for a periodic reauthorization for the FCC added to the law, I believe that we can and will perform more effective oversight of the Commission's activities.●

NORMAN RABB: A MAN OF VISION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. SOLARZ. Mr. Speaker, to the extent that I have been able to make some progress in the public life of the community from which I come, and the country in which we live, I owe it, in large measure to my college experience at Brandeis University. Brandeis gave me the opportunity to take part in one of the most exciting adventures in the history of higher education in America. Brandeis is not simply a good university—it is a great university; one where the life of the mind is cultivated and where intellectual achievement and the public good are cherished.

From the very beginning, Brandeis University has occupied a special place in the hearts of the great women and men who built and sustained it. It is one of these rare individuals, Norman Rabb, that I speak of today.

As a renowned philanthropist whose benefactions have touched many lives, mine included, Norman Rabb is a founding trustee of Brandeis and a former chairman of the board of trustees. But beyond his leadership roles, he has demonstrated an unbroken commitment to the ideals and ideas that have forever guided this great institution. For his kind heart, his gentle spirit, his wise counsel, and most of all his vision, Brandeis is honored to publicly recognize him in this, his 75th year by presenting to him the Jacob Goldfarb Medal.

The medal is presented at the annual Palm Beach luncheon to a recipient who, as the man who inspired the award, evidences qualities of moral strength, altruistic generosity and deep concern for mankind. Norman Rabb, like Jacob Goldfarb, has earned the respect and admiration of all for demonstrating selfless consideration, sympathetic benevolence, and unswerving dedication to humanity.

For my own part, I am enormously grateful for the kindness and generosity of Norman Rabb. For without his contributions to Brandeis, my own education would not have been possible and the opportunities I had would have only been dreams.

Today, I speak for thousands of Brandeis students and graduates when I say "thank you" Mr. Rabb.●

CAPITAL GAINS TAX

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. SHANNON. Mr. Speaker, in 1978, Congress passed a bill that reduced the tax on capital gains; our intention was to increase economic growth by stimulating investment. While it is certain that some beneficial effects have been realized, it is too soon to determine how well that legislation accomplished its purpose. It is, however, clear that the provisions of the capital gains tax reduction must be qualified.

The 1978 bill does not differentiate between productive and nonproductive assets. The legislation I am introducing today makes that distinction.

Productive assets include stocks and bonds; real property used as a residence or a place of business; and depreciable property, like machinery or equipment. My bill does not alter or reduce the benefits of the 1978 capital gains provisions for these investments.

In the nonproductive assets category are such things as gold, silver, rare books, antiques, jewelry, and coins. Investments in nonproductive assets do not stimulate economic growth or productivity, and profits from their sale or exchange do not merit preferential tax rates. By depriving nonproductive assets of their Federal subsidy, we will decrease the enormous revenue loss which results from the current blanket reduction in capital gains tax rates.

It is a simple question of equity. If we are going to consider cutting food stamps, mass transit, and foreign aid, should not we consider cutting tax loopholes, too?●

SRI LANKA'S 33D ANNIVERSARY

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ZABLOCKI. Mr. Speaker, February 4, the 33d anniversary of Sri Lanka's independence, is a fitting time for us to recognize the political, economic, and social achievements which have marked that country's history as a free, democratic society. In addition, 1981 marks the 50th anniversary of the granting of universal adult suffrage for Sri Lankan national elections.

Sri Lanka's democratic tradition, which has included adult franchise in local elections since historic times, is strong and healthy. The Government has changed hands in an orderly manner following six of the seven general elections held since 1948, a record for democracy in action in postcolonial Asia. Over the past 16 years, voter participation in national elections has averaged over 80 percent, an accomplishment which we in this country should emulate.

In her relations with the world community, Sri Lanka adheres strictly to a policy of nonalinement, and bases her actions on the principles established in the United Nations Charter. Sri Lanka has consistently attempted to operate within this framework, endeavoring to promote reconciliation among nations, the peaceful resolution of disputes, and an international atmosphere of cooperation where nations of diverse views and desires can work together toward the betterment of all nations and peoples.

Sri Lanka has for many years been regarded as a model in the developing world for the standards it has set in meeting the basic human needs of its citizens. Its life expectancy rates of 64 years for males and 67 years for women and its literacy rate of 88 percent are not equaled in many countries with much higher per capita incomes than Sri Lanka enjoys.

In spite of this record of success, Sri Lanka's earnings have not been sufficient to promote the country's development needs, and international commodity prices recently have had a

strong negative impact on the country's international balance of payments. In an effort to strengthen the country's economy, the present government of His Excellency J. R. Jayewardene has made a major commitment to agricultural self-sufficiency and the attraction of foreign investment for industrial development.

The Mahaweli development program, which Sri Lanka has undertaken with assistance and cooperation from the United States, the World Bank, and many other donors, is an ambitious program of land reclamation and irrigation. In the first phase of the project, five dams are to be constructed, providing for the irrigation of approximately 117,000 hectares of land and generation of 500 megawatts of power.

The country has taken many steps to encourage foreign investment in recent years, and is in the process of creating its second free trade zone; 130 industrial ventures from 25 countries have signed agreements to operate in these zones. In addition, the annual number of foreign investment proposals approved outside the free trade zone have increased fourfold since 1978, and 11 new foreign banks and credit companies, including 4 from the United States, were attracted to Sri Lanka since 1978.

Sri Lankans have every reason to be proud of their country. It is my pleasure and privilege to offer them congratulations and best wishes on the 33d observance of their national day.●

MARYLAND AGRICULTURE WEEK

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. DYSON. Mr. Speaker, yesterday I had the opportunity to share with my colleagues, Senator PAUL SARBANES and Representative BEVERLY BYRON, a celebration of Maryland agriculture. Each year the Governor of Maryland proclaims Maryland Agriculture Week and Maryland farmers host an agricultural dinner in honor of the Governor and the members of Maryland General Assembly.

Agriculture to the citizens of the Free State is not merely an industry but a way of life. The 1981 theme this year is "Voice of the Land." Maryland despite her size has increased her agricultural productivity by 300 percent from 1960 to 1980. During this period of increased food costs for American consumers, the more food that Maryland can produce and send to the marketplace, the more American shoppers will save. With transportation costs at a premium it is easy to see how consumers can benefit from Maryland grown commodities.

I am very proud to have been a participant in that celebration of our State's excellent contribution to the lifeblood of our Nation.●

SOLAR ENERGY AND THE OIL COMPANIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. MILLER of California. Mr. Speaker, as we consider moves designed to strengthen our Nation's free market energy policy, we cannot forget an important cornerstone of that policy: competition and the resultant diversity. Our Nation's industrial growth has come about because of the diverse nature of American business and the competition that has continually improved products and processes.

I am enclosing an article from the Wall Street Journal that outlines some concerns about decreasing competition in the solar energy area. The article explains that many small solar energy firms are being acquired by larger oil companies. Aside from the concern about protecting a strong, small business community, these purchases raise the fear that solar energy's development could be hindered to reduce competition with oil. I am very concerned about this trend, and believe that it bears watching by the Congress.

The article follows:

BIG OIL'S PUSH INTO SOLAR IRKS INDEPENDENTS

(By Amal Nag)

The ranks of independent companies seeking to produce salable electricity from sunlight are thinning fast. And to hear some disgruntled solar entrepreneurs tell it, the reason is that they're on to an idea whose time has come.

Since the mid-1970s, big companies—especially big oil companies—have been buying small companies engaged in solar research or the manufacture of solar-power products. Among the 40 or so small companies now in the electricity-from-sunlight business, more than half are owned, wholly or partly, by petroleum producers.

The electric-power side of the solar industry lags well behind the use of sunlight for heating. Photovoltaic cells, the components that convert sunlight to power, are far more costly and sophisticated than solar "collectors" and other heat-transfer systems now in use in thousands of homes and commercial buildings. Until now, the cells have been used mainly in space satellites and at remote communications stations, where alternate power supplies are expensive or nonexistent.

THE HEART OF THE CELL

But solar-power enthusiasts say new methods of making silicon crystals—the heart of the photovoltaic cell—will sharply reduce the cost of solar-produced electricity. They say their business will take off soon, and that when it does, independent firms will be hard pressed to compete against the resources of big oil.

Nor is this their only complaint. Other big companies, chiefly electrical-equipment manufacturers, are grabbing an increasing share of the limited federal funds for solar research. While this works to dampen oil-company dominance, it galls the small independents who rely on grants from Uncle Sam for most of their revenue.

There are outside critics, too. Allen Barnett, a solar-energy expert at the University of Delaware, argues that with less competition, it will take longer to produce solar-generated electricity at a cost competitive with power from more conventional fuels. The Small Business Administration warns that a few big companies are creating an "uncompetitive" solar market. The Justice Department and the Federal Trade Commission say they are watching the situation.

GENERATING COSTS

In 1974, it cost $5 to $10 per kilowatt-hour to generate solar electricity. New photovoltaic technology has cut that cost to about $1 per kilowatt-hour, and the Energy Department predicts the cost might drop to between six cents and 20 cents by 1986. Some experts, however, think this forecast is too optimistic.

By comparison, utility-generated electricity costs between four cents and nine cents per kilowatt-hour, depending on the fuel and the region.

The Energy Department projects that solar-electric annual sales will jump to $1 billion in 1985, compared with today's estimated $50 million. The department also expects solar power to account for 5% of the nation's energy consumption by the year 2000. "The solar electric market could explode," says Steve DiZio, president of SES Inc., the solar unit of Shell Oil Co.

Oil companies are watching these trends closely. Their reserves of oil and natural gas won't last forever, and their investments in coal and uranium remain uncertain for safety and environmental reasons.

"We have a high stake in all this. We need to know how the market is going to change in the future," explains Gordon McKeague, manager of corporate development for Standard Oil Co. (Indiana). The company currently owns 25% of Solarex Corp., the nation's largest solar-electric concern.

THE OIL-INDUSTRY SHARE

These considerations have prompted other oil companies—Exxon Corp., Atlantic Richfield Co., and Mobil Corp.—to buy into independent solar concerns. According to the American Petroleum Institute, oil companies directly or indirectly control 77% of the sales made by the solar-electric industry. Government officials say the oil industry's share is closer to 90%. Three years ago, oil companies had less than 50% of the market.

Although government agencies say they're concerned, the FTC's Bureau of Competition says it doesn't want to "overreact" to the oil-company concentration because of the likelihood that other diversified manufacturers will enter the industry.

Many of these potential competitors are big electrical companies—Westinghouse Electric Corp., General Electric Co., Motorola Inc., and Texas Instruments Inc., among others. Westinghouse, which supplies power-generating equipment to utilities, is already planning commercial-sale production of photovoltaic cells.

The SBA says all this is little help to small, independent solar firms. Christopher

Burke, the SBA's "solar advocate," says big companies subsidize their solar units by letting them place no-profit bids for government solar contracts—something independent firms can't do. Last year, small businesses received 15%, and big corporations got 45%, of the $150 million federal solar budget. The balance went to universities and government labs.

"The DOE isn't giving us a chance to survive," says Robert Charlton, vice president of Solectro-Thermo Inc. of Dracut, Mass. Mr. Charlton says that although his company's photovoltaic technology is "five years ahead of the rest of the industry," its requests for solar funds have been turned down repeatedly.

Meanwhile, Solectro-Thermo has turned down acquisition offers from Atlantic Richfield and others.

At least one DOE official admits a bias toward big companies when it comes to solar-power projects. Paul Maycock, DOE's director of solar electricity, says, "it's difficult to do business with small firms" because they lack sizable staffs and sophistication in presenting proposals.

Mr. Maycock thinks the big corporations will have their own problems with solar power and that only a few will survive. "In the end, we are going to have four companies, as in the automobile industry," he says.●

JAMES J. "PAT" PATTERSON—CITIZEN EXTRAORDINARY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. PANETTA. Mr. Speaker, after decades of active participation in the politicial process, James T. "Pat" Patterson has retired from the Monterey County, Calif. Democratic Central Committee. Pat's dedication to improving the process and increasing citizen involvement has been extraordinary, and I believe he can serve as an example to people across this country who want to keep our democracy strong.

Pat first came to Monterey County in 1928, and by 1929, he was already active in politics, working with labor unions in the area. He was one of the first businessmen in the small town of Seaside. His grocery store operated during the depression, and he was able to help many local residents to survive that era of hardship.

Pat has been an active member of the Monterey County Democratic Central Committee since 1938, and during most of those years, he has also worked very hard within the Democratic State Central Committee. The list of State and local campaigns Pat labored in is too long to run through, but his hard work on the campaigns of Governor Oleson, the first Democratic Governor of California, Lt. Gov. Robert. L. Patterson, Senator Sheridan Downey, Gov. Edmund "Pat" Brown, and Senator Alan Cranston are most noteworthy. In addition, in 1958, Pat was the chairman of the successful campaign to elect the first woman, Betsy Kramer, to the Monterey City Council.

Pat also worked in national campaigns, including the Kennedy campaigns and the Truman campaign. To me, one of Pat's most exciting memories would have to be his participation in President Harry Truman's whistlestop tour of 1948.

As a member of the Monterey Democratic Central Committee myself, I was able to witness the extraordinary leadership capabilities of Pat Patterson. He served as presiding chairman and as appointments committee chairman, and his experience and good nature will be sorely missed. I am proud to know him, and I hope that his wisdom and energy will continue to be available to us on the Monterey Peninsula.●

HUMAN RIGHTS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BONKER. Mr. Speaker, Jerome J. Shestack, who brilliantly represented our country at the United Nations Commission on Human Rights and now is the president of the International League for Human Rights, has written a thought-provoking article on human rights as an integral part of our foreign policy.

Ambassador Shestack states:

Another way of appraising the value of human rights policy is in terms of realpolitik. There is a world competition between Communist and Western ideology. In this competition, our human rights advocacy is a potent counter to expansion of Communist influence. There is no doubt that human rights initiatives generate popular support among masses of people. The Soviets fear our human rights policy because of their own dismal record and because they sense the power that ideas of freedom can exert. Our advocacy of human rights thus advances the human condition, confounds and isolates our adversaries, wins respect and friends for the United States, and helps to reinforce our claim for world leadership.

I commend to the attention of my colleagues, Mr. Shestack's essay which appeared in the Washington Star of January 4, 1981.

HUMAN RIGHTS REMAINS OUR BEST WEAPON

(By Jerome J. Shestack)

There is much talk these days that the new administration will abandon the human rights emphasis in our country's foreign policy. The speculation may be premature.

Each administration pursues the foreign policy that it believes will best serve the national interest. The question is what will be perceived as the national interest. I believe there are cogent reasons for the Reagan administration to conclude that our human rights policy does serve our country's best interests.

First, human rights advocacy is in the American tradition; we have been exporting concepts of liberty for some 200 years. This nation's own self-esteem, sense of purpose and commitment to its fundamental values are strengthened by advancing a human rights policy— a policy that commands support from the American people.

Second, such a policy furthers the imperative in U.S. foreign policy that Secretary of State-designate Haig recently described as "a reassertion of American relevance to global events." There is no doubt that human rights have become a central item on the global agenda. As events in Iran, Poland, Afghanistan, the Soviet Union, El Salvador and elsewhere starkly demonstrate, human rights issues are not just internal affairs, but have global implications and consequences. The United States cannot remain relevant to global events without focusing on human rights concerns. Our support of human rights affords us a unique opportunity to be responsive to aspirations of peoples around the world and to identify with leaders trying to improve the people's lot.

Third, advancing human rights serves our security interests. Human rights values include responsiveness to the will of the people, as well as restraints on external and internal aggressive acts. Repression of human rights is a source of tension and instability and can impair peaceful relations between nations. It is naive to believe that repressive nations will prove reliable friends or stable allies. Experience has too often shown the contrary. We, and other democratic nations, would be more secure if more countries of the world had a common purpose based on respect for human rights.

PRACTICAL ADVANTAGES

Another way of appraising the value of human rights policy is in terms of realpolitik. There is a world competition between Communist and Western ideology. In this competition, our human rights advocacy is a potent counter to expansion of Communist influence. There is no doubt that human rights initiatives generate popular support among masses of people. The Soviets fear our human rights policy because of their own dismal record and because they sense the power that ideas of freedom can exert. Our advocacy of human rights thus advances the human condition, confounds and isolates our adversaries, wins respect and friends for the United States, and helps to reinforce our claim for world leadership.

These are compelling reasons for human rights emphasis in our foreign policy. But the charge is made that our policy is not consistent. That may be true but the charge is unsophisticated. Sometimes we may appear inconsistent because we lack the leverage. Sometimes we are inconsistent because other interests, such as military security, intervene and take precedence. Consistency has merit but it is rarely the ultimate objective. Governments always have to choose among competing interests and the need is to make the right choice.

Some also contend that our human rights policy has not been very effective. Unfortunately, repression remains all too rampant in the Soviet Union, Cuba, Argentina, Chile, Iran and elsewhere. Still, the game is worth the candle.

A LIST OF GAINS

In recent years, we have seen: the fall of dictatorships in Uganda, Nicaragua, Equatorial Guinea and the Central African Empire, open elections in Ecuador, Portugal, Peru,

and the Dominican Republic, and Zimbabwa; moves from military control to greater civilian rule in Brazil, Nigeria and Ghana; and release of political prisoners in Bangladesh, Indonesia, Morocco, Paraguay and Nepal. There have been notable amnesties, easing of emigration bans and other gains. The United States had earned influence and good will with many nations for having contributed to these advances.

Finally, experienced observers believe that our human rights policy has saved lives. That, in itself, has never been a trifling benefit for the American people.

When the transition dust settles, a tough-minded pragmatic review should reveal that a strong human rights policy is not a visionary abstraction. It has sound underpinnings in terms of concrete American interest. In sum, championing human rights is a policy that represents a fortunate convergence of American national ideals and American national interest, together with international obligations under a rule of law. Such a policy merits the support of every administration.●

SPACE ACTIVISM

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. CONYERS. Mr. Speaker, Omni magazine, the fast-growing and fascinating science journal, included in its February 1981 issue two important statements on grassroots support for space exploration and a stepped-up U.S. space program. The first, authored by Brian O'Leary, a former astronaut and a scientist, and the second, an article entitled, "Space Activism," by Trudy E. Bell, both testify to the growing support for space policy and the considerable political coalitions that are emerging behind such policy. It is an area of public concern that we should all pay more attention to, as well as the extraordinary human and global dividends that may arise out of space research and exploration.

I commend the articles to the attention of my colleagues:

"When the going gets tough, the tough get going." There is only one way to make certain that the United States has the strong, successful space program we so desperately need. It is up to us—each one of us—to support a vigorous program of space exploration and development.

Many of Omni's readers are already actively pushing for a stronger space effort. It is time for the rest of us to get directly involved. The United States is rapidly losing its preeminent position in space exploration. Before it's too late, we must remind our leaders that their failure to support an increasing space effort will irreversibly hurt the nation and their own political careers.

We are on the threshold of mankind's ultimate dream, the expansion of human civilization into space. The vast abundance of resources beyond the earth will generate an explosive renaissance on Earth before the turn of the century.

"If we don't do it, somebody else will," said James Michener in a recent speech. The United States, he said, is now in a position similar to that of Spain and Portugal in 1510, when the two countries had a choice either to expand their mastery of the seas or to let somebody else do it. Choosing the latter, Spain and Portugal suffered an economic and moral decline that lasted for centuries. The manned lunar Apollo missions and unmanned planetary flights, like Columbus's historic voyage, have opened our eyes to new worlds that are, in Carl Sagan's words, "crying out for exploration."

Mastery of space is tantamount to mastery of our collective future. Engineering studies show there are many feasible, independent, and economic paths leading to potentially huge industries in space: satellite solar power, orbiting factories, space stations, and asteroid mining, to mention just a few. But we must start now.

What can we do?

We must remind the President and those who represent us in Congress that the Soviet Union is planning to orbit a permanent 12-man space station in 1985. We must remind them that several probes will be sent to Halley's Comet during its once-in-a-lifetime appearance in 1985 and 1986, although none of the probes is likely to carry American insignia.

We must remind them that certain intolerable risks will attend the space shuttle flights because of a lack of funds and that very few shuttle missions will be sponsored by NASA. We must remind them that the U.S. civilian space program, between now and 1986, will, as it were, be in cold storage because of few fresh starts (a single space mission requires at least five years from the time of commitment to the completion date).

We must advise them that this situation has to be turned around quickly, or we will surely suffer the consequences of our lost leadership sometime in the late 1980s.

How can we reverse this perilous trend? Fortunately, as in the early years of the environmental movement, there is an ever-expanding constituency of individuals who perceive the immense potential of space and the danger of an imminent loss of American leadership there. Trudy Bell points out in an article elsewhere in this issue that tens of thousands of motivated people have joined the 40 or so citizen-supported groups that advocate an augmented national space program. About two thirds of these groups came into existence in the past three years, evincing an interest that is in vivid contrast to a dwindling NASA effort. The movement is not confined to the United States; it is worldwide.

Much work needs to be done. We have to broaden the base of the space-supportive constituency. Only one out of every 100 Omni readers is now a member of some space-advocacy organization. The 99 others need to know that they, too, can become activists. Look at Trudy Bell's mailing list starting on page 90 and find out how you can join.

Over the coming months, the Omni staff and I will begin to link up a broadly based coalition geared toward reinvigorating our national space program. We will be in contact with individuals and agencies involved in space-oriented activities, administrators, and elected politicans. We will be circulating pamphlets that tell what you can do as a citizen. We will be appearing on television programs and will be traveling throughout the country, giving lectures and showing films. We will be distributing newsletters to instruct you in how to write to various important elected officials when critical issues come up. You can become an activist.

This is a call to battle. Those of us who persist in changing the outlook of a sluggish, visionless national leadership will be on the ground floor as pioneers of mankind's greatest adventure, conquering the high frontier. History has shown that people matter and that grass-roots politics *do* work.

Last year the 1984 Galileo orbiter mission, which will study Jupiter, was killed in Congress. But in an extraordinary last-minute drive it was restored by a coalition of space advocates. The staff at Omni coordinated a concerted letter-and-telegram drive that turned it all around.

Yet the effort has barely begun. We intend to promote and preserve all reasonable space initiatives, and we will urge all groups to cooperate in advocating any particular project that is being debated. The rest will be up to you.

SPACE ACTIVISM

(By Trudy E. Bell)

Look ahead just a few years and you'll see why so many Americans are disgusted with the state of our space program and also why so many of them have decided to take matters into their own hands.

In 1986 Halley's Comet will again sweep past the sun for its once-in-a-lifetime appearance. The Japanese Planet-A probe will send back closeup images of the comet as it streaks past Venus. The joint French-Russian probe will obtain additional data. Here in the United States those of us who don't have backyard telescopes will have to settle for looking at pictures supplied by foreigners in our newspapers and magazines. President Carter canceled NASA's Halley-Tempel 2 comet probe as a misguided economy measure, and as of this writing the long-planned mission remains dead.

Though the Carter Administration and many sessions of Congress have considered space exploration and development to be too costly a luxury, other nations have counted their priorities differently.

France and West Germany are still hard at work on Ariane, a low-cost booster that could take the Western world's launch business away from our shuttle long before Halley's Comet arrives.

China and Japan, in a joint venture, hope to orbit two astronauts for a full week by the end of 1986. The launch vehicle for this historic mission will be China's Long March 3, a three-stage booster modified from its CSS-X-4 ICBM.

The USSR, in time for the twenty-fifth anniversary of Yuri Gagarin's flight in 1961, will probably announce its plan to send a man to Mars before the decade is out. Meanwhile the Soviet Union's 12-man space station should have been in continuous operation for four years.

The irony in all this is not simply that the United States once held a commanding lead in space and is now losing it by default. Our government lost interest in the space program just when there was a resurgence of popular support.

According to an annual survey conducted since 1973 by the National Opinion Research Center at the University of Chicago, this support has rebounded dramatically since its all-time low in 1975 and 1976. Today nearly half the American population

think that the amount the United States is spending on space development is about right. But 12 percent believe that NASA is badly underfunded. To sociologist Robert D. McWilliams, of Virginia Polytechnic Institute, the date mean that no fewer than 25 million Americans can be counted among the pro-space forces.

Accompanying this article is a directory of space-activist groups. These organizations have proliferated in the last three years. Where once such groups as the L-5 Society squandered their energies on internal squabbles, they are now learning new, sophisticated tactics to make their case heard. What the environmentalists and antiwar activists were in the 1970s, space advocates are now becoming—a broad-based movement capable of swaying public policy and, if need be elections to promote their cause.

The directory covers 50 American space-interest groups and 9 other "space-sympathetic" organizations, nearly all of them nationally active. If space-activist groups restricted to local activities were listed, they would number well over 100. And if the list included all the organizations not specifically devoted to space development but tending to support space activities—groups of astronomers, futurists, science-fiction fans, amateur rocketeers, and the like fall into this category—it would run closer to 500.

If we look at the organizations themselves, some interesting trends can be discerned. Many of the trade and professional groups were founded in the early days of aviation, but the citizens groups all appeared after the launch of Sputnik 1, in 1957. More important, they have multiplied dramatically in the last five years. Fully two thirds have been founded since 1977. According to Charles Chafer, of the Public Affairs Council, the sudden proliferation of special-interest groups is a leading indicator of issues that will gain considerable political importance within five years.

It isn't only new groups that are appearing, but new goals and tactics, too. The oldest space-advocacy organizations are educational; they simply hold meetings and sponsor events to keep people informed of the latest developments and to announce new results from space studies. Some of the newer organizations, however, seem bent on taking the space program into their own hands.

Several bodies, such as the Space Studies Institute, the World Space Foundation, and the California Space Foundation, are funding their own research on the technological and social developments needed for space exploration and development—work that receives little or no federal support. Others, such as the Space Foundation, provide seed grants to support "critical path" research in universities and industry.

Newest on the scene are the first citizens political action committees. (The aerospace industry has had PACs for years.) The Campaign for Space PAC was founded last March and was followed in May by the Citizens for Space PAC. Both were established to support the campaigns of prospace political candidates—particularly those in contests where a narrow margin of votes would decide the winner.

The decision to enter the political arena is a fundamental change of strategy for the space movement. Space-interest groups are composed primarily of scientists and science-fiction fans; most of their leaders have come from the scientific and academic communities. "The scientific community tends to spurn traditional lobbying tactics," as Brigette Rouson observed in the Congressional Quarterly (April 12, 1980). "One NASA spokesman said that scientists are more likely to produce studies than [to] call a Congressman."

By contrast, many of the environmentalist leaders came from the ranks of civil rights advocates and the anti-Vietnam War crusaders; they were experienced in politics when they took up the environmental cause. They provide a model the space groups must learn to follow if they are to be effective, and the space activists are determined to learn.

The results of their decision are already becoming apparent. Though some major citizens groups—notably the L-5 Society—were once plagued by dissension, their members are now welding themselves into an effective lobbying force. The PACs have been supplemented by the Space Coalition, a lobbying organization led by Gerald Driggers, president of the L-5 Society, that intends to speak out as an effective political voice in all legislation involving space development as an enticement to join, it is waiving membership fees for all individuals who belong to any existing space-interest groups.

Tactically, some groups are beginning to follow the footsteps of the antiwar and environmental movements even more closely: They are calling on the resources and energy of college students, especially for such events as Space Week. Student space groups already exist on a dozen college campuses. Some, such as the one at the Polytechnic Institute of New York, have only a handful of members; the University of Maryland space organization claims 700 members. At least one, the Space Farers, hopes to coordinate activities on campuses throughout its region.

* * * * *

The space advocates must make it clear to many others that space is a resource, one that can directly enrich life on Earth. Unmanned satellites can warn of crop-destroying frost, monitor pollution, and help locate petroleum and other useful minerals. Manned solar-energy satellites can replace vanishing oil, and there are rich stores of minerals to be retrieved from the moon and the asteroids.

Space industrialization does not fly in the face of the "limits to growth"; it makes them obsolete. The wise use of space might help us set our earthly house in order. Space-interest groups might just be able to recruit the allies they need if they can remember that the real issue is human survival.

Some of the newest space-interest groups are working to meet this challenge. The two political action committees, for example, were founded in part to form coalitions centered on the public needs that can be fulfilled by space development. Another example is the Space Coalition. According to L-5 Society lobbyist Leigh Ratiner, the coalition is the only organization engaged in Washington politics in which private citizens and industry have united to work for common goals.

These political efforts have just germinated; outside politics, the approach to broader constituencies is further along. The Planetary Society may have been the first of the space-interest groups to see that the Space Age is a cultural phenomenon as well as a technological one. Its board of advisers includes not only such heavyweight scientists as Carl Sagan and Bruce Murray but actor Paul Newman, entertainer Johnny Carson, Poet Diane Ackerman, John Gardiner, the founder of Common Cause; Harry S. Ashmore, former editor in chief of the Encyclopaedia Britannica; and Dr. Lewis Thomas, president of the Sloan-Kettering Cancer Center.

But if these organizations are to succeed in rekindling our space program, they must overcome another problem. Space deals with abstractions: with the future, with long time scales, and with an environment 200 miles overhead that only a few dozen human beings have ever experienced. Space is cognitive; it's not in the guts. The challenge is to make it real.

"The environmental people can take you down the road and show you a polluted river," says Courtney Stadd, formerly of the National Space Institute. "UNICEF can let you hold a hungry baby. The space people can only show you a picture."

Fortunately, Stadd is not the only person in the space community who recognizes the need to promote concrete images. The Planetary Society pinned some of its hopes for NASA's ailing planetary-science program on last November's, Voyager 1 images of Saturn. And Barbara Evans, of the Space Studies Institute, voices a concern common to many groups: "There is a sense of determination to get our acts together now. When the shuttle is launched this year, space will once again become real to the American public. We want to be prepared." Whether their efforts will have any effect remains to be seen. But most leaders of such organizations are only too aware that time may be running out. After Voyager 2 passes Saturn this summer, there may be no U.S. spacecraft visiting any body in the solar system until Galileo goes into orbit around Jupiter in 1987—unless Congress can be persuaded to restore a mission to Halley's Comet in 1986.

One critical factor is how seriously legislators will take the space-interest groups. Many lump even the most serious promoters of space development together with "Trekkies," those who believe in UFOs, and other cultists. That image evolved in the early 1970s, when bitterness and competition among the space organizations combined with amateurish leadership to make space "fans" look incompetent. It no longer squares with the facts.

A new professionalism is emerging in the citizens space groups: The Planetary Society and the World Space Foundation are both led by planetary scientists working at the Jet Propulsion Laboratory, in Pasadena. Others headed by engineers, scientists, or sociologists include the Campaign for Space, ISSSS, the L-5 Society, the Niagara University Space Settlement Studies Project, the Space Studies Institute, and the Sunsat Energy Council. These are seasoned professionals with a realistic sense of the work to be done and with experience in collaborating with the research community and the federal government.

"We're seeing the formal machinery being set up between the major groups to combine their strengths and constituencies," Stadd says. "These elements are beginning to coalesce, laying the foundation for a Sierra Club-type movement a decade from now."●

INTERESTING ELECTION TACTICS PRACTICED BY THE NRCC

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. COELHO. Mr. Speaker, earlier today I called attention to the fact that the National Republican Congressional Committee was using President Reagan's name to solicit funds for the express purpose of defeating Democrats in the House of Representatives. Obviously, this works against the President's stated public policy of working with the Democratic majority in the House in a spirit of bipartisanship.

So my colleagues can be aware of the tactics used by the NRCC, I offer for their reading the text of the mailing used by them in their fundraising effort. It is regrettable that the Republicans in the House seem determined to undermine President Reagan's try for cooperation with the House majority.

Mr. Speaker, the letter follows:

WASHINGTON, *January 21, 1981.*

DEAR FRIEND: My election to serve you and our country is the highest honor I will ever have in my life.

And, with God's blessing, and your help, I will do everything in my power to help lead America away from the critical dangers that threaten our nation.

I will need your personal help and support if we are to change America's direction while there is still time.

Throughout my campaign, I pledged to submit legislation to cut taxes, reduce the size of the federal government and restore our national defenses to assure security for us and our children.

And our great Republican victory last November was an endorsement of these goals by the American people.

But we face one major obstacle. Despite our new Republican majority in the U.S. Senate, the House of Representatives is still controlled by a liberal Democratic majority.

Although I am sure the Democratic leaders share our concerns for America, their spending programs and high tax policies run counter to the goals you and I and our Party have set. Because the house is still controlled by the Democrats, I know it will not be easy to win approval or our programs.

That is why I consider winning Republican control of the House in the next election to be our Party's number one priority.

I believe the key to electing a Republican majority by 1982 is to implement the National Republican Congressional Committee's comprehensive GOP Victory Plan now.

Guy informs me that unless the Committee raises a total of $8.7 million, our entire campaign program is jeopardized. This would be a disaster for our Party.

That is why I believe your support of the Committee is crucial to the success of everything I hope to achieve as your President.

I hope, at this crucial time, you will consider strongly sending a $15, $25, $50, or even $100 contribution to the committee. I am asking you to make this sacrifice because your contribution is needed to finance the most ambitious Republican campaign program ever launched.

Unless the Committee can count on your most generous contribution, they will simply not have the funds they need to put these plans into action early.

This GOP Victory Plan carefully blends direct cash contributions, national TV advertising, issue research and up-to-date survey information into one overall campaign program for candidates.

It is designed to give our candidates the resources they need to fight the built-in advantages of incumbent Democratic Congressmen.

This same Plan, used in 1980, was the prime reason we cut the Democrats' majority from 267 to 234 seats by increasing Republican seats from 158 to 192. This was the single largest gain for our Party in 14 years, and has put us within reach of winning control of the House by 1982.

Many of our candidates never would have won their close Congressional races without the Committee's expert help. I am convinced we can duplicate our 1980 victories in 1982, if we start now.

To launch the next phase of the Plan, the Committee needs $75,000 for candidate recruitment: $100,000 for campaign schools for candidates, managers and volunteers; and $250,000 set aside in a special fund reserved for candidates to launch their campaigns early, as soon as they announce.

That means the Committee must raise a total of $425,000 in less than 30 days.

If the Committee fails to raise this amount, it could jeopardize the best chance we have had in 25 years to become the majority party in the U.S. House.

This year Americans voted overwhelmingly for a change in government: they want to restore our country's defenses; they want to put more people back to work; they want their taxes cut along with the size and power of the Federal government. And they want action now.

If you support my efforts to change America's direction, then I urge you to support the Committee by sending your generous contribution in the special envelope enclosed with my letter.

This may be the only chance you and I will have in our lifetime to put into action the principles and policies we have dreamed about to bring Americans more freedom, security and a better standard of living.

That is why I urge you to rush your maximum contribution to the Committee so they can fund immediately the programs that will bring a Republican majority to the U.S. House of Representatives.

Sincerely,

RONALD REAGAN.

P.S. Recently, when I met for dinner with Republican Senators to celebrate our victory, I was asked what our party should do for an encore. I said, "That is easy. We go on to win a majority of the House." And I am counting on you personally for your support and your contribution to help us realize this goal.

OFFICIAL MEMORANDUM

To: PRESIDENT REAGAN

c/o 1981 GOP Victory Fund, National Republican Congressional Committee, P.O. Box 2837, Washington, D.C.

DEAR PRESIDENT REAGAN: Yes, I agree with you and Congressman Vander Jagt. We must defeat the liberal Democrat majority in the House by 1982 so they cannot water down or overturn your anti-inflation, prodefense policies to restore America's economic and military strength.

I strongly support your effort to elect a Republican majority by launching our 1981 GOP Victory Plan right now. I understand this is the same plan that was used so successfully in 1980 to gain 33 additional GOP seats in Congress.

I have checked below the most generous amount I can send as my contribution toward the $425,000 the Congressional Committee must raise within 30 days.

Use my contribution to: recruit outstanding candidates, conduct campaign schools for candidates and campaign managers, and to build up a cash reserve to give direct cash contributions to candidates as soon as they announce.

☐ $————

I have made my check payable to: 1981 G.O.P. Victory Fund.

Signature————

Special Memo from:

CONGRESSMAN VANDER JAGT:

DEAR FRIEND: If you decide to contribute to the 1981 GOP Victory Fund, I have made arrangements for you to receive a special memento of President Reagan's inauguration as a symbol of our appreciation of your support.

I am doing this because of the tremendous importance President Reagan places on this unique political program designed to support his effort to change America.

Please check the spelling of your name and address so we can send your inaugural memento to you. If it is not correct, please make the appropriate changes.

GVJ

Name:

Address:

Corporate contributions are prohibited by law.

Paid for by the National Republican Congressional Committee.●

ROBERT DRINAN TESTIFIES ON PLIGHT OF THE ELDERLY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. FRANK. Mr. Speaker, I am honored to have the privilege of succeeding Robert F. Drinan as the Representative of the Fourth District of Massachusetts. Robert Drinan's contributions to this body, to his constituents, to the American people, and to the cause of humanity throughout the world are immense and enduring.

Few of his accomplishments are more noteworthy than his efforts on behalf of the elderly citizens of our Nation. During his decade of service in the House, Father Drinan was a driving force for recognition of the human needs of older Americans. His compassion and his reason helped make possible lives of dignity and security for many older men and women.

Yet, despite the enormity of his legacy, Robert Drinan has not forgotten that much still needs to be done if the promise of the golden years is to be truly realized. For that reason, he

testified today before the House Select Committee on Aging, of which I am privileged to be a member, on the state of the elderly. In his testimony we are reminded that poverty among the elderly is growing at an alarming rate and that a disproportionate share are women. He recommends that the select committee develop a comprehensive and coordinated blueprint for meeting the economic plight of the elderly, a suggestion I wholeheartedly support. Father Drinan also discusses the very serious problems of adequate retirement income, health care, housing, and social services.

Because few Members of Congress, past or present, can speak with the authority of Robert Drinan on issues affecting the elderly, I commend my colleagues to his testimony before the Select Committee on Aging.

A copy of the testimony follows.

TESTIMONY OF ROBERT F. DRINAN

Mr. Chairman and members of the Committee, I am honored to appear at your first hearing of the 97th Congress on the crucial question of the state of the elderly in America. My tenure on this Committee produced some of the most rewarding work of my decade in the Congress, and I am convinced that no agency, organization or other congressional committee plays a greater role in bringing awareness and action to the problems facing this nation's 24 million older citizens.

We are all hearing a familiar but disconcerting refrain: Elderly people constitute an ever-growing segment of our population; it is becoming more and more costly to take care of them; most of them aren't as bad off as we think; and we can cut back on their programs without causing a lot of hardship. I personally find such rhetoric inconsistent with what I saw and heard as a member of this Committee. As in the past, I am sure the thoughtful work of this Committee will guide the actions of the Congress as it seeks to develop a Federal policy which balances fiscal responsibility with the real need for services.

We have all seen projections on the "graying" of America. As recently as 70 years ago, only 4 percent of the population was aged 65 and over. Today 11 percent of the population is elderly, and within 40 years the number of elderly will rise to 15 percent of the population. Today, 75 percent of the nation's population reaches age 65. Approximately 20 percent of these men and 8 percent of these women over 65 years of age are employed. Most are concentrated, however, in low paying jobs, and as a group they have severely limited employment opportunities. Many live in abject poverty; many more at the threshold of poverty. These older Americans are subject to more disability, a greater need of medical care and higher medical expenses than are younger persons. As already noted, by the end of this decade their numbers will swell.

Instead of looking for ways to cut back on programs and services for the elderly, I urge you to take decisive steps now to overcome the cycle of poverty, unemployment and poor health that afflicts our older population. Otherwise, we will be condemning hundreds of thousands more to a life of poverty and indignity and reluctant reliance on government programs at a time when they will be living longer.

POVERTY STATUS OF THE ELDERLY

A few months ago, the Census Bureau released a report unaccompained by the fanfare surrounding the myth about our well-off elderly. According to this report, the 1980 Current Population Survey, life for millions of elderly people consists of little more than a nightmarish struggle for survival. The Golden Years simply no longer exist.

During 1979, the latest year for which we have data, 15 out of 100 elderly people or 15 percent fell below the Federal government's poverty line. Over 400,000 older persons joined the ranks of the poor in 1979, for a total of 3.6 million officially recognized aged poor. Let us keep in mind that official poverty status in that year was less than $3,500 for a single person and less than $4,400 for a couple. The Federal government's definition of poverty is not at all generous and may well be unrealistic. Consider, for example, that under this definition, each individual is allotted only 66 cents or less per meal.

These figures contradict the notion that our older citizens are better off than we think. Alongside those living in abject poverty, more than half of the 11 million elderly persons living alone rely on annual incomes below $4,000. More than three out of four have incomes under $7,000. These are hardly people who can be asked to make further sacrifices. There is simply nothing more they can sacrifice.

Tonight the President will address the nation on the state of the economy. Apparently a national economic emergency will not be declared by the Administration. But a national economic emergency does exist for the elderly and disabled of this nation. Older Americans are in fact losing economic ground at a greater rate than at any time in the last 2 decades. The increase in the poverty rate from 14 percent in 1978 to 15.1 percent in 1979 is the most significant increase in poverty among the aged since the Census Bureau began keeping track of personal income in 1959. Our retreat in the fight against poverty has already brought misery and indignity to millions whom we call our "senior" citizens. Do we want this tragic trend to continue?

In the coming months, I urge this Committee to fashion a comprehensive and coordinated blueprint for meeting the economic plight of the elderly. Most of the mechanisms for dealing with this problem are already in place but need returning. Many of the programs designed to serve the elderly need refocusing, but it is my view that none of these efforts should be abandoned.

RETIREMENT INCOME

I don't think anyone needs to be convinced of the pivotal role social security plays in providing some base of economic security for the elderly. Without it some two-thirds of the entire aged population would fall beneath the Federal government's poverty threshold. We must remember that social security is not a means tested program; it is not a gift of a magnanimous government. Instead, it is an insurance program based on a good faith contract with the American people that their contributions while in the labor force are buying them some protection against disability and loss of employment income. We cannot ask the American workers to pay more and more payroll tax for less and less protection.

I do not have any easy answers to the financial problems facing the social security system. I would simply suggest that the problems in social security should be dealt with in a comprehensive fashion and not on an ad hoc basis. For example, elimination of the social security minimum benefit will probably only increase reliance on other governmental programs. Its abolition will not save the Federal government a great deal of money, and such action would only cause greater distrust in the social security program. Workers will have reason to ask what guarantee of any benefit they have if Congress at will can eliminate certain categories of benefits. The National Commission on Social Security is due to issue its report this year. That report should serve as a starting point for discussion of changes in the philosophy behind social security, its adequacy and its financing.

Of the elderly living in poverty, a disproportionate share are women. Because of sex discrimination in the job market, women continue to be paid lower wages than men. Their lower wages plus the greater likelihood of interrupted careers due to child rearing tend to result in less protection and lower social security benefits. Women have less chance to build a base for economic security in their own right both under social security and under private pension programs. Unless that basic inequity is addressed, women will continue to be overrepresented among the elderly poor and will have a greater reliance on government programs.

Let me add that we must once and for all end all vestiges of age discrimination in employment by ending any type of mandatory retirement based on age. For far too long this arbitrary determination of ability to continue working has demoralized our older citizens and deprived them of income. I worked hard for the Age Discrimination in Employment Act Amendments of 1978, which raised the mandatory retirement age to 70 for the private sector and eliminated age-based retirement of Federal employees. I hope the 97th Congress eliminates age-based retirement completely. As a report of this Committee noted, "Older workers can produce a quality and quantity of work equal or superior to younger workers. They have as good or usually better attendance records. They are as capable of learning new skills and adapting to changing circumstances as younger workers and they are generally more satified with their jobs than younger workers."

Despite the Employees Retirement Income Security Act passed six years ago, many low-income workers continue to have meager pension benefits or no benefits whatsoever. Only about one out of six older citizens receives a private pension. Tax shelters and other pension programs tend to provide better protection to higher paid personnel than to rank and file employees, especially in smaller companies. Efforts must be undertaken to encourage greater formulation of private pension plans. In the absense of such plans, Individual Retirement Accounts (IRAs) should be made available to more workers. We must also create savings incentives for lower income workers who live from paycheck to paycheck and do not have the financial means to set aside $1,500 a year in an IRA.

HEALTH CARE

At the basis of all well-being is physical health. As I already noted, the elderly suffer twice as much disability as their younger counterparts. Just last year we celebrated the 15th anniversary of the Medicare program. Despite the prevalent myth that Medicare takes care of most of

the elderly's health care needs, older citizens now pay more for health care than before the program was enacted. It is estimated that Medicare now covers about 38 percent of the health care costs of older persons as compared to the 45 percent coverage in 1965 when the program began.

Moreover, Medicare primarily covers acute episodic illness and denies the most pressing needs of the elderly—care for chronic illness and health maintenance. The out-of-pocket health care bill after Medicare now amounts to about $750 per person per year. No coverage is provided for routine annual checkups, eyeglasses, hearing aids or outpatient prescription drugs. Coverage for mental health care is not on a par with care for physical illness. This is true despite the stunning 25 percent suicide rate of older persons who comprise only 11 percent of the population.

In terms of public policy, focusing on prevention and health maintenance in Medicare would not only be more cost-effective for the Federal government, but it would have the benefit of enabling the elderly to lead fuller and more productive lives. We cannot afford in human terms to cut back in Medicare. Neither can we afford the price of the program's emphasis on hospitalization and its neglect of preventive health care services.

We all know that something must be done about skyrocketing health care costs. As the largest group of health care consumers in the population, the elderly have a great deal to gain by such action. With health care costs doubling every five years, it is expected that the price tag for health care will rise from $206 billion in 1979 to $368 billion in fiscal 1984. For an elderly person the average cost of health care is expected to rise from $2,259 in 1979 to $3,868 in 1984. This represents a staggering 71 percent increase over a five year period.

On a related issue, I noted in a recent Washington Post story that the Department of Health and Human Services estimates most fraud in health programs is related to the service providers and not the beneficiaries. Since the Medicare consumer stands to benefit from an elimination of fraud and waste by Medicare providers, I hope that the new Administration will move quickly in that direction.

Medicare restrictions on home health care and other community-based programs continue to promote reliance on more expensive and often less appropriate care in hospitals and nursing homes. According to a GAO report "until older people become greatly or extremely impaired, the cost of nursing home care exceeds the cost of home care including the value of the general support services provided by family and friends." I hope that the 97th Congress will continue to press for home health care as a cost-effective and more humane response to the long-term care needs of the elderly. It should also be noted that the present system of Medicare reimbursement discourages elderly participation and enrollment in the more cost-effective Health Maintenance Organizations. This is but another area of Medicare which needs to be revamped.

HOUSING AND SOCIAL SERVICES

The lack of decent housing for the elderly remains a crucial problem. With persons over 65 living in 30 percent of the nation's substandard housing, adequate and affordable housing remains a primary concern and need for our elderly. Current estimates are that at least 35 percent of income now goes for housing.

New initiatives by the Federal government should include more congregate housing projects where health, social and nutritional services are available. All housing for the elderly must contain adequate facilities to protect them from violent crime. More than any other age group, the elderly are victims of violent crime, a fact leading to their further isolation and fear. If we do not respond to the housing crisis facing our older citizens now we will be faced with greater problems down the line. Moreover, new congregate housing starts would surely benefit the overall economy.

Heating costs continue to rise. According to the Department of Energy, low-income households spend 25 percent of their income on energy as opposed to 10 percent of income spent my median income families. Unlike younger persons, the elderly cannot simply turn down their thermostats since they have a higher risk of "accidental hypothermia." Congress and the Administration must not cut back on the limited low-income energy assistance presently available. Almost half of the elderly live in pre-World War II housing and are likely to have greater energy and home maintenance expenses.

Programs encompassed by the Older Americans Act provide desperately needed nutrition and social services. There are some 500,000 persons who participate each day in the popular hot lunch program, but there are still twice as many people on the waiting list. This program is for many the single opportunity for a hot meal and the socialization that accompanies it. When we talk about the Older Americans Act we are talking about basic services as I just mentioned and not lavish or extraordinary recreational activities. Older American Act programs have hardly begun to meet the need for services and are certainly not funded at a level where they could sustain cutbacks.

Let me also note that there are some 134 Federal programs which serve the elderly in some way. A better coordination of these efforts would certainly benefit everybody. Better coordination would cut down on paperwork and red tape and probably result in a more efficient and cost-effective delivery of services. The interrelatedness of programs is certainly an area to be looked at.

In conclusion, let me simply say that there is no advantage in being penny-wise and pound foolish. Among the elderly the need for certain support services will increase as their numbers rise. The programs I have mentioned all have the potential to reduce reliance on government spending and to allow the elderly to live more dignified and productive lives. These people will not go away simply because we want to forget them or pretend that their plight is really not so bad. Every one of us who has held office hours with older citizens knows that all too often the choices facing them are between heating the house or buying food, between paying the rent or seeing a doctor. If we continue to allow the erosion of the limited economic security our older citizens so tenuously hold at this time, we will be ensuring that future senior citizens will face the same agonies. It is not too late to alter that course. A good way to start is by acknowledging that the elderly will not be sacrificed to the demands for cuts in Federal spending.●

PLO COMMEMORATIVE STAMP IS A TRAVESTY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. FISH. Mr. Speaker, in what must be characterized as a travesty against the purposes of the United Nations, the United Nations has just issued a commemorative stamp lauding the so-called inalienable rights of the Palestinian people. The Committee on the Exercise of the Inalienable Rights of the Palestinian People has been the driving force behind the issuance of this infamous stamp, which has been opposed by many groups who care about real self-determination.

Mr. Speaker, the simple truth is that this committee is composed of 23 Arab, Communist, and Third World nations, and is merely a front in the United Nations for the Palestine Liberation Organization. The PLO, which has dedicated itself to the destruction of Israel, engaged in worldwide terrorism, and embraced the Ayatollah Khomeini, is not the kind of group we wish memorialized by an official U.N. stamp.

I have always been a strong proponent of the principles of world peace and cooperation elicited in the U.N. Charter. But I believe the United States must vigorously reject this blatant perversion of the purposes of the United Nations.

As you know, Mr. Speaker, the 96th Congress passed legislation which requires our Government to reduce its contribution to the United Nations by the amount of our tax dollars which will be used to fund the Palestinian Committee and similar questionable U.N. entities. This commitment will be renewed in the 97th Congress, and I intend to wholeheartedly support the extension of these restrictions.

The obsessive preoccupation of the enemies of Israel to isolate and denigrate Israel at the United Nations has greatly reduced meaningful dialog at the United Nations. The United States can no longer stand mute while our greatest strategic ally in the Middle East is cast in the role of an international pariah. I am confident that with the appointment of Dr. Jeane Kirkpatrick as our U.N. Ambassador and the firm commitment of the Reagan administration to Israel, we will see a new era, a new reality, a new vigor in our posture in the international community.●

HIGH BTU GASIFICATION DEMONSTRATION PLANTS

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. APPLEGATE. Mr. Speaker, I take the floor today to explain a bill I have just introduced regarding a very important matter, important to not only my district and the people I represent, but important to the Nation and its future.

Since May 1977, two separate high BTU coal gasification demonstration projects, one proposed for Noble County, Ohio, and sponsored by Conoco, and the other scheduled for Perry County, Ill., and sponsored by the Illinois Coal Gasification Group, have been in competition for the Department of Energy construction funds. This competition has involved extensive design and feasibility studies involving two completely different types of technology, over 3½ years of time and millions upon millions of tax dollars and private sector funds as well.

Now there are strong rumors to the effect that the Reagan administration will recommend reductions in funds for not only this particular project, but for the synthetic fuels program as well. I am in favor of reducing Government spending as much as anyone, but to now dismantle this program which has yielded some very significant information for use in the development of synthetic fuels would be a gross waste of precious time and money already spent.

Further, and perhaps more importantly, Congress, the lawmaking entity of this land, has spoken out on this very issue through the 1981 Interior appropriations bill. Specifically, the House-Senate Interior Appropriations Committees adopted the following:

> The Committee recommends that the Department (of Energy) proceed to construct both of the competing high BTU gasification demonstration plants, previously funded under project 76-1-b. Further, that providing funds for both the Cogas process and the slagging gasifier will allow two dissimilar processes to proceed and will speed up the development of substitutes for natural gas from hard to handle eastern coals. Based on the Department's record, the Committee believes that continuing to support a selection of only one process will result in endless delays.

My bill, a concurrent resolution, resolves that Congress should maintain this line of thinking and continue both the Noble County, Ohio, and Perry County, Ill., projects at currently funded fiscal year 1981 levels and provide the necessary construction funds for both proposals in future fiscal years.

I can well appreciate the opinion of those who believe that energy production is the responsibility of the private sector. However, the philosophical direction of taking Government out of the synthetic fuels industry and letting the private sector develop those fuels will not work as long as the big oil companies own or control all of America's energy resources, including coal. The oil companies own or control all of America's energy resources, including coal. The oil companies will not expend vast amounts of their own money to synthesize coal into gas or oil as long as they can make fat profits off of decontrolled domestic and foreign oil. The failure to fully utilize coal, shale, tar sands, and other vast American energy resources will deprive energy consumers of clean efficient energy at cheaper prices.

Mr. Speaker, I urge my colleagues in the House and the Members of the Senate to maintain their position on this most important matter and to support my resolution.●

COMDR. FRANK F. HUGHES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. SKELTON. Mr. Speaker, Comdr. Frank F. Hughes, USNR-R, is the commanding officer of a reserve augment unit recently established for the carrier *Independence.* Among various honors, he has been awarded the Navy Commendation Medal, the Distinguished Flying Cross, and 10 Air Medals. The following are Commander Hughes' thoughts concerning personnel management in the military and reasons why such a high number of men and women are leaving the service as printed in the Naval Reserve Association News magazine.

Mr. Speaker, I share these remarks with my colleagues because I feel that Commander Hughes offers some very sound solutions to a serious problem facing our military services today.

[From the Naval Reserve Association News, November 1980]

POOR MANAGEMENT PRACTICES HAVE CRIPPLED OUR MILITARY

(By Comdr. Frank F. Hughes, USNR-R)

Too long has the silence been maintained. The time is now to speak out against those poor management practices that have crippled our military.

Service and allegiance to our superiors, both military and civilian, is the foundation of the oath that every United States Naval officer takes when he assumes the responsibility of his commission. But it is time to remember that we are first and foremost citizens of this country and secondly, officers in our service. If what we speak is unacceptable to our superiors then so be it.

I refer directly and pointedly to the critical situation that we in the Navy find ourselves in today. The mistakes made in personnel management, material management, and operational management have stripped our capabilities. In the interest of serving our superiors, we who have been in command of line organizations have muted our dissent in the interest of maintaining a singleness of policy or protecting our own careers.

That we have remained silent so long is in itself counter to the very patriotism and allegiance that we feel towards our country. The comments that I will make concern naval aviation because I have experienced the problems firsthand. I am sure that what is said here is applicable to every aspect of the military service.

PERSONNEL MANAGEMENT

The manning of our forces today is insufficient and the quality of personnel in our forces is inferior to any that we have encountered to date. Men and women, officers, chief petty officers, petty officers, and nonrated men are leaving the service in droves. The reasons for their leaving are classic; poor policy, poor administration, poor supervision, poor salary and poor working conditions are the causes.

The policy and administration procedures of the Navy's Bureau of Personnel have been epitomized in one caustic statement. "The needs of the service." Too often the assignment of personnel to different tours of duty are done as reactions to "crunches" that are self-perpetrated within the Navy. Personnel administration and assignment in the Navy is for the most part reactionary.

Supervisory unrest and dissatisfaction is evident in all phases of the Navy today. The move to stronger centralized control as well as larger staffs is the rule. It is because of the bureaucracy that has been created through the increase in staffs and staff members that there is very little personal contact between many admirals and their line personnel. In any event, what little contact there is, is often screened by overzealous staff members protecting their own interests. Large staffs justify their existence by the amount of paperwork that they generate having little or no direct benefit to the line operator.

Centralization of control has reached such ridiculous heights that field commanders in Vietnam were reporting directly to Washington. This centralization has reached absurdity in the aborted rescue attempt in Iran.

In the past, the administration has relied on experts in their fields to create and execute plans of action, whether they be military, economic, or social. The past three or four administrations have inserted themselves more and more into the operational detail planning to the point where it appears that presidential staffs now depend on their own counsel rather than those career individuals best equipped to advise. To be blunt, a good administrator defines the objective, obtains the absolute best advice and experts in the field, and then directs those experts to carry out the mission to obtain the objective. No single person can be so omnipotent that he or she can completely direct the details of diverse objectives whether it be the economy, foreign policy, or military matters.

The orchestrating of the Vietnam War by so-called political experts was criminal. I am sure many senior officers justified their acceptance of the way the war was fought by rationalizing that if they would not carry out the policies directed by the administration, then someone else would. Where have we lost that axiom we cut our teeth on in

Naval tradition, "when principle is involved be deaf to expediency"?

The centralization trend has permeated the entire structure of the Navy. Today, we find chief petty officers doing the jobs that should be done by petty officers. Line officers are doing the jobs that should be carried out by chief petty officers. Commanding officers are doing the jobs that they once did as junior officers. Airwing commanders are functioning as department heads accountable to ever-increasing staff. Staffs are now imposing their will on operational units undermining the very chain of command. In truth, the bureaucracy of our military operation has outstripped its operational capability.

Salaries in the military are a joke. Much has been written in the past year of enlisted personnel qualifying for food stamps and other government handout programs. Small wonder that no matter how devoted or patriotic an individual may be, he is forced to leave the service of his country to make ends meet. A complete restructuring of pay for the military services must be accomplished immediately. Men who perform extraordinarily hazardous duty such as aboard aircraft carriers should be justly compensated. Anyone who has seen a carrier launch and recovery knows that the jobs performed by all personnel are hazardous and demanding. Private companies pay their oil rig workers and other hazardous duty occupations so well that men flock to those occupations. Witness the building of the Alaskan pipeline which caused separation and hardship. If we but paid the engine room people of the carrier Nimitz, which was on station longer than any aircraft carrier has been, the minimum wage that was paid to the Alaskan pipeline worker, we can be assured that that job dissatisfier, poor salary, which has caused many people to leave the Navy, would be corrected. And why shouldn't we pay men who spend six, eight and ten months at sea commensurate with civilian counterparts who do not have the separation or the hazardous duty that our men aboard ships do?

In the past year, there has been lip service paid towards improving working conditions. Every commanding officer of a squadron, ship, or shore-duty installation has tried to appropriate funds to improve working and living conditions of their personnel to little or no avail. An inspection of barracks and work spaces on ships and stations throughout the United States would appall most civilian managers. The sponsorship of programs which add numbers or airplanes and ships always takes priority over the funds required to establish clean, neat, and adequate working conditions.

Even today, we instill shame in the working uniform of our military people by restricting its use. Having witnessed the dressing habits of people in this country in a food store or a hardware store, it is inconceivable to me that a neatly stenciled well-cut dungaree uniform is not as eye appealing as cut-off shorts, a tee-shirt, and shower shoes. Men and women in the military work. They have working uniforms. It is not a disgrace that their work is arduous, dirty, and taxing. If we were to give our military personnel adequate salaries, they could afford to buy six, or seven or eight sets of working uniforms, two or three times a year, and be presentable at all times in that uniform. Instead, we degrade our services working uniforms. We make our people hide and change into less appropriate civilian clothes.

Finally, the manning of our Navy is critically low in almost all rates yet at the same time that our people are leaving the service, the administration has tried to cut back reserve forces. If we are to have smaller, better paid active duty forces and no draft, then we must have larger reserve components. If the decision is made to increase the active duty forces and augment them with the draft, then we can afford to cut back on our reserve forces. However, this administration is bent on driving out our active duty forces through poor management; is against the draft; and is trying to cut back the reserve forces all at the same time while increasing our commitments abroad. This has to be the most preposterous military planning and policy that this country has encountered.

MATERIAL MANAGEMENT

Appropriations today is a numbers game. Numbers of airplanes, ships, tanks and guns all have priority over the spare parts required to maintain them. This policy has been and continues to be the characteristic of our fiscal budgets. We obtain appropriations for "numbers of things" in the hopes that later appropriations can be derived to maintain these "things" after they are broken. There is a tremendous deemphasis on upgrade programs. Let us face facts. Test programs for new equipment invariably miss deadlines, performance criteria, and cost estimates. We, in Navy aviation, run our equipment, be it airplanes or ships, to the point of obsolescence without adequate funding for upgrading. Rather, we opt for new replacement items.

The fact is that many policies are dictated by an annual congressional budget that gives or takes funds based on what is politically expedient for the incumbent administration. The military service is often caught in a political dogfight between Congress and the administration.

Today, we have several aircraft and ships that could be state of the art had sufficient follow-up programs been instituted concurrent with the appropriation of funds for the new vehicles.

Specifically, aircraft engines have always been and will always be a critical item for carrier based aircraft and yet every year, crises are encountered in existing engines. This is a product of insufficient funding for follow-up and improvement of existing hardware. Some of our aircraft today could be upgraded dramatically by the infusion of funds extending their service life and capability so that a comfortable overlap between outgoing equipment and incoming new equipment can be maintained.

Too many times, appropriations become so political that compromises in new equipment are a fact of life. We accept an inferior product rather than delay delivery under the theory that something, anything, is better than nothing. We further compound the problem by not purchasing sufficient spares to maintain the equipment once deployed. "For want of a nail, the shoe was lost . . ."

OPERATIONAL MANAGEMENT

Today's operational management philosophy is characterized by two words—can do. Senior officers often accept more commitments for their already thin forces based on political considerations rather than objective operational criteria.

In the event that adequate manning and equipment is not available to meet a commitment, then it is the military commander's duty to state that the commitment cannot be fulfilled with the present forces. In plain words, operationally, if a commitment cannot be fulfilled without disastrous effects to our military retention, material readiness, and operational capability, we should stand up and be counted and say that we cannot accomplish the task.

No one denies the need for a meaningful response in the event of national crisis or emergency, in fact, the morale of units committed during such deployments is extremely high. However, we appear to try and justify our assets, i.e., aircraft carriers, ships, etc., by imposing more commitments on them in order to protect those assets rather than have a real comprehensive global military policy.

The areas of the world that are vital to our allies and ourselves are readily identifiable. It is the job of the administration, Congress, the State Department, and military leaders to identify those areas of vital interest, define a policy that is longer reaching than four or eight years, and provide the operational equipment and direction for our military forces.

No longer can we exist on Band-Aid patches and reactionary commitments to crisis areas.

In interviewing many men and women who have left the service, most point out that their personal job satisfaction, sense of achievement, peer recognition, the work itself, and responsibilities given them are motivating factors to stay in the service. These can be improved of course and must continue to be reinforced, but until the job dissatisfiers are negated; poor policy and administration, poor supervision, poor salaries, and inadequate working conditions, we will continue to see a mass exodus from our service.●

LOSS OF HOMES DUE TO INDIAN LAWSUITS

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. LEE. Mr. Speaker, I have introduced today a measure that deals with a problem of serious concern and consequence to the residents of my congressional district, and those thousands of innocent property owners across the Eastern United States who are now faced with the loss of their homes from Indian lawsuits.

The bill has a direct and simple intent, Mr. Speaker. That is to forbid the Secretary of the Interior from providing moneys to Indian tribes so that those tribes can sue present day property owners.

Currently, based on alleged procedural nonconformance with the Non-Intercourse Acts the Cayuga Indian tribe is suing over 7,000 property owners that I serve for ejectment and repossession of 64,000 acres of land deeded to New York State over 185 years ago. The tribe also seeks over $350 million in damages.

The Cayuga Indians have applied to the Bureau of Indian Affairs for $150,000 to fund the legal expenses entailed in bringing this lawsuit.

It must be noted, Mr. Speaker, that the Secretary of the Interior is currently under no legal obligation to pay attorneys' fees and related expenses incurred by Indian tribes. The responsibilites of the Secretary to Indian tribes under 25 U.S.C. 175, to direct the U.S. attorney to represent Indians in lawsuits, is discretionary. Neither is the Secretary of the Interior obligated to pay for attorneys' fees and related expenses incurred by Indian tribes.

It is not my intent in offering this bill, Mr. Speaker, to argue the merits of the Cayuga, or any other, Indian land claim. The measure now proposed will simply forbid the use of Federal tax dollars to sue the very citizens whose labors provide those dollars. To allow moneys to be spent in this manner is illogical, unjust, and will do little to achieve permanent solutions to the problems of Indian land claims.●

IN MEMORY OF JOHN COLLINS, CHAMPION OF OUR POSTAL EMPLOYEES AND SENIOR CITIZENS

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ROE. Mr. Speaker, the residents of our Eighth Congressional District and State of New Jersey deeply mourn the loss of one of our most dynamic and distinguished citizens in the crusade for dignity and security of our civil service employees and our senior citizens and retirees, the Honorable John Collins of Prospect Park, N.J., whose standards of excellence in ever seeking to improve the quality of life for the working men and women and the elderly have truly enriched our community, State, and Nation.

I seek national recognition of the lifetime of outstanding achievements and good works of John Collins, who went to his eternal rest on December 7, 1980, and know that you and our colleagues here in the Congress will want to join with me in expressing our most sincere condolences to his good wife Eva Paula and their four children: sons John Joseph and James Richard, daughters Mary Louise and Judith Ann.

Mr. Speaker, throughout his lifetime, John has diligently and industriously pursued his daily pursuits with compassion and benevolence. All of us have been deeply touched by the richness of his wisdom, dedication, and sincerity of purpose that he has extended on behalf of our people, and particularly his enormous contributions to the health, welfare, and well-being of our senior citizens and retirees.

We do, indeed, mourn the loss of John Collins, an exemplary community leader whose untiring efforts on behalf of his fellow man will long be remembered by all of us. With your permission I would like to insert at this point in our historic journal of Congress a profile of John's life as presented to me by one of his distinguished colleagues and good friend, the Honorable Leonard H. McPeek of the United Passaic County Seniors, Inc., serving seniors with dignity and dedication, which most eloquently and warmly has intertwined the esteemed service of John on behalf of all of our people with the warmth of friendship and goodwill that has endeared him to those who walked with him and knew him as a highly eminent citizen and great American.

The background of John's life, prepared by Leonard McPeek and prefaced with Leonard's comment: "The passing of John Collins leaves a void as a voice for the needy of our country" is as follows:

JOHN COLLINS

John was born in Paterson, New Jersey and lived there for 25 years. He was employed in the Paterson Post Office for 35 years, as a letter carrier and Civil Service examiner.

He worked diligently to improve working conditions of the Postal employees. He contacted legislators and influenced the passage of legislation beneficial for Civil Service employees.

He was deeply concerned about the needy of our country. He worked with the Governor, Senate and Assembly, county and local officials.

Contacted when necessary the President and Members of Congress to encourage the passage of legislation which would be beneficial to the working man and the poor of our country.

John always volunteered his services, never accepted remuneration of any kind.

He retired in 1968 from the Paterson post office where he was President of the National Association of Letter Carriers, Branch 120 for several terms.

Since retirement he became involved in improving the status of senior citizens. He was successful in pioneering and advocating legislation at the state and national level. Through conference with our elected leaders, he helped create laws that will endure and continue to bring great good to our seniors.

John was an active member of the New Jersey Federation of Senior Citizens, the United Passaic County Seniors Inc., Passaic County Advisory Council on Aging, Passaic County Transportation Coordination Committee, American Association of Retired Persons, Paterson Chapter 15 and Haledon Chapter 2997 (Assisted in organizing these chapters), Prospect Park Senior Citizens.

In all of these organizations he made himself available to all of those who, because of age, needed assistance.

John was concerned about people. He will be sorely missed.

Mr. Speaker, in the course of his extraordinary lifetime John Collins has met each day's challenge with a zeal and purpose that we can well take heed of and admire. I share the great pride of his family in his many, many accomplishments and am privileged to have been numbered among his many, many friends.

May I respectfully request that you and our colleagues join with me in a moment of silent prayer to the memory of a most distinguished citizen, the Honorable John Collins. He will, indeed, be sorely missed by all of us, and I do trust that his family will soon find abiding comfort in the faith that God has given them and in the knowledge that our beloved John is now under His eternal care. May he rest in peace.●

GUN CONTROLLERS LACK EVIDENCE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. HANSEN of Idaho. Mr. Speaker, recent events surrounding the tragic murders of John Lennon and Dr. Michael Halberstam have sparked numerous cries from the uninformed for additional measures to "curb the dangerous proliferation of guns in our society." Although one can certainly feel sorrow and remorse for such tragedy, it is folly to assume that additional controls on gun ownership will solve the problem. A January 4, 1981, article in the Idaho State Journal by Randie Bartholme of the Pocatello, Idaho, Police Department very effectively outlines several important points which should be considered in any rational analysis of this question. I commend this article to my colleagues and insert it at this point in the RECORD for their consideration.

POLICE WATCH—GUN CONTROLLERS LACK EVIDENCE

(By Randie Bartholme, Pocatello Police Department)

As might be expected, gun control proponents are using the tragic death of John Lennon to further their argument that all guns need to be registered and that handgun ownership should be severely curtailed. They say this is the way to reduce crimes, including murder. Is it? Last year, nationwide, of the 20,000 murders, half were committed with firearms. That leaves another 50 percent that were done with cutting or stabbing instruments, hands, fists, feet, poison, automobiles.

Some say that just banning handguns will help, yet homicide studies uniformly find liquor a more prevalent factor than handguns in killings. And study after study has shown that even if the average gun owner complied, the one handgun owner out of 3,000 who murders is not going to give up his guns.

The FBI Uniform Crime Report also paints an interesting picture. For robbery, only 42 percent were committed with firearms while 58 percent were by use of strong-arm tactics using hand, fists, feet, or with knives, cutting instruments or other weapons. Aggravated assault (where severe injuries are sustained by the victim) is second to rape as the fastest growing crime of violence

in the U.S., yet only 23 percent of these are committed with firearms.

Keep in mind, too, that a good portion of the guns used in all these crimes were obtained and possessed illegally, in violation of numerous state and federal laws we already have.

Advocates of gun control point to England and claim, "Banning guns must work, because England bans them and look at its crime rate." A 1971 study at England's Cambridge University refutes this argument. The report concluded that social and cultural factors, not gun control, account for Britain's low violence rates. It pointed out that "the use of firearms in crime was very much less before 1920 when Britain had no controls of any sort."

Corroborating this is the comment of a former head of Scotland Yard, that in the mid-1950s there were enough illegal handguns to supply any British criminal who wanted one. "But," he continued, "the social milieu was such that if a criminal killed anyone, particularly a policeman, his own confederates would turn him in. When this social milieu began to dissipate, between 1960 and 1975, the British robbery rate doubled, while homicide rates accelerated even faster than those in America."

The Cambridge Report also noted that the handgun ban proved completely ineffective against rising violence in Britian, although the government frantically intensified enforcement and extended controls to long guns as well. The study recommended "abolishing or substantially reducing controls" because their administration involves an immense and unproductive expense and diverts police resources from programs that might reduce violent crime.

In the U.S., of an estimated 200 million privately owned firearms, only one-sixth of one percent are used in the commission of crimes annually. Firearms are used in less than four percent of all crimes nationwide. Are those the kind of statistics that justify restricting the rights of all for the actions of a very few?

Many States have passed mandatory minimum sentences for those who use a firearm in the commission of a crime. This is how it should be—placing the responsibility on those who commit the crime rather than on those who don't.

Gun control advocates are basing their pleas on emotion instead of facts, but they cannot duck the evidence adverse to their position by posing such questions as: Why should people have guns; what good do they do; why shouldn't we ban them? In a free country, the burden is not upon the people to show why they should have freedom of choice. It is up to those who want to restrict that freedom to show good reason for doing so. When the freedom is as deeply valued by as many as is gun ownership, the evidence for infringing upon it must be much stronger and conclusive than any evidence presented to date.●

COMMUNITY SUPPORT FOR SAVING OUR TUNA INDUSTRY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ANDERSON. Mr. Speaker, over the last several months, I have found myself called on with increasing frequency to pursue measures for the very survival of our American tuna industry.

It has sometimes seemed a lonely and parochial struggle. So, I was particularly gratified recently to get the following letter from the San Pedro, Calif., Chamber of Commerce:

CHAMBER OF COMMUNITY DEVELOPMENT AND COMMERCE,
San Pedro, Calif., January 23, 1981.

Hon. GLENN M. ANDERSON,
U.S. Congressman,
Washington, D.C.

DEAR CONGRESSMAN ANDERSON: I am writing to thank you for your efforts on behalf of the U.S. Fishing Industry to replenish the Fishermen's Protective Fund. The San Pedro Chamber lends it complete support to your efforts to save our fishing industry.

At its December meeting, our Board of Directors voted to support the deduction of foreign aid from countries which seize our fishing boats. We believe the American fishing industry is too important to abandon because the State Department does not want to offend a third-world country. We urge your continued efforts to seek enforcement of the law and to gain relief for our beleaguered fishermen.

Sincerely,

BILL PIKE,
President.

The chamber's letter shows that the rest of the economic community is becoming concerned that we face the very real and imminent loss of our entire $2 billion tuna industry. That industry includes management and labor: Boatowners and canneries, unionized fishermen, and cannery workers. Several countries, especially Mexico and Ecuador, have made no secret that they will spare no effort to commandeer our industry.

There are multiple ironies in the tuna war which we seem about to lose. One is that the fishing fleets in the countries which are our adversaries were established with the very considerable unselfish assistance of our own fishermen. Another is that, while those same countries are desperate for protein for their own people, their intention is to export their tuna catch to the United States. The most tragic irony, and one which we can and must do something about, is that our own Government has been as much the villain in the threat to our industry as have been the foreign countries.

Congress and the administration need to act quickly on a number of issues, if our tuna industry is to be saved: Replenishment of the funds the State Department and Commerce Department use to partially compensate our fishermen for the losses from seizures; reauthorization of the Fisherman's Protective Act; resumption and success of fisheries negotiations with Mexico; an end to the sale of U.S. naval vessels to countries which use them to seize our tuna boats; a moratorium on suggestions by our own trade officials that we reduce tariffs on imported tuna; and, the use of the stronger optional response measures when our boats are seized, such as complete embargoes on all fish products and withholding of foreign aid. I am sure that the list will grow.

In some of these efforts we are already making progress; and I would like to thank my colleagues from San Diego for their assistance, the gentleman from Florida (Mr. BENNETT) for his impressive response on the transfer of a destroyer to Ecuador, and the senior Senator from Florida for his leadership on the funds for the Fisherman's Protective Act.

But, much remains before us, and I believe the Members should be alerted to the seriousness of the plight of our tuna industry.●

TRIBUTE TO JOE MARTIN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BIAGGI. Mr. Speaker, on January 26, 1981, a giant in the journalism profession passed away. I refer to Joseph Martin, a Pulitzer Prize winning reporter for the New York Daily News.

Integrity, tenacity, and accuracy are the trademarks of a good reporter. Joe Martin possessed all of these attributes and more. Joe won the coveted Pulitzer Prize but that was not by any means the totality of his achievements. He won the Society of Silurians Award in 1950 for bringing home Chinese war orphan Anne Chisari. In 1952 he won two George Polk Awards for stories on unclaimed tax refunds and in 1973 for a series on payroll irregularities in New York City government. In 1956, Joe captured the Newspaper Guild Page One Award for a series on the Sing Sing death house.

Yet Joe's biggest story was a 10-part series he wrote on Cuban dictator Fulgencio Batista that won the 1959 Pulitzer Prize. It was cited as prophetic journalism by the Pulitzer committee; predicted the fall of Batista months before it happened. Joe dug hard for the story traveling the perilous underground routes of Havana under the noses of the corrupt Batista police force.

Joe was always involved with police work and from 1965 to 1968 served as deputy police commissioner for public relations. All told, Joe's career with the Daily News spanned 45 years which in the newspaper business translates into thousands of years worth of experiences.

I knew Joe Martin well. He was a good and loyal friend as well as a dogged, determined but always professional reporter. His was not just a career; Joe Martin was a legend in the news business.

He will be dearly missed by his friends and his profession and to his wife and daughter I express my deep condolences but assure her that Joe's accomplishments and contributions to the news business will be remembered for decades to come.

At this point in the RECORD I insert a tribute to Joe Martin written by a fellow reporter from his New York Daily News, Owen Moritz. It captures Joe Martin as he was, and is aptly titled "Joe Martin Is Gone—He Took His Era With Him."

The tribute follows:

JOE MARTIN IS GONE—HE TOOK HIS ERA WITH HIM

One of the office wits said his passing marks the end of the front-page gang.

And maybe it does. The death of Joe Martin, this paper's Pulitzer Prize winner, at age 64, of a heart attack while in Cape Cod retirement, signals the end of an era here of the sort remembered in Hecht's and MacArthur's classic, "The Front Page."

Baseball had the "Boys of Summer"—the Dodgers of the 1950s, whose premature deaths and tragedies were eloquently captured by a sportswriter trying to recapture his own youth. Around here we had the "Boys of the Front Page."

Martin was this paper's investigative reporter, an expert reporter, if not the best ever to take pencil and notebook in hand and go digging, digging, digging for the real news behind the day's events. He was the master of the telephone interview. He could browbeat a subject into an incriminating admission or draw one out by bluffing he knew more than he did.

I remember him striding into the newsroom one Sunday morning, tense and unsmiling, determined to reach a former state Liquor Authority official named Martin Epstein who had taken refuge in Florida. Joe didn't know where in Florida. So early that morning he begin rousing from bed every M. Epstein in the state of Florida, thundering into the phone: "Hello, Epstein? Martin Epstein? This is Martin, Joe, J-O-E"—(it was his way of distinguishing himself from his wife, Jo, a free-lance writer, though a lot of us suspected he was putting on his subjects).

After 19 or so calls, he finally got his man. He usually did. But I often wondered about the others, imagining them rubbing the sleep from their eyes, groping for the phone only to hear some throaty voice at the other end demanding to know which Martin Epstein they were, then mumbling no and stumbling back into bed.

They were a special kind from a special era in journalism, were these front-page boys. They were flamboyant, hard-bitten sorts on the surface, fearless in the best sense, chasing down sensational stories with comic-strip abandon, often working out of their raincoat, reporting back to a public that lapped up every word.

Martin won his Pulitzer by gathering evidence of the abuses and outrage of pre-Castro Cuba right under the noses of the corrupt Havana constables. Eighteen months before it happened, he predicted Castro's takeover. "Prophetic journalism," said the Pulitzer jurors. But he also raced around the world to rescue a World War II orphan stuck in Formosa by bureaucratic red tape, also went to Sing Sing to report on the death house.

It was a day when hard news triumphed over all. Today, the fast-breaking news event has changed. There are no words, no commentary that could match television's live pictures of the arrival of the freed hostages in Algiers and Wiesbaden. It was more sensational than anything anyone could write about or elaborate on later. But news coverage is also being perverted into news events. Dan Rather's foray into Afghanistan is remembered more for his disguise, more for his slipping in than what he found or came back with. We were surprised because we have come to expect television's news people to look like ambassadors, not reporters.

The front-page gang were tabloid journalists. "Stop the presses" journalism Jim Bishop calls it in a current interview. Those involved took their roles seriously, to a point. Once, on a bet, Martin drove his car into the spacious lobby of his apartment house, just left it there and went upstairs to bed. The next morning the manager called, excusing himself for the intrusion, asking if Martin would kindly move his car. It was, said the manager, parked in the wrong spot.

Another time, he lit up a cigar with a $1,000 check that a woman had given him as a reward for doing a good deed. He didn't need to be paid for a good deed, he reasoned; so he lit a match to the check.

I remember him calling me at home late one night, conscious-stricken over whether to reveal information about a low-level provisional employee in the Lindsay administration. It bothered him that disclosure might damage the person's career. But it bothered him more that a public trust was being abused.●

HAPPY BIRTHDAY BESS TRUMAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. SKELTON. Mr. Speaker, I would like to take a few moments and remember a lady from Missouri on her birthday. She was once described in her hometown newspaper as "completely natural and unaffected, friendly and thoughtful, * * * she laughs frequently, gestures to illustrate her remarks, and has a simple dignity." These words were written to describe the lovely former First Lady, Mrs. Harry S. Truman, affectionately known as Bess, whom America loves and who today lives a quiet life in her hometown of Independence, Mo.

February 13, is Mrs. Truman's 96th birthday. I would like to wish a very happy birthday to this remarkable lady, and I know that all the Members of the House join me in sending her best wishes.●

WHY THE RUSSIANS FEAR THE BOMB—NATIONAL SECURITY INSIGHT, PART I

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. DOWNEY. Mr. Speaker, most of what the general public reads on national security matters is hogwash. this is regrettable; hogwash does not build a firm foundation for sound decisionmaking. However, from time to time an article appears which is not only factually sound but also shows unusual insight and makes a significant contribution to understanding these very complex issues.

Such an article is "Why Are the Russians More Scared of the Bomb Than We," by Lars-Erik Nelson in the January issue of the Dial magazine. With Mr. Nelson's thoughtful account of Soviet views on nuclear war, I am beginning a series of inserts of national security articles of exceptionally high quality. I hope there will be more to follow.

WHY ARE THE RUSSIANS MORE SCARED OF THE BOMB THAN WE?

My train slid to a halt in a silver birch forest on the frontier just north west of Leningrad. Men in olive army unforms clambered aboard and barged down the corridor. "Into your compartments." a pink-cheeked young border guard barked. The foreigners who had been standing in the corridor and watching the little red farmhouses and birch groves of Finland glide by were puzzled. Reluctantly, we stepped back into the individual compartments, and the doors clanged shut.

A sudden hammering on the door of my compartment, and a customs agent and a border guard, in nearly identical uniforms stepped in. The agent saluted smartly and began his search. He was looking in my compartment for someone who might be trying to sneak into the Soviet Union. He looked under the mattress, under the berth, and in the closet. He looked in the overhead baggage rack. No hidden people. He turned to me.

"Do you have any Bibles?" he asked. "Any religious postcards? Any gold?"

No on all three counts.

"What are these?" he asked, riffling the pages of some notebooks.

"My thoughts."

The agent handed my thoughts over to the border guard for further study. Then he rummaged through one of my suits, finding a Russian-language edition of Mikhail Bulgakov's classic novel. The Master and Margarita. The book was confiscated.

Saluting again, the agent disappeared. The train rolled into Russia, cleansed of its contraband. I walked out of the compartment and stood again in the corridor. A young Finn who sold fishing equipment emerged from the next compartment, white and shaken. We leaned side by side on the railing below the window looking out again at the birch groves and the little red farmhouses.

"From me, they took two fishing nets," the Finn said presently.

"Why?"

"They told me that fishing with nets is illegal in the Soviet Union," We looked out at Russia in silence and pondered our attempted crimes.

Russia today, as always, behaves in many ways like a country at war. It is at war with books, with mysterious enemies who carry notebooks, with intruders who would plunder its riches with fishing nets. It is at war with religious postcards. Today, sixty-three years after the Bolshevik Revolution, forty-seven years after Franklin Delano Roosevelt recognized the USSR, thirty-five years after the end of World War II, and over eight years after the inauguration of détente, Russia is still apprehensive. It is an elephant afraid of mice.

But this is an old nervousness. The Marquis de Custine, a French nobleman who toured the Russian Empire over 140 years ago, reported being confronted everywhere by secrecy and suspicion, a wariness of outsiders coupled with an intense desire to show that Russia really was like any other country.

De Custine's notes on the czarist autocracy of the 1830s were contemporaneous with Alexis de Tocqueville's Democracy in America. The observations of both are penetrating and in many ways clairvoyant. The difference between them is that De Tocqueville was studying only people, and De Custine people and a monarchy. The irony that struck me as I toured through the Soviet Union recently from the Finnish frontier to the melon market in Tashkent, was that just as the American characteristics jotted down with such accuracy by De Tocqueville have survived, so have the Russian traits noted by De Custine—except that in Russia they have survived the revolutionary transition from czarist government to Communist one and have been handed down from nineteenth-century nobleman to twentieth-century worker.

I was shocked, returning to the Soviet Union last summer after an eleven-year absence, to find that the Russian people, whom I had always regarded as skeptical of Communist party propaganda, were now accepting it. People who in De Custine's day had looked to America as the land of liberty and hope and who even during my own two-year stay there in the late 1960s had basically liked America are now fearful of us, suspicious that we are about to make war against them—or at least stir up other enemies who will make war. It was also disconcerting to find that from their perspective, they can make a pretty good case.

Their perspective, of course, is not simply a mirror image of ours. Words and concepts have different meanings that Russian-English dictionaries cannot convey. "We have completely different psychologies, completely different moral standards," a thirty-six-year-old lawyer said as we sat on a park bench near Leningrad's Neva River and watched children playing in a sandpile. "Your country and mine look at the world in completely different ways."

One obvious reason for the difference is a basic sense of security that Americans take for granted and that Russians cannot. We are insulated by two oceans and are bounded north and south by friendly countries. Russia has a 4,000-mile frontier with China, which it views as a deadly foe. And the average Russian regards even his country's allies—Poland, Czechoslovakia, East Germany, and Hungary—as temporarily tamed enemies. In Kiev, I asked the cabdriver taking me to the memorial at Babi Yar what he thought about the independent trade unions that were just then arising in Poland.

"Those Poles," he sneered, "not a steady people, not hard workers. They don't know what it means to work. And they already live better than we do. What have they got to strike about? Maybe we should teach them a lesson."

Let there be "no more war" is a prayer I was to hear dozens of times in three weeks, but to a Russian, it was a prayer that had a very specific meaning. "No more war" means no war on Soviet soil, no repetition of the holocaust of 1941 through 1945, which cost at least twenty million lives and which is blamed to this day for so many shortcomings in Soviet life. "No more war" does not, to a Russian. mean no invasion of Afghanistan or no intervention in Czechoslovakia or no deployment of nuclear missiles aimed at the cities of Western Europe. "No more war" means perfect security for the Soviet Union and its political leaders.

But when taxed about their own provocative actions—a military buildup that has put their economy on a war footing, the intervention in Afghanistan, and the needlessness of the SS-20 missiles—Russians are thunder struck.

"But we would never start a war" a middle-class, well-educated Moscow matron told me as we shuddered in a chill wind on Gorki Street. "It is inconceivable that the Soviet Union, we who suffered so much in World War Two, would ever start a war."

A long-haired young man in Leningrad—obviously a privileged member of society, because he had been allowed to visit Great Britain—earnestly assured me: "Leonid Brezhnev is really a peace loving man. He is truly committed to peace, to no more war. He was at the front himself. He knows what war is."

Given these viewpoints, common to so many Russians today, why is their government acting so militaristic and aggressive? It says it's doing so because of us.

They fear that Presidential Directive 59, which retargets U.S. nuclear missiles away from cities and toward military and political objectives, is a move preparatory to attack. Actually, the purpose of PD-59 is to give the president flexibility in responding to Soviet nuclear aggression; he would have an alternative to ordering a massive destruction of Soviet cities. Russians assume that President Carter, well-intentioned but ignorant of foreign affairs, was persuaded to sign the directive by Zbigniew Brzezinski, his Polish-born national security adviser. Brzezinski, vaguely Prussian-looking with his hawklike visage and crew cut, perfectly fits a stereotype of Russian literary and political tradition—the czar's wicked adviser.

(Ironically, the Russians I talked with were much less perturbed by the thought of Ronald Reagan as President than they were by four more years under Carter. Though Russians see Reagan as a hawk who defines his militant views in terms of resisting the Soviet Union, they think he has some redeeming features: They do not believe he will continue Carter's human-rights crusade; they think his ties to big business will keep him from imposing new grain and technology embargoes on the Soviet Union; and they hope that his affection for Taiwan will undo the most fearsome of all links, the U.S.-China connection. Finally, Soviet Communists are most comfortable with a foreign leader whom they can easily pigeonhole into their Marxist-Leninist world view, even if he is a reactionary imperialist. Communists are much less at ease with liberals, reformers, and social democrats.)

In terms of nuclear strategy PD-59 is defensible, a more credible deterrent than wholesale nuclear holocaust. But to a Russian, PD-59 is an effort to make nuclear warfare more thinkable—and therefore more likely. Soviet specialists who understand nuclear strategy have little quarrel with PD-59. But the Soviet propaganda machine seized upon the first leaks of its existence in the American press as evidence that the United States was trying to obtain nuclear superiority over the USSR, to tip the balance of power, and to develop a strategy that would enable America to win a nuclear war.

The Russians are also convinced that the United States is the prime force behind the insurrection in Afghanistan. Russians, and even Uzbeks, who are ethnically akin to the Afghans, do not regard the rebels as courageous freedom fighters seeking self-determination, as far as I can tell. Instead, ordinary people, such as a construction worker I met in Tashkent, see the rebels as a U.S.-backed collection of ex-landlords, Muslim fundamentalists, and hill tribesmen trying to turn back the clock, keeping their women behind veils and using their children as unpaid labor.

The reason the United States supports this ragtag collection is clear to the Russians: "The fact is," a bright young man explained to me. "America is sponsoring the Afghan rebels because it needs Afghanistan as a replacement for the military bases it lost in Iran. If Soviet troops had not gone into Afghanistan, we would have had American bases on our southern border."

Another fear is that the United States may yet deploy a neutron bomb in Europe. Russians recoil in horror at this thought. The purpose of the "enhanced-radiation warhead" (its proper name) is to halt a Soviet tank invasion of West Germany by using radiation to kill tank crews without destroying invaded German cities at the same time. To the Russians, as to many Americans, the neutron bomb is the ultimate capitalist weapon, one that kills people but spares property.

As in the case of PD-59. Russian specialists understand the logic of the neutron bomb, but to the man in the street it is a new nightmare, carefully nurtured by the Soviet press. "Who thinks up these fiendish things?" a young mother asked me in dismay as we chatted in a Leningrad park. "Why would you drop such a bomb on us?"

The Soviet Union also believes that the decision made in December 1979 by the United States and its allies to upgrade medium-range nuclear missiles in Europe capable of striking Soviet territory is a move of aggression. The use of such weapons is not controlled by any treaty, even Carter's SALT II Treaty. The 572 new missiles are intended to offset what NATO perceives as a Soviet nuclear edge—the Russian deployment of the triple-warhead SS-20 on mobile launching pads in the bogs and forests of western Russia, from which virtually every capital in Europe could be destroyed.

"The NATO decision was pure aggression," a newspaper reporter told me. "It was made three months after Leonid Brezhnev said he would reduce the number of Soviet missiles directed toward Europe, and NATO went ahead with its new program anyway." The catch in Brezhnev's offer, however, was that while Russia would reduce its total number of missiles, many of the older, single-warhead types would be replaced by

the three-warhead SS-20. The reduction would thus mean an increase in the number of warheads aimed at Western Europe. I tried to make that point to the reporter, asking him how many warheads were on the old SS-4 and SS-5 and how many on the SS-20.

"That is a military secret," he snapped. "It is not my function to know." End of argument. As we left the office, my Soviet escort, who had listened in silence to my discussion with the reporter, whispered to me, "And how many warheads are on the SS-20?"

"Three," I said, betraying a Soviet military secret to a Russian, whose function also did not entitle him to know. He nodded sagely and stored the information away. But the rest of Russia's 260 million citizens do not know how many warheads the SS-20 carries or even that there is such a weapon. It is not Soviet policy to cover up its firepower from its citizens. However, the government does not categorize its armaments in the same way that we do.

The very designation SS-20 is not Soviet; it is the number assigned to the missile by NATO military analysts. "SS" means surface to surface and "20" is its place in the sequence of missile development. Rather than disclose the actual names of their own missiles, Russian military specialists have adopted NATO terminology and use it when speaking to those "not entitled to know." Thus, they write out the NATO-named Backfire bomber as "Bekfeier."

Secrecy must be preserved. The ancient Russian addiction to it may be the greatest single danger to détente. It prevents Russians from knowing about themselves, their own military programs, and their defense budgets.

The U.S. response to those programs—the MX mobile missile, the neutron bomb, and the deployment of upgraded missiles in Europe—therefore strikes them as completely unprovoked. To the Russians, the United States appears to be arming itself simply out of malice toward the Soviet Union, not to counterbalance a Soviet threat. As far as they know—and, indeed, as they sincerely believe—there is no Soviet threat. Similarly, given their perspective of their role in Afghanistan, President Carter's grain embargo was either a heartless cruelty to an innocent people or an attempt at blackmail.

In this atmosphere of misunderstanding and mistrust, technology advances. More powerful nuclear warheads, more accurate missile-guidance systems, and more sensitive submarine hunters are being developed every year. The MX missile, which would move randomly among silos in the Utah and Nevada deserts, is an example.

Given the rate and the sophistication of weapons development, it is not inconceivable in both the United States and the Soviet Union that at some point in the near future a general will walk into the White House or the Kremlin with his eyes shining. "We've done it, sir" he will say. "We have a missile that can knock out all of theirs, and they won't be able to strike back at us. But we have to move quickly because they're about to catch up."

Each side will have reasons to deliver the blows. Each president will ponder the risk. Neither the American people nor the Soviet people, nor their elected representatives, will have a say in the decision. It will have to be made quickly.

And the general, either Soviet or American, may be right. His engineers may in fact have a weapon capable of disarming the enemy and ending the threat of "mutually assured destruction," the war gamers term for nuclear holocaust. Or the general may be wrong. If his president chooses to believe him, to believe that nuclear supremacy has at last been attained when in fact it has not, the first you'll know about it will be a blinding white flash.●

TRIBUTE TO MRS. LUCINDA MILLIN, MR. CLAUDE O. MARKOE, AND MR. MONSERRATTE GARCIA

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. DE LUGO. Mr. Speaker, I wish to take this opportunity to pay tribute to the passing of three unselfish community leaders in the Virgin Islands, Mrs. Lucinda Millin, Mr. Claude O. Markoe, and Mr. Monserratte Garcia.

Mrs. Millin's commitment to excellence was a constant source of inspiration to her fellow Virgin Islanders to welcome challenge, to seek their own highest potential, and to achieve. It was my great privilege to be one of her students and later to work for her and with her. I will never forget her wisdom, kindness, and understanding. I join with the people of the Virgin Islands to pay tribute to this remarkable educator, civic leader, ally, and friend. Perhaps, the most beautiful tribute to Mrs. Lucinda Millin comes from one of her many students, David Stanley Sasso, a friend of mine, who clearly and succinctly described her marvelous life. I would like to submit his comments into the RECORD:

I would like to pay tribute to an outstanding native Virgin Islander and educator who recently passed away. The late Mrs. Lucinda Millin was an outstanding example of the educators which our Virgin Islands has produced.

I was one of the many who had the privilege of being tutored by Mrs. Millin from grades 2 thru 6. Mrs. Millin's students were always among outstanding students when they journeyed away from home to America. Her method was thorough—her discipline was strict. Yet, she was one of the most warm teachers any student could ask to have.

Almost everything in my basic education was obtained in Mrs. Millin's Private School. I know that even though Mrs. Millin is no longer with us physically, a part of her has remained with each of the many students who had the distinction of having Mrs. Lucinda Millin as his or her teacher.

Mr. Claude O. Markoe was a pioneer in the true sense of the word in the Virgin Islands in education and generations of Virgin Islanders have benefited and will continue to benefit from his efforts in this field.

Mr. Monserrattee Garcia, my friend, was a leader in his community. His commitment to his fellow Hispanics was from his heart, and he served them as faithfully as a business leader and civic organizer.

In a recent editorial, the Daily News sensitively marked the passing of these three exceptional Virgin Islanders and remembered their uncommon contributions. I would like to submit it into the RECORD:

The passing of three prominent Virgin Islanders this week echoed the end of an era in which they have given unselfishly of themselves to make the territory a better place to live.

Their devotion and commitment to these islands and their people are reflected in their individual professions and civic activities, in many cases where there were no financial rewards or benefits.

Mrs. Lucinda Millin, who for 44 years was a senator and educator, became the first elected female legislator in the Virgin Islands in 1958. Her devotion to the education of island residents on St. Thomas was seen in the private school she operated for more than 30 years. She was responsible, literally, for educating hundreds of Virgin Islanders.

Further evidence of dedication to her profession and her concern for students is also reflected in her philosophy that students should continue their education whether their parents are able to pay tuition.

But her contribution to the territory did not stop there. She continued into politics, serving as Democratic National Committeewoman and as a senator. Her interests extended also to civic and charitable organizations, being one of the founding members of the Women's League of the Virgin Islands, a member of both the Community Chest and the St. Thomas Youth Committee.

The Lucinda Millin Home for the Elderly is also ample testimony to the concern she showed for the elderly.

Another pioneer educator, Claude O. Markoe, for whom a Frederiksted junior high school is named, retired in 1953 from the Department of Education after serving for 31 years.

Principal of both the Frederiksted and the Christiansted High, Markoe fulfilled his ambition in education, even though there was a need for expertise in sugar chemistry, the area in which he specialized at the University of Puerto Rico in Mayaguez.

Monserratte Garcia's contribution to the St. Croix community was as a businessman and civic activist. His activities prompted Governor Luis to honor him for "his contribution to the business sector and to the welfare of the residents of St. Croix, particularly those of Puerto Rican extraction."

The contributions made by these residents will long be remembered by those who were fortunate enough to know them.●

SOMALIAN REFUGEE CRISIS

HON. ANTHONY TOBY MOFFETT

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. MOFFETT. Mr. Speaker, refugees in Somalia are living on the brink of starvation in overcrowded, unsanitary conditions. As of January 1, 1981, over 1.2 million refugees had entered Somalia. Ninety percent are women and children under the age of 15. The Somalian refugee crisis was recently

discussed by Ms. Liv Ullmann, and I would like to submit a recent article from the Washington Star by David Shribman on her presentation to Members of Congress.

[From the Washington Star]

ULLMANN: A PLEA FOR AFRICA

(By David Shribman)

The beautiful face so sad, the delicate fingers so taut, Liv Ullmann sat amid the congressmen and the staff aides yesterday and told her story.

It was the usual Ullmann kind of story—somber, intense, introspective—but this time the setting was East Africa and Ullmann herself was only playing a supporting role. The real drama was thousands of miles away, where 17 million people in nine nations are on the brink of starvation.

"I have no understanding of budgeting or diplomacy or whatever," she said, her voice lilting in that familiar way. "I can only tell you that the suffering is enormous. If you met these people there's no way you could say it is not your business."

For the past year Ullmann has been Ambassador of Goodwill for the United Nations Children's Fund, so it was neither as an actress nor as a director—but as a roving minister—that she made her pilgrimage for aid. For now, at least, the stage is not all her world.

Ullmann has just returned from the East African nations of Somalia, Ethiopia and Djibouti, where she got to know some of the wrinkled faces and withered hands of hungry mothers and children, victims of drought and internecine war. Now she was sharing the story, urging legislators to direct more aid toward Africa and warning them of the impending holocaust of hunger.

It is, she said, the least she can do. "The women were holding children with thin arms and big bellies, and they were saying, 'Tell the people in your part of the world about our children.' The children looked 100 years old in their eyes. But if you came close to those children they do exactly what your children do. They take your hand."

The congressmen—members of the Foreign Affairs and other related committees—looked on, shifting uncomfortably in the crowded office as they listened. It was one of Liv Ullmann's most compelling performances, and yet it was not a performance at all.

And she went on. "If something is not done for these people," she said, "then we will be guilty of the mass-murder of 17 million people. These people cannot wait."

She looked to her right at Rep. Don Bonker, D-Wash. She looked to her left at Rep. Millicent H. Fenwick, R-N.J. And she looked straight ahead at Rep. Olympia J. Snowe, R-Maine. She turned her palms up and spoke again. "It will be on everyone's conscience," she said, "if these people are condemned to die."

UNICEF already is undertaking special relief programs in East Africa, providing food, hospital equipment, medicine, vaccines and blankets. But buffeted by acts of men like the war in the Ogaden peninsula and by acts of God like the deepening drought, the relief efforts don't begin to keep up.

"Most of the camps now are without shelter," Ullmann said. "The people sleep on the ground. They don't even have a cup. If they're lucky enough to get food, where do they put it? They dig water holes with their hands and only find brown mud."

These scenes from the refugee camps—some of them filling at the rate of 3,000 people a day—plainly left the legislators moved. They passed around a resolution to put Congress on record to help refugees from the Horn of Africa and they discussed ways to provide air support to relief agencies working in the area.

And then Fenwick suggested that members of the Congresswomen's caucus who traveled to famine-ravaged Cambodia in November 1979 mount an expedition to East Africa.

"Would you go?" Fenwick asked Ullmann.

"I would do anything," came the answer.

They discussed the idea and gradually warmed to it. "There is such need," said Ullmann. "Once you see the suffering and need you cannot fail to respond."

"A trip for only congresswomen again?" asked Fenwick. The mission to Cambodia was successful largely because of the attention the all-female expedition attracted.

"Just listen," Ullmann answered. "Ninety percent of the people in these camps are women."

It was an extraordinary scene—an actress with an abundance of awards beseeching American legislators for help, telling them that America has not done enough and that per-capita UNICEF donations from her country, Norway, outpace donations from the United States by a ratio of 30 to 1.

And still Ullmann pleaded. "You are in power," she said. "You can do so much more than I can do just by being on 'Good Morning America.'"

Ullmann already has done much. More than a year ago she visited Cambodia, called it "the Auschwitz of our time" and later presented a check from theater lovers for nearly $195,000 to the International Rescue Committee. She now is vice president of the IRC, which was established during World War II to aid displaced persons.

In the meantime Ullmann has finished a new autobiographical volume, "Tides," and has grown comfortable in a new role as film director.

But that is part of the past, and part of the future. Four years ago she wrote her first autobiographical book, "Changing," and that, in a way, is what Liv Ullmann, 41, has been doing this past year. She has been changing, living a different character, portraying the people of the world's most tragic stage. She doesn't know when she'll return to film or the theater.

"I cannot—with any conscience—do anything else but this now," she said. "I have made a commitment. I can't go back to the theater as if I haven't seen what I have seen.

"A year out of my life—that's the least I can give," she said. "That's not very much, really. That's really nothing."●

LUIS INACIO DA SILVA: THE LECH WALESA OF BRAZIL

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. FAUNTROY. Mr. Speaker, in January I was part of a delegation of the Banking and Currency Committee that visited key countries in South America. While I was in Brazil I had the privilege of meeting and talking with Mr. Luis Inacio da Silva, better known simply as "Lula." He has been characterized as the Lech Walesa of Brazil, as he is also the leader of a church-backed rank-and-file union movement opposing a repressive government and attempting to win a fairer share of the fruit of their labors in order to be able to survive the rising cost of living, and high inflation, that Brazil is experiencing today.

Lula is currently on a European tour, but will be in the United States February 9 through 12, including a day in Washington, D.C. Because of the importance of this nonviolent, worker's movement in Brazil, I wish to insert in the RECORD translations of very recent Brazilian newspaper and magazine articles telling of Lula's visits in late January with the Pope, and with Lech Walesa.

The notes in parentheses are put there by my staff translator to offer some details that would have been understood by the Brazilian readership of these articles:

EXCERPTS FROM ISTO E MAGAZINE, JANUARY 28, 1981

"The purpose of our trip is to show to Europe that there is a new kind of trade unionism in Brazil," was the phrase that Luis Inacio da Siova, Lula, repeated patiently in each meeting he had in Rome with union and political leaders. The most important of them was with Lech Walesa, the leader of free unionism in Poland. Lula, as a matter of fact, was the only non-Italian union leader to be given time by Walesa—and he practically imposed a condition before he would meet: that the two (Lula and Walesa) would establish relations between them that would permit that either one could call the other, even at night, if the situation called for it.

Lula went to Europe at the invitation of the Federazione Unitaria dei Sindicati, which brings together the three most important Italian trade union groups.* * * To everyone he told about the present situation of Brazilian trade unionism, about the founding of the PT (the new labor party that Lula heads), and about the trial he must face in a military court. He told of his desire to establish closer relations with European unionism. The Italian union leaders, as a general rule, admitted their lack of knowledge of the Brazilian situation, since they have been more concerned with Argentina and El Salvador.

But the contacts of Lula and his fellow-committee members in Rome were not limited to the union world. They were also received by representatives of the three largest Italian political parties: Vittorino Colombo, former Minister and Vice-Secretary of the Christian Democrats; Enrico Berlinguer, Secretary-General of the Communist Party, and Bettino Craxi, Secretary-General of the Socialist Party * * *.

The Brazilian delegation was in the first row to greet the Pope in his audience on Wednesday, January 21st. Afterward, Lula repeated the conversation: We said to the Pope that we hoped we could count on his support, and he answered that he hoped that we could obtain the same results obtained by the Polish workers. The Pope reminded us of his speech that he had made to the Brazilian workers in the stadium in Sao Paulo (during the Pope's visit to Brazil in July, 1980—at which time Lula and a few other labor leaders had a private conversa-

tion with the Pope, through the intervention of the Cardinal of Sao Paulo, Dom Paulo Evaristo Arns).

EXCERPTS FROM VEJA MAGAZINE, JANUARY 28, 1981

* * * The next stage of his schedule will take the committee of the PT to meet with the former German Chancellor, Willy Brandt and other leaders of European Social Democracy, such as Felipe Gonzalez, the Secretary-General of the Spanish Socialist Workers Party. * * *

The quartet (the four members of the Committee headed by Lula) began their European journey in Stockholm the 15th of January, at the invitation of the Metalworker's Central Union of Sweden, with the purpose of "establishing contacts" with all political trends. In Rome, where they arrived two days later, they were in the city at the same time as the Committee headed by Lech Walesa, who had been invited to Italy by the Unified Union Federation, as had Lula. In a 90-minute meeting, in the House of the Pilgrims (a residence administered by the Polish Clergy), the President of the Solidarity Union movement brought Lula to the attention of the European press. * * *

Beyond the Papal blessing, Lula succeeded in calling attention to his case of politicians and union leaders of all ideological trends, especially for the trial that Lula must begin in the Second Military Court of Sao Paulo beginning February 16th—where he is accused of a crime against national security because of his participation in the strikes of ABC (three industrial suburbs of the city of Sao Paulo where there was a massive strike of metalworkers in April and May of 1980). The Italian Unions and the Socialist Party promised to send representatives to Sao Paulo for the trial * * *.

[From the Folha De Sao Paulo, Jan. 20, 1981]

WALESA AND LULA DECIDE TO BEGIN COOPERATION

(By Pedro Del Picchia)

The Poland of Walesa and the ABC (the three industrial suburbs of Sao Paulo where Lula is a labor leader and which are the center of the automobile industry in Brazil) of Lula will maintain beginning yesterday diplomatic relations and this is the most important result of the meeting in Rome between the President of the Labor Party, Luis Inacio da Silva, and the leader of the independent Polish unions, Lech Walesa.

The Brazilians were received at the door of the House of the Pilgrims (a residence of Polish clergy in Rome) by Anna Walentynowica—the number two person of the free unions of Poland, and whose dismissal was the spark that began the strikes in August in Gdansk. "You ought to create a solidarity movement in Brazil," was the first phrase that Lula heard from Anna Walentynowica in the reception room of the house.

At the end (of the exposition about the Brazilian situation by Lula) the President of Solidarity declared his "profound understanding" for the movement of ABC and emphasized "that when a workers' movement begins it is important to win two or three fundamental victories."

Smiling happily * * * Lech Walesa guaranteed that "beginning now there is a recognition of the permanent relations between our two movements." He asked immediately to be informed rapidly about the results of the trial of Lula which will begin February 16th. "I don't want to leave this meeting—he said—without making some plan to continue this exchange of impressions and experiences, in a permanent way."

After taking notes of addresses for correspondence, Lula and Walesa exchanged presents. The Brazilian received a badge of Solidarity, and the Pole received the book, "Lula, interviews and Speeches," with the following dedication: "To our companion, Walesa, with the embrace of the companion, Lula."

As they said goodbye with a long embrace, and with Walesa raising the hand of Lula, the two union leaders parted with these two last statements:

"We must always maintain our solidarity among us workers," said Lech Walesa.

"The best way for the Polish workers to show their solidarity to the Brazilian workers is the continuation of your struggle," added Lula.●

RESTRICTIONS ON JAPANESE MANUFACTURED CARS

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. TRAXLER. Mr. Speaker, today, I and my colleague from Michigan, Mr. BRODHEAD, are introducing legislation to place import restrictions on Japanese manufactured cars. This bill is identical to the bipartisan legislation introduced yesterday in the Senate by Senators DANFORTH and BENTSEN. The bill will limit the importation of Japanese autos to 1.6 million cars per year for the next 3 years. This legislation is sorely needed, and I commend my colleagues in the other body for moving forward with their proposal.

Yesterday the President said that out national economy is in its "worst economic mess since the depression." It should be obvious that a great part of our economic woes result from the massive depression in the American automobile industry, the effects of which have spilled over into the steel, glass, rubber, textile, and retail areas. No effort that ignores the problems of the automobile industry will adequately deal with our current national economic problems. The domestic automobile industry is currently investing massive amounts of money in major retooling to restore its position of preeminence in the world car market. But the industry needs time, breathing room. No tax cut proposal, no relaxation of regulations can give immediate relief, and immediate relief is what is sorely needed.

Former Secretary of Transportation Goldschmidt's exhaustive study on our automotive problems points the way. The vitality of the automobile industry, our American manufacturing base, and, indeed, our national security depend upon an immediate cutback in Japanese car imports. This legislation will achieve that goal.

The Danforth-Bentsen bill introduced in the Senate yesterday, which Mr. BRODHEAD and I are reintroducing in the House today, deserves the support of all of our colleagues. I call upon Members of this body to join with us in cosponsoring this legislation. I might add that I believe that the cutback to 1.6 million Japanese cars per year may not go far enough. We may find it necessary to restrict these imports even further. But that issue can be worked out as this legislation works its way through the committee and floor. Right now it is imperative that this proposal receive active consideration and that it becomes clear to both the Japanese and American manufacturers that this Congress is intent upon providing our domestic automobile industry with the import relief that is desperately needed.

The text of this legislation follows:

H.R. 1823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For purposes of this Act—

(1) The term "automobile" means an on-the-highway, four-wheeled, passenger automobile provided for in item 692.10 of the Tariff Schedules of the United States (19 U.S.C. 1202).

(2) The term "entered" means entered, or withdrawn from warehouse, for consumption within the customs territory of the United States.

(3) The term "Secretary" means the Secretary of the Treasury or his delegate.

SEC. 2. QUANTITATIVE RESTRICTIONS DURING 1981, 1982, AND 1983.

During each of calendar years 1981, 1982, and 1983, the aggregate quantity of automobiles that may be entered from Japan may not exceed 1,600,000. The quantitative limitation imposed under this section for each of such calendar years may be applied by the Secretary on a calendar quarter or other intra-annual basis if the Secretary determines that such application is necessary or appropriate to carry out the purposes of this Act.

SEC. 3. ADMINISTRATION.

The Secretary shall take such action as may be necessary to ensure that the quantity of passenger automobiles which may be entered during calendar years 1981, 1982, and 1983, or any intra-annual period therein, does not exceed the limitation established for that year or period under this Act.●

ROTARY FOUNDATION AWARD TO MICHAEL J. SALVATORE

HON. DON BAILEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BAILEY of Pennsylvania. Mr. Speaker, on February 13, 1981, the Rotary club in the city of Jeannette, in the 21st Congressional District of

Pennsylvania, will honor Michael J. Salvatore as a Paul Harris fellow of the Rotary Foundation. Accordingly, I would like to take this opportunity to bring this noteworthy event to your attention.

The Rotary Foundation is an international organization operating in more than 150 countries. Its members seek to further understanding and good will among peoples of various nations. Many talented and promising young men and women have been able to study abroad via the Rotarians' scholarship programs.

The foundation's financial base is derived from voluntary contributions of Rotary clubs, individual Rotarians, and many others. A person is recognized as a Paul Harris fellow when a contribution of $1,000 or more has been contributed in his or her name. On February 13, 1981, the Jeannette Rotary will make its 10th donation and will honor Michael J. Salvatore as a Paul Harris fellow of the Rotary Foundation.

Mike was selected by his fellow Rotarians to receive the award because they feel he best illustrates the Rotary motto, "service above self." A brief glance at this dedication to the community is evidenced by his memberships—present and past—in various civic organizations including the Elks, American Legion, Boy Scouts of America, Salvation Army Board of Directors, Jeannette Library Board of Directors, the Pennsylvania Society, and various committees of the Ascension Church. Presently, he serves most diligently and wisely as the mayor of the fine city of Jeannette.

Mike's efforts on behalf of the Rotary club itself are too numerous to list. But a small sampling of the offices he has held, past president, vice president, sergeant at arms, and the governor's district 733 area representative, is highly indicative of his extreme enthusiasm for the Rotary. Activities such as the pancake breakfast, flea markets, and Christmas fruit sales are all projects to which Mike has unselfishly devoted much of his time and effort. His outstanding service record to the community and to his church certainly is admirable. It gives me great pleasure to congratulate him on his recognition as a Paul Harris fellow. Michael J. Salvatore is, without doubt, one of the most dedicated and public service minded citizens of my district.●

IMPROVING INTERMODAL CONNECTIONS AT AIRPORTS

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. PETRI. Mr. Speaker, today I am introducing a bill which will take one small step toward improving intermodal connections at airports. It requires absolutely no funding, nor complicated administrative machinery. It merely assures that airports will not prevent properly authorized intercity bus service.

This bill requires any airport receiving Federal assistance to provide reasonable access to its terminal area to bus and limousine companies that have obtained proper authorization from the ICC, State or local government, or a local public body. The bill defines reasonable access as, at least, permission to stop at a designated area near terminal buildings to discharge and take on passengers.

This bill also requires that the airport provide a reasonable number, considering the size of the airport, of clearly marked locations where information relating to ground transportation can be readily available.

With air travel increasingly dominating long-haul intercity transportation in this country, there is a growing market for direct bus connections between major airports and small- and medium-sized cities within a 100- to 200-mile radius of them. Such service provides a good alternative to using autos or commuter airlines for these short legs on the ends of longer journeys. In many parts of the country such service is well-developed, with the full cooperation of airport authorities. However, I know of other cases in which bus operators want to serve new markets but are discouraged from doing so by airport harassment or prohibition. This bill is designed to prevent such obstruction, and to help a tiny bit in the development of intermodal, energy-efficient transportation.

Some have argued that, by facilitating increased bus and limousine service, congestion at airports would be raised to an unacceptable level. However, I cannot emphasize strongly enough my contention that this bill will actually increase the efficiency of curbspace utilization and thereby reduce congestion. Why? Because bus service will not be economical unless the average bus carries a number of passengers. The alternative mode for many of these passengers would be individual automobiles.

Others have argued that this bill will allow the Federal Government to interfere with State and local laws. Nothing could be further from the truth. I have taken great pains to spell out clearly in the bill that this measure will apply only to properly authorized carriers. In most cases, the airport itself has a substantial say in the authorization of service to the immediate metropolitan area. This bill will not alter that situation in any way, shape, or manner. But in some cases, airports are overlooking the growing demand for connections with points farther afield.

In other words, this bill pertains primarily to intercity buses and limousines which have obtained authorization to serve an airport, but are prevented by the airport operator from giving adequate service. Undoubtedly, there are many other carriers that would like to serve airports. But they are often discouraged from doing so by a lack of access and a lack of available public information concerning ground transportation.

Note that this is a positive measure. No complicated administrative machinery is required. The initiative lies with the bus and limousine companies. This bill makes it clear that the Secretary of Transportation shall assume that there is no problem unless he receives complaints to the contrary. I would also like to make it clear that this bill does not apply to project grants received before a complaint from a bus or limousine company is filed.

In the 96th Congress, the House passed a bill to study the possibility of extending the Metro system to Dulles Airport. While we are studying ways such as this to improve mass transportation, let us also focus on ways to use our existing facilities.

Again, this amendment is simple and straightforward. It merely seeks to address a growing problem of ground access to airports. This bill will take one small step toward the improvement of energy-efficient transportation by improving, and thus encouraging the use of intermodal connections. I invite the support and sponsorship of all my colleagues.

H.R. 1823

A bill to require any airport receiving Federal assistance to provide reasonable access to the terminal area of the airport to motor common carriers of persons seeking to provide transportation to and from the airport

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 16 of the Airport and Airway Development Act of 1979 (49 U.S.C. 1716) is amended by adding at the end thereof the following new paragraph:

"(5)(A)(i) No project grant application for an airport with respect to which the Secretary has received a complaint under clause (ii) may be approved unless the Secretary is satisfied that the airport owner and operator do not and will not deny reasonable opportunity to pick up and discharge passengers at the terminal area of such airport to any approved motor common carrier persons.

"(ii) For purposes of clause (i), any approved motor common carrier of persons may submit a complaint to the Secretary, pursuant to procedures prescribed by the Secretary, alleging that the owner or operator of such airport deny reasonable opportunity to pick up and discharge passengers at the terminal area of such airport to such carrier.

"(B)(i) No project grant application for an airport with respect to which the Secretary has received a complaint under clause (ii)

may be approved unless the Secretary is satisfied that the airport owner and operator provide a reasonable number (considering the size of such airport) of clearly marked locations at such airport where information relating to the transportation provided by any approved motor common carrier of persons to and from such airport can be placed or displayed.

"(ii) For purposes of clause (i), any approved motor common carrier of persons may submit a complaint to the Secretary, pursuant to procedures prescribed by the Secretary, alleging that the owner or operator of an airport do not provide a reasonable number (considering the size of such airport) of clearly marked locations at such airport where information relating to the transportation provided by such carrier to and from such airport can be placed or displayed.

"(C) For purposes of this paragraph—

"(i) the term 'approved motor common carrier' means a motor common carrier which has been authorized by the Interstate Commerce Commission, a State or local government, or a local public body to provide regularly scheduled transportation between an airport and another point; and

"(ii) the term 'motor common carrier' has the same meaning such term has in section 10101(11) of title 49, United States Code.".●

LITHUANIAN INDEPENDENCE DAY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. YOUNG of Florida. Mr. Speaker, I am proud to take this time to commemorate the 63d anniversary of the Lithuanian nation's declaration of independence.

For too many years, the people of Lithuania and the other Baltic nations have lived under the Soviet yoke. They were absorbed by the Kremlin's dictators under the sham of creating a nation of sovereign states. This ruse to smother the national aspirations of Moscow's satellites fools no one. The people of Lithuania have been imprisoned by a bloody invader, but they live for the day when they can again proclaim themselves a free and independent people.

I must make special note of the Soviet attitude toward the entire issue of the Captive Nations, as expressed most recently at the Madrid meeting to review the Helsinki accords. There, in the face of a stinging attack by the U.S. delegation, the Soviets refused to even acknowledge their occupation of the Baltic States. This disgusting arrogance, this adherence to lying as a tool of national policy, is the hallmark of the Communist system. It should be strongly condemned.

As always, I offer my prayers and best wishes to the brave people of Lithuania and their sons and daughters here in America, all of whom keep the spirit of freedom alive in their hearts. The American people know of the struggle, of the yearnings of freedom, and sympathize and understand. Someday, hopefully soon, our two peoples can once again walk together as free men.●

VIETNAM VETERANS AND HOSTAGES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. EDWARDS of California. Mr. Speaker, an interesting article recently appeared in the Los Angeles Times which I wanted to share with my colleagues.

The article explores the mixed feelings among many Vietnam veterans over the welcome extended to our recently returned hostages. Like all of us, these veterans are relieved and happy to have these 52 Americans returned at last. They also do not question the need for our Government to provide the ex-hostages with the best possible care to insure their smooth readjustment to freedom.

What troubles our Vietnam veterans, though, are the painful memories this joyous homecoming reawakens in them. For our Vietnam veterans, there were no parades and no official welcomes. Instead there was often hostility, or, at best, indifference to the sacrifices they made in fighting in this most unpopular war.

It was not, in fact, until 1979 that the Congress recognized the readjustment problems that many of these veterans faced. Most common of these problems is a condition known as delayed stress syndrome or post traumatic stress disorder. We have heard much discussion of possible delayed stress problems in connection with the ex-hostages. Ironically, the problem known as delayed stress was first recognized and brought to light when it was encountered among the POW's and veterans of the Vietnam conflict.

It was in 1979 that Public Law 96-22 was enacted to establish outreach centers, designed specifically to treat the readjustment difficulties that have plagued the Vietnam veteran. The Veterans' Administration has already opened 91 of these centers, and the Congress has mandated that more centers be established.

I have talked with the people who run these community based, storefront counseling centers and I have followed the implementation of the program closely. The program is succeeding in reaching out to a segment of the Vietnam veteran population that, until the establishment of operation outreach, was not being served. Over 40,000 veterans across the country have been to a center, and received counseling to help in the successful readjustment to civilian life.

Unfortunately, the life of the program is about to expire. Unless the Congress acts to extend operation outreach, the only program designed to address the delayed stress problems of Vietnam veterans will go out of existence.

I think it is vital that we not let this occur. I have introduced legislation to extend the program for another 3 years, and I would welcome the cosponsorship and support of my colleagues.

I urge my colleagues to read the following article closely. I believe it will convince them of the need for continuation of operation outreach.

The article follows:

VIET VETS REACT TO THE HOSTAGES

(By Kathleen Hendrix)

Homecoming. Some called them "baby killers," then "crybabies." There were no yellow ribbons, no parades, no welcome home and no thanks.

Small wonder that many Vietnam veterans are watching with mixed reactions the homecoming of the 52 hostages from 14 months of captivity in Iran.

Their happiness is dampened by a bitter irony they foresee. The same government that plans to spare no expense helping the hostages readjust has already clamped down on efforts to help Vietnam veterans.

Like most Americans, Vietnam veterans—at least those contacted for this article—describe themselves as "glad," "proud," "tickled to death" that the hostages are home and that their homecoming is such an overwhelming one. Of the homecoming, they tend to say, "This time they're doing it right."

NO SOUR GRAPES

This time the veterans say they do not want to detract from the hostages—no sour grapes. They have some painful memories, though, and the events of this week have brought them to the surface.

John Di Fusco, formerly an Air Force guard in the central highlands of Vietnam, has found himself purposely avoiding the news on television, he said.

Currently Di Fusco is directing "Tracers," a play about the Vietnam war written by himself and seven other veterans who act in it.

"It was almost like a conscious disinterest," he said of his avoidance of television this week. "And it bothered me that it bothered me. The fact they were making heroes of the eight who died on the rescue mission, and then that they were making heroes of the 52 hostages. All I could see were the 55,000 who died in Vietnam. It's just once again that great feeling of being left out."

NOBODY HOME

The feeling is strong enough that a group of veterans are meeting this morning at Patriotic Hall to express their concerns to the public about what it means to watch this homecoming and remember theirs.

Homecoming? For many there was none. It was if nobody was home, at least no one cared:

Hank Hahn, now a computer salesman living in Playa del Rey, was an aviator in the Navy. He came home from Vietnam to Rigby Island in Washington in 1967, took a cab to Seattle with a few friends, still in uniform, went to a bar and started "half celebrating," he remembered. Somebody baited

them about the Navy and Vietnam, there was a fist fight, he got out of there, out of uniform and "went and found a woman."

Chris McGinley Schneider, a student at Pasadena City College, came home from a year of nursing in the Army's 95th Evacuation Hospital in Da Nang, in June, 1971, with a plane carrying heroin addicts scheduled for stateside treatment. One of them fell off the plane and cut himself, she said. Schneider helped him, getting her rumpled fatigues bloodied in the process. When she showed up at a commercial airline a few hours later, the ticket salesman would not check her torn duffel bag, then told her, "We don't want you on our plane." Looking at her with revulsion, he said, "Just look at you."

Shad Meshad, now regional coordinator of the Vietnam Veterans Outreach Program, flew home on a "Christmas drop" in 1970 after a year in Vietnam as an Army social worker/psychology officer. He got past the "protesters and peacemongers" outside Travis AFB and then spent hours at the San Francisco airport drinking and drinking—not getting drunk—talking himself down, telling himself, "This is normal; this is normal." Coming home, he says now was "the hardest part of Vietnam."

Rick Sykes, who says he recently finished work as a production manager of a feature film, came home from two years with the Army in 1968. He does not describe the details of his homecoming, but he remembers his feelings when he enlisted at age 19.

"Part of the reason I served," he said, "was a concept of what it would be like to come back. You went to come back, but you really didn't know if you were coming back."

He said this while sitting on a couch at the Vet Center in Venice, laboring over his choice of words, bringing them out slowly. Looking at the welcome the hostages have received, he said, has made him feel, "Geez, how different it might have been if I'd felt welcomed." Then he stopped and asked, "How do I sound? It's not envy or jealousy. Just kind of a deep-rooted sadness for that period of time." He nodded his head across the room towards his jacket, and said, "I've got a yellow ribbon on my sleeve."

No matter how it might have been, it turned out to be, for many, a very difficult time. Some veterans have yet to readjust to being home. Others thought they had it all squared away only to find themselves recently experiencing problems. The problems—depressions, flashbacks, irritability, angry flareups, sleeplessness, alcohol and drug abuse, difficulties in forming or sustaining intimate relationships, suicidal tendences, violent behavior—are all symptomatic of what has come to be called "delayed stress syndrome."

These are the same kinds of delayed reactions to stress that the government is so carefully trying to prevent and anticipate treating in the hostages. The same government was not anxious to admit the existence, or prevalence, of the syndrome among Vietnam veterans. For that reason, many veterans find the treatment of the hostages both a source of bitterness and satisfaction.

FIGHTING EVERY INCH

"They're getting immediate response to needs that it took years for the Vietnam veterans to make the public aware of," Ron Kovic said. A former Marine sergeant, Kovic came home from Vietnam a paraplegic, wrote "Born on the Fourth of July" about his experience, and got himself arrested around the country demonstrating for veterans and against the war. Speaking from his home in Pasadena, he said of the recent official recognition of delayed stress syndrome, "We had to fight every inch of the way for that."

At the storefront Vet Center in Van Nuys, where Vietnam veterans come for counseling and treatment, director Fred Hoskins said, "There's a feeling among the guys here that the hostages would never be receiving this treatment (for delayed stress) if it weren't for us (i.e. Vietnam veterans)."

"What's being done with the hostages is exactly what needs to be done" Jerry Melnyck, a Vietnam era veteran who directs the Vet Center in Venice said. "This should be equated with what the Vietnam veteran went through. Had they been welcomed back with open arms they probably would not be having the problems they've been having 10 years later. The veteran is not a psychotic who became such by killing someone. He's just a person who's gone through a lot of stress. I just wish somebody would get up right now and make the connection—"This is what we learned from the Vietnam veteran."

Although the Veterans Administration has provided veterans with psychiatric care in the past and recognized the existence of what was called "traumatic war neurosis" among veterans of former wars, such treatment was usually for more extreme cases and ones obviously connected to war experience in symptoms and in time of occurrence.

Only recently have the more subtle and remote symptoms of delayed stress been recognized and treatment provided.

In 1979, Congress passed legislation providing treatment for delayed stress syndrome among Vietnam veterans. Operation Outreach was a storefront counseling and treatment program funded initially for less than $10 million, scheduled to terminate in 1982.

In some instances individual centers have only recently opened. They are not yet fully staffed. Others were ready to open, but cannot because of the across-the-board government hiring freeze that President Reagan made an early order of business.

This, in the face of lavish treatment being given the hostages, outrages some veterans.

"It is," Ron Kovic said, "a slap in the face."

Listen to this, Chris Schneider said, returning to her telephone with a recent Times article describing the treatment planned for the hostages. She said she had whole sections underlined.

"Psychiatrists, psychologists, nutritionists, physical therapists—" she raced through the article, "they're even going to measure for stress through biochemical analysis of their saliva. Nobody even took my blood pressure . . . A three month follow-up, reunions at one years intervals . . . I read all this and I couldn't help thinking, 'My God!' And I felt guilty about it. They've been through a really hard time. They deserve all the love, warmth and attention they're getting—just like the Vietnam vets deserve it."

I AM HAPPY FOR THEM

Charlotte Miller, a former Army nurse in Da Nang, has been receiving weekly counseling at the Vet Center in Baltimore. She praises her treatment, says it has probably saved her life.

"I've cried, I've welcomed them home, I'm happy for them," Miller said of the hostages, "and all the money that's being spent. I don't begrudge them. But when I hear that President Reagan is planning to cut our funding, then I will have a problem. Just look at the money being spent on airfares alone for the families of the hostages. Did they fly parents of wounded soldiers to the hospitals where they were being treated? I just can't handle it if they cut the funding for us—now that we're finally having our time. It's not a parade, but it's the only chance we've had. They just can't take it away from us."

Roger Melton went into Vietnam in 1965 as a machine gunner on an armored personnel carrier with the 1st infantry. Now he is a therapist treating Vietnam veterans referred to him privately by Disabled American Veterans or at the Southern California Counseling Center in Los Angeles.

That the Vet Centers might be phased out at such a time he finds baffling. "Now that delayed stress is established and recognized—it's even appearing in subheads on stories about the hostages—I think it will be hard for them to deny the need for veterans to receive treatment. This may be a problem Reagan will have."

"You can't go back and give us the homecoming you are giving the hostages," Shad Meshad said. "But you can continue our program and help us welcome home those who've been having such difficulties. The people we deal with are really not home yet."

The Vietnam vets do not resent their fate and envy the hostages. They see a chance to turn the situation to their advantage—personally and collectively.

Personally, Roger Melton said, the anger of some of the veterans in therapy is helping them.

"Some of them may still be denying a lot from Vietnam," he said, "and this can trigger off all the resentment they've been holding in. Those who don't have someone to talk to, however, they'll be left with anger and rage. Sometimes this will trigger off nightmares or flashbacks for them."

He has found himself fascinated by the nation's reaction in general, he said, suggesting that America itself has been experienced delayed stress reactions to Vietnam, and denying and repressing the range of feelings attached to that war.

"It's almost as if the nation has been waiting for something to happen ever since the shame and disgrace of Vietnam. Part of this not dealing with the Vietnam veteran is part of not wanting to deal with their own guilt. Personally what's gotten into me is the use of the media—glorifying a situation far beyond its meaning. It's a symbolic situation to bring the American people together. The government is using this."

Chris Noel, an actress living in Tarzana, served in Vietnam with Armed Forces Radio and entertained troops. She agrees the country has been reunited by the hostages' homecoming and said, "I see the American flag flying and it's wonderful. I'm hoping the citizens will take the Vietnam veterans into their hearts now. Men and women who took care of our country have to be taken care of when they're hurting."

Lou Ross wants to take advantage of this same feeling of unity to make the country aware of those he is convinced are still being held as POWs in Vietnam.

A CLEAN-CUT TYPE

A former naval officer, in and out of Vietnam in 1964 through 1966, he wants it emphasized he is clean cut, short haired and a Mormon.

He lives in Salt Lake City and is a commercial jet pilot. In Newport on business

this week, he was making contact with local veterans organizations and the Vet Centers.

According to Ross there is significant reason to believe there are many POWs in Vietnam, perhaps hundreds, more than the 14 he says the government still documents as such.

"We've got to make the public aware and demand a full accounting," Ross said. "If it were not for the media and the relentless daily coverage the hostages would not be home. The media wouldn't allow them to be forgotten.

The veterans have to create the same situation for the POWs, he said, but they do not have enough clout. That is why he wants to unite various groups. The media is the way to go, he says.

Ron Kovic hopes the country learns from the experience of the past 14 months and gets some perspective.

"The return should not only be a time of celebration," he said, "but of sober and careful analysis of our foreign policy. Many are forgetting why the hostages were taken in the first place. It's the same American foreign policy and the same bumbling that brought us to Vietnam. It's really great to see patriotism come back, but I say it can also be really dangerous if it's blind. We could be respected around the world if we learned the lessons of foreign policy."

It is time for Vietnam veterans, Hank Hahn said, to realize that what the government is doing for the hostages, the veterans will have to do for themselves, by becoming a political entity.

"The government has spent more on saving the eagles than saving the vets," he laughed. "The Veterans of Foreign Wars aren't going to do it for us. It's up to us. A lot of us, like myself, who are 35-45, have become pretty successful. We have to get to these people as well as to the ones who are hurting. The hostages are seen as part of a national honor now. We were just something to stick in the back drawer. A lot of the guys feel like they really lost the war, I know. I don't feel like I'm a loser. It was never in the cards to win."

It has not taken the hostage situation to make Vietnam veterans angry about their own homecoming. It has simply reminded them.

"I don't want anyone else to suffer that degree of alienation," Shad Meshad said of his own homecoming. "It hurts me we could have done that."

After listening to hundreds of veterans talk about their anger and hurt over the years, and after dealing with about 20 of them in the past few days, Roger Melton said, "After all the talk about wanting more benefits, better programs, specific things, if you ask them what they have really wanted from the country all along, it gets down to this. They wanted the country to say, " 'Thanks.' "●

REFLECTIONS ON THE LIFE OF SIR THOMAS MORE

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. REUSS. Mr. Speaker, today marks the 503d anniversary of the birth of Sir Thomas More. On January 18, 1981, Associate Justice Donald W. Steinmetz of the Wisconsin Supreme Court spoke to the St. Thomas More Lawyers Society in Milwaukee, reflecting on the life of Sir Thomas More.

I want to share with my colleagues Justice Steinmetz's thoughtful and eloquent remarks. His speech follows:

Are the life, career and moral decisions of Sir Thomas More relevant to the present? I hope that you will agree that not only are they relevant but they will give us pause as fellow persons trained or interested in the law to reflect on decisions we have made and will make.

Sir Thomas was born to John More, an attorney and Judge. He was born on February 6th, in 1477 or 1478. The influence and guidance of his lawyer father kept him from further thought of the monastic life, which early in his life interested him. As his contemporary, Erasmus, stated of More: "He nearly took orders (Carthusians), but the attractions of marriage proved so strong that he determined to be a chaste husband rather than a lewd priest."

His father John rose to moderate wealth and eminence to become a knight and a judge with a country house at Gobions, North Mimms, Hertfordshire. He was married four times.

Thomas attended St. Anthony's Grammar School and was placed by his father in the household of John Morton, Archbishop of Canterbury and Lord Chancellor. He climbed the professional ladder by attending New Inn, and Lincoln's Inn for legal training.

Sir Thomas More held high office and was confidant of King Henry VIII until he was forced to choose kingly or religious beliefs. He was Under Sheriff of London, Under Treasurer of England, High Steward of both Oxford and Cambridge Universities, Speaker of the House of Commons, Secretary to King Henry VIII, and Lord Chancellor.

His skill, integrity, and exceptional scholarship quickly established him as an outstanding barrister. A contemporary said of him that "He had the gifts of a lawyer—eloquence, wit, and fairness, he was no respecter of persons, and was incorruptible.

His clients included the largest and richest guilds and companies of merchants in London, and his services were employed in the most important and delicate international commercial disputes of the time, as well as in major domestic legal matters.

Early in his career, Thomas gave the Henrys the mimmies. When he was 26 years of age, in 1504, he successfully opposed in Parliament a grant to King Henry VII of 3/15ths of the marriage amount of his eldest daughter to the King of the Scots.

For this, his father was put in the tower and fined heavily. His father asked Thomas to use better judgment when opposing the royal will. Thomas More's answer was, predictably, that it was a matter of conscience, that the King was wrong, and that he was required to pass upon the matter in his role as a member of Parliament. More serious consequences were probably averted solely by reason of the death of King Henry VII, and the succession of Henry VIII.

Even though Sir Thomas More rose in esteem of the King and became successful in the political and commercial world, he disdained frills and show of any kind, and wore a hair shirt the same as monks, and slept on a wooden pillow to discourage undue indolence or comfort.

His first wife died and he married a woman older than he, and each brought children to the marriage. To locate him in history, he succeeded Cardinal Wolsey as Lord Chancellor. His contemporaries were Martin Luther and Popes Julius II and Clement VII.

In 1529 Henry VIII made Thomas More Lord Chancellor. He made a great judge, with a reputation for being learned, just, with absolute integrity and remarkably accessible to all seeking justice. Wolsey had been long on extending the power and jurisdiction of the court by bringing in new cases in the interest of injunctive relief and equity. Some of the cases More inherited were ten years old. By industry and efficiency (and probably a great court administrator), he cleared a great backlog. The records indicate that as Lord Chancellor, Thomas More tried some 4,000 cases, and he was very proud to relate how one day when he called the next case, there was none to come forth.

The seed of the great matter of concern of Henry VIII started as Henry's wish to divorce Catherine and marry Anne Boleyn. The ultimate confrontation between the men, however, was the Act of Succession and Treason, the Preamble of which stated the supremacy of the King in the Church of England.

This same wife Catherine at the age of 16 and married Arthur, Henry's brother. Arthur was 15 years of age when he married Catherine. The marriage of the children was part of a negotiated peace between England and Spain.

Arthur died and Catherine married his younger brother Henry who was 11 years of age. Pope Julius II gave a dispensation for the marriage of these children. Henry and Catherine had only one child live, Mary. They had no son for the throne.

After Henry met Anne Boleyn, he claimed his marriage to Catherine was not valid, due to her former marriage to his brother. Catherine claimed she and Arthur had never consummated their marriage.

In 1529 Henry felt that Cardinal Wolsey had bungled the King's divorce, and dismissed him as Lord Chancellor and appointed Sir Thomas More. Three years later Thomas More resigned as Chancellor, after the Parliament decided that all future ecclesiastical legislation must receive the King's consent. The new Archbishop of Canterbury, Thomas Cranmer, cited Catherine and Henry to a special court. Their marriage was pronounced illicit and invalid. Henry married Anne.

Thomas More raised suspicions in the King's mind by visiting and writing to Elizabeth Barton, known as the Nun of Kent. She claimed to see visions and speak prophecies. She spoke against Henry's divorce, and said that divine wrath would take away his throne. She was executed.

The Succession Act of May, 1534, settled the throne on Henry's "heirs of his body lawfully comen". Mary, Catherine's daughter, was illegal due to the divorce, and Anne's daughter, Elizabeth, would inherit. Before this Act, Kings were chosen by war, election, and then by hereditary right. The Preamble was a long repudiation of Catherine and the jurisdiction of Rome.

The King demanded officials and selected citizens take the oath or face death as an alternative. Chancellor Cranmer wanted to allow More to swear to the oath of succession but not the Preamble. The King, at Anne's instigation, vetoed this idea.

In 1534 the Act of Supremacy passed Parliament. In 1535 Pope Paul III declared

Bishop Fisher a Cardinal. Fisher had been in prison at the same time as Thomas More.

More considered the Pope's temporal power to be limited under English law; he did not, however, believe that any national law could limit the spiritual authority of the Holy See. More was indicted by a true bill of a Grand Jury. These were the counts:

1. Thomas More remained obstinately and maliciously silent before the commissioners when asked if he accepted the King as supreme head of the Church of England.

2. Thomas More wrote letters to Bishop John Fisher, encouraging silence as to the oath.

3. Conspiracy between More and Fisher since each answered the commission's question in a similar way—"I will not meddle with the matter, for the statute is like a two-edged sword, and if I should answer one way I should offend my conscience, and if I should answer the other way I should put my soul in jeopardy; wherefore, I will make no answer to that matter."

Fair trial was unheard of in those days, when the King prevailed in Star Chamber proceedings, whether it be the trial of Thomas More or of alleged religious heretics for treason.

In a treason trial of 1534, the following prevailed: presumption of guilt; no attorney representation allowed; no copy of the indictment given to the accused; the testimony of one witness was enough for conviction; no strict rules of evidence; and if the jury returned a not-guilty verdict, the jurors could be imprisoned and not released until they paid heavy fines, as happened in the trial of Sir Nicholas Throckmorton in 1554.

The commission presiding at Thomas More's trial were 19, and consisted, among others, of the following: Sir Thomas Audley (More's successor as Lord Chancellor); the Duke of Norfolk (Anne Boleyn's uncle); the Duke of Suffolk (the King's brother-in-law); the Earl of Wiltshire (Anne Boleyn's father); Lord Rockford (Ann's brother); Thomas Cromwell (the King's secretary); Sir John Fitzjames (Chief Judge of the King's Bench); Sir John Baldwin (Chief Judge of Common Pleas); and Sir Richard Lister (Chief Baron of the Exchequer).

More was convicted on the sole, perjured testimony of one Richard Rich, and by silence on More's own part. He was sentenced to be beheaded, and it was thought that he would capitulate. Instead he declared that the King cannot be supreme head of the Church of England. St. Thomas More's own words best describe his philosophy: "He died the King's servant, but God's first."

In 1935 Pope Pius XI issued a papal decree declaring Thomas More to be a Saint of the Catholic Church; and he has been designated the patron saint of lawyers.

From his life we learn that the life of a Saint need not be lived in cloisters away from the turmoil of everyday life, but rather it can be lived fully in the midst of that life, and while operating successfully in the highest professional, commercial, and governmental circles. Thomas More did this, not only without compromise, but with extraordinary success. The ability of this man of remarkable conscience to lead so full and successful a professional life demonstrates the compatability, the parallels, of the basic requirements, concepts and ideals of law and justice as set forth in the law books with those proscribed by scripture.

Our reflections on Thomas More, the 15th century lawyer and judge, serve to remind us of the very important fact that we are members of a proud and ancient profession, that we today wear the mantle and bear the standard of law and justice handed down to us through generations of great and devoted men and women of the law and of God.

Therefore, we have reason to take great pride in our profession and a most solemn obligation to Thomas More and all others who have gone before us to carry on our functions as lawyers and judges in such a manner as to pass on this heritage, undiminished and untarnished, to all who follow us in the profession. To do this, the spiritual aspects of our professional lives and obligations must remain uppermost in our minds and controlling our actions. Professional pride and integrity are the hallmarks which distinguish the true lawyer from the mere attorney-at-law. I have never known a really good lawyer who did not have a compelling sense of pride in his profession, and a demanding, uncompromising sense of integrity.

There are those in society and in governmental offices who would declare the practice of law a trade, not a profession. We must conduct ourselves at all times with pride and integrity so that we show by example that ours is a profession. St. Thomas More so conducted himself and we cannot and must not do less.●

DEFICIENT REPORTING OF NATIONAL SECURITY ISSUES

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. DOWNEY. Mr. Speaker, it has often occurred to me that the most significant U.S. national security setback of the past decade has not been anything done by the Soviets, but rather the New York Times promotion of its Pentagon correspondent, John Finney, to editor.

An informed public is essential to sound national security decisionmaking. Let to talk to themselves, too often the military profession will give us atrocities such as the Safeguard antiballistic missile system. We need military reporters who will look behind the conventional wisdom and beneath the superficial numbers to discover what a given development will really do to or for the security of the American people.

Mr. Finney did this consistently and effectively. Since his departure, his colleagues have by and large displayed the intellectual independence and penetrating intellect of a herd of sheep. There are occasional exceptions—more often than not these appear in my local newspaper, Newsday—but the national papers, particularly the New York Times, have not covered themselves with perspicacity.

Worse than sheep, some reporters have acted as wolves, slanting stories to reflect their personal biases. An excellent article by Fred Kaplan in a recent issue of the New Republic discusses one of the most spectacular of these. I insert it in the RECORD so that my colleagues—and, more importantly, the Nation's editors—can share Mr. Kaplan's insight.

[From the New Republic]

FROM THE NEW YORK TIMES TO THE STATE DEPARTMENT—RICK BURT STEPS DOWN

(By Fred Kaplan)

The New York Times seems well on its way to becoming a fully accredited prep school for the State Department. Four years ago, Leslie Gelb quit his job as Times national security correspondent to become Cyrus Vance's assistant secretary for politico-military affairs. Last month the man who replaced Gelb at the Times, Richard Burt, also took off for officialdom—a spot on Alexander Haig's transition team, preliminary to getting Gelb's former State Department post as well.

Gelb and Burt are two very different men, in manner and ideology, but both represent something new in American journalism—a deliberate experiment by the Times Washington bureau to hire academic or ex-government specialists to cover national security affairs. Gelb had been in the Pentagon's international security affairs office in the 1960s and, later, at the Brookings Institution. Before going to the Times, Burt was assistant director of the London-based International Institute for Strategic Studies, and a regular player on the Atlantic Community's international establishment seminar circuit.

The idea that reporters should know something about the topic they cover certainly has its appeal. It means, in defense reporting, that readers get someone who knows what "equivalent megatonnage" means, who can deal with the natty jargon of modern strategy without bowling over in confusion or leaping joyfully like an infant approaching a new toy. But there are drawbacks as well. Few who descend into the dark pit of strategic studies emerge without a very distinct set of convictions. In Burt's case particularly, this phenomenon colored the way the defense world was covered in America's most important newspaper.

Burt came to the Times as a devotee of the "fairly rational hawk" faction in the defense debate, and that's the view that Times readers saw. Not much to the left of that position entered the paper during the past few years. John Finney, who had a somewhat skeptical attitude on strategic matters, abandoned reporting to become news editor. The other regular on the security beat has been the gentlemanly but quite hawkish Drew Middleton.

Burt got some decent scoops in his short Times career, and occasionally banged out a balanced news analysis. But in the main, Burt's own views tended to dominate his articles, even in straightforward, ostensibly objective news stories. This tendency showed up dramatically in leaked stories given to Burt in the early days of the SALT II negotiations. Nearly every compromise reached during the talks was presented on page one of the Times as a U.S. concession. Only those readers who made it through the last quarter of the articles learned of concessions that the Soviets had made in the same round. Similarly, when, on June 16, 1978, Burt reported that senior foreign and defense policy officials were pushing the White House to make sure SALT doesn't prohibit mobile missiles (such as the MX), it was only because Burt himself was also concerned. Never did Burt serve as conduit for those pushing positions from the other side of the spectrum.

On March 21, 1979, Burt wrote about how the loss of the Tacksman radar site in Iran might affect verification of the SALT II treaty. A gloomy picture was painted. Contrary evidence—that ex-CIA deputy director Herbert Scoville Jr. had argued in a briefing that these radars were not needed to verify the provisions of SALT II; that other radars in the Aleutians and the Pacific, as well as satellites and other means of monitoring, could do the trick—appeared in paragraph 21. Senator Henry Jackson was warning of "irreparable harm" as early as paragraph eight.

By contrast, in a piece about Soviet civil defense, Burt's lead sentence—"The CIA says that Soviet civil defense preparations are unlikely to blunt the ability of the United States to retaliate in the event of nuclear war"—was followed immediately, in the same paragraph, by the caveat: "This assessment appears to differ somewhat from the views of military people in the Defense Department."

The structure of Burt's stories will keep semioticians enthralled for years to come. Take the lead from April 3, 1978: "In a move that has provoked furious criticism from the Pentagon, Secretary of State Cyrus R. Vance has asked President Carter to expedite a proposal by the Arms Control and Disarmament Agency calling for an international ban on the production of material used in nuclear weapons." Reading way down in the piece, one learns that Defense officials are upset only because they "learned of the Vance letter after it had been submitted to the White House." Nothing so dramatic or unusual here. In any event, Burt never led off a story with something like, "In a memo that has infuriated State Department officials, Harold Brown (or Zbigniew Brzezinski). . . ."

The neutron bomb episode was a similar instance. Burt's lead on February 1, 1978: "Pentagon officials are strongly objecting to a new Arms Control and Disarmament Agency report that concludes that American deployment of the neutron bomb could increase chances of nuclear war. The officials fear that the study . . . could jeopardize Congressional approval of funds for the neutron bomb." This was a particularly nice case of Evans and Novak journalism, for such an ACDA report simply did not exist. ACDA had prepared an Arms Control Impact Statement on the bomb, as it does with virtually every weapon; but, as with most such statements, it was very bland and even-handed. No doubt someone in the Pentagon leaked a portion of the statement, with an eye toward arousing the pro-neutron bomb lobby. Burt allowed himself to be its servant.

The neutron bomb provides an illustration of how Burt was wittingly used by factions in the defense debate. On April 14, 1978, Burt revealed that Carter was about to cancel the neutron bomb. Toward the end of that piece, Burt wrote: ". . . some top officials are said to be hoping that Mr. Carter might be persuaded this week to delay outright cancellation of the weapon and simply announce a decision to defer production indefinitely . . . [thus leaving] open the possibility of deploying the neutron weapon at a later date." On April 5, 1978, Burt's headline: "Carter Is Reported Reconsidering a Ban on the Neutron Bomb." April 6: "Pressure from Congress Mounts to Reverse Ban on Neutron Bomb." April 7: "Carter Said to Favor Delay in Production of the Neutron Bomb." On April 8, Burt reports Carter's announcement of a delay, not a cancellation. On April 9, Burt writes a lengthy "news analysis" of the entire episode. All in a week's work.

Burt's "news analyses" were especially tendentious. His several articles on the MX missile were typical. Burt would muster all the arguments for developing the missile and its bizarre "multiple-shelter" basing scheme, citing "Administration officials" and other experts, and then, two-thirds down in the piece, he would devote one paragraph to reciting the views of critics, "such as" George McGovern and Senator Mark Hatfield. The clear message: whom are you going to believe—responsible strategic thinkers or a man who just a few years ago wanted to slash the defense budget in half and another who is a religious pacifist? Unlike other reporters, Burt did not mention that MX critics also included such stalwarts as former chairman of the Joint Chiefs Maxwell Taylor, former secretary of defense Melvin Laird, and CIA director Stansfield Turner.

Burt aficionados particularly enjoyed his treatment of the squabble over whether the United States should substantially expand its civil defense program. In the early autumn of 1978, while Times reporters were on strike, Burt had several conversations on civil defense with then Colonel William Odom, a Brzezinski aide, and Bardyl Tirana, head of the Pentagon's forlorn civil defense agency. On November 13, shortly after the Times resumed operations, Burt's headline read: "Carter Adopts a Program to Bolster Civil Defense in a Nuclear Attack: Plan Calls for Doubling Annual Spending in 5 Years, to Keep Pace with Moves Made in Soviet Union." It seemed that a presidential directive, based on an interagency review, was calling for a seven-year, two-billion-dollar civil defense program. According to Burt, "The new program is characterized by White House aides as a significant turnabout in American strategic policy."

But President Carter in fact had made no final decision. The Burt story was part of a campaign, launched by Odom and Tirana, to box Carter in. On November 30, Carter held a press conference, explicitly denied that the program would cost two billion dollars, and downplayed the significance of civil defense generally. Around the same time, the Office of Management and Budget was slashing the next year's civil defense budget request by half, down to $110 million, just slightly above its normal level.

On December 5, after the OMB decision but before Carter's final action, Burt sprang back with an extraordinarily lengthy "Issue and Debate" feature on civil defense. It was a very confusing article, reciting Carter's denial of a two-billion-dollar program, but also asserting, in the same paragraph: "Nevertheless, it is viewed by some experts [Burt?] as constituting a turnabout in American strategic policy." Later in the story: "Defense Department and White House civil defense advocates appear to have won this debate." Then again, next paragraph: "But judging by the tentative way Mr. Carter talked about an increase for civil defense financing last week, it is clear that the civil defense debate is still open. This debate is likely to spread to Capitol Hill. . . ." In short, a rather murky attempt to create an "issue and debate" where none existed. The whole episode gave every appearance—and several officials have no doubt—that Burt was in active collusion with Odom and Tirana to promote and then to save the expanded civil defense program.

Burt was used a lot in his days at the Times, but only by those he found compatible. On April 24, 1979, Burt printed a leak that the 75-mile-range Soviet SS-21 nuclear missile was being placed in East Germany, and noted that this "has already led some military officials and aides in the National Security Council to suggest that it might be timely to review Mr. Carter's" decision to postpone building the neutron bomb. A few days later, the Washington Post revealed that it was all an intelligence error: no SS-21s were being moved into East Germany. If this made it no longer timely to think about reviving the neutron bomb, Richard Burt failed to report as much.

Throughout his tenure at the Times, and especially from early 1978 on, Burt was extremely dependent on Zbigniew Brzezinski and a few of his assistants at the NSC. Hodding Carter's remark about that connection—that when you read Richard Burt, you see Zbigniew Brzezinski's lips moving—is well known and widely appreciated as valid. Brzezinski even offered Burt two jobs while Burt was a Times reporter and Burt felt sufficiently enticed by the prospects to bring the offers to the attention of his bureau chief, who reminded Burt of their agreement that he would stay at the Times for at least three years.

But Burt was not merely Brzezinski's puppet. First, he did have other sources (though not many at State, where most officials considered him a "loose cannon on the deck," a "liar," or a "xerox machine for the military"). Second, and more important, Burt came to the job with views that happened to match those of Brzezinski, who considered himself the lone realist in an administration of lawyerly weaklings. It was only natural that the two would hit it off well. Indeed, on November 30, 1980, Burt gave Zbig a little going-away gift called "Brzezinski Calls Democrats Soft on Moscow," in which—"in an interview that touched on his experience in the White House and his thoughts about the future"—Brzezinski was allowed to condemn his fellow Democrats for their "'excessive preoccup[ation] with what might be called the do-gooders agenda in international affairs,'" and to "endorse Mr. Reagan's recent support for the concept called 'linkage'"—the notion of holding arms control treaties contingent on Soviet good behavior elsewhere in the world. Burt also duly noted that Brzezinski would "establish what he called a 'base' for himself in Washington." The former national security adviser has since found a home at the Republican-dominated Georgetown Center for Strategic and International Studies.

While Burt often was seeing Brzezinski several times a week, he was also giving occasional, very informal, advice to his former London colleague, Robert Ellsworth, when, halfway through Carter's term, Ellsworth began writing defense position papers for the Republican National Committee. Burt firmly denies any participation in such partisan affairs. Times reporter and former Washington bureau chief Hedrick Smith, who recommended that the Times hire Burt in mid-1977, also doubts the connection, claiming full satisfaction with Burt's "integrity and effectiveness as a reporter." But several sources, including more than one Republican insider, insist the story is true.

At any rate, Burt's appointment to the Reagan State Department surprised no one. One wonders whether, as director of the Politico-Military Bureau, Burt will heed his own past words. In the Fall 1979 issue of Foreign Policy Burt expressed concern about State Department interference with

the Pentagon's business. He criticized the "expansion in the number of State Department officials focusing on military problems, particularly in the Bureau of Politico Military Affairs." He especially criticized the way that this office seemed "to be evolving into a little Defense Department" and was "becoming a competitive center for defense analysis." No doubt he will avoid this dangerous self-assertion, now that he is in charge.

In fact, Burt probably carried more weight at the Times than he ever will be allowed at the State Department. He joined the paper at a time when the Soviets started making advances in certain types of weaponry, when detente began its skid, when the right was getting organized and funded with unusual skill and imagination, and when liberal opposition in security affairs was drying up. The way Burt tilted his stories, the way he managed the leads, the particular set of sources he continually exploited and, more to the point, the particular litany of positions and assumptions that he brought with him to his new role as journalist—all served to amplify the alarm bells warning of the Soviet threat, and to muffle voices of dissent. Richard Burt certainly did not cause the decline of detente, the death of SALT II, or the new cycle in the arms race. But he did make sure, under the guise of objective reporting, that all the right signals got across to the serious newspaper-reading public with a minimum of confusing qualifications.●

MY COMMITMENT TO MY COUNTRY

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. D'AMOURS. Mr. Speaker, it is an honor for me to share with my colleagues an excellent essay entitled "My Commitment to My Country," written by Stanley J. Kuzia of 37 Everett Street, Manchester, N.H. Stan is a senior at Manchester's Central High School who lives with his parents, Stanley and Elizabeth Kuzia, who operate Stanley Solar & Stove Co., and his sisters Sylvia and Lisa.

I am pleased to be able to report that Stan's essay has been awarded first prize in the New Hampshire Veterans of Foreign Wars 34th annual Voice of Democracy Contest. Stan and his fellow State winners, whose essays have been selected out of over 250,000 essays nationwide, will visit Washington in early March to meet with Government officials and attend the national award ceremonies.

In his essay Stan recalls the bold challenges set forth by former President John F. Kennedy in his memorable inaugural address. As a leader of America's newest generation he looks forward to carrying on the torch of previous generations and fighting for the democratic ideals and freedoms which made our Nation great.

In addition to serving as president of Central's Debating Club and Thespian Chapter, editor of the school newspaper, and treasurer of the New Hampshire Association of Student Councils, Stan enjoys participating in track events, playing tennis, scuba diving, hunting, and freshwater fishing. He was State junior champion table tennis player, mayor of Boys State, and has won several debating and acting awards. He hopes to attend Dartmouth College in the fall and intends to pursue a career in medicine.

The essay follows:

MY COMMITMENT TO MY COUNTRY

As John F. Kennedy once said, "The torch has been passed to a new generation of Americans—born in this century, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage—and unwilling to witness or permit the slow undoing of those human rights to which this nation has always been committed, and to which we are committed today at home and around the world."

My commitment to my country, as one of the new generation of Americans, must begin by speaking out firmly for the great democratic heritage of our nation, whose philosophical ideals spurred scores of Americans to give up their lives in its defense.

In a world full of tyrannical radicals, socialistic extremists, and totalitarianistic rulers, the United States stands out as being the light beacon of the world, shedding its warm rays of welcome to all ends of the earth where oppression and subjugation prevent individual freedoms. We must, above all—in spite of our daily turmoil and individual troubles—never forget or lose perspective of our great gifts of liberty and freedom, for without these gifts, the United States would simply be as any other nation in the world.

Therefore, in reflecting my commitment as an American and an heir to this nation's magnificent cultural heritage, I shall uphold these democratic ideals with a deep burning conviction in my lifestyle and never forget the opportunities that this land of democracy holds for its people.

My commitment to my country must be a recognition and declaration to my fellow Americans that this nation's liberties and freedoms which were won through much hard sacrifice and suffering, can only be maintained through the same hard work and suffering, or be lost to the world as an idealistic philosophy of inadequate workability, which is certainly not the case.

America is the land of the free, the home of the brave, as well as the home of the sick, suffering and oppressed in this world, the lonely and the broken hearted, both rich and poor alike. Therefore, I must also speak for democracy, for this nation's foundation stands upon it, and our present prosperity depends upon it.

My commitment to my country is to uphold and defend the Constitution of the United States, as well as our other democratic ideologies, for it is the moral fiber of this nation, the backbone upon whose structure intertwined with our freedom and liberties, make us what we are, the most powerful nation on earth, who values its people, its variety, but most of all, its liberty.

This nation has grown both in size and in power, and has done so only through the individual commitment of every American, and its continued success depends upon the contributions of the individual to better society, by being aware of societies laws and needs, and expressing his liberties and democratic philosophy in a leadership role in that society.

W. Somerset Maugham once stated, "If a nation values anything more than freedom, it will lose its freedom."

My commitment to my country goes beyond the proclamations of Old Glory, our Declaration of Independence, and our Constitution, and it goes beyond declaring democracy for the supressed as well as the ruling; it goes as far as one can value life, for without having committed, concerned citizens in America, our country would fail from lack of vitality in every mode and essence.

Therefore, my commitment to my country is, above all else, to help reinstill in the minds of all Americans that to value anything above their freedom, will lead to neglect of their freedom, and will lead ultimately to the destruction of their freedom

But this cannot—this will not—happen. I am committed to help keep America a leader of free people in a free world.●

TRIBUTE TO RON CAWDREY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ANDERSON. Mr. Speaker, on February 15, the South Bay Democratic Club will be meeting in Torrance, Calif. for the purpose of honoring Mr. Ron Cawdrey. This honor is known as the Democrat of the Year Award.

This honor is very fitting for Ron. He is an active, involved, and enthusiastic person who is serving the community in many, many capacities. For instance, he is involved in the labor movement and is a member of the Coalition of Labor Union Women, the Strike Coordinating Council for the AFL–CIO, the chairperson of the Education and the Building Committees of CWA Local 11513, member of the Education and the Legislative Committees of the Southern California Council of CWA, and the AFL–CIO's South Bay/Harbor COPE. He is currently serving as the vice president of Local CWA 11513.

He has given time and effort to his political party, and is serving on the Democratic State Executive Board and also as chairperson for the 51st Assembly District Democratic Caucus.

He also finds time to serve with several organizations, all of which are seeking to help persons in the South Bay. Among them are the Private Industries Council of Torrance, the CETA Board of Redondo Beach, the United Way Advisory Board as labor representative, the AFL–CIO's Manpower Advisory Board, and the Gerontology Society of the University of Southern California.

Ron is one of those people who knows what to do and does it. He is

always ready to lend a hand to help someone else in need. His wide arena of activity keeps him in touch with all that is happening in the entire South Bay area. He is a valuable individual and is much appreciated by those of us who know him.

Ron still finds time to spend with his fine family. He has three sons: Ron, Jr., Don, and Bill; and two daughters: Ronda and Crystal Ann. His wife is a lovely lady who is affectionately called "Punky" by those who know her well.

Lee and I join in honoring Ron Cawdrey and extend our congratulations and hope that the future holds much success for him and his family.●

GREAT LAKES SHIPPING INDUSTRY IN JEOPARDY

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. HYDE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

As a native Midwesterner and a Chicago area Congressman, I am greatly alarmed that the Great Lakes shipping industry may be facing extinction because certain Federal bureaucrats choose to ignore the law and Congress. Bob Wiedrich, the well-known columnist for the Chicago Tribune, recently wrote about this serious situation and I am pleased to bring his thoughtful commentary to the attention of my colleagues:

[From the Chicago Tribune, Jan. 29, 1981]

REAGAN MUST AID GREAT LAKES PORTS

(By Bob Wiedrich)

President Reagan will have a lot on his mind as he snuggles down for four years at the White House.

But, while he adjusts to that contour chair in the Oval Office, I hope he thinks occasionally of the Middle West and the royal shafting its taxpayers have been receiving from Washington bureaucrats who think they, not the people, own the government.

That's how the bureaucrats have been behaving in recent years as they have ignored the mandates of the law and Congress and increasingly favored coastal ports to the detriment of the Great Lakes shipping industry.

Under the law, the bureaucrats are supposed to treat the Great Lakes as the nation's fourth seacoast. They are supposed to equitably distribute between those coasts the federal agricultural and military cargoes that provide bread and butter for the declining American merchant marine.

This they have failed to do, allocating the government cargo instead on the basis of which coasts had the strongest political clout.

As a result, the number of American flag ships calling at Great Lakes ports has steadily declined to the point where the region last year endured the worst shipping season on record.

Only five ships flying the American flag called at Great Lakes ports. And the picture is expected to be equally dismal in 1981 unless the bureaucrats mend their arrogant ways.

President Reagan, who has vowed to return government to the people, has the power to make that an accomplished fact. He can restore to the taxpayers of the heartland of America their fair share of tax dollars.

More important, he can save the Great Lakes shipping industry from extinction.

All he has to do is order that his incoming secretary of commerce, Malcolm Baldrige, retain Samuel Nemirow as chief of the Maritime Administration for the six months or so needed to set things straight.

Nemirow is a professional public servant who is cognizant of the problem, is familiar with the workings of the agency he heads, and is already deeply involved in attempting to give midwestern maritime businessmen a fair shake.

He is under instructions by former Commerce Secretary Philip M. Klutznick to make certain that 10 per cent of all federal military and agricultural cargo is shipped through Great Lakes ports in American vessels.

And with his extensive background as legal counsel and a policymaker for the Maritime Administration, Nemirow won't have to spend months learning the intricacies of the agency's bureaucracy like his successor will.

Nemirow is in place, ready to go. In fact, he already has set into motion the machinery required by law to carry out Klutznick's order.

If that machinery has to be slowed to permit Nemirow's successor to play catchup, the Great Lakes shipping industry could suffer bankruptcy.

The government cargo is needed to furnish the revenue base that will attract more United States vessels to sail into the Great Lakes. Their presence will prompt midwestern shippers to utilize the service for other, nongovernment cargo.

And that sequence of events, unless thwarted, will serve to maintain a fuel-efficient transportation system from foundering at a time when the country needs to save all the energy it can.

The 1980 Great Lakes shipping season was a disaster for those dependent on the industry for a livelihood. There was up to a 60 per cent decline in the number of U.S. and foreign ship sailings.

At the same time the state of Illinois was shelling out $15 million to build a modern container-port at the mouth of the Calumet River, business was drying up.

And these events were occurring largely because the nation's three tidewater seacoasts were receiving a much greater share of federal cargoes in blatant violation of a congressional mandate to treat the Great Lakes equally.

Klutznick sought to remedy that situation during the last days of his stewardship under Jimmy Carter.

He ordered that no less than 10 per cent of all such cargo be allocated to midwestern maritime ports. Then that proposed federal rule—as the bureaucrats say—was published Jan. 9 in the Federal Register for public comment.

He did all he could. Now, the rest is up to the Reagan administration. And unless it acts forcefully, another Great Lakes shipping season will slip into financial oblivion with consequences that can only prove serious to the economic well-being of the region.

Klutznick kept his word to midwest shipping interests. He moved swiftly. The momentum must be maintained.

With proper shepherding through the bureaucratic maze, the new rule could be a reality by fall.

Federal cargoes originating in the Midwest could be diverted to Great Lakes ports for shipment in American bottoms, instead of riding the rails to more distant coastal ports.

That is why it is vital that Senators Percy and Dixon join other members of the Illinois congressional delegation in the effort to persuade President Reagan and Secretary Baldrige to retain Nemirow's expertise.

This is an issue that cuts across party lines. And it is one that the Teamsters, Longshoremen, railroaders, trucking interests, shippers, and exporters and importers should also join.

Actually, they will be asking for no more than is due the region, which contributes 35 to 40 per cent of the more than $500 million in federal funds appropriated annually for shipbuilding and operating subsidies, but gets little in return.●

ELECTION DAY REFORM

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. HEFTEL. Mr. Speaker, the 1980 Presidential election clearly demonstrated a fundamental weakness in our national electoral process from two perspectives: One, a disturbing, continuing trend in an unacceptably low level of voter turnout and, two, the influence on the election outcome in Western States by early projections of results.

While a portion of low voter turnout in the past election may be attributed to voter apathy, a distinct declining trend from the 1960's is evident—62.8 percent in 1960, 61.9 percent in 1964, 60.9 percent in 1968, 55.5 percent in 1972, 54.4 percent in 1976, and 52.3 percent in 1980. There is no reason to believe that there will be a reversal of this trend in the next election. In comparison with other Western democracies, the U.S. turnout is appalling. In recent elections, there was an 87 percent voter turnout in France, 88 percent in Italy, 89 percent in West Germany, 92 percent in Sweden, and 95 percent in Australia. In these and other Western democracies, the national election day is scheduled during the weekend, making it easier for citizens to vote and undoubtedly attributing to the high turnout. An election with such percentages truly reflects the choices and views of the voting population.

The problem of early predictions of election results will only be exacerbated as our electronic media becomes increasingly more sophisticated. Earlier and earlier projections will continue to intrude upon the decisionmaking process of the electorate. In the last elec-

tion such projections and a Presidential concession speech prior to the closing of polls in the Western States and Hawaii had a grave impact on election results in that part of the country, particularly in California and Oregon.

These two problems of low turnout and early media projections will continue to have a significant impact on our election decisionmaking process unless we make some changes. It is imperative that we inspire confidence in our electoral system and assure that all voters, in all parts of the country, feel that their votes count and do make a difference.

To address these two problems, I am proposing legislation which provides for a national holiday for the 1984 Presidential election and for a uniform time—8 p.m. e.s.t.—for the closing of polling places, with the exception of areas located in the Yukon, Alaska-Hawaii or Bering standard time zones. Polling places located in these zones would be permitted to stay open until 10 p.m. e.s.t. All States would be allowed to open polls at their discretion, but the closing time must be 8 p.m. e.s.t., with the exceptions mentioned. Importantly, the national holiday would be designated on an experimental basis for only the 1984 election year. As in the past, it would be scheduled on the first Tuesday after the first Monday in November. If this designation results in a significantly increased voter turnout, then we would consider making all future Presidential election days a national holiday.

Mr. Speaker, I believe that making the Presidential election day a national holiday will provide a strong incentive for Americans to get out and vote, when they do not have to juggle family and work responsibilities in order to vote. Coupled with a uniform poll closing time, with the exceptions I mentioned previously, to eliminate the problem of early media projections influencing the outcome of elections in the Western States, this proposal will not only increase the impetus for Americans to exercise their franchise but will also reassure voters that their ballot does indeed count.

I am hopeful that this proposal will spur congressional discussion and generate public interest which will ultimately result in greater voter turnout and election results which are truly representative of the majority of American voters.

H.R. 1813

A bill to provide a uniform time for the closing of polling places in the 1984 election of the electors of the President and Vice President of the United States and to make the day of the Presidential election in 1984 a national holiday

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of title 3, United States Code, is amended by adding at the end the following: "All polling places wherein an election of such electors is being conducted in 1984 shall close at 8 o'clock postmeridian eastern standard time on the day provided for the appointment of such electors in 1984, except that such of those polling places as are located in the Yukon, Alaska-Hawaii, or Bering standard time zones, as designated by the Uniform Time Act of 1966 (15 U.S.C. 263), shall not close any earlier than 8 o'clock postmeridian eastern standard time but may stay open no later than 10 o'clock postmeridian eastern standard time.".

SEC. 2. Section 6103(a) of title 5, United States Code, is amended by inserting immediately after "Columbus Day, the second Monday in October." the following new item:

"Election Day—1984, the first Tuesday after the first Monday in November 1984."●

HOW TO END INFLATION

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ASHBROOK. Mr. Speaker, Lewis Lehrman, one of the leading conservative economic experts in the country, has written an excellent article for the Washington Post entitled "How to End Inflation." He clearly cites the differences between the liberal school of thought which has dominated American economic policy for the last several years and the conservative principles which will hopefully become the cornerstone of our national policy during the administration of President Reagan.

Mr. Lehrman points out that President Reagan and a host of conservative legislators were elected last fall to end the inflationary spiral. He is correct. The American taxpayers will be watching us very closely and if we wish to keep the White House and the U.S. Senate and take control of the House of Representatives in 1982, we must act with dispatch. It is time to turn our rhetoric into action. I, for one, have waited a long time for this day and this opportunity. I am ready to help.

The Lehrman article follows. I urge my colleagues to read it.

HOW TO END INFLATION

The budget should be balanced, the Treasury should be refilled, public debt should be reduced, the arrogance of officialdom should be tempered and controlled.

—Marcus Tullius Cicero, 106 B.C.

Inflation is the transcendent issue of our times. Inflation is to our generation what depression was to our parents and grandparents. Inflation, if not stopped, will revolutionize our nation and its social institutions.

There are at least two separate schools of thought about how to end inflation:

First, there are professional policy analysts who believe that overdemanding working people create inflation by spending too much money. President-elect Reagan captured the perversity of this elitist view when he asked why it is inflationary when working people spend money—but not inflationary when the government spends it. In the past, these same analysts have recommended a remedy for inflation: simply reducing the number of working people, i.e., recession and unemployment, in order to reduce or "fine tune" private demands for goods and services.

A true understanding of inflation begins with a second and entirely different view of its causes and origins.

In this view, the correct one, the government causes inflation. Not the oil sheiks, not the oil companies, not greedy labor or avaricious big business. Inflation is a monetary and a financial disorder, engendered by the federal government. This interpretation explains why working people voted on Nov. 4, 1980, to reduce the size of government, not to restrict further the world of work and enterprise.

In this view of inflation, the remedies logically follow from the analysis of the defects. The remedies constitute a coherent economic policy:

(1) Reduce as rapidly and humanely as possible the federal budget deficit, especially on current account. Reorganize the government capital account, including federal credit programs, such that government demand for credit is substantially less than the volume of total savings available in the market.

(2) Reform the tax structure and restore work incentives in order to encourage the production of new goods, which will help to balance supply and demand conditions and thereby to mitigate inflation. The tax legislation must reduce marginal income tax rates and capital gains rates. Tax reform must abolish the inane distinction between taxes on savings and taxes on wages (so-called "unearned" and earned income). Savings are, in part, stored wages and must be taxed the same way, or savings will evaporate.

(3) Renovate the regulatory policy. Decontrol of energy prices would be the symbol of serious intent to sweep away excessive impediments to commerce and economic growth.

(4) Encourage the Federal Reserve System to moderate creation of money and credit, such that the supply of new credit is strictly consistent with the demand for credit by producers who need it to create new goods and services during the same market period.

(5) Commit, publicly and unequivocally, to a free and open world trading order under American leadership. The indispensable conditions for achieving such an open world order are twofold. At the earliest possible moment, perhaps January 1982, the president should announce his intention to restore a stable dollar to the world by creating a gold-based currency. Second, the president should call for an international monetary conference, to be held in January 1983, to reform the world monetary system, to uphold an open trading system, to contain the rising tide of protectionism.

Each of these five policies is, by itself, necessary. But, alone, each will be unavailing. Therefore, all should be done together, for only together will the new economic policy be sufficient.

The new financial policy to end inflation would rely on the creation of real economic growth and more jobs—not on unemployment and reduced demand—in order to produce more goods, not less.

In Britain, Prime Minister Margaret Thatcher has chosen instead the course of austerity—restrictive monetary policy, public sector deficits and timid tax poli-

cies—along with the painful consequences of unemployment and bankruptcy. What pathos there is in this apostle of the free market, presiding over the disassembling of British industry and almost 9 percent unemployment—the worst level since the Great Depression.

President-elect Reagan can avoid the Thatcher trap. But he must move soon and with profound understanding and conviction about the course to be followed.

There are six months in which to decide and to act. There is a way out of the maze of inflation. But in this particular crisis, the economic stabilization plan must not be characterized, as in past emergencies, by price and wage controls. On the contrary, the new program for economic renewal will deal with the crisis by a systematic reformation of economic institutions. Economic recovery must rely upon a reawakened nation, market institutions, free prices, mobile factors of production and a stable currency.

It is true that, in the absence of sound policy, we shall survive this crisis too. It is the lot of businessmen and working people to accommodate and to survive. But to what end? Eight percent unemployment? Twenty percent interest rates permanently? Ten percent inflation rates? Bankruptcy? Wage and price controls?

It cannot be that these are the results we desire. Our goal is an end to inflation. President Reagan was elected to do it—and now he must.●

ON SOLZHENITSYN

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. MICHEL. Mr. Speaker, one of the truly great men of our time is the Russian author and champion of human rights, Aleksandr Solzhenitsyn. Recently, the eminent American social critic and philosopher, Michael Novak, spoke about the greatness of this man and the challenges his love of God offer democracy.

I insert "On Solzhenitzyn" by Michael Novak, from National Review, February 6, 1981, into the RECORD at this point.

ON SOLZHENITSYN

(By Michael Novak)

Democracies do not take kindly to prophets. On the coins of the United States, we read: "In God we trust." I have always taken this to mean: "In no one else."

My colleague George Will has coined many phrases that I like, but one especially: he describes certain persons as not simply conservatives, but "stained-glass conservatives." This designation captures neatly enough the protest of Aleksandr Solzhenitsyn against modernity.

It might even be possible to read Solzhenitsyn's address at Harvard as an updating of Pope Pius IX's famous critique of modernity, "The Syllabus of Errors." Solzhenitsyn, like Pius IX, is adept at pointing out the errors, one-sidedness, and blind spots in many of the things which we, in a liberal democratic society, hold most dear. Like Pius IX, he holds up in contrast some of the ideals of models of Christian civilization from the past—their ideals rather than their practices.

Without question, Solzhenitsyn is a man for the ages. His artistic talent and moral stature make the rest of us seem small by comparison. It is a privilege to live in an age in which he lives.

Some years ago—in a way foreshadowing the rise of the brave workers of Poland—Aleksandr Solzhenitsyn addressed several audiences in the United States under the auspices of the AFL-CIO. My wife, Karen, and I were privileged to hear him in New York.

He stood there exactly as a great Russian novelist ought to appear: tall, straight, ascetic, in a long whitish beard, like some Tolstoy or Dostoyevsky of our imagination, a prophet illustrated on the pages of the Book of Exodus, brave, indomitable, speaking truth as he saw it to an audience composed largely of journalists and radio and television folk, who, he could be quite sure, could not or would not understand him. He said in somber, quiet, ringing tones that we were engaged, like it or not, recognize it or not, in a war of survival. He betted us, at least, even if we did not choose to uphold our own side in this war of ideas, this struggle of all-too-material forces, at least—please—not to help the Soviet leaders, whom he insisted upon regarding not only as tyrants but as moral impostors—not to help the Soviets shovel earth upon the coffins of those they buried.

One of the great literatures of the twentieth century is prison literature. Consider Dietrich Bonhoeffer's reflections in a Nazi prison. All through Eastern Europe there are men and women of undoubted greatness confiding words to paper, which one day our children may read. Mihajlo Mihajlov, himself the author of such reflections from the prisons of Yugoslavia, considers, in "Underground Notes" (1976), the weight and spiritual meaning of that literature. What such writers have discovered is basic, elemental, at the root. They have discovered that, more powerful than the body, more basic than the emotions, deeper than will or intellect, is a force which gives life, permits seemingly superhuman endurance, invigorates every capacity and possibility of the human being. Mihajlov does not hesitate to name this power for survival: it is soul.

There is in human beings, beyond the reach of totalitarians and jailers, beyond the influence of colleagues faint of heart and longing for death, a force of life and for resistance: soul. Soul is beyond the reach of systems, a motivating, driving force, an originating source of energy, able to stand in utter solitude. Soul has, moreover, direct access to "the love that moves the sun and the other stars." It is indomitable.

This soul, Mihajlov writes, is the root of democracy. It is the originating force at the base of every human right, the source of every human hunger for liberty. It is common to all of us but it is not collective. It is, above all, individual, closer to each of us than our self to ourself.

Solzhenitsyn knows this force well. He has met his own soul. It is the source of the fire that burns in him. One feels its presence on every page he writes. It is a power deeper than consciousness, a source of enormous transcultural, trans-systemic reverberation. Who that is human is wholly insensitive to it? It discomfits, renders uneasy, makes our daily preoccupations seem shallow and relatively wasted. (It is as if one spelled his name: Solzhenitsyn.)

The great novelist, however, in concentrating so single-mindedly on soul, at times overlooks its necessary political, economic, and social artifacts. Human soul does not live alone. It is embodied—in social, political, and economic systems, as well as in human skin, tissue, sinews, and organs of feeling and sensibility.

Solzhenitsyn often seems to wish to reject modernity, "Western ideas," above all: democracy and all its works and pomps. He sometimes seems to desire a world of soul alone, leaders infused with virtue, peoples astonishingly and simply committed to the evangelical laws of peace, justice, order, and charity. If this were a world of angels, Solzhenitsyn's vision would create a City of Light. Its rulers would be saints, its people willing followers, its constitution the very laws of God. The civilization he envisions would be a heavenly city.

It is stunning, after all, to see how closely the dream of Solzhenitsyn mirrors the dream of his arch-enemy, Karl Marx, how he has turned Communism inside-out as a vision of effortless Christian civilization, populated not by sinners but by the virtuous, organized not by trial and error, checks and balances, separation of powers, and the differentiation of systems (political system, economic system, moral-cultural system, each relatively independent of the others), but organized by simple righteousness. He guides us to a heavenly city, before we have learned to live in the sinful climes of earth.

This grand leap from soul to paradise, without any of the purgatories of democracy, enraptures his mind. In place of opinions, he would have blazing truth. In place of legalisms, laws, and lawyers, he would have respect for God's order and individual dignity. In place of pornography, solicitation, avarice, he would have the simplicity of a life lived according to the Gospels.

Solzhenitsyn believes that democracy is an invention of the Enlightenment. In this he is profoundly wrong, wrong above all about the very texts he holds most dear: the Gospels. Jacques Maritain, one of the authors of the Universal Declaration of Human Rights of the United Nations—to whose existence not only on paper but in the minds of men and in powerful institutions, Solzhenitsyn has often paid homage—was wiser.

Maritain discerned, in "Christianity and Democracy," that the basic moral energies of the democratic way of life owe their origins to convictions nourished by those "peoples of the narrative," Jews and Christians. To such peoples, Maritain observes, human life is shaped by each human soul. Each may be faithful, each may fail. King David may sin. King David may act heroically. One never knows the outcome of a chapter in David's life, until his freedom has issued in choice. A whole people may send history down a destructive path that may last for generations, or a whole people may prepare the way for God's will. History is open: open to progress—and also to decline. The peoples of the narrative necessarily have a profound sense of sin, risk, danger, even at the heart of their aspirations for justice, liberty, charity and peace. Their narrative keeps being written. There is suspense in every chapter. The pivot of the narrative is liberty of soul.

Democracy grows out of such a narrative: may grow out of it—nothing is predetermined, Democracy is a system respectful of liberty, therefore open to sinners as well as saints, therefore soliciting the worst in people as well as the best. Wherever democracy is in effect, there the saintly eye will be scandalized, the aspiring ear assaulted, the longing heart rendered sad. For human

beings, being free, often loathe their freedom and abuse it. Democracy by no means entails virtue, even though it cannot survive without it.

Solzhenitsyn does us honor, though he may not think so, by being so affronted by the awful cheapness, vulgarity, and open sinfulness of our way of life. Any system open to human liberty as it actually is, must necessarily abound in visible signs of sinfulness. No more can democracy be sinless than Communism (committed, as Solzhenitsyn sees, to systematic lies) can drive out all virtue. The human heart is endlessly mixed. "In God we trust—in no one else."

Solzhenitsyn understands the City of God. From the depths of a kind of hell, he has retained a vision of what might be. He understands rather less well the City of Man. He sees its errors and its sins clearly enough. He sees that men act, all too visibly, like the Gadarene swine, following "sophistication" over the precipice. But he has yet to perceive how democracy is an effort to cope with a Jewish and Christian vision of man's sinfulness, not by a premature attempt to leap beyond sinfulness into paradise, nor by a foolish attempt to eradicate it, but by a vigilant effort to force it to become creative despite itself.

Democracy attempts to turn even self-interest, by a kind of practical alchemy, into the mutual service of all to all. Democracy accepts the Jewish and Christian vision of human fallibility, bestiality, will-to-power, of world, flesh, and the devil—takes men as they are—and tries by scaffolding and dikes, laws and contesting interests, the clash of poets against corporate leaders, abortionists against anti-abortionists, politicians against dreamers, seers against the stupid, to hold the rickety human enterprise on a course of liberty and justice for all. Impossible dream. Republic of sinners. Capable of avarice and generosity. An experiment implausibly expected to endure its own civil wars, not to mention its universal contest with powers determined to destroy it.

Democracy may be too imperfect for Solzhenitsyn, but only if mankind is too imperfect for him. All cannot be heroes as he is. Democracy imitates the "plain wisdom" of the Scriptures, as James Madison called it. Its vision is not grand—barely of a tunnel large enough for each free person to crawl through. In this sense, democracy itself is cut to the humble dimensions preferred by Judaism and Christianity. It wishes, in the end, only to stumble across the line, still free, still struggling for justice, still working to achieve some elemental equality. Democracy is better cut to sinners than to saints.

I am sorry, sometimes, then, that we disappoint the great Solzhenitsyn. But I would have it no other way. Here we honor prophets, but do not follow them except slowly, humbly, from a distance.

Yet with Solzhenitsyn's great message we do stand in agreement. The world is, sadly, split apart. World War III did begin in 1945, and the correlation of forces is less in our favor now than then, less so now than at any time in the history of this Republic. We are at an hour of maximal peril.

Yet so, also, is our foe. A system based on lies cannot endure. The world cannot survive half slave and half free. The reckoning rumbles in Poland. Events are gaining in rapidity. The great chapter of our age is drawing toward its climax.

It is good to have a seer in our midst, to alert us, to accuse us, to toughen us, to awaken us. We need not regard him as an architect of a just world in order to hear him, from our reverie, as a bugler. If we awaken, if we show honesty, courage, and communion with all who rise for liberty, we may prevent the worst from happening. We will not help the gravediggers shovel earth on those they bury. We will carry the ideas of democracy where they are most dreaded, most feared.

So forgive us, Solzhenitsyn, for stopping short of your City of Light. For us, our humble ways seem better.

I do not know the words in Russian, but perhaps the sentiment will be familiar to an Orthodox ear, even though the words are those of the Latin I learned in childhood:

Agnus Dei, qui tollis peccata mundi, miserere nobis.

Good words, for a democracy.●

NO DEAL WITH IRAN

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ASHBROOK. Mr. Speaker, I rarely insert into the RECORD letters to newspaper editors but every now and then I come across an exceptionally well written piece which I think should be shared with my colleagues. Recently I read just such a letter in the Toledo Blade. In the Blade's January 28 edition, Mr. Elliott Sluhan of Toledo made some excellent suggestions with regard to the past U.S. policy toward terrorism and terrorist foreign governments. Specifically, he refers to the despotic Government in Iran.

Mr. Sluhan recommends that the U.S. Government refuse to roll over and give in to ridiculous Iranian demands and that our future foreign policy be based on strength, not weakness. I agree with him. For too long, we have genuflected to terrorist powers around the globe. Now is the time to set a precedent. And we can do just that in our future dealings with Iran.

I urge my colleagues to read Mr. Sluhan's letter.

NO DEAL WITH IRAN

To the Editor of The Blade:

Shortly after the taking of the 52 American hostages in Iran that moderate and intelligent statesman, Anwar Sadat of Egypt, made an incisive and prophetic observation in Cairo. Said Mr. Sadat, characterizing Ayatollah Khomeini: "He is a sick and vindictive old man who preaches a twisted personal hatred under the guise of Islam. Khomeini has nothing whatever to do with the true faith of Islam, and as a people we are all the worse off because of him."

Now, as Americans, our heartfelt joy and thanksgiving over the safe release of these hostages are being overshadowed by emerging tales of horror and brutality these patriots have brought back with them. Isn't it time that we as a nation realize that we shall continue to reason and negotiate with civilized nations but adopt a different system in dealings with uncivilized, unconscionable, and brutal people?

The tiny but strong-willed nation of Israel has never negotiated with any terrorist group on any level. They are to be commended for their resolve. And yet the recent, and fortunately past, Carter administration elected to negotiate the transfer of some one-quarter of Iran's frozen U.S. assets to this despicable nation with supposedly more to follow. President Reagan has authority to negate and terminate the transfer of any further Iranian monies.

And what should be done with the remaining $2.5 billion or so? Here are three suggestions:

See to it that all former hostages receive sizable cash amounts for their personal agony and anguish.

Settle in U.S. courts all valid financial claims by other U.S. firms and individuals against Iran.

By executive order transfer the full remainder to the U.S. Treasury as payment for crimes of war perpetrated by Iran against the United States.

Without question the Iranians care little for the sacredness of human life. In their war-torn desperation they were out for "cold cash." Let's be sure we deprive them of it.●

PROBLEMS WITH CONVERTED CONDOS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ROSENTHAL. Mr. Speaker, I want to call to the attention of my colleagues two articles which appeared on the front page of the Washington Post on February 3, 1981, and February 5, 1981, dealing with the rapid increase in conversions of rental housing units to condo or co-op status and some of the problems connected with this phenomenon.

In the February 3 article, which I placed in the RECORD on February 3, 1981, at page 1626, the Post reports that the number of converted condominiums in the Washington metropolitan area has increased substantially in the 1979-80 period. At the same time, the article states: "The most striking finding in the survey * * * was that the construction of new rental apartments fell to virtually nothing while conversions were eating into existing rental stocks at a higher rate than in any previous year." The article also recognizes the "much greater social impact" caused by conversions as opposed to new construction "because in many cases conversions squeeze out the relatively poor, the elderly, and those on fixed incomes."

The February 5 article deals with yet another problem attributable only to conversions and not to new construction—the structural defects and unrepaired major systems—such as heating and air-conditioning—too often found in even expensive conversions. The article details the problems encountered by purchasers in several luxury condo conversions in Washington, D.C., and discusses several law-

suits pending against the developers and converters.

The Commerce, Consumer, and Monetary Affairs Subcommittee of the Government Operations Committee, which I chair, has been conducting an investigation into the public policy implications of the dramatic increase across the country in the number of conversions of rental units to condominium and cooperative ownership. We are concerned with how governmental programs and activities impact on the conversion trend.

The problem of failure to make needed repairs raised in the February 5 Washington Post is not limited to the Washington area. It seems to occur in many conversions the subcommittee has reviewed. There are literally dozens of lawsuits alleging failure of the developer to disclose needed repairs or structural defects. It is a too-common byproduct of the conversion process. The typical conversion makes only cosmetic changes in a rental building which may be in need of costly renovation. Also, too often inadequate contingency funds are set aside for unexpected structural problems or repair needs and the new owners are hit with large assessments to remedy a situation which the developer should have taken care of. In one conversion undertaken by the American Invsco Corp. of the Beaver Hill apartments in Jenkintown, Pa., the local newspaper, the Times Chronicle, reported on November 27, 1980, that tenants there have alleged that an engineering report obtained by the developer was "incomplete." The newspaper adds that the tenants wanted to have their own report prepared but the new owners said that they would not allow an engineer representing the tenants to inspect the building. Surely, at minimum, tenants should not be asked to buy "a pig in a poke."

Another byproduct of the conversion phenomenon is the deterioration of existing rental housing while rental owners wait to be bought out by condo developers. In Philadelphia recently this failure to make needed repairs in rental buildings which are in the process of conversion resulted in great hardship to tenants, many elderly, when the heating system in one building failed in 7 degrees temperature. The building in question had recently been sold to a developer which made cosmetic changes but avoided fixing a long malfunctioning heating system. The Philadelphia Inquirer had an editorial on January 6, 1981, attributing this situation to "the evils of unrestricted condominium development." This editorial appeared in the CONGRESSIONAL RECORD of January 22, 1981, at page 890.

The conversion phenomenon has given rise to a range of serious problems. The Subcommittee on Commerce, Consumer, and Monetary Affairs will continue to explore these problems and issues of concern to the Congress.

The February 5, 1981, Washington Post article mentioned above follows:

WEALTHY OWNERS OF CONDOMINIUMS SUING THE SELLERS

(By LaBarbara Bowman)

Many of the well-heeled who snapped up thousands of new condominiums in Washington in the last three years are now claiming that they have been victims of expensive but shoddy workmanship: roofs that leak, ceilings that sag, heating systems that go dead in deep winter and air-conditioners that break down in steamy July.

Former Sen. George McGovern, Amtrak president Alan Boyd, former presidential adviser Virginia Knauer and other owners at 2029 Connecticut Ave. NW, have filed a $3 million lawsuit charging that their developer, Conrad Cafritz, left them with sagging and cracking ceilings.

Up the street at Cathedral Park, 3100 Connecticut, where one-bedroom condominiums now sell for more than $100,000, the owners are replacing most of the ceilings in the apartments on the top floor because green wood used in the attic during the building's renovation was warped.

Farther up the street, the diplomats, lawyers and others who live at 3701 Connecticut have filed a $2.5 million lawsuit against their developer, alleging that the roof leaks, the heating system doesn't always work and that the central air-conditioning system must be scrapped and replaced.

Twenty-five percent of the 14,851 converted and new properties have or will experience warranty problems with the roof, heating or air-conditioning systems, or plumbing or wiring systems, said Robert L. Beall, a vice president at Legum and Norman, one of the city's largest condominium management firms.

Art Hiban of Shannon and Luchs, agreed with Beall's 25 percent estimate. Although the city's condominum law, one of the toughest in the nation, requires developers to give prospective buyers engineering reports on the condition and life expectancy of the vital systems in the buildings, these reports "are usually shallow and don't tell you much," Hiban said.

James Stanford vividly recalls that two months after he moved to his $62,000 South Brook Court condominium on 16th Street, "one wonderful Saturday morning I woke up to the dripping of water and went to my kitchen to find a big flap of plaster hanging from the ceiling and water coming in quite fast."

The building's roof leaked, he said. Then there was the brownish colored rash on his living-room wall that came from moisture seeping in around an improperly caulked vent. The developer made the repairs, he said.

"You feel like you've been had," said Jack Murphy, administrative assistant to Sen. Barry Goldwater (R-Ariz.) and a resident of Cathedral Park where ceilings in 40 apartments on the top floor are being braced or replaced.

With city condominium prices sometimes in six figures, the purchasers, who included senators, congressmen, judges and top White House and Capitol Hill staffers, expected the units "to be perfect in all substantial respects," said Devin J. Doolan, an attorney who now represents some of the buyers.

Many of the buildings that people bought into two and three years ago in the midst of condomania were old and suffering from neglect because of high operating costs and rent control, said several real estate sources.

While some developers did extensive and quality renovations, Beall said, others simply cashed in on the boom with primarily cosmetic renovations. Then "zealous sales agents" painted a life of almost trouble-free living that was reinforced by the high prices, said Beall.

Some in the real estate industry said the problem will probably grow because of the large number of buildings converted to condominiums in the last two years.

Although only 395 apartment units were converted in 1977, the number jumped to 1,918 in 1978 and tripled to 4,287 in 1979, city records show. Figures for 1980 were unavailable.

Hiban said that Shannon and Luchs recommends to its condominium clients that they hire their own engineers to evaluate the condition of the "big ticket items," such as the roof, the plumbing and heating systems and the wiring.

Many of the disgruntled occupants contend that the faulty workmanship should be covered in the two-year warranties mandated by city law, but developers often disagree.

Mike Brenneman, a leader in condominium sales and conversions (he sold the units at 2029 Connecticut), angrily defended the developers' work.

"I question some of the things that I'm hearing that developers have done badly or did not do at all," he said. "The perception of the problem is nothing more than that . . . . It is my opinion that most of the conversions have been done credibly," although there might be "imperfections here and there."

Although some of the fault apparently lies with the developers, Doolan, Hiban and others also believe some buyers have unreasonable expectations of condominium life. "People must realize when they are buying used housing there will be problems," said Doolan. "Since it is not new, your expectations have to be somewhat different."

At 2029 Connecticut, where the 26 owners make up a virtual Washington's who's who—Amtrak president Boyd, McGovern, Rep. Lindy Boggs, (D-La.) and Knauer—residents have alleged that developer Conrad Cafritz left them with "plaster ceilings in some or all of the condominium units requiring repair, renovation, restoration or replacement."

Cafritz contends that he sold the 26 units in the 1917 building in an "as is" condition in 1977 after making some repairs and now he is being asked to guarantee "against any and all unexpected problems resulting from the age of individual building components."

The owners of the 206 units at 3701 Connecticut Ave. alleged in their suit, filed last April, that the developers, Marcel, Stephen and Robert Weiss, all of New York, reported a useful life remaining for the building's major components that was "inflated, excessive, inaccurate and misleading."

The Weiss brothers denied the allegations and said that any losses or damages were the result of "negligence, improper or inadequate maintenance, alternation or normal wear and tear or accident" caused by the new owners.

Fred Fitzgerald, a lawyer for the Federal Communications Commission and president of the condominium owners association, said the new owners have paid out almost

$80,000 to patch the air conditioning system, buy new boiler parts and make other repairs.

And beginning last month, each owner started paying an additional $104 a month on top of the average $200 condominium fee to finance the replacement of the central air-conditioning system.

Mark Sager, who lives on the top floor, recalled that last summer, "it was so unbearable one night I sat in the bathtub and I thought of going to a hotel." The air-conditioning system breaks down often, said Sager, an insurance agent, who paid $75,000 for his two-bedroom unit.

At Cathedral Park, however, the owners can no longer sue their developer under a settlement they made with the company two years ago in which it agreed to make other repairs in the building including replacing the boiler.

With the growing dissension about warranty problems, the Community Association Institute, a private organization of homeowners, condominium developers and managers, lawyers and public officials will hold a forum Feb. 24 at the Tysons Westpark Hotel on Rte. 7 in Tysons Corner to discuss the ways that condominium owners and developers can resolve their disputes short of costly court battles.●

PAUL EDWARD KING: CALIFORNIA WINNER FOR THE VETERANS OF FOREIGN WARS VOICE OF DEMOCRACY CONTEST

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. BROWN of California. Mr. Speaker, I am pleased to announce that the California winner for the 1980–81 Veterans of Foreign Wars Voice of Democracy Scholarship Contest is a resident of my congressional district, from Fontana, Calif. The essay winner, Paul Edward King, is an active student at Fontana High School, where he is preparing for a bioengineering career. His essay shows a keen perception of his environment, a commitment to the future of the United States, and a personal dedication to be a constructive part of our future.

Mr. Speaker, I commend Paul Edward King for this honor and recommend the following essay to my colleagues. The essay follows:

The fire was in the west, casting a red glow over the dusk sky. Large, dark, billowing clouds reflected the sunlight, casting purple, red, and brown hues over the earth; while a salt-scented sea breeze pushed itself through a redwood forest on the Pacific Northwest coast, fanning the flames back to forests that had been devoured only minutes before.

A young man, wearing firegear, and carrying a pick and shovel, wound his way through the trees near the fireline. The air was hot, but then he had been in murderous heat all day. Lines of determination around his eyes and mouth seemed to have been baked on by the inferno he had battled the past two days.

He wiped his brow with his hand. The fire would be out before too long, thanks to the opposing evening breeze that was slowing the spread of the fire. Two days ago he had felt a strange mixture of excitement and fear when his squad had been called upon to fight this fire. Then, the heat of the flames had changed his excitement and fear into sharpened will and determined effort: He would use every method he could to stop the advancing flames. Now, though he was exhausted; he was beginning to feel the thrill of victory. Tactics he and other firemen down the lines had used, plus the change in wind, were now paying off.

By morning all that would be left of the fire would be smoldering patches of easily extinguished hot spots. His efforts had helped to prevent the fire from destroying many more acres than it had; no lives had been lost, and for that he was grateful.

This young firefighter's attitude and spirit is typical of American youth today. When we are confronted by danger or a challenge; we rush to meet it head on. We have dedicated ourselves to our country, and like firemen, when confronted by a fire; we will battle with persistence and strength of will, any danger which threatens our freedom and security.

I am a member of today's youth. I know of many challenges that have risen to face America, and each time America has proved stronger than the challenge. Today, I see challenges which threaten us as no others have in the past: our dependence upon foreign oil and gas, our military unpreparedness, inflation, unemployment, and the ever-increasing chance of war. These problems cannot be solved in a short time, and as a member of today's youth; I know our faces are set with lines of determination. We are preparing ourselves to confront these dangers that threaten our way of life.

All through our history, problems that have confronted our country have been solved by those who have had the training to do so. These "problem solvers" were the educated; those who had been trained to think and dream of new things. This is the path I have chosen; to dream and think, and then, above all, to act, so that my dreams and thoughts will come true.

Others of my generation will choose to become politicians, lawyers, or military men, so that they might solve such problems as unemployment, inflation, and the threat of war. I have committed myself to a future in engineering. This a field in which I will be at the forefront of new and exciting technologies that will be used to solve our energy problems. Imagine great solar power satellites, hanging in orbit around the earth, beaming vast amounts of solar energy in the form of microwaves to earth; or closer to home, the control of the power which fuels the sun: fusion energy. An energy which would supply us with all the power we would ever need.

SOLAR POWER SATELLITES AND FUSION ENERGY

The future is coming and I am like the fireman. I am excited by the challenges we must face, but I do not cower in fear, nor do I ignore the challenges. I am rushing to meet them head on, the best way I know how, by getting an education. An education that will train me to deal with any troubles I, or America must face. Watch for me in the future, for I will be there, at the fireline, fighting my part of a great battle that can only end in victory.●

UKRAINIAN INDEPENDENCE DAY

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. FORSYTHE. Mr. Speaker, for more than a quarter of a century, the U.S. Congress has recognized Ukrainian Independence Day. This year marks the 63d anniversary of the Ukrainian National Republic, the largest non-Russian nation within the Soviet Union.

The history of the Ukrainian independence movement and, more recently, the continued occupation of Afghanistan by the Soviet Union and the threat of Soviet intervention in Poland, underscores the need for a reaffirmation, internationally, of a primary principle of international law, that each nation-state is a sovereign entity. One nation's forceful control over another is one of the most debilitating acts possible against the peace and stability of the existing international order. Such acts are as intolerable today as they have always been to the free world.

Perhaps today as never before, the American people have realized this as last week we celebrated the return to freedom of 52 of our fellow citizens. In rejoicing over their return, we celebrated our own freedom and pride in our Nation. That is why I think it particularly fitting that, in light of the renewed spirit of American patriotism, we take a moment to recognize, to sympathize, and to applaud those like the people of the Ukraine who cherish freedom and are striving to achieve it.●

FOR AMERICA, NOW OR NEVER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. MICHEL. Mr. Speaker, former Secretary of the Treasury William E. Simon has recently written an article for the Dallas Morning News that raises serious questions about the will and the determination of the American people—and especially the Congress—to do what must be done to restore our Nation to economic soundness.

I insert this article, "For America, Now or Never," from the Dallas Morning News, January 25, 1981, in the RECORD at this point:

FOR AMERICA, NOW OR NEVER

(By William E. Simon)

This is it!

There is no more leeway!

For some time a number of us have been traveling up and down this land warning (and in the last few years screaming) about

our nation's precipitous decline. In the beginning there were few, and most of us were disdainfully dismissed as, well, certifiably insane.

Time, unfortunately, has proved us right. I do not think I exaggerate when I say that we are faced, quite literally, with our extinction as a bastion of freedom, prosperity and democracy.

For years I have been among the most vocal (read in some circles as "irritating," "abrasive" or worse) in warning that the next few years would be our last chance. My greatest fears have been realized, and I think it is safe to say that now even economists, academicians, politicians, scientists and media gurus have, in spite of their earlier rhetoric, been forced to the same conclusion.

Could anything be plainer? We have so disregarded the tenets of free enterprise, and so interfered with the natural workings of the economy in a desperate attempt to repeal universal economic laws by government fiat, that in 1980 we became a 7-times multiplication table of disaster: 7 percent unemployment, 14 percent inflation and 21 percent interest rates.

The two basic industries in the United States, steel and automotive, have had a calamitous year, battered by the one-two punch of inept domestic fiscal and monetary policies, and of international competitors who freely subscribe to policies that were once our pride.

Did you ever expect to see all three of our major automobile makers running in the red, with one quite literally propped up by Uncle Sam?

How many times can the housing industry be knocked flat within a few months before structural damage impairs it permanently?

When did you ever see an economy rebound from a recession, and before the first quarter of the recovery ran its course, economists of all persuasions had the next recession in sight?

When have you seen the federal budget jump in such uncontrollable increments? In three years' time, federal spending has jumped by more than 30 percent and the concept of a balanced budget is little more than a joke. And please remember that these figures do not take into effect the rapidly escalating off-budget items.

We talk about the strangling burden of overregulation and it has now become a cliche, but we quickly lose sight of the fact that proposed regulations in the Washington pipeline are worse than any that are already on the books. One distinguished economist has put the cost of overregulation at $125 billion. How many nations in the world would like to see their country's entire GNP at that level?

These are some of the reasons that so many of us worked for the election of Ronald Reagan and a conservative Congress. And it is clear that the people of this still great country finally understood and heeded the call. There has not been, in the memory of most of us a president and a Congress more committed to do that right thing to set this country on course to reclaim its inherent greatness. And yet, ironically, that is the problem.

Why? Because now that we have elected men to high office who are committed to economic and political freedom and who show every evidence of understanding the workings of a free economy, there is a tremendous temptation for all the rest of us to sit back and let them do it. It is as much as to say that we have done our job by electing them—let's go back to business as usual.

You see, the greatest mistake we could make in 1981 and beyond is to think that all our problems are economic, and now that we have put in a good team, they can solve them. That belief is nothing less than suicidally destructive.

Our problems are and always have been political. And the real battles are now beginning. And I say this in spite of a growing consensus to reduce spending, reduce taxes, slash regulations, contain the money supply within the limits of our own growth, restore our defense capabilities—indeed the whole platform which served as a basis of such landslide victories this past November.

It will take every ounce of courage and skill by this administration to pursue the entire program and ceaselessly fight for its enactment. I assure you that my Washington experience has shown me how fast people in all walks of life abandon principles when it requires them to give up some government largesse. The labor unions will recklessly scream for more. The bureaucracies will resist any tampering with their fiefdoms and domains. Those on the public payroll will scream to maintain their prerogatives and their jobs whether they are needed or not. And sadly my experience in Washington—still painful—showed me that businessmen, captains of industry, those who should be in the forefront arguing for the government to back off and allow competitive free enterprise to work, are in the forefront of the mob with their hands held out.

The enormity of the challenge confronting this country today can be seen in the simple fact that there really is not a great deal of disagreement with the economic program that must be promulgated. The difficulty lies in the execution—the political problem. Already the Washington skeptics are confidently whispering that the Reagan team will never be able to make a significant dent in the budget. We will be lucky, they say, if the new administration can merely reduce the rate of growth in spending. Even before inauguration, estimates of a balanced budget were being pushed to the end of the first Reagan term, and sadly the cynics have history on their side.

How easy it will be for congressmen to accept the goodies—the tax cuts, the new programs, etc.! And oh how they will resist the tough ones—the budget cuts, the program cutbacks, the agency eliminations, etc.

Now is the time, if there never were one, for courage and statesmanship. Now is the time to end once and for all "politics as usual" as it has been practiced for half a century on the Potomac. Now is the time for every American to keep the pressure on those in power to do the job that must be done. If the Reagan administration and the new Congress fail, if they temporize, and compromise, they will be held, rightly, more culpable than any administration in our postwar history for the debacle that will inevitably follow.

But let me go on record now: If our leaders are forced to compromise again the ultimate blame is yours and mine. For if that happens, we will have turned our back once more. This time, though, will be the last time we will ever have the choice. Indeed, if all of us as a people, and our leaders, are not steadfast now, we will have few if any choices about anything ever again.●

UKRAINIAN INDEPENDENCE DAY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. YOUNG of Florida. Mr. Speaker, as we commemorate the 63d anniversary of the independence of Ukraine, I join my colleagues in praising the indomitable spirit of a once-free Ukrainian people, who have lived under Soviet domination for all too long.

Over the years, occupied Ukraine and its sister captive nations have sadly seen the ranks of subjugated peoples grow. Afghanistan is only the latest victim of Soviet aggression, and even the already-enslaved people of Poland cannot feel safe from invasion by their erstwhile protectors.

The proud Ukrainians have refused to let the fire of freedom burning within them die out. They stand as not only sad reminders of the cruelty and barbarism of the Soviet Union, but also as shining examples to the world of how a people cannot be conquered by the force of arms. They deserve the world's admiration for keeping the spirit of January 22, 1918, Ukraine's day of national independence, alive.

At this time, with the Ukrainian people's struggle fresh in our minds, we Americans should rededicate ourselves to the principles which we so take for granted, and for which Ukrainians dream for their homeland: Liberty, self-rule, and justice. Those who lose these precious gifts make us who enjoy them every day appreciate their worth, for these underpinnings of our democratic system are all too rare in the world today.

My prayers and best wishes are with the Ukrainian people, along with my continued vow to keep their memory and their cause alive. They are an inspiration to us all and deserve this small but sincere and affectionate tribute to their cause.●

THE TRUTH ABOUT THE MORAL MAJORITY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. ASHBROOK. Mr. Speaker, in the months since the November Republican landslide, cries have been heard from many of the liberals repudiated at the polls. The finger has pointed at the Moral Majority, an organization previously ignored and downplayed by the liberal elite. The Moral Majority is no longer ignored. It is no longer downplayed. It is an orga-

nization now feared by those who have so routinely ignored and misrepresented public opinion. And is so often the case when the stakes get high, those who have been repudiated have cried "dirty pool." They submit that the reins of power in our Nation are being handed over to a band of right-wing, reactionary radicals who will destroy freedom as we know it. Maybe they really believe that. I do not.

The fact is that the Moral Majority is made up of millions of sincere, dedicated Americans who have become alienated by the increasing turning away from basic, American values. They were always there but what really concerns the liberal is that they are now organized. For years, liberals have been extremely well organized. And they have held the reins of power in American government. Now they face a group which is just as organized. And they are concerned. They are very concerned.

Since the Republican victory in November, liberal leaders and establishment-liberal figures in the news media have worked overtime to distort the motivation of the Moral Majority. They have cried censorship. They have cried radicalism. They have cried racism. They have made ridiculous arguments about separation of church and state. They have even intimated facism. That is absurd.

I recently read an article in the January 19 edition of the Dayton Journal Herald, written by a retired minister, the Reverend Horace H. Mohler of Trotwood, Ohio. It is one the best articles I have read on the matter of the growing strength of the Moral Majority and I commend it to my colleagues. It is a thoughtful, intelligent piece which repudiates the liberal charges of censorship.

The Mohler article follows:

[From the Dayton Journal Herald, Jan. 19, 1981]

MORAL MAJORITY SEEKS TO SPARE NATION

(By Horace H. Mohler)

It should not be surprising in this political year to have discovered that distinct philosophical differences have surfaced between liberals and conservatives.

This is not to say the cleavage hasn't always been there, but in the weeks since Nov. 5 the fact stands out in bolder relief.

This phenomenon may have had more attention recently than in most memories. Possibly it is because a new and very descriptive term—the Moral Majority—has caught on and become part of our vocabulary.

To one faction it has the ring of victory and success.

To another the disreputable odor of anathema.

Its degree of permanency is yet to be seen.

The practical aspect of such diverse philosophies is an effective polarization of the electorate, almost as deep and divisive as the ruptures that existed in the mid-19th century between North and South. The one great difference is that few observers see on the home front as threatening antipodal positions as existed in Civil War days. But feelings run deep nonetheless.

If one were to speak for those who fostered the rise of the Moral Majority, one must at the same time ask if the terminology employed is altogether accurate. The connotations of "moral" should not be in question. But the implications of a majority can be suspect.

Are they accurate and convincing? History is in agreement that the people of God have been through their generations largely moral.

But have they been in the majority? The Holy Scriptures bear witness that evil has succeeded at times in almost annihilating the good, that the forces of righteousness versus unrighteousness are traditionally in mortal conflict.

At this post-Christmas season the "moral" of my story may appear as an almost happy one, attested to by the Christmas season itself.

"The wrong shall fail,
The right shall prevail,
With peace on earth, good will to men."

—*Longfellow*

But, alas, post-Christmas moods fade away.

I meditated somewhat on these issues on Christmas Day and surveyed again some of the recent articulations of the media journalists and commentators.

Bob Schumacher (*JH* TV critic) for one, writing on "Religious groups will fight TV raunch," (*JH*, Dec. 20), concedes that while TV fare does not always smack of the ideal (I couldn't agree more), and states that "what does need to be questioned is the arrogance and self-righteousness inherent in any effort by one group of people to control the kinds of ideas and entertainment anyone else is going to be exposed to."

He raises the explosive term "censorship."

What Mr. Schumacher bypasses, however, along with a veritable host of other analysts, is the fact and dire results of national sin. Always the God of heaven through his servants and prophets has assured peace and prosperity to those who keep his moral precepts, while gravely warning that "sin is a reproach to any people."

No nation has ever survived the reality of His calamitous judgments once they are brought to bear. The large issue certainly goes beyond risque entertainment (witness literally dozens of even more serious carnalities), but national tastes in diversion do accurately reflect the moral fibre of a people. (Misstatement of the year: "We are morally strong."—President Jimmy Carter).

Certainly "censorship," in its ramifications, is similar in its practical effects to waving a red flag in the face of a bull. But if we read the Moral Majority scenario correctly, the launching of censorhip is not among its goals.

Rather its adherents seek to spare our beloved nation from ultimate terror, the righteous judgment of an offended God.

Let no one delude himself into thinking that America is exempt. Repentance is an old word and a meaningful one. It is not yet out of style.

The Moral Majority has, in the words of one of its chief proponents, tried to turn America around. Censorship, per se, is not one of its weapons.●

UKRAINIAN INDEPENDENCE

HON. EUGENE V. ATKINSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. ATKINSON. Mr. Speaker, I am proud to participate in today's commemoration of the anniversary of the independence of the Ukraine, which took place 63 years ago on January 22, 1918. As we know from history, this independence was short lived. For the next 3 years the country was invaded on all sides by the Soviet and Polish Armies, and torn within by internal strife. In 1921 the Ukrainian Army was defeated and the Soviets and the Poles divided the Ukraine with the Soviets gaining most of the territory.

In subsequent years, the Soviet Government has dealt with the continued existence of a vigorous and unrelenting Ukrainian nationalistic movement. Through cultural and political manipulation, attrition through propaganda, discrimination, and outright suppression, the Soviets are ultimately seeking to deny the Ukrainians any separate national identity toward the larger goal of total loyalty to the U.S.S.R.

Today over 47 million people in the Ukraine are subject to the purges of the U.S.S.R. They have no guarantees of civil or political rights. When we speak about human rights we speak not only of those persons subject to physical and mental abuses but also of nations held captive, suffering political and cultural repression and economic exploitation. The U.S.S.R. has imposed severe restraints on Ukrainian culture—limiting language study, literature dissemination, and cultural celebrations.

Today, over 2 million Americans, proud of their Ukrainian heritage, are living under free institutions and are able to celebrate this day of independence. But 47 million Ukrainians are not able to share in this celebration. These persons live under continued oppression in their homeland without guarantees of civil rights, self-government, or the freedom and independence which are the precepts under which all civilized societies function.

It is my hope Mr. Speaker, that when President Reagan formulates a policy on human rights, he will keep in mind the needs of the peoples subjugated behind the Iron Curtain. It is important that we Americans express our support for the continuing struggle of the people of the Ukraine. As a free nation we must never forget that millions of people persevere daily to preserve their dignity and God-given human rights.

I salute the proud and courageous Ukrainian people here and around the world.●

INEQUITABLE AND INADEQUATE TREATMENT OF WOMEN UNDER SOCIAL SECURITY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Ms. OAKAR. Mr. Speaker, today I am introducing five bills which will correct the inequitable and inadequate treatment of women under social security. These bills represent 2 years of intensive investigation and study by the Select Committee on Aging's Task Force on Social Security and Women, which I have the privilege of chairing. Our present social security program is founded on outdated assumptions concerning the role of women in our society and the nature of marriage. Millions of women have inadequate protection under social security; millions of others are penalized because they experience the misfortune of divorce, or because they divide their worktime between homemaking and childrearing, and participation in the paid labor force. The most visible effect of these biases and gaps in the program is the fact that of all the elderly poor, 72 percent are women. The average social security benefit for single older women provides them an annual income below the poverty line. Moreover, because so many women encounter age and sex bias in employment, lack private pension coverage and have few assets and little savings, they must rely primarily on social security for their retirement income. The bills I am introducing will strengthen and modernize the social security system by enhancing protection for homemakers, disabled and surviving spouses, working married women, and divorced spouses. Naturally, I am encouraging my colleagues to join with me in cosponsoring these reforms. A brief summary of the bills follow, along with the full text of each bill.

NEW SOCIAL SECURITY LEGISLATION TO BE INTRODUCED IN JANUARY 1981

(By Representative MARY ROSE OAKAR)

H.R. 1513—SOCIAL SECURITY MODERNIZATION ACT (MANDATORY EARNINGS SHARING)

The combined earnings of a husband and wife during their marriage shall be divided equally between them for purposes of determining eligibility for, and the amount of, old age and disability benefits. The bill maintains the current treatment of, among others, children's benefits, requiring that all earnings be credited to the wage earner for the purpose of calculating those benefits. The bill contains a present-law guarantee that, if the combined benefits of an individual and his or her spouse would be greater without application of earnings sharing, it shall not apply. The bill also mandates periodic Congressional studies of the operation of Earnings Sharing. Full-scale Earnings Sharing (excluding present-law guarantees) will be implemented by 2010, contingent upon the assessments, evaluations, and recommendations of the Congressional studies. (Long-term cost: estimated .5 per cent of payroll)

H.R. 1514—INHERITANCE OF EARNINGS CREDITS BY SURVIVING SPOUSE OR SURVIVING DIVORCED SPOUSE

When a spouse dies, the surviving spouse or surviving divorced spouse automatically "inherits" the deceased spouse's earnings credits to the extent that the credits were earned during their marriage. The couple must have been married to each other for a continuous period of at least three years immediately prior to the spouse's death or the date the divorce became final. Disabled worker benefits could be paid at any age to disabled individuals based on their records as altered by inheritance. Disabled widow(er)s who gain disability insured status only through the use of inherited credits must meet the test of disability that is presently applied for disabled widow(er)s who claim survivor's benefits. The bill contains a present-law guarantee that, if the benefits of a widow(er) would be greater without application of credit inheritance, it shall not apply. Present-law guarantees will be terminated by 2010, contingent upon the findings and recommendations of mandated Congressional studies to determine impact. Where the deceased; spouse has other survivors entitled to benefits on his or her account, for benefit purposes, the Social Security Administration will treat his or her earnings as if the inheritance had not occurred. (Long-term cost: estimated .2 per cent of payroll)

H.R. 1515—CREDIT SPLITTING AT DIVORCE

Credit splitting at divorce will make Earnings Sharing mandatory upon application by either party following a divorce. At the time of the divorce, if the marriage lasted at least three years, either party could apply for earnings credits. The Social Security earnings credits received in the years of marriage by both spouses would be added together and each spouse would be credited with half of the combined total. Earnings credits from years before or after the marriage would be unaffected. Thus, divorced homemakers or secondary earners could gain entitlement to benefits as retired workers. Credits gained as a result of credit-splitting could be used to gain entitlement to disability benefits. In those cases where combined benefits of both spouses would be higher under present law, credit splitting would not apply. (Long-term cost: estimated .2 per cent of payroll)

H.R. 1516—TRANSITION BENEFIT

This bill provides for payment of a "transitional benefit" to the widow(er) of an insured individual upon the wage earner's death, if the surviving spouse is at least 50 years old at the time of the wage earner's death and not otherwise immediately eligible for benefits. The benefits would be available only for the month in which the death occurred and for the next three months. The benefit would be 71.5% of the wage earner's primary insurance amount (PIA) or, if the spouse's own primary insurance amount is higher, 71.5% of that amount. (Long-term cost: estimated .01 per cent of payroll)

H.R. 1517—DISABLED WIDOWS/WIDOWERS UNDER SIXTY

Under present law disabled surviving spouses are eligible for benefits at an actuarially reduced rate beginning at age 50, based on the deceased worker's primary insurance amount (PIA). This bill would make disabled surviving spouses eligible for benefits at any age and with no reduction. (Cost estimate unavailable.)

H.R. —

A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and assure that each spouse will have social security protection in his or her own right

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Modernization Act".

SEC. 2. Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"SHARING OF EARNINGS BY MARRIED COUPLES

"SEC. 234. (a) This section shall not apply with respect to any individual or spouse for any month, and any benefits payable under this title for any month on the basis of the wages and self-employment income of either shall be determined as though this section had not been enacted, if

"(1) the total of the combined benefits to which such individual and spouse would be entitled for such month under this title as a result of the application of this section is less than the total of the combined benefits to which they would be so entitled without regard to this section, or

"(2) such individual is deceased and the amount of the widow's, widower's, or mother's insurance benefit to which such spouse would be entitled for such month (on the basis of such individual's wages and self-employment income) as a result of the application of this section is less than the amount of the widow's, widower's, or mother's insurance benefit to which such spouse would be so entitled without regard to this section.

"(b)(1) The combined earnings of an individual and his or her spouse, to the extent that such earnings are attributable to the period of their marriage (as determined under paragraph (2)), shall be divided equally between them and shared in accordance with this section for purposes of determining their eligibility for old-age or disability insurance benefits and the amount of the old-age or disability insurance benefits to which each of them is or may become separately entitled.

"(2) For purposes of this section with respect to any two individuals who are married to each other, the 'period of their marriage' is the period—

"(A) beginning with the first day of the calendar year in which their marriage occurred, and

"(B) ending with the last day of the calendar year preceding the earliest calendar year in which one of them dies, they are divorced, or one of them files application for old-age or disability insurance benefits, whichever first occurs;

except that (i) no such period shall begin for any two individuals whose marriage to each other occurs after one of them has filed application for old-age insurance benefits, (ii) no such period shall begin for any two individuals whose marriage to each other occurs after one of them has filed ap-

plication for disability insurance benefits unless his or her period of disability (and entitlement to such benefits) has theretofore ended or, if it has not theretofore ended, until such period (and such entitlement) ends, and (iii) such period shall include the 'earliest calendar year' referred to in subparagraph (B) for purposes of recomputations for that year under section 215(f)(2), in any case where one of them dies or they are divorced, unless the survivor (where one of them dies) or either of them (where they are divorced) is remarried later in the same year.

"(c)(1) Except to the extent otherwise provided in subsections (a), (d), (e), and (f), whenever two individuals are married to each other they shall each be credited for all of the purposes of this title with wages and self-employment income, for each calendar year for which either of them is credited with any wages and self-employment income without regard to this section during the period of their marriage, in an amount equal to (A) 50 percent of the combined total of the wages and self-employment income otherwise credited to both of them for that year if (at the close of the month for which the benefit determinations involved are being made) they are both still living, or (B) 100 percent of such combined total, up to but not exceeding the maximum amount that may be counted for that year without exceeding the ceiling imposed for that year under section 215(e), if (at the close of such month) one of them has died.

"(2) Nothing in this section shall have any effect upon the crediting of wages and self-employment income to any individual for any calendar year not included in the period of such individual's marriage; but to the extent that wages and self-employment income are credited pursuant to this section the other provisions of this title specifying the manner in which wages and self-employment income are to be credited shall (to the extent inconsistent with this section) be inapplicable.

"(3) As used in this section, the term 'spouse' includes a divorced spouse, a surviving spouse, and a surviving divorced spouse except where the context requires otherwise.

"(d) Subsections (b) and (c) shall not apply with respect to the crediting of wages and self-employment income for any calendar year, in the case of any individual and his or her spouse, if (1) as a result of the application of such subsections with respect to that year either of them would cease to be a fully insured individual (as defined in section 214(a)), or (2) one of them is applying for disability insurance benefits (or for the establishment of a period of disability) and as a result of the application of such subsections with respect to that year would cease to be insured for such benefits under section 223(c)(1) (or for such a period under section 216(i)(3)).

"(e) Subsections (b) and (c) shall not apply for purposes of determining the amount of the benefit payable to any individual for any month if (1) the total amount of the wages and self-employment income credited to such individual for the period of his or her marriage, as determined without regard to this section, is higher than the total amount of the wages and self-employment income credited to such individual's spouse for that period, as so determined, and (2) such individual's spouse (taking subsections (b) and (c) into account) has not filed application for old-age or disability insurance benefits by the close of such month.

"(f) Notwithstanding any of the preceding provisions of this section—

"(1) benefits payable under subsection (d) or (h) of section 202 on the basis of the wages and self-employment income of any individual, and benefits payable under subsection (b), (c), (e), (f), or (g) of such section 202 (on the basis of such wages and self-employment income) to any person other than a spouse who has shared in or been credited with a part of such individual's earnings under subsections (b) and (c) of this section, shall be determined as though this section had not been enacted if (A) the application of this section has changed such individual's primary insurance amount from what it would otherwise have been, and (B) the crediting of wages and self-employment income to such individual and his or her spouse without regard to this section would increase the amount of such benefits; and

"(2) in the application of section 203(a) (relating to maximum family benefits) with respect to benefits payable on the basis of the wages and self-employment income of any individual, where all or any part of the wages and self-employment income of such individual and his or her spouse was credited to them in accordance with this section, the primary insurance amount of such individual (and the crediting of his or her wages and self-employment income) shall be determined in accordance with this section but the benefits payable to any other person on the basis of the wages and self-employment income of such individual shall be determined as though this section had not been enacted and as though such person had made application for any benefit or benefits to which he or she would (upon such application) be entitled.

"(g) Notwithstanding any other provision of this title, no wife's, husband's, widow's, or widower's insurance benefit shall be paid to any individual for any month under subsection (b), (c), (e), or (f) of section 202, and no individual shall be entitled to any such benefit, unless—

"(1) the period of such individual's marriage (to the spouse or former spouse on the basis of whose wages and self-employment income such benefit is payable) ended before the effective date of this section;

"(2) such individual is under the age of 62 (and is otherwise entitled to such benefit);

"(3) such benefit is payable without regard to age and solely by reason of such individual's having a child in his or her care; or

"(4) the application of this section to such individual is prevented by subsection (a), (d), or (e) (or by clause (i) or (ii) of subsection (b)(2)).

"(g) For purposes of subsections (b)(2) and (e), an individual's application for old-age or disability insurance benefits shall be deemed to have been filed on the first day of the first month for which (by reason of the operation of section 202(j) or 223(b)) such individual is entitled to such benefits.".

SEC. 3. (a) Section 202(b)(1) of the Social Security Act is amended by striking out "The wife" and inserting in lieu thereof "To the extent permitted by section 234(g), the wife".

(b) Section 202(c)(1) of such Act is amended by striking out "The husband" and inserting in lieu thereof "To the extent permitted by section 234(g), the husband".

(c) Section 202(e)(1) of such Act is amended by striking out "The widow" and inserting in lieu thereof "To the extent permitted by section 234(g), the widow".

(d) Section 202(f)(1) of such Act is amended by striking out "The widower" and inserting in lieu thereof "To the extent permitted by section 234(g), the widower".

(e) Section 205(c)(5) of such Act is amended—

(1) by striking out "or" at the end of subparagraph (I);

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(K) to reflect any changes in the crediting of wages and self-employment income which may be necessitated by section 234.".

(f) Section 215(b) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) The determination of the wages and self-employment income to be credited to an individual under this subsection shall in all cases be made after the application of section 234.".

SEC. 4. (a) Except as provided in subsection (b), the amendments made by this Act shall apply only with respect to the crediting of wages and self-employment income to years in periods of marriage (as defined in section 234(b)(2) of the Social Security Act) ending after the date of the enactment of this Act, and with respect to the payment of benefits for months after December 1981.

(b)(1) Subsection (a) of section 234 of the Social Security Act, as added by the first section of this Act, shall terminate on December 31, 2009, and shall apply only with respect to benefits payable for months ending on or before that date.

(2) The appropriate committees of the House of Representatives and the Senate shall conduct a study, in 1985 and in each fifth year thereafter occurring prior to the date specified in paragraph (1), in order to determine the probable impact upon beneficiaries of the termination of section 234(a) of the Social Security Act on such date, giving particular attention to the numbers and types of beneficiaries who are likely to be harmed by such termination and the extent to which their benefits are likely to be adversely affected. Such committees shall promptly report the results of each such study to their respective Houses, together with their recommendations with respect to such termination.

TRIBUTE TO HON. EMANUEL CELLER

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. CHAPPELL. Mr. Speaker, I am pleased to have this opportunity to join with my colleagues in paying tribute to our former colleague and the former dean of the House, Emanuel Celler, who died January 15 at age 92.

During his 50 years in the House of Representatives, Manny Celler steered through this body four constitutional amendments of great significance: Allowing citizens of the District of Columbia to vote in Presidential elections, barring the levying of poll taxes in Federal elections, the amendment on Presidential disability and succession, and lowering the voting age to age 18.

Manny Celler's many accomplishments reflect his persistent energy and dedication. Not only was he responsible for all of the major civil rights bills of this century, but he kept bottled up a host of proposals that would have weakened the Bill of Rights. As chairman of the House Judiciary Committee, Manny played a key role in shepherding into law the first comprehensive civil rights legislation enacted by Congress in 82 years.

It is rare when a man of Manny Celler's abilities spends so many years in public service. A quote attributed to him on the Washington Star obituary page sums up the nature of this wonderful man:

To be a successful congressman, Celler once said, "one must have the friendliness of a child, the enthusiasm of a teenager, the assurance of a college boy, the curiosity of a cat and the good humor of an idiot."

I am privileged to honor Emanuel Celler, and to emphasize not only how much this man's tireless efforts contributed to our society, but also how much his former colleagues revered his accomplishments. I know the history books will treat Manny Celler with great respect and admiration.●

DR. VIKTOR BRAILOVSKY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. STRATTON. Mr. Speaker, I would like to take this opportunity to join my colleagues in expressing my concern for Dr. Viktor Brailovsky, a prominent Soviet scientist and refusenik, who is being held in prison in the Soviet Union.

I rise to urge Soviet authorities to comply with international accords and provide Dr. Brailovsky with proper medical attention for his serious liver ailment, and I urge that the Brailovsky family be allowed to emigrate to Israel.

Dr. Brailovsky and his wife, Irina, are both doctors of computer science. Viktor Brailovsky, a specialist in mathematical statistics and cybernetics, is a member of American and British mathematical societies, and has been elected a member of the Academy of Sciences in my home State of New York.

In 1972 the Brailovskys decided to emigrate to Israel with their children, Leonid and Dalia, but their petition was denied, allegedly because of Irina's access to secret information at Moscow University. Viktor was granted a visa in 1976, but refused to leave without his family.

In response to these refusals, the Brailovskys became involved in the Jewish immigration movement, and Viktor organized the Moscow Seminar of Jewish Scientists.

When it became known that Viktor wished to leave the Soviet Union, he lost his job. But, as Irina described in a Los Angeles Times article, although he was cut off from the computer science technology, he worked with paper and pencil in the field of mathematical statistics and wrote a series of theoretical science works, four of which have been published in American science journals.

Viktor organized the Sunday Seminar of Jewish Scientists to provide a forum for discussion among other displaced physicists, mathematicians, and chemists, and held the seminars in his home.

Since 1972 Brailovsky and his family have been repeatedly harassed by Soviet authorities, and he has been imprisoned several times. The most recent incident took place on the day of a Sunday seminar, whereby according to Irina, police and KGB agents prohibited members from attending the meeting and arrested Viktor.

Dr. Brailovsky has been thus denied not only physical freedom to emigrate, but also intellectual freedom to exchange ideas with other scientists. These policies and actions are antithetical to values we hold in the United States.

The Brailovsky story is one of a series of incidents of unjust treatment of people who challenge Soviet authority, and have the courage and dignity to defend their rights.

I join my colleagues in protesting the blatantly anti-Semitic emigration policy of the Soviet Union, and the cruel and unfair treatment of the "refuseniks" and other dissidents.●

IN RECOGNITION OF UKRAINIAN INDEPENDENCE DAY

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. SAWYER. Mr. Speaker, the anniversary of Ukrainian Independence Day was celebrated on January 22, 63 days after freedom from Czarist Russia was declared.

The spirit of freedom continues to exist in the minds of all Ukrainians, even though their country has been illegally occupied by the Soviets for the past 61 years. It is particularly appropriate that we recognize the importance of the day celebrated on January 22, for many reasons.

First, Ukrainian Independence Day can serve to remind us of how sacred and treasured the privilege of freedom actually is, especially to those who have not known it for an appreciable period of time. Second, we should be reminded that Soviet aggression and oppression is not exactly a new phenomenon. Just as the Ukraine, Latvia, and Lithuania were illegally occupied and eventually seized, so too has Afghanistan, and potentially Poland, been targeted by the Soviets.

Finally, we must continue to support Ukrainian aspirations of achieving a permanent freedom. This goal has never faded or dimmed in the memories of all Ukrainians. Their tenacious clinging to the hope of reattaining their independence should be an inspiration to those of us who take our freedoms for granted.●

IS THE ALL-VOLUNTEER ARMY READY TO FIGHT?

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 6, 1981

● Mr. McCLOSKEY. Mr. Speaker, I insert in the RECORD today the third and fourth articles published in last December's Washington Star on the personnel problems of the All-Volunteer Force (AVF):

[From the Washington Star, Dec. 17, 1980]

U.S. SHELL GAMES COVER UP SERIOUS LACK OF READINESS

(By John J. Fialka)

Providence is always on the side of the last reserves.—Napoleon

BRAUNSCHWEIG, WEST GERMANY.—For the first time since World War II, the tanks of the 2nd Armored Division, Gen. George Patton's "Hell on Wheels" unit, were rolling through the northern plains here. They were fighting a mock battle near the East German border.

While it took Patton months to prepare his forces and move them here to Germany's "tank country," Col. Paul Schwartz, commander of the division's 1st Brigade, had brought his 2,000 men here from Fort Hood, Texas, in six days. If it came to war, Schwartz explained, he might do it in three or four days.

Germany is a country where people constantly live with the thought of war, where the autobahns and bridges are built with hollow sections so that demolition crews could quickly deny Warsaw Pact tank columns easy passage from the East.

But the defense of West Germany in the swift, high-technology war NATO planners now envision may depend on Schwartz's getting his troops in place even quicker than his projections allow. While the United States had two years to build and test its army in World War II, the type of defense the United States is committed to here will pose a severe, almost instantaneous test of the readiness, stamina and combat skills of the units stationed in Europe.

The U.S. Army apparently is increasingly incapable of meeting that test. Its mounting problems in the areas of troop morale, competence and readiness, which have been revealed in recent NATO competitions and in Army studies, are among the unstated reasons why the United States has difficulty convincing West Germany to increase its defense spending and its manpower commitment to NATO.

As one senior diplomat in Bonn put it: "The West Germans measure their defense

contributions in the skill of their army and in the size and readiness of their reserves. Those are areas that the U.S. has difficulty matching and that is where the problems here begin, although the Germans will never state that publicly. It is not just money. It is a complex, multi-faceted problem, and your army is squarely in the middle of it."

Perhaps the best way to understand the problem is to begin with the basic NATO plan for World War III, a concept called Forward Defense. Like the celebrated Von Schlieffen plan of World War I and the Maginot Line of World War II, it is an ambitious concept, but not without some rather rigid, controversial aspects.

In essence, it will require the two U.S. Army corps stationed here—some 215,000 soldiers—to fight at their assigned border positions and to hold for days without benefit of reserves.

In the classic military battle—the kind fought on sand tables in military academies and in the complex war games now flooding U.S. markets—the prudent commander almost always keeps one-third of his forces back. He will yield some land to gain enough time to be sure he knows where the enemy commander has committed his main force before committing his reserve units.

Under the Forward Defense concept—the foundation of NATO's defense structure and the underpinning of what has been considered for years as the United States' most serious foreign defense commitment—all forces here would be committed, thrown at the border to save as much of West Germany as possible.

Col. Schwartz's unit and the others coming in from the United States, Britain, Belgium and the Netherlands would be the reserves. Just how fast they materialize and how combat-ready they may be are not, as in previous wars, merely the tests of who will win or lose. Planners here regard them as the key determinants of whether and when an escalating nuclear war will begin.

Forward Defense is essentially a West German invention, deeply rooted in the geography and politics of America's strongest ally. Twenty-five percent of West Germany's industry and a considerable part of her population are situated in a 62-mile-wide strip along her eastern borders.

"Even minor losses of territory would be serious," explained Lt. Col. Hans Goebel, assistant head of the policy section of the German Defense Ministry's equivalent of the U.S. Joint Chiefs of Staff. "No German government could accept a strategy which gives up terrain in order to gain time. This requires Forward Defense as far east as possible."

As Goebel explained it, the concept requires "instantly available" forces that would attack the invader to prevent even a limited penetration. "We want to force the enemy to fight troops of several nations right up close to his border. For this we may have to accept certain operational disadvantages," Goebel added, referring to the absence of immediately available reserves.

"The defensive action we plan will be strongly tied to existing terrain. It will mean high casualties in the early stages," Goebel said, noting that for several months NATO planners have believed that the Soviet Union is building up the capability to launch an attack from a "standing start," an attack that could begin with as little as two days of obvious preparation.

If that happens, Goebel continued, then reserve units like Schwartz's, flying in from U.S. bases, might not arrive in time.

Much would depend upon the willingness of a U.S. president to send his troops before the battle, he pointed out.

"Early political decision is necessary. Time is the decisive factor, if the defense is to be successful. We envision a war for some days. After that, decisions to employ nuclear weapons or to go to negotiations must be undertaken," the German officer explained.

The U.S. commitment to the rigors of the Forward Defense concept, coupled with the chronic recruiting problems of the all-volunteer Army, is, according to U.S. Army officials, the major reason why overall Army readiness is poor and why six divisions now in the United States—including most of the units that would be sent over as NATO's reserves—are not ready for combat.

For several years, as recruiting has become difficult and as skilled sergeants and technicians have quit in droves, Army personnel experts have engaged in a shell game to keep Army units in Germany at or above their assigned combat strength. Many units in U.S.-based divisions have been "zeroed out," turned into paper phantoms so the recruits who would have filled them could be assigned to Europe, according to Gen. Edward C. Meyer, the Army's chief of staff.

The game has been played most intensely with sergeants. To fill their rapidly diminishing ranks, some sergeants have been permanently "borrowed" from stateside units and others have been given quick turnarounds, leaving them relatively little time between long tours in Germany.

This, in turn, has caused more sergeants to leave the service. The net effect is that many stateside units, including Schwartz's, have only 70 percent of the sergeants they're supposed to have.

According to Gen. Meyer and other Army leaders, a nation cannot have a credible army without competent sergeants. They are the basic teachers of the arts of warfare, the glue that holds small units together. They are a considerable part of the Army's corporate memory, especially when it comes to moving, firing and maintaining the complex tanks, guns, missile and communications systems needed to fight a NATO war.

Schwartz's unit came here not only lacking many sergeants, it also came over without most of its equipment. The 2,000 men came from Fort Hood with their M-16s and their field packs stuffed into chartered commercial airliners, just the way the reserves would arrive in time of war.

They landed where they would land in war, at the U.S. Air Force base at Ramstein, some 370 miles from the border. They drew their tanks and armored personnel carriers from specially built, air-conditioned warehouses at three nearby locations. Then they crossed the Rhine by ferry because one of the assumptions of the mock battle is that enemy aircraft have already blown the bridges.

The equipment warehouses constitute another kind of Army shell game shoring up the concept of Forward Defense. They contain some of the Army's best equipment, about three divisions' worth. The equipment is rarely used, but is well-maintained by German workmen.

The tanks drawn by Schwartz's men were two years old, but in excellent condition. They are part of a $3 billion equipment store that is known by one of the Army's more mind-boggling acronyms—POMCUS (prepositioned equipment configured in unit sets.)

POMCUS is another major reason why six U.S.-based regular Army divisions and nearly all of the Army Reserve and state National Guard units are short of the modern equipment they would need to be considered ready for combat.

Much of the equipment in the warehouses was accumulated during years of tight defense budgets by diverting new stocks from stateside units and indefinitely postponing modernization of equipment in National Guard and Reserve units, many of which train with Korean War-vintage equipment.

By 1982 according to Army plans, there will be three more divisions' worth of POMCUS here, roughly another $3 billion worth of equipment. Army planners see no other way to equip the reserve force in time, because flying the heavy equipment over would be a logistical and financial impossibility given the immediacy of the expected need.

These are just the surface features of the strategic games that are being played here involving the U.S. Army. There are shell games within shell games. A good bit of the U.S. war reserve equipment stored here was borrowed for the Vietnam war and later drawn down for the 1973 Arab-Israeli conflict. Some of it has yet to be replaced.

The reserves for the reserves, the trained replacement soldiers who would be needed to fill casualties in Schwartz's unit and in front-line U.S. Army units, are largely nonexistent.

Because the Army reserve structure has suffered enormous attrition during the all-volunteer era, the branch of the Army that is supposed to provide replacements—the Independent Ready Reserve—is somewhere between 300,000 and 700,000 people short of the trained soldiers that would be needed in a NATO war scenario, depending upon which Pentagon official makes the assessment.

All of this, combined with the declining quality and morale in the active Army, have given West Germany military planners a peculiarly cold-eyed view of U.S. proposals to shift resources to the Persian Gulf.

That view was heightened a few weeks ago when Gen. Meyer decided to tackle the sergeants problem by stripping 6,000 sergeants from Army units here. They are now being shipped back home to rebuild what Meyer calls the "hollow Army" in the states, especially its long-neglected training base.

Although Meyer has repeatedly stressed that the move will eventually improve the U.S. ability to reinforce NATO as well as to project power into the Persian Gulf, that part of the message has become garbled here.

West German military officials know what happens to an already troubled army when you suddenly remove a large chunk of its sergeants, and Meyer did not help matters any by his failure to tell the West Germans about the move in advance.

"It (the failure to consult) is the devil's own cycle and we have to get out of it," said Gen. Franz-Joseph Schulze, who developed much of the current NATO defense plan while serving as planning deputy to Gen. Alexander M. Haig when he was Supreme Allied Commander for NATO.

Schulze, who retired from the West German Army a year ago, said that while the official reaction from Bonn was subdued, "the real fear is that this is the beginning of another thinning out of the U.S. forces in Europe as we have seen during Korea and the Vietnam War."

One of the principal worries, Schulze said, is "whether the buildup of the (U.S.) Rapid

Deployment Force will destroy all of our rapid reinforcement plans for Europe."

Each year NATO demonstrates its muscle to reinforce West Germany in exercises called Autumn Forge. The U.S. part of the exercise, the part that brought most of the "Hell on Wheels" division to exercises in northern Germany, is called Reforger.

This year Reforger was highlighted by the drop of a battalion of paratroopers from the 82nd Airborne Division flown directly from the United States, an event that caught the attention of the media, but did little to ease the German concerns about the U.S. Army.

"I have serious doubts whether politicians will do what soldiers are trained to do: to act into the face of uncertainty," said Schulze.

"You need forces on the ground. We have seen a fundamental change in reinforcement policy during the last three or four years. I would argue that to deter you have to get rid of the Reforger philosophy."

"If you want to deter a nuclear exchange, then that means the forces have to be there before the nuclear exchange," he added. "After the nuclear exchange anyone who has a structured force could be the emperor of Europe and that could be the Swiss if the Russians decided to spare them."

[From the Washington Star, Dec. 18, 1980]

SOCIAL UPHEAVAL CHANGES SHAPE OF ENLISTED RANKS IN THE ARMY

(By John J. Fialka)

One of the first things the new Reagan administration's defense planners will discover is that the U.S. Army is no longer quite all there.

In 1965, Congress, the constitutional overseer of the Army, authorized a force structure of 16 combat divisions. To fill and support them then required the services of 1,422,493 soldiers and civilians.

Today there are still 16 combat divisions, but somewhere on the long, hard road from Vietnam, the Army has shrunk by 194,000 soldiers and 94,000 civilians.

Despite the cutbacks—largely in enlisted ranks—Army officials insist their service has been growing ever stronger. "All in all, the Army now generates one-third more combat power than it did five years ago, and it does so with fewer soldiers," asserted Clifford L. Alexander Jr., secretary of the Army, in a recent speech.

Alexander was touting some of the new features of the Army: its complex, high-technology weaponry, the large numbers of women now present in the lower ranks, the greater percentages of people from minority groups and the high school dropouts who have fleshed out the ranks during the lean recruiting years of the late 1970s.

But almost any outsider who spends some time on an Army base or talks to experts about the Army on Capitol Hill and in academia will quickly find a large number of people who disagree with Alexander's assessment.

One of them is Dr. Charles C. Moskos Jr., professor of sociology at Northwestern University. Moskos is regarded as one of the foremost experts on the enlisted soldier. His views about Alexander's pronouncements are often very succinct.

"That's just baloney," he told a reporter.

Perhaps the most critical measure of the quality of the people in that pipeline is the number of high school dropouts the Army is attracting. In the 1965 Army, only 28 percent of the draftees were dropouts. Among the 1980 volunteers the figure is 46 percent.

Meanwhile, according to the Department of Education, the percentage of high school dropouts among 18-year-olds in the nation as a whole has declined from 33 percent to 26 percent.

Other services do much better. This year 75 percent of Navy recruits are high school graduates, the Marines reached 78 percent and the Air Force has 83 percent.

The Army has more black recruits than the other services. In 1970, blacks comprised 14 percent of the Army's enlisted ranks. At the moment 33 percent of new Army recruits are black. The percentage of blacks in combat units is between 40 and 50 percent, and, according to Alexander, 24 percent of the three top sergeant positions are now held by blacks.

In contrast, 22 percent of the Marine Corps is black. The Air Force, which is 16 percent black and the Navy, which is 11 percent black, more closely resemble the racial makeup of the nation as a whole, where 12 percent of the people between 17 and 44 years of age are black.

An interesting aspect of these statistics is that the Army is the one branch of service where the new black recruits are more highly educated than the whites. The Army's blacks, in terms of education, are fairly representative of their age group as a whole. The new white recruits are not, scoring far below the levels of their civilian peers.

In a sense, the Army's problem is a problem of color, but it is not the one that some people might think it is. "If you could paint the number of white high school dropouts blue, they would stand out a lot more than the blacks do," asserts Moskos, who believes that the almost total absence of the white, middle class soldier in combat units is the most profound contrast between the new army and armies of the recent past.

While the Army's mounting reading problems and its wholesale adoption of seventh grade level, comic-book-like training materials have been widely publicized, another change, the accompanying relaxation in traditional discipline, has not.

On Aug. 6, 1979, boot camp became a relatively benign environment as the Army Training and Doctrine Command introduced "constructive" training techniques.

The new order, called Initial Entry Changing Policies, forbade recruits to call their drill sergeants drill sergeants. They are now addressed simply as "sergeant." Recruits, on the other hand, are to be called "soldier" from the day of enlistment.

Cast out along with "drill sergeant" were skinhead haircuts, "nonproductive stress created by verbal or physical abuse," rules against moustaches, talking in the mess hall, and any notion that a recruit's character upon entering might have to be torn down and reconstructed. Spit-shined boots and polished floors are going out, too.

The new training emphasizes "self discipline" among the troops and a "positive climate" among their leaders.

Recently, troops leaving boot camp at Fort Jackson, S.C., were given an Army questionnaire asking them whether their particular "sergeant" had given them enough sleep, taught them the proper combat skills or used profanity. "How frequently during training were your promised privileges you did not get?" the troops were asked.

Capt. Samuel J. Barlotta, one of the young training officers at the base, recently condemned the whole "positive approach" in an article for one of the Army's internal journals.

"The Army must get back to training soldiers instead of nice little boys and girls who are afraid of hearing a curse word, who have never been subjected to operating in an intense environment, who have never been yelled at and who, when confronted in combat with these types of circumstances, will be overwhelmed and confused.

"They will lay down their arms, costing the lives of you and me, the so-called professionals who trained them but prepared them for nothing," Barlotta warned his fellow officers.

A reporter who spent a day with an MP training battalion at Ft. McClellan found that an even more troubling policy for troop trainers was an edict requiring "unisex" training of men and women.

One week the members of the battalion would fall out of their campus- like dormitories into integrated platoons. The next week the women were put in one platoon and the men in another, as Army officials continued to battle about the policy.

In a private session with a reporter, both the men and the women officers in the unit said their greatest fear was what would happen to the female MPs in combat.

"The policy is that they're supposed to stay back from the FEBA (Forward Edge of Battle)," said one major, a Vietnam veteran. "Now you tell me where that will be and I'll tell you how this is going to work."

There are now 65,000 women in the active army—roughly eight times the level seen in past wars—and another 40,000 in the reserves and the National Guard. An Army fielded with that number of women will not only be a social experiment, but a military experiment as well. No other major army in the world is following the U.S. lead in training women for combat support roles.

Since basic training has been slowed down to accommodate the large number of soldiers with reading and other learning problems coming into the pipeline, recruits are learning only half of the basic combat skills, according to Army officials.

Last month the Army announced it will extend basic training from seven to eight weeks and make it tougher. Because of "budget constraints," however, the Army later admitted that implementing the new regime at all seven training bases will take until October 1983.

Thus many of the U.S. troops on NATO duty in Europe are getting on-the-job training.

The U.S. Army in Europe is attacking the training problem with high technology. Some commanders are being issued new computers so that they can keep better track of unit training hours.

Another experiment under way is something called MILES (Multiple Integrated Laser Engagement System). It is a system of infrared lasers attached to various weapons, and laser sensors that are attached to soldiers, tanks and other battlefield targets.

When a laser beam, initiated by the firing of a blank M-16 rifle bullet or another weapon, hits a special button-sized sensor worn on a soldier's helmet or field jacket, a buzzer goes off, something like that on a car when the seat belt isn't fastened.

The MILES sensors on a tank can distinguish between the lasers of a rifle, an anti-tank missile and the main gun of another tank. When a tank is properly "killed" a siren goes off, an oscillating yellow light on the turret is activated and the tank engine's ignition is turned off.

One of the Army's pet theories is that the American soldier is better because he is

more innovative. The soldiers have proved that in Germany. Privates have tried to thwart MILES by smearing Vaseline on their laser sensors. Sergeants have casually draped ponchos, helmets and plastic bags over the sensors on their tanks.

So far, though, the technicians have stayed one step ahead of them by installing more sensors, and war games are becoming more realistic.

"It's the best breakthrough I've seen in 28 years in the Army," claims Maj. Gen. William J. Livesay Jr., commander of the 8th Infantry Division, which is the first to begin large-scale training with MILES.

There are also a lot of things the enlisted man must do in the modern Army that will never become dramatic, short of an actual war. The list includes memorizing firing sequences for complicated weapons systems, like tanks and missile systems, and a myriad of maintenance chores.

A lot of it is boring, repetitive work, almost exactly the same type of challenge that foiled the high school dropout in the first place.

A young company commander put it this way: "If they're not motivated to get up to the 9th-grade reading level, they're not going to be motivated to learn to hit the target. If there's something wrong with the system, then they have to be able to write a report. If they can't write, that's another problem."

"The part that worries me the most," the captain went on, "is the NBC (Nuclear, Biological and Chemical weapons) part of it. The test for nerve gas is too complicated. You have this sheet of little glass ampules. You break these in a certain sequence and drip them on a sheet of special testing paper which must be heated up.

"By the time some of my guys master that one, we'll all be dead."

Many of the officers and soldiers interviewed for this series noted that soldiers with low intelligence scores and those without high school diplomas can and do serve with courage and distinction. However, nearly all felt that the possession of a high school diploma was the best indicator of whether a given soldier will stick to and finish an assigned task.

According to Army statistics, 35 out of every 100 recruits now leave the Army before the end of their three-year enlistments. Among high school dropouts, the rate is 49 percent. Among women high school dropouts—who are beginning to enter the Army in large numbers—the dropout rate is 59 percent.

Some volunteers leave the Army for legitimate family or health problems, but many of them are leaving for disciplinary or drug-related problems that in an earlier era would have resulted in criminal charges. Today many problem soldiers are simply "papered out" of the Army, given honorable or general discharges.

The new system has certainly eased the burden of Army prosecutors. Among the 12,330 soldiers officially classified last year as deserters—a crime that carries up to a year in prison, forfeiture of pay and dishonorable discharge—Army statistics show that only six soldiers were successfully prosecuted.

But it has not eased the burden of commanders, who can no longer promise their good men that the disturbers in their units will be punished. A recent study by the Congressional Budget Office estimated that veterans benefits are accruing to the Army dropouts—many of whom have completed only a few months of service—at a cumulative rate of about $75 million a year.

There is still one more phase of the pipeline. For the thousands of soldiers now leaving the service every month, it does not end with a military flight home from Europe or Korea, or an early exit from a U.S. military base. For the Army dropout, it ends by pumping him back into the same community, the same ghetto or small town where he came from.

The experience under the philosophy of the new Army has probably not changed him very much: he has failed again. What is different about him is that he is among the relatively few young men in his neighborhood whom the nation has trained to use military weapons.●

SENATE—*Monday, February 16, 1981*

The Senate met at 12 o'clock meridian, in accordance with the provisions of House Concurrent Resolution 58, and was called to order by Hon. STEVEN D. SYMMS, a Senator from the State of Idaho.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray today in the words of President George Washington's prayer for his country.

"Almighty God: We make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the divine author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy Nation. Grant our supplication, we beseech Thee through Jesus Christ our Lord." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 16, 1981.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable STEVEN D. SYMMS, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. SYMMS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader, the Senator from Oregon, is recognized.

THE JOURNAL

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the Journal be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR ROUTINE MORNING BUSINESS AND RECESS THEREAFTER UNTIL 11 A.M. TOMORROW

Mr. PACKWOOD. Mr. President, I ask unanimous consent that following the time allotted this morning to the reading of Washington's Farewell Address, there be a period for the transaction of routine morning business, with Senators permitted to speak therein, and that upon the conclusion thereof, the Senate stand in recess until 11 a.m. tomorrow.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, the granting of this request will not prevent the second reading of any measure that was introduced on the first legislative day, will it?

Mr. PACKWOOD. That is correct.

The ACTING PRESIDENT pro tempore. It will not.

Mr. ROBERT C. BYRD. I thank the Chair.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

Mr. ROBERT C. BYRD. Mr. President, I yield back my time.

ORDER FOR RECOGNITION OF SENATOR BUMPERS ON TOMORROW

Mr. PACKWOOD. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing rules on tomorrow, Senator BUMPERS be recognized for not to exceed 15 minutes, for a special order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 1 minute.

FEDERAL ELECTION CAMPAIGN ACT OF 1971 AMENDMENTS

The ACTING PRESIDENT pro tempore. S. 9 will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 9) to amend the Federal Election Campaign Act of 1971 to provide reforms with respect to campaign contributions.

The ACTING PRESIDENT pro tempore. The bill has been read the second time.

Mr. ROBERT C. BYRD. Mr. President, I ask that no further proceedings on the bill occur at this time.

The ACTING PRESIDENT pro tempore. Objection to further proceeding having been heard, the bill will go to the Calendar, under rule XIV.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

Mr. ROBERT C. BYRD. Mr. President, following the reading of George Washington's Farewell Address, will there be any further morning business?

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for further morning business, with no limitations on statements.

Mr. ROBERT C. BYRD. I thank the Chair.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified February 3, 1981, the Senator from Kansas (Mrs. KASSEBAUM), having been appointed by the Vice President, will now read Washington's Farewell Address.

Mrs. KASSEBAUM, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a

uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite movement, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, or a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently

afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other. These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the Senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which the were procured? Will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political system is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of fraction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed: but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make

it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy, in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with

popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraodinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan, Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct. it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred. without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service. with an upright zeal. the faults of incompetent abilities will be consigned to oblivion. as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the

midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES, *17th September, 1796.*

[Applause, Senators rising.]

Mr. DOLE. Mr. President, I compliment my distinguished colleague (Mrs. KASSEBAUM) for an outstanding rendition of Washington's Farewell Address. She did an exemplary job and I commend her for it. I want the RECORD to indicate that there was great interest in repeating the words of President Washington.

Mr. HELMS. Mr. President, I, too, commend the distinguished Senator from Kansas on a splendid recitation of George Washington's Farewell Address. Never has it been done better.

RESUMPTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume morning business.

APPALACHIAN REGIONAL COMMISSION

Mr. FORD. Mr. President, among the many budget cuts that apparently will be proposed by the Reagan administration is the elimination of funds for the Appalachian Regional Commission—ARC.

I cannot agree with this recommendation and it is one that cannot be rationalized. The Appalachian Regional Commission is one of the most useful and unique programs ever undertaken by the Federal Government.

The agency was created to help the Appalachian region cope with the serious problems of housing shortages and economic development. These problems are still acute and widespread, and solutions will never be possible without continued leadership and direction from the ARC.

On February 13, 1981, Kentucky's largest newspaper, the Courier-Journal, presented a balanced and persuasive case for keeping the agency intact. In order that my colleagues might have the benefit of this perspective, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Courier-Journal, Feb. 13, 1981]

DESPITE ITS SHORTCOMINGS, THE ARC IS WORTH SAVING

Two authors could write separate books about the Appalachian Regional Commission. One could describe 15 years of dramatic change stimulated by aid to a long-neglected region. The other, equally factual, could tell of pork-barrel politics, tangled bureaucracy, misdirected efforts and unfulfilled hopes.

Neither book would tell the complete story. The background is mixed as ARC faces the second major threat—and the most serious one—in its 15-year history. The ax is sharper than when President Nixon tried to dump the agency 10 years ago. The ARC is prominent in Budget Director David Stockman's "black book" of places to save federal money.

The ARC's stormy history began in 1965 as a response to awakened national concern over the seemingly permanent Appalachian depression. The idea was to break the poverty cycle and expand opportunities through cooperation between federal, state and local governments. There would be at least a modest payback for the enormous wealth extracted from Appalachia in the form of coal and timber in past decades.

Since then, the ARC has spent about $4.5 billion—a lot of money, but a drop in the bucket compared to total governmental spending in that time. Surely to no one's surprise, Appalachia is still undeveloped.

But despite Mr. Stockman's contention that ARC has had no identifiable impact, there has been dramatic change. The $4.5 billion has been used to generate other funds—about $7 for every ARC dollar, the agency estimates—that have brought many tangible improvements to Appalachia, and some intangible ones.

In Eastern Kentucky, the examples are plentiful. Eighteen new clinics built with ARC aid bring long-absent health care to rural areas. Pioneering work has been stimulated in the fields of mental health and black-lung disease. Nine ARC-funded child care centers make it possible for parents to work and stay off the welfare rolls. ARC funding has contributed to construction of 3,000 badly needed units of housing. Forty grants totalling $10.6 million have provided community water supplies.

A total of $27.5 million in aid has gone to 46 vocational education programs. Nearly 345 miles of ARC-financed roads have been completed or begun, out of a goal of 585 miles.

That list is only partial. But if the ARC has done nothing else, it has enabled dozens of impoverished Appalachian communities to take advantage of available federal development funds that used to fall through the cracks. Before ARC, weak local tax bases and difficult terrain prevented public improvements that are routine elsewhere.

Little noticed, but probably as important as anything else, is ARC's support to the state's multi-county Area Development Districts, which have developed ideas and fostered cooperation on improvements that individual counties couldn't undertake alone. Some county judges have learned that there's more to public service than distributing a few truckloads of gravel at election time.

During ARC's existence, a tide has shifted. Before 1965, a steady stream of people had been fleeing Appalachia for more than two decades, usually much against their will, to seek jobs elsewhere. County populations shrank. Some communities all but disappeared.

But between 1970 and 1980, census figures show, the population of the part of Kentucky served by ARC grew to just over a million people. That's 16.9 percent more than lived there in 1970. They're also living better. Income in the region was 49 percent of the national average in 1965. It had risen to 66.7 percent in 1977, the most recent year for which figures are available.

ARC didn't do this by itself. The revival of the coal industry has restored employment and stimulated the economy. But the coal industry would be in far worse shape today without the stabilizing community improvements financed by ARC programs.

Mr. Stockman essentially would scrap the ARC, along with nine other regional commissions that get comparatively minor funding, and the Economic Development Administration, a nationally focused agency that pursues goals somewhat similar to ARC's. The "black book" proposes eliminating all of ARC's nonhighway funding, which is mostly administered by the Department of Transportation anyway. Only two or three of ARC's 140 employees work on highways.

And despite the need for roads, ARC's highway program may be its least impressive activity. No amount of money will solve Eastern Kentucky's road problems until the problems of coal transportation, which now chews up roads faster than they can be built, is solved.

Of course, the object of the aid ARC provides should be to eliminate the need for such special help. If Appalachia eventually won't be able to stand on its own feet, such programs are hard to defend. The ARC program should have definite goals, a timetable for achieving them, and eventually a schedule for going out of business.

But meeting goals was made more difficult by the political dilution necessary to create ARC in the first place. Rather than concentrate on problems peculiar to Appalachia, the region was defined as a 13-state area stretching from New York to Mississippi. That brought together enough congressional support to launch ARC and sustain it through 15 years.

There should be better mechanisms for meeting needs of this sort. But the political compromise, however untidy, has led 37 states to agree over the years to help heal serious wounds in 13 others. The ARC, like other useful programs, should absorb its share of budgetary cutbacks. But it would be shortsighted to end the most vital part of this agency's mission when so much remains to be done.

LITHUANIAN INDEPENDENCE DAY

Mr. DOLE. Mr. President, 63 years ago today, the Lithuanian people declared themselves free of the domination of czarist Russia, ending centuries of tyranny and persecution. I would like to bring to the attention of my colleagues a portion of a letter I received from one of my constituents who is of Lithuanian descent, Pranas K. Puronas of Lyndon, Kansas. His letter exemplifies the urgency of American support for the Lithuanian people's struggle for independence from the Soviet yoke.

Mr. President, the text of this letter is as follows:

MY DEAR SENATOR: I am an American of Lithuanian descent, and I invite you to join Americans of Lithuanian descent in commemorating the 63rd anniversary of the establishment of Lithuania's independence on February 16, 1981, and the 730th anniversary of the founding of the Lithuanian state.

I hope that you will demonstrate your own concern for the oppressed people of Lithuania by taking an active part in the commemoration of Lithuanian independence day in the United States Senate. Please do not leave the people of Lithuania forsaken, forgotten and alone in the struggle against the Soviet oppression. Their rights to independence, freedom of thought, conscience and religion for forty years have been terminated by the Soviet Union, a signatory of the universal declaration of human rights and the Helsinki accords.

I urge your continued support for the cause of Lithuania . . .

Very truly yours,

PRANAS K. PURONAS.

Mr. President, as cochairman of the Helsinki Commission, I feel that Mr. Puronas very poignantly expresses the appeal that Americans of Lithuanian descent have directed to the leaders of our great country—that we speak out to help free the people of Lithuania and the other Baltic states from their Soviet oppressors, so that they may be emblazoned with the distinction of national independence. As a nation conceived in liberty, we have the power and the will to help bring about that change.

INCREASE IN SOVIET OPPRESSION

Mr. President, a severe crackdown on dissidents in Lithuania has taken the form of interrogations, searches and arrests aimed at members of the Lithuanian Helsinki monitoring group and at the unofficial press and the Catholic Committee for the Defense of the Rights of Believers. The list of brave dissidents struggling for Lithuanian independence is too long to pay the justice they deserve, but the cases of a few individuals speak for the rest: The trials of Antanas Terleckas, Julias Susnauskas and Algirdas Statkevcius illustrate the types of persecution being faced by all Lithuanian dissidents. On September 20, 1980, Terleckas was sentenced to 3 years of imprisonment and 5 years of exile. Sasnauskas was sentenced to 18 months of imprisonment and 5 years of exile on charges of "dissemination of knowingly false fabrications discrediting the Soviet political and social system." On August 11, 1980, Statkevcius was committed by court order to a special psychiatric hospital for compulsory treatment of "schizophrenia and a mania of grandeur" for his human rights activities.

Other examples of Soviet persecution upon Lithuanian human rights activists are too numerous to discuss, but I would like to share with my colleagues a quote from the editors of a new Lithuanian journal, "Tautos Kelias" (the path of the Nation), which beautifully describes the Lithuanian peoples' struggle for freedom:

The ranks of those who are struggling and sacrificing themselves to keep alive the Nation's determination to recover its liberty is constantly increasing. This growing movement has prompted the appearance of Tautos Kelias . . . it wishes to support those compatriots who are waging an uneven retreat from the battlefield. . .The occupation government is not forever, the hour of Liberation shall come, and Lithuania will be free and independent again.

Mr. President, in hearing these words, I cannot help but reflect upon the struggle for independence waged by our own forefathers a little more than 200 years ago.

THE FOURTH ANNIVERSARY OF THE ARREST OF PROFESSOR YURI ORLOV

Mr. DOLE. Mr. President, on February 10, 1977, the Soviet police arrested Professor Yuri Orlov, founder of the Moscow Helsinki Group, and the initiator of the International Citizens' Helsinki Rights Movement. After detaining him for over a year in pretrial detention—which is a gross violation of Soviet legal norms—the Soviet authorities on May 18, 1978, sentenced Yuri Orlov to 7 years of strict regimen camp plus 5 years of internal exile.

At the time of his sentencing, Professor Orlov was the highest ranking Soviet scientist sent to serve time in the Soviet gulag: Orlov was a corresponding member of the Armenian Academy of Sciences. According to reports from Moscow, Mrs. Irina Orlov announced on February 9 that her husband had been stripped of his academic title more than 2 years ago, but only recently had been informed of that action by the Soviet Government. At this point, however, it is not clear that Professor Orlov's expulsion from the Armenian Academy of Sciences was taken after a vote of the Academy membership which would be in violation of Soviet regulations.

In recognition of Professor Orlov's extraordinary efforts and sacrifices in the name of increasing international understanding—by promoting the rights of ordinary citizens promulgated in the Helsinki Final Act—I and nine of my congressional colleagues on the Helsinki Commission have nominated Professor Orlov for the 1981 Nobel Peace Prize. In nominating Yuri Orlov, Anatoly Shcharansky, Mykola Rudenko and Viktoras Petkus for the Peace Prize, we pay tribute to the important and heroic work of Helsinki monitors in the U.S.S.R. and in Czechoslovakia.

AUTOMOBILE IMPORT RESTRAINTS

Mr. DOLE. Mr. President, Senator DANFORTH, the chairman of the Subcommittee on Trade of the Committee on Finance, has introduced legislation to restrict the importation of Japanese automobiles into the United States. Senator DANFORTH has performed an important service to the Senate and to the entire country by introducing this legislation. It will clearly and specifically focus the ongoing discussion and debate on the benefits and drawbacks of automobile import restraints.

I know that Senator DANFORTH has taken this important step very reluctantly. During his service on the Subcommittee on Trade he has committed himself to the principle of free trade and it is only the critical condition of the industry which has caused to propose restrictions which he himself has called "distasteful."

During Ambassador Brock's confirmation hearing to be the United States Trade Representative, I stated that I would prefer that the President meet with the Japanese and work out a mutually acceptable solution to the automobile import problem. This is still my preference and I believe that it is still a very real possibility for such an agreement to be concluded.

Senator DANFORTH's bill will not inhibit any possible negotiations and indeed may serve to stimulate discussions on this issue. The present crisis in the automobile industry is well known. The auto hearings which Senator DANFORTH chaired in early January clearly demonstrated that something must be done to help this industry through the retooling process which it has undertaken.

The process will cost the domestic industry $80 billion, if completed. It represents the largest private investment project ever undertaken. When the members of the domestic industry have retooled they will have the capacity to produce the quality, fuel-efficient cars being demanded by our consumers.

The industry's ability to complete this retooling is in doubt. The industry depends on its profits to finance its investments. Historically it has not borrowed funds in the capital markets. However, the recent losses suffered by domestic producers have severely impaired its ability to secure funds internally. Last year the "Big Three" producers in the industry lost over $4 billion. General Motors lost three-quarters of a billion dollars, its first loss in 60 years. Ford lost about $1.8 billion, one of the largest, if not the largest loss by a single company in history. These losses and reduced production rates have caused the temporary or permanent unemployment of 200,000 employees. The firms and workers in supplier industries and auto dealerships have also suffered severely.

The critical circumstances in which the industry finds itself are the result of its own mistakes, and those of labor and the Government. The decision to control the price of domestic oil caused the real price of gasoline to drop from 1976 to 1978. As a result the industry continued to produce the large cars demanded by consumers and was not in a position to meet demand when the switch to smaller cars occurred. This demand will be further increased by the recent decontrol of oil prices and will undoubtedly stimulate demand for imported cars. Having helped to artificially create the demand for larger cars, the Government must give serious consideration to a broad range of measures to aid the industry in its retooling effort.

These measures should include both short- and long-range tax relief as well as relief from the excessive regulatory burden to which the industry has been subjected. The lgislation introduced by Senator DANFORTH is a first step in this process. I look forward to working with him in the development of a complete package of programs to help this vital industry.

LOVE CANAL—THE PUBLIC IS ENTITLED TO HEAR BOTH SIDES

Mr. HELMS. Mr. President, it is obvious the Love Canal disaster may not be resolved for years—and, just as obviously, the debate as to ultimate responsibility for the adverse effects on the environment and area residents will

run for years. In all this, the public is entitled to complete objectivity in reviewing the facts of Love Canal.

There have been charges that Hooker Chemical Co. deliberately concealed the presence of the chemicals from the people of the area, even after it knew of the potential dangers. Others have attempted to exonerate the company completely. It may be that truth lies somewhere between the two versions.

Reason magazine, in its February 1981 edition, addresses this issue. The author, Eric Zuess, tells of threats of condemnation of Canal property by the Niagara Falls Board of Education—threats which ultimately led to the transfer of the property by Hooker Chemical Co. He relates a series of attempts by the company to warn the school board members and the city that dangers associated with tampering with the dump site might continue for years after the actual transfer of the property to the board of education.

In addition, Zuess brings into question Michael Brown's book, "Laying Waste: The Poisoning of America by Toxic Chemicals"—considered in many circles to be the definitive work in what happened at Love Canal—by pointing out crucial facts not discussed therein. In fact, Zuess tells of a study by a private engineering firm hired by the city in 1979 to evaluate the Love Canal dumpsite which concluded that "Hooker's practices there cannot be faulted, even by the standards of the Resource Conservation and Recovery Act—RCRA—being implemented in 1980."

Whatever the true facts may prove to be, Mr. President, I commend this article to my colleagues as the "other side" of what has often appeared in the press as a one-sided issue. Therefore, I ask unanimous consent that the text of this article be printed in full in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOVE CANAL: THE TRUTH SEEPS OUT

(By Eric Zuess)

You're about to be untricked. If you believe that the guilty party in the Love Canal tragedy is the Hooker Chemicals & Plastics Corporation, which the Justice Department is suing, rather than the Niagara Falls Board of Education, which bought the dump from Hooker in 1953; or if you believe that Michael Brown's famous book that has become the popular authority on the whole mess, Laying Waste: The Poisoning of America by Toxic Chemicals, set out the truth, the whole truth, and nothing but the truth about Love Canal, then you've been snookered. In fact, as I'm going to show, hardly ever has there been a more blatant example of Big Brother successfully hiding the skeletons in his closet or of a gullible investigative reporter and compliant major media going along with the cover-up so that a bunch of bureaucrats can pass the buck to some bewildered private interest. The irony is that the target of this particular smear, Hooker Chemicals, may very well have botched others of its many chemical dumps, but not Love Canal, the very site that has brought the company so much adverse publicity and a flood of government and private lawsuits.

I first suspected that something might be wrong with the press reports about Love Canal—I had not yet read Michael Brown's book—when I noticed that only passing mention was being made of the fact that the Niagara Falls Board of Education has owned the site since 1953. Twenty-plus years after Hooker deeded the property to the Board, the Canal is seeping huge quantities of poisonous chemicals. These toxic substances have been down there a long time, I thought. Why are they percolating up only after such a long sleep? Could something have disturbed the chemicals buried there? Or was the oozing inevitable? Had Hooker unloaded the property on the School Board back in the '50's, hoping to avert the very claims for damages now being pressed against it?

My curiosity sparked, I obtained a copy of the Love Canal deed. it opens: "This Indenture [is] made the 28th day of April, Nineteen Hundred and Fifty Three, between Hooker Electrochemical Company . . . and the Board of Education of the School District of the City of Niagara Falls, New York," which would, "in consideration of One Dollar" paid to Hooker, receive title to the described property. The kicker is the deed's closing paragraph:

"Prior to the delivery of this instrument of conveyance, the grantee herein has been advised by the grantor that the premises above described have been filled, in whole or in part, to the present grade level thereof with waste products resulting from the manufacturing of chemicals by the grantor at its plant in the City of Niagara Falls, New York, and the grantee assumes all risk and liability incident to the use thereof. It is therefore understood and agreed that, as a part of the consideration for this conveyance and as a condition thereof, no claim, suit, action or demand of any nature whatsoever shall ever be made by the grantee, its successors or assigns, against the grantor, its successors or assigns, for injury to a person or persons, including death resulting therefrom, or loss of or damage to property caused by, in connection with or by reason of the presence of said industrial wastes. It is further agreed as a condition hereof that each subsequent conveyance of the aforesaid lands shall be made subject to the foregoing provisions and conditions."

So Hooker had shifted to the Board "'all risk and liability incident to the use" of the property. In addition, the deed specified that the future owner(s) of the property could not make any claims against Hooker for injury or death or property damage arising even from "the presence of said industrial wastes." It's not surprising that Hooker would have wanted this shift of liability incorporated into the deed. After all, it had made clear that these "waste products resulting from the manufacturing of chemicals" could cause not only property damage but "injury" and "death." That's pretty dangerous stuff.

Looked at in one way, these provisions would seem to indicate that Hooker had been quite anxious to unburden itself of responsibility for this property. On the other hand, since the first condition, assumption of liability for use, only makes explicit what normally accompanies any property exchange, and since the second would protect Hooker only from claims made by the Board and subsequent owners, and not from claims by third parties, it would seem that these provisions are more in the nature of a warning. By incorporating them into the deed, Hooker had provided clear notice, recorded for all time, that its use of this property had been such that any future owner would have to take care to use it in a safe manner so as to avoid causing harm.

Certainly the last sentence in the indenture must be interpreted in this way. Not only the School Board but "its successors and assigns"—any future holder of the property obtaining rights to the Canal after or from the Board—had already been drawn into the shift of liability. So why add the closing sentence, about "each subsequent conveyance of the property"? The concern seems to have been with preventing catastrophe to innocent third parties by making sure that, down through all future generations, whoever obtained this property would be warned that it contains dangerous chemicals and reminded of the corresponding obligation to use it in a maner reflecting this hazard. So the inclusion of that last sentence in the deed doesn't fit in very well with the ruthless and negligent attitude I'd been led by most press accounts to believe that Hooker has been displaying in the Love Canal matter.

Ruthless and negligent? As I was subsequently to learn, Hooker had evidently been so concerned that the Board know what it was getting in taking over the Canal that the company had not left to chance whether School Board officials would physically inspect the property prior to acquiring it. Instead, Hooker had escorted them to the Canal site and in their presence made eight test borings—into the protective clay cover that the company had laid over the Canal, and into the surrounding area. At two spots, directly over Hooker's wastes, chemicals were encountered four feet below the surface. At the other spots, to the sides of the Canal proper, no chemicals showed up.

So whether or not the School Board was of a mind to inspect the Canal, Hooker had gone out of its way to make sure that they did inspect it and that they did see that chemicals lay buried in that Canal. Yet the subsequent behavior of the School Board would lead the casual observer to conclude that its members never knew the facts about the property they were acquiring.

I decided to try to talk with some of the people who sat on the Board during the key years of 1952 through 1957 and so had firsthand knowledge of the events. In the latter year, the Board was debating whether to sell portions of the Love Canal to real estate developers; Hooker officials came to the Board meetings to urge that these sales not be consummated. For this and other reasons, 1957 served as a turning point in the history of the Love Canal—the beginning of its precipitous slide into becoming a hell-pit.

I introduced myself to the first former member of the School Board I'd managed to track down and get on the phone, Peter Longhine, by saying that I was a reporter who wished to speak with someone with firsthand knowledge of the Board's transactions with Hooker. That's all—I made no mention of courts, legal liability for Love Canal, or anything even remotely threatening. But Longhine would say only:

"I don't want to get involved in giving any court testimony. It's better to let sleeping dogs lie. But I can tell you one thing—the Board of Ed didn't do anything wrong. Anyway, we don't have any legal responsibility for it."

This seemed to me an odd reaction, considering that I had just introduced myself and had not suggested even remotely that the Board of Education was in any way culpable, much less legally liable.

I got another former School Board member on the phone, Dr. Robert Brezing. This time, I wasn't even able to finish my introduction. He abruptly hung up the phone, and I found myself trying to protest to a dial-tone. Now I knew that something was fishy. I packed my bags, camera, and cassette recorder and left for Niagara Falls.

The first thing that struck this newcomer about the town of Niagara Falls was how very normal the place is. Because of its famous namesake falls, I had expected the town itself to have a character different from your typical American small city, but that's just what the place turned out to be. The people, I found, are pleasantly friendly and open, and if there is a wrong side of the tracks anywhere to the right or left of Main Street, it's hard to find.

Visually, it would perhaps be more accurate to describe Niagara Falls not as a small city so much as an endlessly sprawling suburb of 75,000 people without a core city. There are only two commercial streets, Main and Pine, both of which intrude upon otherwise uninterrupted expanses of suburban-style houses, which extend row upon row on each side of the two chief thoroughfares. In any event, whether it's seen as a town or merely as a suburb without a city, Niagara Falls struck me as a singularly odd kind of place to serve as a bellwether for the souring of America's dream of an insect-free plasticized world—"better living through chemistry," to quote the commercial from DuPont. There's an irony to this place: on the one side of town is the eternal majesty of nature grandly displayed in the water tumbling over the Niagara escarpment; across the city stands a stark symbol of the incompetence and perhaps greed of man—the acrid fumes and boarded up houses along the periphery of the now-infamous chemical ditch.

But as it turns out, that festering blister of the industrial age known as Love Canal isn't quite as incongruous a fixture in Niagara Falls as it might seem at first blush. You don't have to be around this place long but you'll hear about how the local economy was built even more upon the chemical industry than upon tourism. Back in the 1950s, the locals will tell you, the putrid air from the industrial stacks made the eyes and lungs continually smart. The smog was so bad that the city was recognizable from an approaching plane by the dark grayish-brown cloud of pollution that blanketed the earth below.

Of course, this was in an era when conservation meant leaving the wild bears alone, nutrition meant "fruit, cereal, milk, bread, and butter," and pollution was a term that only communists, oddballs, or crazy people ever used. Niagara Falls considered itself fortunate back then to be one of the capitals of the world's chemical industry. The townspeople felt proud to be in the vanguard of the coming technological society. When the Atomic Energy Commission handed out awards to Niagara Falls chemical plants for work on radioactive substances, it made page-one headlines in the local newspapers. Chemical row along Buffalo Avenue, which skirts the southernmost edge of town bordering the Niagara River, was not only the Falls area's chief source of employment but also a source of considerable civic pride.

Now, however, the long-anticipated chemical future has at last come to the world, and a lot of people in Niagara Falls are finding that they don't like it. The theory used to be that industrial wastes need only be shoved under the rug and they would be gone. Out of sight was out of mind. But as events at Love Canal and elsewhere were ultimately to make clear, today's far-away rural chemical dump is tomorrow's suburb, where you may someday live and where your children may end up going to school.

Of course, many people don't care about tomorrow and never did. According to the popular wisdom, this kind of dangerous shortsightedness is an attribute of private businesses more than of governmental bodies, and this perception has colored the way the Love Canal story has been reported. But my own investigation shows that this popular interpretation of the Love Canal tragedy is 180 degrees off.

Back at the turn of the century, an ambitious entrepreneur by the name of William Love envisioned building a huge hydroelectric project in the Niagara Falls area. Thomas Edison had just harnessed the force of electricity; but because the state-of-the-art allowed only for transmission by direct current, which was uneconomic over long distances, industries had to be located near the source of electrical generation. Love planned his hydroelectric canal project as a means of supplying this electrical power to nearby industry and even dreamed that his "Love's Canal" would become the basis for a booming model city. But the economic recession of 1894 and Nikola Tesla's pioneering system of alternating current, which facilitated transmission of electricity over long distances, combined to bankrupt Love's canal after only short segments of it had been dug. The 3,200-foot-long section that Hooker started filling with waste chemicals in 1942 has now come to be known internationally as *the* Love Canal.

Hooker says that it chose the site because the soil characteristic of the area—impermeable clay—and the sparse population surrounding the Canal at the time made the pit outstandingly suitable for disposing of dangerous chemical wastes. The cus • • • being eyed voraciously by the Board of Ed's Buildings and Grounds Committee for possible construction of new schools. The other was that since the area was not built up (one of Hooker's reported criteria for the site's suitability), land prices around this dumpsite were low, and the Board was strapped for cash. On October 16, 1952, the very same day that Hooker sent a letter to the Board of Education agreeing to donate the Canal property for the token price of $1.00, the Board itself recorded, in its minutes for that evening's meeting, that "a communication was received from the Niagara Falls Teachers Association stating that teachers are becoming more and more uneasy because of their uncertain financial prospects."

Looking over the School Board minutes from the early '50's, one notes two concerns that dominated and practically obliterated all others: construction of new buildings, and overcoming the monetary shortage. There is no indication that any long-term consequences were being thought of; the attitude seems to have been that the future could take care of itself. For example, the 99th Street School, which was built beside Love Canal, was being planned by the School Board simultaneously with the planning for another, the 66th Street School; and the Niagara Gazette reported on September 13, 1978, that high radiation had been found at that other location. It turns out that this school also may have been built upon a former dumpsite. The Board of Ed's deed to the site (donated by the federal government) refers to the presence of radioactive substances.

The negotiations that culminated in Hooker's transfer of the Love Canal property to the Board of Education took place over a period of several years. The contemporary documentary record is very sparse, consisting of three perfunctory letters and the deed itself. Virtually all of the negotiations were verbal rather than written.

One thing, however, is clear: according to the School Board's own records, the Board was already well along in its planning of the 99th Street School more than two years • • • practices then were to pile up such wastes in unlined surface impoundments, insecure lagoons, or pits, usually on the premises of the chemical factory, or else to burn the wastes or dump them into rivers or lakes. Except for disposal into water supplies, these practices were all legal until 1980, when the Environmental Protection Agency began issuing regulations implementing the Resource Conservation and Recovery Act of 1976. The EPA estimates that 90 percent of chemical wastes are currently being disposed of in ways that do not meet its proposed standards (controlled incineration, treatment to render the waste nonhazardous, secure landfills, or recovery). An attorney I spoke with from the New York State Department of Environmental Conservation told me that "at least 50 percent of chemical waste dumping [in that state] is contracted out to organized crime." If true, however, such was not to be the case with Love Canal.

Hooker in 1941 began studies of the suitability of using the Canal as a chemical dump. The findings were affirmative, and by April of the next year the company completed the legal transactions to commence dumping what ultimately amounted to approximately 21,800 tons of the company's waste before the Canal property (which included a strip of land on either side of the Canal) was donated by Hooker to the Niagara Falls Board of Education in 1953, under pressure from the Board that if Hooker didn't willingly deed the land the property would be seized under eminent domain for the building of a school.

It's also worth noting here that other wastes besides these 21,800 tons from Hooker have apparently been dumped into the Canal. According to New York State officials, federal agencies, especially the Army, disposed of toxic chemical wastes there during and after World War II. The city of Niagara Falls also regularly unloaded its municipal refuse into this Hooker-owned pit.

There were two reasons why the School Board wanted to acquire Hooker's Love Canal property. One was that the postwar baby boom had produced a need for construction of more schools, and virtually every available open lot of suitable size was before Hooker deeded the Canal to the Board. And the Board meant business. It was gearing up for a string of condemnation proceedings for the Canal site and all properties abutting it. First, there's a map, dated March 1951 and labeled "School Site Study Plan A" (Plan B was for the 66th Street School). This map not only shows the projected school being built right over the very center of the Canal itself but also shows the assessed condemnation values for the Canal property and each of the properties bordering it. Then there are two letters from the School Board's attorney, Ralph Boniello—one dated September 4, 1952, informing the Board's business manager, Frank Lang, that procedures were under way to purchase four lots abutting the Canal; the other dated September 19, 1952, addressed to Mr. Carmen J. Caggiano and sent registered mail, return receipt requested, informing Mr. Caggiano that since he had refused the Board's "price offered of $10 per front foot" for the strip of 10 lots he owned along the east side of the Canal, "The purpose of this letter is to apprise you of the institution of an action in condemnation to acquire the above-described property for educational purposes."

According to reporter Michael Brown, in his book and other writings, the School Board's attorney at the time denies that the threat of property condemnations was ever held out against Hooker for the Love Canal site. Brown neither questions nor documents this. Yet when Hooker, in 1957, addressed to the president of the Board of Education a letter that was read out loud and passed around at the Board's meeting on November 21 of that year, and when that letter recalled that in 1952 Board officials had threatened

"that condemnation proceedings might be resorted to," there wasn't a peep of protest from any Board member or official present—not from Wesley Kester, head of the Board's Buildings and Grounds Committee in 1957, who had served in the same capacity in 1952 and so must have been very prominently involved in the negotiations with Hooker at the time; not from Arthur Silberberg, another member of the same committee who had also served in the same capacity throughout that period with the Board; not from Frank Lang, a Board member who had served as manager of business affairs throughout the period and was always involved in such matters as property condemnations; not from William Small, who was superintendent of schools throughout the period and who had personally accompanied Hooker's executive vice-president, Bjarne Klaussen, to Love Canal in March 1952 when the test-holes were bored into the clay cover over the Canal and into the surrounding area to check for chemical leakage; not from the Board's attorney, William Salacuse, who had been its president back in 1952 and who had also been present at that test at the Canal site; not from anyone at all, though the printed minutes of that evening's Board meeting make conspicuous mention of this letter from Hooker.

One might wonder why Hooker deeded the property to the School Board for $1.00 rather than let it be condemned and seized under eminent domain. After all, condemnation would clearly have freed the company from future liability for the chemical dump, saving Hooker the trouble of spelling out such matters in the deed.

Hooker claims that it had wanted any future propertyholder there to know of the dangerous chemicals and that it had therefore agreed to donate the property, subject to the Board's recognition that, to quote Hooker's letter of October 16, 1952, to the Board, "in view of the nature of the property and the purposes for which it has been used, it will be necessary for us to have special provisions incorporated into the deed with respect to the use of the property and other pertinent matters." Had the land been condemned and seized, says Hooker, the company would have been unable to air its concerns to all future owners of the property. It is difficult to see any other reason for what it did.

The School Board, however, ultimately refused to accept the special provisions proposed by Hooker concerning the use of the property. Hooker wanted to require that the donated premises "be used for pack purposes only, in conjunction with a school building to be constructed upon premises in proximity to" them. And it wanted the Board to agree that, should the property ever cease serving as a park, title to it would revert to Hooker. Instead of these restrictions, which the Board rejected, the company had to settle for the liability provisions and warnings in the last paragraph of the deed hammered out in meetings between Hooker and Board representatives.

On April 28, 1953, Hooker's secretary and general counsel, Ansley Wilcox—the same man who later, as the company's vice-president and general counsel, was to be the author of the letter read out at the meeting of the Board of Ed on November 21, 1957—submitted to the Board the final draft of the deed. Nine days later, the Board's attorney, Mr. Boniello, wrote to the Board that, because of the provisions contained in the deed's closing paragraph, "In the event that the Board shall accept this deed, it is my opinion that there is placed upon the Board the risk and possible liability to persons and/or property injured or damaged as a result thereof arising out of the presence and existence of the waste products and chemicals upon the said lands referred to in the said deed." In short, the Board's own attorney at the time was emphasizing to his client that if it were to accept the Canal it would be getting as part of the package liability for personal and property damage, as ultimately happened to homeowners in the area surrounding the Love Canal.

Nonetheless, on May 7, 1953, the Board voted unanimously to accept the deed. Similarly, the Board had voted unanimously to accept the deed to the site of the 66th Street School; that deed's reference to radioactivity at the site served as no deterrent either. Both sites, incidentally, had already, on December 30, 1952, been approved by the Niagara Falls Planning Board.

In August 1953, before construction work had begun on the school, the Board voted (unanimously) to remove 4,000 cubic yards of "fill from the Love Canal to complete the top grading" at another school, on 93rd Street, whose construction was already well under way. This school, like the one on 99th Street nearby, is now closed down because of public concerns about the school children's exposure to chemical waste residues.

On January 21, 1954, the Board approved the removal of 3,000 more cubic yards of fill from the Love Canal. On the same date, the architect for the 99th Street School wrote to Board member Wesley Kester, chairman of the Buildings Committee, saying that "the General Contractor . . . hit a soft spot in the ground. This turned out to be a filled drain trench which gave off a strong chemical odor. Upon further investigation the excavator made contact with a pit filled with chemicals and immediately stopped work in this area. The General Contractor contacted one of his employees who formerly worked on this property for one of the former owners. From this man we learned that . . . these pits were filled with chemical waste, some of which was in 55 gallon drums." Suggesting that these chemicals "might be a detriment to the concrete foundations," the architect advised soil tests with a view toward possible "revisions of building location," and the building was shifted 30 feet eastward.

When the Buffalo Courier-Express, in the wake of the recent recognition of chemical seepage in the Love Canal area, interviewed the architect about this in 1980, he "said the records indicated only 'poor soil conditions' as the reason for the move." The newspaper's reporters didn't say that this was a gross understatement, apparently because they had never gone to the Board of Education to see the letter from which I've just quoted, which shows that the records indicate a lot more than just "poor soil conditions."

A set of architect's plans dated August 18, 1955, reveals that another 10,000 cubic yards of soil were to be removed from the top of the Canal in order to grade the surrounding area. Part of the area from which this soil was to be scooped out had been filled with Hooker's wastes. The grading was executed as shown in these plans. Later in the year, the Buildings and Grounds Committee donated some of the property immediately surrounding the school to the city so that streets and sidewalks could be paved. (The school building had been completed and its doors opened to 500 students in February 1955.)

On June 25, 1956, the architect wrote to the contractor for the school's playground, changing the location of the kindergarten play area "so as not to interfere with the apparent chemical deposit" and informing him that "this revision has been approved by Dr. Small, Superintendent of Schools." In an October report on this contractor's work, the architect reiterated that "these changes were discussed with school authorities" and had been made "because a chemical dump occurred at the originally located play area." The architect further pointed out that "these chemical pits are continuously settling."

The whole character of this correspondence between the architect and the Board and contractors is in the manner of a somnambulist executing his accustomed routines, as in a deep, quiet fog that is never interrupted by the sound of the 55-gallon drums clanking around in the pits. One would be led to believe that they had signed the Love Canal deed with their eyes closed and their ears shut. The superintendent of schools approved relocation of the play areas so as to avoid "chemical deposits" and "chemical pits" and never once took it upon himself to advise the architect that more was at stake here than "detriment to the concrete foundations" due to "chemical pits . . . continuously settling." It is evident that the architect had never seen the deed. He and the contractor had to *discover* that this place had once been a chemical dump. The superintendent *knew* that it had been; he had been present at the drilling of test holes at the site; he had read the deep but evidently never imparted any wisdom therefrom to the architect or the contractor. He didn't tell them, for example, about the danger of injury or death.

The Board was finally jarred awake in November 1957. The precipitating event was a proposal from two developers who owned land on another site that the Board was hungrily eyeing. The developers had suggested a trade whereby they would have gotten chunks of the Love Canal property in return for their properties plus some cash. The deal would have netted the Board $11,000, and Wesley Kester and the rest of the Buildings and Grounds Committee were strongly in favor of it. But Hooker got wind of the proposal and was just as strongly opposed.

Hooker sent its attorney, Arthur Chambers, to attend the meeting of the Board on November 7. As reported in the *Niagara Gazette* the next day, Chambers admonished the Board of Education that it had "a certain moral responsibility in the disposition of the land." After reminding the Board that chemicals were buried under the surface, he explained that this "made the land unsuitable for construction in which basements, water lines, sewers and such underground facilities would be necessary." He referred to "negotiations at the time the land was deeded to the board," in which Hooker had urged that it be used only for surface constructions or parks. According to the Board minutes from that evening, Mr. Chambers conceded "that his company could not prevent the Board from selling the land or from doing anything they wanted to with it," but he made clear Hooker's "intent that this property be used for a school and for parking. He further stated that they feel the property should not be divided for the purpose of building homes and hoped that no one will be injured."

The head of the Buildings and Grounds Committee, Wesley Kester, was furious. According to the article in the *Niagara Gazette*, he spluttered, "The land is a liability to us. There's something fishy someplace. Now they tell us it shouldn't be used." The battle lines were now clearly drawn.

Hooker was determined to prevent, if it could, the selling of this land to subdividers. The showdown came at the Board meeting of November 21. Arthur Chambers again made his appearance, this time reinforced with a lengthy letter from the company's vice-president, Ansley Wilcox, in which the Board was reminded in no uncertain terms of the details of the mostly verbal negotiations and unwritten promises that had preceded the

transfer of this property to the Board more than four years earlier. In addition, Hooker's position on the proposed sale was again stated. According to the Board minutes, "They feel very strongly that subsoil conditions make any excavation undesirable and possibly hazardous." As the *Niagara Gazette* quoted him the next day, Chambers told the Board, "There are dangerous chemicals buried there in drums, in loose form, in solids and liquids." The *Buffalo Courier-Express*, too, referred to Chambers' speech about this "chemical-laden ground."

But perhaps the deciding factor in the Board's ultimate vote wasn't the address by Arthur Chambers so much as the letter from Ansley Wilcox. Now even Wesley Kester's memory was refreshed. One no longer heard from him, "Now they tell us . . . ," since, as Wilcox pointed out, they'd told it all before.

As I stated earlier, Wilcox's letter was being heard this evening by an audience that included, besides Kester himself, other key people on the Board who had been involved in the negotiations with Hooker during 1952 and 1953. It contains the most thorough recounting of these negotiations on record anywhere, and the officials present protested not a single item in Hooker's recounting—not that Hooker had been approached by Dr. Small and other representatives of the Board in the interest of acquiring the property; nor that Hooker had "explained in detail to Dr. Small the use which we were making of the property"; nor that Hooker had expressed its reluctance "to sell the same, feeling that it should not be used for the erection of any structures"; nor that the School Board was nevertheless "so desirous of acquiring the same" that its representatives had brought up the option of condemnation proceedings; nor that Hooker had then agreed to donate the property subject to certain restrictions upon its use; nor that Hooker had proposed and the Board had refused to agree that the Love Canal property be used "for park purposes only" and that the school building be constructed only on premises "in proximity to" the same; nor that any of these events had transpired in the way described, which indeed made Hooker look like the opposite of the negligent and shortsighted company it is now widely thought to have been. In fact, as evidenced by Wilcox's letter, Hooker was adamant in its long-range view, noting "that even though great care might be taken" in development of the property, "as time passes the possible hazards might be overlooked [and] injury to either persons or property might result."

The Board's vote that evening was practically unprecedented. They split 4 to 4, with one member abstaining, and thus failed to pass Wesley Kester's resolution to sell the land. For once, the Board did not vote unanimously; they had been shaken awake from their slumber.

As it turns out, these tumultuous Board meetings of November 1957 were just so much "sound and fury signifying nothing," anyway. Apparently unbeknownst to Hooker, on the very same two November days when the company's representatives were urging the Board that the sub-surface chemicals made the land unsuitable for underground construction, city workmen were busy at the Canal constructing a sewer that punctured both of its walls and the clay cover. From September through December 1957, work was in progress on this sanitary sewer between 97th and 99th streets beneath Wheatfield Avenue, a soon-to-be-paved street that lay right across the middle of the Canal property. This sewer pipe was laid 10 feet below the surface, on a gravel bed, and covered with gravel, providing a highly permeable violation of both Canal walls. Any loose and liquid chemicals buried in this part of the Canal could now escape, flowing along the gravel sewer-bed not only under Wheatfield but also under 97th and 99th streets, and so throughout the neighborhood. To top this all off, a manhole was dug from the top of the Canal down through the fill to this sewer system 10 feet below the surface.

Whether or not any of Hooker's chemicals were in fact buried in this part of the Canal is not clear from public records. Hooker says that its practice was to fill various parts of the Canal, creating an earthen dam with clay, pumping out the standing water, dumping waste to within four feet of the surface, then covering the section with clay. From Board of Education maps indicating the approximate location of Hooker and city wastes in the Canal, and another map showing the location of streets and the 99th Street School, it can be estimated that Wheatfield Avenue crossed over the Canal at a spot just south of a Hooker dumping area. It is doubtful, however, that these maps are precise enough to make a positive determination. One of them carries a notation showing that the Hooker dumping spot in question—the same one that, by the same approximations, would have been invaded at its northern end during construction of the school building—was used by Hooker to dispose of "fly ash, trash, and HGI spent cake," the latter, according to a Hooker spokesman, being an abbreviation for lindane (a chlorinated hydrocarbon pesticide more toxic than DDT).

Whether or not this sewer was laid through Hooker chemicals, however, one thing *is* clear from the record: Hooker was opposed to *any* construction through *any* part of the Canal, precisely because of such risks. And work on this sewer system was being done by the city of Niagara Falls at the same time as the warnings that such construction was "dangerous," "injurious," and not "safe" were appearing in the local newspapers. But nobody made the connection; it is as though the printed word had not existed. The sleepwalkers kept bumping around in the night. Hooker was protesting into an abyss; no one was there who would hear and who would make connections between the real world and the printed warnings. Yet now Hooker is being excoriated.

This marked the first time in history that the Canal walls had been penetrated. Maps in the city engineer's office show that there were no sewers into the Canal before this one. But another was soon to be built. This was a storm sewer, under Read Avenue. It was put in between May and September 1980 and penetrated only the west Canal wall, running from a catch basin sunk into the Canal, out to 97th Street. Again, the sewer-bed was gravel.

The drawings of these sewers are available for public inspection at the office of the city engineer in the town hall. One member of the public who, it seems, never cared to look at them—nor at the voluminous printed records and correspondence regarding Love Canal that are also available at the Board of Education—is Michael Brown, the author of the Pulitzer-prize-nominated book on the subject of waste dumping.

In addition to these publicly recorded breaches of the Canal walls, there were two other, though lesser, man-made incursions upon the surface of the Canal: one a French drain that the School Board had placed around the school, the other an illegal catch basin put in by a 97th Street homeowner. Both of these were noted by Stephen Lester, who, under the auspices of the New York State Department of Transportation, served as a consultant to Love Canal area residents during remedial work on the Canal. Of course, like the sewers put in by the city, Hooker had nothing to do with these constructions.

Following Hooker's successful defeat of the Buildings and Grounds Committee's proposal to sell Love Canal property to developers in 1957, the Board sought every means possible to transfer liability for the property to somebody else. They wanted to dump the Canal like a hot potato. First, they tried to palm it off onto the local Junior Chamber of Commerce for a playground area. But the Jaycees wouldn't move ahead without liability insurance, which, it seems, no firm was willing to supply. So that doorstep of the only nongovernmental body involved, Hooker Chemicals & Plastics Corporation and its parent, the Occidental Petroleum Corporation.

Although the suit also names the Niagara Falls Board of Education, the city, the County Health Department, New York State, and UDC-Love Canal (a state agency set up to purchase the homes of families evacuated from the surrounding area), not one of these governmental bodies—and here again the media have missed a step—is implicated in the responsibility for the problems at Love Canal. "The City is named herein as a defendant only to insure that the remedial measures requested by the plaintiff [EPA] can be fully implemented by the City's action with regard to its own property." And so on and so on. For each of the governmental units named in the suit, there is a reassuring paragraph noting that it is so named only to enlist cooperation in remedial work.

The government's case against Hooker contains a great many charges and allegations that I have seen disproven in the documentary records at the Board of Education and the office of the city engineer. Hooker hasn't supplied me with its own supplementary documentation, but that wouldn't be necessary except on one point that has served as a focus for many of the EPA-Justice Department charges: the adequacy of the clay cover Hooker laid over its dumpings.

Residents of the Love Canal area have contended that at least some of Hooker's wastes were covered only with fly ash. These are recollections of what happened 30 years ago. There is evidence that there was plenty of fly ash in the area. Not only did Hooker itself use part of the Canal to dump fly ash, which accumulated in the bottom of its furnaces, but School Board records show that Hooker and probably the city also were asked to supply fly ash to fill in the portions of the Canal that were still an open trench when the Board took over the property. There is no evidence, however, that Hooker used fly ash to cover its chemical dumpings.

Hooker claims—and notes on maps at the Board of Ed dating from the early '50s tend strongly to support this—that the company laid four feet of clay over its fill. Furthermore, a private engineering firm, Conestoga-Rovers Associates of Waterloo, Canada, hired by the city in 1979 to evaluate the Love Canal dumpsite, has concluded that Hooker's practices there cannot be faulted, even by the standards of the Resource Conservation and Recovery Act (RCRA) being implemented in 1980—the only existing federal law concerning the hows and wheres of industrial dumping.

(Of course, even without a statute on the books, Hooker would be liable, subject to the relevant statute of limitations, for damage to third parties due to negligence, were its practices in fact negligent. But it would be hard for such a claim to get very far if Hooker's practices decades ago met and exceeded regulations, generally regarded as stringent, effected only in 1980.)

Although the Conestoga-Rovers report had not yet been delivered to the city at press time, Mr. Frank Rovers has stated to Senate staff members considering toxic waste cleanup legislation that, as summarized by the Washington representative of the American

Institute of Chemical Engineers, on whose RCRA Task Force Mr. Rovers was serving, "The design of the Love Canal site was well within the standards of RCRA. What went wrong with Love Canal can be attributed in large part to lack of monitoring, invasion of the site itself, and lack of remedial work." And the invading construction, which raised the need for remedial work, can only be laid at the feet of the School Board, the city, and the state Department of Transportation. (The other main factor that precipitated the crisis was that in 1976 Niagara Falls experienced record rains that poured down into the by-then opened Canal, forcing large quantities of the chemicals up and out; in October of that year, there surfaced the first reports of nearby basements be in invaded by chemicals attributed to Love Canal.)

The EPA's own chief of Hazardous Waste Implementation, Mr. William Sanjour, was quoted in the New York Times on June 30, 1980: "Hooker would have had no trouble complying with these (RCRA) regulations. They may have had a little extra paperwork, but they wouldn't have had to change the way they disposed of the wastes." Ironically, Mr. Sanjour's admission here was a bold and direct contradiction of a key charge leveled by the EPA itself in its suit against Hooker, filed in federal court six months earlier.

Reading this EPA-Justice Department lawsuit, one senses how desperate its drafters must have been to implicate Hooker on whatever grounds could be dredged up. In paragraph 23 it's charged that "two storm sewer systems . . . were built in 1952 before Hooker sold the Canal property to the Board." It is not claimed that the two sewers in question penetrated the Canal walls; the fact is that these systems—Colvin-100th Street and Frontier-100th Street—didn't even come close. Interestingly, the suit does *not* mention the real villain-sewers, constructed in '57 and '60, which would, of course, have implicated party or parties other than Hooker.

In paragraph 35 we find that "vegetation in the vicinity of the Love Canal is suffering from stress." The Love Canal homeowners might wilt upon hearing that one, as though their own travails were not enough to bring Hooker down if Hooker is guilty.

Paragraph 108 informs us that "Hooker never applied to the Secretary of the Army for and does not have a permit authorizing the deposit of wastes into navigable waters at the Canal." This is one of the few allegations in the suit that Hooker doesn't contest as false. Did you know that there are "navigable waters at the Canal"? Can you imagine sailing a ship upon this chemical dump? Well, of course, nobody's ever done it, nor even tried it. In fact, the Canal never was navigable, even before it became a dump in the early '40s; it wasn't even being dug for that purpose when its construction was abandoned in 1910. "Navigable waters" indeed.

But in the court of public opinion, Hooker is already adjudged guilty. Playing into the hands of the feds on this has been that intrepid "investigative reporter" Michael Brown, whose book, *Laying Waste*, has been praised to heaven, despite the fact that its tale of Love Canal is unrecognizable to anyone who has examined the actual documents. Jessica Mitford said, "This extraordinary and terrifying book is one of the best examples of tenacious, dedicated journalism I've ever read." Senator Moynihan pronounced the book "strong, clear, credible, and humane." Ralph Nader said, "*Laying Waste* takes the reader on a macabre journey from the notorious Hooker Chemical Company waste dump at Niagara Falls to . . . " and called the volume "an advance briefing" on America's future of "cancerous, toxic cesspools left by callous corporations." Sen. Bill Bradley applauded it as "a clear call for the massive effort necessary to clean up the horrors." Paul Ehrlich praised it as "a vitally important book." Jane Fonda said, "I hope every American is awakened by this book." So let's dip a bit into *Laying Waste*.

On page 8 Brown says, "At that time [1953], the company issued no detailed warnings about the chemicals; a brief paragraph in the quit-claim document disclaimed company liability for any injuries or deaths that might occur at the site." He doesn't quote from the deed and mentions it again only once, curtly.

Would you know from his description of the "brief paragraph" (which I quoted in full earlier) that this is the longest paragraph in the entire deed, running 17 full lines of type, or that it speaks of these chemicals as being capable of causing injury and death? Furthermore, there's an innuendo here that is simply not true: that there is no evidence that Hooker had verbally warned the Board repeatedly and in strong terms about the chemicals. Ansley Wilcox's letter, which is reproduced here, but which Brown never even mentions in his book, is strong documentation to refute this innuendo:

HOOKER ELECTROCHEMICAL COMPANY,
NIAGARA FALLS, NEW YORK,
November 21, 1957.

Re 99th Street Property.
Dr. CHARLES M. BRENT,
President, Board of Education, Administration Building, Sixth Street and Walnut Avenue, Niagara Falls, New York

"DEAR DR. BRENT: In the interest of amplifying the remarks made by Mr. Chambers at the Board Meeting on November 7th and in the the further interest of providing the Board with a written statement of our position with respect to the subject property, I would like to submit the following account of the transaction. I might point out that I was personally involved in the negotiations and have a direct knowledge of some of the significant arrangements.

"Hooker acquired the property in question in the early 1940's. As you doubtless know, it was a section of the abandoned Love Canal. At the time it was acquired it was a sparsely settled section and our purpose in acquiring the same was to obtain an area for burying industrial wastes.

"The area was used for this purpose for a number of years, and, in fact, was still being so used when we were approached by Dr. Small and other representatives of the Board of Education who stated that the Board of Education would like to acquire at least a portion of the property for the erection of a new school. We explained in detail to Dr. Small the use which we were asking of the property and stated that we were very reluctant to sell the same, feeling that it should not be used for the erection of any structure. However, after several discussions with Dr. Small and others it was pointed out to us that the School Board felt that this was the only property available in the location in which a new school had to be constructed and that they were so desirous of acquiring the same that condemnation proceedings might be resorted to.

"As a result, our management considered the matter very carefully and came to the conclusion that if the property was so important to the Board of Education we would make a gift of the same to the Board with the understanding that it should be used only for the construction of a new school and the maintenance of a park. We were thoroughly convinced that should the property ultimately be used for any other purpose the residues which had been buried thereon might well have a serious deleterious affect on foundation, water lines and sewer lines, and, in addition, we felt it quite possible that personal injuries could result from contact therewith. Therefore, on October 16, 1952 we wrote Dr. Small, copy of which is enclosed, stating that we would be willing to donate the property to the Board of Education and pointing out that in view of its use it would be necessary for us to incorporate in the deed a recital as to the use of the property and restrict the same to the erection of a school at a particular location which had not been used for the purpose of burying residues and that the balance of the property should be maintained for a park or recreational purposes. The following day Mr. Lang wrote to us advising us that our letter had been presented to the Board and that he had been instructed to advise us that the Board had accepted our offer and recognized the necessity of incorporating special provisions in the deed. Copy of Mr. Lang's letter of October 17, 1952 is also attached. Following the receipt of the above letter we prepared certain proposed restrictions for the deed, one of which read as follows:

" 'This conveyance is made sub'ect to the condition that the premises shall be used for park purposes only, in conjunction with a school building to be constructed upon premises shall be used for park purposes only, in conjunction with a school building to be constructed upon premises in proximity to those above described, and that upon the abandonment of said premises for such purposes, or upon their use to the grantor, its successors or assigns.'

"These were submitted to representatives of the Board and it was then pointed out to us that since the Board of Education itself had no facilities for maintaining a park it was reluctant to accept a conveyance containing an affirmative agreement to do so. It was pointed out that actual maintenance as a park could probably only be carried out by the City and some agreement would have to be made with the City to do this. Therefore, at the request of the Board's representatives this provision was not included in the deed. However, its omission in no sense indicated that we felt it would be safe or proper to use the property for any other purpose. It is our feeling that even though great care might be taken at this time in the construction of buildings on the property that as time passes the possible hazards might be overlooked with the result that injury to either persons or property might result. It is our primary purpose in calling these facts to your attention to avoid the possibility of any damage to any one or to any one's property at any time in the future and we feel that the only way that this can be assured is by using only the surface of the land. We still feel very strongly that the subsoil conditions make it very undesirable and possibly hazardous if excavations are to be made therein and urge most strongly that arrangements be made to use the property for the purposes intended, since we also feel that additional park or recreationad facilities in this area are very desirable.

"Very truly yours,
"ANSLEY WILCOX 2ND,
"Vice President and General Counsel".

On page 9 Brown says: "When I read [the Love Canal] deed I was left with the impression that the wastes would be a hazard only if physically touched or swallowed. Otherwise, they did not seem to be an overwhelming concern." That's his other reference to the deed, and it's equally misleading. Brown's introduction of "touching" and "swallowing" into the deed's restrictions are his own concoctions. Neither they nor any equivalents are in the deed, and even Brown's inference of them is drawn entirely from thin air. And although "injury" and

"death"—which *are* in the deed—may "not seem to be an overwhelming concern" to Michael Brown, they did to relevant parties at the time, contrary to what Brown claims.

Also on page 9 Brown writes: "Ralph Boniello, the board's attorney, said he had never received any phone calls or letters specifically describing the exact nature of the refuse and its potential effects, nor was there, as the company was later to claim, any threat of property condemnation by the board in order to secure the land."

Boniello, however, had not *needed* any phone calls or letters. The very passage in the deed that Michael Brown saw as not "an overwhelming concern," Boniello warned his client at the time to take seriously. Boniello would later describe it as "like waving a red flag in front of a bull." The School Board members "were forewarned. But all that they felt was that they were getting a big piece of land for free." If Brown had read the newspaper for which he himself was a reporter, the *Niagara Gazette*, he would have known that this was Boniello's opinion, because that's where it was quoted, on August 9, 1978, more than a year before Brown's book went to press. In this interview with Paul Westmoore, Boniello further stated: "I suggested they get a chemical engineer to inspect it [Love Canal]. They never did, to my knowledge."

On the property condemnation issue, my phone conversation with Boniello on the evening of October 16, 1980:

Q: Is it possible that Hooker could have been verbally threatened with land condemnation at Love Canal by the Board's representatives, such as Wesley Kester, head of the Buildings and Grounds Committee, while you might not have been informed of this?

A: Oh, yes. My function was only to come in afterwards and close a deal, not to negotiate or make deals. The Board decided what they wanted done, and told me to draw up the papers. I was brought in after the fact. So all I can say is that I was never instructed to initiate condemnation proceedings on the Love Canal property. Whether condemnation was actually threatened verbally by the Board is a question I'm not competent to answer, since I wasn't in a position to know.

On page 10: "In 1958, the company was made aware that three children had been burned by exposed residues on the surface of the canal, much of which, according to the residents, had been covered over with nothing more than fly ash and loose dirt. Because it wished to avoid legal repercussions, the company chose not to issue a public warning of the dangers only it could have known were there." This strings three distortions together into one big lie.

First, Brown fails to mention anywhere in his book that not only Hooker but the city had been dumping into the Canal; that this municipal waste may well have been covered over with fly ash and dirt; and that, in any case, the Board of Education had used fly ash at this site, as the record shows it had at other school sites, to grade the property. Therefore, Brown's slur of Hooker—the implication that fly ash and dirt is what Hooker had "really" laid over its wastes and that this gives the lie to the company's claim of having laid a clay cover over its dumpings—is at best a fudging of the available documentation and at worst a vicious distortion.

Second, Brown offers no evidence of Hooker's alleged wish "to avoid legal reprecussions." The Board of Ed, of course, in accepting the deed, had explicitly assumed liability for any injury attendant to its use of the property, which use, as we now know, had unearthed those chemicals. For its part, Hooker was apparently confident that its own practices at the Canal had all been entirely legal, not just matching but surpassing the safeguards then in normal usage (which were zilch, even according to EPA itself).

Third, as to the charge that Hooker "chose not to issue a public warning of the dangers only it could have known were there," this is false in both clauses. Brown never mentions in his book the very public warnings that Hooker had made in November 1957, which were published in the local newspapers at the time (including the *Niagara Gazette*, for which Brown later reported, but which, again, it appears he never consulted). These warnings preceded by less than a year this 1958 incident. So not only Hooker but the Love Canal area residents and the city government could have known of the dangers there. Yet while Hooker was issuing these warnings the city was ripping through the Canal to build a sewer. That the children's exposure to chemicals took place only months later lends plausibility to the hypothesis that this construction disturbed buried chemicals, just as Hooker had feared. Brown also fails to mention anywhere in his book the earlier warnings that Hooker had communicated to the Board, also brought to public light in 1957; and he furthermore leaves entirely out of the picture the correspondence between the Board and the school's architect, which shows how intimately the Board was involved with these "chemical pits."

When Hooker, in a letter to the editor in the July 1980 *Atlantic*, pointed out in response to Brown's article on Love Canal in an earlier issue that the chemical dump under Hooker's management in the '40s and '50s had been found by a chemical engineer to be "well within the standards of RCRA"—the strict law of 1980—Brown's evasive printed reply, which ignored these very findings, was that it would not comply with RCRA because "those standards, among other things, propose that landfills not be located near so populated an area, and mandate that a landfill not be in a position to poison a water source. The Love Canal has leaked into the Niagara River, and probably is still doing so." Brown's reply neatly avoided mentioning the lack of evidence for any such leakage while Hooker had managed the Canal and the abundant evidence of the dump's mismanagement by the School Board and the city for decades afterward—the 'invasion of the site itself" noted by the engineer hired by the city.

And for Michael Brown to claim that the Love Canal dump in 1953 had failed to meet RCRA standards because the surrounding neighborhood was subsequently to become populous simply makes one's mind reel. Even Brown himself, in his book, acknowledges that in 1953 the surrounding area had been sparsely populated. Well, Brown's book won three Pulitzer nominations, so who cares about such insignificant matters as accuracy and truth!

When I spoke with the president of the Love Canal Homeowners Association, Lois Gibbs, on October 17, 1980, I learned that Michael Brown has been one of her chief sources of information about Love Canal. This surprised me, because I expected that the information flow would have been in the reverse direction, since Brown relied so much on residents' testimony. But as it turned out, Ms. Gibbs knew practically nothing about the Canal itself, although she has said a great deal about the dump.

This is a matter of some consequence, because Lois Gibbs has appeared prominently on network TV news programs and as a guest on national TV talk shows and has been much quoted in the newspapers and over the wire services. She has certainly been one of the chief sources for Mr. and Mrs. America's idea about what went wrong at Love Canal. Apparently, however, no interviewer or reporter has ever checked her facts; nor has she, so far as I am aware, ever been asked probing questions to determine the documentation for her positions.

As with Michael Brown, the basic thrust of her position is that, as she put it in response to my question, "Who was primarily responsible (for Love Canal)?": "I believe fullheartedly that Hooker is primarily." On Hooker's role at the Canal, she said: "They left open avenues of swale, pipelines, and so forth. They didn't deposit the waste in 55-gallon drums, as they say they have. They also knew children were being burnt on the Canal proper, and never made that public knowledge. And when they told the Board of Education there were wastes buried there, they never truly explained what the wastes were and what the ramifications of the wastes moving around in the ground and surfacing in the school could cause."

Ms. Gibbs, I soon learned, is fond of snowing the listener with technical terminology that she herself, as it turns out, doesn't understand. So for the perplexed reader who, like myself, has never encountered the term swale—which she later defined for me as "underground stream beds"—I subsequently found that it refers to a line of surface-water runoff. Every plot of land necessarily has swales. As for her intended charge of underground streams at Love Canal, there is not a shred of evidence for the allegation. And what we know and don't know about "pipelines" will be made clear below.

As to her charge that Hooker "didn't deposit the waste in 55-gallon drums as they say they have," Hooker's actual statement, as reported in the *Niagara Gazette* on November 22, 1957, was: "There are dangerous chemicals buried there in drums, in loose form, in solids and liquids." The rest of her statement is pure Michael Brown and has been dealt with earlier.

I asked her: "Are you aware that the Board of Education back in 1951 had drawn up a map of the Love Canal area and that it showed the assessed condemnation value of each property?" Her reply: "No." The head of the homeowners had never even gone to the Board of Ed to check its records so as to make an informed judgment about the roots of their tragedy.

When I asked her about the sewer under Wheatfield Avenue, whose installation in 1957 may well have precipitated the ultimate catastrophe, she denied my assertion that it was "surrounded with gravel." She claimed that this underground excavation was instead "backfilled with clay." The city engineer could straighten her out on that one.

In response to my question whether she'd ever heard of the American Institute of Chemical Engineers' Task Force on RCRA and the findings of one of its members about why the Love Canal had seeped, she said, "No." But she continued:

"Let's pretend the Canal hadn't been disturbed. It still would have leaked.

"Q: How so?

"A: Because there were farmers' field tiles that were connected to the Canal, and these were clay pipes 6 inches to 8 inches in diameter.

"Q: When were these tiles put in?

"A: Probably before the Canal was used as a dump. Furthermore, there are open avenues of swale, which are underground stream beds, that were backfilled with rubbish—not a solid fill.

"Q: Is this in Stephen Lester's report [which she had mentioned earlier]?

"A: I think so. If not, it's in Beverly Paigen's."

Beverly Paigen is not an engineer but a biologist, so of course her study had nothing to do with the structure of the Canal. Instead, it was an epidemiological study of the incidence of health problems among Love Canal area residents. (This report created a sensation—and panic—when it was released in February 1979 with the conclusion that area residents showed high rates of pregnancy disorders, birth defects, and other ill-

nesses. Subsequently, a five-member panel of scientists reviewed this study and concluded that it is "literally impossible to interpret" and "cannot be taken seriously as a piece of sound epidemiological evidence.")

Stephen Lester is not an engineer either. He is a toxicologist and environmental researcher hired by the New York Department of Transportation in 1979 to assist the Love Canal area residents during remedial work being done by the DOT. In the course of observing that work, says Lester, he did see clay pipes running from the Canal, which, he speculates, were probably used to draw water from the Canal to irrigate the orchards that surrounded the area before it was built up.

Did they exist along the entire length of the Canal? Had Hooker removed any such pipes or backfilled them with clay in the sections used by the company for dumping chemicals? Lester's report has no answers to such question; nor does the city engineer's office, which contains no records of the existence or location of such pipes; nor do the people working at Hooker 30 years hence. But it strains credulity to believe that Hooker would have chosen this site, prepared a section at a time for dumping, and covered its wastes with clay—rather than just dumping anywhere into the Canal's waters—and not have seen and attended to any such clay pipes. Of course, of what the Army did when it dumped toxic wastes there, we know nothing. And what would have happened had the Canal not been disturbed after Hooker owned it, we shall never know.

Love Canal may or may not have polluted its neighborhood beyond repair. But the question now is, Has it polluted the media beyond repair? Except for the *Wall Street Journal's* publication of the minutes of the two November 1957 School Board meetings under the headline "What Hooker Told Whom, When About Love Canal," and the *Journal's* two editorials on the facts therein, none of the national media has delved into the history of the Love Canal mess. This story has been butchered in the press. The executioners have been a motley band, led by the US Justice Department, the EPA, the New York State departments of you-name-it, Michael Brown, and Lois Gibbs. Why has their joint exercise in public deception been so overwhelmingly successful? More to the point, why hasn't Hooker's counterfight so far been more effective?

It makes me blush to say it, but in an OpEd article of mine in the *New York Times* in late '79, the editor there cut out a slashing comment I had made in a preliminary draft, calling Hooker's actions at Love Canal "criminal." I've learned since then to be more circumspect about the truthfulness of what I read (and write!) in the papers. There genuinely are big-corporate criminals, and the public's outrage at this, and at their frequent success, is good and healthy—but only if one can still keep one's eyeglasses clean when approaching the facts of each particular case. But that's hard to do.

It hasn't helped that Hooker, and its parent Occidental Petroleum Corporation, have met the public relations challenge of Love Canal with a practically unbroken string of catastrophically bad decisions. At first, when the story was strictly a local one, before Love Canal had hit the national press in the summer of 1978, Hooker's response was to stonewall. The company refused to provide even basic information requested by both the homeowners and the local news reporters. After Love Canal exploded across the nation's front pages during the first half of 1979, cracks started appearing in Hooker's stonewall, but this change got under way too slowly and too late.

In the summer of 1980 the company published a booklet, *Love Canal: The Facts*, which for the first time presented Hooker's detailed public defense against the accusations that were now being hurled at the firm from every corner. Most of the damage to the company had already been done, however. Michael Brown and Lois Gibbs had made their starring appearances on the network TV talk shows, and the ghastly pictures of Love Canal's chemical oozings had finished their sensational runs on the nightly news shows—with prominent mention of the fact that the Canal had once been a Hooker dump.

Even now, the response of Hooker and Occidental remains strictly defensive. Having permitted the Love Canal spark to ignite a conflagration that (according to present Wall Street estimates) has burned off a half-billion dollars' worth of Occidental Petroleum stock value, the best that Hooker and its parent firm can come up with is still a meek squeak: "We didn't do it." Hooker has not sued Michael Brown and his book publisher, Random House, for libel; to the public, this means that Hooker must be guilty.

When I asked Hooker's PR department why the company isn't challenging in a court of law the allegations by Brown and others, I was told, in effect, that that was a matter for the legal department—and that none of Hooker's lawyers was talking to any reporters. Then, on November 3, I phoned Occidental Petroleum, which referred me to Philip Wallach Associates, the parent corporation's public relations counsel. Mr. Wallach told me that it was he who had advised Occidental not to file a libel suit against Michael Brown and Random House, because "to do so would only have given the book free publicity." When I asked Mr. Wallach, "But isn't it sometimes the case that the best defense is a good offense?" he agreed with me that this was so. And when I further inquired why he was more concerned about preventing some negative publicity for Brown's book than he was about giving his own bloodied corporate client some desperately needed positive exposure—and especially increased credibility—he told me, "Well, you have a point there. I suppose maybe I should reconsider." That's where the matter now stands. To think that $500 million of a corporation's stock value can hang on decisions made in such a manner!

Can more Love Canals happen? There's no reason why not. Niagara Falls is not the only town that's been gungho on technology without concern for consequences. This kind of attitude may still prevail there; it certainly can be found elsewhere, and Love Canal may well turn out to have been just the opening battle in a long hot war between the present and the future.

Despite the popular myth that Love Canal is the result of a single corporation's greed and heartlessness, the actual explanation is far more complex. It's clear to anyone who digs into this matter that Hooker may well have been the only party to the affair to behave responsibly. Hooker chose an exceptionally fine chemical dumpsite; it ceded the dump to the School Board under circumstances in which the threat of condemnation was real and the reality of condemnation was already under way for adjourning properties; it warned the School Board that the chemicals could kill and insisted that the Board pass this warning on to any subsequent owner of the property; it urged the Board not to construct the school or any other buildings directly over the Canal; it protested the prospect of any subsurface construction on the Canal.

These warnings were repeatedly ignored, however, by the governmental bodies involved in desecrating this chemical tomb: the School Board itself, the City Planning Board, the city engineer, and the state Department of Transportation. In addition, other governmental agencies have been busy spreading misinformation about the Canal: the Niagara County Health Department, the state Department of Health, the US Environmental Protection Agency, and the US Department of Justice.

Despite all these nefarious governmental involvements, nothing has happened up to the present time to reduce the likelihood of similar governmental crimes being committed in the future. Even if the new federal legislation on waste dumps, the RCRA, proves effective against corporate violators, it could never be effective against governmental bodies. Just on the outside chance that an RCRA suit might someday be filed against a town, school board, or other public agency, what would be the probability that any governmental criminals would be penalized? No matter how guilty they might be, it is the taxpayers who would end up paying the tab on any resulting fines, and it is unlikely that any government bureaucrat would be imprisoned, even if his crimes included the deaths of innocent victims.

When the Justice Department and the EPA joined the fray in December 1979 with their suit against Hooker, they were tacitly acting to protect the interests of all the governmental agencies that throughout the years seem clearly to have produced the Love Canal mess. The federal authorities could instead have chosen to file charges against those governmental bodies, but this would have made some important New York State politicians unhappy during an election year—and New York was a crucial state for Carter. With the press and the homeowners screaming, the federal government apparently felt compelled to "do something" about the matter, and Hooker turned out to be the most suitable punching bag under the circumstances.

The federal attorneys must certainly have seen much of the evidence that I've presented here and so must have known how shoddy their case against Hooker really was, yet they slogged through their legal mire and came up with the obligatory political document. If instead they'd sued the governmental agencies, that would have made considerable news but even more considerable political enemies. It would also have deflated the Michael Brown bubble, but why do that when it could be exploited, since Brown had conveniently placed blame upon the same scapegoat that the politicians now found so suitable?

Perhaps because of the visibility of what went wrong at Love Canal, even if there has been little attempt to understand how it went wrong, there is an increased public awareness that in environmental matters the future doesn't take care of itself. But that would not alone prevent future Love Canals. It would not get at any of the fundamental structural problems that aided and abetted the environmental disaster.

At the very least, governmental criminals should not be protected from paying the price for their actions. And when businesses share in the blame, they too should be hotly pursued for every ounce of damage to persons and property. If nothing else, that's the protection that should be afforded citizens by a proper system of property rights, whereby you may do what you will with your property and what is in it and on it, so long as it does not infringe on my rights to my life, my liberty, and my property.

Certainly the worst thing we could do would be to hand to the corporate world some of the same kind of protection from responsibility that we've allowed government officials. Yet, ironically, one of the hottest new items from Congress—the recently passed "superfund" legislation for

cleaning up toxic chemicals in the environment—will serve, in part, to lessen the risks of mismanagement on the part of individual firms involved in disposing of toxic chemical wastes.

Any environmentalist who believes that this set-up is a super idea should pay heed to our experience with legislatively limited liability in another industry where the risks of injury are high: nuclear power. Back in the 1950s, when "the peaceful atom" was but a fervent dream on the part of the Atomic Energy Commission, Congress stepped in as the promulgator of devil-may-care. Faced with a drawing-board industry unable to obtain insurance (for reasons that themselves have much to do with government—see "Who Caused Three Mile Island?" REASON, Aug. 1980), Congress passed the Price-Anderson Indemnity Act in 1957, dictating that, in the event of a major nuclear accident, the first $500 million in claims would be footed by U.S. taxpayers, the next $60 million by the firm (through its insurance), and anything over and above that—practically everything in a serious accident—would simply go uncompensated.

The nuclear-power industry was born as a direct result of this legislation. While it may well have come into existence anyway—eventually, and when reactor designers and so on had satisfied insurers' safety experts that nuclear-power generation was insurable—the indisputable effect of this legislation has been to reduce the incentives for individual firms or the industry as a whole to make sure that they are employing and coming up with the best, safest procedures possible.

How could we even think of imposing a similar system upon the public as a way of "controlling" the chemical industry? Said Sen. Jennings Randolph in urging the Senate's passage of its superfund bill: "We cannot afford another Love Canal." But the senator entirely misses the point. Any society that socializes risks while it privatizes rewards is earning every Love Canal it gets.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ANDREWS). Without objection, it is so ordered.

Is there further morning business?

Mr. ROBERT C. BYRD. Yes, Mr. President.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nominations of R. T. McNamar, of California, to be Deputy Secretary of the Treasury, and W. Dennis Thomas, of Maryland, to be a Deputy Under Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, there is no objection to proceeding to consider those two nominations.

The PRESIDING OFFICER. Without objection, the nominations will be stated.

DEPARTMENT OF THE TREASURY

The legislative clerk read the nomination of R. T. McNamar, of California, to be Deputy Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The legislative clerk read the nomination of W. Dennis Thomas, of Maryland, to be a Deputy Under Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

● Mr. DOLE. Mr. President, the Senate today has considered and confirmed the nominations of Mr. R. T. McNamar to be Deputy Secretary of the Treasury and Mr. W. Dennis Thomas to be Deputy Under Secretary of the Treasury. The Senator from Kansas strongly supports both nominations, which were unanimously approved by the Finance Committee following a hearing on February 6, 1981.

In the view of the Senator from Kansas, Tim McNamar is superbly qualified to serve as the "Number two" man at the Treasury Department. Tim received his undergraduate education at Villanova University and then received a law degree from the University of Michigan and an MBA from the Amos Tuck School of Business Administration. He is currently executive vice president and de facto chief operating officer of a diversified financial services corporation. He previously served as executive director of the Federal Trade Commission. This management experience will serve him well as he faces the administrative problems inherent in running the Treasury Department.

Dennis Thomas is equally well qualified to be the Treasury Department's principal contact with the Hill. Dennis received his undergraduate education at Frostburg State College and received a master's degree from the University of Maryland. He is no stranger to the Senate having served as administrative assistant to Senator ROTH and before that to Senator J. Glenn Beall.

I am pleased that the Senate has confirmed both of these nominations.●

Mr. HELMS. Mr. President, I ask unanimous consent that the President of the United States be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m. today.

There being no objection, the Senate, at 1:10 p.m., recessed until 1:30 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. ANDREWS).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of North Dakota, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBMISSION OF STATEMENT FOR SENATOR SASSER

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Tennessee (Mr. SASSER).

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RIDESHARING BILL A NECESSARY

Mr. President, I support S. 239, the Commuter Transportation Energy Efficiency Act of 1981, which I am an original cosponsor.

In the State of Tennessee, I am proud that we have three of the Nation's first ridesharing programs. The Knoxville Commuter Pool is an organization located at the University of Tennessee's Transportation Center and is sponsored in part by the Tennessee Energy Authority and the Urban Mass Transportation Administration through a service and fare demonstration grant to the city of Knoxville. Over 30,000 employees have asked the Knoxville Commuter Pool for assistance with ridesharing and at the end of 1980, the program had a computer master file of over 20,000 names. President Carter awarded the Knoxville Commuter Pool "The President's Award for Energy Efficiency" in recognition of exemplary leadership in the national effort to achieve energy efficiency.

Nashville's Metropolitan Authority has recently initiated a comprehensive program to encourage ridesharing among employees in the Nashville Metropolitan area. This program has set ambitious goals for itself and will be successful, especially if the Congress passes initiatives which will encourage employees and employers to participate.

The Memphis and Shelby County Office of Planning and Development, in cooperation with the Tennessee Energy Authority, con-

ducts a ridesharing program which has received outstanding support from commuters and their employers. Actual benefits derived from the program are impressive; for instance, for every dollar spent on the Memphis area rideshare program, $13.50 has been saved in commuter dollars alone.

Mr. President, ridesharing programs are producing significant energy savings while simultaneously reducing air pollution, traffic congestion, and parking demand. I urge early consideration of S. 239, a bill which would provide an added boost for ridesharing programs throughout the country.

SUBMISSION OF STATEMENT FOR SENATOR TSONGAS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Massachusetts (Mr. TSONGAS) together with the attachments referred to therein.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOVIET MILITARY SPENDING

(Statement by Mr. TSONGAS)

Mr. President, on Thursday, February 19, I plan to cohost a luncheon with the Council for a Livable World at which Dr. Franklyn Holzman will discuss Soviet Military Spending. Dr. Holzman, a professor of economics at Tufts University and a Fellow at the Harvard Russian Research Center, has considerable expertise on this subject. As you know, the controversy over estimating the level of the Soviet Union's military spending has become heated during the past year. At a time when we are beginning to formulate our own defense spending priorities for the coming fiscal years, I believe that this discussion on what the Soviets may be doing will be useful to all of us.

Recently, two papers have been published which present opposite sides of the issue. The CIA, in its report, "Soviet and U.S. Defense Activities, 1971–80," concludes that the estimated dollar costs of Soviet defense activities were 40 percent higher than comparable U.S. outlays for the 1971–80 period. A study by Dr. Holzman, "Dollars or Rubles: The CIA's Military Estimates," (Bulletin of Atomic Scientists, June, 1980) criticizes the CIA's methodology and concludes that Soviet defense spending has been substantially exaggerated by the CIA.

I submit the above articles for the RECORD.

The articles follow:

SOVIET AND U.S. DEFENSE ACTIVITIES, 1971–80: A DOLLAR COST COMPARISON: A RESEARCH PAPER

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SOVIET AND U.S. DEFENSE ACTIVITIES, 1971–80: A DOLLAR COST COMPARISON

INTRODUCTION

(Figures listed do not appear in the RECORD)

This research paper compares Soviet and U.S. defense activities in dollar cost terms. The estimated dollar costs of Soviet defense activities represent what it would cost annually, using prevailing U.S. prices and wages, to acquire and operate a military force of the same size and with the same weapons inventory as that of the U.S.S.R.[1] The U.S. dollar cost data are in terms of outlays derived from The Five-Year Defense Program and the U.S. budget for fiscal year 1981. The effects of inflation have been removed by expressing the defense activities of each country in constant 1979 dollars. The main focus of the paper is the 1971–80 period, but to give some additional perspective to the comparison, U.S. and Soviet data for the 1965–70 period and a projection of estimated Soviet defense costs for 1981–85 have been added.

DOLLAR COST COMPARISONS

Aggregate Defense Costs: For the 1971–80 period, the estimated dollar costs of Soviet defense activities were 40 percent higher than comparable U.S. outlays, but for the longer period, 1965–80, the estimated Soviet costs were only slightly higher than those of the United States. In 1980 they were approximately $175 billion and estimated U.S. outlays were $115 billion—a difference of 50 percent.

The trends in the defense activities of the two countries were markedly different. The estimated dollar costs for the Soviet Union grew at an average annual rate of over 3 percent from 1965 through 1980. The overall pattern was one of continuous growth throughout the period, although growth rates fluctuated somewhat from year to year—a result of the phasing of major procurement programs for missiles, aircraft, and ships. U.S. outlays rose from 1965 until 1968, reflecting the costs of the Vietnam conflict, but then fell steadily until 1976. Since then they have grown at an annual average rate of 2.5 percent per year. The U.S. growth rate over the entire time span, however, was negative.

Looking back at the trends before 1965, it is clear that the sustained growth in Soviet defense costs already had begun in the early 1960s. U.S. defense outlays peaked in the early 1960s, when several major strategic systems were being procured. In 1965 U.S. outlays were one-fourth more than estimated Soviet dollar costs, but by 1971 Soviet costs had surpassed U.S. outlays.

The available evidence suggests that Soviet dollar costs will continue to grow for the next five years at approximately the same rate as they have in the past. This projection, although less certain than our estimate of current defense costs, is based on information about defense programs that are planned or under way.

RESOURCE COMPARISONS

Soviet and U.S. defense activities can be compared in terms of the major resource categories—investment, operating, and RDT&E (research, development, testing, and evaluation):

The investment category covers the dollar cost of the procurement of equipment (including major spare parts) and the construction of facilities.[2] Investment costs represent the flow of equipment and facilities into the defense establishment; they are not an indication of the size of the force in any given year.

The operating category covers the costs associated with operating, training, and maintaining current forces (including personnel costs). These costs are directly related to the size of the forces and to the level of their activity.

The RDT&E category covers a variety of activities, including exploring new technologies, developing advanced weapon systems, and improving existing systems.

INVESTMENTS

The estimated dollar cost of Soviet investment exceeded its US counterpart for every year of the 1971-80 period. The absolute difference grew from 1971 until 1976 as US investment decreased by an average of 6 percent per year. Soviet investment, measured in dollars, showed an upward trend but displayed cycles in annual growth rates that were related to the phasing of major procurement programs—especially those for missiles, aircraft, and ships. This growth is expected to continue at least into the mid-1980s.

By 1976 the estimated dollar costs for Soviet investment were twice their US counterpart. Since then, however, US investment has grown somewhat faster than estimated Soviet investment. For the past two years, the estimated dollar costs were about 75 percent more than US outlays. Coincidentally, they were also 75 percent more for the 1971-80 period.

OPERATING COSTS

At the beginning of the period, estimated Soviet dollar operating costs were approximately equal to U.S. outlays in this category. U.S. outlays fell until 1977 and then grew slowly as increasing operation and maintenance (Q&M) costs offset a decline in military personnel costs. Estimated Soviet operating costs grew over the entire period with both personnel and O&M costs sharing the increase. As a result of these trends, estimated Soviet operating costs were approximately 30 percent higher than U.S. outlays for the last five years of the period. Over the entire period they were 20 percent higher.

RDT & E

We are less confident in our estimate for RDT&E than we are in our estimates for the other categories. Nevertheless, we are confident that the Soviet military RDT&E effort is large and that the resources devoted to it are growing. This assessment is reinforced by evidence on the increases in manpower and facilities devoted to Soviet military RDT&E programs. U.S. RDT&E costs, on the other hand, fell until the middle 1970s and have grown at an average rate of 4 percent a year since then. Over the 1971–80 period, Soviet estimated dollar costs for RDT&E were half again as much as U.S. outlays, and during the late 1970s they were about twice as much.

MILITARY MISSION COMPARISONS

Comparisons of Soviet and U.S. defense activities also can be made by using U.S. accounting definitions to array defense outlays by the missions they are designed to support. The missions in this section follow the guidelines in the Defense Planning and Programming Categories (DPPC) issued by the Department of Defense in November 1980. All comparisons exclude RDT&E costs.

STRATEGIC FORCES

This mission includes all forces assigned to intercontinental attack, strategic defense,

[1] For a complete statement of what the estimates include, how they are derived, and the confidence we have in them, see the methodology section.

[2] Investment costs are sometimes defined—particularly by the Department of Defense—as including RDT&E.

and strategic control and surveillance, as well as nuclear weapons. It also includes the Soviet peripheral attack forces, for which there are no U.S. counterparts. Measured in dollars, the level of Soviet activity for strategic forces was three times that of the United States over the 1971–80 period. If Soviet peripheral attack forces are excluded, the estimated dollar costs of the Soviet forces were two and two-thirds times the comparable U.S. outlays for the period.

While U.S. strategic costs fell slightly over the period, estimated Soviet costs grew, but at an uneven rate caused by the procurement cycles for the major strategic weapon systems. Our prediction of the dollar costs of Soviet strategic forces for the mid-1980s depends heavily on the phasing of the deployment of the next generation of ICBMs and the new ballistic missile submarine. Should the deployment schedule differ from our projection, the increase in costs will differ proportionately.

Intercontinental attack forces accounted for about 35 percent of the estimated dollar cost of Soviet strategic forces for the period. U.S. intercontinental attack forces received a larger share—about two-thirds—of the outlays for strategic forces.

Estimated dollar costs intercontinental attack forces dipped in the early 1970s with the completion of third-generation ICBM deployment programs, then rose sharply in the mid-1970s with the deployment of fourth-generation systems. As this deployment was completed, the estimated dollar cost of intercontinental attack declined again. If in the mid1980s the Soviets deploy ICBM systems now under development, estimated dollar costs will rise again.

Our cost estimates for intercontinental attack forces reflect a substantial difference in the mix of weapons in the Soviet and US forces. During the period, ICBM forces accounted for more than half of the estimated dollar cost of Soviet intercontinental attack forces but for only about one-fifth of comparable US outlays. On the other hand, bomber forces accounted for about one-third of the US costs in this category but for less than 5 percent of the Soviet total.[3]

Peripheral attack forces accounted for about 15 percent of the total dollar cost of the Soviet strategic mission. (Peripheral attack forces include medium-and intermediate-range ballistic missiles, medium bombers, and some older ballistic missile submarines. These forces are assigned strategic targets on the periphery of the Soviet Union.) The dollar costs for this mission have grown at a rapid rate, especially since the mid-1970s.

Estimated costs of Soviet forces for strategic defense, a major part of the Soviet strategic mission, comprised roughly 40 percent of the dollar costs of all strategic forces during the period. US strategic defense, on the other hand, accounted for less than 15 percent of US strategic mission outlays and declined continuously throughout the period. As a result, the dollar cost of Soviet strategic defense activities increased from five times US outlays in 1971 to almost 25 times US outlays at the end of the period. Soviet strategic defense activities will continue to grow in the early 1980s as the USSR introduces a new generation of interceptor aircraft and surface-to-air missiles.

GENERAL PURPOSE FORCES

This mission includes all land, tactical air, naval, and mobility (airlift and sealift) forces. Estimated dollar costs of Soviet general purpose forces exceeded comparable US outlays by a large margin in every year of the period. In 1980 they were over half again as much; over the period, they were 60 percent larger.

The estimated dollar costs of Soviet general purpose forces grew steadily over the period and are expected to continue to grow in the 1980s with some fluctuations caused by procurement cycles (especially those for tactical aircraft). U.S. outlays for general purpose forces fell from 1971 to 1973 but then started to grow. By the end of the period, they had surpassed their 1971 level.

Within the Soviet general purpose forces, land forces accounted for 60 percent of the estimated dollar costs over the period. Land forces were also the largest U.S. general purpose component, although they were not much larger than the tactical air and naval forces. While estimated Soviet costs for land forces grew over the whole period, US outlays followed the usual pattern—they fell until 1973 and then grew slowly for the rest of the period.

The dollar costs of the two countries' general purpose naval forces showed somewhat similar trends. (This category excludes US multipurpose aircraft carriers and their associated aircraft, which by DPPC definitions are included in tactical air forces.) The dollar costs for both countries' naval forces fell from 1971 until 1973, although the decline was more precipitous for the Soviet Union. Since then both have grown—the US costs at an average rate of 3 percent per year and the estimated Soviet dollar costs at over twice that rate. As a result, the estimated Soviet dollar costs, which were only slightly higher than US outlays over the period, were 25 percent more in 1980. (If the costs of the US carriers and their associated aircraft were included in general purpose naval forces, US outlays would be 20 percent more than the estimated dollar costs of Soviet forces in 1980 and 40 percent higher than the Soviet total for the entire period.)

US outlays for tactical air forces (including aircraft carriers and their associated aircraft) fell from 1971 to 1974 but have grown since then. The estimated dollar cost of the Soviet forces with a tactical air mission showed a cyclical, but upward, growth pattern related to the procurement cycle for new aircraft. One cycle peaked in the mid-1970s; the next probably will not peak until the early 1980s. Thus, the costs for this Soviet mission were growing at a slow rate in the late 1970s, and US tactical air costs, which were only 20 percent higher over the whole period, are one-third more at the beginning of the 1980s. (If the US carriers and their associated aircraft were excluded, estimated Soviet dollar costs would be 25 percent higher than US outlays in 1980 and 55 percent higher for the period as a whole.)

SUPPORT FORCES

This mission includes the logistic, training, administrative, base-operating, and other support activities required by the combat forces. While US outlays for this mission fell until 1977, the estimated dollar costs for Soviet support forces grew over the period, largely as a result of the growth of the other major missions. In 1971 the estimated Soviet costs were only two-thirds those of the United States, but they have been approximately equal since the mid-1970s.

INVESTMENT COSTS BY MISSION

Figure 6 shows the distribution of dollar investment (procurement and construction) costs within the strategic and general purpose missions over the 1971–80 period. Slightly less than half of the estimated dollar cost of investment for Soviet strategic forces was for the intercontinental attack forces. Strategic defense accounted for a quarter and peripheral attack for about an eighth. Almost two-thirds of the US investment outlays for strategic forces were for intercontinental attack forces.

Land forces accounted for slightly less than half of the estimated dollar costs for investment in the Soviet general purpose mission. Tactical air forces and naval forces each accounted for about one-fourth. In contrast, the tactical air component accounted for the largest share (about 45 percent) of US general purpose investment. Naval forces accounted for one-third; land forces, a fifth.

OTHER AGGREGATE DOLLAR COMPARISONS

If uniformed personnel costs (which are based on U.S. pay rates) are excluded from both sides, the estimated dollar costs of Soviet defense activities exceeded U.S. outlays by 30 percent over the period and by 40 percent in 1980. It should be noted that these personnel costs are not defined the same as those often reported by the Department of Defense. The personnel costs here include only compensation for uniformed military personnel. Compensation for civilians and retirees is excluded from this category. U.S. uniformed personnel costs are about one-fourth of total U.S. outlays (when civilians and retirees are included the share is over 50 percent); Soviet estimated dollar personnel costs are about one-third of the estimated total cost.

Aggregate comparisons including military pensions are not highlighted in this paper because pensions are considered to be the cost of past rather than current defense activities. Nevertheless, we do make detailed estimates of Soviet retirement pay. Our estimate of the dollar cost of Soviet retirement was about $8 billion for 1980; U.S. outlays for retirement were approximately $11 billion. The U.S. figure is higher despite the currently smaller U.S. manpower force for two reasons: (1) there are few enlisted men in the Soviet retirement pool, and (2) Soviet officers typically serve longer than their U.S. counterparts before retiring. In fact, because of the demographic history of the Soviet military, there were few military retirees before the 1970s. If we add the dollar cost of retirement to both sides, the estimated total dollar costs of Soviet defense activities would be about one-third more than U.S. outlays over the period and 45 percent more in 1980.

Finally, if RDT&E cost estimates (which are less reliable than those for other activities) are excluded from both sides, the estimated Soviet dollar cost exceeds the U.S. total by 35 percent for the period and by 45 percent in 1980.

OTHER FINDINGS

Manpower: Our dollar cost comparisons of Soviet and U.S. defense activities reflect large differences in the military manpower levels of the two countries. Over the 1971–80 period, the U.S.S.R. has maintained a larger standing force than the United States. The uniformed personnel strength of Soviet forces in 1980 was approximately 4.3 million—about twice the U.S. level. Soviet figure includes the five armed services of the Ministry of Defense and the Border Guards, which are subordinate to the Committee for State Security but have military responsibilities.

We include in this accounting only those Soviet personnel who fill what in the United States are considered to be national security roles. Thus, we do not include military personnel assigned to Military Construction Troops, Railroad Troops, Civil Defense Troops, are militarized security forces of the Ministry of Internal Affairs. (These categories total almost a million men.)

We estimate that Soviet military manpower grew by 400,000 men between 1971 and 1980. The largest increase—250,000 men—occurred in the Ground Forces. In contrast, the level of US military manpower fell in every year of the period except 1980. The US total was 2.8 million men in 1971 and 2.1 million in 1980.

[3] Backfire aircraft assigned to Long Range Aviation are included in peripheral attack forces, and those assigned to the Navy are included in general purpose forces.

FORCES OPPOSITE CHINA

The USSR structures its forces not only for a major East-West war but also for a possible conflict with China. Over the 1971–80 period, between 10 and 15 percent of the estimated dollar cost of Soviet defense activities (excluding RDT&E) was for units that we believe have a primary mission against China. Of course, some of these forces also could be used to meet other contingencies.

COMPARISONS WITH PREVIOUS ESTIMATES

Estimates of the dollar costs of Soviet defense activities for the entire period are revised each year to take into account new information and new assessments of the size, composition, and technical characteristics of the Soviet forces and activities, as well as refinements in costing methodologies. The US data used for comparative purposes are similarly revised each year to take into account changes in The Five-Year Defense Program and the Defense Planning and Programing Categories. In contrast to our practice in previous editions of this paper, however, we have not updated the price base; the base this year, as last, is calendar year 1979 prices.

This year's estimate of the dollar cost of Soviet defense activities for 1979 is about $\frac{1}{4}$ billion higher than the estimate for that year in last year's paper. Approximately half of the increase results from an improved estimate of construction activities. Although our cost factor remained about the same, we now have a better understanding of the extent of construction work at military facilities built during the period. The rest of the increase results from higher estimates for procurement (primarily aircraft and ships) and O&M (primarily facility maintenance).

METHODOLOGY

Definitions—

The following U.S. activities and their Soviet counterparts are included in the cost comparisons in this report:

National security programs funded by the Department of Defense.

Defense-related nuclear programs funded by the Department of Energy.

Selective Service activities.

The defense-related activities of the Coast Guard.

The following are excluded from the comparisons:

Military retirement pay, which reflects the cost of past rather than current military activities.

Soviet space activities that in the United States would be funded by the National Aeronautics and Space Administration.

Military assistance (except for the pay and allowance of uniformed personnel) and foreign military sales.

Civil defense programs.

Veterans' programs.

Soviet Internal Security Troops, who perform police functions, and Soviet Railroad and Construction Troops who are not directly involved in national security matters.

PROCEDURES FOR ESTIMATING THE DOLLAR COSTS

The dollar costs of all Soviet defense activities except RDT&E are developed by identifying and listing Soviet forces and their support apparatuses. Our model contains a description of about 1,100 distinct defense components—for example, surface ships, ground force divisions, and air regiments—and our latest estimates of the order of battle, manning, equipment inventories, and new equipment purchases for those components.

To detailed estimates of physical resources, we apply appropriate U.S. prices and wage rates. This procedure is complex, but in general we do the following:

For procurement, we estimate what it would cost to build equivalent items in the United States at prevailing dollar prices for materials and labor, using U.S. production technology and practices and assuming the necessary plants and supplies would be available. Thus, the dollar costs are based on U.S. manufacturing efficiencies.

For operation and maintenance, we apply dollar prices to estimate the labor, materials, spare parts, overhead, and utilities required to operate and maintain equipment the way the Soviets do.

For military personnel, we first estimate the military rank of the person in the United States who would be used to perform the functions of each Soviet billet and then apply the appropriate US pay and allowance rates to that job.

The costs of duplicating the Soviet RDT&E effort in the United States are estimated in the aggregate by converting an estimate of their ruble costs into US dollars.

Our estimates of future dollar costs for the 1981–85 period are based on the evidence of current Soviet weapons production and testing and the construction of production and R&D facilities.

US dollar cost data are expressed in outlays derived from The Five-Year Defense Program issued by the Department of Defense in September 1980 and the US budget for fiscal year 1981. The US data are converted from fiscal year to calendar year, and defense-related activities of the Department of Energy, the Coast Guard, and the Selective Service are added. The outlays for each year are converted to their equivalent in 1979 dollars using detailed price indexes for each type of military expenditure. Because of these adjustments, the US figures in this report differ from published budget appropriations. US outlays for 1980 are estimated.

CONFIDENCE IN THE DOLLAR ESTIMATES

The reliability of the estimates depends on our ability to measure accurately the levels of Soviet defense activities and to determine accurate cost factors to apply to that data base. We believe that the dollar cost estimate for total defense activities is unlikely to be in error by more than 15 percent for each year over the 1971–80 period, but the uncertainty attached to both the level and trend for the mid-1980s is substantially greater. The margin of error can be more or less than 15 percent for some of the individual items and categories. Our individual estimates, while unbiased, are subject to random errors; some will be too high and some will be too low. We have greater confidence, however, in our aggregate estimates because these errors tend to cancel each other when the data are aggregated. For essentially the same reason, we are generally more confident in data that represent trends rather than absolute levels.

We place our highest confidence in the estimate of personnel costs, which account for about 35 percent of the total estimated dollar cost of Soviet defense activities for the 1971–80 period. We also have substantial confidence in our estimate of total military procurement, which represents about 25 percent of the estimated total dollar costs. Although we are somewhat less confident in our estimates of operation and maintenance costs, we believe we have made substantial improvements in the last few years, particularly for ships, aircraft, and facilities. O&M costs are about 20 percent of the total. Our estimate for Soviet construction costs (about 5 percent of the total) has been revised for this paper, and our confidence in its accuracy is substantially higher than in previous years.

The estimated dollar costs for Soviet RDT&E is derived in the aggregate using a less certain methodology and should be considered as significantly less reliable than the estimated costs for the other categories. On the basis of our considerable research into Soviet RDT&E activities, however, we believe that both the relative magnitude and trend of our dollar cost estimates for RDT&E are generally correct. RDT&E costs are about 15 percent of the total.

STRENGTHS AND WEAKNESSES OF DOLLAR COST ESTIMATES

Summary comparisons of US and Soviet defense activities are difficult because they require aggregation of dissimilar elements of each country's military force. A measure is needed that can represent the importance of each element. With such a measure, these disparate elements can be summed and compared. This paper uses the dollar as that measure because it is familiar to US policymakers and because US defense planning is generally done in dollar terms. We also make aggregate comparisons of Soviet and US defense activities in rubles.[4] The results of these calculations show that the estimated ruble cost of Soviet defense activities is 30 percent more than the estimated ruble cost of US defense activities for each of the last few years (compared to 50 percent when measured in dollars).

Dollar cost can be used to compare the overall magnitudes and trends of the defense activities in two countries in terms of resource inputs. They have an important advantage over many other input measures—such as the number and types of weapons—in that they permit aggregate comparisons. Dollar cost valuations, for example, take into account differences in the technical characteristics of military hardware, the number and mix of weapons procured, manpower strengths, and the operating and training levels of the forces.

Dollar valuations, however, still measure input rather than output and should not be used as a direct measure of the relative effectiveness of U.S. and Soviet forces. Assessments of capability must take into account strategic doctrine and battle scenarios; the tactical proficiency, readiness, and morale of forces; the numbers and effectiveness of weapons; logistic factors; and a host of other considerations. Thus, while dollar valuations can portray changes in the military emphasis of a nation's forces over time, they are not sufficient alone to compare the capabilities of U.S. and Soviet forces.

Dollar costs do not measure actual Soviet defense spending, the impact of defense on the economy, or the Soviet perception of defense activities. These issues are more appropriately analyzed with ruble expenditure estimates.

DOLLARS OR RUBLES: THE MILITARY ESTIMATES

The Soviet Union spends much more money on defense than the United States does, according to estimates by the Central Intelligence Agency. These estimates are an important factor in the push by the Department of Defense and the Congress for ever

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[4] To estimate the ruble cost of US defense activities, we must put a ruble price on each of these activities. Pay and allowances are costed directly by dividing each service into 21 ranks from general to private. The US manpower in each rank is multiplied by ruble rates of pay, travel, clothing, and other allowances. US RDT&E, procurement, construction, and operation and maintenance are calculated using dollar-to-ruble conversion factors. The dollar value of each of the US resource accounts is multiplied by the appropriate conversion factor. These factors themselves are each value weighted, reflecting the importance of different components of that particular acount. The conversion factors also take into account those areas where we judge US weapons have a significant technological or qualitative advantage.

greater U.S. military expenditures. But the CIA's calculations are performed in such a way that they substantially exaggerate Soviet military spending relative to our own. In fact, contrary to the Agency's claims, the corrected figures indicate that the Soviet Union has not been outspending the United States.

Central Intelligence Agency estimates of Soviet military spending are needed for two reasons: the Soviet Union publishes only one figure for defense spending, a figure which undoubtedly understates the Soviet military effort; and even if the Soviets published a comprehensive figure for defense spending in rubles, it would not be very useful because the ruble exchange rate is not a meaningful basis for converting rubles into dollars or into any other Western currency.

The CIA uses a so-called "building block" approach to eliminate quantities of everything included in defense—numbers of soldiers, tanks, guns and so on—and values these at U.S. wages and prices, correcting where possible for differences in quality. The quantities are taken from or based upon published Soviet sources, satellite reconnaissance photos and other intelligence sources. The resulting estimate of Soviet defense expenditures in dollars presumably represents what it would cost the United States to reproduce the Soviet defense effort.

These estimates are usually taken, for lack of a better measure, as proxies for military capability. As such, they are deficient, since the performance and effectiveness of armed forces are not necessarily proportional to the cost of their inputs. This expedient is admitted by the CIA and, for present purposes I have accepted it.

The CIA also acknowledges that a comparison of U.S. and Soviet defense (or any other sector) expenditures in dollars tends to exaggerate—in the sense that it provides an upper limit—Soviet expenditures. By the same token, a comparison in rubles would tend to exaggerate U.S. defense (or other) expenditures. This is the well-known index number effect and it is substantial when nations are at different stages of development, produce different proportions of goods and have different relative prices. The Soviet defense establishment buys comparatively more manpower than the United States whereas the United States buys comparatively more equipment. This is because, in the words of former CIA Director Admiral Turner, "Military hardware is much more expensive than manpower in the Soviet Union while in the United States manpower is relatively more expensive than hardware" (1, p. 71). Thus the Soviet 4.5-million-man army appears extraordinarily expensive, priced at U.S. volunteer army pay rates plus upkeep of more than $10,000 a man. Similarly, high ruble prices for hardware would exaggerate the more capital-intensive U.S. defense establishment.

Where there is a substantial index number effect, the usual procedure is to calculate expenditures in both rubles and dollars and present the results either as a range or as the geometric mean of the two. For, as the CIA admits, the ruble measure is as valid as the dollar. The two currencies simply represent different but equally valid measuring rods.

The first source of bias, then, is the almost exclusive use by the CIA of dollar comparisons between U.S. and USSR defense expenditures.

How large are Soviet/U.S. index number effects, that is, spreads? The figures in the table are selected from a Soviet/U.S. gross national product comparison by the CIA for 1976, published in October 1979.

In these figures, the CIA shows a defense index number spread of 1.11 (column 3), with the Soviet Union outspending the United States by 44 percent (column 2) in dollars and by 29.2 percent (column 1) in rubles. In Congressional Hearings, using similar figures for this and other years, Directors Colby and Turner have argued that the relative picture is changed very little by ruble measurements. If these figures are correct, the CIA is right. However, perusal of the remaining figures shows (with the exception of the tiny sector of administration where expenditures are similar, that is, labor intensive with an absence of index number effects) that the spreads average 1.49 for the whole GNP, and all other sectors exceed 1.29. There is, in fact, no reason to believe that the defense sector should have a lower spread than other sectors. If, for example, the defense spread were 1.30, and the Soviet Union were outspending us by 44 percent in dollars, then it would be outspending us by only 11 percent rather than 29.2 percent in rubles. If the spread were larger than 1.30, the ruble figure would be even less than 11 percent. It would therefore make a big difference whether rubles or dollars were being used, contrary to the testimonies by Colby and Turner.

INDEX NUMBER EFFECTS IN CIA COMPARISON OF UNITED STATES-U.S.S.R. EXPENDITURES (1976)

	In rubles[1]	In dollars[1]	Dollars and rubles
GNP	0.495	0.737	1.49
Consumption	.352	.543	1.54
Investment	1.076	1.403	1.30
Administration	.571	.602	1.05
Defense and space	1.292	1.440	1.11
Other	.500	.647	1.29

[1] Ratio of U.S.S.R./United States.

Source: T. Edwards, M. Hughes, J. Noren, "U.S. and U.S.S.R.: Comparisons of GNP," in Soviet Economy in a Time of Change. I. Joint Economic Committee, U.S. Congress (Washington, D.C., 1976), p. 378.

There is a good reason why the CIA's ruble valuation yields such a relatively small index number effect. Comparison is based, for lack of data on a disaggregation of defense expenditures into only about 10 categories. It is well-known, and admitted by the CIA, that the higher the level of aggregation, the lower the index number spread (1, 1975, p. 24). Since many thousands of products are brought by the two defense establishments, the small number of categories must yield a large distortion. It can be shown from CIA data that increasing the number of expenditure categories five-fold, from two to 10, doubles the index number spread [2]. My guess is that increasing the number of categories 100-fold (to 1,000) would raise the spread to at least the level of other major sectors, that is, to 1.29 or more. This would substantially lower the USSR-U.S. expenditure ratio in rubles.

The second source of bias, then, is the fact that not only does the CIA not make official defense expenditure comparisons in rubles, but the unofficial comparisons they do make contain a strong upward bias regarding the level of Soviet expenditures (3).

A third source of bias is CIA over-valuation of Soviet military personnel. International comparisons usually attempt to adjust prices for differences in the quality or complexity or size of the products being compared. Similarly, an adjustment is needed to pay scales if there are significant differences in the background, training and capabilities of personnel. Colby says that "In the case of labor services in health and education, we apply a 20 percent quality discount based on a consideration of standards of training (for example, the number of years devoted to the training of doctors and teachers)" (1, 1975, p. 85).

The CIA makes no adjustments for quality or for cost of training in its dollar valuation of the Soviet armed forces. Yet about twice as high a percentage of Americans complete high school as Russians; the same is true of college. In my opinion, this is partially, but not entirely, offset by the fact that our volunteer army has become less representative of the general population than Russian draftees are of theirs. Moreover, Soviet schools are of lower quality than our own. As Colby notes, Soviet teachers are sufficiently less well-trained than our own to warrant a 20 percent pay discount. Soviet schools are also less well-equipped and the system has a higher percentage of rural schools which, in both countries, provide a lower level of education. The point is that those recruited into the U.S. Army have received a greater investment in human capital than those inducted into the Soviet army. It is true that many Soviet inductees receive some pre-military training, but this can hardly compensate for the much broader experience with equipment of all kinds with which under-18-year-olds in the United States are provided by our consumer-rich society. For example, how many Soviet teenagers know how to drive an automobile? Not many!

There are other approaches to the military pay question:

The U.S. Armed Forces are much more capital-intensive than those of the Soviet Union. The implication of this is that: "Since the Russians use a higher ratio of manpower to other inputs, it seems a mistake to attribute to all those soldiers the corresponding "dollar's worth" of contribution to military strength that they get in the dollar valuation of Soviet national security expenditures" (4).

American military equipment tends to be of higher quality and technology than Soviet equipment. On this basis, a scholarly estimate of East European military expenditures values enlisted personnel in Eastern Europe, in dollars, at 75 percent of those in the United States, to reflect the relatively lower technical qualifications required of them (5). An analogous adjustment is required in the Soviet case.

Anyone familiar with the structure of the Soviet economy knows that, given similar or identical factories in the two countries, there are always many more workers in the Soviet than in the American factory. This relationship probably characterizes a good part of the two nations' armed forces. The implications of this for relative pay scales has already been noted.

According to the CIA (1, 1974, p. 33), U.S. armed forces spend more than twice as much per soldier on military operating costs—maneuvers and the like—as do the Soviet armed forces, and turn out a much better trained soldier.

While it is impossible to put a precise figure on the pay discount which should be applied to Soviet military personnel, we arbitrarily adopt the same 20 percent discount that Colby applied to Soviet doctors and teachers. This adjustment removes perhaps one-fourth of the differences in the defense expenditures between the two nations measured in dollars: a somewhat smaller fraction in rubles.

A fourth source of bias has to do with U.S. estimates of Soviet expenditures on military equipment. The CIA attempts, to the extent possible, to adjust for the "physical and performance characteristics of the individual weapons" when costing Soviet military equipment. This procedure is called "Soviet-izing." In response to a question by Senator Proxmire in the 1975 Joint Economic Committee Hearings, Colby said: "To the extent that we are not able to 'Sovietize,' and U.S. weapons used in the cost estimating methodology are more complex, our estimates tend to overstate the costs of producing the Soviet design. *This is probably the general case* [italics supplied]" (1, 1975, p. 83). Thus, Colby admits there is a systematic upward bias in the valuation of Soviet equipment.

How large a bias it is difficult to say. We

know, for example, that Soviet enterprises which export manufactured products have received subsidies recently averaging some 40 percent of domestic price to cover "the additional costs of meeting world quality standards" (6). We also know that many Soviet manufactured goods are offered on world markets at substantial discounts: for example, transformers, 30 percent; machine tools, 40–50 percent; turbines and compressors, 40–50 percent; color TV, 25–31 percent (7).

While these magnitudes are suggestive, we have no precise information on what percentage of Soviet military equipment is overvalued and by how much. It may well be, however, that overvaluation of Soviet military equipment is in the same range as that of Soviet civilian equipment. Referring to this problem, the U.S. Arms Control and Disarmament Agency says:

"Whether this type of bias may be more or less prevalent in the military sector than in the economy as a whole is difficult to judge. On the one hand, Soviet efforts to eliminate any quality gap may be greater than in other fields. On the other hand, the qualitative and technological disparity may be larger and more difficult to overcome in the military sector due to a greater relative prevalence of innovations on the technological frontier" (8).

In light of this judgment and of the fact that the former director of the CIA admits that quality over-valuation is the "general case," one can only conclude that both dollar and ruble estimates of Soviet defense expenditures contain a significant upward bias.

It is paradoxical to read in the Joint Economic Committee Hearings for various years that, according to the CIA, the Soviet Union has been regularly producing and deploying more military equipment than we have, and has almost twice as much military manpower; yet the predominant opinion of participants is that the United States is still the stronger power. The resolution of this paradox is not hard to find. Clearly the basis for this view is the superior quality and technology of U.S. equipment. Unfortunately, this crucially important factor is not captured in CIA estimates.

A major reason why the CIA did not make an official ruble comparison of defense expenditures until October 1979 is because "while virtually all of the Soviet inventory of weapons falls within U.S. production technology, the Soviets simply do not have the technology required to produce many of the U.S. weapons nor could they produce close substitutes . . . [1, 1977, p. 40.]* Under these circumstances, it is impossible to find an actual ruble price by which to value high-technology U.S. military equipment.

The CIA procedure in their unofficial calculations, has been to use ruble prices "applicable to the closest substitute goods which can be produced in both economies" [1, 1977, p. 40]. What this means is that the CIA ruble calculation values high technology American equipment at ordinarily high Soviet ruble prices, but not at what Colby described as prices which are so high as to be "almost uncountable," [1, 1975, p. 24] and another CIA spokesman referred to as "theoretically infinite" [1, 1975, p. 91]. No wonder U.S. defense expenditures calculated in rubles are estimated to be less than those of the Soviet Union. If a properly high ruble price tag could be put on that part of the U.S. high technology beyond normal Soviet capabilities, the American defense package would certainly cost the Russians more to produce than their own; or it might well be that they could not produce our defense package at any cost.

The fallacy of the CIA procedure is that the very dimension of the arms race in which the United States has the greatest advantage, namely, advanced technology—which dimension makes much of the difference between military superiority and inferiority—is enormously undervalued. In fact, significant technological superiority is given a zero price instead of the "almost uncountable" or often "infinite" price the CIA admits it should have. The CIA ruble calculation implicitly asks: Which country's defense package would cost the Soviet Union more to produce, assuming U.S. equipment is not technologically superior? This question is a proxy for: Which country's defense package is stronger assuming the U.S. has no lead in weapons technology? This is like asking: Would Wilt Chamberlain have been a greater basketball player than most if he had been a foot shorter?

All of these sources of bias are admitted by the CIA although, except for the first reason, only informally under pressure of Congressional quizzing. More generally, however, in these estimates the CIA has to make hundreds of choices into which errors can creep—such as in the interpretation of quantities of weapons from satellite photographs, dollar costing of Soviet equipment, evaluation of other types of intelligence information on military expenditures, etc. One wonders if a similar bias, conscious or unconscious, infects these choices. It seems a reasonable assumption that most such choices are colored by what might be called an "asymmetric loss function" bias. That is to say, those working for the U.S. government on U.S.-USSR military expenditure comparisons are likely to view the danger from underestimating Soviet military output as greater than the danger (or loss) from overestimating. Overestimating would, at worst, simply lead us to waste another $10 or $20 billion worth of resources trying to catch up; underestimating could result in military inferiority or even defeat.

The CIA has been admitting each year to a possible error of plus or minus 15 percent in its dollar estimates (1, 1977, p. 39). In light of the postulated "asymmetric loss function," I would argue that a 30 percent error range is more likely to be skewed from plus-25 to minus-5 percent. (One might be a little skeptical even of the admitted 30 percent error range in light of the CIA admission in 1977 that for 10 years they had been 100 percent off in their estimate of ruble prices of defense equipment (1, 1977, p. 17).)

What does all this add up to? Not being privy to the CIA archives, one can only try to make reasonable guesses. My own rough estimates are as follows (2):

The CIA claimed that in 1977 Soviet military expenditures exceeded those of the United States by 40 percent in dollars and, unofficially, by 25 percent in rubles. My calculations suggest that, in dollars, Soviet expenditures exceeded those of the United States by 20 to 25 percent; but in rubles, the USSR was spending between 70 and 80 percent of what the United States was spending. These calculations do not take account of the asymmetric loss function bias. Taking this into account might well reduce the Soviet lead in dollars to, say, 10 to 15 percent and increase the Soviet deficiency, measured in rubles to, say, 60 to 70 percent. Taking both ruble and dollar measures into account, it seems clear that one cannot make a strong case that either nation is outspending the other on defense. It all depends on which measuring rod one uses, and one is as good as the other.

Even as U.S. government specialists rely on dollar calculations to make the defense expenditure comparison, so Soviet specialists probably calculate U.S. defense expenditures in rubles for comparison purposes. Thus each nation will view the other as devoting more resources to defense. If both nations want parity in expenditures and if, in fact, they achieved parity (measured, say, as a geometric mean of dollar and ruble comparisons), each would still feel that it was behind and would increase expenditures in order to catch up.

Fleshing this out, Americans tend to see the Russians with a larger army than ours and also each year producing many types of weapons in greater quantity than we do. The "ruble's eye view" finds the Soviets viewing a competitor whose military spending is only 5 percent of its GNP, in comparison with their own much larger burden of 11 to 13 percent, and yet is producing many weapons of superior technology, higher quality weapons at the same technological level, and at the same time has better-trained armed forces. This may well be a major impetus behind the estimated steady increase in Soviet defense spending over the past decade.

There are undoubtedly many who will not be persuaded by these arguments. They will remain convinced that the Russians are ahead and therefore we must increase our defense expenditures. But the implication of my calculations, if correct, is that it is not greater defense spending that we need, but a better and wiser use of our funds. For we have been spending as much as or more than the Russians and inferiority, if there is such, must be attributed to either production inefficiency or misdirection of expenditures on our part.

While this analysis has been restricted to U.S.-USSR comparisons, much of it is valid for military expenditures by the NATO nations, on the one hand, and the Warsaw Pact nations on the other. If anything, this comparison should be at least as important as the U.S.-USSR comparison in our defense spending decisions. That is not highlighted by the CIA and the Department of Defense is undoubtedly due to the fact that NATO outspends the Warsaw Pact even in dollars. Generally accepted dollar estimates for 1978, for example, show NATO spending at $180 billion in comparison with the Pact total of $160 billion [9]. In rubles, and taking account of various qualitative factors mentions above, as they apply in this enlarged comparison, NATO's expenditure superiority would be still greater [10].

The CIA, in my view, does a serious disservice to our policy-makers and to the American public by presenting such biased and misleading dollar comparisons of American and Soviet, as well as of NATO and Warsaw Pack military expenditures. Dollar and ruble figures, correctly estimated (biases removed) should both be presented—or neither should be.

REFERENCES

1. U.S. Congress, Joint Economic Committee, *Allocation of Resources in the Soviet Union and China* (1978).

2. F. D. Holzman, "Are the Soviets Really Outspending the U.S. in Defense?," *International Security* (Spring 1980).

3. These defense and space figures for 1976 represent the first time in at least a decade that both dollar and ruble comparisons have been presented officially by the CIA. Previously, only official dollar calculations have been presented. "Unofficial" and "casual" ruble comparisons have been elicited under pressure of questioning in Congressional Hearings by legislators like Senator Proxmire, who are aware of the index number effect. Unfortunately, these Congressmen have not been familiar enough with U.S.-USSR comparisons to realize that the CIA's index num-

*An ambiguous statement quoted from Admiral Turner suggests that approximately 30 percent of our weapons are currently (1977) beyond Soviet technology [1, 1977, p. 87].

ber spreads for Defense have been suspiciously low.

4. R. Campbell, M. Earle, H. S. Levine, F. Dresch, "Methodological Problems Comparing the U.S. and USSR Economies," *Soviet Economic Prospects for the Seventies.* Joint Economic Committee, U.S. Congress (Washington, D.C., 1973).

5. T. Alton, G. Lazarcik, E. M. Bass, W. Znayenko, "Defense Expenditures in Eastern Europe, 1965–76," East European Economies, Post-Helsinki, Joint Economic Committee, U.S. Congress (Washington, D.C., 1977).

6. V. Treml and B. Kostinsky, *Soviet Foreign Trade and Domestic Pricing,* Foreign Demographic Analysis Division, U.S. Department of Commerce (forthcoming).

7. Paul Fricson, "Soviet Efforts to Increase Exports of Manufactured Products to the West," *Soviet Economy in a New Perspective,* Joint Economic Committee (Washington, D.C., 1976).

8. U.S. Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers,* 1963–1977 (Washington, D.C., Oct. 1979).

9. This is because other NATO nations spent $75 billion in 1978, while other Warsaw Pact nations are estimated to have spent only $12 billion. *Wall Street Journal,* Feb. 1, 1980.

10. From the Soviet standpoint, Chinese military expenditures should probably be added to NATO's.

SUBMISSION OF STATEMENT FOR SENATOR WILLIAMS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from New Jersey (Mr. WILLIAMS).

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LITHUANIAN INDEPENDENCE

Mr. WILLIAMS. Mr. President, today marks the 63d anniversary of the reestablishment of an independent Lithuania and the 730th anniversary of the founding of the Lithuanian state.

Lithuania was one of the first countries to suffer from the aggressions of Hitler and the Soviet Union. When the outbreak of World War II seemed close at hand, Lithuania attempted to maintain neutrality, but was gradually engulfed. The eloquent testimony of Lithuania's fierce resistance to Communist rule is in the numerous arrests, executions and exiles during the years of Soviet domination. Over 45,000 brave Lithuanians died during this period, while the remaining population survived to continue resisting the oppressors. On June 14, 1941, 30,000 members of the Lithuanian intelligensia were deported and 5,000 political prisoners were executed when Soviet troops retreated under German attack. A few days later, Nazi troops overran Lithuania and executed a horrifying number of Lithuanians. During the Nazi occupation, a colonization policy was implemented and thousands of German families settled in Lithuania, and some are still present in this area today.

The Lithuanian struggle for their homeland has not stopped. Many Lithuanians active in anti-Soviet resistances of the 1940's have spent much of their lives in Soviet concentration camps as criminals, guilty of humane and religious activities. Lithuanians have been harassed, searched, and interrogated for numerous activities including participation in the production of the chronicle of the Catholic Church in Lithuania. For example, Viktoras Petkas, a prominent member of the anti-Soviet movement, has been arrested and charged with anti-Soviet agitation and propaganda. He was sentenced to ten years hard labor and five years of enforced exile. Viktoras Petkas was designated "prisoner of conscience" by Amnesty International and in 1979 was nominated for the Nobel Peace Prize. In recognition of Mr. Petkas and other examples of heroism, Congress passed a resolution last year urging the United States to seek free elections and independence for Lithuania and other Baltic States.

Although faced with overwhelming odds and imminent annihilation, the Lithuanians have fought for 40 years against the destruction and Russification of their ethnic and linguistic heritage. They have succeeded in maintaining their rich ties to Catholicism although the Soviet Union has attempted to expropriate church property.

The Lithuanian people clearly show the world the indestructibility of the human spirit. Their will to attain independence and their desire to preserve their culture cannot be restrained by the political bondage imposed by the Soviet Union.

Today, Mr. President, it is important that we recognize the spirit of these people. Americans should once again express their admiration and hope for Lithuania and join together in support for Lithuanian efforts to obtain the freedoms which they have been so unjustly denied.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 6, 1981, the Secretary of the Senate on February 10 and 13, 1981, received messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on February 10 and 13, 1981, are printed at the end of the Senate proceedings.)

WITHDRAWAL OF 33 RESCISSION PROPOSALS—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT—PM 30

Under the authority of the order of the Senate of February 6, 1981, the Secretary of the Senate, on February 13, 1981, received the following message from the President of the United States, together with accompanying documents; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on Labor and Human Resources, and the Select Committee on Small Business:

To the Congress of the United States:

I hereby withdraw the 33 rescission proposals transmitted to the Congress by the Carter Administration on January 15, 1981 totalling $1.142.4 million and temporarily convert them to deferrals. A list of the withdrawn rescission proposals is attached.

The conversion to temporary deferrals will provide my Administration with the opportunity to review and revise these proposals within the context of my overall plan to curtail the growth of government and reduce Federal spending.

In addition, I am reporting four other new deferrals totalling $8.0 million and a revision to a previously transmitted deferral increasing the amount deferred by $51.1 million. These four new items involve programs in the Departments of the Interior and Transportation and the International Communication Agency. The revision to the existing deferral involves the Department of the Treasury.

The details of the deferrals are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, *February 13, 1981.*

ENROLLED BILL PRESENTED

The Secretary of the Senate announced that on February 6, 1981, he had presented to the President of the United States the following enrolled bill:

S. 272. An act to increase the membership of the Joint Committee on Printing.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–344. A communication from the Administrator of the Rural Electrification Administration, Department of Agriculture, transmitting, pursuant to law, notice of the approval of an REA loan and a commitment to guarantee a non-REA loan to the New Hampshire Electric Cooperative, Inc., of Plymouth, N.H., for new generation facilities and transmission support payments; to the Committee on Agriculture, Nutrition, and Forestry.

EC–345. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 201 of the Agricultural Act of 1949, as amended, to delete the requirement that the support price of milk be adjusted semiannually; to the Committee on Agriculture, Nutrition, and Forestry.

EC–346. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on activities under the food-for-peace program for fiscal year 1979; to the Committee on Agriculture, Nutrition, and Forestry.

EC–347. A communication from the Clerk of the U.S. Court of Claims, transmitting, pursuant to law, a copy of the court's judgment in the case of *The San Carlos Apache Tribe of Arizona, et al.* v. *The United States,* No. 22–H; to the Committee on Appropriations.

EC–348. A communication from the Chief of the Legislative Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, reports concerning military construction contracts awarded by the Air Force without formal advertisement for fiscal year 1980; to the Committee on Armed Services.

EC–349. A communication from the Acting Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, notice of a study with respect to converting the commissary shelf-stocking and custodial function at Barksdale Air Force Base, La., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–350. A communication from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting, pursuant to law, notice of a study with respect to converting the family housing maintenance function at Fairchild Air Force Base, Wash., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–351. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Performance of CHAMPUS Fiscal Intermediaries Need Improvements"; to the Committee on Armed Services.

EC–352. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice that the Department of the Navy intends to exercise a provision of law for the exclusion of the clause for examination of records by the Comptroller General; to the Committee on Armed Services.

EC–353. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report concerning the Department of the Air Force's proposed letter of offer to Somalia for defense articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–354. A communication from the Chief of the Legislative Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report on experimental, developmental, and research contracts of $50,000 or more, by company, for the period July 1 through December 31, 1980; to the Committee on Armed Services.

EC–355. A communication from the Acting Assistant Attorney General of the United States (Civil Rights Division), transmitting, pursuant to law, the report on the administration of the Equal Credit Opportunity Act for calendar year 1980; to the Committee on Banking, Housing, and Urban Affairs.

EC–356. A communication from the Acting Assistant Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, notice of the designation of a marine sanctuary in certain waters around Gray's reef off the coast of Georgia; to the Committee on Commerce, Science, and Transportation.

EC–357. A communication from the Acting Assistant Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting pursuant to law, notice of the designation of a marine sanctuary in certain waters around the Point Reyes-Farallon Islands area; to the Committee on Commerce, Science, and Transportation.

EC–358. A communication from the Secretary of the Federal Trade Commission, transmitting certain enclosures that were omitted from a previously submitted communciation (EC–282) concerning games of chance; to the Committee on Commerce, Science, and Transportation.

EC–359. A communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed boundary revision for the Ice Age National Scientific Reserve, Wisconsin; to the Committee on Energy and Natural Resources.

EC–360. A communication from the Secretary of Energy, transmitting notice that the submission of the national energy policy plan will be delayed past the April 1 deadline because of substantial changes to be made; to the Committee on Energy and Natural Resources.

EC–361. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report on an application for repayment of excess gas royalties by the Shell Oil Co.; to the Committee on Energy and Natural Resources.

EC–362. A communication from the Acting Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report on sales of refined petroleum products and sales of retail gasoline for October 1980; to the Committee on Energy and Natural Resources.

EC–363. A communication from the Secretary of Commerce transmitting, pursuant to law, the annual report of the Economic Development Administration for fiscal year 1980; to the Committee on Environment and Public Works.

EC–364. A communication from the chairman of the House Committee on Energy and Commerce, transmitting, pursuant to law, notice that he will serve as the representative of the House of Representatives on the Commission on Air Quality; to the Committee on Environment and Public Works.

EC–365. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the report of the Department of Defense on compliance with the Architectural Barriers Act of 1968, as amended; to the Committee on Environment and Public Works.

EC–366. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the reports of the General Services Administration, the Postal Service, and the Department of Housing and Urban Development on compliance with the Architectural Barriers Act of 1968, as amended; to the Committee on Environment and Public Works.

EC–367. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Department's report on the State Medicaid Program; to the Committee on Finance.

EC–368. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Millions Can Be Saved by Identifying Security Income Recipients Owning Too Many Assets"; to the Committee on Finance.

EC–369. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the Treasury combined statement of receipts, expenditures, and balances of the U.S. Government for the fiscal year ended September 30, 1980; to the Committee on Finance.

EC–370. A communication from the Assistant Legal Adviser for the Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to February 5, 1981; to the Committee on Foreign Relations.

EC–371. A communication from the Acting Administrator of the Agency for International Development, transmitting, pursuant to law, the report of the Inspector General of the Agency for International Development for fiscal year 1980; to the Committee on Foreign Relations.

EC–372. A communication from the Assistant Administrator of the Agency for International Development, transmitting, pursuant to law, a report on the progress in carrying out the recommendation for the use of funds for bilateral development assistance for the countries of the eastern Caribbean; to the Committee on Foreign Relations.

EC–373. A communication from the Acting Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the report on the disposal of foreign excess property by NASA for fiscal year 1980; to the Committee on Governmental Affairs.

EC–374. A communication from the Assistant Attorney General of the United States (Administration), transmitting, pursuant to law, the report on the disposal of foreign excess property by the Department of Justice for fiscal year 1980; to the Committee on Governmental Affairs.

EC–375. A communication from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, revised systems of records for the Department for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–376. A communication from the Director of the International Communication Agency, transmitting, pursuant to law, the report on the disposal of excess foreign property by the International Communication Agency for fiscal year 1980; to the Committee on Governmental Affairs.

EC–377. A communication from the Vice Chairman of the Board of Governors of the U.S. Postal Service, transmitting, pursuant to law, the annual report of the Board of Governors on compliance with the Government in the Sunshine Act for calendar year 1980; to the Committee on Governmental Affairs.

EC–378. A communication from the Deputy Assistant Secretary of Defense (Administration) transmitting, pursuant to law, a proposed alteration in a system of records of the Department of Defense for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–379. A communication from the Comptroller General, transmitting, pursuant to law, a report on positions in the U.S. General Accounting Office in grades GS–16, 17, and 18 and their incumbents; to the Committee on Governmental Affairs.

EC–380. A communication from the Executive vice president of the Patomac Electric Power Company, transmitting, pursuant to law, the balance sheet of the Patomac Electric Company as of December 31, 1980; to the Committee on Governmental Affairs.

EC–381. A communication from the Deputy Assistant Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual report of disposal of foreign excess property; to the Committee on Governmental Affairs.

EC–382. A communication from the Comptroller General, transmitting a report entitled "Controlling Federal Costs for Coal Liquefication Program Hinges on Management and Contracting Improvements"; to the Committee on Governmental Affairs.

EC–383. A communication from the Chairman of the Public Defender Service for the District of Columbia, transmitting, pursuant to law, the Annual Report of the Public Defender Service Board of Trustees for 1979; to the Committee on Governmental Affairs.

EC–384. A communication from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, a report on an altered record system submitted by the Department of the Army; to the Committee on Governmental Affairs.

EC–385. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Accounting Changes Needed in the Railroad Agency"; to the Committee on Governmental Affairs.

EC–386. A communication from the Assistant Secretary of Agriculture (Administration), transmitting, pursuant to law, the annual report of the Department on the disposal of foreign excess property for fiscal year 1980; to the Committee on Governmental Affairs.

EC–387. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the annual report on the activities of the General Accounting Office for fiscal year 1980; to the Committee on Governmental Affairs.

EC–388. A communication from the Chairman of the Board of Governors of the U.S. Postal Service, transmitting, pursuant to law, the annual report of the Postmaster General for fiscal year 1980; to the Committee on Governmental Affairs.

EC–389. A communication from the Chair-

man of the U.S. International Trade Commission, transmitting, pursuant to law, the report of the commission on its activities under the Freedom of Information Act for 1980; to the Committee on the Judiciary.

EC-390. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a followup report on the recommendations of the President's Commission on the Holocaust; to the Committee on the Judiciary.

EC-391. A communication from the Chief Justice of the United States, transmitting, pursuant to law, a copy of the report of the proceedings of the Judicial Conference of the United States held in Washington, D.C., on September 24 and 25, 1980; to the Committee on the Judiciary.

EC-392. A communication from the Assistant Attorney General of the United States (Antitrust Division), transmitting, pursuant to law, a report on identical bidding in advertised public procurement; to the Committee on the Judiciary.

EC-393. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Unanswered Questions on Educating Handicapped Children in Local Public Schools"; to the Committee on Labor and Human Resources.

EC-394. A communication from the Secretary of Labor, the Secretary of Agriculture, and the Secretary of the Interior, transmitting, pursuant to law, the third joint annual report on the Young Adult Conservation Corps; to the Committee on Labor and Human Resources.

EXECUTIVE REPORTS OF COMMITTEES FILED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 6, 1981, the following executive report of a committee was filed on February 13, 1981:

By Mr. PERCY, from the Committee on Foreign Relations:

William P. Clark, of California, to be Deputy Secretary of State. (Ex. Rept. No. 97-4)

(The above nomination from the Committee on Foreign Relations was reported with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MATHIAS (for himself, Mr. ROTH, Mr. PELL, Mr. HARRY F. BYRD, JR., and Mr. NUNN):

S. 477. A bill to establish a commission to encourage, plan, develop, and coordinate the commemoration of the bicentennial of the Constitution; to the Committee on the Judiciary.

By Mr. DOLE:

S. 478. A bill to provide for the partitioning of certain restricted Indian land in the State of Kansas; to the Select Committee on Indian Affairs.

By Mr. ROBERT C. BYRD:

S. 479. A bill to designate the first Sunday in June of each year as "National Shut-In Day"; to the Committee on the Judiciary.

By Mr. MELCHER:

S. 480. A bill to provide price and income protection for farmers and assure consumers of an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HELMS (for himself and Mr. EAST):

S. 481. A bill to restore the right of voluntary prayer in public schools and to promote the separation of powers; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MATHIAS (for himself, Mr. ROTH, Mr. PELL, Mr. HARRY F. BYRD, JR., and Mr. NUNN):

S. 477. A bill to establish a commission to encourage, plan, develop, and coordinate the commemoration of the bicentennial of the Constitution; to the Committee on the Judiciary.

COMMISSION ON COMMEMORATION OF THE BICENTENNIAL OF THE CONSTITUTION OF THE UNITED STATES

● Mr. MATHIAS. Mr. President, I now send to the desk for myself, Senators ROTH, PELL, HARRY F. BYRD, JR., and NUNN, a bill to create a commission to help insure an appropriate commemoration of the bicentennial of the Constitution.

I believe it is especially fitting that this bill is introduced on the day that we celebrate the birthday of the Father of our Country, George Washington. His role in the movement for a new national charter, in the Constitutional Convention itself, and in the ultimately successful struggle for ratification of the Constitution was one of his greatest legacies to the American people.

George Washington recognized earlier than most of his contemporaries the paramount need for a framework on which 13 separate States could be welded into a strong federal republic. As early as June 1783, Washington wrote to the Governors of the several States recommending that "there should be lodged somewhere a Supreme Power to regulate and govern the general concerns of the Confederated Republic, without which the Union cannot be of long duration." Washington encouraged and presided over the Alexandria Conference of 1785 and the Annapolis Convention of the following year—both of which were precursors to the Constitutional Convention of 1787.

And, with characteristic integrity and impartiality, he presided over the Philadelphia Convention with its often quarrelsome delegates and contentious debates. In fact, Washington was the glue that held the Convention together. Later, after the Convention had completed its work, Washington worked successfully for ratification by the legislature of Virginia and those of the other States.

Mr. President, George Washington and his colleagues performed the monumental task of producing our Constitution, a document which was intended to "endure for ages to come and consequently be adapted to various crises in human affairs." And, as Chief Justice Marshall foresaw, it has endured. In fact, just 6 years from now this Nation will commemorate the 200th anniversary of the drafting of the Constitution. If we are to have an intelligent, thoughtful, thought-provoking commemoration of the bicentennial of the Constitution, we must lay the groundwork immediately. The time has come for us to devise an effective vehicle for planning and coordinating the total effort and also to determine what role the Federal Government should play in the observance. The bill I now send to the desk is designed to accomplish these purposes.

The bicentennial observance should provide an occasion for all Americans to reflect upon the unparalleled achievements of our Founding Fathers in developing this unique document—our richest inheritance and our legacy to the future. I hope that we will be able to transcend the mere commemoration of historic events, and stimulate public thought and discussion on the constitutional issues of concern to the future of our country and our constitutional system, and to examine the implications of the technological age for American freedom and democracy.

I have been sponsoring legislation to provide for an appropriate and thoughtful commemoration for the bicentennial of the Constitution for 6 years now. Meanwhile valuable time has been slipping away. During the 94th Congress, I made two attempts. On March 7, 1975, I introduced S. 1006 in which I tried to extend the authority of the American Constitution Bicentennial Commission through 1989 to encompass the constitutional era as well. My second bill, S. 3100 introduced a year later would have empowered a 15-member board, appointed by the President to support projects designed to improve our understanding of our constitutional heritage. Neither of these approaches proved successful.

Based on that experience and further consultation and reflection, I have now concluded that we must devise an approach that would involve a broad spectrum of interested individuals and professional, civic, historical, religious, and social organizations of all sorts. In celebrating the birth and evolution of our Constitution, after all, we celebrate the triumph of a philosophical order that not only accommodates but nurtures diversity. I think it proper and right that our celebrations reflect this rich diversity.

The Federal Government can coordinate such an observance by providing a clear purpose and guidelines for the occasion. The bill which I now introduce does that. Basically, my bill would:

Create the Commission for the Commemoration of the Bicentennial of the

Constitution to coordinate an overall program by Federal, State, local governments, and public and private groups for commemorating the 200th anniversary of the Constitution;

Provide that the membership of the Commission shall be appointed by the President and shall consist of 23 members drawn from both Houses of Congress and other individuals from throughout the Nation who have a special interest in a fitting commemoration of the 200th anniversary of the creation, ratification, and implementation of the Constitution.

Require that the Commission submit an annual report to the Congress and the President on the Commission's progress in encouraging, planning, developing, and coordinating the observance and not later than May 30, 1985, the Commission shall recommend to the Congress and President an overall plan for Federal observance of the Bicentennial of the Constitution.

Mandate that not later than May 1, 1991, the Commission shall file a final report detailing the Commission's activities with an analysis of the functions undertaken by Federal, State, local governments and private groups for the various commemorations.

Mr. President, I would like to share with my colleagues, Alexis de Tocqueville's reflections on the times in which our Constitution was nurtured and finally ratified—an era we wish to commemorate under this proposal:

If America ever approached (for however brief a time) that lofty pinnacle of glory to which the proud imagination of its inhabitants is wont to point, it was at this solemn moment, when the national power abdicated, as it were, its authority. All ages have furnished the spectacle of a people struggling with energy to win its independence; and the efforts of the Americans in throwing off the English yoke have been considerably exaggerated. . . . But it is new in the history of society to see a great people turn a calm and scrutinizing eye upon itself, when apprised by the legislature that the wheels of its government are stopped, to see it carefully examine the extent of the evil, and patiently wait two whole years until a remedy is discovered, to which it voluntarily submitted without its costing a tear or a drop of blood from mankind.

Mr. President, just prior to our bicentennial celebration in 1976, a survey conducted by a 7th grade bicentennial study class in Phoenix, Ariz. revealed that of the almost 3,000 adults questioned, less than half could identify a famous quote from the Declaration of Independence. Some attributed it to Edgar Allan Poe; others thought it came from the Bible, the Boy Scout Oath, Patrick Henry, Abraham Lincoln, or John F. Kennedy. I tremble to think what a similar survey would reveal about the public awareness of the significance of the date 1787, or of the Constitution itself. In the 6 years remaining before we commemorate the bicentennial of the Philadelphia Convention, we must strive to raise the level of American consciousness to the fundamental importance of the Philadelphia Convention and the content and meaning of the Constitution.

In the Virginia Declaration of Rights, George Mason wrote:

(T)hat no free government or the blessings of liberty can be preserved to any people but by . . . frequent recurrence to fundamental principles.

We have before us an unparalleled opportunity to stimulate such a recurrence by adopting this legislation.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 477

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, as this Nation approaches the bicentennial of the adoption of its Constitution and the historic events preceding and associated with its preparation and ratification (events having a profound influence throughout the world and a major significance in the development of our national heritage of individual liberty, representative government, and equal and inalienable rights) it is appropriate and desirable to provide for the observation and commemoration of this anniversary and these events through local, State, National, and international activities encouraged, planned, developed, and coordinated by a national commission.

SEC. 2. There is established a commission to be known as the Commission for the Commemoration of the Bicentennial of the United States Constitution (hereafter in this Act referred to as the "Commission") to encourage, plan, develop, and coordinate the commemoration of the bicentennial of the Constitution.

SEC. 3. (a)(1) The Commission shall prepare an overall program for commemorating the bicentennial of the Constitution and shall encourage, plan, develop, and coordinate observances and activities commemorating the historic events that preceded and are associated with the Constitution.

(2) In preparing its plans and program, the Commission shall consider any related plans and programs developed by State, local, and private groups and may designate special committees of such groups to plan, develop, and coordinate specific activities.

(b) In carrying out this Act, the Commission shall emphasize the constitutional values, ideals, and principles which have been important in the development of American democracy, in influencing ideas throughout the world, and in advancing mankind's quest for freedom.

SEC. 4. (a) The Commission shall consist of—

(1) four members appointed by the President from among Members of the Senate recommended to the President by the President of the Senate;

(2) four members appointed by the President from among Members of the House of Representatives recommended to the President by the Speaker of the House;

(3) nineteen members appointed by the President (A) after consulting the American Historical Association; the American Political Science Association; the Institute of Early American History and Culture; the American Association for State and Local History; the Society of American Archivists; the American Library Association; the American Association of Museums; the National Education Association; the National Council for the Social Studies; the Bicentennial Council of the Thirteen Original States Fund, Incorporated; the Daughters of the American Revolution; the National Conference of Mayors; the National Conference of State Legislators; the National Governors' Association; the American Bar Association; and (B) after considering the contributions by the Nation's youth, women, elderly, racial and ethnic minorities, artists, craftsmen, and learned professionals to the writing and adoption of the Constitution; and

(4) as ex officio members, the Chief Justice of the United States, the Secretary of State, the Attorney General, the Secretary of the Interior, the Secretary of Defense, the Secretary of Health and Human Services; the Librarian of Congress, the Secretary of the Smithsonian Institution, the Archivist of the United States, the Chairman of the Federal Council on the Arts and Humanities, the Chairman of the National Endowment for the Arts, and the Chairman of the National Endowment for the Humanities.

(b) The Chairman of the Commission shall be designated by the President from among the members appointed pursuant to paragraph (3) of subsection (a).

(c) Members of the Commission shall be appointed for the life of the Commission. An individual appointed as a member pursuant to paragraph (1), (2), or (4), shall retain membership on the Commission only while the individual maintains the status which is the basis of such membership.

(d) A vacancy in the Commission shall be filled in the manner in which the original appointment was made. A member may retain membership on the Commission until his successor has been appointed.

SEC. 5. (a) Members of the Commission shall receive no pay on account of their service on the Commission.

(b) Subject to the availability of appropriations, while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

SEC. 6. (a) The Commission shall appoint a Director who shall be paid not to exceed the rate of basic pay in effect for level V of the Executive Schedule.

(b)(1) In addition, the Commission may appoint a staff consisting of—

(A) not more than ten staff members before October 1, 1982; and

(B) not more than fifteen staff members after September 30, 1982.

(2) Personnel appointed under paragraph (1) of this subsection shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(c) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed $100 per diem.

SEC. 7. (a)(1) In fulfilling its responsibilities, the Commission shall consult with, cooperate with, and seek advice and assistance from appropriate Federal departments and agencies, State and local public bodies, learned societies, and historical, patriotic, philanthropic, civic, and professional organizations. All Federal departments and agencies shall cooperate with the Commission in encouraging, planning, developing, and coor-

dinating appropriate commemorative activities.

(2) The Chairman of the Federal Council on the Arts and the Humanities, the Chairman of the National Endowment for the Arts, and the Chairman of the National Endowment for the Humanities shall cooperate with the Commission in the encouragement and the coordination of scholarly works and presentations focusing on the history, culture, and political thought of the constitutional and early national periods.

(3) The Librarian of Congress, the Secretary of the Smithsonian Institution, and the Archivist of the United States shall cooperate with the Commission in the development and the display of exhibits and collections and in the development of bibliographies, catalogs, and other materials relevant to the development, ratification, and implementation of the Constitution.

(b) The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(c) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 8. (a) The Commission may accept, use, and dispose of donations of money, property, or personal services.

(b) The Commission may for purposes of preservation (in consultation with the Librarian of Congress, the Secretary of the Smithsonian Institution, the Archivist of the United States, and the Administrator of General Services) deposit in any National, State, or local library or museum any book manuscript, miscellaneous printed matter, memorabilia, relic, or other material, which relates to the constitutional period and which was donated to the Commission.

SEC. 9. (a) The Commission shall submit to the President and the Congress not later than May 1 of each year through calendar year 1990 an annual report on the Commission's progress in encouraging, planning, developing, and coordinating the commemoration of the bicentennial of the Constitution, including any recommendation by the Commission for legislation needed to encourage, plan, develop, and coordinate the commemoration.

(b)(1) The Commission shall submit to the President not later than May 1, 1985, a report including the Commission's recommendations and the plans of Federal, State, and local governments and private groups for the commemoration of the bicentennial of the Constitution.

(2) The report submitted pursuant to this subsection may recommend—

(A) the preparation, production, publication, and distribution of books, pamphlets, films, video tapes, and other educational materials focusing on the history, culture, and political thought of the period of the American Revolution and the beginning of the Nation;

(B) bibliographical and documentary projects and publications;

(C) conferences, convocations, lectures, seminars, and other programs; and

(D) programs for commemorating the anniversaries of the Philadelphia Convention, of the publication of the Constitution, of the ratification of the Constitution, and of the meeting of the First Congress.

(3) The President shall transmit the report submitted pursuant to this subsection to the Congress together with the President's comments and a report on administrative actions to be taken by the executive branch to commemorate the bicentennial of the Constitution.

(c) The Commission shall then submit to the President not later than May 1, 1991 a final report detailing the Commission's activities with an analysis of the functions and commemorations undertaken by Federal, State, and local governments and private groups for the various anniversaries connected with the preparation, adoption, ratification, and implementation of the Constitution of the United States.

SEC. 10. (a) The Commission shall cease to exist on December 31, 1991.

(b) Any property which the Commission owns on December 31, 1991, may be used by the Secretary of the Interior for purposes of the National Park Service or may be disposed of as excess or surplus property.

SEC. 11. There are authorized to be appropriated to carry out this Act $350,000 for the fiscal year ending on September 30, 1982, and such additional amounts as may be necessary for subsequent fiscal years.●

By Mr. DOLE:

S. 478. A bill to provide for the partitioning of certain restricted Indian land in the State of Kansas; to the Select Committee on Indian Affairs.

PARTITIONING OF CERTAIN INDIAN LANDS IN THE STATE OF KANSAS

● Mr. DOLE. Mr. President, I am introducing legislation today to provide for the partition or sale of certain restricted Indian lands in the State of Kansas. The purpose of this bill is to authorize an action in the U.S. court for the district of Kansas to partition or order the sale of a parcel of land which was originally deeded in 1859 in a restricted fee status to Newton McNeer, A Shawnee Indian. Newton McNeer died some time in the 1860's, but his estate was not finally probated until 1920, when there were some 17 heirs having varied undivided interests in this one parcel of land.

Mr. President, I was first contacted about this problem in June of 1978, by my constituent, Mr. John Todd, a descendant of Newton McNeer. Mr. Todd advises that his grandfather, who was determined in 1920 to hold a 300/720th interest in this property, spent considerable time prior to his death in 1923 trying unsuccessfully to gain clear title to his portion of this property. The number of heirs jumped from the 17 in 1920 to approximately 50 in 1968. Mr. Todd estimates there may be as many as 100 heirs today.

The problem of fractionated ownership of Indian land and the solution to that problem is very delicate and we should not march into this problem with seven league boots. My staff has been in contact with the Bureau of Indian Affairs, the field solicitor for the Department of the Interior in Anadarko, Okla., and staff members for the Senate Select Committee on Indian Affairs.

The Anadarko field solicitor, after a review of the records in the possession of the Bureau of Indian Affairs, advises that he feels "it would be, first, a literal impossibility for the Department of the Interior to determine the heirs" to this property. He also advises that nearly all of the major single interests in this property are held by non-Indians.

Mr. President, the problem of fractionated ownership of lands allotted to Indian individuals in widely recognized, and it is my understanding that the Department of the Interior and the Select Committee on Indian Affairs are anxious to address the problem in a comprehensive fashion. The degree of fractionation of ownership of this parcel of land is similar to that which attends many parcels of land which were allotted out of Indian reservations to individual Indians in the latter part of the 19th century.

However, there are unique aspects to this particular parcel of land which distinguish this case from the general problem associated with allotted lands within Indian reservations. First and foremost is the fact that Shawnee Indians in the State of Kansas are not organized and for all intents and purposes do not exist as a federally recognized Indian tribe. Additionally, this land does not lie within an Indian reservation.

Under these unusual circumstances, the Senator from Kansas believes that this legislation is appropriate and should be dealt with quickly. I ask that this bill be printed in full at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any owner of an interest in that tract of land described as N½SE¼ of Section 25, and 14 acres on the South side of SE¼NE¼ of Section 25 T. 11 S., R. 22 E., 6th P.M., Kansas, containing 94 acres and also known as the Newton McNeer Shawnee Reserve No. 206, may commence an action in the United States District Court for Kansas to partition the same in kind or for the sale of such land in accordance with the laws of the State of Kansas. For the purpose of such action, the Indian owners shall be regarded as vested with an unrestricted fee simple title to their interests in the land that the United States shall be a necessary party to the proceeding. Any conveyance ordered by the court in such proceeding will be made in unrestricted fee simple to non-Indian grantees and in a restricted fee to Indian grantees.●

By Mr. MELCHER:

S. 480. A bill to provide price and income protection for farmers and assure consumers of an abundance of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD AND AGRICULTURE ACT OF 1981

Mr. MELCHER. Mr. President, I rise to introduce S. 480, the Food and Agriculture Act of 1981.

This year, it will be necessary for the Congress to reauthorize our Nation's general farm legislation, because the 1977 act expires.

At the time the Congress was working on the 1977 farm bill, the economic picture for our farmers and ranchers was generally pretty good. Farm income rose

dramatically during the mid-1970's because of the rapid increase in the exports of American food and fiber.

Since that time, there has been a sharp change, to a downhill roller coaster ride, with the farmer chasing high fuel prices and the high cost of credit, and he is losing.

Prices received by farmers during the month of January continued their plunge downward, by eight-tenths of a percent, led by lower prices for hogs, soybeans, and cattle.

Prices paid by farmers for commodities and services continued to rise—up to 2.4 percent from mid-December. The annual updating of the indexes for farm services, cash, rent, interest, taxes, feed, fuel, and family living expenses were responsible for the increase.

Wheat sold in January at only 61 percent of parity; corn was at 69 percent. Hogs sold at only 50 percent of parity and beef was at 65 percent.

Before the decade of the seventies, agriculture was a fairly predictable business. If the price of grain fluctuated more than 17 cents a bushel, it was a wild and crazy year. The price farmers received for their labor was generally the same price as the Federal farm program loan rate.

But our farmers and ranchers paid a price for that stability.

Because of huge surpluses, agriculture's annual income for at least 20 years was not at equity with other callings within the society.

By 1970, our agricultural exports began to grow, and our surpluses began to grow smaller. It appeared as if we were on the way to improved farm income, and a better life for our farmers and ranchers.

But along with improved income came the inflation of agricultural land values, at rates usually surpassing the double-digit inflation in the rest of the economy.

During Mr. Nixon's administration we had the devaluation of the dollar and a major realinement of the world's currencies. There was the imposition of wage and price controls to control inflation. That did not work and the controls were suspended.

We had an oil embargo in the middle of the decade that dramatically changed the price structure of all products containing petroleum.

There was a series of poor crop years in this country and abroad.

There were fundamental changes in the trading relationships among nations.

And throughout the world, there was a growing demand, especially in the developing nations for better diets.

As a result, most of the Nation's grain reserve was depleted, and much of the land reserve was plowed up. Exports of agricultural products reached record levels for each year of the decade, and contributed greatly to America's overall balance of trade.

Farm prices reached record levels and farm incomes rose to near all time highs. Production expenses also increased, but for much of the early part of the decade, not as fast as the prices for commodities.

What all of this meant for farmers and ranchers was uncertainty that was bred of the volatility of the markets. Instead of changing 17 cents a bushel per year, grain prices 1 week would go up the limit every day and then down the limit every day during the next week.

As more and more speculators plunged into the commodity futures markets, rumors and market psychology seemed to replace supply and demand as the determinant of price for farm goods.

Supply shortages and increased farm prices led many to say that we no longer needed farm income protection. They said the free market was just the ticket for the farmers. They said he did not have to fool with Government programs any longer.

A lot of farmers believe that. In 1980, only 26 percent of our grain farmers voluntarily applied for admittance into the Government programs.

But I believe that for the time being it is essential to establish guidelines and floor prices.

A few years ago American agriculture prices were always stable, inflation was low, and so were interest rates, and farmers and ranchers knew what to expect.

During the high-farm-price seventies, variability in farm income increased substantially for farms of all sizes, and particularly for those larger family farms and ranches that are the backbone of commercial agriculture.

Most of these larger farms and ranches even though family operated have large, fixed loan payments and pretty much fixed costs. It is hard to tighten their belts, take a lower return on their labor and capital, and weather out the bad times.

This was particularly true in the large areas of the country where drought was prevalent during the 1970's. Large commercial farmers and ranchers were going to the windows of the Farmers Home Administration—the lender of last resort—for the first time in their lives. When the drought disaster loan money ran out at Farmers Home and SBA, Congress enacted an economic emergency loan program of $4 billion that permitted these larger operators to refinance much of their debt. That money disappeared as if it had been wiped up with a sponge.

Our friends at the Federal Reserve Bank were highly critical of the Congress for making this credit available, but I am convinced that without it, much of our commercial agriculture establishment in the Great Plains and the Southeast would have gone under.

Even today, we are at the bottom of this boom-and-bust roller coaster. Cattle feeders, pens are full of overfed cattle that they must sell, even though cattle prices are at or below the cost of production. Sure; prices will go up in the spring, but by that time, a lot of producers will not have any animals to sell, and meanwhile they still have to make those loan payments with interest rates that used to be considered usury. Cattle prices received by Montana ranchers were down 8 percent compared to this time last year. Production costs are up over 15 percent.

I do not think a family can make a living that way.

These same high interest rates, plus the unrest in Poland have shaken world grain markets, resulting in sharp price declines in recent days. The 5-day national average price for wheat dropped below $4 in early December, and it does not show any immediate signs of recovery in the near future, even though grain production is 17 percent behind a year ago.

The 1977 farm bill allowed farmers to rely heavily on the so-called free market. But let me show you what the free market does to farmers who do not have large cash reserves to tide them over the boom and bust.

Late last fall we learned that farmers were going to increase plantings for winter wheat by more than 10 percent. The market went down sharply in anticipation of a bumper crop and more surpluses.

But in the West—from Texas to Montana—there has been unseasonably warm weather with little snowfall. In some parts of Texas, the wheat began to sprout. If these conditions prevail, there are estimates that there could be winterkill of 10 to 12 percent of the crop.

If that happens, there will be a complete flipflop of the market, prices will go up and there will be serious, worldwide food shortages.

The head of the Australian Wheat Board explained the situation this way:

He said that if the United States loses up to 12 percent of its winter wheat, the big five wheat producing nations will be forced to sit down and fix prices and supplies, because there will not be enough to feed everyone in the world who is hungry.

This comment points to an important point that we all must be aware of. We are moving from a period of huge surpluses of grains in the world to a time of shortage.

Once again, farmers and ranchers face an uncertain future. We know that the demand for American food will increase, but there is some doubt whether American production will grow to meet that demand. I think that is because of the highly-inflated costs of borrowed money, the ever increasing costs for farm and ranch operations, plus bad weather.

I think there is another uncertainty which could have a profound effect on our national security. There have not been many years in the past 10 when the Soviet Union produced sufficient grain to meet the needs of its own people.

There were food riots in Russia last summer, and there are CIA reports of decreasing productivity in the Soviet industrial sector brought on in part because of poor diet among the workers.

Unrest in Poland was originally started because of meat shortages. There is similar unrest among some of the other Eastern European satellites of Russia.

Whether this situation will cause the Russians to try to reinstitute détente, or whether they will follow their present course of expansion is a question that can only be guessed at.

But on the long haul of the next 18 months, it is likely that agricultural prices will improve and world demand will be high. The question will be, can American farmers continue to produce with the current credit crunch pressing down on them. There are some observers who claim that, if the increase in farm debt continues at current levels for the next 4 or 5 years, American agriculture will be bankrupt.

The people of my State know better than most that the greatest limitation the United States faces in realizing the enormous level of exports projected for the months ahead will be the transportation of farm products to our ports. The problem is also affecting the movement of commodities to our own markets.

Labor difficulties slowed shipment of grain through some major elevators last summer and heavy traffic and low water levels have clogged some waterways. Major railroad problems, spot railcar shortages, tight energy supplies and rising prices for fuel could further add to transportation difficulties as the United States attempts to move unprecedented volumes of farm commodities to domestic markets and ports.

We must use the opportunity that we have in writing a new farm bill to restore price stability for American agriculture. The cost of borrowing must come down. We must look at our tax laws again. Even though improvements have been made in inheritance taxes at the Federal level in the past couple of years, they still tend to drive farm and ranch families to sell their land. And, finally, we must try to find a way for young men and women to find the capital they need to begin careers in farming and ranching.

Farmers and ranchers spend nearly $100 billion a year to produce crops and livestock. This money pays for equipment, machinery, seed, feed, fertilizer, petroleum, taxes, and all other items which generate economic activity—especially in small towns and rural communities.

I am introducing today a farm bill that I think will deal with some of the problems I have mentioned here. Its purpose will be to return some market stability and certainty to the farmers' lives, and to insure that as we export millions and millions of tons of grain, we do not sell it overseas for less than it costs to produce.

You will hear from some that such an approach is inflationary; that it will increase Federal spending at a time when the budget must be balanced. We will hear from the nay sayers who say it is time for Congress and the country to ignore agriculture producers and the prices they receive.

Well, to that I say, nuts.

These same people have been trying to sell this bill of goods for many years and, as a result, U.S. agriculture programs have tended to be compromises that were too little and too late and emphasized a cheap food policy. And it is because of these foolish policies that have come out of Washington that American agriculture producers always seem to be hanging on by their fingernails.

We Americans have sacrificed our steel industry, our auto industry, our shoe industry, our electronics industry—we have sacrificed them all on the altar of the free market.

Mr. President, those markets are not free. And they have not been for many years.

One of the fastest growth industries in America is in the tiny microconductors that allow the manufacture of calculators, digital watches and many other products. Yet, the Japanese Government intends to subsidize its own microconductor industry to the tune of $10 billion. Tell me about free markets. Tell me about free enterprise. If we allow this to continue it will not be long before this lucrative new American industry catches the first boat to Japan.

Seventy-five percent of the budget of the European Common Market goes for subsidies to agriculture, while only four percent of the European Community's gross domestic product is attributed to agriculture. Tell me about the free market.

International forces have destroyed the free market except to the extent we allow free access to U.S. markets. We go one step further when we sell American agriculture products at below the cost of production. We in effect subsidize the foreign country that buys our agriculture products.

The bill that I will introduce will rely heavily on the marketplace, but it will also provide farmers and ranchers with a floor, so that they will not be penalized when the markets go berserk, as they did so often during the seventies.

This is a 4-year extension of current law. Its key provisions provide that the loan rate for the most basic commodities will be at 75 percent of parity which assures that U.S. agriculture products covered by the act are not sold overseas for less than it costs to produce.

Mr. President, I ask unanimous consent that S. 480 be printed in its entirety at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this may be cited as the "Food and Agriculture Act of 1981."

TITLE I—DAIRY AND BEEKEEPER PROGRAMS

DAIRY BASE PLANS

SEC. 101. Section 202(a) of the Agricultural Act of 1970, is amended to read as follows:

"(a) The Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by striking in subparagraph (B) of subsection 8(c)(5) all that part of said subparagraph (B) which follows the comma at the end of clause (c) and inserting in lieu thereof the following:

"(d) a further adjustment to encourage seasonal adjustments in the production of milk through equitable apportionment of the total value of the milk purchased by any handler, or by all handlers, among producers on the basis of their marketings of milk during a representative period of time, which need not be limited to one year; and (e) a provision providing for the accumulation and disbursement of a fund to encourage seasonal adjustments in the production of milk may be included in an order."

PRODUCER HANDLERS

SEC. 102. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendment made by the Food and Agriculture Act of 1985 as it was prior thereto.

MILK PRICE SUPPORT

SEC. 103. Section 201 of the Agricultural Act of 1949, as amended, is amended by—

(1) striking out the second sentence in subsection (c) and inserting in lieu thereof a new sentence as follows: "notwithstanding the foregoing, effective for the period beginning on the effective date of the Food and Agriculture Act of 1981 and ending March 1985, the price of milk shall be supported at not less than 80 per centum of the parity price therefor,"; and

(2) adding at the end thereof a new subsection (d) as follows:

"(d) Effective for the period beginning on the effective date of the Food and Agriculture Act of 1981 and ending March 31, 1985, the support price of milk shall be adjusted by the Secretary at the beginning of each semiannual period after the beginning of the marketing year to reflect any estimated change in the parity index during such semiannual period. The Secretary is authorized to adjust the support price of milk at the beginning of each remaining quarter in the marketing year to reflect any substantial change in the parity index during such quarterly period. Any adjustment under this subsection shall be announced by the Secretary not more than thirty days prior to the beginning of the period to which it is applicable.".

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND VETERANS HOSPITALS

SEC. 104. Section 202 of the Agricultural Act of 1949, as amended, is amended by striking out "1981" in subsections (a) and (b) and inserting in lieu thereof "1985".

DAIRY BASE PLANS

SEC. 105. The Act of August 13, 1968 (82 Stat. 750, as amended; 7 U.S.C. 450 j, k, and l), is amended by striking out "September 30, 1981" in Section 3 and inserting in lieu thereof "September 30, 1985."

DAIRY PRODUCT IMPORTS

SEC. 106. (1) It is directed that, under the authority of Section 22 of the Agricultural Adjustment Act (7 U.S.C. 624); the President shall proclaim a zero level quota on the importation of milk protein products, including but not limited to casein, caseinates, lactalbumin, whey protein concentrates or mixtures containing five percent or more of these products, when imported into the United States for use in food or animal feed products.

(2)(a) No imports of dairy products shall be admitted into the United States for consumption for any food use or any animal

feed use except pursuant to authorizations issued by the Secretary of Agriculture.

(b) No authorizations for imports of dairy products shall be issued by the Secretary which would result in the total import of dairy products for consumption for any food use, use as a food ingredient, use as animal feed or as an animal feed ingredient exceeding on a milk equivalent basis (milkfat and/or milk solids-not-fat) the milk equivalent of imports authorized under dairy product import limitations established pursuant to Section 22 of the Agricultural Adjustment Act (7 U.S.C. 624).

(c) As used in this subsection, the term "dairy products" includes (1) all forms of milk and dairy products, butterfat, milk solids-not-fat and any combination or mixture thereof; (2) any article, compound or mixture containing five percent or more of butterfat or milk solids-not-fat, or any combination of the two; and (3) Casein, caseinates, and other derivatives of milk, butterfat or milk solids-not-fat if imported commercially for any food or animal feed use. It does not include, (1) Industrial casein or any other industrial product not to be used in any form for any food or animal feed use or as an ingredient of food or animal feed; (2) Articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles provided neither the butterfat, milk solids-not-fat casein or caseinates in any form, in any such article is commercially extractable or capable of being used commercially as a replacement or substitute for such ingredients in the manufacture of any food or animal feed product; and (3) Cheese not containing cow's milk and soft ripened cow's milk cheese defined in Section (a)(a)(iv) of the headnotes to Part 3, Appendix to the Tariff Schedules, Tariff Schedules of the United States (1981).

BEEKEEPER INDEMNITY PROGRAM

SEC. 107. Section 804(f) of the Agricultural Act of 1970, as amended, is amended by striking out "December 31, 1981" and inserting in lieu thereof "September 30, 1985".

TITLE II—WOOL AND MOHAIR

DECLARATION OF POLICY

SEC. 201. Section 702 of the National Wool Act of 1954, as amended, is amended to read as follows:

"SEC. 702. It is hereby recognized that wool is an essential, strategic, and energy-efficient commodity which is not produced in the United States in sufficient quantities and grades to meet the domestic needs; and that the desired domestic production of wool is impaired by predatory animals and by the depressing effects of wide fluctuations in the price of wool in the world markets. It is hereby declared to be the policy of Congress, as a measure of national security and to promote the general economic welfare, a positive balance of trade, and the efficient use of the Nation's resources, to encourage the continued domestic production of wool at prices fair to both producers and consumers in a manner which will assure a viable domestic wool industry in the future.".

EXTENSION OF ACT; SUPPORT PRICE

SEC. 202. Section 703 of the National Wool Act of 1954, as amended, is amended by—

(1) striking out "1981" in subsection (a) and inserting in lieu thereof "1985";

(2) striking out "1981" in subsection (b) and inserting in lieu thereof "1985".

TITLE III

LOAN RATES

SEC. 301. (a) The "Basic Loan Rate" for wheat, corn, cotton, rice and peanuts shall be established at 75 percent of the parity price therefore.

(b) The loan rate for any commodity listed in section 401(a) and Section 402(a) shall not be less for the 1982 year than the loan rate for the respective commodity during 1981.

SEC. 302. The loan rate for commodities placed in the "Producer-Held Reserve" shall be 110 percent of the "Basic Loan Rate" for the respective commodity.

SEC. 303. The loan rate for commodities, other than those specified in Sections 301(a) and 302(a), including, but not limited to sorghum, barley, oats, rye, soybeans, flaxseed, dry edible beans and honey, shall be set at a level determined by the Secretary, but not less than 70 percent of the parity price therefor.

SEC. 304. Except for cotton the Secretary may, as a condition of eligibility for loans and/or purchases, require that a producer not exceed the farm's normal crop acreage.

SOYBEAN PRICE SUPPORT

SEC. 305. Effective only with respect to the 1982 through 1985 crops of soybeans, section 201 of the Agricultural Act of 1949 is amended by—

(1) inserting in the first sentence after "tung nuts," the following: "soybeans," and

(2) adding at the end thereof a new subsection (e) as follows:

"(e) The price of each of the 1982 through 1985 crops of soybeans shall be supported through loans and purchases at such levels as the Secretary determines appropriate in relation to competing commodities, and taking into consideration domestic and foreign supply and demand factors, but in no event shall it be less than 75 percent of the parity price therefor, as determined for the month of January immediately preceding each planting season: *Provided*, That notwithstanding the provisions of section 1001 of the Food and Agriculture Act of 1977, the Secretary shall not require a set-aside of soybean acreage as a condition of eligibility for price support for any commodity supported under the provisions of this Act.".

SUGAR PRICE SUPPORT

SEC. 306. Effective with respect to the 1981, 1982, 1983 and 1984 crop sugarbeets and sugarcane, Section 201 of the Agriculture Act of 1949, as amended, is amended by;

(1) Striking out in the first sentence "honey and milk" and inserting in lieu thereof the following: "honey, milk, sugarbeets and sugarcane; and

(2) Adding at the end thereof a new subsection (g) as follows:

(g) The price of the 1981, 1982, 1983 and 1984 crops of sugarbeets and sugarcane shall be supported through nonrecourse loans with respect to processed products thereof at a level which the Secretary determines will not result in the acquisition of any significant amounts of sugar by the Commodity Credit Corporation.

TITLE IV

"PRODUCER-HELD RESERVE"

SEC. 401. In accordance with Sec. 110 of the Agricultural Act of 1949, the Secretary shall establish and maintain a "Producer-Held Reserve" for wheat and feed grains. The Secretary is authorized to establish a "Producer-Held Reserve" for any other commodity as deemed necessary.

SEC. 402. Commodities in the Producer-Held Reserve", subject to the release and call levels in Section 501 and Section 502, shall be held for a period of three to five years.

SEC. 403. The Secretary shall provide storage payments to producers for commodities in the "Producer-Held Reserve".

SEC. 404. The rate of interest on loans made pursuant to the "Producer-Held Reserve" shall be not more than eight percent per year, provided that the Secretary may waive interest for any or all years of the contract.

SEC. 505. The Secretary may determine the appropriate quantities of commodities to be placed in the "Producer-Held Reserve", provided, however, that the minimum amount of wheat shall be 400 million bushels.

TITLE V

RELEASE AND CALL LEVELS

SEC. 501. The release level for commodities in the "Producer-Held Reserve" shall be 120 percent of the applicable loan rate for the commodity in the "Producer-Held Reserve".

SEC. 502. The call level for commodities in the "Producer-Held Reserve" shall be 140 percent of the applicable loan rate for the commodity in the "Producer-Held Reserve".

TITLE VI

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR WHEAT AND FEED GRAINS

SEC. 601. Effective only with respect to the marketing years for the 1982 through 1985 crops, section 407 of the Agricultural Act of 1949, as amended, is amended by——

(1) striking out in the third sentence the language following the third colon and inserting in lieu thereof the following: "*Provided*, That the Corporation shall not sell any of its stocks of wheat, cotton, corn, grain sorghum, barley, oats and rye respectively at less than 130 per centum of the current national average loan rate for the commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate, plus reasonable carrying charges.";

(2) striking out in the fifth sentence "current basic county support rate including the value of any applicable price-support payment in kind (or a comparable price if there is no current basic county support rate)" and inserting in lieu thereof the following: "current basic county loan rate (or a comparable price if there is no current basic county loan rate)"; and

(3) striking out in the seventh sentence ", but in no event shall the purchase price exceed the then current support price for such commodities" and inserting in lieu thereof the following: "or unduly affecting market prices, but in no event shall the purchase price exceed the Corporation's minimum sales price for such commodities for unrestricted use".

TITLE VII

SET-ASIDE, LAND DIVERSION AND PLANTED ACREAGE LIMITATIONS

SEC. 701. (a) If the Secretary determines that the total supply of any commodity will likely be excessive, taking into account the need for adequate reserves, domestic use and export needs, the Secretary is authorized to implement any or all, or any combination thereof, of the following measures:

(i) a set-aside of cropland;

(ii) a voluntary paid acreage diversion; or

(iii) a limitation on the number of acres which may be planted to a commodity.

(b) If a set-aside of cropland is in effect, producers must, as a condition of eligibility for program benefits, reduce their acreage planted by the percentage declared by the Secretary.

(c) If a limitation on the number of acres which may be planted to any commodity is in effect, any producer who produces on acres in excess of those permitted shall be penalized at a rate equal to the number of bushels produced on the excess acreage times the appropriate loan rate for the commodity plant-

ed in excess. Production on any excess acres shall not be eligible for any program benefits.

PROGRAM ACREAGES AND PAYMENT YIELDS; SET-ASIDE PROGRAM

SEC. 702. Effective only for the 1982 through 1985 crops of wheat, the Agricultural Act of 1949, as amended, is amended by adding subsections (d) through (i) to section 107A to read as follows:

"(d)(1) The Secretary shall proclaim a national program acreage for each of the 1982 through 1985 crops of wheat. The proclamation shall be made not later than August 15 of each calendar year for the crop harvested in the next succeeding calendar year. The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information, and the Secretary shall proclaim such revised national program acreage as soon as it is made. The national program acreage for wheat shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of wheat are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of wheat. The allocation factor for wheat shall be determined by dividing the national program acreage for the crop by the number of acres which the Secretary estimates will be harvested for such crop: *Provided*, That in no event shall the allocation factor for any crop of wheat be more than 100 per centum nor less than 80 per centum.

"(3) The individual farm program acreage for each crop of wheat shall be determined by multiplying the allocation factor by the acreage of wheat planted for harvest on the farms for which individual farm program acreages are required to be determined: *Provided*, That the wheat acreage eligible for payments shall not be further reduced by application of the allocation factor if the producers reduce the acreage of wheat planted for harvest on the farm from the previous year by at least the percentage recommended by the Secretary in the proclamation of the national program acreage made not later than August 15 prior to the year in which the crop is harvested. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of wheat planted for harvest is less than for the preceding year, but the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for wheat, the Secretary is authorized to make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(e) The farm program payment yield for each crop of wheat shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for wheat was established for the farm in the previous crop year, the Secretary is authorized to determine such yield as the Secretary finds fair and reasonable. Notwithstanding the foregoing provisions of this subsection, in the determination of yields, the Secretary shall take into account the actual yields proved by the producer, and neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection. If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or, if such data are not available, on the Secretary's estimate of actual yields for the crop year involved. In the event national, State, or county program payment yields are established, the farm program payment yields shall balance to the national, State, or county program payment yields.

"(f)(1) The Secretary shall provide for a set-aside of cropland if the Secretary determines that the total supply of wheat will, in the absence of such a set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. The Secretary shall announce any set-aside not later than August 15 prior to the year in which the crop is harvested. If a set-aside of cropland is in effect under this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the acreage of wheat planted for harvest for the crop year for which the set-aside is in effect. The Secretary may limit the acreage planted to wheat. Such limitation shall be applied on a uniform basis to all wheat-producing farms. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary, which will assure protection of such acreage from weeds and wind and water erosion; however, the Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the set-aside acreage to be devoted to sweet sorghum, hay, and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, titicale, oats, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

"(2) The Secretary may make land diversion payments to producers of wheat, whether or not a set-aside for wheat is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of wheat to desirable goals. Such land diversion payments shall be made to producers on a farm who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(3) The set-aside acreage and the additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(4) The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, and topography, and such other factors as the Secretary deems necessary.

"(5) If the operator of the farm desires to participate in the program formulated under this subsection, the operator shall file an agreement to do so no later than such date as the Secretary may prescribe. Loans, purchases, and payments under this section shall be made available to producers on such farm only if the producers set aside and devote to approved soil conserving uses an acreage on the farm equal to the number of acres which the operator agrees to set aside and devote to approved soil conserving uses, and the agreement shall so provide. The Secretary may, by mutual agreement with the producers, terminate or modify any such agreement entered into pursuant to this subsection if the Secretary determines such action necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of agricultural commodities.

"(g) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the default.

"(h) The Secretary is authorized to issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.".

NONAPPLICABILITY OF CERTIFICATE REQUIREMENTS

SEC. 703. Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processors or exporters during the period July 1, 1982 through May 31, 1985.

SUSPENSION OF MARKETING QUOTAS AND PRODUCER CERTIFICATE PROVISIONS

SEC. 704. Sections 331, 332, 333, 334, 335, 336, 338, 339, 379b and 379c of the Agricultural Adjustment Act of 1938, as amended, shall not be applicable to the 1982 through 1985 crops of wheat.

FINALITY OF DETERMINATIONS

SEC. 705. Effective only for the 1982 through 1985 crops, section 385 of the Ag-

ricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence to read as follows: "The facts constituting the basis for any Soil Conservation Act payment, any payment under the wheat, feed grain, upland cotton, and rice programs authorized by the Agricultural Act of 1949 and this Act, any loan or price support operation, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary or by the Commodity Credit Corporation, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.".

SUSPENSION OF QUOTA PROVISIONS

SEC. 706. Public Law 74, Seventy-seventh Congress (55 Stat. 203, as amended) shall not be applicable to the crops of wheat planted for harvest in the calendar years 1982 through 1985.

APPLICATION OF TERMS IN THE AGRICULTURAL ACT OF 1949

SEC. 707. Section 408(k) of the Agricultural Act of 1949, as added by the Agricultural Act of 1970, as amended, to be effective for the 1978 through 1981 crops, shall be effective for the 1982 through 1985 crops, and shall read as follows:

"REFERENCES TO TERMS MADE APPLICABLE TO WHEAT AND FEED GRAINS"

"(k) References made in sections 802, 803, 806 to the terms 'support price,' 'level of support', and 'level of price support' shall be considered to apply as well to the level of loans and purchases for wheat and feed grains under this Act; and references made to the terms 'price support', 'price support operations' and 'price support program' in such sections and in section 401(a) shall be considered as applying as well to the loan and purchase operations for wheat and feed grains under this Act.".

NONAPPLICABILITY OF SECTION 107 OF THE AGRICULTURAL ACT OF 1949 TO THE 1982 THROUGH 1985 CROPS OF WHEAT

SEC. 708. Section 107 of the Agricultural Act of 1949, as amended shall not be applicable to the 1982 through 1985 crops of wheat.

SEC. 709. Effective only for the 1982 through 1985 crops of feed grains, the Agricultural Act of 1949, as amended, is amended by adding subsections (d) through (i) to section 105A to read as follows:

"(d)(1) The Secretary shall proclaim a national program acreage for each of the 1982 through 1985 crops of feed grains. The proclamation shall be made not later than November 15 of each calender year for the crop harvested in the next succeeding calendar year. The Secretary may revise the national program acreage first proclaimed for any crop year for the purpose of determining the allocation factor under paragraph (2) of this subsection if the Secretary determines it necessary based upon the latest information, and the Secretary shall proclaim such revised national program acreage as soon as it is made. The national program acreage for feed grains shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that the carryover stocks of feed grains are excessive or an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the national program acreage by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks.

"(2) The Secretary shall determine a program allocation factor for each crop of feed grains. The allocation factor for feed grains shall be determined by dividing the national program acreage for the crop by the number of acres which the Secretary estimates will be harvested for such crop: *Provided*, That in no event shall the allocation factor for any crop of feed grains be more than 100 per centum nor less than 80 per centum.

"(3) The individual farm program acreage for each crop of feed grains shall be determined by multiplying the allocation factor by the acreage of feed grains planted for harvest on the farms for which individual farm program acreages are required to be determined: *Provided*, That the feed grain acreage eligible for payments shall not be further reduced by application of the allocation factor if the producers reduce the acreage of feed grains planted for harvest on the farm from the previous year by at least the percentage recommended by the Secretary in the proclamation of the national program acreage made not later than November 15 prior to the year in which the crop is harvested. The Secretary shall provide fair and equitable treatment for producers on farms on which the acreage of feed grains planted for harvest is less than for the preceding year, but the reduction is insufficient to exempt the farm from the application of the allocation factor. In establishing the allocation factor for feed grains, the Secretary is authorized to make such adjustment as the Secretary deems necessary to take into account the extent of exemption of farms under the foregoing provisions of this paragraph.

"(e) The farm program payment yield for each crop of feed grains shall be the yield established for the farm for the previous crop year, adjusted by the Secretary to provide a fair and equitable yield. If no payment yield for feed grains was established for the farm in the previous crop year, the Secretary is authorized to determine such yield as the Secretary finds fair and reasonable. Notwithstanding the foregoing provisions of this subsection, in the determination of yields, the Secretary shall take into account the actual yields proved by the producer, and neither such yields nor the farm program payment yield established on the basis of such yields shall be reduced under other provisions of this subsection. If the Secretary determines it necessary, the Secretary may establish national, State, or county program payment yields on the basis of historical yields, as adjusted by the Secretary to correct for abnormal factors affecting such yields in the historical period, or, if such data are not available, on the Secretary's estimate of actual yields for the crop year involved. In the event national, State or county program payment yields are established, the farm program payment yields shall balance to the national, State, or county program payment yields.

"(f)(1) The Secretary shall provide for a set-aside of cropland if the Secretary determines that the total supply of feed grains will, in the absence of such a set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. Any such set-aside shall be announced by the Secretary not later than November 15 of each calendar year for the crop harvested in the next calendar year. If a set-aside of cropland is in effect under this subsection, then as a condition of eligibility for loans, purchases, and payments authorized by this section on corn, grain sorghums, and, if designated by the Secretary, barley and oats respectively, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage, as determined by the Secretary, of the feed grain acreage planted for harvest for the crop year for which the set-aside is in effect. The Secretary may limit the acreage planted to feed grains. Such limitation shall be applied on a uniform basis to all feed grain-producing farms. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary, which will assure protection of such acreage from weeds and wind and water erosion; however, the Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the set-aside acreage to be devoted to sweet sorghum, hay, and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago, ovato, flaxseed, triticale, oats, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

"(2) The Secretary may make land diversion payments to producers of feed grains, whether or not a set-aside for feed grains is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of feed grains to desirable goals. Such land diversion payments shall be made to producers on a farm who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any count or local community so as not to affect adversely the economy of the county or local community.

"(3) The set-aside acreage and the additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing and hiking, subject to applicable State and Federal regulations.

"(4) The Secretary may make such adjustments in individual set-aside acreages under this section as the Secretary determines necessary to correct for abnormal factors affecting production, to give due consideration to tillable acreage, crop-rotation practices, types of soil, soil and water conservation measures, and topography, and such other factors as the Secretary deems necessary.

"(5) If the operator of the farm desires to participate in the program formulated under this subsection, the operator shall file an agreement to do so no later than such date as the Secretary may prescribe. Loans, purchases, and payments under this section shall be made available to producers on such farm only if the producers set aside and devote to approved soil conserving uses an acreage on the farm equal to the number of acres which the operator agrees to set aside and devote to approved soil conserving uses, and the agreement shall so provide. The Secretary may, by mutual agreement with the producers, terminate or modify any such agreement entered into pursuant to this sub-

section if the Secretary determines such action necessary because of an emergency created by drought or other disaster, or in order to prevent or alleviate a shortage in the supply of agricultural commodities.

"(g) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the default.

"(h) The Secretary is authorized to issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.".

NONAPPLICABILITY OF SECTION 105 OF THE AGRICULTURAL ACT OF 1949 TO THE 1982 CROPS OF FEED GRAINS

SEC. 810. Section 105 of the Agricultural Act of 1949, as amended, shall not be applicable to the 1982 through 1985 crops of feed grains.

COTTON PRODUCTION INCENTIVES

SEC. 712. Effective only with respect to the 1982 through 1985 crops of upland cotton, except as otherwise provided herein. Section 103 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new subsection (f) as follows:

"(f)(1) The Secretary shall provide for a set-aside of cropland if the Secretary determines that the total supply of upland cotton will, in the absence of such a set-aside likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. If a set-aside of cropland is in effect under this paragraph, then as a condition of eligibility for loans, purchases, and payments on upland cotton, the producers on a farm must set aside and devote to conservation uses an acreage of cropland equal to a specified percentage as determined by the Secretary (but not to exceed 28 per centum), of the acreage of upland cotton planted for harvest for the crop year for which a set-aside is in effect. The set-aside acreage shall be devoted to conservation uses in accordance with regulations issued by the Secretary which will assure protection of such acreage from weeds and wind and water erosion; however, the Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the set-aside acreage to be devoted to sweet sorghum, hay, and grazing or the production of guar, sesame, safflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity if the Secretary determines that such production is needed to provide an adequate supply is not likely to increase the cost of the price support program, and will not adversely affect farm income. The Secretary may limit the acreage planted to upland cotton. Such limitation shall be applied on a uniform basis to all cotton-producing farms. Producers on a farm who knowingly plant cotton in excess of the permitted cotton acreage for the farm shall be ineligible for cotton loans or payments with respect to that farm.

"(2) The Secretary may make land diversion payments to producers of upland cotton, whether or not a set-aside for upland cotton is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of upland cotton to desirable goals. Such land diversion payments shall be made to producers on a farm who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers. The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(3) The set-aside acreage and the additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the producer agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(4) If the operator of the farm desires to participate in the program formulated under this subsection, the operator shall file an agreement to do so no later than such date as the Secretary may prescribe. Loans, purchases, and payments under this subsection shall be made available to the producers on such farm only if the producers set aside and devote to approved soil conserving uses an acreage on the farm equal to the number of acres which the operator agrees to set aside and devote to approved soil conserving uses, and the agreement shall so provide. The Secretary may, by mutual agreement with the producers, terminate or modify any such agreement entered into pursuant to this subsection if the Secretary determines such action necessary because of an emergency created by drought or other disaster, or in order to alleviate a shortage in the supply of agricultural commodities.

(5) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

"(6) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this subsection precludes the making of loans, purchases, and payments, the Secretary may nevertheless, make such loans, purchases and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the default.

"(7) The Secretary is authorized to issue such regulations as the Secretary determines necessary to carry out the provisions of this subsection.

"(8) The Secretary shall carry out the program authorized by this subsection through the Commodity Credit Corporation.

"(9) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act, as amended (relating to assignment of payments), shall apply to payments under this subsection.".

MISCELLANEOUS COTTON PROVISIONS

SEC. 713. (a) Section 408(b) of the Agricultural Act of 1949, as amended, is amended by inserting immediately before the period at the end of the first sentence the following: "*Provided further*, That for the 1982 through 1985 crops of upland cotton a cooperator shall be a producer on a farm who has set aside the acreage required under section 103(f)".

(b) Section 408(1) of the Agricultural Act of 1949, as added by the Agricultural Act of 1970, as amended, to be effective for the 1978 through 1981 crops, shall be effective for the 1982 through 1985 crops, and shall read as follows:

"REFERENCES TO TERMS MADE APPLICABLE TO UPLAND COTTON

"(1) References made in sections 702, 703, and 706, to the terms 'support price', 'level of support', and 'level of price support' shall be considered to apply as well to the level of loans and purchases for upland cotton under this Act; and references made to the terms 'price support', 'price support operations', and 'price support program' in such sections and in section 401(a) shall be considered as applying as well to the loan and purchase operations for upland cotton under this Act.".

(c) Sections 103(a) and 203 of the Agricultural Act of 1949, as amended, shall not be applicable to the 1982 through 1985 crops.

RICE

SEC. 714. Effective beginning with the 1978 crop of rice, section 101 of the Rice Production Act of 1975 is amended by striking out "1976 through 1981" each place it occurs and inserting in lieu thereof "1982 through 1985".

SET-ASIDE FOR THE 1982 THROUGH 1985 CROPS

SEC. 715. Effective only for the 1982 through 1985 crops of rice, section 101 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (h) as follows:

"(h)(1) The Secretary shall provide for a set-aside of cropland if the Secretary determines that the total supply of rice will, in the absence of such set-aside, likely be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency. If a set-aside of cropland is in effect under this paragraph, then as a condition of eligibility for loans, purchases, and payments under this subsection, the cooperators on a farm must set aside and devote to conservation uses an acreage of cropland equal to (i) such percentage of the farm acreage allotment as may be specified by the Secretary (not to exceed 30 per centum of the farm acreage allotment), plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary. The set-aside acreage shall be devoted to conservation uses, in accordance with regulations issued by the Secretary, which will assure protection of such acreage from weeds and wind and water erosion; however, the Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the set-aside acreage to be devoted to sweet sorghum, hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if the Secretary determines that such production is needed to provide an adequate supply of such commodities, is not likely to increase the cost of the price support program, and will not adversely affect farm income.

"(2) The Secretary may make land diversion payments to cooperators, whether or not a set-aside for rice is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of rice to desirable goals. Such land diversion payments shall be made to cooperators on a farm who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such cooperators. The

amounts payable to cooperators under land diversion contracts may be determined through the submission of bids for such contracts by cooperators in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the cooperators and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

"(3) The set-aside acreage and the additional diverted acreage may be devoted to wildlife food plots or wildlife habitat in conformity with standards established by the Secretary in consultation with wildlife agencies. The Secretary may pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentence. The Secretary may provide for an additional payment on such acreage in an amount determined by the Secretary to be appropriate in relation to the benefit to the general public if the cooperator agrees to permit, without other compensation, access to all or such portion of the farm, as the Secretary may prescribe, by the general public, for hunting, trapping, fishing, and hiking, subject to applicable State and Federal regulations.

"(4) If the operator of the farm desires to participate in the program formulated under this subsection the operator shall file an agreement to do so no later than such date as the Secretary may prescribe. Loans, purchases and payments under this subsection shall be made available to cooperators on such farm only if such cooperators set aside and devote to approved soil conserving uses an acreage on the farm equal to the number of acres which the operator of the farm agrees to set aside and devote to approved soil conserving uses, and the agreement shall so provide. The Secretary may, by mutual agreement with the cooperators on the farm, terminate or modify any such agreement entered into pursuant to this subsection if the Secretary determines such action necessary because of any emergency action created by drought or other disaster, or in order to alleviate a shortage in the supply of rice.

"(5) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provisions for sharing, on a fair and equitable basis in payments under this subsection.

"(6) In any case in which the failure of a cooperator to comply fully with the terms and conditions of the program formulated under this subsection precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the default.

"(7) The Secretary is authorized to issue such regulations as the Secretary determines necessary to carry out the provisions of this subsection.

"(8) The Secretary shall carry out the program authorized by this subsection through the Commodity Credit Corporation.

"(9) The provisions of subsection 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments under this subsection." 16 USC 590h.

SUSPENSION OF MARKETING QUOTAS AND OTHER PROVISIONS

SEC. 816. Sections 353, 354, 355, 356 and 377 of the Agricultural Adjustment Act of 1938, as amended, shall not be applicable to the 1982 through 1985 crops of rice.

DEFINITION OF COOPERATOR

SEC. 717. The last proviso in the first sentence of section 408(b) of the Agricultural Act of 1949, as added by section 303 of the Rice Production Act of 1975, is amended by striking out "and 1981" and inserting in lieu thereof "1985".

CONFORMING AGREEMENT

SEC. 718. Section 408(m) of the Agricultural Act of 1949 as added by the Rice Production Act of 1975, to be effective for the 1978 crops, shall be effective for the 1982 through 1985 crops, and shall read as follows:

REFERENCES TO TERMS MADE APPLICABLE TO RICE

"(m) References made in sections 702, 703, 706, and 707 to the terms 'support price', 'level of support', and 'level of price support' shall be considered to apply as well to the level of loans and purchase for rice under this Act; and references made to the terms 'price support', 'price support operation', and 'price support program' in such sections and in section 401(a) shall be considered as applying as well to the loan and purchase operations for rice under this Act.".

TITLE VIII

PUBLIC LAW 480

SEC. 801. Section 409 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking out "1931," and inserting in lieu thereof, the following: "1985".

SEC. 802. Section 204 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking out $750,000,000 in the first sentence and inserting in lieu thereof $900,000,000.

TITLE IX—NATIONAL SOIL AND WATER CONSERVATION LOANS

SOIL AND WATER CONSERVATION LOANS

SEC. 901. Section 4 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b) is amended by adding at the end thereof the following new subsection:

"(n)(1) Shall make loans to agricultural producers for conservation and environmental enhancement measures to improve the productivity of farmland and protect the quality of the environment as follows:

"(A) Unsecured conservation loans, the total amount of which in the case of any one producer may not exceed $10,000 annually.

"(B) Secured conservation loans, the total amount of which in the case of any one producer may not be less than $10,000 or more than $25,000 annually.

"(C) The total of such unsecured and secured loans outstanding at any time in the case of any producer may not exceed $200,000.

"(2) Loans made under this subsection may be made only for conservation and environmental enhancement measures that are—

"(A) recommended by county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act;

"(B) approved by the Secretary; and

"(C) needed to maintain or improve the productivity of farmland and protect the quality of the environment.

"(3) Loans made under this subsection may be made for a term not to exceed ten years and at a rate of interest comparable to the rate of interest paid by the Corporation on loans made to the Corporation by the United States Treasury.".

TITLE X—RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM

SHORT TITLE

SEC. 101. This title may be cited as the "Resource Conservation and Development Act of 1981".

CONGRESSIONAL FINDINGS

SEC. 1002. (1104) The Congress finds and declares—

(1) that the rural areas of the Nation are confronted by critical resource utilization, economic, and environmental problems;

(2) that such problems are the result of—

(A) continually increasing pressures on such rural areas to meet domestic and foreign demand for food, fiber, and wood;

(B) inadequate public and private investment in the formulation and execution of acceptable courses of action necessary to meet the accelerating demands being made on the land and natural resources of the Nation; and

(C) social, economic, and environmental conditions of such complexity that they cannot be effectively dealt with by individual communities in rural areas acting independently of each other;

(3) that such problems have resulted in and, unless solved, will continue to result in the decline of the family farm system, the loss of job opportunities, and a decrease in the amenities and environmental qualities of rural areas throughout the United States; and

(4) that it is accordingly the purpose of this title to encourage and assist States, local units of government, and local nonprofit organizations in rural areas to organize, develop, and utilize a program for the effective conservation and development of resources.

DEFINITIONS

SEC. 1003. (1105) As used in this title—

(1) The term "Secretary" means the Secretary of Agriculture.

(2) The term "planning process" means the continuing effort by States, local units of government, or local nonprofit organizations to develop major plans for rural areas, including area plans, goals, objectives, policies, implementation activities, needed evaluations, and reviews, but not including opportunity for public participation.

(3) The term "area plan" means a resource conservation and utilization plan for a designated rural area of a State or States which has been developed through a planning process, and which includes the following basic elements:

(A) A land conservation and utilization program designed to correct maladjustments in land allocation, to protect agricultural land from imprudent conversion to other uses, to control erosion and sedimentation, and to protect fish and wildlife habitats.

(B) A water management program designed to conserve and utilize water, including the protection and utilization of irrigation and rural water supplies, the mitigation of floods, repair or improvement of dams and reservoirs, improvement of agricultural water management, and improvement of water quality through control of nonpoint sources of pollution.

(C) A community development program designed to develop natural resources based industries, to protect rural area industries from natural resource hazards, to develop aquaculture, to develop rural area water and waste disposal systems, to improve recreation facilities, rural housing, adequate health and education facilities, and essential transportation and communication needs.

(D) Other related programs, including energy conservation and environmental protection programs that are appropriate to meet the goals of residents of the designated rural areas.

(4) The term "State" means the several States, the Commonwealth of Puerto Rico, and the Virgin Islands.

(5) The term "local unit of government" means any city, town, township, parish,

village, or other general purpose subdivision of a State, any local or regional special district or other limited political subdivision of a State, including any soil conservation district, irrigation or drainage district, school district, park authority, or water or sanitary district.

(6) The term "nonprofit organization" means any community association, wildlife group, or resource conservation organization that is incorporated and approved by the Secretary for the purpose of providing public facilities or services to a community in connection with activities or measures described in the area plan.

(7) The term "technical assistance" means any service provided by personnel of the Department of Agriculture, including advice, inventory evaluation, planning and design assistance, supervision, lay out assistance, and inspection, and the provision of maps, reports, and other documents associated with such activities.

(8) The term "financial assistance" means the assistance made available under this title by means of Federal grants and loans.

(9) The term "works improvement" means any facility installed or being installed in compliance with an area plan.

ESTABLISHMENT OF RESOURCE CONSERVATION AND DEVELOPMENT PLAN

SEC. 1004. (1106) The Secretary shall establish a program known as the "Resource Conservation and Development Program" under which the Secretary shall make available to States, local units of government, and local nonprofit organizations the technical and financial assistance necessary to permit such States, local units of government, and organizations to operate and maintain a planning process for the development of plans and actions needed to conserve and better utilize land, develop natural resources, and improve an enhance the economic and environmental conditions of rural areas of the United States.

AUTHORITY OF THE SECRETARY OF AGRICULTURE

SEC. 1005. (1107). (a) In carrying out the provisions of this title, the Secretary may—

(1) provide technical assistance, upon request, to any State, local unit of government, or local nonprofit organization within a designated rural area for the purpose of assisting in the development of an area plan for such area;

(2) cooperate with other departments and agencies of the Federal Government, with State and local governments, and with local nonprofit organizations in conducting surveys and inventories, disseminating information, and developing area plans;

(3) assist in carrying out an area plan approved by the Secretary for any rural area by providing technical and financial assistance, including grants and loans, to local public agencies and nonprofit organizations designated to receive such assistance by the Governor or legislature of the State concerned; and

(4) enter into agreements with State agencies, local units of government, and local nonprofit organizations, as provided in section 1206.

(b) The authority of the Secretary under this title to assist States, local units of government, and local nonprofit organizations in the development and implementation of area plans shall be supplemental to and not in lieu of any authority of the Secretary under any other provision of law.

AGREEMENTS; TERMS AND CONDITIONS

SEC. 1006. (1108) (a) Technical and financial assistance, including loans, may be provided by the Secretary to any State agency, local unit of government, or local nonprofit organization to assist such agency, unit of government, or organization in carrying out an area plan approved by the Secretary if—

(1) such State agency, unit of government, or organization agrees in writing to carry out such a plan and finance any portion of the cost of carrying out such plan not paid by the Secretary under this title;

(2) the development or facility for which assistance is to be provided under this title is included in an area plan and has been approved by the local units of government to be assisted;

(3) the Secretary determines that assistance for such development or facility is not available to such agency, unit of government, or organization under some other Federal program;

(4) the development or facility provided for in the area plan is consistent with any existing comprehensive plan for the area in which such plan is to be carried out;

(5) the cost of land or interest in land acquired or to be acquired under such plan by any State, local unit of government, or local nonprofit organization is borne by such State, unit of government, or organization, except in the case of land or interest in land acquired or to be acquired for the purpose of conserving or protecting fish or wildlife or acquired or to be acquired for public recreational purposes; and

(6) the State, local unit of government, or local nonprofit organization participating in the area plan agrees to maintain and operate any work of improvement carried out under the plan.

(b) Loans made under this title shall be made on such terms and conditions as the Secretary may prescribe, except that such loans shall have a repayment period of not more than thirty years from the date of completion of the development or facility for which the loan is made and shall bear interest at the average rate of interest paid by the United States on its obligations of a comparable term, as determined by the Secretary of the Treasury.

(c) Assistance may not be made available to any State, local unit of government, or local nonprofit organization to carry out any area plan unless such plan has been submitted to and approved by the Secretary.

RESOURCE CONSERVATION AND DEVELOPMENT POLICY BOARD

SEC. 1007. (1110) (a) The Secretary shall establish within the Department of Agriculture a Resource Conservation and Development Policy Board (hereinafter in this section referred to as the "Board").

(b) The Board shall be composed of seven members appointed by the Secretary. One member of the Board shall be designated by the Secretary to serve as chairman.

(c) It shall be the function of the Board to advise the Secretary regarding the administration of this title, including the formulation of policies for carrying out the program provided for by this title.

EVALUATION OF PROGRAM

SEC. 1008. (1111) The Secretary shall evaluate the program provided for in this title with a view to determining whether such program is meeting effectively the needs of, and the objectives identified by, the States, local units of government, and local nonprofit organizations participating in such program.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1009. (1112) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, except that not more than $60,000,000 may be appropriated for technical and financial assistance for any fiscal year and not more than $15,000,000 may be appropriated for loans for any fiscal year.

TITLE XI—SPECIAL AREAS SOIL CONSERVATION PROGRAM

FINDINGS

SEC. 1101 (1113) The Congress finds—

(1) that studies by the Department of Agriculture indicate that four billion tons of soil are lost annually from non-Federal lands in the United States, with approximately two billion tons lost from cropland;

(2) that in 1977 nearly one-half of the 413 million acres of cropland were comprised of soils with moderate, high, or very high risk damage by sheet and rill erosion;

(3) that geographic areas tend to vary widely in the severity of soil, water, and related resource problems, and that soils, land slopes, climate, agricultural practices, and other related factors combine to make certain areas of the Nation highly productive yet subject to severe and long-standing soil erosion and water management problems; and

(4) that solutions to soil and water resource problems must be tailored to address the natural resource conditions that exist within the area of concern, and that the goals and policies of any program to solve such problems must be integrated with the concerns of the local communities involved.

FORMULATION AND IMPLEMENTATION OF CONSERVATION PROGRAM

SEC. 1802. (1114) (a) The Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") shall formulate and carry out, in special areas of the United States designated by the Secretary, a program for the conservation of soil, water, and related resources. The Secretary shall carry out such program by providing technical and financial assistance to owners and operators of non-Federal agriculture land. Funds made available under this title may not be used to carry out conservation measures on State, county, and other non-Federal public land except in cases in which such lands are an integral part of a private farm, forest, or ranch operating unit and are under the control of private landowners or operators.

(b) The Secretary may provide assistance under this title to owners and operators of non-Federal agriculture, range, and forest lands in designated special areas who have such control over the lands as the Secretary deems necessary to carry out the purposes of this title. The Secretary may also provide assistance under this title to the owners or operators of other than agricultural lands (non-Federal) in special designated areas if the lands of such owners or operators have soil, water, or related resources conservation problems so serious as to make assistance under this title necessary for the protection of agricultural lands. Assistance provided under this title shall be for the purpose of (1) assisting landowners and operators to make changes in their cropping systems or land management practices needed to conserve, protect, or properly utilize the soil, water, and related resources of their agricultural and other lands, and (2) installing the soil and water conservation treatment needed under such systems or practices.

(c) (1) In carrying out the program authorized by this title, the Secretary shall enter into written contracts with the landowners and operators in designated special areas.

(2) Conservation plans of landowners and operators shall form the basis for such contracts. The landowners or operators shall furnish to the Secretary a plan of conservation operations and land use developed in cooperation with and approved by the soil and water conservation district in which the lands on which the plan is to be carried out are situated. The plan shall include (1) a description of such soil, water, and related resources conservation measures as the landowner or operator determines to be practicable to protect such lands from erosion and deterioration, (2) a schedule of proposed changes in cropping systems or land management to be carried out on such lands during the contract period, and (3) a schedule of the conservation measures to be carried out on such lands during the contract period. Such plan shall be designed to fit the local social and economic conditions and the soil, water, and related resources problems of

the designated area and may allow for varying levels of conservation application as is appropriate to address the problems. The plan may be developed to cover all or part of a farm, ranch, or other lands determined to be necessary to solve the conservation problems of the area. The plan may also include conservation measures for enhancing fish and wildlife and recreation resources and for reducing or controlling agricultural related point and nonpoint pollution.

(d) Any landowner or operator who enters into a contract with the Secretary under this title shall agree—

(1) to effectuate the plan for his agricultural or other lands substantially in accordance with the schedule outlined therein unless any requirement thereof is waived or modified by the Secretary pursuant to subsection (f);

(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments of grants received thereunder, including interest, upon any violation of the contract by such landowner or operator at any stage during the time he has control of the land on which the plan is to be carried out if the Secretary, after considering the recommendations of the appropriate soil and water conservation district board, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds, including interest, or accept such payment adjustments as the Secretary may deem appropriate upon a determination that the violation by the owner or operator does not warrant termination of the contract;

(3) upon transfer, during the contract period, of the rights or interests of the landowner or operator in the agricultural or other lands on which the plan is to be carried out, to forfeit all rights to further payments or grants under the contract period and refund to the United States all payments or grants received thereunder, including interest, unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

(4) not to adopt any practices specified by the Secretary in the contract as a practice which would tend to defeat the purposes of the contract; and

(5) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program.

(e) In return for an agreement by the landowner or operator under this section, the Secretary shall agree to share the cost of carrying out the conservation measures set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest. The portion of the costs to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the installation and, if applicable, the maintenance of the conservation treatment under the contract, including the cost of labor. The Secretary shall determine the amount of the shared costs to be borne by the Federal Government, taking into consideration the social and economic conditions unique to each designated geographic area and the degree of conservation to be achieved. The Secretary shall determine the maximum amount of cost-share assistance that may be provided to any single recipient. When adjustments in land use from crops to permanent vegetative cover or changes in crop varieties are undertaken as conservation treatment, financial assistance may be provided with regard to the income lost as a result of such land use or crop adjustments.

(f) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest and may agree to such modification of contracts previously entered into as the Secretary may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

(g) The Secretary may also enter into contracts with landowners or operators for the purpose of maintaining any conservation treatment established under this title or other conservation treatment which has been adequately established, and to provide such assistance as is necessary to retain the treatment on the land. The provisions and administration of such contracts shall be in accordance with the requirements set forth in subsections (b) through (f).

PROGRAM TO BE DIRECTED AT SPECIFIC PROBLEMS

SEC. 1103. (1115) The program authorized by this title shall be directed toward identifying and correcting specific soil, water, and related resource problems which are prevalent within each special area designated by the Secretary under this title. The Secretary may provide assistance to such areas he determines have special or extremely serious soil, water, and related resources conservation problems. For each designated special area, the Secretary shall develop and implement a plan setting forth an assessment of the problems, objectives, priorities, and a schedule of implementation of conservation treatment to address the problems of the designated special area. In development of the plan, the Secretary shall take into consideration programs of Federal, State, and local agencies, including soil conservation districts having for their purposes the objectives of soil and water conservation, pollution abatement, and the improvement and protection of forest land.

CONTRACT LIMITATIONS

SEC. 1104. (1116) Special areas may be designated pursuant to section 1303 for a period of ten years following the date of enactment of this title. Contracts authorized by subsections (b) and (c) of section 1302 may be entered into for a period of ten years following the designation of the special area to which such contracts relate. Such contracts may not exceed ten years in duration. The Secretary may not enter into contracts under this title which provide for the expenditure of Federal funds in excess of funds appropriated for such purpose.

NOTIFICATION OF COMMITTEES

SEC. 1105. (1117) The Secretary shall submit a copy of each special area plan developed pursuant to section 1303 to the Committee on Agriculture, Nutrition, and Forestry of the Senate and to the Committee on Agriculture of the House of Representatives. The Secretary may enter into contracts under this title to carry out any such area plan only after the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives have each adopted a resolution approving the designated special area described in the plan.

UTILIZATION OF SERVICES AND FACILITIES

SEC. 1106. (1118) In carrying out the provisions of this title, the Secretary may utilize the services of local, county, and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) and the technical services of the Department of Agriculture, soil and water conservation districts, and other State or local agencies. The Secretary may also utilize the services and facilities of the Commodity Credit Corporation in discharging departmental functions and responsibilities under this title.

IMPROVEMENT OF TECHNOLOGY

SEC. 1107. (1119) The Secretary is authorized to expend funds directly or through grants for such research as is needed to assist in developing or improving technology for controlling soil, water, and related resource problems in designated areas. Such research shall be coordinated with and related to specific conservation needs of designated areas to accomplish the objectives of the program authorized under section 1102.

GRANTS FOR EVALUATION AND ANALYSIS OF STATE TAX STRUCTURES AND THEIR IMPACT ON PROGRAM

SEC. 1108. (1120) The Secretary may provide grants to any State which contains an area designated by the Secretary under this title for the purpose of conducting an evaluation and analysis of the local and State tax structures, rules, and regulations and their impact on the acceptance, installation, and maintenance of conservation measures that may be needed for an effective program under this title.

AUTHORIZATION APPROPRIATIONS

SEC. 1109. (1121) There are authorized to be appropriated $200,000,000 annually, to remain available until expended, to carry out the program authorized by this title.

REPORT TO CONGRESS

SEC. 1110. (1122) The Secretary shall submit a report to the Congress at the end of each of the first five years of operation of the program provided for in this title. Such report shall contain an evaluation of the operation of such program and shall include recommendations for such additional legislation as may be necessary to solve identified soil, water, and related resources problems in areas designated by the Secretary under this title and to utilize new findings and developments related to such problems.

PROTECTION OF PARTICIPANTS

SEC. 1111. (1123) No person shall be disqualified from participating in, or suffer any forfeiture or reduction in benefits under, any other program administered by the Secretary by virtue of participation in the program provided for in this title.

TITLE XII—AGRICULTURAL VOLUNTEERS

AUTHORITY OF SECRETARY OF AGRICULTURE TO ACCEPT VOLUNTARY SERVICES

SEC. 1201. (a) The Secretary of Agriculture is authorized to accept, subject to regulations issued by the Office of Personnel Management, voluntary services for the Department of Agriculture if the services—

(1) are to be without compensation, and

(2) will not displace any employee of the Department of Agriculture.

(b) Any individual who provides voluntary service under this title shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for injury, and chapter 171 of title 28, relating to tort claims.

(c) There are authorized to be appropriated, to remain available until expended, such sums as may be necessary to carry out the provisions of this section.

TITLE XIII—MISCELLANEOUS PROVISIONS

LOCAL SEARCH AND RESCUE OPERATIONS

SEC. 1301. The Secretary of Agriculture is authorized to assist, through the use of Soil Conservation Service personnel, vehicles, communication equipment, and other equipment or materials available to the Secretary, in local search and rescue operations when requested by responsible local public authorities. Such assistance may be provided in emergencies caused by tornadoes, fires, floods, snowstorms, earthquakes, and similar disasters.

CONSERVATION MATERIALS

SEC. 1302. (a) The Secretary of Agriculture shall establish and maintain agricultural plant centers for the purpose of assembling, testing, and distributing plants for use in soil, water, and energy conservation programs and may develop, test, and recommend methods, techniques, and materials for improving the conservation of soil and water resources.

(b) There are hereby authorized to be appropriated $5,000,000 annually, to remain available until expended, to carry out the provisions of this section.

RECLAMATION

SEC. 1303. Section 406 (d) of the Surfacing Mining Control and Reclamation Act of 1977 (91 Stat. 445; 30 U.S.C. 1201 (d)) is amended by adding at the end thereof the following new sentence: "The Secretary of Agriculture may carry out, without regard to the acreage limitations set forth in this section, experimental reclamation treatment projects on all lands within a hydrologic unit if he determines that treatment of such lands as a hydrologic unit will achieve greater reduction in the adverse effects of past surface mining practices than would be achieved if reclamation was done on individual parcels of land.".

ORGANIC WASTE AND WATER UTILIZATION OR CONTROL

SEC. 1304. (a) The Secretary of Agriculture is authorized to develop and carry out a program to provide technical assistance to landowners and operators for the—

(1) beneficial use or safe disposal of wastes in or on land, including water treatment plant sludge, plant effluent and sludge, septage, organic refuse, food processing liquid and solid wastes, animal manure, crop residues, and logging and wood manufacuring residues;

(2) control of agricultural related pollution, including pollution resulting from animal and poultry operations, food processing, crop production (including sediment, nutrients, and chemicals), irrigation, and drainage and on-farm production of ethanol; and

(3) development of facilities for collection, storage, and utilization of safe disposal of storm water runoff in rural areas, including ground water recharge facilities.

(b) There are authorized to be appropriated $5,000,000, to remain available until expended, to carry out the provisions of this section.

TITLE XIV—MISCELLANEOUS

AMERICAN AGRICULTURE PROTECTION PROGRAM

SEC. 1401. (a) Notwithstanding any other provision of law, whenever the President or any other member of the Executive Branch of the Federal Government causes to be suspended, for any reason whatsoever, the commercial export sales of any commodity, as defined in subsection (c) of this section, the Secretary of Agriculture shall, on the day the suspension is initiated, set the loan level for such commodity under the Agricultural Act of 1949, as amended, if a loan program is in effect for the commodity, at 100 per centum of the parity price for the commodity, as such parity price is determined on the day the suspension is initiated.

(b) Any loan level established pursuant to subsection (a) of this section shall remain in effect as long as the suspension of commercial export sales described in subsection (a) remains in effect.

(c) For purposes of this section the term "commodity" shall include any of the following: wheat, corn, grain sorghum, soybeans, oats, rye, barley, rice, flaxseed, and cotton.

SPECIAL GRAZING AND HAY PROGRAM

SEC. 1402. Title I of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section 109 as follows:

"SEC. 109. Notwithstanding any other provision of law—

"(a) the Secretary is authorized to administer a special wheat acreage grazing and hay program (hereinafter in this section referred to as the 'special program') in each of the crop years 1981 through 1985. Under the special program, a producer shall be permitted to designate, under such regulations as established by the Secretary, a portion of the acreage on the farm intended to be planted to wheat, feed grains, or upland cotton for harvest, not in excess of 40 percentum thereof, or 50 acres, whichever is greater, which shall be planted to wheat (or some other commodity other than corn or grain sorghum) and used by the producer for grazing purposes or hay rather than for commercial grain production. A producer who elects to participate in the special program shall receive a payment as provided in subsection (c) of this section.

"(b) Any producer who elects to participate in the special program under this section shall designate the specific acreage on the farm which is to be used for the purposes set forth in subsection (a) of this section. No crop other than hay may be harvested from acreage included in the special program.

"(c) The Secretary shall pay the producer participating in the special program an amount determined by multiplying the farm program payment yield for wheat established for the farm, by the number of acres included in the special program, by a rate of payment determined by the Secretary to be fair and reasonable. The producer shall not be eligible for any other payment or price support on any portion of the acreage for the farm which the producer elects to include in the special program.

"(d) Acreage included in the special program shall be in addition to any acreage included in any acreage set-aside program otherwise provided for by law.

"(e) The Secretary is authorized to issue such regulations as the Secretary determines necessary to carry out the provisions of this section.

"(f) The Secretary shall carry out the special program through the Commodity Credit Corporation.".

SEC. 1403. Section 20 of the Federal Meat Inspection Act (21 U.S.C. 620), is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition the foreign plants referred to in subsection (a) of this section shall be inspected no less than six times each calendar year, and upon the completion of each inspection, there must be certification by the Secretary that each such establishment complies with criteria established by the Secretary and that residue sampling of the carcasses, meat, or meat food products of such animals is free of chemicals or materials found harmful for human consumption under laws of the United States.

TITLE XV—RESEARCH AND EXTENSION

SEC. 1501. Title XIV of the Food and Agriculture Act of 1977 (P.L. 95-113) is hereby reauthorized in toto.

Sec. 1415 is hereby amended by adding a new subsection (3) to (c) at the end of said section 1415 as follows—

"(3) (a) There are hereby authorized to be appropriated such funds, not to exceed $35,000,000 annually, as Congress may determine necessary to support research on specific national or regional animal health or disease problems.

(b) In order to establish a rational allocation of these funds, the Secretary shall annually establish priority lists of animal disease problems of national or regional significance. Such lists shall be prepared after consultation with the Joint Council, the Users Advisory Board, and the Animal Health Science Research Advisory Board, but the recommendations of such advisory bodies shall not be controlling on the Secretary's determination of priorities. In establishing such priorities, the Secretary, and any advisory bodies, shall consider the following factors:

(1) A disease problem shall be one that causes or has potential to cause significant economic losses for the particular element of the livestock production industry affected by it;

(2) The scientific knowledge necessary to prevent, cure, or abate such a disease is not currently adequate; and

(3) The status of scientific research is such that accomplishments may be anticipated through the application of scientific effort to such disease.

The Secretary shall, to the extent feasible, award grants to the eligible institutions on the basis of the priorities assigned through a peer review system. Grantees shall be selected on a competitive basis in accord with such procedures as the Secretary shall establish. The Secretary is not expected to consult with the advisory bodies referred to in subsection (c) in the selection of specific grant applications.

(e) In the case of multi-year grants, the Secretary may direct the award of funds on any basis reasonably related to the timetable required by the orderly conduct of the particular research project.

By Mr. HELMS (for himself and Mr. EAST):

S. 481. A bill to restore the right of voluntary prayer in public schools and to promote the separation of powers; to the Committee on the Judiciary.

VOLUNTARY SCHOOL PRAYER ACT OF 1981

Mr. HELMS. Mr. President, earlier this morning as we joined with the Chaplain of the Senate in prayer, as we do each day the Senate is in session, the thought occurred to me that while we in the Senate begin our day's work by asking God's blessing on our efforts, the Supreme Court has denied this right and privilege to millions of schoolchildren across this Nation.

Mr. President, one would think that if the legislators of this country are entitled to ask for divine blessing upon their work, then so are schoolchildren. However, the Court has ruled to the contrary and in so doing has overturned more than 200 years of American custom. Indeed, the Supreme Court has even ruled that schoolchildren may not read the prayer of the House or Senate Chaplain as printed in the CONGRESSIONAL RECORD as a beginning to their school day.

Mr. President, the interpretation of the first amendment used by the Supreme Court to strike down this practice of the American people, distorted the intent and language of the amendment. The Justices of the Court held that a voluntary, nondenominational prayer constituted a violation of the "establishment of religion" clause of the first amendment. The Court's interpretation of the first amendment indicated not only an animosity toward the effect of religion in the public life of our Nation, but also a misunderstanding of its historical role.

Today, the Senate once again assembled to listen to George Washington's Farewell Address. Washington brought the unique experiences of his service as

first President of the United States, as commander of the continental forces during the War of Independence and as president of the convention which wrote and presented the Constitution to the States for ratification. He rejected the narrow opinion that religion must be excluded from the public life of the Nation. In his final counsel to the Nation, Washington warned that:

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness.

Mr. President, Washington's view has indeed been the mainstream of the legal and social attitude of the American people and the drafters of the Constitution in regard to the religious rights preserved in the Bill of Rights. Prof. Edward Corwin, one of our most distinguished constitutional scholars, rejected any interpretation of the first amendment which would force upon Government institutions a formal agnosticism. Professor Corwin writes:

The historical record shows beyond peradventure that the core idea of an "establishment of religion" comprises the idea of preference; and that any act of public authority favorable to religion in general cannot, without manifest falsification of history, be brought under the ban of that phrase.

THE SUPREME COURT DECISIONS

Nearly 200 years after the drafting of the Constitution, the Supreme Court for the first time ruled that prayer and Bible-reading in public schools encouraged by the State constitutes an establishment of religion in violation of the first amendment. At the time of these decisions, 26 States permitted Bible-reading in the public schools and 13 authorized the saying of the Lord's Prayer.

The first amendment provides that "Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof." In *Engel* v. *Vitale*, 370 U.S. 421 (1962), the Court prohibited a requirement of the New York State Board of Regents that each class begin the school day with the following prayer:

Almighty God, we acknowledge our dependence upon Thee, and we beg Thy blessings upon us, our parents, our teachers and our Country.

In *Abington School District* v. *Schempp*, 374 U.S. 203 (1963), the Court struck down a Pennsylvania statute requiring the reading of at least 10 verses from the Holy Bible without comment and the saying of the Lord's Prayer at the beginning of each school day. In a companion case, the Court invalidated a Maryland requirement concerning the reading of a chapter of the Holy Bible and/or saying the Lord's Prayer.

In each case, the Court ruled that voluntary school programs including Bible-reading or prayer violate the establishment clause of the first amendment. In Engel, Justice Black wrote:

The constitutional prohibition against laws respecting an establishment of religion must at least mean that in this country it is no part of the business of government to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government. (370 U.S. at 425)

In Schempp, Justice Clark concluded that the Bible-reading programs:

are religious exercises, required by the States in violation of the command of the First Amendment that the Government maintain strict neutrality, neither aiding nor opposing religion. (374 U.S. 203)

In both rulings the Court went beyond the language of the establishment clause to construct an interpretation of it which would overturn the long-standing State practices. In Engel, Justice Black asserted:

Its first and most immediate purpose rested on the belief that a union of government and religion tends to destroy government and to degrade religion . . . The Establishment Clause thus stands as an expression of principle on the part of the Founders of our Constitution that religion is too personal, too sacred, too holy, to permit its "unhallowed perversion" by a civil magistrate. (370 U.S. 431–32)

Justice Clark argued in Schempp that the Court had previously "rejected unequivocally the contention that the Establishment Clause forbids only governmental preference of one religion over another." (374 U.S. 216) He maintained that the establishment clause must be considered together with the free exercise clause, and that they impose on Government a "wholesome neutrality" toward religion. In Justice Clark's view, the first amendment prohibits Government from any action favoring one religious sect over all others, or religion in general over nonreligion.

Justice Clark formulated a new standard by which to measure legislative action regarding the first amendment:

The test may be stated as follows: what are the purpose and the primary effect of the enactment? If either is the advancement or inhibition of religion the enactment exceeds the scope of legislative powers as circumscribed by the Constitution. That is to say that to withstand the structures of the Establishment Clause there must be a secular legislative purpose and a primary effect that neither advances nor inhibits religion. (374 U.S. at 222)

The Court maintained that even though the prayer and Bible-reading activities were voluntary, this did not prevent them from violating the establishment clause. In Engel, the Court held that:

The Establishment Clause, unlike the Free Exercise Clause, does not depend upon any showing of direct governmental compulsion and is violated by the enactment of laws which establish an official religion whether those laws operate directly to coerce nonobserving individuals or not. (370 U.S. 421)

COURT'S INTERPRETATION—SHEER INVENTION

Thus the Supreme Court reached a position which earlier the highest court of New York State had concluded "is so contrary to history as to be impossible of acceptance." Constitutional scholars also took issue with the Court's new interpretation. For example, Prof. Charles Rice of Notre Dame Law School found that the Court interpreted "the establishment clause in abstract and oversimplified terms, doing violence thereby to the history and informed logic of the first amendment" and Erwin Griswold, Dean of Harvard University Law School, viewed the Court's holding as "sheer invention."

The Court reached its holding in Engel and Schempp by way of a myopic and narrow view of the history of the Constitution. Only by a thorough distortion of the work of the authors of the Constitution is it possible to arrive at the sweeping condemnation of America's spiritual heritage presented in the Court's opinions.

Professor Rice, writing in the South Carolina Law Review, explains:

It has been incorrectly asserted, by the Supreme Court and others, that the establishment clause ordained a government abstention from all matters of religion, a neutrality between those who believe in God and those who do not. An examination of the history of the Clause, however, will not sustain that analysis. Its end was neutrality, but only of a sort. It commanded impartiality on the part of government as among the various sects of theistic religions, that is, religions that profess a belief in God. But as between theistic religions and those nontheistic creeds that do not acknowledge God, the precept of neutrality under the establishment did not obtain. Government, under the establishment clause, could generate an affirmative atmosphere of hospitality toward theistic religion, so long as no substantial partiality was shown toward any particular theistic sect or combination of sects.

Justice Joseph Story, who served on the Supreme Court from 1811 to 1845 and who was a contemporary of the framers of the Constitution, maintained that at the time of the drafting of the first amendment:

The general if not the universal sentiment in America was, that Christianity ought to receive encouragement from the state so far as was not incompatible with the private rights of conscience and the freedom of religious worship. An attempt to level all religions and to make it a matter of state policy to hold all in utter indifference, would have created universal disapprobation, if not universal indignation.

COURT IGNORED HISTORY

The first amendment provides that Congress shall make no law respecting an establishment of religion. Those assembled at the Constitutional Convention did not arbitrarily choose the phrase "an establishment of religion." There was much history behind the term. Not only did England and Scotland have an established church, but five of the States which later adopted the first amendment had established churches as well.

In the Engel and Schempp opinions, the Court ruled that the phrase "establishment of religion" really meant not just the creation of a national church, but any Government action dealing or touching religion. To cite Justice Clark's new test outlined in Schempp, the "primary effect" of any governmental act must not "advance religion."

Yet, it is just this view of what the first amendment should provide that the authors of the amendment specifically rejected. During the drafting of the first amendment it was originally proposed that the amendment should read: "Congress shall make no laws touching religion . . ." Needless to say, that language was rejected.

An elementary rule of statutory con-

struction provides that when a legislative assembly rejects language which has a broad application and substitutes in lieu of it language with a specific, narrow application, that the legislative intent is to exclude the broad application. Had the proposal that Congress make no law "touching religion" been accepted, it would undoubtedly have prevented Congress from doing much more than establishing a national religion. It applied to the States, it undoubtedly would have prohibited the type of prayer at issue in the Engel and Schempp cases. However, it is equally clear that this broad language was rejected and that Congress viewed the official encouragement of voluntary prayer, even on the national level, as not to be contrary to the first amendment's establishment provision.

On September 24, 1789, the first Congress passed a resolution requesting that the President "recommend to the people of the United States a day of public thanksgiving and prayer, to be observed by acknowledging, with grateful hearts, the many signal favors of Almighty God, especially by affording them an opportunity peaceably to establish a constitution of government for their safety and happiness." Congress passed this resolution calling for a national day of prayer on the same day on which it adopted the first amendment to the Constitution. Nine days later President Washington issued the thanksgiving proclamation. Could any action more clearly indicate the intent of the authors of the first amendment regarding its establishment clause and Government-encouraged public prayer? The framers of the Bill of Rights clearly rejected the doctrine imposed upon the Nation in their name nearly 200 years later when the Supreme Court demanded that "in the relationship between man and religion, the state is firmly committed to a position of neutrality."

A threshold issue presented in the Engel and Schempp cases was whether the establishment clause of the first amendment could be applied to the action of State governments through the 14th amendment. The Court rejected an historical analysis of the meaning of the 14th amendment and relied on unsupported assertions. "First," wrote Justice Clark, "this Court has decisively settled (that the establishment clause) has been made wholly applicable to the States by the Fourteenth Amendment." For proof, he cited an opinion of Justice Roberts in Cantwell against Connecticut. The difficulty here is that the Cantwell case does not deal with the establishment clause and therefore does not settle anything at all. Thus the fundamental issue before the Court was disposed of by hypothesis.

Here again, an open historical inquiry would have led to a result far different than that of the Court's. The framers of the 14th amendment themselves did not intend, nor did they believe that the amendment would prohibit the States from encouraging prayer in public schools. How else can one understand the serious attempt by some in Congress only 7 years after the ratification of the amendment to amend the Constitution once again to prohibit the State establishment of religion. If the 14th amendment was intended to do this, why would those who had just adopted it propose to do it again?

The answer is that the 14th amendment did not apply the establishment clause of the first amendment to the States. Only a distortion of both amendments and their history permit such an application.

In part, the 14th amendment provides that no State "shall deprive any person of life, liberty, or property, without due process of law." Before its decisions in the Engel and Schempp cases, the Court had applied other aspects of the Bill of Rights to the States through the 14th amendment by asserting that the word "liberty" as used in the amendment included all the liberties included in the Bill of Rights. Hence the liberties annunciated in the Bill of Rights could be protected from encroachment by the States.

But as Prof. Edward Corwin has explained, the establishment clause is not like the liberties outlined in the first nine amendments such as the right to bear arms. Rather it is like the 10th amendment which distinguishes the proper constitutional powers of the national and State governments under our federal system.

The framers of the first amendment rejected the proposal by the delegations of Virginia and North Carolina that "no particular religious sect or society ought to be favored or established, by law, in preference to others," because this language would have allowed Congress to disestablish the established churches of five States. The Congress then rejected Madison's proposal that the first amendment not apply to Congress at all, but that it prohibit only the States from violating "the equal rights of conscience."

The authors of the first amendment sought to protect religious liberty by providing that "Congress shall make no law * * * prohibiting the free exercise" of religion. However, regarding the purpose of the establishment clause, the legislative history is clear that the framers sought to prohibit Congress from establishing a national church or interfering with the individual State's policy regarding religion. As Justice Story later wrote:

> The whole power over the subject of religion is left (by the amendment) exclusively to the State governments to be acted upon according to their own sense of Justice and the State constitutions.

The authors of the first amendment sought a division of power in which the States would retain their ability to establish or disestablish a religion, while Congress had no power in this area. There simply is no liberty contained in the establishment clause to be "incorporated" through the 14th amendment and applied to the States. To interpret both amendments in such a way as to construe such an application would amount to prohibiting a State from establishing a national religion or from interfering with its own arrangements regarding religion.

CONGRESS CAN RESTORE THE RIGHT TO SCHOOL PRAYER

Mr. President, the Congress need not yield to any Justice of the Supreme Court in its respect for the words of the first amendment or for the principles or history behind them. Neither must Congress yield its responsibility under the Constitution to insure that the freedoms protected by the first amendment are not undermined by actions of other institutions. There is no more pressing duty facing the Congress than to restore the true spirit of the first amendment.

In anticipation of judicial usurpations of power, the framers of our Constitution wisely gave the Congress the authority, by a simple majority of both Houses, to check the Supreme Court by means of regulation of its appellate jurisdiction. Section 2 of article III states in clear and unequivocal language that the appellate jurisdiction of the Court is subject to "such Exceptions, and under such Regulations as the Congress shall make."

Mr. President, the legislation I am introducing today states simply that the Federal courts shall not have jurisdiction to enter any judgment, decree, or order denying or restricting, as unconstitutional, voluntary prayer in any public school. Implicit in this bill is the understanding that the American citizen will have recourse to a judicial settlement of his rights, but this settlement will be made in the State courts of this Nation and not in the Federal courts. This is where our religious freedoms were always safeguarded for 173 years until they were nationalized by the Supreme Court.

The limited and specific objective of this bill, then, is to restore to the American people the fundamental right of voluntary prayer in the public schools. I stress the word voluntary. No individual should be forced to participate in a religious exercise that is contrary to his religious convictions, and the bill recognizes this important freedom.

Mr. President, this legislation is identical to legislation which I have introduced in the past and which passed the Senate on April 9, 1979, with one important exception: This legislation specifically provides that the term "voluntary prayer" as used in the bill does not include "any prayer composed by an official or employee of a State or local governmental agency." I believe this added clarification of the intent of this legislation will do much to answer the concerns of those who would not wish to see government officials composing "official" prayers. I totally agree with that concern and have amended the proposal accordingly. At the same time, the bill seeks to promote the free exercise by allowing those who wish to recite prayers—and they are the vast majority of our citizens—to do so, with or without the blessings of the Government.

I think the conclusion is inescapable that in the Engel decision the Supreme Court in effect gave preference to the dissenters and at the same time violated the establishment clause of the first amendment by establishing a religion—the religion of secularism.

Public schoolchildren are a captive audience. They are compelled to attend school. Their right to the free exercise of religion should not be suspended while they are in attendance. The language of the first amendment assumes that this basic freedom should be in force at all times and in all places.

Mr. President, I ask unanimous consent that the text of the "Voluntary School Prayer Act of 1981" be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 481

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Voluntary School Prayer Act of 1981".

SEC. 2. Chapter 81 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1259. Appellate jurisdiction; limitations

"(a) Notwithstanding the provision of sections 1253, 1254, and 1257 of this chapter the Supreme Court shall not have jurisdiction to review, by appeal, writ of certiorari, or otherwise, any case arising out of any State statute, ordinance, rule, regulation, or any part thereof, or arising out of any act interpreting, applying, or enforcing a State statute, ordinance, rule, or regulation, which relates to voluntary prayers in public schools and public buildings.

"For the purposes of this section, the term 'voluntary prayer' shall not include any prayer composed by an official or employee of a State or local government agency.".

(b) The section analysis at the beginning of chapter 81 of such title 28 is amended by adding at the end thereof the following new item:

"1259. Appellate jurisdiction; limitations.".

SEC. 3. (a) Chapter 85 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1364. Limitations on jurisdiction

"Notwithstanding any other provision of law, the district courts shall not have jurisdiction of any case or question which the Supreme Court does not have jurisdiction to review under section 1259 of this title.".

(b) The section analysis at the beginning of the chapter 85 of such title 28 is amended by adding at the end thereof the following new item:

"1364. Limitations on jurisdiction.".

SEC. 4. The amendments made by sections 11 and 12 of this Act shall take effect on the date of the enactment of this Act, except that such amendments shall not apply with respect to any case which, on such date of enactment, was pending in any court of the United States.

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. DOLE, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 13, a bill to amend the Congressional Budget Act of 1974 to impose limits on the amounts of total budget outlays and Federal revenues set forth in concurrent resolutions on the budget, to require a two-thirds vote for agreeing to concurrent resolutions on the budget which set forth a deficit, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Budget Committee has scheduled hearings to review the President's economic proposals on February 19 and 20, 1981, at 10 a.m. in room 6202 of the Dirksen Senate Office Building.

On Thursday, February 19, David Stockman, Director of the Office of Management and Budget will appear before the committee at 10 a.m. Donald Regan, Secretary of the Treasury, will present testimony the following morning, February 20, also at 10 a.m.

For further information, contact Mr. Bill Stringer of the Budget Committee staff at 224–0538.

Mr. President, the Senate Budget Committee will meet to consider President Reagan's budget package and possibly markup a reconciliation instruction from February 24–27, 1981, in room 6202 of the Dirksen Senate Office Building. Afternoon and evening sessions are also likely.

For more information, please contact Mr. Bill Stringer of the Budget Committee staff at 224–0538.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to advise the Senate that the Committee on Agriculture, Nutrition, and Forestry has scheduled confirmation hearings on Richard Lyng and C. W. McMillan who have been nominated for positions at the U.S. Department of Agriculture on Wednesday, February 18 at 10 a.m. in room 324 Russell Building.

Mr. Lyng has been nominated for the position of Deputy Secretary and Mr. McMillan has been nominated for the position of Assistant Secretary for Marketing and Transportation Services.

Anyone wishing to testify or in need of further information should contact John McCarthy or Denise Alexander of the Agriculture Committee staff at 224–2035.

THE UNITED STATES SENATE

THE SENATE RULES—AN OVERVIEW, 1789–1981

Mr. ROBERT C. BYRD. In his *Manual of Parliamentary Practice,* Thomas Jefferson wrote that whether the rules of a legislative body "be in all cases the most rational or not, is really not of so great importance. It is much more material that there should be a rule to go by, than what that rule is; that there may be an uniformity of proceeding in business, not subject to the caprice of the Speaker, or the captiousness of the members. It is very material that order, decency, and regularity be preserved in a dignified public body."

All legislative bodies need rules to follow if they are to transact business in an orderly fashion and if they are to operate fairly, efficiently, and expeditiously.

The first Senate understood this, and on April 7, 1789, the next day after a quorum of Senators had appeared and taken their oath of office, a special committee was created to "prepare a system of rules for conducting business." The committee consisted of Senators Ellsworth (Connecticut), Lee (Virginia), Strong (Massachusetts), Maclay (Pennsylvania), and Bassett (Delaware). All five of these committee members were lawyers with experience in various legislative bodies.

Lee had been President of the Continental Congress, as well as having been a member of colonial Virginia's House of Burgesses and of the State assembly. Mr. Maclay had served in the Pennsylvania Provincial Assembly, and had been a member of that State's supreme executive council. Ellsworth had been a member of the Connecticut General Assembly and of the Governor's council. He had served in the Continental Congress for seven years, and had been a member of the Federal Constitutional Convention.

Strong had been a delegate to the Constitutional Convention, and had served in both the upper and lower houses of the Massachusetts Legislature.

Bassett had served for 10 years as a member of the Governor's council in Delaware, and had also been a member of the Federal Constitutional Convention.

The five-man committee thus had a background of service in the legislatures of five different States, the procedures of all of which were indebted to the English parliament. Two had served in the Continental Congress, which was also indebted to English precedents, and three had participated in the Constitutional Convention, the framers of which had created the Senate.

It is clear, after reading the journal of committee member William Maclay, that there were some disagreements in the course of their deliberations. The irascible Mr. Maclay, a strident Anti-Federalist, prepared his own, more strict set of rules. They included a provision that the presiding officer should be in his chair a half hour before the Senate was due to convene each day and that senators "shall immediately take their seats in a circular order; those from New Hampshire occupying the right of the Chair and those from Georgia the left." Maclay also found little support for his rule to permit four senators to call the question "in case of a debate becoming tedious." Similarly, he was in the minority with his proposal to appoint as committee chairman, the "Senator of the most northerly state of those from whom the committee are taken."

Perhaps his most strict proposal, also never adopted, was the final rule on his list of sixteen. It provided that:

> These rules shall be engrossed on parchment and hung up in some conspicuous part of the Senate chamber. And every Senator who shall neglect attendance during a session, absent himself without leave or withdraw for more than a quarter of an hour without permission after a quorum is formed, shall be guilty of disorderly behavior, and his name, together with the nature of the transgression, shall be written on a slip of paper and annexed to the bottom of the rules; there to remain until the Senate, on his application or otherwise, shall take order on the same.

On April 13, 1789, the committee filed a report which "was read, and ordered to

lie until tomorrow, for consideration." On April 16, the new set of rules, consisting of nineteen rules, was adopted, but on April 18, another rule, numbered XX, not reported by the committee, was adopted.

In many instances, the Senate rules adopted in 1789 bore a close resemblance to those of its predecessors, the Continental Congress and the Congress of the Confederation. In fact, some of the rules were almost identical in wording. Hence, it is obvious that the Senate committee used the older rules as a pattern while preparing the rules of the Senate.

The similarity, and, in some instances, the virtual identicalness of the 1778 Continental Congress rules and the rules proposed by the Committee of Five and agreed to by the Senate in 1789 are strikingly interesting.

Mr. President, I ask unanimous consent at this point to have printed in the RECORD a table which will set forth certain of the 1778 rules of the Continental Congress, certain of the 1789 rules of the U.S. Senate, and similar rules of the 1979 Rules of the U.S. Senate.

There being no objection the materials were ordered to be printed in the RECORD, as follows:

1778 Rules Continental Congress	1789 Rules United States Senate	1979 Rules United States Senate
3. No member shall read any printed paper in the house during the sitting thereof, without leave of Congress.	II. No member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the journals or public papers are reading, or when any member is speaking in any debate.	XIX. 1. (a) When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him. No Senator shall interrupt another Senator in debate without his consent, and to obtain such consent he shall first address the Presiding Officer, and no Senator shall speak more than twice upon any one question in debate on the same legislative day without leave of the Senate, which shall be determined without debate. ***
4. No member shall speak to another or otherwise interrupt the business of the house while the journals or public papers are reading for the information of Congress, or when any member is speaking in any debate.		
5. Every member, when he speaks, shall rise from his seat and address himself to the Chair, and when he has finished, shall sit down again.	III. Every member, when he speaks, shall address the Chair standing in his place, and when he has finished shall sit down.	
6. No member shall speak more than twice in any one debate the same day, without leave of the house.	IV. No member shall speak more than twice in any one debate on the same day, without leave of the Senate.	
7. When two members shall rise together, the President shall name the person to speak.	V. When two members shall rise at the same time, the President shall name the person to speak; but in all cases the person first rising shall speak first.	
8. No motion shall be debated until the same be seconded.	VI. No motion shall be debated until the same shall be seconded.	
X 9. When a motion shall be made and seconded, it shall be reduced to writing, if desired by the President or any member, delivered at the table and read by the President, before the same shall be allowed to be debated.	VII. When a motion shall be made and seconded, it shall be reduced to writing, if desired by the President, or any member, delivered in at the table, and read by the President before the same shall be debated.	XV. 1. All motions and amendments shall be reduced to writing, if desired by the Presiding Officer or by any Senator, and shall be read before the same shall be debated. ***
		XXII. 1. When a question is pending, no motion shall be received but— To adjourn. To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain. To take a recess. To proceed to the consideration of executive business. To lay on the table. To postpone indefinitely. To postpone to a day certain. To commit. To amend. Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate. ***
10. While a question is before the house, no motion shall be received, unless for an amendment, for the previous question, to postpone the consideration of the main question, or to commit it.	VIII. While a question is before the Senate, no motion shall be received unless for an amendment, for the previous question, or for postponing the main question, or to commit, or to adjourn.	
11. If a question in debate contains several points, any member may have the same divided.	X. If a question in a debate include several points, any member may have the same divided.	XV. *** 3. If the question in debate contains several propositions, any Senator may have the same divided except a motion to strike out and insert, which shall not be divided; . . . ***
18. No member shall leave Congress without permission of Congress or of his constituents.	XIX. No member shall absent himself from the service of the Senate without leave of the Senate first obtained.	VI. *** 2. No Senator shall absent himself from the service of the Senate without leave. ***

Mr. ROBERT C. BYRD. Mr. President, I shall now read in detail these rules to show the similarity of the rules of the Continental Congress in 1778 and the rules of the U.S. Senate in 1789.

Rule II of the 1789 Senate states as follows:

No member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the journals or public papers are reading, or when any member is speaking in any debate.

Rules 3 and 4 of the Continental Congress of 1778 are as follows:

3. No member shall read any printed paper in the house during the sitting thereof, without leave of Congress.

4. No member shall speak to another or otherwise interrupt the business of the house while the journals or public papers are reading for the information of Congress, or when any member is speaking in any debate.

Rule III of the 1789 Senate is very much like rule 5 of the Continental Congress in 1778, rule III being as follows:

III. Every member, when he speaks, shall address the Chair standing in his place, and when he has finished shall sit down.

Rule 5 of the Continental Congress is as follows:

5. Every member, when he speaks, shall rise from his seat and address himself to the Chair, and when he has finished, shall sit down again.

Rule IV of the Senate in 1789 is identical, except for one word, to rule 6 of the 1778 Continental Congress, rule IV of the 1789 rules being as follows:

IV. No member shall speak more than twice in any one debate on the same day, without leave of the Senate.

Rule 6 of the Continental Congress is as follows:

6. No member shall speak more than twice in any one debate the same day, without leave of the house.

Rule V of the 1789 Senate was very similar to the older version, rule 7 of the 1778 Continental Congress. For example, the 1789 rule read:

V. When two members shall rise at the same time, the President shall name the person to speak; but in all cases the person first rising shall speak first.

Rule 7 of the Continental Congress of 1778 read as follows:

7. When two members shall rise together, the President shall name the person to speak.

Rule VI of the Senate in 1789 was almost identical to rule 8 of the 1778 Continental Congress. Rule VI stated:

VI. No motion shall be debated until the same shall be seconded.

while the 1788 Continental Congress rule provided that—

8. No motion shall be debated until the same be seconded.

Rule VII of the Senate in 1789 was almost an exact copy of rule 9 of the Continental Congress, the former reading as follows:

VII. When a motion shall be made and seconded, it shall be reduced to writing, if desired by the President, or any member, delivered in at the table, and read by the President before the same shall be debated.

The earlier rule, rule 9 of the Continental Congress, was as follows:

9. When a motion shall be made and seconded, it shall be reduced to writing, if desired by the President or any member, delivered at the table and read by the President, before the same shall be allowed to be debated.

Rule VIII of the 1789 Senate was obviously modeled after rule 10 of the Continental Congress 11 years earlier, rule VIII being as follows:

VIII. While a question is before the Senate, no motion shall be received unless for an amendment, for the previous question, or for postponing the main question, or to commit, or to adjourn.

Rule 10 of the Continental Congress read as follows:

10. While a question is before the house, no motion shall be received, unless for an amendment, for the previous question, to postpone the consideration of the main question, or to commit it.

Rule X in 1789 was virtually the exact replica of the 1778 Continental Congress rule 11, rule X reading:

X. If a question in a debate include several points, any member may have the same divided.

Rule 11 of the Continental Congress of 1778 read as follows:

11. If a question in debate contains several points, any member may have the same divided.

The 19 rules proposed by the Committee of Five in the 1789 Senate, and the additional rule, which was adopted on April 18, making a total of 20 rules, were as follows, and I ask unanimous consent that the 20 rules be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

I. The President having taken the chair, and a quorum being present, the journal of the preceding day shall be read, to the end that any mistake may be corrected that shall have been made in the entries.

II. No member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the journals or public papers are reading, or when any member is speaking in any debate.

III. Every member, when he speaks, shall address the chair, standing in his place, and when he has finished, shall sit down.

IV. No member shall speak more than twice in any one debate on the same day, without leave of the Senate.

V. When two members rise at the same time, the President shall name the person to speak; but in all cases the member first rising shall speak first.

VI. No motion shall be debated until the same shall be seconded.

VII. When a motion shall be made and seconded, it shall be reduced to writing, if desired by the President, or any member, delivered in at the table, and read by the President, before the same shall be debated.

VIII. While a question is before the Senate, no motion shall be received unless for an amendment, for the previous question, or for postponing the main question, or to commit it, or to adjourn.

IX. The previous question being moved and seconded, the question from the Chair shall be: "Shall the main question be now put?" And if the nays prevail, the main question shall not then be put.

X. If a question in debate contain several points, any member may have the same divided.

XI. When the yeas and nays shall be called for by one-fifth of the members present, each member called upon shall, unless for special reasons he be excused by the Senate, declare, openly and without debate, his assent or dissent to the question. In taking the yeas and nays, and upon the call of the House, the names of the members shall be taken alphabetically.

XII. One day's notice at least shall be given of an intended motion for leave to bring in a bill.

XIII. Every bill shall receive three readings previous to its being passed: and the President shall give notice at each, whether it be the first, second, or third; which readings shall be on three different days, unless the Senate unanimously direct otherwise.

XIV. No bill shall be committed or amended until it shall have been twice read, after which it may be referred to a committee.

XV. All committees shall be appointed by ballot, and a plurality of votes shall make a choice.

XVI. When a member shall be called to order, he shall sit down until the President shall have determined whether he is in order or not; and every question of order shall be decided by the President, without debate; but, if there be a doubt in his mind, he may call for the sense of the Senate.

XVII. If a member be called to order for words spoken, the exceptionable words shall be immediately taken down in writing, that the President may be better enabled to judge of the matter.

XVIII. When a blank is to be filled, and different sums shall be proposed, the question shall be taken on the highest sum first.

XIX. No member shall absent himself from the service of the Senate without leave of the Senate first obtained.

XX. Before any petition or memorial, addressed to the Senate, shall be received and read at the table, whether the same shall be introduced by the President, or a member, a brief statement of the contents of the petition or memorial shall verbally be made by the introducer.

Mr. ROBERT C. BYRD. Mr. President, a month after adoption of the standing rules, a resolution was adopted providing that bills on second reading should first be considered by the Senate "in the same manner as if the Senate were in a Committee of the Whole, before they shall be taken up and proceeded on by the Senate, agreeably to the standing rules, unless otherwise ordered."

A resolution in 1790 provided that any member of the majority on any question could move for reconsideration.

The Senate rules today are forty-two in number. Comparing the Senate's forty-two rules of today with the Senate's twenty rules in 1789, one will note that almost all of the 1789 rules have been carried over into today's rules, albeit modified to a greater or lesser degree, as I shall now, taking each of the original 20 rules in its turn, demonstrate in detail.

THE RULES OF 1789

Senate rule I, in 1789, provided that "The President having taken the chair, and a quorum being present, the journal of the preceding day shall be read, to the end that any mistake may be corrected that shall have been made in the entries." These provisions are today found in Senate rule IV, paragraph 1(a), which reads in part, as follows:

The Presiding Officer having taken the chair, following the prayer by the Chaplain, and a quorum being present, the Journal of the preceding day shall be read, and any mistake made in the entries corrected.

Rule II stated, in 1789, that, "No member shall speak to another, or otherwise interrupt the business of the Senate, or read any printed paper while the journals or public papers are reading, or when any member is speaking in any debate.

Today's Rule XIX, paragraph 1(a), says in part, "No Senator shall interrupt another Senator in debate without his consent, . . ."

Rule III of the original set of rules provided that any member, "when he speaks, shall address the chair, standing in his place, and when he has finished, shall sit down." The Senate rules of today do not require that a member who speaks must stand "in his place." Nor do today's Senate rules require him to sit down when he has finished. The corresponding rule of today, Rule XIX, is a much lengthier rule, consisting of eight numbered paragraphs. It still requires, in paragraph 1 (a), that a Senator who desires to speak, "shall rise and address the Presiding Officer, and shall not proceed until he is recognized . . ."

The original Rule IV required that no member could "speak more than twice in any one debate on the same day, without leave of the Senate," and the rule did not distinguish between a "calendar" day, and a "legislative" day.

Today's equivalent Rule XIX provides, in paragraph 1(a), that "no Senator shall speak more than twice upon any one question in debate on the same legislative day without leave of the Senate." So, today's rule makes a distinction between a "calendar" day and a "legislative" day, in this respect.

The original Senate rule V stated that "when two members rise at the same time, the President shall name the person to speak; but in all cases the member first rising shall speak first." Today's corresponding provision is found in Rule XIX, paragraph 1(a), which simply states that "the Presiding Officer shall recognize the Senator who shall first address him."

Originally, the Senate rules—rule VI—provided that "no motion shall be debated until the same shall be seconded." There is no similar provision in today's rules. The only motion requiring a second today is a motion to close the doors of the Senate for discussion of any business which may, in the opinion of any Senator, require secrecy.

The original Rule VII provided that "when a motion shall be made and seconded" it should be reduced to writing, if desired by the President or any member, and "read by the President before the same shall be debated." Today's corresponding rule is Rule XV, paragraph 1, but it does not require a second to a motion. It does require that "all motions and amendments shall be reduced to writing, if desired by the Presiding Officer or by any Senator, and shall be read before the same shall be debated."

Precedence of motions was set forth in Rule VIII of the 1789 rules, while such precedence of motions is to be found in Rule XXII, paragraph 1, of today's rules. Rule VIII, of the original rules, provided that when a question was before the Senate, no motion should be received unless "for an amendment, for the previous question, or for postponing the main question, or to commit it, or to adjourn." Today's corresponding Rule XXII provides for these and additional motions. It provides the following precedence of motions: to amend; to commit; to postpone to a day certain; to postpone indefinitely; to lay on the table; to proceed to executive business; to take a recess; to adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain; and to adjourn.

Rule IX of the original rules provided for the previous question, which, when moved and seconded, was put by the Chair as follows:

Shall the main question now be put?

The rule provided that "if the nays prevail, the main question shall not then be put." Today's Senate rules do not make any provision for the previous question. Such provision for the previous question did not appear in the 1806 revision of the rules.

The original Rule X provided that, "If a question in debate contains several points, any member may have the same divided." Today's corresponding provision is found in Rule XV which says, in paragraph three, "If the question in debate contains several propositions, any Senator may have the same divided, except a motion to strike out and insert, which shall not be divided."

The original Rule XI provided that when the nays and yeas were called for by "one-fifth of the members present", each member would have to declare openly his assent or dissent to the question. The names of members were to be taken alphabetically in the call for the yeas and nays. A member was required to vote "unless for special reasons he be excused by the Senate . . ." Today's corresponding rule is Rule XII which makes no reference to the need for a second by "one-fifth of the members," inasmuch as this is already guaranteed by the Constitution. Current Rule XII does require, however, in paragraph 1, that: "When the yeas and nays are ordered, the names of Senators shall be called alphabetically; and each Senator shall, without debate, declare his assent or dissent to the question, unless excused by the Senate." Today's rule also provides that, "When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefore, and, having assigned them, the Presiding Officer shall submit the question to the Senate: 'Shall the Senator, for the reasons assigned to him, be excused from voting?' " Today's rule also provides that a member may decline to vote "on any matter when he believes that his voting on such a matter would be a conflict of interest."

There is no corresponding rule today for Rule XII of the 1789 rules, which required that "one day's notice at least shall be given of an intended motion for leave to bring in a bill." However, the current Rule XIV, paragraph 1, does provide that "whenever a bill or joint resolution shall be offered, its introduction shall, if objected to, be postponed for one day."

The original Rule XIII provided that every bill receive three readings previous to its being passed, which "readings shall be on three different days, unless the Senate unanimously direct otherwise." Today's corresponding provision is found in Rule XIV, paragraph 2, which provides for three readings for every bill and joint resolution previous to its passage "which readings on demand of any Senator shall be on three different legislative days, . . ." Today's rule, as I have pointed out, has the same requirement for a joint resolution, whereas nowhere in the 1789 rules is there any mention of resolutions of any kind. Note that today's rule also specifies the days to be "legislative" days.

The original Rule XIV is absorbed almost verbatim into today's Rule XIV, paragraph 3. The original Rule XIV provided: "No bill shall be committed or amended until it shall have been twice read, after which it may be referred to a committee." Today's provision in paragraph 3 of Rule XIV is as follows: "No bill or joint resolution shall be committed or amended until it shall have been twice read, after which it may be referred to a committee; . . ." So, the original Rule XIV is carried over in its entirety precisely in the same language into the first sentence of paragraph three of today's Rule XIV, with the exception that the additional words "or joint resolution" are included in today's rule. One should also note that today's Rule XIV contains ten paragraphs, whereas the original Rule XIV contained only the one sentence quoted above.

Rule XV of the original rules consisted of one sentence only, and provided that "All committees shall be appointed by ballot, and a plurality of votes shall make a choice."

Today's rule XXIV is the corresponding rule, and it provides in paragraph 1 that "In the appointment of the standing committees or to fill vacancies thereon, the Senate, unless otherwise ordered, shall by resolution appoint the chairman of each such committee and the other members thereof." Today's rule also provides that "On the demand of any Senator, a separate vote shall be had on the appointment of the chairman of any such committee and on the appointment of the other members thereof," and that "On demand of one-fifth of the Senators present, a quorum being present, any vote taken . . . shall be by ballot."

The original Rule XVI provided that, when a member was called to order, "he shall sit down until the President shall have determined whether he is in order or not; and every question of order shall be decided by the President, without debate; but, if there be a doubt in his mind, he may call for the sense of the Senate." Today's corresponding rule is Senate Rule XIX, paragraph 4, which provides that:

If any Senator, in speaking or otherwise, in the opinion of the Presiding Officer, transgress the rules of the Senate, the Presiding Officer shall, either on his own motion or at the request of any other Senator, call him to order; and when a Senator shall be called to order he shall take his seat, and may not proceed without leave of the Senate, which, if granted, shall be upon motion that he be allowed to proceed in order, which motion shall be determined without debate.

Today's rule provides that any Senator directed by the Presiding Officer to take his seat, "may appeal from the ruling of the Chair, which appeal shall be open to debate." The 1789 rules made no provision whatsoever for appealing from the Chair's ruling on any matter.

Rule number XVII of the original rules, provided that "If a member be called to order for words spoken, the exceptionable words shall be immediately taken down in writing, that the President may be better enabled to judge of the matter."

Today's Rule XIX, paragraph 5, correspondingly provides that, "If a Senator be called to order for words spoken in debate, upon the demand of the Senator or of any other Senator, the exceptionable words shall be taken down in writing, and read at the table for the information of the Senate."

The original Rule XVIII was as follows:

When a blank is to be filled, and different sums shall be proposed, the question shall be taken on the highest sum first.

There is no similar rule set forth today.

Rule XIX in the year 1789 provided in its entirety that "No member shall absent himself from the service of the Senate without leave of the Senate first obtained."

Today's Rule VI, paragraph 2, contains the equivalent provision, merely shortened. It states that "No Senator shall absent himself from the service of the Senate without leave."

The twentieth rule, which was adopted by the Senate on April 18, 1789, provided that "Before any petition or memorial, addressed to the Senate, shall be received and read at the table, whether the same shall be introduced by the President, or a member, a brief statement of the contents of the petition or memorial shall verbally be made by the introducer."

Today's pertinent rule number VII states in paragraph 4, that "petitions or memorials shall be referred, without debate, to the appropriate committee according to subject matter on the same basis as bills and resolutions, if signed by the petitioner or memorialist."

Today's rule also provides that "No petition or memorial or other paper signed by citizens or subjects of a foreign power shall be received, unless the same be transmitted to the Senate by the President." Today's Rule VII, in paragraph 5, also provides that "Only a brief statement of the contents of petitions and memorials shall be printed in the CONGRESSIONAL RECORD, and no other portion of any petition or memorial shall be printed in the RECORD unless specifically so ordered by vote of the Senate."

In summation, the original nineteen rules, adopted on April 16, 1789, together with the twentieth rule, adopted two days later, on April 18, were very simple and brief, in comparison with today's forty-two Senate rules. Six of the original twenty rules—namely Rules II, III, IV, V, XVI, and XVII—have been carried over, albeit with modifications, into today's Rule XIX. Each of the original twenty rules, as I have shown, has been carried over into today's rules, with certain modifications, with the following exceptions which are no longer included: Rule VI, which provided for the seconding of a motion before its being debated; Rule IX, which provided for the previous question; Rule XII which required one day's notice to be given of an intended motion for leave to bring in a bill; and Rule XVIII which provided that the question be taken on the highest sum

first when different sums were proposed and a blank was to be filled.

Today's rules are more numerous and lengthier and are set forth in greater detail than those of 1789. Today's standing rules in the Senate require fifty-two pages—any one and one-half pages of which would have been ample for the original twenty rules in their entirety. The twenty rules of 1789, consisted of only a dozen more than 600 words, whereas today's forty-two rules number, at a very minimum, 15,000 words. Both the 1789 rules and today's rules are numbered in Roman type.

Various special committees, to revise or reexamine the Senate rules, and to recommend changes therein, were created from time to time until April 17, 1867. On that date, a committee of three Senators was appointed "to revise the rules of the Senate, and to report thereon early in the next session." That committee became known as the select committee on the revision of the rules and as such, was a continuous committee until December 9, 1874, when it was designated as a standing committee to be known as the Committee on Rules.

During the entire history of the Senate, only seven general revisions of the rules since 1789 have been adopted, namely: March 26, 1806; January 3, 1820; February 14, 1828; March 25, 1868; January 17, 1877; January 11, 1884; and November 14, 1979. The Senate has occasionally amended its existing rules and adopted various procedural orders, some or most of which were already included in the body of the rules at the time each next general revision was adopted. I shall now try to trace the evolution and development of some of the more important rules that are still in use.

THE 1806 REVISION

On January 10, 1806, the Senate adopted a resolution appointing a committee to report to the Senate any alterations in, and amendments to, the Senate rules which they might judge to be proper.

Senators Anderson, Tracy, Baldwin, Bradley, and Adams were named to the committee. Mr. Anderson, on behalf of the committee, reported the proposed rules and amendments to the Senate on March 13, 1806. This set of rules, as reported, amended, and adopted, included practically all orders and resolutions relating to the conduct of the business of the Senate agreed to between April 16, 1789, (date of adoption of the first set of rules) and March 26, 1806, the date of adoption of the first general revision.

The 1806 revision contained forty rules, and they carried arabic numbers. The original twenty rules were carried over, for the most part, into the 1806 revision. However, Rule IX, providing for the previous question in the 1789 rules, was not included in the 1806 revision. The previous question had only been used ten times during the 17 years from 1789 to 1806.

In 1957 there occurred a lengthy and spirited debate between two senators on the original intent and operation of the first Rule IX. Senator Paul Douglas, of Illinois, sought to demonstrate that this rule provided the Senate with its first effective cloture mechanism. He argued that a simple majority of Members could call the previous question, much as the House has done for most of its history, thereby cutting off all further debate or amendments. Senator Douglas saw in that early rule the basis for instituting majority cloture, by revising Rule XXII, to facilitate the adoption of civil rights measures during the 85th Congress.

Senator Richard Russell of Georgia, countered with the view that the original members of this body never understood Rule IX in that way. He noted that they used the rule only infrequently, which accounted for its absence from the rules since 1806, and then only to postpone or avoid a decision. His argument received convincing support in 1962 from a Harvard University professor of government. Professor Joseph Cooper's careful research indicated that Rule IX was neither designed to operate as a cloture mechanism, nor was it ever employed in that fashion. Rather it had been used up to that time to allow legislative bodies to "avoid or suppress unpleasant *decisions*." To a lesser extent, as indicated in Jefferson's *Manual*, the rule provided a vehicle for avoiding *discussions* that might prove embarrassing or otherwise injurious to those involved. Professor Cooper's views appear in Senate Document 97-104 and the opposing case can be found in the CONGRESSIONAL RECORD of May 9, 1957.

The 1806 revision added several important rules. For the first time, there was a reference in the standing rules to "resolutions." Although the 1789 rules made no allusion to resolutions, the use of resolutions by the Senate was resorted to from time to time prior to 1806, as a reading of Maclay's journal will reveal. Rule 12 of the 1806 revision stated, in part, with respect to resolutions, as follows: "All resolutions, to which a concurrence of the House of Representatives is requisite, or which may grant money out of the contingent, or any other fund, shall be treated, in all respects, in the introduction and form of proceedings on them in the Senate, in a similar manner with bills."

In 1798, at a time when numerous unauthorized absences had become particularly obnoxious, the Senate had amended its rule XIX to authorize a minority of Senators, in the absence of a quorum, to send the Sergeant-at-arms or other designated person after the absent members. The 1806 revision, therefore, included the provision for authorization of the Sergeant-at-arms to round up absent members "at the expense of such absent members respectively, unless such excuse for non-attendance shall be made, as the Senate . . . shall judge sufficient."

A new provision was added requiring consideration of all bills on second reading by the Senate "in the same manner as if the Senate were in a committee of the whole, before they shall be taken up and proceeded on by the Senate. . . . unless otherwise ordered." The President Pro Tempore was authorized to "call a member to fill the chair" during the time the Senate was in Committee of the Whole to consider a treaty, bill, or resolution in the absence of the Vice President. A motion to adjourn was to be "decided without debate."

A new rule, rule 21, provided for a motion to reconsider, if made on the same day on which the vote was taken, or "within the three next days of actual session of the Senate thereafter." This rule is encompassed in today's Senate rule XIII, which provides for such a motion if made on the same day or on "either of the next two days of actual session thereafter."

Rule 22 of the 1806 revision provided for the creation of a committee of three members "to examine all bills, amendments, resolutions, or motions, before they go out of possession of the Senate, and to make report that they are correctly engrossed." No such committee is provided for in today's rules, but today's Rule XIV, paragraph five, does require the Secretary of the Senate to provide examination of all bills, amendments, and joint resolutions "to see that the same are correctly enrolled."

Rule 23 provided that every vote of the Senate should be entered "on the journals," and that a brief statement of the contents of each petition, memorial or paper presented to the Senate "be also inserted on the journals." The equivalent of Rule 23 is found in today's Rule IV, paragraph 1(c), which states that "the proceedings of the Senate shall be briefly and accurately stated on the Journal," and, among other things, that "a brief statement of the contents of each petition, memorial, or paper presented to the Senate, shall be entered."

Rule 24 provided that the proceedings of the Senate, "when they shall act in their executive capacity, shall be kept in separate and distinct books." The equivalent of this rule is found in today's Rule IV, paragraph 1(d), which states that "The legislative, the executive, the confidential legislative proceedings, and the proceedings when sitting as a Court of Impeachment, shall each be recorded in a separate book."

Rules 25 of the 1806 rules referred to the journal of the proceedings of the Senate "when not acting as in a committee of the whole," but today's Senate does not sit as in a committee of the whole, except when dealing with treaties, and no current rule refers to legislative proceedings in Committee of the Whole. Existing Rule XXX, paragraph 1(b), regarding proceedings on Treaties, requires initial floor action to be as in Committee of the Whole.

Rule 26 dealt with the titles of bills and of such parts thereof as were affected by proposed amendments, and required that they be "inserted on the journals." Today's Rule IV, paragraph 1(c), requires that "titles of bills and resolutions, and such parts as shall be affected by proposed amendments . . . shall be entered."

The 1806 Rule 27 provided for secret sessions, in almost precisely the same verbiage as today's Rule XXI. Only slight changes in words occur. Rule 27 was as follows: "On a motion made and seconded to shut the doors of the Senate, on the discussion of any business which may, in the opinion of a member,

require secrecy, the President shall direct the gallery to be cleared and, during the discussion of such motion, the doors shall remain shut." In today's Rule XXI, the doors of the Senate are "closed" rather than "shut" as in the 1806 Rule; the word "Senator" is now substituted for the original word "member"; and the words "Presiding Officer" are now substituted for the word "President" who, in the 1806 rule, directed the "gallery" to be cleared, whereas today's rule requires that the "galleries" be cleared.

The 1806 Rule 28, which is not carried over into any of today's rules, provided that no motion was in order to admit any person "within the doors of the Senate Chamber to present any petition, memorial, or address, or to hear any such read."

Rule 29, which also is not carried over into today's rules, provided that messages to the House of Representatives shall be sent "by the Secretary," and Rule 30, which likewise is not repeated in today's rules, provided that "Messages sent from the House of Representatives by their Clerk shall be received at the bar by the Secretary, and by him be delivered to the President of the Senate."

Rule 31 provided that, when the Senate was equally divided, the Secretary would "take the decision of the President." Today's rules make no reference to the breaking of a tie vote by the Vice President, the Constitutional authority being sufficient.

Rule 32 prohibited extracts from the Executive Record from being furnished "but by special order." The equivalent is found in today's Rule XXXII, which states, in part, that "The President of the United States shall, from time to time, be furnished with an authenticated transcript of the public executive records of the Senate, but no further extract from the Executive Journal shall be furnished by the Secretary, except by special order of the Senate; . . ."

Rule 33 provided that all bills, after the first reading, be printed for the use of the Senate. This rule is not carried over into today's rules.

Rule 34 provided that "When the President of the United States shall meet the Senate in the Senate Chamber, the President of the Senate shall have a chair on the floor, be considered as the head of the Senate, and his chair shall be assigned to the President of the United States." Today's Rule XXIX, Paragraph 1, provides that "When the President of the United States shall meet the Senate in the Senate Chamber for the consideration of Executive business, he shall have a seat on the right of the Presiding Officer." Rule 34 of 1806 also provided that when the Senate was convened by the President of the United States to any other place, the "President" of the Senate and the Senators were to attend at the place appointed, and "The Secretary of the Senate shall also attend to take the minutes of the Senate." Today's Rule XXIX, in Paragraph 1, provides for the convening of the Senate by the President of the United States to any other place, stating that the "Presiding Officer" of the Senate and the Senators shall attend at the place appointed, "with the necessary officers of the Senate," thus making no reference specifically to the Secretary of the Senate and referring to the Presiding Officer as the "Presiding Officer" rather than as the "President" of the Senate.

Rule 35, which has no equivalent in today's rules, stated that all questions "shall be put by the President of the Senate, either in the presence or absence of the President of the United States; and the Senators shall signify their assent or dissent by answering, *vive voce*, aye or no."

Rule 36 provided that "All confidential communications made by the President of the United States to the Senate shall be, by the members thereof, kept inviolably secret; and all treaties which may hereafter be laid before the Senate shall also be kept secret until the Senate shall, by their resolution, take off the injunction of secrecy."

This rule was first adopted on December 22, 1800. It came in compliance with the request of President John Adams for strictest confidentiality at the time he submitted to the Senate the secret instructions under which United States envoys negotiated the French Convention of 1800.

This rule is carried over, almost verbatim, into Paragraph 3 of current Rule XXIX.

Rule 37 dealt with the ratification of treaties, and the equivalent current rule is Rule XXX. A marked contrast between the two rules can be seen in the fact that the 1806 rule required the concurrence of two-thirds to carry the affirmative on every question, amendment or otherwise, relating to treaties, whereas today's rule requires "the concurrence of two-thirds" only on the two issues of the "final question to advise and consent to the ratification . . . " and the "motion to postpone indefinitely."

Rule 38 provided that on any question requiring a two-thirds vote, "any member who votes on that side which prevailed in the question, may be at liberty to move for a reconsideration: and a motion for reconsideration shall be decided by a majority of votes." Today's Rule XIII, Paragraph 1, provides that "any Senator voting with the prevailing side" on any question "or who has not voted may, on the same day, or on either of the next two days of actual session thereafter, move a reconsideration," and that "every motion to reconsider shall be decided by a majority vote."

Rule 39 provided that messengers were to be introduced "in any state of business, except while a question is putting, while the yeas and nays are calling, or while ballots are calling." Today's Rule IX provides that messages from the President of the United States or from the House of Representatives may be received "at any stage of proceedings, except while the Senate is voting or ascertaining the presence of a quorum, or while the Journal is being read, or while a question of order or a motion to adjourn is pending."

Rule 40 in 1806 provided that when an amendment was being proposed to the Constitution, only a majority vote was required to decide any question "short of the final question." Today's rules do not provide any equivalent to Rule 40 of 1806. However, only a majority is today required to decide any question "short of the final question" on agreeing to an amendment to be proposed to the Constitution.

Another proposed revision of the rules was attempted in 1814, but never came to fruition.

THE 1820 REVISION

In December 1819, a resolution was adopted to create a committee to revise and report the rules of the Senate and to propose such amendments to those rules as they "may think proper to be adopted." The report of the committee was filed on December 27, 1819, and the proposed rules were considered on December 30, but further consideration was postponed until January 3, 1820.

The 1820 revision contained forty-five rules, numbered in Arabic. They included major orders and resolutions altering the Senate procedure, which had been adopted since the last general revision adopted in 1806.

An interesting evolution of the rules can be seen in rule VIII of the 1789 rules which dealt with precedence of motions. At that time when a question was before the Senate, no motion could be received except "for an amendment, for the previous question, or for postponing the main question, or to commit it, or to adjourn." The 1806 revision—Rule 8—had dropped any reference to the "previous question," and set forth the precedence of motions as follows: "for an amendment, for postponing the question, or to commit it, or to adjourn." Rule 11, in the 1820 revision, pertaining to the precedence of motions, added to the 1806 motions, the motion "to lie on the table;" and provided for a motion "to postpone indefinitely," as well as a motion "to postpone to a day certain."

The "unfinished business" was referred to for the first time in the Senate rules in 1820, and was given priority over other business. The 1820 revision also reduced the period from three days to "the two next days of actual session of the Senate" during which any motion for reconsideration was in order, thus bringing the rule into conformity with today's required time period. Such motion for reconsideration was, of course, in order on the same day on which the vote was taken, as provided for in the 1806 rule and also in today's rule.

Rule 22, adopted in 1820, provided that the Vice President, or President of the Senate Pro Tempore, should "have the right to name a member to perform the duties of the Chair, but such substitution shall not extend beyond an adjournment." Today's Rule I makes no provision for such naming of a member to perform the duties of the Chair by the Vice President, but does provide that the President Pro Tempore shall have the right to name "in open Senate, or, if absent, in writing, a Senator to perform the duties of the Chair, . . . but such substitution shall not extend beyond an adjournment, except by unanimous consent."

Rule 28, among other things, provided

in 1820 that no amendment should "be received for discussion at the third reading of any bill, resolution, amendment, or motion, unless by unanimous consent. . . ." Paragraph seven of Rule XIV today provides that, "When a bill or joint resolution shall have been ordered to be read a third time, it shall not be in order to propose amendments, unless by unanimous consent, . . ."

Rule 28 of the 1820 revision also provided that a motion to commit was in order at all times before the final passage of any bill, resolution, constitutional amendment, or "motion." Today's Rule XIV, paragraph seven, provides that "it shall be in order at any time before the passage of any bill or resolution to move its commitment."

For the first time, the 1820 revision of the Senate rules set forth the standing committees and the sizes thereof. This incorporated the Senate's action of December 10, 1816, in establishing the first eleven standing committees.

Rule 30 provided that "the following standing committees, to consist of five members each, shall be appointed at the commencement of each session, with leave to report by bill or otherwise": Foreign Relations; Finance; Commerce and Manufacturers; Military Affairs; Militia; Naval Affairs; Public Lands; Indian Affairs; Claims; Judiciary; Post Office and Post Roads; Pensions; District of Columbia; a Committee of three members, whose duty "it shall be to audit and control the contingent expenses of the Senate"; and a Committee, consisting of three members, "whose duty it shall be to examine all bills, amendments, resolutions, or motions, before they go out of possession of the Senate, and to make report that they are correctly engrossed; which report shall be entered on the journal."

Today's rule XXV enumerates the standing committees as follows: Agriculture, Nutrition and Forestry; Appropriations; Armed Services; Banking, Housing, and Urban Affairs; Budget; Commerce, Science, and Transportation; Energy and Natural Resources; Environment and Public Works; Finance; Foreign Relations; Governmental Affairs; Judiciary; Labor and Human Resources; Rules and Administration; Veterans Affairs.

The 1820 Senate rules established fifteen standing committees, two of which consisted of three members each, and thirteen of which consisted of five members each. Today's rules provide for fifteen standing committees, and Senate rule XXV sets forth the jurisdiction of each committee and the number of members of each committee. The number ranges from ten members each on the Committee on Rules and Administration and the Committee on Veterans Affairs to twenty-eight members on the Appropriations Committee. The Committee on Rules and Administration and the Committee on Veterans Affairs are today considered as Class "B", whereas the other aforementioned committees are considered as Class "A" committees. Additionally, today there are the following special and select committees: Aging; Intelligence; Small Business; Joint Economic Committee; Ethics; Indian Affairs; Joint Committee on Taxation.

Rule 38 of the 1820 provision set forth for the first time the identities of persons allowed in the Senate Chamber when acting on confidential or executive business. The rule stated that, in such circumstances, "the Senate shall be cleared of all persons, except the Secretary, the Sergeant-at-Arms, and Doorkeeper, or, in his absence, the assistant Doorkeeper." Today's Rule XXIX is the equivalent thereof, and, in paragraph two, it identifies the following persons: "the Secretary, the Assistant Secretary, the Principal Legislative Clerk, the Parliamentarian, the Executive Cleck, the Minute and Journal Clerk, the Sergeant-at-Arms, the Secretaries to the Majority and the Minority, and such other officers as the presiding officer shall think necessary; . . ."

THE RULES OF 1828

The next revision of the standing rules was set into motion on December 18, 1827, when a select committee, consisting of five members was appointed "to revise and arrange the rules of the Senate, and to report the same, with such amendments as they may deem proper." Senators Ridgely, Ruggles, King, Macon, and Foot were appointed to the committee, which filed its report on December 27, 1827. The revision of the rules was adopted on February 14, 1828, and it provided for forty-eight rules carrying arabic numbers.

The 1820 codification had provided for a committee on Commerce and Manufactures, but the 1828 codification split the committee into two committees—a Committee on Commerce, and a Committee on Manufactures. A Committee on Agriculture was also added, as was a Committee on Private Land Claims. The committee on claims, established in the 1820 codification, was retained in the 1828 revision. These additions bear dramatic testimony to the Nation's development during the 1820's. Indicative of the Senate's involvement was its favorable action, in 1824, on the general survey bill giving the president the authority to initiate surveys and estimates of roads and canals required for the Nation's commercial, military and postal needs.

The 1828 revision provided that the presiding officer of the Senate should regulate such parts of the Capitol and of its passages "as are or may be set apart for the use of the Senate and its officers." Moreover, the new rules provided that the Secretary of the Senate, the Sergeant-at-arms and Doorkeeper, and the Assistant Doorkeeper, "shall be chosen on the second Monday of the first session of the 21st Congress, and on the same day of the first session of every succeeding Congress."

The 1828 revision thus included the major changes in procedure which had been adopted by the Senate since the last general revision.

THE 1868 REVISION

In 1846, another special committee to revise the rules was created and appointed, but no report by the committee was filed.

Another committee of three "to take into consideration the rules of the Senate, and report such amendments to the existing rules as may be deemed necessary" was appointed in 1856, and it filed a report, which recommendations were amended and agreed to in the same year, but the report proposed amendments to only three of the standing rules, not a general revision.

The last special committee created solely for the purpose of recommending a general revision of the rules before the Rules Committee became a standing committee, was created on April 17, 1867, when the Senate appointed a committee of three Senators "to revise the rules of the Senate and report thereon early in the next session." This committee, which became known as the Select Committee To Revise the Rules of the Senate, filed a report on February 21, 1868. On March 25, 1868, a general revision of the rules was adopted. Fifty-three rules were set forth therein, numbered in arabic.

Rule 11, governing precedence of motions, added one motion to the list that had been set forth in the 1828 rules. The new motion was "to proceed to the consideration of executive business," and it was given priority over all other motions with the exception of the motion to adjourn. Motions to adjourn, to proceed to the consideration of executive business, and to lie on the table were to be decided without debate. "and motions to take up or proceed to the consideration of any question shall be determined without debate upon the merits of the question proposed to be considered."

Conversely, except for a motion to take up a privileged matter, and except for a motion to proceed following the close of morning business or following the first hour and prior to the closing of the second hour on a new legislative day, all other motions to proceed to legislative business are today debatable.

The 1868 revision eliminated the power of the Vice President to name a member to perform the duties of the Chair, as had been allowed in the 1828 revision. The 1868 revision retained the right of the "presiding officer" of the Senate, to name a Senator to perform the duties of the Chair.

For the first time, the rules provided, in 1868, for the order of business regarded today as morning business, without so designating it as "morning business." Rule 24 provided that, following the reading of the Journal, "the presiding officer shall lay before the Senate messages from the President, reports from the executive departments, and bills and joint resolutions, or other messages from the House of Representatives. He shall then call for petitions and memorials; reports of committees; the introduction of bills; joint resolutions; resolutions; all of which shall be received and disposed of in such order, unless unanimous consent shall be otherwise given; . . ." Today's rule VII, titled "Morning Business," provides for the exact same order of business.

The 1828 rule had provided, for the first time, that "In the appointment of the standing committees, the Senate will proceed, by ballot, severally, to appoint

the chairman of each committee, and then, by one ballot, the other members necessary to complete the same; and a majority of the whole number of votes given shall be necessary to the choice of a chairman of a standing committee," and that "All other committees shall be appointed by ballot, and a plurality of votes shall make a choice." The same rule was carried over into the 1868 codification.

In reality, however, major changes in the manner of appointment had taken place between the codifications. Beginning in 1846, the Senate adopted the practice of naming committee chairmen and members from lists that had been agreed upon in advance by the majority and minority parties. This provided greater continuity of committee memberships, gave control of most committee chairmanships to the majority party, and ensured a greater reliance on seniority. The equivalent of such rule appears in paragraph one of today's rule XXIV, which provides that: "In the appointment of the standing committees, . . . the Senate, unless otherwise ordered, shall by resolution appoint the chairman of each such committee and the other members thereof. On demand of any Senator, a separate vote shall be had on the appointment of the chairman of any such committee and on the appointment of the other members thereof. Each such resolution shall be subject to amendment and to division of the question." Paragraph two of rule XXIV today provides that "on demand of one-fifth of the Senators present, a quorum being present, any vote taken pursuant to paragraph 1 shall be by ballot." Paragraph three states that "Except as otherwise provided or unless otherwise ordered, all other committees, and the chairmen thereof, shall be appointed in the same manner as standing committees."

For the first time, the 1868 codification provided, in rule 30, for certain requirements in connection with amendments to general appropriations bills, and the rule is similar to the provisions set forth in paragraphs 1 and 3 of today's rule XVI. Today's rule XVI, however, contains eight paragraphs, many of which provide for points of order not provided for in the 1868 codification. The 1868 rule, number 30, is set forth as follows:

"No amendment proposing additional appropriations shall be received to any general appropriation bill, unless it be made to carry out the provisions of some existing law or some act or resolution previously passed by the Senate during that session, or moved by direction of a standing or select committee of the Senate, or in pursuance of an estimate from the head of some of the departments; and no amendment shall be received whose object is to provide for a private claim, unless it be to carry out the provisions of an existing law or a treaty stipulation. All amendments to general appropriation bills reported from committees of the Senate proposing new items of appropriation shall, one day before they are offered, be referred to the committee on Appropriations, and all general appropriation bills shall be referred to the said committee."

The 1868 codification provided for twenty-six standing committees. The new committees established were Appropriations, (seven members), Revolutionary Claims, Patents, Public Buildings and Grounds, Territories (seven members), Pacific Railroad, Mines and Mining (seven members), Printing, and, in addition to the already established Committee on Engrossed Bills, the 1868 codification added a Committee on Enrolled Bills. The membership of several committees was increased to seven members—from five members each as earlier established. They were the committees on Foreign Relations, Finance, Commerce, Military Affairs, Naval Affairs, Judiciary, Post Offices and Post Roads, Public Lands, Indian Affairs, Pensions, Claims, and District of Columbia. The newly created Committee on the Pacific Railroad consisted of nine Senators. The Committee to Audit and Control the Contingent Expenses of the Senate, the Committee on Printing, the Committee on Engrossed Bills, and the Committee on Enrolled Bills consisted of three Senators each.

For the first time, the Senate rules stated that "if the Senate shall adjourn or take a recess for more than thirty days, all nominations pending and not finally acted upon at the time of taking such adjournment or recess shall be returned to the President, and shall not be afterwards acted upon, unless again submitted to the Senate by the President." The same provision is to be found in today's rule XXXI, paragraph six, only slightly differently phrased.

In referring to a convening of the Senate by the President of the United States to "any other place," the 1868 codification dropped the earlier reference to the Secretary of the Senate and stated, as does today's rule XXIX, paragraph 1, that the Presiding Officer of the Senate and the Senators shall attend at the place appointed, "with the necessary officers of the Senate."

A radical departure from the requirement in previous rules with respect to actions on treaties was established for the first time, in the 1868 codification. The 1868 rule, number 38, provided that, respecting treaties, on the final question to advise and consent to the ratification, "the concurrence of two-thirds of the Senators present shall be requisite to determine it in the affirmative, but all other motions and questions thereon shall be decided by a majority vote."

To those persons allowed in the Senate Chamber when acting on confidential or executive business, the 1868 rules added, for the first time, "and such other officers as the presiding officer shall think necessary."

Rule 47 of the 1868 codification set forth the identities of persons to be given the privilege of the floor, as follows:

"No person shall be admitted to the floor of the Senate, while in session, except as follows, viz: The officers of the Senate, members of the House of Representatives and their Clerk, the President of the United States and his private secretary, the heads of departments, ministers of the United States and foreign ministers, ex-Presidents and ex-Vice-Presidents of the United States, ex-senators, senators elect, judges of the Supreme Court, and governors of States and Territories." Today's Rule XXIII has broadened the privilege. For example, Presidents-elect and Vice Presidents-elect, and ex-Secretaries and ex-Sergeants-at-Arms of the Senate, ex-Speakers of the House of Representatives, and others have been added to the list.

The 1868 codification added penalties for Senators or Officers of the Senate who disclosed secrets or confidential business or proceedings of the Senate. The rule reads as follows:

"Any senator or officer of the Senate who shall disclose the secret or confidential business or proceedings of the Senate shall be liable, if a senator, to suffer expulsion from the body, and if an officer, to dismissal from the service of the Senate, and to punishment for contempt." Today's equivalent is to be found in rule XXIX, paragraph 5, which is precisely worded as was Rule 50 in 1868.

This rule was first adopted on May 8, 1844, as part of a resolution of censure against Senator Benjamin Tappan, of Ohio. On April 22, 1844, President John Tyler sent to the Senate a message and a copy of a treaty of annexation between the United States and Mexico. Five days later, the president's secret message appeared in the *New York Evening Post*. Senator Tappan admitted his part in this breach of secrecy and several days later the Senate voted to censure him for "flagrant violation of the rules of the Senate and disregard of its authority."

Rule 51 of the 1868 rules provided for oaths or affirmations required by the Constitution to be taken and subscribed by every Senator "in open Senate before entering upon his duties." Rule III today provides the same.

This provision first was adopted during the Civil War to prevent persons "disloyal to the Union" from entering upon the duties of United States Senators.

The 1868 codification introduced Rule 52, which provided that legislative business of the Senate which remains undetermined at the close of the First Session of a Congress "shall be resumed and proceeded with in the same manner as if no adjournment of the Senate had taken place." Rule XVIII of today's rules provides for the continuance of business from First Session to the second or any subsequent session, and the verbiage is almost exactly the same as that contained in the 1868 rule.

Rule 53 provided, for the first time, that no motion to suspend, modify, or amend the rules would be in order "except on one day's notice in writing, specifying the rule to be suspended, modified, or amended, and the purpose thereof." The same rule is set forth with slight modifications in today's Rule V. The 1868 rule, No. 53, also stated that any rule "may be suspended by unanimous consent, except the seventeenth rule, which shall never be suspended."

(The seventeenth rule provided that, "When the yeas and nays shall be taken upon any question, . . . no Senator shall be permitted, under any circumstances whatever, to vote after the decision is announced from the Chair.") The same rule had appeared as Rule 17 in the 1828 codification, it being there for the first time. The same rule is still rigidly enforced today and it appears in paragraph 1 of Rule XII which states that "no Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, . . . No motion to suspend this rule shall be in order, nor shall the Presiding Officer entertain any request to suspend it by unanimous consent." Another current rule which may not be suspended is paragraph 7 of Rule XIX, which states:

"No Senator shall introduce to or bring to the attention of the Senate during its sessions any occupant in the galleries of the Senate. No motion to suspend this rule shall be in order, nor may the Presiding Officer entertain any request to suspend it by unanimous consent."

THE 1877 REVISION

The select committee created on April 17, 1867, to revise the rules of the Senate, and which reported the 1868 revision of the rules, was continued from session to session or Congress to Congress until December 9, 1874, when, by the adoption of a resolution, it became a standing committee of the Senate entitled: Committee on Rules.

On December 21, 1874, the Senate adopted a resolution instructing the Committee on Rules to "consider the propriety of revising and reclassifying the rules of the Senate," and a report was filed by the committee pursuant to those instructions, on March 2, 1875, ordered printed, and recommitted. Another report was filed July 14, 1876, accompanied by "a set of standing rules for conducting business of the Senate", which proposed standing rules were considered by the Senate on December 18, 1876, and after various amendments and changes were made, the report was again recommitted. Still another report was filed on December 26, 1876, but the Senate delayed consideration of the recommendations until January 15, 1877, and after three days of consideration and adoption of various amendments, a new general revision of the rules was adopted. In this instance, 78 rules were established, numbered in the arabic.

For the first time, there was a reference to the "morning hour." It appeared in Rule 8, which reads as follows: "The first hour of daily sessions shall be designated as the morning hour, during which the order of business shall be as follows: . . ."

The rule then set forth the order of business that had been carried over from the 1868 codification.

Rule 8 also provided that ". . . Until the business of the morning hour shall have been concluded and so announced from the Chair, no motion to proceed to the consideration of any bill, resolution, report of a committee, or other subjects upon the calendar shall be entertained by the Chair, unless by unanimous consent; . . ." Rule No. 9 provided that "Immediately upon the expiration of the morning hour, the Presiding Officer shall lay before the Senate the unfinished business at its last adjournment, which shall take precedence of the Special Orders, and shall be proceeded with until disposed of by the Senate."

The business of the morning hour referred to in Rule 8 of the 1877 codification, is referred to in today's Rule VII under "Morning Business," which in paragraph 2, states that, "Until the morning business shall have been concluded, and so announced from the Chair, or until one hour after the Senate convenes at the beginning of a new legislative day, no motion to proceed to the consideration of any bill, resolution, report of a committee, or other subject upon the Calendar shall be entertained by the Presiding Officer, unless by unanimous consent; . . ." etc. The so-called "morning hour" is currently referred to as such, or as the first 'two hours after the Senate convenes" on a new legislative day. Today's Rule VIII refers to "the end of the morning hour," and today's rule XIX refers to "the conclusion of the morning hour." So, the 1877 codification seems to confuse "morning hour" with "morning business," as we understand the two today. The 1877 rules referred to "morning hour" and to the "business of the morning hour," whereas today's rules refer to "morning business" and distinguish this term from that of the "morning hour" which is, more correctly, the first two hours of a new legislative day. Also, the "morning hour" of the 1877 rules was "the first hour of daily sessions," whereas, as I have already indicated, today's "morning hour" consists of the first two hours of a new legislative day—not a calendar day or a "daily session."

Rule 13 of the 1877 rules provided that "At the expiration of the morning hour, if there shall be neither unfinished business, nor special order, the Senate shall proceed with the Calendar of General Orders, unless it shall otherwise determine; . . ." Today's Rule VIII provides, in part, that "At the conclusion of the morning business at the beginning of a new legislative day, unless upon motion the Senate shall at any time otherwise order, the Senate shall proceed to the consideration of the Calendar of Bills and Resolutions, and shall continue such consideration until two hours after the Senate convenes on such day (the end of the morning hour); . . .".

The 1877 rules introduced the elements of germaneness and general legislation in respect to amendments to general appropriation bills. Rule 29 there of states, "No amendment which proposes general legislation shall be received to any general appropriation bill; nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate; . . ." etc. Today's rule XVI, paragraph 4, states, with reference to general appropriation bills, "On a point of order made by any Senator, no amendment offered by any other Senator which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate; . . .".

The 1877 rules brought the precedence of motions into precise conformity with those set forth in paragraph 1 of Rule XXII of today's Standing Senate Rules. This was done by adding to the earlier established motions, a motion "to adourn to a day certain, or that, when the Senate adjourns, it shall be to a day certain," and by adding the motion "to take a recess." The recess motion was also made nondebatable.

The 1877 revision increased the number of standing committees to 32, and also increased the numbers of Senators on committees. The Committees on Foreign Relations. Finance, Appropriations, Commerce, Military Affairs, Naval Affairs, Post Offices and Post Roads, Public Lands, and Claims, were increased each to 9 Senators, while the Committee on the Pacific Railroad was superseded by a Committee on Railroads which consisted of eleven Senators. The new committees were a Committee on Privileges and Elections, a Committee on Revision of the Laws of the United States, a Committee on Education and Labor, a Committee on Civil Service and Retrenchment, a Committee on the Library, and a Committee on Rules (which had already been established, but subsequent to the 1868 revision).

The 1877 rules referred to conference reports, made them always in order "except while the Journal is being read or a question of order or a motion to adjourn is pending, or while the Senate is dividing; . . ." and the question of proceeding to the consideration of a conference report was to be nondebatable, as is true today.

Motions to discharge a committee from the consideration of a subject were also, for the first time, provided for in rule 50. Today's Rule XVII, 4(a), is the same.

Added to the previous list of persons given the privileges of the Floor were: General of the Army, Admiral of the Navy, members of national legislatures of foreign countries, and private secretaries of Senators "duly appointed in writing," and the Librarian of Congress.

Dating from the 1806 rules, and continuing through the 1868 revisions, the Presiding officer of the Senate was to "have a chair on the Floor" when and if the President of the United States met with the Senate in the Senate Chamber "for the consideration of executive business." Under the 1877 revision, however, if the President were to meet with the Senate in the Senate Chamber for consideration of executive business, the President was to "have a seat on the right of the Chair."

Also for the first time, although the

Senate from time to time, dating from the earliest days, had elected Presidents Pro Tempore, the 1877 revision specifically provided, in Rule 4, that "In the absence of the Vice-President, the Senate shall choose a President pro tempore, . . . "

The 1877 revision, furthermore, for the first time, specifically dealt with points of order in general by stating, "a question of order may be raised at any state of the business, except when the Senate is dividing, and, when raised, shall be decided by the presiding officer, without debate, subject to an appeal to the Senate; or he may submit any question of order for the decision of the Senate." The current Rule XX, paragraph 1, states, in part, "A question of order may be raised at any stage of the proceedings, except when the Senate is voting or ascertaining the presence of a quorum, and, unless submitted to the Senate, shall be decided by the Presiding Officer without debate, subject to an appeal to the Senate."

THE 1884 REVISION

Another general revision of the rules was adopted on January 11, 1884, after the Committee on Rules filed a report pursuant to the direction of a Senate resolution adopted on March 2, 1883, the Committee on Rules having filed its report pursuant thereto on December 10, 1883. The rules revision was adopted after nine days of consideration.

The 1884 format of the rules took on the style of today's format—the rules, for the first time since the 1789 rules, being numbered in Roman type, and the rules having, for the first time, explanatory titles. For the first time, also, many of the rules were broken into numbered paragraphs, just as we find today. The use of numbered paragraphs in the 1884 codification facilitated a reduction in the total number of rules to 40.

For the first time, "morning business", was referred to. Rule VII was titled "Morning Business". Rule VIII, titled "Order of Business", provided for a morning hour—not by precise designation as such, but, rather, by use of the words "until two o'clock".

Rules VII and VIII, governing morning business and the order of business, were quite similar to today's two pertinent rules, which, incidentally, carry the same numbers as those in 1884. However, today's Rules VII and VIII refer to new legislative days, explicitly or by implication, whereas the 1884 Rules VII and VIII did not appear to make the distinction between a calendar day and a legislative day.

The 1884 rules still made provision for action of the Senate "as a committee of the whole" on all bills and joint resolutions which had received two readings.

The number of standing committees increased to 38, with the creation of a Committee on Epidemic Diseases, a Committee to Examine the Several Branches of the Civil Service, a Committee on Expenditures of Public Money, a Committee on Fisheries, a Committee on the Improvement of the Mississippi River, and a Committee on Transportation Routes to the Seaboard. The Committee on Agriculture was given a new title—Committee on Agriculture and Forestry.

The privilege of the Floor was further extended to include the Assistant Librarian in charge of the Law Library, Judges of the Court of Claims, the Architect of the Capitol Extension, and, for the first and only time, a specific individual by name—that of Honorable George Bancroft.

Bancroft, the eminent historian and author of the monumental ten-volume *History of the United States*, was accorded this honor in 1879. The elderly scholar rarely took advantage of the privilege, but when he did, the Senate suspended its business and newspaper reporters gave the occasion special coverage.

The near-century old requirement that a Senator must stand "in his place" when addressing the Chair, was dropped from the rules and did not appear in the 1884 revision.

THE 1979 REVISION

Subsequent to the adoption of the 1884 rules, the jurisdiction of the Committee on Rules was expanded considerably by the Legislative Reorganization Act of 1946. The work of several former committees was consolidated into this committee and its name was changed to that of the Committee on Rules and Administration. The former committees which were consolidated into this single committee were the Committees on Rules; Audit and Control; Library; Privileges and Elections; Printing; and Enrolled Bills.

The last general revision of the standing rules was set in motion when, on May 10, 1976, the Senate adopted Senate Resolution 156, submitted by me on May 15, 1975, to authorize and direct the Committee on Rules and Administration to prepare a revision of the Standing Rules of the Senate. Pursuant to this mandate, Mr. PELL, Chairman of the Committee reported S. Res. 274, submitted by me on behalf of myself and Mr. BAKER. The Senate, by a vote of 97–0, adopted the resolution revising and modernizing the Senate's standing rules, on November 14, 1979, thus revising the rules for the first time in 95 years.

Between 1884 and 1979, many changes were made in the Rules of the Senate and its procedures. The history of these changes has been piecemeal. Some amendments to the rules were proposed by the Rules Committee in the form of resolutions reported by that committee and adopted by the Senate. Some resolutions amending the rules in various ways were submitted, considered, and passed immediately or soon thereafter without reference to a committee. Some changes were made by the Senate's agreeing to unanimous consent requests to that effect. Precedents and practices of the Senate since 1884 have had a great effect on the rules and procedures. Some changes were made by a combination of the above methods.

The jurisdiction of the Rules Committee over the examination of enrolled bills was modified in 1947 when the Senate adopted a resolution transferring that duty to the Secretary of the Senate, where it currently resides.

In the 1979 codification, some of the provisions of existing rules were re-written or eliminated in accordance with instructions set forth in the authorizing resolution. Some resolutions previously adopted by the Senate and provisions of the Legislative Reorganization Acts, as amended, were incorporated into the standing rules. However, no substantive changes were made in the present-day Senate procedures. As the report stated, "effort was made in the preparation of this resolution to provide for an orderly and logical arrangement of the standing rules, and to make the language of the rules clearer, more coherent, and to organize the subject matter so as to pull together all like subjects in the same place".

The 1979 revision provided for 50 rules, but this number was reduced, by further consolidation and rearrangement of rules and paragraphs to a total of 42 rules. The further consolidation, and rearrangement, and renumbering were effectuated by Senate action on S. Res. 389, introduced by me, on behalf of myself and Mr. BAKER, and adopted in the Senate on March 25, 1980.

The current rules, as distinguished from the 1884 codification, no longer contain any reference to action by the Senate "as if in a committee of the whole", and rule XV of the 1884 rules, titled "Bills—Committee of the Whole", has been completely dropped. One exception remains, with respect to treaties. Rule XXX today provides that, in regard to treaties, a treaty shall, when reported from a committee with or without amendment, unless the Senate unanimously otherwise direct, lie over one day for consideration, after which it may be read a second time on demand "and considered as in Committee of the Whole, when it shall be proceeded with by articles, and the amendments reported by the committee shall be first acted upon, after which other amendments may be proposed; and when through with, the proceedings had as in Committee of the Whole shall be reported to the Senate, when the question shall be, if the treaty be amended, 'Will the Senate concur in the amendments made in Committee of the Whole?' "

Rule II of the 1884 rules stated that the oaths or affirmations required by the Constitution and prescribed by law must be taken and subscribed by each Senator, "in open Senate, before entering upon his duties." Current Rule III repeats this requirement precisely verbatim, but also adds the exact language of the oaths required by the Constitution and by law to be taken by Senators.

Rule VI of the 1884 rules dealt with the presentation of credentials of Senators-elect, and current Rule II repeats the old rule almost in the exact verbiage. However, today's Rule II additionally provides the recommended forms for certificates of election and certificates of appointment.

The number of standing committees has decreased from 38, in 1884, to 13 major, or Class "A", committees today. They are as follows: Agriculture, Nutri-

tion and Forestry; Appropriations; Armed Services; Banking, Housing, and Urban Affairs; Budget; Commerce, Science, and Transportation; Energy and Natural Resources; Environment and Public Works; Finance; Foreign Relations; Governmental Affairs; Judiciary; and Labor and Human Resources.

In addition, there are today the Class "B" committees: Rules and Administration; and Veterans Affairs. Furthermore, there are today the following special, select, and joint committees: Aging; Intelligence; Small Business; Joint Economic Committee; Ethics; Indian Affairs; and Joint Committee on Taxation.

The following committees which were set forth in the 1884 rules, have been dropped: Committee to Audit and Control the Contingent Expenses of the Senate; Committee on Claims; Committee on the District of Columbia; Committee on Civil Service and Retrenchment; Committee on Engrossed Bills; Committee on Enrolled Bills; Committee on Epidemic Diseases; Committee to examine the several branches of the Civil Service; Committee on Expenditures of Public Money; Committee on Fisheries; Committee on the Improvement of the Mississippi River; Committee on the Library; Committee on Manufactures; Committee on Military Affairs; Committee on Lands and Mining; Committee on Naval Affairs; Committee on Patents; Committee on Pensions; Committee on Post Offices and Post Roads; Committee on Printing; Committee on Private Land Claims; Committee on Privileges and Elections; Committee on Public Buildings and Grounds; Committee on Public Lands; Committee on Railroads; Committee on the Revision of the Laws of the United States; Committee on Revolutionary Claims; Committee on Territories; Committee on Transportation Routes to the Seaboard. The functions of the eliminated committees have, of course, for the most part, been consolidated into the jurisdictions of various of the standing committees of today.

Several additional rules have been added in recent years as the result of abuses and violations which have been exposed and publicized. These rules, beginning with Rule XXXIV, titled "Public Financial Disclosure", continue with Rule XXXV, titled "Gifts"; Rule XXXVI, "Outside Earned Income"; Rule XXXVII, "Conflict of Interest"; Rule XXXVIII, "Prohibition of Unofficial Office Accounts"; Rule XXXIX, "Foreign Travel"; Rule XXXX, "Franking Privilege and Radio and Television Studios"; Rule XXXXI, "Political Fund Activity"; and Rule XXXXII, "Employment Practices".

These nine rules concerned with ethics are very detailed and they consume ten full pages, or approximately one-fifth of the total number of pages constituting today's standing rules of the Senate.

Another striking contrast between the 1884 rules and the current rules is found in rule XXV, of today's rules. This rule, titled "Standing Committees", sets forth in considerable detail the subjects covered within the jurisdiction of each of the standing committees of the Senate, and this detailed outline of subjects is so comprehensive as to require eight full pages.

A considerable amount of detail and space is utilized in the current rules to set forth committee procedures, and requirements concerning service on committees and subcommittees, all of which elaborate detail was not included in previous rules of the Senate.

In addition to the Standing Rules of the Senate, there are two other sets of rules that have governed the Senate's deliberations over the years. They are the Joint Rules of the House and Senate and the "Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials."

Following common parliamentary practice, the House and Senate of the First Congress adopted a number of joint rules to expedite the handling of bills and messages between both bodies. The Senate agreed to its first joint rules on April 15, 1789, the day before it adopted its initial nineteen standing rules. They governed the conduct of conference committees and the selection of chaplains.

From time to time, both Houses added joint rules, as in 1822, when they provided that "Each House shall transmit to the other all papers on which any bill or resolution shall be founded," and "No bill that shall have passed one House shall be sent for concurrence to the other on either of the last three days of a session." These and others were frequently suspended and, in the case of the latter, a permanent suspension provision was added to standing Rule 26 in 1852.

In 1876 several senators expressed concern over the legitimacy and continuity of the joint rules. They reasoned that as the House expired each two years, so also did the joint rules. The Rules Committee proposed, and the Senate agreed to, a concurrent resolution adopting all former joint rules, except the Twenty-second, which dealt with the method of counting electoral ballots. The House took no action, but several months later sent over a routine concurrent resolution to suspend certain joint rules. The Senate immediately responded that, as the House had done nothing to reinstitute the joint rules, none existed and, accordingly, there was no basis for action on the House resolution.

In 1884, at the time the Senate revised its standing rules, it also adopted an updated code of joint rules. This version included prohibitions of general legislation on appropriations bills and a definition of matter to be included in conference reports. The House failed to act on either this revision or several proposals that followed over the next five years. Since 1889, there have been no further efforts to revive the joint code. It has largely been replaced by statute law, by individual orders pertaining to the operation of each body, and by custom.

The Senate's impeachment trial rules also were modeled after those of other legislatures, particularly the British parliament. For the five impeachment trials that took place in the Senate prior to the 1868 proceedings against President Andrew Johnson, this body was guided by an informal set of rules. In 1868, in preparation for the Johnson trial, the Senate formalized its impeachment code. That code has remained intact down to the present time with the exception of one amendment adopted in 1935. The 1935 amendment, now embodied in impeachment Rule XI, increased the number of rules to twenty-six and gave the Senate the option of creating a special twelve-member committee "to receive evidence and take testimony at such times and places as the committee may determine." This amendment was added at a time when many senators were concerned that trials of federal judges would severely cut into the Senate's normal legislative schedule. The Senate had just acquitted one judge and the House was moving toward impeachment proceedings for another.

Nearly four decades later, in the summer of 1974, the Senate was faced with the prospect of another impeachment trial—the first for a president in more than a century. On July 29, 1974, I cosponsored a resolution, which the Senate immediately adopted, directing the Committee on Rules and Administration to review all existing rules and precedents that applied to impeachment trials in order to recommend any revisions to the rules that might be necessary. The resolution provided that the Rules Committee meet in closed session to avoid undue publicity and to avoid prejudging House action.

As chairman of the Subcommittee on Rules, I moved, on the day of our first meeting, to use the existing impeachment code, in the words of my resolution, "as working text to be amended, modified, revised, or approved as the Committee sees fit." The committee proceeded on that basis and the result of our work was an exhaustively-researched publication entitled "Procedure and Guidelines for Impeachment Trials in the United States Senate." (Senate Document 93–102)

Mr. President, during my twenty-two years—now going on twenty-three—in the Senate, I have had the opportunity to become familiar with each of this body's rules. As I have noted on other occasions, the only effective way to learn and master the Senate's rules—and precedents—is to apply them on the floor. To know the rules is to know the Senate and its infinite capacity for flexibility in serving as a forum for reasoned deliberation and constructive action. To study the development of the Senate's rules over the past 192 years is, indeed, to study the very history and institutional fibre of the Senate. The Senate's rules are the milestones by which we can measure its struggle to meet the needs of a growing and increasingly diversified nation. With the passage of time, outmoded rules have fallen by the wayside, while those that have effectively promoted the Senate's business have survived in their original or modified form.

My experience with the Senate's rules attests to the wisdom of former Vice President Adlai Stevenson, in his fare-

well address to the Senate some 84 years ago. I believe his observation is as fitting today as it was at the end of the nineteenth century. Mr. Stevenson said:

It must not be forgotten that the rules governing this body are founded deep in human experience; that they are the result of centuries of tireless effort in legislative halls, to conserve, to render stable and secure, the rights and liberties which have been achieved by conflict. By its rules the Senate wisely fixes the limits to its own power. Of those who clamor against the Senate, and its methods of procedure, it may be truly said: "They know not what they do." In this Chamber alone are preserved, without restraint, two essentials of wise legislation and of good government—the right of amendment and of debate. Great evils often result from hasty legislation; rarely from the delay which follows full discussion and deliberation. In my humble judgment, the historic Senate—preserving the unrestricted right of amendment and of debate, maintaining intact the time-honored parliamentary methods and amenities which unfailingly secure action after deliberation—possesses in our scheme of government a value which cannot be measured by words.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ARMSTRONG). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 11 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 11 a.m. tomorrow.

Thereupon, at 3:31 p.m., the Senate recessed until Tuesday, February 17, 1981, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate on February 10, 1981, under authority of the order of the Senate of February 6, 1981:

DEPARTMENT OF STATE

O. Rudolph Aggrey, of the District of Columbia, to be a Foreign Service officer of the class of career Minister, a Consular officer, and a Secretary in the Diplomatic Service of the United States of America.

IN THE ARMY

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593 (a), 3371 and 3384:

To be major general

Brig. Gen. Robert Milton Erffmeyer, [redacted].

Brig. Gen. Louis Holmes Ginn III, [redacted].

Brig. Gen. Angelo David Juarez, [redacted].

Brig. Gen. Harley Lester Pickens, [redacted].

Brig. Gen. Berlyn Keasler Sutton, [redacted].

To be brigadier general

Col. James Eugene Beal [redacted].
Col. Elmus Snider Ussery [redacted].
Col. William Peter Sylvester, Jr., [redacted].
Col. Richard Hubbard Bailey [redacted].
Col. Donald Michael Merz [redacted].
Col. Augusto Rafael Gautier [redacted].
Col. Peter Dewitt Hyman [redacted].
Col. Carl Lester Newhouse, [redacted].
Col. Robert Leroy Duewerth, [redacted].
Col. Gregorio Clemente Brevetti, [redacted].

The Army National Guard of the U.S. officers named herein for appointment as Reserve Commissioned officers of the Army, under the provisions of title 10, United States Code, section 593(a) and 3385:

To be brigadier general

Col. Vernon Junior Andrews [redacted].
Col. Paul Nicholas Cotro-Manes, [redacted].
Col. Bruce Gordon Grover [redacted].
Col. Patrick Wallace Harrison [redacted].
Col. Robert Lee Howell [redacted].
Col. Dale Owen Laubach, [redacted].
Col. James Augustus Lynch, Jr., [redacted].
Col. Roland Lavern Parkhill [redacted].
Col. Jack Strukel, Jr. [redacted].
Col. James Jomac Wasson [redacted].

The Army National Guard of the U.S. officers named herein for appointment as Reserve Commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be major general

Brig. Gen. William Fremont Engel, [redacted].

Brig. Gen. Ansel Martin Stroud, Jr., [redacted].

Brig. Gen. Ralph Taylor Tice [redacted].

To be brigadier general

Col. Norman Eugene Duckworth, [redacted].
Col. Hubert Gerald Lane [redacted].
Col. Lincoln James Lett [redacted].
Col. Alexis Theodore Lum [redacted].
Col. Dean Douglas Mann [redacted].
Col. Jerry Lee Whelchel [redacted].

IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, pursuant to title 10, United States Code, sections 5769 and 5791, subject to qualification therefor as provided by law:

To be rear admiral

Virgil W. Moore, Jr.	Roger E. Box
John F. Addams	Harold L. Young
Robert B. Rogers	Richard J. Grich
Albert J. Herberger	Ronald J. Kurth
Don H. McDowell	William A. Walsh
Richard L. Thompson	Kendall E. Moranville
Allan G. Paulson	James G. Storms III
Ted C. Steele, Jr.	Joseph S. Donnell III
George M. Furlong, Jr.	William J. Holland, Jr.
Edwin R. Kohn, Jr.	Ronald E. Narmi
James H. Flatley III	Robert W. Schmitt
Warren E. Aut	Morton E. Toole
John R. Batzler	John H. Fetterman, Jr.
Ronald F. Marryott	
Theodore A. Almstedt, Jr.	John W. Nyquist
James D. Williams	Walter L. Chatham
Laverne S. Severance, Jr.	Bruce Demars
	Stanley R. Arthur
Richard M. Dunleavy	Peter M. Hekman, Jr.
	Ming E. Chang

The following-named woman captain of the line of the Navy for temporary promotion to the grade of rear admiral under the provisions of title 10, United States Code, section 5767(c):

Pauline M. Hartington

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Second lieutenant to first lieutenant

Ackley, Michael R., [redacted].
Acton, Steven D., [redacted].
Adams, Michael D., [redacted].
Adler, Robert C., [redacted].
Albert, John L., [redacted].
Allen, Martin W., [redacted].
Almand, Todd L., [redacted].
Alston, C. D., [redacted].
Amick, Ronald E., [redacted].
Anderlitch, Robert H., [redacted].
Anderson, Andy L., [redacted].
Anderson, Scott G., [redacted].
Anderson, Steven C., [redacted].
Ankenbauer, Theodore R., [redacted].
Anthony, John F., Jr., [redacted].
Antoniazzi, Robert V., [redacted].
Antozzi, Timothy B., [redacted].
Apfel, Mark E., [redacted].
Ardo, Gary M., [redacted].
Armstrong, Curtis A., [redacted].
Arnold, James E., [redacted].
Aronson, Daniel O., [redacted].
Asbell, Stephen R., [redacted].
Atzhorn, David, [redacted].
Aulicino, Emerick O., [redacted].
Ausserer, Michael F., [redacted].
Avery, Donald R., [redacted].
Avery, Thomas G., [redacted].
Avery, Verne W., [redacted].
Babcock, Steven L., [redacted].
Baier, Ken B., [redacted].
Bailey, Thomas G., [redacted].
Baird, Jason, [redacted].
Baker, Glenn A., [redacted].
Baker, Scott M., [redacted].
Baldwin, Rosser J., Jr., [redacted].
Balkham, Dennis A., [redacted].
Ball, Thomas A., [redacted].
Balthazar, Arnold W., [redacted].
Baltmiskis, Gregory G., [redacted].
Bame, Gerald L., Jr., [redacted].
Barb, Robert E., [redacted].
Barker, Richard W., [redacted].
Barlow, Douglas N., [redacted].
Barr, Samuel J., [redacted].
Barrett, Stephen C., [redacted].
Barrett, Terence E., [redacted].
Barrier, Robert W., [redacted].
Barry, John C., [redacted].
Bartels, Kyle M., [redacted].
Barth, Richard R., [redacted].
Barton, Robert B., Jr., [redacted].
Batinich, Gary M., [redacted].
Baumann, James M., [redacted].
Bayer, William A., Jr., [redacted].
Beck, Paul C., [redacted].
Beck, Paul L., [redacted].
Beecroft, Timothy J., [redacted].
Beery, Richard D., [redacted].
Bell, Thomas D., [redacted].
Bendorf, Craig V., [redacted].
Benik, Francis E., [redacted].
Benjamin, Douglas A., [redacted].
Bennett, Douglas J., [redacted].
Berg, Scott R., [redacted].
Berger, Robert C., [redacted].
Betz, John F., [redacted].
Bible, Dale F., [redacted].
Biener, Donald M., [redacted].
Billman, Eddy R., [redacted].
Bingham, Barry L., [redacted].
Bintz, Donald G., [redacted].
Black, Daniel N., [redacted].
Blackwelder, Donald L., [redacted].
Blazer, William H., [redacted].
Bleikamp, Thomas K., [redacted].
Blisk, David L., [redacted].
Bloomfield, Roy R., Jr., [redacted].
Bogatschow, Roman, [redacted].
Bonasso, Vincent G., [redacted].
Bonin, Joseph J., [redacted].
Boone, Frederick, S., Jr., [redacted].

Borish, Michael B., xxx-xx-xxxx
Borter, Douglas F., xxx-xx-xxxx
Borton, Alden D., xxx-xx-xxxx
Bos, David L., xxx-xx-xxxx
Boudreau, Kent M., xxx-xx-xxxx
Boulware, Jeffrey S., xxx-xx-xxxx
Bourland, Walker B., xxx-xx-xxxx
Bowman, Olen E., xxx-xx-xxxx
Boyd, Nancy L., xxx-xx-xxxx
Boyer, Keith D., Jr., xxx-xx-xxxx
Brake, Jeffrey D., xxx-xx-xxxx
Branch, Danny M., xxx-xx-xxxx
Brandt, Steven A., xxx-xx-xxxx
Brantley, Mikel S., xxx-xx-xxxx
Brashear, Steven D., xxx-xx-xxxx
Bravo, Jose R., xxx-xx-xxxx
Bray, Timothy S., xxx-xx-xxxx
Breit, Gregory R., xxx-xx-xxxx
Breland, Gregory D., xxx-xx-xxxx
Bresley, William M., xxx-xx-xxxx
Breunling, Randy B., xxx-xx-xxxx
Briand, Daniel, xxx-xx-xxxx
Briggs, Dana L., xxx-xx-xxxx
Brininstool, Charles M., xxx-xx-xxxx
Bristow, Brent L., xxx-xx-xxxx
Bronder, Thomas J., xxx-xx-xxxx
Bronk, John W., xxx-xx-xxxx
Brooks, Michael N., xxx-xx-xxxx
Brown, Curtis L., Jr., xxx-xx-xxxx
Brown, David A., xxx-xx-xxxx
Brown, Eric M., xxx-xx-xxxx
Brown, Kevin D., xxx-xx-xxxx
Brown, Mark P., xxx-xx-xxxx
Brown, Mitchel E., xxx-xx-xxxx
Brown, Russell B., xxx-xx-xxxx
Bruce, Edward R., xxx-xx-xxxx
Bruggemeyer, Mark E., xxx-xx-xxxx
Brumgard, Merle E., Jr., xxx-xx-xxxx
Buchheit, Edward L., xxx-xx-xxxx
Budgeon, Mark D., xxx-xx-xxxx
Buehler, Howard P., xxx-xx-xxxx
Bullard, Thomas G., xxx-xx-xxxx
Bullock, Ronnie J., xxx-xx-xxxx
Bunecke, Joseph, xxx-xx-xxxx
Buona, Ralph M., xxx-xx-xxxx
Burg, Roger W., xxx-xx-xxxx
Burgess, Gregg M., xxx-xx-xxxx
Burrows, Danny J., xxx-xx-xxxx
Bush, Gregory J., xxx-xx-xxxx
Bushell, Mark W., xxx-xx-xxxx
Busheme, David M., xxx-xx-xxxx
Butler, Barry L., xxx-xx-xxxx
Butler, John A., xxx-xx-xxxx
Byerley, Aaron R., xxx-xx-xxxx
Cabriales, Gary M., xxx-xx-xxxx
Callegari, Brian A., xxx-xx-xxxx
Campbell, Kevin D., xxx-xx-xxxx
Campbell, William M., xxx-xx-xxxx
Cantrell, Frank P., Jr., xxx-xx-xxxx
Capasso, Paul F., xxx-xx-xxxx
Caplinger, Raymond H., xxx-xx-xxxx
Carbaugh, David C., xxx-xx-xxxx
Carel, James B., xxx-xx-xxxx
Carlisle, Herbert J., xxx-xx-xxxx
Carlson, Brad L., xxx-xx-xxxx
Carpenter, Charles H., Jr., xxx-xx-xxxx
Carpenter, Joe V., Jr., xxx-xx-xxxx
Carrier, Delos D., xxx-xx-xxxx
Carrillo, Arnie T., xxx-xx-xxxx
Carson, Gregory W., xxx-xx-xxxx
Carter, Michael A., xxx-xx-xxxx
Casey, Michael R., xxx-xx-xxxx
Cashes, James L., xxx-xx-xxxx
Caslen, Mark A., xxx-xx-xxxx
Castellano, Barry J., xxx-xx-xxxx
Castiglione, Robert, xxx-xx-xxxx
Cataldo, Louis J., Jr., xxx-xx-xxxx
Catlin, Michael A., xxx-xx-xxxx
Chambers, William A., xxx-xx-xxxx
Chamblee, William L., xxx-xx-xxxx
Chapin, Christopher M., xxx-xx-xxxx
Charpie, Kenneth E., Jr., xxx-xx-xxxx
Charpilloz, Kenneth L., Jr., xxx-xx-xxxx
Chatraw, Van F., xxx-xx-xxxx
Chmielewski, Robert P., xxx-xx-xxxx
Christensen, George M., xxx-xx-xxxx
Christensen, Louis E., xxx-xx-xxxx
Chruchill, Winston L. S., xxx-xx-xxxx
Chuva, Charles, xxx-xx-xxxx
Cienski, Todd A., xxx-xx-xxxx
Clark, Michael R., xxx-xx-xxxx
Clark, Robert K., xxx-xx-xxxx
Clark, Steven D., xxx-xx-xxxx
Clark, Willis W., III, xxx-xx-xxxx
Clasen, Gregory G., xxx-xx-xxxx
Clay, John E., xxx-xx-xxxx
Clemons, Russell L., xxx-xx-xxxx
Clethen, Eric L., xxx-xx-xxxx
Clift, Stephen L., xxx-xx-xxxx
Clinton, William M., xxx-xx-xxxx
Cluley, Michael J., xxx-xx-xxxx
Cochran, Kevin D., xxx-xx-xxxx
Cochran, Thomas W., xxx-xx-xxxx
Coleman, Richard K., Jr., xxx-xx-xxxx
Collins, James E., Jr., xxx-xx-xxxx
Collins, Scott B., xxx-xx-xxxx
Collins, Timothy E., xxx-xx-xxxx
Colvin, Roger D., xxx-xx-xxxx
Conard, Bruce R., xxx-xx-xxxx
Conner, Thomas C., xxx-xx-xxxx
Conroy, Bertram, xxx-xx-xxxx
Conti, Robert C., xxx-xx-xxxx
Cook, Carl R., xxx-xx-xxxx
Cook, Curtis L., xxx-xx-xxxx
Cooper, Gary L., xxx-xx-xxxx
Cooper, Thomas H., xxx-xx-xxxx
Cope, Terry W., xxx-xx-xxxx
Corbett, Michael W., xxx-xx-xxxx
Cordova, Michael, xxx-xx-xxxx
Corona, Arturo M., xxx-xx-xxxx
Cortese, John J., xxx-xx-xxxx
Costeira, David, xxx-xx-xxxx
Cotterell, Charles W., xxx-xx-xxxx
Couillard, Michael R., xxx-xx-xxxx
Cox, Andrew H., xxx-xx-xxxx
Cox, David B., xxx-xx-xxxx
Cox, Wesley R., xxx-xx-xxxx
Crabbe, William M. III, xxx-xx-xxxx
Cramer, Daniel L., xxx-xx-xxxx
Creed, Bradley E., xxx-xx-xxxx
Crenwelge, Wayne E., xxx-xx-xxxx
Crissman, Herbert K., xxx-xx-xxxx
Crittenden, Steven M., xxx-xx-xxxx
Crowe, Lelvin, Jr., xxx-xx-xxxx
Crudele, Marcel S., xxx-xx-xxxx
Cuellar, Andres N., Jr., xxx-xx-xxxx
Cukr, Jeffrey M., xxx-xx-xxxx
Curphy, Gordon J., xxx-xx-xxxx
Curry, Bruce L., xxx-xx-xxxx
Cuthrell, Joseph E. III, xxx-xx-xxxx
Czachor, Thomas, xxx-xx-xxxx
Dahlstrom, Christopher A., xxx-xx-xxxx
Dalbey, Steven W., xxx-xx-xxxx
Dallago, David R., xxx-xx-xxxx
Daly, Patrick R., xxx-xx-xxxx
Daniels, Kurt A., xxx-xx-xxxx
Danser, Dennis D., xxx-xx-xxxx
David, Michael, xxx-xx-xxxx
Davidage, Richard C., xxx-xx-xxxx
Davidson, Wayne D., xxx-xx-xxxx
Davis, Gregg H., xxx-xx-xxxx
Davis, James W., xxx-xx-xxxx
Davis, Jonathan M., xxx-xx-xxxx
Davis, Kevin J., xxx-xx-xxxx
Davis, Michael P., xxx-xx-xxxx
Davis, Michael D., xxx-xx-xxxx
Dean, Garry C., xxx-xx-xxxx
Deaton, David B., xxx-xx-xxxx
Dees, Danny J., xxx-xx-xxxx
Degeorge, Frank A., xxx-xx-xxxx
Delgadillo, Carlos E., xxx-xx-xxxx
Deluca, Russell J., xxx-xx-xxxx
Demitry, Peter F., xxx-xx-xxxx
Denton, Davis F., xxx-xx-xxxx
Deras, David A., xxx-xx-xxxx
Devereaux, Richard T., xxx-xx-xxxx
Dewey, Russell G., xxx-xx-xxxx
Diamond, Dennis J., xxx-xx-xxxx
Dicocco, Ricardo, xxx-xx-xxxx
Dildy, Glenn A., xxx-xx-xxxx
Dillman, Donald R., xxx-xx-xxxx
Dimmick, Robert L., xxx-xx-xxxx
Dinino, Thomas J., xxx-xx-xxxx
Dockendorf, Randy A., xxx-xx-xxxx
Donnelly, John R., xxx-xx-xxxx
Donohoe, Mark S., xxx-xx-xxxx
Dorr, Robert M., xxx-xx-xxxx
Dorsett, Mark D., xxx-xx-xxxx
Dorsey, John P., xxx-xx-xxxx
Doty, Timothy S., xxx-xx-xxxx
Douville, Arnold K., xxx-xx-xxxx
Doyle, Robert J., xxx-xx-xxxx
Drake, Ricky J., xxx-xx-xxxx
Dritenbas, John R., xxx-xx-xxxx
Duc, Michael V., xxx-xx-xxxx
Dudzik, Michael C., xxx-xx-xxxx
Dunham, Richard A., III, xxx-xx-xxxx
Dunton, Bradley K., xxx-xx-xxxx
Dunton, Bruce R., xxx-xx-xxxx
Dupuis, Glen E., xxx-xx-xxxx
Durham, Stephen E., xxx-xx-xxxx
Durlak, James R., xxx-xx-xxxx
Dwire, Owen G., xxx-xx-xxxx
Eagan, Brendan E., xxx-xx-xxxx
Eberst, William A., xxx-xx-xxxx
Edson, Roger T., xxx-xx-xxxx
Eickhoff, Larry D., xxx-xx-xxxx
Eidsaune, David W., xxx-xx-xxxx
Eifert, Ronald W. C., xxx-xx-xxxx
Ekrem, Alan C., xxx-xx-xxxx
Eldridge, Jack H., xxx-xx-xxxx
Ellingson, Blake P., xxx-xx-xxxx
Elliott, Mark E., xxx-xx-xxxx
English, Timothy J., xxx-xx-xxxx
Erminger, Mark D., xxx-xx-xxxx
Escobedo, Brian D., xxx-xx-xxxx
Estep, David G., xxx-xx-xxxx
Eulberg, Delwyn R., xxx-xx-xxxx
Evans, David W., xxx-xx-xxxx
Evans, John J., xxx-xx-xxxx
Evers, Michael S., xxx-xx-xxxx
Falkenberg, Brent J., xxx-xx-xxxx
Farnell, Fredrick C., xxx-xx-xxxx
Farrell, Philip A., xxx-xx-xxxx
Farrier, Thomas A., xxx-xx-xxxx
Farwell, Dean H., II, xxx-xx-xxxx
Fellmeth, Jeffrey E., xxx-xx-xxxx
Felts, Ernest E., xxx-xx-xxxx
Fennessy, Michael P., xxx-xx-xxxx
Ferguson, Scott E., xxx-xx-xxxx
Ferrell, Ryan F., Jr., xxx-xx-xxxx
Fessler, Steven W., xxx-xx-xxxx
Fiedler, William O., xxx-xx-xxxx
Fikar, Louis S., xxx-xx-xxxx
Fisher, Drew R., xxx-xx-xxxx
Fitzharris, Kevin J., xxx-xx-xxxx
Fitzpatrick, Rodney S., xxx-xx-xxxx
Flink, George P., xxx-xx-xxxx
Flood, Christopher E., xxx-xx-xxxx
Follansbee, Guy D., xxx-xx-xxxx
Follman, John J., xxx-xx-xxxx
Ford, Wayne A., xxx-xx-xxxx
Forsyth, Glen T., xxx-xx-xxxx
Fossen, Thomas L., xxx-xx-xxxx
Foster, Michael P., xxx-xx-xxxx
Francis, John D., xxx-xx-xxxx
Fraser, James S., xxx-xx-xxxx
Frasz, Russell J., xxx-xx-xxxx
Fratello, Steven A., xxx-xx-xxxx
Frey, Jeffrey E., xxx-xx-xxxx
Frey, William A., Jr., xxx-xx-xxxx
Frey, William K., xxx-xx-xxxx
Frick, Glenn D., xxx-xx-xxxx
Friedman, Nedwyn A., xxx-xx-xxxx
Frith, Gary A., xxx-xx-xxxx
Froehler, Bruce R., xxx-xx-xxxx
Frommelt, Paul J., II, xxx-xx-xxxx
Frymire, David A., xxx-xx-xxxx
Fryt, Mitchell R., xxx-xx-xxxx
Fuerst, Nickie J., xxx-xx-xxxx
Fuhrman, Thomas A., xxx-xx-xxxx
Fulks, Mark J., xxx-xx-xxxx
Furst, Timothy M., xxx-xx-xxxx
Furstenau, Ronald P., xxx-xx-xxxx
Gable, Matthew C., xxx-xx-xxxx
Gahren, Francis M., xxx-xx-xxxx
Gallagher, David M., xxx-xx-xxxx
Gallagher, Mark V., xxx-xx-xxxx
Garn, James E., xxx-xx-xxxx
Garner, Daniel C., xxx-xx-xxxx
Gasper, Bruce J., xxx-xx-xxxx
Gauvreau, James M., xxx-xx-xxxx
Gay, Harvey E., III, xxx-xx-xxxx
Gazo, Anthony S., xxx-xx-xxxx
Gearhart, Kurt A., xxx-xx-xxxx
Gearing, Gregory M., xxx-xx-xxxx
Geery, James J., xxx-xx-xxxx
George, Carl, xxx-xx-xxxx
Gibbons, Robert D., xxx-xx-xxxx
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Sizemore, Frank R., xxx-xx-xxxx
Skinner, Gerry D., xxx-xx-xxxx
Skolaut, Paul M., xxx-xx-xxxx
Slick, Steven H., xxx-xx-xxxx
Sligar, Steven B., xxx-xx-xxxx
Sligar, William G., xxx-xx-xxxx
Slizeski, Robert J., xxx-xx-xxxx
Sloan, Neal C., xxx-xx-xxxx
Sloan, Shawn K., xxx-xx-xxxx
Smith, Charles F., xxx-xx-xxxx
Smith, Christopher D., xxx-xx-xxxx
Smith, Dorian W., xxx-xx-xxxx
Smith, Gregory L., xxx-xx-xxxx
Smith, Kevin J., xxx-xx-xxxx
Smith, Lance D., xxx-xx-xxxx
Smith, Michael L., xxx-xx-xxxx
Smith, Nevin E., Jr., xxx-xx-xxxx
Smith, Robert G., xxx-xx-xxxx
Smith, Sandra L., xxx-xx-xxxx
Smith, Scott J., xxx-xx-xxxx
Smith, Stephen W., xxx-xx-xxxx
Sneed, David W., xxx-xx-xxxx
Snively, Scott R., xxx-xx-xxxx
Snodgrass, Michael A., xxx-xx-xxxx
Snoy, Phillip J., xxx-xx-xxxx
Snyder, David M., xxx-xx-xxxx
Snyder, John D., xxx-xx-xxxx
Snyder, Michael D., xxx-xx-xxxx
Snyder, Steven R., xxx-xx-xxxx
Sonson, Charles V., xxx-xx-xxxx
Sorrell, Thomas L., xxx-xx-xxxx
Spain, Michael J., xxx-xx-xxxx
Spears, Glenn F., xxx-xx-xxxx
Spendley, Frank D., xxx-xx-xxxx
Speziale, Salvatore, xxx-xx-xxxx
Sponable, Jess M., xxx-xx-xxxx
Squires, William R., xxx-xx-xxxx
Stack, Trevor J., xxx-xx-xxxx
Stahl, James J., xxx-xx-xxxx
Stahl, Richard C., xxx-xx-xxxx
Stclair, Daniel J., xxx-xx-xxxx
Steel, Robert P., xxx-xx-xxxx
Steere, Kenneth W., Jr., xxx-xx-xxxx
Stephens, Gary W., xxx-xx-xxxx
Sterrett, John D., Jr., xxx-xx-xxxx
Stewart, James H., II, xxx-xx-xxxx
Stewart, Moses Jr., xxx-xx-xxxx
Stgelais, Ernest C., xxx-xx-xxxx
Stiles, Charles W., xxx-xx-xxxx
Stohry, Kimble D., xxx-xx-xxxx
Stoll, Hans G., xxx-xx-xxxx
Storie, Gary A., xxx-xx-xxxx
Stough, James A., xxx-xx-xxxx
Stough, Jeffrey R., xxx-xx-xxxx
Strait, Alvin B., xxx-xx-xxxx
Strickland, Bradford B., xxx-xx-xxxx
Strom, Randie A., xxx-xx-xxxx
Strong, Gordon R., xxx-xx-xxxx
Summers, Victor B., xxx-xx-xxxx
Sviba, John F., xxx-xx-xxxx
Swarsbrook, John R., xxx-xx-xxxx
Swift, Ulysses C., xxx-xx-xxxx
Swigonski, Mark S., xxx-xx-xxxx
Sykes, John P., xxx-xx-xxxx
Tait, Ronald M., xxx-xx-xxxx
Takahara, Stuart E., xxx-xx-xxxx
Talbot, Neal B., xxx-xx-xxxx
Taliaferro, William C., xxx-xx-xxxx
Tatum, Thomas H., Jr., xxx-xx-xxxx
Taylor, Larry E., xxx-xx-xxxx
Taylor, Timothy J., xxx-xx-xxxx
Temple, David J., xxx-xx-xxxx
Terry, Richard L., xxx-xx-xxxx
Thacker, Thomas H., xxx-xx-xxxx
Therrien, Sam C., xxx-xx-xxxx
Thomae, Carl J., xxx-xx-xxxx
Thompson, Edward A., xxx-xx-xxxx
Thompson, Eric M., xxx-xx-xxxx
Thompson, Mark A., xxx-xx-xxxx
Thompson, Stephen J., xxx-xx-xxxx
Thompson, William D., xxx-xx-xxxx
Thornton, Robert G., xxx-xx-xxxx
Tindall, Steven R., xxx-xx-xxxx
Tinsley, Gregory S., xxx-xx-xxxx
Torchia, Linden J., xxx-xx-xxxx
Tovrea, Gaylen L., xxx-xx-xxxx
Treadway, James D., xxx-xx-xxxx
Trebon, Gregory L., xxx-xx-xxxx
Trinka, James A., xxx-xx-xxxx
Troemel, Benjamin H., Jr., xxx-xx-xxxx
Troiano, Mark J., xxx-xx-xxxx
Tronsor, Jeffrey D., xxx-xx-xxxx
Troy, William L., xxx-xx-xxxx
Truex, Theodore L., xxx-xx-xxxx
Trujillo, Alexander, xxx-xx-xxxx
Tseronis, Peter S., xxx-xx-xxxx
Turner, Scott H., xxx-xx-xxxx
Twohig, Thomas F., xxx-xx-xxxx
Ullestad, Gary S., xxx-xx-xxxx
Umberger, William M., Jr., xxx-xx-xxxx
Undhjem, Lance D., xxx-xx-xxxx
Usher, Steven C., xxx-xx-xxxx
Ust, Carl S., xxx-xx-xxxx
Valle, Charles N., xxx-xx-xxxx
Valovcin, Paul, xxx-xx-xxxx
Vance, William B., xxx-xx-xxxx
Vanhaastert, Robert G., xxx-xx-xxxx
Vanslembrouck, Jerry D., xxx-xx-xxxx
Vansteenwyk, Matthew D., xxx-xx-xxxx
Varney, Raymond E., xxx-xx-xxxx
Vaughn, Robert J., xxx-xx-xxxx
Vercio, Carl F., xxx-xx-xxxx
Vergaro, Peter J., xxx-xx-xxxx
Verhage, Thomas E., xxx-xx-xxxx
Verstegen, Michael D., xxx-xx-xxxx
Vining, Stephen D., xxx-xx-xxxx
Wacker, William B., xxx-xx-xxxx
Wagner, Robert J., xxx-xx-xxxx
Wainscott, Stuart B., xxx-xx-xxxx
Walby, Edward A., xxx-xx-xxxx
Waldo, Jeffrey R., xxx-xx-xxxx
Walker, John W., xxx-xx-xxxx
Walker, Stephen D., xxx-xx-xxxx
Wallace, Richard L., xxx-xx-xxxx
Wallis, David R., xxx-xx-xxxx
Waltman, Theodore, J., xxx-xx-xxxx
Wambsganss, Michael C., xxx-xx-xxxx
Warton, George B., II, xxx-xx-xxxx
Watt, Herbert, xxx-xx-xxxx
Watts, Robert M., xxx-xx-xxxx
Welda, Johnny A., xxx-xx-xxxx
Weidmann, James M., xxx-xx-xxxx
Weiler, Mark C., xxx-xx-xxxx
Weiss, Jonathan M., xxx-xx-xxxx
Weiszhaar, David L., xxx-xx-xxxx
Welch, Steven M., xxx-xx-xxxx
Weller, George P., xxx-xx-xxxx
Wells, Lawrence L., xxx-xx-xxxx
Wellsfry, John L., xxx-xx-xxxx
Wenrich, Robert C., xxx-xx-xxxx
Wentzell, Douglas R., xxx-xx-xxxx
Werthmann, Mark M., xxx-xx-xxxx
Wetlesen, David C., xxx-xx-xxxx
Weyek, Richard R., xxx-xx-xxxx
Wheble, Peter E., xxx-xx-xxxx
Wheeler, Derek P., xxx-xx-xxxx
Wheelock, Robert E., Jr., xxx-xx-xxxx
Whidden, James F., II, xxx-xx-xxxx
Whitacre, Thomas J., xxx-xx-xxxx
Whitbeck, Dyke H., xxx-xx-xxxx
White, Gary M., xxx-xx-xxxx
Whitehair, Thomas J., xxx-xx-xxxx
Whitehouse, Stephen R., xxx-xx-xxxx
Whitlow, Douglas A., xxx-xx-xxxx
Whitt, John J., xxx-xx-xxxx
Whyte, Michael M., xxx-xx-xxxx
Wilcox, Vincent S., xxx-xx-xxxx
Wilkins, Bruce G., xxx-xx-xxxx
Wilkinson, Keith M., xxx-xx-xxxx
Wilkinson, Mark S., xxx-xx-xxxx
Williams, Michael B., xxx-xx-xxxx
Williams, Paul W., xxx-xx-xxxx
Williams, William L., II, xxx-xx-xxxx
Williamson, Michael A., xxx-xx-xxxx
Willis, Joseph G., xxx-xx-xxxx
Wininger, David A., xxx-xx-xxxx
Winkopp, John J., III, xxx-xx-xxxx
Winter, Andrew C., III, xxx-xx-xxxx
Wise, Michael L., xxx-xx-xxxx
Wisniewski, Vincent P., xxx-xx-xxxx
Witt, Carlton M., xxx-xx-xxxx
Wohl, Barton H., xxx-xx-xxxx
Wolters, Timothy L., xxx-xx-xxxx
Womack, Wiliam P., xxx-xx-xxxx
Wood, Robert J., xxx-xx-xxxx
Woodfork, Isaac K., xxx-xx-xxxx
Woody, Bill A., xxx-xx-xxxx
Workman, Carl E., Jr., xxx-xx-xxxx
Worley, Robert M., II, xxx-xx-xxxx
Worthington, Joseph A., III, xxx-xx-xxxx
Wrenn, Mark L., xxx-xx-xxxx
Wright, Mark C., xxx-xx-xxxx
Wright, Michael A., xxx-xx-xxxx
Wright, Thomas B., xxx-xx-xxxx
Wynn, David M., xxx-xx-xxxx
Wynn, Mark S., xxx-xx-xxxx
Yamanaka, Dean S., xxx-xx-xxxx
Yarborough, Fred A., Jr., xxx-xx-xxxx
Yeakel, Glenn S., xxx-xx-xxxx
Yearick, Patrick A., xxx-xx-xxxx
Yerkes, Frank A., Jr., xxx-xx-xxxx
Zamzow, Mark R., xxx-xx-xxxx
Zdeb, Keith D., xxx-xx-xxxx
Zeitz, Frederick H., III, xxx-xx-xxxx
Zenk, Michael A., xxx-xx-xxxx
Zielinski, Robert H., xxx-xx-xxxx
Zimowski, Peter F., xxx-xx-xxxx
Zink, Peter, G., xxx-xx-xxxx
Zompetti, Anthony E., xxx-xx-xxxx

In the Navy

The following-named lieutenants of the U.S. Navy for temporary promotion to the grade of lieutenant commander in the staff corps as indicated, pursuant to title 10, United States Code, sections 5773 and 5791, subject to qualification therefor as provided by law:

MEDICAL CORPS

Adams, Clinton E.	Burkhard, Thomas K.*
Atwell, George W.	Campbell, David C.*
Aymer, Albert L.*	Capecci, Louis F. J.*
Barnebee, James H. I.	Cassaday, Michael A.
Bourgeois, Robert S.*	Cattau, Edward L., Jr.*
Brice, David A.*	
Broshears, John R.*	

* Indicates ad interim appointment.

Cecil, James A., II
Conwill, David E.*
Counselman, Kenneth H.*
Croslin, Artis R.
Cunningham, Glenn D.*
Depoix, Christopher P.*
Diaz, Alberto Jr.*
Dutka, Andrew J.*
Fleming, Jonn C., Jr.*
Foster, Robert M., Jr.
Grantham, Herbert G.*
Grey, Charlie R., II*
Hanna, James M.
Harries, Thomas J.*
Hawley, Thomas A.
Hetz, Robert K.
Hooper, Jon H.*
Jones, John P.*
Jones, Nancy E.*
Kaniewski, Wayne R.
Keyes, Booker T., Jr.
Kendrick, Robert R.
Knight, Melvin J.*
Kolakovich, Thomas M.*
Kurtti, Daniel R.*
Lea, Gary H.
Lazoritz, Stephen*
Medberry, Clinton A., III*
Mellon, Monte T.*
Minteer, William E., III*
O'Grady, Terence C.
Oldfield, Baird D.
Paden, Lindsay B.*
Page, Caleb W., Jr.*
Parker, Gregg S.
Pedrotty, John R.
Peterson, Noel R.*
Petrochko, Nicholas, Jr.
Roberts, Jerry M.*
Sargeant, William O.*
Savage, Robert M.*
Schvaneveldt, John A.*
Shaw, Grady C.
Shipton, William E.
Singer, Glen D.
Sise, Michael J.*
Sladek, Gary G.
Smith, Gary W.*
Smith, Robert W.
Somerville, Stephen P.*
Strominger, Richard D.*
Sweeney, John R.*
Tallaksen, Robert J.*
Taylor, Robert E.*
Vincent, Michael P.*
Warren, Eddie B.
Wilker, John F.*
Wilkerson, Leonard A.*
Adams, Mark M.
Alexander, Oran T.
Anderson, James S.
Anderson, Stephen F., III
Argue, Arthur C., III
Awtrey, Warren
Balint, David L.
Bell, William R.
Benson, Edwin R., III
Benson, Linwood E.
Bock, John H., III
Boyer, James C.
Boyle, John E.
Bullock, David R.
Bunker, Thomas A.
Cassano, Anthony J., Jr.
Cavanaugh, John H.
Coon, Wynn L.
Courter, David E.
Cronauer, Harold T., Jr.
Crowley, Indy C.
Cummings, Patrick W.
Curry, Dennis S.
Curtin, Michael F.
David, James C., III
Delaurentis, Michael J.
Dennis, David A.
Douglas, David B.
Eastlund, Lon E.
Eller, Jeffrey M.
English, Robert L.
Feltes, Dale J.
Finley, Michael E.
Flanagan, John E., Jr.
Foley, George B.
Fortier, Ormond L.
Foster, Robert L.
Fredericks, Kenneth D.
Friedel, John M.
Garot, Otto L.
Gift, Wendell J., II
Grimes, Gary C.
Hammond, Richard C., Jr.
Hauser, Christoper G.
Hayes, Bryan F.
Henderson, Harold E.
Herbert, Raymond J.
Hesch, Gerald F.
Hoffer, Jayme W.
Hoffman, Lee D.
Holy, Theodore S.
Hughes, Gary J.
Hunt, Stephen R.
Hurley, Joseph F., Jr.
Jacobs, George R., III
Jamrisko, Steven F.
Johnson, Johnnie, III
Johnson, Mitchell C.
Kellam, Steven L.
Kern, Thomas M.
Kirk, John R.
Kcehler, Jay B.
Larue, Stephen L.
Leather, John E.
Leclair, Daniel V.
Lehman, Ralph N.
Leroy, Osborn
Lindsay, David A.
Lowndes, Rawlins
Mallon, Patrick J.
Marczynski, Alfons C.
McDevitt, Harry J. III
McMican, William J.
Milligan, Robert L.
Morrison, Richard E. P., Jr.
Nielsen, Gerald T.
Orr, William D.
Oshier, Daniel R.
Paul, MacGregor H.
Peart, Douglas T.
Poston, Cary D.
Powell, Jeffrey P.
Reily, James D., Jr.
Roesky, Robert J., Jr.
Rountree, James S.
Santonil, Rosendo T.
Schaffer, John E.
Schmidt, Colman A.
Schrader, Thomas D.
Schwartz, Allen B.
Seebeck, Robert N.
Selby, Theodore J.
Sheppard, Theodore J.
Solis, Armando R.
Sparks, George F.
Strunk, Lawrence W.
Swanson, Graydon N.
Teipel, Mark A.
Tynan, Edward P.
Vedder, Hellmuth
Wadsworth, David B.
Waits, Clifford H., Jr.
Walker, Allan W.*
Ward, John D.
Wells, Randolph R.
Wenzel, Kenneth E.
West, Paul K.
Wilhite, Bernard L.*
Wilson, George W.
Wingfield, George R.
Witham, Michael J.
Wortman, David C.
Young, Mark A.
Zimmermann, Bruce E

* Indicates ad interim appointment.

CHAPLAIN CORPS

Atwater, Jefferson D.
Benner, August W., Jr.
Clements, Don K.
Darcy, William J.
Hamilton, Loy B.
Kubisiak, Robert P.
Oddo, Peter A.
Pace, Roger W.
Peters, Michael
Pyrch, Paul
Rowland, Robert G.
Woodruff, Mark E.

CIVIL ENGINEER CORPS

Anderson, Lee L., Jr.
Augustin, James H., Jr.
Barrows, Widliam C.
Berriman, John W.
Berry, Michael G.
Bittle, James E.
Blanton, Guy I., Jr.
Boothe, Thomas M.
Breitzke, Thomas C.
Burgoyne, Richard E., Jr.
Casey, Michael F.
Chamberlin, Paul D.
Checkovich, James K.
Clements, Neal W., Jr.
Collins, William W.
Cornell, Wayne L.
Costello, Donald H., Jr.
Daignault, Stephen W.
Dalke, Gregory A.
Doyle, John R.
Dun, Richard A.
Eckels, Robert T.
Elkins, James E.
Fritchen, David R.
George, David R.
Goddard, Nelson G.
Gorden, David W.
Halwachs, James E.
Hiller, Paul W.
Horn, Larry S.
Huggins, Howard H.
Hutchins, Donald B.
Interholzinger, Jared F.
Kendall, James B.
Kennedy, Michael G.
Kolster, William G.
Kornegay, Edward L.
Kraai, Bernard W., Jr.
Krochalis, Richard F.
Kubic, Charles R.
Leidholt, Deane E.
Leonard, Donald B.
Macfarquhar, James D.
Miller, Steven R.
Olszewski, Paul J.
Praskievicz, Michael W.
Roach, David G.
Rodriguez, Glenn R.
Schlehr, Christopher G.
Smith, Loren W.
Sollenberger, Lee A.
Soyka, Michael W.
Steinbrugge, Richard L.
Streicher, Burton L.
Stryker, Harry F.
Tornatore, William P.
Uzarski, Donald R.
Vandyk, Peter M.
Veselenak, John C.
Wegener, Gary R.
Weyrauch, Edwin F.
White, Judson H., Jr.
Wisehart, Thomas C.
Ybanez, Robert E.

DENTAL CORPS

Altman, William E.*
Anderson, Maxwell H.*
Arendt, Douglas M.*
Austin, Gordon T.
Barrick, Carl L.
Bennett, Gerald E.
Bookwalter, Charles A.
Bramwell, John D.*
Conlon, Dennis J.
Dern, William M.
Diehl, Mark C.*
Durkowski, Jerry S.*
Durm, William B., IV
Faivre, Scott R.
Fehling, Alfred W., Jr.
Flanigan, Timothy J.
Gloria, Joseph A.
Goodwin, David A.*
Hammond, Frederick W.*
Hutto, Robert E.
Jackson, Larry W.
James, David C., Jr.
Johnson, Gregory K.
Jones, Gordon K.*
Kratochvil, Frank J.*
Kredich, George W.
Lessmann, Ronald P.
Mason, Craig A.*
McLeod, Eric S.*
Meiers, Jonathan C.*
Mooneyham, Thomas P.
Mork, Thomas O.*
Moss, Stanley D.
Patch, Stanley J., Jr.
Paul, John S.
Pope, Bruce M.*
Ramsey, Harry C.
Robbins, James S.
Robinson, Boyd E.
Rundbaken, Roger P.*
Sadori, Peter S.
Schuetz, Thomas J.
Smith, Roy D.
Weisenseel, John A.
Whitt, Joseph C.
Wiley, Paul M.*
Williams, Nathan V.
Wyman, Barry M.
Yorty, Jack S.

MEDICAL SERVICE CORPS

Anderson, Charles L.
Anderson, Jerry T.
Ayers, Robert R.
Bartlett, James V.
Bennett, Alan H.
Benny, Judith A.
Berube, Richard P.
Black, Ronald W.
Bolster, Hugh T.
Bourgeois, August L., Jr.
Brent, William H.
Brickeen, Jerry W.
Briere, Gerald P.
Brocker, Fred L.
Brodsky, Stephen M.
Brooks, David D.
Brown, Harold T., Jr.
Brown, William G.
Brunelle, David M.
Caldwell, Craig R.
Calvin, James B.
Carter, Robert C., Jr.
Caton, Gene A.
Cline, Ferdinand C.
Connors, Charles V.
Cox, Tommy W.
Crank, Harold L.
Cunningham, David W.
Daniel, David G.
Davidson, Dennis M.
Davis, Joe E.
Day, Charles S.
Decsipkes, Robert A.
Derr, John D.
Diamond, David
Dillard, James B., Jr.
Dillingham, Joe G.
Duncan, Carl F.
Edgmon, Bobby R.
Eichelberg, Wallace C.
Eimers, Orin K.
Epling, Stephen R.
Estey, Melvyn A., Jr.
Evans, William H., Jr.
Eyre, Jay M.
Finn, Robert F. M.
Gammarano, Peter V., Jr.
Garms, Peter P.
Garrett, James M.
Garrigues, Roy M., III
Gervais, David R.
Ghent, Ernest R.
Gibson, George E., Jr.
Glans, Dale C., Jr.
Glowacki, David A.
Goodloe, Murriel E.
Hargett, David A.
Harmon, Layton O.
Harris, Steven D.
Haslam, Garth S.
Hazzard, Charles A.
Heisler, Robert P.
Heltsley, John R.
Henry, Frederic H.
Hovis, Robert S.
Hughes, Haywood N.
Jay, George W.
Johnson, Ronald A.
Jones, Robert G.
Jones, Rudolph
Jose, Lynn T.
Kish, Robert J.
Kmet, Joseph P.
Knight, Michael G.
Kramer, Jeffrey A.
Kremser, Gary L.
Kunerth, Marshall G.
Lamb, Martha J.
Langston, Carl C., Jr.
Lindstrom, Lorel L.
Littlejohn, Harold P.
Lockhart, Ralph A.
McCarthy, Judith A.
McClerkin, Aaron
McCoy, Wendel T.
McGann, Dennis M.
McGinn, Charles F.
McNamara, Patrick F.
Mell, Leroy D., Jr.
Meskill, Gerard V.
Meyer, Michael
Mikkelsen, Donald J.
Miller, Robert M.
Miller, Stanley C.
Mitts, Estill D., Jr.
Moran, William J.
Murphree, Garry W.
Murphy, Harry B.
Murphy, Patrick E.
Newton, Gary
Norris, Henry H., Jr.
Nunn, Thomas D., Jr.
O'Brien, Harriet I.
Olson, Steven D.
Parrish, Gerald E.
Pate, George
Peksens, Richard K.
Peters, Vernon M.
Peterson, John C.
Pierce, Charles R.
Radmore, Kenneth J., Jr.
Randle, Kenneth R.
Rendin, Robert W.
Rosciam, Charles J.
Rose, Donald C.
Sampson, Raymond N.
Scheurer, Jeanne C.
Simas, Amance R.
Slobodnik, Bruce A.
Smedley, Fulton J.
Soliday, James E.
Sparkman, Thaddeus H.
Spencer, Charles A.
Stein, Carl W.
Tittmann, Frederick R.
Todd, Hamilton S., Jr.
Vasquez, Jesse H.
Vaughn, Charles D.
Waggoner, Lemuel A.
Wallace, Gale F.
Ward, Ernest D.
Waterman, Cheryl M.
Webb, John R., Jr.
Wheeler, David L.
Wilder, Thomas W.
Willems, John P.
Williams, Margaret E.
Willis, George R., Jr.
Wolfe, Theodore E., III.
Wright, Betty L.
Wright, Laban J.
Zimmerman, John H.

JUDGE ADVOCATE GENERAL'S CORPS

Bridge, Jonathan J.
Burnett, Weston D.
Connelly, Thomas J., Jr.
Davidson, Kerry T.
Decicco, William A.
Deschauer, John J., Jr.
Fayle, Patrick A.
Friedman, Leonard
Genzler, Patrick A.
Gugni, Gilbert
Hardy, David M.
Hayden, Lawrence E., Jr.
Henebery, John K.
Holcombe, David P.
Holt, John B.
Hunt, Charles R.
Jacobsen, Walter L.
Jakubiak, Thomas F.
McCabe, Sally J.
McGuire, Michael R.
Monahan, Robert P.
Park, James D.
Pixa, Rand R.
Rae, Robert B.
Smitherman, William T.
Swanson, Ronald V.
Switzer, David R.
Tielens, Thomas P.
Weber, Donald B.
Winfrey, Ronald R.
Young, Timothy C.

NURSE CORPS

Barnes, Paula
Barrett, Linda S.
Beaty, Debra M.
Beeson, Virginia R.

Berryman, Mary A.
Bitzer, Merlin D.
Boberick, Barbara J.
Bodnar, Joseph A.
Bonetberg, Cecelia M.
Boyle, Carey T.
Brastad, Jeannette A.
Brown, Rebecca S.
Campbell, Julian C.
Campbell, Mary K.
Cappiello, Joseph L. J.
Cenko, Marietta J.
Chapman, Gayland J.
Chonka, Anne, M.
Comte, Michele A.
Condon, Edward G., III
Cornell, Shirley R.
Cornwall, Thomas L.
Cummings, Linda M.
Czabaj, Marlene B.
Daehn, Linda M.
Davis, Evelyn P.
Davis, William M.
Day, Lynn B.
Day, Marilyn A.
Dobbs, Gwenda Q.
Donahue, Mary H.
Donofrio, Robert N.
Droz, Cynthia M.
Ebner, Mary A.
Egan, Bernadette A.
Ellis, Jo C.
Forsha, Anne V.
Gallino, Alice A.
Garvey, Geraldine A.
George, Melissa A.
Gharabaghli, Sandra M.
Goff, Vicki K.
Gutowski, Mary M.
Hankel, Elaine M.
Hart, Dwaine K.
Haviland, Rebecca J.
Hayes, Claudia A. B.
Herzler, Ralph E., III
Hinger, Carol A.
Hoffman, Mary H.
Hofman, Linda L.
Hooper, Janet L.
Hruby, Margaret J.
Huber, Joan M.
Hunter, Harriet Z.
Hutchins, John W., Jr.
Irvine, Linda J. A.
Iverson, Halvor E., Jr.
Jackson, Royal H.
Kanurick, Ronald G.
Kenny, Patricia A.
Kimberly, Ruth A.
Kowba, Maureen D.
Kuhnly, Diane B.
Kupchinsky, Stanley J.
Law, Diane E.
Lawman, Alene D.
Ledonne, Diane M.
Lee, Amy L.
Lescavage, Nancy
Lett, Max R.
Lohman, Judith A.
Lopez, John D.
Lousche, Kathleen M.
Mangan, Martha Y.
Manzitto, Arthur S.
McColl, William D.
McDonald, Mitchell A.
McKinzie, Beth A.
McMahon, Linda U.
McMullen, Suzanne T.
Meier, Mardean E.
Metzler, Ronald L.
Montclar, Honorene L.
Moore, Judith C.
Moran, Janice W.
Murphy, Kathryn R.
Odonnell, Katherine G.
Oswald, Gregory S.
Otlowski, Donna M. M.
Owen, Nancy J.
Paller, Patricia K.
Patterson, Marla K.
Pentecost, William R.
Phillips, Danny R.
Pittman, Alice A.
Powell, Robert L., Jr.
Price, Roberta L.
Quinn, Mary E.
Ramsey, Lorna J.
Randle, Dale H.
Ratigan, Thomas R.
Richburg, William E.
Riddell, Carol A.
Robertson, Rosalyn L.
Robitaille, Gloria J.
Rocha, Elizabeth, D.
Rodriguez, Fe E.
Rychlinski, Charlene
Smiley, Janice S.
Snell, Stanley P.
Tarnowski, Laurence A.
Thompson, Thomas N.
Trenhaile, Cherie H.
Tucker, Judith L.
Turpin, Lori A.
Twarog, Thomas W.
Vannest Ronald L.
Vernoski, Barbara K.
Verville, Jacqueline K.
Wahl, Marilyn J.
Warren, Freda M.
Wayne, James F.
Wentland, Paul D.
White, Therese A.
Whittemore, Kenneth R. J.
Williams, Colleen K.
Williams, Darryl M.
Yarbrough, Patricia
Wilson, Nancy D.
Wolf, Elaine M.
Woodworth, Linda C. K.
Young, Deborah J.
Zukowski, Suzanne M.

The following-named women lieutenants of the U.S. Navy for permanent promotion to the grade of lieutenant commander in the staff corps, as indicated, pursuant to title 10, United States Code, sections 5771 and 5791, subject to qualification therefor as provided by law:

SUPPLY CORPS

Monahan, Barbara B.
Tornes, Linda M.

CHAPLAIN CORPS

Miller, Christine E.

Executive nominations received by the Secretary of the Senate February 13, 1981, under authority of the order of the Senate of February 6, 1981:

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. James W. Stansberry xxx-xx-xxxx xxx... FR, U.S. Air Force.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general under the provisions of title 10, United States Code, section 5769:

Thomas R. Morgan
Ernest C. Cheatham, Jr.
John V. Cox
John Phillips
Wesley H. Rice
Gregory A. Corliss
Harold G. Glasgow

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general under the provisions of title 10, United States Code, section 5769:

James R. Vandenelzen
William G. Carson, Jr.
Edwin J. Godfrey
Lloyd W. Smith, Jr.
William R. Etnyre
Eugene B. Russell
Donald L. Humphrey
William A. Bloomer
Paul D. Slack
George H. Leach
Hugh T. Kerr
Joseph B. Knotts
John H. Gary III

CONFIRMATIONS

Executive nominations confirmed by the Senate February 16, 1981:

DEPARTMENT OF THE TREASURY

R. T. McNamar, of California, to be Deputy Secretary of the Treasury.
W. Dennis Thomas, of Maryland, to be Deputy Under Secretary of the Treasury.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

WITHDRAWAL

Executive nomination withdrawn from the Senate February 10, 1981:

The nomination of O. Rudolph Aggrey, of the District of Columbia, to be a Foreign Service officer of class 1, a consular officer, and a secretary in the diplomatic service of the United States of America, which was sent to the Senate on February 3, 1981.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, February 17, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 18

8:30 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To hold closed hearing on proposed authorizations for fiscal year 1982 for strategic forces programs of the Department of Defense.
212 Russell Building

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To continue hearings on S. 144, to promote the formation of U.S. export trading companies to expand export participation by smaller U.S. companies.
5302 Dirksen Building

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nomination of Richard E. Lyng, of Virginia, to be Deputy Secretary of Agriculture, and the proposed nomination of C. W. McMillan, of Colorado, to be Assistant Secretary of Agriculture for Marketing and Transportation Services.
324 Russell Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 271, to repeal the statute barring Western Union from entering international markets.
235 Russell Building

Foreign Relations
To continue hearings on United States-Iranian agreement relating to the release of the American hostages.
4221 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

Rules and Administration
To continue hearings on committee resolutions requesting funds for operating expenses for 1981.
301 Russell Building

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for certain programs of the U.S. Army Corps of Engineers.
S-128, Capitol

Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

Armed Services
Preparedness Subcommittee
To continue open and closed hearings on operational readiness and mission capability of selected major military operational commands.
212 Russell Building

Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on S. 414, permitting merchants to offer unlimited discounts to cash-paying customers, and providing a 3-year extension of law prohibiting merchants from penalizing credit card customers by imposing surcharges made by credit cards.
5302 Dirksen Building

Foreign Relations
To hold hearings on the nominations of Walter J. Stoessel, Jr., of California, to be Under Secretary of State for Political Affairs; James L. Buckley, of Connecticut, to be Under Secretary of State for Coordinating Security Assistance Programs; and Richard T. Kennedy, of the District of Columbia, to be Under Secretary of State for Management.
4221 Dirksen Building

3:30 p.m.
Select on Intelligence
To hold a closed business meeting.
S-407, Capitol

FEBRUARY 19

8:00 a.m.
Governmental Affairs
Civil Services, Postal Operations and General Services Subcommittee
To hold oversight hearings to review the proposed postal rate increase.
1318 Dirksen Building

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain Indian programs.
1224 Dirksen Building

9:30 a.m.
*Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the National Institutes of Health of the Department of Health and Human Services.
1114 Dirksen Building

*Banking, Housing, and Urban Affairs
To hold hearings on the Iranian asset settlement.
5302 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
4232 Dirksen Building

10:00 a.m.
Budget
To hold hearings on the President's proposed budget reduction for fiscal year 1982.
6202 Dirksen Building

Rules and Administration
To continue hearings on committee resolutions requesting funds for operating expenses for 1981.
301 Russell Building

Joint Economic
To hold hearings to review the overall economic policy of the administration.
2154 Rayburn Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Alcohol, Drug Abuse and Mental Health Administration of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 20

9:00 a.m.
Foreign Relations
To hold hearings on the nominations of Richard M. Fairbanks III, of the District of Columbia, to be an Assistant Secretary of State for Congressional Relations; Robert C. McFarlane, of Maryland, to be Counselor of the Department of State; and M. Peter

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

McPherson, of Maryland, to be Administrator of the Agency for International Development.
4221 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Resources Administration of the Department of Health and Human Services.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Panama Canal Commission; and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
1318 Dirksen Building

Budget
To continue hearings on the President's proposed budget reductions for fiscal year 1982.
6202 Dirksen Building

Judiciary
Security and Terrorism Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the Federal Bureau of Investigation.
2228 Dirksen Building

Joint Economic
To continue hearings to review the overall economic policy of the administration.
2128 Rayburn Building

FEBRUARY 23

10:00 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 31, removing certain limitations on deductibility of business expenses related to residences; S. 239, providing an individual tax credit for the purchase of commuter vans; and S. 452, excluding from tax as ordinary income gain realized on the sale of stock of a corporation with respect to earnings and profits accrued during a year in which such corporation was not a foreign investment company.
2221 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Assistant Secretary for Health, scientific activities overseas, and retirement pay program for commissioned officers of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 24

8:00 a.m.
Governmental Affairs
Civil Services, Postal Operations and General Services Subcommittee
To hold hearings on Senate Joint Resolution 11, establishing the policy with respect to the number of digits which should be used as zip codes, and other pertinent proposed legislation.
3302 Dirksen Building

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Donald I. Hovde, of Wisconsin, to be Under Secretary of Housing and Urban Development.
5302 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Care Financing Administration of the Department of Health and Human Services.
1114 Dirksen Building

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building

Finance
Savings, Pensions, and Investment Policy Subcommittee
To hold hearings on S. 12, 24, and 243, bills providing certain savings incentives.
2221 Dirksen Building

Rules and Administration
Business meeting, to consider committee resolutions requesting funds for operating expenses for 1981, and other legislative and administrative committee business.
301 Russell Building

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1981 from the Disabled American Veterans.
318 Russell Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Human Development Services of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 25

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain museum services, and Indian educational programs.
1224 Dirksen Building

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Science Foundation.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Social Security Administration of the Department of Health and Human Services.
1114 Dirksen Building

Banking, Housing and Urban Affairs
To hold hearings on the conduct of monetary policy.
5302 Dirksen Building

Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building

Foreign Relations
International Economic Policy Subcommittee
To hold hearings on the U.S. stake in the global economy.
4221 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management programs of the Department of Health and Human Services.
1114 Dirksen Building

FEBRUARY 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Woodrow Wilson International Center for Scholars; the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
1224 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3110 Dirksen Building

9:30 a.m.
*Special on Aging
Organizational business meeting, to consider its rules of procedure for the 97th Congress, and other pending committee business.
457 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain departmental management programs and the Office for Civil Rights of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Coast Guard of the Department of Transportation
1318 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building

FEBRUARY 27

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building

Foreign Relations
International Economic Policy Subcommittee
To resume hearings on the U.S. stake in the global economy.
4221 Dirksen Building

MARCH 2

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for elementary and secondary educational programs of the Department of Education.
1114 Dirksen Building

MARCH 3

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the American Battle Monuments Commission, Army Cemeterial Expenses, the Office of Consumer Affairs, and the Consumer Information Center.
1224 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Fish and Wildlife Service, Department of the Interior.
1318 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for impact aid programs, and emergency school aid programs of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General of the Department of Transportation; and the National Transportation Safety Board.
S-126, Capitol

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for library and learning resource programs and vocational and adult education programs of the Department of Education.
1114 Dirksen Building

MARCH 4

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Water Research and Technology, Department of the Interior, the Holocaust Memorial Commission, and the Advisory Council on Historic Preservation.
1318 Dirksen Building

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building

Labor and Human Resources
To hold hearings on S. 234, to encourage the establishment of home health programs and to provide expanded coverage of home health services under the medicare and medicaid programs.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for educational, rehabilitation, and research programs for the handicapped of the Department of Education.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain student financial assistance programs of the Department of Education.
1114 Dirksen Building

MARCH 5

9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain school improvement programs, special institutions, and Howard University of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Highway Traffic Safety Administration of the Department of Transportation.
1224 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Education, fund for the improvement of postsecondary education, educational statistics, educational research and training activities overseas of the Department of Education.
1114 Dirksen Building

MARCH 10

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Building Science, Federal Home Loan Bank Board, National Credit Union Administration, and the Office of Revenue Sharing (NYC).
1224 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Indian health service programs, and the Bureau of Land Management, Department of the Interior.
1318 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Community Services Administration.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Administration, Research and Special Programs and the Office of the Secretary of the Department of Transportation.
S-126, Capitol

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Mediation and Conciliation Service, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, and the Federal Mine Safety and Health Review Commission.
1114 Dirksen Building

MARCH 11

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Railroad Retirement Board, domestic operations programs of ACTION, and the Soldiers' and Airmen's Home.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Corporation for Public Broadcasting, the National Commission on Libraries and Information Science, and the President's Commission on Ethical Problems in Medicine.
1114 Dirksen Building

MARCH 12

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Heritage Conservation and Recreation Service, Department of the Interior.
1114 Dirksen Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Civil Aeronautics Board, Interstate Commerce Commission, and the Washington Metropolitian Area Transit Authority (Metro).
1318 Dirksen Building

MARCH 16

9:30 a.m.
Labor and Human Resources
To resume hearings on alleged sex discrimination in the workplace.
4232 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 17

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Veterans' Administration.
1224 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain health professional education and nurse training programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Urban Mass Transportation Administration of the Department of Transportation.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 18

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 19

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Railroad Passenger Corporation (Amtrak).
1318 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 20

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 23

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for national centers for health statistics of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 24

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 25

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for alternative fuel programs and the Economic Regulatory Administration, Department of Energy.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To continue hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of the Interior and certain related agencies.
1114 Dirksen Building

MARCH 27

9:30 a.m.
Labor and Human Resources
To resume hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 1

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 and for the

Federal Emergency Management Agency and the Selective Service System.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Bureau of Indian Affairs, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain adolescent pregnancy programs of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 2

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Surface Mining Reclamation and Enforcement, Department of the Interior; and the Smithsonian Institution.
1114 Dirksen Building

APRIL 8

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Science and Technology Policy, Council on Environmental Quality, and the National Regulatory Council.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain health maintenance organizations of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 9

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for strategic petroleum reserve programs, the Energy Information Administration, and naval petroleum reserve programs, Department of Energy.
1114 Dirksen Building

APRIL 21

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Forest Service programs, the Office of the Federal Inspector for the Alaska Natural Gas Transportation System, and the Pennsylvania Avenue Development Corporation.
1114 Dirksen Building

APRIL 22

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Environmental Protection Agency.
1318 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary of Energy.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain community/migrant health centers and the National Health Service Corps of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 28

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Endowment for the Arts and the National Endowment for the Humanities.
1114 Dirksen Building

APRIL 29

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Consumer Cooperative Bank, and the Consumer Product Safety Commission.
1318 Dirksen Building

APRIL 30

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Science Foundation.
1318 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Park Service, Department of the Interior.
1114 Dirksen Building

MAY 6

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Geological Survey, Department of the Interior.
1223 Dirksen Building

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for conservation and fossil energy programs.
1223 Dirksen Building

MAY 12

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Aeronautics and Space Administration.
1224 Dirksen Building

MAY 13

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Commission of Fine Arts, the National Gallery of Art, and the Bureau of Mines, Department of the Interior.
1223 Dirksen Building

MAY 14

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Territorial Affairs, Department of the Interior.
1223 Dirksen Building

MAY 20

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development.
1224 Dirksen Building

MAY 21

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
1224 Dirksen Building

JUNE 2

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and certain independent agencies.

1224 Dirksen Building

HOUSE OF REPRESENTATIVES—*Tuesday, February 17, 1981*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

I say to the Lord, Thou art my God; give ear to the voice of my supplications, O Lord.—Psalms 140: 6.

O God, we place before You the innermost thoughts and feelings of our hearts, asking that You would forgive our weakness of spirit and our failure to live as we know we should, even as we ask that You affirm those who speak the truth and act according to Your will. Encourage those, prophets among us, who see with clarity the needs of our time, to speak with conviction concerning the goals of a righteous and just society, that we, responding to their call, may do the works of peace and good will among people everywhere. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

TAX LOOPHOLES

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, tomorrow I will introduce a tax reform package designed to reduce Government expenditures and to save the American taxpayers $9.5 billion.

Each year loopholes in the tax code cost the taxpaying public close to $200 billion. Many of these tax expenditures are designed to channel private capital into important areas; however the five areas of expenditure proposed for reduction in my bill are unnecessary and can be eliminated without any harm to—as President Reagan is fond of saying—the "truly needy." These well-known loopholes and their potential savings are:

First, oil depletion allowance—a savings of $2.2 billion;

Second, expensing oil drilling costs to save $2.9 billion;

Third, foreign tax credits for oil—an unnecessary expenditure of $700 million;

Fourth, repeal of DISC—a potential savings of $2.3 billion; and

Fifth, elimination of lunch and entertainment deduction—a $1.4 billion saving.

My tax proposals will save the Federal Treasury a total of $9.5 billion. In view of the President's decision to decontrol oil and gas prices, these loopholes are no longer needed and should be eliminated. We must all bear the burden of reducing Government expenditures. This bill is designed to assure that those who can afford it most contribute their share. I plan to introduce this legislation tomorrow, and urge my colleagues to join me as original cosponsors.

HON. GERALD BOILEAU

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, it is my sad duty to inform the House of the death of a former Member. Gerry Boileau represented the Seventh Congressional District from 1930 to 1938. He had a distinguished career before, during, and after his congressional service.

His public service began in my hometown, Wausau, Wis., when, in 1923 he joined the district attorney's office after graduating from Marquette Law School. He was elected district attorney for Marathon County in 1926 and was elected to Congress as a Republican in 1930. He remained in Congress until 1938 and was reelected to Congress from 1934 on as a Progressive. He was recognized as the leader of the Progressive coalition in the House in those years.

In my judgment, Gerry Boileau was one of the great congressional representatives in Wisconsin history. He was a man of great personal conviction and courage. He is generally credited with having lost his election in 1938 because of the reciprocal trade agreements which affected Wisconsin's dairy industry. That undoubtedly played a role. But I have always believed the real reason Gerry Boileau lost that election was because he remained true to his conscience.

In 1938, just before World War II, the Spanish Civil War was raging. Gerry Boileau was an early opponent of fascism and signed a round robin letter in support of democratic Loyalist forces and in opposition to the Nazi-backed Francisco Franco in that civil war.

Although many Spanish Catholic priests were active in support of the Loyalists, as were many Americans who went to Spain to fight Europe's first war against fascism, the conservative Catholic hierarchy of that day in both Spain and the United States was in support of Franco despite his Fascist approach because of their fear of Marxists who were also opposed to Franco.

As the book, "Woodlot and Ballot Box, Marathon County in the Twentieth Century" said in describing Boileau's position:

> He was fully aware of the Church's sympathy for Franco, but he regarded the question as a matter of principle.

One by one many Members of the House who originally had signed that letter bowed to political pressure and withdrew their names from it. But Boileau stood firm because of his belief in democracy and his clear understanding of the Nazi threat that was coming. "Woodlot and Ballot Box" described what happened then.

> The Church, opposed to the communist-backed Loyalists, asked that Boileau remove his name from a letter congratulating the Spanish legislature for meeting in the midst of civil war. Boileau, firm in his support of the democratic forces in the Spanish conflict, refused to comply with the request from Father Kennedy of the Milwaukee Catholic Herald-Citizen. As a consequence, Kennedy and the paper came out against him, asserting that signers of the letter were in favor of the communists. This allegation was reprinted in the LaCrosse diocesan newspaper, setting off a flood of letters and calls from clergy and friends urging that he renounce his position. As a "believer in democracy," Boileau refused to budge * * * but the political price was high.

I remember having a long conversation with Gerry Boileau just before I was elected to Congress in 1969. It was apparent in that conversation that he felt his refusal to budge on that issue played a major role in his defeat in 1938. That act of courage, confusion over farm policy and the opposition to Boileau by the old Townsend Clubs was enough to bring him down. Truly his career very easily could have been listed in John F. Kennedy's "Profiles in Courage."

After leaving Congress in 1938 he went back to Wisconsin and practiced law. In 1942 he was elected circuit court judge and held that post until his retirement, after which he served as a reserve judge in Wisconsin.

Gerry Boileau was a Progressive in the finest sense of the word. He was a strong supporter of working people and farmers and the elderly. He was active in veterans' organizations. In his judicial years he served as chairman of the State board of circuit judges and as chairman of the State judicial council.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

He lived a full life. He provided his State and his Nation with distinguished and honorable public service. Both are better off today because of his service here.

I am inserting in the RECORD a copy of his obituary which appeared in his hometown newspaper, the Wausau Daily Herald. It describes in more detail the life and career of a great public servant:

JUDGE GERALD BOILEAU
DIES IN MADISON AT 81

Judge Gerald Boileau, 914 Grand Ave., Wausau, who presided over the 16th Judicial Circuit for more than 27 years and who served for eight years as U.S. Congressman from the Seventh District, died at the Veterans Hospital in Madison on Friday evening. He was 81 Jan. 15.

The jurist, who had also served as district attorney of Marathon County, had been in failing health for some time.

During his long term on the bench, Judge Boileau played a major role in the revision of the state's criminal code, serving as chairman of the advisory committee to the Legislature, which updated the criminal statutes.

He headed the committee which drew up uniform jury instructions in criminal cases. The same committee also drew up instructions to be delivered to defendants before they entered pleas of guilty before the court.

Judge Boileau's public life began in Wausau in 1923 when he went to work part-time in the district attorney's office shortly after graduation from Marquette University Law School. In 1926 he was elected district attorney, the first full-time district attorney in Marathon County and the first in Wisconsin outside Milwaukee County.

As a politician, Boileau always admitted to being a liberal. He ran for Congress on the Republican ticket in 1930 and won. He was only 30 years old at the time and was then the youngest man in the House.

There was a liberal bloc in Congress at that time, made up of Progressives, Farmer-Laborites and liberal Democrats. Judge Boileau who was re-elected on the Progressive ticket in 1934 was recognized as the floor leader of this progressive group, taking over from Fiorello La Guardia, who has left Congress to gain fame as mayor of New York City.

When regular Democrats and Republicans split along party lines, this Progressive bloc often held the balance of power. The names of Boileau and Tom Amilie, a Progressive congressman from Madison, appear in history books covering that era in the nation's history.

In those earlier days the Democratic party in the district wasn't even considered. The voters just decided which Republican they wanted. However, with the coming to power of Franklin D. Roosevelt, the Democrats became active and in 1938 supported a candidate for Congress. This split the vote three ways, Republican, Progressive and Democrat, and it was Boileau's undoing.

He lost to Reid Murray, a cattle buyer from Ogdensburg. It was in the days of reciprocal trade agreements with Canada and Murray claimed they would hurt the dairy farmers. He carted a cow on the back of a truck labeled "Miss Reciprocity." The farmers apparently forgot about the Boileau Amendment to the Agricultural Adjustment Act, which was regarded as favorable to the dairy industry.

Boileau returned here and practiced law with Frank Loeffler, who had been his secretary while he served as congressman. Loeffler studied law and passed the bar examination while in Washington. In 1942 Boileau was elected to an unexpired term as Circuit Court judge, a post he held until his retirement. Loeffler was later elected district attorney and subsequently as county court judge.

When Judge Boileau reached retirement age in 1970, he did not retire. He served as a reserve judge and spent several years in Milwaukee and elsewhere presiding where needed.

Boileau, who was born in Woodruff, Jan. 15, 1900, left Minocqua High School to join the U.S. Army in World War I. He served with the American Expeditionary Forces in Battery D, 11th Field Artillery. After the Armistice he attended the AEF University in France and upon returning to the states he enrolled at Marquette, where he was one of the founders of the legal fraternity. He graduated in 1923.

He was married to Monica McKeon on Aug. 31, 1925, in Superior.

Boileau did not forget his comrades. While in Congress he introduced the Veterans of Foreign Wars national pension bill in 1935 and saw it passed. He was active through the years in the local, state and national VFW. He served as commander of Burns Post here, as state department judge advocate and as a member of the national legislative committee, the national rehabilitation committee and the national legal committee.

He was a leader among the Circuit Court judges in the state, serving as chairman of the State Board of Circuit Judges and as a member and chairman of the State Judicial Council. He belonged to many legal groups, among them the state committee of the National Association of State Trial Judges.

Always interested in youth movements, Boileau served as president of the Wausau Little League during its first two years and later as Little League Commissioner.

He was a 50-year member of the Wausau Elks Lodge and he attended St. James Catholic Church.

Funeral services will be held Tuesday at 9:30 a.m. at Brainard Funeral Home and at 10 a.m. at St. James Catholic Church. The Rev. Anthony Fischer will officiate and burial will be in Restlawn Memorial Park. Friends may call from 4 to 9 p.m. on Monday at the funeral home, where there will be a combined parish and Knights of Columbus Bible vigil at 7:30 p.m.

Burns Post 388, Veterans of Foreign Wars, will hold military rites at the cemetery on Tuesday.

Survivors besides his wife include two daughters, Mrs. Nancy Nirchl, Saratoga, Calif., and Mrs. Mary Bailey, Washington, D.C.; a brother, Ernest, 500 Thomas St., Wausau; a sister, Mrs. Irene Elsen, California; and eight grandchildren.

RECHANNELLING FEDERAL TAX INCENTIVES

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, today I introduced three bills to rechannel Federal tax incentives in such a way as to promote economic revitalization without just scattering tax cuts and tax incentives indiscriminately. A description of each bill will be in the Extensions of Remarks.

During the recess, there were a number of excellent articles in the press on the economic theories that are now in contention within the administration and between it and others. Walter Heller had a very excellent article in the Wall Street Journal for February 10, entitled, "Can We Afford the Costs of Kemp-Roth?" Heller argues that "super supply-siders" ignore commonsense and arithmetic showing that the jump in demand would be much bigger and faster than any conceivable jump in supply. He argues persuasively that the right lessons from the Kennedy tax cut experience would be: First, utilize the existing margin for tax cuts, first for carefully crafted and sharply focused incentives to capital formation and cost cutting; and second, after these are firmly in place and sufficient budget cuts have been actually achieved, use the resulting margin for broad personal tax cuts. The tax cuts in the bills I have introduced today are of the kind described in his phase 1.

Mr. Heller also points out that another such measure would be to reduce the social security payroll tax on employers and employees. This would, he notes, reduce business costs and price increases and increase workers take-home pay without wage increases. He recommends doing this by shifting the cost of medicare back to the general revenues. A bill—H.R. 1605—that I introduced earlier this year would effectuate that kind of proposal.

John Kenneth Galbraith also had one in the Washington Post for February 11, and I would like to read a portion of it.

He states:

The modern reliance on monetary policy is also rather precisely designed to punish these older industries. It acts against inflation by high interest rates and astringent credit and is effective only to the extent that it induces idle plant and recession. The high interest rates discourage investment; and when old plant is idle because of recession, new plant is not added. New plant is almost always more efficient than old.

Were one designing a system for suppressing productivity in the vulnerable parts of the economy one could not do better than to ask for the present emphasis on monetary policy.

The full text of the Walter Heller article follows these remarks:

CAN WE AFFORD THE COSTS OF KEMP-ROTH?
(By Walter W. Heller *)

Kemp-Roth tax cuts, depreciation speed-ups and a Reagan defense buildup would

* Mr. Heller is Regents' Professor of Economics at the University of Minnesota, former chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson and a member of the Journal's Board of Contributors.

inject between $150 billion and $200 billion of purchasing power annually into the economy by 1983. How can the economy absorb that big an expansionary punch without aggravating our already intolerable inflation?

The search for ways to absorb, offset or minimize the inflationary impact leads us to explore (1) the capacity of the economy to accommodate big boosts in demand; (2) the likely supply-side contribution of the tax cuts to expansion of that capacity; (3) the role of the Federal Reserve in neutralizing the demand stimulus; (4) ways in which Congress could restructure tax cuts to enhance their favorable supply-side impacts on capital formation and costs, and (5) budget-cutting.

1. ECONOMIC SLACK

The first line of defense is the sluggish condition of the economy. With unemployment at 7.5%, factories operating under 80% of capacity, and demand weakening under the hammer-blows of high interest rates and rising taxes and oil prices, there is considerable slack in the economy and will be even more by summer. So the first stage of Kemp-Roth or its equivalent—especially if delayed until mid-year—would exert its force primarily by putting jobless workers and idle plants back to work.

Just as in the case of the Kennedy-Johnson tax cut in 1964, the higher demand unleased by the tax cut would boost jobs, output, profits and investment—that is, make use of existing supply capacity—rather than boost prices and wages. So far so good, provided that the administration, Congress and the Fed are prepared to generate a brisk recovery even at a 12% inflation rate in contrast with a 1.2% inflation rate at the time of the Kennedy tax cut.

2. SUPPLY-SIDE RESPONSES

But even if existing supply capacity could handle the first stage of the Roth-Kemp tax rocket, what of the second and third stages? The all-out supply-siders would have us believe that big across-the-board personal tax cuts will unleash such torrents of work effort, savings, and investment that supply will expand to meet the new demands, and the tax cuts will largely pay for themselves.

Super supply-siders seem to be quite unfazed by the devastating evidence to the contrary. They even choose to ignore common sense and arithmetic showing that the jump in demand would be much bigger and faster than any conceivable jump in supply. It is widely accepted that tax cuts have a multiplier of about two on the demand side. That is, a $30 billion tax cut rather quickly turns into about $60 billion of additional demand for goods and services. But the effect on supply comes to only a few tenths of a percent, and that rather slowly.

After careful appraisal of the evidence, the Council of Economic Advisers in its January 1981 "Report," reflecting the view of most economists, concludes "that even under the most optimistic circumstances, a 10% reduction in [personal] tax rate would not induce enough additional work, saving, or investment to offset more than a fraction of the 2% increase in aggregate demand that would accompany the tax cut." The council is careful to differentiate specific investment-oriented business tax reductions that can have significantly greater supply-side effects than personal income tax cuts.

Relying on huge supply-side responses to Kemp-Roth tax cuts would be tantamount to bolting the door against inflation with a boiled carrot.

3. FEDERAL RESERVE POLICY

Chairman Volcker has made clear that Kemp-Roth tax cuts unmatched by spending cuts will get a frigid reception on Constitution Avenue. A tug-of-war between huge personal tax cuts and ever-tighter money would be unremitting bad news for the economy. Tight credit and high interest rates are already stifling business investment and housing. A new twisting of the monetary noose could strangle them. Easy fiscal policy and tight money policy are hardly the right prescription for resumed growth and reduced inflation in the 1980s.

4. RESTRUCTURING TAX CUTS

It seems particularly ironic that the administration, dedicated to furthering capital formation and curbing inflation, should be coming forward with massive personal tax cuts and only modest business tax cuts. Strangely enough, this reverses the approach taken in the Kennedy administration, which Mr. Kemp and other supply-siders say they are emulating.

The Kennedy supply-side initiatives came primarily in a series of sharply focused measures to stimulate investment and curb costs in 1961-62: (1) the investment tax credit, to this day the backbone of business tax incentives for growth; (2) liberalized depreciation guidelines; (3) reduction of long-term interest rates, and (4) the wage-price guideposts to help ensure that stimulative measures would not run off into price and wage inflation.

Once these supply-side measures (we called them "incentives for capital formation and economic growth without inflation") were in place, and the economy was still operating well below par, we followed through with the great tax cut of 1964. Good as it was for incentives, there were not then, and should not be now, any illusions about its primary purpose: It was designed to boost demand and make use of the existing (and expanding) supply capacity. That's precisely what it did.

If the current tax-cutters want to draw the right lesson from the Kennedy tax-cut experience, it would be this: Utilize the existing margin for tax cuts first and foremost for carefully crafted and sharply focused incentives to capital formation and cost-cutting. Then, after these are firmly in place and budget-cutting has moved from rhetoric to reality, use the further elbow room for broad-gauged personal tax cuts.

Apparently, the people agree. In a recent Harris poll, 55% of the respondents said that they thought big personal income tax cuts would be inflationary. At the same time, 63% said that they believed that special tax incentives to boost business investment would be healthy for the economy. A New York Stock Exchange survey showed that a large majority of respondents prepared to give President Reagan one, two, even three years to achieve his objectives in cutting the size of government and curbing inflation. So why the headlong, high-risk rush into huge personal tax cuts?

A more prudent course—one that would threaten less inflation and permit more deliberate action on budget cuts using a scalpel rather than a machete—would be to restructure the 1981 tax cut to put much more emphasis on tax incentives for investment and cost-cutting.

The surge of new entrants into the labor force in the 1970s has put labor markets "out of sync" with tight capital markets. So heavier emphasis on accelerated depreciation and more liberal investment tax credits—both with a proven track record—should be the first order of tax business.

The second should be to lift some of the burden of increased payroll taxes off employers and employes. Part of the increase in hard-core inflation traces to the big boost in payroll tax costs this year. Shifting the costs of hospitalization insurance to the general revenues, where they belong, and cutting back the payroll tax rates would ease business cost and price increases. Doing the same thing for employes would increase take-home pay without wage increases. Both moves would be helpful in removing some of the cost-push pressure on inflation.

Finally, in structuring a tax cut that would facilitate economic recovery and curb inflation, I want to put in a brief plea for using tax cuts as incentives for compliance with a program of reasonable wage and price increases. Granted, this plea will fall on deaf ears. But unless some action is taken to couple fiscal and monetary restraint—which is vital to curbing inflation—with some type of wage-price restraint, we will be doomed to years of slack and slow growth in the economy.

5. BUDGET CUTTING

The budgetary and appropriations committees of Congress will be the residuary legatees of the President's anti-inflation and tax-cutting policy. That is, if economic slack, supply-side effects, monetary restraint and tax-cut restructuring don't provide adequate defenses against inflation, the responsibility for noninflationary expansion will fall on them.

This is not to say that the only purpose of spending cuts is to accommodate non-inflationary tax cuts. Clearly, as the Carter budget did and the Reagan revisions will emphasize, there are many areas of the budget where cuts are desirable and/or possible. The 1982 Carter budget and the Feb. 3 study of the Congressional Budget Office ("Reducing the Federal Budget: Strategies and Examples") lay out impressive menus of possible cuts.

How feasible these cuts are politically and operationally, and by what method—reconciliation process or otherwise—they could be achieved remains to be seen. But one thing seems clear: If the administration and Congress decide to go ahead with the full Kemp-Roth plan, other tax cuts and big defense boosts, the country will have to swallow the bitter medicine of gargantuan budget cuts or drum-tight money.

Soon, the nation will have to face this hard question: Can we afford the risks and costs of a full Kemp-Roth tax plan, or will the tax cuts have to be scaled back to stay within the bounds of economic logic, political reality and social justice? The answer is implicit in the question.

HOSTAGE AGREEMENTS VOID UNDER INTERNATIONAL LAW

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, as we continue to rejoice in the safe return of the former American hostages, and as we reaffirm the congratulations and commendation to former President Carter and the members of his administration who were responsible for outstanding, patient, and successful ef-

forts in effecting the safe release of the former hostages, we should not lose sight of the fact that the so-called agreements with Iran which were entered into were entered into under duress caused by international criminal acts. Accordingly, the so-called agreements are void under international law and should not be carried out because, to do so, compounds the felonies that the barbarians in Iran committed against our former hostages and the seizure and destruction of our Embassy in Tehran.

I am pleased to note that the committees of both Houses now are undertaking an investigation into this matter. They will soon begin hearings on bills dealing with this issue including one I have introduced that would result in the renunciation of the most iniquitous portions of those so-called agreements, which, for example, prohibits the former hostages themselves from suing the Government of Iran for the damages they suffered resulting from Iran's violations of international law. My bill also calls for the punishment of criminals and reparations to the United States.

If President Reagan is the man I think he is, he ought to take these agreements and tear them up. If he does not, then there will be many people in this country and abroad who will question Mr. Reagan's toughness in dealing with violators of international law and decency.

Mr. Carter, under duress, effected the release of the hostages. That is good. But for Mr. Reagan to implement void agreements with shameful terms is without honor.

There is no honor in carrying out agreements with criminals made under duress because of uncivilized violations of international law by another government.

"STATE OF THE ECONOMY" MESSAGE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, tomorrow evening President Reagan will address the Nation on the state of the Union. On previous occasions he has stated that "the Nation is in the worst economic mess since the Great Depression"; has called this his state of the economy message, and is expected to propose a remedy for inflation.

President Reagan's remarks will amplify upon his notion that the Federal budget should be balanced as a remedy to the economic ills that beset the Nation. Most Democrats overwhelmingly support this notion. However, it is important to recognize that this notion is not yet a strategy nor a policy. The President's address on the state of the Union will outline what may become a strategy from which an economic policy can emerge. It is extremely important for Democrats to support this notion because the American people have demanded that President Reagan be given the opportunity to translate his philosophy into a workable plan.

American politics is a numbers game. And, with the landslide that swept Ronald Reagan into the office of President of the United States last November, he has won the right to test his tax and budget notions—views he has espoused during the last decade.

President Reagan is committed to lower taxes, less Government, a balanced budget, and a stronger military. I believe that it would be a fatal mistake for most Democrats to be perceived by the electorate as obstructing the goals of the President, because, after all, these are the goals embraced by the majority of our people.

With broad-based support among the American people, the President has the best opportunity of any President since World War II to right the fiscal wrongs that plague our Nation. And, Democrats should cooperate because Government is out of control. It would be politically disastrous for most Democrats if a lack of cooperation on our part can be made the blame for the failure of Ronald Reagan's programs to work as promised. If these notions, soon to become an economic policy, fail, they must do so on their own merit and not because of an obstructionist loyal opposition.

I look forward to participating in the formulation of an economic policy that accommodates the notions of the President.

GIVE IT TO THE MARINES AND PUT THEM IN THE PACIFIC

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, the controversy among the Joint Chiefs of Staff over just which theater commander should control the Rapid Deployment Force, which was organized by former President Carter to respond to trouble in distant spots like the Persian Gulf, has attracted the interest of a number of Members, including myself.

The old adage of too many cooks spoiling the soup is in my opinion very appropriate in this case. I think we saw a little of this in the aborted attempt to rescue the hostages from Iran last spring. I have always subscribed to the principle that no man can serve two masters, and in time of war there is absolutely no place for a split or fractured command.

Who, then, should command the Rapid Deployment Force? I say: "Give it to the Marines!" And I would go one step further and say base them in the Pacific theater where they have forged some of their most glorious victories, not only in World War II, but in the Korean and Indochina conflicts.

I am not denigrating the Army or the Air Force in any way, but feel that they must prepare for a much more massive land-based mission in the European theater where they can combine with our NATO allies. When it comes to mounting an effective, swift-striking unit, with a successful history of amphibious and air assaults, the Marines, with their traditional esprit de corps, are our best bet.

Of course, I may be just a little biased toward the Marines and the Pacific because I saw firsthand what they did in the island-hopping campaign against heavily fortified and fierce Japanese resistance, especially on my home island of Guam in July of 1944.

Another factor which must be taken under consideration is who controls the land from which we would launch such a force. We are finding it increasingly difficult to establish military bases on foreign soil and we are having to pay dearly for those that we now have.

If, on the other hand, we made use of the Navy and Air Force bases we have on Guam, and develop the multiservice base that is on the drawing board for Tinian in the Northern Marianas, and arrange to lease land for another base in Palau, which is entering upon a period of free association with the United States, we would be free to do what we must do at far less expense and under our own flag.

The people of Guam and the Northern Marianas have always been extremely loyal to the United States and have exhibited great patriotism as witnessed by the fact that Guamanians suffered more casualties per capita in Korea and in Vietnam than any other State or territory of the United States. There is no shortage of recruits on Guam. All four services always make their quotas with some to spare.

So, I will cast my vote for the Marine Corps as the unit best suited to take over the Rapid Deployment Force, and I would stage them in the Pacific where they could monitor the Middle East trouble spots, the eastern front of the Soviet Union, and the always seething situation in Southeast Asia. Thank you.

□ 1215

COMMITTEE STAFFS CAN BE CUT

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, tomorrow night the President of

the United States will address Congress and he will be calling on the Nation for austerity as we all work toward balancing the budget.

We know that last year the national debt went up $90 billion. What we are going to have to do in every way is to cut Government expenses so we can begin to end inflation.

Today, the House Administration Committee has started hearings on how the House can cut the size of our committee staffs. One of the first committees to be reviewed is the Foreign Affairs Committee. In 1975, their total staff was 26. Last year, it got up to 56.

We could make an encouraging example for America if they can cut the staff by 30.

Let us take the Rules Committee. The Rules Committee is meeting there today. I was so impressed with what Mr. Kilpatrick said in his syndicated news item about the Rules Committee staff. He said that when he came to Washington 30 years ago, the entire staff of the Rules Committee was three employees. In 1972, just 8 years ago, the entire staff under Chairman Collmer was a total of six. But today—today—that Rules Committee has a total of 45. I could not believe it. The Rules Committee has come from 6 to 45. Let us get the record straight.

What we are asking for is, let us just double the size of the Rules Committee from what it was 8 years ago and let it go to 15. Let us cut the Rules Committee by a total of 30.

Work on reducing your committee staff and save money, lower the inflation rate, and we will have a more efficient Congress.

LEGISLATION INTRODUCED TO PROVIDE FOR CONSTRUCTION OF FLOOD CONTROL PROJECT IN POTTSTOWN, PA.

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to provide for the construction of a flood control project in Pottstown, Pa.

Pottstown is a community of 25,000 whose economic livelihood is endangered annually by the threat of the Schuylkill River Basin flooding. In June 1972, both the industrial and residential sections of Pottstown were devastated by a flood reaching 27 feet above the flood stage. Virtually everyone in this community was affected by this disaster. Hundreds were left homeless while industry sustained losses which have yet to be recovered. The 1972 flood was the worst to hit this community. Yet without a flood control project, Pottstown will continue to live in constant fear of future devastation.

The residents of Pottstown have rebuilt their community to the best of their capability, drawing on their strength and courage to forge ahead. Efforts at the local level have been made to try and protect this community from future losses. However, these efforts could easily be eroded should another flood strike. More action needs to be taken which minimizes the potential risks of devastation for these people.

Mr. Speaker, I feel we should do our part in Congress to supplement the commendable effort of these citizens. Although they have accomplished much of their own volition, they should no longer be required to carry this burden alone. My bill acknowledges the severity of this crisis and enables the Corps of Engineers to provide the assistance so desperately needed in this town.

It is my sincere hope that Congress will see fit to act on this vitally needed legislation, thereby providing relief to the people of Pottstown. The citizens of this community deserve the opportunity to rebuild the economic structure without the constant fear of destruction.

Thank you, Mr. Speaker.

FEBRUARY 12, GEN. THADDEUS KOSCIUSZKO DAY

(Mr. NELLIGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELLIGAN. Mr. Speaker, I rise to commemorate one of the most important dates in Polish-American history—Gen. Thaddeus Kosciuszko Day, which we celebrate each year on February 12.

Students of American history will recall Thaddeus Kosciuszko. He was an 18th-century soldier and statesman. His strong belief that the cause of liberty and independence transcend international boundaries moved him to come to America, where he volunteered his services to the fledgling American Continental Army.

He distinguished himself in the battles of New York and Yorktown. Later, by a special act, Congress bestowed on Kosciuszko the full rights and privileges of American citizenship, and the rank of brigadier general—in recognition of his historic role in the American Revolution.

We in Pennsylvania's 11th District feel a special pride in General Kosciuszko's accomplishments. Nearly 30,000 of our citizens have ethnic roots buried deep in Polish soil. Our Polish-American brothers and sisters continue to abide by General Kosciuszko's foremost ideal—his commitment to the principle of international liberty. At a time when the world's attention is focused on Poland, I salute Gen. Thaddeus Kosciuszko on his day. In saluting him, I honor the memory of past generations of Polish Americans and the accomplishments of my 11th District Polish-American neighbors and friends.

SALE OF ADDITIONAL FUEL TANKS AND BOMB RACKS TO SAUDI ARABIA SHOULD BE APPROVED

(Mr. DAVIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS. Mr. Speaker, I believe that it is in the interest of the United States and this Congress to approve the sale of additional fuel tank capacity and multiple bomb racks for the 60 F-15's the United States has sold to Saudi Arabia.

We must remain flexible and even-handed in attempting to bring about a peace in the Middle East which benefits all parties equally.

Saudi Arabia has requested this additional equipment because of its defense needs in an increasingly turbulent military and diplomatic environment. Soviet troops are poised in Afghanistan; Iran and Iraq are at war; Syria and Jordan are engaged in a battle of words. Thus, American support of a stabilizing force of moderation in the Middle East is essential.

There is another reason for supporting the sale. France has recently concluded a $3.4 billion arms deal with Saudi Arabia. Other nations stand ready to provide whatever equipment they can to Saudi Arabia and other Middle East nations. Thus, if the United States denies the sale, not only will another nation provide the equipment, but we effectively will lose any possible leverage with which to advance our policy objectives.

Finally, there is a political reason for supporting the sale of this additional equipment. The new President publicly has expressed a support of Israel in terms stronger than any President since Lyndon Johnson. To deny him an opportunity to implement his approach to a comprehensive and balanced Middle East strategy could well sacrifice the efforts the United States has made to this date.

RISE IN ANTI-SEMITIC INCIDENTS: CAUSE FOR CONCERN

(Mr. LEWIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS. Mr. Speaker, sharp rises in anti-Semitic incidents in southern California and throughout the entire United States should sound an early warning signal in the Congress. The contemporary tensions of inflation, unemployment, and distrust of government are breeding grounds for a new

wave of scapegoat discrimination including flagrant anti-Semitism.

Just recently in the 37th District an attack was made on the Congregation Emanu El in San Bernardino—a rock was thrown through a window in the front entrance of the temple and two swastikas were spray painted on the entryway. As I learned of this incident, I could only feel a sense of shock and revulsion over such a senseless act occurring in our country. Indeed, the number of such episodes is on the rise across America. A report released by the Anti-Defamation League of B'nai B'rith indicated there were 377 incidents of assaults and vandalism against Jews in 1980—up threefold from the cases recorded in 1979.

Such outbreaks are on the rise all over the world—France, Britain, West Germany, and Algeria have all experienced a wave of anti-Semitism. Although the recent incidents hardly compare with the virulence of anti-Jewish attitudes of the 1920's, the similarity in tone is frightening and disturbing. The bombing of the Rue Copernic synagogue in Paris last year caused an extensive discussion in France of the extent of anti-Semitism in that country. The results of a Louis Harris poll conducted after the incident are troubling: One Frenchman in 8 thinks there are too many Jews in France, while 1 in 10 feels a Jew is not "as French" as other citizens.

In the United States the actions taken by such groups as the Ku Klux Klan and Neo-Nazi's are a reflection of ignorance in the most extreme form. The Constitution and the Bill of Rights were designed to protect the individual right to freedoms of speech and religion and these documents specifically guarantee the separation of church and state. Perhaps there is a need to read the Bill of Rights again and reflect on the reasons our Founding Fathers were inspired to include them in the Constitution.

A recent editorial by the Christian Science Monitor succinctly states what must be done to curb anti-Semitism:

> The criminal justice system must display a tough response to vandalism and violence. Since young people are often imitative—that is, inclined to repeat peer attitudes or acts—the media must be alert not to glamorize groups like the Ku Klux Klan that thrive on racial and religious bigotry. Schools and private organizations must help foster that climate of citizenship that recognizes the worth of all individuals. * * * But, at the same time, much of the corrective action must take place within the home. * * * Racial and religious harassment, not to mention underlying prejudices, have no place in civilized society.

Mr. Speaker, as we are about a new beginning, it is both appropriate and opportune for the Congress and the American people to recommit ourselves to the freedoms guaranteed in the Constitution and the Bill of Rights.

TAX CREDIT FOR HOME HEATING OIL EXPENDITURES

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, as we all are painfully aware, the cost of energy to the residential sector has been escalating at a staggering rate. With the recent decision to decontrol crude oil and its products, the beleaguered consumer has been subjected to outrageous and unwarranted price hikes by the oil companies of 8 to 10 cents per gallon for home heating oil. The cost of residual fuel oil used by the utilities to generate electricity has skyrocketed to such a degree that the fuel adjustment charge alone on Massachusetts residents is now greater than the basic electric bill.

Currently, there are approximately 14 million households in this country which use oil to heat the home. With the expense of this oil comprising a greater percentage of this Nation's disposable income, the urgency for legislation is apparent. Therefore, I am reintroducing my bill which offers a tax credit or rebate of 33⅓ percent of the resident's annual home heating oil expenditure. The maximum credit of $400 would be reduced by 1 percent of the resident's income over $20,000. This is similar to the measure I introduced last year and supported by more than 50 other Members.

Mr. Speaker, as the debate which preceded the passage of the windfall profits tax last year indicates, 25 percent of the net tax of $13.5 billion in fiscal year 1981 and $20 billion in fiscal year 1982 generated by this legislation is to be set aside for energy assistance to the consumer. Recycling of these oil company profits back to the consumer is the most obvious use of these billions of dollars in tax receipts. It represents hard-earned money which is rightfully the consumers to be returned.

As the 14 million homeowners across this country who depend upon home heating oil to serve their heating needs watch the price of this necessity rise as fast as the thermometer can fall in New England, it is obvious that there must be some form of relief for them. Otherwise, we will witness Middle America becoming an endangered species.

DUTIES AND LABELING REQUIREMENTS WITH RESPECT TO IRANIAN PISTACHIOS

(Mr. THOMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, I am introducing legislation today to protect our Nation's pistachio farmers from unfair competition by the Iranian Government. This competitive advantage has been given the Iranians by our Government and the other industrial nations and I am determined to end this long-term problem.

Since the early 1970's, California farmers have made great sacrifices to develop their pistachio plantings. The risk and investment for this agriculture commodity is unusually great. These farmers do not receive any subsidy and must face the rigid competition of the Iranian Government. Since the OPEC oil embargo, the Iranian Government has subsidized every facet of its pistachio industry, even though their industry is at least 2,000 years old and considered developed.

Our Nation, with the 18 other industrial nations, afforded the Iranians the status of a developing nation for pistachio export purposes which provides preferential treatment for Iranian pistachios. I think this classification is unfair to our domestic pistachio producers.

My proposed remedy is not price supports, but rather the laying of ground rules for fair competition. The legislation I am introducing would provide for a 100-percent duty on Iranian pistachios, and require importers of Iranian pistachios to distinctly label their consumer packages as having come from Iran.

I hope you will join me in cosponsoring this timely and well-directed legislation.

PROVIDING FOR JOINT SESSION OF CONGRESS WEDNESDAY, FEBRUARY 18, 1981

Mr. FOLEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 69), and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 69

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, February 18, 1981, at 9 o'clock post meridiem, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

COMPENSATION OF MINORITY EMPLOYEE

Mr. MICHEL. Mr. Speaker, I offer a resolution (H. Res. 71) relating to the compensation of a minority employee,

and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution as follows:

H. RES. 71

Resolved, That pursuant to the Legislative Pay Act of 1929, as amended, the sixth minority employee authorized therein shall be the following named person, effective February 16, 1981, until otherwise ordered by the House, to wit: Tim Wyngaard, to receive gross compensation pursuant to the provisions of House Resolution 119, Ninety-fifth Congress, as enacted into permanent law by section 115 of Public Law 95-94.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tomorrow when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Children of Members will not be permitted on the floor and the cooperation of all the Members is requested.

Members will remember that the first three rows are reserved for the Senate and will request all Members to adhere to the traditional middle aisle separation of parties during the joint session.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 4, rule I, the Chair desires to announce that the Speaker signed on Friday, February 6, 1981, the following enrolled bill:

H.R. 1553. An act to provide for a temporary increase in the public debt limit.

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-191, the Chair appoints as members of House Commission on Congressional Mailing Standards the following Members of the House:

Mr. UDALL of Arizona, chairman; Mr. SOLARZ of New York; Mr. FORD of Michigan; Mr. DERWINSKI of Illinois; Mr. QUILLEN of Tennessee; and Mr. LOTT of Mississippi.

APPOINTMENT AS MEMBERS OF COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF CIVILIANS

The SPEAKER. Pursuant to section 3(b), Public Law 96-317, as amended, the Chair appoints as members of the Commission on Wartime Relocation and Internment of Civilians the following Member on the part of the House: Mr. LUNGREN of California.

And the following members from private life: Mr. Arthur J. Goldberg, Marshall, Va.; Mr. Robert F. Drinan, Chestnut Hill, Mass.

DISTRICT HEATING

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OBERSTAR. Mr. Speaker, district heating is a form of community heating, produced through cogeneration, which uses the thermal energy byproduct of fuel burned to generate electricity. This thermal byproduct, usually in the form of hot water or steam, is dispersed through a piping network connecting buildings and residences. It is used to heat water, provide heat, and fulfill process steam needs.

District heating can achieve 85 to 90 percent fuel efficiency and such systems can be cost effective in 48 States. By comparison, kinetic energy derived from an electric turbine uses only 30 percent of the energy potential of a conventional fuel burn. District heating harnesses the remaining byproduct which would otherwise be released into the atmosphere or waterways.

I will again in this Congress introduce a bill to provide feasibility study grants and construction loans for cities considering installing new or revamping existing district heating systems.

I commend to my colleagues the following article by Neal R. Peirce from the February 1, 1981, Minneapolis Tribune which further explains the benefits and simple genius behind district heating:

[From the Minneapolis Tribune, Feb. 1, 1981]

DISTRICT HEATING: OLD, PROVEN, SIMPLE

(By Neal R. Peirce)

WASHINGTON.—Here is a perfect example of how the Reagan administration could curb wasteful, inflationary government spending, assure a more stable U.S. energy future and channel more investment and jobs into hard-pressed urban centers.

Step One: Follow the counsel of Office of Management and Budget Director Dave Stockman and "throttle back" on the incredibly expensive synthetic-fuels subsidy program. Congress last year authorized synfuels development at an initial $20 billion, with a suggestion of $68 billion more later.

Second, the administration could encourage, with minimal federal money, a proven, century-old technology called district heating—a method that could eventually provide low-cost heat and hot water and cooling to the vast majority of America's homes and businesses.

National support for synfuels is extraordinarily thin. Westerners rightfully fear coal and oil-shale exploitation that would pollute their air, tax scarce water supplies and trigger growth of energy boom towns for which they would have to provide most of the expensive new public facilities. Easterners foresee a massive diversion of scarce capital out of their economically pressed region. Environmentalists bemoan a program that would inject cancer-causing chemicals into the atmosphere. Stockman last year characterized synfuels as a "multi-billion-dollar program [that] would not appreciably ease our energy problems."

District heating, by contrast, had an old-style American entrepreneurial birth 104 years ago when an inventive Lockport, N.Y., tinkerer named Birdsill Holly decided that it would be a smart, economic idea to produce steam that could do double duty—to heat buildings and run the pumps of fire engines. So he built a boiler in his basement, ran steam pipes across his neighbors' lawns to the fire station and down Chestnut Street to nearby homes.

District heating flowered for a few decades in America, to a peak of about 150 systems in 1909. Then it tapered off as oil and gas for individual buildings became cheap and plentiful. Its remnants may be found today on college campuses and military bases and in a handful of aging city steam systems.

But Europeans, we are now reminded by the Council for International Urban Liaison, took district heating seriously. It now supplies one-third of all space- and water-heating needs in Scandinavia. The Soviet Union has 67 times our installed district-heating capacity. Most modern systems employ hot water, a system now considered more economical, practical and safer than steam.

Today, by various scientific estimates, 50 to 90 percent of U.S. heating and hot-water needs, plus considerable air conditioning, could be satisfied by district heating. Immense investments in water pipes would be required to hook up the country's homes and businesses. But the costs would be a fraction of the trillion-dollar-plus capital demands of a full-scale synfuels development.

"If you add up the total amount of waste energy produced by all the electric power plants in the country," says Damascus, Md., district-heating expert Theodore Taylor, "there's more than enough waste energy to heat the entire United States." The reason: The kinetic energy derived from an electric turbine represents only 30 percent of the energy potential of a conventional fuel burn. The remaining energy is released as steam or hot water. Yet if recaptured in pipes, in the process called cogeneration. 85- to 90-percent efficiency of the fuel is achieved. And hot water can be economically transported for distances of up to 20 miles.

Cities or suburbs could build their own power plants to burn coal or garbage and transfer the hot water produced by pipelines to their residents. Homes and businesses could use the hot water in lieu of hot-water heaters, and also circulate it through

radiators for heating, or through radiators with forced-air systems for the same effect. Nashville has a garbage-incineration plant that ingests everything from old newspapers to orange peels, burns it in furnaces that make steam, and uses the product to heat part of downtown in winter and to run a refrigerator compressor that makes chilled water and is circulated for summertime cooling.

As fossil fuels—oil, gas, coal—continue their inflationary spiral in coming years, district heating will become evermore economical. Mayor George Latimer counts on that cost equation (plus some federal aids) to propel forward a $75-million district-heating plan for downtown St. Paul, a system that could eventually expand to the entire Twin Cities area at a total outlay of $1 billion. Such investments seem astronomical, Latimer acknowledges, but not when one sees how much the area is now spending annually to import fossil fuels. (Minnegasco's energy center in downtown Minneapolis supplies district heating to several dozen major buildings; its lines were recently extended to the new domed stadium. Also, there is talk of tying NSP's Riverside plant, which produces waste heat, into the Minnegasco district heating system.)

District-heating systems could save the equivalent of 55 percent of the country's current oil imports by 2000, supporters say. Unlike synfuels, the technology is of a proven, "off the shelf" variety.

And since the systems would require thousands of semi- and low-skill jobs to build, they would create jobs for people where they live—in the cities—instead of creating intense demand for workers and scarce scientists to build questionable synfuel facilities in isolated Appalachian coal or Western oil-shale areas. Finally, claims Latimer, district heating would make older cities more economical, competitive places to live and do business: "It is the greatest gift a mayor could leave his people."

The Reagan administration, says Taylor, might publicize the advantages of district heating, enact some tax inducements, provide accurate information to cities on the systems—and then get out of the way and let the private sector build the systems without federal subsidies except for the poorest cities.

Such counsel should be music to the Reaganites' ears. Nor need district-heating systems simply serve cities, adds Taylor: Even rural areas with enough residences along a single road can construct economical systems. He suggests insulated, solar-heated ponds that can store 135-degree water in summertime for wintertime distribution with minimal temperature loss. Sweden already operates such systems—and they don't require a drop of oil.

□ 1230

CONCURRENT RESOLUTION PERTAINING TO UNITED STATES-MEXICAN RELATIONS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

● Mr. PEASE. Mr. Speaker, more and more Americans question the assumption underpinning our Nation's energy policies—that the world is running out of oil and that conservation and conversion to alternate energy sources are the only recourse we have. I happen to be a fan of both conservation and alternate energy, but distrust is prevalent in the public mind. Many people have lost faith in their Government's willingness or ability to formulate a comprehensive energy policy that serves the national interest and not just the interests of the major oil companies and the utilities.

The American people have good reason to be skeptical. There is mounting evidence—from responsible scholars and skilled professionals—which contradicts official pronouncements that the world will run out of oil in the next few decades and that there is little we can do to affect the price manipulation of the OPEC cartel. In simple terms, many Americans are very unhappy with policies which appear to reflect greater concern for the well-being of oil and gas producers than for consumers. Moreover, they are tired of our Government acquiescing to OPEC's control over oil supplies and prices. Commonsense tells them that a major cause of inflation, if not the leading cause, is the steadily rising price of imported oil which is subject to the calculated designs and whims of the OPEC magnates.

The primary focus for our national energy policy should be to provide sufficient energy supplies at the lowest possible price to the U.S. consumer. A secondary focus should be to insulate a significant portion of our imports from international political upheavals such as we are currently witnessing in Iran.

To further both of these objectives, we ought—as a matter of policy—to do much more to increase the world's supply of petroleum products. The most likely sources for increasing supply are the lesser developed countries, particularly the non-OPEC developing countries like Mexico.

Last December, the General Accounting Office (GAO) released a detailed report I commissioned entitled "The Potential for Diversifying Oil Imports by Accelerating Worldwide Oil Exploration and Production." This report included the following noteworthy findings:

Most petroleum experts generally agree that about one trillion barrels of crude oil remain to be discovered—an amount roughly equal to that already discovered. Although a number of studies converge on the figure of two trillion barrels as the world's ultimate crude oil resource, each estimate is based on certain assumptions. Estimates of undiscovered reserves, therefore, are to be used with caution.

Oil company and Government geologists GAO interviewed said that the following areas outside the Middle East hold the most promise for future oil discoveries. (See ch. 4.)

The Arctic areas: The Beaufort Sea off Alaska and Canada, the Bering and Chukchi Sea areas off Alaska in which the U.S. Geological Survey recently made favorable seismic findings, the Rift Basin off Newfoundland, East Greenland, and the northern basins of the Soviet Union.

Antarctica, which is largely unexplored.

Mexico, which has great potential, the limits of which are still undetermined.

The North Sea, particularly the Norwegian sector above the 62d parallel.

China, which has the largest unexplored nonarctic continental shelf in the world.

Certain developing nations in Latin America and Africa, which have been only moderately explored.

Furthermore, Bernardo Grossling, a research scientist with the U.S. Geological Survey, compiled a study for the World Bank which estimated total global petroleum reserves as high as 6,000 billion barrels. This same study also found that the density of drilling in the developing nations is only 1 percent of the United States.

Clearly, it is in the non-OPEC developing countries like Mexico that we should devote more of our attention and energies to increasing the world's supply of oil and gas. The people of these countries and their governments have been more severely affected by the OPEC machinations, in many instances than we have.

It follows that some of these countries want to develop and sell their resources as a prelude to internal development. But they often lack the money and the technical expertise. We are in a particularly advantageous position to help on both counts.

Unfortunately, past Presidents have shown little interest in oil and gas development in non-OPEC countries. Mexico is a case in point. Consider the following facts:

Early in 1977 the CIA knew that Mexico possessed oil and gas reserves far in excess of earlier estimates, but it was late in 1978 that the Congress and the American people were told.

In 1977, Mexican authorities reached a tentative agreement with 6 American pipeline companies to sell more than 2 billion cubic feet of natural gas per day to the U.S. at $2.60 per thousand cubic feet only to have the sale blocked in its final stages by the U.S. Department of Energy. Subsequently, in September of 1979 Mexico and the U.S. reached an agreement after much misunderstanding whereby we began receiving 300 million cubic feet per day of Mexican gas at $3.62 per thousand cubic feet.

I do not frankly understand why previous Presidents have not taken full account of Mexico's potential as a major oil and gas exporting country. Again, in early January the GAO predicted that Mexico could become a major U.S. oil source by 1990. According to the GAO, oil imports from Mexico could triple during the next decade to the level of 1.8 million barrels per day—20 percent of our projected needs.

But it is not too late to chart a new course in United States-Mexican relations. Certainly a positive note was struck in the recent meeting between President Reagan and Mexican Presi-

dent Portillo. To further this end, I am reintroducing a concurrent resolution calling upon President Reagan to assign high priority to negotiating a framework for cooperation with Mexico on several common concerns, including terms for mutually beneficial development of Mexico's vast oil and gas reserves.

There are many compelling reasons why our Government should strive to develop a partnership with Mexico.

First, it is in our national interest to diversify our foreign oil and gas supplies and to reduce our dependency upon oil produced in OPEC countries. The fact that the price for a barrel of crude oil has gone from $12.88 in 1977 to $41 now is a fresh reminder that OPEC price manipulation is a major contributing cause of our inflation problem.

Second, our national security is undermined by too great a reliance on Middle East oil. Recent events in Iran underscore the limits of our control over events in this volatile region.

Third, increased oil and natural gas revenues could significantly help Mexico cope with such problems as overpopulation, poverty, and large-scale unemployment. The repercussions of these problems have a very real impact upon our own country, so we have an interest in helping Mexico find some solutions.

Fourth, we continue to run up major trade deficits month after month. The trade deficit reached $13.5 billion for January-November 1980. If we buy more of our oil and gas from Mexico and assist in its development, it is very likely that Mexico will spend many of those dollars for American goods.

Finally, Mexico is the world's 11th most populous country with more than 65 million people. It represents one of America's most promising export markets for decades to come.

For far too long, at great expense to the American people, U.S. policymakers have assigned little importance to formulating policies to promote oil and gas exploration and development in non-OPEC countries. Hopefully, the discoveries in Mexico and a growing awareness of the oil possibilities elsewhere in the underdeveloped world will help expose the shortcomings of previous policy and will provide some stimulus for new approaches. We should start anew in our relations with Mexico and build from there.

Lest you think the potential for oil and gas development in non-OPEC developing countries is a fanciful illusion not worth pursuing, let me call your attention to an excerpt from an article entitled "Mexico: Emerging Oil Superpower?", by Lawrence Goldmuntz, former Assistant Director of Civil Technology in the Executive Office of the President, which appeared in the Wall Street Journal:

If the Mexican reserves—or any other reserve in a country that needs income—can be brought to production, OPEC's power to set oil prices would be decreased. Mexico, not presently an OPEC member, might follow OPEC pricing policies. Nevertheless, an increase in Mexico's production from one million to five million barrels per day would tend to destroy OPEC's cohesiveness. If enough reserves could be brought to production in the underdeveloped countries, the monopoly rents of OPEC might be reduced and oil prices might fall as much as $4 per barrel. At today's import, levels, this might save the U.S. as much as $12 billion annually. This is a measure of the amount the U.S. might invest to develop resources in underdeveloped countries. Other industrialized countries that import major quantities of oil, such as Germany, France and Japan, should be as interested as the U.S. to make such an investment.●

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. FOLEY) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 17, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in the Rules of the House of Representatives, I have the honor to transmit a sealed envelope from The White House, received in the Clerk's Office at 5:10 p.m. on Friday, February 13, 1981 and said to contain a message from the President wherein he transmits the Fifth Special Message for Fiscal Year 1981 under the Impoundment and Control Act of 1974.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

FIFTH SPECIAL MESSAGE FOR FISCAL YEAR 1981 UNDER IMPOUNDMENT AND CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-19)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

(For message, see proceedings of the Senate of Monday, February 16, 1981.)

GENERAL LEAVE

Mr. SUNIA. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from New York (Mr. SOLARZ).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from American Samoa?

There was no objection.

A TRIBUTE TO THE LATE HONORABLE ELLA T. GRASSO, GOVERNOR OF CONNECTICUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. COTTER) is recognized for 60 minutes.

GENERAL LEAVE

Mr. COTTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and to include extraneous matter, on the subject of the life, character, and public service of the late Honorable Ella T. Grasso, Governor of Connecticut.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. COTTER. Mr. Speaker, it is my sad duty to inform the House officially of the passing of our former colleague and my good friend, Gov. Ella Grasso of Connecticut.

Ella and I both came to the House in 1971 and before that shared long service in Connecticut State government.

In her many roles—State representative, secretary of state, U.S. Representative from the Sixth Congressional District in Connecticut, and Governor of our State, Ella always did an outstanding job. The legacy of her dedicated service will be long remembered.

The death of Ella T. Grasso has left me, as it has left the entire State of Connecticut, and indeed our Nation, with a deep sense of personal loss. For me, I have lost a friend whom I admired and for whom I had the greatest affection and regard. Her warmth and her infectious spirit and decency will be missed by all of us.

Ella Grasso applied her own unique style of effective, vigorous, and buoyant leadership for decades at every level of government—in her beloved home of Windsor Locks, in the State of Connecticut, in the U.S. House of Representatives, and nationally in the Democratic Party.

Her accomplishments and her contributions to our State and Nation through public service touched nearly every facet of American life. And to each issue, and each concern she brought the same intense interest, the same enthusiasm, and the same extraordinary ability to make things happen.

Ella Grasso was a great stateswoman, and gifted politician, but above all, she was a humanitarian. She never forgot that the issues she dealt with were not mere abstractions, but the

expression of problems that affected everyday lives. And that, ultimately, was the root of Ella's greatness—she cared about people, she cared about them passionately, as individuals.

That passionate concern was the light that shined through every moment of Ella's life. And it is that light that I will miss now that Ella is gone.

Few people have ever combined the extraordinary qualities of heart, mind, and energy as did Ella Grasso—a heart filled with compassion, a mind fertile with ideas and solutions, and the energy and ability to translate her beliefs into a towering record of achievement.

I join with my colleagues in the House and the citizens of Connecticut in extending my deepest sympathy to her beloved husband, Tom, and to their children.

Mr. Speaker, I would like to include in the RECORD the touching eulogy her son, Jimmy, gave at her funeral.

Too often we forget that public figures have private lives and Jimmy's statement serves to highlight this fact.

TRIBUTE TO GOV. ELLA GRASSO

On behalf of my family, I would like to express my sincere appreciation to all who have come to bid my mother her last farewell.

The lives of all of us gathered in this cathedral have been greatly enriched by the experience of knowing her. She touched us with a love that was special and enduring. It was a love of devotion and dedication to her people, a love which was reciprocated over and over again during the last few months of her life. Throughout her ordeal, she felt the warmth of that love, and it greatly comforted her.

I take this opportunity to express publicly my personal gratitude and that of my family to Governor O'Neill who has shown deep compassion for our grief and who, with great humility has taken on the arduous task of leading a state during such difficult times.

I want to thank the dedicated staff members, who unselfishly gave of themselves, constantly working beyond what was normally expected, who rarely received any public credit, yet who truly deserved so much.

I am taking this unusual step of paying tribute to my mother at her funeral because I am so proud and privileged to have had Ella Grasso as my mother. She gave to all of you what she gave to my sister, Susane, and me—a mother's gift of unselfish love, understanding, compassion, and tenderness. To all who knew and worked with her, to us, her family, who revered and workshipped her, she was a radiant ray of sunshine, whose warm and engaging smile cast a bright glow of love upon each day. And during the most difficult ordeal of her life, she thought only of her family and the affairs of her state.

My sister Susane and I wanted her to feel the tenacity and love of a daughter and son holding their mother until her last faint breath, which once gave us life—ceased. It goes without saying, that my sister and I both realized, no man other than our father, could have given of himself so unselfishly, to allow my mother to accomplish what no other woman had even attempted. My father was more than a husband to her, as she often said, "he is my best friend."

It was a friendship nurtured as a young couple, joyously running along a summer beach, tempered as they trudged through a numbing blizzard, transmuted, holding his wife's hand on her death bed.

Because my mother knew the frailty of life, she tried to instill in all of us her vigor for life, her indomitable spirit. A poster, brought in by one of her nurses, paraphrased this outlook on life. In the words of Tennyson, "arise, go forth and conquer."

Now that she is gone, those of us who remain are morally committed to carry on the ideals and principles for which see lived and died.

In closing, I would like to share with you, a few phrases from a letter written by my mother some time ago, in which she expressed a desire to have mentioned at her funeral the following:

In my house there is a motto which says: "Bloom where you are planted, that is windsor locks, which is my strength and life."

It is fitting that my mother's last public words be echoed once more now, upon her final farewell and journey from us:

"I love you, I love you all."

Mr. Speaker, I will at this point insert several articles and editorials on Governor Grasso. The articles are by Nancy Lewinsohn, the Governor's long-time aide, and editor Joe Owens of the Bridgeport Post. These efforts indicate the depth of the feeling on the part of the people in Connecticut for our former beloved Governor.

ELLA WAS A SPIRITED WOMAN

(By Nancy Lewinsohn)

A few months after Ella T. Grasso announced her candidacy for governor, she was walking from her congressional office to the Capitol for an afternoon session of the House of Representatives. A tall, lanky bachelor colleague was flirting with a young blonde at the foot of the stairs.

Ella rushed to the congressman's side, linked arms and pulled him away, trilling, "Charlie, dear, I'm sorry to be late. I hope you didn't worry."

The congressman was dumbfounded, and by the time he recovered, he was climbing the stairs to the Hall of the House.

"You did not act very gubernatorial, Ella," he growled, and they chuckled together as they climbed.

Ella enjoyed her prankishness, there was no doubt about that. It was a joyful element in a rich, complex medley of pronounced qualities and talents unique to this special person. She was an original.

Indeed, she was witty and whimsical, taming the feistiest university audience with humor light and kindly meant; but she could also frost a tough foe with the turn of a phrase, if not a single steely glance.

She was a compassionate friend, paying a state employe's insurance premium in hard times, and giving legislators far from home bad weather hospitality, with milk and cookies waiting on the night stand; but she could also carry disagreement from friendly encounter to silent challenge.

She was a gentle presence that entered a room quietly and was felt; and she was wonderfully hearty.

Personally, she hurt easily and punished herself unmercifully, working ungodly hours. She shunned vacations, relaxing seldom, but sometimes she did so by trying to beat Sherlock Holmes to the solution of a crime.

A most valuable political attribute came naturally to Ella Grasso. Herself a blend of different cultures and influences, she related spontaneously to all people at their own level. It was not difficult for her to move easily among seniors and small children, welfare mothers, national leaders, businessmen and workers all in a single day. At least partially responsible was her natural warmth that radiated, gathering people to her.

From all over the state they came to talk; they also called or caught up with her on the campaign trail. Because she listened they told her their problems and they asked her counsel. Instinctively they regarded her as their friend.

She said that being a woman was neither an advantage nor a disadvantage to her political career. Her strong inclination to mother, to protect, however, certainly shaped her style. Just as she fretted about those around her—whether we were too fat or too thin, and if single, whether or not friends were fit companions—so in the greater arena she gave government a decidedly personal stamp.

The people of Connecticut were her flock. She told groups of schoolchildren that to know what government needs to do to help people you must know about their lives—their problems, where they are and where they want to go. She was always discovering.

Through a vast, sometimes changing network of informants, some political and others not, she personally kept in touch with life throughout the state. It was perhaps unnerving, but not unusual, for a troubled stranger to receive an early morning call from the governor asking how she could help.

Ella Grasso had a keen, creative, agile mind. Her facility for expression was rare. She could dart from topic to topic, often speaking cryptic phrases that were baffling to those who had not mastered her vocal shorthand. When she put pen to paper we watched in amazement as her hand flew across the paper, a virtual torrent of words tumbling into perfect sentences marked by a personal flair.

Publicly she commanded a situation by fitting her demeanor to the requirements at hand. She spoke eloquently without a text. Her prose could be simple, folksy, pithy remarks, or loftier thoughts delivered with the rounded vowels and higher pitch of what we called her Mount Holyoke voice. It was always enriching to hear her call on a vast growing store of quotes, often favorite passages from Shakespeare, Frost and St. Vincent Millay. Frequently, she drew on the wise comment of John M. Bailey and other political greats.

Our governor was a spirited woman, tenacious, vibrant, courageous and strong. A whirlwind of energy, she energized those around her, family, staff and friends.

She was highly competitive, and in the political arena she relished a good fight and a conquest. When she believed she was right she stood her ground.

Nowhere, however, could she have shown her mettle more clearly than in her final battle with illness. To fight and lose the hardest fight of all in the public eye and maintain a quiet dignity throughout—that was truly gubernatorial.

I knew Ella Grasso as congresswoman, governor and friend. We used to talk at

great length. We joked and gossiped and laughed. We discussed important issues and other meaningful things. Sometimes we disagreed, now and then tempestuously; but never finally—always there was to be another round, another chance to match wits and exchange ideas.

Now that comforting thought is gone.

The first full realization of this loss came when she called me not so long ago. We chatted briefly but warmly. Neither of us put into words what we both knew—that it was our unspoken farewell.

Goodbye, dear Governor.

ELLA'S LAST PUBLIC APPEARANCE

(By Joseph A. Owens)

Most fittingly, Gov. Ella T. Grasso's last public appearance was at the annual meeting of an organization she helped launch, whose members will always hold special affection for her.

It was a night of fun for the Hundred Club at La Renaissance in East Windsor. Larry Elgart's big band rocked the rafters with its rendition of "Hello Dolly" with the lyrics changed to "Hello Ella" as Connecticut's beloved governor marched into the hall, accompanied by Bridgeport businessman Bill Flynn, the retiring president, and Bob Lappin, the new head.

There was a constant stream of visitors to the head table, as men and women sought to personally greet the governor and a gentlemen who directed the state from 1961 to 1971, former Gov. John N. Dempsey.

The crowd was happy because Ella and Dempsey spread joy wherever they went. And, in a departure from previous practice, another state officeholder, Secretary of the State Barbara B. Kennelly served as "mistress of ceremonies."

Though she was accustomed to speaking to large groups, running the show was a new experience for Barbara. Her husband, Jim, her mother, Mrs. John Bailey and her brother, John, smiled every time the MC looked to Flynn or Lappin for a cue.

Lappin announced the establishment of a $5,000 scholarship in Ella's name for the son or daughter of a firefighter or police officer killed while on duty. To make the night complete, Ella was given a gold mantel clock and a scroll commemorating the occasion.

Dempsey was at his best. He turned the pages back to 1967 and a meeting in his office which led to the founding of the club which aids families of police officers and firefighters killed on duty. Among those present was Secretary of the State Ella Grasso. After listening to the proposal, Ella said to the governor, "If this club will help human beings, and I think it will; and if this club will help those in need, and I think it will; let's get it going."

With a big smile, Dempsey added, "Ella gave me some additional advice. 'Make sure you put up the first one hundred bucks!' "

Though she was tired and weakened by her illness, Ella was magnificent.

First she needled "Barbie" and expressed hope Kennelly would be "a toastmaster person for a long time."

The compassion Ella felt for people who had experienced misfortune was obvious. She spoke eloquently about those who give "a gift of self and a gift of love."

And paying tribute to her long-time friend, she revealed, "You know, I didn't spend all those years with John Dempsey for nothing. I learned a great deal from him, especially from his inimitable store of quotations. I'm sure he won't mind if I take a little liberty with one:

"The world has need of the best in you,
The world has need of the work you do,
The world has need of a helping hand,
The world has need of a friend who understands.
It welcomes the honest, the loyal, the true,
The world needs this Hundred Club and it looks to you."

There was a standing ovation for Ella. Everyone in the hall, some 650 people, knew that she was making a gallant attempt to conquer a disease that topples giants.

The date of the dinner was Nov. 6, 1980. Within a month, Ella T. Grasso resigned her governorship because she lacked the strength to serve.

Ella's last public speech was as good as any she ever made.

(Joseph A. Owens is editor of the editorial and opinion pages of the Post Publishing Co. newspapers.)

[From the Bridgeport Telegram, Feb. 6, 1981]

GOV. ELLA T. GRASSO—AN INSPIRATION

For as long as there is a state called Connecticut, the remarkable career of Ella Tambussi Grasso will be a source of inspiration.

Sentimentalists are rightly claiming that she was the American dream come true. We are among them.

The distinctive success of Governor Grasso was the result of hard work. Her quest for excellence as a student brought her scholarships to private schools where classmates were accustomed to a lifestyle enjoyed by the wealthy. Her immigrant parents, who settled in Windsor Locks—a mill town between Hartford and Springfield—had ample cause to be filled with pride when their daughter graduated Phi Beta Kappa from Mt. Holyoke College. That was only the beginning of the achievements this ambitious woman would attain.

More with a sense of history than anything else, Governor Grasso often described herself as a "child of the Great Depression." She would recall, with a smile, that during the early years of their marriage, she and husband Tom operated a movie theater in the shoreline community of Old Lyme during the summer. There was need to supplement his income as an educator. "Every morning we hoped it would rain," she said more than once as she spoke of a bygone era that had left an indelible imprint on her mind.

In this current age of pretense, Ella T. Grasso was genuine. She was plain; she was real. Humor and sparkling conversation were prized by her. She walked with, and talked to, the mighty, but never lost the common touch because of the deep and abiding concern she harbored for the well-being of others. She was a woman of true compassion.

The cosmetics of politics and Ella T. Grasso were not compatible. During a campaign she sought the opportunity to meet and to talk to people. The result, she confidently believed, would take care of itself. Nine victories without a loss stand as a tribute to the philosophy which governed her policy.

It is history that she was the last protege of the late Democratic State Chairman John M. Bailey. A quarter of a century ago he envisioned greatness for a young woman in the General Assembly, gifted with the ability to understand complex issues and offer sensible solutions.

The arrival of Ella T. Grasso at the top—her victorious gubernatorial effort in 1974—was welcomed and invigorating. She had succeeded in a man's world. Her election to the governorship was national news, but the winner stoutly refused to see herself as a celebrity. Always, she wanted the people to think of her simply as, and call her, "Ella."

Politics is a rough profession. No one ever liked the give-and-take as much as Governor Grasso did. She crafted an administration that well served the best interests of the majority of the people. The example was set by the leader who carried out her duties conscientiously and most often cheerfully.

Humor was one of her hallmarks and she used it effectively on lawmakers and bureaucrats alike to get a job done. In the company of friends at lunch or dinner, Governor Grasso took special delight in recounting happenings, serious and otherwise, in a way which provoked laughter. The wrinkles in her cheeks were etched by thousands of smiles that reflected her inner joy.

The death of Governor Ella T. Grasso is an occasion for detailed reports about her ascendancy in public life, along with statements by countless high-ranking public figures and business leaders who honestly admired her skills, her character and her integrity. After all has been written and said, one fact will remain: Her stay in Connecticut was all too brief, though she lived here her entire life of 61 years.

Comfort can be taken in her legacy. Governor Ella T. Grasso willed to current and future generations a special gift. She provided a model of how public service can be an unselfish act of love for fellow human beings.

[From the Bridgeport Post, Feb. 6, 1981]

ELLA T. GRASSO

Governor Ella Tambussi Grasso was an extraordinary person.

A debilitating, wasting illness claimed her life yesterday, but only after she had courageously fought the ravages of cancer for 10 long, painful months.

During Governor Grasso's heroic battle, the people of Connecticut were united in the hope that a miracle would occur; that their prayers would be answered. It was almost mystical, this intense concern for the woman who had governed this state for six years. To men and women of all ages, and social stations, it was unbelievable that their vibrant leader would be touched by death.

Ella T. Grasso was an officeholder with style and grace. She had an indomitable will to succeed, once she was convinced the cause was fair and just.

All her life she confronted the odds and won. By never losing sight of the fact that she was the daughter of poor immigrants, she worked hard at every project she undertook. That accounted for a good measure of her success. But there was more. She had the rare ability to quickly perceive facts and draw logical conclusions. Often there was need for bravery, whether the contest involved Democratic politics, a governmental issue, the rights of others or the good of Connecticut and the nation.

Mrs. Grasso did not think it unusual in 1974 when she became the first woman to seek the governship. "I believe that working for the people is the noblest profession, and I seek this office to serve the people."

The empathy between this native of Windsor Locks and the people was abundantly evident as she traveled about the state during the autumn days and nights of her first gubernatorial campaign. There was

a sense of anticipation. Voters were anxious for Election Day to come so they could pull the lever for the candidate they knew as "Ella."

Upon entering office, she inherited financial problems of a tremendous magnitude. Her inaugural address was a message of hope, of confidence and of challenge.

"The business of Connecticut can be conducted openly, compassionately and efficiently—with prudence and economy. It can; it must; and so it will," she declared in the magnificent Great Hall of the House in the Capitol. Twenty-one years earlier, in the same high-ceilinged, historic chamber she had taken the oath as a state representative.

There is no career in American history that parallels the course Mrs. Grasso traveled. While giving unstintingly of herself to public service, Mrs. Grasso remained the heart of the Grasso home. She took special interest in the work of her husband, Thomas, an educator, and raising their two children, Susane and James.

She lived by a code which embraced the highest moral laws and would withstand the test of any ethics or philosophies ever promulgated. That code orbited around her love of people. There was a personal attachment that was genuine and treasured by Ella.

To build a better state, she was convinced it was necessary for her to set the example. Until the state's finances were straightened out, she returned part of her salary, and insisted on frugality in her office and the Executive Residence. During the gasoline shortage in 1979, she commuted by bus between the Grasso summer home in Old Lyme and Hartford.

That was the indefatigable Ella, in her role of teacher, refusing to ask of others what she would not do herself. On the bus trips, as she did wherever she went, this warm-hearted woman introduced herself as Ella. That is how she wanted to be known. Titles meant little to her.

No one loved a challenge more than Ella. The blizzards early in the winter of 1978 pumped up her adrenalin and, much in the manner of a MacArthur or Patton in war, she was the general who, from a command post in the Hartford Armory, directed emergency measures.

Then in her typical fashion, the governor went aloft in a helicopter and viewed operations from the sky. In a rural area, people had etched a message in the snow: Ella Help! They knew their plea would be heeded.

When other natural disasters struck, this woman of strong spirit and boundless energy was on the scene, exhorting rescue squads to give their all. With that kind of inspirational leadership, how could they do less?

Governor Grasso, a Phi Beta Kappa graduate of Mt. Holyoke College, mastered the intricacies of politics, with the late Democratic Chairman John M. Bailey her tutor.

Connecticut is saddened by the death of Ella, a dynamic leader who showed us that old values will never wear out. Her explanation of why she entered public life is worthy of reflection: "Working for the people is the noblest profession of all."

Ella T. Grasso did Connecticut great honor.

Mr. RATCHFORD. Mr. Speaker, will the gentleman yield?

Mr. COTTER. I yield to the gentleman from Connecticut.

Mr. RATCHFORD. Mr. Speaker, I thank the gentleman for yielding, and I applaud him for taking this special order so that those of us who are elected officials from the State of Connecticut may express our feelings about a great lady and a true friend, because indeed Connecticut has lost a great leader and I have lost a very close friend.

I first met Ella Grasso in 1962 when I was elected as State representative from the city of Danbury. Ella Grasso's office was an office that was open to all of us. Her office, that of secretary of state, was the heart, the spirit, and the intellect of the Democratic Party. She was the spokesman for the people. The "People Programs" were her special charge: education, mental health, mental retardation, and the arts. Her office was, as we called it, truly the "people's lobby."

At the same time, while she served so very, very well as secretary of state, she served for a number of years as chairman of the platform committee for her party, first at the State level and then at the national level. Some platforms have dry, meaningless elements, but to Ella they were human commitments and they were living commitments to people, because she was reaching out and making pledges to her special charges, the people of the State of Connecticut.

When Ella Grasso came to Congress, she broadened this responsibility. I am privileged, as is the gentleman from the First District of Connecticut, to serve on the Education and Labor Committee, and her work there was noteworthy, not only in Connecticut but throughout the country. She was known there again also for reaching out to people, because she had what we called "Ella-phones" so that the working men and women of her district could call Ella and could reach her. And they could talk with her, knowing full well that they would find a sympathetic ear and would find a bright and concerned individual, and that they would find someone who cared about their ideas.

Her work here gave her recognition on the national level, as did her work for the National Democratic Party, and all this effort, all these 20 years of involvement, flowered in her final responsibility, that of Governor of the State of Connecticut.

As Governor, in a short 2 years she put our fiscal house in order. She worked tirelessly to attract new industry into the State so that we could be on a sound fiscal base and so that our very skilled and very committed working people could have the assurance that their talents would be put to work in the new industry she attracted.

She demonstrated that she was willing to make tough decisions when she closed down the State of Connecticut for 2 days to battle the blizzard. And battle it successfully she did, and then she opened the State up while the rest of New England remained closed for the better part of 10 days.

Above all, she restored integrity to government during the period of Watergate and during the period of post-Vietnam. No one questioned for a moment the integrity that Ella Grasso brought to the Governor's chair in the State of Connecticut, and all of us who serve in government are better for this flowering of integrity and responsibility that she brought to that high office.

But above all, I remember Ella Grasso as the great and warm and compassionate person that she was. She could communicate in any walk of life. If the Members have any doubt about it, Mr. Speaker, I wish they could have come to Connecticut to see 20,000 people come to our State Capitol to pay their last respects to Ella Grasso, the Governor, to Ella Grasso, the person. They were people from all walks of life that she had touched. They felt that she was a great person and a great Governor. They wanted to say goodby in a very personal way.

She was a totally dedicated public servant. It was not at all unusual to find her at our State Capitol at 6:30 or 7 o'clock in the morning working, working to see to it that the best type of government was brought to the 3 million people of the State of Connecticut.

She truly loved people. I can recall one occasion of being at the Mansion with Barbara and our three boys. It was a very special state occasion for our youngest boy, Brian, for he not only had an opportunity to visit with the Governor but had brought some homework with him that he had to do that evening. It was not very long before Ella Grasso, the person, Ella Grasso, the mother, took our young son upstairs, and shortly thereafter she sat down with him and did homework with him. That was the nature of this individual.

She exemplified integrity. It just exuded from her, and, as I say, the government of Connecticut was strengthened as a result of it.

Finally, Mr. Speaker, she was courageous in life. She was never afraid of the tough decisions, and she was especially courageous in death. She showed us how to live, and she showed us how to die. The State of Connecticut, the people of this country, and all of us who knew her benefited by this very special person who was our Governor and our dear friend—a great human being, Ella Grasso.

Mr. DENARDIS. Mr. Speaker, will the gentleman yield?

Mr. COTTER. I yield to the gentleman from Connecticut.

Mr. DENARDIS. Mr. Speaker, I thank the distinguished gentleman from the First District of Connecticut for giving me this opportunity to speak. It is my solemn honor as a new Member of Congress, a Republican who served in State government with Ella Grasso, to offer brief remarks on behalf of a great lady, a talented public official.

It has not been through words that the greatest tribute to Ella T. Grasso has been paid. The true extent of the love and admiration felt toward her by the people of Connecticut was best expressed by the thousands of Connecticut citizens who, standing in line, as the gentleman from Connecticut (Mr. RATCHFORD) just mentioned, in the rain outside the Connecticut State Capitol, waited patiently to say their last goodbys to the Governor whom they loved and respected.

Ella Grasso's record of service to the people of her State and her Nation has been well documented. The extent of her feeling and concern for the citizens she served was recognized by the people and reciprocated not only in massive pluralities each election day but by the wants and devotion they returned to her as a person.

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Not only was Ella Grasso a warm and compassionate person, but also an effective legislator, an innovative secretary of state, and a strong and committed Governor.

She was also a consummate politician, one who knew the rules and played the political game with an expertise few others have ever shown. The way she practiced politics made each of us who are also in the political arena proud to be politicians. Her word was her bond. When she told the people of Connecticut over the years that she loved them, they knew her sincerity. They believed and they loved her back.

Mr. Speaker, because of her extraordinary and distinguished career and because she was the first woman who has been elected to an American governorship in her own right, a pioneer in that respect, I have written recently to President Ronald Reagan requesting his consideration of Governor Grasso to be the recipient of the Distinguished Medal of Freedom. Certainly few people are so deserving of the highest honor that we can bestow on this person who truly dedicated her life to the principles of our country.

I will invite in a letter to all Members of this august body their support of that request.

I know that everyone who has served with her and those who have followed will want to join me in urging the President to consider her for the Medal of Freedom.

Mr. Speaker, I am including an article in these remarks that is a very poignant piece that appeared last week in the Hamden Chronicle:

SHE MADE US PROUD OF OURSELVES

It is like a death in the family.

Ella Grasso shared in our successes and we in hers. She lifted our spirits through floods and blizzards and tornados.

She was a friend, firm and stern. She detailed the facts of governmental life in the 1970s and '80s and instructed in the influences of a sagging national economy.

She left no room for illusion. She could be blunt. She drew the line at permissiveness. She remained compassionate throughout.

As her cancer spread and her health worsened, it was as though each of us had heard the same sorrowing news of a relative or friend. That said so much of the role she played in Connecticut life for so many years.

For journalists, it was a vexing experience. There was the inner turmoil: how to balance the scales between fulfilling the obligation of the media to imform while respecting the privacy of an individual who certainly deserved this consideration during the final days of her life

Mrs. Grasso, as was her custom, took the bull by the horns and resolved the dilemma in great part by herself. She announced her resignation from office. She publicly acknowledged her ailments and, in characteristic candor, told us, "I do not have the stamina to do the job."

Ella Grasso spent her adult life in public office, never having lost an election contest en route to service as a state representative, the secretary of the state, a member of the U.S. Congress and, finally, six years as governor of Connecticut.

Her all-winning record did not adversely affect this extremely talented woman. In each higher office to which she advanced, she continued to provide that most elusive of qualities—leadership. Hers was not leadership of the campaign brochure variety, but leadership as that tenuous balance of vision, idealism, commitment and pragmatism.

She instinctively knew when to lead and when to hold back, when to wait for a better day. Patience was among her virtues; procrastination she knew nothing about.

Connecticut took pride in the fact that it had, in 1974, become the first state in the union to elect a woman as its governor in her own right.

As governor, Mrs. Grasso did an outstanding job while at the same time earning widening regional and national acclaim. A recent Gallup Poll found our governor to have been the fifth most admired woman by the American public in 1980, in the company of Rosalynn Carter, Mother Teresa, British Prime Minister Margaret Thatcher and former first lady Betty Ford.

We, the Connecticut voters, rationalized all this as still new testimony to our own astuteness as perceptive electors. In reality, that we came to feel that way was further tribute to Mrs. Grasso.

You don't go through the death of a relative or close friend without sustaining a very real sense of personal loss. That is Connecticut's current collective experience. It has suffered a deep personal loss. This mood is unmatched in the state's history. That says it all about Ella T. Grasso.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. COTTER. I yield to the distinguished Speaker of the House.

Mr. O'NEILL. Mr. Speaker, it is with deep sadness that I rise to join my colleagues from Connecticut in paying special tribute to a distinguished former Member of the U.S. House of Representatives and to the most beloved Governor in Connecticut's history, the late Honorable Ella T. Grasso.

In each successive position of public trust, which included service in the Connecticut State Legislature, the office of secretary of state, the U.S. House of Representatives, and Connecticut's highest office of Governor, the name Ella Grasso was synonymous with political excellence. Everyone who had the privilege and honor of working with Ella over the years quickly recognized and admired her consistent, straightforward, and nononsense style of political leadership. Her brilliant mind, articulate and decisive leadership, and her impressive educational background and experience prepared her magnificently for the varying responsibilities of the many political offices she held for more than a quarter of a century.

In every way, Ella Grasso personified the principles of the Democratic Party—integrity, a sense of fair play, courage, and moral conviction. Her performance as the first woman Governor in American history who was elected in her own right belied every reservation: Gender has no monopoly on competence or ability. Ella Grasso had so much to offer, and she gave totally of herself and her talents. The results of all her endeavors were beneficial not only to the State of Connecticut but also to the Nation at large.

Repeatedly, Ella Grasso measured up to the best this country had to offer. In public and in private, Ella was always her own woman. No matter what others said or did, she stood for the principles in which she believed were right. She never compromised her ideals just to gain political support. She was never falsely demonstrative—what she did for people came straight from the heart. Self-importance and pretentiousness were as alien to her character as indifference and complacency. She was unafraid to stand up and be counted, even when she had to stand alone.

Her epitaph is one of love and dedication to the citizens of Connecticut, and she leaves a legacy of compassion and understanding for the needy, unblemished integrity in her public and private life, and a commitment to the principles of human dignity and self-esteem for all citizens. Her life work is an inspiration to all of us who serve the people and who are firmly committed to good government.

Although I knew Ella Grasso by her impeccable reputation, it was as a Representative from Connecticut's Sixth District that I grew to admire her

many attributes. I can remember when the late John Bailey, her mentor, told me before she came to Washington: "Tip," John said, "Wait until you meet Ella—she's terrific!" Ella Grasso was more than terrific—she was extraordinary.

I watched Ella work as a Congresswoman who always had her roots in the people of Connecticut. She had the backbone to make the tough decisions and quickly earned the respect of her colleagues in the Congress for her industriousness, intelligence, and imagination, and for her widely recognized ability to lead. She was a team player, a conscientious and hard-working player, who understood that politics is the art of compromise.

Beneath that public exterior of a sharp and skillful political strategist was a loving, tender, and caring human being. No one had a finer or more loyal friend than Ella Grasso. No one was more kind, considerate, or humane than Ella Grasso, and no one had a heart filled with more genuine concern for people who were suffering. Ella Grasso really cared about people; and to the end, she never lost her humanity, her vigor for life, her indomitable spirit, or her strength of character which remained a very present help to all in trouble.

In Ella Grasso's passing, I feel I have lost a loyal and trusted friend, a faithful supporter, and a wise counselor. Connecticut and the Nation have lost a distinguished public servant and a favorite daughter whose public record is without parallel.

I extend my sincerest condolences to her beloved and devoted husband, Tom Grasso, and to her two beautiful children, James and Susane.

● Ms. MIKULSKI. Mr. Speaker, I was saddened to learn of the death of Gov. Ella Grasso of Connecticut on February 5, 1981. Her distinguished career as a respected public servant has done much to encourage other American women contemplating their own entry into public life.

As we all know, Ella Grasso was the first woman elected to the office of Governor without succeeding her husband. It is, I think, even more remarkable that she never lost an election in over 25 years of public service. She was one of an outstanding group of ethnic women who have made their careers in public service.

Governor Grasso's pioneering achievements while in public office laid an important, creditable foundation for the many women who are now winning elections and being appointed to policymaking positions in all levels of government. For example, her efforts to give the public access to officials and records, to simplify State government by eliminating unnecessary layers of bureaucracy, to recognize and publicize the critical needs of the elderly, to oppose vigorously an undeclared and unpopular war earned her the great respect of many people. Her insistence upon merit as a criteria for political appointments and her own belief in traditional values made her known among a wide and diverse group of American women and men who appreciated her talent as a public leader.

The loss of Gov. Ella Grasso will be deeply felt in American political life. However, her example of compassionate competence will long inspire those women and men who enter politics in the future with the sincerely held goal of serving their constituents.●

● Mr. MOFFETT. Mr. Speaker, on Friday, February 6, 1981, when I announced the scheduling of today's special order, I entered into the RECORD the text of a delegational resolution which the Connecticut Members intend to present to the Grasso family. With the resolution, we are asking those colleagues who were touched by her work, impressed by her courage and leadership or who simply may wish to offer comfort to her family, to sign a tribute to Ella Tambussi Grasso which can be found in the Speaker's lobby.

Among the tributes which I have heard and read since Ella Grasso's passing, few were as moving as those words spoken by her son, Jim Grasso, at the service on February 9. I include his eulogy for his mother, Governor Grasso, to be printed in the RECORD at this point:

EULOGY FOR GOV. ELLA GRASSO

On behalf of my family, I would like to express my sincere appreciation to all who have come to bid my mother her last farewell.

The lives of all of us gathered in this cathedral have been greatly enriched by the experience of knowing her. She touched us with a love that was special and enduring. It was a love of devotion and dedication to her people, a love which was reciprocated over and over again during the last few months of her life. Throughout her ordeal, she felt the warmth of that love, and it greatly comforted her.

I take this opportunity to express publicly my personal gratitude and that of my family to Governor O'Neill who has shown deep compassion for our grief and who, with great humility has taken on the ardous task of leading a State during such difficult times.

I want to thank the dedicated staff members, who unselfishly gave of themselves, constantly working beyond what was normally expected, who rarely received any public credit, yet who truly deserved so much.

I am taking this unusual step of paying tribute to my mother at her funeral because I am so proud and privileged to have had Ella Grasso as my mother. She gave to all of you what she gave to my sister, Susane, and me—a mother's gift of unselfish love, understanding, compassion, and tenderness. To all who knew and worked with her, to us, her family, who revered and worshipped her, she was a radiant ray of sunshine, whose warm and engaging smile cast a bright glow of love upon each day. And during the most difficult ordeal of her life, she thought only of her family and the affairs of her State.

My sister, Susane and I wanted her to feel the tenacity and love of a daughter and son holding their mother until her last faint breath, which once gave us life—ceased. It goes without saying, that my sister and I both realized, no man other than our father, could have given of himself so unselfishly, to allow my mother to accomplish what no other woman had even attempted. My father was more than a husband to her, as she often said, "He is my best friend."

It was a friendship nurtured as a young couple, joyously running along a summer beach, tempered as they trudged through a numbing blizzard, transmuted, holding his wife's hand on her death bed.

Because my mother knew the frailty of life, she tried to instill in all of us her vigor for life, her indomitable spirit. A poster, brought in by one of her nurses, paraphased this outlook on life. In the words of Tennyson, "Arise, go forth and conquer."

Now that she is gone, those of us who remain are morally committed to carry on the ideals and principles for which she lived and died.

In closing, I would like to share with you, a few phrases from a letter written by my mother some time ago, in which she expressed a desire to have mentioned at her funeral the following:

"In my house there is a motto which says 'Bloom where you are planted.' That is Windsor Locks, which is my strength and life."

It is fitting that my mother's last public words be echoed once more now, upon her final farewell and journey from us:

"I love you, I love you all."

Besides admiring the late Governor for the strength with which she faced her disease, we can look at the record she compiled as a public servant with immense respect as well. Those of us with a long-term political memory cite among her accomplishments:

As an original architect of the modern Connecticut constitution which took effect in 1960;

As a drafter of the Comprehensive Employment and Training Act while serving as a member of the Education and Labor Committee;

As the advocate of a stronger department of public utilities control; and

As a "People's Governor"; a woman who understood that the democratic process flourished when citizens from all walks of life participate.

A longstanding memory for all Connecticut citizens will be Governor Grasso's trek into a blizzard-entangled State in February 1978. Traveling by helicopter, reaching out, and directing State services to particularly troubled areas where they were needed, Mrs. Grasso was a beacon during a terribly difficult period for our State.

For her contribution and for her spirit, it is wholly appropriate for this House to stop and remember this remarkable woman.●

● Mr. BOLAND. Mr. Speaker, I appreciate the opportunity to pay tribute to our former colleague, and the former Governor of Connecticut, Ella Grasso.

Ella Grasso was a person of unquenchable spirit and determination. The political life of Connecticut, and the Nation, was enriched by her decision to channel those qualities into a career of public service. For three decades she labored on behalf of the citizens of Connecticut, first as a member of the State legislature, then as secretary of state, as a Member of Congress, and, finally, as Governor. That she was the first woman in the Nation to be elected Governor without succeeding her husband was the most commonly known aspect of her public life, but those of us who knew her understood that her entire career was a reflection of superior intelligence and ability combined with a deep compassion for the needs of others. Her political life was an unblemished record of success because she brought to her tasks not only great personal strength and skill, but a love of her work and a belief in its value. The people of Connecticut could see that Ella Grasso cared for them and for their State, and they responded with a depth of affection enjoyed by few public figures.

Ella Grasso never forgot her roots, either her physical ones in her home town of Windsor Locks or her intellectual ones in her belief in the intrinsic worth of the American political system. As she wrote in 1956, "Politics is democracy in action. It is the marvelous alchemy of mind rubbing against mind, sending off ideas. It is the solemn responsibility of citizenry." She discharged that responsibility in manner worthy of emulation.

Those of us who live in western Massachusetts felt a special kinship with Ella Grasso. She came to the town of South Hadley in 1936 to study at Mount Holyoke College and stayed to receive both bachelor's and master's degrees in sociology and economics. She maintained close ties with the college and was a frequent visitor, in both an official and an unofficial capacity, to our area. The sorrow being felt by the people of Connecticut is understood and shared by many in Massachusetts.

Since our congressional districts abutted, I had an opportunity to get to know Ella Grasso well during her service in the House of Representatives. I admired her dedication and valued her friendship. Her equal will not soon be seen. I know I join with my colleagues in offering sincere condolences to her husband, Tom, and their children, James and Susane.●

● Mr. CONTE. Mr. Speaker, with a feeling of sadness and great loss, I join with my colleagues in paying tribute to the brilliant and gracious former Member of Congress and Governor of Connecticut, Ella T. Grasso, who ended her battle with cancer on February 5.

To say that Ella Grasso was popular and competent would indeed be an understatement. Her no-nonsense approach to politics highlighted her political career from the State House in Connecticut, to the Halls of Congress, and back to the Connecticut State House as Governor. I was fortunate to serve with her during her two terms representing Connecticut's Sixth District, and held her in my highest esteem for her forthright leadership and sincere compassion for her people.

Ella Grasso's achievements went far beyond her milestones—the first Italian-American Governor of Connecticut, the first woman elected Governor in the Nation. She was a sensible, aggressive public servant whose lifestyle and manner reflected her earnest dedication to the people of Connecticut. She transcended her labels by never bowing to special interests, and let commonsense and hope for the future guide her in her decisions.

While she will be missed by those of us who served with her, she leaves a special void among those she served—her family, her district, and her State.●

● Mr. RHODES. Mr. Speaker, it is an honor, albeit a sad one, to pay tribute to our former colleague, Ella Grasso. This courageous lady's outstanding career is a perfect model for aspiring elected officers.

She advanced steadily through her public service, spending 4 years in the State legislature; 12 years as secretary of the State of Connecticut; two terms in the House of Representatives; and returned to Connecticut to serve as its Governor for 4 years until she was forced to resign last December because of failing health.

It is, indeed, unfortunate that Governor Grasso's public career was cut short; but her many achievements and her contributions to those whom she served, remain as living memorials to this talented and valiant lady. She will be missed but fondly remembered.●

● Mr. MINISH. Mr. Speaker, it was with deep personal regret that I learned of the death of the former Governor of Connecticut, our former colleague in this House, the Honorable Ella Grasso.

Governor Grasso's long and honorable political career was a noble exercise in the highest kind of statesmanship because, as she herself pointed out, "all my life has been one of dedication to working for people."

By keeping the well-being of people clearly before her eyes, Governor Grasso avoided getting bogged down in the details of political mechanics; instead, she mastered them and used them in the pursuit of more far sighted goals.

My one regret about the career of Ella Grasso is that she did not remain longer among us here in the House of Representatives. In her all-too-brief tenure in Washington, she brought us the benefit of her good sense and dedication on many occasions when we greatly needed such counsel. Quickly she became one of our most respected and genuinely liked colleagues. The obvious sincerity of her sober dedication to the people's work endeared her to us from the start. We could have used her energy and her example for longer than we had it; we would do well if it were with us today.

When the people of Connecticut called Ella Grasso home to lead their State government, they knew that they would have an honest, hard working, and sensible chief executive. In Hartford, Governor Grasso compiled a record of achievement which was the envy of her colleagues in other States, managing effectively the complexities of administration at a time of diminishing revenues. Truly, Ella Grasso governed her State at a time when some theorists were saying that the chief executives across the Nation should be less and less able to do so. Her quiet dignity in leaving office so as to disrupt the Government as little as possible was typical of her selfless dedication to working for the people.

Our sympathy goes to the people of Connecticut, whom Governor Grasso served so long and so well, and most particularly to her family, to whom she was so markedly devoted. I would add that those of us of Italian descent feel a special sense of loss on this sad occasion. All Americans can share our pride in the achievements of this good and remarkable woman.●

● Mr. FORD of Michigan. Mr. Speaker, I rise today to honor Governor Ella Grasso, who served with me from 1971 to 1974 on the House Education and Labor Committee. Governor Grasso was an outstanding and steadfast supporter of education, human resource, manpower, and child nutrition programs, as well as of efforts on behalf of senior citizens and disadvantaged populations. I was privileged to serve with her on the Subcommittee on Agricultural Labor where she worked unstintingly on behalf of the migrant workers in her State and the Nation.

She could be counted on in difficult of times to sort through the most complicated proposals being brought before the committee to come up with plausible solutions. As a Representative from one of Connecticut's most diverse districts, Governor Grasso was an exemplary example of a Member who was able to retain the highest degree of principle while acting as an effective compromiser.

I join my colleagues in paying tribute to an admirable woman who was held in very high regard during her years in the House. I am sure she will be sorely missed by the citizens of Connecticut as well as her many

friends and admirers in Washington and throughout the Nation.●

● Mr. ST GERMAIN. Mr. Speaker, it is with great sorrow and honor that I pay tribute to the Honorable Ella Tambussi Grasso, the 83d Governor of Connecticut.

Perhaps Archbishop John F. Whelan stated it best during his homily at the services for Governor Grasso, when he quoted this passage from the Book of Proverbs:

> Many are the women of proven worth, but you have exceeded them all. Charm is deceptive and beauty fleeting, the woman who fears the Lord is to be praised. Give her a reward of her labors and let her works praise her at the city gates.

Indeed Ella Grasso exceeded the milestones of many. Her life as a hard toiling public servant was comparable to none. My experiences with her as a fellow Member of Congress, and, our continued relationship during her tenure as Governor, underscored her interminable concern for the welfare of others. We spent many hours in consort seeking solutions to the problems of our constituencies. But Ella Grasso was unsurpassed in her diligence and candor. The people of Connecticut, and those of us who had the immeasurable pleasure of serving with her, can readily attest to this fact.

For it was in laboring for the good of others where Ella Grasso reaped her rewards. Be it fighting for a grant or trudging the last mile to the State House during the blizzard of 1978, Ella attacked both with the same zeal she had for life—relentlessly. This spirit served her well in life, as in the illness she fought so valiantly, that could only engender the highest admiration for this fine human being.

Ella Grasso leaves us a legend of compassion, hard work, and success. Her final reward is the peace of mind in knowing that she always did her best for everyone. A legend difficult to emulate, and a reward most of us can only hope for.●

● Mr. PEYSER. Mr. Speaker, on February 5, the Honorable Ella Tambussi Grasso, a former colleague and the 83d Governor of Connecticut, lost a valiant battle with cancer. All Members of the House who served with her will indeed agree with me that we have lost a truly remarkable person.

Mrs. Grasso was a person held in the highest regard as she faithfully represented the Sixth Congressional District of Connecticut. I had the pleasure to serve with her on the Education and Labor Committee for 4 years. In her work on this committee, as in her duties as a Member of Congress and Governor, she served with great distinction. She will be remembered as a woman with great ambition, as well as great compassion and knowledge.

As the first woman elected solely in her own right to the office of Governor, Mrs. Grasso can be considered a pioneer. But more than just being a pioneer, she was elected—and then reelected—because of her outstanding personal qualities and obvious dedication. Mrs. Grasso did not surrender her life without a typically courageous struggle, showing her great personal strength that helped make her so unique.

I sincerely hope that all Members will join me in tribute to a great friend and colleague.●

● Mr. COUGHLIN. Mr. Speaker, it was my great privilege to serve in this body for two terms with the late former Governor of Connecticut, Ella Grasso. History will no doubt take special note that Ella Grasso achieved the distinction of becoming the first woman elected chief executive of a State without succeeding her husband to that high office. Yet, for those of us who knew and worked with "Ella," there was nothing surprising or extraordinary about her rise to the Governor's chair in Hartford. Her grasp of issues, her commitment to better government at all levels, and her warm personal appeal were as evident to her colleagues here in the House as to the people of Connecticut she later served so capably and with such devotion in Hartford. Ella was a born leader with a special gift for reaching out to people in need and helping wherever she could. News of her tragic illness in the midst of her second term as Governor touched her many friends profoundly, and her loss has deeply saddened us all.●

● Mr. DE LA GARZA. Mr. Speaker, along with all my colleagues, I was saddened by the death of our dear friend and former colleague, Ella Tambussi Grasso. I rise today to pay tribute to one of the finest American women I have ever known.

Throughout her illustrious career spent in service to the people of Connecticut, Ella Grasso exemplified the virtues of dedication, concern, and good humor, earning the respect and admiration of her fellow colleagues.

A rendition of Ella Grasso's accomplishments in her career of public service would be both lengthy and impressive. As a Member of this body, she earned our respect and friendship for her tireless efforts in support of those things she believed in, primarily the greatness of our United States. Her fine qualities of quick reasoning and unfaltering judgment proved to be invaluable assets in her tireless work on her committee assignments as both a member of the Veterans' Affairs Committee and the Committee on Education and Labor.

Although a diligent and capable worker, I will best remember Ella Grasso as a friend, for she was always there to help and brighten our spirits when needed. Ella used her great wit as a means of helping us accomplish our work—always there with a joke to lighten the pressure.

Ella Grasso was a distinctive Member of this body, an exceptional Congresswoman, and one of those precious few who excelled in whatever enterprise she undertook and managed to do so with extraordinary modesty and grace. Like my colleagues, I will sorely miss her, but I will always be grateful for having had the privilege and pleasure of working with and knowing this great individual. My deepest sympathies go out to her family for their great loss.●

● Mr. ADDABBO. Mr. Speaker, on Thursday, February 5, our Nation lost one of its most revered and beloved public servants, when Ella T. Grasso, former colleague, Governor and secretary of state of Connecticut, as well as a dear and trusted friend, lost a courageous battle to cancer at the much too early age of 61. It was undoubtedly the only battle she ever lost in her lifetime.

Ella Grasso will long be remembered for her dedication to excellence. Few people I have known ever worked as hard as she did to best address the problems and needs of the country and her constituents. Whether it was an issue commanding the attention of an entire nation, or a problem affecting one constituent, Ella was always there to do all within her power to correct the problem.

Her career in politics was one of continued success. In 25 years of serving the public, she never lost an election. I had the distinct privilege of working with her when she served in the House of Representatives from 1971 to 1975. While serving in the House she fought hard to reverse the economic troubles in her industrial district, voting for badly needed economic stimulus bills, and she was a major force behind passage of the Comprehensive Employment and Training Act, legislation which today continues to benefit thousands of Americans. Ella was always sincerely concerned for those segments of our society who needed to be heard, yet lacked the strong voices, and she fought for the expansion of minimum wage laws, increased veterans benefits, greater funding for social security and health programs for the elderly.

In 1974, to the surprise of no one who knew her determination and desire to be the best she could possibly be, she became the first woman to be elected Governor in her own right in the United States when the people of Connecticut chose her to run their State.

Ella Grasso will be missed by a Nation grateful for the work on its behalf. The consummate public servant, her passing leaves a tremendous leadership void in this country that will be difficult to fill. To her family I

offer my prayers in their time of mourning.●

● Mr. ANNUNZIO. Mr. Speaker, I rise in tribute to the Honorable Ella T. Grasso, who served as Governor of Connecticut and as a Member of the House of Representatives. Her death is a sad loss, and she will be remembered for her distinguished and compassionate leadership.

Ella Grasso was born to Italian immigrants, and began her career in public service during World War II as the Connecticut State assistant director of research for the Federal War Manpower Commission. In 1952, she was elected to the Connecticut House of Representatives, where she served 4 years. Beginning in 1956, she served 2 years on the Democratic National Committee, and then returned to become Connecticut's secretary of state, a post she held for 12 years.

Mrs. Grasso was elected to represent the people of the Sixth District of Connecticut in 1969, and served in the House of Representatives until 1974 during both the 92d and the 93d Congresses. She was a strong supporter of economic stimulus bills, and as a member of the Education and Labor Committee, she helped draft the Comprehensive Employment and Training Act.

She was then elected by the people of Connecticut to serve as their Governor, and was the first woman to be elected Governor of a State without following her husband into office. In 1978, she was reelected to serve a second term as that State's chief executive.

She fought valiantly and relentlessly to stop waste and abuse in Connecticut's government operations, and she served in tireless dedication to the highest standards until forced to resign because of serious illness.

Ella T. Grasso was a dedicated and devoted American, and a public official of outstanding ability, deep compassion, and courage.

Mrs. Annunzio and I extend our deepest sympathy to Mrs. Grasso's husband, Thomas, and to her children, James and Susane.●

Mr. COTTER. Mr. Speaker, before concluding, I would just like to state that I have here a resolution adopted by the U.S. House of Representatives on February 6, 1981, which bears the signatures of all the Members of the Connecticut delegation. It is available for anyone else who would like to sign it.

Mr. Speaker, I yield back the balance of my time.

H.R. 1053—THE CAPITAL COST RECOVERY ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 15 minutes.

● Mr. CONABLE. Mr. Speaker, during the first session on the 97th Congress we are likely to make the most innovative changes in tax policy that have occurred in our lifetimes. The centerpiece of this activity will be the total overhaul of our depreciation system. Looking ahead to this challenge I would like to refresh our memories about how the current system operates and describe the principal features of H.R. 1053, the Capital Cost Recovery Act, often nicknamed "10-5-3."

Depreciation is the term which describes the manner in which a business deducts—or writes off—its investment in plant and capital equipment. The law does not allow an immediate deduction for plant and capital expenditures where the assets have a useful lifetime of more than 1 year. Rather, those expenditures must be capitalized and deducted over the expected useful lifetime of the assets. The original policy conviction behind this approach was that it matched the deductions for the assets with the income which the assets were producing. This may have been a reasonable approach in a stable, noninflationary economic environment but today it is out of step with economic reality.

Over the years the tax law has engrafted modest forms of accelerated depreciation onto the system. But the roots of the underlying system still rest on the principle that capital assets must be depreciated over their useful lifetime.

In the decade of the 1980's American business will be called upon to invest enormous sums of money to replace its aging capital stock. This is essential if our economy is to grow at a healthy pace and provide adequate jobs. However, it is unrealistic to expect a depreciation system designed in the 1940's and early 1950's to provide the best framework to encourage investment in the 1980's. The touchstone of the current depreciation system is that a business must recover its investment in a capital asset over the useful lifetime of that asset. The time has come to break the linkage between the useful lifetime of an asset and the mechanism for recovering one's investment in that asset.

H.R. 1053, the Capital Cost Recovery Act, accomplishes this result. It is not a fine tuning of the current system, it is a fundamentally new approach. H.R. 1053 provides a fixed statutory schedule for recovering plant and capital investments. The fixed statutory schedules provide for a more rapid recovery of capital investment rather than is available under the useful lifetime approach or under the various forms of accelerated depreciation permitted under current law.

The choice of words used to describe the new 10-5-3 system is not accidental. It is a capital recovery system. I have sought to purge the word "depreciation" from my vocabulary when speaking of the 10-5-3 system. The term "depreciation" often carries with it the connotation of physical obsolescence. H.R. 1053 provides a capital recovery mechanism unrelated to physical obsolescence or the useful lifetime of an asset.

H.R. 1053 both accelerates and simplifies the capital recovery of investments in plant and capital assets. The simplification results from the use of a fixed statutory recovery schedule rather than calculating depreciation based on each asset's useful lifetime. Since useful lifetime varies from asset to asset, the current system results in a multitude of calculations as well as disputes with the IRS over what is the proper useful lifetime of an asset.

The acceleration of capital recovery is at the heart of H.R. 1053. It would place depreciable property into one of three classes. Class I provides a 10-year capital recovery period for buildings and their structural components except residential property. Class II provides a 5-year capital recovery period for equipment and other tangible personal property. Class III provides a 3-year recovery period for up to $100,000 of annual expenditures for automobiles and light trucks. Any annual expenditure in excess of $100,000 for cars and light trucks would be placed in class II.

All class I and class II property is eligible for the full 10 percent investment tax credit, as long as the property is of the character eligible for the credit. Class III property is eligible for a 6-percent investment tax credit.

Some persons have commented that in the case where an asset has a useful lifetime of less than 5 years, that the 10-5-3 system appears to put it at a disadvantage. For example, a machine that has a useful lifetime of 4 years is placed in class II with a recovery period of 5 years.

There are two reasons why the initial perception may be an overreaction. First, the rate schedules within the classes are themselves accelerated. The 5-year recovery period in class II is not a uniform 20 percent a year, but provides for 20-, 32-, 24-, 16-, and 8-percent recovery allowances over the respective 5 years. Thus the asset with a 4-year lifetime would receive a 92-percent recovery allowance in 4 years. Second, and even more important, is the fact that this 4-year asset in class II will now receive the full 10-percent investment credit. Under current law the asset would receive a 3⅓-percent investment tax credit. Thus the more generous application of the investment tax credit in this situation should offset most, if not all, of the apparent disadvantage of placing an

asset with a 4-year lifetime into class II.

H.R. 1053 also has several other important features. First, it gives the taxpayer the freedom to claim less than the full amount of capital recovery allowance to which he is entitled. Any such allowance which the taxpayer forgoes may be carried forward indefinitely and deducted in a subsequent year. Under current law the taxpayer must claim all the depreciation allowance for which he is eligible. Second, H.R. 1053 will permit a capital recovery allowance and the investment tax credit when the taxpayer actually pays for the asset, or when it is placed in service, whichever is earlier. Under current law depreciation and the investment tax credit generally are not allowed until the asset is placed in service. Third, H.R. 1053 eliminates the concept of salvage value. Under current law, if an asset is expected to have some substantial value when it ultimately is disposed of, then the taxpayer may not depreciate the asset below its salvage value.

Mr. Speaker, H.R. 1053 is much more than an academic reform exercise of interest only to a small group of tax experts. The enthusiasm and momentum behind H.R. 1053 come from the widely shared conviction that it provides the incentive necessary to foster increased investment in modern plant and equipment. Increased investment in modern plant and equipment is the key ingredient for improved productivity, more jobs, and a growing economy.

Many businesses today are facing strong competition from foreign imports. The best way to meet this challenge is by providing our businesses with the ability to upgrade their operations in order to produce superior goods at competitive prices. Beyond the goal of a healthy domestic economy is the need for American products to remain competitive in world markets. The traditional edge which our products often held in world markets is being challenged and eroded. H.R. 1053 will allow American business to increase its productivity to meet better the foreign competition in our domestic market as well as maintain a strong record of exports in the world market.

H.R. 1053 can be the spark which triggers a new generation of business expansion. As our national policy shifts the emphasis away from Government as a source of goods and services and more toward the private sector, we must provide the private sector with the best tools to do the job. H.R. 1053 is one of the best tools the Government can provide.

Mr. Speaker, over the coming months the Congress will be debating alternative approaches to improving our depreciation laws. No one can forecast what the outcome of this process will be. The two objectives of any new system should be acceleration and simplification. These objectives would be best met by a fundamentally new approach, rather than by further attempts at tinkering and fine tuning the current system. I believe that H.R. 1053 meets these objectives in a bold and creative manner.●

IN COMMEMORATION OF GEN. THADDEUS KOSCIUSZKO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, Gen. Thaddeus Kosciuszko Day is February 12, and this date marks the birth of the Polish soldier and statesman who entered the American Continental Army as a volunteer. General Kosciuszko gave invaluable assistance to our Nation during its first years as an independent country, and because of his services during the Revolutionary War, Congress bestowed on him the rights and privileges of American citizenship and the rank of brigadier general.

It is an honor for me to join with Polish Americans in this commemoration and I extend my greetings to the Polish-American residents of the 11th Congressional District of Illinois which I am privileged to represent, the city of Chicago and the Nation as they pay tribute to General Kosciuszko and his dedication to the cause of liberty.

Mr. Speaker, an article on the contributions of General Kosciuszko to our country has appeared in the Saturday Evening Post, and at this point in the CONGRESSIONAL RECORD I insert excerpts from this article by Maj. Ernest L. Cuneo:

GEN. THADDEUS KOSCIUSZKO, MASTER MILITARY MIND OF THE AMERICAN REVOLUTION

(By Maj. Ernest L. Cuneo)

It is one of the ironies of history that had General Thaddeus Kosciuszko been born with a name as easily pronounced as General Robert E. Lee. Ulysses Simpson Grant or John J. Pershing, his name would resound throughout Western civilization as one of the foremost military geniuses of all time.

But a name which is difficult to pronounce is almost impossible to remember. Phonetically, the name is pronounced os-Choose-Ko. Ko.

He was of the towering stature of a Hanibal, or a Caesar. Most Americans are quite unaware of the fact that the military genius of this man is largely responsible for the victory which gave America its independence. There are thousands of memorials throughout these United States to General Lafayette, General Pulaski, and General von Steuben; but the military giant who towered over them all goes unnoticed. Though the military was his first profession, Thaddeus Kosciuszko was a Renaissance man. He was a painter, an architect, a composer, a scholar and a philosopher. He was accepted as an intellectual equal by Jefferson; he was also a mystical visionary of human rights scarcely second to Abraham Lincoln.

One would think that the life of a man who was the master military mind of the American Revolution would have received the closest attention of historians. Actually his papers have not yet been fully collected much less an authoritative biography been written.

Thaddeus Kosciuszko did not come by these talents accidentally. His life confirms the maxim that genius is the talent for infinite pains. He was a prodigious toiler all of his life. He burned the midnight oil; then sentries awakened him so that he might study before dawn.

He was born in the Polesi district of Poland, of the landed gentry. He was descended of a famous line of valiant Polish officers. However, they were not of the Polish grand nobility, as was Count Casimir Pulaski, youthful Chief of Cavalry of the Continental Army. The father of Thaddeus Kosciuszko owned a small village in this district. As a boy. Kosciuszko had as playmates the sons of the peasants of the village. There, he developed a love for the common people, as deep as that of Abraham Lincoln.

Technically, belonging to neither the titled aristocracy nor the peasantry, he proved to be the common denominator in uniting them in the cause of Poland. His immortality in Poland is roughly comparable to a montage of General George Washington and Abraham Lincoln in the United States. In Poland the name of Kosciuszko is an abbreviation for the soul of Poland and the determination that it will never die.

His brilliant career in the American Revolution was followed by an even more spectacular one as the single world figure embodying the exalted spiritual qualities of both the American and French Revolutions. The roots were in his childhood. His mother had given him Plutarch's Lives to read. The lad's imagination was fired by the heroic battle against tyrants by Timoleon of Corinth. It proved to be his life model.

His essential military talent which brought victory to the American Cause was his magnificent insight into the use of terrain as a natural defense. His decisive service to the American Revolution was in defeating the key British strategy of severing New England from the rest of the Colonies by control of the Hudson Valley. Colonel Kosciuszko prevented this at the Battle of Saratoga in the north and by his impregnable fortifications of West Point in the south.

The Battle of Saratoga, fought in October of 1777, is unanimously called one of the ten most important battles in recorded history. The reason is that when British General "Gentleman Johnny" Burgoyne surrendered, both France and Spain were convinced that the Continental Army could win, and thereupon entered into the war as allies of the Colonies.

The campaign of "Gentleman Johnny" was brilliantly conceived. It was a three-pronged offensive. Colonel Barry St. Leger was to come down the Mohawk Valley from Lake Ontario, in a flanking movement; General Burgoyne was to hammer down Lake Champlain and Lake George to Albany; and General Clinton was to come up the Hudson from New York City, to provide the anvil for "Gentleman Johnny's" descending hammer on the Continental Army. Obviously enough, the hammer and anvil had to be prevented from meeting. Only twenty miles north of Albany, Colonel Thaddeus Kosciuszko selected a natural fortress in the terrain, and he made it both an invulnerable fort and a trap by his brilliant engineering.

In briefest terms, Colonel Kosciuszko found a little mount which controlled the narrow road between it and the river and he crowned it with artillery. He had carefully selected the mount; it was just below Mill Creek, flowing into the Hudson. His selection provided a water barrier which prohibited the famed bayonet charge of the Redcoats on the American Right flank. Moreover, Mill Creek's tributaries had formed four deep ravines running from northeast to southwest, natural breastworks which made infantry attack on the American center impossible. Thereafter, to crown the masterpiece, Colonel Kosciuszko placed the heaviest concentration of American artillery on the higher Bemis Heights, commanding both the river and the ravines.

"Gentleman Johnny" had no alternative but to attack the American left flank. This movement had been foreseen by Kosciuszko and the Continental sharpshooters were waiting. Brigadier Frazer, the soul of the British forces, was shot, and when that noble soldier pitched from his saddle, the British Crown in the Colonies fell with him.

General Horatio Gates, Commanding General of the American forces, attested that the genius of Thaddeus Kosciuszko was the decisive factor in these words: "Let us be honest. In war as in medicine, natural causes not under our control do much. The great tacticians of the campaign were hills and forests, which Colonel Kosciuszko was skillful enough to select for my encampments."

His masterpiece of strategy was at Saratoga; but his greatest work of military art was the creation of West Point. As at Saratoga, it was in the selection of the site. In all of the vast Hudson Valley Colonel Kosciuszko selected the one point where the river bends around a high promontory controlling both angles of the stream. On a grand scale, he chained the river, then plateau. Thus, the all-powerful British Navy was blocked from the south; never again could the British pincer off New England. Colonel Kosciuszko's intellectual triumph at West Point was greater than at Saratoga. This, because the fortress was too formidable to attack.

The British were forced to revise their grand strategy. They abandoned the North and the Hudson Valley to open operations in the South. Thus, Colonel Kosciuszko's greatest victory was at West Point, the battle his Majesty's forces dared not fight.

When the British switched their offensive to the Carolinas, Colonel Kosciuszko was made Engineer of the South. His commanding generals, Gates and Greene, relied on him completely in the selection of campsites, transport and fortifications. The Continental Army waged the same Kosciuszko guerrilla-engineering tactics that it did against "Gentleman Johnny" on his march to Saratoga. Again, the joining of the British forces was prevented. They retired to Yorktown, to await reinforcements by sea.

The expected relief by the British Navy of General Cornwallis was thwarted by the victory of the French West Indies Fleet in the Battle of the Chesapeake Capes. The French Fleet and the Continental Army closed in on the surrounded British. Cornwallis surrendered. After the surrender but before news reached the southern theater. Colonel Kosciuszko led the action against James Island at Charleston, in which bloody foray the last shot of the Revolution was fired.

Thaddeus Kosciuszko was not just another lucky General. His professional military qualifications stood out like a lighthouse as he arrived with letters from Prince Czartoryski to General Washington's second-in-command, General Henry Lee. As a youth, he was first in his college. He was first King's Cadet at Poland's West Point and he was first at the advanced Ecole Militaire in Paris. General Washington's staff, like the generals of Mr. Lincoln's Army, were to receive their training in battle.

He had scarcely unpacked his bags before the anxious authorities begged his assistance in devising a defense for the city. In doing so, Colonel Kosciuszko planned and effected a defense against amphibious warfare for a young nation which had no navy at all.

A sea-land pincer was closing on the Continental Army. General Washington, badly beaten in the Battle of New York and driven north to White Plains, was falling back across New Jersey to Philadelphia. Lord Cornwallis relentlessly pursued. Out at sea, off the Delaware capes, His Majesty's Fleet, under command of Admiral Howe, made ready to sail up the Delaware River to attack Philadelphia by sea. Washington retreated across the Delaware. Cornwallis gloated that he had trapped the fox at last. But down at the narrow turn of the Delaware, Colonel Kosciuszko designed and built, by Herculean effort, throughout that autumn, forts on Billingsport Island, which controlled both banks of the Delaware. The river was corked. The British sea-land pincers couldn't close.

General Washington, falling back across the Delaware just above Trenton, was not fully apprised of this. With his back to the wall, he sent orders to Philadelphia to build fortifications in preparation for a last-ditch siege. It must have been with enormous relief that he learned that Colonel Kosciuszko had protected the rear of the Continental Army. The rest is dramatic history, how on Christmas Night, Washington recrossed the Delaware to smite the Hesians at Trenton and followed it up with the blow at Princeton which sent Cornwallis reeling back to New Brunswick. Down in the Delaware Bay, Admiral Howe, after evaluating the cost of reducing the Kosciuszko forts, stood out to sea. Colonel Kosciuszko had held Philadelphia by making its river approaches too formidable to attack.

Colonel Kosciuszko was rushed north. The strategic key to the Hudson Valley was between Lake Champlain and Lake George, at Fort Ticonderoga. Colonel Kosciuszko at once outlined full defenses, but the Kosciuszko plan were shelved. "Gentleman Johnny" Burgoyne seized the very heights Colonel Kosciuszko had regarded as controlling. So controlling that the Americans were forced to evacuate without offering battle. Had Colonel Kosciuszko's advice been taken, the Burgoyne invasion would have been stopped then; the Battle of Saratoga would not have had to be fought.

To their everlasting glory the Founding Fathers repaid part of the Republic's debt before Kosciuszko died. When he returned to Philadelphia on August 18, 1797, the American people inundated him with affection. As the ship *Adrianna* swept by Fort Mifflin which he had built, its guns thundered a thirteen-gun salute. All Philadelphia crowded to the wharf. It cheered deliriously as he was carried from her deck, believing for an awkward moment that he was being hoisted in triumph. A wave of pity swept through the crowd when it was perceived the man could not walk. but the reaction was instant and spectacular for that staid city: the horses from his carriage were unharnessed, and the city fathers themselves pulled the vehicle through cheering thousands to his dwelling.

President Adams sent a courier. Wrote the second President: "I hope you will find all the consolation, tranquility and satisfaction you desire after the glorious record you have made in a greater theater. On my arrival in Philadelphia, I hope to have the pleasure to receive you." But it was with Thomas Jefferson, then Vice-President, that General Kosciuszko formed his deepest friendship.

Philadelphia continued to lavish its affection upon him. Love has curative powers. Within months he could walk. To the little house at 301 Pine Street came a string of distinguished visitors: the Duke of Orleans, future King of France, cabinet members, senators, governors and diplomats from abroad; but its most distinguished visitor was Vice-President Thomas Jefferson. Thomas Jefferson became the executor of his will—a will in which General Kosciuszko directed that his American assets be used to purchase the freedom of slaves and furnish them with both land and education.

These distinguished gentlemen exchanged several interesting documents, among them false passports forged by Vice-President Jefferson for General Kosciuszko. The purpose was to get the general to Paris to end the undeclared naval war between the United States and France. Smuggled out at dead of night by Thomas Jefferson himself, General Kosciuszko sailed for Paris via Lisbon. General Kosciuszko apparently accomplished his mission: hostilities ceased after he arrived in Paris.

Thomas Jefferson wrote of General Kosciuszko: "He is as pure a son of liberty as I have ever known, and of that liberty which is to go to all, and not to the few and rich alone."

The most significant tribute to General Kosciuszko came from the Commander-in-Chief, General George Washington himself. General Washington's letters reveal the growth of his respect. "There is one in Philadelphia who I am told is clever, but him I have never seen," General Washington wrote after his Trenton victory, alluding to Colonel Kosciuszko's decisive fortifications at Fort Miffling. After the Battle of Saratoga, General Washington wrote the Congress, "I would take the liberty to mention that I have been informed that the Engineer of the Northern Army (Cosieski, I think his name is) is a gentleman of science and merit. From the character I have had of him, he is deserving of notice." When General Washington congratulated him on his West Point masterpiece, Colonel Kosciuszko answered that it was God who created the promontory and the river, and added that the site was ideal for a military academy. General Washington replied, "Colonel Kosci—do you mind if I call you Colonel Kosci—you are too modest."

When Kosciuszko arrived in Philadelphia in 1797, General Washington, well aware of the worldwide acclaim bestowed on him, wrote:

I beg you to be assured that no one has a higher respect and veneration for your character than I have; and no one more seriously wished, during your arduous struggle in the cause of liberty and your country, that it might be crowned with success.

But the ways of providence are inscrutable and mortals must submit. I pray you to believe that at all times and under any circumstances, it would make me happy to see

you at my last retreat from which I never expect to be more than twenty miles again.

At his historic Farewell to his Officers, surrounded by the resplendent panoply of a magnificent staff, the Commander-in-Chief singled out General Thaddeus Koscuiszko. General Washington then presented General Kosciuszko with his pistols and his sword.

General Washington, a man of forbidding dignity and icy reserve, followed this with one of the most dramatic accolades in American history. The officers of the Continental Army had formed the Order of the Cincinnati. General Washington himself nominated General Kosciuszko for membership. The Officers of the Order then presented General Washington the highest symbol of their regard, the cameo ring of the Order.

Signifying the highest respect, affection, and indeed reverence for their Commander-in-Chief, it must have been among the most prized of his possessions. Thus, when General Washington took from his finger the ring of the Cincinnati, bowed, and presented it to General Kosciuszko, he was bestowing upon the brilliant Polish military genius the highest accolade of the Continental Army.

It is a fair interpretation that General Washington was amplifying by deed what General Gates had declared at Saratoga: "Let us be honest; the military skill of General Kosciuszko is as responsible for the victory of the Revolutionary War as it was the Battle of Saratoga."●

HOW TO PLOUGH—CALIFORNIA LEADS THE WAY IN AGRICULTURAL RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. COELHO) is recognized for 5 minutes.

● Mr. COELHO. Mr. Speaker, back in 1862 President Lincoln signed into law the Morrill Land Grant Act which endowed States with public land if it was used to establish agricultural colleges. The States received 30,000 acres for each Senator and Representative in Congress.

Mr. Lincoln's stroke of the pen was the first official commitment of our Government to advancing American agriculture from its traditional methods of farming, to a dynamic future with an exponential increase in productivity.

At first, these new colleges were mere trade schools teaching such basic courses as "How To Plough." But in 1887, when Congress passed the Hatch Act, these universities became sophisticated institutions with a scientific mission, developing new and innovative technologies for farm management.

Federal financing of agricultural experiment stations was guided by a provision of the law which said:

It shall be the object and duty of the state experimental stations through the expenditures of the appropriations hereinafter authorized to conduct original and other researches, investigations and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agricultural industry in the United States, including researches basic to the problems of agriculture in its broadest aspects, and such investigations as have for their purpose . . . the maximum contribution by agriculture to the welfare of the consumer.

The strides which have been made by modern agricultural research are phenomenal. Consider that back in the 1930's American farmers were no more productive than those in the Third World. Futurologists at the Department of Agriculture are now monitoring imaginative studies which could one day lead to growing crops genetically resistant to drought, and can thrive on salty water. Cows may one day be able to routinely give birth to twins. Double cropping and intensive cropping will increase crop yields on land. New compounds to make crops grow more quickly are being devised, along with a technique to slow the process by which fruits and vegetables go rotten after harvesting.

My reason for discussing this with my colleagues, Mr. Speaker, was publication recently in the Wall Street Journal of an article about the agricultural research programs at the University of California. As is explained in the article, my home State's unrivaled leadership position in farm output—indeed, our country's—is significantly enhanced by the work of agricultural engineers at the Davis, Calif. campus. My colleagues with an interest in the tremendous potential for feeding the hungry, enriching our farm economy, and benefiting consumers will find the article interesting, if not fascinating. I will include it in the RECORD following my remarks.

Thank you, Mr. Speaker.

[From the Wall Street Journal, Jan. 13, 1981]

FARMING ON A FRONTIER—CALIFORNIA COLLEGE'S RESEARCH HELPS STATE STAY AT THE FOREFRONT OF AGRICULTURAL DEVELOPMENTS

(By Ray Vicker)

DAVIS, CALIF.—Progress on farms generally begins in laboratories.

At the University of California's College of Agricultural and Environmental Sciences here, for example, scientists are experimenting with genetic engineering and more conventional techniques in the hope of achieving a wide range of significant developments. Their efforts could lead to grains and vegetables that would draw fertilizer from the air and would make better use of sunshine for faster growth, for instance. Another possibility is the development of plants that would thrive under saline conditions that would kill current varieties.

As dramatic as such developments would be, they are only a part of the research under way at this university on the flat plains of the Sacramento Valley. Here there are cows producing as many as 11 calves a year, instead of the customary one; dwarf fruit trees that offer easy picking and high production; a new method of canning food; a way of using gamma rays to identify ripe lettuce for an automatic harvester, and better techniques for lobster farming.

BIG PAYOFF

In the past, such research efforts have paid bountiful dividends. By developing new seeds, building automatic harvesters and researching improved ways of using fertilizers and insecticides, agricultural colleges have played a crucial role in helping U.S. farmers lead the world in volume of production. Since 1950, moreover, American farm productivity has increased more than 50% with little change in cultivated area and despite a farm labor force only a third as large.

"I'm an optimist," says Charles E. Hess, dean of the Davis college. "Looking ahead, there are likely to be just as may dramatic changes in agriculture as we have seen in the past few decades."

He and his colleagues aren't deterred by a lawsuit, initiated by a California activist group, that first sought to halt agricultural developments that might put people out of work and now seeks to sever links between publicly financed researchers and the farming industry. "Our role at Davis is to conduct research and teaching to ensure that the consumer has an adequate supply of nutritious food produced as efficiently as possible with the least possible environmental hazard," Dean Hess says. "We are doing just that."

In doing so, they are also helping California maintain its position as the nation's leading agricultural state in dollar volume. California's farm output exceeds $14 billion a year and includes half of the vegetables produced in the U.S., 80% of the processed tomato crop, more than 95% of the broccoli, two-thirds of the peaches, 90% of the grapes and 95% of the lettuce. Only Wisconsin produces more milk and only Texas more cotton.

BOON TO CALIFORNIA

"California's position as an agricultural producer has been attained largely because of the fundamental and applied agricultural research done at this institution," says Leon Garoyan, an agricultural economist at Davis. Visits to the laboratories, hothouses, fields, barns and offices here give some inkling of the magnitude of that effort.

The work on developing crops that can withstand salinity, for instance, has involved the screening of many thousands of genetic types of barley and wheat to find those best able to tolerate salt. Some of the selected barley strains have been grown at the university's Bodega Marine Laboratory, north of San Francisco. The crop was irrigated with seawater containing 3.5% salt. Wheat has been grown at half that salinity. Tomatoes have been raised under irrigation with half-strength seawater (seawater averages 2½% to 3% salt).

"In the future, it may even become possible to use seawater to produce crops along sandy coasts and coastal deserts," says Emanuel Epstein, a Davis scientist. "But improving the salt tolerance of crops for conventional-irrigation agriculture on salt-affected soils also is an important goal."

That goal is already in sight, through research using conventional plant-selection methods. And a team of 15 scientists is also using genetic engineering to create plant forms.

"We are manipulating bacteria and plant cells, seeking to isolate those genes which might be responsible for certain characteristics in the organism," says D. William Rains, director of the plant-growth laboratory. Once identified, the gene material might be transferred from bacteria into plants, researchers hope.

PLANT GROWTH STUDIES

Two other important areas of research involve nitrogen fixation and photosynthesis. The first seeks to stimulate plants to draw nitrogen from the air; scientists hope that this ability, which is possessed only by bacteria, can be transferred to plants that now get nitrogen from fertilizer. And if photosynthesis—the process through which plants convert the energy in sunlight into plant sugars—could be made more efficient, plants would grew faster.

Plants now convert only 1% of the energy absorbed from the sun into sugars. Says Dean Hess: "Think of what it would mean if we could raise that to 2%. That could mean a doubling of plant growth rates, and that might be reflected in massive food-production increases."

Moreover, fewer than 10% of the world's 300,000 species of higher plants have been screened for any purpose, and only about 1% have been thoroughly screened for possible use by man. So enormous latitude still remains for agricultural expansion—and a staggering task is faced by genetic engineers searching for desirable genes.

Perhaps unlike some financial people, genetic engineers here seem to harbor few illusions. They say it may take years and even decades before some of their ideas reach commercial usefulness.

Much closer to practical application are embryo transplants in animals. A high milk producer can become the mother cow for a whole herd. After artificial insemination induces pregnancy, the embryo is transplanted into an ordinary cow. The resulting calf has the quality characteristics of the blood mother rather than the bearing mother. The high-quality cow can deliver embryo after embryo for transplanting; one cow here had a record 11 calves in a single year.

"This is the way all animal breeding will be done on farms in another few years," says Donald L. Bath, a scientist here.

COMPUTERIZED FARMS

Also likely is the computerized farm, on which the farmer can handle his cattle and milk-cow feeding programs via computer. The university already has such a system. With it, a farmer can select any of dozens of feeds to achieve the best nutrition at the lowest price.

"We now have 61 groups around the country tied into one computer to get feeding programs," Mr. Bath says. Some are feed companies, consultants and dairies, each of which deals with several hundred farmers. During the past several years, the program has increased average annual milk production to 20,371 pounds per animal from 14,429 pounds.

The new canning process, says Roger E. Garrett, chairman of the Agricultural Engineering Department, uses direct flame on cans for sterilization and drastically reduces energy costs. Taste tests show that products thus canned are more likely to retain natural flavors.

Wallis H. Clark Jr., director of the aquaculture program, reports the successful crossing of a Maine lobster with a European one; the goal is to produce a lobster that is more docile than the Maine variety—and less fond of cannibalism. Now the facility is doing something heretofore deemed impossible: breeding lobsters in captivity with an artificial diet. Under the Davis system, a one-pound lobster may be produced in two years, less than half the normal period.

"Two companies on the West Coast and one on the East Coast are going into this on a commercial scale," Mr. Clark says.

STURGEON HATCHERY

The university also has the Western Hemisphere's first sturgeon hatchery. Breeding from fingerlings hatched last May has been so successful that commercial production is considered possible.

And researchers here sometimes turn to old crops. One is amaranth, a high-protein cereal of the ancient Aztecs. The Spanish conquerors of Mexico banned cultivation of the grain because of its religious significance to the Indians, and it hasn't been raised to any extent in North America ever since.

"It is a crop that might fit the growing cycles of many American farmers," says Subodh K. Jain, a researcher here. He is working to improve seed characteristics. And backyard gardeners, especially in California, are already growing amaranth as a health food.●

MALICIOUS DESTRUCTION OF RELIGIOUS PROPERTY MUST BE STOPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SOLARZ) is recognized for 15 minutes.

● Mr. SOLARZ. Mr. Speaker, today I am introducing legislation cosponsored by Congressman WAXMAN which would make it a Federal crime punishable by 5 years imprisonment and a $10,000 fine to destroy a house of worship or the religious property within, or to vandalize a cemetery or religious school.

To effectively guarantee freedom of worship in this country there must be substantial penalties for those who would interfere with an individual's right to worship without fear. Those who deliberately destroy religious property commit not only a crime against property, but also a crime against individuals. Churches, synagogues, and their sacred contents are often of irreplaceable, traditional and historic value and their destruction can cause the disappearance of congregations and their heritage of worship.

In my own district over the last year there have been dozens of vicious attacks on houses of worship. At Temple Ner Tamid night marauders painted red swastikas on the floor, mutilated Holy Torahs, and splattered paint over the rabbi's robes and prayer shawl, leaving cash and valuable equipment untouched. In Brighton Beach, Beth Hamidrash Hagodol Synagogue was destroyed by arson, and dozens of sacred and valuable antique Torah scrolls have been stolen from temples in my district, preventing these congregations from holding their Sabbath services.

The following article from the New York Times on January 5, 1981, details the incredible impact of crimes carried out against a small Jewish congregation:

SEVEN TORAHS STOLEN FROM SYNAGOGUE IN BOROUGH PARK—CRIME PERILS HALF CENTURY OF CONTINUOUS SERVICES

(By Robert D. McFadden)

Seven elaborately handwritten Torah scrolls that were valued at $15,000 each and had been used weekly for more than 50 years by one of the oldest synagogues in Brooklyn were stolen sometime Saturday night or yesterday morning.

The crime, the latest in what the police called a rising incidence of break-ins at houses of worship in the city, stunned the rabbi and members of Congregation Yeshiva Yavne, a turn-of-the-century synogogue at 510 Dahill Road, near 40th Street, in the Borough Park section.

"My heart aches when I speak about it," Rabbi Solomon Shapiro said yesterday after discovering the doors of the Holy Ark ajar on the altar and the seven wooden-handled parchment scrolls missing.

The rabbi said his Orthodox congregation was composed of a dwindling number of aging members, only about 30 people, who could not afford a single replacement for the stolen Torahs, which were not insured. And unless he is able to borrow one this week, the rabbi said, a tradition of Sabbath services dating back 55 to 60 years might be broken.

TWO YEARS OF WORK

The Torah is traditionally the holiest object in a synagogue. A long parchment scroll inscribed with the Five Books of Moses and wrapped around a wooden or metal roller, each is a product of painstaking effort by a scribe who may labor two years or longer copying the Hebrew text. Some have gold or silver handles and finger-like pointers used for following each line of the text.

Because of the costly materials and effort involved in creating a Torah, the value of a scroll has risen dramatically in recent years, from $3,000 to $15,000, according to Rabbi Shapiro.

And as the value of Torahs has risen, the number of reported thefts also has been increasing in New York, Israel, France and elsewhere. The police and spokesmen for various religious organizations have noted that churches and synagogues are often unlocked, unattended and quite vulnerable to thieves, and that the rising value of religious objects may have led to underworld "fencing" operations specializing in them.

Detectives of the 66th Precinct, which covers an area in Borough Park dotted with synagogues, recalled several other synagogue thefts last year. Brooklyn South detectives said they had observed a rising incidence of break-ins at churches and synagogues in recent months, although no statistics were available.

No precise statistics were available on a citywide basis, either, but the police noted that recent increases in such crimes had in part prompted the creation last month of a special 13-member police unit assigned to investigate crimes of a religious, ethnic or racial nature.

Rabbi Shapiro said the Torah scrolls at Congregation Yeshiva Yavne were taken sometime between 6:15 P.M. Saturday, when he locked up and left the building after Sabbath services, and 11:30 A.M. yesterday, when he returned. The thief or thieves apparently entered through a basement window, which had been forced open.

"I left the congregation a little after 6 o'clock and locked up as usual," the rabbi recalled. "This morning, I happened to

come into the main synagogue about 11:20 and noticed that the Holy Ark was kind of open. The doors were not closed as they should be.

"I ran over—and then I almost collapsed. All seven Torahs had disappeared."

Rabbi Shapiro said there had been no vandalism in the synagogue. But the loss of the Torahs, he said, has left his congregation "shocked and very upset."

"At one time," the rabbi said, "the scrolls were considered such holy objects that no one would dare to touch them. Now, unfortunately, times have changed."

"We have only a small number of worshipers, a handful of elderly people, and they cannot afford to buy a new Torah," the rabbi said. "Now we are faced with a great dilemma. Services have been held continuously for 55 to 60 years in this congregation, but we cannot have services without a Torah. I don't know what we're going to do."

Outrageous acts such as these are reminiscent of the vicious persecution to which Jews and other religious groups have been subject in the past. They constitute a flagrant violation of freedom of worship, which I believe the Federal Government must fully address.

The U.S. Constitution protects our freedom of religion, but now it is up to the Congress to extend the Federal civil rights statutes to include the prosecution of church and synagogue cases just as it covers offenses against homes and multiple dwellings. Passage of the legislation I have introduced today would permit the Justice Department to investigate and prosecute those who commit such malicious acts of vandalism against houses of worship, religious schools, or cemeteries.

I hope that other Members of the House will join with me and Congressman WAXMAN in working for the passage of this legislation which would lead to a decrease in the incidence of attacks on our sacred places.

The text of the legislation I am proposing is as follows:

H.R. —

A bill to amend title 18 of the United States Code to make it a Federal crime to vandalize a house of worship or any religious articles therein

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Chapter 13 of the title 18, United States Code, is amended by adding at the end thereof the following new section:

"SEC. 246. Whoever vandalizes, sets fire to, or in any other way damages or destroys a religious house of worship or any other religious object contained therein, or a consecrated cemetery, or religious school, with the intent to intimidate or otherwise interfere with any person freely exercising his religion shall be fined not more than $10,000, or imprisoned for not more than five years, or both.".

SEC. 2. The provisions of section 1 of this Act shall take effect on the date of enactment of this Act.●

● Mr. WAXMAN. Mr. Speaker, it is with deep concern and alarm that I call to the attention of my colleagues and the general public the wave of anti-Semitic vandalism now sweeping our Nation. Tragically, such acts are no longer rare occurrences. It is no coincidence that the bombing of a synagogue in Paris and attacks on Jewish businesses in Europe have been matched, in our country with the spray painting of swastikas and Nazi slogans on synagogue edifices and the firebombing of religious institutions.

In my own community in Los Angeles not a week passes without several reports of anti-Semitic vandalism or harassment. Los Angeles, the Nation's second largest Jewish community, includes a very substantial population of survivors of the holocaust. We cannot tell them that the current troubles will pass or that these incidents are the work of common pranksters with no serious malicious intent. The experiences of a lifetime tell them, as they must tell us, that these facile explanations are not to be trusted.

Today, Representative STEPHEN J. SOLARZ and I are introducing legislation which would make attacks on churches, synagogues, cemeteries, and other sacred places a Federal crime punishable by up to 5 years in prison and a fine of up to $10,000.

If this bill is enacted, local communities plagued by acts of religious hatred could count on the full resources of the FBI and other agencies of the Federal Government in their efforts to fight back. I proudly support this bill and urge our fellow Representatives to give our proposal their most serious consideration.

I should like to direct the attention of all to the excellent article, inserted below, by Richard Solomon, which appeared in the Los Angeles B'nai B'rith Messenger on January 16, 1981; it documents the need for the legislation we are introducing:

[From the B'nai B'rith Messenger, Jan. 16, 1981]

WAVE OF HATE VANDALISM GRIPS LOS ANGELES

(By Ronald Solomon)

Los Angeles Jewish community leaders are on watch in the wake of last week's vicious acts of anti-Semitic vandalism at the Simon Wiesenthal Center for Holocaust Studies, Mt. Sinai Memorial Park and the Glasband-Willen Mortuary.

In each case, anti-Jewish words were spray-painted on the walls with the common element being the black paint that was used, according to police.

"The disease of anti-Semitism still festers in our society in spite of the efforts of religious and community leaders from all walks of life," said Lawrence E. Irell, president of the Jewish Federation Council this week. "While we believe that the majority of the American people have not demonstrated any anti-Jewish prejudices, the outrages perpetrated at the Simon Wiesenthal Center and Mt. Sinai Memorial Park and Glasband-Willen, are repugnant to all people who believe in American values and freedoms . . ."

Mayor Tom Bradley called the incidents "ugly and shameful attempts of a few sick vandals to frighten, threaten or goad us into the pit with them . . ."

The damage at the Wiesenthal Center, 9760 W. Pico Blvd., took place between midnight and 5 a.m. Wednesday, Jan. 7. The outside walls of the holocaust museum, which is located at the Yeshiva University of Los Angeles, were painted with German slogans and nazi insignias including swastikas.

These slurs included "NSWPP Erwache" (National Socialist White People's Party Awaken) "Achtung Juden SS Kommt" (Jews Beware SS is coming) "Tod Zu die Juden" (death to the Jews) "Kill Jews" and "Simon is the murderer."

Two cans of spray paint were found by the students as they prepared to attend classes the following day.

Police are seeking the whereabouts of two young men who participated in a bizarre incident which took place at the center the Sunday before, and may be tied in to the vandalism.

According to spokesmen at the museum, the two young men entered the building Sunday afternoon wearing nazi uniforms including storm troopers' boots and swastikas. The two approached a volunteer at the museum—Magda Bass—a holocaust survivor, and spoke of how their fathers served in the SS and how proud they were of that fact. The men were escorted from the building.

"These haters always begin with spray paint," said Rabbi Marvin Hier, the university's dean. "Unfortunately, as history has taught us, white-washing their slogans can only lead to the most profound tragedies."

Another possible tie in to the university said, may be the notorious California-based "Journal of Historical Review," published in Torrance. The journal is a holocaust revisionist publication.

In the winter edition, which was published a few days prior to the vandalism, the journal called Simon Wiesenthal a nazi collaborator and attacked the Wiesenthal Center along with the Anti-Defamation League of B'nai B'rith.

Security will now be stepped up at the university which also houses YULA High School.

At Mt. Sinai Memorial Park, two attacks were made early last Thursday. A swastika and the words "Beware" and "Die" were found spray-painted on the wall of the mortuary at 5950 Forest Lawn Dr. A male caller contacted NBC at 2 a.m. and said "We struck at Mt. Sinai Cemetery. We left our mark." At about 4 a.m., a bottle was thrown through an eight-foot window at the cemetery.

Glasband-Willen Mortuary in West Hollywood experienced a similar spray-paint episode.

Last week's incidents came on the heels of the arrest and subsequent arraignment of two neo-nazis in the Dec. 6 fire which gutted the sanctuary of Temple Beth David in Temple City.

Calls from Christian clergy poured into the Wisenthal Center offering to help with the clean-up. A mass solidarity rally will be held Sunday, Jan. 25, at 1 p.m. in front of the center at which time voices of support will be raised. Simon Wisenthal will attend.

U.S. President-elect Ronald Reagan and California Governor Jerry Brown both issued statements condemning the acts of vandalism.

Evangelical Christian ministers gathered in Los Angeles last week to reaffirm the need for Christians at this time not to remain silent. Pastor Chester Harter, Jr., of First Baptist Church of Southgate, stated that "anti-Semitism is not a Jewish problem, it is a challenge to Christianity as a community and a world force. It is our responsibility as Christians to challenge those who perpetrate these acts of violence and hatred."

[From the Los Angeles Herald Examiner, Feb. 2, 1981]

A CHRONOLOGY OF RECENT ANTI-SEMITIC ACTS IN LOS ANGELES

(By Patricia Wolf)

Since last December a wave of anti-Semitic acts has struck Los Angeles, leaving the Jewish community concerned and angry.

The following is a chronology of these events:

Dec. 6—An arson fire at Temple Beth David in Temple City caused more than $100,000 damage to the sanctuary, social hall, religious scrolls and prayer books.

Dec. 13—Two self-proclaimed members of the American Nazi Party, Michael Steven Canale, 33 and Donald Neilson, 24, were arrested in connection with the fire at Temple Beth David.

Dec. 13—Five windows were broken at Temple Shaarei Tikvah in Arcadia.

Jan. 6—Swastikas and Nazi slogans were found spray painted on the walls of the Simon Wiesenthal Center for Holocaust Studies in West Los Angeles. The slogans included "Simon is a murderer" and "Death to all Jews, Beware the SS is coming."

Jan. 6—A swastika and the slogan "Kill Jews" were spray painted on a wall of the Glasband-Willen Memorial Chapel in West Hollywood.

Jan. 7—A bottle was thrown through a plate glass window at Mount Sinai Memorial Park in the Hollywood Hills. Profanity directed at Jews was spray painted on the glass and marble front entrance to the park.

Jan. 15—Swastikas and anti-Semitic slogans were spray painted on the walls of businesses and apartment houses in the Beverly-Fairfax area.

Jan. 20—Posters announcing a march down Fairfax Avenue by the National Socialist American Workers Party were plastered on the windows of businesses on Fairfax Avenue.

Jan. 20—A red Star of David with a slash through it and the words "This is only the beginning" were found spray painted on the walls of the Glasband-Willen Memorial Chapel in West Hollywood.

Jan. 25—More than 2,000 persons gathered at the Simon Wiesenthal Center to denounce anti-Semitic attacks.

Jan. 26—Swastikas and slogans saying "Die Jew boys" and "God is With Us" were found spray painted on the walls at Temple Beth Hillel in North Hollywood.

(In mid-January, three attacks were reported on Messianic Jewish organizations in West Los Angeles and Beverly Hills. Authorities do not believe these attacks, on the Jews for Jesus, Beth Hayim Fellowhip and the Open Door Messianic Jewish Congregation, were committed by neo-Nazi groups.

(In mid-October 1980, nearly 400 tombstones were overturned at the Mount Carmel Cemetery in the City of Commerce. Sheriff's deputies determined the vandalism was the work of juveniles participating in a gang initiation. Some members of the Jewish community still believe the vandalism had anti-Semitic overtones.)●

A GOVERNMENT OR A BUTCHER SHOP?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 15 minutes.

● Mr. ST GERMAIN. Mr. Speaker, in a few short weeks we have moved from the most extravagant Presidential inaugural to the most extravagant budget cuts in the history of the Nation.

Numbers have filled the Washington air like so much confetti. A billion here, a billion there—every edition of the newspapers brings news of bigger and better cuts. At times, we had to question whether we were running a giant butcher shop or a government.

Vice President BUSH—in his Sunday night speech in New York—identifies the administration's budget-cutting weapon as a "scalpel" and "not the butcher's cleaver." All I can say, is thank God, Mr. BUSH decided to become a politician and not a surgeon.

The numbers—and the competition for bigger and bigger headlines—have submerged the programs themselves. My suspicion is that we are at the mercy of some giant computer in the basement at the Office of Management and Budget, pouring forth endless printouts designed to reach some preconceived notion of what looks good as a multibillion-dollar prime cut.

Budgets and economic reports have been great public relations and political tools of Presidents—Democrats and Republicans alike. President Reagan and his administration certainly have the right to play the same game. The Congress, the public, and the press, however, have the distinct responsibility to question the quality and rationality of the cuts, the glories of IBM wizardry notwithstanding.

Mr. Speaker, I have said many times since the November election that it is my intention to cooperate with the new administration and to support its initiatives when possible. Democrats and Republicans share concern over the state of the economy, and I applaud any effort to cut waste, unworkable programs, and extravagance from the Federal budget. I have been at the forefront of many of these efforts in past Congresses and I would add, parenthetically, that I have found Republican bureaucrats as difficult as Democratic bureaucrats when their programs are under fire.

Nonetheless, Mr. Speaker, we must face the fact that we do have a Federal Government; that we do have a highly complex, interdependent economy; and that we do have the poor, the disadvantaged, and those struggling up from the lower rungs to the great American dream. Let not the wild swings of the Carry Nations of the budget process suggest that suddenly—eureka—we can dismantle the Federal Government and all programs that make it work for not only the banks and big business, but for the less fortunate.

It is important that the grab for budget-cutting headlines not lead to unthinking and unworkable cuts which will render programs impossible to manage, create greater inefficiency in the Government bureaucracy. Let us make certain that the necessary cuts are meaningful and that they are aimed at unworkable and wasteful areas and that they not rip the heart out of the programs that do work and that do aid people and that do increase productivity.

Although many of the cuts being mentioned come from programs authorized by this committee, it is significant that the Democratic leadership of the Banking, Finance and Urban Affairs Committee has not been consulted or informed in any manner by the administration. We have been forced to depend on leaks from something called the black book and the news stories developed by the members of the Washington press corps. I think many members of this committee—Republicans and Democrats alike—who worked on these programs would be interested in hearing, not from the OMB, but from the people who will actually operate the programs—those who will be required to reorder the priorities in their agencies. Only then will the jumble of numbers pouring forth from the administration make sense; only then will we know how this administration plans to deliver necessary services.

To accomplish this, Mr. Speaker, I have asked my subcommittee chairmen on the Banking Committee to call the various Cabinet and agency heads before their subcommittees for a first-hand analysis on just how these programs will continue to operate after the budget ax has landed. I think this is very important if we are to properly judge the budget cuts and if we are to plan committee agendas.

I trust and hope, Mr. Speaker, that these program people—the bureaucrats on the line—have been kept fully informed and have helped develop the details of the proposed cuts and that they will be able to give us this early reading on the workability of the new budget.

Judging from the numbers leaked for the headlines, we can at this point assume that the Reagan budget will be heavily tilted against programs designed to lift the poor, to reach our inner cities, to feed, house, and clothe those least able to do so for themselves.

Food stamps are an example. Here the black book tells us the Reagan ad-

ministration has decided to make major cuts over the next 4 years. This has a substantial impact on humans; but what real impact does it have on a multibillion-dollar budget? I trust the administration is aware that the last Congress did institute reforms in this program and I hope the results of these changes will be looked at before wholesale cuts are attempted.

Such cuts gain brief headlines and months of substandard existence for individuals. The saddest thing is that these cuts—like other slashes—have little real impact on the fight against inflation.

Arguments against massive slashes are made powerfully by Nobel Prize-winning Dr. Kenneth Arrow, who notes that—

> It is not so much a question of a high level (of government spending) or a low level, but a stable level. We shouldn't have a big increase in spending one year and deep cuts the next.

And it is not only the size of spending by the Government that economists consider relatively unimportant, but the size of deficits. As Paul Samuelson has noted—

> When it comes to the U.S. budget, the issue of whether the budget is one pfennig out of balance or two pfennigs in balance is an ideological and a symbolic one. It has no economic significance. The difference between small surplus or small deficit in a $2.5 trillion economy is symbolic as an indication of society's . . . humaneness to individuals.

Mr. Speaker, we should make no mistake about the relative size of the deficit we are talking of here. The Federal debt, as a percent of total GNP has declined steadily for the last 20 years, from nearly 60 percent of GNP in 1960 to just over 30 percent of GNP in 1980.

This is why wisdom dictates that we approach the budget hysteria with caution. Let us cut where it makes commonsense, improves efficiency, and eliminates waste. But, let us not enter the budget-slashing exercise on the false belief that suddenly we have found the magic formula, the panacea, for our economic troubles.

Faced with the economic realities, I must question the administration's apparent plan to cut such programs as the unemployment insurance extended benefits, medicaid, and disability insurance for injured workers under the social security system.

If we are to believe the black book leaks, the administration wishes to couple unemployment benefit reductions with reductions in medical and disability benefits that have provided a modicum of peace of mind to those injured on the job, or those who fall victim to prolonged illnesses. These are benefits that the Nation's workers have paid for through their taxes, as they have paid for the unemployment extended benefits. I question these cuts as a matter of equity or good social policy and, most of all, I question just how much this means to the grand economic plan.

In the field of energy, the Stockman black book would cut funding, or terminate programs designed to promote alternative energy source development, and to aid low-income persons to weatherize their homes. Three energy source programs are targeted in Stockman's plans: Synfuels, alcohol/biomass and hydropower. While the argument is made that these cuts would save $498 million this year, the true costs of these slashes far outweigh the savings. Alcohol/biomass and hydropower offer renewable energy resources which this country cannot afford to overlook. Synfuels, on the other hand, offer not only massive new fuel sources, but are potentially crucial to our Nation's defense as a domestic source for petroleum for our Armed Forces.

Topping off this energy carnage is the end of subsidized loans for low-income families to weatherize their homes. With the administration removing price controls on heating oil, and planning to remove them from natural gas it seems incredible that they would deny the poor one possible source of relief from skyrocketing energy prices, and our country will not save $1 in outlays this year, and $287 million in 1982.

Again, if we are to believe all the background leaks, the administration justifies its slashing of energy conservation programs with an almost total reliance on conservation by price. Decontrol, the theory goes, will raise prices to a point where conservation is certain to follow.

The administration is right on at least half of that equation. Decontrol will raise prices. My constituents in Rhode Island can testify to that.

But, what, I would like to ask the authors of the black book, happens to the low- and moderate-income family, the elderly on social security when conservation is solely on the basis of price?

Perhaps we could string banners across the main streets of our communities: "Conserve or Freeze to Death."

A much more effective—and a more humane—way would be to continue, to enhance and streamline our conservation efforts. I am not satisfied with the disjointed manner in which our energy policies have been put together and I would like to see a more effective and coordinated effort put together. But, that is far short of a "pay-or-else" edict approach to conservation.

In the area of housing the administration has targeted four programs which are aimed at the redevelopment of low-income neighborhoods—cuts totaling $270 million according to the black book. These programs, which the administration plans to terminate, cover aid to individuals in rehabilitating their houses and to communities in improving their private and public lands which can rescue neighborhoods from the long-term neglect that has led to urban wastelands like the South Bronx.

It was candidate Reagan who told a group of South Bronx residents this past fall, "I can't do a damn thing for you if I don't get elected." And it was candidate Reagan who told the National Urban League that same day not to consider him "a caricature conservative" who would be "antipoor, antiblack and antidisadvantaged."

The neighborhood self-help development program provides grants and technical assistance to neighborhood agencies to preserve and revitalize activities in low-income areas. This program costs $3.2 million a year, yet allows local communities to band together to work together to save their neighborhoods. There is some further help coming to such agencies from the planning assistance grants, at a cost to the Government of $1.5 million. Without this assistance, redevelopment programs would have a much harder time availing themselves of professional assistance and advice in making the best use of the money and facilities at their disposal in redevelopment programs—another case where budget cuts can be inefficient, adding rather than reducing costs.

Finally, there are the rehabilitation loan fund and section 108 loan guarantees. The first program is aimed at helping individuals in low-income areas convert their own homes, while the second program is aimed at helping community organizations acquire and rehabilitate publicly owned land for the use of their citizens. I would strongly suggest that our new administration take a hard look—talk to the program people—before using these cuts as part of their budget window dressing.

Even more importantly, I hope the wiser heads in the administration will insist on a closer look at the black book's death warrant for the urban development action grant program. UDAG is a much-beleaguered program, and has been singled out for criticism by the new administration; yet according to reports, in its 3 years, UDAG has stimulated $11.5 billion of private investment, which has led to 463,218 new jobs, and added hundreds of millions of dollars to city, State, and Federal revenues—on an expenditure of $1.9 billion. Should be abandon programs which generate $6 of private investment for every dollar spent? The savings in unemployment and aid to dependent children alone as a result of the UDAG program are enormous, not to mention the lowering of tension and the raising of hopes in our inner cities.

While UDAG concentrates on inner-city investments that are the key to

lowering our disgracefully high unemployment rates in those areas, the Export-Import Bank helps us save jobs through the country, and in all economic sectors.

Since its creation in the mid-thirties, the Bank has made a substantial commitment to the export of U.S.-produced goods and services and in the process has helped to create and maintain thousands of jobs. Specifically, since the creation of the Export-Import Bank, more than $100 billion in loan guarantees and direct loan authority have helped to create or sustain millions of jobs.

The Export-Import Bank, in addition, is one of the few Government agencies which actually makes a profit, having returned over $1 billion to the Treasury.

Mr. Speaker, I think the efforts of the Export-Import Bank can be improved and I would like to see this administration insist on more help for the smaller companies that would like to enter the export markets. I stand ready to support a sane approach to make this Bank work for a broader sector of our economy.

At the same time, our exports are essential. I am not willing to take a great slash at the Export-Import Bank for some misguided public relations purpose while we continue to struggle to keep our balance of payments on an even keel. We must face the fact that other nations subsidize many of their exports and I do not want some overnight computer run to suddenly create more problems with our efforts to compete in world markets.

Some of the black book's black magic seems designed to satisfy philosophical hangups of a few with little or no concern about economic impact. For example, cooperatives—self-help organizations formed by local people—apparently have a real enemy somewhere among the black book authors.

The little National Consumer Cooperative Bank is to be cut, we hear—cut to the bone and eliminated with no loan authority left. This comes at a time when the Bank—which began its life in this committee—is about to enter the market for its funds. It simply needs the additional capital already authorized by Congress, but the anti-co-op bias of the administration apparently will order an immediate execution. This is wasteful, wiping out gains already made by the Bank. It saves only a minuscule amount in the current budget and such an immediate closing of the Bank—if successful—would in the long run actually prevent the bank from recovering the capital it has already invested.

The capital in the Bank is repayable by the borrowers, and it is being repaid. But the Reagan administration, if the rumors are correct, would cut these repayments off. Strange economics in an administration ostensibly dedicated to economy.

The Co-Op Bank, of course, is a self-help program based on the bedrock of fully repayable loans. It is not welfare; it is not handouts; it is not Government bureaucracy. Quite the opposite. It is local control, local initiative, local people.

Of course, this program is modeled after the highly successful Farm Credit System whose entities, including the Bank for Cooperatives, have become self-sufficient operations that have brought great benefits to rural and farm areas. If the Reagan administration finds this model unacceptable for consumer cooperatives, what will be its attitude toward the Farm Credit System itself?

We do know that rural cooperatives which provide light and power for farms and small communities—and help lower the cost of food production—are under attack in the black book. And rumors are coming forth that the credit cooperatives—credit unions—will have their newly created Central Liquidity Fund hamstrung in the Reagan proposals.

So, for those people who believe in self-help, in starting their own local organizations and maintaining control through a cooperative structure—the Reagan administration apparently has you in their sights.

The budget cuts, Mr. Speaker, are, for the most part, slashes aimed at many, who—for various reasons—need a temporary helping hand, government of people; not a government of computers.

Cuts of this magnitude would be questionable in any event, but the seriousness is magnified by the administration's emerging new tax policy which appears certain to skew the benefits for business and upper income taxpayers.

These tax cuts which are weighted in favor of the rich and the budget cuts aimed at the poor seem certain to make some fundamental changes in the distribution of income—a redistribution of the hopes and desires of millions of Americans.

Mr. Speaker, once again I sincerely hope that this administration—when the newness of the computer runs fades—will approach both budget and tax cuts with a calmer view. I think President Reagan and his administration will find many of us willing to cooperate if we can be assured that there are indeed scalpels, and not meat axs, in the medicine closet. And most importantly, if we can be assured that there are qualified surgeons on the job that truly want the patient to live.●

RULES OF COMMITTEE ON ENERGY AND COMMERCE FOR 97TH CONGRESS

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, pursuant to rule XI, clause 2, I present for the printing in the RECORD the rules adopted by the Committee on Energy and Commerce:

RULES FOR THE COMMITTEE ON ENERGY AND COMMERCE OF THE HOUSE OF REPRESENTATIVES, 97TH CONGRESS

Rule 1. *Rules of the House.* The Rules of the House are the rules of its committees and its subcommittees so far as is applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Written rules adopted by the committee, not inconsistent with the Rules of the House, shall be binding on each subcommittee of the committee. Each subcommittee of the committee is part of the committee and is subject to the authority and direction of the committee. Rule XI of the Rules of the House, which pertains entirely to committee procedure, is incorporated and made a part of the rules of this committee, which are supplementary to Rules of the House.

Rule 2. *Time, Place of Meetings.* (a) The committee shall meet on the fourth Tuesday of each month and at such other times as determined by the chairman, or pursuant to subparagraph (b), in Room 2123 of the Rayburn House Office Building, at 9:45 a.m. for the consideration of bills, resolutions, and other business, if the House is in session on that day. If the House is not in session on that day and the committee has not met during such month, the committee shall meet at such time and place on the first day thereafter when the House is in session.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purposes pursuant to that call of the chairman.

(c) If at least three members of the committee or subcommittee (whichever is applicable) desire that a special meeting of the committee or subcommittee (whichever is applicable) be called by the chairman or subcommittee chairman, those members may file in the offices of the committee their written request to the chairman or subcommittee chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman or subcommittee chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman or subcommittee chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee or subcommittee (whichever is applicable) may file in the offices of the committee their written notice that a special meeting of the committee or subcommittee (whichever is applicable) will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee or

subcommittee (whichever is applicable) shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee or subcommittee (whichever is applicable) that such meeting will be held and inform them of its date and hour and the measure or matter to be considered and only the measure or matter specified in that notice may be considered at that specified meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) Each meeting of the committee or any of its subcommittees for the transaction of business, including hearings and the markup of legislation, shall be open to the public except when the committee or subcommittee in open session and with a quorum present determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. This paragraph does not apply to those special cases provided in the Rules of the House where closed sessions are otherwise provided.

(f) At least once a month, the chairman shall convene a meeting of the chairmen of the subcommittees. The purpose of the meeting will be to discuss issues pending before the committee and the procedures for committee consideration of such matters. The discussion may include, among other items, the scheduling of hearings and meetings, questions of subcommittee jurisdiction and the conduct of joint subcommittee hearings.

Rule 3. *Agenda.* The agenda for each committee or subcommittee meeting (other than a hearing), setting out the date, time, place, and all items of business to be considered shall be provided to each member of the committee by delivery to his office at least 36 hours in advance of such meeting.

Rule 4. *Procedure.* (a)(1) The date, time, place, and subject matter of any hearing of the committee or any of its subcommittees shall be announced at least 1 week in advance of the commencement of such hearing, unless the committee or subcommittee determines in accordance with such procedure as it may prescribe, that there is good cause to begin the hearing sooner.

(2)(A) The date, time, place, and subject matter of any meeting (other than a hearing) scheduled on a Tuesday, Wednesday, or Thursday when the House will be in session, shall be announced at least 36 hours in advance of the commencement of such meeting.

(B) The time, place, and subject matter of a meeting (other than a hearing or a meeting to which subparagraph (A) applies) shall be announced at least 72 hours in advance of the commencement of such meeting.

(b) Each witness who is to appear before the committee or subcommittee shall file with the clerk of the committee, at least two working days in advance of his appearance, fifty (50) copies of a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement, or any part thereof, is waived by the committee or subcommittee chairman presiding.

(c) The right to interrogate the witnesses before the committee or any of its subcommittees shall alternate between majority and minority members. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question witnesses. No member shall be recognized for a second period of 5 minutes to interrogate a witness until each member of the committee present has been recognized once for that purpose. While the committee or subcommittee is operating under the 5-minute rule for the interrogation of witnesses, the chairman shall recognize in order of appearance members who were not present when the meeting was called to order after all members who were present when the meeting was called to order have been recognized in the order of seniority on the committee or subcommittee, as the case may be.

(d) No bill, recommendation, or other matter reported by a subcommittee shall be considered by the full committee unless the text of the matter reported, together with an explanation, has been available to members of the committee for at least 36 hours. Such explanation shall include a summary of the major provisions of the legislation, an explanation of the relationship of the matter to present law, and a summary of the need for the legislation. All subcommittee actions shall be reported promptly by the clerk of the committee to all members of the committee.

Rule 5. *Waiver of Notice, Agenda, and Layover Requirements.* Requirements of Rules 3, 4(a)(2), and 4(d) may be waived by a majority of those present and voting (a majority being present) of the committee or subcommittee, as the case may be.

Rule 6. *Quorum.* Testimony may be taken and evidence received at any hearing at which there are present not fewer than two members of the committee or subcommittee in question. In the case of a meeting other than a hearing, the number of members constituting a quorum shall be one-third of the members of the committee or subcommittee, except that a matter may not be reported by the committee or a subcommittee unless a majority of the members thereof is actually present.

Rule 7. *Proxies.* No vote by any member of the committee or any of its subcommittees with respect to any measure or matter may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

Rule 8. *Journal, Rollcalls.* The proceedings of the committee shall be recorded in a journal which shall, among other things, show those present at each meeting, and include a record of the votes on any question on which a record vote is demanded and a description of the amendment, motion, order or other proposition voted. A copy of the journal shall be furnished to the ranking minority member. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member. No demand for a rollcall shall be made or obtained except for the purpose of procuring a record vote or in the apparent absence of a quorum. The result of each rollcall vote in any meeting of the committee shall be made available in the committee office for inspection by the public, as provided in Rule XI, clause 2(e) of the rules of the House.

Rule 9. *Filing of Committee Reports.* If, at the time of approval of any measure or matter by this committee, any member or members of the committee should give notice of an intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three (3) calendar days (exclusive of Saturdays, Sundays, and legal holidays) in which to file such views in writing and signed by that member or members with the committee. All such views so filed shall be included within and shall be a part of the report filed by the committee with respect to that measure or matter.

Rule 10. *Subcommittees.* There shall be such standing subcommittees with such jurisdiction and size as determined by the majority party caucus of the committee and, in addition, a Subcommittee on Oversight and Investigations. The jurisdiction, number, and size of the subcommittees shall be determined by the majority party caucus prior to the start of the bidding process for subcommittee chairmanships and assignments. Such subcommittees shall, to the maximum extent practicable, be of equal size. The Subcommittee on Oversight and Investigations shall coordinate its work with the work of other standing subcommittees and shall maintain regular communication with the standing subcommittees and the chairman of the full committee in order to obtain advice on subjects for investigation. The standing subcommittees shall maintain regular communication with the Subcommittee on Oversight and Investigations to advise the Subcommittee on Oversight and Investigations of subjects for investigation.

Rule 11. *Powers and Duties of Subcommittees.* Each subcommittee is authorized to meet, hold hearings, receive testimony, mark up legislation, and report to the committee on all matters referred to it. Subcommittee chairmen shall set hearing and meeting dates only with the approval of the chairman of the full committee with a view toward assuring availability of meeting rooms and avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

Rule 12. *Reference of Legislation and Other Matters.* All legislation and other matters referred to the committee shall be referred to the subcommittee of appropriate jurisdiction immediately unless by majority vote of the members of the full committee within five (5) legislative days, consideration is to be by the full committee. In the case of legislation or other matter within the jurisdiction of more than one subcommittee, the chairman of the committee shall have the same authority to refer such legislation or other matter to one or more subcommittees as the Speaker has under clause 5(c) of Rule X of the House of Representatives to refer a matter to one or more committees of the House. Such authority shall include the authority to refer such legislation or matter to an *ad hoc* subcommittee appointed by the chairman, with the approval of the committee, from the members of the subcommittees having legislative or oversight jurisdiction.

Rule 13. *Ratio of Subcommittees.* The majority caucus of the committee shall deter-

mine an appropriate ratio of majority to minority party members for each subcommittee and the chairman shall negotiate that ratio with the minority party, provided that the ratio of party members on each subcommittee shall be no less favorable to the majority than that of the full committee, nor shall such ratio provide for a majority of less than two majority members.

Rule 14. *Subcommittee Membership.* (a) Subject to the requirements of the Manual of the Democratic Caucus of the House of Representatives, each majority member other than the chairman of the full committee or the chairman of a subcommittee shall in order of committee seniority be entitled to membership on two subcommittees of that member's choice. A member (other than an *ex officio* member) may serve on more than two subcommittees only if such service is necessary in order to comply with Rule 13. Proceeding in order of seniority on the committee, each majority member, other than the chairman of the full committee and the chairmen of the several subcommittees, shall be entitled to select one subcommittee position each. The subcommittee selection process shall then continue in sequence of committee seniority, including the chairmen of the several subcommittees, for succeeding rounds of selection until all subcommittee positions are filled. The subcommittee selection process shall be conducted at a meeting of the majority party caucus of the committee held prior to any organizational meeting of the full committee. Subcommittee selections of each member shall be recorded by the clerk as made and shall be available for examination by the members.

(b) Minority subcommittee membership shall be selected as determined by the minority.

(c) The chairman and ranking minority member of the committee shall be *ex officio* members with voting privileges of each legislative subcommittee of the committee of which they are assigned members.

Rule 15. *Subcommittee Chairmen.* (a)(1) Majority members of the committee shall have the right, in order of full committee seniority, to bid for subcommittee chairmanships. Any request for a subcommittee chairmanship shall be subject to approval by a majority of those present and voting, by secret ballot, in the majority party caucus of the committee. If the caucus rejects a subcommittee chairmanship bid, the next senior majority member may bid for the position as in the first instance. The subcommittee chairmen shall be elected by the full committee from nominations submitted by the majority party caucus of the committee.

(2) If the majority members of the committee shall determine to change the size of any subcommittee after the start of the bidding process, they may do so, but in that event, all previous action on the bidding process shall be expunged and the bidding process shall start anew.

(b) Subcommittee chairmen shall manage legislation reported from the subcommittees on the House floor.

(c) The chairman of the committee may make available to the chairman of any subcommittee office equipment and facilities which have been provided to him and for which he is personally responsible, subject to such terms and conditions as the chairman deems appropriate.

Rule 16. *Committee Professional and Clerical Staff Appointments.* (a) Whenever the chairman of the committee determines that any professional staff member appointed pursuant to the provisions of clause 6 of Rule XI of the House of Representatives, who is assigned to such chairman and not to the ranking minority member, by reason of such professional staff member's expertise or qualifications will be of assistance to one or more subcommittees in carrying out their assigned responsibilities, he may delegate such member to such subcommittees for such purpose. A delegation of a member of the professional staff pursuant to this subsection shall be made after consultation with the subcommittee chairmen and with the approval of the subcommittee chairman or chairmen involved.

(b) Professional staff members appointed pursuant to clause 6 of Rule XI of the House of Representatives, who are assigned to the ranking minority party member of the committee and not to the chairman of the committee, shall be assigned to such committee business as the minority party members of the committee consider advisable.

(c) In addition to the professional staff appointed pursuant to clause 6 of Rule XI of the House of Representatives, the chairman of the committee shall be entitled, subject to the approval of the majority party members of the committee, to make such appointments to the professional and clerical staff of the committee as may be provided within the budget approved for such purposes by the committee. Such appointees shall be assigned to such business of the full committee as the chairman of the committee considers advisable.

(d) Subcommittee chairmen, subject to the approval of the majority party members of the committee, shall be entitled to make such appointments to the professional and clerical staff of the committee as may be provided in the committee budget as provided for in rule 18 of these rules. Such professional and clerical appointees shall be delegated to the appropriate subcommittee for the purposes of assisting such subcommittee in the discharge of its assigned responsibilities and may be removed and their compensation fixed by the subcommittee chairman subject to the approval of the majority members of the committee.

(e) In addition to appointments made pursuant to other subsections of this rule, (1) the subcommittee chairman of each of the committee's subcommittees is authorized to appoint, in accordance with such rules as the majority party caucus may prescribe, one staff person who shall serve at the pleasure of such subcommittee chairman, and (2) the ranking minority member of each such subcommittee is authorized to appoint, in accordance with such rules as the minority party caucus may prescribe, one staff person who shall serve at the pleasure of such ranking minority member. Remuneration of any staff person appointed under this subsection shall be governed by paragraph (d) of clause 5 of Rule XI of the House of Representatives.

(f) Any contract for the temporary services or intermittent services of individual consultants or organizations to make studies or advise the committee or its subcommittees with respect to any matter within their jurisdiction shall be deemed to have been approved by a majority of the members of the committee if approved by the chairman and ranking minority member of the committee and, if funded by a subcommittee, by the chairman and ranking minority member of that subcommittee. Such approval shall not be deemed to have been given if at least one-third of the members of the committee request in writing that the committee formally act on such a contract, if the request is made within 10 days after the latest date on which such chairman or chairmen, and such ranking minority member or members, approve such contract.

Rule 17. *Supervision, Duties of Staff.* (a) The professional and clerical staff of the committee delegated to subcommittees of the committee pursuant to rule 16 shall be subject to the supervision and direction of the chairman of the subcommittee to which they are assigned with respect to matters before the subcommittee, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate. The professional and clerical staff assigned to the minority shall be under the supervision and direction of the minority members of the committee, who may delegate such authority as they determine appropriate. Subject to subsection (b), the professional and clerical staff of the committee not delegated to a subcommittee pursuant to rule 16(d) or to the minority shall be under the supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(b) The professional staff member who is assigned principal responsibility by a subcommittee chairman with respect to a matter before such subcommittee chairman's subcommittee shall continue to assume principal staff responsibility during any consideration before the full committee, the Rules Committee, the House, and Conference Committees of any matter which is reported by such subcommittee.

Rule 18. *Committee and Subcommittee Budgets.* (a) The chairman of the full committee and the chairmen of each standing subcommittee, after consultation with their respective ranking minority members, shall for each session of the Congress prepare a preliminary budget for the committee and each standing subcommittee respectively, with such budgets including necessary amounts for professional and clerical staff, travel, investigations, and miscellaneous expenses, and which shall be adequate to fully discharge their responsibilities for legislation and oversight. Thereafter, the chairman of the full committee, meeting with the chairmen of the subcommittees, shall combine such proposals into a committee budget, which shall state separately the budgeted amounts for the committee and for each of the subcommittees. Such budget shall be presented by the chairman to the majority party caucus of the committee and thereafter to the full committee for its approval.

(b) The chairman shall take whatever action is necessary to have the budget as finally approved by the committee duly authorized by the House. No proposed committee budget may be submitted to the House Administration Committee unless it has been presented to and approved by the majority party caucus and thereafter by the full committee. The chairman of the full committee or the chairman of the standing subcommittees may authorize all necessary expenses in accordance with these rules and within the limits of their portion of the budget as approved by the House, but the chairman of the full committee shall permit no subcommittee to make an expenditure beyond its portion of the budget (as established in paragraph (a)) unless the chair-

man determines that such expenditure can be made without exceeding the amount authorized to the full committee by the House.

(c) Committee members shall be furnished a copy of each monthly report, prepared by the chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year by committee and subcommittees, anticipated expenditures for the projected committee program, and detailed information on travel.

Rule 19. *Broadcasting of Committee Hearings.* Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of Rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the committee, the subcommittee chairman, or other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him.

Rule 20. *Comptroller General Audits.* The chairman of the committee is authorized to request verification examinations by the Comptroller General of the United States pursuant to Title V, Part A of the Energy Policy and Conservation Act (Public Law 94-163), after consultation with the members of the committee.

Rule 21. *Subpenas.* The full committee, or any subcommittee, may authorize and issue a subpena under clause 2(m)(2)(A) of Rule XI of the House of Representatives, if authorized by a majority of the members voting of the committee or subcommittee (as the case may be), a quorum being present. In addition, the chairman of the full committee may authorize and issue subpenas under such clause during any period for which the House has adjourned for a period in excess of three days. Subpenas may be issued over the signature of the chairman of the full committee, or any member of the committee authorized by such chairman, and may be served by any person designated by such chairman or member.

Rule 22. *Travel of Members and Staff.* (a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee or any subcommittee thereof and meetings, conferences and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following: (1) The purpose of the travel; (2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made; (3) The location of the event for which the travel is to be made; (4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the chairman. Such prior authorization shall be given by the chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).

(c) In the case of travel by minority party members and minority party professional staff for the purpose set out in (a) or (b), the prior approval, not only of the chairman but also of the ranking minority party member, shall be required. Such prior authorization shall be given by the chairman only upon the representation by the ranking minority party member in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. BENJAMIN (at the request of Mr. WRIGHT), for this week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. COTTER, for 60 minutes, today.

(The following Members (at the request of Mr. DENARDIS) to revise and extend their remarks and to include extraneous matter:)

Mr. ARCHER, for 1 hour, on February 24.

Mr. CONABLE, for 15 minutes, today.

(The following Members (at the request of Mr. SUNIA) to revise and extend their remarks and to include extraneous matter:)

Mr. ALEXANDER, for 60 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. COELHO, for 5 minutes, today.

Mr. SOLARZ, for 15 minutes, today.

Mr. ST GERMAIN, for 15 minutes, today.

Mr. CONYERS, for 60 minutes, on February 19, 1981.

Mr. DANIELSON, for 60 minutes, on April 28, 1981.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DENARDIS) and to include extraneous matter:)

Mr. CLAUSEN.

Mr. VANDER JAGT in two instances.

Mr. MICHEL in three instances.

Mr. ROBINSON in two instances.

Mr. HYDE in three instances.

Mr. MCGRATH.

Mr. ASHBROOK in three instances.

Mr. HOLLENBECK.

Mr. MILLER of Ohio in three instances.

Mr. GOODLING.

(The following Members (at the request of Mr. SUNIA) and to include extraneous matter:)

Mr. STARK.

Mr. COELHO in two instances.

Mr. SEIBERLING in 10 instances.

Mr. PEPPER.

Mr. MAZZOLI.

Mr. WILLIAMS of Montana.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. ROSENTHAL in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. SKELTON in two instances.

Mr. MAVROULES.

Mr. OTTINGER in two instances.

Mr. MCDONALD in five instances.

Mr. HANCE.

Mr. HOWARD.

Mr. MURTHA in two instances.

Mr. WAXMAN.

Mr. MOAKLEY in five instances.

Mr. AUCOIN.

Mr. SHARP.

Mrs. SCHROEDER.

Mr. WON PAT in two instances.

Mr. LUKEN.

Mr. BARNES in two instances.

Mr. BENJAMIN.

Mr. OBERSTAR.

Mr. BAILEY of Pennsylvania in two instances.

Mr. SOLARZ.

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1553. An act to provide for a temporary increase in the public debt limit.

ADJOURNMENT

Mr. RATCHFORD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 51 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 18, 1981, at 3 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

504. A letter from the Acting Administrator, U.S. Environmental Protection Agency, transmitting the annual report for fiscal year 1980 on applications for conditional registrations under section 3(c)(7) (B) and (C) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, pursuant to section 29 of the act; to the Committee on Agriculture.

505. A letter from the Deputy Assistant Administrator for Pesticide Programs, U.S. Environmental Protection Agency, transmitting a proposed final rule classifying certain uses of eight pesticide active ingredients for restricted use, pursuant to section 25(a)(4) of the Federal Insecticide, Fungicide, and Rodenticide Act of 1954, as amended; to the Committee on Agriculture.

506. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority as of February 1, 1981, pursuant to section 1014(e) of Public Law 93-344 (H. Doc. No. 97-20); to the Committee on Appropriations and ordered to be printed.

507. A letter from the Deputy Secretary of Defense transmitting a report on officers and employees of Federal Contract Research Centers whose compensation paid from Federal funds during calendar year 1980 exceeded that for level II of the Executive Schedule, pursuant to 10 U.S.C. 2359; to the Committee on Armed Services.

508. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing) transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Air Force Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

509. A letter from the Deputy Assistant Secretary of the Army (Installations and Housing), transmitting a report on the 10 firms receiving the largest dollar total of Army architectural-engineering contracts during fiscal year 1980, pursuant to section 604 of Public Law 96-418; to the Committee on Armed Services.

510. A letter from the Acting Assistant Secretary of the Army (Installations, Logistics, and Financial Management), transmitting notice of the proposed conversion to contractor performance of the custodial services function at the U.S. Army Armament Research and Development Command, Picatinny Arsenal, Dover, N.J., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

511. A letter from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting notice of the proposed conversion to contractor performance of the range maintenance function at Gila Bend Air Force Auxiliary Field, Ariz., pursuant to section 502(b) of Public law 96-342; to the Committee on Armed Services.

512. A letter from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting notice of the proposed conversion to contractor performance of the refuse collection function at Loring Air Force Base, Maine, pursuant to section 502(b) of Public law 96-342; to the Committee on Armed Services.

513. A letter from the Assistant Secretary of the Air Force (Research, Development, and Logistics), transmitting notice of the proposed conversion to contractor performance of the family housing maintenance function at Keesler Air Force Base, Miss., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

514. A letter from the Chief, Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting the semiannual report covering the period ended December 31, 1980, on Air Force experimental, developmental, and research contracts of $50,000 or more, by company pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

515. A letter from the Director of Legislation, Department of the Navy, transmitting notice of the proposed lease of certain naval vessels to the Republic of Korea, pursuant to 10 U.S.C. 7307; to the Committee on Armed Services.

516. A letter from the Director of Legislation, Department of the Navy, transmitting notice of the proposed sale of a naval vessel to the Republic of Korea, pursuant to 10 U.S.C. 7307; to the Committee on Armed Services.

517. A letter from the Director of Legislation, Department of the Navy, transmitting notice of the proposed lease of certain naval vessels to the Government of Turkey, pursuant to 10 U.S.C. 7307; to the Committee on Armed Services.

518. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense equipment and services to Austria (Transmittal No. 81-18), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

519. A letter from the vice president, Chesapeake and Potomac Telephone Co., transmitting a statement of receipts and expenditures of the company for calendar year 1980, and a comparative general balance sheet for 1980, pursuant to chapter 1628, Acts of Congress 1904, and paragraph 14 of the Act of March 4, 1913, respectively; to the Committee on the District of Columbia.

520. A letter from the chairperson, National Advisory Council on Extension and Continuing Education, transmitting the council's 14th annual report, pursuant to section 112 of the Higher Education Act of 1965; to the Committee on Education and Labor.

521. A letter from the Secretary of Health and Human Services, transmitting a report on State compliance with medicaid utilization control requirements, pursuant to section 1903(g)(6) of the Social Security Act, as amended; to the Committee on Energy and Commerce.

522. A letter from the Acting General Counsel, Department of Energy, transmitting notice of a meeting relating to the international energy program to be held on February 19, 1981, in Paris, France; to the Committee on Energy and Commerce.

523. A letter from the Acting Administrator, Energy Information Administration, Department of Energy, transmitting the first of three volumes of the administration's annual report for calendar year 1980, pursuant to section 57(a)(2) of the Federal Energy Administration Act of 1974, as amended; to the Committee on Energy and Commerce.

524. A letter from the Acting Assistant Secretary of State for Congressional Relations transmitting a report on human rights practices in Iran in 1980, pursuant to sections 116(b) and 502B(b) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

525. A letter from the Acting Assistant Secretary for Congressional Relations transmitting notice of a proposed issuance of a license for the export of certain defense equipment sold commercially to Sweden (Transmittal No. MC-6-81), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

526. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

527. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment and services to Austria (Transmittal No. 81-18), pursuant to section 36(b) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

528. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to sell certain defense equipment and services to Tunisia (Transmittal No. 81-20), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

529. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, transmitting the report of the Minority Resource Center for fiscal year 1980, pursuant to section 133(c)(6) of the International Development and Food Assistance Act of 1977, as amended (93 Stat. 366); to the Committee on Foreign Affairs.

530. A letter from the Assistant Attorney General (Antitrust Division), transmitting a report covering calendar year 1979 on identical bidding in advertised public procurement, pursuant to section 7 of Executive Order 10936; to the Committee on Government Operations.

531. A letter from Deputy Assistant Secretary for Grants and Procurement, Department of Health and Human Services, transmitting a report on the Department's disposal of foreign excess property during fiscal year 1980, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

532. A letter from the Executive Director, Pension Benefit Guaranty Corporation, transmitting a report on the Corporation's activities under the Freedom of Information Act during calendar year 1980, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

533. A letter from the Deputy Assistant Secretary for Administration, Department of Housing and Urban Development, transmitting notice of a proposed system of records, pursuant to 5 U.S.C. 552a(6); to the Committee on Government Operations.

534. A letter from the Director, Administrative Office of the United States Courts, transmitting a report covering calendar year 1980 on positions in the Administrative Office of the United States Courts in grades GS-16, 17, and 18, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

535. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

536. A letter from the Acting Administrator of General Services, transmitting a prospectus proposing a succeeding lease for space presently occupied at One Lefrak City Plaza, Queens, New York, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

537. A letter from the Deputy Secretary of Defense, transmitting notice of the waiver of the minimum funding and staffing requirements for technology transfer from Defense Department laboratories, pursuant to section 11(b) of Public Law 96-480; to the Committee on Science and Technology.

538. A letter from the Secretary of Agriculture, transmitting the annual report for fiscal year 1980 of the Forest Service, including the annual reports required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976; jointly, to the Committees on Agriculture, and Interior and Insular Affairs.

539. A letter from the Comptroller General of the United States, transmitting a report on the need for a new Federal approach to residential energy conservation outreach activities (EMD-81-8, February 11, 1981); jointly to the Committees on Government Operations, and Energy and Commerce.

540. A letter from the Chief Justice of the United States, transmitting proposed rules for the handling of classified information in the custody of Federal courts in criminal cases, pursuant to section 9(a) of Public Law 96-456; jointly, to the Committee on the Judiciary, and the Permanent Select Committee on Intelligence.

541. A letter from the Attorney General, transmitting notice of the Justice Department's decision not to defend the constitutionality of the provisions of Public Law 96-369 prohibiting the payment of a 9.11 percent cost-of-living salary increase in fiscal year 1981 to Federal judges, pursuant to section 21 of Public Law 96-132; jointly, to the Committees on Post Office and Civil Service, and the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 1848. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the old-age, survivors, and disability insurance program, and the medicare program, with appropriate reductions in social security taxes to reflect such participation, and with a substantial increase in the amount of an individual's annual earnings which may be counted for benefit and tax purposes; to the Committee on Ways and Means.

By Mr. BREAUX:

H.R. 1849. A bill to reform the Powerplant and Industrial Fuel Use Act of 1978 to encourage a reduction of air pollution and oil consumption by existing electric powerplants; to the Committee on Energy and Commerce.

By Mr. CONTE:

H.R. 1850. A bill to amend the Internal Revenue Code of 1954 to provide rax relief to residential users of refined petroleum products; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Mr. ROSENTHAL, and Mr. ROSE):

H.R. 1851. A bill to establish a Federal nonprofit corporation as the importing agent for the crude oil and petroleum products imported into the United States; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. LEWIS (for himself and Mr. THOMAS):

H.R. 1852. A bill to improve the quality of table grapes for marketing in the United States; to the Committee on Agriculture.

By Mr. LUKEN:

H.R. 1853. A bill to amend the Clean Air Act to provide for further assessment of the validity of the theory concerning depletion of ozone in the stratosphere by halocarbon compounds before proceeding with any further regulation of such compounds, to provide for needed further research and study, and for other purposes; jointly, to the Committees on Energy and Commerce and Rules.

By Mr. MOAKLEY:

H.R. 1854. A bill to require persons who manufacture cigarettes or little cigars for sale or distribution in commerce to meet performance standards prescribed by the Consumer Product Safety Commission, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1855. A bill to grant the consent of Congress to the city of Boston to construct, maintain, and operate a causeway and fixed-span bridge in and over Fort Point Channel, Boston, Mass.; to the Committee on Public Works and Transportation.

By Mr. PRICE (for himself and Mr. DICKINSON) (by request):

H.R. 1856. A bill to authorize the Administrator of General Services to donate to State and local governments certain Federal personal property loaned to them for civil defense use, and for other purposes; jointly, to the Committees on Armed Services and Government Operations.

By Mr. RAHALL:

H.R. 1857. A bill to amend title 5, United States Code, to entitle civil air patrol cadets 18 years of age and older to compensation available to civil air patrol senior members in event of disability or death, and to increase the level of compensation available to both; to the Committee on Education and Labor.

H.R. 1858. A bill to redesignate certain Federal holidays to their original date of observance; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE:

H.R. 1859. A bill to provide for the construction of a project for flood control and other purposes for Pottstown and vicinity, Schuylkill River basin, Pennsylvania; to the Committee on Public Works and Transportation.

H.R. 1860. A bill to amend the Internal Revenue Code of 1954 to repeal the requirement that operating capacity must increase for purposes of the energy credit allowed for intercity buses, and for other purposes; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 1861. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of oil and gas income; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. PEASE, Mr. RODINO, Ms. FERRARO, Mr. HUGHES, Mr. ATKINSON, Mr. WOLPE, and Mr. STOKES):

H.R. 1862. A bill to amend the Internal Revenue Code of 1954 to provide that a taxpayer may, with respect to any pollution control facility used in connection with a plant or other property in operation before January 1, 1971, elect a 12-month amortization of such facility or a 20-percent investment tax credit, and for other purposes; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. MURPHY, Mr. VENTO, Mr. OTTINGER, Mr. FISH, Mr. PEPPER, and Ms. OAKAR):

H.R. 1863. A bill to amend the Internal Revenue Code of 1954 to provide for the refunding of so much of a taxpayer's investment credit as exceeds his liability for income tax; to the Committee on Ways and Means.

By Mr. SHANNON:

H.R. 1864. A bill to amend the Internal Revenue Code of 1954 to provide taxpayers engaged in a trade or business a credit against income tax for amounts contributed to a reserve the payments from which must be used for research and experimentation by institutions of higher education and to provide a deduction for such payments; to the Committee on Ways and Means.

By Mr. SHARP:

H.R. 1865. A bill to deauthorize the flood control project for the Big Blue River, Wabash River Basin; to the Committee on Public Works and Transportation.

By Mr. SYNAR:

H.R. 1866. A bill to improve and expedite the administrative process and clarify the standards for judicial review of administrative action; to the Committee on the Judiciary.

By Mr. THOMAS:

H.R. 1867. A bill relating to the country of origin making requirements for pistache nuts that are the product of Iran; to the Committee on Ways and Means.

H.R. 1868. A bill to amend the Tariff Schedules of the United States to increase the tariff on pistache nuts from Iran; to the Committee on Ways and Means.

By Mr. TRAXLER:

H.R. 1869. A bill to name the Veterans' Administration hospital located at 1500 Weiss Street, Saginaw, Mich., the "Aleda E. Lutz Veterans' Hospital"; to the Committee on Veterans' Affairs.

H.R. 1870. A bill to amend title 38, United States Code, to treat individuals who were serving as cadets or midshipmen at one of the service academies on December 31, 1976, as veterans of the Vietnam era for purposes of entitlement to educational assistance under chapter 34 of such title; to the Committee on Veterans' Affairs.

By Mr. WON PAT:

H.R. 1871. A bill to provide for the adjustment of status of certain Vietnam evacuees residing in Guam; to the Committee on the Judiciary.

H.R. 1872. A bill to waive the visa requirements for aliens visiting Guam for not more than 15 days; to the Committee on the Judiciary.

By Mr. YATRON:

H.R. 1873. A bill to amend the Internal Revenue Code of 1954 to increase the amount of dividends and interest each individual may exclude from gross income to $1,000 in the case of individuals under age 62 and to $4,000 in the case of individuals age 62 or older, and to make such exclusion permanent; to the Committee on Ways and Means.

H.R. 1874. A bill to amend the Internal Revenue Code of 1954 to allow an individual a deduction for blood donations, and to allow an individual to take such a deduction

whether or not he itemizes his deductions; to the Committee on Ways and Means.

By Mrs. COLLINS of Illinois:

H.J. Res. 174. Joint resolution to provide for the designation of September 6, 1981, as "Working Mothers' Day"; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON:

H.J. Res. 175. Joint resolution to designate April 26, 1981, as "National Recognition Day for Veterans of the Vietnam Era"; to the Committee on Post Office and Civil Service.

By Mr. YATRON:

H.J. Res. 176. Joint resolution to authorize the President to issue a proclamation designating March 1982, as "Youth Art Month"; to the Committee on Post Office and Civil Service.

By Mr. PEASE:

H. Con. Res. 70. Concurrent resolution encouraging cooperation with Mexico in order to develop Mexico's potential as a major producer of oil and natural gas for export to the United States; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI (for himself and Mr. CONABLE):

H. Res. 70. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Ways and Means; to the Committee on House Administration.

By Mr. BROOKS:

H. Res. 72. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Government Operations; to the Committee on House Administration.

By Mr. ST GERMAIN:

H. Res. 73. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Banking, Finance and Urban Affairs; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

10. By the SPEAKER: A memorial of the House of Representatives of the State of Washington, relative to M.I.A. Vietnam servicemen; to the Committee on Foreign Affairs.

11. Also, memorial of the Legislature of the State of South Dakota, relative to observation of Memorial Day; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 1875. A bill for the relief of Ida Vogina; to the Committee on the Judiciary.

H.R. 1876. A bill for the relief of Amelia B. Rivera; to the Committee on the Judiciary.

H.R. 1877. A bill for the relief of Perla Vogina; to the Committee on the Judiciary.

H.R. 1878. A bill for the relief of Fatima Mohamed Abdulla Bashomaila Shebo; to the Committee on the Judiciary.

H.R. 1879. A bill for the relief of Petra Manuel Serrano; to the Committee on the Judiciary.

H.R. 1880. A bill for the relief of Bertha Rubio de Parra; to the Committee on the Judiciary.

H.R. 1881. A bill for the relief of Tin Man Cheung; to the Committee on the Judiciary.

H.R. 1882. A bill for the relief of Tsui Yuen (also known as Chun Chui Yuen); to the Committee on the Judiciary.

By Mr. DAN DANIEL:

H.R. 1883. A bill for the relief of Doctor Mario Y. Dimacali and his wife, Mrs. Josefina Flores-Dimacali; to the Committee on the Judiciary.

By Mr. DORNAN of California:

H.R. 1884. A bill for the relief of Gerda Rabii, Aryan, and Arman Rabii; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. WIRTH, Mr. WAXMAN, Mr. DE LUGO, Mr. ROBINSON, Mr. LENT, Mr. LOWERY of California, Mr. CHAPPELL, Mr. ECKART, Mr. COURTER, Mr. DAVIS, and Mr. DOWNEY.

H.R. 63: Mr. ROUSSELOT, Mr. WOLPE, Mr. COLLINS of Texas, Mr. KOGOVSEK, Mr. MURPHY, Mr. SHELBY, Mr. DORNAN of California, Mr. LAGOMARSINO, Mr. DUNCAN, Mrs. BOUQUARD, Mr. WINN, Mr. PEPPER, Mr. WHITEHURST, Mr. DE LA GARZA, Mr. BROYHILL, Mr. SAWYER, Mr. PRITCHARD, Mr. PRICE, Mr. MOTTL, Mr. DAVIS, Mr. JEFFORDS, Mr. MCDADE, Mr. SOLOMON, Mr. HUGHES, Mr. HUCKABY, Mr. YATRON, Mr. FORSYTHE, Mr. DOUGHERTY, Mr. WHITTAKER, Mr. FISH, Mr. RITTER, Mr. MYERS, Mr. ROBINSON, Mr. ANTHONY, Mr. GINGRICH, and Mr. HYDE.

H.R. 177: Mr. BEARD, Mr. BROOMFIELD, Mr. BROYHILL, Mr. BUTLER, Mr. CAMPBELL, Mr. CLAUSEN, Mr. CLINGER, Mr. COATS, Mr. COUGHLIN, Mr. DUNCAN, Mr. DUNN, Mr. FINDLEY, Mr. FRENZEL, Mr. GOODLING, Mr. GREEN, Mr. GREGG, Mr. HORTON, Mr. HYDE, Mr. LAGOMARSINO, Mr. LEBOUTLILLIER, Mr. LENT, Mr. LOTT, Mr. MCCLORY, Mr. MADIGAN, Mr. PARRIS, Mr. PETRI, Mr. PRITCHARD, Mr. ROUSSELOT, Mr. SAWYER, Mr. SENSENBRENNER, Mr. SHUMWAY, Mr. TAUKE, Mr. THOMAS, Mr. WEBER of Minnesota, Mr. WHITEHURST, Mr. WHITTAKER, and Mr. WOLF.

H.R. 178: Mr. BROOMFIELD, Mr. BROYHILL, Mr. CAMPBELL, Mr. COATS, Mr. COUGHLIN, Mr. DUNCAN, Mr. FINDLEY, Mr. FORSYTHE, Mr. FRENZEL, Mr. GREGG, Mr. HINSON, Mr. HORTON, Mr. HYDE, Mr. LAGOMARSINO, Mr. LEBOUTILLIER, Mr. LENT, Mr. LIVINGSTON, Mr. LOTT, Mr. LOWERY of California, Mr. MCCLORY, Mr. MCGRATH, Mr. MADIGAN, Mr. PARRIS, Mr. PORTER, Mr. PRITCHARD, Mr. ROUSSELOT, Mr. SENSENBRENNER, Mr. SHUMWAY, Mr. THOMAS, Mr. WALKER, Mr. WEBER of Minnesota, Mr. WHITTAKER, Mr. WINN, and Mr. WOLF.

H.R. 380: Mr. APPLEGATE, Mr. GUYER, and Mr. WON PAT.

H.R. 520: Mr. FRANK.

H.R. 556: Mr. HAWKINS, Mr. BINGHAM, Mr. MURPHY, Mr. HUGHES, Mr. MOAKLEY, Mrs. CHISHOLM, Mr. TRAXLER, Mr. WEAVER, Mr. EDWARDS of California, Mr. PEPPER, Mr. GUYER, Mr. FLORIO, Mr. RINALDO, Mr. EDGAR, Mr. MATSUI, Mr. STUDDS, Mr. NEAL, Mr. PRICE, Mr. RODINO, and Mr. PORTER.

H.R. 645: Mr. QUILLEN.

H.R. 743: Mr. ARCHER, Mr. AUCOIN, Mr. EDWARDS of Alabama, Mr. MOORE, and Mr. ROTH.

H.R. 1015: Mr. BLILEY, Mr. LEATH of Texas, Mr. LOTT, and Mr. WHITE.

H.R. 1053: Mr. ATKINSON, Mr. CLINGER, Mr. JAMES K. COYNE, Mr. CRAIG, Mr. DERRICK, Mr. DINGELL, Mr. DOUGHERTY, Mr. DUNN, Mr. DYSON, Mr. EDWARDS of Alabama, Mr. ERDAHL, Mr. EVANS of Iowa, Mr. FITHIAN, Mr. GILMAN, Mr. GOODLING, Mr. HILER, Mr. HILLIS, Mr. HOWARD, Mr. HUCKABY, Mr. HYDE, Mr. JACOBS, Mr. LEATH of Texas, Mr. LEBOUTILLIER, Mr. LEE, Mr. LENT, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. LOWERY of California, Mr. MCCLOSKEY, Mr. MCDADE, Mr. MCGRATH, Mr. MCKINNEY, Mr. MILLER of Ohio, Mr. MINETA, Mr. MOLLOHAN, Mr. MOORHEAD, Mr. NAPIER, Mr. NATCHER, Mr. NELSON, Mr. O'BRIEN, Mr. PETRI, Mr. PORTER, Mr. RAILSBACK, Mr. RINALDO, Mr. ROBINSON, Mr. ROEMER, Mr. SANTINI, Mr. SPENCE, Mr. TAYLOR, Mr. VANDER JAGT, Mr. WHITLEY, Mr. WILSON, and Mr. WOLF.

H.R. 1132: Mr. PEPPER.

H.R. 1206: Mr. ATKINSON, Mr. BADHAM, Mr. BEARD, Mr. BENEDICT, Mr. BLILEY, Mr. BURGENER, Mr. DOUGHERTY, Mr. FORSYTHE, Mr. GINGRICH, Mr. HUBBARD, Mr. HUGHES, Mr. IRELAND, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LOTT, Mr. OBERSTAR, Mr. PEPPER, Mr. PRICE, Mr. ROE, and Mr. SUNIA.

H.R. 1207: Mr. ATKINSON, Mr. BADHAM, Mr. BEARD, Mr. BENEDICT, Mr. BLILEY, Mr. BURGENER, Mr. FORSYTHE, Mr. GINGRICH, Mr. HUBBARD, Mr. HUGHES, Mr. IRELAND, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LOTT, Mr. OBERSTAR, Mr. PEPPER, Mr. PRICE, Mr. ROE, and Mr. SUNIA.

H.R. 1323: Mr. BLILEY.

H.R. 1364: Mr. SHANNON.

H.R. 1541: Mr. PRICE, Mr. SANTINI, Mr. PEPPER, and Mr. GUYER.

H.R. 1600: Mr. BEDELL, Mr. SAWYER, Mr. LOTT, Mr. CORCORAN, Mr. KOGOVSEK, Mrs. SMITH OF NEBRASKA, Mr. STUMP, Mr. MILLER OF OHIO, Mr. COUGHLIN, Mr. RITTER, Mr. TAUKE, Mr. COURTER, Mr. ZEFERETTI, Mr. ROBINSON, and Mr. GINGRICH.

H.J. Res. 68: Mr. BUTLER, Mr. ROBERT W. DANIEL, JR., Mr. PARRIS, Mr. ROBINSON, and Mr. WOLF.

H.J. Res. 102: Mr. RICHMOND, Mr. MADIGAN, Mr. CHENEY, Mr. BAILEY of Missouri, Mr. WHITTEN, Mr. D'AMOURS, Mr. MONTGOMERY, Mrs. HOLT, and Mr. MICHEL.

H.J. Res. 162: Mr. NICHOLS, Mr. COELHO, Mr. WOLPE, Mr. PRITCHARD, Mr. PEPPER, Mr. SCHEUER, Mr. WALGREN, Mr. RODINO, Mr. UDALL, Mr. MURPHY, Mr. EDWARDS of California, Mr. DOWNEY, Mr. BEVILL, Mr. FRENZEL, Mr. PEYSER, Mrs. SNOWE, Mr. BROWN of California, Mr. SEIBERLING, Mr. SUNIA, Mr. HORTON, Mr. FASCELL, Mr. FORSYTHE, Mr. WEISS, Mr. SABO, Mr. AKAKA, Mr. ROE, Mr. GUARINI, Mr. MOFFETT, Mr. HANSEN of Idaho, Mr. ROSENTHAL, Mr. YOUNG of Missouri, Mr. DUNCAN, Mr. HAWKINS, Mr. FAZIO, Mr. WEAVER, Mr. OTTINGER, Mr. ASPIN, Mr. WINN, Mr. RICHMOND, Mr. RATCHFORD, Mr. SHUMWAY, Mr. MITCHELL of Maryland, Mr. MOTTL, Mr. CLAY, Mr. LAFALCE, Mr. VENTO, Mr. ROSE, Mr. BONIOR of Michigan, Mr. CONABLE, Mr. MARKS, Mr. SMITH of New Jersey, Mr. FLORIO, Mr. MOAKLEY, Mr. HARKIN, Mr. PHILLIP BURTON, Mrs. COLLINS of Illinois, Mrs. ROUKEMA, Mr. FOGLIETTA, Mr. YATES, Mr. MCDADE, Mr. WAXMAN, Mr. CORCORAN, Mr. DWYER, Mrs. HOLT, Mr. GREEN, Mr. RAHALL, Mr. STARK, Mr. HEFTEL, Mr. SOLARZ, Mr. ANDERSON, Mr. HUGHES, Mr. PANETTA, Mr. DELLUMS, Mr. IRELAND, Mr. MATSUI, Mr. GINGRICH, Mr. ATKINSON, Mr. MAZZOLI, Mr. ROBINSON, Mr. HAGEDORN, Mr. DIXON, Mr. BONKER, Mr. MITCHELL of New York, and Mr. FRANK.

H. Con. Res. 55: Mr. GUARINI, Mr. HYDE, Mr. WEAVER, Mr. HARKIN, Mr. GEJDENSON, and Mrs. SCHNEIDER.

H. Res. 13: Mr. SUNIA, Mr. BIAGGI, Ms. FERRARO, Mr. CARMAN, Mr. ROSENTHAL, Mr.

STOKES, Mr. DYSON, Mr. BINGHAM, Mr. DE LUGO, Mr. LENT, Mr. MICA, Mr. KEMP, Mrs. CHISHOLM, Mr. DELLUMS, Ms. FIEDLER, and Mr. PORTER.

H. Res. 38: Mr. BEREUTER, Mr. BUTLER, Mrs. COLLINS of Illinois, Mr. FIELDS, Mr. HEFNER, Mr. HEFTEL, Mr. IRELAND, Mr. JONES of North Carolina, Mr. LIVINGSTON, Mr. MURTHA, Mr. YATRON, and Mr. YOUNG of Missouri.

H. Res. 50: Mr. WEAVER, Mr. CONTE, Mr. YATRON, and Mr. MITCHELL of Maryland.

SENATE—*Tuesday, February 17, 1981*

(Legislative day of Monday, February 16, 1981)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by Hon. DAVID DURENBERGER, a Senator from the State of Minnesota.

PRAYER

The Reverend Father George S. Macres, National Chaplain, The American Legion, and assistant pastor of St. Mary's Greek Orthodox Church, Plymouth, Minn., offered the following prayer:

Heavenly Father, from whom comes all good and perfect gifts, accept our thanksgiving for blessings bestowed upon us. Take into Thy gracious care all Members of the Senate of our Nation and the presiding officers and officials.

Fill them with love and knowledge and wisdom and let Thy holy spirit guide them, that our Nation may become a blessing to Thee and to the people of the world. Help us, the citizens, O God, to render to the Members of the Senate the love, the honor, and the respect which is due them and to support them with our prayers and good will. Bless our country, bless our Government, bless our people and sanctify us with Thy presence. In Thy name, dear Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 17, 1981.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DAVID DURENBERGER, a Senator from the State of Minnesota, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. DURENBERGER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATION OF PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that following the time allocated to the two leaders under the standing order and the special order for the distinguished Senator from Arkansas (Mr. BUMPERS), there be a period for the transaction of routine morning business not to exceed 30 minutes in length, in which Senators may be permitted to speak for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR KASSEBAUM COMMENDED ON READING OF GEORGE WASHINGTON'S FAREWELL ADDRESS

Mr. BAKER. Mr. President, I would like to take just a moment to express my appreciation, and that, I am sure, of all my colleagues, to the distinguished Senator from Kansas (Mrs. KASSEBAUM).

As we all are aware, Senator KASSEBAUM relinquished a free day from the labors of the Senate yesterday to be present in this Chamber and fulfill a tradition of many decades by reading into the RECORD the stirring and historic farewell address to the Nation of our first President, George Washington.

Senator KASSEBAUM is only the second woman member of this Chamber to have submitted that speech to the RECORD in the 88 years of this tradition. And I am pleased to note that both of those women, Senator KASSEBAUM, and our most distinguished former colleague, Margaret Chase Smith, of Maine, are Republicans.

As in all that she does, Senator KASSEBAUM was superb in yesterday's reading. I commend her and I thank her.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I am pleased to yield.

Mr. ROBERT C. BYRD. Mr. President, I wish to add to the distinguished majority leader's statement the plaudits of my own concerning the reading of George Washington's farewell address yesterday by Senator KASSEBAUM. It was an exemplary performance, presenting the address with dignity and poise. All of us admired her presentation.

I thank her on behalf of the minority for the time that she gave in the presentation, and I again join with the majority leader in commending Mrs. KASSEBAUM for a splendid presentation of the address.

Mr. BAKER. Mr. President, I thank the minority leader. As I am sure Senator KASSEBAUM is grateful, so am I grateful for his gracious remarks.

DR. EDWARD L. R. ELSON'S SENATE CHAPLAINCY

Mr. BAKER. Mr. President, as I mentioned to my colleagues upon the occasion of our former Chaplain, the Reverend Edward L. R. Elson's retirement from his duties here this past month, Dr. Elson has graciously submitted to the Senate a record of his 12 years of service to this body.

To the best of my knowledge, this is the first such comprehensive report on the activities of the Senate Chaplain's office ever compiled. It is an excellent record, not only of Dr. Elson's distinguished and inspirational service, but also of the historical development of the Chaplain's office.

I would like to express my gratitude, as well as that of all Senators, I am certain, to Dr. Elson for this report and, again, for his guidance over the years.

So that historians and my colleagues, present and to come, may share in Dr. Elson's work. I ask unanimous consent that his report be printed in its entirety in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SUMMARY OF DR. EDWARD L. R. ELSON'S SENATE CHAPLAINCY: JANUARY 9, 1969—FEBRUARY 1, 1981

Twelve years ago on January ninth I took the oath of office as Senate Chaplain, offered the convening prayer, after which the Senate moved to the House Chamber for a Joint Session welcoming the astronauts back from the moon. The days between January 9, 1969 and February 1, 1981, the effective date of my retirement, have been crowded with momentous events, many of which engaged the services of the Chaplain.

After long and careful consideration I have tendered my request for retirement to the leadership and it is now time for me to give an account of my stewardship.

The Rules of the Senate (Rule 3.3) prescribe that the daily sessions of the Senate be convened with prayer by the Chaplain. Accordingly, in the twelve years and one month of my incumbency I have prepared 1759 convening prayers. Daily they have appeared as the first item in the *Congressional Record*. Five books of Senate prayers have been printed and distributed. A sixth volume is in process.

Once during this twelve year period Senate Rule 4.2 was invoked when the Senate, being in continuous session from its convening on Saturday, October 14, 1978, suspended its deliberations at twelve noon on

Sunday, October 15, 1978 for prayer by the Chaplain.

The prayers have had a compounded outreach as they have appeared in Church periodicals and books of prayers, as the 'Quotation of the Day' in the "New York Times", on the front page of the "Wall Street Journal", on the front of Sunday Church bulletins, quoted by TV preachers, included in Senator's news letters, and on Christmas cards. They have been used in religious and patriotic convocations, carried in the pockets of doormen and staff workers. And in the White House, a Special Assistant to the President had a favorite Senate prayer pasted on his telephone for daily inspiration.

Under the policy of the Senate two guest chaplains may be invited in any one month to offer the opening prayer. Two-hundred seventy-nine guest chaplains, representing thirty religious denominations have served in this role. In this mosaic of American religious life those denominations represented are listed in Appendix I.

Each guest chaplain is honored by a handsome certificate signed by the Vice President, the Secretary and the Chaplain of the Senate. It is usual for the guest to dine with representative Senators in the Senate dining room.

Twenty-eight of the guest chaplains were of the Jewish faith and included the three main divisions—Orthodox, Conservative and Reformed. (Appendix II)

A long tradition of exclusively male chaplains was broken when the Rev. Dr. Wilmina Rowland of Philadelphia, a Presbyterian clergywoman, led us in the opening prayer on July 8, 1971. Later and for the first time in history a Roman Catholic Nun, Sister Joan Keleher Doyle of the Sisters of Charity of the Blessed Virgin Mary, offered the prayer on July 17, 1974. A third woman guest chaplain was the Rev. Judith D. Coleman, a Methodist from Hustontown, Pennsylvania, who offered the prayer on October 2, 1974.

Twenty-six guest chaplains represent the academic world—college and divinity school administrators or professors. (Appendix III)

From the military services have come several Chiefs of Chaplains and Veterans' organizations have been represented by their national chaplains from time to time. (Appendix IV)

Five executives of ecclesiastical agencies supporting military chaplains' work have served in this ministry. (Appendix V)

Eight Senators substituted for the Chaplain when he was necessarily absent. It is noteworthy that two of these Senators are ordained clergymen—Senator The Reverend Kaneaster Hodges, a Methodist from Arkansas and Senator The Reverend John C. Danforth, an Episcopalian from Missouri. One Senator is a lay leader in his church, two are high ranking officials in the Church of Jesus Christ of Latter Day Saints and three Senators who served as substitute chaplains are laymen. List of these Senators are in Appendix V.

Two of the guest chaplains were pastors of Presidents. The Rev. Dr. George R. Davis, Pastor of the National City Christian City Church was the pastor of President Lyndon Baines Johnson. The Rev. Dr. Charles A. Trentham, Pastor of the First Baptist Church of Washington was the pastor of President Jimmy Carter. The guest chaplain on December 1, 1980, Dr. Robert L. Maddox, Jr. was President Carter's Special Assistant for Religious Liaison.

Two guest chaplains were specialists in evangelism—Dr. Billy Graham and Dr. Roy B. McKeown also serves as the executive director for the United States Senate Youth Program.

Nine of the guests held administrative positions in their denomination. (Appendix VII)

The National Commander of the Salvation Army, Commissioner Ernest W. Holz, was guest chaplain and four other officers of the Salvation Army have officiated.

Three of the guest chaplains were fathers of Senate Pages. One was the father of an intern. One was the son of a doorman. One was the brother of the Parliamentarian. (Appendix VIII)

The clergymen from other countries who have been guest chaplains are listed in Appendix IX.

Nine Senators were hosts to the pastors of their home-town churches and three Senators were host to their Washington-church pastors. (Appendix X)

Nine who served as guest chaplains were the titular heads of their denominations. (Appendix XI)

A number of pastors of employees in the Senate served as guest chaplains.

The Chaplain officiated at the funerals of six Senators as follows:

The Honorable Everett McKinley Dirksen, September 10, 1969;

The Honorable Richard Brevard Russell, Jr., January 24, 1971;

The Honorable Winston Lewis Prouty, September 13, 1971;

The Honorable John Little McClellan, November 30, 1977;

The Honorable Hubert Horatio Humphrey, January 14, 1978; and

The Honorable James Browning Allen, June 6, 1978.

The Chaplain officiated at the Senate funeral for President Dwight David Eisenhower concerning which the media reported that this funeral was heard and seen by more people than any such event in world history.

The Chaplain conducted the funeral for FBI Director J. Edgar Hoover and participated in the "lying-in-state" ceremonies for President Lyndon Baines Johnson.

Two Associate Justices of the Supreme Court, the Honorable Tom Clark and the Honorable William O. Douglas were honored by State funerals. The Chaplain officiated at both services.

In addition to these services the Chaplain conducted the memorial service for Mrs. Dwight David Eisenhower which was held in the Fort Myer Chapel and for Mrs. Everett McKinley Dirksen which was held in the National Presbyterian Church.

The Chaplain has conducted many memorial services for members of the staff and employees of the Senate.

Other pastoral services have included officiating at weddings and marriage counselling.

The Chaplain has been involved in dedication ceremonies of monuments, plaques, and buildings of national significance. Among these ceremonies were the unveiling of the plaque in the entrance of the East Front of the Capitol to the Signers of the Declaration of Independence, the dedication of the Hubert H. Humphrey wing of the HEW Building, the James Madison Building of the Library of Congress, the J. Edgar Hoover Courtyard in the J. Edgar Hoover FBI Building, the laying of the cornerstone of the Capitol Hill Club, the commemoration wreath-laying at the bust of Constantino Brumidi in the Senate wing of the Capitol, the unveiling of the Eisenhower Bust at the Kennedy Center, the dedication of the Eisenhower Room at the Blair House and the unveiling of the statue of Edward Lewis (Bob) Bartless in Statuary Hall.

The Chaplain was consistently involved in pastoral counselling, in providing religious source material and information to Senators, assisting them in the preparation of addresses at Church convocations and patriotic events.

Senators have turned to the Chaplain's office for information on a wide variety of subjects pertaining to the Bible, church life, and religious affairs. He has delivered orientation talks to new Senators and their wives, has met and spoken with visiting ecclesiastical and student groups and he has been host to countless numbers of ecclesiastical leaders from the United States and abroad.

In this jet age when every State is within a few hours air flight for its Senators, the members are frequently in their home States on weekends and thus are not serviced by Washington ministries of religion. But the Chaplain is present with them at their work week-in and week-out. This makes the work of the Chaplain in his "on-the-job" ministry vastly more important than in earlier years in the life of the Republic.

Noteworthy is the fact that during this twelve year period the Senate and its Chaplain and other officials have been the objects of two legal suits by atheist, Mrs. Madalyn O'Hair. The first suit brought in 1973 alleged violation of the First Amendment for having prayers and quoting the Bible in the Senate and government buildings. The suit was heard by the Chief Judge of the Federal District Court and promptly dismissed as being frivolous and without adequate constitutional basis. Under the "Doctrine of the Separation of Powers," the Senate has exclusive authority over what takes place in its own Chamber, who its officers will be, what their duties are, and their compensation. The second suit was filed in 1980 and dismissed January 6, 1981. It alleged that the First Amendment was broken by the Senate e'ecting and maintaining chaplains, providing for the support of the chaplains with government funds. This suit was dismissed on the ground that the plaintiff does not have standing in the court and the suit was nonjudicial. The House and its officers were included in both of these legal suits. In each case no appeal has been made to a higher court.

The first prayers in Congress were offered September 7, 1774 and prayer has been offered regularly in the Halls of Congress from that day until today—and rightly so. America and its institutions of government are both founded upon theistic pre-suppositions and the practice of e'ecting chaplains as officers of legislative bodies and regularly praying to the Almighty God is consonant with a nation whose citizens assert that this is a "Nation under God".

JANUARY 31, 1981.

APPENDICES

APPENDIX I

Thirty (30) religious denominations are represented among the guest chaplains:

African Methodist Episcopal Church.
American Indian.
Armenian Church of America.
Assembly of God.
Baptist.
Christian Church.
Church of England.
Church of Jesus Christ of Latter Day Saints.
Church of the Nazarene.
Eastern Orthodox Church.
Episcopal Church.
Greek Orthodox Church.
Hungarian Reformed Church in America.
Jewish—Orthodox, Reformed & Conservative.
Lutheran.
Orthodox Church in America.
Pilgrim Brethren.
Presbyterian—United Presbyterian Church in the USA and the Presbyterian Church in the U.S.
Reformed Church in America.
Reorganized Church of Jesus Christ of Latter Day Saints.
Roman Catholic.
Roman Catholic Slovak Church.

Salvation Army.
Schwenkfelder Church.
Society of Friends (Quaker).
Ukrainian Catholic Church.
Unitarian.
United Church of Christ.
United Methodist.
Universalist.

APPENDIX II

Rabbis served as guest chaplains on twenty-eight occasions with one Rabbi (*) serving two times:

Name, congregation/position, date:

Cohen, Rabbi Alfred, Synagogue of Young Israel of Canarsie, Brooklyn, N.Y., January 27, 1972.

Elster, Rabbi Sheldon Ephraim, D.Min., Agudas Achim Congregation of Northern Virginia, Alexandria, Va., July 31, 1973.

Goldstein, Rabbi Israel, Rabbi Emeritus, Congregation B'nai Jeshurun, New York, N.Y., June 22, 1978.

Haberman, Rabbi Joshua O., Washington Hebrew Congregation, Washington, D.C., November 25, 1970.

Handler, Rabbi Jacob, Ph.D., Temple Beth Israel, Providence, R.I., July 6, 1970.

Hasden, Rabbi Barnett, Director, Special Projects, Mesivtha Tifereth Jerusalem of America Rabbinical Seminary, New York, N.Y., March 31, 1976.

Kanter, Rabbi Morton M., Congregation Beth El, Detroit, Mich., June 9, 1971.

Kobrinetz, Rabbi Simeon, Deputy Director, Chaplain Service, Veterans Administration, Washington, D.C., February 26, 1975.

Lelyveld, Rabbi Arthur J., Fairmount Temple, Cleveland, Ohio, September 12, 1974.

Levy, Rabbi Mordecai, Synagogue of the Tri-City Jewish Center, Rock Island, Ill., May 25, 1972.

Lipschitz, Rabbi Chaim U., D.D.,* Managing Editor, The Jewish Press, Brooklyn, N.Y., July 7, 1969. Vice President for Research & Project, Mesivta Talmudical Seminary, Brooklyn, N.Y., June 9, 1977.

Mark, The Rev. Dr. Julius, Rabbi Emeritus, Congregational Emanu-El, New York, N.Y., November 17, 1969.

Max, Rabbi Jacob A., Anshe Emunah-Aitz Chaim Tifereth, Israel Congregation, Randallstown, Randallstown, Md., May 18, 1978.

Miller, Rabbi Lester M., Congregation Beth Israel, New Orleans, La., March 27, 1979.

Pollack, Rabbi Alex, Congregation Emanu-El, Philadelphia, Pa., May 2, 1978.

Rabinowitz, Rabbi Stanley, Adas Israel Synagogue, Washington, D.C., September 9, 1980.

Rosoff, Rabbi Jack M., Congregational B'nai Israel, Rumson, N.J., February 7, 1978.

Rubel, Rabbi Charles M., Congregation B'nai Raphael, Miami, Fla., August 4, 1971.

Schiff, Rabbi Solomon, Director of Chaplaincy of the Greater Miami Jewish Federation, Miami, Fla., March 18, 1977.

Segel, Rabbi Kenneth I., Assistant Rabbi, Rodef Shalom Temple, Pittsburgh, Pa., July 18, 1973.

Seiger, Rabbi Chaim, Baron Hirsch Congregation, Memphis, Tenn., May 13, 1971.

Shapiro, Rabbi Max A., Temple Israel, Minneapolis, Minn., November 13, 1979.

Stiffman, Rabbi Jeffrey B., Ph.D., Temple Shaare Emeth, St. Louis, Mo., July 11, 1978.

Wagner, Rabbi Stanley M., Ph.D., Beth Ha Medrosh Hogodol Congregation, Denver, Colo., August 26, 1976.

Wenberg, Rabbi Joseph P., Assistant Rabbi, Washington Hebrew Congregation, Washington, D.C., February 21, 1974.

Wiseman, Rabbi Saul Israel, Temple Beth Israel, Waltham, Mass., May 28, 1970.

Wolk, Rabbi Ian, Temple Shalom, Chevy Chase, Md., November 18, 1975.

APPENDIX III

In twenty-four occasions guest chaplains came from the academic world with one person serving two times:

Name, position, date:

Cate, Rev. Dr. Robert L., Professor of Old Testament, Golden Gate Baptist Theological Seminary, Mill Valley, Calif., June 29, 1978.

Chandler, Rev. Dr. Douglas R., Professor of Church History, Wesley Theological Seminary, Washington, D.C., February 21, 1972.

Crawford, Rev. Evans E., Ph.D., Dean of the Chapel, Howard University, Washington, D.C., October 6, 1972.

Gaebelein, Rev. Dr. Frank E., Head Master Emeritus, Stony Brook School of New York, December 4, 1973; December 5, 1973.

Gandy, Rev. Dr. Samuel L., Dean, School of Religion, Howard University, Washington, D.C., April 20, 1971.

Geeza, The Very Rev. Fr. Boris, St. Vladimir's Orthodox, Theological Seminary, Crestwood, N.Y., March 18, 1976.

Hartke, Rev. Fr. Gilbert V., Chairman, Speech and Drama Dept., Catholic University of America, Washington, D.C., September 20, 1972.

Hasden, Rabbi Barnett, Director, Special Projects Mesivtha, Tifereth Jerusalem of America, Rabbinical Seminary, New York, N.Y., March 31, 1976; April 27, 1977.

Hesburgh, Rev. Fr. Theodore M., C.S.C., President, University of Notre Dame, Notre Dame, Ind., April 27, 1977.

Homrighausen, Rev. Elmer G., Th.D., Dean and Professor Emeritus, Princeton Theological Seminary, Princeton, N.J., April 16, 1973.

Johnson, Chaplain Andrew L., Chaplain, Tuskegee Institute, Tuskegee, Ala., March 22, 1972.

Jones, Rev. Dr. Lawrence N., Dean, School of Religion, Howard University, Washington, D.C., April 10, 1970.

Kelsey, Rev. Dr. George D., Professor Emeritus, Drew University Theological School, Madison, N.J., October 23, 1979.

Kortendick, Rev. Fr. James J., Chairman, Graduate Department of Library Science, Catholic University of America, Washington, D.C., April 27, 1972.

Lipschitz, Rabbi Chaim U., D.D., Vice President for Research & Project, Mesivta Talmudical Seminary, Brooklyn, N.Y., June 9, 1977.

Macleod, Rev. Dr. Donald, Professor, Preaching & Worship, Princeton Theological Seminary, Princeton, N.J., Jan. 23, 1979.

Scharlemann, Rev. Dr. Martin H., Graduate Professor of Exegetical Theology, Concordia Lutheran Seminary, St. Louis, Mo., June 9, 1969.

Smith, Rev. Nathan D., Professor, California Center for Biblical Studies, Culver City, Calif., April 13, 1976.

Theall, Rev. Dom Bernard, O.S.B., Associate Professor of Library Science, Catholic University of America, Washington, D.C., April 9, 1974.

Tietjen, Rev. Dr. John H., President, Concordia Seminary, St. Louis, Mo., May 7, 1970.

Trueblood, Rev. Dr. Elton, Professor at Large, Earlham College, Richmond, Ind., August 11, 1972.

From military institutions:

Ford, Rev. James D., Chaplain, U.S. Military Academy, West Point, N.Y., February 8, 1971.

Kelly, Rev. Colin P., Assistant Chaplain, U.S. Military Academy, West Point, N.Y., February 1, 1978.

Wilson, Rev. Robert, Chaplain, Virginia Military Institute, Lexington, Va., September 21, 1976.

APPENDIX IV

Guest Chaplains from the Military services and Veterans' organizations—

Chiefs of Chaplains who served:

Maj. Gen. Patrick J. Ryan, Chief of Army Chaplains, Retired served on five occasions when the Senate Chaplain was unavoidably absent on the following dates:

February 21, 1969; April 23, 1971; October 15, 1971; January 31, 1973; and December 14, 1973.

Maj. Gen. Frank A. Tobey, Chief of Army Chaplains, Retired—November 10, 1969.

Maj. Gen. Francis L. Sampson, Chief of Army Chaplains—June 10, 1971.

Maj. Gen. Gerhardt W. Hyatt, Chief of Army Chaplains—June 3, 1975.

Maj. Gen. Orris E. Kelly, Chief of Army Chaplains—May 3, 1979.

The Executive Director of the Military Chaplains Association, The Rev. Dr. Karl Bennett Justus served as a substitute chaplain on the following dates:

August 7, 1970; July 31, 1971; May 4, 1972; May 5, 1973; and October 1, 1977.

From Veterans' Organizations came the following:

Rev. James E. Rogers, National Chaplain, Disabled American Veterans, June 22, 1970.

Dr. Lawrence P. Fitzpatrick, National Chaplain, American Legion, February 28, 1973.

Rev. Henry L. Reinewald, National Chaplain, Veterans of Foreign Wars, March 13, 1974

Rabbi Simeon Kobrinetz, Deputy Director Chaplain Service, Veterans Administration, February 26, 1975.

Rev. Harold Gordon Elsam, National Chaplain, Veterans of Foreign Wars, March 5, 1976.

Rev. R. Drew Wolcott, National Chaplain, American Legion, April 26, 1979.

Rev. Fr. Warren F. Braun, Chaplain, State of Florida Veterans of Foreign Wars, June 3, 1980.

Two other military chaplains who served as guest chaplains—

Chap. (Col) Porter H. Brooks, USA, Post Chaplain, Fort Myer, Virginia, June 6, 1974.

Chap. (LCOL, ret.) Donal M. Squires, USAF of Fairmont, West Virginia, September 28, 1979.

APPENDIX V

Five Executives of ecclesiastical agencies supporting military chaplains' work have served as guest chaplains:

Bailey, Rev. Dr. A. Purnell, Associate General Secretary for United Methodist Chaplains March 21, 1979.

Ernstmeyer, Rev. Dr. Milton S., Executive Secretary Armed Forces Commision of the Lutheran Church, Missouri Synod, November 21, 1980.

Harriman, Rev. Dr. Robert B., Director Presbyterian Council for Chaplains and Military Personnel served as guest chaplain on six occasions in August 1978.

Henry, The Rev. Paul J., O.S.F.S., Coordinator, Office of Chaplain Services, U.S. Catholic Conference, July 10, 1979.

Reis, The Rev. William J., D.D., Executive Secretary, The Division of Service to Military Personnel, Lutheran Council in the United States of America, September 24, 1969.

APPENDIX VI

Senators that have offered the convening prayer along with the dates they served:

The Honorable Wallace F. Bennett of Utah, Sunday, December 2, 1973.

The Honorable Carl T. Curtis of Nebraska, August 25, 1978.

The Honorable John C. Danforth, an ordained Episcopal priest, February 11, 1977; September 24, 1977; July 27, 1978; February 21, 1979; and July 2, 1980.

The Honorable Orrin G. Hatch of Utah, October 13, 1978.

The Honorable Howell Heflin, February 19, 1979.

The Honorable Kaneaster Hodges of Arkansas, an ordained Methodist minister, February 23, 1978; July 26, 1978; and September 30, 1978.

The Honorable Harold Hughes of Iowa, December 20, 1974.

The Honorable Richard G. Lugar of Indiana, July 28, 1978.

APPENDIX VII

Ten of the guest chaplains have held administrative positions in their denominations:

Duffy, The Rev. Gabriel, Chairman of the Ecumenical Commission of the Catholic Archdiocese of Washington (February 7, 1975).

Hickey, The Most Rev. James A., Bishop of Cleveland, Ohio when he was guest chaplain on June 21, 1977. He is now Archbishop of the Roman Catholic Archdiocese of Washington.

Lyons, The Most Rev. Thomas W., Auxiliary Bishop of the Roman Catholic Archdiocese of Washington.

Mathews, The Rev. James K., Ph.D., Bishop of the Washington Area, United Methodist Church (January 26, 1977).

Murphy, The Rev. Monsignor John J., Director, National Shrine of the Immaculate Conception, Washington (September 12, 1978).

Rowland, The Rev. Dr. Wilmina M., Director, Educational Loans and Scholarships, Board of Christian Education, United Presbyterian Church in the USA (July 8, 1971).

Thompson, Mr. William P., Stated Clerk, United Presbyterian Church in the USA (April 21, 1977).

Walker, The Rt. Rev. John T., Bishop of the Diocese of Washington, Protestant Episcopal Church when he was guest chaplain, September 27, 1977. He is now Dean of the Washington Cathedral.

Wells, Rev. Robert A., Director of Missions, Nevada Baptist Association, June 10, 1976.

Varjabedian, The Rt. Rev. Bishop Papken, Legate of the Diocese of the Armenian Church of Washington, September 30, 1971 and July 18, 1978.

APPENDIX VIII

Three of the guest chaplains were fathers of Senate Pages, one the father of an intern, one the son of a doorman, and one the brother of the parliamentarian:

The Rev. John A. Limberakis, Church of the Annunciation, Greek Orthodox Parish of Philadelphia, Elkins Park, Pa., October 13, 1970.

The Rev. John H. Mighell, Rector, St. Columbia's Episcopal Church, Seattle, Wash., April 27, 1976.

The Rev. Abe G. Watson, Ordained Baptist clergyman but at the time he served a guest chaplain he was supplying the Universalist Church in Brewton, Alabama and serving as the Executive Director of the Southwest Alabama Mental Health Board, March 18, 1977.

The father of an intern was a Baptist clergyman and former pastor of Sen. Thurmond.

The Rev. Dr. Robert L. Cate. Professor of Old Testament, Golden Gate Baptist Theological Seminary, Mill Valley, Calif., June 29, 1978.

The Rev. Ronald J. Degges. Asst. Minister in Education at the Chevy Chase Christian Church, Chevy Chase, Marvland Feb. 9, 1979 is the son of one of our doormen.

The Rev. T. Mark Dove, Pastor, Epworth United Methodist Church, Columbus, Ohio is the brother of Parliamentarian Robert Dove.

APPENDIX IX

Four clergymen from other countries have served as guest chaplain—

His Holiness, Beatitude Patriarch Elias IV, Patriarch of Antioch and all the East Damascus, Syria. (Sponsored by Senator Abourezk on July 26, 1977).

The Rev. J. Ithel Jones, D.D., LL.D., Pastor, Collins Street Baptist Church, Melbourne, Australia. (His visit on August 7, 1978 was planned by Senator James B. Allen before his death. His widow, Senator Maryon Allen honored the invitation.)

The Very Reverend Peter C. Moore, Dean of the Cathedral and Abbey Church of Saint Alban Herefordshire, England. (His visit to our country was occasioned by the one-hundred twenty-fifth anniversary of the founding of St. Albans Parish in Washington. His visit to the Senate on May 7, 1979 was sponsored by Senator Danforth.)

The Reverend George P. Vins, Russian refugee clergyman. (This Baptist clergyman visited the Senate June 7, 1979 under the sponsorship of Senator Leahy. He was one of five Soviet political prisoners exchanged with the United States for two Soviet spies. His prayer was interpreted in the English language by Cathy Cosman.)

APPENDIX X

Nine Senators were hosts to the pastors of their home-town churches and three Senators were hosts to their Washington-church pastors:

Home-town church pastors, Senator, date:

The Rev. Berthold Jacksteit, Central Schwenkfelder Church, Worcester, Pa., Sen. Richard S. Schweiker, March 24, 1970.

The Rev. W. Benjamin Holmes, Church of St. Martin-in-the-Fields, Philadelphia, Pa., Sen. Hugh Scott, November 15, 1971.

The Most Rev. John A. Marshall, Bishop of Burlington, Burlington, Vt., Sen. Patrick J. Leahy, October 30, 1975.

The Rev. Charles Boonstra, The Presbyterian Church, Huntsville, Tenn., Sen. Howard H. Baker, Jr., April 13, 1978.

The Rev. David B. Kidd, Hillsboro, Presbyterian Church, Nashville, Tenn., Sen. Jim Sasser, June 5, 1979.

The Rev. Dr. William W. Slider, Christ Church, United Methodist Church, Louisville, Ky., Sen. Walter D. Huddleston, June 18, 1979.

The Rev. Alton Parris, First United Methodist Church, Tuscumbia, Ala., Sen. Howell Heflin, September 11, 1979.

Washington-church pastors:

Rev. Charles A. Summers, Sixth Presbyterian Church, Washington, D.C., Sen. Carl T. Curtis, April 13, 1978.

Rev. Neal Jones, Columbia Baptist Church, Falls Church, Va., Sen. Strom Thurmond, April 26, 1980.

Rev. Dr. Calvin V. French, Reorganized Church of Jesus Christ of Latter Day Saints, Washington, D.C., Sen. Milton R. Young, June 19, 1980.

APPENDIX XI

Nine who served as guest chaplains were titular heads of their denomination:

The Right Reverend John M. Allin, Presiding Bishop of the Protestant Episcopal Church in the United States, May 19, 1980.

The Right Reverend Zoltan Beky, D.D., Bishop, The Hungarian Reformed Church in America, June 12, 1974.

President Hugh B. Brown, Church of Jesus Christ of Latter Day Saints, May 20, 1979.

His Holiness, Beatitude Patriarch Elias IV, Patriarch of Antioch and all the East (Eastern Orthodox Church), July 26, 1977.

Commissioner Ernest W. Holz, National Commander, The Salvation Army, May 9, 1979.

His Eminence, Archbishop Iakovos, Primate of the Greek Orthodox Church of North and South America, June 20, 1979.

President Spencer W. Kimball, Church of Jesus Christ of Latter Day Saints, September 11, 1974.

Archbishop Torkom Manoogian, Primate, Armenian Church of America, April 17, 1975.

His Beatitude, Metropolitan Theodosius, Primate, The Orthodox Church in America, March 11, 1980.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I might say for the benefit of those who may be listening, that it had been my hope that we could take up later today, in executive session, the nomination of the only nominee on the Executive Calendar. But I understand that is not yet cleared. The nomination will not qualify under the 3-day rule until, I believe, Thursday or perhaps Friday of this week.

There are no other major items of business that I anticipate can be transacted by the Senate during the course of our proceedings on today.

After the conclusion of leadership time, the special order, and routine morning business, it will be my intention to submit to the Senate a concurrent resolution providing for a joint session of the Congress on tomorrow.

ORDER FOR RECESS UNTIL 8:20 P.M. TOMORROW; AND, FOLLOWING THE CONCLUSION OF THE JOINT SESSION, UNTIL THURSDAY, FEBRUARY 19, 1981, AT 11 A.M.

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 8:20 p.m. tomorrow, that no later than 8:35 p.m. tomorrow Senators march in a body to the Hall of the House of Representatives for the purpose of hearing an address by the President of the United States; further, that upon the conclusion of the joint session, the Senate stand in recess until the hour of 11 a.m. on Thursday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I do not have at hand the concurrent resolution of which I spoke. I will call up that a little later.

Mr. President, I have no need for any time remaining under the standing order and no request for time. I am prepared at this time to yield it to the distinguished minority leader or to any Senator who may require it.

Mr. ROBERT C. BYRD. Mr. President. I thank the minority leader.

May I ask the distinguished Senator from Arkansas (Mr. BUMPERS) if his address will require more than the 15 minutes he has been allotted under the order?

Mr. BUMPERS. Mr. President, I would not anticipate I would require more than 15 minutes, and maybe a little less.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. President, I ask unanimous consent that the distinguished Senator from Arkansas may utilize the minority leader's time, or such part thereof as he may need in the event he needs additional time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back any time which may remain after the Senator from Arkansas has completed his remarks under the order.

S. 482—THE BAIL REFORM ACT AMENDMENTS OF 1981

Mr. BUMPERS. Mr. President, today I am introducing a bill entitled the Bail Reform Act Amendments of 1981. This measure is intended to strengthen our current bail laws by allowing courts to

detain until trial those defendants arrested and charged with Federal crimes who are likely to flee or pose a danger to the safety of any other person or to the community. Chief Justice Warren E. Burger, in his recent address to the American Bar Association in Houston, focused the attention of our Nation on the problem of crime and suggested that reform of our bail laws would be in order. Mr. President, the crime problem is complex and multifaceted, and thoughtful persons agree that there are no easy solutions. At the same time, we need not be paralyzed by it. We must focus, as did the Chief Justice, on specific solutions. Chipping away at the problem is better than taking no action at all. I am confident that the 97th Congress can take a significant step in the right direction by reforming our bail laws, and so I hope that my colleagues will give serious consideration to the legislation I am introducing.

Mr. President, under current law, when a person is arrested and charged with a Federal crime, he is brought immediately before a U.S. magistrate or district judge for a bail determination. The judge has two choices: He may release the defendant until trial on his own recognizance—that is, on the defendant's written promise that he will show up at trial; or, second. the judge may impose one or more conditions on the defendant's release, such as the payment of a money bond or restrictions on travel, and if the defendant is able to meet the conditions imposed, he will go free until trial. Under these procedures, 85 to 90 percent of defendants are released until trial, and trial usually is not held until several weeks after the defendant's arrest. Only those who cannot meet one of the conditions imposed, which is usually the payment of money bond, are held in jail until trial. Under current law, the only issue the judge is to consider in making a bail determination is what condition or set of conditions will reasonably assure that the defendant will show up for trial. The judge is not supposed to consider whether the defendant, because of a history of criminal behavior or other dangerous activity, is likely to commit another crime or threaten the safety of other persons while on bail, unless such considerations are relevant to the prediction whether the defendant will show up at trial.

The newspapers across the country are full of stories of violent crimes being perpetrated on innocent victims by defendants who are free on bail. The crime rate nationwide continues to stagger us despite the valiant efforts of our law enforcement officials. One sensible change in the law which could in a small yet significant way, help stem this swelling tide of criminal activity is to give judges the power to jail, pending trial, those defendants who, because of a history of violent or dangerous behavior, are likely to pose a danger to the community.

Mr. President, the bill I am introducing today would change the Bail Reform Act of 1966 in several significant ways. First, in each release determination, the judge would be directed to consider whether the defendant, if released, would pose a danger to any other person or to the community. Few thoughtful persons who are concerned about crime should object to this kind of sensible change in current law. If a defendant is likely to be dangerous, has demonstrated a propensity for violence then the judge may order him detained until trial unless the judge finds that release under certain specified conditions, such as reporting regularly to the probation office or restrictions on association, travel, and the possession of weapons, are sufficient to ameliorate whatever danger exists.

Second, under my bill, if a defendant is charged with a crime punishable by death or life imprisonment, or if a defendant is charged with a serious or violent offense and has been convicted of a serious or violent offense within the previous 10 years, then the judge is directed to detain the defendant until trial. If the judge finds, by clear and convincing evidence, however, that such a defendant, if released upon specified conditions, will not pose a danger, then the judge may order the defendant conditionally released. In other words, Mr. President, under my bill, a defendant who is charged with a very serious crime or who has a violent criminal record should be detained before trial unless the judge is convinced that he will not be a danger to others if released on certain conditions.

I frankly expect that these provisions will be controversial with some of my colleagues. Some will argue that they are too stern, too draconian. But it simply makes sense, Mr. President, that those who have been convicted of violent or serious crimes or who are charged with crimes punishable by death or life imprisonment, should not walk the streets unrestrained unless the court finds that they are not dangerous. I realize that predicting dangerousness is a difficult task, but the difficulty of the task is no excuse for failing to carry it out if there are compelling reasons to do so. Our U.S. magistrates and district judges have many difficult responsibilities which they perform well, and I think that we can trust their ingenuity and good sense in making these tough bail decisions, too.

Third, this bill allows the court to detain for up to 10 days any defendant charged with an offense who, at the time the offense was committed, was on pretrial release or is on parole or probation under State or Federal law; to detain such a defendant for 10 days, the court must also find either that he is a danger to others or that he is likely to flee. The reason for this 10-day detention is to allow the court or official who released the defendant to take custody over him; if no official comes to take custody during the 10-day period, then the defendant is to be treated as any other defendant arrested and charged with a Federal offense. He may be detained or released pending trial, depending upon the circumstances.

Fourth, Mr. President, this bill requires the court to detain those defendants who have been convicted and are awaiting either sentence or appeal. A convicted defendant may be released by the court only if the court finds by clear and convincing evidence that he is not likely to flee or pose a danger to others or to the community.

Finally, Mr. President, this bill makes certain conditions of release mandatory on each and every defendant. The mandatory conditions the bill imposes are that the defendant not commit a crime, that he refrain from excessive use of alcohol or the use of any drug without a doctor's prescription, that he not possess any dangerous weapon, and that he refrain from any activity likely to be harmful to the safety of others. There can be no doubt but that these conditions ought to be a minimum—a minimum—for the release of any defendant charged with a Federal crime.

Mr. President, Congress simply must address the crime problem in our Nation, and we must act quickly. Our citizens do not feel secure even in their homes. In many of our cities, people are unwilling to walk alone at night, and for good reasons. FBI statistics show a 15 percent increase in violent crime in the last 5 years. In my State of Arkansas, during the last year alone, murder and manslaughter increased by 2.3 percent, forcible rape by 4.9 percent, and robbery by 14.6 percent. We cannot continue to allege that we are the freest Nation on Earth and simultaneously be held captive to fears of being a victim of a criminal act.

I am aware that much of the violent crime which occurs falls within the province of the State courts and must be fought on the State level as well. I am convinced, however, that we need a concerted effort combining the resources and ingenuity of the Federal Government, the States, and even our cities and counties, if we intend to do anything which significantly decreases crime nationwide. Crime committed by defendants on pretrial release, although a small percentage of overall crime, is still a significant problem which ought to be addressed along with many others. The precise scope of the problem is unknown, because much crime goes unreported and because accurate statistical information is difficult to come by. A study by the Institute of Law and Social Research found that over 13 percent of all persons arrested for felonies committed in the District of Columbia were rearrested before trial, and indications are that crime on bail is an even greater problem in State courts.

Beyond strengthening our bail laws, Mr. President, we need to stiffen significantly the penalties for crimes committed with the use of firearms, and I will introduce a bill later to deal with that. We need to make substantial changes in our jails and prisons, and I am cosponsoring S. 186 along with Senator DOLE, a bill to provide Federal financial assistance to State and local governments for prison and jail construction and repair. If we intend to detain dangerous defendants before trial, we have to house them in decent jails. We should also take a hard look at whether our law enforcement agencies are funded sufficiently.

Mr. President there are many other ideas for changes in current criminal

laws which we should seriously consider, and I can say with confidence that the American people expect the 97th Congress to give vigorous attention to the crime problem. If we lead the way, many States will follow.

So, in closing, I urge my colleagues to give serious thought to the passage of this bill, and I would like to suggest to the Judiciary Committee that this legislation be given immediate attention. The question of the rights of the accused versus the rights of potential victims is one of the most troubling legal and moral problems we face today. But the time may have arrived when thoughtful people agree that the sheer magnitude of the crime dictates that the rights of society as a whole must be given greater due.

Mr. President, this morning I picked up the Washington Post and found an editorial which made me think that they had read my speech on this subject. I ask unanimous consent to have the editorial printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. Mr. President, I ask unanimous consent the bill I am introducing be printed in the RECORD following the editorial.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

EXHIBIT 1

LOCKING UP DANGEROUS SUSPECTS

U.S. Attorney Charles F. C. Ruff's decision to make greater use of preventive detention was necessary. Preventive detention is the one weapon in the local prosecutor's hand that lets him address the danger of allowing certain suspects to return to public life who have been charged with a violent crime but who have not yet been tried. Because a request for preventive detention requires the prosecutor to reveal much of his case, and to bring the case to court in 60 days, the U.S. Attorney's Office has limited its use of the law to only the most alarming cases. Mr. Ruff now plans to use the law in more common cases.

Under the present bail laws, a judge cannot legally consider the danger involved in releasing a defendant unless the prosecutor invokes the preventive detention statute. The judge can only consider how likely the person is to return to court for trial. But more and more citizens want the judge to add to his deliberations the danger a defendant may pose on the street. The public is fed up with seeing a defendant with a history of violent crime caught, only to be released.

The preventive detention law, quite correctly, does not let judges lock up all persons with such a history. Before they can be held in jail pending trial, prosecutors must also show that the case against them is strong. The requirement is designed to reduce incidents in which a suspect jailed before trial is later acquitted or has the charges against him dropped.

This law strikes a delicate balance between the need to protect the public against dangerous suspects and the presumption that every suspect is innocent until proven guilty. The history of its use in the District demonstrates that careful administration can protect innocent persons from the abuses that led to reform of the bail laws a decade ago. Mr. Ruff's decision to invoke it more frequently does not indicate a return to the old era. It should be interpreted as an effort to improve the screening process that distinguishes between suspects who have forfeited their right to freedom and those who have not.

EXHIBIT 2

S. 482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bail Reform Act Amendments of 1981."

SECTION 1. Section 3146 of title 18, United States Code, is amended to read as follows:

"3146. Release prior to trial

"(a) A person charged with an offense shall, at his appearance before a judicial officer, be ordered detained, or released pending trial, upon the conditions specified by the judicial officer.

"(b) In making determinations regarding detention and release, the judicial officer shall consider whether the person charged is likely to appear as required and whether he poses a danger to the safety of any other person or to the community.

"(c) A person charged with an offense shall be ordered released pending trial on his personal recognizance, or upon the execution of an unsecured appearance bond in an amount specified, unless the judicial officer determines that such release will not reasonably assure the appearance of the person as required or will endanger the safety of any other person or the community. If either such determination is made, the judicial officer shall impose the least restrictive conditions of release that will reasonably assure the safety of other persons and the community, and that will reasonably assure the appearance of the person for trial. If the judicial officer is unable to find that any combination of conditions of release will be sufficient, the person shall be ordered held in detention pending trial.

"(d) No financial condition may be imposed to assure the safety of any person or the community.

"(e) In making determinations regarding whether the person poses a danger to the safety of any other person or the community, or whether the person is likely to appear as required, the judicial officer shall, on the basis of available information, take into account—

"(1) the nature and circumstances of the offense charged;

"(2) the weight of evidence against the person; and

"(3) the history and characteristics of the person, including his character, mental condition, family ties, employment, past conduct, use of alcohol, history of violent behavior, length of residence in the community, financial resources; record and nature of convictions, record of appearance, flight to avoid appearance or nonappearance at court proceedings; illegal drug use; whether he was on probation, parole, or other release pending completion of sentence for conviction under Federal, State, or local law at the time of the current arrest; and whether he was on pretrial release or release pending sentence or appeal for an offense under Federal, State or local law at the time of the current arrest.

"(f) The judicial officer shall provide as mandatory conditions of release for any person who is ordered released, that the person—

"(1) not commit a federal, state, or local crime during the period of his release;

"(2) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, without a prescription from a physician;

"(3) refrain from possessing a firearm, destructive device, or other dangerous weapon; and

"(4) refrain from any activity likely to be harmful to the safety of others.

"(g) In addition to the mandatory conditions set forth in subsection (f), the judicial officer may provide as a release condition that the person—

"(1) remain in the custody of a designated person who agrees to supervise him, if the designated person is able reasonably to assure the judge that the person will appear as required and will not pose a danger to the safety of another person or the community;

"(2) work conscientiously at his employment, or if unemployed, actively seek employment;

"(3) report on a regular basis to a designated law enforcement agency or pretrial service agency;

"(4) avoid all contact with potential witnesses who may testify concerning the offense;

"(5) undergo available medical or psychiatric treatment, including treatment for drug or alcohol dependency, and remain in a specified institution if required for that purpose;

"(6) execute an appearance bond in a specified amount and deposit in the registry of the court, in cash or other security as directed, a sum not to exceed ten percent of the amount of the bond, which deposit is to be returned upon the performance of the conditions of release;

"(7) execute a bail bond with solvent sureties, or deposit cash in lieu of such a bond; or

"(8) satisfy any other condition reasonably necessary to assure appearance as required and to assure the safety of any other person or the community, including a condition requiring that the person return to detention after specified hours or during specified periods, and abide by such other severe restrictions on freedom, associations, or activities that the court deems appropriate.

"(h) The judicial official shall order that a person—

"(1) who is charged with a dangerous or violent offense punishable by death or life imprisonment; or

"(2) who is charged with a dangerous or violent offense, and who has been convicted within the 10 previous years of a dangerous or violent offense; or

"(3) who, having been charged with a dangerous or violent offense and released pending trial, is charged with having committed a dangerous or violent offense while on release; be held in detention unless the judicial officer finds upon clear and convincing evidence, (1) that he will appear as required and that his release will not pose a danger to the safety of any other person or the community, or (2) that specified conditions of release are sufficient to assure that he will appear as required and that his release will not pose a danger to the safety of any other person or to the community. A dangerous or violent offense under this subsection is an offense under State or Federal law, involving the sale, delivery, or trafficking of a controlled substance; or the use of a weapon; or threatened or actual physical harm to any other person.

"(i) At the petition of any person being held in detention, and upon finding that the conditional release of such person for a specific purpose or purposes will pose no danger to the safety of any other person or the community, the judicial officer may:

"(1) order the release of such person from time to time for not to exceed 48 hours into the custody of a designated individual who agrees to supervise him, if such release is necessary to assist his attorney in preparation for trial;

"(2) order the release of such person during his working hours into the custody of a designated individual, if such release is necessary to the retention of his employment, and the judicial officer shall order the

person to return to detention after the hours specified;

"(3) release such person for any other compelling purpose into the custody of the United States Marshal upon one or more release conditions.

"(j) A judicial officer ordering the detention of a person shall issue an order setting out the findings upon which detention is based. A judicial officer ordering the release of a person shall issue an order stating the conditions of release, shall advise him of the penalties applicable to a violation of a condition of release, and shall advise that a warrant for his arrest will be issued immediately upon such a violation. A failure to appear as required is not a bar or defense to a prosecution for bail jumping.

"(k) Any person ordered detained or concerning whom conditions of release are imposed, and who after twenty-four hours from the time of release hearing continues to be detained, may, upon application, have the order of detention or conditions of release reviewed by the judicial officer who issued the order or set the conditions. Unless the detention order or the conditions of release are amended, the judicial officer shall set forth in writing the reasons for continuing the detention or conditions imposed. If the judicial officer who ordered the detention or imposed conditions of release is not available, any other judicial officer in the district may review such order.

"(l) A judicial officer ordering the detention, or the release, of a person on a condition specified, may at any time, subject to the provisions of this section, amend his order to allow conditional release, or to impose additional or different conditions of release. If the imposition of such additional or different conditions results in the detention of the person as a result of his inability to meet such conditions, the provisions of subsection (k) are applicable.

"(m) A judicial officer may detain, for a period of ten days or less, a person charged with an offense who comes before him for a pretrial release determination if it appears that the person—

"(1) is, and at the time the offense was committed was, on pretrial or other release for a felony under state or federal law; or

"(2) is on probation, parole, or other release pending completion of sentence for any offense under federal, state or local law; and

"(3) that the person may flee or pose a danger to any other person or to the community if released.

During the ten-day period, the United States attorney shall notify the appropriate court, probation, or parole officer. If the official fails or declines to take the person into custody during such period, the person shall be treated in accordance with the provisions of subsections (a) through (i).

"(n) A court may dispose of an offense that is a misdemeanor by entering an order directing forfeiture of collateral posted to assure appearance if a fine in such an amount would be an appropriate sentence after conviction of the offense charged.

"(o) A person who has been released, and who has violated a condition of release, is subject to a revocation of release, an order of detention, and a prosecution for contempt of court. An attorney for the government may initiate a proceeding in accordance with this subsection. The judicial officer shall enter an order of revocation and detention if, after a hearing the judicial officer.

"(1) finds that there is clear and convincing evidence that such persons has violated a condition of his release; and

"(2) finds that—

"(A) based on the factors set forth in subsection (e) of section 3146, there is no condition or combination of conditions of release that will assure that such person will not flee or pose a danger to the safety of any other person or the community; or

"(B) no condition or combination of conditions will assure that the person will abide with reasonable conditions.

If the judicial officer finds that there are conditions of release that will assure that the person will not flee or pose a danger to the safety of any other person or the community, and that the person will abide by such appropriate conditions, he shall enter an appropriate order specifying the release conditions. In addition, the judicial officer may impose contempt sanctions if the person has violated a condition of his release.

"(p) Any information may be presented and considered in connection with an order entered pursuant to this section regardless of its admissability under the rules governing admission of evidence in criminal trials.

SEC. 2. Section 3147 of Title 18, United States Code, is amended to read as follows:

"3147. APPEAL FROM DENIAL OF RELEASE

"(a) REVIEW.—A person—

"(1) who is detained, or whose release on a condition requiring him to return to custody after specified hours is continued; and

"(2) whose application pursuant to subsections (k) and (l) of section 3146 has been reviewed by a judicial officer other than—

"(A) a judge of the court having original jurisdiction over the offense with which he is charged;

"(B) a judge in the United States Court of Appeals;

"(C) a justice of the Supreme Court of the United States; may file a motion for an amendment of the order with the court having original jurisdiction over the offense with which he is charged. Such a motion shall be determined promptly.

"(b) APPEAL.—In a case in which a person is detained after—

"(1) a court denies a motion under subsection (a) to amend an order; or

"(2) a detention order has been entered, or conditions of release have been imposed or amended, by a judge of the court having original jurisdiction over the offense charged;

an appeal may be taken to the court having appellate jurisdiction over such court. An order so appealed shall be affirmed if it is supported by the proceedings below. If the order is not so supported, the court may remand the case for a further hearing, or may, with or without additional evidence, order the person released pursuant to section 3146. Such an appeal shall be determined promptly.

SEC. 3. Section 3147 of title 18 United States Code, is amended to read as follows:

"3148. RELEASE PENDING SENTENCE OR APPEAL

"(a) The judicial officer shall order that a person who has been found guilty of an offense and who is awaiting imposition or execution of sentence, other than a person for whom a term of imprisonment would not be an appropriate sentence, be held in official detention unless the judicial officer finds by clear and convincing evidence, after taking into account the nature and circumstances of the offense for which the person was convicted and the factors specified in subsection (e) (3) of section 3146, that the person is not likely to flee or pose a danger to the safety of any other person or the community. If the judicial officer finds that the person is not likely to flee or to pose a danger to the safety of any person or to the community, the person shall be treated in accordance with the applicable provisions of section 3146.

"(b) The judicial officer shall order that a person who has been found guilty of an offense and sentenced to a term of imprisonment, and who has filed an appeal or a petition for writ of certiorari, be held in detention, unless the judicial officer finds—

"(1) by clear and convincing evidence, after taking into account the nature and circumstances of the offense for which the person was convicted and the factors specified in subsection (e) of section 3146, that the person is not likely to flee or pose a danger to the safety of any other person or the community; and

"(2) that the appeal is not frivolous or taken for purpose of delay.

If the judicial officer finds that the person is not likely to flee or pose a danger to the safety of any other person or the community, and that the appeal is not frivolous or taken for purposes of delay, the person shall be treated in accordance with the applicable provisions of section 3146.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business.

The majority leader is recognized.

REVISED EDITION OF "SENATE PROCEDURE" BY DR. FLOYD M. RIDDICK

Mr. BAKER. Mr. President, nearly 4 years ago, the Senate authorized Dr. Floyd M. Riddick, our Parliamentarian Emeritus, to prepare a revised edition of "Senate Procedure." In so doing, the Senate reposed substantial confidence in Dr. Riddick's intellectual integrity and editorial ability. "Senate Procedure" is a fundamental tool of research. It compiles in one location, and makes sensible, a great body of parliamentary law. It provides a basis for the common understanding and fair implementation of Senate procedures and practices.

Dr. Riddick has been faithful to his trust. He has presented the Senate with a work product that reflects sustained and diligent efforts of the highest caliber.

I thank and applaud him, and express for all Senators the enormous esteem in which he is held by every Member of this body.

Mr. President, I should like to express my special respects to the distinguished minority leader, who was the majority leader during the time when Dr. Riddick prepared this work and who has provided to the Senate and, I am sure, to Dr. Riddick, such an extraordinary grasp of the Senate rules and precents as well as such a commonsense perspective of that complex subject that it, too—that is to say, the contribution of the distinguished minority leader to the operation of the Senate—will also serve us in good stead in the months and years ahead.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I am pleased to yield.

Mr. ROBERT C. BYRD. Mr. President, I join the majority leader in the comments he has made about the Parliamentarian Emeritus of the Senate, Dr. Floyd Riddick.

Dr. Riddick has provided for the Senate now his latest book on Senate procedure. This is the fourth edition of "Senate Procedure."

The Senate operates on the basis of its rules and precedents and practices that have developed over the years since

1789. It was in 1958 that the first book on Senate procedure was published. It was published under the name of the then Parliamentarian, Charles Watkins, and the Assistant Parliamentarian at that time, Dr. Floyd M. Riddick.

Since that time, there have been succeeding editions—one in 1964, a third in 1974, the year of Dr. Riddick's retirement, and the fourth, which I hold in my hand, the 1981 edition, a copy of which has been placed on the desk of each Senator.

The procedures and precedents that have grown up over the years in the Senate, going back almost to 1789 in the case of some precedents, but in particular the precedents that have developed since the revision of the rules in 1884, are set forth in the book on Senate procedure.

The Senate is greatly indebted to Dr. Riddick for the dedication he has applied in developing these four books on Senate procedure, especially in the case of the 1981 edition. Dr. Riddick has worked without pay to develop the precedents in this particular edition, and his dedication constitutes an eminent service to the Senate, to the Nation, and to the body of parliamentary law and procedure. I personally congratulate him and thank him for the work he has done.

Mr. HELMS. Mr. President, I trust I may be forgiven if I lay claim, in a very special way, to Dr. Riddick. He is a native of North Carolina, having been born in the northeastern part of my State in the community of Trotville.

In assessing Dr. Riddick's distinguished career, it is fair to observe that this native of Trotville has never been satisfied merely to trot. He has been in full sprint all of his life.

Dr. Riddick was Parliamentarian of the Senate when I arrived here in January 1973. I shall always remember that he was never too busy to find time to sit down with a freshman Senator and explain the Senate's rules and procedures. He was, in fact, a teacher—a patient and painstaking teacher. He is also a friend to all of us.

The revised volume of "Senate Procedure" which all Senators receive today is but another example of his professional excellence. But it is more than that. It is a measurement of his love for the Senate and its traditions.

I join my colleagues in expressing appreciation to this splendid man for his dedication. And I want him to know, from one North Carolinian to another, that I am very proud of him.

COMMENDATION OF FLOYD M. RIDDICK UPON COMPLETION OF REVISED EDITION OF SENATE PROCEDURE

Mr. BAKER. Mr. President, I send to the desk a resolution, on behalf of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) and myself, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 71

A resolution (S. Res. 71) to commend Floyd M. Riddick, Parliamentarian Emeritus of the United States Senate, on the occasion of the completion of the revised edition of Senate Procedure

Whereas Floyd M. Riddick, Parliamentarian Emeritus of the United States Senate, has completed the revised edition of Senate Procedure pursuant to the provisions of Public Law 95–27; and

Whereas Doctor Riddick has performed a unique service to the United States Senate, by applying his many years of experience and exceptional ability to the preparation of the revised edition: Now, therefore, be it

Resolved, that the Senate of the United States commends Floyd M. Riddick, Parliamentarian Emeritus of the United States Senate, on the completion of the revised edition of Senate Procedure.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Floyd M. Riddick.

Mr. BAKER. Mr. President, does the resolution show the distinguished minority leader and myself as cosponsors of the resolution?

The PRESIDING OFFICER. It does.

Mr. BAKER. I ask unanimous consent that the name of the disinguished chairman of the Committee on Rules and Administration, the Senator from Maryland (Mr. MATHIAS), be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I also ask unanimous consent that the names of the Senator from Kentucky (Mr. FORD), and the Senator from North Carolina (Mr. HELMS) be added as cosponsors of the resolution.

Without objection, the resolution is agreed to and the preamble is agreed to.

COMMITTEE MEETINGS

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs be authorized to meet on the following days during the sessions of the Senate——

Mr. PERCY. Mr. President, what is the purpose of those meetings?

Mr. BAKER. Mr. President, the Senator from Illinois is right. The request I have here does not show the purpose, and it does not appear to limit itself otherwise.

I withdraw that request, and I will make the request a little later.

Mr. PERCY. I have no objection to it. I just wanted to know the purpose.

Mr. BAKER. The Senator is correct. I just noted that the request handed to me does not state the purpose for which the permission for the meetings was sought.

MURRAY AGAINST MORTON

Mr. BAKER. Mr. President, the U.S. District Court for the District of Columbia, in the case of Murray against Morton, recently dismissed an action by two Federal taxpayers and an organization, the Society of Separationists, alleging that payment of salaries to congressional chaplains violates the establishment clause of the first amendment. The Senate and its Chaplain were named as defendants, along with House defendants and the Treasurer of the United States. The Office of Senate Legal Counsel was authorized by the joint leadership group to assist the U.S. attorney in defending the constitutionality of the Senate's historical employment of a chaplain.

The district court dismissed the action on two grounds: first, that individual taxpayers lack standing; and, second, that the political question doctrine requires dismissal. With respect to the political question doctrine, the court noted that each House of Congress is empowered by the Constitution to choose its own officers.

For the information of the Senate, I ask unanimous consent that the opinion and order of the district court be printed in the RECORD.

There being no objection, the opinion and order was ordered to be printed in the RECORD, as follows:

[In the U.S. District Court for the District of Columbia]

MEMORANDUM

I

Plaintiffs are two federal taxpayers and an organization, the Society of Separationists, most of whose members are taxpayers. None of the plaintiffs believes in any Supreme Being nor practices any religion. They sue the United States Congress, the United States Senate, the United States House of Representatives, together with several officers of each House including individual Senators, individual Congressmen, and the Chaplain of each House. Plaintiffs have also named as defendants the United States, the Treasurer of the United States and the Secretary of the Treasury. Plaintiffs claim that payment of salaries and certain expenses for the Chaplains of the Senate and the House of Representatives and the Acts of Congress authorizing and appropriating money for those expenditures violate the Establishment Clause of the First Amendment of the Constitution. They seek declaratory and injunctive relief. The complaint does not challenge the 200 year old practice of Congress appointing a Chaplain as an officer of each House. Nor does the complaint put at issue the traditional practice of a prayer by a Chaplain at the opening of each session of the Senate and of the House. The challenge is only to the payment of appropriated funds for these services.

The matter is before the Court on defendants' motions to dismiss and plaintiffs' motion for summary judgment. The Court will grant defendants' motions to dismiss because a taxpayer's action to bar the expenditure of funds for the services of Chaplains in the House and Senate is precluded by our Court of Appeals' decision in *Elliott* v. *White*, 23 F. 2d 997 (D.C. Cir. 1928) (Charles H Robb, J.) (cited with appreciation of the difficulty of the question "who may be heard to challenge such practices" as "invocational prayers in legislative chambers," in *Abington School District* v. *Schempp*, 374 U.S. 203, 299, 300 (1963) (Brennan, J., concurring)).

The issues posed by these plaintiffs and their complaint are not new to this Court, and their disposition is controlled by the results of those earlier proceedings. One of the same plaintiffs (who appears to be in privity with all the other plaintiffs) sued to enjoin the then President, the Chaplains of the Senate and the House, the Sergeants-at-Arms of each House and the Treasurer of the United States from, among other things, paying the salaries of the Chaplains. Another judge of this Court precluded and quashed

service of process on the President named as a defendant and dismissed the action. *O'Hair* v. *Nixon, et al.*, Civil Action No. 410–73 (Dismissed March 21, 1973).

In *Elliott* v. *White*, our Court of Appeals had before it a similar suit brought by a taxpayer to prohibit the Treasurer of the United States from disbursing funds of the United States for salaries of the Chaplains of the Senate and House of Representatives, as well as of the Army and the Navy of the United States. On the authority of the then recent decision in *Frothingham* v. *Mellon*, 262 U.S. 447 (1923), the Court of Appeals dismissed the complaint.

There has been great change in the Supreme Court's interpretation of standing and the related concepts of justiciability since *Frothingham*. The familiar landmarks in that change include the Supreme Court's decisions in *Flast* v. *Cohen*, 392 U.S. 83 (1968); *Baker* v. *Carr*, 369 U.S. 186 (1962) and *Powell* v. *McCormack*, 395 U.S. 486 (1969). In *Flast* the Supreme Court recognized a taxpayer's standing to sue to prevent an expenditure of appropriated funds for the benefit of the public in contravention of the Establishment Clause of the First Amendment. Decisions since *Flast* have left undisturbed the standing of a taxpayer to challenge expenditures for general public purposes in violation of the Establishment Clause. *Flast* and its progeny did not, however, resolve the interrelated questions of standing and justiciability with respect to a taxpayer's suit challenging the constitutionality of Congress' decisions and expenditures concerning its internal affairs.

A review of the leading cases brought to challenge the constitutionality of Congress' actions in managing its own affairs or dealing directly with citizens discloses that each plaintiff in those cases was either a member, an employee, or a person very directly affected by the Congressional activity. *See e.g., Powell v. McCormack*, 395 U.S. 486 (1969); *Dombrowski v. Eastland*, 387 U.S. 82 (1967); *Barry v. United States ex rel. Cunningham*, 279 U.S. 597 (1929); *Kilbourn v. Thompson*, 103 U.S. 168 (1881); *Consumers' Union of United States, Inc. v. Periodical Correspondence Assn.*, 515 F.2d 1341 (D.C. Cir. 1975), *cert. denied*, 423 U.S. 1051 (1976). Neither the *Flast* line of cases relating to the standing of taxpayers to challenge official violations of the Constitution nor the decisions honoring complaints by individual Senators or Congressmen with respect to Congress' internal affairs authorize a court in this circuit to accord standing to a taxpayer challenging Congress' conduct of its internal affairs while *Elliot* remains intact.

The continuing vitality of *Elliott* in light of *Flast* is confirmed by the Supreme Court's requirement that courts honor a "textually demonstrable constitutional commitment . . . to a coordinate political department." *Powell v. McCormack*, 395 U.S. at 518 *quoting Baker v. Carr*, 369 U.S. at 217. The text of the Constitution commits to Congress power to select its own officers, establish rules for its proceedings, and be free from judicial review of matters said and done by its officers in the course of those proceedings. Here, as defendants emphasize, Article I, Section 2, with respect to the House of Representatives, and Section 3, with respect to the Senate, provides that each "shall choose their other Officers." Section 5 provides that

Each House may determine the Rules of its Proceedings.

And, of course, Section 6 provides that

[F]or any Speech or Debate in either House, they shall not be questioned in any other Place.[1]

This appreciation of *Elliott* is further reinforced by the Supreme Court's admonition to courts not to entertain a case where it would be impossible to undertake "independent resolution" of the question "without expressing lack of respect due coordinate branches of government." *Baker v. Carr*, 369 U.S. at 217. *See Powell v. McCormack*, 395 U.S. at 548–549.

It might be that a court, presented with a taxpayer's complaint in a jurisdiction where the standing issue had not been previously considered by its Court of Appeals and by a colleague who had dismissed a similar complaint by one of the plaintiffs, could find the plaintiff entitled to sue and the case to be justiciable because a decision on the merits "would require no more than an interpretation of the Constitution." *Powell v. McCormack*, 395 U.S. at 548. It might also be that if a Senator or Representative filed suit, a court could distinguish *Elliott v. White* and recognize standing to challenge the appropriation of funds for Chaplains, as well as the rules authorizing them to render religion-related services. Or, as Justice Brennan once observed, no one may have standing to challenge "invocational prayers in legislative chambers." *Abington School District v. Schempp*, 374 U.S. at 299 (Brennan, J. concurring). It is noteworthy, however, that the Federal District Court for the District of Nebraska has recently accorded standing to a member of the Nebraska legislature. After trial on the merits, the Nebraska Federal Court ruled that, while the First Amendment is not breached by the appointment of a chaplain to say prayers at the beginning of each legislative session, payment of a salary to the legislature's chaplain violates the Establishment Clause. *Chambers v. March*, No. CV 79–L–294 (D. Neb., Dec 24, 1980).

But in the circumstances here, the conclusion seems inescapable that it would be "impossible" for this Court, consistently with the respect which courts owe to coordinate branches of government and to each other, to undertake an "independent resolution" of the question of Congress' power to compensate its Chaplains, on this complaint of these particular taxpayers. *See Baker v. Carr*, 369 U.S. at 217; *Powell v. McCormack*, 395 U.S. at 518, 548–549. Our Court of Appeals' decision in *Elliott*, unlike *Frothingham* on which it relied, dealt directly with the question now before this Court: the expenditure of public funds to compensate Chaplains. Implicit in that decision, and explicit here, is the assumption that no question was drawn as to the Chaplain, except compensation of them. A reading of *Elliott* in the context in which it was written and in the context of the authoritative decisions that have been rendered in the intervening years persuade the Court that none of these decisions undermines *Elliott's* continuing vitality, as respects a suit by a taxpayer to challenge an expenditure by or on behalf of Congress to pay one of its duly selected officers for performance of his assigned duties to Congress.

The taxpayer plaintiffs allege no interest, other than their views with respect to religion, to distinguish themselves or their personal stake in the outcome from that of any one of the population who pay taxes. They have no duty, indeed no occasion, to be present when the Chaplains perform their services in the House and Senate. They do not allege that they have been offended by, or even seen, the material allegedly circulated by the Chaplain of the Senate. This is not an action brought by a Senator, Congressman, or employee of the Senate or the House. *See e.g., Powell v. McCormack, supra; Kennedy v. Sampson*, 511 F.2d 430 (D.C. Cir. 1974). Nor is it a complaint by one allegedly suffering from discrimination because of persistent employment of chaplains of one denomination rather than another. Accordingly, unless and until the Court of Appeals or the Supreme Court decides otherwise, this Court considers itself bound by *Elliott* to dismiss this complaint.

[In the United States District Court for the District of Columbia]

ORDER

Jon Garth Murray, *et al.*, Plaintiffs, v. *Azie* Taylor Morton, *et al.*, Defendants, Civil Action No. 80–1475.

Upon consideration of the plaintiffs' motion for summary judgment, defendants' motions to dismiss, the excellent oral argument by counsel for both parties in open court and the entire record in this case, and for reasons more fully stated in an accompanying Memorandum, it is this 9th day of January, 1981, hereby

Ordered: That plaintiffs' motion for summary judgment is denied; and it is

Further ordered: That defendants' motions to dismiss are granted.

POSITION ON IRANIAN AGREEMENT

Mr. PERCY. Mr. President, together with the distinguished majority and minority leaders, the Senator from Illinois attended, as the chairman of the Foreign Relations Committee, a briefing this morning by Secretary Haig on El Salvador and on the Reagan administration position on the Iranian agreement.

It was the intention of the administration originally to withhold until full briefings had been given to the appropriate committees of the House of Representatives and the Senate the administration's position on the Iranian agreement, and it was their intention to make this announcement on Wednesday.

After hearing their position and taking into account that former Secretary Muskie and former Secretary Warren Christopher are testifying at this very moment before the Foreign Relations Committee, it seemed advisable to advise them immediately of the Reagan administration decision and to make an announcement as to what that decision was.

Therefore, with the permission of the State Department, I have so advised my colleagues on the Foreign Relations Committee that the Reagan administration intends to fully implement the agreement reached with the Carter administration and the Government of Iran and the Government of Algeria. They do so, taking into account the authority of the President and they have concluded that the President possessed adequate authority to carry out those agreements, and this President has adequate authority to implement those agreements.

They do take into account that there may be matters adjudicated in our courts, and in possibly the World Court of Jus-

[1] The complaint also makes an issue of the use of appropriated funds to publish each day's prayer in the Congressional Record for that date. The plaintiffs have not pressed this issue in their papers. In any event, Article I, Section 5 of the Constitution requires that:

Each House shall keep a Journal of its Proceedings and from time to time publish the same . . .

This clause is such an absolute constitutional commitment of Congress' right to publish its proceedings, whatever they may be, as to foreclose justiciability of the publication claim even if plaintiff had pressed it.

tice. Obviously, they will support the judicial decisions that are rendered if those are tantamount to and superior to the decisions of the executive branch of Government.

But with the understanding that there is no ransom, not 1 cent of ransom implied, that there is no involvement of the United States in the war of Iran and Iraq, and taking into account the total national interest, I applaud the Reagan administration, President Reagan, and Secretary Haig for the decision that they have made to fully implement these agreements with the provisos, taking into account there may be judicial action which would be honored and respected so that any citizen, corporation, or bank that has a claim may file those claims, but the Reagan administration and the executive branch will stand together and I trust will be fully supported by the judicial branch in honoring agreements that have been made to return our hostages with honor to this country.

LITHUANIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, this week we in the U.S. Senate commemorate the 63d anniversary of Lithuanian independence. We honor the establishment in 1918 of a Lithuanian republic, and the constitution it adopted in 1922 guaranteeing freedom of speech, assembly, and religion. We remember with extreme sorrow the Soviet seizure of Lithuania in 1940 and Moscow's imposition of repressive foreign rule that persists to this day.

Above all, we honor the spirit of the Lithuanian people in struggling these 63 years to preserve their religious, cultural, and ethnic heritage under foreign domination. And we salute the American citizens of Lithuanian origin who have made such an outstanding contribution to the life of this great country, while cherishing their Lithuanian heritage and tirelessly working to keep the plight of Lithuania on the world's agenda.

By a visit to the Baltic states some years ago as I entered the Senate of the United States, I tried to symbolize and express there the deep gratitude all of us have in the United States, the U.S. Senate, and the Congress of the United States for the fact that Americans of Lithuanian descent have never taken their own freedom for granted. They cherished their own freedom. But they shall never rest until that same degree of freedom or a much greater degree of freedom shall be felt by the people of their nation of origin.

There are few encouraging signs to point to in Lithuania's long struggle to regain its freedom. But I do take pride in the stand our country's delegation has taken at the Madrid review conference on implementation of the Helsinki Final Act. The U.S. delegate, delivering the U.S. speech on principle VIII of the Final Act, stated unequivocally that "the U.S. does not recognize the illegal incorporation by force of arms of the States of Latvia, Lithuania, and Estonia by the Soviet Union," and cited the persecution of 45 Baltic citizens who signed an Auguest 1979 petition asking the Soviet Government to nullify the Molotov-Ribbentrop pact by which the Baltic states were annexed. This statement is welcome evidence that the illegality of the Soviet seizure of Lithuania and her sister Baltic states remains a serious concern of our Government.

I am proud that America speaks up for the fundamental human freedoms and national integrity of the Baltic peoples.

The Soviet Union, on the other hand, continues to ignore the legitimate protests of the Baltic peoples. Indeed, the efforts of the Polish people to negotiate economic, social, and political issues peacefully with their own government has so unnerved the Kremlin that reports reach us in the West of further restrictions on such very limited freedom of expression as has heretofore existed in Lithuania.

A government afraid of self expression is to be pitied, as well as deplored. The stronger force, in the end, is the inspiring legacy of the Lithuanian people, in their perservering insistence on their heritage and life style, and their right to be free in their own nation. I pay tribute today to their continuing vigil of hope, and add my own fervent prayer that the legitimate aspirations of the peoples of the Baltic States will one day be realized.

To the brave people of Lithuania, Latvia, and Estonia, and to all my friends in the vibrant Baltic communities of the United States, I say once again that I will never forget them, that we in the U.S. Senate and the U S. Congress shall never forget them and the American people shall never take for granted the liberty that we have won and the liberty that must be won for all the people of the world.

Mr. President, I am happy to yield to my distinguished colleague from Vermont.

Mr. STAFFORD. Mr. President, I thank the distinguished Senator for yielding.

IMPLEMENTATION OF RECOMMENDATIONS OF THE STEEL TRIPARTITE COMMITTEE—S. 63

Mr. STAFFORD. Mr. President, pending before the Senate Committee on Environment and Public Works is S. 63, a bill which would implement the recommendations of the Steel Tripartite Committee established by the Carter administration. This bill proposes amending the Clean Air Act to authorize extension of compliance deadlines for the steel industry. Perhaps more importantly, the sponsors of S. 63 and its other proponents are seeking its adoption in advance of other amendments to the Clean Air Act.

The steel tripartite proposal is said to embody an agreement between four parties: The steel industry, the Carter administration, the United Steelworkers of America, and certain environmental groups. Members of the Senate have been told that as part of the agreement the steel industry has agreed that it would seek no further steel-specific amendments to the Clean Air Act. On December 4, 1980, the president of the United Steelworkers of America, Lloyd McBride, testified as follows:

> With regard to the environmental component of the Tripartite Agreement, it is the Union's position that no further steel-specific legislation considerations are necessary.

At that same hearing, Ms. Fran Dubrowski of the Natural Resources Defense Council testified as follows:

> (Industry representatives) acknowledged that the tripartite proposal would, if enacted into law, remove their desire for further steel-specific amendments to the health-protection requirements and deadlines in the law.

In response to a question submitted at the hearing, Ms. Dubrowski amplified on this industry commitment.

> Question: Do you feel the commitment expressed by the steel industry not to seek further amendments in the Clean Air Act for changes in health-protective requirements and deadlines is sufficiently binding?
>
> Answer: (A)t the request of the environmental community, the Chief Executive Officers of United States Steel Corporation, Bethlehem Steel Corporation, National Steel Corporation, Republic Steel Corporation, and the American Iron and Steel Institute clarified the recommendations of the Tripartite group by emphasizing that a "stretch out" of compliance deadlines was all the relief the industry would either need or seek from the health protective requirements of the Clean Air Act. They confirmed their commitment to meet primary national ambient air quality standards and all other clean air requirements such as LAER related to those standards.
>
> The commitment . . . was made at the industry's highest level. We therefore expect the commitment to be honored. As expressed earlier, the commitment is esential to our support of the tripartite recommendations. It should also be a precondition for Congressional approval of relief to the industry."

Of course, the term "steel specific" is ambiguous and, therefore, susceptible to varying interpretation. Confusion would be minimized if there were some clarification of exactly what the term means.

During briefings of staff of the committee and of members of the Steel Caucus, similar descriptions of the industry position were provided by representatives of the Environmental Protection Agency, the Steelworkers, and the Natural Resources Defense Council. The group most able to express the industry position—the industry representatives themselves—remained silent.

One other assurance has also been made by the tripartite members since the inception of this proposal: An amendment would be restricted to relieving only the steel industry and none other. Unfortunately, this assurance has not been forthcoming from the groups or interests we might reasonably expect to use a steel amendment as a vehicle. There are other groups with complaints about the Clean Air Act. These interests range from the smelting industry to environmental groups.

Of course, these interests do not vote in either the Senate or the other body. Members, not interests, would offer amendments. However, there has been no assurance forthcoming from Members either. We are left with a situation in which an assurance of restraint is being provided only by those whose complaints would be answered, not by those whose demands are unfulfilled.

Speaking as 1 Member of the 16 who serve on the Committee on Environment

and Public Works, I would be willing to examine S. 63 if certain conditions were met. Specifically, I would seek the following:

First, it must be certain that legislative relief—as opposed to non-legislative action such as the modification of consent decrees—is required.

Second, it must be clear that legislative relief is required in advance of the comprehensive review of the Clean Air Act.

Third, there must be a formal assurance from representatives of the steel industry that no further steel-specific amendments to the Clean Air Act will be sought during the coming reauthorization.

Fourth, there must be agreement among all parties that if others seek to extend relief beyond that provided for the steel industry, the amendment would be withdrawn.

In view of the confusion which has surrounded these questions during the past several months, it would be desirable for the chief executive officers to appear before a hearing of the Committee on Environment and Public Works together with other members of the tripartite group.

None of this is to say that S. 63 is good public policy. It may not be. But this arrangement could permit that decision to be made. The bill could be reviewed on its merits and, if a majority agreed, sent forward for further consideration. And, the prerequisite for consideration of advanced and special treatment for the steel industry would be a set of assurances designed to preclude piecemeal dismantling of the Clean Air Act.

Mr. President, I thank the Chair and I yield the floor.

ORDER OF BUSINESS

Mr. CANNON. Mr. President, what is the preliminary situation?

The PRESIDING OFFICER. The Senate is conducting morning business with a 5-minute limitation on statements.

AT RISK—OUR NATION'S AVIATION LEADERSHIP

Mr. CANNON. Mr. President, anyone here who knows of my lifetime involvement in military, commercial, and private aviation might well be forgiven for assuming that my address today consists primarily of parochial support for aviation. That understandable assumption would be wrong. My purpose and my theme is to focus on the number one problem facing our country today—our national economy and aviation's role as a model for reestablishing our economic leadership in the world.

It is within the power and, I believe, the duty of this Congress to choose whether it will recognize and support that role or permit this industry to slide down the path most recently taken by the auto industry and previously by steel, television, and railroads, to cite a few. Do we prefer to sustain the ability of an industry, through technological leadership, to export enough products to support half a million employees, or by default in our judgment or priorities to become future participants in another Government salvage operation accompanied by the anguished clamor of hundreds of thousands of newly laid off employees.

Let me now put this choice into useful perspective by stating a few facts which establish the dimensions of our aviation industry and its relation to our national economic well-being.

During 1980 the aviation industry's net contribution to the Nation's foreign trade balance was $13.3 billion, which exceeds the net contribution from any other industry sector, including agriculture.

Based on a Business Week estimate of 40,000 full-time employees for each $1 billion worth of exports, the contribution to foreign trade from the aviation industry equates to 530,000 full-time jobs.

The size of our aviation manufacturing industry in 1980 expressed in total revenue dollars was $61.4 billion.

The size of our scheduled commercial air transport industry in 1980 expressed in revenue dollars was approximately $31 billion.

The total level of employment in the entire U.S. aviation industry is 1.3 million. This includes 960,000 in aviation products and 340,000 in commercial airline employment during 1980.

Those employees represent a wide spectrum of the skills of our society in every State of the Union. They include mechanics, analysts, flight planners, computer specialists, sales and passenger service agents, baggage and cargo handlers, flight attendants, engineers, scientists, advertising and marketing personnel, economists, and on up the line to airline pilots and captains.

Mr. President, with so much that is positive in that brief summary of our aviation industry, you and others might ask why I rise now with strong concern for its future. Let me tell you what I see about our aviation industry that is not visible in the summary previously cited.

First. For the first time in our history I saw recently a major U.S. airline purchase a fleet of foreign advanced technology transports to serve major U.S. routes and markets.

Second. During the past 2 years I saw our newest and most advanced transport airplane outsold by a ratio of 3 to 1 by the European Airbus in worldwide competition among foreign air carriers.

Third. Since airline deregulation, the fastest growing sector of our airplane industry has been the commuter aircarrier services, but I see that almost all new aircraft being introduced into that service are either manufactured or designed abroad.

Fourth. Enrollment in advanced aeronautics and engineering courses in our country has been declining for over a decade, and I hear that in many of our universities that enrollment is composed preponderantly of foreign students.

Fifth. I see the most advanced airplane in regular passenger service linking the United States and Europe designed, constructed, and flown under foreign flags.

Sixth. I hear of Aerospatiale, builder of the Concorde and backed by the French Government, sustaining an 80-man team of engineers and scientists exploring design concepts for an advanced supersonic transport which will be a generation beyond the Concorde.

Seventh. I hear of the Japanese Ministry of International Trade and Industry (MITI) supporting an advanced scientific research computer to the level of $100 million as part of a national commitment to propel the Japanese industry into the world aviation market.

Eighth. I see major U.S. airframe and engine manufacturers steadily increasing their subcontracting of components and assemblies to foreign manufacturers, primarily to assist in their overseas sales efforts.

Ninth. I hear of international programs evolving in France, England, and Japan to develop advanced turboprop technology seeking to lead them first into that reemerging technology which may dominate the vast medium-size, medium-range transport market of the future.

Tenth. In contrast. I see curtailment and stretch out of advanced aeronautics programs forced upon NASA, curtailment of Eximbank funding needed to permit competitive foreign sales of U.S. transport aircraft. indifference to abuses of international trade agreements adversely affecting our industry, and a growing "let them go it alone" syndrome emerging toward our aviation industry.

Mr. President, let me paraphrase and quote, because I am not happy enough to sing, a line from a popular vintage song, "the message, my friends, is blowing in the wind; the message is blowing in the wind."

Moving from rhetoric to fact, just what is that message and how is it being conveyed to us? Mr. President, 5 years ago no executive, analyst, or self-proclaimed expert in the automotive field, would have predicted that the Japanese industry in 1980 would overtake the United States in the number of automobiles produced. But they did, and they sold about 2 million of those in the United States with devastating impact on our domestic economy and employment. A couple of decades ago the U.S. steel industry stood forth as a bulwark of our economy and a world leader in the production of virtually all classes of steel. Several decades ago we developed transistors and solid state technology which underlie the $15 billion consumer electronic market for products such as TVs, audio systems, calculators, tape recorders, electronic watches, TV cameras, or CB radios. The percent of those products we now import ranges from 50 to 100 percent.

Mr. President, I do not need to remind you or my colleagues, many of whom are even now grappling with the unresolved problems of the auto industry, that the cost of recovery from such

economic blows dwarfs the cost of prevention. I marvel at the astuteness of that anonymous poet, philosopher, or economist who set that ratio at 16 to 1 when he gave us the proverb, "an ounce of prevention is worth a pound of cure." And that, of course, does not account for the human costs of lost jobs, family dislocations, broken homes, abandonment of hope, that are the legacy of such economic disasters.

Mr. President, there are those who will state that each of those examples relates to a set of circumstances very different from those which exist in the aviation industry. They may argue that there is no common thread which links those unhappy examples with our technologically and financially strong aviation industry. They are wrong—dead wrong. A common thread is there. It is in the form of complacency, particularly in the Government, which leads to failure to see and read the early warning signs, which in themselves may indeed be different for each industry. But it is that failure to see, to heed, and to react in a timely manner which provides the common thread.

Mr. President, I am consulting with a representative cross section of the top technical and executive management of our Nation's aeronautics industry. While their views disclose refreshing differences in individual assessments of promising new aeronautics technologies, they disclose a commonsense of urgency, from which no single participants so far dissents, in the need for a renewal of this Nation's commitment to support aeronautical advanced technology as the most direct and cost effective means of retaining this Nation's worldwide leadership in aviation. That judgment is confirmed by last summer's Woods Hole Workshop of the Aeronautics and Space Engineering Board conducted under the auspices of the National Academy of Sciences. Let me quote one telling paragraph from the preliminary report of that workshop which has just been released—

New technological advances in aerodynamics, in structures and materials in electronics, and in propulsion offer the potential for dramatic improvements in the efficiency of aircraft. Such improvements could make obsolete virtually all U.S. aircraft now in production or design. One decade from now, world leadership in aeronautics will be achieved, in all probability, by the nation or nations that seize the initiative and move such technologies from their present research status through the refinement and validation processes essential for successful production and operation of more efficient aircraft.

To those who have been involved in or have followed with care the history of our aviation industry, the following facts will be self-evident: For over half a century U.S. aviation leadership—both military and commercial—has been attributable principally to the sustained research and technology development carried out over those decades in the NACA/NASA research centers, in private industry research centers, and in university research centers with program funding and management support from NASA.

It was the technology base so obtained and so sustained, coupled with our industry's ability to incorporate that technology efficiently into aircraft best suited to market requirements, that supplied the underpinning for our heretofore unchallenged leadership in world aviation. The benefits that have accrued to our Nation in defense systems, in domestic employment, in export trade, in the quality and safety of commercial aviation are visible to all of us. In the latter respect let me point out that, excluding commuter service, 1980 is the first fatality-free year on record for our airline industry within the United States. In fact we have now gone 20 months with that record.

Mr. President, aviation leadership, and all it consists of, is a national resource we must sustain for its contributions to so much that we value in our society. To do otherwise would, in my view, be so shortsighted as to approach dereliction of duty. What, my colleagues might ask, are the programs or policies or options we should pursue and support to reverse the decline now so evident to those who can read the signs?

Let me suggest a few options—some tangible, others less so—more to provide an insight into what is doable, than to offer a comprehensive program for the doing of it at this time. The latter should properly be formulated with coordinated inputs from NASA, from industry, from academia, from the DOD, from the forthcoming report of the Woods Hole Workshop previously mentioned which, indeed, included distinguished participants from all those sectors of the aeronautics community.

During the last session of the Congress, as chairman of the Committee on Commerce, Science, and Transportation, I reported out the "National Materials and Mineral Policy, Research and Development Act of 1980," enacted on October 21, 1980. This act, among its other provisions, authorized a case study approach by the Department of Commerce applicable to a selected industry sector.

I applaud the prompt response of DOC's National Bureau of Standards in identifying the aerospace industry for the case study and recently completing its first joint Government/industry/university workshop to identify needs and approaches. For fiscal year 1980, my committee, concerned about the rapidly emerging dominance of the European aviation industry, particularly France's Aerospatiale, in the design and production of rotorcraft, initiated and authorized an advanced rotorcraft technology development program for NASA. For fiscal year 1981, by Committee authorized restoration of NASA funding for aircraft technology for alternative fuels. These programs must be continued. In fact I have requested that the Committee on Commerce, Science, and Transportation hold extensive hearings on these and the following options to assist in developing a coordinated and aggressive aeronautics program leading us into the 21st century.

1. GRAPHITE COMPOSITE MATERIALS FOR LARGE AIRCRAFT PRIMARY STRUCTURE

Those familiar with airplane design recognize that any new design concept originates with and rests on the wing. At present a program, supported by NASA, is developing and testing applications of this structural material to secondary and lightly loaded components of the primary structure. That program, no matter how promising its results, will not permit any large aircraft manufacturer to risk design of a new large transport such as would be necessary to gain the major energy efficiency advantage of this advanced material technology. A major program directed toward wing construction of composite materials must first be successfully completed. Research is needed to disclose and develop full understanding of the physical and chemical nature of the bonding between the carbon filaments and its matrix, positive knowledge as to how that bonding may change with time, water ingestion exposure to fuel, lightning strikes, physical injury during service, and so forth. NASA's present program, involving about $6 million per year divided among three contractors and NASA centers, would have to be tripled or quadrupled to achieve technology readiness for large aircraft design within this decade.

I take this occasion to salute with pride the courage and innovative spirit of Lear Fan Corp. in my home State of Nevada. This company is risking its entire assets to push the limits of today's technology to design and build for the corporate aircraft market a small aircraft incorporating composite structure throughout.

2. TITANIUM MANUFACTURING TECHNOLOGY

This identifies promising opportunities for advancing the technology base for future high-speed aircraft through research and development in titanium forming and structural fabrication, including techniques in super plastic forming and diffusion bonding. Broadly speaking this can be viewed as the material structural technology for future advanced high-speed aircraft which should parallel the development of graphite composite structures for advanced subsonic transports.

3. ADVANCED TURBOPROP TECHNOLOGY DEVELOPMENT

Research in recent years has established that turboprop design can now be expected to provide about 20-percent improvement over advanced turbofan engines in passenger seat-mile fuel efficiency at cruising speeds typical of medium-range turbofan transports. Although NASA program planning is fully cognizant of this technology and is targeted toward technology readiness by 1988, our industry is concerned that foreign competitive developments threaten to overtake that NASA timetable and may leave the U.S. industry running a poor second in a competitive race toward new energy efficient transports targeted for that major worldwide market application. Intensified and accelerated program support is needed in the area of propeller design, engine and gear box design, vibration and acoustics re-

search and test, plus selection and modification of any existing airframe for full-scale flight demonstration and test. Such an effort would advance by several years our Nation's technology readiness and industry's ability to undertake product development for the world markets.

4. AIRPLANE ACTIVE CONTROL TECHNOLOGY

For decades civil aircraft have accepted a severe drag penalty in empennage design to provide natural stability in pitch—that is, to offset the unstable couple provided by the upward lift force of the wing and the downward force represented by the weight. Modern computer and electronics technology applied to active control of horizontal tail surfaces can substantially reduce the size, weight, and drag contribution of the empennage and permit more efficient wing location and performance. This offers performance potential for military aircraft and energy savings, particularly for large transports. It is technology which foreign competition is pursuing intensely.

5. ADVANCED SUPERSONIC TRANSPORT

A decade ago our Nation terminated its program to develop a supersonic transport, yielding preeminence in that technology to the European aircraft industry and to the Soviet Union. The reasons at that time were twofold. There was insufficient knowledge of suspected environmental effects attributable to changes in the ozone layer of the upper atmosphere. That valid concern has since been substantially resolved by thorough study of the issue. Secondly, the then current state of technology development could not have provided an economically viable aircraft for commercial airline operation. That assessment has in fact been confirmed by Concorde operations of the British and French airlines, whose governments have absorbed much of the cost of their total program. But excellence of our European competition in design and construction of that supersonic transport is nowhere in doubt. Nor can the technical lead of that combination of European airframe and engine companies in their ability to advance to a second generation advanced supersonic transport be in doubt.

Last year the Office of Technology Assessment, U.S. Congress, reported out the results of its assessment of advanced air transport technology. That study indicated a future potenial for a $50 billion world market for advanced supersonic transports. A low profile NASA supersonic cruise research (SCR) program, conducted during the past decade, contributed advances in aerodynamics, structures, propulsion, and noise control. It identified the scope and content of the required program for technology readiness which could be achieved in about a decade at an expenditure level of about five times that of the SCR program of the past decade. The time is rapidly approaching when the Congress must recognize that aviation leadership at the turn of the century will likely go to the nation which first measures up to that challenge.

6. NASA'S TECHNICAL PERSONNEL NEEDS

Over the past two decades, NASA's aeronautical engineering staff has shrunk by about one-third, while scientific disciplines have nearly doubled, adding such fields as fiber optics, composite materials, electronics, and computers to name a few. This condition is exacerbated by the fact that it coincides also with retirement of senior aviation experts from NASA centers who were known and respected worldwide.

This combination of factors is contributing to steady erosion of NASA's worldwide recognition as a center of expertise in advanced aeronautics. It has led also to reduction in efficiency in the utilization of unique laboratory facilities, available only in NASA centers, such as the flight simulation research laboratory at Ames which is backlogged with programs waiting for completion because technical personnel are available to operate those facilities and those programs only on a single shift basis, whereas the facilities could be operated on two or three shifts if properly manned with engineers and technicians. Such improvement in cost effectiveness can only be achieved by greater support to NASA's budget for research and program management, in particular by lifting the head count limit imposed on its research centers.

7. NUMERICAL AERONAUTICAL SIMULATOR (NAS)

NASA is requesting support for development, construction, and installation of a high-capacity, high-speed computer which will multiply the aviation industry's ability to perform result-oriented research. This capability can be viewed as providing the ability to perform the equivalent of high speed experimental research by numerical computation instead of through the much slower method of successive experimentation in costly laboratories at NASA, in private industry and in university research centers. This central computer could be remotely accessed by researchers wherever they were located and would thus multiply the total capability of the Nation. NASA's concern in this matter is heightened by information that the Japanese MITI is committing between $100 and $150 million for such superior computer and research technology to be available by 1988.

8. TRANSPORT AIRCRAFT TECHNOLOGY FOR LOW DENSITY AND COMMUTER SERVICE

Recent studies indicate a market for over 5,000 small transport aircraft over the next two decades for this rapidly expanding market worldwide. At present the only new aircraft available to this rapidly growing sector of our Nation's commercial transport industry are either of foreign design or construction or both. Yet none of them incorporates current state of the art aeronautics technology for these services. Our Nation, through NASA, should support those aspects of technology development peculiarly necessary to this size aircraft and thus encourage U.S. industry to compete for this market. There is little reason for travelers, simply because their city of origin or destination is not a major travel center, to be deprived of direct aviation service that reflects today's standards of technology in speed, safety, reliability and comfort.

9. GOVERNMENT POLICIES AND PRACTICES AFFECTING EXPORT TRADE

Several aspects of our Government's behavior in this field have had adverse effects on our industry's export trade. For example, it can readily be shown that airbus industries pricing of its airbus in competition with U.S. products does not include substantial financing or interest costs and incorporates unrealistic future production and breakeven cost levels in establishing its sales price. The GATT treaty requirement that pricing be based on recovery of all costs is not being enforced—and private industry can hardly provide that policing while it is actively engaged in overseas sales efforts. Our Eximbank funding level was held by OMB to 75 percent of the level requested, and the Eximbank generally limits financing to about half the maximum coverage of 90-percent allowable under applicable trade agreements. Foreign export credit agencies offer that maximum and at interest rates two points, that is about 20-percent lower than Eximbank rate. Disincentives of that nature have contributed to airbus industries' ability in 1979 to outsell Douglas and Lockheed combined. Without any substantial margin in technological superiority, it is impossible for U.S. products to overtake pricing advantages accruing to foreign competition by the combination of positive export trade policies of their governments and negative policies of ours.

Transcending in importance this specific litany of programs crying out for support is my concern that too few leaders in the Federal Government and the Congress have taken the time to consider and understand the implications of continued slackening of the Nation's commitment to aviation leadership. Data I earlier cited shows that this industry's export trade alone provides more jobs than have been lost by the disastrous decline of our auto industry in the past 2 years. If all the program needs I have listed were funded at the maximum level they could effectively absorb, it would constitute a lesser public commitment than was necessary to help restore some hope for recovery of a single company in an industry which lost its position of leadership.

Consider for a moment the compelling contrast in public benefits that accrue from two such different commitments. one for survival of a single company in a distressed industry, the other for advanced technology development for a healthy industry. With an economic survival package benefits are limited to:

No more than a long shot at attainment of the rescue goal of jobs and company involved;

No infusion of advanced technology which could sustain that company

against continuing and perhaps overpowering domestic and international competition; and

No advance in the quality of products or services available to the public over that which would otherwise be provided.

Whereas from advanced technology development many diverse benefits would flow:

Major advances in technology readiness adequate to assure continued worldwide leadership in aviation;

Continued growth in domestic sales and foreign trade;

Continued growth in domestic employment;

Renewal of the nation's resources of advanced aeronautical engineers and scientists in our universities, our private industry, and in NASA research centers;

Advances in the quality and availability of commercial transport services; and 30–50 percent future reduction in energy consumption per passenger mile which will translate into billions of gallons of fuel saved.

I will make it clear that the foregoing comparison is not to be misconstrued as opposition by me to support of the Chrysler Corp. and its beleaguered employees. Indeed, I voted in favor of that although I do not know whether continued support will be in the public interest. My purpose in its comparison is to show that timely research and technology development in support of a healthy industry offers a far more cost-effective deployment of public funds for the public good than any tardy rescue attempt in an ailing or failing industry.

Mr. President, I am aware that our present economic crisis applies compelling pressure for budget reductions which, of course, offer visible near-term economic benefits. But application of broad-scale reductions, blind to the very real and direct economic benefits that flow from sound investment in selected Federal programs, such as those of aeronautics technology, is fiscal foolishness which others might equate to economic suicide.

Our $100 billion aviation industry, operating at a nominal earning of 3 to 5 percent of revenue, would return upward of $3 billion in taxes annually to the Federal Treasury. Budget restrictions adversely affecting the technology base underlying that industry should hardly be contemplated under the same ground rules that apply to some of our questionable social benefit programs.

There may be detractors who will agree with me but argue that our financially and technologically sound aviation industry can and should go it alone in the pursuit of those goals. That view constitutes a reaffirmation of the attitude that accepted the decline of our steel, maritime, automobile, television, and so forth, industries as normal evolutionary phenomena of our free enterprise system. But that is the attitude which has contributed to our vast public burden of welfare and social programs and nurtured our persistently high unemployment rate.

We have enjoyed half a century of progress embodied in a successful partnership of Government, industry, and academia in our Nation's aeronautics and aerospace activities. And that partnership has been characterized by aeronautics research and technology development for several decades under the National Advisory Committee for Aeronautics, followed since 1958 by its continuation through funding support and program management under NASA. That approach, more than any other factor, accounted for our leadership in this field. It has permitted growth of healthy private industry with intensive competition among the giants of the airframe and engine business as well as among the manufacturers of general aviation aircraft and thousands of suppliers. Mr. President, in my home State, we learned long ago not to turn over the dice to another player while you are winning.

If there is one consistent plea among economists and analysts of our ailing industries, it is that we replace confrontation with cooperation between Government, industry, and academia. Clearly, our Government in a responsive, though not intrusive, role can support research and technology development thereby stimulating the private investment necessary to adopt new technology for productivity increases and advanced product designs to compete aggressively and effectively in world markets, as well as to encourage, rather than discourage, a new generation of scientists, engineers, and other professions needed to build the America of the 21st Century. Is it not absurd that we would yearn for ways to create that relationship to shore up our ailing industries and abandon that relationship in aviation where it has stood for decades as a beacon of success?

My message, therefore, Mr. President, can be summarized by saying simply: Let us keep that beacon brightly lit and let us supply the fuel to do it.

I thank the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BAKER. I thank the Chair.

Mr. President, there are two or three other small items of business to be transacted. While we await the arrival of other Senators on the floor I am prepared to yield the floor.

Mr. BUMPERS. Mr. President, does the Senator from Nevada have any time remaining or does anybody have time they can yield to me for just 1 minute?

Mr. BAKER. Mr. President. I yield the Senator 1 minute.

Mr. BUMPERS. Mr. President, I was just in the cloakroom listening to one of the finest statements on a very sophisticated subject I have ever heard, and that was the one delivered by the Senator from Nevada (Mr. CANNON).

As everybody who has sat in on any economic hearings recently knows, for every 1 percent of unemployment in this country, the Federal Government must pay large amounts in unemployment compensation benefits, welfare, food stamps, and so forth, plus the Government suffers a loss of revenue between $20 billion and $25 billion.

I do not think this manifests itself any more dramatically than it does in the aircraft industry. The Export-Import Bank, I think, is out of money right now for this year; I do not believe they have any more money to loan between now and October 1.

The European airbus is the biggest single threat to the dominant position of the American airline industry of any airplane to come down the pike in a long time, competing especially with the Boeing 757, and not to mention McDonnell Douglas or Lockheed, both of whom make superior airplanes.

But the Senator from Nevada has pointed out that if we do not help the airplane industry compete through the Export-Import Bank, or whatever other method we may choose to export those airplanes, we are going to lose more jobs in that industry by a long shot than we are going to save with these budget cuts.

I have said many times, and I want to say now, that I intend to cooperate with President Reagan in these cuts. A number of suggestions he has made are long overdue. But those cuts need to be analyzed from an economic standpoint before they are finally submitted to this body and before we fight that battle, because there is a classic case, in my opinion, where we are going to dodge the gnat and yet swallow the elephant.

I just want to thank the Senator from Nevada for his timely bringing up of this subject, and in the way he connected with it the loss of our technological superiority once that particular industry begins to decline because we cannot favorably compete with a highly subsidized industry in Western Europe.

I thank the Senator.

Mr. CANNON. I thank my distinguished colleague for his complimentary remarks. I think this is an area of very serious concern, and I hope we will do something about it.

The PRESIDING OFFICER. The Senator from West Virginia.

PARLIAMENTARY EMPHASIS MONTH

Mr. ROBERT C. BYRD. Mr. President, on behalf of myself and Mr. BAKER, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 72) to request the President to designate the month of April 1981 as "Parliamentary Emphasis Month."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ROBERT C. BYRD. Mr. President, our democratic form of government was designed to encourage and solicit the participation of our citizens in their own government. Today thousands upon thousands of Americans are in-

volved in the decisionmaking process at all levels of government—local, State, and Federal. This mass participation in government also carries over into enthusiastic support of and involvement in numerous private organizations.

However, when numbers of people gather in order to make decisions, mass confusion will result unless some orderly procedure is established to insure that all individual points of view are fairly represented and that at some point a decision can be made based upon the views held by a majority of the participants.

Therefore, some form of parliamentary procedure is usually adopted in meetings at all levels of government and by private organizations. These methods can be as complex as those which operate in both Houses of Congress or they can simply be an agreed-upon format at a local gathering which insures that a fair method will be used to reach a group decision.

The adoption of an equitable order of procedure by a group is not only important in facilitating the actual reaching of a decision, but it also insures the acceptance of the final judgment by individual participants. Only if everyone feels that they have had a fair chance to be heard will it be possible for a decision to be implemented, even if everyone does not completely agree with the final solution.

In recognition of the impact of parliamentary procedure upon our lives as American citizens, I am today introducing a resolution on behalf of myself and the distinguished majority leader, requesting the President of the United States to designate April 1981 as "Parliamentary Emphasis Month." The month of April is an appropriate period for this recognition as it is the birth month of Thomas Jefferson, author of the first comprehensive manual on parliamentary practice in this country. The resolution encourages nationwide observance of the impact of parliamentary procedure on our democratic processes through appropriate programs, ceremonies and activities.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 72) was agreed to.

The preamble was agreed to.

The resolution, with its preamble. reads as follows:

S. RES. 72

To request the President to designate the month of April 1981 as "Parliamentary Emphasis Month."

Whereas, the use of parliamentary procedure in the meetings of private and public organizations in this country promotes orderly deliberation and protects both individual rights and majority rule, cardinal principles of governance in the United States; and

Whereas, April is the birth month of Thomas Jefferson, author of the first comprehensive manual on parliamentary practice in this country: Now, therefore, be it

Resolved, That the President is requested to designate the month of April 1981, as "Parliamentary Emphasis Month," to call upon Federal, State and local government agencies, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities, and to urge them to promote democratic processes and efficient organization of meetings through parliamentary practice.

The PRESIDING OFFICER. The Senate majority leader.

Mr. BAKER addressed the Chair.

AUTHORIZATION FOR MEETINGS OF THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs be allowed to meet on the following days for hearings on organized crimes control and influence over International Longshoremens' Association and American Shippers' Industry during the session of the Senate, if the Senate be in session, on the days I am about to enumerate:

On today, Tuesday, February 17; Wednesday, February 18; Thursday, February 19; and Friday, February 20.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I might say parenthetically that I hope that committees will reduce to an absolute minimum their requests to meet during sessions of the Senate. While that is not a problem at this time, since the Senate does not have a great deal of Legislative or Executive Calendar business that we can deal with, it will soon not be the case.

I hope those committees that may make those requests in the future will consider doing so sparingly and signify with as much specificity as possible the purpose for which they wish to meet to conduct business beyond the first 2 hours of the Senate to which they are otherwise entitled.

ORDER FOR RECOGNITION OF SENATOR BUMPERS ON THURSDAY, FEBRUARY 19, 1981

Mr. BAKER. Mr. President, I ask unanimous consent, when the Senate meets on Thursday, February 19, following the recognition of the two leaders under the standing order, that the distinguished Senator from Arkansas, Mr. BUMPERS, be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR PHOTOGRAPH OF THE SENATE IN SESSION

Mr. BAKER. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution wil be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 73) suspending paragraph 1 of Rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol to permit a photograph of the Senate in session.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to as follows:

S. RES. 73

Resolved, That paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole purpose of permitting the United States Historical Society to photograph the United States Senate in actual session.

Sec. 2. The Sergeant at Arms of the Senate is authorized and directed to make necessary arrangements therefor, which arrangements shall provide for a minimum of disruption to Senate proceedings.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have no further morning business. I have no further business. Unless the minority leader has something else to do, I intend, as soon as morning business is closed, to ask unanimous consent that the Senate stand in recess until 1:30 p.m.

Mr. ROBERT C. BYRD. Mr. President, I have nothing in mind.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 1:30 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now stand in recess until the hour of 1:30 p.m. today.

There being no objection, the Senate, at 11:57 a.m., recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATFIELD).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

AUTHORIZATION FOR APPOINTMENT OF COMMITTEE TO ESCORT THE PRESIDENT OF THE UNITED STATES

Mr. BAKER. Mr. President, I ask unanimous consent that the Vice President be authorized to appoint a committee of the Senate to join with a like committee of the House of Representatives to escort the President of the United States into the House Chamber for the joint session to be held on tomorrow evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business not to extend beyond 30 minutes in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 69.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 69, which was read as follows:

H. CON. RES. 69

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, February 18, 1981, at 9 o'clock post meridiem, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 69) was agreed to.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FISCAL RESPONSIBILITY

Mr. PROXMIRE. Mr. President, there is a tendency in this country, and I think it is a very unfortunate and unfair tendency, to consider the Democratic Party as kind of a spending party and the Republican Party as a party of greater fiscal responsibility. I think that that is wrong because if we look at the record in all 6 of the years when President Eisenhower was President and we had a Democratic Congress, in every year that Democratic Congress cut the President's budget.

Now in the 8 years when we had President Nixon and President Ford we had a Democratic Congress in all 8 of those years and in 7 of those 8 years once again the Democratic Party insisted on fiscal responsibility, felt that budgets were too high, and in retrospect I think we can recognize they were, and reduced the budgets.

I think those of us who have served on the Appropriations Committee, as I have for almost 20 years, recognize once again that holding down spending is not a partisan matter, that it is a bipartisan matter, and there are some areas perhaps where the Republicans have been a little more vigorous than the Democrats but there are areas where the Democrats have been more vigorous than the Republicans.

I think the record has been consistent that our party has been a party that has been as responsible as the Republicans. If there is a lack of fiscal responsibility, it certainly should be equally shared.

MORE ATTENTION NECESSARY FOR DEFENSE INDUSTRIAL BASE

Mr. PROXMIRE. Mr. President, while attention has been focused on the need to increase defense spending—a proposition I support if the All-Volunteer Army is to succeed—a critical missing element remains unanswered. Can U.S. defense industry produce the quantities of weapons in a timely fashion and without significant cost overruns that the new spending demands?

There is a mild delusion taking effect in Washington. It is the concept that increased defense appropriations—that is requests in the form of budget authority—actually translate into increased capabilities. They might—some day—but the truth is that outlays, the measure of defense spending, will go up much slower than the budget authority requests.

This means that there is an appearance of solving problems associated with the huge increase in budget authority. But in practice the spending for these programs will be substantially downstream—over the next 3 or 4 years.

That is when the crunch will come. When the bow wave of dramatically increased outlays hits the marketplace in 1983 or 1984, will defense industry deliver?

The answer may be a disturbing no, or at least a qualified no. Shipbuilding capacity is now pressed to the limit. New aircraft carriers, new submarines, new surface ships inevitably will be stretched out due to inadequate capacity. Aircraft production may be held back by a weak subcontracting base or by the lack of critical materials. Operation and maintenance probably will be overshadowed again by the more glamorous heavy weapon production.

While some, such as General Slay and Jacques Gansler have highlighted the problems of the defense industrial base, more attention seems warranted at this time, before huge programs are locked into place.

Therefore, I recommend the analysis of Messrs. Leon Reed and William Kincade in the February 17 issue of the Washington Post as a fitting place to begin. And I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

BUT CAN THE DEFENSE INDUSTRY DELIVER?

(By Leon S. Reed and William H. Kincade)

The real defense scandal is the condition of the military-industrial complex or, if you prefer, the defense industrial base. A new report from a House Armed Services subcommittee underlines the point.

Conservatives should be up in arms because an inefficient defense industry can frustrate their plans for a rapid military buildup, and liberals because an efficient, flexible industrial base provides necessary insurance for arms control agreements and reduces the diversion of funds from domestic programs.

The fact is that if, under current circumstances, the Reagan administration and its congressional allies live up to their promises of large-scale increase in defense spending, the additional dollars will not lead to more equipment for U.S. forces. Instead, they will produce greater inflation, even higher unit costs than we are now paying and probably longer delays in delivery.

Why is this so? First, suppliers and subcontractors have steadily left the defense sector, owing to its instability, better and more secure profit margins elsewhere and the vicissitudes of contracting with the government. As a result, prime contractors, and hence the government, must pay more for the products of the remaining suppliers and subcontractors. The aircraft industry has excess capacity, while naval shipbuilding has too little, at least of the kind that can turn out today's complex vessels on time and at the right price.

Then, planning and budgeting decisions by the Pentagon and Congress have focused exclusively on major prime contractors. As real defense spending declined throughout the mid-1970s, DOD attempted to maintain existing production lines—ostensibly to retain "surge" capacity—by reducing unit production levels and stretching out programs, while permitting the maintenance of a "healthy" first-tier of major prime contractors. This decision contributed to further cost increases and a serious decline in the number of subcontractors able and willing to do business with the Defense Department.

Overall, the bitterness of the bite will increase if more dollars are thrown at the problem, since, historically, the sudden availability of these dollars only drives up costs, not output, as the government and defense contractors vie with the civilian sector for scarce materials and the highly skilled manpower that staffs defense industry.

Already there is a large overhang of obligated but unspent defense funds—unspent because defense industry can't absorb them. This overhang will grow; but output, if it increases at all, will do so only slowly and at considerable, unnecessary cost.

Lead times for critical components—such as aircraft landing gears, titanium forgings, aircraft engines and integrated circuits—have doubled or tripled in the past three years. Even "priority" ratings which give most defense orders preference over civilian orders, are unable to cut through delays resulting from capacity problems and poor planning.

The recent congressional decision to extend national defense coloration—including

the use of national defense priorities—to many synthetic fuel projects will likely strain still further the limited supplied base for many common, as well as high-technology, components.

These and other constraints that confront the Reagan administration as it seeks to build up military might are admirably detailed in a recent study, "The Defense Industry," by a former industry and Pentagon official, Dr. Jacques S. Gansler.

But all his proposals will be for naught unless there is a general recognition that a flexible, effective defense industry, one that operates economically in peacetime and can be both mobilized or demobilized rapidly, represents a national interest. Through the 1950s and much of the 1960s, a consensus existed, holding that America's military strength depended not alone on its edge in technology but equally on its ability to apply its engineering skills rapidly where they counted.

The Vietnam War, of course, called into question the entire U.S. approach to security issues. To a large degree, the industrial base was a casualty of both the economic and the political dislocation of that war. There was a general shortsightedness. Defense Department officials, congressmen and industry executives alike made expedient, short-range investment decisions and neglected the long term. They enjoyed the "Me Decade."

In 1971, as the Vietnam War began to wind down, Deputy Defense Secretary David Packard, in a memo to service secretaries, directed planning that would ease the economic impact of decreased procurement while preserving a mobilization base. Little was done to implement it.

In 1975, the committee established by the Defense Production Act of 1950 to oversee the adequacy of the defense industrial base and to protect against its undue encroachment on the civilian economy began a comprehensive review of the mobilization base. In a 1977 "economy" move, Congress disbanded the committee—with its work only part done—as unnecessary.

In 1976, a band of Pentagon and OMB officials in the Ford administration had prepared a report on inefficiency and excess capacity in the aircraft industry. They attempted to send a distress signal, and escape censure, by releasing the report summary the day before Jimmy Carter's inauguration. It sank like a stone.

Meanwhile, ongoing arms limitation negotiations focused liberal and conservative attention unduly on force-in-being, to the neglect of both the mechanism that produces the forces of the future and the best guarantee of compliance with any agreements that are reached—an efficient peacetime mobilization base.

During the 1980s, a decade or more of damage will have to be repaired. More money will aggravate the problem, not alleviate it. Meanwhile, the public appears to have lost confidence, perhaps rightly in the ability of Pentagon and industry officials to manage a lean and supple industrial production system. If the Reagan administration truly wants to contribute to a strong defense, rather than merely create a shadow-box perception, its first priority must be to straighten out the mess in the defense industry.

A GLIMPSE OF AUSCHWITZ

Mr. PROXMIRE. Mr. President, the Public Broadcasting System carried a moving program on the holocaust entitled "Kitty—Return to Auschwitz." This was a testimony of Auschwitz, by a survivor, a woman named Kitty Felix Hart.

Her first visit back to this vast bucolic and silent land on the plains of Poland where 30 of her relatives, numerous friends, and most of her fellow townsmen from Bielsko-Biala were murdered by Nazi Germany.

We learn of her violent transformation, from a teenager in a comfortable middle class family to a prisoner in one of the most horrible death camps the world has ever known.

She emotionally recalls how she and her mother helped each other survive: she, by giving her mother food and clothing she took from corpses; and her mother, by offering absolutely essential moral support.

She wanted to return so that her son, now a doctor in Canada, will understand that there really was such a horror, that such things happened despite attempts in current times to minimize them.

The testimony is matter of fa t—except that every once in a while, she covers her eyes and sobs as the horrors of her experience overwhelm her.

Her torment is brought to light as she tells her son:

Look, here are ashes, human ashes, still here, maybe of your relatives.

It is interesting that after liberation, when given the opportunity for revenge in the form of a German family flushed out of a nearby town by rampaging inmates, she refrained. She knew that if she did seek retribution, she would be no better than the Germans who had done the same to her.

Mr. President, this is the story of one person, typical and untypical as every individual is. Yet, it vividly testifies to the horrors that a race of people faced at the hands of another.

We now have a chance, by ratifying the Genocide Convention, to officially condemn this most hideous crime. Let us not pass up this important opportunity.

Mr. President, I yield the floor.

(Mr. LAXALT assumed the chair.)

THE SUMMIT CONFERENCE OF SO-CALLED NONALINED NATIONS

Mr. MOYNIHAN. Mr. President, I have the painful duty to rise in the Senate on this occasion to report that the summit conference of the so-called nonalined nations meeting this last week in New Delhi, India, has disgraced itself and the tradition of Nehru on which it was founded, by issuing one of the most viciously antidemocratic, anti-western, and specifically, anti-Israeli resolution that has ever come forward from any such body.

The nonalined, as they choose to call themselves, having studiously ignored the role of the Soviet through its satellite Vietnam in the invasion of Cambodia, having studiously ignored the direct role of the Soviet Union in the invasion of Afghanistan or its use of surrogate Cuban troops in Angola, Yemen, and other parts of Africa, denounced the United States for its support of the democratic nation of Israel, and called on all nations to break relations with that state, and specifically called for Israel's expulsion from the United Nations and its associated agencies.

This was not all. The conference condemned what it referred to as Israel's "annexation" of territories in Galilee and the Negev desert. An extraordinary statement, for these territories were part of Israel even before 1967, indeed for over 30 years. The nonalined conference, in sum, called for the dismemberment of the State of Israel. And demanded that Israel surrender the entire city of Jerusalem, its entire capital city.

Mr. President, this represents one of the first challenges the new administration will face in foreign affairs, and I, for my part on this side of the aisle, would like to state my absolute confidence that it will meet that challenge. But I would take the opportunity of this occasion to see if I could not put in some perspective the events which took place this past week in New Delhi, because absent any such perspective we find ourselves dealing with what would appear to be episodic and unrelated events, when just the opposite is the case.

Mr. President, I would like to go back to a great speech by Abraham Lincoln, given in 1857, which historians refer to as his "framing timbers" speech.

In this speech Abraham Lincoln sought to draw the attention of the Nation to the steady preparations being made, as he then judged, for the extension of slavery into the new territories of the West, by seemingly unrelated small incremental events, and he used this analogy: He said supposing you were driving along a roadside one day and you saw a pile of framing timbers by the side of the road, and then another day you drove by and you found a pile of rock, and a third day you came by and there was a collection of roofing materials. Would you not be warranted to judge that someone was planning to build a house?

It is in precisely those terms that I would like to set forth the sequence of events over the past decade which leads to the events in New Delhi of the past week.

Go back, Mr. President, to 1967 and the Six-Day War. Israel had once again been attacked by her neighbors, armed and supported by the Soviet Union. The attack had failed utterly, and it was clear that as long as the United States continued its support, the State of Israel was militarily invulnerable.

Resolution 242 of the Security Council, framed in the aftermath of the Six-Day War, declared Israel's absolute right to exist as a sovereign state, with secure and recognized boundaries. It anticipated withdrawal from territories occupied during the war, and anticipated that some sovereignty would be established on the West Bank.

History will see that the Soviet Union thereupon commenced a systematic campaign to overcome the State of Israel by denying its legitimacy as a state. The denial of its credentials to the General Assembly of the United Nations would be an important development in that sequence, but it must be seen as a sequence or it will not be understood.

This campaign of the Soviet Union began with an assertion of breathtaking audacity. In a two-part article in Pravda in 1971 it was declared that Jews, far from being the victims of the Nazis, were in fact, their successors and previously their collaborators.

Goebbels himself could not have conceived so grandiose a lie, and yet how devastating it was.

Not more than a year ago, Mr. President, President Carter's Commission on the Holocaust visited the site of one of the great massacres of the Second World War, at Babi Yar. The Commissioners were astounded to find no reference to Jews at Babi Yar. They ought not to have been, if I may gently say, because in 1971 Pravda had declared that the massacres at Babi Yar were a collaboration of the Zionists and the Nazis.

In the Soviet Union this campaign has reached levels of official antisemitism not known since the Nazi Germany regime existed in Europe.

Just in October of last year, if I may step out of sequence for just a moment, the youth magazine of the Soviet Union, the Pionerskaya Pravda, which is the magazine of what is the equivalent of our Boy Scout group, boys aged 9 to 14, trained to enter Communist cadres later in life, devoted an article to the role of the Jews in the world and their effort to overthrow the Soviet Union.

One passage maybe gives you a sense of it. It states:

> Zionists try to penetrate all spheres of public life, as well as ideology, science, and trade. Even Levi Jeans contribute to their operations: the revenue obtained from the sale of these pants are used by the firm to help the Zionists.
>
> Thugs in Afghanistan torment schoolchildren with gases—the bundles of dollars are multiplying in the safes of the Lehmans and Guggenheims.

I give you the big lie, Mr. President. Who has invaded Afghanistan? The Soviet Union. What do they proclaim that it is? Somehow a Zionist conspiracy.

> It is clear—

The article continues—

> that Zionism's principal enemy is peace on earth. More and more people today are beginning to realize that Zionism is present-day fascism.

So the campaign began, Mr. President. It first became public in an international forum in June 1975 at the Mexico City Conference of International Woman's Year when, at the end of a declaration devoted nominally to women's issues, it was suddenly announced that Zionism is a form of racism and racial discrimination.

At the General Assembly that fall, on November 10, the anniversary indeed of Kristallnacht, a time when I happened to be the U.S. Representative, Zionism was declared by the General Assembly to be a form of racism and racial discrimination.

The Soviets have found a devastating weapon for the simple reason that no one would believe it would ever be turned against the State of Israel and, indeed, few seemed to notice that it had been.

On March 22, 1979, 4 years later, a Security Council resolution created a commission to examine the situation relating to the establishments in the Arab territories occupied since 1967, including Jerusalem.

Now, Mr. President, the first aspect of sovereignty in a nation is to be able to choose its own capital. Suddenly here was the Security Council suggesting that Jerusalem was not the capital, was not the territory of the State of Israel, but rather Arab territory, an ominous event.

It also declared, did this resolution of March 22, that the Fourth Geneva Convention is applicable to the Arab territories occupied by Israel since 1967, including Jerusalem.

Now, Mr. President, this was ominous, indeed, for what was the Fourth Geneva Convention? It was a convention adopted and agreed to in 1949 by the surviving nations of the Second World War, to make illegal the behavior of the Nazi Government in Poland. It was intended to declare Auschwitz to be a crime in international law. And here, suddenly, the first nation ever declared possibly to be in violation of that convention was Israel itself, the nation of those who survived Auschwitz.

This commission soon reported to the United Nations. And on March 1, 1980, Resolution 465 found Israel to be in "flagrant violation of the Fourth Geneva Convention."

It stated, in other words, that Israel was guilty of war crimes—was a criminal nation. It further declared that:

> All measures taken by Israel to change the physical character, demographic composition, institutional structure or status of the Palestinian and other Arab territories occupied since 1967, including Jerusalem, or any part thereof, have no legal validity.

In a word, Mr. President, Israel is an outlaw state without a capital, held by the Security Council in violation of one of the most important conventions of the postwar world. And the United States voted for that resolution. A signal had gone out to the world in a most devastating manner.

In June, 3 months later, the Organization of African Unity, in a meeting of its summit in Sierra Leone, ceased to refer to the State of Israel by its name and began referring only to "the Zionist entity."

In October, 4 months after that, Syria and the Soviet Union signed a friendship treaty vowing a "relentless struggle against Zionism," the first formal commitment by the Soviet Union to the destruction of the State of Israel.

Then in December, 2 months later, in the General Assembly, the Jordanian Ambassador rose to say of the State of Israel—and again note how this language makes its way into the vocabulary step by step. He does not refer to the State of Israel, he says:

> The representatives of the Zionist entity is evidently incapable of concealing his deep-seated hatred toward the Arab world for having broken loose from the notorious exploitation of its natural resources, long held in bondage and plundered by his own people's cabal, which controls and manipulates and exploits the rest of humanity by controlling the money and wealth of the world.

Now, Mr. President, the next step. As I recalled at the outset of these remarks, Resolution 242 of 1967 is the bedrock of Israeli sovereignty. Suddenly we are told that 242 is not applicable. In December the General Assembly, by resolution, said that Resolution 242 could not constitute a basis for a settlement in the Middle East. And the U.S. representative said nothing; nothing. Again, a shockwave going out through the world.

In January 1981, at the Islamic Conference held in Taif, Saudi Arabia, Crown Prince Fahd declared that it was "useless to call for the independence of the places of worship under an international system or any other system, or any other term, while Zionism is bent on the extermination of the citizens of these places, Moslems and Christians alike."

In other words, the peaceful uses of the holy places could not exist while Israeli sovereignty in their own capital was recognized. That is to say, Israel cannot be a state.

On January 28, 1981, the final declaration of the Islamic Conference of Taif stated:

> We are determined to wage a Jihad. That is a holy war, by all the means at our disposal in order to liberate our occupied territories, to help one another in the defense of our independence and territorial integrity, to defend our rights and remove the unjustices besetting us, relying on God and on our own forces and on our strong solidarity.

It continued:

> We reaffirm in the face of Zionist aggression that has usurped the land of Palestine and the other occupied territories our determination to counter this aggression.

We now hear, Mr. President, that the State of Israel itself is a usurpation of Palestinian land; not a state at all, but a criminal entity, the Zionist entity.

On February 6, Mr. President, in Geneva, at the Human Rights Commission of the United Nations, our distinguished and brilliant new representative Dr. Michael Novak—Professor Novak, whose appointment the President could not be too greatly congratulated for having made—reeled back in uncomprehending horror at what he heard said about the State of Israel at meetings of the Human Rights Commission. He said:

> Yet in my very first days within this commission, imagine my shock when I heard, as I did hear in this room, so much hatred, so many lies, such squalid racism, such despicable anti-semitism—all in the sacred name of human rights.

Dr. Novak continued:

> I have heard in this chamber attacks upon "Zionism" in accents of a murderous hatred not heard since the days of the Nazis. It is as though this chamber has retrogressed by forty years—as though this is, not 1981, but 1941, and not in Geneva, but along the Hitler-Stalin Axis.

And may I make the point, Mr. President, that Professor Novak, a distinguished scholar, is not one of those who would be likely to forget that the Soviet Union first made its appearance in international affairs as an ally of Nazi Germany, conquering its neighbor Poland and dividing it.

Mr. President, to conclude, in New Delhi, we have seen just the latest but yet again an escalated step. The nonalined nations, representing some three-quarters of the population of the world, and almost that proportion of the voting members of the U.N., have called for the rejection of the credentials of the State of Israel at the United Nations.

The process by which the Soviet Union has endeavored so say that Israel is not legitimately a state, it is an outlaw entity, does not exist, does not have the protection of statehood and sovereignty under the U.N. Charter, is reaching a culmination, Mr. President. Now is the time for the administration of President Reagan to say, "No, the United States will not have this." It is a lie. It is a Soviet lie. It is a totalitarian obscenity, meant to destroy a democratic and peaceful state surrounded, until the Camp David agreements, by hostile and murderous neighbors, Egypt now being the exception.

If we allow this to happen, do not expect the other democracies to survive. That was the lesson of the 1930's. That is what Hitler told us. He told us—

You can tell lies and people will say that this is so extraordinary that there must be some truth in it.

Mr. President, it is hardly for me to instruct, but not inappropriate for a Senator to advise, on the conduct of foreign policy. I would hope that Secretary of State Haig would instruct our missions in every capital of every state that was at the New Delhi conference to convey to those states' governments that we find this declaration to be a reprehensible and deplorable act, and that if there is any effort to take action on it at the next General Assembly, we will withdraw from the General Assembly. And that further we will withdraw every penny we pay to any institution that associates itself with this effort.

If this can happen to Israel, why not Finland; why not Iceland? One by one.

If we do not recognize this, we do not deserve to survive as a free world. Totalitarianism has been going on for 60 years now. We see half of mankind controlled by totalitarianism. Can we not recognize the pattern when it comes up and we face it?

Mr. President, we will never leave the United Nations. Whilst we are in the Security Council, no democratic state will be expelled. We will not allow that to happen. But we are not forced to pay for those limousines driving up and down Manhattan and Geneva. We do not have to have a KGB colonel be the personnel officer in charge of the United Nations operations in Geneva. We do not have to have those tax-free pensions of $80,000 and $90,000 a year. We do not have to have a system which systematically offends against every principle the charter was intended to uphold and to establish.

I have recently introduced a resolution, Mr. President, that puts the world on notice that it is the sense of the Senate that if the effort to expel the State of Israel should be successfully undertaken by the General Assembly, that the United States will then and there withhold all its financial contributions to that body; will participate in none of its activities, however ancillary, however desirable, however much we otherwise wish to do, because the issue of sovereignty is central.

The efforts of the Soviet Union to destroy the legitimacy of this state is evident. Professor Novak spoke of it brilliantly in Geneva last week. I hope I have conveyed some sense of its import here today.

I would like to make one final point.

We have seen this assault of the totalitarians on the idea of the legitimacy of those they would destroy. It is just as powerful as the assault of their tank divisions. It is as devastating. If our spokesmen will not respond to it, it has to succeed. I fear that for years we actively associated ourselves with it.

I ask that the declaration on the Middle East of the Nonaligned Ministers' Conference be printed in the RECORD, and with it both the statement of Ambassador Novak to the U.N. Commission on Human Rights, and an essay on this subject by George Will, "Changing Sides within the U.N."

The material follows:

NAM MINISTERIAL: TEXT OF MIDDLE EAST SECTION

1. The ministers recalled the declaration of the sixth summit conference held in Havana, which reaffirmed that the Zionist occupation and usurpation of Palestine and the rights of its people are the core of the Middle East conflict and consequently rendered any solution to that conflict impossible without the exercise by the Palestinian people of its inalienable national rights, including the right to return, to attain self-determination and to establish an independent Palestinian State in Palestine, and without the complete and unconditional Israeli withdrawal from all occupied Palestinian and Arab territories, including Jerusalem.

2. The ministers considered it imperative to reaffirm that the settlement of the Middle East problem and the question of Palestine can only be achieved by applying simultaneously and without exception the following principles and considerations to which they also affirmed their commitment:

(A) The question of Palestine is the core of the Middle East conflict and is at the root of the Arab-Israeli conflict.

(B) The cause of Palestine and the Middle East question form an indivisible whole both in dealing with the problem and in solving it. Consequently, its solution cannot be fragmented or confined to certain parties to the conflict or to certain of its causes to the exclusion of others. Neither can a partial peace be brought about. Since the peace must encompass all the parties and eliminate all the sources of conflict in addition to its being just.

(C) A just peace in the region can only be based on Israel's total and unconditional withdrawal from all the occupied Palestinian and Arab territories and the restoration of the inalienable national rights of the Palestinian people, confirmed by United Nations resolutions, particularly the resolution of the Seventh Emergency Special Session in July 1980, and resolution 35/169 dated 15 December 1980, which reaffirmed: "the inalienable right of the Palestinians to return to their homes and property in Palestine, from which they have been displaced and uprooted, and calls for their return;"—"The inalienable rights in Palestine of the Palestinian people including:

(1) The right to self-determination without external interference, and to national independence and sovereignty.

(2) The right to establish its own independent sovereign state."

(D) Jerusalem is part of the occupied Palestinian territory; Israel should completely and unconditionally withdraw from it, and return it to Arab sovereignty.

(E) The Palestine Liberation Organization is the sole and legitimate representative of the Palestinian people and it alone has the full right to represent this people, to participate in an independent and equal footing in all international conferences, activities and bodies dealing with the Arab-Israeli conflict and the Palestinian cause, and to secure the inalienable national rights of the Palestinian people. No solution can be considered comprehensive, just and acceptable unless the Palestine Liberation Organization participates in its elaboration and acceptance, as an independent party equal to the other parties concerned, and no state is entitled to claim the right to representation or negotiation in the cause of Palestine, whether people, land or rights are concerned. Any act which contravenes this is null and void and of no legal effect.

(F) Full respect for and the realization of the inalienable rights of the Palestinian people are indispensable for the solution of the question of Palestine. Security Council Resolution 242 (1967) does not provide for the future and for the inalienable rights of the Palestinian people, nor does it provide the basis for a just solution of the question of Palestine or the situation in the Middle East.

(G) All partial agreements and separate treaties concerning the question of Palestine, the rights of the Palestinian people and the Arab-Israeli conflict are a flagrant violation of the rights of the Palestinian people and the Arab States, the principles of the charter and relevant resolutions of the United Nations and the principles of international law.

3. The ministers affirmed the right of the Arab States and the Palestine Liberation Organization to pursue their struggle in all its military and political aspects and to employ all means of liberating their occupied territories and attaining the inalienable rights of the Palestinian people, and to use all possible means to foil any solutions or settlements reached at the expense of their territories and rights. They declared that the support given by the non-aligned countries to the Arab countries for the liberation of their homeland and the restoration of their inalienapunational rights is a responsibility and duty dictated by the principles and aims of the movement of non-aligned countries.

4. The ministers declared that any infringement of the resolutions adopted by the conferences of the non-aligned countries on the Middle East problem, the question of Palestine and Jerusalem will weaken the struggle for the liberation of Jerusalem and the occupied Palistinian and Arab territories and the realization of the inalienable national rights of the Palistinian people. It will also jeopardize the struggle of the movement

against colonialism, occupation, racism and Zionism and thwart the determination of member states to end the Israeli occupation of Jerusalem and the Palestinian and Arab territories and to help the Palestinian people realize their inalienable national rights.

5. The ministers commended the work undertaken by the United Nations committee on the inalienable rights of the Palestinian people and called upon the Security Council to implement the recommendations of the committee as endorsed by General Assembly resolutions, particularly by Resolution 35/169 of 15 December 1980.

6. The ministers recalled paragraphs 187 and 188 of the Declaration of Havana and declared that the Camp David agreements and the Egypt-Israel treaty have no validity in so far as they purport to determine the future of the Palistinian people and of the Palistinian territories occupied by Israel since 1967; they condemned also any initiative based on that approach or those agreements. They also condemned any partial or separate solution and any agreement that would harm the rights of the Arab countries and the Palestinian people, violate the principles and resolutions of the movement of non-aligned countries and the United Nations General Assembly or prevent the liberation of Jerusalem and the occupied Palestinian and Arab territories and the attainment and full exercise by the Palestinian people of their inalienable national rights.

7. The ministers strongly condemned the hostile attitude of the United States, of America towards the inalienable national rights of the Palestinian people and the PLO and towards the total and unconditional withdrawal of Israel from all occupied Palestinian and Arab territories, including Jerusalem, an attitude which constitutes a violation of the purposes and principles of the United Nations Charter and the General Assembly resolutions on the Palestine question and the Middle East and is an impediment to the establishment of a just peace in the region. The ministers condemned the policies which the United States of America is endeavouring to impose on the region at the expense of the liberation of the occupied Palestinian and Arab territories, including Jerusalem, and at the expense of the inalienable national rights of the Palestinian people. They also condemned the continuous and growing United States support of the Israeli entity in all fields, and particularly in the military and political fields, and affirmed that the persistence of the United States in these policies is detrimental to the interests and relations existing between the non-aligned countries on the one hand and the United States on the other.

8. The ministers recalled security council resolution 465 (1980) adopted unanimously on 1 March 1980 and strongly condemned Israel for its continued policies and practices in Jerusalem and the occupied Palestinian and Arab territories and particularly the annexation which has taken place in Jerusalem, Galilee, the Negev and elsewhere, the transformation of territories, establishment of Israel settlements and transfer of settlers to them, demolition of houses, confiscation of property and land, expulsion of the rightful inhabitants of the country, deportation, expulsion, dispersion, exile, transfer, removal, bodily liquidation, mass arrests, torture, denial of the right of return, defacement of national, archeological, spiritual and cultural features, violation of freedom, beliefs and religious rights, obstacles to worship, disregard for laws governing individual rights and unlawful exploitation of the wealth and national resources of the occupied Palestinian and Arab territories and their population. The ministers decided that all those practices and procedures are a threat to peace. The ministers stressed the need to implement Security Council Resolutions 465 (1980) and 478 (1980) demanding that Israel must halt those policies and practices and immediately dismantle the existing settlements, and the restoration of the Arab character of Jerusalem.

9. The ministers recalled Security Council Resolution 478 (1980) of 20 August 1980, and General Assembly Resolution 35/169 of 15 December 1980 and condemned in the strongest terms the enactment by Israel of the quote basic law unquote on Jerusalem, proclaiming a change in the character and status of the Holy City of Jerusalem, with its implications for peace and security. The ministers declared that such enactment was an act of aggression constituting a threat to peace and called upon the security council to take the necessary action to restore and maintain international peace and security in accordance with the provisions of chapter VII of the United Nations Charter. The ministers urged all states not to deal with Israel or conduct any business which might imply implicit recognition of Jerusalem as the capital of Israel. The ministers emphasized the time had come to take the necessary action for the implementation of the various and recurrent resolutions adopted by the United Nations and the movement of non-aligned countries in order to ensure the realization of the inalienable rights of the Palestinian people and the Arab nations, persistently ignored by Israel.

10. The ministers called upon all states and peoples of the world to refrain from giving Israel military, human, material or moral support. They denounced the attitude of those countries which give Israel aid and arms and considered that the real motive for lavishing vast quantities of lethal weapons and means of destruction on Israel is to entrench it as a base for colonialism and racism in the world in general and in Africa and Asia in particular. They declared that those countries continued support of Israel would compel the non-aligned countries to take an appropriate attitude towards them.

11. The ministers reaffirmed the need for the continued severance of all kinds of formal and informal diplomatic, consular, economic, cultural, sports, tourist and communications relations with Israel and invited those member states which had not yet broken off such relations to do so. They urged member states to take action in the United Nations that would allow the world body and its specialized agencies to fulfill their responsibilities and counter and continued Israeli refusal to comply with United Nations resolutions. by imposing the necessary sanctions against it in accordance with chapter VII of the United Nations Charter. The ministers instructed the coordinating bureau to take the necessary action in this regard.

12. The ministers decided to use, in a meaningful and systematic manner, every possible means to:

(A) Weaken the Israeli economic capacity to continue its aggressive policy;

(B) Put an end to the political, economic and financial support given to Israel:

(C) Change the political attitude of states and organizations so that they favor the Palestinian cause and the liberation of the occupied Palestinian and Arab territories.

13. The ministers called upon the states of the European Economic Community to recognize the PLO and the inalienable national rights of the Palestinian people, to honour their pledges not to apply the bilateral and collective economic agreements with Israel to the occupied Palestinian and Arab territories and to seek the adoption of the same attitude by other states having similar agreements.

14. The ministers strongly condemned the continued and ever-growing co-operation between the racist regimes of both Israel and South Africa, particularly in the military and nuclear fields.

15. The ministers reaffirmed their pledge for concrete solidarity in various forms—political, cultural and informational and in respect of programmes for military aid to the Palestinian people, led by the Palestine Liberation Organization—so as to develop the struggle for the liberation of its homeland. The ministers called again for the adoption of all measures to ensure further international recognition of the Palestine Liberation Organization as the sole legitimate representative of the Palestinian people.

16. Having examined the subject matter referred to it by the sixth summit in paragraph 109 and having taken note of the report of the coordinating bureau (Document 5/Rev. 1) as well as the working papers 21 and 22, the ministerial conference decides to submit this to the seventh summit to be held in Baghdad in 1982 for consideration.

17. The ministers expressed grave concern at the continued escalation of the barbaric attacks by Israel on southern Lebanon and Palestinian refugee camps in Lebanon. They recalled that the Sixth Summit Conference considered that aggression, carried out by land, sea and air, as tantamount to genocide of the Lebanese people and the Palestinian refugees, with Israel using the most sophisticated weapons supplied by the United States of America.

18. The ministers reaffirm their full support for the unity of Lebanon, land and people. Its independence and sovereignty over all its internationally recognized boundaries.

19. The ministers stress the need that Lebanon should be enabled to recover its normal life and the displaced persons should be enabled to return to their villages and regions.

20. The ministers strongly condemn the repeated Israeli aggression against Lebanon and call upon the Security Council of the United Nations organization to implement its resolutions relating to Lebanon. Particularly Resolutions 425, 426 and 450 and to exercise in accordance with the provisions of chapter VII of the United Nations Charter. The utmost pressures on Israel to put an end to its repeated attacks and aggressions against Lebanon.

21. The ministers reaffirm their earlier decisions to lend their full support to Lebanon in all international fora and organizations. particularly the United Nations, with a view to safeguarding its unity, independence and territorial integrity.

22. The ministers called upon member states of the United Nations and its specialized agencies. not to accept the credentials of the AELI delegation because of its violation of international legality and its annexation to Jerusalem and declaring it its capital.

[Telegram]

SPEECH BY MICHAEL NOVAK, FEBRUARY 6

First, my congratulations to our new chairman—for his election, but also for the brisk and affable competence he has already shown. May the brevity of my congratulations permit a leap of soul to soul.

This is my first term of service in this commission. I come new to it. Many of you are distinguished veterans, have borne the heat of the day, struggling for small gains.

I ask you to recall, though, what it is like for a newcomer to enter into this environment.

Let me explain what I expected. I grew up as do all children in the United States in the sure knowledge that my family had not simply been born Americans, but had chosen to become Americans—had chosen America precisely because of the sweet sway of its institutions, and the sweet taste of its liberties and rights. The attraction of the United States upon immigrants, who have streamed toward America from every region of the world, lies in its human rights. "Boat people" still come to our shores—to breathe air that is free.

When I was a child, one of my first vivid memories was implanted by the invasion of Poland in 1939. When the report came on the radio, my father told me that that day might mark the most important event of my life. Within a few weeks one army from one direction, another from the other border, overwhelmed Poland and carved it into two. Speak of occupying armies!

My earliest memories, then, are of newsreels showing endless bombings, endless columns of refugees, and, by the end, the endlessly sad faces and gaunt bodies of those liberated from the death camps; the stacks of corpses; the mass burial sites; the chimneys of cremation. Thus, I was touched recently when Pope John Paul II went as one of his first Papal visits to Auschwitz. In his famous address to the United Nations in New York, the Pontiff later called attention to how the Declaration of Human Rights came about. That declaration, he said arose, above every other factor, from the millions of victims of the holocaust, the total abrogation of whose rights made the world resolve: That the whole world, not a few nations only, ought to have a bill of rights.

My fellow representatives, I cannot forget that we sit in this room because of the unbelievable suffering of millions of persons like ourselves—older, younger, skinnier, fatter, many who otherwise might have lived as long as the oldest persons in this room . . . but they were not permitted to live.

Our work here flows from their interrupted lives. The Declaration of Human Rights is a memorial to their sacrifice. Our work is an attempt to draw some small good from so much evil.

These are the noble obligations with which I have always associated human rights. Human rights mean respect for human beings, recognition of each other's dignity. They mean cooperation, mutuality, negotiation. They mean the voice of reason.

Yet in my very first days within this commission, imagine my shock when I heard, as I did hear in this room, so much hatred, so many lies, such squalid racism, such despicable anti-semitism—all in the sacred name of human rights.

I have heard in this chamber attacks upon "Zionism" in accents of a murderous hatred not heard since the days of the Nazis. It is as though this chamber has retrogressed by forty years—as though this is. not 1981, but 1941, and not in Geneva, but along the Hitler-Stalin axis.

In 1945, as I say, there were some fifty nations in the world and these few established the United Nations. Today there are some 160 member nations; more than one hundred new states.

Among these new nations stands tiny Israel. There is an anicent saying about Israel. The Lord God Jehovah promised Moses a "Land of milk and honey." There is a wry modern joke in Israel which notes: "Unfortunately, the Lord did not promise oil." Israel is not a land rich in resources. It is a beautiful land. Yet much of it was for centuries desert land unsuited for agriculture, and nearly bereft of significant industries.

Yet, overcoming all obstacles, the Israelis have built a nation to rival any in the world in its sciences, its arts, its symphonies its free press, its institutions of just and humane procedures. When some of my distinguished colleagues attempt to portray Israel as a land without human rights, we must ask them, compared to what? Few nations have developed institutions, or can exhibit to the public eye a record of humane practice as highly developed as those of Israel. The United States has deep and profound respect for Israel. The United States also has admiration for the wisdom, human courage, and respect for human rights shown by many Arab nations. Our Arab brothers and sisters face many problems besides those of Israel. Fratricidal wars serve no one's true hopes. There are too many fratricidal wars. Peace and prosperity come with mutual respect. Mutual respect is the goal of further progress. It is also the indispensable means to it.

My new delegation—and new government—have learned from history to honor the high spiritual achievement of Arab culture, the brilliance, sensitivity and natural courtesy of so many of its citizens (which we have experienced even in this room). We respect its antiquity as a sophisticated and developed culture—an antiquity of which a new nation like ours can only stand in awe. We admire the personal courage and wisdom of many Arab leaders.

The people of the United States were immensely touched when three leaders of the world, one Muslim, one Christian, one Jewish—three children of Abraham stood together in mutual respect, difficult cooperation, and painstaking negotiations. We commend Israel for giving back land seized in war. We commend Egypt for the spectacular courage and humanity it flashed before the eyes of the human race. in deeds that will endure as long as human history is written. Our delegation is new, but the charges heaped against Israel before this commission are old. They have long since been aired, objectively examined, and discarded in the dustbin. The State of Israel is a fact. The Egyptian-Israeli Peace Treaty is a fact. The Camp David accords are a fact. These are realities to which passion must accommodate itself. They are realities which ground future advances, future hopes.

The American people deeply admire a tone of reasoned discourse, the demonstration of mutual respect, a dispassionate sense of moderation and compromise—qualities which we have often observed in the exemplars of Arab culture. But I am afraid that the hatred, unreason and wildness of language manifested in this room—once they become more widely known—are unlikely to be admired by the American people. They have embarrassed, and often bored, this assembly.

Mr. Chairman, this is the first speech of my delegation, let it end on a note of vision.

My delegation wishes to honor the Egyptian delegate. and through him the great and noble human being who has captured the love and esteem of millions of human beings, President Sadat. Exactly because he is an example of Arab brotherhood, He is an example of human brotherhood—exactly because he is the latter, he fulfills the highest aspirations of the former. We would wish to be as great in spirit—and in the eyes of history—as he.

My delegation wishes also to honor Israel, because few nations have achieved more in so short a national lifetime. We admire Israel profoundly, Mr. Chairman. Her destiny and ours—let the world note—are irretrievably joined. We share the same high vision of human rights on which the traditions of this commisison are based. We are, none of us, without sin. Yet neither is any nation, represented in this chamber or in any other, that accuses us.

Mr. Chairman, my delegation is delighted to work with you in this assembly, depressingly ugly as its proceedings often seem. We well know that pearls come from oysters, silk from worms, butterflies from caterpillars—and great human vision from poor human clay.

[From the Washington Post, Feb. 19, 1981]

CHANGING SIDES WITHIN THE U.N.

(By George F. Will)

Four years ago the Carter administration had just hit the ground stumbling, and in Geneva its representative at the U.N. Human Rights Commission unburdened himself:

"Our delegation would be less than candid and untrue to ourselves and our people if we did not express our profound regrets for the role some government officials, agencies and private groups played in the subversion of the previous, democratically elected Chilean government that was overthrown by the coup of Sept. 11, 1973." But, he said happily, "the policies and persons responsible have been rejected by the American people."

The tone was to become familiar: an obnoxious mixture of guilt and smugness. Disregard the tendentious characterization of the Chilean uprising that stopped Salvador Allende from consolidating a Marxist and anti-American dictatorship. But note that the Carter administration representative was, as so many were, self-absorbed and self-congratulatory; he used an international forum to be "true" to himself, and to be oh! so marvelously, amazingly "candid."

The American people have rejected such cloying, complacent guilt-mongering, and now Reaganism has reverberated 'round Geneva. President Reagan's representative to the commission, Michael Novak—scholar, theologian, writer—is a civilized spirit, so his sensibilities are shocked by the routine U.N. slanders of Israel. He recently unburdened himself, saying he was appalled at "so much hatred, so many lies, such squalid racism, such despicable anti-Semitism," and "murderous hatred" reminiscent of the Nazi era.

Various representatives of the dictatorships that dominate the United Nations probably were briefly shocked into wonderful speechlessness by the spectacle of the United States actually defending its friends, values and interests. Then they fell to denouncing Novak for having the temerity to talk back. He responded by repeating his altogether warranted reference to the Nazi era, and adding: "It is as though this chamber has retrogressed by 40 years—as though this is not 1981 but 1941, and not in Geneva but along the Hitler-Stalin Axis."

The Human Rights Commission, like the United Nations itself, is full of the spirit of Goebbels and Vishinsky, so it has convicted Israel of war crimes. Such lies are, fellow Americans, your tax dollars—a lot of them—at work. Without the absurd generosity of the United States, the United Nations, which has become the moral equivalent of a Nuremberg rally, might fold.

But at least the United States has changed sides within the United Nations. Until recently, the United States collaborated with the jackals.

Pat Moynihan, a former U.N. ambassador, rightly says that for the United States to

abstain on a Security Council resolution concerning Israel is the equivalent of acquiescing. Repeatedly between January 1979 and December 1980, the Carter administration either acquiesced by abstention, or actively supported assaults on Israel.

The vainest moralizers ever to serve in American government collaborated with the U.N. campaign to brand Israel an outlaw state, to pronounce Israel's capital (Jerusalem) "occupied territory," even to compare Israel with Nazi Germany. The Carter administration acquiesced in finding Israel in "flagrant violation of the Fourth Geneva Convention," which was produced in 1949 to codify and make criminal the Nazis' behavior.

Some of Carter's closest aides, and perhaps Carter himself, believe he may have lost the election because of the "mistaken" U.N. vote of March 1, 1980, when U.N. Ambassador Donald McHenry voted (by mistake, the administration tried to suggest) for a vicious anti-Israel resolution. That vote probably did give Ted Kennedy an otherwise impossible victory in New York's primary, and so prevented Carter from knocking Kennedy from the race in March. But the "mistake" was congruent with a consistent administration policy.

The Carter administration was especially proud of its courtship of the "Third World," particularly at the United Nations under Andrew Young and McHenry. The latter first became prominent in the summer of 1979, when he conducted negotiations at Kennedy airport. Soviet thugs had hustled a potential defector, a ballerina, aboard a Soviet aircraft. The Carter administration accorded the aircraft something like the status of an embassy, instead of boarding it and expelling the thugs and releasing the woman. That media melodrama, and the public's enjoyment of it, were foretastes of the behavior of the American government, media and public when Iranian thugs assaulted the U.S. Embassy.

But the world turns. When some of the gray-clad, gray-souled permanent people in the State Department saw Michael Novak's spirited language, they said to a Reagan appointee, in effect: we do not approve of language such as Novak's. The Reagan appointee said, in effect: we do now.

Mr. President, I send a resolution to the desk and ask that it be printed and appropriately referred.

The PRESIDING OFFICER. The resolution will be received and appropraitely referred.

Mr. MOYNIHAN. I thank the Chair for its courtesies and patience in what was an extended statement.

Mr. RANDOLPH. Mr. President, will my able colleague yield?

Mr. MOYNIHAN. I am happy to yield.

Mr. RANDOLPH. I have not been in the Chamber except for perhaps the last 2 minutes of the remarks of the Senator from New York, but I have been listening in on the speaker box.

The validity of what the Senator has said, regarding his resolution, the realism it contains, needs to be better understood.

The Senator is in effect saying that the resolution would be a credible approach. He takes a look ahead to tomorrow, he indicates America will not rely on other countries even though we cooperate with them in mutual concerns when possible, but we will be undergirding our strength and purpose at home.

Mr. MOYNIHAN. May I thank my revered senior colleague and one-time chairman. He knows how much I regard his statement. There is no other person in the Chamber who has served at the time of the crisis of the 1930's, and who can speak with such authority.

It is an honor to serve in this body with the Senator, and it is a greater honor to have him speak so kindly of my remarks. I thank the distinguished Senator from West Virginia.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. LAXALT). On behalf of the President pro tempore, the Chair appoints Father Ishmail Vincent Gromeoff to the Commission on Wartime Relocation and Internment of Civilians.

CUTTING FOREIGN AID

Mr. HARRY F. BYRD, JR. Mr. President, it is absolutely essential that this Nation's foreign aid programs be significantly cut.

Recently it was reported that the Director of the Office of Management and Budget, Mr. David Stockman, had proposed a reduction of some $2 billion below the total foreign aid budget recommended by former President Carter.

This leak—no doubt perpetrated by the pro-foreign aid establishment in the bureaucracy—instantly produced cries of pain and anguish both at home and abroad. Such a savage cut, it was argued, would break our Government's commitments and diminish the stature of the United States around the world.

In all that hue and cry, some important facts were conveniently ignored.

First, the reduction suggested by Mr. Stockman was not a significant cut in foreign aid. It was largely elimination of a staggering increase of 26 percent—almost $2 billion—in ecoomnic assistance proposed in the Carter budget for 1982. Frankly, if anything, I believe Mr. Stockman was being too generous.

Second, the so-called commitments which the pro-foreign aid interests are fond of citing are simply pledges made by free-spending officials of a repudiated administration. They are not binding upon the Congress or the taxpayers of the United States. This Government has true commitments—to restore the strength of the economy, build a stronger defense, reduce the mushrooming growth of Federal spending, and aid truly needy Americans who cannot help themselves—but it has no commitment to continue shoveling out billions to more than 100 countries around the world.

Third, the international stature of the United States does not depend upon perpetuation of giveaway programs. The more than $150 billion which this country has given away since World War II, in a display of generosity unmatched by all other nations combined throughout the entire course of human history, has not noticeably enhanced our global prestige or multiplied the number of our friends abroad. Indeed, some of the principal beneficiaries are among the surliest of our critics.

Mr. President, I believe this is the factual background against which the 1981 debate on foreign aid should be conducted. I for one shall support Mr. Stockman's proposals—or even deeper cuts—with enthusiasm.

Let me add these questions:

If the administration and the Congress, working together, cannot cut foreign aid, what can we cut?

Can we in Washington say to the American people that they must accept sacrifice and belt-tightening while we vote not only to continue, but to increase, giveaways around the world?

In my judgment, former President Carter's proposal to increase our foreign aid programs is not justified; a reduction in foreign aid is overdue.

Mr. RANDOLPH. Will my colleague from Virginia yield at this point?

Mr. HARRY F. BYRD, JR. I am delighted to yield to my distinguished and dear friend from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, I ask him to yield only for the record to indicate that there has been in the Senate evidence by the votes on amendments to cut foreign aid that the Senator's ranks, under his leadership, are gaining strength. In fact the House was not able to act on the fiscal year 1981 foreign assistance appropriation bill before the 96th Congress adjourned. We have not yet had the number of votes necessary to make these cuts. I have joined in this effort with the able Senator on many occasions.

If we have a project in the Senator's State or any of our States for which there is funding requested, we run the gauntlet, is it not true, of the various regulations and responsibilities and even the environment and its effect upon the quality of life? Each project has to prove a real need.

Yet, we are sending billions and billions of dollars overseas and we have no real record of how it is used and the purposes for which the money has been earned here and is being spent there.

My colleague from Virginia has the same understanding and compassion that, I think, the Members generally have for working on those programs that are cooperative in nature, when we can. As a result of advanced technology, the world is constantly shrinking, because we are closer one to the other. The media, of course, in many ways, bring us together in minutes in what it took us weeks and months to learn about years ago. We increasingly must be careful that we do not continue to spread ourselves so thin over such far reaches of the world that we cannot take care of the imperative needs in the United States of America.

I do not want to be considered an isolationist, but I want us to understand and we must increasingly understand that our regard for the financial strength of this country is being eroded by the attitude, yes, within the Congress itself and the administrations, regardless of party, in reference to foreign aid funding in excessive amounts.

I commend the Senator. He speaks with authority on this subject and I am happy, as I have often been—not so much happy, perhaps, as that I have a feeling of a sense of responsibility—to join him in these efforts.

Mr. HARRY F. BYRD, JR. The able Senator from West Virginia (Mr. RANDOLPH) is so right, I feel, in his appraisal of the need to study very carefully the proposed increases in foreign aid.

I might say that the Senator from Virginia is proud to have stood side by side with the able Senator from West Virginia through a long period of years in focusing attention on these foreign aid programs and working together on amendments to try to reduce the cost to the American taxpayer of these ever-increasing giveaway plans.

It might be well, Mr. President, to let the record show that, over a period of years, this country has been giving foreign aid to 100 different countries—100 different countries scattered throughout the world. I submit we have fewer friends, the United States has fewer friends today than probably at any time in our history. To those who feel we can buy friendship with foreign aid, I say that is a lot of bunk. The facts show they are mistaken. I say we cannot. I am convinced that individuals cannot buy friendship. I think that applies to nations as well.

Mr. President, what I am going to say now I cannot prove, and perhaps I should not say it because I cannot prove it. But I am convinced that a great deal of the foreign aid funds which are taken from the pockets of the taxpayers and distributed to 100 different countries is siphoned off by the leaders of government and does not in any way get into the hands of those or does not help those which the Congress and the respective administrations have sought to help. I think the time has come to take a very critical look at the foreign aid programs.

Mr. President, I hope that Mr. David Stockman will stick by his guns. I hope he will submit to Congress and the President will submit to the Congress a sharp reduction in the figures advocated by the outgoing President, Mr. Carter, in regard to these foreign aid programs.

I am so pleased and proud to have the comments today and the continued keen help of my close friend from West Virginia (Mr. RANDOLPH).

The PRESIDING OFFICER. The 30 minutes allocated for renewing morning business has expired.

The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I ask unanimous consent that I be given up to but not to exceed 5 minutes to make a statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

GASOLINE CONSUMPTION PATTERNS

Mr. BUMPERS. Mr. President, in 1979, the Library of Congress, at my request, prepared information comparing the gasoline consumption patterns and the cost of gasoline in certain Western European countries and Japan with the United States.

I recently asked the Library of Congress to update those statistics. The most recent report confirms that consumption does not go down commensurate with the increase in price.

Although gasoline prices in 1979 were 35 percent higher than they were in 1978, consumption only dropped by 5 percent between 1978 and 1979. At this rate, prices would have to increase by 350 percent if we are to cut consumption in half. People are making real changes in their energy habits—using less home heat and buying more fuel-efficient cars, for example. But abrupt increases in gas prices will not increase the rate at which they make such changes.

Mr. President, I am convinced that rising prices do indeed dampen consumption, but they also make life very miserable for those who can least afford it. For many Americans, the energy crisis is just an annoyance. But for most, energy costs are rising far faster than their ability to pay for them. There are 25 million Americans living below the Federal poverty level—$3,778 a year for a single person living in a city. A recently released study by the Department of Energy stated that low-income households in the United States:

First, will spend on average nationwide at least 21.8 percent of their income on household energy. In the Northeast and Midwest, they could spend up to 35 percent.

That does not count driving, Mr. President. I said household energy.

Second, they will continue to pay nearly four times more of their income on household energy than the average American household.

Although I do not intend to get partisan, it is also estimated that President Reagan's decision to decontrol oil in January will cost the average median-income family in the United States, together with their increase in social security taxes, $484. That is a $484 increase this year for increased social security taxes, energy, and food. The Kemp-Roth tax proposal will give that same family a tax reduction of $287, or just a little more than half what their increased costs for social security taxes, energy, and food will be.

Third, low-income families last year lost over $6 billion in purchasing power due to soaring energy costs.

The attached statistics demonstrate that raising the price of gasoline has not had a dampening effect on consumption patterns in countries where prices have risen even more dramatically than in the United States.

Higher energy prices have already eliminated most of the discretionary energy consumption of low- or fixed-income persons. Further increases in energy prices, which are inevitable as a result of the President's decision to decontrol oil prices, will simply eliminate the ability of these consumers to purchase energy at all, while wealthier Americans are able to consume as much as they wish.

The interesting thing is that decontrol of energy prices will cost me about $500 a year. It will cost a family in this country with a median income of about $4,500 a year, the same amount as it costs me. I come out with a net gain of $3,500, and the median income family comes out with a loss.

Last year, in the United States, the average price of premium gasoline was 97 cents, and we consumed 107,770,000,000 gallons. That is a reduction of about 5 billion gallons.

However, in France, England, Italy, Germany, and Japan, where they have been used to $2 and $3 gasoline, look at what has happened. The price of gasoline in France went up 30 cents between 1978 and 1979, and consumption of gasoline went up 400 million gallons. In England, the price of gasoline went from $1.19 to $2.21, a $1.02 gallon increase in 1 year.

Yet, in England, the consumption of gasoline increased by 120 million gallons.

In Italy, the price of gasoline went up 28 cents a gallon, and their consumption went up from 4 billion to 4.3 billion.

In Germany, the price of gasoline went up 43 cents a gallon, and consumption went up 100 million gallons.

In Japan, the price of gasoline went up 23 cents a gallon, and consumption went from 8.77 billion gallons to 9.11 billion gallons.

The lesson to be learned from these statistics is very simple: There is either a slight dampening effect, as we had in the United States with these tremendous increases, even though we are still not up to the $2 or $3 level; or, as in those countries used to high gasoline prices, there is simply a reduction in the rate of increase in consumption.

I am not naive enough to say that the gasoline price does not reduce consumption. I am not here to say that energy prices cannot and should not go up, but the question here is, how fast, and who is going to pay for it?

I can tell you that the middle-income people, those on fixed incomes, and the working people of this country are being decimated with the increase in the cost of energy in this country.

Mr. President, I ask unanimous consent that the report prepared by the Congressional Research Service of the Library of Congress be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD as follows:

A COMPARISON OF ANNUAL GASOLINE CONSUMPTION, REPRESENTATIVE SUMMER PRICES OF PREMIUM GASOLINE AND TAXES IN SELECTED COUNTRIES, 1975-80

[Consumption in billion gallons; price and tax data in U.S. dollars per U.S. gallon]

	1975	1976	1977	1978	1979	[1] 1980
United States:						
(a) Motor gasoline consumed	102.33	106.94	110.01	113.69	107.77	NA
(b) Pump prices of premium gasoline (New York)	0.65	0.64	0.69	0.71	0.97	1.30
(c) Taxes included in the pump price	0.12	0.12	0.12	0.13	0.14	0.14
(d) Retail price, net of taxes	0.53	0.52	0.57	0.58	0.83	1.16
France:						
(a) Motor gasoline consumed	5.68	5.94	6.03	6.24	6.28	NA
(b) Pump price of premium gasoline (Paris)	1.69	1.51	1.84	2.32	2.62	3.14
(c) Taxes included in the pump price	0.94	0.81	1.10	1.30	1.67	1.79
(d) Retail price, net of taxes	0.75	0.70	0.74	1.02	0.95	1.35
United Kingdom:						
(a) Motor gasoline consumed	5.72	5.99	6.15	6.51	6.63	NA
(b) Pump price of premium gasoline (London)	1.31	1.05	1.21	1.19	2.21	2.49
(c) Taxes included in the pump price	0.57	0.57	0.58	0.62	1.03	1.30
(d) Retail price, net of taxes	0.74	0.48	0.63	0.57	1.18	1.19
Italy:						
(a) Motor gasoline consumed	3.95	3.83	3.74	3.99	4.30	NA
(b) Pump price of premium gasoline (Rome)	1.71	1.43	2.14	2.25	2.53	3.22
(c) Taxes included in the pump price	1.15	0.92	1.53	1.60	1.66	1.94
(d) Retail price, net of taxes	0.56	0.51	0.61	0.65	0.87	1.28
Federal Republic of Germany:						
(a) Motor gasoline consumed	7.01	7.31	7.74	8.17	8.27	NA
(b) Pump price of premium gasoline (Bonn)	1.34	1.48	1.54	1.76	2.19	2.58
(c) Taxes included in the pump price	0.80	0.82	0.90	1.02	1.17	1.23
(d) Retail price, net of taxes	0.54	0.66	0.64	0.74	1.02	1.35
Japan:						
(a) Motor gasoline consumed	7.54	7.93	8.26	8.77	9.11	NA
(b) Pump price of premium gasoline (Tokyo)	1.63	1.51	1.78	2.23	2.46	2.78
(c) Taxes included in the pump price	0.45	0.57	0.61	0.87	0.95	1.08
(d) Retail price, net of taxes	1.18	0.94	1.17	1.36	1.51	1.70

[1] Preliminary.

Sources: U.S. Department of Energy. Energy Economics Research Limited. U.S. Central Intelligence Agency. Japan National Oil Co. CRS estimates and computations.

EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for not to exceed 20 minutes, under the previous conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

DOMESTIC AUTOMOBILE SALES

Mr. DANFORTH. Mr. President, domestic car sales declined 7.8 percent in early February when compared with last year's weak performance levels. Chrysler sales declined 8.6 percent in comparison with the previous year's performance, halting a 4-month string of year-to-year sales improvement.

The situation in the U.S. auto industry is getting worse, not better. The need for legislation to provide breathing room for domestic industry, as it retools in response to rapidly-shifting demands, has become more acute. Senator BENTSEN and I, along with several of our colleagues, have introduced such a measure. S. 396 would temporarily limit the import of Japanese cars.

Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of S. 396.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. This brings to 12 the number of cosponsors of this proposed legislation.

COMMEMORATION OF THE 63D ANNIVERSARY OF LITHUANIA'S INDEPENDENCE DAY

Mr. THURMOND. Mr. President, I rise today to join my colleagues in commemorating the 63d anniversary of Lithuania's Independence Day.

Although Lithuania suffered forced incorporation into the Soviet sphere in 1940, its brief independence demonstrated the freedom loving qualities of the Lithuanian people. Their constitution, of which the Soviets have made a mockery, guarantees "freedom of conscience" and equality of all citizens before the law.

Even today, after 40 years of Soviet domination, the Lithuanian people embrace the same ideals which led to, and are embodied in our own Declaration of Independence. In no other Soviet satellite are resistance and dissent so well organized. Despite the best efforts of Moscow, the Lithuanians have maintained their defiance of foreign domination and oppression. Demonstrations and petitions protesting religious persecution, as well as the publication of underground journals detailing discrimination and disregard for the most basic of human rights, provide clear opposition to Soviet rule.

Mr. President, I think that it is appropriate for us to recognize the will and determination of the Lithuanian people to once again exercise their right of self-determination. These people most certainly deserve our admiration and support for their continuing effort to free themselves from the shackles of Soviet domination.

HOW OUR TAX DOLLARS ENCOURAGE IDLENESS

Mr. HELMS. Mr. President, as one who has spoken out rather consistently concerning the urgent need to cut Federal spending, I know what it is to be charged with being hostile and unfeeling toward the poor. It is always solemnly asserted—usually by the bureaucrats affected and their partisans in the media—that any reduction in the bloated Federal budget would immediately and adversely impact upon the poor, the helpless, and the elderly. But like so many other arguments that are advanced to defend enormous bureaucratic spending, this simply is not so.

No doubt these charges of inhumanity are soon going to rain down upon many of us, both in the Congress and in the new administration, who are desperately trying to stanch the flow of red ink out of Washington. Thus it may stiffen our resolve to consider an article which appeared in the January 12 issue of the Poultry Times. I am indebted to my friend, Mr. John R. Blakely of Ahoskie, N.C., for sending me this article which shows how Federal programs conceived with the best intentions have actually undermined the welfare of the very people they were designed to help, while at the same time giving bureaucrats a vested interest in promoting dependency.

Second, I submit for the RECORD a piece that appeared in the Wall Street Journal on January 13, on what is wrong with the unemployment compensation system. My thanks to another friend, Joseph J. Spengler of the Duke University Department of Economics, for calling this to my attention.

Mr. President, I ask unanimous consent that the article "The Welfarization of a Productive Family," by Ted Oglesby, and "Sitting Pretty: A Daughter Discovers the Dole," be reprinted in full at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Poultry Times, Jan. 12, 1981]

THE "WELFARIZATION OF A PRODUCTIVE FAMILY"

(By Ted Oglesby)

Efforts of the private sector and church organizations to fill human needs sometimes fail because of the intrusion of tax-funded agencies wanting to help or even do the job themselves. This is the story of just such a failure.

(Ed. note: The editors of the Poultry Times believe this story to be of interest to our readers as it takes place on a large commercial egg operation near Gainesville, Ga. Mr. Oglesby is associate editor of the Gainesville Daily Times.)

This story could have any number of legitimate starting points and may not be concluded. We'll start with the Grace Episcopal Church in Gainesville and end with the story as it stands as of the time of writing.

Members of the Grace Episcopal Church read, with some distress, of the plight of many of the Cambodian refugees fleeing into neighboring Thailand and elsewhere from the genocide in their native land. They wanted to help in a more tangible way than merely sending money to some organization that purported to help. Perhaps sponsor a refugee family wanting to relocate in this country?

Church World Service, a New York-based organization sponsored by a number of churches including the Episcopal and Southern Baptist, was contacted. This organization has helped thousands of refugees by finding sponsors.

Sara Dresser, a worker in the organization, referred Rev. Nat Parker to two related families needing sponsorship.

Wilbur Ramsey, a partner in L-R Farms, a large commercial egg operation near Gainesville, agreed to offer employment and housing. Some doctors in the congregation agreed to provide medical care. Others would

help in other ways. Some guidelines were established.

The sponsored families would be taken care of by the church with no assistance from tax-supported agencies. The church would help the families become self-sufficient with pride intact.

Another starting point for this story could be Sunday, Sept. 2, 1979.

Ramsey drove to the Atlanta Airport to greet the first family. There were six members, the mother seven months pregnant. Ramsey, who'd been forewarned, still wasn't totally prepared for what he found.

"It was pathetic," he recalls. "The kids were sick. All were hungry. Cambodians normally are very clean people. They were filthy and dressed in rags. All their possessions, the total luggage, were a bundle of rags and a tea kettle with some water in it. They spoke no English. I spoke no Cambodian."

He gathered them up, handled necessary detail and came to Gainesville. "We had to get the kids some food and milk. Then we came on home."

Help was waiting.

"Julia Cromartie and Caroline Alday were there with food and clothing for them. We had a mobile home ready to receive them. After doing what we could, we left them to become acclimated to their new home."

Ramsey expected the family to take several weeks to become acclimated sufficiently to begin working. Doctors in the church treated the children and took care of the medical needs of the family. Arrangements were made for the pregnant wife. Communication was made easier by Mrs. Varaporn Wilson, a Southeast Asia native who spoke the language who is married to a native Gainesvillian.

"I went to check on them Monday morning," Ramsey continued. "They were a different people. They were clean as a whistle, smiling, jabbering and in the clothes we had. Within a few days and not the several weeks I had anticipated they were ready to go to work.

"I took them down to the chicken house. It was totally equipped with automated equipment. I expected it would take several days for them to learn to operate it correctly. It usually takes workers here several days to get the hang of it. I was amazed. They could do it by the end of the first day. They learned quickly."

The family was moved into one of Ramsey's houses. Besides the housing and utilities, the family received the normal wages other workers received.

Within a few weeks, the man and wife could operate the chicken house by themselves. The oldest child, beyond school age, was employed in the egg plant.

Ramsey's wife, Dixie, began teaching the family English. She and church members would take them to the grocery store twice a week for shopping. Members of the church worked with the family teaching them the ways and customs of their new community.

In December, the second family arrived. They included the mother and brother of the head of the first family. The baby already had arrived in November. The mother took care of the children and six of the 14 family members were employed by Ramsey.

'They fit right in. They were most dependable and learned quickly. The other employees liked them," Ramsey said.

The family hadn't been at work long before the church members began teaching them about banking and saving. Accounts were established, and each payday savings deposits were made. During the past year the family saved more than $7,000, Ramsey said. In addition, they would send $50 to $100 a week back to relatives in Cambodia.

One of the hardest things to do, Ramsey recalls, was stick to the guideline provision that no public (tax-supported) assistance would be accepted. "They hadn't been here a week before the agencies started calling and contacting the family wanting to enroll them in their particular programs," Ramsey said. "CETA wanted to set up a program. The Migrant Farm Workers organization wanted to get in on the act."

One day, he continued, the head of the family told him he had been told he was eligible for food stamps. Ramsey explained why the family shouldn't take them. Another day, the head of the family talked about his children getting free lunches at school. No way, Ramsey said.

These programs, he continually explained, were for people who couldn't work and who couldn't make it on their own. This family was earning its own way, sending money home to help others and still saving money. The programs weren't intended for them even though the individual program administrators were trying to enlist them.

The tax-supported agencies finally succeeded in penetrating the protective wall earlier this year. Family ties and the intense desire to "get ahead" rather than the desire to take advantage of "freebies" were the keys used.

Ms. Dresser explained that Cambodians were proud people anxious to get ahead and succeed. "They understand that education is the key to success," she said. "They are willing to sacrifice a great deal to get that education because they understand it will pay dividends in the future."

The Cambodian Refugee Association, a federally funded organization in Minnesota, had a number of programs to assist the large number of refugees that had moved into that area. Enrolled in one of those programs was a cousin to the Hall County refugee families.

"We encourage refugee families to stick together," Ms. Dresser explained. "They are over here alone. It helps with family stability and morale." The Minnesota association contacted the Chhem family through the cousin. The family could be paid to go to school to learn English and other skills. After a couple of years of this education, it could be placed somewhere in some industry. "Maybe a shoe factory," one member told Ramsey.

Ramsey talked with a Mr. Socheat (pronounced So-Kot). The families would be well provided for and given the real opportunity. The Association was sending a bus down to pick up the family.

Ramsey objected. "Don't worry," Socheat assured him. It won't cost you anything. Federal funds will pay for it."

Ramsey objected to the use of federal funds for such transportation. Socheat decided he'd send tickets for the family to use public transportation.

Ramsey objected. Federal funds would pay for those tickets. Socheat agreed the family could buy its own tickets. Ramsey had the distinct impression the family would be reimbursed upon arrival—with federal funds.

The Chhem family departed Gainesville the Saturday afternoon before Christmas traveling by bus. It was uncertain when they would reach St. Paul.

The Times talked the following Tuesday with a St. Paul volunteer representative of Church World Service. Ross Graves, an architect, tries to find sponsors like Ramsey and the Episcopal Church for refugee families.

Graves was incredulous that the Chhems had left Hall County and were enroute to St. Paul. "I told Socheat to call them and tell them not to come," he said. "There's nothing here for them. They're better off where they are."

He found it easy to surmise what had happened though.

"We've got a lot of refugees in this area," he explained. "There're a number of organizations funded to work with them. Each one of these organizations try to get all they can under their umbrellas so they can pack the greatest wallop, have the greatest influence. Socheat undoubtedly wanted more Cambodian refugees under his umbrella so he let them come on anyway."

What is going to happen to the Chhem's, The Times asked.

"They're going straight on welfare," Graves said. "That's the only place. Sure, there're these programs, educational and otherwise, but the waiting list is a mile long. Theoretically, they can get a job. Actually, the unemployment rate among refugees up here, because there're so many, is more than 70 per cent. They'll go on welfare until something in one of the programs opens up or they luck into some job. They may get so disillusioned, they'll want to go back to Georgia if there's anything still available for them down there."

And that's the story of how tax-supported agencies attracted a productive family paying its own way, helping others and saving money onto the welfare rolls.

[From the Wall Street Journal, Jan. 13, 1981]

SITTING PRETTY: A DAUGHTER DISCOVERS THE DOLE

(By Sanford L. Jacobs)

If Ronald Reagan comes to my house, he can see for himself what's wrong with our unemployment compensation system. He'll see that it's trying to ruin a really wonderfully energetic person—my 19-year-old daughter.

She isn't lazy. She works hard for other people. (Her willingness to work around our house is another matter, but has nothing to do with the issue under discussion.) She worked part-time in hectic kitchen jobs in little restaurants when she was a high-school student. When she finished high school in 1979, she spent the summer at hard work in the kitchen of a resort out West. Last winter, she took a job as a cook's helper at a Florida resort.

She is a good worker, my daughter. Her supervisor in Florida promoted her to cook when the cook quit. Her energy and dedication as chief cook was so good that the supervisor didn't hire an assistant for her. He seldom gave her a day off. He told her that he would have to cook when she was off and he didn't want to miss seeing the weekend football games on television.

But she isn't a dummy. She warned him that she'd quit if he didn't give her more days off. He said he didn't believe she would because she was such a good worker. She did quit and soon had another, better paying job.

Her mother and I thought this was terrific. Our first-born was learning to take care of herself in the world. We hadn't raised a shirker.

This summer she worked out West again. When the resort closed for the season, she came home. Then the cradle-to-grave welfare system started to influence my daughter's life.

A friend told her she could collect unemployment compensation. I didn't know much about it, but I told her I didn't see how she could be eligible since she'd never been fired from a job and she hadn't any real need for the money, for she was living at home. These facts don't seem to matter.

The good folks in the austere unemployment compensation office told my daughter she is eligible to receive $84 a week. This unearned income will come to her for 52 weeks, they said. Wow! (To borrow her vernacular.) Eighty-four bucks a week, and she doesn't have to do anything to get it except show up at the unemployment office every two weeks and assure the good folks there that she's been looking for work.

Of course she hasn't much incentive to find work. What 19-year-old living at home with $84 a week in her designer jeans needs a job? Her basic needs are taken care of by her parents. That $84 is more than enough for weekly roller-skating and beer expenses.

Putting gas in our thrifty imported car when she uses it won't break her, either.

My daughter probably thinks this is great. We haven't talked about it much since her mother and I referred to her getting "welfare."

I'd like President Reagan to learn enough at my house to return to Washington and ask the folks who set unemployment-compensation rules how come 19-year-old kids supported by their parents can get it.

From what I see, it's giving these kids the wrong signals. They're learning that they can get a free lunch. (My daughter's former employers are paying for part of her unearned income.)

Even more regrettable, these young persons are finding out that our government isn't run intelligently enough to prevent the system from giving money to people who don't need it.

LITHUANIAN INDEPENDENCE DAY

Mr. LEVIN. Mr. President, I submit for the RECORD a transcript of comments I made in Detroit on Sunday, February 15, to the Lithuanian community in commemoration of Lithuanian Independence Day. I also submit for the RECORD a resolution of the Detroit Lithuanian Organizations Center dated February 15, 1981.

The material follows:

REMARKS OF SENATOR CARL LEVIN TO THE LITHUANIAN COMMUNITY ON FEBRUARY 15, 1981

Thank you for inviting me to be with you today to share in your commemoration of Lithuanian Independence Day. Although the Republic of Lithuania was established in 1918, it enjoyed its too brief independence for only 22 years. For in 1940, the Soviet Union invaded and forcibly annexed Lithuania, totally nullifying a peace treaty and non-aggression pact with Lithuania.

Since 1917, the Soviet Union has gobbled up its neighbors with an insatiable appetite. First it was Georgia, Armenia, Ukraine and other neighbor states. Then, in 1940 and during World War II, it was the Baltic Nations that were devoured. And in the post war years, we saw Soviet tanks roll into Eastern Europe and, more recently, Afghanistan. No modern state has acted so blatantly contrary to the basic principles of national self-determination and territorial integrity.

There is no semblance of independence in Lithuania in 1981 except, and this is a big except, in the hearts and minds of people. But the struggle for independence continues. To keep it going, we must all press for human rights for the inhabitants of Lithuania, for other Baltic Nations and, indeed, for all the captive peoples everywhere.

Too many people have lost the right to worship: in the Soviet Union and in the captive nations, religion is prohibited and religious groups are viciously persecuted. The people yearn for this basic freedom.

Too many people have lost the right to travel: requests for visas to travel or emigrate are virtually impossible to obtain. There are no direct flights to any of the Baltic Nations and one must go through Moscow to enter or leave. This agonizing situation is a roadblock to visitation, family reunification and international marriage.

Too many people have lost the right to express their own individuality: a spiritual genocide is taking place in Lithuania and the other Soviet subjugated states today. The russification that we are witnessing aims to wipe out those special characteristics that are so dear to each individual nationality: language, art, culture, customs. A people has a right to realize its own political, social and economic selfhood. If those basic rights can be stamped out, a whole people's identity is lost forever.

Of the opening session of the Conference on Security and Cooperation in Europe held in Madrid from November 11 to December 19 of 1980, the staff report states, "Soviet intransigence was an important catalyst in maintaining allied units and in encouraging allied, neutral and non-aligned nations to take a forthright position against Soviet and Eastern European violations of their commitments under the Helsinki Accords."

The opening session dealt with an implementation review of the Helsinki Accords and the United States enjoyed a great deal of support and cooperation from the Western countries which were critical and specific in citing Soviet and Eastern European transgressions.

The Soviets always responded with their familiar "non-interference in internal matters" argument. They failed to respond to the substance of specific accusations that were made against them.

The Soviets took a beating in world public opinion, during the implementation review in Madrid, where lists of names were read, names of those held prisoner, literally and figuratively, in their own homelands.

Phase two of the Madrid meeting began on January 27 and new proposals are on the agenda for this sesison. The so-called Basket III working group will be examining 30 new propcsals dealing with human rights, and the Western countries have set their priorities; proposals have been designed to facilitate freer movement of people and ideas. We must push forward with this process, as painfully slow as it is because we are talking about basic freedoms.

To be free in America is something we treasure above everything else. To be a part of a viable and vital ethnic group in a free America is a double blessing. There are but a few places in this world today where a person can hold onto his own traditional, cultural and historical background while absorbing at the same time the flavor, the uniqueness, the modernity that characterizes this great country.

As you keep your identity with your native land intact, you enrich the marvelous mosaic which is America by adding your own special colors, your customs and beliefs. These colors blend with, but do not become blurred by, the many unique colors that all the other ethnic groups put into this mosaic, this rainbow, we call America.

The people of Lithuania depend on you to keep their hopes for independence alive. The people of Lithuania depend on you to articulate their longing for self-expression and self-determination. The people of Lithuania depend on you to perpetuate in this country those qualities which are uniquely Lithuanian.

A New York editorial of 1959 on the anniversary of Lithuanian Independence Day said it well: "In the Baltic Countries, the path to a better future is still dark, but it is not lost and will not be. The day of the overlords will not last forever. The time will come when the three lost little nations will be able to come out and join us."

You are keepers of the flame. As long as you remember, and as long as we all remember, America will never recognize the Russian annexation of Lithuania.

RESOLUTION OF THE DETROIT LITHUANIAN ORGANIZATIONS CENTER

Detroit, Mich., February 15, 1981.

Resolution on the occcasion of Lithuania's Independence Celebration in Southfield. Mich., February 15, 1981

We, United States citizens of Lithuanian descent, residing in Southeast Michigan and having met on February 15, 1981 at 12:30 PM at the Lithuanian Cultural Center, 25335 West Nine Mile Road, Southfield, Michigan, to celebrate Lithuania's Independence Day, hereby have resolved that:

Whereas, During and after World War II at Moscow, Teheran, Yalta, and Potsdam conferences of Western powers and USSR, East Central Europe became dominated by Soviet Russia, and,

Whereas, The sovereign States of Lithuania, Latvia, and Estonia were occupied by Soviet Russia, and

Whereas, Soviet Russia systematically seeks to conquer the whole world, and after World War II has taken foothold in Africa, Asia, and America, and

Whereas, the last victim was the sovereign State of Afghanistan, where Afghan patriots are still fighting the invaders,

Now, therefore, we request that our Government should oppose Soviet Russia's colonialism and terrorism and thus further peace in the world, and

That our Government should exert diplomatic and other pressures on the Soviet Union to withdraw its occupational forces from Lithuania, Latvia, and Estonia, and

We petition our Government to show visible moral support to oppressed nations, and

We thank our Government for non-recognition of the incorporation of Lithuania, Latvia, and Estonia into the Soviet Union.

Now, therefore, We empower the Chairman of the Day to sign this Resolution and resolve to send it to the President, the President of the Senate, the Speaker of the House of Representatives, and the Senators and Representatives from the State of Michigan.

Dr. STEFA MISKINIS,
Chairman of the Day.
STASYS SIMOLIUNAS,
Secretary.

MESSAGE FROM THE HOUSE

At 1:31 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 69. A concurrent resolution providing for a joint session of the two Houses on Wednesday, February 18, 1981, to receive a message from the President of the United States.

The message also announced that pursuant to section 3(b) of Public Law 96–317, as amended, the Speaker appoints as members of the Commission on Wartime Relocation and Internment of Civilians the following member on the part of the House: Mr. LUNGREN; and the following members from private life: Mr. Arthur J. Goldberg of Virginia, and Mr. Robert F. Drinan of Massachusetts.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanving papers, reports, and documents, which were referred as indicated:

EC–395. A communication from the Acting Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on the total numbers of applications for conditional registration under certain sections of the Federal Insecticide, Fungicide, and Rodenticide Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC–396. A communication from the Acting Assistant Secretary of the Army (Installa-

tions, Logistics, and Financial Management), transmitting, pursuant to law, notice of a study with respect to converting the custodial services activity at U.S. Army Armament Research and Development Command, Picatinny Arsenal, Dover, N.J., and the decision that performance under contract is the most cost-effective method of accomplishment; to the Commitee on Armed Services.

EC–397. A confidential communication from the Director, Defense Security Assistance Agency, reporting, pursuant to law, concerning the Department of the Air Force's proposed Letter of Offer to Austria for Defense Articles estimated to cost in excess of $25 million; to the Committee on Armed Services.

EC–398. A communication from the Assistant Secretary of the Air Force, Research and Development and Logistics, reporting, pursuant to law, that a study has been conducted with respect to converting the military family housing maintenance function at Keesler Air Force Base, Miss., and a decision has been made that performance under contract is the most cost-effective method of accomplishment; to the Committee on Armed Services.

EC–399. A communication from the Administrator, Panama Canal Commission, transmitting, pursuant to law, a report, including financial statements, covering the operations of the Panama Canal during the period October 1, 1979 through September 30, 1980; to the Committee on Armed Services.

EC–400. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting, pursuant to law, the Base Structure Annex to the Defense Manpower Requirements Report for fiscal year 1982; to the Committee on Armed Services.

EC–401. A communication from the Deputy Assistant Secretary of Defense (Installations and Logistics), reporting, pursuant to law, on 6 construction projects to be undertaken by the Air Force Reserve; to the Committee on Armed Services.

EC–402. A communication from the Secretary, Interstate Commerce Commission, reporting, pursuant to law, that the Commission is unable to render a final decision within the required 7-month period in Docket No. 37276 (Sub-No. 1), Coal, Wyo. to Redfield, Ark., and Docket No. 37456, Arkansas Power and Light Co., et al., v. Burlington Northern, Inc., et al., and requesting an extension until May 17, 1981; to the Committee on Commerce, Science, and Transportation.

EC—403. A communication from the Deputy Assistant Secretary of Energy, Resource Development and Operations, Resource Applications, transmitting, pursuant to law, a report entitled "Unconventional Gas Sources, National Petroleum Council, December 1980"; to the Committee on Energy and Natural Resources.

EC–404. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Actions Needed to Increase Federal Onshore Oil and Gas Exploration and Development," February 11, 1981; to the Committee on Energy and Natural Resources.

EC–405. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Residential Energy Conservation Outreach Activities—A New Federal Approach Needed," February 11, 1981; to the Committee on Energy and Natural Resources.

EC–406. A communication from the Acting General Counsel, Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC–407. A communication from the Acting Administrator, Energy Information Administration, transmitting, pursuant to law, volume one of the Energy Information Administration Annual Report to Congress; to the Committee on Energy and Natural Resources.

EC–408. A communication from the Acting Administrator, General Services Administration, transmitting, pursuant to law, a prospectus with regard to the leasing of space located at One Lefrak City Plaza, Queens, N.Y.; to the Committee on Environment and Public Works.

EC–409. A communication from the Secretary of Labor, transmitting, pursuant to law, the 10th annual report on the Work Incentive Program; to the Committee on Finance.

EC–410. A communication from the Assistant Administrator for Legislative Affairs, Agency for International Development, transmitting, pursuant to law, the report of the Minority Resource Center for fiscal year 1980; to the Committee on Foreign Relations.

EC–411. A communication from the Deputy Assistant Secretary, Department of Health and Human Services, transmitting, pursuant to law, the Annual Report of Department of Health and Human Services Disposal of Foreign Excess Property during fiscal year 1980; to the Committee on Governmental Affairs.

EC–412. A communication from the Deputy Assistant Secretary of Housing and Urban Development, transmitting, pursuant to law, a report of the Department's intention to establish a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC–413. A communication from the Director, Administrative Office Of The U.S. Courts, transmitting, pursuant to law, a report on 15 positions allocated by statute to the Administrative Office of the U.S. Courts; to the Committee on Governmental Affairs.

EC–414. A communication from the Acting Assistant Secretary of Transportation (Administration), transmitting, pursuant to law, notice of a proposed new system of records for the Department for implementing the Privacy Act; to the Committee on Governmental Affairs.

EC–415. A communication from the Chief Justice of the United States, transmitting, pursuant to law, a copy of rules promulgated for preventing the unauthorized disclosure of classified information in federal criminal court proceedings; to the Committee on the Judiciary.

EC–416. A communication from the Attorney General of the United States, transmitting, pursuant to law, notice that the Department of Justice will not enforce a certain provision of law because of the position of the Department that it is unconstitutional; to the Committee on the Judiciary.

EC–417. A communication from the Executive Director of the Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the annual report on activities of the Corporation under the Freedom of Information Act for calendar year 1980; to the Committee on the Judiciary.

EC–418. A communication from the Secretary of the Commission of Fine Arts, transmitting, pursuant to law, the annual report of the Commission on activities under the Freedom of Information Act for calendar year 1980; to the Committee on the Judiciary.

EC–419. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of the Director, 1980, and the annual plan for fiscal year 1982–86 for the National Cancer Program; to the Committee on Labor and Human Resources.

EC–420. A communication from the Secretary of the U.S. Railroad Retirement Board, transmitting, pursuant to law, a report on a proposal to consolidate two systems of records into one and change the scope of the population covered; to the Committee on Labor and Human Resources.

EC–421. A communication from the Acting Public Printer, transmitting, pursuant to law, annual report on the activities of the U.S. Government Printing Office for fiscal year 1980; to the Committee on Rules and Administration.

PETITIONS

The following petitions were laid before the Senate and referred as indicated:

POM–17. A concurrent resolution of the First Congress of the Federated States of Micronesia; to the Committee on Energy and Natural Resources:

CONCURRENT RESOLUTION

"A resolution requesting the U.S. Government to provide $600,000 for a public education program prior to the plebiscite regarding the Draft Compact of Free Association

"Whereas, a Draft Compact of Free Association between the Government of the Federated States of Micronesia and the Government of the United States of America has been initialed by representatives of both governments; and

"Whereas, the people of the Federated States of Micronesia must approve the Draft Compact of Free Association in a plebiscite before such compact could take effect; and

"Whereas, it will be necessary to educate the people of the Federated States of Micronesia as to the provisions of such compact so that they can make an informed choice in such plebiscite; and

"Whereas, it is anticipated that a comprehensive public education program extending to all parts of the Federated States of Micronesia will entail considerable expense beyond the current means of the Federated States of Micronesia; and

"Whereas, representatives of the United States of America have assured the Micronesian parties negotiating such compact of the willingness of the United States Government to assist in defraying the costs associated with a public education program regarding such compact; now, therefore,

"*Be it resolved* by the First Congress of the Federated States of Micronesia, Fourth Regular Session, 1980, that the United States Government be requested to provide $600,000 to assist in defraying the costs associated with a public education program prior to a plebiscite regarding the Draft Compact of Free Association; and

"*Be it further resolved* That certified copies of this resolution be transmitted to the President of the Federated States of Micronesia, the President of the United States of America, the Presiding Officers of the United States Congress, the Secretary of State, the Secretary of the Interior, the President of the Trusteeship Council, Governors and Speakers of all the states of the Federated States of Micronesia, the Chairman of the Commission on Future Political Status and Transition, and Ambassador Peter Rosenblatt."

POM–18. A petition from a citizen of Springfield, Mo., relating to the appointment of certain individuals in the Reagan Administration; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS:

S. 482. A bill to reform the Bail Reform Act of 1966 to require the judicial officer making the bail determination to detain

those persons who cannot be released without endangering the safety of other persons or the community; to the Committee on the Judiciary.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 483. A bill to amend the Internal Revenue Code of 1954 to provide that the occupational tax on wagering shall not apply in any State in which wagering is permitted by law; to the Committee on Finance.

By Mr. CHILES:

S. 484. A bill to amend the Social Security Act to insure adequate short- and long-term financing of the old-age, survivors, and disability insurance program and the medicare program; to the Committee on Finance.

By Mr. ARMSTRONG:

S. 485. A bill to restrict the effect of Office of Management and Budget Circular A–118 as it regards parking fees for members of the Armed Services; to the Committee on Armed Services.

By Mr. BENTSEN:

S. 486. A bill to amend the Internal Revenue Code of 1954 to permit an individual covered by a private retirement plan to establish a separate individual retirement account or deduct a separate contribution to the plan; to the Committee on Finance.

S. 487. A bill to amend the Internal Revenue Code of 1954 to permit small, research-oriented firms to reduce income taxes by an amount equal to 10 percent of eligible research and development expenditures; to the Committee on Finance.

S. 488. A bill to establish a ten percent tax credit for investment in research and development for small businesses; to the Committee on Finance.

S. 489. A bill to establish the National Productivity Council to coordinate Federal efforts to promote the growth of productivity in the private sector, and for other purposes; to the Committee on Governmental Affairs.

S. 490. A bill to provide a program within the Comprehensive Employment and Training Act to retrain workers about to be laid off due to productivity improvement programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GLENN:

S. 491. A bill to amend title 5 of the United States Code to provide death benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes; to the Committee on Governmental Affairs.

By Mr. D'AMATO:

S. 492. A bill to increase the income tax exclusion of dividends and interest received by individuals; to the Committee on Finance.

By Mr. GOLDWATER:

S.J. Res. 31. Joint resolution to establish procedures regarding the termination of, or withdrawal from, treaties of military alliance, defense, or national security by the United States, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CANNON (for himself and Mr. LAXALT):

S. 483. A bill to amend the Internal Revenue Code of 1954 to provide that the occupational tax on wagering shall not apply in any State in which wagering is permitted by law; to the Committee on Finance.

EXCISE TAX ON WAGERING

Mr. CANNON. Mr. President, on behalf of my distinguished colleague, Senator LAXALT, and myself, I introduce a bill to amend the Internal Revenue Code to provide that the 2-percent excise tax on wagers and the $500 occupational tax on wagering shall not apply in any State in which wagering is permitted by law.

I introduced this measure last session, and it was favorably considered twice by the Finance Committee. First, the bill was reported with overwhelming committee support early in the session and later at the end of the session it was again endorsed when it was grouped with other noncontroversial tax measures to be considered by the Senate.

These taxes were originally adopted in 1951 as a revenue-raising device, as well as a means of curbing illegal wagering. However, it has become clear, over the years, that the impact of these taxes has been just the reverse.

The 2-percent and occupational taxes hinder the ability of gaming establishments which are authorized pursuant to State license and regulation, and make a good faith effort to comply with the code, to compete effectively with illegal counterparts. The result is that illegal operations are actually benefited.

As pointed out in the Finance Committee's report:

> The imposition of taxes subjects legal wagering to an unnecessary economic burden not borne by illegal wagering for which such liabilities are generally evaded.

The Commission on the Review of the National Policy Toward Gambling, on which I served, in its 1976 report to the Congress, also speaks to this situation. If a legal bookmaker passes the tax on to customers, the customer will most likely take his business to an illegal operator who simply ignores the tax. Yet, if the legal bookmaker absorbs the tax himself, he may well drive himself out of business. This is particularly evident with the smaller volume bookmakers who have difficulty paying the tax. And, as pointed out by the Commission, many licensed bookmaking operations in Nevada are only marginally profitable.

In addition to working to the advantage of illegal operators, these taxes also subject legal gaming operations to discriminatory tax treatment. These taxes are not applied to parimutuel waggering coin-operated devices, State lotteries that base winnings on horserace results, or casino games. They apply only to legal sports and horse bookmaking.

It is not the large casinos which will benefit from the repeal of these taxes. The majority of licensed bookmakers in Nevada are not large, but smaller operations whose primary and oftentimes only business is sports and racebooks. For example, most of these operations employ very few employees, the average number of employees being only 12.

I wish to emphasize that Nevada is the only State conducting this regulated and fully policed activity which is affected by these taxes. No special Federal tax exists in the many States that conduct horse or dog racing or jai lai games. States which have legalized off-track betting—primarily New York and Connecticut—are not subject to these taxes. Furthermore, it should be noted that the State of Nevada, in its own revenue-raising capacity, already imposes a tax of 5.5 percent on these very same activities. A strong element of inconsistency and inequity exists in imposing Federal taxes on select gaming activities.

Gaming is Nevada's largest industry. It is highly regulated and licensed in the State, and the elimination of illegal gaming activities is a goal shared by both State and Federal officials.

Nevada is in its 50th year of legalized wagering, and that longstanding experience has shown that the effect of the excise and occupational taxes is descriminatory among the States and within the industry. These taxes should not apply to wagering operations which are legal and regulated by the State.

It is important to review the revenue aspects of these taxes and I would like to focus on this issue now. It is interesting to note that Congress was advised, in 1951, that the estimated gain to the Treasury from these taxes was $400 million per year. That estimate was completely in error and, in fact, the total revenues gained from these taxes in fiscal year 1980 was only $11 million, and for the past 2 years, the total cumulative figure is only $21 million.

Mr. President, I ask unanimous consent that a breakdown for the past 5 fiscal years taken from the IRS Commissioner's annual report be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CANNON. Mr. President, in 1978 Treasury acknowledged that the revenues from these taxes are "extremely minor," and furthermore that:

> Experience with the several taxes on gambling does not support the conclusion that . . . there have been any substantial direct benefits in income tax enforcement arising from the existence of the gambling taxes.

Mr. President, that is a quote from a letter from Donald C. Lubick, Assistant Secretary-designate, Department of the Treasury, June 8, 1978. I ask unanimous consent that the first page of that letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CANNON. Mr. President, in the 94th Congress, I introduced an amendment to eliminate the excise wagering tax for legal gaming operations. In conference, the excise tax, which was at that time 10 percent, was reduced to 2 percent. The occupational tax, which was at that time $50, was increased to $500. While the reduction of the wagering tax was certainly a step toward correcting the situation, it has proven itself to be just as effective as the 10-percent tax was in penalizing legal operators. Where the 10-percent tax was passed on to the customer, the 2-percent tax is absorbed by the operator. The 2-percent figure is approximately the margin of profit in these wagering operations, and the effect of the tax is to remove that profit for the legal operator. Simply stated, the 2-percent tax is a disincentive to legal bookmaking operations, while illegal bookmakers continue to profit. In a re-

cent Las Vegas Sun article, the IRS estimated that illegal bookmakers gross $8 billion to $10 billion annually in untaxed profits from illegal horse and sporting bets and evade as much as $3.6 billion a year in Federal taxes.

The $500 occupational tax is yet another penalty. This levy applies to each ticket-writing employee of the betting establishment. As a practical matter, most employers pass it on to their workers. In some cases, the ticket writer, who is only a salaried employee, pays it outright. In other cases, the tax is taken out of the ticket writer's paycheck. I am sure it was never the intention of the Congress to apply a special tax on the right to work. The elimination of the occupational tax for legal operators would resolve this inequity. I am informed that this tax is the only such Federal tax levied on an occupation.

The Federal occupational stamp was originally seen as a law enforcement tool, in that it serves to identify bookmakers. That purpose is already served since these individuals are either licensed by the State of Nevada, pursuant to a rather demanding inquiry and hearing or are registered to perform their duties with law enforcement authorities. There seems no reason to duplicate that effort when the identification information is already maintained by the State and is made available by the State.

In conclusion, the 2-percent wagering tax and the $500 occupational tax are ineffective as revenue raising measures and as tools for the enforcement of gaming laws. They are discriminatory taxes, borne by the little guy who complies with the law, while his illegal counterpart benefits.

For these reasons, I urge that this measure be favorably and expeditiously acted upon by the Senate.

I comment again that it has the support of the Treasury Department.

EXHIBIT 1

COLLECTIONS NATIONWIDE FROM THE 2 PERCENT WAGERING TAX AND THE $500 OCCUPATIONAL TAX, AS SHOWN IN THE INTERNAL REVENUE SERVICE COMMISSIONER'S ANNUAL REPORTS FOR FISCAL YEARS 1976, 1977, 1978, 1979, AND 1980

Tax	1976	1977	1978	1979	1980
Wagering tax	$4,962,000	$6,632,000	$6,637,000	$9,124,000	$10,972,000
Occupational tax	900,065	776,000	1,048,000	908,000	1,079,000
Total	5,862,065	7,408,000	7,685,000	10,032,000	12,051,000
Cumulative yearly total	5,862,065	13,270,065	20,955,065	30,987,065	43,038,065

EXHIBIT 2

DEPARTMENT OF THE TREASURY,
Washington, D.C., June 8, 1978.

DEAR SENATOR CANNON: This is in reply to your letters of March 16 to Secretary Blumenthal requesting his comments on S. 98 and S. 1411. S. 98 would increase the maximum credit for a State tax imposed on coin operated gaming devices from 80 percent to 95 percent of the $250 per year Federal tax. S. 1411 would repeal the 2 percent tax on wagers and the $500 per year ocupational tax levied on all persons accepting taxable wagers or engaged in receiving wagers for any person liable for the tax on wagers.

Repeal of the 2 percent tax on wagers would reduce revenues by $7 million. The comparable revenue loss for the $500 occupational tax would be about $1 million. Increasing the credit for State tax on coin operated gaming devices would reduce revenues by about $2 million.

Taxes on wagers and coin operated gaming devices reflect a public policy decision that gambling constitutes an expenditure that can reasonably be subject to taxation. In some cases this is a moral judgment. In others, an evaluation that such spending is discretionary spending. Others have advocated excise taxes on gambling as an aid to determining illegal gains which otherwise might escape income tax.

Our experience with the several taxes on gambling does not support the conclusion that in the aggregate there have been any substantial direct benefits in income tax enforcement arising from the existence of the gambling taxes. Cases of evasion schemes have been discovered as a result of gambling tax enforcement, but not enough for us to make a strong argument for retention of the tax on wagers or coin-operated gaming devices. Revenues from the taxes are extremely minor. Consequently, retention or repeal of these taxes should be determined by public opinion as to whether gambling activities should be taxed as a sign of social disapproval. We express no judgment on this.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

By Mr. CHILES:

S. 484. A bill to amend the Social Security Act to insure adequate short- and long-term financing of the old age, survivors, and disability insurance program and the medicare program; to the Committee on Finance.

SOCIAL SECURITY REFORMS ACT OF 1981

● Mr. CHILES. Mr. President, it certainly comes as no surprise to the Members of the Senate when I say that the social security system is in financial trouble. Again and again during 1980 we were reminded that the system needs a major financial overhaul.

Mr. President, the election year is behind us, the problems have not gone away, and time is running out. It is time to make the hard choices. It is time to act. Today, I am introducing the Social Security Reform Act of 1981 which I believe will return fiscal soundness to this most important program.

Before finishing my tour of duty as chairman of the Senate Special Committee on Aging, I held a series of four hearings entitled "Social Security: What Changes are Necessary?" Among the witnesses at these hearings were some of the top experts in the country on social security, including representatives from several of the major organizations of older people. Many of the most important issues now before us were discussed at these hearings, and I recommend to my colleagues that they review the testimony we received. From my own study of the issues, it is obvious that the answers we seek will not be easy ones.

But it is clear to me that it is time for action—we cannot, as some would hope, shore up social security by standing still and continuing to say: "No change."

It is also clear to me that we cannot save social security by going the same old route of simply raising the payroll tax one more time, on top of increases already scheduled for 1982, 1985, 1986, and 1990. We are in a new era—one of high unemployment and high inflation. We have a new President and a new Congress more dedicated and more determined than ever before to cut taxes and cut spending—not increase them. Payroll taxes in particular hurt both unemployment and inflation.

In light of this new atmosphere, I am convinced, as a member of both the Senate Budget and Appropriation Committees, that the best chance for solving the financial problems of the social security system will be to avoid higher payroll taxes and prevent further increases in the Federal deficit.

Of necessity, this approach will also require some tough medicine resulting in the reduction of certain nonessential benefits. However, at the same time, I am proposing other changes in the law designed to provide increased income and work opportunities for those over 65.

The legislation I am introducing today is comprehensive in nature with elements that have significant impact both now and far into the future. The bill has nine parts which are summarized as follows:

First, remove the mandatory retirement age completely.

Second, eliminate entirely the remaining limitation for those over 65.

Third, require that any change in the Consumer Price Index be submitted for appropriate congressional review.

Fourth. Effective immediately, permit interfund borrowing.

Fifth. Beginning in the year 2000, start to phase in a 3-year increase in the eligibility age for full benefits from 65 to 68, and for reduced benefits from 62 to 65.

Sixth. Over 3 years beginning in 1981, phase in general revenue funds to pay for 70 percent of medicare, part A, and convert all savings which result into reductions in the payroll tax.

Seventh. For both employer and employee, eliminate the payroll tax paid on wages earned by any worker over age 65.

Eighth. Eliminate the minimum benefit for all new retirees, but retain the special minimum benefit for low wage earners.

Ninth. Phase out student benefits starting in August of 1981.

This reform legislation which I have just outlined has four primary goals.

First, through a combination of interfund borrowing and certain specified benefit reductions, we can substantially resolve the short-term cash flow problem facing us over the next 5 years.

Second, by phasing in a new retirement age of 68 by the year 2012, we can effectively wipe out the long-term deficit and prepare ourselves adequately for the large increases in retirement expected next century without reducing benefit levels.

Third, I am proposing three major initiatives to encourage greater income and work opportunity for older persons: eliminating the earnings limitation, removing the mandatory retirement age, and eliminating the payroll tax for those over 65.

Finally, this legislative package reduces the economic pressures of inflation

and unemployment by providing each employer a steady rollback in his payroll tax rate from 6.65 percent today to 5.79 percent in 1983–84, a reduction of over 13 percent. The employer will have the added economic incentive of further tax savings if he retains or hires workers over age 65. The reduced labor costs due to lower payroll taxes will aid the solvency of the social security trust funds at the same time that they help the overall economy.

RESOLVING THE SHORT-TERM CASH FLOW PROBLEM

For several years now, despite the 1977 Social Security Amendments, the old-age, survivors insurance—OASI—fund has been on a collision course with insolvency. In large part, this trend has been caused by the twin problems of high unemployment, which reduces the revenues to the fund, and high inflation, which causes greater outlays because of the cost-of-living adjustments.

In an effort to buy additional time, the Congress last year passed H.R. 7670—Public Law 96–403—which reallocated the payroll tax rates between the OASI fund and the disability insurance—DI—fund, resulting in more revenues for the depleted OASI fund and less for DI, which was in relatively good financial condition. However, this effort only delayed the crisis.

Testifying before our hearings in December, the Commissioner of Social Security, William Driver, pointed out that this rate reallocation only postponed the cashflow problem from 1981 to mid-1982.

INTERFUND BORROWING

As a partial solution to the short-term cash flow crisis, several groups have recommended interfund borrowing. By permitting the troubled OASI fund to borrow from DI and the health insurance—HI—trust funds, any serious shortfall in the OASI system can be postponed until 1984.

Therefore, my legislation permits interfund borrowing when any one of the funds falls below 25 percent of 1 year's outlays. Authority for interfund borrowing would begin immediately but would cease in 1990. By the late 1980's, it is estimated that the short-term crisis will be over. The funds borrowed would have to be paid back with interest, and it is expected by 1990 that all three funds will be out of danger. However, even with interfund borrowing, the trust funds will face a deficit in the 1984–85 period.

ELIMINATION OF STUDENT BENEFITS

In 1965, the original concept of survivor's and dependent's benefits was extended to include children aged 18 to 21 if they went to college. Survivors and dependents who go to work instead of to school do not receive the benefit. Since 1965, however, several Federal educational assistance programs have been established or greatly expanded to where they now spend almost $7 billion per year. Most social security recipients are also eligible for these programs. Studies by the Congressional Budget Office, the General Accounting Office, and others have pointed to the student benefit as outmoded and poorly targeted.

For some time now, I have been uncomfortable with this duplication of programs. In light of the original intent of social security to replace lost income, and because there are alternative ways to assist students, I am proposing that the student benefit be phased out beginning in August 1981. In other words, any student who has already started school and is receiving social security benefits may finish his schooling so long as he or she is eligible. However, no new students would be brought on to the program.

The cost savings to the trust funds in 1982 are estimated to be $700 million rising to $2.7 billion by 1986.

ELIMINATION OF MINIMUM BENEFIT FOR NEW RETIREES

Since the inception of the social security program, there has always been a minimum benefit. It began at a level of $10, and its original purpose was to aid in administration. Over the years, the level was increased because many beneficiaries were very poor and needed the extra assistance. However, in recent years, studies have shown that most recipients are not poor at all. It was in large part for this reason that Congress in 1977 froze the minimum benefit level at $122 per month (the reduced minimum for those retiring at age 62 is frozen at $97.50). Without any further action, it is estimated that the frozen minimum will phase itself out in another 30 years due to inflation.

I am proposing that Congress eliminate the minimum benefit effective July 1, 1981, but only for new retirees. And again, I stress that any beneficiary now receiving the minimum benefit will not have that payment reduced in any way.

I would also emphasize that my bill does not remove the "special" minimum benefit provisions of the law which provide additional protection for workers with many years of contribution at very low salaries.

While I am sympathetic to the earlier intention of the law in providing a minimum level of payment to truly needy persons, it is now clear that this benefit is going more often to persons who have substantial income from other sources. In addition, since the enactment of the supplemental security income (SSI) program in 1974, the need for the minimum benefit has been greatly reduced.

A General Accounting Office (GAO) study released in late 1979 found that a very small percentage of those awarded the minimum benefit were needy. Their analysis showed:

A. 44 percent of sampled beneficiaries were eligible for the minimum but received no benefit from it; 18 percent were already on SSI; 23 percent were dually entitled to spouse benefits which were higher; 3 percent had their minimum benefit offset by other Federal pensions.

B. 30 percent had substantial income from other sources; 15 percent received Federal pensions (average $900/mo.); 10 percent relied on spouses still working (average $13,700/year); 2 percent relied on retired spouses with Federal pensions (average $12,500/year).

C. For the remaining 26 percent insufficient data was available. However, this group includes many who were receiving (or whose spouses were receiving substantial state or local pensions.

Figures from 1978 show approximately 3.1 million recipients of the minimum benefit now in the system at a cost of over $3.8 billion annually. By allowing current recipients of the minimum benefit to continue, but by removing this benefit for all new retirees, the estimated savings to the trust fund would be $65 million in 1982, rising to $225 million in 1986.

USE OF GENERAL REVENUES TO PAY FOR MEDICARE, PART A

Effective this year, I am proposing a major reduction in the payroll tax by injecting general revenue funds to pay for 50 percent of the cost of medicare, part A, or the health insurance (HI) trust fund. The bill will increase this contribution of general revenue funds to 60 percent in 1982 and 70 percent in 1983 and thereafter.

Briefly summarized, the effect of this provision will be to provide roughly a 13-percent reduction in payroll taxes over the next 10 years. For 1981, the rate will drop from 6.65 to 6.00 percent. By 1983, the rate will decrease from a scheduled 6.70 percent, under current law, to 5.79 percent.

To help clarify the effect of my bill on the payroll tax, I am providing the following table which compares my changes

Calendar year	OASI	DI	HI	OASDHI	General revenue	Total
Current law:						
1981	4.70	0.65	1.30	6.65	----------	6.65
1982–84	4.575	.825	1.30	6.70	----------	6.70
1985	4.75	.95	1.35	7.05	----------	7.05
1986–89	4.75	.95	1.45	7.15	----------	7.15
1990+	5.10	1.10	1.45	7.65	----------	7.65
Effect of Chiles' bill:						
1981	4.70	.65	.65	6.00	0.65	6.65
1982	4.575	.825	.52	5.92	.78	6.70
1983–84	4.575	.825	.39	5.79	.91	6.70
1985	4.75	.95	.405	6.105	.945	7.05
1986–89	4.75	.95	.435	6.135	1.015	7.15
1990+	5.10	1.10	.435	6.635	1.015	7.65

The new administration and the new Congress seem determined to cut taxes, and I cannot think of a better place to start. If we can stimulate our economy to provide more jobs, the result will be more income to the trust funds and a resulting improvement in our short-term cash flow problems. And I would point out that my proposal, by injecting general revenues for medicare, does not increase the overall tax pinch, because the resulting increase in costs to the general revenue is offset dollar for dollar with a reduction in payroll taxes.

This reduction in payroll taxes I am proposing will lower labor costs, and thereby reduce the inflation rate by about 1 percent. By ratcheting the rate down over 3 years, there is more likelihood that the reduction will result in lower prices rather than a one-time

windfall for business. Lower prices and lower inflation translates to less drain on the trust funds.

For years there has been concern about using general revenues for any part of social security, but I am much less concerned about general revenue financing for medicare than for the old-age survivors trust fund. Medicare was not part of the original insurance system; it is a benefit that was added in 1965. Unlike disability, retirement, or survivor benefits, medicare benefits are not directly linked to one's wages and how much a worker has contributed to the system, and therefore, there is less need to continue funding medicare primarily from payroll taxes.

I would also point out that we currently fund over 70 percent of medicare, part B (physician costs), through general revenues. My proposal to inject general revenues for part A simply brings both parts to the same level.

CONGRESSIONAL REVIEW OF CHANGES IN CPI

My bill also provides for appropriate review of any proposed changes in the calculation of the Consumer Price Index (CPI) whereby cost-of-living adjustments for social security recipients are measured. The annual cost-of-living adjustment (or COLA) for beneficiaries of this system is one of its most valuable assets—especially to those who must rely primarily on social security to make ends meet during double-digit inflation.

Therefore, my bill would require 120 days' notice to the appropriate legislative committees before any revision in the CPI can become effective.

EFFECTS ON SHORT-TERM CRISIS IN 1984–85

As I explained earlier, by permitting interfund borrowing the cashflow problem is effectively averted until 1984. At that time and for roughly a 2-year period, a funding gap will exist until the payroll tax increases already in the law take effect.

However, the savings generated by eliminating both the student benefit and the minimum benefit are sufficient, within the normal range of estimating error, to see us through the 1984–85 period.

I must stress, however, that if our economy takes a serious turn for the worse, more drastic measures may be unavoidable such as emergency borrowing from the Treasury or additional benefit reductions—such actions, especially the latter, should be prevented if at all possible.

RESOLVING THE LONG-TERM DEFICIT

One witness at our hearings, Henry Aaron of the Brookings Institution and Chairman of the 1979 Advisory Council on Social Security, characterized the short-term financial problem as critical but not serious. In other words, action cannot be delayed, but answers are available and the magnitude of the problem is relatively small. However, he called the long-term deficit problem serious but not critical—there is time to resolve it, but the size of the problem is enormous and the available answers will require major changes in the system.

In issuing their 1980 report, the trustees of the social security trust funds—the Secretaries of Labor, Treasury and Health and Human Services—predicted a serious long-term deficit. Their projections cover the next 75 years for the old-age, survivor's insurance (OASI) and disability insurance (DI) trust funds, and the next 25 years for the health insurance (HI) fund. Their future cost estimates are prepared using three alternative sets of assumptions: optimistic, intermediate, and pessimistic.

Under the intermediate assumptions, the trustees report that the OASDI trust fund balances will be exhausted by the year 2030. Under pessimistic assumptions, the funds will be exhausted between the year 2010 and 2015. As updated by the administration's mid-session review, the long-term, 75-year deficit is measured as 1.58 percent of taxable payroll. This translates to over 11 percent of costs, or $20 billion in 1981 terms.

According to the trustees, the system is not "in close actuarial balance over the long-range period" if the deficit exceeds 5 percent of the estimated 75-year average expenditure which is 13.74 percent of payroll. Since the deficit of 1.58 approximates a level of 11 percent of estimated expenditures, the system is not in close actuarial balance.

The reasons for this long-term deficit are many, but the primary cause is demographic. The children born in the enormous baby boom after World War II will begin retiring about the year 2010, resulting in a rapid increase in the number of retirees in relation to workers. Since the social security system was originally designed and continues today on a pay-as-you-go basis, the ratio of workers, or "payers in," to the number of retirees, or "takers out," is critical. Today that ratio is somewhat over 3 workers to each retiree. By next century that ratio will shrink to 2 to 1.

RAISING THE RETIREMENT AGE TO 68

There is no painless way to approach the long-term deficit—all the options we reviewed in our hearings would require major changes in the current system. However, with few exceptions, our witnesses urged us to initiate action now so today's workers will have sufficient time to adjust to any changes that might be phased in to resolve the long-term financial deficit.

After careful review of the proposed solutions, I believe that raising the retirement age to 68 provides the fairest and most positive approach because it recognizes the improved health and economic contributions of older Americans. This option as has been recommended by several other groups including the President's Commission on Pension Policy, the National Commission on Social Security, and the 1979 Advisory Council.

As proposed in my bill, the age increase would begin to phase in on January 1, 2000. At that time, the age of retirement for full benefits would be 65 plus 1 month. Every 4 months thereafter the age would increase by an additional month until reaching age 68 in the year 2012. The age for reduced benefits will rise from age 62 to age 65 in the same manner. The age of eligibility for widows and widowers will rise from 60 to 63.

Two points need to be emphasized here to avoid what can often be unnecessary misunderstanding. First, raising the retirement age to 68 in this manner, will in no way affect any older person now receiving social security, nor will it affect any person nearing retirement. In fact, it will not affect anyone who celebrated his or her 45th birthday before the end of 1979. In short, if adopted, today's younger workers will have ample time to think ahead and adjust their retirement income plans.

Second, my proposal does not in any way disturb the disability system we now have in place for those who, for health reasons, cannot keep working until an age when benefits are available.

There are other reasons why I favor raising the retirement age. The average life expectancy at age 65 has risen approximately three years since the inception of the social security system. An increase in health and productivity has accompanied this trend. By raising the age to 68, we would still be providing benefits over the same proportion of an average person's life. In fact, it is likely that life expectancy will continue to increase more between now and the year 2000 when my proposal will begin to phase in. In addition, many more jobs today are white collar in nature and lend themselves more easily to delayed retirement.

From a cost point of view, raising the retirement age has a dramatic impact on the long-term deficit. As proposed, this change would result in a long-term savings of 1.42 percent of taxable payroll, or 90 percent of the estimated long-term deficit (1.58 percent). As I mentioned earlier, the trustees consider a deficit in excess of 5 percent of estimated 75-year average expenditures to be a serious problem. By raising the retirement age, the deficit is reduced to 1 percent and is "in close actuarial balance."

INCENTIVES FOR WORK AFTER 65

If the American people are to rethink their attitudes toward retirement, as I believe we must, it is essential that the worker and his employer be encouraged to see the value of delayed retirement.

During 1980, the Committee on Aging conducted a series of hearings on "Work After 65" where we explored the question of early versus later retirement. Testimony from major companies—Xerox, Polaroid, Atlantic Richfield, Banker's Life, and Grumman—emphasized the growing awareness of private industry in the value of the older worker. The image of the older employee as less healthy, more accident prone, and less productive was completely refuted by our witnesses, and yet, early retirement continues to be the trend.

Therefore, I am convinced that Congress must take steps to encourage more and better opportunities for the older worker. If we are to increase the retirement age, we must also increase the availability and value of jobs for those

over 65. To do this, my bill provides three changes in the law.

REMOVE THE EARNINGS LIMITATION FOR RETIREES OVER 65

It has been my experience and that of many of my colleagues on the Committee on Aging that no issue is more unpopular to older persons than the earnings test. Today, a retired worker receiving social security faces a 50-percent "tax" if he or she earns more than $5,500 during the year. After that point, the social security payment is reduced one dollar for every two earned. A closer estimate of the tax on excess earnings is about 80 percent after you add in the payroll tax and Federal and State income taxes.

If we are to encourage continued work by older persons, it is essential that we eliminate this onerous disincentive. Therefore, beginning in 1986, I am proposing that the law be amended to eliminate the earnings test completely. I would much prefer to remove it today, but unfortunately, it is a costly item estimated to increase costs to the trust funds by $2.2 billion per year. Because of current economic conditions, and the short-term cash flows problem we face in the mid-eighties, earlier removal is impossible. However, I will be watching our economic developments closely, and if developments are positive and our short-term problems subside sooner than expected, I will review the situation to determine whether or not we can eliminate the earnings test before 1986. I hope we can.

To keep this change in line with other provisions in my bill, the elimination of the earnings test will apply only to those over 65 with the age rising to 68 by the year 2012.

REMOVE THE MANDATORY RETIREMENT AGE

The 1978 amendments to the Age Discrimination in Employment Act removed the mandatory retirement age for Federal workers altogether; it raised the age in private industry from 65 to 70. My reform legislation takes the next step by removing the age 70 language from the law. In this way, subject to existing exceptions, mandatory retirement at any age will be against the law.

ELIMINATE THE PAYROLL TAX FOR EMPLOYERS AND EMPLOYEES FOR WAGES EARNED BY WORKERS OVER 65

Effective January 1, 1982, I am proposing an additional tax incentive for workers over 65 and their employers by removing the requirement for paying any payroll tax.

For the employer, this is a direct economic incentive to hire and retain older workers, and to develop retraining programs designed to make the older worker more useful to him. The incentive is a substantial savings in the employer's payroll costs. For a worker aged 65 earning over $30,000, the savings to the employer is almost $2,000 per year.

For older workers, the incentive is more take home pay. The payroll tax will not be deducted. In short, if older workers keep working after age 65, their paychecks will have fewer deductions, they will still become eligible for full, tax free social security benefits, and, under my proposal, they will not be subject to the earnings limitation. As the age of retirement phases in to 68, this tax break will phase upwards in a similar manner.

Because this provision will reduce the income to the trust funds, my bill provides for the lost revenue to be made up by general revenues. Estimates of the costs to the Treasury are uncertain because it is unclear at this time what effect this change will have on the labor force. The best prediction we have at this time is 0.75 percent of taxable payroll or just over $1 billion per year. This estimate does not take into account the additional Federal income tax revenues that will be generated by this incentive to work longer. Hopefully, over time, the effect will be to cancel out or even increase general revenues.

Congress has already provided this kind of incentive to hire disadvantaged youth by enacting the targeted jobs tax credit. I hope we can now have the good sense to extend a comparable advantage to our older workers.

In closing, may I say that the provisions of my bill, while aimed at solving the short- and long-term financial problems of social security, are by no means the only solutions. But from my analysis, they represent the fairest way to proceed. Not everything in my bill will be greeted with open arms, but I am convinced that the problems we face cannot be solved with painless remedies and wishful thinking.

So I urge my colleagues to review this bill carefully. We cannot avoid resolving the cashflow problem scheduled to hit us next year, and I strongly feel it would be irresponsible to delay action on the long-term deficit. The longer we wait, the harder and more painful will be the solution.

Finally, I am hopeful that what I am proposing will usher in a new era for the older worker—one without penalties for honest labor and one with additional opportunity for earned income so that more may live in dignity in the years of retirement.

Mr. President, I ask unanimous consent that the text of the legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 484

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Social Security Reform Act of 1981."

INTERFUND BORROWING AMONG SOCIAL SECURITY TRUST FUNDS

SEC. 2. (a) Section 201 of the Social Security Act is amended by adding at the end the following new subsection:

"(e)(1) If in any month the assets of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund are less than 25 percent of the amount disbursed from that Trust Fund during the twelve immediately preceding months, the Board of Trustees may, prior to fiscal year 1991, direct the Managing Trustee to borrow from the other Trust Fund, or from the Federal Hospital Insurance Trust Fund established under section 1817, for deposit in the deficient Trust Fund, an amount not to exceed the difference between the assets of the deficient Trust Fund and 25 percent of the amount so disbursed.

"(2) There shall be transferred from time to time, from the deficient Trust Fund to the lending Trust Fund, interest, with respect to the loan, at a rate equal to that which the lending Trust Fund would earn if the loan were an investment under subsection (d).

"(3) If the assets of the deficient Trust Fund in any month equal or exceed 30 percent of the amount disbursed from that Trust Fund during the twelve immediately preceding months, all amounts that would otherwise thereafter be paid into that Trust Fund shall instead be paid into the lending Trust Fund, except so much as shall be required to maintain the assets of the deficient Trust Fund at 30 percent of the amount so disbursed, until the loan under this subsection is repaid.

"(4) The Board of Trustees shall make a timely report to the Congress of any amounts transferred (except as interest) under this subsection.".

(b) Section 1817 of such Act is amended by adding at the end the following new subsection:

"(j)(1) If in any month the assets of the Federal Hospital Insurance Trust Fund are less than 25 percent of the amount disbursed from that Trust Fund during the twelve immediately preceding months, the Board of Trustees may, prior to fiscal year 1991, direct the Managing Trustee to borrow from the Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, established under section 201, for deposit in the Federal Hospital Insurance Trust Fund, an amount not to exceed the difference between the assets of the Federal Hospital Insurance Trust Fund and 25 percent of the amount so disbursed.

"(2) There shall be transferred from time to time from the Federal Hospital Insurance Trust Fund to the lending Trust Funds, interest, with respect to the loan, at a rate equal to that which the lending Trust Fund would earn if the loan were an investment under subsection (c).

"(3) If the assets of the Federal Hospital Insurance Trust Fund in any month equal or exceed 30 percent of the amount disbursed from that Trust Fund during the twelve immediately preceding months, all amounts that would otherwise thereafter be paid into that Trust Fund shall instead be paid into the lending Trust Fund, except so much as shall be required to maintain the assets of the Federal Hospital Insurance Trust Fund at 30 percent of the amount so disbursed, until the loan under this subsection is repaid.

"(4) The Board of Trustees shall make a timely report to the Congress of any amounts transferred (except as interest) under this subsection.".

PARTIAL GENERAL REVENUE FUNDING FOR HOSPITAL INSURANCE TRUST FUND

SEC. 3. (a) Section 1817(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof a semicolon;

(3) by inserting after paragraph (2) the following new paragraphs:

"(3) an amount equal to—

"(A) 100 percent in the case of calendar year 1981,

"(3) 150 percent in the case of calendar year 1982, and

"(C) 233⅓ percent in the case of calendar year 1983 and each calendar year thereafter, of that portion of the total amount appropriated under paragraph (1) which repre-

sents such taxes on wages paid and received during such calendar year; and

"(4) an amount equal to—

"(A) 100 percent in the case of a taxable year beginning after December 31, 1980, and before January 1, 1982,

"(B) 150 percent in the case of a taxable year beginning after December 31, 1981, and before January 1, 1983, and

"(C) 233⅓ percent in the case of a taxable year beginning after December 31, 1982,

of that portion of the total amount appropriated under paragraph (2) which represents such tax on self-employment income for such taxable year.".

(b)(1) Section 1401(b) of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income for hospital insurance) is amended by striking out paragraphs (4), (5), and (6) and inserting in lieu thereof the following:

"(4) in the case of any taxable year beginning after December 31, 1980, and before January 1, 1982, the tax shall be equal to 0.65 percent of the amount of the self-employment income for such taxable year;

"(5) in the case of any taxable year beginning after December 31, 1981, and before January 1, 1983, the tax shall be equal to 0.52 percent of the amount of the self-employment income for such taxable year;

"(6) in the case of any taxable year beginning after December 31, 1982, and before January 1, 1985, the tax shall be equal to 0.39 percent of the amount of the self-employment income for such taxable year;

"(7) in the case of any taxable year beginning after December 31, 1984, and before January 1, 1986, the tax shall be equal to 0.405 percent of the amount of the self-employment income for such taxable year; and

"(8) in the case of any taxable year beginning after December 31, 1985, the tax shall be equal to 0.435 percent of the amount of the self-employment income for such taxable year.".

(2) Section 3101(b) of such Code (relating to rate of tax on employees for hospital insurance) is amended by striking out paragraphs (4), (5), and (6) and inserting in lieu thereof the following:

"(4) with respect to wages received during the calendar year 1981, the rate shall be 0.65 percent;

"(5) with respect to wages received during the calendar year 1982, the rate shall be 0.52 percent;

"(6) with respect to wages received during the calendar years 1983 and 1984, the rate shall be 0.39 percent;

"(7) with respect to wages received during the calendar year 1985, the rate shall be 0.405 percent; and

"(8) with respect to wages received after December 31, 1985, the rate shall be 0.435 percent.".

(3) Section 3111(b) of such Code (relating to rate of tax on employers for hospital insurance) is amended by striking out paragraphs (4), (5), and (6) and inserting in lieu thereof the following:

"(4) with respect to wages paid during the calendar year 1981, the rate shall be 0.65 percent;

"(5) with respect to wages paid during the calendar year 1982, the rate shall be 0.52 percent;

"(6) with respect to wages paid during the calendar years 1983 and 1984, the rate shall be 0.39 percent;

"(7) with respect to wages paid during the calendar year 1985, the rate shall be 0.405 percent; and

"(8) with respect to wages paid after December 31, 1985, the rate shall be 0.435 percent.".

COMPUTATION OF CONSUMER PRICE INDEX

SEC. 4. Section 215(i) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5) In any case in which the Secretary of Labor proposes to change the method by which the Consumer Price Index (used to determine cost-of-living increases under this subsection) is computed, the Secretary of Labor must submit such proposed change to the House Committee on Ways and Means and the Senate Committee on Finance at least 120 days prior to the date on which such proposed change is to become effective.".

RETIREMENT AGE CHANGES

SEC. 5. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"PHASED INCREASE IN ELIGIBILITY AGE FOR OLD-AGE AND SURVIVORS INSURANCE BENEFITS

"SEC. 234. (a) Effective January 1, 2000, and ending January 1, 2012, in administering the programs established under this title, the Secretary shall determine entitlement to, and the amount of, benefits under this title in accordance with the following interim rules:

"(1) In determining when an individual attains age 65, such age shall be deemed to be age 65, plus one calendar month for each period of four calendar months which have elapsed since August 31, 1999.

"(2) In determining when an individual attains age 62, such age shall be deemed to be age 62, plus one calendar month for each period of four calendar months which have elapsed since August 31, 1999.

"(3) In determining when an individual attains age 60, such age shall be deemed to be age 60, plus one calendar month for each period of four calendar months which have elapsed since August 31, 1999.

"(4) For purposes of paragraphs (1), (2), and (3) an individual shall be considered to have attained age 65, 62, or 60, as the case may be, on the first day of the calendar month in which he actually attains such age.

"(b) In any case in which an individual becomes entitled to a benefit under this title by reason of attaining age 60, 62, or 65, or by reason of another individual attaining such age, such entitlement of that benefit shall not cease by reason of the application of the interim rules set forth in subsection (a).".

(b)(1) Effective January 1, 2012, section 234 of the Social Security Act (as added by subsection (a)) is repealed.

(2) Effective January 1, 2012, the Social Security Act is amended—

(A) by striking out "65" each place it appears in the following sections and inserting in lieu thereof in each instance "68":

(i) subsections (a), (d), (e), (f), (q), (r), and (w) of section 202,

(ii) subsections (c), (d), (f), (h), and (j) of section 203.

(iii) section 209 (r),

(iv) section 211 (b) (3),

(v) subsections (f) and (i) of section 215,

(vi) subsections (h) and (i) of section 216, and

(vii) section 223 (a);

(B) by striking out "sixty-five" in sections 203 (c) and 223 (a) and inserting in lieu thereof in each instance "68";

(C) by striking out "Sixty-five" in the heading of section 203 (j) and inserting in lieu thereof "Sixty-eight";

(D) by striking out "62" each place it appears in the following sections and inserting in lieu thereof in each instance "65":

(i) subsections (a), (b), (c), (h), (m), and (q) of section 202,

(ii) section 213(a),

(iii) section 214(a),

(iv) subsections (a) and (b) of section 215,

(v) subsections (b), (c), (f), (g), and (i) of section 216,

(vi) subsections (a) and (c) of section 223, and

(vii) section 224; and

(E) by striking out "60" each place it appears in the following sections and inserting in lieu thereof in each instance "63":

(i) subsections (e), (f), (j), and (q) of section 202,

(ii) subsections (c) and (f) of section 203,

(iii) subsections (c) and (d) of section 222,

(iv) section 225(a), and

(v) section 226(e).

(c) Subtitle F of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following chapter:

"Chapter 81—SPECIAL INTERIM RULES APPLICABLE TO SOCIAL SECURITY TAXES

"Sec. 7901. Special interim rules applicable to social security taxes.

"SEC. 7901. SPECIAL INTERIM RULES APPLICABLE TO SOCIAL SECURITY TAXES.

"Effective January 1, 2000, and ending January 1, 2012, in applying sections 1402(a)(3) and 3121(a)(18), the Secretary shall determine the amount of taxes to be paid in accordance with the following interim rules:

"(1) In determining when an individual attains age 65, such age shall be deemed to be age 65, plus one calendar month for each period of four calendar months which have elapsed since August 31, 1999.

"(2) For purposes of paragraph (1), an individual shall be considered to have attained age 65 on the first day of the calendar month in which he actually attains such age.".

(d)(1) Effective January 1, 2012, chapter 81 of the Internal Revenue Code of 1954 (as added by subsection (c)) is repealed.

(2) Effective January 1, 2012, sections 1402(b)(3) and 3121(a)(18) of the Internal Revenue Code of 1954 are each amended by striking out "65" and inserting in lieu thereof "68".

ELIMINATION OF STUDENT BENEFITS

SEC. 6. (a) Section 202(d) of the Social Security Act is amended—

(1) in paragraph (1)(3)(i) by striking out "either" and by striking out "or was a full-time student and had not attained the age of 22";

(2) in paragraph (1)(E)—

(A) by striking out "(i)" and

(B) by striking out ", and (ii) is not a full-time student during any part of such month." and inserting in lieu thereof "; or";

(3) by striking out paragraph (1)(F) and redesignating paragraph (1)(G) as paragraph (1)(F);

(4) in paragraph (1)(F) as so redesignated, by striking out "gainful activity, or (if later) and all that follows through the end of subclause (iv) and inserting in lieu thereof "gainful activity).";

(5) in paragraph (5), by striking out "but subject to subsection (5)";

(6) by amending paragraph (6) to read as follows:

"(6) A child whose entitlement to child's insurance benefits on the basis of the wages and self-employment income of an insured individual terminated with the month preceding the month in which such child attained the age of 18, or with a subsequent month, may again become entitled to such benefits (provided no event specified in paragraph (1)(D) has occurred) beginning in the first month thereafter in which he is under a disability (as so defined) which began before the close of the eighty-fourth month following the month in which his most recent entitlement to child's insurance benefits terminated because he ceased to be under such disability, but only if he has filed application for such reentitlement. Such reentitlement shall end with the month preceding whichever of the following first occurs:

"(A) the first month in which an event specified in paragraph (1) (D) occurs; or

"(B) the third month following the month in which he ceases to be under such disability."; and

(7) by striking out paragraph (7) and redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(b)(1) Section 202(s) of such Act is repealed.

(2)(A) Section 202(b)(3) of such Act is amended by striking out "(but subject to subsection (s))".

(B) Section 202(e)(3), 202(g)(3), and 202(h)(4) of such Act are each amended by striking out "but subject to subsection (s)".

(C) Section 203(c) of such Act is amended—

(i) by striking out "paragraph (1) of section 202(s) applies or", and

(ii) by striking out "Subject to paragraph (3) of such section 262(s), no deductions" and inserting in lieu thereof "No deductions".

(D) Section 203(f)(1) of such Act is amended by striking out ", but subject to section 202(s),".

(E) Sections 216(b)(3)(B), 216(c)(6)(B), 216(f)(3)(B), and 216(g)(6)(B) of such Act are each amended by striking out "subject, however, to section 202(s))".

(c)(1) Section 222(b) of such Act is amended by striking out paragraph (4).

(2) Section 222(d)(1)(B) of such Act is amended by striking out "(and are under a disability)".

(d) Section 225(a) of such Act is amended by striking out the last sentence.

(e) The amendments made by this section shall become effective on August 1, 1931, but such amendments shall not apply with respect to any individual who was entitled to a child's benefit under section 202(d) of the Social Security Act for any month prior to August 1981, and who, in such prior month of entitlement, had attained the age of 18 and was a full-time student (as defined under section 202(d) of such Act as in effect prior to the amendments made by this section.

ELIMINATION OF MINIMUM BENEFIT

SEC. 7. (a) Section 215(a)(1)(C)(i) of Social Security Act is amended to read as follows:

"(C) (i) No primary insurance amount computed under subparagraph (A) may be less than an amount equal to $11.50 multiplied by the individual's years of coverage in excess of 10, or the increased amount determined for purposes of this clause under subsection (i).".

(b) (1) Section 215(a)(1)(C)(ii) of such Act is amended by striking out "For purposes of clause (i)(II)" and inserting in lieu thereof "For purposes of clause (i)".

(2) Section 215(a)(3)(A) of such Act is amended by striking out "subparagraph (C)(i)(II)" and inserting in lieu thereof "subparagraph (C)(i)".

(3) Section 215(a)(4) of such Act is amended—

(A) by striking out "subparagraph (C)(i)(II)" and inserting in lieu thereof "subparagraph (C)(i)"; and

(B) In subclause (I) thereof, by striking out "but without regard to clauses (iv) and (v) thereof".

(4) Section 215(f)(8) of such Act is amended by striking out "subsection (a)(1)(C)(i)(II)" and inserting in lieu thereof "subsection (a)(1)(C)(i)".

(5) Section 215(i)(2)(A)(ii)(II) of such Act is amended by striking out "(including a primary insurance amount determined under subsection (a)(1)(C)(i)(I), but subject to the provisions of such subsection (a)(1)(C)(i) and clauses (iv) and (v) of this subparagraph)".

(6) Section 215(i)(2)(A)(ii) of such Act is amended in the matter following subclause (III) by striking out "subparagraph (C)(i)(II)" and inserting in lieu thereof "subparagraph (C)(i)".

(7) Section 215(i)(2)(A)(iii) of such Act is amended by striking out "and, with respect to a primary insurance amount determined under subsection (a)(1)(C)(i)(I), subject to the provisions of subsection (a)(1)(C)(i) and clauses (iv) and (v) of this subparagraph".

(8) Section 215(i)(2)(A) of such Act is amended by striking out clauses (iv) and (v) thereof.

(9) Section 215(i)(2)(D) of such Act is amended by striking out "subparagraph (C)(i)(II)" each place it appears and inserting in lieu thereof in each instance "subparagraph (C)(i)".

(10) Section 202(m) of such Act is repealed.

(11) Paragraphs (1) and (5) of section 202(w) of such Act are each amended by striking out "section 215(a)(1)(C)(i)(II)" and inserting in lieu thereof in each instance "section 215(a)(1)(C)(i)".

(12) Section 233(C)(2) of such Act is amended to read as follows:

"(2) Any such agreement may provide that an individual who is entitled to cash benefits under this title shall, notwithstanding the provisions of section 202(t), receive such benefits while he resides in a foreign country which is a party to such agreement.".

(c) The amendments made by this section shall apply with respect to primary insurance amounts on the basis of which no benefit was being paid for the month of June 1981.

ELIMINATION OF EARNINGS TEST FOR RETIRED INDIVIDUALS

SEC. 8. (a)(1) Section 203(c)(1) of the Social Security Act is amended by striking out "seventy" and inserting in lieu thereof "65".

(2) The last sentence of section 203(c) of such Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefits if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.".

(3) Section 203(d)(1) of such Act is amended by striking out "'seventy" and inserting in lieu thereof "65".

(4) Section 203(f)(1) of such Act is amended—

(A) in clause (B), by striking out "seventy" and inserting in lieu thereof "65";

(B) by amending clause (D) to read as follows: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60,"; and

(C) by striking out "the applicable exempt amount" each place it appears and inserting in lieu thereof in each instance "the exempt amount".

(5) Section 203(f)(3) of such Act is amended—

(A) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(B) by striking out "70" and inserting in lieu thereof "65".

(6) Section 203(f)(4)(B) of such Act is amended by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount".

(7) Section 203(f)(8)(A) of such Act is amended by striking out "exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting in lieu thereof "exempt amount which is to be applicable".

(8) Section 203(f)(8)(B) of such Act is amended—

(A) by striking out "Except as otherwise provided in subparagraph (D), the exempt amount which is applicable to individuals described in such subparagraph and the exempt amount which is applicable to other individuals, for each month of a particular taxable year, shall each be" and inserting in lieu thereof "The exempt amount for each month of a particular taxable year shall be";

(B) in clause (i), by striking out "corresponding"; and

(C) in the matter following clause (ii), by striking out "an exempt amount" and inserting in lieu thereof "the exempt amount".

(9) Section 203(f)(8) of such Act is amended by striking out subparagraph (D) thereof.

(10) Section 203(h)(1)(A) of such Act is amended—

(A) by striking out "applicable exempt amount" and inserting in lieu thereof "exempt amount"; and

(B) by striking out "70" each place it appears and inserting in lieu thereof in each instance "65".

(11) Section 203(j) of such Act is amended—

(A) by striking out "Seventy" in the heading thereof and inserting in lieu thereof "Sixty-five"; and

(B) by striking out "seventy" and inserting in lieu thereof "65".

(b) The amendments made by subsection (a) shall be effective with respect to taxable years ending after 1985.

ELIMINATION OF FICA TAXES WITH RESPECT TO INDIVIDUALS 65 OR OVER

SEC. 9. (a) Section 209 of the Social Security Act is amended—

(1) by striking out "or" at the end of subsection (o);

(2) by striking out the period at the end of the first subsection (p) and inserting in lieu thereof a semicolon;

(3) by redesignating the second subsection (p) as subsection (q) and by striking out the period at the end thereof and inserting in lieu thereof "; or"; and

(4) by inserting after such subsection (c) the following new subsection:

"(c) Any payment made by an employer to an employee who has attained age 65; except that this subsection shall not apply for any calendar year with respect to an employee who agrees that this subsection, and paragraph (18) of section 3121(a) of the Internal Revenue Code of 1954, shall not apply to such employee for such calendar year.".

(b) Section 211(b) of the Social Security Act is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) The net earnings from self-employment derived by an individual during any taxable year which begins after such individual attains age 65; except that this paragraph shall not apply for any taxable year with respect to an individual who agrees that this paragraph, and paragraph (3) of section 1402(b) of the Internal Revenue Code of 1954, shall not apply to such individual for such taxable year."

(c) Section 3121(a) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "or" at the end of paragraph (16);

(2) by striking out the period at the end of paragraph (17) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(18) any payment made by an employer

to an employee who has attained age 65; except that this paragraph shall not apply for any calendar year with respect to an employee who agrees that this paragraph, and section 209 (r) of the Social Security Act, shall not apply to such employee for such calendar year."

(d) Section 1402(b) of the Internal Revenue Code of 1954 is amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) the net earnings from self-employment derived by an individual during any taxable year which begins after such individual attains age 65; except that this paragraph shall not apply for any taxable year with respect to an individual who agrees that this paragraph, and paragraph (3) of section 211 (b) of the Social Security Act, shall not apply to such individual for such taxable year.".

(e) Subpart A of part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1954 is amended by adding after section 6039B the following new sections:

"SEC. 6039C. INFORMATION WITH RESPECT TO REMUNERATION PAID TO INDIVIDUALS AGE 65 OR OVER.

"(a) REQUIREMENT.—Every employer shall furnish to the Secretary information as to the amount of remuneration paid by such employer which would constitute 'wages' (as defined in section 3121(a)) but for the provisions of paragraph (18) of such section 3121 (a).

"(b) TIME FOR FILING.—Information required to be furnished under subsection (a) shall be furnished at the same time as information as to the amount of wages paid by such employer is required to be furnished for purposes of chapter 21 of subtitle C (Federal Insurance Contributions Act).

"SEC. 6039D. INFORMATION WITH RESPECT TO SELF-EMPLOYMENT INCOME OF INDIVIDUAL AGE 65 OR OVER.

"(a) REQUIREMENT.—Every individual who has, for any taxable year, net earnings from self-employment which would constitute self-employment income (as defined in section 1402(b)) but for the provisions of paragraph (3) of such section 1402(b), shall furnish to the Secretary information as to the amount of such net earnings from self-employment.

"(b) TIME FOR FILING.—Information required to be furnished under subsection (a) shall be furnished at the same time as information as to the amount of self-employment income of an individual is required to be furnished for purposes of chapter 2 of subtitle A (Self-Employment Contributions Act of 1954).".

(f) Section 201(a) of the Social Security Act is amended—

(1) by striking out the period at the end of clause (4) and inserting in lieu thereof "; and";

(2) by inserting after clause (4) the following new clause:

"(5) the additional amounts which would be appropriated under clauses (3) and (4) for such fiscal year but for the provisions of sections 1402(b)(3) and 3121(a)(18) of the Internal Revenue Code of 1954.";

(3) in the matter following clause (5), by striking out "clauses (3) and (4)" the first place it appears and inserting in lieu thereof "clauses (3), (4), and (5)";

(4) in the matter following clause (5) by inserting after "into the Treasury" the following: ", and estimates by the Secretary of the Treasury of the amounts specified in clause (5) of this subsection"; and

(5) in the matter following clause (5), by inserting before the period at the end thereof the following: "or the amounts specified in clause (5)".

(g) Section 1817 of the Social Security Act (as amended by section 3 of this Act) is further amended—

(1) by striking out "and" at the end of paragraph (3);

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) the additional amounts which would be appropriated under paragraphs (1) through (4) for such fiscal year but for the provisions of sections 1402(b)(3) and 3121(a)(18) of the Internal Revenue Code of 1954.";

(4) in the matter following paragraph (5), by inserting after "into the Treasury" the following: ", and estimates by the Secretary of the Treasury of the amounts specified in paragraph (5)"; and

(5) in the matter following paragraph (5), by inserting before the period at the end thereof the following "or the amounts specified in paragraph (5)".

(h) The amendments made by this section shall be effective with respect to calendar years and taxable years beginning on or after January 1, 1982.

AMENDMENT TO THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

SEC. 10. Section 12(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631(a)) is amended by striking out "but less than 70 years of age".●

By Mr. ARMSTRONG:

S. 485. A bill to restrict the effect of Office of Management and Budget Circular A–118 as it regards parking fees for members of the Armed Services; to the Committee on Armed Services.

PAY PARKING OF CERTAIN MILITARY PERSONNEL

● Mr. ARMSTRONG. Mr. President, I offer this bill to remedy an injustice which is being done to a relatively small number of military personnel.

This is, in the larger scheme of things, a small matter. But to those servicemen and women affected by it, it is an important matter of concern.

Military personnel in a number of metropolitan areas, but primarily in Washington, D.C., are required to pay monthly fees for parking at their assigned place of employment. These fees now range from $10 to $12.50 per month, but are expected to rise to $15 to $35 per month as early as September 1981.

The payment of fees for parking in a previously "free" parking place came about when President Carter directed the General Services Administration to impose fees for parking at each Federal installation where the GSA determined that the value of parking exceeded $10 a month. The resulting directive from the Office of Management and Budget, Circular A–118 (August 13, 1979), applied to 130,000 to 140,000 parking spaces available nationwide.

While I have no desire to press parking fees on civilian employees of the Government, I believe this is especially unjust to military personnel.

To begin with, military personnel generally earn far less, in pay and benefits, than their civilian counterparts who are performing exactly the same work at exactly the same location.

Civilian employees have the option of seeking work elsewhere if their conditions of employment become too burdensome. That is not the case with servicemen and women, who are ordered to perform certain duties at the Pentagon and other places where these fees are imposed, for a specific period of time. There is absolutely nothing they can do about it.

The fact that payment of parking fees applied primarily to servicemen and women who are already stationed in areas with an unusually high cost of living adds fiscal injury to the insult. To add the parking fee to the already onerous financial burden these personnel bear for serving their country causes real hardship for many grades of military personnel.

Let me just add that this bill has nothing to do with parking fees paid at any place other than the federal installation at which the serviceman or woman is assigned.

This bill passed the Senate in July, 1980 as an amendment to the defense authorizations bill. Unfortunately, the provision was dropped in conference.

Finally, Mr. President, this bill will have little or no impact on the Federal Treasury. The cost of collecting these parking fees approaches, and sometimes exceeds, the actual receipts collected at most military installations where they are applied.●

By Mr. BENTSEN:

S. 486. A bill to amend the Internal Revenue Code of 1954 to permit an individual covered by a private retirement plan to establish a separate individual retirement account or deduct a separate contribution to the plan; to the Committee on Finance.

S. 487. A bill to amend the Internal Revenue Code of 1954 to permit small, research-oriented firms to reduce income taxes by an amount equal to 10 percent of eligible research and development expenditures; to the Committee on Finance.

S. 488. A bill to establish a 10-percent tax credit for investment in research and development for small businesses; to the Committee on Finance.

S. 489. A bill to establish the National Productivity Council to coordinate Federal efforts to promote the growth of productivity in the private sector, and for other purposes; to the Committee on Governmental Affairs.

S. 490. A bill to provide a program within the Comprehensive Employment and Training Act to retrain workers about to be laid off due to productivity improvement programs, and for other purposes; to the Committee on Labor and Human Resources.

PRODUCTIVITY LEGISLATION

● Mr. BENTSEN. Mr. President, I rise to offer a package of five bills designed to launch a frontal attack on our dismal productivity record. Before discussing these bills in detail, I want to review our past productivity performance, explore the strong link between that poor per-

formance and our present glum economic situation, and then review the steps we can take to give a badly needed boost to productivity growth.

OUR PRODUCTIVITY RECORD

Our Nation came out of World War II unscathed, with an enormous productive industrial base intact. We were the envy of the world in our ability to find new and more efficient ways to produce goods, grow food, and put our many bountiful resources to work. So overwhelming was our productivity that, in 1950, it took seven Japanese or three Germans or four Italian workers to match the output of just one American. The American industrial machine was the eighth wonder of the world.

Today, it acts more like a fifth wheel. Since 1950, our international competitors led by Japan and Germany have chalked up strong productivity gains. They have consistently been able to attain productivity growth rates of 5 percent, 6 percent, even in excess occasionally of 9 percent annually. They achieved these striking rates of productivity growth with heavy savings and investment programs that resulted in ever newer and more productive equipment being provided their workers.

The picture could not be more different in our own Nation. Since 1950, our growth in productivity has consistently fallen below levels scored abroad. In most years, growth rates abroad have been markedly higher with even the presumably ill British economy generally scoring higher gains in productivity than here at home. I have asked the Bureau of Labor Statistics (BLS) to prepare a table detailing our productivity performance and that of our international competitors since 1950. This table (table I) contains data comparing the domestic production rate per employed civilian, an aggregate indicator of national economic productivity. While the United States still enjoys a sizable advantage over our international competitors, that lead has declined sharply since 1950.

Table II summarizes this aggregate productivity data and contains average annual productivity growth rates over several periods since 1950. This table not only starkly portrays the higher growth rates abroad, it also depicts the alarming downward trend in productivity growth in the United States itself since 1950. Our average annual growth over the 7-year period, 1973–1979, in productivity is only one-eighth the growth rate attained throughout the 1950's and most of the 1960's. And this is not a fluke, but simply the continuation of a long-term decline in U.S. national productivity. Mr. President, I ask unanimous consent for these two tables containing international productivity rates to appear at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—INTERNATIONAL PRODUCTIVITY COMPARISONS

[Real gross domestic product per employed person][1]

Year	Canada	France	Italy	United Kingdom	Japan	West Germany	United States	Year	Canada	France	Italy	United Kingdom	Japan	West Germany	United States
1950	51.1	25.5	15.3	30.8	8.9	21.3	61.0	1978	95.9	84.4	57.7	59.0	59.4	79.1	100.3
1955	61.0	31.2	19.2	34.3	12.3	29.2	69.5	1979	94.8	86.6	59.9	59.2	62.2	81.8	100.0
1960	66.9	39.6	25.6	38.0	16.8	39.2	74.6	Relative productivity:							
1965	76.9	51.2	34.5	42.6	25.3	48.4	86.6								
1970	84.0	63.7	47.6	49.5	41.7	60.6	90.9	1950	84.5	41.5	25.7	51.8	14.7	35.2	100.0
1975	91.7	76.2	53.0	54.7	51.8	70.6	95.7	1979	94.8	86.5	59.9	59.2	62.2	81.8	100.0

[1] Index, United States 1979=100. Measured using own country price weights.

Source: Bureau of Labor Statistics.

TABLE II.—AVERAGE ANNUAL PERCENT CHANGE IN PRODUCTIVITY RELATIVE TO GROSS DOMESTIC PRODUCT[1]

Country	1950–67	1967–72	1973–79	1977–79	1950–79
Japan	7.4	9.2	3.4	4.6	6.9
Germany	5.0	4.8	3.1	2.9	4.8
Italy	5.3	5.0	1.7	2.9	4.8
France	4.7	4.5	2.9	3.0	4.3
Canada	2.5	2.8	.4	−.5	2.1
United Kingdom	2.2	3.0	1.1	1.8	2.3
United States	2.4	1.1	.3	−.1	1.7

[1] Measured by growth in real domestic product per employed person, using own country price weights.

Source: Bureau of Labor Statistics.

Mr. BENTSEN. Mr. President, let me make it clear that this long-term trend is continuing. U.S. productivity in the private business sector has fallen in six of the last eight quarters. And there is every reason to believe it will decline in the current quarter of 1981, as well.

The results of this dismal trend have been widespread and decidedly bad for our Nation. It has increasingly placed our domestic industries at a disadvantage when competing abroad with foreign firms enjoying great leaps annually in productivity. Instead of requiring seven Japanese workers, for example, to match the output of one American worker, it now requires fewer than two. In Germany, 1.3 workers now produce what three workers did in 1950. And, in Italy, two workers now produce what four did 30 years ago. The result has been a declining dollar which has promoted price stability abroad, but which has caused inflation here at home. This growing competitive disadvantage has enabled foreign producers, as well, to undercut American firms, resulting in a major loss of job opportunities here. The greater productivity growth abroad, in fact, explains in large measure the notably better success our trading partners in Japan and Germany have enjoyed in controlling inflation while achieving significant growth.

PRODUCTIVITY AND INFLATION

Inflation is public economic enemy No. 1. With inflation running at double-digit rates month after month, our core or base inflation rate itself has inevitably creeped up and now exceeds 9 percent. That holds the promise of many more months of inflation with both management and labor determined to increase prices and wages to cover rising costs in a never-ending spiral. In fact, it is not an exaggeration to suggest that we are in the grip of a raging inflation psychology with no end in sight. Double-digit inflation is a deeply embedded phenomenon which will require many months to lower.

It is important in assessing prospects for slowing inflation that the relationship of productivity and inflation be clearly understood. Only recently, largely as a result of work by Prof. Walt Rostow, at the LBJ School in Austin, has the very strong link between the two been sharply defined. When productivity growth is robust, labor and other costs rise relatively slowly, and the price increases necessary to cover production costs are not large; inflation remains low.

But let productivity lag or decline, and inflation becomes a roaring lion. Unit labor costs soar with low or no productivity growth and these costs are passed along as inflationary price increases. This straightforward connection between inflation and productivity was noted in detail at the Congressional Economic Conference on December 10, 1980. And this link is portrayed in data covering productivity, unit labor costs, and the Consumer Price Index since 1972 (table III). Mr. President, I ask unanimous consent for this table to be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III.—PRODUCTIVITY, UNIT LABOR COSTS, AND THE CONSUMER PRICE INDEX,[1] 1972–79

[In percent]

Year	Output per hour	Unit labor cost	Consumer Price Index
1972	3.7	2.8	3.3
1973	1.7	6.0	6.2
1974	−3.1	12.7	11.0
1975	1.9	7.9	9.1
1976	3.5	4.7	5.8
1977	1.6	6.3	6.5
1978	.5	8.0	7.2
1979	−1.2	10.2	11.3

[1] Nonfarm business sector, percentage change from preceding year.

Source: Energy and the Economy, W. Rostow, December 1980, Lyndon Baines Johnson School of Public Affairs, University of Texas.

Mr. BENTSEN. Mr. President, the linkage noted in this table reveals that a substantial share of responsibility for our runaway inflation rests with our long-term downward trend in productivity. It also suggests the best, and indeed only, way to bring our double-digit

inflation to an end is to revere our sliding productivity, a point I will address in detail shortly.

What this data also reveals is that recessionary tight money and contractionary fiscal policies will not bring our present inflation to a halt. Forgive me, Lord Keynes, but it will not work. As experience over the past decade has amply proven, a general recession is no guarantee of price stability. So much have the economic ground rules changed, in fact, that a sluggish economy now yields both rising unemployment and prices, or what we call stagflation. Why? Because wages and prices continue rising in our modern economy regardless of the state of demand in a never ending cycle of catchup. Yet, an economic slowdown brought on by tight monetary or fiscal policy noticeably slows productivity growth as seen from the 1974 and 1979 data in table III. Unit labor costs soar, as a consequence, and so do prices, yielding the worst of all economic worlds.

No, Keynesian economics is not the answer. Recessionary policies designed to slow inflation only reduce employment, not inflation. They lengthen welfare lines, not production lines. In fact, recessions now are likely to accelerate inflation, such is the topsy-turvy economic world of the 1980's.

We are far from helpless, however, in dealing with inflation. As experience both here and abroad has shown, a robust economy now appears to yield both lower inflation and lower unemployment. This solution has been used with great skill over the past 25 years by Japan and West Germany.

Like us, they face inflation. Yet they found a way to fight it without creating recessions. They did it through productivity growth—by insuring that, year in and year out, more goods and services were produced at cheaper prices. Instead of producing more unemployment and bigger welfare rolls to fight inflation, they increased the supply of goods and services. Output, not unemployment, went up. Production lines, not bread lines, grew longer. Productivity rose, holding costs and prices down even as employment and output grew by leaps and bounds. And their productivity gains have been striking, as noted in tables I and II. American workers are still the world's most productive, Mr. President. But, if recent productivity trends continue, French and German workers will be outproducing us within 5 or 6 years, with Japanese and Canadian workers following shortly thereafter.

We have fallen asleep as a nation, and permitted our trading partners to creep dangerously close. We are paying for our slack productivity growth with soaring inflation, a sizable trade deficit, a falling dollar, and the twin curses of stagflation.

We now know the cause of our economic malady and we know that recessionary, monetary, and fiscal policies are not the answer. And, we know that the best and indeed only path to reduced unemployment and price stability is through a major acceleration in our Nation's economic productivity.

If we do nothing, the future holds many more years of stagflation. For example, a recent Data Resources, Inc. econometric review of 1981–83 revealed that a do-nothing posture by the Federal Government will yield this sort of future for us:

Unemployment will rise through 1983 with almost 1 million more men and women out of work than in 1980.

Inflation as measured by the GNP Deflator will be higher in 1981 and 1982 than today, with the basic or core rate actually exceeding 10-percent in 1983—portending even higher inflation in the mid-1980's.

Real economic growth will stagnate this year and barely reach a poor 1-percent in 1982.

Just as Ebeneezer Scrooge benefited from a glimpse into his future, so we can benefit from this projection. It tells us that we simply must take steps, major concrete steps, to boost productivity.

How can we best do that? That is a question which the Joint Economic Committee at my direction over the past 2 years has addressed in great detail. The results are short, but not so sweet:

Boost savings and the rate of capital formation.

Boost R. & D.

Improve activities of the Federal Government designed to promote productivity.

Let me briefly review these three major findings.

SAVINGS AND CAPITAL FORMATION

Productivity gains are won through improvements in the experience of workers and their capability to apply new techniques and technology to the workplace. Fundamental to this process is the availability of resources, especially capital, needed to increase such experience and capabilities.

The importance of savings to productivity growth has not been fully recognized until recently. During the Great Depression, John Maynard Keynes reoriented economics with his work on the problems of chronic underconsumption. More savings meant less current spending; excessive savings prevented the economy from pulling itself out of an economic slump; and increased savings would lead to reduced consumption and more unemployment, thereby slowing business activity and reducing national income in an ever-downward spiral. Since then, economists and U.S. policymakers have ignored savings; it has been viewed as a nuisance that threatened full employment.

Well, we are paying the price for ignoring savings, and I believe the price is too high. We have the lowest saving rate of any industrialized nation. As depicted in table IV, over the period 1970–78, Americans saved only 6.6 percent of their disposable personal income, compared to 12.3 percent in Great Britain, 14.9 percent in West Germany, 17.1 percent in France, and a whopping 20.5 percent in Japan and 21.3 percent (1970–77 data) in Italy. Even more alarming, the share of personal disposable income being saved in the United States plunged to 4.5 percent in 1979. It was scarcely higher last year where for the 6 months beginning in October 1979, it averaged a scarcely believable 3.6 percent—one-sixth the size of Japan's savings rate during the 70's.

The handwriting, Mr. President, is on the wall. The Congress and the new administration must confront the need to reverse past policies and begin to promote savings. Legislation I successfully offered last year was the first tentative step in this new direction. It encouraged individuals to build savings accounts, by exempting a portion of interest earnings from taxation, and by enlarging the existing exemption on dividends, as well. New legislation that I am introducing today, the Savings Retirement Act, will go further in promoting savings.

Mr. President, I ask unanimous consent for a table (table IV) containing investment and savings data for the United States and seven of the largest industrialized nations to be printed at this point in the RECORD.

TABLE IV.—INVESTMENT AND PERSONAL SAVINGS RATES IN THE UNITED STATES AND OTHER INDUSTRIALIZED COUNTRIES, 1970–78

[In percent]

Country	Investment rate [1]	Personal savings rate [2]
United States	17.5	6.6
Great Britain	18.8	12.3
Italy	20.4	[3] 21.3
Netherlands	22.4	14.7
Canada	22.7	8.8
West Germany	23.1	14.9
France	23.3	17.1
Japan	33.2	[3] 20.5

[1] Gross fixed private and nonmilitary Government investment as a percent of gross national product.
[2] Savings as a percent of disposable personal income.
[3] 1970–77; 1978 data not available.

Source: U.S. Department of Commerce, International Economic Indicators, September and December 1979.

Mr. President, this low rate of savings has a dramatic impact on our rate of capital formation. The rate of private and nonmilitary investment in the United States is the lowest among all industrialized nations. At 17.5 percent of GNP from 1970 to 1978 (table IV), it was barely one-half the rate maintained in Japan. It even lagged behind the investment rate maintained by the undernourished British economy. The result of this weak level of capital formation is most vividly displayed in the aging of America's industrial machine.

The sight of acres and acres of vacant, idle machine shops, factories, and mills in our industrial heartland is mute testimony to our Nation's inattention to capital information, an inattention that continually amazes visitors from Japan where firms seek to completely turn over their industrial base every 10 years. Factories of 30, 40, and even 50 years old dot our countryside, starved for more productive machinery and equipment, and increasingly undersold even here at home by foreign producers.

Another, more objective indicator of our lagging rate of capital formation is the number of new primary stock offerings registered with the Securities and Exchange Commission. The number of such public stock offerings plunged to 60 in 1978 from 633 in 1972. Public financing of new businesses has all but dried

up due to soaring capital costs related to an uncertain but highly inflationary economic future.

A second major factor influencing productivity is research and development.

RESEARCH AND DEVELOPMENT

Total research and development spending in the United States has declined from over 3 percent of our gross national product in the early 1960's to a little more than 2 percent. The nondefense component of these figures has declined as well, from about 1.9 percent of GNP in 1967 to approximately 1.6 percent recently. The decline in innovation is illustrated also by our patent balance—the percentage of U.S. patents granted to foreigners. According to the Patent Office, that figure has grown from about 20 percent of all U.S. patents being granted in 1967 to 40 percent by 1976.

Other indicators display the similar, distressing pattern of a weak national R. & D. commitment. Indicators such as industrial R. & D. as a ratio of value-added in manufacturing, and R. & D. engineers and scientists per 10,000 workers show the United States lagging against many other countries, especially Japan and West Germany. Even the share of Federal outlays being devoted to R. & D. has fallen (by half) from the robust levels of 10 percent or more chalked up during the space era of the 1960's. Two of the bills I am introducing today are designed to spark a resurgence of R. & D. activity, with a specific focus on smaller firms which devote a disproportionate share of their resources to R. & D.

A third major influence on productivity is activities of the Federal Government.

FEDERAL IMPACT ON PRODUCTIVITY

On balance, as a consequence of its rules and regulations, the Federal Government may well deflect more resources from productivity-improving activities than toward them.

GOVERNMENT REDTAPE

A major factor affecting private sector productivity is the debilitating and pervasive impact of Government rules and regulations. They divert scarce capital and management expertise from productive pursuits to activities required for compliance, as well as increasing uncertainty by altering market structures. Dr. Murray Weidenbaum, chairman of the President's Council of Economic Advisors, has estimated the costs imposed by existing Federal regulations at $100 billion or more annually. And the Nation is braced for another round of regulations in the next several years.

We are rapidly learning that desirable social objectives can be achieved in a variety of ways. It is no longer sufficient to impose a costly, cumbersome and expensive rule or regulation merely because it represents the most convenient bureaucratic approach. The recent administration made a start toward the design and application of Federal regulations which are cost-effective and which minimize the private sector burden consistent with the attainment of the social objective. The new administration will certainly continue this effort. And, I will shortly be introducing a package of legislation designed to assist the Reagan administration reduce the burden of Federal rules and regulations.

The Federal Government can do much more than raise the cost effectiveness of its regulations in order to stimulate productivity. It currently spends in excess of $1 billion annually according to the Congressional Research Service on productivity-related activities, very broadly defined. The effectiveness of these gigantic outlays can certaintly be improved.

A UNIFIED FEDERAL PRODUCTIVITY PROGRAM

It is evident that the Federal Government can take a page from the governments of Japan and West Germany to name a few, and develop innovative and effective programs to promote private sector productivity growth. It can also promote productivity more directly by redesigning existing programs in an imaginative fashion to promote productivity growth. Legislation I am introducing today is directed at each of these potential approaches to raising productivity by the Federal Government.

RECOMMENDATIONS

Although productivity cannot be improved alone by public policy prescriptions, the bills I am introducing today will aggressively address those areas of the economy which must be stimulated if the productivity gains of the past are to be prevalent again. By boosting savings, the rate of capital formation, and R. & D. as well as improving worker training and Federal activities designed to promote productivity, we can sharply improve the Federal contribution to productivity growth.

Let there be no doubt that a major Federal assault on productivity will yield benefits to all. Over the past 60 years, our standard of living has increased by leaps and bounds—one-time luxuries, such as automobiles and television, are now found in most homes—due in large part to our stellar productivity performance. Today, however, Americans feel their accustomed way of life threatened by stagflation and unemployment—a threat that can and must be removed if we act quickly and decisively.

Private industry will have to spend more heavily for research, build more efficient factories, and install large amounts of cost-cutting equipment if productivity is to increase.

But the effort is worthwhile. Productivity can help put an end to our inflationary cycle, and renew growth in our standard of living. Let me illustrate. Since 1950, Germany has averaged a rate of productivity growth of 4.8 percent annually, versus 1.7 percent here. Had we been able to match their productivity growth rates, our 1977 GNP would have been $2.3 trillion higher than it was. Given 80 million households in the United States, this translates into some $27,000 per family. In effect, we would have doubled every American family's income in real dollars.

The difference between 1.7 percent and 4.8 percent seems small. But over time, it has an amazing impact on our standard of living. Thus, our efforts to stimulate productivity are certainly not misplaced. The sooner we act, the better.

Mr. President, let me now briefly discuss each of the five bills I am introducing today.

The first bill address the need to stimulate greater savings and capital formation. Two bills provide tax incentives for smaller firms to undertake greater research and development activity. The final two focus on programs to improve the Federal Government's programs to increase both its own and the private sector's productivity.

RETIREMENT SAVINGS ACT

Productivity increases depend largely on investment in equipment and machinery, which requires capital. It is imperative that individuals in the United States save more to insure the availability of this necessary capital. As I have already noted, the United States has the lowest savings rate of any industrialized nation.

This legislation, the Retirement Savings Act, is designed to promote additional savings by individuals by building on the concept now well established under the IRA concept. My bill would expand this concept and allow individuals covered under an employer-funded retirement plan to establish an IRA of their own or to defer taxes on their own contributions up to $1,500 annually to an existing IRA. This proposal would have a very dramatic and powerful impact, I am convinced, on savings and capital formation in this country. Mr. President, I ask unanimous consent for the Retirement Savings Act to be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE—This bill shall be called the Retirement Savings Act of 1981.

SEC. 2. INDIVIDUALS COVERED BY OTHER PLANS.

(a) IN GENERAL.—Subsection (a) of section 219 of the Internal Revenue Code of 1954 (relating to deduction allowed for retirement savings) is amended—

(1) by striking out "or" at the end of paragraph (2).

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a comma and "or"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) to or under a qualified plan in which such individual was an active participant for any part of the taxable year.".

(b) CONFORMING CHANGES.—Section 219 of such Code is amended—

(1) by striking out parts (2)(A)(i), (2)(A)(ii), and (2)(A)(iii) of subsection (b), and

(2) by redesignating part 2(A)(iv) as part (2)(A)(i),

(3) by adding at the end of subsection (c) the following new paragraph:

(5) QUALIFIED PLAN.—For purposes of this section, the term 'qualified plan' means—

"(A) a plan described in section 401(a) which includes a trust exempt from tax under section 501(a),

"(B) an annuity plan described in section 403(a),

"(C) a qualified bond purchase plan described in section 405(a)," or

"(D) a plan described in section 805(d)(3)."

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1980.

RESEARCH AND DEVELOPMENT

Mr. BENTSEN. Mr. President, as I noted earlier, research and development expenditures by private industry play a substantial role in the rate at which our national productivity grows. I am introducing two bills today designed to stimulate such R. & D. with a particular focus on smaller firms. The two bills are "The Resear.h Promotion Act" and "The Research Tax Incentive Act."

THE RESEARCH PROMOTION ACT

Professional research has proven the linkage between industry-financed R. & D. and productivity growth. Smaller firms contribute significantly to this innovative process. Yet, capitalizing on new innovations is difficult at times for these small firms because financial resources are not always adequately available to them. Improving cash flows within such firms will yield productivity, employment, and export gains. One effective way to increase cash flows is to provide innovative firms with tax offset credits for R. & D. expenditures that are currently expensed.

This act, by establishing a 10-percent tax credit toward current R. & D. expenditures, provides such an incentive for innovation. This credit is limited to firms with less than $250 million in sales that devote an amount more than 2.5 percent of sales to R. & D. This act should be a potent force in stimulating innovation and productivity which flows from expanded R. & D. outlays. The credit, then, is limited in size to 10 percent of such firms' R. & D. expenses in excess of 2.5 percent of sales. As a consequence of this limited application, the Joint Committee on Taxation estimated that a revenue loss of $40 million in 1980 and $45 million in 1981 would occur with the act. Mr. President, I ask unanimous consent that the Research Promotion Act be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE—That this Act may be cited as the "Research Promotion Act"

SEC. 2. (a) Subpart A of part IV of subchapter A of Chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SECTION 44D. CREDIT FOR RESEARCH AND EXPENDITURES.

"(a) IN GENERAL—

"(1) FIRST-IN-FIRST-OUT RULE.—The amount of the credit allowed against the tax imposed by this chapter for the taxable year shall be an amount equal to the sum of—

"(A) the research and experimental credit carryovers carried to such a taxable year,

"(B) the amount of the credit determined under paragraph (2) for such taxable year, plus

"(C) the research and experimental credit carrybacks carried to such taxable year.

"(2) AMOUNT OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 percent of the qualified research and experimental expenditures paid or incurred by the taxpayer during the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—The term 'qualified research and experimental expenditures' means the excess of the research and experimental expenditures of the taxpayer for the taxable year over 2.5 percent of the gross receipts of such taxpayer for the taxable year.

"(2) RESEARCH AND EXPERIMENTAL EXPENDITURES.—The term 'research and experimental expenditures' means research or experimental expenditures (other than any allowance for depreciation or depletion with respect to any property) with respect to which a deduction is allowable under section 174.

"(c) LIMITATIONS—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for any taxable year shall not exceed the amount of the tax imposed by this chapter reduced by the sum of the credits allowable under a section of this part having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43.

"(2) $250,000,000 GROSS RECEIPTS.—No credit shall be allowed under subsection (a) if the gross receipts of the taxpayer exceed $250,000,000 for the preceding taxable year.

"(d) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided by subsection (c)(1) for such taxable year (hereinafter in this subsection referred to as the 'unused credit year'), such excess shall be—

"(A) a research and experimental credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(B) a research and experimental credit carryover to each of the 7 taxable years following the unused credit year, and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year beginning before January 1, 1981, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 10 taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other 9 taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (c)(1) for such taxable year exceeds the sum of—

"(A) the credit allowable under this section for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(e) CONTROLLED GROUPS.—In the case of a controlled group, the determination of the amount of qualified research and experimental expenditures under subsection (b)(1) and the amount of the gross receipts under subsections (b)(1) and (c)(2) shall be made by aggregating the expenditures and gross receipts for all component members of such group as if the group constituted 1 taxpayer. The credit allowable under subsection (a) shall be apportioned among the component members of such group in such manner as the Secretary shall by regulations prescribe. For purposes of this paragraph, the term 'controlled group' has the meaning assigned to such term by section 1563(a).".

(b) The table of sections for such subpart is amended by inserting before the item relating to section 45 the following new item:

"SECTION 44D. CREDIT FOR RESEARCH AND EXPERIMENTAL EXPENDITURES.".

(c) Section 6096(b) of such Code (relating to designation of income tax payment to Presidential Election Campaign Fund) is amended by striking out "and 44C" and inserting in lieu thereof ", 44C and 44D".

(d)(1) Subsection (c) of section 381 of such Code (relating to carryovers in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

"(27) Credit under Section 44D for Research and Experimentation. The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 44D, and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 44D in respect of the distributor or transferor corporation.".

(2)(A) Section 383 of such Code (relating to special limitations on unused investment credits, work incentive program credits, foreign taxes, and capital losses), as in effect for taxable years beginning after June 30, 1981, is amended by inserting "to any unused research and experimental credit' of the corporation under section 44D(d)." before "to any unused investment credit".

(B) The heading of such section 383 is amended to read as follows:

"SECTION 383. SPECIAL LIMITATION ON CERTAIN UNUSED CREDITS."

(3) (A) Section 383 of such Code (as in effect on the day before the date of the enactment of the Tax Reform Act of 1976) is amended by inserting "to any research and experimental credit of the corporation which could otherwise be carried forward under section 44D," before "to any unused investment credit".

(B) The heading of such section 383 (as so in effect) is amended to read as follows:

"SECTION 383. SPECIAL LIMITATIONS ON CERTAIN UNUSED CREDITS.".

(4) The table of sections for part V of subchapter C of Chapter 1 of such Code is amended by striking out the item relating to section 383 and inserting in lieu thereof the following:

"SECTION 383. SPECIAL LIMITATIONS ON CERTAIN UNUSED CREDITS.".

(e) (1) Section 6511(d)(4)(C) of such Code (relating to limitations on credit or refunds) is amended by inserting "research and experimental credit carryback," before "and new employee".

(2) Section 6411 of such Code (relating to quick refunds in respect of tentative carryback adjustments) is amended—

(a) by striking out "or unused new employee credit" each place it appears in such section and inserting in lieu thereof "unused new employee credit, or unused research and experimental credit",

(B) by inserting after "section 172(b)," in the first sentence of subsection (a) "by

a research and experimental credit carryback provided in section 44D(d),",

(C) by striking out "or a new employee credit carryback from" in the second sentence of subsection (a) and inserting in lieu thereof", a new employee credit carryback from, or a research and experimental credit carryback from", and

(D) by striking out "work incentive program carryback)" in the second sentence of subsection (a) and inserting in lieu thereof "work incentive program carryback, or, in the case of a research and experimental credit carryback, to an investment credit carryback, a work incentive program carryback, or a new employee credit carryback)".

(3) Section 6501(m) of such Code (relating to tentative carryback adjustment assessment period) is amended by striking out "or a new employee credit carryback" and inserting in lieu thereof "a new employee credit carryback, or a research and experimental credit carryback".

(4) Paragraph (3) of section 55(c) of such Code (relating to credits against alternative minimum tax for taxpayers other than corporations) is amended by redesignating subparagraph (D) as (E) and inserting after subparagraph (C) the following new subparagraph:

"(D) Research and Experimental Credit.—For purposes of determining under section 44D(d) the amount of any research and experimental credit carryback or carryover to any other taxable year, the amount of the limitation under section 44D(d)(2) for the current taxable year shall be deemed to be—

"(i) the amount of the credit allowable under section 44D for the current taxable year without regard to this subparagraph, reduced by

"(ii) the amount equal to the lesser of (I) the amount of the credit allowable under section 44D for the current taxable year without regard to this subparagraph, or (II) the net tax imposed by this section for the current taxable year reduced by the sum of the amounts of reduction described in clause (ii) of subparagraphs (A), (B), and (C).".

SEC. 2. THE AMENDMENTS MADE BY THIS ACT SHALL APPLY TO TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1980

RESEARCH TAX INCENTIVE ACT

Mr. BENTSEN. This act provides tax incentives for investment in R. & D. structure and equipment, and complements the above act in stimulating R. & D. expenditures by making R. & D. a relatively more attractive use of business capital.

The Research Tax Incentive Act affords eligible taxpayers the option of applying either a 20-percent tax credit—with normal life depreciation—or a 5-year straightline amortization—with the present 10-percent credit—to investments in research equipment.

For investments in research structures, the act creates the option of either a 5-year straightline amortization or a 10-percent tax credit—with normal-life depreciation—to such investments, which are not now generally eligible for tax credits.

This act provides a tax stimulus parallel to that already existing for energy conservation and related pollution abatement equipment. However, this stimulus is not open ended, and is only available to firms with less than $250 million in annual sales who spend an amount more than 2.5 percent of their sales revenues on research and development. These firms are more likely to be innovative and to have their planning processes affected by these tax incentives. The act provides firms the option of picking the tax credit best suited to their planning needs. Mr. President, I ask unanimous consent for "The Research Tax Incentive Act" to appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 488

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This act may be cited as the "Research Tax Incentive Act".

SEC. 2. INVESTMENT CREDIT FOR RESEARCH AND EXPERIMENTAL PROPERTY.

(a) 10 PERCENT ADDITIONAL INVESTMENT CREDIT.—

(1) IN GENERAL.—Paragraph (2) of section 46(a) of the Internal Revenue Code of 1954 (relating to amount of credit for current taxable year) is amended—

(A) by striking out "and" at the end of subparagraph (A)(ii),

(B) by striking out the period at the end of subparagraph (A)(iii) and inserting ", and",

(C) by inserting at the end of subparagraph (A) the following new clause:

"(iv) in the case of qualified research and experimental property, the research and experimental percentage.", and

(D) by adding at the end thereof the following new subparagraph:

"(F) Research and experimental percentage—For purposes of this paragraph, the research and experimental percentage is 10 percent with respect to the period beginning after December 31, 1980.".

(2) DEFINITION OF QUALIFIED RESEARCH AND EXPERIMENTAL PROPERTY.—Section 48 of such Code (relating to definitions and special rules) is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) QUALIFIED RESEARCH AND EXPERIMENTAL PROPERTY.—

"(1) IN GENERAL.—For purposes of this subpart, the term 'qualified research and experimental property' means section 38 property (determined without regard to this subsection and paragraph (11) of subsection (a))—

"(A) which is to be used in research and experimentation (within the meaning of section 174), and

"(B) with respect to which the taxpayer has not made an election under section 193.

"(2) EXCLUSION OF CERTAIN TAXPAYERS.—

"(A) IN GENERAL.—For purposes of paragraph (1), no property of the taxpayer shall be considered qualified research and experimental property for the taxable year if for the preceding taxable year—

"(i) the gross receipts of the taxpayer were in excess of $250,000,000, or

"(ii) the research and experimental expenditures of the taxpayer did not exceed 2.5 percent of the gross receipts for such taxable year.

"(B) RESEARCH AND EXPERIMENTAL EXPENDITURES.—For purposes of this paragraph, the term 'research and experimental expenditures' means research and experimental expenditures (other than any allowance for depreciation or depletion with respect to any property) with respect to which a deduction is allowable under section 174.

"(C) CONTROLLED GROUPS.—In the case of a controlled group, the determination of the amount of research and experimental expenditures and the amount of the gross receipts under subparagraph (A) shall be made by aggregating the expenditures and gross receipts for all component members of such group as if the group constituted 1 taxpayer. The credit allowable under section 38 which is attributable to the research and experimental percentage shall be apportioned among the component members of such groups in such manner as the Secretary shall by regulations prescribe. For purposes of this paragraph, the term 'controlled group' has the meaning assigned to such term by section 1563(a).".

(b) INVESTMENT CREDIT FOR CERTAIN BUILDINGS.—Subsection (a) of section 48 of the Internal Revenue Code of 1954 (relating to definition of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(11) BUILDINGS AND STRUCTURAL COMPONENTS USED IN RESEARCH AND EXPERIMENTATION.—

"(A) IN GENERAL.—Notwithstanding the words (other than a building and its structural components) in subparagraph (B) of paragraph (1), a building and its structural components shall be treated as section 38 property to the extent of so much of the qualified investment (as determined under subsections (c) and (d) of section 46) in such building or its structural components as is, or in the case of qualified progress expenditures, may reasonably be expected to be, attributable to expenditures paid or incurred with respect to so much of such building and its structural components as constitutes qualified research and experimental property.

"(B) DEFINITION OF QUALIFIED RESEARCH AND EXPERIMENTAL PROPERTY.—For purposes of this paragraph, the term 'qualified research and experimental property' means property—

"(1) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, which has a useful life of 3 years or more, and with respect to which the taxpayer has not made an election under section 198, and

"(ii) which, or that portion thereof which, is used in connection with research and experimentation (within the meaning of section 174).

No property of the taxpayer shall be considered qualified research and experimental property if the provisions of section 48(q)(2) apply, or if applicable, would apply, to the taxpayer for the taxable year.".

(c) RECAPTURE OF CREDIT IF USE CHANGES.—

(1) IN GENERAL.—Section 47(a) of such Code (relating to certain dispositions, etc. of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(8) SPECIAL RULES FOR QUALIFIED RESEARCH AND EXPERIMENTAL PROPERTY.—If during any taxable year any qualified research and experimental property (within the meaning of section 48(a)(11)(B) or (q)) is disposed of, or otherwise ceases to be qualified research and experimental property with respect to the taxpayer, before the close of the useful life which was taken into account in computing the credit under section 38, then the tax under this chapter for such taxable year shall be increased by an amount equal to the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted solely from treating such property as property which is not qualified research and experimental property. If the application of this paragraph to any property is followed by the application of paragraph (1) to such property, proper adjustment shall be made in applying paragraph (1).".

(2) TECHNICAL AMENDMENT.—Paragraph (5) of section 47(a) of such code is amended by striking out "or (4)" and inserting ", (4), or (8)".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to—

(1) property to which section 46(d) of the Internal Revenue Code of 1954 does not apply, the construction, reconstruction, or erection of which is begun or completed by the taxpayer after December 31, 1980, but only to the extent of the basis thereof attributable to construction, reconstruction, or erection during such period.

(2) property to which section 46(d) of such code does not apply, acquired by the taxpayer after such date, and

(3) property to which section 46(d) of such Code applies, but only to the extent of the qualified investment (as determined under subsections (c) and (d) of section 46 of such Code) attributable to qualified progress expenditures made after such date.

SEC. 3. AMORTIZATION OF RESEARCH AND EXPERIMENTAL PROPERTY.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 193. AMORTIZATION OF EXPENDITURES FOR RESEARCH AND EXPERIMENTAL PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—Every person, at his election, shall be entitled to a deduction with respect to the amortization of the amortizable basis of any qualified research and experimental property (as defined in subsection (d)), based on a period of not less than 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the amortizable basis at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such amortizable basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any month shall be in lieu of the depreciation deduction with respect to such basis for such month provided by section 167. The period shall begin, as to any qualified research and experimental property at the election of the taxpayer, with the month following the month in which the basis is acquired, or with the succeeding taxable year.

"(b) ELECTION OF AMORTIZATION.—The election of the taxpayer to take the amortization deduction and to begin the period with the month following the month in which the basis is acquired, or with the taxable year succeeding the taxable year in which such basis is acquired, shall be made by filing with the Secretary, in such manner, in such form, and within such time as the Secretary may by regulations prescribe, a statement of such election.

"(c) TERMINATION OF AMORTIZATION DEDUCTION.—

"(1) IN GENERAL.—A taxpayer who has elected under subsection (b) to take the amortization deduction provided in subsection (a) may, at any time after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period, such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Secretary before the beginning of such month. The depreciation deduction provided under section 167 shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such qualified research and experimental property.

"(2) CONSTRUCTIVE TERMINATION.—If, at any time during the period during which an election under subsection (b) is in effect, the property ceases to be used as qualified research and experimental property, the taxpayer shall be deemed to have made an election under paragraph (1) to discontinue the use of the amortization deduction provided by this section with respect to such property for the month following the month in which such cessation occurs.

"(d) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED RESEARCH AND EXPERIMENTAL PROPERTY.—The term 'qualified research and experimental property' means qualified research and experimental property (within the meaning of section 48(a)(11)(B) or (q)), except that no property of the taxpayer shall be considered qualified research and experimental property if the provisions of section 48(q) apply, or if applicable, would apply, for the taxable year.

"(2) AMORTIZABLE BASIS.—The term 'amortizable basis' means the portion of the basis attributable to the acquisition, construction, reconstruction, erection, or rehabilitation of qualified research and experimental property after December 31, 1980.

"(e) DEPRECIATION DEDUCTION.—The depreciation deduction provided by section 167 shall, notwithstanding the provisions of subsection (a), be allowed with respect to the portion of the adjusted basis which is not the amortizable basis.

"(f) LIFE TENANT AND REMAINDERMAN.—In the case of property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.".

(b) CONFORMING AMENDMENTS—

(1) Section 1245(a) of such Code (relating to gain from dispositions of certain depreciable property) is amended—

(A) by striking out "or 191" and inserting in lieu thereof "191, or 192", and

(B) by inserting "193," after "190," each place it appears.

(2) Section 642(f) of such Code (relating to amortization deductions of estates and trusts) is amended by striking out "and 191" and inserting in lieu thereof "191, and 193".

(3) Section 1082(a)(2)(B) of such Code (relating to basis for determining gain or loss) is amended by striking out "or 191" and inserting in lieu thereof "191, or 193".

(4) Section 1250(b)(3) of such Code (relating to depreciation adjustments) is amended by striking out "or 190" and inserting in lieu thereof "190, or 193".

(5) The table of sections for part VI of subchapter B of chapter 1 of such Code is amended by inserting at the end thereof the following new item:

"Sec. 193. Amortization of expenditures for qualified research and experimental property.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to additions to capital account made after December 31, 1980.

FEDERAL PRODUCTIVITY PROGRAMS

Mr. BENTSEN. Mr. President, I mentioned earlier that the Federal Government can play both a debilitating and a positive role in stimulating productivity. The two following bills are designed to redefine and expand the latter potential role by requiring that a consolidation of Federal efforts to increase private sector productivity and to permit the use of a small portion of CETA funds for productivity programs. The bills I am introducing for these purposes are "The Productivity Improvement Act" and "The Labor Productivity and Training Act".

THE PRODUCTIVITY IMPROVEMENT ACT

With over $1 billion annually being spent by the Federal Government on private sector productivity programs, primarily in the technology transfer area, the Federal Government is already deeply embroiled in productivity. Yet, I am convinced that a sizable portion of these outlays are not well spent, that more effective efforts can be taken to reinforce productivity improvement programs by business.

Perhaps, the best way to achieve this consolidation and reinvigoration is to utilize lessons from our most productive international trading competitors. Both Japan and West Germany have major aggressive federal productivity centers to coordinate national productivity programs. In each case, in fact, those programs were established at our insistence after World War II. Yet, we refused to take our own advice. Federal concern with the declining state of U.S. productivity only began in 1963 with * * *.

FEDERAL PRODUCTIVITY CENTER

Of course, there are many positive options the Federal Government can pursue to spur R. & D., options involving more than increasing direct outlays for R. & D. Perhaps the most fundamental one involves a Federal program to reinforce and supplement private-sector productivity efforts by creation of a National Productivity Center as I have proposed in legislation (S. 2417). Federal concern with the declining state of U.S. innovation began as early as 1963 with President Kennedy's civilian technology program designed to upgrade the production technology utilized by small- and medium-sized U.S. companies.

An initial focus of this program, administered by the National Bureau of Standards, was the textile and apparel industries which received Federal assistance through 1969. In 1965, the State Technical Services program was established within the Department of Commerce to improve the dissemination and utilization of technical information to the private sector. It was terminated in 1970.

In 1971, the Nixon administration established the new technological opportunities program to spotlight Federal incentives capable of accelerating innovation. This dual-objective program, designed to increase the competitiveness of U.S. exporters and to reduce unemployment among scientists and engineers, survives today on a shoestring budget.

In 1976, a National Center on Productivity and the Quality of Working Life was established. Suffering from overly ambitious objectives which far exceeded its budget and limited access to the White House and top administration officials, the NCPQWL lasted only 2 years. It was replaced by a toothless tiger, the present National Productivity Council (NPC) established within the Office of Management and Budget with a two-person staff.

In 1979, I asked Elmer Staats, Comptroller General of the United States, to evaluate the wisdom of establishing a focal point for Federal efforts to stimulate productivity. Mr. Staats and the

General Accounting Office were a logical choice for this task. More than any other official, Mr. Staats has consistently stressed the urgency of renewing our productivity growth. And more than any other Federal entity, he and his staff have plumbed the best minds worldwide in fashioning solutions to the question of how best to spur productivity.

The legislation I am introducing today reflects the best thinking of Mr. Staats and the GAO. It is drawn largely on material prepared by them.

Briefly, the Productivity Improvement Act is designed to build upon the present NPC and create a strong central focus for Federal efforts to increase private sector productivity growth. The expanded NPC will not address public sector productivity, leaving that effort to the Office of Personnel Management. The expanded NPC will be permanent, with a full time chairperson and small staff: It will develop a national productivity plan, reviewing what is underway now and what can be done by the Federal Government to increase private sector productivity. It will receive counsel from an advisory board drawn from the private sector. It will serve as an advocate right within the Federal bureaucracy for tax and regulatory policies designed to promote productivity. The legislation assigns specific duties, as well, to the Department of Labor, the Department of Commerce, to other agencies, and to the Federal Mediation and Conciliation Service for raising productivity.

I want to make clear the distinction between this proposed expansion in the existing NPC and the previous NCPQWL.

The NPC will have a strong leader with access to the top offices of the administration and to congressional leaders. For that reason, the chairman is subject to Senate confirmation.

The NPC will be able to work closely and effectively with other Federal entities concerned with productivity, to lead, to speak for, and coordinate with them, the entire Federal productivity effort.

The NPC will be an extension of the Federal Government, not as an independent entity with little support from, or loyalty to, the administration's office. Its evolution from the existing National Productivity Council, the major responsibilities assigned to the Secretaries of Labor and Commerce, and its legislative mandate to develop the Federal productivity plan, all insure that the FPC will be a forceful, active entity that speaks for the entire Federal Government.

Mr. President, I ask unanimous consent that the Productivity Improvement Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 489

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This act may be cited as the "Productivity Improvement Act".

SEC. 2. (a) Statement of Findings and Purpose. The Congress finds and declares that—

(1) the rate of growth of productivity in the United States has been declining in recent years and at present is less than the rate of such growth in each of the major industrial nations;

(2) the Federal Government is taking many actions which affect productivity in the private sector, but such actions are not coordinated and are, in some cases, contradictory; and

(3) there is no comprehensive national productivity plan which addresses in a cohesive manner problems relating to productivity in the private sector and which delineates possible Federal activities to improve productivity in the private sector.

(b) Therefore, it is the purpose of this Act to—

(1) improve the effectiveness of Federal policies, programs, and activities related to productivity in the private sector; and

(2) eliminate unnecessary barriers and obstacles created by the Federal Government to the improvement of productivity in the private sector.

NATIONAL PRODUCTIVITY COUNCIL

SEC. 3. (a) There is established the National Productivity Council (hereinafter referred to as the "Council"). The Council shall be composed of—

(1) a Chairperson, who shall be appointed by the President by and with the advice and consent of the Senate;

(2) the Secretary of Commerce;

(3) the Secretary of Labor;

(4) the Secretary of the Treasury;

(5) the Director of the Office of Management and Budget;

(6) the Chairman of the Council of Economic Advisors;

(7) the Chairman of the Council on Wage and Price Stability;

(8) the Special Representative for Trade Negotiations;

(9) the Director of the Office of Science and Technology Policy;

(10) the Director of the Federal Mediation and Conciliation Service;

(11) the Administrator of the Small Business Administration; and

(12) the heads of such other Federal agencies as the President may designate.

(b) The Council shall—

(1) develop and annually revise a comprehensive national productivity plan which—

(A) identifies and describes the relationship and effect of Federal policies, programs and activities on productivity in the private sector;

(B) delineates the responsibilities of Federal agencies which carry out such policies, programs, and activities;

(C) identifies unnecessary obstacles to productivity in the private sector which are created by the Federal Government;

(D) recommends alternative Federal policies, programs, activities, and governmental structures to facilitate the improvement of productivity in the private sector;

(E) analyzes the Budget of the United States in order to ascertain the areas in which Federal financial assistance is being provided to improve productivity in the private sector;

(F) annually assesses Federal activities to improve productivity in the private sector, including an identification of duplicative activities, successful activities, unsuccessful activities, and areas in which additional activities are necessary; and

(G) establishes priorities for short- and long-term objectives to improve productivity in the private sector and proposes recommendations for specific projects and programs to retain such objectives;

(2) bring together representatives of business, labor, academic institutions, and government to identify possible Federal activities to improve productivity in the private sector and to obtain the support and participation of the private sector in creating and implementing the national productivity plan developed pursuant to clause (1);

(3) conduct studies to assist in the refinement and annual revisions of the national productivity plan developed pursuant to clause (1);

(4) perform economic analyses of the short- and long-term impact on productivity of such Federal statutes and regulations as the Council may select;

(5) provide guidance and direction to Federal agencies concerning the implementation of the national productivity plan developed pursuant to clause (1);

(6) make recommendations to the President, the Congress, and Federal agencies concerning legislation, regulations, policies, and activities to improve productivity in the private sector;

(7) act as the primary source of information in the Federal Government concerning efforts to improve productivity in the private sector by—

(A) receiving and disseminating information relating to Federal efforts to improve productivity in the private sector;

(B) promoting the activities of national, regional, and local productivity centers, serving as a liaison between such centers and Federal agencies, and establishing mechanisms to permit the consideration by Federal agencies of recommendations made by such centers concerning Federal activities to improve productivity in the private sector;

(C) providing assistance to such centers concerning the implementation of Federal policies, regulations, programs, and activities to improve productivity in the private sector;

(D) representing the United States with foreign productivity centers and the monitoring of activities in other countries to improve productivity in the private sector; and

(E) monitoring the status of policies, programs, regulations, and activities of the Federal Government which affect productivity in the private sector;

(8) report annually to the President and the Congress concerning the implementation and revisions of the national productivity plan developed pursuant to clause (1); and

(9) delineate the functions of Federal agencies relating to the improvement of productivity in the private sector.

(c) The Chairman shall be responsible for carrying out the duties of the Council.

(d) The Secretary of Commerce and the Secretary of Labor shall serve as the Vice Chairmen of the Council. There shall be an Executive Committee of the Council, which shall consist of the Chairman and the Vice Chairmen of the Council.

(e) The Chairman of the Council is authorized—

(1) to appoint and fix the compensation of such employees as may be necessary to carry out the provisions of this Act;

(2) to procure temporary and intermittent services in accordance with section 3109 of title 5, United States Code, at rates not to exceed the daily rate payable for GS–18 under section 5332 of such title;

(3) without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the provisions of this Act, with any public agency or with any person, and make payments (in advance, by transfer, or otherwise) and grants to any public agency or private organization;

(4) to organize and conduct, directly or by grant, contract, or other arrangement, conferences, meetings, seminars, or other forums for the purpose of—

(A) presenting and disseminating relevant information concerning productivity in the private sector; and

(B) obtaining information and opinions

from sources outside the Federal Government concerning the improvement of productivity in the private sector.

(f) Upon request of the Chairman, the head of a Federal agency is authorized to detail any employee of the agency to the Council on a reimbursable basis.

(g) The Secretary of Commerce, the Secretary of Labor, and the Director of the Federal Mediation and Conciliation Service shall provide such assistance and support to the Council as may be necessary in order to carry out its functions under this Act.

NATIONAL PRODUCTIVITY COUNCIL ADVISORY BOARD

SEC. 4. There is established a National Productivity Advisory Board, which shall be composed of up to ten members appointed by the Chairman upon such terms and conditions as may be prescribed by the Council. The Chairman shall appoint such members from among individuals with experience in business, labor, and academics. The Advisory Panel shall advise the Council concerning appropriate activities for the improvement of productivity in the private sector.

PRODUCTIVITY IMPROVEMENT FUNCTIONS OF THE DEPARTMENT OF COMMERCE

SEC. 5. With the guidance of the Council, the Secretary of Commerce shall—

(1) carry out studies concerning productivity problems in particular industries;

(2) conduct workshops and other activities for business and industry to increase awareness of the importance of productivity growth;

(3) develop studies concerning activities to improve productivity in the private sector that may be carried out jointly by the Federal Government and the private sector, such as joint efforts to increase technological innovation;

(4) operate a clearinghouse to provide information concerning various aspects of productivity; and

(5) make such recommendations to the Council as the Secretary determines appropriate for the revision of the national productivity plan established pursuant to clause (1) of section 3(b).

PRODUCTIVITY FUNCTIONS OF THE DEPARTMENT OF LABOR

SEC. 6. Under the guidance of the Council, the Secretary of Labor shall—

(1) annually conduct an assessment of issues relating to the improvement of productivity in the private sector, including issues such as the need for programs for the training and retraining of workers displaced by technological change, the degree to which advanced technology is being utilized in specific industries, and significant demographic changes;

(2) identify new or improved methods to measure productivity and thereby improve productivity analysis;

(3) conduct workshops and other activities for labor to increase awareness of the importance of growth in productivity;

(4) develop studies concerning activities to improve productivity in the private sector which may be carried out jointly between the Federal Government and labor;

(5) provide information to the Secretary of Commerce for use in the productivity clearinghouse operated under clause (4) of section 5; and

(6) make such recommendations to the Council as the Secretary determines appropriate for the revision of the national productivity plan established pursuant to clause (1) of section 3(b).

PRODUCTIVITY FUNCTIONS OF THE FEDERAL MEDIATION AND CONCILIATION SERVICE

SEC. 7. Under the guidance of the Council, the Director of the Federal Mediation and Conciliation Service shall—

(1) provide guidance and encouragement for the establishment of cooperative advisory committees composed of representatives of labor and management to make recommendations concerning the revision of production techniques in order to improve productivity, and provide successful examples of such committees to persons seeking to establish such committees;

(2) be available and responsive to requests of representatives of labor, management, and community action groups seeking advice from counsel;

(3) identify and recommend experts and consultants, including national, regional, and local productivity centers, who are available to provide assistance in the resolution of labor, management, or community problems;

(4) provide information to the Secretary of Commerce for use in the productivity clearinghouse established pursuant to clause (4) of section 5;

(5) provide information to the Secretary of Labor for use in conducting the assessment required by clause (1) of section 6; and

(6) make such recommendations to the Council as the Director determines appropriate for the revision of the national productivity plan established pursuant to clause (1) of section 3(b).

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. To carry out the provisions of this Act, there are authorized to be appropriated $3,000,000 for fiscal year 1982 and each succeeding fiscal year. Funds appropriated for any fiscal year pursuant to this section shall remain available until expended.

LABOR PRODUCTIVITY AND TRAINING ACT

Mr. BENTSEN. Mr. President, the introduction of new machinery and programs that raise productivity invariably creates new job opportunities for Americans. However, some dislocations may result if workers are not trained to operate the complex new equipment.

The most effective solution to this problem is to retrain the affected men and women before they become unemployed due to productivity improvement programs. Although the Government has instituted various training programs, they have been geared toward veterans, the handicapped, or the young and unskilled. Only recently CETA was authorized to retrain laid-off workers.

The Labor Productivity and Training Act would formalize that program by requiring that 5 percent—$100 million—of CETA training funds be directed to the retraining of labor unemployed due to productivity improvement programs. The bill stresses both on-the-job retraining costs between employers and the Labor Department.

The bill also requires the Secretary of Labor to review all Federal labor training programs and submit recommendations to Congress for revisions to promote increased labor productivity and to retrain workers before they become unemployed due to productivity programs. Mr. President, I ask unanimous consent for the Labor Productivity and Training Act to appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 490

SECTION 1. Title. This act may be cited as the "Labor Productivity and Training Act".

SEC. 2. (a) Section 203(b) of the Comprehensive Employment and Training Act is amended by inserting before the period a comma and the following: "of which not more than 5 per centum of each prime sponsor's allocation under section 202 may be used for programs and activities under section 222 of such part.".

(b) Part C of such Act is amended by adding at the end thereof the following new section:

"PRODUCTIVITY IMPROVEMENT RETRAINING

"SEC. 222. (a) Pursuant to regulations of the Secretary, prime sponsors may provide financial assistance to employees, or to private employers for the cost of training and retraining employees, who will be laid off due to productivity improvement programs initiated by such employers. Each prime sponsor shall give special consideration to training and retraining programs which contain cost-sharing arrangements with the private employers and to programs that emphasize on-the-job training programs.

"(b) Pursuant to regulations of the Secretary, prime sponsors shall establish criteria for determining when impending layoff of an employee is due to a productivity improvement program of the employer.

"(c) The provisions of subsections (b) and (c) of section 221 shall apply to arrangements entered into under the provisions of this section.".

SEC. 3. (a) The Secretary of Labor shall conduct a survey of all federally assisted labor training programs and prepare and submit a report to the Congress containing his recommendations for revising such programs to (1) promote increased labor productivity and (2) promote joint efforts by the Federal Government and by private and State and local public employers to retrain workers pending layoff due to labor productivity improvement.

(b) The report required by this section shall be prepared and submitted not later than twelve months after the date of enactment of this Act.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.●

By Mr. GLENN:

S. 491. A bill to amend title 5 of the United States Code to provide death benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes; to the Committee on Governmental Affairs.

DEATH BENEFIT TO FEDERAL LAW ENFORCEMENT OFFICERS AND FIREFIGHTERS

● Mr. GLENN. Mr. President, today I introduce legislation to amend the Federal Employee Compensation Act to provide a $50,000 death benefit to survivors of Federal law enforcement officers and firefighters who die as the direct and proximate result of personal injury incurred in the line of duty.

This bill seeks to recognize the debt owed to those public servants whose lives are taken from them as the result of outside force encountered while engaged in the protection of lives and property, and to ensure that their widows and children will not be left unable to cope with the financial distress such a death so often causes. Under current law—the Public Safety Officers Benefit Act—State and local public safety officers, including firefighters and volunteer firemen, already are allowed a $50,000 line-of-duty death benefit. When that legislation was enacted, Federal personnel in the same dangerous lines of employment were expressly excepted because, it was felt, the existing Federal Employee Compensation Act benefits were sufficiently

generous and that inclusion of Federal law enforcement officers and firefighters in the program would single out certain categories of employees for special treatment.

I do not believe enactment of such a benefit for these employees would single them out for special treatment because, in truth, they have been singled out already by the nature of their occupations. According to Department of Labor surveys, firefighting is one of the most hazardous professions in this country. And so is the work of a law enforcement officer, who faces the possibility at any time of confronting danger and even death. Those are truths for every firefighter and policeman, whether they wear the uniform of and draw their pay from the Federal Government or from the government of a State or locality.

A major flaw, I believe, in the argument that the Federal Employees Compensation Act is sufficient coverage for this group is that it overlooks the impact incurred by the survivors of the young and thus lower-paid officers who die in the line of duty. It is the family of the younger officer that is most in need to meet the costs of high mortgage payments, child rearing, and education. And it is the young family whose savings are most apt to be minimal.

Just last year, Mr. President, the Senate approved this legislation in very similar form, as the House of Representatives had earlier. We voted to extend this benefit to the survivors of Federal officers who lay down their lives in public service and thus to help them confront the pain and dislocation they face. That bill, however, was vetoed by former President Carter, whose message echoed the argument that Uncle Sam already provides generous compensation for the survivors of employees who die on the job. President Carter also observed that the measure (H.R. 5888) was retroactive to September of 1976. I have eliminated the retroactive feature from the legislation being proposed today.

The cost of this benefit would be low. Indeed, we would all hope that it would be nil. But experience tells us that men and women who engage in the dangerous professions of law enforcement and firefighting will inevitably and willingly face dangerous, even deadly situations. Some will die as a result. Last year, the Congressional Budget Office surveyed the employing agencies and, based on their experience, estimated the cost would be $500,000 a year. That means payment would be made, on the average, to the survivors of 10 such employees annually. Payments authority, however, would be subject to advance appropriation, thus eliminating any entitlement.

Mr. President, I trust the Senate will consider this legislation and, once again, approve it.●

By Mr. GOLDWATER:

S.J. Res. 31. Joint resolution to establish procedures regarding the termination of, or withdrawal from, treaties of military alliance, defense, or national security by the United States, and for other purposes; to the Committee on Foreign Relations.

TREATY TERMINATION PROCEDURES

● Mr. GOLDWATER. Mr. President, I am introducing a joint resolution today that sets forth a clear and detailed procedure for the termination of certain major treaties and that will restore credibility to our word.

In short, my proposal establishes a system of joint executive-legislative participation before any of our military treaty alliances can be annulled. I would prefer to see a law enacted covering all major treaties that raise issues of war or peace, but in order to focus attention on the area where this issue has been directly confronted, I am making my legislation applicable to military alliances and collective defense arrangements only.

Of course, I am referring to the totally unprecedented, and in my opinion illegal, action of former President Carter when he gave notice of abrogating the defense treaty with Taiwan. My colleagues will recall that I filed a law suit in December of 1978 with several other Members of Congress challenging the President's unilateral action in negating a formal treaty, without the advice and consent of the Senate or approval of the Congress. That case went all the way to the Supreme Court and our Nation's highest court granted certiorari in the case.

In effect, the Supreme Court overturned the decisions by both the district court and court of appeals and held the treaty termination is not a matter for the judicial branch to resolve. The five mixed opinions accompanying the High Court's decision virtually invited the Congress to exercise its power in the treaty and foreign relations areas or see the field occupied exclusively by the President.

Today I am following up on that court decision by introducing a joint resolution asserting the unchallenged powers of the Senate and Congress collectively to make a law regulating how another law, in this case a treaty, can be repealed. Congress' collective powers to declare war, provide for the common defense, establish and regulate the Armed Forces, defend and protect the United States against foreign invasion, preserve a republican form of government and enforce the separation of powers between the branches of Government, added together with its powers under the necessary and proper clause, give it ample authority to enact a law setting forth rules governing the process by which a formal military defense treaty can be terminated. The power of the Senate alone, under its advice and consent and treaty-making powers, stands as sufficient authority for the legislation I am introducing.

Mr. President, the joint resolution preserves any power the President may possess to independently determine that a treaty is temporarily inoperative or suspended, as in time of war. Also, the legislation acknowledges his right to act as the officer who formally gives notice of intention to terminate or withdraw from a treaty, subject to legislative concurrence. Thus, my resolution does not challenge the President's traditional role as the officer who communicates directly with other governments on behalf of our Nation.

Also, I would note that the restriction on treaty termination applies only if the treaty is terminated by the President in a manner not otherwise specifically called for in the articles of a treaty or the Senate resolution of ratification.

Moreover, the resolution expressly acknowledges the power of the President to determine that a treaty has lapsed, subject to ratification of his decision by the Senate or the Congress. Finally, and this is very important, the resolution establishes a method of informing Congress whenever the President finds that a treaty on any subject, not just a defense pact, is inoperative, suspended, or lapsed or when he gives notice of termination of any treaty to another party. The secrecy of such information is protected if necessary.

Mr. President, I believe the resolution provides a sound balance between the respective powers and roles of the President and legislature in making the difficult decision of terminating our Nation's solemn pledge, as given in a formal treaty. Before President Carter abrogated the Taiwan treaty, no one ever thought that the President singlehandedly might attempt to sever a defense alliance or break any of our Nation's major treaty commitments.

Unilateral treaty termination is a two-edged sword. Yesterday it was the Taiwan treaty. Tomorrow it could conceivably be the nuclear nonproliferation agreement or United Nations Charter or Panama Canal treaties. If the President alone has the authority to take the country out of a defense alliance, established by the exchange of formal treaty pledges, then he would also seem to possess authority to cancel any other treaty commitment our Nation has made.

Mr. President, this issue is too momentous to leave to case-by-case developments whenever a world crisis may arise. We should act now, in cooperation with the Chief Executive, in setting forth reasoned and systematic rules governing the termination of any defense treaty—and I would hope any other major treaty. This will restore credibility and permanence to our treaty alliances and thereby improve the effectiveness of our military arrangements. I urge speedy action by our Government, including both the President and Congress, on this subject.

Mr. President, I ask that the text of the joint resolution may appear in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 31

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Treaty Termination Procedures Act of 1981".

FINDINGS AND DECLARATIONS

SEC. 2. The Congress finds and declares that the provisions of this joint resolution are enacted as an exercise of—

(1) the powers of the Congress pursuant to the Constitution of the United States to

declare war, provide for the common defense, establish and regulate the armed forces of the United States, defend and protect the United States against foreign invasion, preserve a republican form of government, and enforce the separation of powers between the executive and legislative branches of the United States Government;

(2) the power of Congress under article I, section 8, of the Constitution of the United States to make all laws necessary and proper for carrying into execution, not only its own powers, but also all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof; and

(3) the power of the Senate alone, under article II, section 2, clause 2 of the Constitution of the United States, to give its advice and consent to the making of treaties, which power includes giving its advice and consent to fundamental decisions relating to the conduct of foreign relations and bearing on issues of war and peace.

POLICY AND PURPOSE

SEC. 3. (a) It is the policy of the United States not to terminate or withdraw from any treaty of military alliance, defense, or national security to which the United States is a party without the advice and consent of the Senate or the approval of the Congress, unless such treaty or the resolution of ratification relating thereto specifically provides for another means of termination or withdrawal by the United States consistent with the Constitution of the United States.

(b) The purpose of this joint resolution is to assure the greatest credibility, effectiveness, and permanence of treaties of military alliance, defense, or national security to which the United States is a party by establishing procedures regarding the termination of, or withdrawal from, such treaties by the United States.

DEFINITION

SEC. 4. For purposes of this joint resolution—

(1) the term "treaty" is used within the meaning of article II, section 2, clause 2 of the Constitution of the United States and includes—

(A) any provision of a treaty,

(B) any treaty in effect or temporarily inoperative or suspended with the United States on the date of enactment of this joint resolution,

(C) any bilateral or multilateral treaty, and

(D) any treaty in effect with a foreign government, international organization, or other entity; and

(2) the term "advice and consent of the Senate" means an affirmative vote of the Senate, two-thirds of the Senators present concurring.

REPORT

SEC. 5. Whenever the President gives notice, on behalf of the United States, to any foreign government, international organization, or other entity of an intention to terminate or withdraw from any treaty to which the United States is a party, or whenever the President determines that such a treaty has lapsed or is otherwise no longer in effect or that there is a suspension of operation of such treaty with respect to the United States, the President, as soon as practicable under the circumstances but not later than 30 days after the date of such transmittal of notice or of making such determination, shall prepare and transmit to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate a report setting forth the substance of such notice or determination. The President may transmit such report in classified form under such rules of confidentiality and secrecy for the receipt and retention of such report as the President and the Congress may establish if he finds such a form of transmittal necessary in the interests of national security.

EFFECT OF CERTAIN PRESIDENTIAL NOTICES AND DETERMINATIONS

SEC. 6. Whenever the President, without the prior advice and consent of the Senate or approval of the Congress—

(1) gives notice, on behalf of the United States, to any foreign government, international organization, or other entity of an intention to terminate or withdraw from a treaty of military alliance, defense, or national security to which the United States is a party, which treaty or resolution of ratification relating thereto does not specifically provide for the President to give such notice, or

(2) determines that such treaty has lapsed or is otherwise no longer in effect, or has had its operation suspended, with respect to the United States.

the United States will not be considered as having terminated or withdrawn from such a treaty, and such treaty shall be considered as remaining in effect with respect to the United States, unless and until the Senate has given its advice and consent to, or the Congress has authorized, directed, or otherwise approved or ratified, such notice or determination.

SEPARABILITY CLAUSE

SEC. 7. If any provision of this joint resolution or the application thereof to any person or circumstance is held invalid, the remainder of this joint resolution and the application of such provision to any other person or circumstance shall not be affected thereby.●

CHANGE IN REFERENCE OF S. 292

Mr. BAKER. Mr. President, I ask unanimous consent that S. 292, a bill dealing with title 18 of the Social Security Act, be discharged from the Committee on the Judiciary, and be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS

S. 32

At the request of Mr. CHAFEE, the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 32, a bill to grant a Federal Charter to the Italian American War Veterans of the United States of America.

S. 43

At the request of Mr. SASSER, the Senator from Delaware (Mr. BIDEN), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of S. 43, a bill to amend the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare and submit, for every bill or resolution reported in the House or the Senate which has certain specific economic consequences, an estimate of the cost which would be incurred by State and local governments in carrying out or complying with such bill or resolution.

S. 63

At the request of Mr. GARN, his name was withdrawn as a cosponsor of S. 63, a bill to amend the Clean Air Act to provide compliance date extensions for steelmaking facilities on a case-by-case basis to facilitate modernization.

S. 75

At the request of Mr. WALLOP, the Senator from New Mexico (Mr. SCHMITT) was added as a cosponsor of S. 75, a bill to amend the Internal Revenue Code of 1954 to encourage capital investment by individuals and corporations.

S. 164

At the request of Mr. MELCHER, the Senator from Missouri (Mr. EAGLETON), and the Senator from Nebraska (Mr. ZORINSKY) were added as cosponsors of S. 164, a bill to prohibit proposed regulatory increases in imputed interest rates for tax purposes on loans between related entities and on deferred payments in the case of certain sales of property.

S. 287

At the request of Mr. HEINZ, the Senator from North Dakota (Mr. ANDREWS), the Senator from Colorado (Mr. ARMSTRONG), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BOREN), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Maine (Mr. COHEN), the Senator from New York (Mr. D'AMATO), the Senator from Alabama (Mr. DENTON), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Carolina (Mr. EAST), the Senator from Ohio (Mr. GLENN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Washington (Mr. GORTON), the Senator from Iowa (Mr. GRASSLEY), the Senator from Utah (Mr. HATCH), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS) the Senator from North Carolina (Mr. HELMS), the Senator from California (Mr. HAYAKAWA), the Senator from New Hampshire (Mr. HUMPHREY), the Senator from Iowa (Mr. JEPSEN), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from Wisconsin (Mr. KASTEN), the Senator from Indiana (Mr. LUGAR), the Senator from Georgia (Mr. MATTINGLY), the Senator from Idaho (Mr. MCCLURE), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Oklahoma (Mr. NICKLES), the Senator from Illinois (Mr. PERCY), the Senator from Indiana (Mr. QUAYLE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from New Mexico (Mr. SCHMITT), the Senator from Wyoming (Mr. SIMPSON), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Idaho (Mr. SYMMS), the Senator from South Carolina (Mr. THURMOND), the Senator from Texas (Mr. TOWER), the Senator from Virginia (Mr. WARNER), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of S. 287, a bill to amend the Internal Revenue Code of 1954 to provide a system of capital recovery for investment in plant and equipment, and to encourage economic growth and modernization through increased capital investment and expanded employment opportunities.

S. 391

At the request of Mr. CHAFEE, the Senator from South Dakota (Mr. ABDNOR), the Senator from Oklahoma (Mr. BOREN), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Tennessee (Mr. BAKER) were added as cosponsors of S. 391, a bill to amend the National Security Act of 1947 to prohibit the unauthorized disclosure of information identifying agents, inform-

ants, and sources and to direct the President to establish procedures to protect the secrecy of these intelligence relationships.

S. 395

At the request of Mr. WALLOP, the Senator from Georgia (Mr. NUNN), the Senator from Montana (Mr. MELCHER), the Senator from Virginia (Mr. WARNER), and the Senator from New Mexico (Mr. SCHMITT) were added as cosponsors of S. 395, a bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes.

S. 396

At the request of Mr. DANFORTH, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 396, a bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983.

S. 447

At the request of Mr. RANDOLPH, the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 447, a bill to redesignate the days on which Washington's Birthday, Memorial Day, and Columbus Day are celebrated to make each such day a legal public holiday.

SENATE JOINT RESOLUTION 20

At the request of Mr. SASSER, the Senator from Indiana (Mr. LUGAR), and the Senator from Alabama (Mr. HEFLIN) were added as cosponsors of Senate Joint Resolution 20, a joint resolution to designate the month of April 1981 as Gospel Music Month.

SENATE RESOLUTION 74—RESOLUTION RELATING TO ACTIONS TAKEN BY FOREIGN MINISTERS OF THE NONALIGNED MOVEMENT

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Foreign Relations:

SENATE RESOLUTION 74

Whereas the Foreign Ministers of the Nonaligned Movement recently concluded a meeting in New Delhi;

Whereas one of the actions taken at this meeting was the adoption of a declaration calling upon member states of the United Nations or its specialized agencies not to accept the credentials of Israeli representatives because of Israel's alleged violation of international legality.

Whereas expulsion of Israel from the United Nations would be a violation of the United Nations Charter.

Now therefore be it Resolved that:

In the event that the United Nations General Assembly or any other body of the United Nations should reject the Credentials of the delegation of the State of Israel the United States will cease to participate in the activities of the body making the rejection and will make no payments toward the support of that body until Israel's membership is restored.

(The remarks of Mr. MOYNIHAN on this resolution appear earlier in today's RECORD.)

AUTHORITY FOR COMMITTEES TO MEET

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

(Earlier in today's proceedings authority was granted to the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs to meet on the following days for hearings on Organized Crimes Control and Influence Over International Longshoremens' Association and American Shippers' Industry during the session of the Senate, if the Senate be in session: February 17, 18, 19, and 20, 1981.)

ADDITIONAL STATEMENTS

SST—FEARS OF CALAMITY WERE WRONG

● Mr. GOLDWATER. Mr. President, when Congress foolishly killed the SST a number of years ago, many wild claims, in fact some of them so wild they could hardly be believed, were made in the argument against it. In the years intervening, as the French and English Concordes have been flying all over the world, most of these statements have been proven false, grossly exaggerated, or downright lies. Someday this country of ours is going to have to get into the SST business and, frankly, the sooner we start trying to do it, the faster we are going to overtake the great advantages we gave the aviation industry of the rest of the world when we stopped the construction of the Boeing craft those years ago.

I ask to have printed in the RECORD an article appearing in the Los Angeles Times on January 26.

The article follows:

SCIENTISTS RECONSIDER: SST—FEARS OF CALAMITY WERE WRONG

(By Robert C. Toth)

WASHINGTON.—Remember the catastrophes scientists predicted 10 years ago if supersonic jetliners were built?

A "greenhouse" effect would raise temperatures around the globe, they said. Radio communications would be disrupted. More people would get skin cancer as jet exhausts depleted the stratosphere's ozone layer and allowed more ultraviolet rays from the sun to penetrate the atmosphere. More species would become extinct as, for example, sonic booms cracked the delicate egg shells of whooping cranes.

All of these forecasts were used effectively by congressional opponents to kill the government-sponsored supersonic transport (SST) project in 1971 after $1 billion had been spent.

They were all wrong, according to scientists who have taken a retrospective look at the once-bitter controversy.

RIGHT FOR WRONG REASONS

"But the decision to cancel that program was right, even if for the wrong reasons," according to Dr. Jack A. Suddreth, manager of supersonic cruise research for the National Aeronautics and Space Administration. He said the SST would have been uneconomical and would have created intolerable noise problems.

Suddreth added, however, that technological advances in noise control and the change in airline economic conditions since 1971 could make an American SST attractive on world markets.

Reflecting this attitude, a recent study by Congress' Office of Technology Assessment recommended that the nation step up its research on the SST so it can reach a decision on building the plane later in this decade, if conditions warrant.

In the most critical issue of the 1971 SST debate—that involving the ozone layer—the initial predictions actually were reversed. A thinning of the ozone layer was first forecast, but later studies showed that the SST exhaust instead actually would increase the amount of ozone overhead. (There was no parallel prediction that cancer rates would fall). Now some scientists are again predicting a moderate ozone depletion, but there is little confidence in their work.

WERE EFFORTS HONEST?

"The past mistakes in the SST controversy won't be repeated," Dr. Harold S. Johnston of UC Berkeley told a recent "ten years later" meeting in Toronto of the American Association for the Advancement of Science. Johnston presented a paper in 1971 and engaged in other activities that drew worldwide attention to the alleged ozone-cancer link put forward by the late University of Arizona scientist James E. McDonald.

"This may seem like a comedy of errors," Johnston said, referring to the flip-flops in predicted ozone effects from SST gases. But the earlier predictions "were the result of honest efforts by dedicated scientists" attempting to estimate the risks arising from technological developments, he said.

The honesty of those efforts was challenged, however, by Dr. Hugh Ellsaesser of Lawrence Livermore National Laboratory in Livermore, Calif.

"Observational evidence that ran counter to theory was suppressed," he contended. "Johnston's paper (of 1971) had discrepancies.

"Scientists in the SST controversy took it upon themselves to act as a priesthood by suppressing data which the laity (public) could use to reach conclusions different from those espoused by the priests," Ellsaesser said.

FEARS OUTPACED EVIDENCE

Some theories of adverse SST effects, such as the formation of "cloudy contrails" that would significantly alter the world's climate were relatively easy to disprove, but the reassurances never caught up to the widely disseminated fears, scientists said.

While contrails do form behind today's jets flying in the troposphere, seven miles above the earth, SST contrails would not form because there would be no condensation effect in the stratosphere, 10 to 12 miles above ground, where they would fly, according to Robert C. Oliver of the Institute for Defense Analyses.

The ozone-cancer dispute was more difficult to resolve, but sufficient evidence existed to disprove that theory when it was first advanced, Ellsaesser said.

McDonald first contended that water vapor from SST exhausts would deplete the ozone, although observational data already showed that the ozone density and water vapor content both had risen in the previous decade, Ellsaesser said.

Then Johnston proposed that nitrogen oxide from the SSTs would deplete the ozone, but atmospheric nuclear tests that injected the gas into the ozone region in 1961–62 did not cause any observable drop in the ozone, according to Ellsaesser.

Johnston argued at this month's Toronto meeting that variations in the natural ozone density were so great that conclusions could not be drawn either way. But he acknowledged, in contrast to his 1971 position, that scientists cannot now predict whether it would be safe or unsafe to operate SSTs in the stratosphere.

More disturbing to some scientists than the disputes over data, however, was the apparent connection between the technical data certain scientists obtained and their bias toward the SST on other grounds.

"Those scientists who thought the SST was bad for economic reasons also found it was bad for environmental reasons and vice versa," according to Prof. S. Fred Singer of the University of Virginia, who worked in the government during the 1971 controversy.

"And there was paranoia, with people storming out of meetings, saying that if you did not agree with their data, you were biased."

Singer recalled that a scientific paper he wrote challenging the prevailing ozone-cancer theory was rejected by the American Association for the Advancement of Science magazine because of its unpopular theme. It was subsequently printed in the British journal Nature.

Despite the political use of specious science to kill the SST project, however, Singer believes the decision was proper because of the economic and noise disadvantages at the time.

These problems have crippled the British-French Concorde SST, developed at a cost of $6 billion. Sixteen Concordes have been built, but only nine fly, and those only part of the time. Their small size limits them to carrying only about 100 passengers. Their high fuel consumption in the days of rising oil prices, plus competition from the big, economical wide-body subsonic planes, have made them unprofitable. Legal bars on supersonic flights over such countries as the United States, France and India restrict them to flights over oceans.

NOISE EASIER TO CONTEND WITH

The world's other supersonic airliner, the Soviet TU 144, is in even worse shape. About eight have been built. Two crashed because of design flaws that make them unstable at low speeds. The rest of the fleet has seen little "regular service." The Soviets acknowledge that the 140-seat TU-144 also has uneconomically high operating costs, like the Concorde.

The American SST canceled 10 years ago would have been bigger and faster than either of those planes but still uneconomical against the wide-body jetliners, and it would have been hobbled by noise and sonic boom restrictions, according to NASA's Suddreth.

"Noise would not be so much of a problem anymore," he said, "and economically we've come a very long way since the 1960s technology on which the Concorde was based. A new SST would be certainly no noisier than a 747 and much quieter than the Concorde, for example."

Because it cannot fly at supersonic speed over land, the new SST would have a variable-cycle engine that would work as a turbofan engine (like those on widebody jets) for subsonic flight and as a turbojet engine (like Concorde's) for faster-than-sound speeds. Two versions of this kind of engine are under development with NASA support.

In addition, design changes in the airframe of the SST would result in a weaker sonic boom—and sometimes no boom at all, Suddreth said.

Economically, an SST built to carry 350 to 500 passengers at a speed of 1,800 to 2,000 miles an hour would offer airlines the prospect of twice the productivity per plane of wide-body jets, he said. A 747 takes 9 hours to reach Tokyo from Los Angeles, while an SST could get there, turn around and be back in 7½ to 8 hours, he said.

AGENCY SEEKS TO BE PREPARED

NASA is currently requesting about $100 million a year for the next six to eight years to test these technological advances and be prepared for any future decision to develop a new SST, according to Suddreth.

Congress' Office of Technology Assessment recommended that the United States retain the option to build an SST later in the decade. A development cost of $7 billion to $10 billion will be too great for any company or the industry to pay, however, it said, and a multinational consortium or a partnership between private industry and the government might have to be created.

Political objections probably still exist, as they did in 1971, to federal support for development of a civilian product. The question is whether unproven scientific theories will again be called upon to try to justify political biases, and if they are, whether the public will be properly skeptical.●

LITHUANIAN INDEPENDENCE DAY

● Mr. BUMPERS. Mr. President, February 16, 1981, marks the 63d anniversary of the establishment of an independent, democratic Lithuanian Republic and the 730th anniversary of the founding of the Lithuanian State. In commemorating these events, my colleagues and I in the Senate and the Lithuanian Americans we represent reaffirm our commitment to the exercise of basic human rights.

The Soviet Union denied Lithuania's right to self-determination when it invaded, occupied, and annexed the Baltic States during World War II. Lithuanians have lost their independence, but their enduring religious faith and nationalist sentiments have never been subdued.

The horrors of the Stalin era have been replaced with subtler, yet systematic attempts by the Soviet Government to crush the Helsinki watch groups, which monitor religious and cultural freedom in Lithuania.

In December, at the first phase of the Madrid Conference on Security and Cooperation in Europe, the U.S. delegation aired the case of Lithuania. Today, in commemorating these Lithuanian anniversaries, we rededicate ourselves to the tireless promotion of human rights and in so doing, uphold the principles of our own democratic heritage.●

THE 63D ANNIVERSARY OF LITHUANIAN INDEPNDENCE

● Mr. HEINZ. Mr. President, February 16 marks the 63d anniversary of Lithuania's declaration of independence. Like most Eastern European peoples, however, the Lithuanians are today neither independent nor free. The Soviet Union has dominated and repressed all aspects of Lithuanian life.

Nevertheless, the desire of the Lithuanian people for liberty and autonomy continues to grow with the same vitality and spirit of our own revolutionary heroes.

In October, 1939, the Soviet regime forcibly stationed troops in Lithuania. Overwhelmed by the Soviet military the Lithuanian National Government was forced to resign and a pro-Soviet regime was installed in its place. On August 3, 1940, at the request of the pro-Soviet regime, Lithuania was formally incorporated into the Union of Soviet Socialist Republics. Since that time the Lithuanian people have suffered under a brutal occupation.

Under Stalin hundreds of thousands of Lithuanians were jammed into trains without food and water. Many died of suffocation. Those who survived were sent to the Arctic or Siberia. The annihilation and oppression of the Lithuanian and other Baltic peoples has continued for more than four decades, and there is no end in sight.

Soviet repression in Lithuania has reached inhuman proportions. As a result of Soviet policies the culture of the Lithuanian people is near to extinction. It appears likely that the Lithuanian language will soon no longer be taught in schools. Also likely is a sharp reduction in the publication of literature in the Lithuanian language.

Religion in Lithuania has been suppressed by the Soviets. Every method is used to discourage the exercise of faith. Religious orders and convents are outlawed. Religious leaders are harassed and imprisoned. There is presently only one very small seminary in Lithuania that remains open. Cramped and dilapidated, the seminary is permitted to admit only 10 students per year. No religious literature is permitted, and all religious activity is subjected to constant attack in the Soviet controlled media.

Persecution of those brave patriots who dare to speak out in favor of civil liberties and Lithuanian independence has risen steadily in recent years. Show trials and harsh prison sentences are frequently used to silence nationalist and religious activists. Viktoras Petkus, for example, was arrested in 1957 for possession of anti-Soviet literature. The literature was actually a collection of poems by Jurgis Baltrusaitis written 10 years before the 1917 Bolshevik revolution. Petkus was held in prison until 1965. On August 23, 1977 Petkus was arrested again. He had been a member of the Lithuanian Helsinki Group. He remains in prison, still awaiting trial.

Similar injustice can be seen in the case of Petras Plumpa. On November 19, 1973 Petras was arrested for having printed the Chronicle of the Lithuanian Catholic Church. The trial was held in secret and the charges were never proven. Evidence was produced that the fingerprints on the Chronicle were not Plumpa's. Nevertheless, Plumpa was sentenced to 8 years imprisonment.

Another of the numerous Lithuanian patriots serving sentences in Soviet prisons for demanding basic political liberties is Balys Gajauskas. Denied legal residence in Lithuania, Balys was constantly harassed, searched and interrogated, and finally arrested in 1977 and detained in isolation in a Vilnius prison.

Found with religious literature, personal notes, a list of political prisoners, and a copy of Solzhenitsyn's "Gulag Archipelago," he was accused of conspiring to write a book about the post-war resistance in Lithuania and charged with anti-Soviet agitation. Balys Gajauskas is now extremely ill and remains in prison.

There are thousands more like Petkus, Plumpa, and Gajauskas languishing in Soviet concentration camps. While they are silent, we in the free world must speak out for them. When Pope Paul visited Poland, he promised to speak "with a loud voice" to remind the world of the forgotten peoples of Europe. Let us in the United States also speak with a loud voice in support of the Lithuanian people. Their struggle for the fundamental human rights of free thought, free speech, free religion, and free belief is a just one.

The plight of the Lithuanian people, as commemorated each February 18, serves as an inspiration for all people, and a grim reminder of our own responsibility.●

ANGOLA AND THE FRIENDS OF LIBERTY

● Mr. GARN. Mr. President, I shall take a brief moment to bring to the attention of my colleagues two extremely articulate and perceptive articles concerning U.S. policy toward Angola.

As my colleague from Indiana, Senator LUGAR, argues with such wit in his article, "Help the Fight Against Imperialism in Angola," there is no justification for any country which considers itself a genuine friend of liberty to grant diplomatic recognition to the puppet regime of the Popular Movement for the Liberation of Angola (MPLA). The situation we are faced with here is one of blatant imperialism by the Soviet Union and their Cuban and East German military proxies, yet much of the world remains hypocritically silent.

Jonas Savimbi, the leader of the nationalist, anti-Soviet forces which control large areas of the country, was shunned by the Carter administration and is effectively blocked by congressional action from receiving military aid from the United States in his struggle to force the withdrawal of Soviet and proxy forces. The tone and substance of our policy should change. Senator LUGAR concludes that "at a minimum the United States should now throw its considerable moral support behind Savimbi." I could not agree more.

Mr. President, I would also like to take note of an article in the New Republic by Messrs. Arnaud de Borchgrave and Michael Ledeen entitled, "Reagan's African Ally." My colleagues will recognize Mr. de Borchgrave as the former chief correspondent for Newsweek and coauthor of "The Spike," a novel which exposes Soviet efforts to undermine the political will of the West through the calculated spread of disinformation. Mr. Ledeen is executive director of the Washington Quarterly, published by Georgetown University's Center for Strategic and International Studies.

These gentlemen have provided us with a useful analysis of the dynamics of the Angolan internal struggle and their implications for international politics. It is time we make Soviet adventurism a costly and painful undertaking—for them, not us. A shift in U.S. policy toward Angola could have ramifications across the board. It could send a clear signal that the United States is not prepared to accept the "inevitable" dictates of international forces which operate against our interests. As Messrs. de Borchgrave and Ledeen point out:

> From the standpoint of the Reagan Administration, a Savimbi win in Angola—evidently within the realm of possibility—obviously would be a great boost to morale, and might serve notice to other countries that the wind may be beginning to blow from the West at long last.

I am hopeful that Secretary of State Haig will take those steps necessary to help turn the Angolan situation around. For its part, the Congress should repeal the Clark amendment which effectively blocks U.S. assistance to the UNITA forces. This does not mean the United States necessarily has to provide military aid. In fact, we may be able to accomplish the same goal by clearly encouraging further efforts on the part of sympathetic Arab and African nations which recognize the menace posed by Soviet armed adventurism. It is the height of folly, however, for us to deny ourselves the option of using every legitimate source of leverage we have. Let us restore this option, and let the leaders of Angola's puppet regime contemplate the potential consequences of our action. For too long, the enemies of liberty have advanced unobstructed. Let us serve them notice that in the future this practice may not be so easily pursued.

Mr. President, I now ask that the fine articles by Senator LUGAR and Messrs. de Borchgrave and Ledeen be printed in the RECORD.

The articles follow:

HELP THE FIGHT AGAINST IMPERIALISM IN ANGOLA

Imagine, if you will, white European imperialism in a Black African nation in the year 1980.

Imagine that the imperial nation has in its employ mercenaries from Europe and the Americas who engage in internal security and intelligence, counter-intelligence, combat support and direct combat. Imagine, too, that these forces prop up a minority regime which could not sustain itself without them. Finally imagine that these colonial forces are opposed by a genuinely popular black nationalist leader.

Outcries from the communist bloc about Western imperialism? Denunciations by morally indignant Third World nations? Halting explanations from the West? Resolutions of condemnation from the U.N. General Assembly? Quite to the contrary.

SOVIET IMPERIALISM

The imperialism is that of the Soviet Union; the assistance that of East Germany and Cuba; the puppet regime, the so-called Popular Movement for the Liberation of Angola (MPLA); and the anti-Soviet nationalist leader, Jonas Savimbi.

For more than four years, Soviet advisers, East German security personnel and well over 30,000 Cuban troops have tried to subdue Savimbi's opposition—with no success. Today Savimbi's forces maintain effective control over large areas of the country. Savimbi's forces are now organized in both guerilla and conventional fighting units, and they strike at will against government forces throughout large areas of the countryside.

Many nations of the world have recognized the MPLA, thus condoning the presence of the Soviet occupation forces in Angola. Some in this country have urged the United States to do the same. Former Secretary of State Cyrus Vance recently said, "It makes no sense not to recognize the government of Angola." But there will be no peace in Angola until the foreign troops of conquest are removed.

Recognition of the faltering MPLA regime in Luanda will not end the war in Angola. It will not give that regime any incentive to move closer to the West, and it therefore will not advance the cause of a negotiated settlement. Are we supposed to believe that a settlement leading to popular elections in Angola will be overseen by Soviet advisers, Cuban combat troops and East German security personnel? Savimbi will agree to nothing less than a genuine settlement, and this will not occur without an early withdrawal of Soviet and proxy forces.

What would recognition of the Soviet-backed MPLA achieve? It would undercut the one force which is friendly toward us and which has consistently opposed all foreign domination of Angola; it would confirm the continued presence of Soviet forces in Angola and their capacity to influence events in southern Africa generally; it would give the regime in Luanda just what it wants at no price—and it therefore would reduce any incentive for the MPLA to negotiate a settlement with Savimbi leading to free elections.

Several years ago the Congress chose Angola to indicate a new policy of "non-involvement" in the wake of the defeat in Vietnam. Despite the fact that legislative obstacles to aiding Savimbi are beginning to fall, direct aid remains a difficult decision. Experience has taught us that we ought to become involved only where we have the will to persevere. But at a minimum the United States should now throw its considerable moral support behind Savimbi. Just as Savimbi, we must always stand ready to urge a peaceful settlement with the MPLA leading to elections. But we must indicate our view that there can be no serious plan to do so which does not contain an early departure of foreign forces.

Each day Savimbi's forces strike further blows against the pernicious Soviet doctrine that the world is somehow "destined" to go the Soviet way. Each day more and more Angolans realize who is indeed the chief imperial power of the present time. Each day the Angolans demonstrate that the general theory of world socialism invariably reduces itself to the specific practice of tyranny.

As savants and enlightened policy-makers in the West cloak their inactivity in notions of "inevitable" and usually unfavorable change around the world, Angolans are daily proving the poverty of this view. Genuine friends of liberty should do no less than help them.

REAGAN'S AFRICAN ALLY

Ronald Reagan has an army of black supporters in Africa: the roughly 10,000-man guerrilla force under the command of UNITA leader Jonas Savimbi in Angola. We spoke to Savimbi at a secret location deep inside the Angolan bush late in December, where we had gone following the announcement that UNITA forces had shot down a Soviet Antonov-26 transport plane and captured two members of the Russian crew. Reagan's victory, Savimbi told us, "was the best news we had heard since we launched our struggle against Soviet-Cuban imperialism five years ago. . . ."

Like the Afghanis fighting the Red Army in their own country, Savimbi hopes that the change of administration in Washington will make it possible for him to step up his campaign against the Russians and their Cuban proxies, a campaign that already has given him control over at least half of Angola. He has every reason to be pleased at Carter's departure, for Savimbi received surprisingly cavalier treatment when he came to Washington in late 1979. "Dr. Brzezinski refused to see me, despite several urgent requests from other personalities I had seen: the AFL-CIO's Lane Kirkland, former defense and energy secretary James Schlesinger, former secretary of state Henry Kissinger, and senators Sam Nunn and Daniel Patrick Moynihan. Finally, it was suggested that the assistant secretary of state for Africa, Richard Moose, should at least give me the courtesy of an audience, but that too was refused." Moose sent two aides to Savimbi's hotel, but their outspoken hostility to his cause made Savimbi wonder what was going on.

"They said I was wasting my time," he told me, "and that the Carter administration did not want to be bothered by UNITA. They even said mine was a lost cause, and that I should give it up. They asked me why I was afraid of communism. My reply was

that I was not fighting communism, but rather Soviet-Cuban colonialism, a foreign source of misery for my country. One of Moose's fellows said that he had been to Ethiopia and that Marxism had restored peace and tranquility and improved life for everyone there."

Savimbi was so alarmed by his trip to the United States that he had considered abandoning his fight if Carter were reelected. But now he believes things are going to change, and that he is going to win his fight against the Russians and the Cubans. If what Savimbi told us was true—and Western intelligence sources we spoke to have confirmed his claims in detail—the tide has recently turned in UNITA's favor, even in areas where the Cuban forces had long felt secure. In mid-November, for example, UNITA forces overran an all-Cuban garrison, at Belem Dohuambo (south of Huambo), for the first time in five years. As a result of this and another successful attack against a mixed Cuban-MPLA post at Savate in May, UNITA forces have captured a total of 17 Russian SAM-7 missiles, along with two launchers. With these missiles, Savimbi and his men have put the Russians on notice that the Angolan skies are no longer friendly to them. Three Antonov-26s and five M18 helicopters were brought down in November alone, and an even dozen Russian aircraft were hit in the last three months of 1980—a figure confirmed by the two Russian crew members to whom we spoke at great length in Savimbi's camp.

"You see what we've done with 17 SAM-7's," Savimbi boasted to us, "just think what we could do with 200 or 300. The Cubans are afraid to move by road. Luanda has publicly conceded that we are active in all the main centers. Soon the Cubans will be afraid to move by air. And that will be the beginning of the end of their presence in Africa."

Savimbi stresses that current Cuban ambitions are large indeed. In a recent published interview Cuban vice president Carlos Rafael Rodriguez (second in the line of succession to Fidel Castro) spoke of an African commitment that would go far beyond Angola, Mozambique, Ethiopia, and Namibia. According to Savimbi, Rodriguez spoke of sending Cuban troops to support a revolutionary black African National Congress regime in Pretoria, of Cuban troops supporting guerrilla warfare against whites in South Africa, helping maintain revolutionary law and order in Johannesburg, and putting Cuban artillery in place on Table Mountain in Capetown.

According to Miguel Garcia Enamorado, a 21-year-old Cuban second lieutenant captured by UNITA, there are now over 30,000 Cubans in Angola. And every time 90 Cubans are taken out, 100 come to replace them. But they are having a hard time against Savimbi, despite the lack of effective American support. East Germany has shipped 25 diesel locomotives to the Luanda regime, Savimbi said, and UNITA has produced 23 wrecks with their delayed-action mines, "far more effective than blowing up bridges, as we used to do."

The Russians who survived the attack on their transport plane are well aware of UNITA's strength, even though they had to come to Africa to learn that there was a war going on. One of them, an Asian-looking pilot named Kolia Abdukhamanovich Mollavey, told us that "I didn't know there was a war. . . . The conditions seemed attractive. In addition to my regular army salary of 300 rubles a month, I was to receive a monthly credit of 500 dollars (in dollars), which I could use to buy special food in a hard-currency store for foreigners, and then have the balance credited to my account in the Soviet Union." Nonetheless, his formal contract—like the one signed by the other survivor, an engineer named Ivan Chernietsky—said he would be flying only civilian missions. Our interpreter—a Frenchman fluent in Russian—told us that the Russians provide all pilots with such documents, in order to be able to deny the military nature of their activity in Angola and other third world countries.

What will happen to these Russians? Savimbi insists that he will release them only in exchange for some of his own prisoners held by the MPLA regime in Luanda. In the meantime, they will have to deal with the long and venomous snakes that populate the Angolan bush, and with the unaccustomed diet of antelope and buffalo meat we sampled in the UNITA camp. Judging from the insouciance with which UNITA moves in that part of the country, there is little likelihood of a rescue mission, particularly since the five-month rainy season is about to start.

From the standpoint of the Reagan administration, a Savimbi win in Angola—evidently within the realm of possibility—obviously would be a great boost to morale, and might serve notice to other countries that the wind may be beginning to blow from the West at long last. Reagan has told intimates that he believes the country is starved for some successes, and he undoubtedly would love to see Savimbi strike a blow against the Cubans and Russians in Africa. But how can he do it. The Clark Amendment specifically forbids any covert action in Angola without congressional approval, and this puts the president-elect between a rock and a hard place: If he goes to Congress, he risks leaks and subsequent embarrassment for himself and Savimbi. Yet to fail to support UNITA would send a vast shock wave through similar organizations. It is unthinkable that a new administration would undertake covert support of Savimbi without congressional approval, knowing that there are scores of people just waiting for such an opportunity to strike out at the "cold warriors" now taking power in Washington. Perhaps Reagan will choose the course many feel Ford should have taken in 1975: Go public, ask for explicit congressional approval, and announce American support for Jonas Savimbi.●

LITHUANIAN INDEPENDENCE DAY

● Mr. D'AMATO. Mr. President, I rise today to commemorate Lithuanian Independence Day, which remains as a symbol of a courageous and religious people's resistance to the Soviet Union's oppressive domination.

Mr. President, last Sunday, February 15, I was privileged to address the American Lithuanian Council of New York. This speech expresses my sentiments about Lithuanian Independence. I have also received two resolutions, one from the American Lithuanian Council, and one from the Lithuanian Club of Buffalo, N.Y.

I ask that my speech and the two resolutions be printed in the RECORD.

The material follows:

LITHUANIAN INDEPENDENCE DAY

Ladies and gentlemen, I am deeply honored to be asked to join you in commemorating this, the 63rd Anniversary of the Lithuanian Declaration of Independence.

This weekend, Lithuanian Americans will gather in cities and towns across this country, to observe this anniversary. In doing so, Lithuanian Americans will again renew their strong commitment to the preservation of their cultural heritage, and their right to worship Almighty God as they wish. Lithuanian Americans also will strengthen the bonds that tie them, and the people of the United States, to the more than 3 million people, who still live under the iron hand of Soviet rule.

The cause of Lithuania is the cause of all free people. Your observance of this day is more than a symbol of a courageous and determined people's fight for liberty. It is a lamp of hope for millions of oppressed people throughout this earth, who want to chart their own destiny.

It is fitting that Lithuanian Americans take up the cause of freedom in their mother country, because liberty is the soul of the American Republic.

Ours is a nation of immigrants. The United States was settled in the 17th Century by a few pioneers, who wanted to break the bonds with their mother country, and to worship God as they pleased. It took more than a century and a half for this country to win and declare its freedom. Since 1776, our cause has been to maintain that freedom. It has required great personal sacrifice and a national commitment to assure our liberty.

On July 4, each year, Americans gather to celebrate our Independence Day—a day of joy and happiness, and a day of renewal of faith and dedication. February 16, is a day of Lithuanian renewal of hope and faith, that one day the nation of your fathers will also be free. But, February 16, is a day marked by sadness.

In 1918, Lithuania rejected Communist and other foreign oppression, and her citizens declared themselves free. For more than a century, Lithuanians have lived under Russian rule and repeated attempts by the Soviets to annihilate your Baltic heritage and to annex Lithuania into the USSR.

In 1920, the Soviets agreed to Lithuanian independence. But, 20 years later, under a secret pact with Nazi Germany, the Soviets laid claim to Lithuania and other Baltic states. World War II quickly dissipated the momentum of progress—the land reform, the educational opportunities, and the industrial enterprises. At the cost of many Lithuanian lives, and the mass deportation of your citizens, the Soviets forcibly incorporated the Lithuanian Nation into their regime of Socialist Republics.

The ruthless takeover of Lithuania by the Soviets is consistent with their long-held policies of imperialism and interventionism, which they continue to this day. The Soviet leadership never has accepted the right of other nations to chart their own destiny, and above all, to reject the Soviet totalitarian model.

The United States of America, as the champion of freedom on this earth, rejects this totalitarian policy, as we did when the Soviets illegally incorporated Lithuania into their republic.

To this day, a Lithuanian Legation exists in Washington, D.C., and Consultates dot our national landscape. We have never accepted the conquest of Lithuania or the other Baltic States, and our policy should be to continue to honor Lithuanian independence, and its people's right to liberty.

It has been said by some that our policies toward the Baltic States are merely symbolic. I disagree. I know, that the overwhelming majority of Lithuanians today, are well aware of the support of the United States, and our support is a source of inspiration and a beacon of hope for the future.

I want the people of Lithuania to know, that our people have not forgotten them and their struggle, and we stand solidly behind their resistance. I want each of you, in this audience to know, that my remarks will be sent to Lithuania over the "Voice of America" so the message of truth will reach your loved ones, and your brothers and sisters.

I also want the people of Lithuania to know that I was recently appointed as a Member of the Conference on Security and Cooperation in Europe (CSCE). I will do my utmost to make sure the signatories of

the Helsinki Accords meet their responsibilities to honor human rights across this globe.

And, I would like to send a personal message to the leadership of the Soviet Union. We do not covet any nation's territory. We do not seek to impose our system on other peoples. But, this nation has a moral and national responsibility to support the rights and freedom of people everywhere, and we intend to honor our commitments.

The leaders of the Soviet Union apparently believe that the world isn't aware of their atrocities. They are wrong. We know, that the Lithuanian people are being denied their human rights. We know that their cultural identity is being suppressed. We know that the Godless Communist state has systematically taken over the churches, and there is no religious freedom. We also know, that those who are brave enought to speak out, face harassment, imprisonment or both. This we will not or cannot ever accept.

The ideal of freedom cannot be muted under the boots of brute force and intimidation. So long as there are patriots who are willing to stand and be counted, to speak up and raise the cry for freedom in the face of tyranny, freedom will live and it will flourish.

So, this evening, I join with this audience in a prayer of hope. I join you in a prayer, that one day, the Lithuanian people will, once again, bathe in the light of liberty and freedom. We all hope and we pray that day will soon come.

RESOLUTION

We, the Lithuanian-Americans of the Niagara Frontier, at a meeting held on February 8, 1981 to commemorate the reestablishment of Lithuania's independence, send our warmest greetings to the people of Soviet-occupied Lithuania, pledge our unwavering support for the restoration of Lithuania's sovereignty, and do hereby state as follows:

That February 16, 1981 marks the 63rd anniversary of the reestablishment of the independent State of Lithuania and the 730th anniversary of the formation of the Lithuanian Kingdom in 1251; and

"That by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all claims to Lithuanian soil and her people; and

"That until 1940, Lithuania was a sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

"That the Soviet Union in June of 1940 invaded and occupied Lithuania, and subsequent to that invasion forcibly annexed the Lithuanian nation into the Soviet Union; and

"That the Soviet Union continues to conduct a policy of colonization, forced Russification, ethnic dilution, and religious and political persecution; and

"That the people of Lithuania to this day are risking and sacrificing their lives in defiance of the Soviet regime, as recently made evident by the numerous arrests of the members of the Lithuanian Helsinki Monitoring Group, signers of the August 23, 1979 petition to the Secretary General of the United Nations, and publishers of the Chronicle of the Catholic Church in Lithuania and other dissident publications; and

"That the United States government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the unlawful occupation and forced incorporation of this freedom-loving country into the Soviet Union;

"Now, therefore, be it resolved:

"That we will urge President Reagan's administration to maintain and to strengthen United States' policy with regards to the Baltic Republics of Lithuania, Latvia, and Estonia; and

"That we urge the United States of America and other nations of the Free World to use diplomatic and other possible pressures to compel the Soviet Union to release from jails, concentration camps, and psychiatric wards, people who struggle for human rights and for liberty; and

"That copies of this resolution be forwarded to the President of the United States, the Secretary of State, the American Ambassador to the United Nations, United States Senators and Members of the House of Representatives from our state, the Lithuanian Minister in Washington, D.C., the Lithuanian Consul General in New York City, and to all appropriate representatives of the press."

RESOLUTION SALUTING THE LITHUANIAN PEOPLE ON THE CELEBRATION OF INDEPENDENCE DAY ON FEBRUARY 16TH

Whereas, The sovereign nation of Lithuania lost its independence in June, 1940, when it was overrun and occupied by Soviet Russia; and

Whereas, This nation was established as a Republic on February 16, 1918 and since 1941 has experienced the pangs of political and religious persecution; and

Whereas, This small peaceful and freedom loving nation known for its handicrafts and small farming has succumbed to the terror and might of a colossal dictatorship; and

Whereas, Soviet Russia in its ruthless campaign to conquer and dominate various lands throughout the world continues to follow its pattern of suppression of democratic rule in this former sovereign land also; and

Whereas, By an extensive, relentless program of Russification and Sovietization, it is destroying the roots of a great Lithuanian heritage regardless of the fact that it is a party to the Final Act of the Conference on Security and Cooperation in Europe; and

Whereas, Russian culture and history is taught in the public schools, publication of newspapers and periodicals in the Lithuanian language is prohibited, church attendance is discouraged, religious instruction is not permitted, the rites of baptism and the performance of religious ceremonies at weddings are prohibited and in many other ways the Russian government has and is imposing its will; and

Whereas, Many courageous Lithuanian patriots living with hope have risked and sacrificed their lives in a continuous effort to regain the political and religious freedoms and a rebirth of the sovereignty of the former Republic of Lithuania; and

Whereas, The Classic treatment of detention, interrogation, imprisonment on spurious charges, confinement in concentration camps and psychiatric wards is accorded dissidents and fighters for freedom; and

Whereas, The thousands of Lithuanian nationals who languish in jail, camps and wards in Siberia and in other isolated areas are often subject to cruelties and inhumanity; and

Whereas, In order to help their captive fellow countrymen regain their long cherished freedom, after many years of tyranny, and to bolster their spirits, Lithuanians in various cities of the United States celebrate Independence Day annually on February 16; now, therefore, be it

Resolved, That the Council salutes the Lithuanian People on the celebration of Independence Day on February 16th.●

COMMEMORATING A TIME WHEN THE BALTICS WERE FREE

● Mr. SPECTER. Mr. President, the month of February marks two important dates in American history and is also a noteworthy month in the history of the Baltic States. On the 16th of the month, Lithuanians celebrated the 63d anniversary of the Declaration of Independence of Lithuania and a week later, on February 24, Estonians will celebrate the 63d anniversary of their declaration of independence.

I join with Senator PERCY and my other colleagues in commemorating this vital, dynamic period in Baltic history when the peoples of Lithuania and Estonia enjoyed an all too brief time of freedom and self-government.

We have spoken many times on the Senate floor of the inhuman policies the Soviet Government has inflicted upon its own people. Such policies have often inflicted an even greater burden on the people in areas the Soviet Government has been illegally occupying, such as the nations of the Baltic. The creative, independent, dynamic character of the Estonian and Lithuanian people stands in marked contrast to the brutal, repressive nature of their occupying forces. Despite Soviet attempts to destroy that character, the people of Estonia and Lithuania have held on to their hopes for freedom and have maintained the independence and pride that have remained with them throughout their history.

It is therefore with great compassion and understanding that I join in celebrating these two important dates—as a reminder of what was and what could be. Continued Soviet violations of the provisions and principles of the Helsinki Final Act will not go unnoticed. People and governments throughout Europe will continue to press for a full and thorough implementation of those provisions. And the struggle for human rights and self-determination in the Baltic States will not be forgotten.●

SENATOR RIEGLE COMMEMORATES LITHUANIAN INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, yesterday marked the 63d anniversary of the proclamation of Lithuanian Independence Day. Lithuanians of Michigan, and of the United States, remember this day not with joy, but with hope.

Lithuania, which in 1940, was forcibly occupied and annexed by the Soviet Union, does not experience or enjoy the freedoms which we accept as part of our everyday lives. The denial of free speech, and the lack of religious freedom are only two of the ways that Lithuanian citizens suffer the repression of the Soviet state.

We should not turn our backs on the pleas of Lithuanians to continue the non-

recognition of the forcible annexation of Lithuania and the other Baltic States of Estonia and Latvia. We must also be eternally cognizant of the many who have been put into prisons, mental hospitals, or sent to Siberian work camps for their pursuit of basic human rights and justice.

Therefore, February 16 is a day of hope, a day to look forward to a time which will let the people of Lithuania experience the freedoms that we are all entitled to receive.●

QUORUM CALL

Mr. DANFORTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 8:20 P.M. TOMORROW

Mr. BAKER. Mr. President, I have no further business to transact, and I see no other Senator in the Chamber seeking recognition.

If there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 8:20 p.m. tomorrow.

The motion was agreed to, and at 2:28 p.m. the Senate recessed until tomorrow, Wednesday, February 18, 1981, at 8:20 p.m.

EXTENSIONS OF REMARKS

THE CIGARETTE SAFETY ACT

HON. JOE MOAKLEY
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MOAKLEY. Mr. Speaker, the story of the careless use of smoking materials leading to the destruction of life and property happens all too often. The time has come for the Congress to address the No. 1 national cause of residential fire fatalities and injuries—cigarette-related fires.

Today I am reintroducing for the 97th Congress, the Cigarette Safety Act of 1981 which seeks to insure that cigarettes have a minimum capacity for igniting smoldering upholstered furniture and mattress fires.

The need for such legislation is obvious. According to the U.S. Fire Administration, there are annually over 74,000 smoking-related fires across the country and a resulting 2,300 deaths, 5,800 injuries and $210 million in economic losses. Most of these fires could have been prevented.

This legislation mandates the Consumer Product Safety Commission to develop a performance standard that will help reduce the potential of cigarette-related fires from occurring based on objective research and studies. The National Bureau of Standards' Center for Fire Research is currently investigating the propensity of cigarettes to cause smoldering ignition of upholstered furniture substrates.

Their preliminary work indicates there are cigarette construction characteristics that may reduce ignition propensity. Included in these parameters are: Low diameter—less contact with the substrate; low packing density—low fuel load; filter—no increase in airflow at the butt end and, consequently, no increase in heat flux; and high burning rates—short contact of heat source and substrate. Another characteristic suggested in literature has been cigarette paper with a low citrate content.

Current plans call for the National Bureau of Standards to have a test method in the near future which will identify cigarettes with a minimum capability of initiating smoldering combustion. This will aid in the development of a technically feasible standard that addresses the mandate of this bill. I urge the National Bureau of Standards to continue their work and it is my hope that the tobacco industry will join this effort wherever appropriate.

Past research has shown that a freshly lit cigarette will burn for approximately 20 to 45 minutes when placed on a flat surface. This is a reasonable period of time in which a burning cigarette must remain in contact with upholstered furniture and mattresses before a fire will result.

Unfortunately, the cigarette manufacturing companies have not addressed this problem, and until they do so, I believe the serious nature of this problem demands immediate congressional action.

I would like to stress that this is not an antismoking bill. I believe the decision to smoke or not to smoke should be left to the individual. A performance standard should not interfere with an individual's smoking habits but rather address a proven fire hazard. In fact, the cigarette characteristics listed by the National Bureau of Standards as having the potential to reduce ignition propensity are already found in some cigarettes on the market selling today.

Finally, should continued research show that an adequate performance standard cannot be developed because it was determined to be either technologically impracticable or economically unreasonable, I have added a new section to the bill this Congress which will allow the CPSC to take steps to terminate any standard proceeding.

Last Congress, support for this legislation came from across the country and included groups made up of individuals who work daily with the problems of smoking-related fires, such as the International Association of Fire Chiefs, International Association of Firefighters and the American Burn Association.

I believe this legislation can go a long way in reducing the damage to life and property due to smoking-related fires, and I urge my colleagues to join me in working to reduce this danger by supporting this much-needed legislation.

A text of the bill follows:

H.R. 1854

A bill to require persons who manufacture cigarettes or little cigars for sale or distribution in commerce to meet performance standards prescribed by the Consumer Product Safety Commission, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cigarette Safety Act".

DEFINITIONS

SEC. 2. For purposes of this Act, the term—

(1) "cigarette", "commerce", "United States", and "little cigar" have the meanings prescribed in paragraphs (1), (2), (3), and (7), respectively, of section 3 of the Federal Cigarette Labeling and Advertising Act;

(2) "sale or distribution" includes distribution of samples or any other distribution not for sale;

(3) "Commission" means the Consumer Product Safety Commission; and

(4) "cigarette safety standard" means any performance standard or cigarette safety rule promulgated by the Commission.

FINDINGS

SEC. 3. (a) The Congress finds that—

(1) the United States Fire Administration has determined that the careless use of smoking materials is the leading cause of fire-related death and injury in residences in the United States;

(2) fires caused by cigarettes and the careless use of smoking materials in the United States annually—

(A) kill approximately two thousand three hundred people,

(B) injure approximately five thousand eight hundred people, and

(C) result in property damage amounting to approximately $210,000,000;

(3) laboratory experiments have shown that a cigarette will burn continuously for approximately twenty to forty-five minutes when placed on a flat surface and that this is a reasonable period of time in which a burning cigarette must remain in contact with upholstered furniture and mattresses before a fire will result;

(4) as presently marked, cigarettes and little cigars are a dangerous ignition source which present an unreasonable risk of injury; and

(5) it is feasible and practical to produce cigarettes and little cigars which do not present an unreasonable risk of injury.

(b) The Congress declares it to be the policy of the United States—

(1) to reduce the loss of life and property in the United States by requiring that cigarettes and little cigars manufactured for sale or distribution in commerce be processed to ensure that such cigarettes or little cigars—

(A) if ignited, will stop burning within a time period designated by the Commission, if such cigarettes or little cigars are not smoked during such period, or

(B) meet some other performance standard promulgated by the Commission to insure that such cigarettes or little cigars do not ignite smoldering upholstered furniture and mattress fires; and

(2) that such processing be accomplished without the addition of any toxic elements to a cigarette or little cigar.

RULEMAKING

SEC. 4. (a)(1) The Commission shall promulgate, within twenty-four months after the date of enactment of this Act, final consumer product safety standards for cigarettes and little cigars which set performance standards ensuring that such cigarettes and little cigars have a minimum capacity for igniting smoldering upholstered furniture and mattress fires.

(2) Performance standards for cigarettes and little cigars shall be developed by the Commission based on objective studies, in-

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

cluding studies conducted by the Bureau of Standards of the Department of Commerce.

(b) The Commission shall commence the proceedings for the development of the cigarette safety standards under this Act by the publication in the Federal Register of an advance notice of proposed rulemaking which shall—

(1) state that Congress has declared that a safety standard for cigarettes and little cigars is necessary and that such standard shall be promulgated by the Commission; and

(2) invite interested persons to present their views concerning such standards, orally or in writing, during a period of not less than thirty days immediately following publication of such notice.

(c) Within twelve months after publication of the notice required by subsection (b), the Commission shall publish in the Federal Register general notice of proposed rulemaking under section 553(b) of title 5, United States Code. Such general notice of proposed rulemaking shall include the terms and substance of the proposed cigarette safety standard.

(d) Within twenty-four months after the date of enactment the Commission shall promulgate the standard after interested persons have been given an opportunity to participate in the rulemaking through submission of written data, views, or arguments with an opportunity for oral presentation. A transcript shall be kept of any oral presentation.

(e)(1) In the event the Commission, at any stage of the proceeding before a final standard is published, finds that a standard for cigarettes and little cigars would be technologically impracticable or economically unreasonable, it shall take steps to terminate the proceeding.

(2) Termination of the standard development proceeding shall be accomplished by publication in the Federal Register of a notice announcing the Commission's intention to terminate the proceeding based on a finding, which must be fully supported by detailed reasons, that a standard for cigarettes and little cigars is technologically impracticable or economically unreasonable. Public comment shall be invited on the notice of intent to terminate the proceeding for a period of not less than 60 days. The Commission shall evaluate the comments received and either publish a final notice in the Federal Register terminating the proceeding, or proceed with the next step in the development of the standard.

(3) The Commission shall prepare a report on the final termination of the standard development proceeding and transmit it to the Committee on Commerce, Science and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives. Such report shall include the Commission's findings, submitted comments, and rationale supporting the Commission's final determination.

(f)(1) The final rule promulgating the cigarette safety standard shall specify the date such standard is to take effect, not to exceed forty-eight months after the date of enactment of this Act. If the Commission finds that by eighteen months after the date of enactment of this Act that it is unable to issue the rule within twenty-four months of the date of enactment, it shall prepare and transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives, outlining the reasons for the extension and designating the additional time period required, not to exceed one year, to issue a rule, and the Commission shall issue a notice of extension in the Federal Register.

(2) For purposes of this Act, the rulemaking provisions of sections 7 and 9 of the Consumer Product Safety Act, and rulemaking sections of any other acts administered by the Commission, shall not apply. Notwithstanding any other provision of law, the Commission shall not be required to make findings pursuant to these sections.

(3) The Commission may by rule prohibit a manufacturer of cigarettes or little cigars from stockpiling such products to which the standard promulgated pursuant to this section applies. For purposes of this paragraph, the term "stockpiling" means manufacturing or importing a product between the date of promulgation of such consumer product safety standard and its effective date at a rate greater than the rate at which such products were produced or imported during the one-year period immediately preceding the date of enactment of this Act.

JUDICIAL REVIEW

SEC. 5. (a) Any person who is adversely affected or aggrieved by the standard promulgated pursuant to this Act may, at any time prior to the sixtieth day after the Commission promulgates the final rule, file a petition with the United States court of appeals for the circuit in which such person resides or has his principal place of business for a judicial review of this rule. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The Commission shall file in the court the record of the proceedings on which the Commission based its final rule as provided in section 2112 of title 28, United States Code.

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there was no opportunity to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Commission in a hearing or in such other manner, and upon such terms and conditions, as the court deems proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, and its recommendations, if any, for the modification of the final rule.

(c) Upon the filing of the petition under this section, the court shall have jurisdiction to review the final rule of the Commission, as modified, in accordance with chapter 7 of title 5, United States Code. If the court ordered additional evidence to be taken under subsection (b) of this section, the court shall also review the Commission's final rule to determine if, on the basis of the entire record before the court pursuant to subsections (a) and (b) of this section, it is supported by substantial evidence. If the court finds the final rule is not so supported, the court may require its modification or reversal.

(d) The judgment of the court affirming, setting aside or modifying, in whole or in part, the Commission's final rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

(e) Section 11 of the Consumer Product Safety Act and the judicial review section of any other Act administered by the Commission do not apply to judicial review of the Commission's final cigarette safety standard.

REMEDIES

SEC. 6. The cigarette safety standards, as promulgated in a final rule, shall be deemed to be a consumer product safety standard as defined under section 3 of the Consumer Product Safety Act, and shall be subject to all remedial and penalty provisions of the Consumer Product Safety Act.

CONFORMING AMENDMENTS

SEC. 7. Section 3(a)(1)(B) of the Consumer Product Safety Act is amended by adding after the word "products" the following: "except that cigarettes and little cigars are deemed to be consumer products for the purposes of regulating them as an ignition source".

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. For each of the first three fiscal years beginning after the date of enactment of this Act, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

TRIBUTE TO THE LATE GOVERNOR GRASSO

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. EDWARDS of California. Mr. Speaker, I join many of my colleagues in paying tribute to the Honorable Ella Tambussi Grasso of Connecticut. Those of us who served with Ella in the House of Representatives, as well as her constituents in the State of Connecticut have truly lost a wise and compassionate leader.

I was personally fortunate to have been able to serve on the Veterans' Affairs Committee along with Ella during her service in the House, and I developed a deep respect for her integrity and legislative abilities. These qualities, along with the personal courage she exhibited to the Nation during her illness, truly enhanced the profession of public service and elective office. I was privileged to have been an admiring friend and colleague of Ella's, and share my sympathy with the State of Connecticut and our entire Nation over the passing of Governor Grasso.●

VOLUNTARY ASSEMBLY IS NOT OBJECTIONABLE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ASHBROOK. Mr. Speaker, in the months since it became clear that conservative religious groups like the Moral Majority have become a viable

political voice in the United States, I have had, on a number of occasions, the opportunity to listen to arguments relating to the concept of the separation of church and state. In several cases, the arguments presented made little sense.

I recently read an Akron Beacon Journal guest column which made a great deal of sense. Rev. Dale O. Smith, pastor of the Sherwood Park Baptist Church in Akron, destroyed some of the myths created by the ACLU and other liberal groups which have expressed concerns about this issue. Reverend Smith's article represents a commonsense approach and I commend it to my colleagues.

The Smith article follows:

VOLUNTARY ASSEMBLY IS NOT OBJECTIONABLE

(By Rev. Dale O. Smith)

I believe in the separation of church and state. I do not believe that means there must be a separation of the state from the church and never shall the twain meet. No one faith, church or body should have the privilege to dictate its beliefs or church doctrine to another.

However, if the Akron Board of Education pursues the stated desire and intent of its one board member and the ACLU, then we have the same effect: no prayers, no religious activities, no freedom of worship for anyone. Is this, then, not forcing a position upon us all and making it mandatory upon the whole?

I can accept the position that it is not the function of the public school system to teach religion. But I cannot accept the position that the school will not allow prayer, Bible readings, or the gathering of persons for devotions or a time for mutual sharing with one another for inspiration and encouragement.

How could the voluntary assembling of a group of persons for prayer within any school be misconstrued to be teaching religion, or the fostering of a church, or one faith, or to bring discredit upon the school system?

I had always assumed that the devotions I had the joy of leading were open to faculty, administration, parents, or anyone else who cared to attend.

There was never an attempt "to preach" a particular denominational doctrine or church doctrine, or the suggestion of proselyting. The Bible, both Old and New testaments, was the guidebook for our meditation and devotional times, with other writings and authors providing supportive illustrations.

The Bible, though devotional, also instructs mankind in morals. It teaches ethics and fairness, and develops a respect for authority within the family and for the civil government. It encourages brotherhood for all men, gives us commandments for family and social living and the Golden Rule for relating to others—all that and much, much more. Yet we are being told it is against the Constitution to read it as a group in a public school building or program.

If I perceive the full implication of the suggestion that we no longer have baccalaureate services and no prayers at the commencement exercises, then, by deduction, I assume we can no longer have devotions and prayer by parent-teacher associations; no athletic coach can allow his or her team to have prayer, and no choirs would be allowed to sing music that had a sacred or gospel tone to it.

My real concern is where does it stop? I want students to have the freedom to pray and to attend an informal, voluntary discussion of the Bible, if they should choose. I want athletic teams to be allowed to pray, if they should so choose. I want the PTA to have the freedom to pray in a public schoolroom if they so choose. Is this so wrong?

To this end, the Kenmore Ministerial Association and I have met informally with Conrad C. Ott, superintendent of Akron schools, and his staff to discuss these matters. Our discussions, which have been most productive, include our concerns about moral and ethical development within our schools and how we as a community can achieve that which we believe to be important for our youth.

We are now determined to develop a plan which can be accepted by Ott and the school board. We understand that this policy will have to meet the requirements of the Constitution and contribute to the educational program of the Akron schools.

Our proposal will be presented to Ott and the staff for study and then the full board early in February. We are most confident in our determination to bring this matter to its proper and speedy conclusion.●

HELP FOR THE HOUSING INDUSTRY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MURTHA. Mr. Speaker, it is my belief that one of our economic goals must be to direct specific remedies toward hot spots in our economy, areas that are particularly hard hit by the dislocations of recent years. One of those areas is the housing industry.

I have met several times over recent months with members of the housing industry from the 12th Congressional District. These homebuilders have been hard hit, and that has caused unemployment and economic slowdowns throughout the area.

One of the first bills I have cosponsored this year aims at stimulating the housing industry. I joined with Congressman JAMES BLANCHARD of Michigan in supporting the Young Families Homeownership Opportunity Act.

It is clear that young persons are having a particularly difficult time meeting today's high interest rates and saving enough to make a downpayment. This bill encourages such homeowning by creating an individual housing account.

It would work like this: Individuals and married couples who have never owned their principal residence would be allowed to deposit up to $15,000 into an individual home account; they would receive a tax credit equal to 20 percent of an individual's—or couple's—annual deposit, up to a maximum lifetime credit of $3,000; any tax liability on the interest earned from such funds would be deferred for several years; the money would have to be used within 10 years of the first deposit toward the purchase of a home.

Obviously, this is only one step toward helping the housing industry. Stabilizing the economy and reducing interest rates will pay a more immediate dividend. Still, we must devise ways now to encourage homeownership in the years ahead so the industry is better insulated against the kind of economic shock that has attacked it over the past couple years. I believe this bill is a step in that direction.●

UPPER MISSISSIPPI PLAN MODEL FOR FUTURE RIVER PROTECTION EFFORTS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OBERSTAR. Mr. Speaker, in 1978, I asked this House to give State and local officials and citizens the opportunity to develop a plan for the preservation of the Upper Mississippi River flowing in Minnesota.

The House approved my amendment which has provided that opportunity.

During the past 2 years, the Mississippi Headwaters Board developed a comprehensive plan for the management and protection of the Upper Mississippi River. The Headwaters Board worked closely with the Department of the Interior and the National Park Service in developing that plan.

The Headwaters Board, in the spirit of the 1968 Wild and Scenic Rivers Act, emphasized local and State initiative—rather than land acquisition by the Federal Government—in the protection of the river. The plan provides for a cooperative effort involving all levels of government.

I include for the RECORD an article and an editorial from the February 9, 1981, issue of the County News, the newsletter of the National Association of Counties.

RIVER PLAN SIGNALS NEW TREND

A potential landmark in the local management of natural resources is shaping up in Minnesota, where eight counties are on the verge of implementing a plan to protect 450 miles of the Upper Mississippi River. Never in our memory have local governments similarly banded together to provide effective controls to protect a natural resource spanning such a wide geographical area.

The action is important because it signals a new era of cooperation between federal and local governments in managing natural resources. Local governments are demanding more control of resources in their areas and the federal government is responding.

For several years, northern Minnesota counties were faced with the prospect of federal control of the river. In 1980, with increasing evidence that Congress might approve the plan developed by the National Park Service, eight counties banded together to try to pre-empt the federal plan. Work

on both county and federal plans continued, with each party assessing the other's progress. Finally, the Park Service accepted the controls proposed in the county plan and shelved the federal plan.

Local cooperation has been the key to the success of the county plan. Over a great distance, counties have agreed to implement common standards to protect the river. Special recognition should go to Alf Madson, Lloyd Nesseth, Virgil Foster and the county commissioners who staffed the Mississippi Headwaters Board and made many sacrifices to bring the plan into reality.

The spirit of cooperation seen in the Park Service's acceptance of the Minnesota counties' plan is also evident in other areas. The Bureau of Land Management recently signed a research contract with the National Association of Counties to improve the agency's communication with and understanding of county government. And other federal agencies are developing cooperative approaches to land and resource management.

Cooperative efforts such as these balance local needs and interests with the broader goal of preserving and protecting the nation's resources. The Minnesota plan truly is a step in the right direction.

The growing conflict over federal versus local control of America's natural resources is a source of bitter contention in many counties, particularly in the West.

So, when a federal agency not only concedes that a group of rural counties has a better idea, but allows them to maintain local control of an important stretch of river, it's Richter-scale news and an occasion of celebration.

Such a celebration was held recently after eight northern Minnesota counties adopted an ordinance to keep local control of 450 miles of wild and scenic portions of the Upper Mississippi River. What made the occasion significant was the National Park Service's (NPS) earlier acceptance of the plan as a satisfactory alternative to federal control.

Sen. David Durenberger (R-Minn.) plans to hold hearings in the Intergovernmental Relations Subcommittee this spring to present the Minnesota plan as an innovative approach to maintaining local control over natural resources in other states.

An aide to Durenberger said that the "overdominant federal role is no longer acceptable and this program shows that counties are becoming greatly more sophisticated in their ability to manage resources."

A key to the plan's success, the aide said, was the partnership between the local, state and federal governments in developing the plan.

Work on the innovative plan began in February 1980 when the counties of Clearwater, Hubbard, Beltrami, Cass, Itasca, Aitkin, Crow Wing and Morrison, through which the Mississippi River meanders, met to discuss federal plans to take over control of the river.

Upset by the prospect that the U.S. Department of Interior would strictly control the use of their river permanently, the counties made a compact under a unique Minnesota statute that provides for local intergovernmental cooperation. The statute, called a joint powers agreement, allowed the eight counties to develop an ordinance to provide local control of the Upper Mississippi. The agreement was approved by State Attorney General Warren Spannaus.

Each county selected one of its commissioners to serve on a newly created Mississippi Headwaters Board (MHB). The board, inspired by State Sen. Robert Lessard's idea that well-motivated local people can manage their land and water resources better than remote federal, regional or departmental functionaries, moved aggressively to meet the federal challenge to preserve their river.

The board engaged the St. Paul, Minn., firm of Goff, Priesnitz and Associates for advice on technical matters. The firm had a background in the development of rivers and land-use controls and its expertise was essential in development of the final plan.

Legislative and moral support quickly came from Rep. James Oberstar (D-Minn.), whose amendment to omnibus parks and recreation legislation stalled any immediate takeover of the Upper Mississippi River by the Interior Department. Rep. Arlan Stangeland (R-Minn.), whose district encompasses seven of the eight counties involved, and nearly all of the Minnesota congressional delegation supported the plan.

Each of the eight counties contributed up to $5,000 to pay for drafting and developing the plan. Supplemental funding came from industries, organizations and individuals.

A Technical Advisory Committee was established, composed of county zoning officers, land commissioners and township officials, and a Citizens Advisory Committee was named, including individuals and representatives of sportsmen and environmental groups, the Minnesota Department of Natural Resources, the U.S. Forest Service and others.

As the Minnesota counties developed their alternative, the National Park Service proceeded full speed with its own master plan for federal control of the river. Control by the Park Service was based on acquisition of the shorelands by purchase, easements and condemnation when necessary. The counties' proposal, in contrast, called for willing-seller, willing-buyer acquisition only. The key element to the counties' plan was the confidence of the local governing units that they could and would exercise effective controls to preserve their part of the Mississippi River for future generations.

The counties and the Park Service kept each other fully informed of their progress and even negotiated improvements to both plans.

Then, in September 1980, the Park Service announced a stunning policy reversal. It informed the counties that if they provided definite assurances for the future controls and preservation of the river in their plan, the Park Service would shelve its own plan and recommend that Congress adopt the counties' plan. The recommendations were accepted by the counties and were included in the final Mississippi Headwaters Board ordinance.

A resolution supporting the plan was adopted at NACo's Annual Meeting.

The separate county boards of commissioners had to adopt the MHB ordinance, a process completed on Dec. 16, 1980. A nearly unanimous vote (39 to 1) indicated the counties' desire to retain local control.

The Park Service plan cost an estimated $30 million to $70 million to develop. The counties have spent less than $70,000. Although counties will look for financial assistance from federal and state agencies to continue their program, it is apparent that the taxpayers are going to be a major beneficiary from the counties' plan.

The Minnesota Legislature is working on the final details that will guarantee the future of the Mississippi Headwaters Board and the permanent preservation of the 450-mile segment of the Mississippi River.

The cooperation between all levels of government made possible the continued local control of a valuable natural resource. The plan developed by the Minnesota counties and the federal acceptance of the plan may well signal a new era of increased local control over other resources.●

VOLKSWAGEN HIRES THE VIETNAM VETERAN

HON. DON BAILEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. BAILEY of Pennsylvania. Mr. Speaker, it is with a very deep personal pride that I bring to your attention the outstanding contribution Volkswagen of America, Inc., has made to the jobs for vets program.

Volkswagen of America, Inc.'s, New Stanton plant, in the 21st Congressional District of Pennsylvania, currently employs 1,747 Vietnam era veterans. These veterans represent more than one-third of the New Stanton assembly plant's total work force.

Volkswagen's highly respected commitment to hire the Vietnam veteran is being recognized by the Veterans' Administration and the National Alliance of Business. On February 19, 1981, they will present an award to Volkswagen for its outstanding leadership and sustained support in providing employment and training opportunities for Vietnam era veterans.

I would like to add my personal recognition of this extremely vital effort to employ and train these men and women. Those who served in Vietnam, suffered embarrassment and humiliation from an ungrateful America when they returned home. Consequently, they experience unusually high unemployment. I also salute Volkswagen for its efforts to educate and train veterans. Education and employment opportunities are equally important for veterans who have not enjoyed the traditional support our Nation has given veterans of other wars. Those who served in Vietnam endured. They are entitled and are able to be a viable segment of our working society.

It is my sincere hope that more efforts will be made by more businesses in the private sector to welcome the Vietnam veteran into our work force. To Volkswagen of America, Inc., I extend my heartfelt congratulations. The jobs for vets program is an overwhelming success to be admired by many.●

ISRAEL IS AN EXCELLENT GUARDIAN FOR JERUSALEM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ROSENTHAL. Mr. Speaker, King Hussein of Jordan has taken up the charge that the Israeli rule over Jerusalem has damaged the Arab character of the holy city, though there is no truth to the accusation, and in fact Arab Jerusalem has prospered since 1967. The physical fabric of the city, the quality of its health and welfare services, and especially the condition of the Islamic holy places, are far better today than they were when the city passed into Israeli hands.

Jerusalem Post reporter, Abraham Rabinovich, has recently written a useful article on conditions in Arab Jerusalem. I wish to share it with my colleagues:

Is Israel trying to extinguish the Arab character of Jerusalem?

That charge, by Jordan's King Hussein at the recent Islamic conference in Taif, may sincerely be believed by him and the rest of the Islamic world. The annexation of East Jerusalem by Israel and the construction of huge housing estates for Israeli residents on land expropriated from Arabs would make such a conclusion seem obvious.

In fact, however, the Arab element in Jerusalem has not been diminished since the city reunification. It has been increased significantly. East Jerusalem's population, which in 19 years of Jordanian rule increased by some 50 percent, has already increased by more than that in 14 years of Israeli rule.

The Hashemite Kingdom deliberately inhibited the development of East Jerusalem's economy in favour of Amman's, forcing the large scale emigration of East Jerusalemites to the Arab world in search of work. This was halted only after the city's reunification by employment opportunities in the Israeli sector. The growth rate of the Arab population, in fact, has been a good deal greater since 1967 than the growth rate of the Jewish population in the city, 4.2 per cent versus 3.2 per cent.

What concerns the Moslem world most are the Islamic holy places, particularly the Temple Mount and its mosques. Despite the Temple Mount's supreme significance to Jews, the Israeli government has left it in the autonomous hands of the Supreme Moslem Council, an avowedly anti-Israel body. Israeli police have kept out Jewish nationalists who wanted to demonstratively pray on the Temple Mount. More than 100,000 visitors from the Arab world visit Jerusalem each year and freely pray in Al-Aksa. So do Israeli Arabs who had no access to it before 1967.

The Moslem authorities are carrying out stunning restoration work in Al-Aksa with Israel's blessing. Elsewhere in East Jerusalem, new mosques have been built since 1967 and minarets added to old ones.

Far from attempting to stifle Arab culture, the municipality has taken steps to promote it—far more so, ironically, than did the Jordanian authorities.

A library system with books from the Arab world has been developed in East Jerusalem, including mobile vans to reach outlying villages. Arab community centres have been established. The Jerusalem Foundation has subsidized the first Arab theatrical troupe ever established in East Jerusalem or the West Bank. The municipality has founded Arab dance troupes and, in the absence of local instructors, even provided an Israeli Jewish dance instructor. A municipal adult education programme has taught hundreds of illiterate residents of East Jerusalem to read and write Arabic.

In a most remarkable move, the Israeli authorities permit a Jordanian curriculum to be taught in Israeli-run public schools in East Jerusalem so that their graduates can study in Arab universities abroad if they choose. East Jerusalem residents have been permitted to retain their Jordanian citizenship and may travel back and forth across the Jordan River bridges.

Israeli archaeologists have uncovered at the foot of the Temple Mount Islamic palaces of the 8th century that not even Islamic scholars knew existed. The careful restoration work in the Old City reflects the respect with which Israel treats Islamic architecture.

Materially, most of East Jerusalem's residents have enjoyed a prosperity since 1967 far greater than they ever knew. Installation of a modern infrastructure in their quarters since 1967 has improved their way of life dramatically. As picturesque as Arab women may look carrying water jugs on their heads, they much prefer drawing water from a kitchen tap.

All this does not add up to denigration of Jerusalem's Arab character—a character integral and precious to the city. But Jerusalem also has a Jewish character dating back 3,000 years. For the past century, Jews have again been a majority. Today this majority is almost 3-1.

What Israel has done since 1967 is to change the city's political character by clearly asserting Israeli sovereignty. In building massive new neighbourhoods on the periphery of the city on clear strategic lines, Israel is attempting to remove ambiguity about the city's political future. Ambiguity in this context breeds Belfast—a spiral of violence which Jerusalem's Arab minority has at least as much interest in avoiding as does the Jewish population.

Unification of Jerusalem will not be complete until some way is found to give full political expression to the city's Arab population. Taif's solution of holy war may be emotionally satisfying to some, but in reality it offers only a repeat of death, hate, and impasse. Cairo's solution, political wisdom and goodwill, offers a more promising prospect.●

THE PLIGHT OF VIKTOR BRAILOVSKY

HON. EUGENE V. ATKINSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mr. ATKINSON. Mr. Speaker, the plight of the victims of Soviet persecution has been an ongoing embarrassment to all people of the world who believe in freedom and free choice.

The latest case that has been brought to my attention deals with a computer scientist, Dr. Viktor Brailovsky who has petitioned the Soviet Government for permission to emigrate to Israel.

Dr. Brailovsky is a Jew and his case has become a focal point for refusniks and the scientific world because he has been totally thwarted in his desire to emigrate as well as being denied any opportunity to practice his profession in the Soviet Union.

Dr. Brailovsky was not engaged in highly secret Soviet scientific work. He is a computer expert as is his wife, Irina. When he published a Jewish cultural journal last April he was arrested, then released but kept under continued investigation. When he joined a group of over 200 other refusniks in a written appeal to President Leonid Brezhnev requesting the free emigration of Soviet Jews, he was imprisoned.

At this time we know Dr. Brailovsky is in failing health. For humanitarian reasons we call upon the Soviet leaders to show some compassion and allow Dr. Brailovsky and his family to exit the U.S.S.R. so he may receive proper medical treatment and be reunited with his other family members who are now in Israel.

It is a shame for all of mankind when even one person's rights are violated. The treatment of minorities in the Soviet Union is disgraceful and shameful. Certainly in the 1980's, in the light of recent Soviet accomplishments in science, commerce, and the arts, there should be a growing feeling among that nation's leadership to honor the dignity of its people—all of its people. The plight of Viktor Brailovsky and Irina Brailovsky are just two examples of a continuing nightmare of repression.

The Congress and the Nation are asked by the Soviet Union to ratify treaties of friendship and understanding, to enter into sophisticated negotiations on arms decontrol and political stabilization, and yet the day-by-day example of Soviet disregard for the basic human spirit continues.

It is time for the Soviet Union to show the world that it has come into the 21st century in the important area of individuals' dignity. How can our Nation, how can this Government, ever trust the Soviet Union's word on a document with foreign nations when it fails to honor the letter of its own Soviet Constitution?

Mr. Speaker, talk and promises are easy. It is time for the Soviet Union to cease its policy of repression—especially if it chooses to join with the community of civilized nations to maintain this planet in the decades to come.●

HOW A BILL BECOMES A LAW

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MICHEL. Mr. Speaker, those of us in Congress are so close to the legislative process that we sometimes forget that the way in which a bill becomes law is not clearly understood by many of our fellow Americans. I receive inquiries from time to time about this question. I have prepared a brief summary of the process in the hope it may be useful to anyone who is interested in the machinery of Government.

HOW A BILL BECOMES LAW

Ours is a Government of the people, by the people, for the people. It is not a pure democracy. It is a republic in a democracy. It is a representative democracy.

Our laws are the embodiment of the wishes and wants, the ideas and ideals of the American people as expressed through their Representatives in the Congress: 435 in the House of Representatives and 100 in the Senate. Any Member of the House or Senate may introduce a bill embodying a proposed law or revision of existing laws, at any time when his respective House is in session. When introduced, the bill will be entered in the Journal of the House, and the title and sponsors of it printed in the CONGRESSIONAL RECORD of that day.

EACH BILL NUMBERED

Each bill introduced is assigned a number by the clerk of each House and referred to the committee having jurisdiction over the subject matter by the presiding officer, that is, the Speaker of the House or the President of the Senate. Copies of the bill are printed by the Government Printing Office and made publicly available from the congressional document rooms.

Acting through its chairman, the committee decides whether a bill should be taken up by the full committee or referred to a subcommittee for its initial consideration.

THE DELIBERATIVE STAGE

The committee's deliberations are the most important stage of the legislative process. It is here that detailed study of the proposed legislation is made and where people are given the right to present their views in public hearings. When the chairman has set a date for public hearings it is generally announced by publication in the CONGRESSIONAL RECORD.

Copies of the bill under consideration by the committee are customarily sent to the executive departments or agencies concerned with the subject matter for their official views to be presented in writing or by oral testimony before the committee. The number of witnesses, pro and con, heard by the committee is largely dictated by the importance of the proposed legislation and degree of public interest in it.

TESTIMONY HEARD

The transcript of the testimony taken is available for inspection in the individual committee offices. Quite frequently, dependent on the importance of the subject matter, the committee hearings on a bill are printed and copies made available to the public.

After conclusion of the hearings the committee proceeds to meet in executive sessions—sometimes referred to as "markup" sessions—to discuss the bill in detail and to consider such amendments as any member of the committee may wish to offer. Each committee has its own rules of procedure but they generally conform to the rules of the House itself.

THE COMMITTEE VOTE

By a formal vote of the committee, it decides whether to report favorably to the House the bill with or without committee amendments. A committee report must accompany the bill, setting forth the nature of the bill and reasons for the committee's recommended approval. The report sets forth specifically the committee amendments and, in compliance with the rules of each House, indicates all changes the bill would make in existing law. Any committee member, individually or jointly, may file additional supplemental or minority views to accompany the majority committee report. The committee report, accompanying the bill, is viewed by the courts and the administrative agencies as the most important document as to the intent of the Congress in the proposed legislation.

AFTER REPORTING

When a bill is reported by the committee it is placed on the appropriate calendar. The majority leadership decides how and when the bill will be considered on the floor. In general the bill is allowed to remain on the calendar for several days to enable members to become acquainted with its provisions.

In both the House and the Senate innumerable measures of relatively minor importance are disposed of by unanimous consent. In the Senate, where debate is unlimited, major bills are brought up on motion of the majority leader and in the House are called up under a privileged resolution reported from the Rules Committee which fixes the limits of debate and whether amendments may be offered from the floor. The Rules Committee resolution is called a rule for consideration of a bill; a closed rule if no amendments are allowed, as is generally the case in tax bills, and an open rule if amendments can be offered.

REACHING CONSENSUS

While there are distant differences between the House and Senate procedures, in general a bill is debated at length with the proponents and opponents presenting their views to acquaint the membership, as well as the general public, with the issues involved, and all with a view to arriving at the consensus. Amendments are frequently offered to make the measure more in conformity with the judgment of the majority. In the course of consideration of the bill there are various parliamentary motions, in both the House and the Senate, which may be offered to determine the sentiment of the members with respect to the pending legislation. The measure may be postponed to some future date or referred back to the committee which reported it.

With the conclusion of general debate and the reading of the bill for amendments, the question becomes whether the House or Senate, as the case may be, will pass the bill in its final form. The CONGRESSIONAL RECORD of the day the bill was under consideration will set forth the verbatim debate on the bill and the disposition made of such amendments as were offered.

AFTER PASSAGE

With the passage of a bill by either body it is messaged to the other with the request that they concur. If no action has been taken on the like measure by the body receiving the message the bill is usually referred to the appropriate committee of that body for consideration. Hearings are again held and the bill reported for floor action. On relatively minor or noncontroversial matters the Senate or the House accepts the measure as messaged to it by the other body.

If there are substantial differences between the House and Senate versions of a given bill, the measure is sent to a conference committee which is appointed by the Speaker and the President of the Senate from the ranking committee members of each body having original jurisdiction over the bill. The object of the conference committee is to adjust the differences between the two bodies, and to report back to each its agreement. The report of the conference committee must be in writing and signed by those agreeing thereto and must have the signature of the majority of the conferees of each House.

CONFERENCE REPORT

The report of the conference committee cannot be amended and must be accepted or rejected by each House as it stands. If either House finds itself unable to accept the conference committee report a further conference is usually requested.

When the bill has been agreed to in identical form by both bodies a copy

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of the bill is enrolled, signed by the Speaker and by the President of the Senate, for presentation to the President. The bill becomes law with the President's signature of approval, or it may become law without his signature if he does not return it, with his objections, to the Congress within 10 days of its presentation to him.

If the President should return the bill, with his objections, to the originating body of the Congress, his veto may be overridden by two-thirds of both the House and Senate respectively voting to have the measure become law the President's objections to the contrary notwithstanding. Both the President's veto message and a record of the vote of the individual Members in the motion to override are required by the Constitution and set forth in the CONGRESSIONAL RECORD.●

MEL MILLER—A DECADE OF ABLE SERVICE TO THE PEOPLE OF BROOKLYN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SOLARZ. Mr. Speaker, today I would like to take the opportunity to pay tribute on the floor of the House of Representatives to a friend who is a dedicated and talented member of the New York State Legislature, Assemblyman Mel Miller, who has ably represented the people of the 44th assembly district for the past 10 years.

Mel Miller is a native son of Brooklyn who has distinguished himself both as a legislator, public spirited attorney, and as a respected member of the community. In the legislature, as past chairman of the election law committee, he worked hard to improve and simplify our election laws and voter registration system, because he appreciated the importance of a voter registration system that makes it easier to register to vote and can increase voter participation in our local elections.

A strong supporter of public education, Mel chaired the higher education committee and fought to increase State support for our colleges and universities so that opportunities for higher education would be readily available for students in our State. A graduate of Brooklyn College, Mel personally understands the importance of quality public education programs, and has been determined to see New York State maintain its commitment to provide higher education programs for every able student, regardless of a student's ability to pay.

But perhaps, for most of us, Mel Miller is best known for his active involvement in community affairs, and in efforts to improve the quality of life in our neighborhoods. It is hard to find a local organization or cause that Mel Miller has not become involved in—whether the issue is public safety, adequate funding for our schools, improved housing and neighborhood revitalization, consumer protection, the well-being of our senior citizens, or the improved delivery of public services.

Mel Miller is the type of public official who fully accepts the meaning of the old saying that "a public office is a public trust." He has ably represented the needs and best interests of his constitutents, and has been willing to go the extra mile time and time again to help those in need.

Recognizing his sterling qualities as a human being and as a legislator, the voters of the 44th district have returned him to a sixth term in Albany. Today, as someone who served with Mel Miller in the legislature, I am happy to add my voice of congratulations and thanks to that of his constituents and to say that I look forward to working with him in the decade ahead.●

INDIA'S NUCLEAR BLACKMAIL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, India is again threatening to reprocess spent nuclear fuel supplied by the United States. Officials of India's atomic energy program have said they will test a reprocessing facility using their own nuclear materials, and after that, they may reprocess U.S.-supplied nuclear fuel. What this means is that India will have the capability to make additional fuel or nuclear bombs from the original supplies provided by the United States.

Once again we are being put to the test of whether to continue nuclear trade with nations which deliberately maintain the option of making nuclear weapons by refusing to adhere to international safeguards and inspections of nuclear activities. The United States has for years supplied India additional nuclear fuel to prevent the threatened reprocessing of fuel previously supplied. The Government of India has engaged in outright blackmail and we have submitted to it each and every time.

India stands alone as the nation which has produced a nuclear bomb by violating U.S. peaceful use guarantees. It has not signed the Treaty of Non-Proliferation of Nuclear Weapons, and has rejected all agreements regarding the manufacturing of atomic bombs.

Continuing the supply of nuclear fuel to India is dangerous and contradicts our interests. India has already stockpiled enough fuel to last through next year. It takes but 8 kilograms of plutonium to produce a bomb as powerful as exploded over Nagasaki, and if these shipments continue, thousands of kilgrams will be stockpiled by India during the decade with no safeguards.

Proponents of continued sales to India argue that if our supplies are denied, India will simply turn to the Soviets. Moscow, however, has joined the United States as a prime mover in negotiating the nonproliferation treaty. The U.S.S.R. is required by treaty to demand safeguards on all exported nuclear materials, and not to undercut U.S. actions in furtherance of nonproliferation objectives. Russia has also demonstrated its commitment to the goals of nuclear nonproliferation by requiring the return of all Soviet nuclear spent fuel.

In light of these arguments, it is ludicrous for us to continue to submit to blackmail and jeopardize international stability by supplying India with more nuclear fuel. The Nuclear Regulatory Commission unanimously voted against our last fuel shipment to India, and it was very unfortunate that President Carter, for very questionable political motives, overrode that sound position.

Mr. Speaker, I urge President Reagan to terminate the supply of U.S. nuclear fuel to India in response to India's reckless policies and brazen threats. We must hold the line on this critical issue, and signal to the world that the United States will not tolerate efforts to end the proliferation of nuclear arms. I am including in today's RECORD a recent New York Times editorial concerning India's nuclear blackmail, and I commend it to the attention of my colleagues.

The editorial follows:

INDIA'S NUCLEAR BLACKMAIL

India is again threatening to reprocess spent nuclear fuel supplied by the United States, thus separating out plutonium that could be used to make additional fuel—or nuclear bombs. Officials of India's atomic energy program say they will soon test a reprocessing facility at Tarapur, near Bombay, using their own nuclear materials. After that, they add, they will feel free to reprocess the fuel from the United States.

So much for appeasement. The United States has continued to send India additional nuclear fuel precisely to head off the threatened reprocessing of previously supplied fuel. If every shipment is eventually followed by a new threat of blackmail, why keep tossing good fuel after bad?

The fuel sent so far has been provided for a reactor, at Tarapur, under a 30-year agreement requiring strict safeguards to prevent its use for military purposes. So far as is known, India has lived up to the terms. But in 1974, the Indians used other American and Canadian materials to explode a nuclear device. So the United States has been pressing them to accept safeguards on all their nuclear materials and facilities. The Indians refuse, and they warn that if the United States tries to pressure them by cut-

ting off the contracted fuel supplies, they will reprocess what they already have—perhaps enough to make 200 Hiroshima sized bombs.

Whether the latest threat, delivered informally to correspondents, is serious or simply a new bargaining ploy, is not yet clear. Other Indian officials were simultaneously proposing an "amicable" settlement to the long-standing dispute, which has poisoned relations on a broad front. The Indians clearly want the United States to speed up a fuel shipment that was approved last year but then deliberately delayed. And they may need a face-saving compromise to end the friction.

President Reagan must eventually decide whether to carry on Jimmy Carter's worldwide campaign to discourage reprocessing and to encourage safeguards on all civilian nuclear facilities. Whatever his choice, there should be no retreat on safeguarding the American fuel supplied to India.

If the Indians wish to keep most of their nuclear activities hidden and recklessly activate a reprocessing plant, let them endure the world's suspicion. But the United States should not stand idly by and allow fuel that was sent for peaceful purposes to be converted for potential military use.●

MRS. SPELLMAN'S CONSTITUENT WINS MARYLAND VFW SPEECH COMPETITION

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. BARNES. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a Voice of Democracy speech contest, Over the past two decades the program has grown significantly, and over 250,000 high school students participated in this year's competition. Winners from each State will gather in Washington next month to compete for five national scholarships. I am pleased to announce that Kathy Betz who lives in Adelphi and attends High Point Senior High School, is this year's Maryland winner. Advancing to the finals of the VFW Voice of Democracy contest is a great distinction, and the entire Maryland delegation joins me in congratulating Kathy on this achievement and in wishing her good luck in the finals. On behalf of my good friend and colleague, Mrs. SPELLMAN, who represents this community, I am inserting Kathy's speech in the RECORD:

Just for a moment, step back with me into my childhood—back to a time when candles almost always meant a birthday wish. One year I remember gazing into the flickering flames and wishing very hard for my first two-wheel bicycle—even though it did have to have training wheels. But that was so long ago, and now I'm a young adult. The training wheels are gone, and I'm preparing to "go it alone" Yet, there is still a candle burning. This is the candle that lights my America, brightens the world, and warms my heart. Yes, I am very American, and I am a very proud American. I must commit myself to giving my best for my country just as she has always given her best for me.

Today, America's light gives me a wish for my lifetime. She encourages my individuality; she dares me to be unique. The American writer, Henry David Thoreau, understood her challenge when he wrote, "If a man does not keep pace with his companions, perhaps it is because he hears a different drummer." I must listen for the drummer who plays to my heartbeat, for I can only be true to America if first I am true to myself.

America inspires me to dream, so must I commit myself to realizing my dreams. This is the land of opportunity where so many people would love to live. Here I am already a citizen with all kinds of opportunities—in education, travel, careers—in fact, in almost any facet of life that I am willing to commit myself to.

My America also gives me the right to worship as I choose; thus, I must have faithful reverence for my beliefs.

In addition, my country gives me the freedom to speak from my heart—as I am now doing with you. And, I'm free as well to express my feelings in writing. Thus, I am committed to honesty whenever I share my thoughts. Just as Patriots Patrick Henry and Thomas Paine recognized the powers of free speech and free press, so, too, do I. And, if the need should ever arise, I will take up my pen, just as American soldiers for years have taken up their rifles, and I will defend my country's liberty and honor in the words I write—as well as in whatever other capacity I am most able.

My country also gives me the privilege of having a voice in our government. I must commit myself to being well informed and actively involved so that I can make my voice meaningful.

Additionally, my America gives me so many simple pleasures: I ski on her white-capped mountains, I bask on her warm, sandy beaches, and I trek through her endless forests. To insure that future generations will share America's pleasures, I must commit myself to preserving her environment. I realize how fortunate I am to live in a country so filled with natural wonders. Should I ever travel abroad, I am also committed to sharing a little of America's beauty by spreading a bit of her light among the peoples of the world.

I make these commitments with sincerity and love for my nation. She has given and given and given to me since the day of my birth. In return, I will give her a citizen of whom she can be truly proud. For America's image of light is a glowing candle, and I am a mirror that reflects her light. I am committed to projecting an image worthy of being called American. For to be American is to show love and compassion not only for myself but also for my America—my country—my homeland.●

IT IS TIME TO CLEAN UP THE EPA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ASHBROOK. Mr. Speaker, I am not often surprised by the actions of the Environmental Protection Agency but recent statements from that department have left me absolutely dumfounded. The Times Leader, an Ohio newspaper serving the southeastern region of our State, recently published a headline article entitled "Ohio Coal: U.S. EPA Says Economic Disruption Insignificant." That statement should come as somewhat of a surprise to the thousands of Ohio coal miners who have been sent to the unemployment lines as a result of ridiculous EPA restrictions on the mining of Ohio coal. It certainly comes as a surprise to me.

I have traveled extensively in Ohio coal country and have personally witnessed the disastrous results of Federal EPA policies. That is why I was shocked to read that the EPA has determined that the economic and unemployment costs associated with conversion from high-sulfur Ohio coal to low-sulfur Kentucky and West Virginia coal were not sufficiently significant.

Mr. Speaker, Ohio can ill afford more of the same EPA policies which have plagued our State for the last several years. President Reagan must act with dispatch to clean house at the EPA and send packing those regulators who fail to see the significance of unemployment. Ohio has gone to great lengths to meet Federal air pollution standards and industry leaders have worked overtime to develop clean methods of burning high-sulfur coal. Public officials in Ohio, like my colleague, DOUG APPLEGATE, who represents much of the unemployment-plagued part of the State, Gov. Jim Rhodes, myself, and others have relentlessly tried to convince Washington bureaucrats that EPA must adopt a reasonable approach. Yet, we hear more of the same.

I know that President Reagan is concerned about our problem in Ohio. He can solve it by issuing pink slips to those EPA officials who fail to see the significance of unemployment.

OHIO COAL: U.S. EPA SAYS ECONOMIC DISRUPTION INSIGNIFICANT

WASHINGTON.—The U.S. Environmental Protection Agency feels there is not sufficient justification to invoke a law that would force Ohio utilities to burn the state's high sulfur coal.

The EPA is expected to make a final ruling in the case by the end of February.

In a statement published in the Federal Register, the EPA said the estimated economic and unemployment costs associated with the conversion from high-sulfur coal to low-sulfur coal were not "sufficiently significant" to invoke an amendment to the Clean Air act that would continue the burning of the high sulfur coal.

The EPA said failure to invoke the amendment would cost the state a total of 4 million tons of coal production a year and the loss of almost 2,000 coal mining jobs in a 23-county area of Southeastern Ohio.

The EPA said implementation of the amendment would delay environmental cleanup, lead to higher electric bills for many Ohio consumers and businesses and

adversely affect coal mining areas of eastern Kentucky and southern West Virginia.

The EPA said the additional costs to consumers would come in the form of increased rates submitted by the utilities which would have to install expensive anti-pollution devices in order to burn the high sulfur coal.

The EPA refers to eastern Kentucky and southern West Virginia because some Ohio utilities purchase low sulfur coal mined in those two states.

The EPA said it doubted Congress ever wanted the amendment to be "interpreted to help one segment of a depressed market gain unfair advantage over another depressed sector."

At the same time, the EPA suggested Congress may wish to consider trade adjustment assistance for coal miners similar to what autoworkers obtain.

"Congress provides special assistance to workers who lose their jobs due to socially beneficial free-trade policies," the EPA said. "There are no comparable benefits to workers laid off due to socially beneficial pollution control requirements.

"This lack of assistance creates a social cost through the loss of skills and labor," the EPA said. "It also makes it harder for the economy to adjust to change. The EPA therefore believes the alternative of providing some form of adjustment assistance deserves serious congressional consideration."

Ohio EPA Director James McAvoy said he disagreed with the federal agency's finding in regard to burning of the high sulfur coal.

"When one segment of the economy is impacted as heavily as the Ohio coal industry, that's an economic hardship," McAvoy said.

District 6 of the United Mine Workers Union has petitioned the EPA to invoke the amendment.●

PROPER UTILIZATION OF OUR NATURAL RESOURCES

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. BREAUX. Mr. Speaker, one of the major and awesome responsibilities of our Nation is to insure a proper utilization of our natural resources, including our fish and wildlife. Whether the decisions are made on a local, State, or national level they must be based upon the best scientific data available utilizing the principles of sound resource management. We cannot afford to let any of our resources be guided by the dictates of emotion, misinformation, or expediency. Consequently, an informed public is as important as an informed legislative body. One organization that has initiated efforts to develop an informed public on wildlife issues is the Wildlife Legislative Fund of America. Recently they actively engaged in two wildlife legislative proposals which appeared on State ballots and which necessitated a campaign for public education. One issue was to ban trapping in the State of Oregon and the other was to permit dove hunting in the State of South Dakota. Through their public educational efforts the campaigns were highly successful. Recently Ducks Unlimited, an organization dedicated to the conservation and propagation of North American waterfowl as a valuable natural resource, lauded the Wildlife Legislative Fund in an editorial that appeared in their January/February 1981 issue of Ducks Unlimited.

Mr. Speaker, I believe that it would be most appropriate to share this editorial with our colleagues.

"Will the American people support hunting and trapping?" This question is posed by the Wildlife Legislative Fund of America (WLEA) in its Fall, 1980 Bulletin. The nonprofit political action organization dedicated to protect the heritage of American sportsmen didn't sit around and wait for an answer.

Instead, the WFLA provided the answer to its own rhetorical question on November 4, 1980, as it led highly successful campaigns to save dove hunting in South Dakota and trapping in Oregon.

The Antis (in the form of the Defenders of Wildlife and Greenpeace) had orchestrated the placing of two particularly odious legislative proposals on the states' ballots, calling for a halt to these pursuits. Seeing this, the alert local sportsmen turned to the WLFA for some help—and help it did. The organization planned and initiated movements to fight the Antis, providing local sportsmen with money and many other critical services needed to get the real story to the voters.

We are particularly pleased with the way the organization went about its well-planned campaigns. The WLFA sternly refused to be dragged to the level of its opponents, and carried out a sensible, coherent media program to let the people know the real facts. The Antis, as usual, were groveling about in their hand-wrought, emotional gutter, hoping to elicit pity-oriented responses from the voters—insulting their intelligence in the process. The WLFA let the Antis wave their crying towels, while it set out to intelligently explain the issues to the populace, centering its arguments on the basis of biology and sound game management. The wide margins of the sportsmen's victories in both states are irrefutable proof of a job well done by the WLFA.

"It is our very strong conviction that when people learn the biological and wildlife facts of life they unequivocally support hunting and trapping," comments the WLFA Bulletin. Well said.

We offer our thanks, and congratulate the WLFA for successfully taking up this important cause. In providing funds and a host of services, at absolutely no charge, to help sportsmen defend themselves against the assaults of "animal rights" fanatics, the WLFA serves as a leading voice to educate the public in the ways of wildlife. This is the surest way to blunt the Anti threat. The WLFA is effective because of its singleness of purpose to fight, through legislation and litigation, efforts by the Antis to outlaw sport hunting. Though DU's singleness of purpose to habitat conservation prevents us from becoming actively involved in legislative battles, we heartily support the objectives of the WLFA.

So long as groups like the WLFA are around to pull sportsmen together for their cause, our hunting heritage will be secure. But *all* sportsmen must work to protect their heritage; individuals can't sit idle and expect the WLFA and other organizations to fight the Antis for them. As a WLFA motto reads: "Unity Means Victory."

The resounding victories forged by this hard-working group prove beyond any doubt that yes, the American people will support hunting and trapping when confronted with biologically-based, game management facts instead of emotion alone.●

BILL YOUNG WAS RIGHT

HON. VIRGINIA SMITH

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mrs. SMITH of Nebraska. Mr. Speaker, rarely in Washington does an "I told you so" do any good, but fortunately those of us who can say I told you so about Nicaragua's terrorist connections have a chance to do something about it, thanks to the wisdom and foresight of one of our colleagues, BILL YOUNG of Florida.

You may have been reading news reports during the past few weeks which tell of the growing proof of Nicaragua's complicity in training and arming El Salvador's terrorists. You may also have read the statements of Carter administration officials, including our former Ambassador to El Salvador Robert White and former Secretary of State Edmund Muskie, who suddenly saw the light and finally concluded that Nicaragua is intimately involved in the Salvadoran revolution. You may have noticed that the $75 million in aid which the 96th Congress mistakenly approved for Nicaragua has been shut off because of the flagrant Nicaraguan violation of El Salvador's territorial integrity.

The reason for that shutoff, Mr. Speaker, and the reason that we have some leverage over this situation, is because of the amendment which my good friend and colleague BILL YOUNG attached to the Nicaraguan aid package last year. Congressman YOUNG is a member of the Select Committee on Intelligence, and when this aid program was proposed by the Carter administration he reviewed the secret and sensitive intelligence documents available to members of his committee. BILL YOUNG found overwhelming proof that Nicaragua's Sandinistas were aiding and training the Salvadoran rebels. He then presented this proof in an extraordinary closed session of the House of Representatives. By a vote of 392 to 3, the House adopted the Young amendment.

The Young amendment states that the President must certify that the Government of Nicaragua "has not cooperated with or harbors any international terrorist organization, or is aiding, abetting, or supporting acts of violence or terrorism in other countries." On September 12, 1980, President Carter determined that Nicara-

gua was providing no such cooperation or aid to anyone, even though he had access to the same intelligence documents which Congressman YOUNG and others had seen. This certification was so shocking in light of the available evidence to the contrary that the Subcommittee on Inter-American Affairs held a hearing to investigate the matter.

Now, of course, after much of the damage has been done, after the Salvadoran guerrillas have been trained and armed and hundreds of people have been killed, now is when those who were once apologists for the Sandinistas concede that what we were saying all along was right, but only after the recent Salvadoran guerrilla offensive. Still, all is not lost. With a new administration and a renewed determination to fight terrorism, we may still be able to save the hapless people of El Salvador from the fate that befell their Nicaraguan neighbors, now overrun with Marxist leaders, Cuban advisors, and Soviet-supplied weapons.

If only we had heeded the warnings of our intelligence community, we may have been able to prevent much of the recent Salvadoran bloodshed. Our chance to stop even further anarchy and chaos is due to the efforts of Congressman BILL YOUNG, and I think the people of Central America, and the taxpayers of our own country, owe him a debt of gratitude.

Mr. Speaker, at this time I include some recent newspaper accounts of the Salvadoran and Nicaraguan situations which show why U.S. aid to the Sandinistas was cut off. I urge my colleagues to read them carefully:

[From the New York Times, Jan. 23, 1981]

U.S. HALTS NICARAGUA AID OVER HELP FOR GUERRILLAS

(By Juan de Onis)

WASHINGTON, January 22.—The United States suspended payments to Nicaragua from a $75 million economic support fund last week because of evidence that left-wing guerrillas in El Salvador have been supplied with arms from Nicaragua, an official source said today.

As Secretary of State Alexander M. Haig Jr. took office today, the State Department was already putting pressure on Nicaragua, through the aid suspension and the release last week of $10 million in military aid to El Salvador, to prevent any flow of arms, men, supplies or clandestine radio broadcasts from its territory to its neighbor.

Lawrence A. Pezzullo, the American Ambassador to Nicaragua, informed the Sandinist Government in Managua that further disbursements of economic aid would be suspended until it was decided that the Nicaraguan Government was not giving aid to El Salvador's guerrillas. Nicaragua officially denies it has given such aid.

Nicaraguan leaders such as Commandant Daniel Ortega Saavedra, a member of the governing junta, have accused the United States of making "concrete threats" against Nicaragua.

NICARAGUA ASKS SUPPORT

Nicaragua's Sandinist Government has asked Social Democratic parties in Latin America and Europe, which backed the revolution against President Anastasio Somoza Debayle, to increase political and economic support for Nicaragua in what they see as a difficult period in relations with the United States.

President Reagan said during his election campaign that he opposed the Carter Administration's decision to give Nicaragua economic aid after the overthrow in July 1979 of the Somoza regime following a civil war in which 50,000 people were killed.

Conservatives in Congress attached conditions to a $75 million loan for Nicaragua requiring a White House certification that Nicaragua was not aiding guerrillas in other Central American countries. President Carter gave such a certification last September.

The foreign assistance authorization bill for this fiscal year, approved in December, requires a new Presidential certification for $15 million that still remains to be disbursed from the loan. This is a decision that President Reagan will have to make.

RETURN OF FUNDS REQUIRED

The foreign aid legislation also requires that the United States ask for the return of the funds already disbursed to Nicaragua if it is determined that aid is being given to guerrillas or terrorists.

Intelligence reports obtained by the United States since the Farabundo Marti Liberation Movement opened a major offensive in El Salvador Jan. 10 points to the entry of arms and men from Nicaragua as well as to clandestine training camps and rebel radio stations in Nicaraguan territory, officials here said.

However, there is some debate on the extent to which the support for the Salvadoran guerrillas, which may be coming from Cuba, is under the control of the Nicaraguan Government.

Nicaraguan and Salvadoran opposition leaders met in Panama last week with political leaders from Venezuela, Costa Rica, Mexico, the Dominican Republic and Panama, who had been supporters of the Nicaraguan revolution.

A participant said it was decided that the uprising in El Salvador had not succeeded and that a political settlement should be reached between the opposition Democratic Revolutionary Front, headed by Guillermo Ungo, and the Salvadoran military-civilian junta led by President José Napoleón Duarte.

The meeting also asked Brig. Gen. Omar Torrijos Herrera, the Panamanian strongman, to discuss the Salvadoran crisis with President Fidel Castro of Cuba after agreeing that there would be "no direct or indirect intervention in the internal affairs of El Salvador by any country," the participant said.

[From the Washington Star, Jan. 23, 1981]

SOVIET AID TO GUERRILLAS IN SALVADOR DOCUMENTED

(By Cord Meyer)

President Reagan has hardly had time to savor the triumph of his inauguration before being faced by the Kremlin with a severe test of his intentions and competence in the complex crisis brewing in El Salvador.

Documents captured early last month from the Communist Party of El Salvador reveal the full extent of the Soviet-orchestrated program of covert military support for the communist guerrillas. This evidence helped persuade a hesitant Carter administration to authorize as one of its last acts a $5 million grant of guns and ammunition to the Salvadoran government.

While American and Salvadoran officials haggle over how best to surface this damning proof of Russia's intervention in Central America, an executive summary of what the documents contain gives highlights.

According to this record of how the Salvadoran communists successfully negotiated a series of arms deals with half a dozen communist states, the Soviets made the decision last June to step up the flow of arms to the guerrillas. Castro acted as the middle man.

SOURCES DISGUISED

Frequent visits of Salvadoran communist leaders to Havana to participate in mass propaganda meetings provided convenient cover for the negotiations. An attempt was made to disguise the source of the weaponry. For example, the Soviet client regimes in Vietnam and Ethiopia were designated as the main arms suppliers, since Vietnam holds large stocks of captured American weapons and the Ethiopian regime inherited a similar stockpile from the days of the American alliance with Haile Selassie, East Germany, Czechoslovakia and Hungary provided uniforms, communication gear and medical supplies.

Vietnamese-supplied American weapons began to arrive on the Pacific Coast of Latin America in September, and from there were transported through clandestine channels to the fighting front.

The documents make clear that the Sandinista regime collaborated in allowing Nicaraguan territory to be used as a transhipment point. Training in the more advanced weaponry is being provided in Cuba, where Salvadoran guerrillas are being put through training courses, 300 at a time, before being infiltrated back into El Salvador.

In addition to large quantities of ammunition, the weapons shipped through a bewilderingly complex supply network included automatic rifles, heavy machine guns, mortars and rocket launchers.

Although the Carter administration more than a month ago had access to this hard evidence of Soviet intentions to escalate the violence, Carter did not react until last week when the scale of the guerrilla offensive demonstrated that the new arms supplies had actually reached the battlefield.

There is also an intelligence report that one of the Salvadoran guerrilla groups, the Popular Forces of Liberation, deliberately murdered the three American nuns on Dec. 2 in a successful attempt to lay the blame for the murder on the government. As described in the report, their purpose was to place the government of Christian Democrats and reformist officers "in the worst possible light" and to provoke the termination of American assistance.

CARTER FELL INTO THE TRAP

If this is in fact the true explanation of the murder, the guerrilla plotters to some extent succeeded. The Carter administration fell into the trap by suspending American aid. Coming just before the launching of the guerrilla offensive, this aid suspension was a blow to the morale of the Salvadoran government. It was only in the nick of time that Carter reversed himself in response to urgent pleas from Salvadoran President Jose Napoleon Duarte that his ammunition was nearly exhausted.

After such vacillation in the face of what must now be seen as a major move in Rus-

sia's geopolitical offensive, it would be difficult for Reagan not to improve on his predecessor's handling of the Salvadoran crisis. Steady military assistance to the centrist Salvadoran government will be widely supported in this country and by many wavering Latin nations once the proof of communist involvement is laid on the table.

But military assistance is only half the story. Unless the new Reagan administration quickly resolves its internal ideological differences by firmly supporting the Salvadoran government's current program of land reform, the peasants will have nothing to fight for, and the guerrillas may win by default.

[From the Washington Star, Jan. 25, 1981]

SAYING NO TO NICARAGUA

Never mind that the Carter administration, so long under fire for its Latin American policies, was all but out of office before deciding to cut off financial aid to the government of Nicaragua. It was, and remains, a necessary decision in terms of the law authorizing $75 million in economic assistance to the country. At least as a stopgap measure, it should be in line with the policies to be expected of the Reagan administration.

The point is that it does not make sense to give economic support to the Sandinistas if we are serious about wanting to keep a more or less moderate junta in power in El Salvador. There is too much evidence that Nicaragua has been actively helping the guerrillas who want to refashion Salvadoran society according to the Cuban-Soviet Model.

The reports keep coming in. Julian Ignacio Otero, former logistics chief of the People's Liberation Front (FPL), who defected recently from the Salvadoran terrorist group, describes the training camps in Nicaragua where guerrillas are prepared to fight in El Salvador. According to him, every commander above the platoon level has been trained in either Cuba or Moscow.

Many sources report that about 100 fighting men of unknown national origin landed on the beach in eastern El Salvador around the middle of this month. American Ambassador Robert White concedes that there is strong evidence of seaborne reinforcements for the guerrillas coming into El Salvador.

From Costa Rica come reports of Soviet transports. In Washington, two weeks ago, more than a dozen correspondents heard members of a senator's staff describe more than a thousand Soviet military men in Nicaragua, some at work improving the port facilities and the airfields where their MIGs are stationed, some in combat gear. The American ambassador to Honduras confirms that there are Nicaraguans in El Salvador.

There are various ways to interpret these developments. Some Latin American experts in Washington believe the fighting in El Salvador is actually a ploy to divert attention from the buildup of Soviet military strength in Nicaragua. In Managua, the newspaper, Diario Las Americas, quotes the Soviet ambassador saying in a public speech that the United States is underwriting socialist revolution in Nicaragua.

There is too much convergence of evidence for there to be nothing to it. The Reagan administration will undoubtedly want to reappraise Latin American policy as a whole before adopting far-reaching strategies, and the benefits of financial aid to countries such as Nicaragua should figure in them.

Those benefits—to American interests and the hope of a pluralistic society in Nicaragua—are equally real. Most of the money has gone to the country's surprisingly vigorous private sector, which means that it represents a hope of holding back the totalitarian tendencies of the Sandinista government.

However, the developments of the moment call for stopgap measures if nothing more. A stepping up of military aid to El Salvador may be indicated—perhaps even lethal armaments. But the least we can do is to stop paying people who are trying to bring down the beleaguered government we are trying to shore up in San Salvador.

[From the Christian Science Monitor, Jan. 28, 1981]

SALVADORANS SAY 2 PLANES FROM NEARBY LANDS BAGGED

Salvadoran fighter jets shot down a Nicaraguan Air Force plane and a small Costa Rican plane that was airlifting guns to rebel forces in El Salvador, military sources say. The air strikes were the first reported incidents involving a Nicaraguan Air Force plane in the 17-day leftist offensive against El Salvador's US-backed junta. Neither Nicaragua nor Costa Rica had any immediate comment.

The Reagan administration is expected to cancel all US aid to Nicaragua if firm evidence is found to support allegations that Nicaragua's government is aiding the guerrillas.

[From the Washington Post, Jan. 30, 1981]

NICARAGUA HELPING ARM EL SALVADOR LEFTISTS, MUSKIE SAYS

(By John M. Goshko)

Former secretary of state Edmund S. Muskie said yesterday "there's no question" that leftist guerrillas in El Salvador are receiving Cuban arms through Nicaragua under circumstances that could force President Reagan to cut off aid to Nicaragua's revolutionary government.

In an interview with editors of The Washington Post, Muskie charged that Cuban arms and supplies being used in El Salvador's bloody civil war are flowing through Nicaragua "certainly with the knowledge and to some extent the help" of Nicaraguan authorities.

His words marked the first time that someone with recent access to the highest-level U.S. intelligence on Central America publicly has linked the Nicaraguan government to the Cuban-supported guerrillas seeking to win power in El Salvador.

The State Department, which Muskie headed until 10 days ago, has refused to say publicly whether it believes Nicaragua is involved in the Salvadoran conflict. The department's position, as enunciated last week by spokesman William Dyess, is that it is studying the allegations about Nicaragua but has "reached no conclusions."

Since the overthrow of the Somoza regime almost two years ago, Nicaragua has been governed by a junta dominated by the Sandinista Liberation Front, which contains elements that are avowedly Marxist and pro-Cuban. However, former president Carter, seeking to coax Nicaragua toward a moderate, nonaligned position, had pursued a policy of friendship that included winning congressional approval for a $75 million Nicaraguan aid package.

Congressional conservatives attached strings to the legislation, including a requirement that the White House certify that Nicaragua is not aiding guerrillas in other Central American countries. That has focused attention on neighboring El Salvador, where the United States is trying to help a centrist military-civilian coalition consolidate power in the face of violent challenges from left and right.

Muskie said yesterday, "There's no question that if this flow continues with the knowledge of the Nicaraguan government and contrary to the provisions of the legislation which supplied the $75 million, this administration [Reagan's] may be forced to cut off aid to Nicaragua, which could well precipitate a bloodbath in Nicaragua."

Muskie didn't spell out "bloodbath." He apparently was referring to the possibility that economic dislocations caused by a cutoff of U.S. aid could lead to fighting between Nicaragua's Marxist factions and those who want to keep the country out of the Cuban orbit.

Of the $75 million aid package, only $15 million remains undisbursed. The State Department said last week it was holding up this final increment while it completes a study of whether the aid is being used according to the conditions laid down by Congress.●

WILLIAM K. HOWARD

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. WAXMAN. Mr. Speaker, on Wednesday evening, March 11, 1981, William K. Howard, a most dedicated and respected man, will be honored on the occasion of the Inaugural Israel Salute to the Film Industry of California. In acknowledgment of Bill Howard's concern for people everywhere, the Torch of Freedom Award will be conferred upon him by an eminent representative of the State of Israel.

William Howard is president of the Hollywood Film Council, and in addition to his personal attributes which have earned him this honor, has personified American labor's unreserved and unstinting support of Israel for 33 years.

Bill Howard is a fourth-generation Californian, born in Pasadena. He served as a bomber pilot in World War II from 1942 to 1945, and upon leaving the service became affiliated with the film industry as a costumer. In 1963 he became the business representative of the Motion Picture Costumers Local 705-I.A.T.S.E. and M.P.M.O., continuing in that office to date. In 1973 he became president of the Hollywood Film Council. For the past 18 years he has unstintingly devoted his time and energy as president of the California State Theatrical Federation, as board chairman; chairman of the finance committee, and member of the board of trustees of the Motion Picture Industry Pension Plan. He is a member of the executive committee of the board of trustees of the Motion Picture & Television Fund, the board of directors of the Motion Picture Cos-

tumers Federal Credit Union, the board of trustees of the Hollywood Canteen Foundation, the Permanent Charities Committee, the Motion Picture Academy of Arts & Sciences.

Bill has served his State as a member of the industrial welfare commission wage board for both the motion picture and the television industry, and his city as membership chairman of Mayor Bradley's film development committee as well as the recording secretary of the Hollywood Broadcast Labor Council.

Recognizing that only in an economically secure Israel can his brothers and sisters in the democratic labor movement there maintain their dignity, their jobs, and their way of life, William Howard supports the reaffirmation of AFL-CIO to support Israel and Israel bonds.

I ask the Members to join me in extending our heartfelt commendation to William K. Howard for his dedicated service to his community and to his ideals.●

A COMPANY OF ONE

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. COELHO. Mr. Speaker, I take this opportunity to share with my colleagues a story from the Los Angeles Times about some dedicated firemen in Madera County in California's 15th Congressional District which I represent. The men are known as a company of one and there are five such companies in Madera County.

The article follows:

MADERA COUNTY FIREHOUSE CREW IS A COMPANY OF ONE

(By Charles Hillinger)

RIPPERDAN, CALIF.—There is not enough room in the town firehouse to play pinochle, poker, chess or checkers.

In fact, there is barely enough room for the fire rig.

And even if there was room there is nobody to play with, says Fire Chief-engineer-fireman Tom Kruzic, 40. "When I am on duty I'm the whole Ripperdan Fire Department," he says.

Ripperdan is one of five one-man fire stations in Madera County.

ONE MAN ON DUTY

Two firemen are assigned to each station but only one man is on duty at a time.

Kruzic works 72 hours (three days) straight. Then he is off three days and Bob Fairley Cates, 38, becomes the Ripperdan Fire Department.

Ripperdan, Dairyland, Berenda, Chowchilla and East Side are the loneliest county firehouses in the state.

"I cook my own meals and I eat alone when I'm on duty. I've been doing it for 16 years," Kruzic says.

Ripperdan may be a one-man-one-truck station but there is plenty to keep the duty man busy.

225 FIRE CALLS

"Last year we rolled on 225 calls—house fires, grass fires, train wrecks, train fires, industrial fires, car wrecks, false alarms and camp fires by the river," Kruzic says.

"Hunters set fire to newspapers in hollows of trees along the river bank to smoke out possum and raccoons. They spear 'em and eat 'em.

Kruzic often fights fires alone. But he has four volunteers on call if things get out of hand. He can also call on help from other fire stations.

Sometimes Kruzic hires firefighters on the spot—anyone he can recruit to pitch in when he can't handle it by himself. Volunteers and hired hands are paid $4.94 an hour.

Kruzic insists there is too much to do to get lonely—keeping the truck clean and ready to roll and tidying up the old five-room house that doubles as the Fire Department's office and home for the one-man station.

"We also keep the lawn mowed and take care of a vegetable garden in summer," Kruzic says.

When he does have spare time he watches TV, reads, studies for his pilot's license and practices his avocation, taxidermy.

There are five rural elementary schools in the Ripperdan fire station area.

"I drive out to the schools every now and then. The kids get fired up. I turn the siren on and it freaks them out," Kruzic says.

"On hot days the kids spray one another with the fire hose. They love it."

The one-man fire stations are part of the Madera County Fire Department but the firemen are on the payroll of the California Division of Forestry.

Kruzic has turned down promotions that would mean transferring to a larger station.

"I like to be alone," he confides.●

CHLOROFLUOROCARBONS BAN

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. LUKEN. Mr. Speaker, I am pleased to introduce today a bill which prevents premature regulation of a vital segment of American industry and, at the same time, provides for further research on an important environmental question.

In October 1978, the Environmental Protection Agency, along with the Food and Drug Administration and the Consumer Product Safety Commission, banned the use of chlorofluorocarbons, commonly referred to as CFC's, as propellants in aerosols.

That action was based on the theory that CFC's, upon release into the atmosphere make their way to the stratosphere and cause a reduction in the Earth's ozone layer. It is feared that such a reduction of ozone could have detrimental health and environmental consequences.

The ozone depletion theory remains just that—a theory. It has never been proved or disproved by actual measurement of ozone levels in the stratosphere. There are serious scientific questions concerning the theory's validity. Among the major industrialized nations, there is widespread conviction that the scientific evidence currently available does not justify regulation of CFC's.

And yet, in the face of such uncertainty, EPA has announced its plans to press ahead with further regulation of CFC's. On October 7, 1980, the agency issued an advanced notice of proposed rulemaking in which it is proposed that CFC production in the United States be capped at current levels. Further reductions of up to 70 percent of current production, are also proposed.

The economic consequences of such a regulation are extremely serious. CFC's are used as the primary refrigerant in home and commercial refrigeration and air-conditioning systems and in mobile air-conditioning. They are widely used as blowing agents for plastic foams, particularly for foams used as thermal insulation. They are used as industrial solvents, as food freezants and as inerting agents for flammable gases. CFC's have become an essential element in the American lifestyle and an important factor in our national quest for energy independence.

Clearly, more research is needed to either prove or disprove the theory of ozone depletion by CFC's before further regulatory burdens are imposed upon our already distressed economy. More than 780,000 jobs and 260,000 business locations related to CFC use would likely be impacted in some way by a restriction on CFC production. The annual value of goods and services dependent to some extent upon CFC's exceeds $28 billion, and there is about $135 billion of installed equipment which depends upon CFC's.

However, Mr. Speaker, my most urgent concern is about how EPA's proposed regulations will impact small businesses. I have met recently with several of my constituents in Ohio and they are deeply disturbed by the potentially devastating effects of a CFC restriction upon their businesses.

Small businesses would be at a particular disadvantage in trying to compete for restricted supplies under a production cap as proposed by EPA. I do not think it is wise to impose on businesses, small or large, a regulation akin to rationing on the basis of an unproved scientific theory.

The legislation I am introducing today recognizes the importance and serious nature of the ozone depletion question. We must find out whether, in fact, we are in danger. However, we must find out through scientific measurements and evaluations, not through questionable theorizing.

In the meantime, we must instruct the Environmental Protection Agency to postpone further regulation of

CFC's until the requisite scientific evidence can be gathered and analyzed.●

WRONG SIGNALS ON HUMAN RIGHTS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, I am concerned about some recent signals emerging in the administration's formulation of human rights policy. Secretary of State Haig has announced that human rights will not be the administration's priority foreign policy concern. Dr. Ernest LeFever, an outspoken critic of human rights advocacy, has been named to the State Department's top human rights post. In light of these, and other developments, it would seem that our Nation is abandoning its commitment to human rights, so vital to our national interests. If the United States sides with repressive dictatorships, we will find that when the popular will is ultimately expressed, the democratic successors will surely be hostile to us.

The State Department recently published its annual survey of human rights which noted that human rights improve in nations where violations come under "intense international scrutiny and criticism." I hope that President Reagan recognizes the importance of our human rights commitment in discouraging repression, and rejects partisan pressures to scuttle that policy. As the New York Times said in a recent editorial:

The human rights issue is not partisan or ideological. An American commitment to human rights serves both moral and practical ends. To dilute, or worse, to parody that commitment serves neither.

Mr. Speaker, I am including in today's RECORD that New York Times editorial in its entirety, which I commend to the attention of my colleagues:

WRONG TURNS ON HUMAN RIGHTS

A once-promising American commitment to human rights may have been swept under the red carpet rolled out this week for Chun Doo Hwan. During his White House visit, the South Korean President got about all he wanted: a legitimizing pat from President Reagan, a promise of hardware and an assurance that American troops will stay in South Korea. And butter would have melted on Mr. Reagan's toast to Mr. Chun: "In the short time you've had, Mr. President, you've done much to strengthen the tradition of 3,000 years' commitment to freedom."

Conservatives argue that a secure, self-confident Korean regime is more likely to follow a democratic path. They point out, plausibly, that the Carter Administration got nowhere with a human rights policy that was sufficient to annoy but too weak to sway an authoritarian regime. In the end, both the Seoul Government and its democratic opponents came to regard the policy as self-righteous humbug.

It is plainly true that, in the case of Seoul, the new Administration can already declare a victory. Just before his trip, President Chun ended martial law and commuted the death sentence of his most outspoken critic, Kim Dae Jung. Nonetheless, Mr. Reagan's approach risks signaling total indifference to whatever an allied government may do to its own people.

Case in point: to spare President Chun embarrassment, the Administration got Congress to delay for a week the publication of an annual report on human rights that the State Department is required by law to prepare. If that is worrying, it is altogether alarming that the Administration is considering Ernest W. Lefever as head of the department's Bureau of Human Rights. He is an ultraconservative who sneers at existing policy as sentimental nonsense and believes it is profound error to embarrass allies, however repressive, with talk about habeas corpus.

Not all conservatives share that view. William F. Buckley Jr., for one, has argued that there is precious substance in a policy of opposing all repression, on the right and left. There is strong appeal in his proposal to create an independent Commission on Human Rights, whose sole purpose would be to provide authoritative reports.

The human rights issue is not partisan or ideological. An American commitment to human rights serves both moral and practical ends. To dilute or, worse, to parody that commitment serves neither.●

MAYOR AND CITY COUNCIL OF ROHNERT PARK RECOGNIZED

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. CLAUSEN. Mr. Speaker, today I would like to recognize the mayor and city council of the city of Rohnert Park, Calif., for their dedication to the principles of home rule and decentralized government. Mayor Mary L. Stewart and City Councilmen Tony Carbone, William L. "Bill" Cavalli, Warren K. Hopkins, and Arthur N. Roberts offered the following resolution urging revision of the tax structure among the various levels of government. I strongly urge my colleagues in the Congress to read the content of this resolution, and take the thrust of this message seriously. I sincerely believe that if we were to adhere to this resolution, we could revitalize the federal system and minimize the sense of frustration in the Congress and on the part of our constituents.

The resolution follows:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK URGING REVISION OF TAX STRUCTURE AMONG THE VARIOUS LEVELS OF GOVERNMENT

Whereas all local governments in the United States of America are firmly committed to the advancement of the principles of home rule and local self-determination, and

Whereas these precious principles of American local government are meaningless unless the counties, cities, school districts, and other special service districts concerned have available tax sources for financing local governmental functions, and

Whereas with home rule there invariably comes the necessity of home responsibility and the challenge of home achievement since the fulfillment of home rule does not involve the denial of governmental services to the people nor does it involve their being furnished at substandard levels, and

Whereas the common property tax is now the universally overloaded mainstay of local government finances with the inevitable result that self-sufficiency of local governments is seriously hampered, and

Whereas local governments need additional independent sources of revenue in order to enable proper home rule performance of governmental services, and

Whereas strong local government is the foundation of our republic: Now, therefore, be it

Resolved by the Council of the City of Rohnert Park, That support is hereby expressed for the allocation of specific tax sources to local government and be it further

Resolved, That support is hereby expressed for an immediate revision of the tax structure at the State and Federal level with the single goal of returning tax sources to local units of government, thereby enabling said local governments to be more self-sufficient in their own right.●

NEVER AGAIN

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ASHBROOK. Mr. Speaker, the Lorain Journal, in its January 19 edition, published an excellent editorial which I would commend to my colleagues for reading. The Journal urged then-President-elect Reagan to begin his term in office by making it clear that international terrorism, the kidnaping of American public officials and extortion would no longer be tolerated by the Government of the United States. The Journal is to be commended for its strong stand as is President Reagan, who immediately followed its advice.

The Journal article, which I include at this point in the RECORD, should be read by all of my colleagues who believe that we, as a nation, should pursue a policy of peace through strength.

NEVER AGAIN

The long wait is nearly over. The hostages are coming home. The nightmare has ended forever, we hope.

The 52 Americans who have been under house arrest for 443 days are reported to be on their way out of Iran, a country that for them always will be the source of frightening dreams. The days and nights and months of anxiety, frustration and boredom are ending with the hostages still alive and reasonably well. How grateful is the nation for their safe return.

President Jimmy Carter has done in defeat what he could not seem to do when his authority was unrestricted. Whether or not this means the Iranians negotiated in the shadow of Ronald Reagan will be debated for months to come. But it most certainly means that the politics of reelection did not enter into the final arrangements and that is a comfort to American people.

From all reports, the United States is coming out of the trauma with a semblance of honor still intact. There is not "a dime of American money" involved in the exchange, according to Vice President Walter Mondale. American business losses and loans owed the U.S. by the shah are to be paid from the unfrozen Iranian assets.

That is important. Any other foreign nation that might consider concocting a ransom plot against Devil America is being served notice that America won't pay.

At least we hope that is one of the fruits of the agreement with the Iranians—that taking American hostages is not a profit-making venture. If there is any doubt about that, Reagan should quickly dispel it in his inaugural address tomorrow.

Patience has paid dividends in terms of lives saved. But principles of diplomatic immunity and international law that are as vital to world peace as ever have been bent, broken and ignored. Reagan must act quickly to restore them completely as abiding tenets of world civilization. He must announce this country's determination to demand respect for those principles in all parts of the world.

The unprecedented dilemma that now has been resolved on the eve of this presidency must be forever gone. Reagan's first act as president now becomes to assure the world that the United States will not let itself be held hostage again.●

BARNES SUPPORTS CONTINUATION OF COMMUTER TRAIN SERVICE IN MONTGOMERY COUNTY, MD.

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. BARNES. Mr. Speaker, the State of Maryland is presently considering a possible cutoff of B. & O. commuter train service along the Brunswick line, which presently includes service to the Montgomery County stations of Boyds, Germantown, Gaithersburg, Washington Grove, Rockville, Garrett Park, Kensington, and Silver Spring. The State department of transportation asserts that elimination of this service is necessitated by the State's declining level of gasoline tax revenues, and by opening of Metrorail service to Shady Grove scheduled to occur in late 1983.

I oppose the proposal to reduce or eliminate this train service. Like the popular Amtrak Blue Ridge and Shenandoah trains, the B. & O. commuter rail trains provide an extremely valuable transit service that has been marked by steady ridership increases over the past decade. The fact that gasoline tax revenues are declining should be convincing evidence to State officials of the public's increasing recognition of the need to reduce automotive travel—and of the likewise growing public desire for alternatives to commuting by auto, such as that provided by the B. & O. trains.

The Maryland Department of Transportation recently embarked on a study designed to weigh the alternatives for providing mass transportation services in the B. & O. corridor. In my capacity as a member of the advisory committee to that effort, I have urged State officials to focus the study on measuring not just current demand, but projected demand for transit services in that corridor—in 1983, 1986, and in the years beyond. In this connection, it is noteworthy that the Maryland National Capital Park and Planning Commission recently released a study which predicts rapid growth in the area served by the B. & O. trains. The report's authors concluded that the I-270 corridor, as one of the fastest growing parts of the Washington metropolitan area, can expect more than 20,000 new jobs and 30,000 new residents over the next 7 years.

Also, I endorse the suggestion advanced by the National Association of Railroad Passengers (NARP) that the Maryland DOT study effort should include an attempt to learn from the experience of other parts of the country in roughly analogous circumstances. NARP's executive director, Ross Capon, contends that several cities have found a more-than-adequate demand for maintenance of existing commuter rail services when new transit lines have opened, to the chagrin of those agencies which made the shortsighted decision to terminate service which had been presumed to be duplicative.

The Maryland Department of Transportation deserves credit for the willingness it has shown to take a serious look at the consequences of the proposal to reduce or eliminate the commuter rail lines. As a member of the advisory committee to the study, I will be advancing the point of view that the State should maintain and enhance its commuter rail service. Such a policy would allow the commuter trains to function as an effective complement to the Metrorail system, tying commuters into that network who would not otherwise be able to avail themselves of the Metro trains. If State officials have genuine cause for concern that the B. & O. trains and Metrorail will be somehow duplicative, I urge them to allow the B. & O. trains to run for an experimental year or two after Metro service opens to Shady Grove. This would provide solid information on the demand for transit services in the affected area. My own expectation is that both Metro and B. & O. trains will run at or near full capacity.

For the RECORD, I include below a copy of the statement which I submitted on this issue to the Maryland Department of Transportation; and also a copy of a recent editorial which appeared in a Montgomery County newspaper, the Sentinel:

STATEMENT OF REPRESENTATIVE MICHAEL BARNES, 1980 MARYLAND STATE RAIL PLAN

NOVEMBER 20, 1980.

I would like to thank the State of Maryland for this opportunity to present my views on the future of B&O commuter rail service along the Brunswick line.

One of the first issues that the 96th Congress faced two years ago was the proposed restructuring of the national Amtrak system, including the proposed elimination of the Blue Ridge and Shenandoah trains which operate over the same track as that used by Maryland's B&O commuter trains. That experience was a quick education for me in the extremely high value which area residents place on the commuter trains that run from Union Station, through Montgomery County, to points beyond. Fortunately, thanks to a strong showing of support from commuters, from the Maryland State Department of Transportation, and from the Maryland and West Virginia Congressional Delegations, those trains are still running. Ridership is up, and we can expect that trend to continue.

Ridership is up as well on Maryland's B&O trains, and has been rising steadily for many years. Every indication is that the demand for commuter rail services will continue to increase.

Therefore, I would like to urge the State of Maryland to do everything within its power and with available budgetary resources to preserve the commuter rail service along the Brunswick line. This service is a key part of Montgomery County's transportation network, and in my view the possibilities are excellent for service along this line to become an even more vital part of that network in the years ahead.

With respect to the relationship between commuter trains and Metrorail service, it seems to me that the advent of Metro to Shady Grove in late 1983 will provide an opportunity to enhance commuter rail services, rather than curtail them. B&O trains have the potential to serve as an efficient "feeder" to the Metrorail system from communities in upper Montgomery County and in Frederick County, allowing commuters to traverse long distances without resorting to their automobiles.

Judging from the predictable trend in gasoline prices and the growth in demand for public transportation services, my own guess is that there will be more than adequate patronage to justify maintaining the Brunswick-Washington commuter trains after Metro opens to Shady Grove. But if there is any doubt in the State's mind about this, it would seem logical to run the B&O trains for an experimental year or two after the "A" Metrorail route to Shady Grove begins operation. This would give commuter rail a chance to prove itself, not as a competitor to Metro, but as a logical complement to the Metro system and to the Washington-area transportation network. Again it is only my best guess, but I believe that experience would quickly demonstrate that the commuter trains help get people to the Metro system—people who would otherwise not be able to avail themselves of Metro—and also that the commuter trains would serve com-

munities (with respect to both origin and destination) more efficiently than could be accomplished by the Metro system.

One of the more frustrating aspects of the proposed cutbacks in service, should they indeed occur, would be the unmet expectations of commuters and taxpayers relating to the upgrading of B&O stations and passenger cars. For many years commuters have looked forward to the day when they could enjoy the benefits of the Urban Mass Transportation Administration grant, as the schedule for those improvements has gradually gone forward. It would be extremely disappointing if the efforts of the commuters who fought for that grant, and the local and state officials who have worked to implement it, were cut off in midstream.

Finally, in light of the uncertainty of this country's energy future—particularly with respect to petroleum supplies originating in the Middle East—one can safely predict that the demand for alternatives to the automobile will grow dramatically. It is incumbent upon all of us, officials at all levels of government, to do everything within our power to meet the energy and transportation needs of the future. I sincerely hope that the State of Maryland will find a way, within an admittedly difficult budgetary context, to maintain and enhance the commuter rail services along the Brunswick line.

Thank you for this chance to express my views on this issue.

[From the Sentinel, Nov. 11, 1980]

LET THE TRAINS RUN

Gov. Hughes has a little parlor game that might be called "On the Train; Off the Train." The object is to make the future of mass transit so tenuous that few will trust it, so expensive that fewer can afford it, and so inconvenient that fewer still will use it.

To top it off, the creative chief of state has decided to give motorists an unjustified break at the gasoline pumps, by declining to push for a needed gas tax increase.

The state is short of highway money, dollars not only to build new roads—for many of which we see little need—but also for repairs and localized improvements that are more justified.

As the price of gasoline rises, and the amount we burn drops, the nine-cent per gallon gas tax produces fewer bucks for the state treasury. Gov. Hughes acted wisely a few months back when he said a change in the gas tax—perhaps charging a percentage of the price rather than the flat, per gallon rate—would be the answer. A price-weighted tax would tend to produce the same amount of money, no matter if the number of gallons dropped, as long as the price rose.

That would help solve the revenue shortage that is severely hurting needed road-building and repairing, but might also provide some of the extra money that is demanded by mass transit programs.

Now the governor has backed off his original statement, and seems content with the current, insufficient tax. Score one for the motoring public.

Meanwhile, the governor has decreed that the state-subsidized commuter trains that run through Frederick and Montgomery counties will be derailed when the Shady Grove subway line opens in late 1983. The state claims, wrongly, we believe, that the commuter trains will duplicate the service offered by the subway.

Rep. Michael Barnes and the National Association of Railroad Passengers made persuasive arguments for keeping the trains last week in testimony before the State Railway Administration.

The service is not duplicative, since the trains allow movement across the county from the northwest to the southeast. The subway meanwhile really serves only the western half.

The subway won't serve Kensington at all.

The Nuclear Regulatory Commission will be moved to Silver Spring, but the trains that could carry many of the agency's workers will no longer be running.

The train serves the farther out communities that the subway will not reach. Those potential subway riders will have to drive from Frederick County, Germantown, Clarksburg or wherever to a point south of Gaithersburg to catch the subway. The train could continue to carry them at least to some interconnecting subway stop, such as Rockville.

The state should continue the rail subsidy for at least a year after subway service begins, so that a thorough evaluation of ridership patterns can be made. It would be foolish to assume blindly that the trains' patrons will desert them in favor of the subway. Train ridership has been growing steadily, and we see no reason why it will not continue to do so.

The state is acting in haste, it seems. Further, it is using the carrot of continued low gasoline taxes, coupled with the stick of curtailed mass transit options to force people back into their cars. It's a mistake that's not too late to correct.●

DANIEL JOSEPH BENJAMIN

HON. ADAM BENJAMIN, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. BENJAMIN. Mr. Speaker, the tragedies of this world often relate the passing of fellow human beings who die of broken hearts. Regrettably, I now report the passing of my brother, Daniel Joseph Benjamin, who died Tuesday morning of too big a heart—one that just burst as he rested in St. Elizabeth Hospital in Lafayette, Ind.

The passing of Daniel, born May 22, 1938, in Gary, Ind., is overwhelming. He was a loving brother, devoted friend, and loyal supporter without whom I undoubtedly would not have been able to serve in this body.

On January 22, 1979, 25 months ago, I happily reported that the lineage of twin births in the Adam Benjamin, Sr., family was continued. Daniel and Marsha Benjamin were the proud parents of Daniel Joseph Benjamin, Jr., and David Joseph Benjamin who were born on Sunday morning, January 21, at the Hobart Mercy Hospital.

I also reported that the senior Daniel, also born on a Sunday morning, was the only non-twin of the five boys born to my parents, Adam and Margaret Benjamin. The others, my twin brother, Myron Mitchell, and twin brothers, Samuel Adam and Samson Adam, along with two sisters, Lillia Margaret Arzumanian and Leona Purdy Kaleta, wished Daniel, Jr., and David Joseph a long, healthy and productive life and congratulated their surprised parents on the new arrivals who complement their family of four girls.

It is now my hope that Daniel's young children will attempt to emulate their departed father. I also hope that other young Americans will be persuaded by Daniel's story that America is truly a land of opportunity for those who are willing to study, work, and develop confidence in themselves.

Armed with a background in accounting from Austin Peay State University, Clarksville, Tenn., Daniel served as an auditor for the Indiana Department of Revenue and helped operate a family furniture store. He then founded and developed three major hardware retail outlets despite a serious heart condition. This ailment was subsequently aggravated by kidney failure. However, Daniel continued to work, devote himself to his family and to the Mar Sargis Assyrian Catholic Church of the East in Chicago.

For as long as I can remember, Daniel worked without limit. He was a perfectionist who believed that the opportunities were unlimited in America and that industry and dedication meant the difference of being first class or not. He was always first class.

Daniel's mark is indelible on those who knew him. I know that the world, and this Member, are better because of Daniel. I am convinced that his inspiration will be the hallmark in the development of Daniel, Jr., and David as well as Carrier, Danne, Deborah and Deanne—who with Marsha, their wonderful mother, will contribute to the perpetuation of the American dream—study diligently, work conscientiously and share their fruits and convictions with others in order that our civilization will continue to improve.

In closing Mr. Speaker, Daniel Joseph Benjamin had a big, big heart that finally gave out on him at all too early an age. We often salute Americans who have contributed by deeds of public service. Today, I ask you to salute one who, by his private deeds, enabled us to have a better America because he supported the great American institutions of education, church and family—and our Government.●

CUTTING TAXES WITHOUT INFLATION

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, the following article, written by Stanley Kaish of the Economics Department at Rutgers University, offers a differ-

ent approach toward the elimination of our staggering inflation rate.

First proposed by John Keynes during the Second World War, the idea of compulsory saving is one of the best and most novel approaches our country could take in these hard economic times. The article speaks for itself, and I offer it for the review of my colleagues:

CUTTING TAXES WITHOUT INFLATION

(By Stanley Kaish)

NEWARK.—The combination of near-record high interest rates, a so-so economic recovery, and a $60 billion deficit have led to an intense search for new answers to the country's economic questions. Thus far, the Kemp-Roth tax-cut approach—a 10 percent per year reduction in tax rates for three consecutive years—appears to be the major find. However, there is considerable ambivalence about Kemp-Roth because of its inflationary potential. Another policy that would provide its promised supply-side gains in productivity without the demand-side result of increased inflation would find a broader constituency.

For that reason, compulsory saving may be an idea whose time has arrived. Proposed in 1940 by John Maynard Keynes in his book "How to Pay for the War," compulsory saving won immediate endorsement from the economics profession and four decades of relative obscurity from the political establishment. Today, the proposal deserves another hearing since it offers a solution to the vexing problem of how to have an inflation-free tax cut.

Under a program of compulsory saving, taxes are reduced but the number of dollars in consumers' hands is not immediately increased. Instead, the money is withheld and invested on behalf of the individual in a Keogh-like plan selected by each taxpayer from an approved list. Lord Keynes suggested compulsory saving as a means of reducing the inflationary impact of wartime budget deficits in Britain. He proposed that principal and accrued earnings be returned at the end of the war when aggregate demand had fallen and a boost in consumer spending would be needed.

An alternative refunding plan is to treat the program as a form of universal pension and return the money at retirement. These supplemental retirement benefits could provide the political breathing space needed to allow the Congress to undertake a solution of its other economic dilemma, funding the Social Security system (but that's another story).

A modern application of compulsory saving tied to a major tax cut would give the inflation-free boost in productivity that the nation is seeking because both personal taxes and saving are leakages from the aggregate-spending stream. Tax reduction is inflationary because it plugs one of these leakages, putting added purchasing power in consumers' hands. Compulsory saving would reopen the leak by ensuring that the new income would not be spent on consumption right away. Thus, the simultaneous tax decrease and increase in saving neutralize one another on the demand side. On the supply side however, funds that can be loaned are increased, interest rates lowered, and a climate established for additional capital formation.

On the right, devotees of laissez faire won't like the word "compulsory." The program will be seen as just another Government intrusion into our lives—"and the whole point of electing Ronald Reagan, after all, was to 'get the Government off our backs.'"

Criticism from the left will center on the lack of relief afforded the poor, who need to spend their tax cut, not save it: "That is why the poor have no savings, to begin with."

Those in the center simply will doubt that we can afford to cut taxes at all at a time when the Federal deficit is $60 billion—"and even if we can, won't forcing people to save remove all the attractiveness from the tax cut?"

In considering these arguments, we must first remember where we are now: in trouble. Government already intrudes into our lives by having us work from Jan. 1 to mid-May just to support it. Compulsory saving is no more mandatory in nature than compulsory taxation.

True, a tax reduction linked to compulsory saving does not put immediately spendable cash into one's pocket. What it does do is give the individual a financial asset, a claim on future consumption, instead of the liability (but not so much as a thank-you) that he now gets from the Internal Revenue Service.

If anyone doubts the popularity of compulsory saving linked to tax reduction, let him consider the Keogh and Individual Retirement Account plans. The only complaints heard concern the limitation on the amount one is allowed to put in.

As for the burden on the poor, it is doubtful that any group suffers more from inflation. The best chance to eliminate poverty is through economic growth and price stability—and that is exactly what this proposal is after.

In the final analysis, chances are good for a major tax cut and not so good for a matching cut in Government outlays, for one man's extravagance is another's vital program.

We must devise a way to minimize the inflationary implications of reduced tax rates. In pushing for his program back in 1940, Keynes observed that "on the economic front we lack not material resources, but lucidity and courage." Why not give compulsory saving a try? Perhaps it will restore Keynesian economics to respectability.●

DEAUTHORIZE THE BIG BLUE RESERVOIR PROJECT

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SHARP. Mr. Speaker, today I am introducing a bill to deauthorize the Big Blue Reservoir project planned by the Army Corps of Engineers for east-central Indiana.

This project was authorized under the Flood Control Act of 1968. After a careful study of the corps' phase I general design memorandum and environmental impact statement in 1979, it became clear to me that the project was economically unjustifiable. Its cost had increased from $114 to $130 million by 1979, when the corps last issued an estimate. But that estimate is highly inaccurate because of the corps' assumption of a 3¼ percent interest rate, and the fact that studies on the project may not be completed until the mid-1980's, by which time inflation can be expected to have driven the cost of this project even higher.

Equally important is the fact that a large majority of the people who live in Hancock and Rush Counties, in which the reservoir would be located, do not want the Big Blue. Two years ago I contacted as many residents in those counties as I could and asked for their opinions. They opposed the Big Blue by a margin of 7 to 1. Since that time, the State of Indiana has passed legislation ending its authorization for the project.

At a time when all of us are looking for ways to curb inflation and cut spending, one of the first steps to take is that of cutting spending for projects people do not want. Only by doing so can we insure that the money we spend goes for water projects which will truly enhance our future water supplies.●

POLLUTION CONTROL FACILITIES TAX INCENTIVE ACT OF 1981

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SEIBERLING. Mr. Speaker, today my colleague from Ohio, Hon. DON PEASE, and I are introducing legislation to give taxpayers a choice among three tax proposals for the treatment of investments in certified pollution control equipment for installation in any industrial plant or property in operation before January 1, 1971.

The bill, which is drafted to help aging industrial plants remain competitive, would extend to such taxpayers the choice among the following:

First, the existing option of full investment tax credit and 5-year amortization; second, 1-year amortization; and third, a double investment tax credit.

We limited these options to plants in operation before January 1, 1971, because we believe that older industrial facilities, like many in our native State of Ohio, need special tax assistance to bring their operations into compliance with Federal clean air and clean water statutes and regulations. Plants which came into operation later than January 1, 1971, had knowledge of the laws regulating emissions, and, in addition, had the option to use tax provisions to offset their investments in equipment necessary to meet Federal emissions control standards.

Our bill also improves upon the present law by eliminating a provision which discourages industrial "process changes" which have the effect of

cleaning up the production process and increasing productive capability of an industrial plant. Under current law, any facility, regardless of age, which undergoes a change in its production process which increases production by 20 percent is ineligible for the tax credit and amortization provisions for investments in clean technology even if process change brings the plant into compliance with emissions regulations. We believe this penalty should be eliminated to encourage capital investments in production technology which increases productive capacity and meets the emissions standards in a responsible manner.

Mr. Speaker, the promise of a cleaner and healthier natural environment embodied in the environmental protection legislation of the 1970's has come closer to realization, but not without expense to regulated industry. The inability of some industries, particularly older industries, to finance the high costs of compliance with the technical and sometimes inflexible requirements of the Federal statutes has not only impeded attainment of environmental goals but has in fact imperiled the continued existence of individual industrial plants. The problem is most acute for older plants—those in operation prior to the enactment of landmark environmental laws—and it is the older plants which our bill is designed to assist.

This bill creates an alternative to industrial disruption, to plant closings and layoffs—and to elimination of regulations to protect the public health from toxic pollutants—by providing special help to those older plants which find it necessary and expensive to retrofit to meet emissions standards. The tax benefits our bill provides represent an investment in both our industry and our health. A failure to act on this problem could be fatal to both.●

CIVIL AIR PATROL

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. RAHALL. Mr. Speaker, today I am introducing legislation that is long overdue, which would benefit members of the Civil Air Patrol.

Since 1948, the Civil Air Patrol has been the civilian auxiliary of the U.S. Air Force, a status granted by Congress under the provisions of Public Law 557.

Over these 32 years, the Civil Air Patrol has continued to build upon its long record of achievement and service with a solid performance in each of its mission areas.

As newly named commander of the Civil Air Patrol congressional group, I have become aware of the need for legislation to amend the Federal Employees Compensation Act, which provides benefits for senior CAP members killed or injured on Air Force authorized missions. The current law was passed in 1956, with benefits fixed at an extremely low level and it has not been changed since that time.

The cost of this legislation is minimal compared to savings the Civil Air Patrol achieves in emergency service assistance to persons in distress. The Air Force estimates that the Civil Air Patrol's positive impact is too great to put a price tag on, and for this reason, I believe we owe it to the dedicated members of the Civil Air Patrol who help their fellow man and country daily to approve this measure.●

SPECULATORS PERVADE CONVERSION MARKET

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ROSENTHAL. Mr. Speaker, as chairman of the Subcommittee on Commerce, Consumer, and Monetary Affairs, I have been engaged in an examination of the impact of Federal laws and programs on the rapid increase in the conversion of rental properties to condominium or co-op status. One of the subcommittee's concerns is the impact of conversions on rising housing costs and inflation. I am also concerned about the role of federally insured lending institutions in making loans on what may be unreal and inflated values. In this regard, I want to call to the attention of my colleagues an article which appeared in the Real Estate Weekly for January 19, 1981. The author, a lawyer who specializes in real estate in New York, points out the risks generated by the speculative fever in real estate bought for conversion. He calls the present market "one of the most erratic, inflated, and unstable real estate markets in memory; one in which customary measures of valuation have been totally discarded."

The article follows:

SPECULATORS PERVADE CONVERSION MARKET

(By Pierce Paley)

An interesting phenomenon has made its mark on the New York real estate scene over the past several years, with devastating effect. Reference is made specifically to the hoard of buyers who have entered the market and who seem willing to purchase residential property at virtually any price and under any terms, often without rational sense of justification, so long as the property has "reasonable" potential for cooperative conversion.

These buyers, enticed by the prospective profits that they anticipate from a successful conversion, have greatly contributed to the establishment of one of the most erratic, inflated and unstable real estate markets in memory; one in which customary measures of valuation have been totally discarded.

It was not so long ago that a buyer of an apartment house evaluated a deal by using some reasonable capitalization formula to determine the return that he could expect on his investment. Such a formula could simply involve a computation of projected income and expenses to arrive at anticipated cash flow, and the application of an appropriate multiplier to reach a total cash price. It could involve a more complicated series of calculations, in which, for example, the purchase price is determined, in part, by the leveraging effect that additional mortgaging of the property will have on the "bottom line". Or, if the investor were experienced in a particular locale and type of property, it could involve noting more than a rule-of-thumb valuation reached by multiplying gross rentals times a suitable factor. A knowledgeable operator might know, for example, that a 40 unit, rent stabilized apartment house, containing 175 rooms and fired by No. 6 oil, should have an approximate value equal to seven times the rent roll—and he would be prepared to pay that price to purchase the property.

Unfortunately, however, all of this has changed. The prospective buyer who has analyzed a property and has expressed his willingness to pay a price equal to seven times the rent roll, soon discovers that someone else has just contracted to buy the building at ten times the rent roll. No matter how he works and re-works the numbers, the higher price makes no sense at all. Clearly, the purchaser is consciously buying a negative cash flow.

Shortly thereafter, our prospective buyer loses three more deals to persons paying outlandish prices, far in excess of the value of the buildings as income producing properties. The "set-ups" that he regularly receives from brokers are suddenly (and consistenly) quoting asking prices which are at least 50% higher than the respective properties are worth. Even with the most optomistic prognosis of potential income (taking the controlled nature of the rental market into consideration), there is no way that any of these properties will become income producing (or will produce sufficient income to economically justify the investment in them), within the forseeable future. He eventually concludes that there is nothing in this market worth buying, and he begins to direct his efforts and his energies into other channels.

The new buyer is a "crap-shooter", prepared to let a substantial investment ride (or fall) on the roll of the dice. He recognizes that he is paying substantially more than his property is worth, and he knows that he will be able to outbid the conventional operator or trader. He intends to convert the building to cooperative ownership, and his purchase price will only be justified by the success of such a conversion. In essence, he is willing to purchase what amounts to a wholesale product at a premium price in the expectation that he will eventually be able to merchandise it in a retail market-place. He recognizes that if his co-oping effort should fail, the property will probably continue to sustain substantial (possibly increasing) losses. He does not, however, view such a failure as a realistic or logical possibility. He knows that it can't happen to him.

This somewhat short-sighted view of infallibility is symptomatic of the crap-shooter,

whether in Las Vegas or in the New York real estate market.

If such a person were able to evaluate the reasonable risks of his action, he would (and should) consider the following factors:

A. Increased tenant opposition to conversion over the past year or so has exacerbated the risk of failure. It is generally recognized that the Vermeer case did not eliminate "no-buy" pledges, and tenants who wish to resist conversion are now readily able to find counsel equipped with the sophistication and expertise to either defeat a plan in its entirety, substantially delay the filing of the plan, or cause the filing of amendments having the effect of substantially reducing the Sponsor's anticipated profit.

B. Tenant opposition may also require that an Offering be modified from an eviction to a non-eviction plan. This will reduce the required number of purchasers in order to declare a plan effective from 35% to 15% of the tenants in occupancy at the time that the plan is accepted for filing by the Attorney General. However, it will enable all tenants to remain in occupancy of their apartments for an indefinite period of time—i.e., for as long as they wish. The prospective sponsor should be aware of the long term rights of tenant-occupants under non-eviction plans. This extended period of time must be considered insofar as it relates to the sponsor's cash requirements and to his tax obligations resulting from the conveyance of the property to the apartment corporation.

C. The well publicized back-log in the Attorney General's office has substantially extended the time that it takes for a prospective Offering Plan to be accepted for filing. A sponsor must now safely assume that one year or more will elapse between the prefiling of the "red herring" and the acceptance of the final Offering Plan. During this time, the Plan is subject to dramatic changes in the marketplace, the volatility of interest rates and the availability of co-op end-loans for purchasers, as well as prospective changes in the laws and regulations governing cooperative and condominium conversions.

D. A number of plans have failed over the past several years for the simple reason that more than 65% of the tenants in occupancy elected not to purchase their apartments at any price and under any terms or conditions. It must be realized by a prospective sponsor that certain buildings will never be conversion material, either by virtue of the nature of the tenancy, the physical condition of the property, its location, or as a result of numerous other factors that the sponsor must be able to recognize in order to properly evaluate the project.

E. The legislative and regulatory history of the conversion field shows an ever-increasing restrictiveness in the ability of a sponsor to convey his property to an apartment corporation. Although the Lehner-Flynn bill was not adopted at the 1979 legislative session, there is no assurance that similar legislation (including, among other things, an increase in the required number of purchasers in an eviction plan from 35% to 51% of tenants in occupancy, a required minimum of 25% in a non-eviction plan, and a prohibition against converting any property not owned by the sponsor for at least two years) will not be introduced and adopted at the upcoming or at any future session of the legislature. This problem is exacerbated by prospective legislation which is presently being introduced at the federal level to establish national guidelines for the conversion of residential property to cooperative and condominium ownership, and by the intense pressures that are being exerted (and will undoubtedly continue to be exerted) at every level of government for the adoption of more and more restrictive legislation, including proposed moratoriums, the elimination of eviction plans and the granting of extended possessory rights to tenants in occupancy. In addition, it has been the practice of the Attorney General's office to continually modify the rules, regulations and requirements—all of which tend to increase the restrictive nature of the conversion process and to make the completion of such a project more difficult and less profitable.

It will probably take a number of well-publicized conversion failures for the "crap-shooters" to realize the full nature of the risk that they are taking as described in this article. Perhaps, then, market prices will settle down to a more stable and realistic level at which properties will once again be able to show economic viability as income producing investments.

(Editor's Note: Pierce Paley is a partner in the law firm of Hall, Dickler, Lawler, Kent & Howley, 460 Park Avenue, New York City, New York. He is a practitioner in the real estate field and is actively engaged in cooperative and condominium work.)●

INTRODUCTION OF VISA WAIVER BILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. WON PAT. Mr. Speaker, today I am introducing a bill to allow waiver of visa requirements for foreigners visiting the Territory of Guam for 15 days or less.

This measure is identical to those I submitted in previous Congresses. It is narrowly constructed to apply only to Guam, and is primarily aimed at the Japanese tourist trade, which comprises the overwhelming portion of Guam's tourism industry. Guam would benefit from the ease with which greater numbers of foreign tourists could enter the territory. We would not pose a threat to the tourist business in other parts of the United States because, in the Far Western Pacific, Guam is catering to a different clientele: People from the Orient coming a shorter distance and for a shorter stay, often on "package deals." I believe there is very little chance for development of an overstay problem because Guam is too distant from any other desirable U.S. areas, all of which would still require visitor entry visas. And the island is small enough to allow easy discovery and removal of overstays by Immigration authorities.

Guam is in desperate need of alternatives to its largely military and governmental employment economy.

Tourism is an industry which could be readily developed further because of the existing infrastructure. My bill has the support of airlines and other service groups which comprise the tourism industry. I ask my colleagues' favorable consideration of this measure.

Thank you.●

THE PERILOUS SITUATION IN BOLIVIA

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, I rise to bring to the attention of my colleagues a terrifying situation in Bolivia. The military coup, which began on July 17, 1980, has involved a massive and brutal violation of human rights, including the intimidation of American citizens. There is also overwhelming evidence to suggest that major leaders of the regime are playing an integral role in an international cocaine conspiracy.

The Department of State recently released its annual survey of human rights practices around the world. The report charges that the regime in Bolivia has:

Ended the progress that had been made in restoring constitutional democracy and destroyed the favorable human rights climate.

Systematically engaged in mental and physical abuse of political prisoners.

Restricted or banned all labor union and political party activity.

Arrested thousands of people * * * for real or imagined opposition to the military regime.

In addition to these distressing incidents, the report notes that 29 Americans were arrested during the first 6 weeks following the coup. In no case did the regime notify the American Embassy of their arrest, nor was consular access to the imprisoned Americans granted save in two cases. Other examples of the intimidation of Americans include the detainment of American journalist Mary Helen Spooner, who was kept in an unlit closet at the Interior Ministry in La Paz for several days and threatened with death unless she cooperated with her captors. Another example of this horrendous treatment of Americans concerns three marines attached to the Embassy, who, after their arrest on minor charges in August, were robbed and physically abused by regime officials. Russian roulette was played with one of the marines in an unsuccessful attempt to force him to reveal classified information.

Mr. Speaker, in response to this attack on the human rights of all people in Bolivia, the State Department canceled $47 million in economic aid and suspended another $36 million of assistance. All military aid was terminated. Our Ambassador to Bolivia, Marvin Weissman, was recalled to

Washington and has not returned to La Paz. Our Embassy staff was reduced to a minimum. There have been no official policy level contacts since the coup. And the Drug Enforcement Agency, citing lack of cooperation by Bolivian authorities, is no longer functioning in Bolivia.

I have introduced House Resolution 65 which makes a strong statement in support of American policy with respect to Bolivia, It urges that the President continue the curtailment of military and economic assistance and the reduced official U.S. presence in Bolivia until the regime takes certain corrective actions. This expression will send a clear signal to Bolivia that we will not accept the intimidation of our fellow citizens.

In the 96th Congress, this bill was reported unanimously by the House Foreign Affairs Subcommittee on International Organizations a few weeks before the House adjourned in December. I have reintroduced the bill again this session, and I urge my colleagues to cosponsor it. I am including in today's RECORD a copy of House Resolution 65, which I commend to the attention of my colleagues:

H. RES. 65

Providing that the President should continue the termination of military assistance, severe curtailment of economic assistance, and the reduced official U.S. presence in Bolivia until the regime takes certain corrective actions

Whereas the military regime headed by General Luis Garcia Meza has interrupted Bolivia's progress towards democracy and constitutional government by forcefully overthrowing a civilian government on July 17, 1980;

Whereas the new Bolivian regime has engaged in mass arrests, torture, executions, censorship, repression of civil rights, religious harassment, repression of trade unions, and widespread violence inflicted upon the people of Bolivia;

Whereas the Bolivian regime arrested without charges two American priests from the Maryknoll Mission in Ossining, New York, Father William J. Coy and Father John C. Moynihan, and has subjected them to continual harassment since their release;

Whereas the Bolivian regime has detained and harassed journalists from other countries, including correspondents from the United States;

Whereas the Permanent Council of the Organization of American States has condemned the interruption of the democratic process and human rights in Bolivia;

Whereas the United States has taken significant steps against the regime in Bolivia, including terminating military assistance, severely curtailing economic assistance, and reducing the official United States presence in La Paz, the capital of Bolivia;

Whereas a mission of the International Confederation of Free Trade Unions was detained and mistreated by Bolivian authorities;

Whereas the Inter American Commission on Human Rights has officially deplored the Bolivian regime for failing to respond to its request to visit Bolivia;

Whereas the United Nations International Labor Organization has conducted an investigation of trade union rights in Bolivia;

Whereas commercial banks and international financial institutions continue to provide substantial financial resources to Bolivia in spite of international condemnation of the Bolivian regime;

Whereas the Bolivian regime has significant connections with well established drug traffickers;

Whereas Amnesty International has estimated that at least 1,000 arrests have been made in Bolivia since July 17, 1980, and many are still in detention, and has requested that the new Bolivian regime compile and release without delay a list of those persons imprisoned or killed since the regime assumed power on that date: Now, therefore, be it

Resolved, That the President should not reestablish at a normal level an official United States presence in Bolivia, and the President should not furnish any of the military or economic assistance to Bolivia which has been terminated since the new Bolivian regime assumed power on July 17, 1980, unless the President determines that—

(1) Civil and other human rights have been restored to the people of Bolivia;

(2) The Bolivian regime has committed itself not to arrest, harass, or intimidate United States citizens for political reasons, including United States missionaries still in Bolivia;

(3) The Bolivian regime has restored the democratic process in Bolivia; and

(4) The reported involvement of members of the new Bolivian regime in international drug conspiracies has been properly assessed.●

PRAISE FOR A FINE FAMILY BUSINESS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. STARK. Mr. Speaker, I would like to take this time to honor a family from my hometown of Oakland. They are the Brekke family and they own and operate the Brekke Cafeteria on Havenscourt Boulevard. John and Kathleen Brekke and their eight children, Johanna, Katrina, Regina, Ann, Kristofer, Shawna, Robert, and Daniel, have run the cafeteria for 20 years, providing good food at modest prices.

I cannot sing Brekke's praises loudly enough. It has become one of the cornerstones of its neighborhood. Some regulars have been eating lunch or dinner there for 18 years. Brekke's provides a home away from home for many elderly and lonely people in Oakland. Indeed, because of the warmth and friendliness of the whole Brekke family, many customers are considered family. That is what makes the cafeteria a warm, welcome place where any visitor can feel at home and comfortable as he eats a delicious, wholesome meal.

I have eaten at the Brekke Cafeteria many times and my staff nearly lives there. I am happy and proud that there is such a wonderful place to meet and eat in my district.●

THE HUMAN LIFE BILL—A STUNNING BREAKTHROUGH

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HYDE. Mr. Speaker, on January 19, 1981, I introduced H.R. 900, along with my colleague, Representative MAZZOLI of Kentucky, which is a bill to establish the personhood of the unborn child pursuant to Congress powers under the 14th amendment of our Constitution. Since then much has been written about this human life bill and how it will affect the ongoing national debate over abortion. However, in a recent Washington Star column, February 15, the eloquent syndicated columnist William F. Buckley has written his views on the challenges and potential this new legislative approach to Congress ability to address this important national issue; and I include it in the RECORD for our colleagues in the Congress to consider as well:

CONGRESS AND ABORTION

(By William F. Buckley, Jr.)

In the current Human Life Review is articulated an approach to the abortion question which is a dazzling constitutional insight.

The original idea, author Stephen Galebach modestly admits, emanated from Professor George Carey of Georgetown, the political scientist. But the explication and constitutional analysis are the work of Galebach, a graduate of Yale and of Harvard Law School, where he served as notes editor of the Harvard Law Review before clerking with the U.S. Circuit Court of Appeals of the District of Columbia. His 28-page article has 102 footnotes, where you would probably need 70 times 102 footnotes to persuade the American Civil Liberties Union that the phrase "the unborn child" is only one half "unborn," the second half being "child."

But Galebach's arguments are purely legal. One could read his article straight through without finding any justification for concluding that Galebach himself opposes abortion. All he says, simply, is that if the people of the United States, acting through their representatives in Congress, wish to undo Roe vs. Wade, in which the Supreme Court ruled that state abortion statutes are unconstitutional limitations on a woman's right to privacy, all Congress has to do is pass a simple statute defining "life."

No one questions that, under the Constitution, human life is protected. Twice: once from any assault by Congress; again from any assault by the states. The Fifth Amendment reads in part, "No person shall be . . . deprived (by Congress) of life, liberty, or property, without due process of law." The 14th guarantees that no "State (shall) deprive any person of life, liberty, or property, without due process of law."

SO WHAT IS LIFE?

In Roe vs. Wade the Supreme Court protected itself by the simple expedient of saying: People disagree about what constitutes "life." That's true. The court went on to explain that inasmuch as there are differences among doctors, philosophers and theologians on the question, when does human life begin, the court is not competent to asseverate when it begins.

Very well. But this does not mean that therefore no one is competent to judge that question: People disagree about how high taxes ought to be, whether a dam should be built here or there, whether we should declare war. The question, in short is political. It is all very well to say—and most people would agree—that there are more important criteria than political criteria. But it is these that govern. We lived under a Constitution that, for four score years, permitted the institution of slavery. We know now that slavery was wrong; but we do not challenge that anyone, in the days before the Emancipation Proclamation, who attempted to steal another man's slave, was legally guilty of theft.

The court, in Roe vs. Wade, acknowledged as much. "If the suggestion of personhood is established, the appellant's case, of course, collapses; for the fetus's right to life would then be guaranteed specifically by the amendment."

Now, in the days since 1973 much thought has been given to the question whether life should be understood as existing from the point of conception; or even at some point between conception and birth. It is a fairly safe generality that increasing scientific testimony is to the effect that the fetus is in most significant biological senses an individual human life. But that isn't a legal argument.

WHERE LATITUDE IS GRANTED

The court, in more recent decisions, has upheld the responsibility of Congress to interpret its own obligations under the 14th Amendment even to the point of gluttony. Thus it upheld a section of the Voting Rights Act that rules that voter qualification tests were illegal in those states or counties in which fewer than 50 per cent of the voting age residents registered or voted in the 1964 elections. Indeed the court has gone so far (when it upheld the illegalization of literacy tests in English) as to acknowledge Congress' power to pre-empt a possible or likely deprivation of a citizen's right. Few people, this side of the ACLU, are likely to opt that abortion does not affect a latent right.

Galebach's essay is a stunning breakthrough. Legislation has been submitted. Let us proceed.●

THE REFUNDABLE INVESTMENT TAX CREDIT ACT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SEIBERLING. Mr. Speaker, the investment tax credit (ITC) is the major program by which the Federal Government provides financial assistance to industry. But a significant portion of the investment incentive intended to be generated by the ITC is not realized because a firm must already be profitable to take advantage of the credit. To illustrate, a firm which purchases an $80,000 piece of equipment needs at least $8,000 in tax liability to benefit from the full credit of $8,000 in that year. If the tax liability for the year is only $3,000, the firm can apply the excess credit to tax bills from the 3 previous years, if tax was owed during those years, or can bank the excess credit to be applied to possible future tax liabilities for the next 7 years. While these restrictions may appear to provide adequate leeway in using the credit, in fact they generate considerable doubt among some companies as to whether they will ever benefit from the full ITC.

These restrictions hit small firms, new firms, rapidly growing firms, and firms suffering from recession. New firms frequently do not incur any tax liability for the first several years they are in business, since their large startup costs often exceed their income. Nonetheless, these firms must make significant investments in machinery and equipment. It is not much of an incentive for these firms to know that they will get an ITC years hence, when their tax loss carryforwards are exhausted. Other, established firms have suffered losses not from mismanagement but from poor economic conditions such as high interest rates. These losses prevent companies from using the ITC for several critical years during which they should be able to avail themselves of every incentive to rapid economic growth.

To illustrate in another way the inequity of the current ITC, consider two firms in the same industry which purchase identical equipment. Under current law, the less profitable or smaller firm may be placed at a competitive disadvantage by not having enough tax liability to take advantage of the full ITC. The net result is that the profitable firm pays $90,000 for a $100,000 machine while the struggling or rapidly growing firm might end up paying the full $100,000.

I am introducing legislation to end this inequity by making the ITC refundable. Under my proposal, entitled "The Refundable Investment Tax Credit Act of 1981," the ITC would be available to all firms regardless of size or tax liability. The firm would be eligible for a refund from the Treasury for the difference between the ITC and the firm's tax liability for the year. Refundability insures the maximum input into the economy during the time when such stimulus should be felt most directly.

This is neither a new nor a partisan proposal, having been endorsed by both the Ford and the Carter administrations. It is, however, a timely one. Business taxes will almost certainly be cut this year, and it is essential that small businesses share in that reduction. Between 1960 and 1976, firms with 20 or fewer employees were responsible for two-thirds of all new jobs generated in the United States, and for virtually all jobs generated in the Northeast. Making the ITC a reality for those firms is simply commonsense.●

EDITORIAL PINPOINTS THREATS TO TRADE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. AuCOIN. Mr. Speaker, during the recent district work period, the Christian Science Monitor editorialized about the threats—old and new—to U.S. international trade in the years ahead. The editorial is especially appropriate reading for the administration which is apparently intent on crippling the Export-Import Bank, an important source of assistance for American exporters. It is ironic the administration fails to see the worth of the Bank and its value to American business. It is ironic not just because support for American exports is an investment in the well-being of our ailing economy; but it is also ironic because the new administration is supposed to be probusiness. Knowing that the Export-Import Bank is targeted for virtual extinction, I wonder just how much the administration understands of this important constituency and its needs. I wonder just how much the administration understands and is committed to boosting our exports. I commend this editorial to the attention of the President and his advisers, and to my colleagues. I ask unanimous consent that the editorial be inserted in the RECORD at this point:

[From the Christian Science Monitor, Feb. 10, 1981]

NEW THREATS TO TRADE

The Reagan administration needs to take firm steps to ensure that there is a steady and growing world trade during the decade of the 1980s. Although total international trade during 1979 reached a whopping $1.6 trillion—up some 6 percent in total volume over the preceding year—clear evidence is emerging that trading patterns in the early years of the '80s may be somewhat arrested because of the impact of worldwide recession, continuing inflation, new protectionist threats, massive debt burdens by third-world nations, and a possible cutback in economic assistance from the West, particularly the United States.

Some trade experts believe that final 1980 trade figures will show only a modest increase in dollar terms. Moreover, the general consensus among economists is that the total volume of trade is expected to show a sluggish growth of only about 3 percent for 1980, and less than 3 percent for 1981. That compares to annual growth rates of between 7 and 9 percent in the early 1970s.

While the US by itself has been turning in a solid trading record of late—with its over-

all current account balance in equilibrium during 1980—there must be no compromise with the importance of a healthy international trading market. Growing commerce between nations is the lubricant of rising living standards for all peoples as well as that larger bond of mutuality helping to cement societies together in a common good.

The Reagan economic team ought to look at the expansion of world trade in both immediate and long-term perspectives:

For the short term, the administration needs to reject congressional efforts to restrict Japanese auto imports. Such a measure would merely add impetus to similar restrictions being considered in Europe and lead to the danger of trade confrontations between and among the US, Japan, and the European Community. At the same time, the administration should be wary about sharp budget cuts that would hamper America's ability to sell its products abroad. Funds to expand trade, after all, are "investment" dollars in the truest sense of the term. Yet the administration is believed to be leaning toward substantial cuts in two trade-related areas:

The administration is reportedly considering curbing the lending authority of the US Export-Import Bank. Exim helps finance the sale of US goods abroad.

Proposed cuts are expected for the US foreign aid budget, as well as cuts in US contributions to international lending agencies such as the International Monetary Fund.

Top trade experts such as respected Washington analyst Harald Maimgren note that, of the total volume of US exports, a little over one-third goes to less developed nations. Over one half of that amount, moreover, goes to non-OPEC nations. Many of these latter nations, already deep in debt because of the need for imported oil, are unable to negotiate new private bank financing for their imports. Without foreign aid assistance, or favorable terms provided by trade facilities like Exim, they will be forced to curtail imports.

For the long haul, the administration is correct in seeking to undertake those budgetary and tax reforms necessary to make US industry more productive and hence more competitive in world markets. The administration needs to be particularly supportive of new growth industries that offer services not provided by firms in other nations. It should not be surprising that historically successful US industries (such as autos) are now being duplicated abroad. That after all, is the usual pattern in trade, as established technology "trickles down" from nation to nation. The task for the US will be to stay at the cutting edge of new technology—providing goods and services not yet offered to the world as a whole. If the US does so, its overseas trade will expand.

The Carter administration was instrumental in helping to enact a new worldwide trading agreement. But that administration was never really able to bring a sense of order to the many (often competing) federal agencies dealing with trading matters in the US government itself.

Should the US have an overall cabinet-level trade office that would absorb functions now handled by the office of the special trade representative, the Commerce Department, the Pentagon, Exim, Agriculture, and a diversity of other agencies? Perhaps the first step would be a presidential commission devoted solely to examining how to make the US more administratively efficient, as well as competitive, in trade matters.

The 1970s were a time of greatly expanding trade. There need be no reason why—with forethought and a dedication to opening all possible avenues of expanding commerce—the 1980s will not show similar gains. And expanding trade is good for individual economies as well as their citizens' pocketbooks.●

WHERE IS IOSIF MENDELEVICH?

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. McGRATH. Mr. Speaker, I rise to express my deep concern for the plight of Iosif Mendelevich, a Soviet prisoner of conscience. For 10 years, Iosif Mendelevich has been incarcerated in Perm Camp 36 on charges of "betrayal of the fatherland" and "misappropriation of state or public property."

Following the confiscation of his books and religious artifacts by Soviet Officials, Iosif commenced a hunger strike, which has left him in poor physical condition. Last week his sister in Israel received a telegram from the commandant of the prison camp stating that "the prisoner Mendelevich from this labor camp is not here any more."

Aside from my concern that Iosif Mendelevich is in prison for the crime of adhering to his religious faith, my greater concern is that he is missing. Last Friday my office and many others called the Soviet Embassy in the hope of receiving information as to Iosif's whereabouts, but received no satisfaction.

That the Soviet Government has been unwilling to cooperate in this inquiry is unconscionable. The apparent lack of concern on the part of the Soviet Government is merely another example of that Government's total disregard for the Universal Declaration of Human Rights, of which it is a signatory.

All freedom-loving people must be concerned about the plight of Iosif Mendelevich. I call upon the Soviet Government to answer one simple question—Where is Iosif Mendelevich?—and I ask all my colleagues to do the same.●

DAYLIGHT SAVING TIME BILL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, I am introducing legislation this week to amend the Uniform Time Act of 1966 to extend daylight saving time.

Under present law, daylight saving time commences on the last Sunday in April and ends 6 months later on the last Sunday in October. This legislation provides that daylight saving time would begin 2 months earlier on the last Sunday in February, and would thus last for 8 months.

Daylight saving time is a means of providing more daylight, especially during the summer. The advantages of increasing DST include the saving of electricity and thereby, energy. Results of the British introduction of increased DST showed that there was a noticeable shift in peak power demand for electricity from evening to the morning, and energy was saved.

Other advantages to increasing daylight saving time include: the reduction of vehicle fatalities, increased time for daylight leisure, and the lessening of crime.

Consideration should also be given to double daylight saving time during June, July, and August, which might provide even greater savings during the longest days of the year.

It should be noted that this concept was supported last year by the Department of Transportation. I am thus pleased to introduce this legislation to save energy and urge its adoption. The text follows:

H.R. 1818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260(a)) is amended by striking out "last Sunday of April" and inserting in lieu thereof "last Sunday of February".

SEC. 2. This Act shall take effect on the date of the enactment of this Act, except that if the date of enactment occurs in any calendar year after February 1, this Act shall take effect on the first day of the following calendar year.●

TEMPLE SHOLOM: ON THE OCCASION OF ITS 40TH ANNIVERSARY

HON. CHARLES F. DOUGHERTY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. DOUGHERTY. Mr. Speaker, Temple Sholom, a pioneer Jewish congregation in the greater northeast of Philadelphia, is currently celebrating its 40th anniversary. In the early part of 1940 a group of people met to plan for the education and religious needs of the then budding Jewish community. So uppermost in their minds was the need for a religious school for the children, that even before the first building was erected, in fact even before a tent, the first housing of the synagogue was set up, classes were held in the recreation rooms or basements of the parents. From these lowly beginnings came two elegant structures, designed to house the many-faceted programs of the congregation. The buildings were fashioned

after colonial models to reflect the blending of the American democratic heritage with the ancient Hebraic ethical and religious tradition.

The synagogue, though created to serve primarily the needs of its members and their families, became an institution for the entire Jewish and general community. Zionist groups, civic groups, fraternal organizations, sewing groups during World War II, and a Boy Scout troop, including boys of all faiths, were housed in Temple Sholom, which early became the hub and center of many area cultural, philanthropic, recreational, and social organizations.

The young community burgeoned with children to the point where the religious school was among the largest in Philadelphia and its cub pack the largest in the United States.

The early years were not without their struggles and controversies. Coming toward the end of the Depression, funds were hard to come by; the synagogue was literally built brick by brick, and quite a bit of the carpentry was the volunteer work of members whose skills were part of their contribution to the building program.

A major controversy arose over the primary function of the buildings. There were those who argued for religion and education, and there were those who held forth for recreation. The one envisioned a gymnasium as the chief structure; others, a school building. In fact, the first name of the congregation was the Upper Northwood Jewish Community Center, emphasizing the center aspect. When the religious-educational side won out, the name of Temple Sholom became its symbol, though for many years there was a movable set of baskets for basketball and mats and other equipment of athletics. Though some members left, the congregation thrived and grew.

Among the pioneers of the synagogue were also some of the pioneers and developers of the community. The presidents included Arthur Adams, a lawyer; Samuel Zukerman, wholesale grocer; Hyman Korman, builder; Isadore Fleekop, wholesale meats; Isaac Richman, lawyer and president of the Warriors, later to become the 76'rs; Jacob L. Goldberg, accountant; Martin Potash, salesman; Harry Blumberg, cleaner; Mike Zalkin, with the Post Office Department, and its current head; Dr. Stanley Goodhart, podiatrist. Each administration brought its own expertise and programs to the synagogue, but all kept before them the vision and goal of Torah—"to learn, to teach, to carry out and to live by" the precepts of the Laws of Moses and the teachings of the prophets and rabbis. During his administration Mr. Korman built and dedicated a chapel for daily worship and study in memory of his father, Rabbi Benjamin Korman, a learned Talmudic scholar.

In the purview of the congregation has been the support of the Allied Jewish Appeal of Philadelphia and of the State of Israel through a bond program, for all of the 25 years since this program was established.

Almost coexistent with the synagogue have been its two major auxiliaries, the Temple Sholom Sisterhood and the Temple Sholom Men's Club. Both of these dynamic groups have been serving as fundraising arms and as organizations which, through their own programs, serve cultural, educational, recreational, civic, and social needs of their members. They have also been the training ground to congregation leaders, including more than half of its presidents. Youth groups were established from the beginning of the congregation, but recognizing the needs of a maturing community, a golden age group, established 13 years ago, is now flourishing.

Realizing that the local synagogue is an integral part of national institutions such as the Jewish Theological Seminary, the United Synagogue of America, the National Federation of Mens' Clubs, and the Women's League, the synagogue maintains ties with its citywide and nationwide parent organizations, contributing of its own members to their leadership. Realizing further that there are valuable educational programs outside of the classroom, the synagogue has provided scholarships for boys and girls to attend the Hebrew speaking Camps Ramah in America and in Israel, and to visit with the Jewish communities of Russia, so far as the authorities there will permit, to establish ties with Soviet Jewry, to help maintain their religious and cultural life and buoy up their hope for a future renaissance of Jewish life in Russia, or for emigration.

Among the cantors in Temple Sholom were the late David Blumberg, Zvi Aroni of Israel, Felix Fogelman from Johannesburg and the current Cantor David Lebovic. Cantor Aroni was part of Irgun under Prime Minister Menachem Begin fighting for Israel's independence, and Cantor Lebovic fought in Israel's war of 1948 and of 1956. David Lebovic, who was trained as a cantor in Hungary, has combined both the old traditions and the new spirit in his liturgical renditions.

In its 40 years Temple Sholom has had two rabbis, both graduates of the Jewish Theological Seminary, Rabbi Maurice Kleirs of blessed memory, and Rabbi Pinchos J. Chazin. Rabbi Chazin, whose first congregation, Beth Juda also in Philadelphia, is currently in his 33d year as the spiritual head of the synagogue. During these years he has not only striven within the confines of the synagogue buildings to work toward the carrying out of the basic goals and purposes of the temple, but he has also expanded the vision of the membership to involve them in the broader scope of citywide Jewish education through Gratz Hebrew College, Akiba Academy and the Solomon Schechter Day School of which he is a founder. Rabbi Chazin, a chaplain in the U.S. Army Air Force in World War II, also the first appointed chaplain for the Philadelphia police and chaplain of the Shomrim Society, has helped to bring the synagogue into closer relationship with the larger community.

To this end, the synagogue has invited people of note to its Friday evening and Sunday night forums, among them Dr. Mordecai Kaplan, founder of reconstructionism; Dr. Salo Baron, eminent Jewish historian; Dr. Abraham Joshua Heschel; Dr. Gerson D. Cohen, chancellor of the Jewish Theological Seminary; Sam Levinson; cantor David Koussevitzky; Dr. Chaim Potock, author; Marvin Comisky, member of the synagogue and chancellor of the Philadelphia and Pennsylvania Bar; Edward Becker, now judge of the U.S. District Court; Joshua Eilberg, then Congressman; Charles Dougherty, currently Congressman; and Arlen Spector, married in Temple Sholom, and now U.S. Senator.

Over the years Temple Sholom, through its rabbi, has been an organizer and active leader of interfaith groups of Catholic, Protestant, and Jewish clergy to face common problems and bring to bear the influence of their respective religious traditions to help raise the moral standards of a community which they all share. Nor has the synagogue neglected its intersynagogue relationships. Together with the Oxford Circle Jewish Community Center, Beth Emeth, and Ner Zedek, it has been part of a joint annual Friday evening service, a joint series of lectures, a joint teenage Tephilin Club service, and a joint study group for their spiritual leaders.

And aside from developing specific programs both within and without the congregation, Temple Sholom has striven to establish a sense of warmth and of friendliness among its members, to share joys, lighten burdens, and to develop a sense of family feeling and concern.

Temple Sholom takes pride in the fact that a number of its founders are still active board members; Louis Kramer, Joseph Saffren, Saul Zukerman, Leo Hurewitz, Dr. Edward I. Cohen, Edith and Albert Toll, Syd Solomon, David Greenwald, and David Sheinson. They recall fondly the days when most of the northeast was open space and farms stretching in several directions for miles. And now, houses, schools, synagogues, churches, banks, department stores, playgrounds, paved

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streets and cars, cars, cars, fill the open space.

On this, its quadridecade year, Temple Sholom, which is situated on its original triangular site in its original buildings projecting onto the stately Roosevelt Boulevard, looks back with gratitude for its achievements, and forward prayerfully with confidence and hope for continued service.

Mr. Speaker, to Temple Sholom, we offer our congratulations and our gratitude for 40 years of dedicated service to the people of northeast Philadelphia.●

GENERAL THADDEUS KOSCIUSZKO

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HOLLENBECK. Mr. Speaker, today I rise to join with my distinguished colleagues in commemorating the birth of one of our greatest Revolutionary War heroes, Gen. Thaddeus Kosciuszko. It is all too rare that we have the opportunity to recount the achievements of such an outstanding individual. As a Polish Army officer in the American Revolution, General Kosciuszko was recognized for his bravery and his leadership abilities.

In 1776, relying upon his own resources, Kosciuszko journeyed to America to volunteer his energies in the fight for liberty. During the course of the war, he served with great distinction in the Carolinas, New York, and at the Battle of Yorktown. Following the success of his American campaigns he returned to his native Poland and was selected to lead the insurgency movement against the Russian attackers.

In addition to his success as a military strategist, he embodied a philosophy of brotherly love and equality which can still be envied. I need only recount one circumstance to prove General Kosciuszko's regard for his fellow man. Following his imprisonment in Russia, he sold his real estate holdings in the United States and after combining this sum with his accumulated American military pension he bought slaves—promptly declaring each a free man.

When the Congress bestowed upon General Kosciuszko the privileges of American citizenship and awarded him official recognition for his historic role in the American Revolution, they did so with a clear appreciation for the value of his many contributions to the American cause. By taking time on February 12 of each year to honor General Kosciuszko, we are restating our immeasurable debt to this great man and are following in the tradition established by this legislative body in 1783.

It is with great pride that I take this opportunity to join with Polish Americans and once again recognize the outstanding achievements of this remarkable military man.●

END BIG OIL'S FOREIGN TAX CREDIT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SEIBERLING. Mr. Speaker, I am introducing legislation today to end one of the most outrageous features of our tax system, the allowance of a foreign tax credit to U.S. petroleum companies. To describe current law and why it should be changed. I submit with these remarks an excerpt from "Foreign Tax Credits Claimed by U.S. Petroleum Companies," hearings which were held in 1977 by the Consumer Affairs Subcommittee of the House Government Operations Committee.

The House has already expressed overwhelming approval for this change by its 355–66 vote on May 8, 1979, on an amendment to the first fiscal year 1980 budget resolution. Unfortunately, that amendment was never made substantive law. At a time when all Americans are being asked to sacrifice to balance the budget, surely we can ask the oil companies to give up this unjustifiable $1.2 billion American subsidy for sham tax payments to oil-producing countries.

This credit was first allowed in 1955, even through it was opposed by the Treasury Department, on the basis of a plea by the State Department that Saudi Arabia needed additional revenues. Whatever may be said of the original ruling, its rationale has long since vanished. In the interim, it has cost U.S. taxpayers $14 billion in lost revenue.

The following is excerpted from "Foreign Tax Credits Claimed by U.S. Petroleum Companies" prepared by the Committee on Government Operations, June 1, 1978:

Foreign tax credits claimed by U.S. petroleum companies cost the U.S. Treasury (as described below) over $1.2 billion annually.[1] The aggregate loss since 1974 exceeds $7 billion; and the total loss since petroleum companies began claiming tax credits in 1950 is $14 billion.[2]

The key substantive issue, which IRS first addressed in a 1955 tax ruling, is whether a petroleum company's payments to a foreign country for the right to extract petroleum located in and owned by that country is a royalty or income tax payment. If it is a royalty, then the amount is deductible as an ordinary and necessary business expense. On the other hand, under sections 901–907 of the Tax Code, a company is given a direct credit against U.S. taxes for any "income tax" payment made to a foreign government. Consequently, if a payment to a foreign government is deemed to be an "income tax" instead of a royalty, the tax benefits are considerably more valuable to the company, subject to certain quantitative limitations placed on a petroleum company's use of foreign tax credits by the Tax Reform Act of 1976. All payments by petroleum producers operating in the United States and Canada to the mineral landowner or excise taxes to local governments are considered a royalty and are merely deducted as a normal business expense.

The issue of foreign tax credits for petroleum companies began in 1950 when the Saudi Arabian Government sought more revenue from its oil properties and, after consultation with American oil and tax experts, decided to levy an "income tax" on Aramco (the sole producer in Saudi Arabia) in lieu of increasing its royalty for oil extractions.[3] At that time, Aramco requested a ruling from IRS that the payments made to Saudi Arabia would in fact be a creditable income tax under section 901. If such a ruling was granted, Aramco would be economically unaffected by any increase in Saudi oil revenue since the effect would be merely to shift the company's tax liability dollar-for-dollar from the United States to Saudi Arabia.

The Secretary of the Treasury's office wrote four major memoranda from 1951 to 1954 emphatically opposing a favorable ruling on the ground that the payment was in fact an increased royalty exacted in the guise of an income tax.[4] Treasury complained that the Saudi tax scheme was a "sham," the sole purpose of which was to increase Saudi revenues at the expense of the U.S. Treasury with no effect on the taxpaying oil company. In 1954 and 1955 the State Department and National Security Council intervened and, for foreign policy reasons, requested that a favorable ruling be issued so that the Saudi Government could receive additional revenues.[5] Consequently, a favorable retroactive ruling was issued in 1955[6] with a resultant loss to the U.S. Treasury of approximately $50 million for the 1950 tax year alone.[7] Other petroleum producing countries soon followed the Aranco-Saudi Arabia precedent with increasing losses to the U.S. Treasury.●

[1] "Foreign Tax Credits Claimed by U.S. Petroleum Companies" hearings before the Commerce, Consumer, and Monetary Affairs Subcommittee of the House Government Operations Committee, September 26, 27; October 4; and November 29, 1977, pp. 500–508 (hereinafter referred to as "hearings").

[2] Ibid., pp. 500–514.

[3] Ibid., pp. 246–250.

[4] Ibid., pp. 466–490.

[5] Ibid., pp. 5–8; and Treasury memoranda dated February 28, 1974, from Mr. Alexander to Mr. Hickman (Assistant Secretary for Tax Policy).

[6] Hearings, p. 230.

[7] Ibid., p. 466.

ROY ROLSON HONORED

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HYDE. Mr. Speaker, Leyden Township Supervisor Roy Rolson was honored as Man of the Year at the 36th annual Mont Clare Elmwood Park Chamber of Commerce dinner dance February 15.

Mr. Rolson has lived in Elmwood Park 51 years. He owned and operated a local business, the Grand Oil Co., 46 years. He served 16 years as a member of the Elmwood Park Board of Trustees in Elmwood Park, was elected township assessor in 1969.

He was president of the chamber for two terms, past president of the United Veterans Council, past commander of Amvets, member of the American Legion Post 686 and VFW John R. Beck Post 1891, past president of Kiwanis, past vice president of the Leyden-Norwood Municipal League. At present he is serving his second term as president of the league. He is an Army combat veteran with a Purple Heart award.

His wife Dorothy is Leyden Township Republican committeewoman.

Mr. Rolson is a true community leader in my district. He is dedicated to making our area a better place to live and I am indeed proud that he has received this long overdue and well-deserved recognition.●

CAMPAIGN ACTIVITY BY CONGRESSIONAL STAFF

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MICHEL. Mr. Speaker, earlier this month, a three-judge Federal appelate court rendered a decision of importance to all the Members and the staff of the House of Representatives.

According to a recent press account, the court ruled that congressional staff may participate in political campaigns beyond the perimeter of what was perceived by the American Law Division of the Library of Congress and by citizens who have in recent years questioned the role of congressional staff in the election process.

I hope that the House leadership, all Members of the House and our staff will follow and study this litigation and include at this point in the RECORD, the article appearing in the Washington Star of February 4, 1981, entitled "Hill Aides' Politicking for Bosses Is Not Illegal, U.S. Court Rules."

[From the Washington Star, Feb. 4, 1981]

HILL AIDES' POLITICKING FOR BOSSES IS NOT ILLEGAL, U.S. COURT RULES

Members of Congress may legally keep their staff aides on the congressional payroll while the aides are working full-time on re-election campaigns for extended periods to the exclusion of all other duties, under a decision handed down by a federal appeals court here.

The three-judge panel held on Friday that Sen. Howard W. Cannon, D-Nev., did not violate the Federal False Claims Act or any other law by authorizing public compensation of Chester B. Sobsey, his administrative assistant, during an 18-month period when Sobsey was alleged to be working "extensively and exclusively" on the senator's 1976 re-election campaign.

Yesterday, Sobsey denied the broad allegations in the civil suit against him and Cannon brought by Joel D. Joseph, a Washington lawyer, and said his only campaign activities had been after regular working hours. The appeals court ruled that the case should be dismissed without hearing any evidence because no law would have been violated even if Joseph's allegations had been true.

"We are unwilling to conclude that Congress gave the courts a free hand to deal with so sensitive and controversial a problem, or invited them to assume the role of political overseer over the other branches of government," Judge Spottswood W. Robinson III said in a 26-page opinion. "Not even the Senate itself has been able to reach a consensus on the propriety of using staff members in re-election campaigns."

The apparent effect of the appeals court's ruling is that there will be no legal limitations on the extent to which publicly compensated congressional aides may spend their time working in re-election campaigns unless Congress creates some. The appeals court rejected the conclusion, reached by the American Law Division of the Library of Congress in 1977, that congressional staff members could not legally be paid out of public funds for the performance of campaign activities.●

TO DESIGNATE RECOGNITION DAY FOR VETERANS OF VIETNAM ERA

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. ROBINSON. Mr. Speaker, Senator DONALD W. RIEGLE, JR., of Michigan recently introduced in the Senate a joint resolution to authorize and request the President to designate April 26, 1981, as National Recognition Day for Veterans of the Vietnam Era, and to call upon the people of the United States to observe that Sunday in April with appropriate programs, ceremonies, and activities.

This resolution has already sparked interest among several veterans and patriotic organizations which believe that the valorous service of our Vietnam veterans has never been properly recognized, and which believe this oversight should be corrected.

I am pleased and proud to introduce it today in the House of Representatives. I invite all Members to join in its cosponsorship as a bipartisan demonstration of our high regard for those who served and sacrificed for the Nation during the difficult years of the Vietanam war.

The text of the resolution is as follows:

To designate April 26, 1981, as National Recognition Day for Veterans of the Vietnam Era

Whereas the valorous service of the Vietnam veterans has never been properly commemorated or recognized;

Whereas the conflict in Vietnam claimed more than 55,000 American lives;

Whereas 300,000 men were wounded and 150,000 permanently disabled during the conflict in Vietnam;

Whereas there are 480,000 Vietnam veterans between the ages of 25 and 39 who are currently unemployed; and

Whereas as many as 280,000 Vietnam veterans suffer the intermittent psychological after-effects of the Vietnam conflict; Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate April 26, 1981 as a "National Day of Recognition for Veterans of the Vietnam Era," and to call upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities, including a week of symposia, hearings and conferences to be conducted in Washington, D.C., prior to April 26, dedicated to those issues of concern to Vietnam veterans.●

THE CRISIS AT THREE MILE ISLAND

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. GOODLING. Mr. Speaker, on February 3, 1981, Hon. JONATHAN B. BINGHAM brought to our attention an article that appeared in the February 2, 1981, Los Angeles Times. Mr. BINGHAM and the article criticized efforts seeking some form of Federal assistance to pay for part of the cleanup costs at Three Mile Island, the site of the nuclear powerplant accident on March 28, 1979. I would like to take issue with this view on behalf of my constituents who are both ratepayers and residents in the vicinity of Three Mile Island.

The current state of the downed reactor and the cleanup costs should not be the focus of arguments for or against nuclear power. This is a national disaster which is affecting not only the immediate residents, but everyone in the United States.

The article quotes one of my colleagues stating that the Pennsylvania Public Utilities Commission came to Washington to dump something in the

Pennsylvania delegation's lap. Susan Shanaman, the chairman of the commission, stated that they came here to explore the possibility of obtaining Federal appropriations to decontaminate and remove the toxic ruined nuclear reactor core at Three Mile Island. This was necessary because the situation was a potentially horrendous public health hazard, and—

The need for Federal appropriation to cover this pressing health hazard cannot await future solutions, whatever they may be.

Therefore, she came here to plead for assistance on behalf of Pennsylvanians' health and safety. Nuclear reactor health and safety is under the purview of the Nuclear Regulatory Commission. The crisis is real and dangerous. A report to the U.S. Senate, entitled, "Nuclear Accident and Recovery at Three Mile Island," presented before Senator Hart's Subcommittee of Nuclear Regulation, notes that—

If the core were accidently to begin a chain reaction once more, it could cause releases of more radioactivity within the reactor building and possibly the surrounding environment. Therefore, timely removal of the damaged fuel to safe storage is the paramount objective of the clean-up of Three Mile Island Unit 2.

Make no mistake about it. The responsibility for the health and safety of the public is in the hands of the Nuclear Regulatory Commission. The NRC was warned by three engineers, who in 1976 submitted their resignations to General Electric Co. because of their concern for nuclear safety. The engineers were employed in a nuclear powerplant and claimed that the plants were unsafe, particularly because of the operational reliability of mechanical and electrical devices. The NRC responded that—

There are some who believe, incorrectly, that reactor accidents can produce consequences comparable to that of the explosion of large nuclear weapons. This study has shown that predictions of the consequences of nuclear power plant accidents, when performed on a more realistic as opposed to an upper limit basis, are smaller than previous predictions.

I believe the current events have proven this statement incorrect, and that the removal of the damaged fuel to safe storage is the paramount objective of the cleanup of Three Mile Island Unit 2.

Unit 1 at Three Mile Island has been prevented from returning to service pending a series of lengthy public hearings ordered by the NRC—costing more than $14 million per month in replacement power costs for customers of the General Public Utility System—despite the fact that all other nuclear units of similar design have been allowed to go back into service. Therefore, Metropolitan Edison, the company which owns one-half of Three Mile Island Units 1 and 2 is near bankruptcy and cannot raise the necessary funds to pay for the cleanup of unit 2. If Metropolitan Edison goes bankrupt, it will have a substantial adverse effect on the ability of every electric company in the country to raise funds. This will be reflected in higher interest costs to those companies, and, therefore, increased costs to their customers. In addition, because of the difficulties and confusion bankruptcy would inevitably bring, the NRC might be compelled to take over the plant to assure that cleanup proceeds as rapidly as possible. Thus the Federal Government might be forced by events to absorb the entire cost of cleanup anyway.

However, I again want to return to my original argument and that is, that this is not the time to declare one's position for or against nuclear power. The situation at Three Mile Island could eventually be far worse than anything that can happen at Mount St. Helen's or from the San Andreas Fault movement which caused the San Francisco earthquake in 1906. The issue is whether or not you will prevent this potentially horrendous public health hazard from becoming a reality.

We are a nation with compassion. That is why we innoculate the population against feared and dreaded diseases, we help victims of any kind of disaster, we are all Americans and that is what this country must not forget. Do not allow skeptics to divide us over the question of whose fault it is, but rather unite over how best we can help.

I must chastise those of us who proclaim outrage at the Federal Government paying for the cleanup. Does not the Federal Government supply hydroelectric power throughout the Midwest and Western areas of our country, our countrymen in California. I am surprised that the Los Angeles Times newsman does not concern himself with these facts.

After World War II, Mr. BINGHAM held impressive positions in the United Nations. I am sure his great sense of justice led him to fight for and win approval for millions of dollars to those suffering overseas. Surely, the residents of Three Mile Island deserve the same consideration.

I note the suggestion by some that the utility companies should pay for the cleanup as an information gathering function. Who gives the utilities their money? The ratepayers. Would that be more equitable than if the taxpayers are asked to share the costs? Not in my view. Taxpayers pay at a proportionate rate according to their incomes; whereas, ratepayers pay the same for a kilowatt regardless of their income. Therefore, in the best interest of all, I would think that the funds should come from the Federal Government, directly, without any hidden qualifications.

I plead to all my fellow colleagues when I ask for Federal assistance not only for my constituents, but all those who may be devastated by this national calamity.●

INTRODUCTION OF TCN STATUS ADJUSTMENT BILL

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. WON PAT. Mr. Speaker, since 1975 a group of approximately 123 Third Country Nationals (from Korea, India, the Philippines, and China) has resided on Guam as indefinite parolees. They came to Guam from Vietnam with the direct assistance of American forces.

When they arrived in the territory, they had to begin new lives, but without the refugee status and attendant benefits accorded the tens of thousands of evacuees who were natives of Vietnam, Cambodia, and Laos. American law would have allowed our repatriating them only to Vietnam, the country from which they entered the United States, not to the home countries from which they had earlier migrated to Vietnam. They could not personally afford the expense of returning to their homes of origin in the wake of their hurried departure from Vietnam and the loss of their livelihoods as carpenters, painters, electricians, mechanics, heavy equipment operators, accountants, or in other occupations.

Today, over 5 years later, most of the TCN's have established themselves as productive members of the Guam community. They no longer require public assistance and several are even operating their own businesses which employ local residents. It would be a hardship for them to uproot themselves once more and begin all over in their native countries.

Yet they cannot be reunited with their families because their indefinite parolee status does not permit them to bring spouses and children to join them on Guam.

I am therefore introducing today a bill to allow adjustment of status for these Third Country Nationals residing on Guam since 1975. It is my understanding that the Immigration and Naturalization Service would like to resolve the question of their status. The distinguished chairman of the Select Commission on Immigration and Refugee Policy, Rev. Theodore M. Hesburgh, met with TCN representatives on Guam last year and has since expressed his support for my status adjustment legislation.

I ask my colleagues' cooperation in affording this bill quick and favorable consideration.●

IS IT POSSIBLE THAT THE CIA REALLY IS NOT THE ENEMY?

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SKELTON. Mr. Speaker, the February 1 edition of the Kansas City Star has an editorial entitled "Is It Possible That the CIA Really Is Not the Enemy?" It contains a great deal of food for thought and I urge the Members of this body to consider the thoughts it contains.

The editorial follows:

IS IT POSSIBLE THAT THE CIA REALLY IS NOT THE ENEMY?

The question near the end of the hostages' press conference at West Point on the Central Intelligence Agency seemed about as appropriate as a wailing mourner at a wedding. But the time has come to talk about the CIA openly and honestly, looking at its uses and limitations, and at the controls it needs under a constitutional government.

For starters, let us abandon the prevalent notion that the CIA is the enemy. Let us assume that the CIA is on our side. By "our side" we mean the United States and our interests in a world that contains the predatory Soviet Union and assorted subsidiary ill-wishers. We should have every expectation that the CIA operates in the interests of the United States.

But what constitutes America's interests is widely and fiercely debated. It is not always easy to agree on definitions. And there are examples of the misuse of the intelligence force by the Nixon White House (more attempted than accomplished) and accounts of questionable covert actions under Lyndon Johnson and John F. Kennedy.

These are all legitimate concerns. But the CIA forever is in the position that its failures often become public knowledge while successes must remain secret. In the last analysis, the CIA, the Federal Bureau of Investigation and the military forces are at the disposal of the president who chooses their leaders and issues the orders. They can be no better than the president. The way to be reasonably sure that these institutions of great power will have a proper regard for individual rights and legal processes is to insist upon leaders who have such a regard.

But in addition to this, it is time to look at intelligence operations from a perspective of reality. It is not realistic to listen to those who assail U.S. aid to a centrist government in El Salvador but are unconcerned about Soviet threats to "preserve socialism" in Poland by any means necessary. It is time to stop arguing from crazy presumptions of U.S. guilt based on meaningless terms such as "imperialism" and "militarism" and "corporate elites."

This is the sort of dithering that equates Vietnam with the Holocaust; Nixon and LBJ with Hitler; U.S. policy in Iran with the Soviet invasions of Czechoslovakia and Hungary, and the FBI and the CIA with the KGB and the Gestapo. It has been carried forward in recent years with an outpouring of speculative books on assassinations and movies that are disguised as semi-documentaries. It is mostly nonsense.

The overriding fact is that there are real totalitarians in the world who would like to destroy representative government and individual freedom, and the influence and power of the United States. Their propaganda line is sometimes echoed by silly people who love to prate of U.S. fascism and its instrument, the CIA. They would find out who the real fascists are soon enough if their totalitarian friends ever should attain power. They would be looking out at them from the wrong side of the barbed wire of an American gulag.●

LITHUANIA INDEPENDENCE DAY

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MAVROULES. Mr. Speaker, it is appropriate that this Congress pause and take note of the 63d anniversary of the independence of the Republic of Lithuania. This date serves to remind us of the liberty that we as a nation take for granted, but for which countless millions around the world still strive.

The quest for human rights has not been lost in the hearts of these courageous people of Lithuania. Rather, the hope still burns bright for that eventual moment when their freedom will come. Indeed, the sense of national identity of the Lithuanian people is not fading, as their Soviet oppressors had hoped, but is even more resolute.

As we mark this anniversary we are reminded of the events surrounding the inglorious conquest of Lithuania. Every state bordering the Soviet Union faces the constant jeopardy of invasion and subjugation. The Molotov-Rippentrop Pact of 1939 led to the occupation of Lithuania in 1940. This underlines how little has changed in the territorial ambitions of the Soviet Union.

The world has seen the continued failure and violations of the Soviet Union in abiding by the 1975 Helsinki accords. Their failure to adhere to the principles of self-determination and human rights is an outrage and world tragedy.

Maintaining the Lithuanian culture presents the greatest concern to the more than 1 million Americans of Lithuanian descent. As culture is an expression of man, it is a confirmation of humanity. Culture is the unique wealth of a nation, a treasure shared with all mankind. Let the Lithuanian culture remind us of our undying commitment of the preservation of freedom and liberty.

In America and in Lithuania the determination of these great people has enabled them to constantly pursue their goal of freedom. The struggle to restore their freedom, a struggle that is right and just, has not ended. It continues today, will continue tomorrow until it is won.●

KENTUCKY'S WINNER OF THE VETERANS OF FOREIGN WARS VOICE OF DEMOCRACY CONTEST

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MAZZOLI. Mr. Speaker, I am very pleased to announce that the State of Kentucky's winner of the annual Veterans of Foreign Wars Voice of Democracy Scholarship Contest is Miss Shelley Renee Simons of Louisville, Ky.

Miss Simons, a senior at DuPont Manual High School, also attends the Youth Performing Art's School in Louisville.

Miss Simons' essay entitled "My Commitment to My Country" is a forthright statement of this young woman's philosophy on the responsibilities of citizenship. I commend her for her efforts and wish her the best of luck at the final competition.

The essay follows:

The consequences of not making the best of our opportunities will not fall as heavily upon us as it will upon future generations.

We honor those who made America the first among new nations. We the youth can dishonor ourselves if we compromise our commitments and do not use our energies to restore our nation to its former greatness, remembering that those who follow will not forget.

I think that the most important commitment I can make as a young American is to openly discuss issues and problems facing our Country.

Political candidates fall into the category of "playing it safe", discouraging meaningful and constructive discussion.

Think about this: how much has a political campaign, national or local, helped the electorate to be better informed?

I don't want to be spared from real issues and bad news. I am committed to my country at all times, under all conditions, and all circumstances.

Our leadership provides decisive action only at the time of crisis. Hence, the draft in the 1980's, when we all know this world is in turmoil and it is our task to be prepared and not wait for a crisis to shock us into actions of preparedness.

We the youth must develop a National Will to compensate for the absence of a determined leadership.

It is obvious in our form of government that commitments by our government leaders can be effective only if the average citizen is involved. And, by the same token, our commitments as good citizens can be as effective only if they involve our government.

We must realize that we cannot be indifferent. Effective policies and realistic achievements in our country are realized by dedication not only by National commitment, but by individual commitment.

Justice Oliver Wendall Holmes once said, "I find the most important thing in the world is not so much where we stand, as in what direction we are moving."

Overcautious action is preventing solutions to problems which the public recognizes as essential to its ultimate welfare.

So let us make commitments, but let us not sit on our commitments. Let us work to realize and fulfill them.

Our Nation was built by men committed to an ideal, and who committed that ideal to reality.

A historian has said, "Pioneers were not afraid of failure, Scientists were not afraid of truth, Thinkers were not afraid of progress, Dreamers were not afraid of action"—youth were not afraid of commitment. We, the youth of today, stand unafraid!●

TREATMENT OF VIETNAM VETERANS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. WILLIAMS of Montana. Mr. Speaker, when our 52 countrymen returned from their captivity in Iran recently, they received a richly deserved welcome befitting returning veterans who underwent extreme hardship for the sake of their country.

However, there is another group of returned veterans who, despite their great sacrifices for this country, have not been accorded a grand welcome and, in fact, have been treated often as second-class citizens. I am talking about Vietnam veterans, whose welcome home and treatment here has been marred by political divisiveness. Vietnam served to divide the whole country; perhaps Iran served to unite it again. However the veterans of those experiences should be treated with equality.

Apparently, poor treatment for servicemen is not unique to our time. Kipling pointed out so well, Johnny has often been ignored as he comes marching home. I am placing one of Mr. Rudyard Kipling's poems into the RECORD—it is titled "Tommy." I am hopeful that it will serve as a poignant reminder of the need to treat our veterans—each of them—with the respect and dignity due to all of those who serve this Nation during dangerous times.

Thank you.

TOMMY

I went into a public-'ouse to get a pint o' beer,
The publican 'e up an' sez, "We serve no red-coats here."
The girls be'ind the bar they laughed an' giggled fit to die,
I outs into the street again an' to myself sez I:
O it's Tommy this, an' Tommy that, an' "Tommy, go away";
But it's "Thank you, Mister Atkins," when the band begins to play,
The band begins to play, my boys, the band begins to play,
O it's "Thank you, Mister Atkins," when the band begins to play.

I went into a theatre as sober as could be,
They gave a drunk civilian room, but 'adn't none for me;
They sent me to the gallery or round the music-'alls,
But when it comes to fightin', Lord! they'll shove me in the stalls!
For it's Tommy this, an' Tommy that, an' "Tommy, wait outside";
But it's "Special train for Atkins" when the trooper's on the tide,
The troopship's on the tide, my boys, the troopship's on the tide,
O it's "Special train for Atkins" when the trooper's on the tide.

Yes, makin' mock o'uniforms that guard you while you sleep,
Is cheaper than them uniforms, an' they're starvation cheap;
An' hustlin' drunken soldiers when they're goin' large a bit,
Is five times better business than paradin' in full kit.
Then it's Tommy this, an' Tommy that, an' "Tommy, 'ow's yer soul?"
But it's "Thin red line of 'eroes" when the drums begin to roll,
The drums begin to roll, my boys, the drums begin to roll,
O it's "Thin red line of 'eroes" when the drums begin to roll.

We aren't no thin red 'eroes, nor we aren't no blackguards too,
But single men in barricks, most remarkable like you;
An' if sometimes our conduck isn't all your fancy paints;
Why, single men in barricks don't grow into plaster saints;
While it's Tommy this, an' Tommy that, an' "Tommy, fall be'ind,"
But it's "Please to walk in front, sir," when there's trouble in the wind,
There's trouble in the wind, my boys, there's trouble in the wind,
O it's "Please to walk in front, sir," when there's trouble in the wind.

You talk o'better food for us, an' schools, an' fires, an' all:
We'll wait for extry rations if you treat us rational.
Don't mess about the cook-room slops, but prove it to our face,
The Widow's Uniform is not the soldier-man's disgrace.
For its Tommy this, an' Tommy that, an' "Chuck him out, the brute!"
But it's "Saviour of 'is country," when the guns begin to shoot;
Yes, it's Tommy this, an' Tommy that, an' anything you please;
But Tommy ain't a bloomin' fool—you bet that Tommy sees!●

DIRECT PAYMENTS FOR DIVORCED MILITARY SPOUSES

HON. KENT HANCE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HANCE. Mr. Speaker, I would like to call to the attention of the Members of the House legislation I introduced recently to solve an urgent problem involving the divorced spouses of former military personnel. More than 50 of my colleagues have joined me as cosponsors of H.R. 1711 and I invite other Members to cosponsor. At present, if a retired military person whose retirement benefits are the subject of a divorce action leaves the jurisdiction of the court, it is practically impossible to assure that payment will be made in compliance with court-ordered division of retired benefits. Let me present a true example which indicates the gravity of the situation:

A woman who has been married for 23 years to a member of the armed services is divorced. The court, realizing the contribution she had made to her husband's career and to the raising of their family, award her a portion of the retirement benefits. They moved often, which is common in the military, and the social norms of just a few years ago did not favor women entering the working world. Obviously, she never had the opportunity to pursue a career. Like many women connected with the military, her career was her husband's. Shortly after the divorce was final, her husband disappeared, perhaps to another State or country. In the 4 years since the divorce was final she has never received one penny of the retirement benefits that were awarded to her by the court. Attempts to locate her husband and serve him with notice of contempt of court and to obtain future benefits have resulted in substantial legal fees. Many women do not have the financial resources available to attempt such a search to carry out the court's decree. Often the only resource in such cases is Federal assistance in the form of food stamps or supplemental security income (SSI) at substantial cost to taxpayers. This is a classic example of a situation where a legal right is rendered meaningless because of the absence of an effective means of enforcement.

Former spouses of civil service personnel faced the same situation until 1978 when Public Law 95-366 amended the U.S. Code authorizing the Civil Service Commission to comply with court orders that divide civil service retirement payments. H.R. 8771 which became Public Law 95-366 passed on January 23, 1978, under suspension of the rules by a vote of 369 to 7. The measure passed the Senate by a voice vote. Clearly, precedent has been set and the intent of Congress has been expressed in this regard.

My legislation, H.R. 1711, simply authorizes the appropriate Secretary to issue two checks that reflect the court-ordered division. This proposal does not divide the retirement pay; the State courts retain this authority. This bill does not propose unusual or untested solutions. It does not address the issue of garnishment of delinquent payments—it merely offers the same

protection and right to military spouses that is available to civil service and privately insured spouses.

I strongly urge your consideration of this important and worthy cause. With budget considerations on everyone's mind, the cost of this legislation is negligible. It is good legislation, and it is responsible legislation.

The text of the legislation follows:

"§ 1407. Payment of retired and retainer pay in compliance with court orders

"(a)(1) Payment of retired pay or retainer pay that would otherwise be made to a member or former member of an armed force shall be paid (in whole or in part) by the Secretary concerned to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation.

"(2) Any payment under paragraph (1) to a person bars recovery by any other person.

"(b) Subsection (a) shall apply only to payments of retired pay and retainer pay made by the Secretary concerned after the date of receipt by the Secretary concerned of written notice of such decree, order, or agreement, and such additional information and documentation as the Secretary concerned may prescribe.

"(c) In this section, 'court' means any court of any State, the District of Columbia, or the Commonwealth of Puerto Rico.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1407. Payment of retired and retainer pay in compliance with court orders.".

SEC. 2. The amendments made by the first section of this Act shall apply only to payments of retired pay and retainer pay for months beginning after the date of the enactment of this Act.●

SOVIET EXPANSIONISM AND THE BALTIC QUESTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HYDE. Mr. Speaker, on February 15, 1981, the Cicero chapter of the Lithuanian American Community of the U.S.A. held their annual commemoration of Lithuania's Independence Day, which was first declared on February 16, 1918.

This independence was lost in 1940 but its annual commemoration reminds the Soviet oppressors that the free world looks forward to the day when Lithuania will once more join the ranks of the free and independent nations of the world.

An outstanding statement concerning this situation has been prepared by Stanley A. Gecys, vice president of the National Executive Committee, and I am pleased to share it with my colleagues:

SOVIET EXPANSIONISM AND THE BALTIC QUESTION

One must go back four decades to find the beginnings of Soviet Union's expansionism. On August 23, 1939, a non-aggression treaty was concluded by Nazi Germany and the Soviet Union. In what became popularly known as the Molotov-Ribbentrop Pact, the two super powers secretly agreed to divide between themselves the countries of Estonia, Latvia, Lithuania, Finland and Poland. The Pact became a conspiracy of two of the greatest tyrants in history—Stalin and Hitler—against the world and humanity. It also brought about the Second World War.

During the subsequent years Soviet expansionism has had its seasons. In 1939, the Soviets invaded Finland and participated in the dismemberment of Poland, which had fallen prey to Nazi Germany. In 1940, the Soviet Union, by force of arms, occupied and annexed the Baltic States of Lithuania, Latvia and Estonia. The year 1956 brought about brutal crushing of the Hungarian Revolution, while in 1968 Czechoslovakian attempt at freedom met similar fate. Since 1979 Soviet soldiers continue to roll across the borders of Afghanistan. Only time will tell on whether Poland will be the next victim of Soviet Union's expansionism.

As over one million Lithuanian-Americans are preparing to observe on February 16, 1981, the 730th anniversary of the founding of the Lithuanian state and the 63rd anniversary of the reestablishment of Lithuania's independence after World War I, one wonders as to why the Western powers are reluctant to raise the issue of Baltic States' right to sovereignty. Why have the Western powers become so uncritically fixated on the idea of "good relations" with the Soviet Union, that they have inflicted a political self-paralysis on their foreign policies and national values? After all, the Baltic nations continue to be a cradle of national unrest and it is in Western powers interest to have the Soviet Union beset with internal dissent.

It would appear that the United States self-interest and its continuing policy of non-recognizing the Soviet annexation of the Baltic States should dictate the public airing of the questions of Soviet aggression and present occupation of Lithuania, Latvia and Estonia, especially vis-a-vis the invasion of Afghanistan. However, this it has failed to do. Former national security advisor Zbigniew Brzezinski has diagnosed the lack of forceful foreign policy as continuing trauma resulting from "escapist approach" in dealing with the expansion of Soviet power and influence (The New York Times, Nov. 30, 1980). According to Dr. Brzezinski, Ronald Reagan's victory showed that the country was ready to support "a policy of assertive competition with the Soviet Union". "Traumatized" by the experience of Vietnam, the Americans for a while were "automatically fearful that any emphasis on competition meant you were wanting to revive the cold war". Unwittingly Soviet definitions of "détente" and "cold war" were swallowed by our policy makers. Soviet competitiveness was judged to be a part of "inevitable historic process", while American assertiveness and attempt to stop Soviet expansionism amounted to "dangerous cold war activities". In the eyes of these policy makers, a formal airing of the Baltic States sovereignty would have been a "cold war act".

The main source of "instability" in Eastern Europe is foreign totalitarian rule imposed and maintained by force. The popular resistance to it will continue. These are the realities the Western democracies must face. With regard to the Baltic question, the position recently assumed by the United States delegation to the Madrid meeting of the Conference on Security and Cooperation in Europe spells a most welcome policy shift. On December 15, 1980, deputy chairman of U.S. delegation Warren Zimmerman shocked the Soviets by noting that "self-determination is a principle basic to our American Revolution and to our American heritage" and that according to Principle IV of the Helsinki Accords, which makes occupation or acquisition of territory in contravention of international law illegal, the United States considers this provision applicable to the Soviet-occupied Baltic States of Lithuania, Latvia and Estonia. "We know that there is little that can be done to right a wrong committted four decades ago. But let us remember also that the passage of time will not make that wrong right. Time does not make right, any more than might makes right", noted Zimmerman.

Hopefully, at last, we have come to realize that Soviet expansionism no longer sounds like an extremist notion even to the most liberal amongst us. Let's hope that we have the moral fiber to talk when we can and to act when we must, while we are still in position to do so.●

MASSPORT 1980-81 CONGRESSIONAL REPORT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MOAKLEY. Mr. Speaker, the recently released Congressional Report of the Massachusetts Port Authority is truly impressive. Massport outperformed its previous year's accomplishments in nearly every area of activity: In airline passengers, in airborne cargo, in seaport shipments, and in fish landings.

In aviation Massport led a successful 2-year campaign to convince British and American negotiators to rewrite the Bermuda II International Aviation Agreement that governs air service between the United States and the United Kingdom and restore the right for a second U.S. airline to fly between Boston and London.

The Boston-London route to Boston's Logan Airport should have a $16 million impact on the economy of New England, stimulate new tourism opportunities throughout the region and most importantly create hundreds of new jobs.

In trade, on September 16, 1980, President Carter signed an historic maritime agreement between the United States and the People's Republic of China giving "favored port status" to Massport's Port of Boston facilities. The People's Republic of

China is the fastest growing trading partner with the United States and promises to increase two-way trade substantially in the years ahead in the New England market.

The favored port status under this treaty, has added positively to the need for Massport's $100 million program to revitalize the maritime facilities of Boston. Their Castle Island facilities are undergoing a $15 million expansion program and construction of a new $80 million container port facility at the site of the old South Boston Naval Annex is underway.

Also in the trade area Massport was awarded New England's first foreign trade zone at Commonwealth Pier. At the FTZ, foreign merchandise can be exhibited, stored, assembled, or used without being subject to U.S. customs duties. Duties are not paid until or unless the goods enter customs territory from the zone, and goods exported from the zone leave duty free.

Massport has also lent out its expertise in foreign trade through the establishment of a small business export program (SBEP) which provides small firms with the resources and specialized assistance they need to enter and successfully compete in the international marketplace.

Within the past 3 years, the SBEP has taken representatives of 37 New England firms on 6 foreign trade missions to meet with business officials from 14 European countries. Results to date have produced actual export sales of $5 million for New England trade mission participants.

The success of this program has led to Massport being singled out by President Carter for distinguished export sevice and received the prestigious White House "E" Award. Massport's selection for the coveted award represents the first time since the establishment of the award that a New England public authority has been the recipient.

Finally, Boston's Fish Pier has been involved in an extensive $12 million 3-year modernization program. This renovation of Boston's fish processing industry, which recently was awarded $2 million for phase II, will provide a revitalization of the New England fishing industry with substantial economic impact on the Massachusetts economy.

I firmly believe the wide range of activities that the Massachusetts Port Authority is involved in has not only provided high caliber transportation and trade for the people of New England but has served to stimulate our regional economy and create employment opportunities.●

INTELLIGENCE DOCUMENTS REVEAL SOVIET ROLE IN EL SALVADOR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. McDONALD. Mr. Speaker, on Friday, the story broke that our intelligence agencies now have proof, if any was needed, that the lines from the guerrillas in El Salvador reach clear back to Moscow. Anyone who now feels these insurgents are agrarian reformers or any such misnomer can now discard such notions. Moscow has declared that this is a war and by this they mean they will back it by all necessary means. Therefore, any thought of negotiating with these Salvadoran Marxists should be discarded. It is now a question of El Salvador's survival as a free nation and our policymakers should treat it as such. The story from the Atlanta Constitution of February 6, 1981, follows:

[From the Atlanta Constitution, Feb. 6, 1981]

ARMS

WASHINGTON.—Secret documents captured from El Salvador's Marxist-led guerrillas, which are considered authentic by United States intelligence agencies, indicate that the Soviet Union and Cuba agreed last year to deliver tons of weapons to the guerrillas from stockpiles of American arms taken over by Vietnam and Ethiopia.

Copies of the documents obtained by The New York Times include a report on a trip by a high-level Salvadoran guerrilla, who is believed to be Shafik Handal, secretary-general of the Salvadoran Communist Party, to the Soviet Union, Vietnam, Ethiopia and Eastern European capitals where top-ranking party officials agreed to provide arms, uniforms and other military equipment for up to 10,000 guerrillas.

Meanwhile, the State Department confirmed Thursday that it has fresh evidence that increased supplies of arms are being infiltrated through Nicaragua to left-wing guerrillas in El Salvador and, without giving details, added that Cuba is a "principal factor" in the supply of weapons to the left wing.

Thursday, three House Democrats introduced a bill to stop all U.S. military aid to El Salvador, warning that the country's civil war could lead the United States into "another Vietnam." Reps. Gerry Studds of Massachusetts, Barbara Mikulski of Maryland and Robert Edgar of Pennsylvania also charged in a news conference the State Department has "lied about the situation in El Salvador."

One of the documents obtained by The New York Times, also reportedly written from Havana, refers to meetings that took place between the Salvadoran guerrilla leader and Gustavo Carvajal Moreno, president of Mexico's ruling Revolutionary Institutional Party, who was in Cuba during a visit to Cuba by President Jose Lopez Portillo last year.

This document said the Salvadoran guerrilla was guest at a dinner given by Lopez Portillo for President Fidel Castro of Cuba. As a result of talks during this visit with Carvajal, the Salvadoran reported that Mexico had agreed to allow the political front of the guerrillas, then known as the Unified Revolutionary Directorate, to set up an office in Mexico City.

During the last two months, in which the Salvadoran guerrillas of the Farabundo Marti Liberation Front unleashed an unsuccessful, but large-scale offensive, many of the arms captured by El Salvador's armed forces have been American-made rifles, mortars, and machineguns. There have also been Chinese-made weapons, as well as a variety of small arms available through commercial channels.

United States officials said they did not have information that showed that the arms and supplies described in the captured document had reached El Salvador. But State Department and Pentagon sources have said that there has been a flow of arms to the Salvadoran guerrillas in recent months that is believed to be coming, in part, from Cuba.

Secretary of State Alexander M. Haig Jr., said in his first press conference last week that the Soviet Union had been involved in "unprecedented risk-taking" in support of revolutionary movements in Latin America and Africa, with employment of what Haig called "the Cuban proxy."

The documents captured in El Salvador by government security forces last month describe the extent of collaboration between the Soviet Union and its allies in support of the Salvadoran guerrillas that has been approved at the highest levels of Communist leadership in East Europe and in Vietnam.

In one document, which appears to have been written in Havana, the Salvadoran guerrilla reports on a visit to Hanoi from June 9 to 15, 1980, in which he was received by Le Duan, secretary general of the Vietnamese Communist Party, Xuan Thuy, vice-president of the National Assembly, and Lt. Gen. Tran Van Quang, vice minister of National Defense. The report said the Vietnamese agreed to supply 60 tons of arms and ammunition, mainly from weapons abandoned by United States and South Vietnamese forces. The list included 1,620 M-16 automatic rifles, 162 M-30 and 36 M-60 machineguns, 48 mortars, 12 anti-tank rocket launchers, 1.5 million rounds of ammunition and 11,000 mortar rounds.

The Salvadoran guerrilla leader reported that he also visited Ethiopia, which was supplied with U.S. weapons prior to a Marxist revolution, Bulgaria, Czechoslovakia and Hungary where he was promised arms and equipment, some of which would be transported aboard East German ships to Cuba by government and Communist Party leaders in those countries.

In Moscow, where the report said the guerrilla emissary made two visits last summer, the main topics were how to transport the arms to El Salvador.●

VITAL LIFE AND PHILOSOPHY OF MR. CLAUDE SHOTTS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. PEPPER. Mr. Speaker, it is with great pleasure that I offer the following letter and article describing the vital life and philosophy of Mr.

Claude Shotts. It seems to me that Mr. Shotts exemplifies the very essence of what a man called elderly can do and be. In his 17th year of postretirement work, at age 82, Mr. Shotts continues to discover new challenges, seek new experience, broaden his life and learning.

We are so often beset with the stereotypes—on television—in the movies—in advertising—in the minds of too many Americans—which demean the dignity and character of our elders. And though we work hard to dispell the myths and help to restore the sense of self-worth and dignity that older Americans have earned, we are all acutely aware of how much distance we still have to travel. Mr. Shotts, in his vigorous and active life, gives us one fine example of what we are working for.

The letter and article follow:

GREENSBORO, N.C.,
January, 1981.

Greetings for the New Year:

My report and season's greeting to friends are late this year. I planned them earlier but the erosion of the November election started me thinking. This led to a decision that it was time to be opened up to more of the world and its people, especially a part that I had not experienced and shared. This brought about a further decision to spend a month in South-East Asia and India.

Departing on December 11th we visited Singapore, Sri Lanka, Madras, Bombay, New Delhi, Jaipur, Agra, Varanasi, Kat--mandu, Bangkok, Hong Kong and Honolulu. It was exciting throughout. While it was strenuous, it introduced one to the history and art of a great past and the needs and potential of the present and future. The progress in the short period since the end of colonialisn was as impressive as were the remaining problems yet to be solved.

The two most exciting experiences were attending the Friends Meeting in New Delhi on Sunday, December 21st and spending Christmas morning at the Taj Mahal. Arriving in New Delhi by early plane from Bombay, I took a taxi to the 10:00 a.m. Friends meeting in the Y.W.C.A. There were 15 in the group many of whom knew Friends in Greensboro and Chapel Hill. After the meeting the group had lunch at the home of Nettie Bossert (from England) and very interesting visits into mid-afternoon.

On December 25th we arrived at the Taj Mahal before the break of day to view it as the rising sun cleared the mist and fog at day-break. We then returned to the hotel for breakfast and came back with our guide at 9:00 a,m, to spend the morning in learning and experiencing more fully this gem of the world's miracles. It is a memory that will enrich life to its end.

The month's trip was an experience of people recently freed from two centuries of Western colonialism. Their progress and productivity under self-government have been remarkable. Their economic, social, educational and population problems are still massive which leaves their future in question but for some a challenge that has the potential of a positive change to a better future.

In my seventeenth year of post-retirement work I continue to find life interesting and work rewarding. 1980 was the twenty-third summer in Europe with students for a two months seminar. In addition, we had five Summer Schools led by faculty (England, France, Germany, Greece and Spain) and two Semesters (London and Munich). Between May and December, 118 Guilford students and faculty (over 10%) were studying in Europe—54 in six-week Summer Schools and 64 in Fall Semesters.

The Off Campus Seminars involved 200 students in one week of study in New York, Washington, Chicago and other localities where unique educational resources are abundant.

The purpose and results are to awaken students to some of the realities that lie beyond the campus but are basic to essential learning.

The family members are less mobile than I. They continue to live and work at their callings and to enjoy all that life brings to them. The nine grandchildren are reaching maturity, most in their early twenties. The only granddaughter, Susan, was married last Spring and lives in Roanoke, Va. Four of the boys are working and four are still in school. It continues to be a joy to see them grow and think.

Best wishes to all for the New Year.

Sincerely yours,

CLAUDE C. SHOTTS.

JOGGING AND LECTURING—AT 82, HE KEEPS BODY, MIND ALERT

(By Jim Jenkins)

Claude Shotts is 82. That he has passed the four-score mark surprises no one who has seen him up and about at 6:30, taking his morning jog around the Guilford College campus.

Nor does it give pause to those who have been on the receiving end of his gentle lectures on the evils of nicotine and fatty foods. And the least surprised of all are the "alumni" of his overseas trips with students, when he has run them ragged through the streets of assorted foreign countries.

A tall, raw-boned man with thinning gray hair and a soft, clear voice, Shotts directs the Off Campus and Overseas Program at Guilford College, where he came in 1965 after retirement from UNC-Chapel Hill. There, he was the director of the student YMCA during its periods of social activism.

The foreign trips he directs have been only the latest manifestation of Shotts' career-long belief that what happens to students outside of classroom hours is as important and perhaps more important than the time they spend seated behind a desk.

At Guilford, at Chapel Hill and before that at Colgate and Northwestern, Shotts provided an oft-needed sympathetic ear for students, whether his specific duties called for it or not.

Working many years ago with a young student affairs dean named William Friday at Chapel Hill, Shotts began to seek the reasons why so many students dropped out or flunked out of school.

"We found that many times it was the little things in their lives going wrong that caused them to leave school," Shotts said. "Too often, we let students leave school without finding out why, without trying to help them. We would talk to the students, and it may have been that his girlfriend dropped him, or his parents had divorced, or something even more serious like an illness. Anyone should be able to understand those problems, and we tried to work out ways for students to stay in school rather than just letting them leave."

He carries on with the effort at Guilford and believes it to be worthwhile for all colleges.

"I don't think colleges should flunk anybody," he said. "I think the dean should call them in and talk about it if someone is about to flunk out. We should counsel them out."

When a college does strike a student from the rolls, it's a severe setback that may become part of a future pattern, Shotts said. "We create failures and people who have a failure syndrome," he said.

Instead of spending time in lectures and taking examinations, Shotts would like colleges and universities to school students in "learning for survival." He would advocate a return to a system in which students spend time studying problems—and thinking of solutions—away from the ivory-covered tower.

"We should be teaching survival math, survival history. College should be related to the problems we have to face just off the grounds of the campus," Shotts said.

Too often, Shotts said, the problems with motivating students are blamed on the learners instead of the teachers. He recalled some experiences with teachers at other schools. "Faculty members complain that they lecture to students and the students are apathetic," he said. "Well, who's apathetic? The purpose of education is to make creativity joyful. But I couldn't discuss education with the same members of the faculty. They always changed the subject to credit and grades."

In taking students on trips abroad, Shotts thinks he has accomplished the filling of some of the gaps the "credit and grade" race leaves behind. Always after a trip, whether it has been to Paris or to New York's East Side, he asks the travelers one question. "I say, 'You've done some thinking. Would you like to continue?' And they meet regularly after that, to do some thinking, which is something we don't do enough of in college," he said. "I tell them they'll be on committees the rest of their lives, and if they can't lead discussions they're in trouble. Talking about things we're interested in—this is what I've been doing the last 50 years, and it's what I think education should be about. If you take several hundred students to Washington and New York, they come back with knowledge they didn't have before."

Shotts has applied the philosophy to himself, having served in a variety of academic and non-academic posts since his rural Alabama boyhood. After graduation from high school, he served as a principal. He also taught reading and writing to adults near his home, and, shortly after graduation from the University of Alabama, he entered graduate school at Yale. He took education to coal miners, farmers and others who were unable to attend standard public schools. A Quaker, he worked with conscientious objectors during World War II and after the war directed programs to give supplies and medicine to Germans for the American Friends Service Committee.

A center Shotts established to bring together citizens of communities for dinner, conversations and self-help projects survives to this day in Berlin.

While in Chapel Hill, he directed several activist projects out of the student YMCA, among them civil rights demonstrations—before such efforts had come to many campuses.

A grandfather, Shotts maintained his vigor through it all with a strict regime. An illness at age 13 had doctors doubting his

survival, but Shotts became an athlete and vowed after that illness he would take care of himself. That is the reason for his continuing interest in fitness and his good-natured lectures to colleagues who neglect their health.

Seventeen years past the generally accepted retirement age, Shotts balks at the thought he will ever be without a job. There is still, he says, much to be learned.

"I don't think education has kept up with our ability to gather information," he said. "We've made great strides in communication for example, without having anything to communicate. We can pick up the phone and call but we don't have anything to say. We've learned so much in the last five years about the physical being, but as personal beings we are less equipped to deal with problems. I think somewhere in education we have to address that. We have to encourage growth—of all kinds."●

LET US GET PRIVATE ENTERPRISE OFF THE GOVERNMENT'S BACK

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mrs. SCHROEDER. Mr. Speaker, one of the least scrutinized herds of sacred cows are the subsidies, tax breaks, loans, loan guarantees, and insurance programs that the Federal Government rather generously makes available to corporate America.

The February 12, 1981, Rocky Mountain News, "Let's Get Private Enterprise Off the Government's Back," provides the details:

LET'S GET PRIVATE ENTERPRISE OFF THE GOVERNMENT'S BACK

(By Herbert Kriedman)

During the election campaign, Ronald Reagan repeatedly raised the cry, "Let's get the government off our backs!" It is arguable whether politicians take their own slogans seriously, but, alas, often those slogans prove effective.

The minds of many citizens have been captured by the notion that the government is a latter-day Leviathan that crushes individual initiative while hogging and wasting resources that otherwise would allow for the prosperous working of a free economy.

Hence, Mr. Reagan's slogan was effective to the extent that it reinforced the myth that the government has been the relentless adversary of the private sector and of all the good things it offers the people.

But no matter how tenacious myths may be, the facts about the historic relationship in the United States between government and the private-enterprise system ought to be made clear so that the public can have the opportunity to put government's role in perspective.

Even a cursory survey would demonstrate that the growth of private enterprise was nourished by the policies and concrete measures taken by government, both on the national and state levels. Indeed, without that aid from public institutions, the private sector would have had a most uncertain future.

Take, for example, Alexander Hamilton's historic reports on the financial and economic aspects of the young republic. They served as the fundamental guidelines for many of the practical steps that the government took to promote the private sector. The essentials of the Hamiltonian policies were elaborated and carried forward by Thomas Jefferson's brilliant secretary of the treasury, Albert Gallatin. Serving for 13 years (under James Madison, too), Gallatin articulately championed the idea that the government had a central responsibility for making it possible for private enterprise to flourish.

Virtually the entire framework of the economy, from canals and railroads to our present network of superhighways and airports, in one way or another has been subsidized or financed by the federal government or by the states.

Between 1850 and 1871, 200 million acres were turned over to private railroad interests, although the grant was later reduced to 137 million because the railroads failed to meet certain legal requirements. The states, too, participated through financial subsidies and land grants, they donated about 55 million acres to private transportation companies.

There are, of course, other areas where the government has performed indispensable services on behalf of private enterprise. For example, tariff policy was designed, in the main, to foster various sectors of domestic industry. The federal tax structure, which Jimmy Carter called a "national disgrace" when he ran for president in 1976, has been geared toward sheltering the profits of private industrial and financial institutions. During the Great Depression, when banks and industrial corporations were on the skids, it was the New Deal that stopped the slide and helped to regenerate a faltering private-enterprise system. Moreover, government troops helped protect private investments at home and abroad.

Today, a variety of industries depend upon the government's purse for survival and prosperity. This is particularly true for companies involved in military production. A significant portion of the national budget is nothing less than a subsidy to maintain their viability. Other private-sector groups, including Chrysler, railroads and the nuclear-power industry, would head toward financial insolvency were it not for the government largess in one form or another.

The average citizen who is asked to "get the government off our backs" is probably unaware that most government credits and loan guarantees go to private enterprises. In fiscal 1980, new loans and loan guarantees totaled $131.6 billion; it may rise about $10 billion, to $141.2 billion this year. This would bring the grand total of federal loans and guarantees to the astounding sum of $550 billion.

Obviously, the monies to support all of these aid programs to private enterprise (which are never described as "welfare handouts") must come out of the pockets of the taxpayers, many of whom recently voted for Mr. Reagan.

And so, in the interest of historical accuracy, it would be more appropriate and far more enlightening for all citizens if President-elect Reagan's slogan has been turned around to say: "Let's get private enterprise off the backs of the government and the taxpayers."●

STATESMANSHIP AND THE CRISIS OF POLITICAL LEADERSHIP IN AMERICA

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. SKELTON. Mr. Speaker, recently, Dr. John A. Guegen, Jr., of the Department of Political Science, Illinois State University, addressed the Democratic 95th Members Caucus, here in Washington. He spoke of the qualities of statesmanship. I wish to share his address with all the members of this body:

We live in a historical moment which many agree will require uncommonly effective leaders if the accumulated achievements of centuries are not to be swept away by a new barbarism. The threat comes from outside in the form of militant and expansive totalitarian despotism, and from inside in the form of a pleasure-seeking secularism that drowns human values, cheapens life, and vulgarizes culture.

The symptoms of leadership inadequacy in connection with these threats appear in diverse shapes, but all of us are aware of three at least: The erosion of prestige which public office has suffered, a growing apathy which places the habits of a democratic populace out of harmony with the demands of a republican constitution, and a weakening of the foundational institutions of civilized society (most notably the family).

Many have analyzed this situation and have proposed a variety of interpretations and solutions. I wish to argue that it is due in large part to the absence of statesmanship, and that our crisis will probably be weathered only if statesmanship reappears in the near future.

Statesmanship is a major theme of my academic discipline—political philosophy. I understand it to mean that combination of natural and acquired knowledge and ability which makes a public person an eminent student and practitioner of the art of political leadership. We do not look at voting records or at the consistency of public utterances in order to detect statesmanlike qualities. Votes and quotes are merely parts of the day-to-day give and take of any politician's career, be he great or mediocre.

A statesman is to a politician what a master is to a painter or a composer in the arts; he is what a true champion is to an athlete in sports. Statesmanship enables a politician to undertake, or at least to influence in a decisive manner, those public enterprises which advance the common well-being of a people. It makes the difference between a custodial leadership which merely administers affairs and a leadership which transforms them.

A statesman usually holds some public office, as did Sir Thomas More or Sir Winston Churchill in England. But some statesmen have exercised statecraft as political reformers or advisers. In ancient Athens, for example, Plato thought Socrates best exemplified the idea of statesmanship, and some would attribute to Machiavelli, the sixteenth century Italian who became a political exile, the statesmanship he claimed for himself in his writings.

Nor must a statesman be universally recognized in his own time. His achievement

may not be notable until long afterwards when the nature and extent of his influence is fully knowable through its impact on the course of events. (Along with the obvious case of Lincoln, I think also of my fellow Missourian, Harry Truman.)

Perceptive students of statecraft such as Alexis de Tocqueville have pointed out that in the real world, statesmanship does not occur in the abstract. It is always a function of a particular socio-political order. A statesman possesses qualities which in part are universal, but which are also specified by the system that forms the context of his thought and activity. Thus we can speak of kingly or monarchic statesmanship, of aristocratic statesmanship, or again of democratic statesmanship. It is this last form which concerns us today as we direct our attention to the crisis of public leadership in America.

One cannot speak of democratic statesmanship, however, without immediately encountering a great paradox. It is not altogether inevitable that statesmen will assume political leadership in a democratic society, especially as office holders. Indeed it has been questioned whether statesmen are even possible in democracies.

Students of the American Constitution and of the best commentary ever written upon it—the Federalist—argue persuasively that the Framers tried to render statesmanship unnecessary in America and that they did indeed fashion a constitutional mechanism which any collection of good administrators, even when driven by self-interest, could manage reasonably well—at least when the ship of state cruised peaceful waters. Only a great impasse such as invasion or insurrection might require truly decisive leadership (as happened, in fact, in the time of Lincoln).

Of all constitutional forms, republican democracy seems least receptive to statesmanship (except for the obvious case of despotism) because it engenders a tension between public involvement in government and decisive leadership by an individual. Let me briefly illustrate.

All the forces of democratic life pull away from the extremes and toward a broad middle condition. While fear of anarchy at one extreme puts democrats on guard against leadership that is too weak, fear of tyranny on the other extreme makes us suspicious of the decisive leadership that seems to characterize a statesman.

The almost exclusive preoccupation with equality in democratic life—of which we have bountiful evidence over the past generation—makes it difficult for anyone to rule because no citizen wants to regard himself as a "subject." Since there cannot be authority among people who are really equal, a democratic statesman would have to be a great sleight-of-hand artist (whatever else he may be) in order to lead people unwilling to be led without their realizing it. And if he should fail in this "deception," there are examples like what the Athenian people did to Socrates to serve as a warning.

Two of my students recently argued that the fierce independence and individualism characteristic of democratic life create a condition in which the people are not amenable to government. I quote: "The people of an individualistic society will not accept a leader. They will not take orders from anyone, including the government, because they do not believe that a statesman is needed, and they will not admit that anyone could lead them better than they can lead themselves." Thus "the problem with American government is mostly with the people." I believe there is an ironic truth here—ironic because democracy means precisely the rule of the people. In America the people seem to be caught between a desire to rule themselves and a desire to escape the terrible responsibility of ruling.

Voter studies have shown that the majority of Americans seek to turn public officials into functionaries, into agents of their own self-interest; that they are ill-informed and under-motivated with respect to the general or public interest; that they are most sensitive to single issues and tend to favor candidates who will cater to their private ends of consumption and comfort rather than those who call for sacrifice; that the people are more concerned about rights than about duties.

Others have studied the prevalence of interest-group conflict and factionalism in democracies, a situation which inevitably requires compromises that a true statesman would seem to be unable to make. Add to that the short terms of office in a democracy which by requiring frequent submission to the electorate hamper decisive leadership and make politicians place short-range tactics ahead of long-range strategies. The same results derive from the democratic requirement that officials work closely together, reporting, checking, and restraining at every step of the policy process.

If we take all of these objections together, the paradox of democratic statesmanship takes on awesome proportions. But like any paradox, a resolution can still be attempted. And in this case, the tension between democracy and decisive leadership is but a tension and not a conflict. Since political philosophy thrives in an atmosphere of tension, I therefore hasten to present what I take to be the essential qualities of a democratic statesman.

I shall try to summarize as briefly as possible nine qualities I believe are essential to a democratic statesman. In presenting such an ideal view, there is an obvious risk of creating a mythical figure whom we could never find in real life. I ask you, however, to regard these qualities as standards toward which a democratic statesman would strive. The nine are: conviction, prudence, courage, foresight, unity, knowledge, insight, faith, and humility.

1. A democratic statesman, like any other, must first of all be possessed of a set of firm and consistent principles of life, convictions about which he is absolutely certain and which nothing could make him compromise. He will risk everything for them—his career, his safety, even life itself.

2. But at the same time, he is flexible on matters that can and should be compromised, and is instinctively able to tell the difference. His uncommon prudence and abundant common sense enable him to discern when, what, and how far to concede. Patiently he waits for the most favorable moment and thereby avoids unnecessary clashes. He knows when to speak and what to say—and how to be silent. Moreover, he can choose—and retain—equally prudent advisers.

3. Having an active mind which sees problems in all their concrete reality, he acts energetically, aggressively, and courageously when he perceives it to be the right time and place to act. No issue is too awesome to tackle, even though favorable developments can only come about little by little. Since a statesman is not easily discouraged, he perseveres with determination and persistence, trying to be optimistic about the outcome and confident of his ability to bring it about. Firmly in command of himself, he avoids emotional public outbursts and gossip about friends or enemies. With great endurance he works tirelessly and without concern for reward.

4. Our statesman's foresight places him well ahead of his fellow citizens in considering possible and probable long-term developments, but not so far out of sight that they cannot follow him. Thus he is able to dominate circumstances, to rise above them, to spot problems when they are still far off and easier to divert. Having been accustomed to responsibility from youth on, he can organize his time and resources to maximum advantage, with amiable good humor, and never the appearance of undue haste.

5. His public life is unified by a single dominant goal or objective: the long-range interests of the whole People, past, present, and future. As a public person, he always has the People on his mind. He is not content simply to lead them; he leads them somewhere, along the path he sees they must follow for their own common good. Although he is attuned to public opinion and well informed about particular interests within the body politic, he resists subservience, intimidation, or manipulation. As a master weaver he mediates and controls factions, outmaneuvering them in order to subordinate self-interests to the public interest. At the same time, he knows how to let private agencies, the family, and the church exercise the leadership which belongs properly to them. Determined to preserve his own integrity at all costs, no amount of money can divert him from his position (he has no price). With considerable oratorical skill he communicates his perception of the country's true needs to his colleagues in government and to the people at large, whom he ever labors to educate.

6. His own education has brought him rich and abundant knowledge through experience, study, and travel. This vast working knowledge—both practical and theoretical, and largely the result of self-education—is firmly grounded in the classical liberal arts, now as ever the basis of all that mankind knows. Recognizing that universal human experience is a more valuable and objective guide than his own, he has been intellectually curious and widely read since youth—not seeking a mere exposure to ideas, but genuine formation by them. His sensitivity to the world around him is the product of learning in four particular fields:

First, moral and political philosophy, which increases his understanding of and compassion for the human condition and the best way to order it.

Second, American and world history, both ancient and modern, especially the development of forms of government and socio-economic institutions, which enables him to understand his own Constitution and its history in context.

Third, political biography—the lives and writings of great statesmen (one, perhaps, in particular)—which provides him with positive models in drawing upon the experience of others.

Fourth, American and foreign cultures, languages, and literatures, which provide knowledge of national characters, public philosophies, and traditions, particularly the impact of his own national character and governmental institutions upon each other.

7. Underlying all of this education and making it fruitful in practice is considerable native intelligence, the penetration and in-

sight which make for rapid and sound judgment. The statesman comes quickly to the heart of a matter, analyzes cause-effect relationships, and reaches accurate conclusions.

8. At the deepest level of life is faith in God and steady recourse to God in the privacy of his heart. This makes accessible to him enlightenment and guidance beyond human resources and gives to his thoughts, words and actions an authority which transcends the world of political acumen. It enables him to inspire the people, as well, to nourish in them a genuine patriotism (which is not chauvinism), a trust in what they are about (which is not presumption). As his own conviction tends to shape the public morality, he has an uplifting effect on the national character and generates hopeful, magnanimous (high-minded) citizens who are motivated by his same spirit of service.

9. Finally there is the humility which comes from true self-knowledge and especially from awareness of his own limitations and the limitations of the human condition. This fundamental quality enables him to learn from his mistakes, makes him impervious to the false attractions of utopian fantasies, and leads him to prepare his successors to accomplish what cannot be done in his own time. In these others he can recognize his same potential for statemanship and thus provide for continuity of leadership by serving them as model of inspiration and teacher of statecraft.

1. If, in addition to these essential qualities a democratic statesman is also personally attractive and commands wide respect and admiration, unpopular positions which he may take will have a softer impact.

2. If his family line is well-established in wealth and/or a long tradition of public service, his earlier entry into public life will be facilitated.

3. If he possesses unusual oratorical ability and facility with written language, it will be easier to command a following and mobilize the people.

4. If through a good marriage he has the assistance of a companionable helpmate and children, the burdens of public office will rest easier on his shoulders.

5. If he has simple tastes, dresses and lives modestly, he will minimize personal problems and escape the envy of others.

6. If there is a personal handicap to be overcome—whether social, educational, or physical—his determination to succeed will be increased.

We must recognize that politics or statecraft is a profession, and that like all other professions it requires careful and systematic preparation through a combination of study and experience. As physicians, teachers, lawyers, and other specialized servants of the people must receive long years of training, so do politicians need a formation calculated to advance them toward the standards of statesmanship, now that it is so necessary for the survival of our country. As I have tried to explain, the formation of a statesman consists more of general education in the humanities than of the technical skills or "know-how" which most professions require. This is because the liberal arts—philosophy, literature, history, culture—are indispensable to the development of qualities which enable any human being to penetrate beyond the transitory and the ephemeral to the permanent realities that underlie our changing experiences.

Should it not, then, be among our public priorities to establish a national institute or academy of statesmanship which could do for our public leaders of all three branches what Aristotle's school for the formation of statesmen did for their predecessors in the ancient world, at the very time political science was born. We have long recognized—and with good reason—the necessity for professional training of future military officers in the service academies. Why not a similar institution for our future political officers? Here in Washington there is a War College for the continued training of officers experienced in national security, foreign and military policy. Where is the "College of Statesmanship" for the continued formation of our experienced legislators, administrators, and judges?

The work on statesmanship and the American leadership crisis which has so far been done at Illinois State University and at several other institutions in the land (most notably Claremont Graduate School's Institute for the Study of Statesmanship and Political Philosophy) is but a modest preliminary ground upon which to build.●

REMEMBERING VIETNAM VETERANS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MURTHA. Mr. Speaker, as a Vietnam veteran, I can understand the frustration many of our younger veterans felt over the ceremony given to the former Iranian hostages. When the Vietnam vets came back from defending their country, there were no bands or parades, in fact, much of the Nation was hostile to their service.

This was very difficult for many of the younger veterans to understand. It compounded problems for those veterans that many people here in the United States still fail to understand.

In my very first speech in Congress, on May 22, 1974, concerning military funds for Vietnam, I said:

I spent a year on the ground and I was out in the field every day, I saw the results of the criticisms of certain Members of Congress. It was devastating to the war effort. I do not agree it shortened the war. * * * Congress sat here in its air-conditioned offices and argued over this while the men who served there were in mud up to their knees and water up to their waists.

I was pleased to be one of the original members of the Vietnam Veterans in Congress Caucus, and this Caucus has tried to direct attention back to the Vietnam veteran who still suffers financially and emotionally. In 1979 during Vietnam Veterans Week, I commented in a radio interview:

* * * These young men served whether they were drafted or volunteered, they came back and there were no bands playing and nobody even knew they were gone in many cases. They had a very difficult psychological, mental, and emotional readjustment.

Even now, 10 years after the war has been over, they have a difficult time finding jobs in some cases. * * * There's a terrible misapprehension about the young fellows who served in Vietnam, and, because of the bad publicity, the war and the crisis of the war many people were critical of the veteran himself. Most of the criticism really should have been directed at the war itself. Yet, it rubbed off on the men.

And it still affects them. In the February 1 issue of "The Washington Post Magazine," Mr. Mark Baker did an excellent story on Vietnam and its brave veterans. It is lengthy, but I hope the members will read it. If you do not have time to read the entire article, at least read the last paragraph which is a touching reminder of how the Nation has in some ways failed the Vietnam veteran.

WAR STORIES

DIRECT FROM THE FRONT, TEMPERED BY TIME'S PASSING, REMEMBRANCES OF VIETNAM

(By Mark Baker)

Out comes the shoebox of Instamatic snapshots. Unceremoniously, the warrior's paper trophies are dumped on the middle cushion of the couch.

Machinery is a favorite subject. Tanks with muddy treads as tall as a full-grown man were photographed with the reverence little boys reserve for fire engines. A line of helicopters with their blades still and drooping look like giant, prehistoric flies, special effects created for some sci-fi movie.

The warrior flips through the stack for pictures of his comrades-in-arms. Boys with plastic guns strike silly poses, caricatures of men. A bunch of rowdy punks, drunk on their first six-pack, try to make poker faces, gambling with government-issued play money. Chubby grins flash from under a wisp of mustache that might have come from gulping milk out of a widemouthed glass.

"Hey, look at this one. This guy here in the middle is my buddy, Geezer," he says as though he were leafing through a high school year book. "Boy, he was a ——." The next instant his face clouds as his memory clears. "He's dead. He got wasted up on some hill."

He reaches for another photo. "That's me on the left. Geezer took it for me right after we got there. I weighed 145 pounds." It is difficult to recognize the 34-year-old man beside me in the baby face smiling from the picture in my hand. There's no beer gut; in fact the boy seems to ripple with hard muscle, like a teenage football star. Only the face is soft and unlined, doe eyes twinkling like the eyes of the two little girls who answered the door when I first arrived for this evening's interview.

The children are asleep upstairs now. His wife put out popcorn and beer and left for her Wednesday night ladies' bowling league. He has shown me around the house, has talked about his job with the public utility, the company softball team, the television show flashing silently across the screen in the corner of the room. Now the warrior has to talk about Vietnam.

He reels off his service number and the designation of his unit in a flurry of digits and military jargon. His story immediately stumbles over half-remembered dates and training camps.

One the narrative catches up to his first day in-country, the story wings through the loose details of his war in the mumbled monotone of a jaded tour guide. After 10 minutes, he's finished. "I don't know what else to tell you."

But the mental pictures had been brought down from the shelf and he can't resist

taking a look. The story begins to trickle out, gaining momentum, jumble of disconnected anecdotes and incidents.

"This is me up at the DMZ after I'd been there about six months," he says of the photo in the file he's holding. It's the same boy as before, squatting in red mud that seeps over the tops of his boots. His pants legs are rolled to the knee, fatigue green barely visible under the coating of clay. The only other piece of clothing he's wearing is a flak jacket—an armored vest with the words "DIE HIGH" printed on it. The grin is gone, replaced by the stony glare of an old man.

Strangely, his tone of voice hasn't changed throughout his vistation. Although he seems surprised as each distant bit of memory jumps into consciousness like a snapshot he forgot he took, he remains almost too composed. We wander back to where Geezer died.

Without much warning, his voice squeezes one note higher and stops with a choke. A tear rolls down his cheek before he has the presence of mind to catch it. He apologizes right away—man to man. Eyes averted, he begins distractedly to put the photos back in the shoebox.

As he does, he talks about a routine patrol he was on with his platoon when Geezer triggered a land mine rated afterwards at 150 pounds of explosives. The resulting crater was the size of the average bedroom in a suburban home. Six other men were killed with him. It was a common way to die in Vietnam.

His was among the thousands of closed caskets that were delivered to quiet graves all over this country during the war in Southeast Asia. As the story of how and why those boys died has unfolded in recent years, something has been missing—something personal and palpable; rarely has anyone bothered to talk to the men and women who know firsthand about the statistics and history of Vietnam, about the evil and the heroism and the rock 'n' roll madness. It is veterans like the man in whose home I am sitting who are most qualified to look inside those closed caskets and identify the bodies for what they are—dead boys killed in a war, boys who had names, personalities, stories of their own.

When I set out after those stories, what I heard were personal recollections—what are commonly called war stories. It must be assumed that they include generalizations, braggadocio and, very likely, outright lies. But if the stories that follow had been told within a religious framework, the telling would have been called bearing witness. The human imperfections simply authenticate the sincerity of the whole. The apocryphal aspects have more to do with metaphor than with deceit.

SIGN MY LIFE AWAY

I got into the Marines because the Army wouldn't take me. I was 17, hanging out in the neighborhood in Brooklyn with nothing to do. I knew I had to go to court sooner or later for some —— I was into. The Army recruiter didn't even want to look at me since they didn't get involved with court problems or 17-year-olds. Forget the Navy and the Air Force. They had intelligence tests, and I didn't have any.

One of the Big Boys who remembered me as a kid on the streets found out I was having a hard time getting into the service. He put his arm around my shoulder and took me down to talk to the Marine recruiter.

This big Marine takes one look at me and says, "This guy's a pussy. We don't want you. Get out of here." So I stand on a chair and get in his face and say, "Tell me about your big, bad Marine Corps."

"How old are you?"

"I'm only 17."

"Will your mother sign for you?"

"She ain't around."

The recruiter gave me $10 and said, "See that lady standing over there? Go give her the money, and I'm sure she'll sign for you." I was in this big courthouse in Queens, huge, with columns and the whole bit. She was standing next to a candy counter where they sold newspapers and stuff. So I go over and say, "Hey, I'm trying to get into the Marines. Will you sign for me?" No problem. She must have been doing this for a living.

That weekend I was in the Marines. I had to leave a note for my mother: "Mom, I went to Parris Island. I'll be back in a couple of months." I had no idea what I was getting into.

SMOKEY AND THE CUBS

The bus pulls into the receiving area. There's a guy with a Smokey Bear hat out there really looking lean and mean. He gets on the bus and starts reeling this —— off, "All right, you'll grab your bag. You'll get off the bus. You'll fall into the yellow footprints painted on the pavement . . ."

It was really funny, a takeoff from Gomer Pyle. The guy within arm's reach of the Marine was laughing just like everbody else. Smokey Bear whipped around and smacked him right in the face, knocked him halfway through the window. His head bounced off the luggage rack and he reeled back out in the aisle.

Smiles froze on faces. My heart stopped. We realized, "Hey, this guy isn't fooling around. He's going to come through this bus and kick all our asses." People started flying out of the door.

I came down with a couple of guys who were Puerto Rican street gang material from the big city and they thought they were bad news. They fell down the steps on top of me. We all stumbled into the right footprints on the ground and Smokey marches us into some barracks and stands us at attention. He's yelling and screaming, really intimidating. You dumped all of your stuff out on a table and he went by and just threw everything away. We were too scared to say anything to him.

I was next to this big Puerto Rican dude. Smokey catches the dude looking at him out of the corner of his eye. He says, "Are you eye—— me, boy? I don't want your scuzzy eyes looking at me. You think this is funny? I hope you —— up. I hate you Puerto Rican ——."

Eyes in the back of his head, Smokey sees a guy's eyes flick and he's there to punch him in the chest, five feet to the wall and back again. My knees were shaking. What the —— have I gotten myself into?

Then they march us into some barracks. Bare mattresses and springs. It's like a concentration camp. They turn the lights on and leave us there. My stomach is in a knot. I'm lying there thinking, "What happened to my world?"

WHO, ME? INFANTRY?

I foolishly went into the Army thinking, "Hey, with a few years of college under my belt, they're not going to put me in the infantry." I didn't see anything wrong with going to Vietnam. The only part I thought was wrong was my fear of being killed. I felt that somehow or other that shouldn't have been part of it. And I couldn't really picture myself killing people.

In boot camp I didn't meet very many patriots. They were guys that a judge had told, "Either you go in the Army, or it's two years for grand theft auto." Or they were schmucks like me who managed to lose their deferments. Or they were people who really had decided that the Army would be good for them in the long run.

To discourage us from going AWOL and deserting, all the new draftees were told that only 17 percent of us were going to Vietnam. And of that small percentage, only 11 percent would actually be combat troops. That eased my mind a great deal. Hey, there's still a chance that I won't have to go and get my guts blown out. Terrific.

At the end of our training, with only three exceptions—one fool who had gone Airborne, one guy who kept fainting and another kid who had a perforated eardrum—every single one of us went to Vietnam—200 guys.

WIRE MESH WINDOWS

I arrived in-country at Cam Ranh Bay. It's hot. The kind of hot that Texas is hot. It takes your breath away as you step out of the airplane. We were loaded on an olive drab school bus for the short ride from the airstrip over to the compound. There was wire mesh over the windows. I said to somebody, "What the hell is the wire for?"

"It's the gooks, man, the gooks," they say. "The gooks will throw grenades through the windows. See those gooks out there?" I look out and I see shriveled, little men squatting beside the road filling sandbags. They looked up at me with real contempt on their faces.

Here we are at one of the largest military installations in the world and we have to cover the windows to protect ourselves from little old men. I didn't put it all together at the time, but I knew something was wrong.

WHERE'S THE NEW GUY?

I arrived in 'Nam on an Easter Sunday. I flew into Bien Hoa early in the morning and got on an air-conditioned bus and was driven to the 90th Replacement Battalion, somewhere between Bien Hoa and Long Binh. I did whatever processing was necessary. Then in a formation after lunch I received orders to go to Long Binh and process into a transportation unit there. I was greatly relieved.

I thought, "Jesus, Long Binh. That's huge. That's like L.A. That's safe. Long Binh hasn't been hit in who knows how long. There's 25,000 people there. What a great way to go through the war."

At the same time, I was disappointed. I wanted to go to war. It was a test that I wanted to pass. It was a manhood test, no question about it. I did not know then the way I know now how safe my life had been. But some part of me knew that Vietnam was the event of my generation. Some other part also knew that I had led a pretty unchallenged life. I didn't know where I was going, so I might as well detour for a while and come up against something that was really hard.

I was at Long Binh for three days when the top sergeant said, "We're sending you forward." I had already written home and said, "You won't believe where I am. They have air conditioning!" He was really evil telling me with a smirk, "You thought you were going to have it easy, but you're not. You're going to one of the least desirable places anybody in this unit can be sent to."

I wasn't singled out. It was just the draw. I was new.

For a day, I couldn't even remember the name of the place I was going to. I'd heard it once and I couldn't remember it. A few of the guys who had been there told me stories about how often the place was hit. I got very scared. I had not been issued a weapon yet, and I was going to a place called Phuoc Vinh on a convoy.

Phuoc Vinh was a little bit like being at summer camp that first night. People were playing guitars, getting stoned. People were drinking and sitting under the stars. There was a barbecue. Then there was incoming.

It wasn't very close, but it was close enough. I didn't know what it was. Somebody just yelled, "Incoming." There had been some quick exchanges of useful information.

Give the new guy what he needs to know fast. Part of that was as simple as where the nearest bunker was located. I went to it and somehow managed to get in there in the midst of everybody else.

It was pitch black in the bunker and nobody was saying anything for a while. Out of the silence and the darkness, somebody said, "Where's the new guy?"

"I'm here," I said.

That was that, but there was something about that little exchange in the dark that I will never forget as long as I live. That question in the dark was authentically—I don't know what the word is—generous? Caring is too big a word somehow. Generous is enough. That's a lot. That somebody even bothered to think about me. Who the hell was I? This rather quiet, slightly older FNG in clean fatigues, whose boots wasn't even red yet. I was amazed.

BOOM! JUST LIKE THAT!

You'd hump your goddam brains out, up hills, over rocks, through water. Sometimes it was hand over hand through the roots of trees.

Ninety percent of the time, nothing happened, just boring, a walk in the sun, like sightseeing. But you're always aware that you could get blown away. You always protect yourself tactically to make sure your ass is covered.

You're hunting the smartest animal there is, and that's a human being. You can't believe how —— smart a man is. If you get one, it's blind luck. In the entire time I was over there, we got one confirmed kill on a day patrol out of battalion. It's their show; you're in their backyard.

I was constantly fatigued. The killing part is easy, but you're just so —— tired all the —— time. Your strength is zapped out of your body by the heat. Waiting in a column going down a hill, you go to sleep leaning against a tree. Every day you're out on patrol. Intelligence says they're out there, so here you go walking around in little geometric triangles. Go to this check point, go that check point, go here, go there. Day in, day out, day in, day out you get into a mind-numbing routine.

Humans are out there watching you. They know where you're going before you even get there. You see them running very far away in their straw hats and black outfits.

We had a constant attrition from boobytraps. Seven out of 10 casualties a month were traumatic amputees. On a sweep you all get in a long line and walk in. You're watching every place you step wondering who's going to hit it. You know someone is going to. Sweep and sweep and sweep, halfway through the day and nothing's happened. Are we going to hit a boobytrap today? Who will it be? It was mentally draining.

Boom! Just like that and a guy is missing a foot. Everything stops for a second, and there's a lot of action on the radio. A chopper comes down to pick him up. Zoom, he's gone. Then you're back at it again, hunting humans.

ONLY WORRY ABOUT DYING

Seeing guys get blown away, it didn't freak me out. You feel bad—"Aw, they got Zamallo" or "They wasted Baird," but what mostly goes through your mind is, "Jesus, I hope I don't have a big chunk of metal rip my head like that."

Watching guys die is a drag, but there's a weird educational side to war, too. The whole world gets absurd after a while. You do things that seem not right now, but which seemed right at the time. I used to love to go over to guys who would catch rounds in the chest or the guts and pretend I was a doctor. You had the license to do what ever you wanted. I would sort of experiment. You know, I couldn't do nothing to hurt these guys; they were dead. But there was something about sticking my hands in warm blood that I used to love, especially during the monsoon seasons.

Here you are with bodies going up all around you, so if you're going to do something absurd, do it and don't worry about it. That's something that I think everybody was doing there. I can actually say I never felt bad about anything I did in 'Nam, except for doing something like that once in a while. Or getting the pleasure out of it.

It's hard to believe, but I didn't have a care in the world while I was in 'Nam. I'd get up in the morning all covered with mud, look up in the sky with the rain splashing in my face and just smile. "I'm alive." The only worry you had was dying, and if that happened you wouldn't know it anyway. So what the ——.

You know what scared me in 'Nam? We had a guy die from an act of God. He was swimming on vacation and he drowned. I had forgotten that you still had to contend with God too. I didn't have it figured in the plot. That scared the —— out of me.

METAMORPHOSIS

Every time you came back to battalion from being on an operation, you get the day off, all the steaks, hot dogs and hamburgers you can eat, all the beer and soda you can drink. You just eat and get —— up. You're relieved of all responsibility.

You hang out, bull——, talk about women. Look for something cold, which was nonexistent. Go by the PX. Watch AFVN television. I'd see if I could commandeer a jeep and go up on Freedom Hill where they had a huge PX and a beer hall. You could talk to the Red Cross nurses.

I'd been out in the bush on an operation for 54 days straight one time. After all the beer and steaks, I went back to my hooch to have a conversation with my platoon sergeant. Just hanging out was incredible, the feeling of life. You were so aware of time over there you could taste it.

We were talking, and I happen to look over my shoulder. There's another person in the room. I was really surprised, because I hadn't heard anybody come in. Then I realized I was looking in a mirror and hadn't recognized my own reflection. Was that me? I had to smile to make sure. I was looking at a stranger. I'd changed. I'd never seen myself before. I'd become one of those guys that I'd seen when I first arrived in-country. Now I had that look in my eyes.

A TURKEY SHOOT

Somewhere along the line in the early stages of the war, some observation chopper pilot got tired of being shot at all the time. The guy rigged up three rocket tubes to the side of his helicopter, tied them into his electrical system and it worked.

So they started arming helicopters very heavily. Basic American ingenuity. These helicopters were never intended to carry troops or supplies or letters. They were just these big pieces of death machine that flew around.

In training films, a helicopter with one Minigun mounted in the nose would make a pass over a football field—50 yards wide and a hundred yards long. They'd turn a rabbit loose on the field and let him run around. Consistently, the ship would make one pass and kill the rabbit. Every time. The noise that they made was not like a gun, It was a long, deep, very loud belch.

BRAAAAAAAAAAAAAH.

Most of the time, we would just hang out in the standby shack close to the airfield and wait to get a call. There was a lot of bullshitting. But one night we were flying pretty far south and got a call in flight. A whole area was involved in a firefight, on the ground, in the air. It was really something. This night you could see the gunships firing, but even more fire was coming back up, .50 calibers.

"Whoa, let's think this over, man. I am serious. This doesn't look good. Not good at all." A .50 caliber machine gun is nothing to be —— with. Movies have done a disservice to that weapon. What they fail to convey is that a .50 caliber machine gun is big and bad enough that if you look around a city block, you will see almost no structure standing that you can hide safely behind if somebody is firing one of those things at you. It just goes through everything.

I guess we flew six sorties. Go out, expend all of our ammunition, fly back and load up. Go out again. Finally, dawn came. The battle broke off.

There were literally hundreds and hundreds of Vietnamese fleeing the area, any way they would. Panic. The sun was up and that was it. Time to get the hell out of Dodge. This wasn't a village. It was a big swampy area. They were leaving in boats, slogging on foot, anything. I don't know if they ran out of ammunition or what, but we were taking very little fire at that point and we were just killing everybody.

It turned into a turkey shoot. They were defenseless. There were three or four light fire teams working the area. We were just killing everybody. Hundreds of people were being mowed down. Bodies were floating in the water. Insane.

I was in there with the best of them. Blowing people off the boats, out of the paddies, down from the trees, for chrissake. Blood lust. I can't think of a better way to describe it. Caught up in the moment.

I BELONGED IN VIETNAM

I'd been living in the boonies for six months and flew right back to the States. So I was very disoriented. At El Toro Air Force Base a guy says to me, "Where you want to get stationed?"

"Marine Barracks, Brooklyn," I says, —— around with him.

"We got one in New London, Connecticut."

"That's close enough."

Bang, bang, bang, he stamps everything on my papers. I had no idea what Marine barracks was. I just wanted to be near the

neighborhood, hang out. I was a hot 19 years old and been to Vietnam.

I went to the Marine barracks in Connecticut and I found out—uh-oh, it's all embassy Marines. They're all covered in blue with red stripes down their pants, spit-shined boots, orders. None of them has been to Vietnam and this ain't grunt stuff.

These guys may be the finest in discipline, but they don't look out for each other. In 'Nam the grunts learned to look out for each other. You look out for your boys, you —— over the officers. Here, it's just the opposite. Everybody is doing everything they can to nail you. The Marine Game—you will go to the brig. I didn't want to hear that, I just came back from a war.

I signed in wearing my civilian clothes. I'm all alone and I was feeling all discombobulated. It was just too much, too quick for me. I said to myself, "No, man, I don't want no part of this." There was only one thing in my mind: get back to Vietnam where I felt at home.

I was there two hours and I flipped out. I started walking down the corridor knocking all the frames full of rules and regulations off the walls, throwing down all their little trophies and commendations. No words. Nothing.

There were about 10 guys there coming toward me, and I started going at blows with them. They beat the —— out of me, cuffed me and threw me in the brig. They gave me a shot of dope which —— me up, too.

After I got out of the hospital, I went over to see the major. He looked at my records and said, "You're a grunt. What are you doing here?"

"I don't know."

"Do you want to leave this unit?"

"Yes sir."

"Do you want to go back to West Pac?"

"Yes sir, I just want to get back to Vietnam, where I belong." I really felt that I belonged there.

No problem. I was out of that barracks in record time.

My second year in 'Nam I got into the Air Wing. All I did was smoke pot and ride gunner on helicopters.

I was going to stay a third year, but they gave me a year early-out and made me go back home. Some guys they had to lock up because they wouldn't leave Vietnam. A lot of guys wanted to die there. I mean, I wanted to die there. All my —— friends died there.

SOMETIMES, I MISS IT

I miss the sounds of the nights in Vietnam, with the choppers landing and the outgoing—not the incoming—fire. Although, even the incoming was exciting. The sounds are particularly vivid. The force after a large gun fires or a round lands, the feel of the gas from it on your face. Thinking about Vietnam once in a while, in a crazy kind of way, I wish that for just an hour I could be there. And then be transported back. Maybe just to be there so I'd wish I was back here again.

DEAR MR. US5276471

When I got my honorable discharge, I thought it would be really nice. It comes in the mail and it's a computer printout with my Social Security number on a piece of cardboard, so I just threw it away. I was really disappointed. I thought I'd at least get a little plaque or something.●

THE HOSTAGES—TRAPPED BY BIG BANK POLITICS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. HANSEN of Idaho. Mr. Speaker, for the Americans held hostage in Iran and for all America, it was 444 days of hell—444 days too many.

Strong evidence now suggests that the hostages were trapped by big bank politics—that the crisis could have been avoided, and that it could have been terminated honorably on several occasions during the ordeal.

Adding to the enigma is the fact that the U.S. Government would spend months on a plan to save an ex-King and the big bankers from Iranian revolutionaries and do nothing to protect American personnel in Iran from the rage of a predicted reprisal.

The hostages, their families, and all America are entitled to know what happened and why—and what will be done to prevent special interest groups from again dragging the Nation to the brink of disaster in the future.

The following letters to President Reagan and Secretary of State Haig unfold the final chapters of a very bizarre story which I introduced in the RECORD as "Irangate" on March 26, 1980, on December 5, 1979, on March 28, 1980, and on other occasions.

WASHINGTON, D.C.,
February 5, 1981.

Hon. ALEXANDER HAIG,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: Since my letter to you of January 30, 1981, conversations with your office and other key officials demonstrate the need to more thoroughly assess alarming facts indicating the possibility that American Embassy personnel were seized as hostages in Iran because big international banking interests needed a reason for the U.S. government to freeze Iran's funds.

It is a grave situation indeed if American foreign policy is being manipulated by international money interests to the point of war where the nation's sons and daughters might well be called to fight and die in some foreign land for no better reason than to shore up the shaky loans of speculators in a risky market.

My investigations have discovered that Treasury Department officials at top levels formally explored the possibility of freezing Iranian assets approximately six months prior to the embassy seizure in Iran and the taking of American hostages. This has since been verified by other inquiries.

There is reason to believe that Treasury began an in-depth analysis of a freeze of Iranian assets held in U.S. banks at the request of banking interests including David Rockefeller of the Chase Manhattan Bank. I found, again with independent confirmation, that high State Department officials became involved in the process of determining the feasibility of freezing Iranian money in late summer, 1979—around the same time Mr. Rockefeller and officials at State were making arrangements to admit the deposed Shah of Iran into the United States.

It is a fact of history now that the arrival of the ex-Shah in the U.S. caused Iranian militants to storm the American Embassy in Tehran on November 4, 1979 and take American prisoners. The August 2, 1979 "Precht Document" and other evidence clearly show that U.S. government officials had been repeatedly warned at least three months in advance that embassy personnel would probably be taken hostage if the Shah were allowed to enter the U.S.

The Carter Administration reacted to the hostage crisis by implementing a freeze on billions of dollars in Iranian assets largely locked away in the Federal Reserve and twelve big American banks; and implications are strong that the plan to eventually seize the Persian assets was carefully plotted in advance by key U.S. government agencies.

At the very least, the fact that officials at Treasury and State were considering a freeze on Iranian assets early in 1979 does much to erase the perception created during the crisis that a freeze order on the assets was requested and received only after Americans were taken hostage in Tehran.

A preconceived freeze on the Iranian billions suggests the following observations and conclusions:

First, had the Iranians never taken American prisoners, the U.S. would have had no real legal basis to seize the assets. Despite the fact that the Revolutionary Government of Ayatollah Ruhollah Khomeini threatened, until the day the hostages were taken, to remove its assets from U.S. bank vaults, the new government never missed a payment on loans made by the American banking consortium to the former Iranian government under the ex-Shah.

Second, because Americans were taken hostage, former President Carter was able to invoke the freeze which Treasury and State Department officials had spent prior months preparing. Despite the broadly worded International Economic Emergency Powers Act under which Mr. Carter invoked his Executive Order freezing the assets, such a seizure of Iran's money would have been most arbitrary and probably unenforceable without the provocation of the kidnapping of American personnel in Tehran.

Third, allowing Iran to exercise its legal right to withdraw its assets (some $12 billion) from the U.S. banks and deposit the billions in gold and notes in other foreign banks, or perhaps Iran's own central bank, could have had ruinous consequences for some of the American international bankers. The Revolutionary Government of Iran said many of the U.S. bank loans to the former Shah were not approved by the Shah's Parliament and were therefore illegal and unconstitutional; this caused distrust between the new Iranian government and the American bankers.

Fourth, besides allowing U.S. seizure of the Iranian money, the hostage-taking undermined plans by the head of Iran's central bank, Ali Reza Nobari, to expose the numerous questionable and possibly illegal loans extended by the American banks to the ex-Shah—one group which were identified at a total of $1.3 billion were reported to have been extended despite the objection of the Chase bank's own attorney in Iran.

As already noted, State Department officials entered into deliberations about the freeze around the time preparations were in motion to receive the ex-Shah for "humanitarian" reasons. This was, as far as can be

determined, about July or August, 1979—a period during which former Secretary of State Cyrus Vance was sending communiques to Iran to notify the American charge d'affaires in Tehran, L. Bruce Laingen: "We are again considering how to respond to the Shah's continuing query to us through various channels regarding establishing residence for himself . . . and his family in the U.S.".

Secretary Vance also informed Mr. Laingen, at the very time his Department was involving itself in discussions about a freeze of Iranian assets, that the Shah could "remain in Mexico at least through October." Mr. Vance asked for Mr. Laingen's "personal and private evaluation of the effect of such a move (of the Shah to the U.S.) on the safety of Americans in Iran." By secret communique, Mr. Laingen responded that the move would require serious precautionary measures in advance to prevent a likely embassy takeover and hostage-taking.

More specifically, and in connection to a planned freeze of Iranian assets before the hostage-taking, I learned several months ago that David D. Newsom, then Under Secretary of State for Political Affairs, was involved in two crucial roles before the American Embassy takeover. Mr. Newsom was in charge of State's work on the freeze while at the same time involved in getting the ex-Shah to New York City for "medical" treatment.

A recent independent inquiry regarding this apparent dual role in the months before the hostage-taking, did not make direct contact with Mr. Newsom, but his Deputy Legal Adviser, Mark Feldman, stated that Mr. Newsom and his attorney staff did not become involved in the freeze of the Iranian assets until November, 1979.

Nevertheless, I have been informed by an official at the Treasury Department that Mr. Newsom became a party in the freeze order discussion in late summer and through the fall. Mr. Newsom then held secret meetings on a future freezing of the Iranian assets and excluded the lower-level treasury people, who had done the leg work on the freeze.

Leonard Santos, Deputy Advisor to the Assistant General Counsel for International Affairs at Treasury has confirmed that the State Department was involved in discussions about freezing Iran's assets months before the hostages were seized. He said the top State officials involved in the talks included Secretary Vance, Deputy Secretary Warren Christopher and Mr. Newsom.

Mr. Santos reported that Robert Carswell, Deputy Secretary of Treasury, also participated in top-level talks about the freeze with officials at State.

Mr. Carswell was a senior member of the large and prestigious law firm in mid-Manhattan, New York, Shearman & Sterling. The firm of Shearman & Sterling counsels Citicorp, the second largest U.S. bank holding company and a member of the Rockefeller-led consortium that made loans to the ex-Shah. Shearman & Sterling, moreover, was the law firm that accompanied the U.S. banking officials to Algiers in the final days of the hostage deal and helped hammer out terms whereby $3.67 billion of the frozen Iranian assets went directly and uncontested to the consortium of American banks.

Mr. Santos said that he and others at the Treasury Department began to worry that Iran might withdraw its assets from U.S. banks in America and overseas in the spring of 1979. This eventually led to consideration of a freeze on the assets through the summer and into the fall.

According to Mr. Santos, the Iranian government, but not the Iranian central banks, made threats up until the past November 4, when the hostages were taken. However, he admitted that Iran never did withdraw its assets as it threatened and that the central bank continued to make payments on the loans from the Rockefeller consortium.

The greatest fear was that Iran would withdraw its assets suddenly and disrupt the U.S. economy and international finance. He also stated that the U.S. bank loans to Iran were a prime consideration and motivation for Treasury and State to initiate formal consideration of a freeze on the assets, even though the loans had no call upon the assets as collateral.

Unfortunately, Santos could not really explain why the U.S. banks that had made loans to Iran, and whose foreign holdings greatly outweighed their domestic assets, did not, during the seven months Iran made its threats, prepare as much to absorb a possible loss as they did to secure a protective freeze. It is debatable how much the U.S. economy might have suffered if Iran had withdrawn assets from banks that held more foreign cash and gold than U.S. dollars, but there is little question that it would not have been in a magnitude like the suffering and dislocation caused by the hostage crisis.

Mr. Santos and his supervisor, Russell Munk, said the Treasury Department studied other options besides freezing the assets but neither man could stipulate what the other options were or how many other "options" Treasury probed.

It is important to remember that Iran, by law, had the right to withdraw its money from the U.S. at any time and leave, provided it continued to make payments on its loan obligations. During the months of discussion and memo-passing about the freeze, it slowly became apparent at Treasury that the United States would have a difficult time legally seizing the assets. U.S. law did not provide a solid basis to do so, and other countries with money in American banks would revolt.

This is where the key question arises. Was it just coincidence that the U.S. State Department, while thinking freeze, let the Shah into the U.S., thus triggering the hostage crisis, which in turn provided the lever needed to implement the long-planned freeze of the Iranian assets? It is most important to determine if there is such a connection.

It is equally important that hearings be held in the Banking Committees of both Houses of Congress into the legality of the loans made by the American international banks to the ex-Shah, and the vulnerability of this nation's banks which have extended hundreds of billions of dollars in foreign loans.

Certainly such hearings must also be directed into the complicity of big banking interests in the hostage crisis such as Mr. Rockefeller's apparent strong hand in pressuring the State Department into letting the ex-Shah come to the U.S.

As for the hostages, the most important thing to probe in hearings is why the State Department did not take precautions to protect the embassy personnel in Tehran before admitting the ex-Shah to the U.S. when their own officials stated for months in secret communiques that such action would cause the Embassy to be attacked and hostages taken. How can it be that the State Department would spend six months trying to protect the big money interests while their own employees are left to the wolves?

The involvement of the big banks and bankers did not cease with the capture of the hostages and the freeze. It was ongoing throughout the crisis in the odyssey of the former Shah and various contacts and negotiations, and culminated in a grand splash where the twelve big banks carved out the terms for the financial settlement necessary for the release of the hostages.

It is important to remember, as reported in the Washington Star of February 1, 1981, that:

"Until the embassy seizure, the Central Bank of Iran had been making scheduled payments on the loans. But the banks were worried that once the new government focused on the loans—and the huge interest rates involved—the payments would end. Although Iran had large deposits in the banks as well, they were immune from attachment by the banks. Thus, more of the loans are totally unsecured.

As a result, when Carter's Nov. 14, 1979, freezing order eliminated the immunity status of Iran's deposits, the banks leaped at the opportunity to draw on them to pay off the loans in full . . .

The United States has taken the position that Iran has to make its own deal with the banks regarding the loans, and any past due installment or interest payments on them. Only after this is done will the President release the funds remaining.

One or more of the American banks and the Iranian Central Bank have been having their own, secret negotiations on the loans since June, but there has been little progress. Surprisingly, the Carter administration has paid little attention to these talks, despite their obvious significance to an overall agreement.

The American bankers are insisting that past installments and interest on the loans have to be paid, and that any reinstated loans have to be secured or guaranteed by the new Iranian Government.

The conclusion flows easily. A crisis which originated in the big banks' need to protect unsecured loans ended only when those banks converted these shaky loans to debts paid or guaranteed in full by the Iranian Government—and the hostages sat there for 444 days until it happened. This is driven home by the statement of one bank representative as reported in the February 1, 1981 Washington Post regarding the final cable received from Iran which stated, "We've issued the instructions and note you have not yet followed them. You realize the fate of the hostages is in your hands."

Mr. Secretary, many people traveling to Iran over the many months of the crisis were frequently threatened with Logan Act prosecution, but to my knowledge no one ever challenged the bank interference in this foreign policy crisis. In the face of the clear record of bank manipulation of our dealings with Iran from the beginning to the end of the hostage crisis and the willingness of the State Department to condone such activity, one must ask who controls the foreign policy of the United States?

I appreciate your cooperation in securing an adequate investigation so that there will

be the strongest possible guarantee against recurrence of this national nightmare.

Respectfully yours,

GEORGE HANSEN,
Member of Congress.

WASHINGTON, D.C.,
February 2, 1981.

Hon. RONALD REAGAN,
President, the United States of America, the White House, Washington, D.C.

DEAR MR. PRESIDENT: The attached letter of January 30, 1981 to Secretary of State Alexander Haig together with attachments constitutes a working "white paper" on the Iran hostage crisis. This material was prepared in response to (a) a request by the Office of the Secretary of State for details supporting the need for investigation of this ordeal and related matters, and (b) a suggestion by the former Minority Leader of the House of Representatives, John Rhodes, who was intimately involved in on-going efforts for crisis solution.

When this material is properly reviewed, I am convinced you will agree that there is no way this crisis can be relegated to history without careful investigation of alarming irregularities and disturbing questions.

Some of your key advisors during the election, in reviewing documents such as those I personally supplied to you, expressed grave concern with one commenting that this is "impeachable material." This concern was again expressed by high ranking transition officials who agreed there must be an investigation.

For fourteen months since the crisis began, and especially since my first trip to see the hostages in Tehran, I have continuously pressed for Congressional involvement and investigation. This has been supported by former hostages, hostage families, key Members of Congress, prominent elements of the media and a large number of concerned citizens. I have letters from virtually every involved leader in the past 96th Congress agreeing to the need for such action, especially now that the hostages are home; and this call has now been renewed by similar leaders of the new 97th Congress.

I respectfully suggest that it is vital that this investigation proceed immediately in order to put such a review in proper perspective because (as your Freedom of Information requests must attest) many journalists, some involved with the major media, are moving full-force into vital and sensitive areas concerning the interrelationship between banking, medical and government actions in the handling of the Shah and the revolutionary climate in Iran which put us at the mercy of kidnappers for 444 days.

The bottom line question has to be, "Why would provocative financial and political actions be taken without proper steps to protect American personnel and secret documents in Tehran?"

Evidence strongly suggests that American diplomats and Servicemen (ironically as the Biblical Daniel in Babylon) were arbitrarily, or even intentionally, cast into the "Lion's Den." These are among the questions which have arisen:

First, did the U.S. State Department knowingly trigger lawless elements of Iran to take American Embassy personnel hostage?

Second, why did the U.S. State Department allow the former Shah into the United States for any reason without providing proper security for Embassy personnel in Tehran in the face of the Precht document and others which clearly and accurately predicted the consequences?

Third, why did the U.S. State and Treasury Departments prepare a freeze order to protect big bankers in anticipation of the former Shah's entry into the United States and not make reasonable security provisions to prevent the kidnapping of American Embassy personnel?

Fourth, did the knowledge of a possible freeze order on Iran's assets coupled with the arbitrary admission of the former Shah to the United States irresponsibly provide a means for lawless elements in Iran to exploit the possibility of American plans for a physical and financial restoration of the Shah to power and a trigger for their capture of our Tehran Embassy in retaliation?

Fifth, did certain financial interests in the United States with risky investments unduly and even dangerously influence American foreign policy even to the point of Logan Act violations? Did they, for instance, move to protect their financial interests by intentionally triggering the implementation of a previously-planned U.S. government freeze-order on Iran's assets by bringing the former Shah into the United States with knowledge that such a move would provoke an attack on the U.S. Embassy in Tehran?

My recovery of U.S. secret documents in Iran and discovery of a pre-existing freeze order along with an early exposure of the role of big banks and questionable use of double agents suggest that American Embassy personnel and this nation may well have been held hostage 444 days too long by an incompetent, if not corrupt, foreign policy.

There can be no quick turn of the page on this terrible ordeal. America wants to know what happened and hopefully we can quickly move to provide answers.

Mr. President, there are also serious questions to be asked regarding Soviet intervention and terrorist activities, directly and through surrogates such as the P.L.O. and internal Iranian political factions including the militants who kidnapped and held Americans prisoner for 14 months. Certainly the Soviet policy reversal brought on by our presidency should have immediate attention—the switch from alternate active and passive support of America's embarrassing entrapment in Iran to tactics, beginning with the release of the hostages, designed to expel us and our influence from the Persian Gulf area.

A very prominent Iranian official in my office this week informs me that there is an alarming growth of Communist strength in Iran taking advantage of (a) increasing infiltration of agents from related Soviet areas like Azerbaijan, (b) a climate of political instability and chaos, and (c) the past U.S. policy of unreliability and weakness. This official pointed out that the abusive and terroristic tactics of the kidnappers are not characteristic of Iranians, and demonstrate Soviet and P.L.O. training which is also oppressing and terrifying the people of Iran. He warns that many around Khomeini are Communists who pay lip service in their prayers but wait for his death to make their bid for power with hopes of utilizing arbitrary measures and treaty devices to invite Russian involvement and assistance.

All of this and the war and the energy situation need our urgent attention and a proper review of the hostage crisis is the only way to get the full picture. I strongly urge your assistance to accomplish this, that the hostage ordeal will not have been in vain. This study and your refreshing new approach to foreign policy will provide more adequate insurance against the disasters in the future.

Respectfully yours,

GEORGE HANSEN,
Member of Congress.

WASHINGTON, D.C.,
January 30, 1981.

Hon. ALEXANDER M. HAIG,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: The hostages are home from Iran to a relieved and grateful people. Now is the time for introspection. We are all concerned that this devastating experience not be repeated, and the foreign policy comments and pronouncements from you and President Reagan since assuming office have been refreshingly meaningful and comforting.

Your current emphasis on the need to end Soviet-supported terrorism around the world is most welcome and crucial to real peace and human rights. In this context it is important that you know that knowledgeable sources in Iran informed me during the final days of the hostage negotiations that Soviet fear of the impending Reagan Presidency caused the necessary collapse among the militants making the hostage release possible.

Communist and PLO elements, comprising as much as 30 percent of the militant forces holding our hostages, were instructed to shift positions and support hostage-release due to concern that President Reagan would use the hostage problem as reason to significantly increase American presence in the Persian Gulf area—something Moscow wanted desperately to prevent.

This move, plus the Russian radio broadcasts attempting to unnerve Iranians with false reports of an imminent American invasion, were designed to minimize U.S. presence and maximize fear and hatred of Americans to enhance Soviet prospects for exploitation in an anti-communist revolution-torn land sandwiched between Soviet-dominated Afghanistan and Soviet-armed Iraq. The existing situation is further impacted by support from communist and leftist nations for both sides in the Iran-Iraq war attempting to assure a no-lose solution. This threat to Free World security cannot be ignored.

In addition, Mr. Secretary, I must bring to your attention shocking irregularities in State Department activities in the Iranian situation involving multinational financial interests which appear to have been a major cause of the American personnel in our Tehran Embassy being attacked and taken hostage on that tragic Sunday, November 4, 1979.

As a Senior Member of the House Banking and Finance Committee, I have for some time closely observed what appear to be gross manipulations of American foreign policy by certain big international banking interests which have placed the United States at the mercy of terrorists and blackmailers—the Iran crisis being a real case in point. Here are basic facts and findings:

First, the Iranian Revolution revealed that certain big international banks had provided huge shaky and controversial loans to the Shah of Iran against the advice of their own legal counsel and without the required approval of the Iranian Parliament.

Second, Iranian officials of the new Khomeini government threatened not to pay these "unconstitutional and illegal loans"

and even to withdraw their assets to prevent bank retaliation.

Third, some of the big banks apparently decided to get President Jimmy Carter to bail them out with a freeze order which was being prepared in the State and Treasury Departments some six months before Iranians attacked the U.S. embassy and took Americans hostage.

Fourth, then, one of the big bankers, with full cooperation from State Department officials, supplied the trigger for getting the freeze order applied by bringing the former Shah into the United States, despite the strongest possible intelligence warnings that such action would precipitate an attack on our embassy in Tehran and the taking of hostages. The State Department, in reckless disregard of its own alarming "secret, eyes only" documents, played into the hands of lawless elements of the Iranian revolution without any real efforts to protect American personnel by such steps as reinforcing the guard or closing the embassy (as was done by Canada when a provocative act was deemed necessary).

Fifth, the hand of the bankers remained obvious (a) as the U.S. State Department blundered in an attempt to return the former Shah to Mexico in a breach of protocol condemned by the Mexican Ambassador; (b) again in the movement of the former Shah to Panama; and (c) in the embarrassing contradiction of the White House orders as the former Shah fled to Egypt.

Sixth, and finally, the big bankers again emerged as the key figures in the final hostage negotiations taking center stage from the diplomats just as I had long predicted would happen. As a result, it was not Iran's demands which were fulfilled to secure the hostages' release; the imprisoned Americans instead were ironically released after 444 days when the bankers were paid in full, including their shaky loans. As was stated in the February 2nd edition of Time Magazine, "Government officials participated very little in the discussions. There was no exchange between the government and us, said one moneyman. 'They took what we gave them.' " Interestingly, the less influential claimants had their liens voided and were subjected to the delays and less certain fate of an international claims commission arbitrarily designated by Presidential direction without Congressional action.

Mr. Secretary, the pre-hostage relationship between Iran and the United States was disturbed by the alleged excesses of SAVAK and its affiliates and reported disruption of CIA subsidies to the Mullahs, and by identified financial scandals, in addition to banking irregularities, such as those involving Lockheed and Textron kickbacks to Iranian officials. Then, during the hostage period we witnessed the embarrassing machinations of unscrupulous double and triple agents feeding information for pay to the White House, the Iranians and the former Shah's family. For months and months leftist French lawyer Christian Bourguet and leftist Argentinian exile Hector Villalon dangled Hamilton Jordan in futility while the President's own brother, Billy, was unbelievably fusing the White House to the Libyan leftist regime in another wild chase, for a handsome $500,000 advance on a multi-million dollar oil royalty arrangement.

After deliberately sticking its neck into the kidnappers' noose, the United States government time and time again engaged in a succession of embarrassing plots and failures and continually sidestepped verified opportunities to honorably resolve the crisis and bring the hostages home. The hostages were apparently doomed by short-sighted politics and policies to remain until the big banks had been paid.

When a desperate out-going President and a destitute Iranian government became willing to settle at almost any cost, the plan developed, a plan which would have worked at the time of the 1980 General Election but for one overpowering reason—the Iranian government still did not control the hostages. The militants, using American prisoners as leverage to capture the Revolution, would not cooperate until the certainty of a Reagan Presidency collapsed the Communist faction finally forcing, after some uncertainty, the balance of the militants into an agreement with a mob-like factionalized government already tilted to the hardliners.

Mr. Secretary, because of the hostage crisis, the United States suffered large losses to taxpayers, consumers, and business interests, as well as damage to our national security, our foreign policy and our military image—all this in addition to the terrible ordeal and anxiety of the hostages and their families and caring people everywhere.

Because of the hostage crisis, Iran learned the hard way that "crime does not pay" as they now find themselves in war and chaos, in bread and fuel lines, in bankruptcy and disgrace, and having some $12 billion in assets shrink to $3 billion cash available.

Because of the hostage crisis, the Soviet Union has gained great spin-off advantages in crushing Afghanistan and having an open field for exploitation in a weakened and fragmented Iran.

Because of the hostage crisis, the big banks were again relieved of suffering any real consequences for imprudent and even illegal business practices, instead transferring the misery and destruction to others and encouraging the terrible acts of terrorism we are now determining to stop, thanks to your firm new policies.

Mr. Secretary, I strongly urge you to call on the State Department's Inspector General and appropriate Committees of Congress to investigate this shocking Lilliputian ordeal which saw a militant band of "little people" tie-up the great Uncle Sam for 444 days.

I have pressed for such an investigation for fourteen months and am most grateful for your interest. America and Americans must never again be easy prey for terrorists and kidnappers.

So much must be reviewed beyond the cosmetic inspections advocated by some people on the reported and unquestionable mistreatment of the hostages. It is imperative that in-depth investigations be made into:

First, the conduct of U.S. Foreign Policy which (a) allows this nation, as in the case of Iran, to blunder into awkward, humiliating and even damaging situations, especially as influenced by powerful self-serving special interest groups; and (b) to arbitrarily, and even deliberately, refuse to consider obvious opportunities for early and honorable recovery.

Second, (a) The advantages gained by the Soviet Union and Communist movement through the Iranian Revolution and capture of the American Embassy, personnel and documents, (b) the influence of leftists, the PLO and other terrorists and the Soviet Union on the hostage crisis and on the future of Iran and the Persian Gulf area, (c) the stability and composition of the present government of Iran and its future, considering reports of probable early collapse and the ongoing possibility of Khomeini being dead or incapacitated.

Third, the conduct of U.S. military operations as they apply to the planning and execution of special projects. The questions of timing, possibility of success and adequacy of training and equipment arising from the aborted rescue mission certainly must be addressed. The future must profit by lessons of the past and the experience of the planners and gallant volunteers who conducted the operation.

Fourth, the conduct of long-range American relations with Iran and Persian Gulf area nations, especially in view of expanded Soviet activities and influence.

Fifth, the conduct of embassy affairs, as experienced in the two Tehran takeovers of the U.S. Embassy, regarding the security of personnel, and the acquisition, processing, utilization, and protection of intelligence data and secret and sensitive documents.

Sixth, (a) the conduct of U.S. foreign policy regarding Iran and the hostage crisis by the Executive Department as it related to the Constitutional duties of this Congress to assure against extra-legal actions—an example being the unilateral formation of an international claims commission. (b) The use in the hostage crisis of double agents and other covert devices of a shady and possible compromising nature.

Seventh, the conduct of international financial interests in the Iranian situation, particularly as U.S. foreign policy and our national image have been affected by questionable bank loans, the kickback problems, and other financial relationships.

Mr. Secretary, we have been ravaged by militants who brutalized our people and who also exploit, suppress, and even destroy their own country. We should honor our commitments, but only in the same way as they delivered the hostages. It took 444 days for them to accumulate a responsible enough government to secure release of the captive Americans and we should take sufficient time in returning additional funds and assets to assure that it only goes to a government responsible to the people who are the rightful owners. We must ask which faction is the real government—Khomeini, Bani Sadr, Rajai, the Revolutionary Council, the Majlis, the militants or someone else—even if it takes 444 days. In the meantime, perhaps a more apparently responsible government will emerge.

It may also be in order for the United States government to file claims against the escrowed assets for taxpayer expenses in dealing with crisis and for compensation for the hostages and victims of the rescue mission and their families. I am, in the meantime, introducing legislation to provide proper reimbursement and compensation to these deserving citizens for their great sacrifice which I hope will have your support.

There are many proposals for recognizing or rewarding these hostages and the deceased members of the rescue mission, but I can think of no more legitimate recognition than the award of decorations for exceptional valor to those like Sgt. Lopez, whose heroics in protecting embassy personnel were so effective.

Again, Mr. Secretary, may I strongly encourage your support for an investigation of this tragic page in our history:

First, by your Agency.

Second, by the Defense Intelligence Agency on the basis of national security and the need to repair our intelligence system

from the loss of sensitive data, equipment and strategic position caused by the Iranian Revolution.

Third, by appropriate Committees of the Congress.

I am enclosing background material supporting my ongoing call for investigation of the Iran crisis. I feel there is strong evidence supporting such an investigation and stand ready to provide further information as you may require.

Until we find answers to the questions posed by the hostage crisis, we will be haunted by the plaintive cry of one of the freed Americans as he stood face-to-face with the former President and in tears asked, "Why did you leave us there so long?"

Respectfully yours,

GEORGE HANSEN,
Member of Congress.

H.R. 1584

A bill to provide for certain benefits for the United States citizens held hostage in Iran

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Hostage Indemnification Act".

DEFINITION

SEC. 2. For purposes of this Act—

(1) the term "American hostage" means any American hostage as defined in section 101 of the Hostage Relief Act of 1980 (5 U.S.C. 5561 note) who was taken hostage during the November 1979 seizure of the United States Embassy in Iran; and

(2) the term "family member" means any family member as defined in section 101(3) of the Hostage Relief Act of 1980.

MEDICAL AND HEALTH CARE AND RELATED EXPENSES

SEC. 3. Under regulations prescribed by the President, any individual who was an American hostage, and any other United States citizen who was taken hostage in Tehran during the November 1979 seizure of the United States Embassy in Iran, and any family member of such an individual or citizen, shall be paid (by advancement or reimbursement), for the 3-year period beginning on January 20, 1981, expenses for medical and health care, and other expenses related to such care, to the extent that such expenses are not covered by insurance.

COMPENSATION FOR LOSS OF PERSONAL PROPERTY

SEC. 4. Under regulations prescribed by the President, each individual who was an American hostage, and any other United States citizen who was taken hostage in Tehran during the November 1979 seizure of the United States Embassy in Iran, shall receive compensation for personal property lost during the captivity of such individual or citizen, as the case may be.

ADDITIONAL RETIREMENT BENEFITS

SEC. 5. (a) Each day of captivity of an individual who was an American hostage shall be credited as one and one-half days for purposes of chapter 8 of the Foreign Service Act of 1980, subchapter III of chapter 83 of title 5, United States Code, and, in the case of an individual in the Armed Forces, for purposes of determining eligibility for retirement and computing retired pay.

(b) Subsection (a) shall not apply in any case in which the additional credit described in such subsection has been allowed under any other provision of law.

(c) No additional contributions with respect to retirement shall be required to be made by an individual who was an American hostage on account of the additional credit allowed by subsection (a) or allowed as described in subsection (b).

PROMOTIONS

SEC. 6. Notwithstanding any requirement of any other law (other than a requirement that an appointment be made by and with the advice and consent of the Senate), the President may appoint to the next highest class or grade of service, as the case may be, each individual who was an American hostage. This section shall not apply in the case of any individual who has been promoted, before the date of the enactment of this Act, as a direct result of such individual's status as an American hostage.

EARLY RETIREMENT

SEC. 7. Any individual who was an American hostage in the civilian service and who would be eligible for voluntary retirement under section 811 of the Foreign Service Act of 1980, or for immediate retirement under section 8336 of title 5, United States Code, as the case may be, if such individual continued in service for the 5-year period beginning on the date of the enactment of this Act, such individual shall be eligible for such retirement on such date of enactment. No additional contributions by such an individual shall be required and no reduction in annuity shall be made to such an individual on account of this section.

LEAVE FOR MILITARY PERSONNEL

SEC. 8. (a) Any individual who was an American hostage in the Armed Forces shall be deemed to have been in a missing status during the captivity of such individual for purposes of section 701(g) of title 10, United States Code, except that such individual may take leave accumulated during such captivity in lieu of being paid for such leave under section 501(h) of title 37, United States Code.

(b) Any individual who was an American hostage in the Armed Forces, in addition to leave accrued under section 701 of title 10, United States Code, shall be entitled to take 15 days of leave during the 1-year period beginning on February 1, 1981.

EDUCATIONAL ASSISTANCE FOR SURVIVORS OF IRAN RESCUE TEAM

SEC. 9. Any member of the Armed Forces who died in Iran in April 1980 during the aborted mission to rescue the American hostages in Iran shall be deemed to be a person who died of a service-connected disability for purposes of chapters 35 and 36 of title 38, United States Code.

PAYMENT TO FORMER HOSTAGES

SEC. 10. (a) The President shall pay $50,000 in lieu of any claims against the Government of Iran to each individual who was an American hostage and who was released by the Government of Iran on either July 11, 1980, or January 20, 1981, and to any other United States citizen who was held hostage in Iran due to the seizure of the United States Embassy in Tehran and who was released by the Government of Iran on January 20, 1981.

(b) The President shall pay $10,000 in lieu of any claims against the Government of Iran to any other individual who was an American hostage.

TAX PROVISIONS

SEC. 11. [(a)(1) For purposes of the Internal Revenue Code of 1954, the gross income of an individual to whom a payment is made pursuant to section 10 of this Act does not include such payment.

[(2) Payments made pursuant to section 10 of this Act shall not be subject to any tax imposed by any State, any political subdivision of a State, or the District of Columbia.]

(b) Any individual who was held hostage in Iran due to the seizure of the United States Embassy in Tehran and who was released by the Government of Iran on January 20, 1981, shall be deemed to be an American hostage for purposes of title II of the Hostage Relief Act of 1980.

PREFERENTIAL ASSIGNMENTS

SEC. 12. It is the sense of the Congress that any individual who was an American hostage should be permitted to select among available assignments to service in accordance with such individual's preference.

COMMENDATION OF FORMER HOSTAGES

SEC. 13. The Congress commends all those United States citizens who were taken hostage in Iran in November 1979 due to the seizure of the United States Embassy in Tehran for the courage, fortitude, and dignity they displayed throughout their captivity.●

SENATE—*Wednesday, February 18, 1981*

(Legislative day of Monday, February 16, 1981)

The Senate met at 8:20 p.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., offered the following prayer:

Almighty God, from whom, through whom, to whom are all things, we beseech Thee on behalf of our Nation and its leadership at this significant hour in national affairs.

We pray for the President of the United States as he addresses the Congress and the people. Give to him special wisdom, special strength, special clarity, as he communicates his message so crucial domestically and internationally.

We pray for the Members of Congress that they may hear with objectivity and respond with integrity as they understand their individual and collective responsibility.

We pray for the people that they will hear the President's message uncluttered by selfish interests and parochial concerns.

Grant to all of us a deep desire for the best for our country and the world. Let this be an evening marked by the highest and finest in loyal, dedicated citizenship.

We ask this in the name of Him who is the Lord of history. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, not to extend beyond 8:30 p.m., in which Senators may speak for not more than 1 minute each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMPREHENSIVE ECONOMIC MESSAGE—MESSAGE FROM THE PRESIDENT—PM 31

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, together with an accompanying document:

To the Congress of the United States:

It is with pleasure that I take the opportunity this evening to make my first major address to the Congress. The address briefly describes the comprehensive package that I am proposing in order to achieve a full and vigorous recovery for our economy. The key elements of that package are four in number:

—A budget reform plan to cut the rate of growth in Federal spending;

—A series of proposals to reduce personal income tax rates by 10 percent a year over three years and to create jobs by accelerating depreciation for business investment in plant and equipment;

—A far-reaching program of regulatory relief;

—And, in cooperation with the Federal Reserve Board, a new commitment to a monetary policy that will restore a stable currency and healthy financial markets.

Taken together, I believe these proposals will put the Nation on a fundamentally different course—a course leading to less inflation, more growth, and a brighter future for all of our citizens.

To aid the Congress in acting promptly on these proposals, I am today forwarding the attached documents which describe the program in greater detail than I can in my address to you. Specifically, you will find the following documents in this package:

(1) An economic report—issued as a White House paper—that outlines all four of the elements in my program and sets forth the background to those elements.

(2) A lengthy report on my initial budget cut proposals that has been prepared by the Office of Management and Budget. It should be noted that this report will be followed by a complete budget submission to the Congress, addressing fiscal years 1981 and 1982. That report will be sent to you on March 10.

(3) A report on my proposals for tax reduction issued by the Department of the Treasury.

It is my hope that this combination of transmittals will allow the Congress to proceed in accordance with timetables established in the Congressional Budget Act and will permit rapid consideration of this entire program.

My Cabinet and other members of my Administration have worked intensively and cooperatively with me in developing this program for economic recovery. All of us are now eager to work with the Congress as partners in an undertaking that is vital to the future of the Nation.

RONALD REAGAN.

THE WHITE HOUSE, *February 18, 1981.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. Res. 75. An original resolution authorizing expenditures by the Committee on Banking, Housing, and Urban Affairs; referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PELL (for himself and Mr. CHAFEE):

S. 493. A bill to permit Charles E. Day, Sr., and Mary Day, husband and wife, to file an action against the United States in the U.S. District Court for the District of Rhode Island, and for other purposes; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 447

At the request of Mr. RANDOLPH, the Senator from South Carolina (Mr. THURMOND), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. SIMPSON), and the Senator from Mississippi (Mr. STENNIS) were added as cosponsors of S. 447, a bill to redesignate the days on which Washington's Birthday, Memorial Day, and Columbus Day are celebrated to make each such day a legal public holiday.

SENATE RESOLUTION 75—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 75

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1981, through February 28, 1982, in its discretion (1) to make expenditures from the

contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $1,583,411, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1982.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public, the scheduling of public hearings before the Committee on Energy and Natural Resources on President Reagan's proposed economic package and budget for fiscal years 1981 and 1982.

The hearing on the Department of Energy's budget is scheduled for Monday, February 23 at 2 p.m. in room 1202 of the Dirksen Senate Office Building. Testimony will be received from the Secretary of Energy.

The hearing on the Department of the Interior's budget and the Department of Agriculture's budget is scheduled for Tuesday, February 24 at 2 p.m. in room 3110 of the Dirksen Senate Office Building. Testimony will be received from the Secretary of the Interior and the Secretary of Agriculture.

For further information regarding these hearings, you may wish to contact Mr. Richard Grundy at 224–2564.

QUORUM CALL

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97–21)

The PRESIDENT pro tempore. Under the previous order, the hour of 8:35 p.m. having arrived, the Senators will proceed to the Hall of the House of Representatives for the joint session; and upon the conclusion of the joint session, the Senate will stand in recess until 11 a.m., Thursday, February 19, 1981.

Thereupon, at 8:35 p.m., the Senators, preceded by the Sergeant at Arms, Howard Liebengood; the Secretary of the Senate, William F. Hildenbrand; and the President pro tempore (STROM THURMOND), proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, Ronald Reagan.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

RECESS UNTIL TOMORROW AT 11 A.M.

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered into, at 9:45 p.m. the Senate recessed until tomorrow, Thursday, February 19, at 11 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, February 18, 1981*

The House met at 3 p.m.

The Reverend Leonardas Andriekus, St. Casimir's Monastery, Brooklyn, N.Y., offered the following prayer:

Eternal God, Father of nations and source of compassion, justice, and strength, we humbly bow our heads before Your Majesty.

Praised be Your name for the benefits, showered upon this great Nation and its leaders, so ardently working for a better world.

You have inspired them to be compassionate to the Lithuanian people, who have been suffering oppression on the shores of the Baltic Sea for over 40 years.

Lord, praised by Your name for inspiring the House of Representatives to commemorate the independence of Lithuania and giving to its people the hope to be free again.

Finally, we ask You to protect the United States of America as a fortress of justice and strength—to Your glory and to the joy of all freedom-loving humanity. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 69. Concurrent resolution providing for a joint session of the two Houses on Wednesday, February 18, 1981, to receive a message from the President of the United States.

The message also announced that the President pro tempore, pursuant to Public Law 97-3, appointed Father Ishmail Vincent Gromoff, from private life, to be a member of the Commission on Wartime Relocation and Internment of Civilians.

REV. LEONARDAS ANDRIEKUS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute.)

Mr. ANNUNZIO. Mr. Speaker, it is a genuine pleasure to welcome to our Nation's Capital Rev. Leonardas Andriekus, who offered the opening prayer today. It is fitting that he joins us here today, for February 16 marked the 63d anniversary of Lithuanian Independence Day.

Father Andriekus was born in Lithuania and after joining the Franciscan order he studied at universities in Austria and in Italy, where he received his doctorate in canon law. Since 1964, he has been provincial of the Lithuanian Franciscan Fathers in the United States and lives in Brooklyn, N.Y.

Father Andriekus is also an accomplished poet, has published several volumes of poetry in the Lithuanian language, and an English translation of selections from his work was published in 1968 with the title "Amens in Amber." He was awarded the annual prize of the Lithuanian Writers' Association in 1961. I want to thank Reverend Andriekus for being with us today and to wish him continuing success in his dedicated work in the church.

NINE-DIGIT ZIP CODES—A FOLLY WE CANNOT AFFORD

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEISS. Mr. Speaker, I am introducing legislation today to prohibit the U.S. Postal Service from implementing a nine-digit ZIP code system, a plan which would cost both the Postal Service and the mailing public over $1 billion each. This extravagant plan will most likely not result in either increased efficiency or significant savings. If it is put into effect, taxpayers will pay more for absolutely no improvement in service.

The postal system needs improvement in many areas, and must be improved if it is to remain a viable enterprise in the competitive mail market, as a Postal Service task force concluded 5 years ago. But the nine-digit plan is not the answer.

As now projected, the Postal Service investment of $1 billion for the new system would include new automation and mechanization of the existing mail sorting process and the division of the country into approximately 20 million ZIP areas—up from the current 40,000 such areas. The Postal Service claims that the plan could save some $500 million in labor costs. But the facts, presented last year to a Government operations subcommittee hearing, flatly contradict this contention.

In that hearing, the Postal Service revealed that the $500 million figure is based on two expected events, both of which are unlikely to occur: Almost immediate public acceptance of the new nine-digit system, and deployment of massive new amounts of new equipment. Public acceptance of the current five-digit system was anything but immediate, as postal officials know. And the equipment to be deployed is simply not available, and as the Postmaster General admits, will not be available for some time.

Even if the plan would save money, the savings must be balanced against the estimated $1 billion in additional costs that will result from the required overhaul in mail files maintained in Government, private industry, and private organizations. This estimate, I must add, does not even include the increase in postage rates that will be needed just to offset the additional costs being incurred by the Postal Service. In the end, it will be the individual taxpayer and stamp purchaser who pays the additional costs.

Perhaps the added costs could be justified by a vast, clear improvement in mail delivery. But even the Postal Service admits that the four extra digits will only aid in sorting the mail, not speed it up. Even more likely, the new nine-digit ZIP could result in the creation of a new class of mail—business first-class—which would be given priority over individually addressed mail or business mail without the nine digits. It is entirely possible that the net result for most people would be slower, not faster, delivery.

In this time of inflation and Government cost cutting, there can be no excuse for the folly of the nine-digit ZIP. I urge my colleagues to join me in opposing this plan.

Mr. Speaker, the legislation I am introducing is as follows:

H.R. 1929

A bill to prohibit the use of funds to establish a nine-digit ZIP code

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2003 of title 39, United States Code, is amended by adding the following subsection at the end thereof:

"(g) None of the funds available to the Postal Service from the Fund shall be expended to implement a nine-digit ZIP code system.

BUDGET CUTS IN SYNFUELS SUBSIDIES

(Mr. OBEY asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, there has been a lot of criticism of President Reagan for his proposed plan to cut back some of the direct Federal subsidies for commercial development of synthetic fuels.

While many people here disagree with his plan, I do not. If we are serious about cutting the Federal budget and turning over to private enterprise many of the efforts which have been handled in the past directly by the Government, then certainly the commercial development of synfuels is one area that ought to be considered.

The record profits of the past 2 years, and even higher ones forecast over the next 10, should certainly provide ample capital for investment by big business and the oil companies in synfuels production.

With decontrol of oil, and possibly natural gas to follow shortly, there should be more than enough incentives to encourage the private sector to develop new energy technologies without Federal subsidies.

Certainly the Mobil Oil Corp., which earned almost $5 billion in the past 2 years, can afford to give up the $25 million it is asking the Federal Government for to help it study coal gasification.

If the President cuts Federal spending for that kind of a program in a carefully crafted way, I for one look forward to supporting him on it.

WE NEED HASTE WITHOUT WASTE—NOT BUSINESS AS USUAL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I was distressed to read this morning that you intend to take a business-as-usual approach to the President's new economic package. You were quoted as saying legislation passed in haste makes an awful lot of waste.

I get very nervous when you start talking about business as usual. Business as usual in the last Congress put us a month late adopting the first budget resolution and 2 months late on a second budget resolution. We failed completely to adopt 4 of 13 appropriation bills. We had to waive the Budget Act dozens of times and actually violated our own laws. We put off major reforms in a number of areas and ended up in a lameduck session doing what we should have done months earlier. That was when your party had total control over this House, the Senate, and the White House as well.

Business as usual in the last Congress meant we sat idly by, fiddling away while the economy burned. We cannot afford more business as usual. We need the haste without the waste, and I am confident our President will take care of the waste if we oblige him by making haste.

□ 1510

CONGRESS MUST LEAD THE WAY IN BELT TIGHTENING

(Mr. ROTH asked and was given permission to address the House for 1 minute.)

Mr. ROTH. Mr. Speaker, this evening our President will deliver an address which may well prove to be an historic address. The President has set the right tone when he, President Reagan, recommended no pay raise for top Government officials and for Members of Congress.

Congress must lead the way in the national belt tightening that is needed to get inflation under control. I wish the President had gone even further and had seen fit to hold up pay increases for Federal judges.

Mr. Speaker, we here in Congress must set the example if we expect the American people to follow us.

DEMOCRATS THREATEN TO TORPEDO WHITE HOUSE PROGRAM

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, the President has not even been heard on his economic plans and yet the Democrats are already vowing to torpedo his program.

Mr. Speaker, you are quoted by the Washington Post as saying, "We're not going to go forward and ram through everything that he's asking for. Haste makes waste."

Further, Mr. Speaker, you are quoted by the New York Times as saying, "We're not just going to let them tear asunder the programs we've built up over the years."

In other words, the Democratic program seems to be to do nothing and do it slowly. That is a prescription for economic ruin. It is a slap in the face at the mandate of the people rendered just a short 15 weeks ago.

Economist Paul Samuelson wrote recently in Newsweek:

> Reagan's goals are economically feasible, but few in Washington think his scenario is politically possible.

The Democrats have evidently decided to ignore economic need and go with political expediency, but that is a national tragedy.

SIXTY-THIRD ANNIVERSARY OF INDEPENDENT LITHUANIA

(Mrs. FENWICK asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, Monday, February 16, 1981, marked the 63d anniversary of the establishment of an independent State of Lithuania. Lithuanians throughout the world, including a large number of Lithuanian Americans, remember this date as a milestone in their brave nation's struggle for independence and self-determination.

The democratic State of Lithuania adopted a constitution preserving freedom of the individual, but it was shortlived, for in 1940 the country was invaded by the Soviets and declared a constituent republic of the U.S.S.R. This was carried out despite the explicit provisions of the 1920 peace treaty signed by the Soviets, recognizing Lithuania as a free and independent state and renouncing any rights of sovereignty over it.

The past 39 years of Soviet domination have not wiped out the spirit of the freedom-loving people of Lithuania. The Helsinki accord of 1975, signed by the Soviet Union, guaranteed them certain rights, and on this 63d anniversary of the founding of their republic we must renew our faith that these rights and pledges will someday be honored, and we must remember, too, the other Baltic States, Estonia and Latvia.

Mr. Speaker, our country does not recognize Soviet rights to rule these countries, and I hope the world will note that and long remember it.

A TRIBUTE TO THE LATE HONORABLE PAUL C. JONES, FORMER MEMBER OF THE HOUSE

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMERSON. Mr. Speaker, I take this opportunity to advise my colleagues of the passing of former Representative Paul C. Jones last Tuesday, February 10, 1981.

With Congressman Jones' passing, the people of southeast Missouri have lost an old and dear friend—a friend whose lifetime was, in every sense, devoted to public service. As mayor of his hometown of Kennett, Mo., as a member of the Missouri General Assembly, as chairman of the Missouri Highway Commission, and as a U.S. Representative from the 10th District of Missouri, Paul Jones set an example of which all of us who hold public office should take note.

Throughout his 20 years in this House of Representatives, Mr. Jones gained an admirable and well-deserved reputation as one whose opinions, words, and actions were determined by conviction, not by political winds or

fear of opposition. He was not known as a conciliator, but as a courageous and honest advocate of the best interests of his constituents.

Among his colleagues in this House, Paul Jones was regarded as one always ready to speak his mind, and respected as one whose words were based on thorough knowledge and genuine understanding of the subject at hand. His diligence and expertise in the area of agriculture not only distinguished him as an invaluable member of the Committee on Agriculture, but served as a constant tribute to the tremendous agricultural resources of his district.

Likewise, Paul Jones' renowned advocacy of a strong national defense and for fiscal responsibility in our Government represented values that he did not merely express, but that he exemplified as both citizen and public servant. He did not just talk about national security, he served as an outstanding commanding officer of the Missouri National Guard. He did not just complain about waste in Government, he actively sought its elimination at every opportunity. In short, Paul Jones conducted himself with such sincerity that, even when in disagreement, his colleagues universally held his integrity and conviction in the highest regard.

Perhaps one of the greatest tributes ever given Paul Jones was delivered by one of his colleagues upon his leaving the House of Representatives in 1968. In remarks entered in the CONGRESSIONAL RECORD on October 12, 1968, Congressman Poage of Texas said of Paul Jones:

> I do not believe we could operate this House with 435 Members like Paul Jones. But I do not believe that this House will operate as well without Paul Jones. I believe that he has rendered a service which very few men can render, and I do not know of anyone who can take his place in the coming sessions of this Congress.
>
> He has had a unique ability and a unique courage of character. I admire Paul Jones greatly, even when we are in violent disagreement.

To those words, spoken by a close friend and colleague of the late Congressman, I can only add that the greatest tribute that we here today can pay to Paul Jones is a pledge to hold his example as the standard by which we, ourselves, serve in this House of Representatives.

Mr. Speaker, I will seek a special order at an appropriate time in the near future so that Members who wish may join in paying tribute to a highly respected late Member of this body.

INTRODUCTION OF CIVIL SERVICE AUTHORIZATION ACT OF 1981

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks).

Mrs. SCHROEDER. Mr. Speaker, I am today introducing the Civil Service Authorization Act of 1981. It is nearly identical to H.R. 5138, which passed the House on December 3, 1979. Unfortunately, it never received attention in the other body.

What this bill does is to place the civil service agencies of Government on 2-year expiring authorizations. Currently these agencies are permanently authorized. I see three advantages for establishing expiring authorizations.

First, an expiring authorization forces Congress to act affirmatively to perpetuate these agencies. I cannot foresee a time when these agencies will be abolished. Yet, the discipline of justifying these programs on a periodic basis is crucial to keep the size and budget of Government under control.

Second, an expiring authorization sets a schedule of oversight. It forces the authorizing committee to return to the program at the end of a fixed period of time and see what changes are needed. With basic legislation as profound as the Civil Service Reform Act, conscientious oversight is imperative.

Third, the mechanism of an expiring authorization permits the authorizing committee to communicate its views to the Appropriations Committee on the appropriate level of funding for programs within its jurisdiction.

From now on, we can no longer sit back and assume that Government programs will roll along perpetually. We must frequently appraise the programs we create. We must state the need which forced creation of the program, see whether that need still exists and see whether the program is meeting that need. And, we must be willing to end programs if they are no longer needed or running astray.

The Civil Service Authorization Act of 1981 will help meet this goal.

IN RECOGNITION OF THE ARMENIAN PEOPLE

(Mr. DANIELSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, I want to commend the gentlewoman from New Jersey (Mrs. FENWICK) on the very excellent speech she just gave with regard to Lithuania and the Baltic States.

I would like at this time to remind my colleagues that not only in the Baltics have we captive nations but in the Middle East there is the Republic of Armenia which was established following World War I, which subsisted for 2 years, which was recognized by the Government of the United States of America, and which was subsequently partitioned between the Soviet Union and the present Government of Turkey.

Armenia as a nation is still here. We have about 4 million Armenians in the world, of which about 500,000 live in the United States. But the sovereign State of Armenia has been overrun, and it, too, is a captive nation. But we here in America are not going to forget them because we still believe in the self-determination of nations.

INTRODUCTION OF THE ALIEN CREWMEN BILL

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, I am today submitting to the House of Representatives a bill to allow alien crewmen serving on U.S. fishing vessels to debark temporarily on Guam, the Northern Mariana Islands, and American Samoa.

This is admittedly a most controversial measure. My bill would amend a section of the Immigration and Nationality Act originally instituted to protect American jobs on American ships. Guam and the other offshore areas included in my measure are in a unique position, however. We have no large pool of fishing crewmen to staff U.S.-owned or based fishing vessels. The economic advantage to the people of Guam would be tremendous if U.S. companies could begin using the territory as a transshipment center. They will take their business elsewhere, however, if Guam and the other areas cannot accommodate the rest and recreational needs of the crews.

Guam, the Northern Mariana Islands, and American Samoa are isolated U.S. areas in the far western Pacific. Guam is over 6,000 miles from the mainland. The special needs of the territories must be considered carefully, which is why I am introducing this bill today to address this particular situation. Thank you.

OLDER AMERICANS ALTERNATIVE CARE ACT OF 1981

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, I do not think anyone would dispute the fact that there is a tremendous need for services which allow older Americans to remain independent in their homes and their communities as long as possible. My colleagues in both bodies and on both sides of the aisle have indicated that a change in current Federal policy toward the elderly is essential. The legislation I am introducing today, the Older Americans Al-

ternative Care Act of 1981, would take the first steps toward making a comprehensive range of services available to older Americans and their families who are attempting to delay or avoid inappropriate institutionalization.

The need for comprehensive, coordinated, cost-effective alternatives to entering an institution has never been greater, and recent demographic research and analysis adds a dimension of urgency to today's situation. The 65-and-over population, which now comprises over 11 percent of the entire population, continues to grow faster than the younger population. By the year 2000, there will be almost 32 million elderly, and after that time, the numbers and proportion of the elderly will rise sharply as the "baby boom" population matures. These demographic trends will require us to rethink and restructure current policy toward the aging.

Institutional care, while expensive, is clearly appropriate and necessary for a number of our older citizens; however it makes no sense at all, either in humanitarian or fiscal terms, to emphasize institutional care for all older Americans. I believe we can develop cost-effective, compassionate alternatives through a range of services, including utilization of healthy elders in the effort to help their peers remain independent as long as possible.

Review and investigation of the status of programs designed to keep older Americans out of institutions by the General Accounting Office (GAO), the Department of Health and Human Services, and others, all point to the need for a coordinated, comprehensive approach which pulls together the disparate services of a number of programs into a coherent whole. The legislation I am introducing today is an attempt to begin to develop a comprehensive approach to dealing with the needs of older Americans, and it recognizes that older Americans are a diverse group, with many different needs and preferences as they strive to maintain their independence.

My bill would address this situation on three fronts by: First, expanding and liberalizing the home health benefit under medicare; second, by strengthening and expanding the Senior Companion program, an already existing, highly effective program of peer assistance to frail elders in the community; and third, by offering a $500 refundable tax credit for individuals who care for their parents in their home.

Title I of the Older Americans Alternative Care Act of 1981 would continue the efforts made in the last Congress to expand the home health benefit under medicare. As my colleagues are well aware, many of this Nation's elderly do not need and cannot afford costly institutionalization, yet the current orientation of the medicare program is still weighted in favor of institutional care. Recent studies show that if adequate home health services were available through medicare, approximately 2.5 million elderly people could be kept out of institutions. GAO also reports that there is a consensus among health care authorities that approximately 25 percent of the patient population is treated in facilities excessive to their needs. According to GAO, until elderly people become extremely impaired, the cost of nursing home care exceeds the cost of home care. It is obvious then that current Federal policy is costly both in fiscal terms and in terms of the quality of life for older Americans. Title I of my legislation would remove the homebound requirement, include periodic chore services, allow provision of covered home health services in certain adult day care centers, and allow reimbursement for respite services which are necessary to provide incentive and support to the primary caretaker of the person receiving home health services. I believe it is important to encourage people to take care of their loved ones by letting them know that respite services are available for the patient should they need a short break in order to tend to other responsibilities.

Title II addresses itself to strengthening and expanding an existing, effective alternative to institutionalization, the Senior Companion program. The Senior Companion program is one of the smallest programs administered by the ACTION agency. The program is a model of cost effectiveness, which serves not only the frail elder but also utilizes low-income healthy elders as the deliverers of client services. The approach of peers helping one another is beneficial to both and provides the Senior Companion with a small, protected stipend as well as the opportunity to serve others in a meaningful way. The Senior Companion budget request for fiscal year 1982 is $16.3 million, which would provide 6,000 companions serving 30,000 elders nationwide. Rather than creating another expensive program based on expensive professional intervention, I believe it makes a great deal of sense to expand this program, which channels 90 percent of its Federal funding into direct client services. There are few, if any, Federal programs which can make such a claim. The fact that Senior Companions are peers rather than professionals means that they have a special kind of insight and encouragement to offer those whom they are assisting.

A preliminary analysis of the effectiveness of the Senior Companion program in one project found that 62 percent of its clients had impairment levels similar to persons living in nursing homes. This finding is buttressed by others studied which have shown that the medical conditions of nursing home residents are shared by other persons residing in the community; it is the social situation of the nursing home residents which is different. It is the social situation of the frail elderly in which the senior companion intervenes. By providing companionship and support, help with the daily responsibilities such as food shopping, keeping medical appointments, assistance with meal preparation, minor household assistance, and a number of other important functions, including referral to other community services and professional help if necessary, the companion provides vital assistance in maintaining independence.

A number of approaches to avoiding institutionalization have been explored in the recent past. Clearly, it makes a great deal of sense to utilize an existing, cost-effective program with a proven track record. Thus, my legislation would increase the authorization level of the senior companion program to $100 million and codify many of the administrative provisions which make it so effective. This sum would provide 36,780 companions nationwide who, using the formula contained in this legislation, could serve 735,600 older Americans, a significant portion of the at-risk population.

As a complement to the Senior Companion program and the expansion of home health benefits, my legislation would also offer a $500 refundable tax credit to a taxpayer who kept the parent in the taxpayer's home. This provision recognizes that there are many situations where it is most desirable for all concerned to have the elderly parent reside in the children's home. This provision would create an incentive for families to arrange for this type of care.

The need to get control of the Federal budget is certainly a priority and one which will receive a great deal of congressional and public attention in the days to come. Nevertheless, it is important that we remain vigilant against false economies. President Reagan has said that medicare and other programs affecting the elderly will not be cut. This is an opportune moment to reevaluate current Federal policy toward the aging, which, although well intentioned, is inadequate, horrifyingly expensive, and does not emphasize the dignity of humanity of those it is pledged to assist. I believe we can get the job done, if not for fewer dollars then for the same amount of dollars, but in a way which once again makes old age something to look forward to rather than dreaded because of the specter of institutionalization and dependence.

A copy of the bill being introduced follows:

H.R. 1890

A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the senior companion program, and to amend the Internal Revenue Code of 1954 to establish an income tax credit for maintaining a household for dependents who are 65 years of age or older

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Alternative Care Act of 1981".

TITLE I—MEDICARE AMENDMENTS

REMOVAL OF HOMEBOUND REQUIREMENT FOR HOME HEALTH SERVICES

SEC. 101. (a) Section 1814(a)(2)(D) of the Social Security Act is amended by striking out "is or was confined to his home (except when receiving items and services referred to in section 1861(m)(7)) and".

(b) Section 1835(a)(2)(A)(i) of such Act is amended by striking out "is or was confined to his home (except when receiving items and services referred to in section 1861(m)(7)) and".

(c) The amendments made by this section shall apply with respect to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

INCLUSION OF ADDITIONAL ITEMS AND SERVICES AS HOME HEALTH CARE

SEC. 102. (a) Section 1861(m) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"Notwithstanding any other provision of this title, such term also includes periodic chore services (as defined in subsection (dd)) in the case of any individual with respect to whom there is in effect a plan for furnishing such services (to that individual) which has been established and is periodically reviewed by the appropriate health professional under regulations, and respite care services (as defined in subsection (ee)) for not more than 52 days in any calendar year as determined by the Secretary taking into consideration the need for such services with respect to the individual for whom they are provided and the person who normally cares for the individual".

(b) Section 1861 of such Act is further amended by adding at the end thereof the following new subsections:

"PERIODIC CHORE SERVICES

"(dd) For purposes of the last paragraph of subsection (m), the term 'periodic chore services' means services which are performed in the home of an aged, blind, or disabled adult individual to help such individual remain in or return to such home, maintain or strengthen his capacity for self-care, and maintain or raise his level of functioning in the areas of personal care and household management, when such individual is unable to perform such services by or for himself, whether or not such individual also requires the services of a home health aide or other specialist. Such term includes the performance for an individual of household tasks, transportation for medical visits, and essential shopping and transportation to and from multipurpose senior centers (as defined in title III of the Older Americans Act of 1965, as amended) and nutrition projects (such as those funded under part C of Title III of such Act), essential shopping and simple household repairs, assistance in outdoor walking, and other services furnished to an individual which are reasonably necessary (as determined under regulations) to maintain him outside of a hospital, skilled nursing facility, or intermediate care facility.

"(ee) For purposes of the last paragraph of subsection (m), the term 'respite care services' means services for an individual who is unable to care for himself or herself on a full-time basis, which are provided on a temporary basis to such individual because of the absence of the person who normally cares for such individual, but only if such individual is a dependent of such other person for purposes of the Internal Revenue Code of 1954. Such services must be provided by persons who have been trained to provide homemaker-home health aide services, and such services must be provided in the home of the dependent individual under the supervision of a registered nurse who is employed by a certified home health agency, homemaker-home health aide agency, or local public health department. Such services shall, when necessary and appropriate, be provided in addition to other services under this title to ensure that such individual receives a coordinated system of services designed to help the individual reach his or her maximum level of independence.".

(c) Section 1861(m) of the Social Security Act is amended by inserting after "individual's home", in the material which precedes paragraph (1), the following: "or in an adult day care center which is a nonprofit center eligible for funds under title XX of this Act and which meets standards prescribed by the Secretary and applicable State and local health and safety requirements".

(d) The amendments made by this section shall apply to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

TITLE II—SENIOR COMPANIONS PROGRAM

ADMINISTRATION OF PROGRAM

SEC. 201. (a) Part B of title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5011 et seq.) is amended by redesignating section 212 as section 213, and by inserting after section 211 the following new section:

"SENIOR COMPANION PROGRAM

"SEC. 212. (a) The Director is authorized to make grants or contracts to carry out the purpose described in section 211(a) through the establishment of senior companion programs. Each senior companion program—

"(1) shall be designed to encourage older persons receiving assistance under such program to participate actively in the affairs of their communities, to help themselves to the extent possible in order to lead independent lives outside of institutional settings, to take advantage of services and activities available to older persons under the senior companion program, and to reach out to their peers for companionship and assistance to the extent possible; and

"(2) shall be administered by a public or private nonprofit community-based organization of proven ability in providing services and assistance to older persons, except that such program may be administered under the auspices of a hospital in the community involved in any case in which administration by a public or private nonprofit community-based organization is not feasible or appropriate in such community.

"(b) Each organization is responsible for the administration of a senior companion program—

"(1) shall take such action as may be necessary to minimize costs associated with the administration of such program;

"(2) shall train senior companions through the use of available community resources, to the extent practicable, in order to minimize administrative costs and in order to coordinate the operation of such program with the activities of other community agencies and organizations; and

"(3) shall organize personnel participation in such program in the manner specified in subsection (c).

"(c)(1) The personnel administering each senior companion program shall consist of individuals serving as directors, supervising senior companions, and senior companions. Each director shall be responsible for overall administration of such program and for the supervision of approximately 10 supervising senior companions participating in such program.

"(2) Each supervising senior companion—

"(A) shall be responsible for the supervision of approximately 15 senior companions;

"(B) may participate in such program for not more than 40 hours during any workweek; and

"(C) shall devote 50 percent of such work period to the provison of services and assistance to older persons as a senior companion, and shall devote the balance of such work period to coordinating the activities of individuals serving as senior companions in such program.

"(3) Each individual serving as senior companion—

"(A) shall participate in the senior companion program as a part-time volunteer for not more than 20 hours during any workweek; and

"(B) shall be responsible for the provision of services and assistance to approximately 20 older persons.

The number of older persons which may be served by a senior companion shall be based upon the needs of such older persons, distances which the senior companion is required to travel in order to serve such older persons, and other factors present in the community involved (such as the provision of services and assistance in congregate housing programs and in ethnic communities). The director of any such program, in determining the number of older persons which may be served by each senior companion participating in such program, shall ensure that the nature and quality of service provided by each senior companion is not adversely affected by the number of older persons for whom such senior companion is responsible.

"(d) Each individual serving as a senior companion—

"(1) shall work primarily with homebound older persons, except that such senior companion may enter into cooperative agreements with nursing home officials for the purpose of identifying older persons who are able to return to their homes if support services are made available to them in their homes;

"(2) shall make an initial assessment of the needs of each older person to whom such senior companion is assigned, including an evaluation of—

"(A) the availability and quality of food at the home of such older person;

"(B) whether such home is safe, clean, and sufficiently heated or cooled;

"(C) the ability of such older person to care for personal hygiene needs with appropriate assistance and encouragement from such senior companion;

"(D) the availability of needed medical and rehabilitative supplies;

"(E) the ability of such older person to manage financial resources and affairs; and

"(F) whether such older person requires any immediate professional assistance, as the result of despondency, drug dependence, or other similar factors; and

"(3) shall provide such older person with a variety of personal care services, nutritional services, social and recreational services, home management services, and information and advocacy services, which may include (A) shopping assistance; (B) transportation for medical or other appointments; (C) letter writing; (D) maintaining contacts with family and friends; (E) bill payments and other financial matters; (F) meal preparation assistance; (G) minor housekeeping chores, sewing, minor home repairs, and personal hygiene services and other personal care services; (H) companionship and socialization; and (I) initiating contacts with social service providers, including providers of (i) mobile meal services; (ii) chore or homemaker services; (iii) nursing services; (iv) income assistance services; (v) transportation; (vi) social and recreational programs; (vii) medical services; and (viii) income tax assistance.

"(e) Not more than 10 percent of any funds received by any public or private nonprofit organization under this section may be expended for administrative services which are not directly related to the provision of services or assistance to older persons.".

(b) Section 211(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5011(b)) is amended by striking out ", and as" and all that follows through "companionship".

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. Section 502(b)(2) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(b)(2)) is amended by adding at the end thereof the following new sentence: "There is further authorized to be appropriated $100,000,000 for the fiscal year ending September 30, 1982, for the purpose of carrying out programs under section 212.".

TITLE III—INCOME TAX CREDIT FOR MAINTAINING HOUSEHOLD FOR OLDER DEPENDENTS

REFUNDABLE CREDIT FOR MAINTAINING A HOUSEHOLD FOR DEPENDENTS WHO HAVE ATTAINED AGE 65

SEC. 301. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting before section 45 the following new section

SEC. 44F. MAINTAINING A HOUSEHOLD FOR DEPENDENTS WHO HAVE ATTAINED AGE 65.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual who maintains as his home a household any member of which is a qualified dependent of such individual for the calendar year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year beginning in such calendar year $500.

"(b) QUALIFIED DEPENDENT DEFINED.—For purposes of this section, the term 'qualified dependent' means, with respect to any household maintained by a taxpayer, any individual—

"(1) for whom such household is the principal place, of abode for more than 9 months of the calendar year,

"(2) who is a dependent of such taxpayer (as defined in section 152) for such year, and

"(3) who has attained the age of 65 before the close of such year.

"(c) SPECIAL RULES FOR MAINTAINING A HOUSEHOLD.—For purposes of this section—

"(1) IN GENERAL.—An individual shall be treated as maintaining a household for any period only if over half the cost of maintaining the household for such period is furnished by such individual (or, if such individual is married during such period, is furnished by such individual and his spouse).

"(2) MULTIPLE SUPPORT AGREEMENTS.—For purposes of determining under subparagraph (A) whether the taxpayer furnishes over half the cost of maintaining a household, any support of any qualified individual with respect to such household, treated as received from the taxpayer under section 152(c) for any period, shall be treated as a cost of maintaining such household furnished by the taxpayer for such period.".

(b)(1) Subsection (b) of section 6401 of such Code (relating to excessive credits treated as overpayments) is amended—

(A) by striking out "and 43 (relating to earned income credit)" and inserting in lieu thereof "43 (relating to earned income credit), and 44F (relating to maintaining a household for dependents who have attained age 65)", and

(B) by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44F".

(2) Paragraph (2) of section 55(b) of such Code (defining regular tax) is amended by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44F".

(3) Sections 44C(b)(5), 44D(b)(5), 44E(e)(1), and 56(c) of such Code are each amended by striking out "39, and 43" and inserting in lieu thereof "39, 43, and 44F".

(c) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44F. Maintaining a household for dependents who have attained age 65.".

(d) The amendments made by this section shall apply to taxable years beginning after December 31, 1980.

SUPERTANKER BAN

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, over our recent recess, I made a visit to my district in Washington State. During that visit, I had the pleasure of attending the dedication of an expanded vessel traffic safety system, or VTS, for the waters of Puget Sound.

I was pleased to see the Coast Guard complete the Puget Sound VTS. But I stand here before you today because I am concerned that the VTS alone may not do enough to protect the waters and shores of Puget Sound. At that dedication, I made a pledge to the people of Washington State to act here in the Congress to protect the marine environment of the sound.

The Port and Waterways Safety Act of 1972 charged the Coast Guard with two duties: The protection of marine traffic; and the safeguarding of the marine environment.

The VTS is the fulfillment—and I might add, a major fulfillment—of one part of that act.

But what about the other part—the part which charges the Coast Guard with protecting the marine environment? Mr. Speaker, that is why I am here today.

We have witnessed much activity on this issue in the past 9 years, since passage of the original act. But despite State legislation, Federal legislation, proposals, and counterproposals by the concerned people of this body and the State of Washington, 9 years later, there are still no comprehensive tanker safety regulations for Washington State waters.

My reason for concern at this particular juncture is the now-infamous memorandum from Rear Admiral Wallace to Vice Admiral Scarborough, recommending "that a regulation be added to continue in force in 125,000 deadweight ton limitation of the size of tankers operating in Puget Sound until the VTS improvements are implemented." I repeat: "Until the VTS improvements are implemented." It is in light of this statement that the need for prompt action becomes clear.

And I am concerned, Mr. Speaker, that special interests—big special interests—will pressure the Coast Guard to rescind the regulations now that the VTS is in place.

In my opinion, this would be a major mistake. While the VTS is impressive and will serve its tracking function well, it can do very little in preventing a catastrophic oil spill. And it seems to me, the larger the tanker, the greater the spill could be.

There is nothing in the VTS which could prevent mechanical failure. Recently, the Coast Guard conducted supertanker-tug maneuverability tests in the Strait of Juan de Fuca. When rudder failure was simulated, it took two tugs 17 minutes to attach their lines to the tanker. In those 17 minutes, the 188,000-deadweight-ton tanker traveled 4.4 miles. There is a lot of damage which could be done in 4.4 miles.

The Coast Guard says that fewer ships traveling through waterways will mean fewer accidents. I say, larger ships mean larger spills, if an accident should occur. Studies to determine the potential risk factors involved can only go so far. How do you place a value on Washington State's fishing and shellfish industries, its tourism industry, and its recreational opportunities? Should even one spill occur, irreparable damage could be done to the marine environment which fosters the Puget Sound way of life. Along with protecting the marine environment goes protecting the region's marine-related economy. Just one spill could

have devastating effects. Just ask the oysterman in Brittany whose livelihood was virtually destroyed by the *Amoco Cadiz* disaster.

So we have some idea of what the effects of a major oil spill in Puget Sound could be—and they could be terrible, and they must be avoided.

Because of my grave concern, I am here today to take action. I am introducing legislation to mandate a 125,000-deadweight-ton limitation on tank vessels entering the waters of Puget sound. And my colleagues from Washington State, Congressmen LOWRY and SWIFT, whose districts also border on the sound, are joining me in supporting this bill.

Put simply, the issue of tanker safety is too important to be ignored any longer—we have already waited 9 years; 9 long years since the Congress passed the Port and Waterways Safety Act of 1972. How much longer can we chance a spill before our luck runs out?

In closing, I would like to place in the RECORD a letter I received in 1977, when we passed the Magnuson amendment to the Marine Mammal Protection Act. The letter says simply, "Thank you * * * someday, when my kids have heard how Puget Sound was saved, they will say 'tank' you, too."

The real issue here is our future. Will we leave it to chance, or will we act to insure that our posterity has some choices?

I, for one, feel that the time is ripe for action.

Why leave it to Lady Luck when we ourselves can act to reduce the possibilities of human error and mechanical failure? Tanker standards are not unreasonable. Size limitation will reduce the chance of a major oil spill.

I hope you will join me in supporting this legislation. Let us not wait until our luck runs out.

□ 1520

EL SALVADOR: THE POLITICAL DIMENSION

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McHUGH. Mr. Speaker, according to the Washington Post, Secretary of State Haig met yesterday with congressional leaders to discuss U.S. policy toward El Salvador. We also know that the State Department conducted a Members only briefing on Capitol Hill yesterday, and that the Department has sent top officials to a number of countries to brief foreign leaders on U.S. policy toward that nation.

In short, after some indecision and delay, the Reagan administration is now focusing on this sensitive issue, and appears to be engaged in a campaign to build support for increased levels of military assistance to the present Government of El Salvador. As justification for such an increase, the administration cites certain evidence that the Communist bloc has increased military assistance to the leftist guerrillas fighting the present regime.

Mr. Speaker, as one who has closedly followed the tragic developments in El Salvador for more than 1 year, I am very concerned that the administration appears to be defining the fundamental issues in El Salvador in a manner that obscures rather than illuminates the choices we face.

No doubt the guerrillas are getting support from outside the country. This has been true for some time. However, in overly dramatizing the military threat to the present Government, a threat that Government security forces have thus far been able to contain successfully with relatively little military assistance from the United States, the administration now appears to be defining the issue solely as one of external intervention in the affairs of El Salvador. In the process, the administration is downplaying those internal political issues that should be fundamental in shaping U.S. policy toward El Salvador.

The fact is that the struggle in El Salvador is primarily a political struggle that has taken on military overtones, not a military conflict in which the political issues are subsidiary. While the present government may be able to win the military struggle with or without U.S. military assistance, it could still lose the political struggle and thus lay the seeds for its own collapse.

The fundamental problems facing the present government of El Salvador are associated with satisfying the aspirations of the Salvadorean people for justice, peace, and economic progress. And those aspirations cannot be satisfied by the present government unless it moves vigorously to undercut the appeal of the left by implementing more rapidly the land reform program it announced last spring, and by curbing the excesses of its own security forces, elements of which have engaged in the indiscriminate murder of the civilian population.

To be sure, both of these tasks would be difficult under the best of circumstances, and thus are even more difficult in the face of an active guerrilla movement. However, without pursuing internal reforms and controlling indiscriminate violence by its security forces, the government will never secure the support of the people and will not survive politically regardless of how much U.S. military aid it receives.

If the administration really wants to avoid a radical leftist government in El Salvador, it must press the present government to take these initial political steps. Military aid, in the absence of political action, will have no effect. Indeed, it will only assure ultimate defeat and a growing perception that the United States is incapable of effectively dealing with the forces of change in the hemisphere.

Finally, Mr. Speaker, our policy should encourage the present government in El Salvador to broaden its base by seeking a negotiated solution with those elements of the left that are committed to a democratic future for El Salvador. While it would be foolish to believe that all elements of the left would be willing to participate in such a resolution, I believe that important elements of the left would be willing to do so if the government of El Salvador and our Government were prepared to invest the time and energy needed to bring it about. This would in turn ease military pressures on the present government and allow it to deal more effectively with those political issues that are fundamental.

Unfortunately, it is this political dimension of the problem that the Reagan administration appears to be ignoring. Yet, as the Washington Post points out in its lead editorial today, the administration's best chance of preventing a victory by the left "is to show itself open to the political dimension as well."

Mr. Speaker, for the benefit of those of our colleagues who may not have seen this editorial, I am inserting a copy into the RECORD at this point:

[From the Washington Post, Feb. 18, 1981]

EL SALVADOR: THE POLITICAL DIMENSION

A military response is necessary in El Salvador, where a Nicaraguan-, Cuban-, Soviet-supported insurgency is attempting to overthrow an army-backed center-right government with a commitment to social reform. But a political response is necessary, too. It has not been in sufficient evidence as the Reagan administration cranks up to make El Salvador a demonstration of its worldwide anti-communist strategy.

A political response means two things. The Salvadoran government must show itself as eager to halt violence directed against civilians by soldiers and the right-wing death squads (often the same people) as it is to halt violence conducted by guerrillas. Precisely here lies the importance of keeping the heat on the government to discover who killed the American church workers. This incident cannot be parked in a "human rights" cubbyhole. It is, for many Salvadorans, the test of whether their government is on their side. The United States would not want to help the government reduce the guerrillas, as could yet happen, only to find that the government's failure to rein in its own forces still denied it broad popular support.

The other requirement is to construct a negotiating framework, of which nothing has so far been heard from Reagan officials. Among the guerrillas and their civilian supporters, some are committed to armed struggle to the point of regarding compromise as betrayal of their revolution. But others appear to be more conciliatory. The code

word "Zimbabwe," meaning talks by opposing forces in a civil war, is gaining a certain currency. The United States may not have the sole duty, or the best opening, to promote negotiations. Mexico, for instance, seems better placed, if it could break through its revolutionary rhetoric and try. Other international parties are standing by. But the American interest in negotiations must be asserted.

There is an undeniable military dimension to the El Salvador crisis, but the crisis remains essentially political. The administration should not oversell the notion that a military showdown, launched essentially for considerations of American global strategy, is everything. Its best chance of being successful and supported in the policy it is now unveiling is to show itself open to the political dimension as well.

PRISONERS OF CONSCIENCE

(Mr. McGRATH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McGRATH. Mr. Speaker, yesterday, I brought to my colleagues' attention the plight of Iosif Mendelevich, a Soviet Prisoner of Conscience who has been incarcerated since the first Leningrad trials.

This morning, I was delighted to learn that Iosif Mendelevich has been freed, and by now he is in Israel. I am certain that the expressions of concern on the part of many Members of Congress helped bring about his release.

It is significant that Iosif Mendelevich is the last Jew who was convicted at Leningrad to be released. However, the violations of human rights by the Soviet Government transcend religious bounds. There are two remaining Prisoners of Conscience from the first Leningrad trials, Alexei Murzhenko and Yuri Federov. These men, both Ukrainians and non-Jews, must not be forgotten.

I have been informed that the Long Island Committee for Soviet Jewry and similar organizations around the country, who have worked so hard for the release of Iosif Mendelevich, have pledged to make the release of these two remaining individuals their top priority.

I urge my colleagues to join with me in urging the Soviet Government to recognize its obligation to comply with the Universal Declaration of Human Rights and all other human rights accords to which it is a signatory.

B-1 AIRCRAFT

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GOLDWATER. Mr. Speaker, today's Washington Post carries an article proclaiming the good news that the manned penetrating bomber is on its way back into the U.S. strategic arsenal. The Reagan administration, true to the campaign promises of the past 2 years, intends to include between $1.5 and $2.5 billion for development of a variation of the B-1.

I know that Members on both sides of the aisle are delighted to see this development. This House has consistently indicated over the past 4 years its desire that the United States have a long-range penetrating bomber. No fewer than 35 Members cosigned a letter to former President Carter requesting that he restore the B-1 program. Additionally, 297 Members voted against deleting $200 million from the fiscal year 1981 defense authorization bill for R. & D. of the strategic weapons launcher, another variation of the B-1 capable of long-range delivery.

The past decade has seen our defense posture seriously eroded in terms of manpower, materiel, and readiness. The B-1 is an integral part of the rebuilding of a credible military presence around the world. Our sole long-range bomber right now is the B-52 which was built for service in Korea. It is a crime that this country relies on aircraft designed before most of the pilots who fly it were out of diapers.

Military experts agree that the B-1 aircraft is unsurpassed at long-range delivery of nuclear warheads. No one should doubt the need for this plane. Let us all work together to insure speedy development and rapid deployment of the B-1.

THE 63D ANNIVERSARY OF LITHUANIAN INDEPENDENCE

(Mr. ASHBROOK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ASHBROOK. Mr. Speaker, as we celebrate the 63d anniversary of Lithuanian independence, we must not forget that for the past 40 years Lithuania has been the victim of foreign domination. We must not forget who the oppressors are.

The Soviet-Nazi pact set the stage for the destruction of freedom for Lithuania and the other two Baltic States, Latvia and Estonia. We all remember that the Soviet-Nazi pact spelled the end of Polish independence, and it is proper that we remember. But, we should not forget the Baltic States.

Lithuania is a forced and reluctant part of the Soviet Empire. Its plight symbolizes the horrors faced by all of the nations dominated by Communist imperialism; mass murders, deportations to slave labor camps, and Communist indoctrination of children. Lithuanians continue to resist.

Although the local Communist leaders have Baltic names like Petras Griskevicius, First Secretary of Lithuanian Communist Party Central Committee, the orders come from Moscow and must be obeyed. The Lithuanian Communist Party Congress which ended January 30 unanimously adopted a resolution in support of the decisions of the Central Committee of the Communist Party of the Soviet Union.

The Lithuanian love of freedom represents the feelings of all of the oppressed people of the Soviet Empire. The Communist government answers with repression. In the last year over 200 Soviet dissident leaders were imprisoned to add to the tens of thousands already in the slave labor camps. The Baltic States were well represented among the victims.

The Lithuanian people demand freedom of religion for themselves and for the other captive nations. The Soviet Government responds with arrests of clergy and believers.

Word has filtered out of the Soviet Union of student demonstrations in the Baltic States in September and October 1980. The KGB suppressed those students with violence and arrests.

We free Americans look forward to the day when the people of Lithuania and all the peoples of the nations oppressed by Soviet imperialism can join with us in a friendship based on freedom.

I was privileged to join our patriotic, Lithuanian Americans last Sunday in their observance of Lithuanian Independence Day in Cleveland. It was my good luck to be chosen as their speaker at the ceremonies. The following resolution was adopted by those in attendance and I insert it at this point in the RECORD:

LITHUANIAN AMERICAN COUNCIL, INC.,
Cleveland, Ohio.

We, Lithuanian Americans of the Cleveland area, gathered at the parish hall of the Our Lady of Perpetual Help Church in Cleveland, Ohio, on Sunday the 15th day of February, 1981, to observe the sixty-third anniversary of the restoration of independence of Lithuania, have adopted the following resolution:

Whereas on February 16, 1918, Lithuania, a sovereign state and a kingdom since the 13th century that came to an end in 1795, rose again after a 123 year occupation by its neighbors and in its ancient capital of Vilnius proclaimed itself an independent republic; and

Whereas on June 15, 1940, the Soviet Union broke all existing treaties with the Republic of Lithuania and forcibly and illegally occupied its territory, which fact had been officially confirmed by the Select Committee on Communist Aggression of the U.S. House of Representatives of the 83rd Congress and condemned by all U.S. Administrations; and

Whereas, while many former African and Asian colonies have become independent, the Soviet Union continues to subjugate, exploit and deny all human rights to the Lithuanian people, which is contrary to the beliefs of the civilized community, and through a program of deportations and colonialization continues to change the ethnic character of the population of Lithuania,

thereby committing genocide; now therefore be it

Resolved, That we again demand that the Soviet Union withdraw its armed forces, colonists and its entire apparatus from Lithuanian soil and permit the Lithuanian people to exercise their sovereign rights; and be it further

Resolved, That we repeatedly express our gratitude to the United States Government for the firm position of non-recognition of Soviet occupation and annexation of Lithuania and request the Administration to direct the attention of world opinion at all international forums on behalf of the restoration of sovereign rights to the Lithuanian and other subjugated peoples, to specifically continue to demand this at the European Security Conference, and by other means to influence the Soviet Union to stop its genocidal practices in Lithuana and to cease all acts of continued occupation; and be it finally

Resolved, That this resolution be forwarded to the President of the United States and copies thereof to the Secretary of State, to both U.S. Senators and all Members of the House of Representatives from Ohio and to the press.

Resolution proposed by the Cleveland Chapter of the Lithuanian American Council and adopted by this assembly.

K. ALGIMANTAS PAUTIENIS,
President.

The best response my speech got was my reference to President Reagan's blunt, honest appraisal of the Communists as liars and deceivers. Lithuanian Americans know that is what Communists are and like a President who tells it like it is.

APPOINTMENT AS ADDITIONAL MEMBER OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to clause 6(e), rule X and clause 1(a) rule XLVIII, the Chair appoints as an additional member of the Permanent Select Committee on Intelligence the gentleman from Indiana, Mr. HAMILTON, to rank after the gentleman from Georgia, Mr. FOWLER.

□ 1530

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the subject of my special order in commemoration of Lithuanian Independence Day.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LITHUANIAN INDEPENDENCE DAY

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 60 minutes.

Mr. ANNUNZIO. Mr. Speaker, it was a privilege to reserve this special order in commemoration of Lithuanian Independence Day and I want to thank all of the Members who are joining me today to help focus attention on the plight of the Lithuanian people who continue to struggle, to pray, and to work for the day when Lithuania can once again enjoy liberty.

Sixty-three years ago, on February 16, 1918, a courageous people proclaimed to the world its right to stand proudly among free countries. The very brief time—less than one-quarter of a century—that the Lithuanian people enjoyed the privilege of living in independence left an important impression on them and the years of Communist domination and Nazi occupation have made their love of freedom all the more keen.

The Lithuanian Council of Chicago commemorated this 63d anniversary with a program at the Maria High School auditorium on Sunday, February 15, in Chicago. The officers of this fine organization include Euphrosine Mikuzis, president; Dr. Paul M. Dargis, executive secretary; Rimas Sarka, Julius R. Kuzas, Mykolas Pranevicius, and Vincent Samaska, vice presidents; Irena Sankus, treasurer; Antanas Svitra, financial secretary, and Stasys Mankus, recording secretary.

Trustees include Kristina Austin, Teodora Kuzas, Petras Jokubka, and Oskaras Kremeris.

The members of the Lithuanian Council of Chicago are as follows: Ignas Andrasiunas, Petras Bucas, Edvardas Boreisa, Juozas Bigelis, Julie Diksas, Adele Gabalis, Stefanija Janutiene, Jura Jasiunas, Veronika Lenkevicius, Stefanija Kauleniene, Kazys Karazija, Hilde Kuzas, Sabina Klatt, Casimir G. Oksas, Algirdas Puzauskas, Povilas Povilaitis, Donatas Stukas, Vladas Soliunas, Justinas Sidlauskas, Vincas Valkavickas, and Vincas Zemaitis.

The Lithuanians took the historic step of independence in 1918, at the close of World War I, and for 22 years thereafter, Lithuania enjoyed peace and freedom from oppression. During this period the Lithuanian economy stabilized, and there was a great renaissance of national literature and culture.

The text of the national anthem of Lithuania follows as it appears in a booklet entitled, "Lithuania," published by the Lithuanian American Council of Chicago:

NATIONAL ANTHEM OF LITHUANIA

Lithuania, our country,
Land of might you'll ever be;
Through the ages your fond sons
Have gathered strength from thee.

Lithuania, your children
Paths of righteousness shall tread;
For their native land they'll labor—
Earth's aspiring aims they've bred.

Fount of light, may your bright sun
Pierce all that's in darkened sheen,
Show us Truth's noble way,
And we'll follow in your gleam.

In our hearts, Lithuania,
Love for you will dwell fore'er
Spirit of the world is soaring—
Caught in your exalted glare.

In 1939, the Soviet Empire began a campaign of intimidation on tiny Lithuania and concentrated its armed forces on the borders. This massive threat was followed on June 15, 1940, by actual occupation of Lithuania by the Red army, and the Communists continue to expand their empire by brute force up to the present moment in Afghanistan.

As soon as Lithuania had been occupied by military force, the Communists began arresting and executing the Lithuanian patriots. Non-Communist political parties were liquidated, and leaders in these parties were imprisoned. Thousands of Lithuanians lost their lives or were forcibly moved in cattle cars to distant parts of the Communist empire in the east. The people were forced to vote in national elections in which only the Communist Party was represented. The Lithuanians, despite these hopeless odds, resisted heroically, but they were overcome by their more numerous invaders.

Despite condemnation by the free world of this unlawful aggression against the sovereign rights of a free people, the Soviet Communists still occupy Lithuania and maintain troops within her borders. The national culture is gradually being destroyed, the language suppressed, and the Lithuanian people are forced to suffer under the harsh yoke of cruel Soviet oppression.

Mr. Speaker, the Lithuanian National Foundation, Inc., has published a memorandum to Madrid participants at the Helsinki Final Act Review Conference, and a copy of that memorandum follows as well as four other documents by the Catholic Committee for the Defense of the Rights of the Religious Believers:

MEMORANDUM TO MADRID PARTICIPANTS ON LITHUANIA

MASSIVE HUMAN AND NATIONAL RIGHTS' VIOLATION CHARGED

A memorandum dated September 15, 1980, on the C.S.C.E. meeting in Madrid and the Soviet occupation of Lithuania, was delivered to the non-communist signatories of the Helsinki Final Act. The memorandum was signed by Stasys Lozoraitis, Chief of the Lithuanian Diplomatic Service, and Dr. C. K. Bobelis, President of the Supreme Committee for Liberation of Lithuania.

The memorandum surveys Lithuania's occupation, the Baltic protest against the Hitler-Stalin Pact (Moscow, August 23, 1979), and the refusal of the great Western powers to recognize the illegal annexation of Lithuania, Latvia and Estonia. Contrary

to its pledges as a signatory of the Helsinki Final Act—the memorandum states—the Soviet Union "continues to deny and violate fundamental freedoms and basic human rights" in Lithuania.

The memorandum asks the participating States at the Madrid Conference to seek and promote the implementation of the Helsinki Final Act by:

"1. Requesting that the Soviet Union—

"a. Withdraw from Lithuania all its military forces, political, administrative and police personnel within the frontiers delineated by the Peace Treaty between Lithuania and Soviet Russia signed on July 12, 1920;

"b. Release all political prisoners of Lithuanian nationality from prisons, labor camps, psychiatric institutions, internal exile, and other institutions of servitude, from enforced Soviet military service and permit them to return to Lithuania;

"c. Halt official harassment of individuals who wish to practice their religion, observe their cultural traditions, or express opinions in defense of basic freedoms and human rights granted by international acts.

"2. Establishing international procedures that will enable the Lithuanian people to hold free elections, following the withdrawal of the Soviet armed forces and other Soviet personnel from their territory, and to reestablish their own sovereign Lithuanian governmental institutions, and thereby also their own independent national life."

CATHOLIC COMMITTEE PROTESTS TO HELSINKI SIGNATORIES ON ARRESTS—FOUR NEW DOCUMENTS OF THE CATHOLIC COMMITTEE

Four new documents (Nos. 31-34) of the Catholic Committee for the Defense of the Rights of the Religious Believers established on November 13, 1978, in Lithuania, were published in issue No. 44 (July 30, 1980) of the Chronicle of the Catholic Church in Lithuania.

Document No. 34 of the Catholic Committee, dated July 21, 1980, is an Appeal to the Governments—signatories of the Helsinki Final Act and to All People of Good Will.

In 1974, the Supreme Court of the Lithuanian SSR sentenced Petras Plumpa-Pluiras to 8 years of corrective labor in a strict-regime camp. His guilt consists of the fact that, relying on the Universal Declaration on Human Rights, he multiplied The Chronicle of the Catholic Church in Lithuania, a periodical, which recorded factual cases of the discrimination against religious believers.

Petras Plumpa-Pluiras is not a criminal, but a deeply moral Lithuanian, an exemplary catholic, and a father of three children. One can be only proud of such people, and their persecution through the courts is a totally unjustifiable crime against the basic human rights.

At present, Petras Plumpa-Pluiras is serving time in the strict-regime camp VS 389/35, where he lives under inhumanely difficult conditions. His wife, Aldona Pluirienė, has informed us on the basis of the accounts of her husband's friends that because of poor health Petras Plumpa-Pluiras is "unable to fulfill the work norms, but the administration, instead of providing him with medical care, frequently subjects him to cruel punishment" by keeping him in solitary. Since March, 1979, Mrs. Aldona Pluirienė has not received a single letter from her husband; she was not allowed to visit him and to give him the food parcels which prisoners are entitled to receive.

These facts bear witness that Petras Plumpa-Pluiras is imprisoned under unbearable conditions and suggest a deliberate attempt to ruin his health by the time his sentence has expired.

Therefore, we appeal to the governments—signatories of the Helsinki Final Act, as well as to people of good will in the entire world to defend this noble Lithuanian!

We also take this occasion to inform all concerned that four totally innocent Lithuanians—Povilas Buzas, Anastazas Janulis, Genovaitė Navickaitė and Ona Vitkauskaitė are awaiting trial for a similar "crime," i.e. for disseminating information about the discrimination against religious believers. The fact of their juridical persecution must be raised in the forthcoming Madrid conference aimed at investigating the realization of the Helsinki agreements.

Document No. 32, dated June 21, 1980, is addressed to the Central Committee of the Lithuanian CP and to the Government:

"This year agents of the Committee of State Security (KGB) have charged four fighters for the rights of Lithuania's believers—Povilas Buzas, Anastazas Janulis, Genovaitė Navickaitė and Ona Vitkauskaitė—with slandering the Soviet system, and arrested them. Criminal proceedings have been instituted against them. It is generally asserted that they will be punished for producing and disseminating the Chronicle of the Catholic Church in Lithuania.

"Are the arrested individuals . . . really criminals? No. We have questioned many people who knew them well—they all asserted, that the arrested four were honest Lithuanians and exemplary Catholics, who can only be envied for their moral nobility. It is dishonest and base to accuse such people of slandering the Soviet system.

"If elementary human rights of religious believers would not be violated in Soviet occupied Lithuania, and if there was no effort to acquire executive charge of the Church with the help of the Regulations Governing Religious Associations and various unpublished instructions, then the Chronicle, which records the facts of discrimination against the believers and the Church, would not exist.

"Lithuania's believers constantly encounter various difficulties and it is, therefore, quite logical that certain individuals, who want to defend the believers and have no other means to do so, publicize facts that require correction. Must they be put behind bars, these people who fight for the observation of the Soviet constitution and of the international agreements ratified by the Soviet government, and who insist that human dignity must be respected? Such people deserve the respect of the state. We all must bow our heads before the truth. One must have courage to face the errors that have been committed, however immense they might be. To try to conceal the injuries and the crimes that are inflicted on the believers, and to do this by torturing innocent people—this is a painful illusion. What will the trial of history say about that?

"In the name of God, of the truth, and of the believing nation, we say to you: set free the innocent individuals—Povilas Buzas, Anastazas Janulis, Genovaite Navickaite and Ona Vitkauskaite."

Document No. 31, dated March 12, 1980, is addressed to Brezhnev and defends several individuals arrested in Russia "for their faith": Viktor Kapitančuk, secretary of the (Russian) Christian Committee to Defend the Rights of Believers; Aleksander Ogorodnikov, the founder of the Russian Orthodox Religious Seminar; and others.

Document No. 33, dated June 21, 1980, acquaints the Central Committee of the Lithuanian CP with many cases of "discrimination against religious believers" in Lithuania. It says that the "present problems of the faithful and the clergy of Lithuania cannot be solved from the positions of power or by branding certain people as 'extremists'." The document states that the faithful and the clergy want "full religious freedom," whose principles are delineated in the Declaration on Religious Freedom, adopted by second Vatican Ecumenical Council.

Mr. Speaker, on this solemn occasion in tribute to a brave people, I join Lithuanian Americans residing within my own 11th District of Illinois, whom I am privileged to serve, in Chicago and all over our Nation who are commemorating this anniversary and assuring the courageous Lithuanians that our country continues to support their just aspirations for freedom and independence. I express the fervent hope that the goal of Lithuanian self-determination shall soon be realized.

Mr. NELLIGAN. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman from Pennsylvania.

Mr. NELLIGAN. Mr. Speaker, I thank the gentleman from Illinois (Mr. ANNUNZIO) for yielding to me.

Mr. Speaker, Lithuanian Independence Day comes at a time when the Soviet domination of Poland once again has reminded us of the continuing threat posed by a power intolerant of even the stirrings of freedom.

While the headlines focus on Soviet tyranny in Poland and Afghanistan, many Americans are unaware of the brutal colonial oppression in Lithuania.

That oppression has meant curbs on free speech. It has meant that citizens are not allowed to practice their religion. It has meant imprisonment of ordinary citizens for nonexistent crimes. It has meant travel restrictions.

This subjugation extends back to Russian annexation in 1795. There were many courageous attempts by the Lithuanians to throw off the yoke of Russian domination, but those efforts were beaten down. In the mid-19th century, the Soviets sought to totally obliterate Lithuanian language and culture, and impose a Russian culture. The brave people of this tiny nation resisted this action, retaining their traditions and religions.

World War I brought about an international situation which gave Lithuania a long-awaited opportunity to be a free and independent nation. For more than two decades, beginning on February 16, 1918, Lithuania demonstrated a remarkable capacity for self-government.

Tremendous emphasis was placed on improving agriculture. A land reform program was initiated that led to a sharp increase in the number of small farms. Industrialization progressed.

Labor reforms were instituted, including establishment of the 8-hour work day. A forward-looking education program cut illiteracy drastically. The arts flourished.

This golden age ended abruptly and tragically when Lithuania was engulfed by foreign armies during World War II. It was declared a constituent republic of the Soviet Union in 1940 after occupation by the Red army. A German attack on the Soviet Union occurred less than a year later, leaving Lithuania in Nazi hands until reoccupied by the Soviets in 1944. Since that time, the U.S.S.R. has kept the nation under its thumb with a brutality that matches any employed behind the Iron Curtain.

Despite this deprivation, hope remains. Commemoration of Lithuanian Independence Day is a symbol of hope as well as a salute to the 1918 proclamation of independence.

In conclusion, let the Lithuanian love of freedom be an inspiration so that we remain forever vigilant.

Lithuanian Americans remind us that the peoples living in areas of Soviet domination trust us to champion their cause.

We must share their determination that those people shall again be free.

Mr. ANNUNZIO. Mr. Speaker, I now yield to my distinguished friend, also from Pennsylvania (Mr. DOUGHERTY).

Mr. DOUGHERTY. Mr. Speaker, I rise to thank the gentleman from Illinois for taking this special order. I see that the House is not full today, but I think the cause is quite just. I would hope that the people visiting our Capitol, those who are listening today and those who are perhaps watching this on closed circuit TV, would just take a moment to realize what we are talking about.

We here in the United States live at a rather hectic pace. We take so much for granted. We fail sometimes to realize what the word "freedom" really means. We are free people, and so perhaps we cannot appreciate the feelings of those people who are indeed captives of the Soviet Union.

Last Monday, February 16, commemorated the 63d anniversary of the freedom and the independence of the nation of Lithuania. Many of our fellow citizens here in the United States are of Lithuanian heritage. Unfortunately, Mr. Speaker, in 1940 the Soviet Union saw fit to occupy Lithuania and its neighboring States of Estonia and Latvia. Today, these three little Baltic States are but a passing light in international diplomacy.

So few people truly understand the heartfelt feelings that the people of Lithuanian American descent have toward the situation in Lithuania. For so many years we here in this country have failed to properly address this most critical issue; that is, as Americans, do we really believe in freedom? Are we really interested in the plight of the Lithuanian people? And so, today's special order is significant because, while there is no independence day celebration in Lithuania this year, we indeed today in this special order are commemorating for the people of the United States and for the people of Lithuania a celebration of their independence.

I was privileged, Mr. Speaker, to address the Lithuanian American community of Washington, D.C., last Sunday. I basically said then that we as Americans have an obligation to speak out against Soviet oppression, against Soviet occupation of Lithuania. We have an obligation to speak out on behalf of freedom for the Lithuanian people until indeed, Mr. Speaker, Lithuania is free; until the people of Lithuania no longer know the oppression and the burden of the Soviet Union.

It is my privilege, Mr. Speaker, to serve as the cochairman of a new congressional committee. the Ad Hoc Committee on the Baltic States and the Ukraine, and I would urge all the Members of this Congress to join us in this committee so that we take every opportunity we have in this Congress to call to the attention of the Soviet Union that we, the Members of the Congress, will not stand idly by; we will not stand silent while Lithuania continues to be occupied. This committee, hopefully, will be a vehicle for Members to participate.

Mr. Speaker, I want to thank the gentleman again for taking this special order.

Mr. Speaker, I submit my remarks from last Sunday's celebration as Lithuanian Independence Day held by the Lithuanian American Community of Washington, D.C.:

LITHUANIAN INDEPENDENCE DAY

It is both a privilege and a pleasure for me to be with you today to commemorate the Independence of Lithuania.

I bring you greetings from my many friends in the Lithuanian community in Philadelphia on this most significant day!

When I was first invited to be with you today, I wasn't quite sure why you would want a Congressman from Pennsylvania, who has only been involved in the cause of a free Lithuania for about three years to be your guest speaker.

Upon further reflection however, I realized that commitment to a cause cannot be measured only in the length of commitment but also in the intensity of commitment, however short the time of involvement.

As I was driving down here this afternoon, I thought back about how I first got involved in the "Cause of Lithuania" and how much has been accomplished in less than three years—and how much more there is to do!

I stand here today as co-chairman of the Ad Hoc Congressional Committee on the Baltic States and Ukraine—as an outspoken leader in the Congress of the United States on behalf of the Republic of Lithuania—as a friend of the Lithuanian-American community.

I stand here in these capacities today because a few short years ago leaders of the Lithuanian-American community in Philadelphia saw an Irish-American State senator—then a candidate for Congress—who they knew cared about the oppression and violence in Northern Ireland; a State senator who had been involved—on a limited basis—in the captive nations movement; a State senator who they thought might share their concerns for the oppressed people of Soviet-occupied Lithuania and who would believe in their cause—that someday, God-willing, Lithuania will be free.

And so whatever I have been able to do on behalf of "our" cause is because of you the people of the Lithuanian-American community. You have kept the faith. You have brought the needs and aspirations of the people of Lithuania to the floor of the Congress of the United States. And I thank you for that!

Sometimes as we gather for different events, as we are today—we get so wrapped up in the preparations for the event; we are perhaps preoccupied with thinking about something that happened yesterday; we find ourselves wondering if we forgot to do something at home; we find our thoughts anticipating something that might happen tomorrow—that we fail to truly understand what today is all about.

We Americans live a hectic life. We have a fast-paced existence. We take many things for granted and we forget the true meaning of a word like "freedom." We find ourselves not truly "feeling" a word like "thank you."

Let us, for a few brief moments, sit back, cast aside yesterday and tomorrow, and think about what this ceremony really means. Let each and every one of us for a few brief moments be touched by the real meaning of "oppression"—not to be free; "oppression"—to be denied the right to self-expression; "oppression"—to have the very heart of a people—a culture, a heritage, a tradition—denied and suppressed by a foreign dictator.

Let us for a few brief moments be touched by the real meaning of "republic"—that government should be of the people—of the people; "republic"—that government should be by the will of the people; "republic"—that government should be for the well-being of the people.

Let us for a few brief moments be touched by the real meaning of "freedom"—to be treated as an individual human being with dignity and respect; "freedom"—to be free to study, to grow, to love my culture, my heritage, my traditions; "freedom"—as a nation, as a people to set our own destiny without foreign occupation or intrusion.

Our cause then is to use this coming together today—this sharing—to thank God for our precious gift of freedom; to remember, to recall that our fellowmen in Lithuania are today oppressed, that the Republic of Lithuania is occupied! That our people are not free! To drive deep within our hearts, our minds, our bones, our emotions—to rededicate ourselves to the principle that we shall not rest, that we shall not truly be free until the people of Lithuania are free—until the Government of Lithuania is of the people, by the people, and for the people—until the maps of the world read—until the rollcall of the nations of the world reads—until the banner of the Embassy in Washington reads "The Republic of Lithuania"! Until then our cause must go forward.

We have done much. There is so much more to do. Free Lithuanians chained themselves to the gates of the Soviet Embassy in Washington and had their cause taken to the floor of Congress. The symbol of a free Lithuania in America—the legation in Washington—will not pass from the scene—as some in the State Department would like—because we won't let it happen. The representative of the free Government of Lithuania in our Nation's Capital will not pass from the scene because you and I have forced the State Department to recognize the need for the legitimacy of a line of succession at the legation. The celebration of Lithuanian independence may not be held in occupied Lithuania this year but it will be held on the floor of the Congress of these United States—this year and every year until Lithuania is free! The cause of Lithuania has grown throughout the free world, as was recently noted at the Madrid Conference where the cause of Lithuania and the activities of six members of the Lithuanian resistance received high visibility. Much has been done. So much more still has to be done!

Let us today by our work, by our actions, by our prayers, send a message to the people of Lithuania: "You are not forgotten for we are keepers of your trust . . . until you are free! The culture, the heritage, the tradition of the Lithuanian people live on here in America . . . until you are free!"

The cause for which so many of you have suffered—for dignity, for respect, for self-determination—is a cause we shall carry—until you are free! Your struggle against oppression and occupation is our struggle—until you are free!

The torch that burns deeply within you burns deeply within us—the torch of a free people that can never be extinguished by oppression, by fear, by imprisonment, by those who know not the beauty, the determination, the commitment of a free people—the torch of a free Lithuania we will carry in our hearts—this we promise—until you are free!

● Mr. STRATTON. Mr. Speaker, I am pleased to take this opportunity to join once again with my colleagues in Congress and with Lithuanians, and Lithuanian Americans throughout the world in commemorating the 63d anniversary of Lithuanian independence. Congress has long shown its understanding of the struggle of the Lithuanian and other Baltic peoples for freedom, self-government, and release from Soviet domination. But the recent events in Poland and Afghanistan have heightened our sense of the plight of nations under Soviet rule.

The history of Lithuania is the story of people on a political faultline. Lithuania has long been a victim of German and Russian imperialism, yet under adversity the people have maintained a strong sense of culture and tradition—and with independence, Lithuania has flourished.

Lithuanian history reaches back almost 1,000 years. But in 1795, as the United States was building a republic, Lithuania came under foreign rule during the partition of Poland, and was annexed by Russia. Although unable to throw out their hostile government, the people resisted attempts to replace Lithuanian language and culture with Russian, and remained faithful to their religion, language, and traditions.

During World War I, German armies invaded Lithuania and took it from the Russians. The German Government submitted to Lithuanian pressure, however, and authorized the formation of an independent state based on democratic principles. Today we commemorate the date of that proclamation, February 16, 1918.

The Red army invaded Lithuania again in 1919, but following the settlement of World War I on the Eastern Front, Lithuania retained her independence until the German attack on the Soviet Union in June 1940.

As an independent nation, Lithuania made great strides in improving its agricultural production, land distribution, and establishing an industrial base. The Lithuanian people also made great progress in the fields of labor and education, for example, doubling the number of elementary and secondary schools during their 30 years of freedom.

For the last four decades Lithuanians have again lived under Soviet domination, one more captive nation. Many Lithuanians managed to flee from their homeland because of political oppression, and today there are many strong, vital Lithuanian-American communities in the United States. But Lithuanians here and elsewhere in the world have not forgotten their historic struggle for genuine freedom and independence.

The Lithuanian World Congress of 1958 called on the free world "to reaffirm on every suitable occasion the inalienable rights of the Lithuanian people to national independence and individual freedom," and to "not being a party to any agreement or treaty that would confirm or prolong the subordination of the formerly sovereign Lithuanian State."

So we gather here today to do just that, to express our support for individual freedom and self-determination in Lithuania, and the other Baltic States. It may well be, Mr. Speaker, that the brave resistance now being put up by the Polish labor unions will in time set the pattern for a new measure of freedom from Soviet control coming not only to Poland but to Lithuania and other captive nations as well. Let us hope that that will indeed occur.●

● Mr. DONNELLY. Mr. Speaker, today we proclaim that more than 40 years of Soviet domination has not extinguished the fire of freedom that burns in the hearts and minds of the proud people of Lithuania.

We are here to proclaim to all the world, free and captive nations alike, that that spirit will never die.

The brutal and criminal annexation of the Baltic States by the Soviet Union has not broken the desire of the people of Lithuania for self-determination. Instead, that fervent yearning grows even stronger with each passing day.

The degree of personal liberty enjoyed in our great country must be difficult to comprehend for Lithuanians who suffer under the confines of continuing Soviet occupation of their homeland.

Our attention to the situation in the Baltic States, coupled with active support for these brave peoples' quest for freedom must remain a solemn responsibility of our Government. Remembering that their cause is the same cause that ignited our forefathers' revolt against foreign domination, let us voice our admiration and pledge our untiring support for their sacred struggle.●

● Mr. DERWINSKI. Mr. Speaker, I am especially pleased to join with my colleague, FRANK ANNUNZIO, in directing special attention to the 63d anniversary of the Declaration of Independence of the Baltic State of Lithuania. The largest of the Baltic States, the Lithuanians have withstood centuries of Russian domination and political persecution.

Although the Lithuanian people are not allowed to celebrate the anniversary of their independence which was declared on February 16, 1918, it is especially significant that a country whose people have not been allowed to govern themselves for 41 years still have a strong national spirit. They enjoyed independence from the Soviet Russian Empire for only 22 years. In June 1940, the Soviet Union invaded and occupied the Baltic States, and Lithuania was forcefully annexed into the Union of Soviet Socialist Republics.

As we look at the Soviet invasion and expansionism into the Baltic States, we must continue to condemn these transgressions as morally, ethically, and politically wrong. We, as a nation, must consider the plight of various peoples around the world who face a deprivation of basic human rights, and consistently voice our objections to all Soviet violations of the rights of those held captive under Soviet domination.

As we are painfully aware, the Soviet Union has denied religious freedom as well as ethnic and cultural development in Lithuania. The Kremlin continues to persecute and suppress the Roman Catholic Church, which has played a major role in Lithuanian history and is symbolic of Lithuanian nationhood. The cultural genocide and the denial of their basic human rights continues in Lithuania against the will of the Lithuanian people who are subjected to blatant political repression. However, the consistent and deliberate "Russification" of their culture and ef-

forts to eradicate their historic nationalism has not dimmed their determination to preserve their unity and strong sense of national consciousness.

It is most appropriate that on this occasion of the 63d anniversary of their declaration of independence, we pay tribute to the devotion by the Lithuanian people to resist "Russification." Their indomitable spirit will one day, I predict, overcome Communist suppression, and their ideals of personal liberty, national independence, and human dignity will again be restored. These brave people have struggled to preserve their heritage, national language, and historic religious faith in face of Soviet totalitarianism.

As we mark this anniversary, we must also recognize the many contributions made to our country by Lithuanian Americans. Here in the United States, the Lithuanians are a well-organized and a hard-working ethnic group who are deeply interested in maintaining their cultural background. When the time comes for the restoration of freedom for their homeland, they will be in a position to make a positive contribution to the progress of that nation.

That is why it is especially important for us to preserve the diplomatic representation in the United States of the Lithuanian people. The Lithuanian Legation located in Washington, D.C., faces extinction because of the small nation's monetary assets frozen in the United States at the Soviet takeover are almost gone. As a visible sign to the more than 1 million people of Lithuanian descent living in the United States, it would be most significant that we would guarantee the legality and legitimacy of the Lithuanian Legation.

The United States must continue to support the aspirations of freedom, independence, and national self-determination of the people of Lithuania and the others held captive. Until that day, we salute the brave Lithuanian people for reminding us through their struggle of how precious and valuable freedom is, and how costly its loss.●

● Ms. FERRARO. Mr. Speaker, February 16, 1981, marks the 63d anniversary of the reestablishment of the independent State of Lithuania.

Lithuania's first historical recognition as a nation was in 1009. For centuries after its recognition, this nation experienced domination by foreign powers and fought off efforts by Germany and Russia to replace Lithuanian culture with that of their own.

Lithuania was finally able to regain its status as an independent nation in 1918. This newly independent nation joined the League of Nations and established diplomatic relations with other nations around the world. The year 1920 marked a turning point in the history of this proud nation when the Soviet Union signed a peace treaty with Lithuania, recognizing it as an independent nation. A permanent constitution was adopted and a democratic government was formed, preserving the people's rights to freedom of speech, assembly, and religious expression.

During World War II, foreign powers once again invaded Lithuania, resulting in an end to its independence in 1940, when the Supreme Soviet in Moscow declared Lithuania a constituent republic of the U.S.S.R.

Lithuania's 20 years of peace, progress, and freedom created a strong sense of Lithuanian nationalism which is still very much alive among these people. They continue in their fight for self-determination and resist russification efforts by the Communist Party in Moscow. While they are politically incorporated into the Soviet Union, they remain culturally and socially a race apart. The Lithuanians greatly improved their standard of living during their 20 years of independence. Their economy flourished and they developed a lifestyle similar to that of Western Europeans, rather than that of the Soviets. Unfortunately, they do not presently enjoy a full return on their achievements, since a good portion of the fruits of their labor is channeled to other parts of the Soviet Union.

Let us join other freedom-loving peoples throughout the world in support of the successful efforts of the Lithuanian people in resisting russification policies imposed by the U.S.S.R. Let us celebrate February 16, Lithuanian Independence Day, in the spirit of these proud people in their fight for self-determination.●

● Mr. CONABLE. Mr. Speaker, with the recent return of the hostages from Iran, Americans were able to share renewed feelings of patriotism and happiness. We watched them come home to enjoy and treasure what citizens of the United States believe to be the birthright of all men—freedom. February 16 marks the 63d year since the declaration of Lithuanian independence in 1918 and yet these people continue their struggle for the reestablishment of complete independence and self-government. For over 40 years the Soviet Union has managed to suppress any dreams of freedom for the people of Lithuania and her neighboring states, Estonia and Latvia.

There was a brief period—the years of the twenties and thirties—following Lithuania's declaration of independence when it appeared she would continue as an independent nation. She entered into diplomatic relations with the major European powers. Beyond this, the people demonstrated a capacity and ability for self-government through noteworthy social progress in the areas of land reform in addition to improved transportation and education. This period of great renaissance in national literature and culture was to end all too quickly in disappointment and sorrow.

World War II quickly dissipated the spirit and momentum of progress. The occupation of the Baltic States was carried out after a secret agreement was reached by Hitler and Stalin. The defeat of Hitler's forces left the struggling Lithuanians in Soviet hands. Russian troops were quick to suppress the ill-fated citizens.

While the 1975 Helsinki accords have provided a vehicle for addressing human and national rights within the Soviet Union, the Soviet Union has repeatedly violated these rights in Lithuania. For 63 years the Lithuanians have been engaged in a struggle to practice the freedom their declaration of independence gives them—freedom to appreciate their own culture, literature, art, and religion. Yet they live in constant fear of Soviet retaliation for these efforts.

The lesson of Lithuania must be heeded by all the free people of the world. Our recent experience in Iran has served to remind us how essential and precious freedom truly is, and what its loss can signify. As we pay tribute to Lithuanians on their independence day, it is an opportune moment to express our unwavering support for restoring to the Baltic peoples their right to freedom and self-determination.●

● Mr. MOFFETT. Mr. Speaker, on February 16, Lithuanians and Americans of Lithuanian descent commemorated the 63d anniversary of the Republic of Lithuania's independence from the Russian Empire. Although the Lithuanian people currently live under Soviet oppression, this special day provides us with an opportunity to acknowledge and applaud their national pride and their courageous struggle for freedom and self-determination.

This small Baltic country, which enjoyed independence between the two World Wars, has suffered from flagrant violations of human rights since it was annexed illegally by the Soviet Union in 1940. In the years following the war, guerrilla resistance to Soviet occupation was repressed ruthlessly. Even today, illegal searches, interrogations and harassment by Soviet security forces are commonplace, especially among those who are active members of the Catholic Church. In spite of this persecution, the Lithuanians have remained devout in their faith and vigilant in their hope for freedom and independence.

One of the most inspiring examples of bravery in the face of Soviet oppression may be found in the person of Viktoras Petkus. A historian and devout Catholic, Mr. Petkus was imprisoned in 1977 for his role as leader of the Lithuanian Helsinki Group, which sought to monitor and promote

Soviet compliance with the human rights provisions of the Helsinki accords. Even in prison, Mr. Petkus has continued his religious observances, and has been sentenced to 6 months in an isolation cell for his defiance. Other examples of courage amidst persecution abound. Petras Plumpa, Romas Ragisis and Justas Gimbutas are among those who are serving prison terms as a result of their opposition to Soviet rule in their homeland.

As the Lithuanians celebrate their independence day, those of us who take our religious and personal freedoms for granted may reflect upon the plight of the oppressed peoples of the world. And we can look to the perseverance and faith of the Lithuanian people, both as an inspiration and as a reminder that vigilance is the price of freedom.●

● Mr. VANDER JAGT. Mr. Speaker, at a time when the people of Poland are threatened with the possibility of Soviet intervention, and the people of Eastern Europe live in constant danger of being slapped by the paw of the bear on their border, it is appropriate that we remind ourselves of the cruel enslavement of their neighbors to the north—the Baltic countries illegally annexed by the Soviet Union nearly four decades ago.

I welcome this opportunity to join my colleagues in drawing attention to the 63d anniversary of the Declaration of Independence of Lithuania, and to add my voice to that of the Lithuanian people and free people everywhere in calling for freedom and self-government for this tiny state.

The implications of the Polish situation and the reality of Afghanistan forcefully reminded us during these past months of the true nature of life in Soviet satellites. The blatant subsuming of Lithuania cannot be forgotten in the rush of dealing with international crises which face us daily. That the people of the Baltic region continue to struggle for freedom and independence is an inspiration to all people and we must never fail to draw attention to their plight.

Lithuanians in exile around the world have a right to call out for self-determination for their people in accord with the Helsinki agreement, and to draw attention to the continuing denial of fundamental rights in contravention of the continuing human rights discussions in Madrid.

We all pray that the day will come when Lithuanians at home and abroad will see true freedom in the land of their heritage.●

● Mr. HOWARD. Mr. Speaker, today is the commemoration of Lithuanian Independence Day and it is also a reminder of the hope that all Lithuanian-Americans have for those working to gain independence for Lithuania.

Of all the European countries, Lithuania, along with Latvia and Estonia, were the only ones to lose their sovereignty during World War II. While East European nations such as Poland and Bulgaria had Communist governments imposed on them by the Soviet Red Army, the three Baltic countries were incorporated forcibly into the U.S.S.R. after the Russian armies invaded them in 1940 as a result of the Hitler/Stalin agreement.

This Soviet aggression terminated Lithuania's independence and led to genocide and deportations by the Russians. Many citizens were relegated to collective farming communities in Russia and further separated from their families.

Due to this injustice, the United States and most Western nations have not accorded diplomatic recognition to the Soviet incorporation of Lithuania, Latvia, and Estonia. Presidents from Franklin Delano Roosevelt through Jimmy Carter have emphasized the right of the three Baltic nations to sovereignty. To this point, a fully accredited and recognized diplomatic mission of independent Lithuania operates in New York City.

It is my hope that Americans of all ethnicities will remember the hopes and determination of the Lithuanian people to strive toward the beacon of freedom.●

● Mr. DORNAN of California. Mr. Speaker, today, we commemorate the 63d anniversary of the independence of the Baltic State of Lithuania. The radiant lamp of liberty, which clothed its sons with strength and its daughters with beauty, shone but for a moment before being savagely extinguished by the black night of totalitarian tyranny. In 1940, 22 years after its declaration of independence, the Baltic State of Lithuania, along with the sovereign States of Latvia and Estonia, were brutally annexed to the Soviet empire. A brave people were forced to undergo a baptism of blood on the altar of raw Soviet power. What lack of nobility or heroism, Mr. Speaker. The largest nation on Earth simply annihilated one of the smallest nations by means of brutal military force. To this day, 41 years later, the men, women, and children of Lithuania remain under the iron heel of foreign despotism.

But, while darkness may have its hour, Mr. Speaker, truth and liberty will have its day. Hope gives courage to the heart. The Almighty who holds in his hands the destiny of nations will not be mocked forever. Men of high religious faith, who put their trust in heaven, will have their glorious moment of vindication. Even now, a candle of hope is lighted in Poland; the glow of which will be multiplied a millionfold until all of Eastern Europe and the Baltic States once again are ablaze with the resplendence of the light of liberty.

Faithful to our own hallowed traditions of liberty and self-government, we salute the Lithuanian people today. We pledge our continued support until that hoped-for day when the last Soviet soldier has left Baltic soil, and the sun of liberty once again smiles upon the lovely land of Lithuania.●

● Mr. FISH. Mr. Speaker, I join my colleagues in observing the 63d anniversary of the independence of Lithuania, an occasion on which we are once again reminded of the Soviet Union's repression of individual rights of freedom-loving peoples.

When centuries of Russian imperialism and attempts at domination came to an end after World War I with the declaration of independence on February 16, 1918, Lithuanian culture, language, and religious faith enjoyed a freedom and creativity unsurpassed in its history. Unfortunately, that blossoming of Lithuanian contributions to the free world ceased just 22 years later.

Lithuania's brief independence was brutally curtailed by the Soviet occupation in 1941. Thousands of Lithuanians and citizens of the neighboring Baltic States of Estonia and Latvia were shipped to Siberia. When the Nazis invaded Russia, gross violations of human rights continued. These guiltless people, who had so recently enjoyed freedom, were sent to labor in slave camps, mines and forests, to die far from their native land. It is estimated that nearly 10 percent of the population of Lithuania was murdered or deported by the Communists and the Nazis.

The United States has never and will never recognize the forcible Soviet annexation of this great nation. We must continue to protest in the strongest possible terms the oppressive measures of the Soviet Union against the Lithuanian nation and the gross violation of human rights perpetrated upon these proud people.

The Lithuanian struggle is an example for all people who are denied basic liberties. Although the Soviet Union has refused to recognize political rights as well as religious freedom, and has restricted economic and cultural development, Lithuanians have continued to preserve their national unity and strong sense of national consciousness. Here in the United States, Lithuanians retain an ethnic identity as evidenced by the continued existence of a native Lithuanian legation. These people have contributed greatly to our country and their indomitable spirit will enable both they and those still living in Lithuania to make an invaluable contribution to the progress of their nation and the freedom of all

people who suffer under Soviet repression.

Let us not forget our commitment to aiding the Lithuanian people to one day regain that which is rightfully theirs, a free and independent nation. We must continue our concerted effort and remain firm in our recognition of Lithuania, its people and their culture.●

● Mr. FORSYTHE. Mr. Speaker, it is with a deep sense of pride and honor that I take this opportunity to note the anniversary of the Declaration of Independence of Lithuania on Monday, February 16, 1981. This day holds significance to all Americans of Lithuanian descent as well as all freedom-loving people throughout the world.

The world community should join today in recognizing that the rights and dignity of the Lithuanian people and the citizens of the Baltic nations are being trampled upon and ignored as a result of 40 years of armed occupation by the Soviet Union. The strength and will of the Lithuanian people are being tested by this illegal occupation of a sovereign nation. Yet, the great determination of the Lithuanian people will in the end prevail over the storm of Soviet tyranny.

Recently, we have seen another nation, Afghanistan, swallowed in a manner much like that in which Lithuania was devoured 40 years ago. It is time that all of us join the cry of the Lithuanian people and call on the free world to demand that the illegality of the Soviet occupation be recognized, and that the Lithuanian people be allowed to vote on a referendum to decide the future of their own state.●

● Mr. BROOMFIELD. Mr. Speaker, I am pleased to join my distinguished colleague from the State of Illinois, FRANK ANNUNZIO, in commemorating the 63d anniversary of the Declaration of Lithuanian Independence.

The nation of Lithuania enjoyed but a brief 22 years of freedom in this century, when in 1918 it proclaimed its independence from Russia and Germany, and established a democratic government after more than a century of domination by both these countries. The Soviet Union shortly thereafter signed a peace treaty in which it recognized the sovereignty and independence of Lithuania. However, in 1940 Hitler and Stalin disregarded all former treaties and again subjected Lithuania to foreign dominance, along with other Baltic nations.

Having endured more than 40 years of domination by the Soviet Union, the proud people of Lithuania are subject to constant infringement upon their most basic human liberties. There is a continuing pressure to abolish their native tongue, a concerted effort to discourage learning of Lithuanian history and literature, and constant effort to eliminate the ties of centuries of close affiliation with the Catholic Church.

The Soviet Union, having cosigned the Helsinki Final Act of 1975, continues to ignore, blatantly, many of the provisions guaranteeing basic human rights. This was brought before the Helsinki accords review meeting in Madrid last year. Members of Lithuanian citizens groups, who have tried to monitor Moscow's violations of the Helsinki accords, have been harassed and persecuted. One of its members, Victoras Petkus, was tried and sentenced to a prison term of 15 years.

However, I am encouraged to see that despite overwhelming odds, the Lithuanian people have not abandoned their struggle for freedom and self-determination. They continue to fight for national autonomy, freedom of speech, and freedom of worship. I am also encouraged that the expressions of support by my colleagues today will serve as notice to Moscow that this country supports the struggle for independence and freedom of the Baltic countries of Lithuania, Latvia, and Estonia.

At a time when we watch with interest the continuing efforts of Lithuania's neighbor, Poland, for concessions of basic freedoms from Communist dominance, we take heart that the people of the small but proud nation of Lithuania will prevail and live as free people once again. I pray this day may arrive soon.●

● Mr. SAWYER. Mr. Speaker, February 16, 1981, marks the 63d anniversary of Lithuanian independence. This anniversary serves to remind us of the unextinguishable spirit of a people who have enjoyed but a brief period of real peace. After only 20 years of independence, the Soviet Union illegally invaded Lithuania, and have occupied it since. The United States has never recognized the Soviet annexation of Lithuania. We must continue to support the fight for that country's right of self-determination. We must not let that goal fade.

On this historic day of memory for the proud people of Lithuania, I think we should remember the 30,000 freedom fighters who died in resisting the Soviet invasion, as well as those who currently are subjected to Soviet rule today. We should never forget that every state bordering the Soviet Union exists in the constant fear of invasion.

Finally, I hope that the patriotism and undying spirit of Lithuanians everywhere in the world will serve as an inspiring example to all of us that freedom is not always a right, but a privilege which not all people in this world enjoy.●

● Mr. SENSENBRENNER. Mr. Speaker, I am proud to join my colleagues in commemorating Lithuanian Independence Day. It was February 16, 1918, that the Baltic State of Lithuania declared its autonomy from the long period of Russian hegemony and German occupation it had suffered during World War I. This tiny state was again destined to fall under Soviet domination; Lithuania was declared a constituent republic of the U.S.S.R. in 1940. Having fallen into Nazi hands, Lithuania was reoccupied by the Soviet Union in 1944, and has been considered a component republic by the Soviet Union ever since.

Soviet policy implementation during the Stalin years forced a dramatic change in the composition of the Lithuanian population. Some 80,000 Lithuanians fled to West Germany when the Soviet Union took over the Baltic region in 1944. An additional 60,000 were found in East Germany and deported during 1945 and 1946. Their passive resistance to the collectivization of agriculture brought the deportation of some 60,000 Lithuanians in 1949. The death of Stalin eased the suffering of these displaced people, and about one-third of those who had been deported were permitted to return to their homeland. Yet, this cannot erase past cruelties committed by the U.S.S.R., nor the continuing efforts by the Soviets to destroy the Lithuanian national spirit.

Despite all the hardships suffered, the strength and dignity of the Lithuanian people have survived. The Lithuanians continue their resistance to Soviet occupation. In their fight, they look to the United States as a source of moral support and strength. In our attempt to promote the respect for and freedom of the people of Lithuania, I endorse the continuation of the present U.S. policy of refusing to recognize the Soviet occupation of Lithuania and the maintenance of our independent diplomatic relations with them. I urge a renewed effort in seeking to enforce the principles agreed upon by many nations in the Helsinki agreement in 1975.●

● Mr. GOLDWATER. Mr. Speaker, the 63d anniversary of the Lithuanian Declaration of Independence is a chance for all Americans to reflect on the strength of the Lithuanian people to retain their social and cultural heritage in the face of Soviet suppression.

On February 16, 1918, the Lithuanians gained their independence from the Soviet Union and emerged as a sovereign and self-governing state. The history of Lithuania, with its emphasis on educational and religious tolerance, became a model and an inspiration to oppressed people everywhere. Unfortunately, in 1940 the Lithuanians were once more under Soviet domination and control. For the last 41 years the spirit of the Lithuanian people has been in a constant struggle with Soviet oppression.

Mr. Speaker, the Helsinki Act, passed in 1975, and signed by the United States, the Soviet Union, and

over 30 other countries, recognized the principles of national sovereignty, equality, and independence. The Soviet Union has completely disregarded this document in dealing with the Baltic States. The recent statement given in Madrid by Warren Zimmerman, the deputy chairman of the U.S. delegation reviewing abuses of the 1975 act, makes it clear that the United States is encouraging the fulfilment of the ideals and commitments made in Helsinki. It is a tribute to the will of the Lithuanian people that they have not buckled under to the brutal attempt by the Soviet Union to destroy their national heritage. The strength and perseverance of their spirit should be an inspiration to our own.●

● Mr. BLANCHARD. Mr. Speaker, I rise to join in the special order taken by my good friend, the distinguished gentleman from Illinois (Mr. ANNUNZIO) to commemorate the 63d anniversary of the Proclamation of Lithuanian Independence.

February 16 marked the 63d anniversary of the day on which Lithuania became a free and independent nation, founded on democratic principles. The commemoration of that day is a symbol of great hope for all Lithuanian Americans and for freedom-loving men and women the world over who struggle to free present-day Lithuania from Soviet oppression.

I give my fullest support to the cause of independence for Lithuania. May the time come when its people are again free.●

● Mr. CLINGER. Mr. Speaker, today, the people of Lithuania will celebrate the 63d anniversary of their independence. However, this day will not be celebrated in the joyous fashion that we Americans observe each Fourth of July. Instead, the brave, struggling people of Lithuania will endure this day as they do all others, as the repressed victims of the Soviet Union's wave of expansionist policies. The inherent freedoms that we so confidently assume in our country have never been experienced by most Lithuanians. They are prisoners in their own homeland, a part of the 1 billion people suffering under Soviet oppression.

As long as the right of self-determination is denied the people of Lithuania and her fellow Baltic countries, free people throughout the world cannot rest. Just as a chain is as strong as its weakest link, we must strive to strengthen the chain of freedom among all peoples. The Soviet's latest invasion into Afghanistan only further emphasizes the menace they pose to peace-loving nations. It is our moral obligation to continue our support of the Lithuanians' struggle, in word and in deed.

Therefore, I join my fellow Congressmen to honor the fine people of Lithuania. We must never forget their daily struggle against the stifling rule of the Russians. Let us take this occasion to renew our commitment to the fight for liberty in the finest of American traditions, that someday the Lithuanians' Independence Day will be as joyous as our own.●

● Mr. MINISH. Mr. Speaker, within a week we Americans commemorate the champions of our independence and liberty, Washington and Lincoln. In that same week, on February 16, the Lithuanian people commemorate both the 730th anniversary of the Lithuanian state and the 63d of its Declaration of Independence after the First World War. For the Lithuanians, whether in their native land or around the world, this is a melancholy occasion because, although theoretically and legally theirs remains a sovereign nation, it is in fact dominated by the Soviet Union, which forcibly incorporated it during the Second World War and which occupies it to this day.

We admire these brave people in their efforts to keep alive their national identity and to secure basic individual rights within their homeland. The least we can do here is to lend our support to their indomitable spirit, which has survived four decades of efforts to extinguish it. Let there be no mistake that, whatever our administration or its current priorities, the American people do not forget their commitment to the rights of others all over the world.

On this anniversary, then, we salute the Lithuanian nation in the confidence that they will endure and prevail in their relentless pursuit of their rights and liberties.●

● Mr. GEJDENSON. Mr. Speaker, it is a great pleasure for me to join with my colleagues today in celebrating the 63d anniversary of the declaration of independence for Lithuania. My parents are from Lithuania, and they were forced to escape the brutal occupation of their country when the achievements and aspirations of the Lithuanian people as a sovereign nation were crushed by Nazi and Soviet occupation during the Second World War.

After more than a century of struggle against imperial Russian and German occupation, the Lithuanians, on February 16, 1918, restored their national independence. In the following 22 years, Lithuania adopted a democratic constitution, implemented equitable land reforms, and, from 1929 to 1939, almost quadrupled its industrial output. Tragically, however, on June 15, 1940, the Red army invaded the country. The Soviets imposed a puppet regime and terrorized the population with executions and mass arrests. When war began between Germany and the Bolsheviks, the Lithuanians seized power from the Communists and for over 2 months maintained an independent government. In August 1941, the Nazis imposed their Facist rule. After Germany's defeat in 1944, the Soviets once again invaded the country.

Until 1952 the Lithuanians led an armed struggle against their Communist oppressors. About 30,000 Lithuanians died during that period of time. The 3,290,000 ethnic Lithuanians now under Soviet control have fought and suffered in their struggle against Soviet oppression ever since. About 350,000 others were forced into exile.

We have observed during the last months how the people of Poland, a nation bordering on Lithuania, have made progress in their efforts to gain human rights in the face of Soviet domination. That progress is still overshadowed by fear of a Soviet invasion. Had it not been for the encouragement and moral support rendered to the Polish workers by the peoples of democratic nations, Red army battalions might already have moved into Poland. So far they have not; but let us not forget that Poland might still suffer the same fate as Afghanistan, the Ukraine, Latvia, Estonia, and Lithuania, and let us extend our sympathies to these nations.

America has a responsibility to support the efforts of peoples to achieve national self-determination everywhere. We therefore should protest the full membership now accorded to captive lands by the United Nations, as they are only puppets of Moscow. The plight of the Lithuanians deserves the recognition of the United States and all other free nations in the world. We shall honor their struggle by commemorating, today, the celebration of Lithuanian independence.●

● Mr. RATCHFORD. Mr. Speaker, I rise today to join my colleagues in marking the occasion of the 63d anniversary of the reestablishment of Lithuanian independence and the 730th anniversary of the founding of the Lithuanian state. More importantly, however, I speak today as one who recognizes the overriding commitment of Lithuanians, as well as all peoples in the Baltic region, to pursue a life free from outside constraints on speech, religion, and national identity. On this day, we must stand united in our firm support of Lithuanian independence from Soviet oppression. Our words must be heard around the world, for if the United States cannot serve as a beacon of strength for all those that cherish freedom, then indeed we will have failed to meet the ideals of our great heritage.

Lithuania embodies those very ideals itself. For decades, the Soviet Union has attempted to destroy the grassroots nationalism of Lithuania, yet she has stubbornly resisted. Evidence of her determination abounds. More samizdat—underground publications—

emerge from Lithuania than anywhere else in the Soviet Union. The study of national heritage has become so popular with the young that Soviet authorities have felt compelled to supervise all such classroom activity. As a consequence of continuous and widespread dissatisfaction with Soviet oppression, dissidents in Lithuania have come under heavy attack and constant surveillance.

It is also in Lithuania that the Soviet Union has focused its efforts to weaken the enduring strength of the Roman Catholic Church. Despite persistent Soviet repression, many priests have reported that as much as 60 percent of the population are churchgoers and that more than 500 parishes still function. As a result of the heavyhanded attitude of the Soviets on religion, it is not uncommon for young students to be forced to attend lectures on atheism, and for seminaries to be closed. But the desire to express one's religious views is so important a part of Lithuanian life, that the church has flourished nonetheless.

Soviet attempts to russify the Baltic States have encountered their greatest resistance in Lithuania. Efforts to force the Russian language on students, dominate the media with Soviet ideology, and pursue a policy of oppression have failed miserably. Only roughly 9 percent of the Lithuanian population is Russian, and the Lithuanian peoples have clung to their strong nationalistic desires and flourished as a growing industrial state.

Through our words here today and our efforts in the future, Mr. Speaker, we must deny the Soviet legal claims over Lithuania and continue to encourage the dream of Lithuanians around the world that someday their nation will achieve the independence it longs for and so rightly deserves.●

● Mr. MARKS. Mr. Speaker, I rise today in commemoration of Lithuania's Independence Day.

The struggle of the Baltic people for freedom for so many years remains a symbol to the rest of the world—a symbol of a people's determination never to let their quest for freedom, for self-determination, for self-government be dampened. We in the United States and other free countries on this globe will never cease in our admiration for this struggle, or in our understanding of why it must continue.

When our hostages were released, the American people took stock of the meaning of our freedom. We saw 52 Americans, who previously may have taken freedom for granted, appreciate what it meant to have freedom, and we, too, all paused to give thanks that we live in this country. Let us not forget that for the brave people in the Baltic States, freedom is still just a dream and a hope. I hope that their knowledge of our support will help sustain their dream.●

● Mr. ROUSSELOT. Mr. Speaker, I commend our friend, the gentleman from Illinois (Mr. ANNUNZIO) for once again bringing to the attention of the House of Representatives the desires of the Lithuanian people to be free and independent. My colleague and I have long shared interest in and concern for the many people who are literally in chains under oppressive dictatorships behind the Iron Curtain.

Mr. Speaker, today I would like to join the rest of my colleagues and the Lithuanian-American community in commemorating the 63d anniversary of Lithuanian Independence Day. It is my wish that one day Lithuania will again join the ranks of the free nations of the world. Not many peoples of the world deserve it more. After four decades of occupation the spirit of the Lithuanian people has never withered, but has instead grown stronger with each passing year in captivity. The Lithuanian heritage of heroism, bravery, and dedication to the right of freedom has become a source of inspiration for all oppressed peoples around the world.

It was in 1918 that Lithuania first emerged as an independent nation after centuries of German and Russian domination. In the mere 20 years of independence that followed the Lithuania people proved themselves truly capable of achieving tremendous social and economic strides. The 1940's found Lithuania occupied in turn by the Soviet Union, Nazi Germany, and again the Soviet Union, under whose dominance she has remained for the last 37 years without any opportunity for the self-government she once enjoyed. Proof that continuous efforts by the Soviets to destroy the Lithuanian sense of unity and identity have failed can be found in the way the people steadfastly adhere to their cultural heritage which embraces the value of freedom. It is deplorable that the Soviet Union continues to deny Lithuanian citizens the right to exercise the principle of self-determination and continues to suppress their human rights. As Lithuanians struggle to practice the freedom their declaration of independence once gave them, they must live in constant fear of Soviet retaliation for these efforts.

Mr. Speaker, as the citizens of Lithuania look toward the United States for the concepts of liberty and freedom, let us show them our compassion and support. Let us demonstrate our belief that one day they will again be a free people living in a free nation.

Once again I thank my colleague for taking this time to bring to the attention of the House a recognition of this important day and what it means as a symbol of freedom.●

● Mr. HILER. Mr. Speaker, on February 16, 1918, Lithuania was declared an independent republic. Throughout the next 22 years, that government enjoyed the realization of freedom which came only with its own political identity.

Lithuanian independence came to a tragic end in June 1940, with the entrance of Soviet troops into Lithuania and the neighboring countries of Latvia and Estonia.

Following this takeover the Lithuanian people struggled for 7 years to repel Soviet domination. An incredible 30,000 Lithuanians died in direct confrontation; hundreds of thousands more were shipped to Siberia to work in labor camps under severe conditions. Many workers suffered horribly or died as a direct result of this brutal treatment by the Soviets.

For 41 years Lithuania has suffered repression under totalitarian Soviet rule. The Soviet Government has attempted to destroy all vestiges of Lithuanian culture and independent political thinking.

Undaunted by Soviet oppression, the people of Lithuania still refuse to capitulate to "Russification." Lithuanians continue to use their own language, maintain their religious preferences, and celebrate their unique cultural heritage. The reacquisition of freedom and independence remains a priority to which the people of this proud nation are dedicated. Lithuanians will not rest until their national identity is restored.

We must support Lithuanian independence and condemn Soviet actions which violate principles of human rights and individual liberties. Let us remain committed to aiding the Lithuanian people in regaining the independence which rightfully belongs to them.

We hope that someday soon, Lithuania will join those nations which can freely celebrate the anniversary of an independent people.●

● Mrs. HOLT. Mr. Speaker, like other Eastern European peoples, the Lithuanians have great national pride that recalls their days of independence and expresses the hope for future freedom.

Lithuania was a great imperial power in the 14th century, later merged with Poland, was annexed by Czarist Russia in the late 18th century, declared her independence in 1918 and defended herself against attacks by Russian Bolsheviks, then was overrun by the Russian Red Army and incorporated into the Soviet Union in 1940.

Thousands of Lithuanian patriots have disappeared into the Gulag Archipelago, and she remains under Soviet rule by the ruthless use of Soviet arms and police agencies.

Estonia and Latvia have suffered the same fate, but the people of the three Baltic republics have not lost their

love and hope for independence and freedom.

We must not forget these people, although their territory was incorporated into the Soviet Union. These nations live in the memories and aspirations of their people and in the hearts of freedom-loving people everywhere.

On this day commemorating Lithuanian independence, let us tell the captive peoples that we remember them and we are their brothers and sisters in the cause of freedom. They will be free again some day.●

● Mr. RUSSO. Mr. Speaker, February 16, 1981, marked the 63d anniversary of the independent state of Lithuania. I am proud to join my colleagues in commemorating the anniversary of the Declaration of Independence of Lithuania, when the courageous people of Lithuania gained their freedom from Soviet domination and proclaimed their right to govern themselves as they saw necessary.

Unfortunately, this event is also one of sorrow. It was in 1940 when Joseph Stalin and Soviet troops invaded and occupied the Baltic nations—and once again, the three Baltic states were under Soviet domination.

Despite constant Soviet pressures forced upon Lithuania, however, the brave country continued its fierce nationalism. Lithuania provides a constant unrest that often underscores Moscow's inability to destroy grassroots nationalism even after centuries of Russian domination in that area. Anti-Soviet incidents regularly occur in Lithuania, Estonia, and Latvia, where national groups forcefully assert their claims to maintain their religious, linguistic and ethnic traditions.

In religion, the Lithuanian believers link their refusal to give up the Catholic faith with the survival of their culture. And the Kremlin concentrates its efforts toward weakening the growing strength of the Roman Catholic Church. Moscow worries that a link between the church and opponents of the organization could lead to a development of mass resistance to Communist rule. Yet the Lithuanian Catholic resistance to Soviet pressure is marked by the huge number of religious petitions addressed to Soviet and world leaders.

Despite strenuous efforts made by the Kremlin to force Russian language on the people, most Lithuanians, even high officials, speak Russian only in the presence of Russians.

As we in the House of Representatives commemorate the anniversary, it is imperative that we realize that the struggle of these brave people is continuing. Lithuania is now the dynamo of the Soviet light industry. Their wage levels are high above the national average. Car ownership is increasing rapidly. Lithuanians are making their mark, despite Soviet domination.

Yet, the freedom of these people continues to be restricted; they remain oppressed, and we cannot ignore their future without ignoring our past, rooted in the doctrine of freedom. The Soviet Union denies the people self-determination and they deserve worldwide condemnation; they are ruthless in their efforts to deprive the people of their sovereignty and their heritage. But the Soviets have not and cannot destroy the strong nationalistic and religious movements that continue to exist in the Baltic nations.

Let us again proclaim our support for the people of Lithuania, our support for their constant struggle for the very liberties and freedoms that we as Americans can enjoy every moment in each day of our lives. Let us join in this struggle by drawing the world's attention to it. By paying tribute to and recognizing the strength of these courageous people, we remain true to our own American moral and political ideals, and say to the world, "These people, too, must be free."●

● Mr. WAXMAN. Mr. Speaker, 5 years ago as Leonid Breshnev and Gerald Ford signed the historic Helsinki accords, the free world was filled with a new hope. The agreement stipulated that the Soviet Union would honor and respect human rights and allow freer movement of people, information and ideas between the East and the West. Yet in the wake of the Madrid Conference, whose very purpose it was to review these provisions, we must sadly recognize the accords as empty promises. Lithuania's struggle for freedom serves as testimony of the refusal of the Soviets to abide by the agreement. Ironically, today as we commemorate the 63d anniversary of "the establishment of an independent Lithuania," this small country still remains, unwillingly, an integral part of the Soviet Union, deprived of even the most basic human freedoms.

Lithuania's struggle to keep its identity as a sovereign state has been arduous indeed. Although February 16, 1918, ended 120 years of Soviet domination, this hard-won freedom was shortlived. In 1940, the country was again invaded by the Soviet Union and declared a component republic. By 1944, the ramifications of the Soviet takeover were clear; Lithuania was to be totally incorporated under the Soviet hammer and sickle—bereft of even the slightest cultural or political autonomy.

While we in the United States have refused to recognize the Soviet occupation of Lithuania, we cannot overlook the blatant abridgement of human rights. Soviet attempts to disperse the Baltic peoples led to executions and massive deportations; those remaining were forced to submit to a complete Russification of the Lithuanian culture. While the Soviet constitution ostensibly promises freedom of speech, assembly and religion, these fundamental laws have been ignored. Intellectuals have been prevented from receiving publications from the free world and newspapers and books can only be openly published by the Communists. Families have been disbanded and family members deported. Priests have been jailed for the teaching of religion, even in church. The industrial wealth of the country has been exploited. Dissidents such as Gajuskas, Petkus, and Jaskunas have been tried and exiled to labor camps. In essence, the country has been stripped of all political and cultural independence.

On this, the 63d anniversary of Lithuanian independence, our Nation must not only reaffirm our own commitment to the principles of self-determination, but commend a country who despite great suffering has not lost the will to fight for its freedom. Mr. Speaker, the peoples of Lithuania have only enjoyed two decades of freedom in nearly two centuries, yet despite this oppression have continued to maintain their consciousness, dignity and pride. As we pledge our continued support in the fight for human rights, we must look toward the Lithuanian people for inspiration; throughout 40 years of tyranny neither their remarkable spirit nor their undying courage has faltered.●

● Mr. HOLLENBECK. Mr. Speaker, I rise today to join my colleagues in recognizing February 16 as a day of pride and reflection for Lithuanians the world over. On this day in 1918, Lithuania gained its long-sought independence. Oppressed for centuries because of their vulnerable geographic location, Lithuanians have suffered invasions from the east by the Russians and from the west by the Teutonic Knights. They have demonstrated incredible spiritual and ethnic fortitude by surviving these repeated onslaughts.

Ever since this gallant Baltic nation was forcibly incorporated into the Soviet Union, after only 22 years of independence, Lithuanians have struggled to throw off the chains of their oppressors. Thousands of these freedom fighters have sacrificed their lives in an attempt to secure independence for their beloved country. From 1944 to 1952 alone, some 50,000 Lithuanian freedom fighters gave their lives as part of a grassroots resistance movement. However, the cessation of armed hostilities did not result in the end of the resistance to Soviet domination. Rather, it created the impetus for the introduction of passive protest.

Even today, as I speak, Lithuanians are risking their lives in outright defiance of the Communist regime. The protests of the Lithuanian people for their rights to self-determination as well as religious and political freedom

continues despite Soviet oppression. With this in mind we must attempt to match the courage of Lithuania by reaffirming our dedication to the principles of self-determination and human rights.

It is our duty to continue to confront the Soviets with the fact that, despite being cosigners of the Helsinki accords, they have willfully ignored many of the provisions guaranteeing basic human rights. We must continue to speak out against the infringement of human rights and not succumb to any temptation which permits us to ignore the plight of those being denied their fundamental rights. We must continue to fight vigorously for the inalienable rights of all mankind.

February 16 marks a grim reminder to all of us that there are people in the world who do not possess even the most basic of human rights. We must extend whatever support we can to the people of Lithuania and their dreams for freedom. Let us hope for the day when our Lithuanian friends can celebrate a renewed independence of modern times, rather than commemorate the anniversary of an independence since lost.●

● Mr. MOAKLEY. Mr. Speaker, on February 16, 1981, the 63d anniversary of the Declaration of Independence of Lithuania will be commemorated by Lithuanians around the world. It is imperative that we as a nation who cherish the principles of liberty and freedom share our concern with a people denied these very principles. It is fitting that in this situation, a manifestation of popular sovereignty, that we symbolically join with all freedom-seeking Lithuanians working for their right to reestablish their independence which was taken away at the hands of the Soviet Army.

The freedom of speech, the freedom of the press, the freedom to gather freely, the freedom to petition government, the freedom to worship without harassment are basic truths incorporated in the Constitution of the United States. These principles, which are a cornerstone of our Government, are a fundamental guarantee of our liberty. These basic freedoms are often taken for granted in America and are forbidden in Soviet-dominated Lithuania.

The repression and persecution that is part of everyday life in this Baltic nation must not be forgotten by a nation that prides itself in justice. In commemorating Lithuanian Independence Day our Nation should be moved to action.

As a leader and champion of the oppressed people throughout the world, we have an obligation not only to condemn the denial of fundamental liberties to the people of Lithuania but we must effectively work to allow for self-determination in this courageous nation. By working to bring change in Lithuania, the United States will assist in the struggle to preserve Lithuanian identities, language, and culture.

Lithuanian Independence Day is a day that gives us an opportunity to celebrate freedom and support those in quest for freedom. It must be known that the United States of America stands by all those who still seek to be free. America's role can be found in Bernard Malamud's poignant statement "The purpose of freedom is to create it for others."●

● Mr. LEE. Mr. Speaker, on February 16, 1981, the people of Lithuania will commemorate the 63d anniversary of their declaration of independence as a sovereign state. I would like to take this opportunity to bring to the attention of my fellow colleagues the significance of this very special occasion.

It has been my privilege to represent a large number of Lithuanian Americans from Syracuse, N.Y., thus I can personally identify with this proud group of citizens.

The Lithuanian people, long suffering under the weight of Soviet domination, have waged a valiant effort to secure for themselves the principle of self-determination. Like all Baltic nations, Lithuania must be allowed to choose its own destiny. No longer can the free nations of the world ignore the plight of these and all people striving to remove the stigma of Russian oppression.

I urge that you and all Members of this body join with my distinguished colleague from Illinois, Congressman FRANK ANNUNZIO, sponsor of the Congressional Commemoration of Lithuanian Independence, in observing this important anniversary.●

● Mr. HALL of Ohio. Mr. Speaker, the 63d anniversary of Lithuanian Independence Day, which we observed on February 16, reminds many of us of the oppressed victims of another nation's aggression throughout the world. We pause each year in solemn tribute to the silent and subjugated status of millions of our fellow human beings and offer hope, not despair, and faith, not resignation. We all know that words are only symbols with which we communicate our concern. However, words do not provide the Lithuanian people with the self-determination and dignity which all men deserve and seek.

The plight of the Lithuanian people reminds us of the growth and devices of totalitarian power in this century. Totalitarianism found its origins in the Hitler and Stalin era of the 1930's, became a sophisticated tool in the 1940's, and bred the tidy regimes of the 1950's, 1960's, and 1970's, which now command their own respectability and our acquiescence. Finally, the terroristic guerrilla warfare of the 1950's and 1960's completed the terrible significance of the early development of totalitarianism in the 1930's, 1940's, and 1950's.

The American people cherish the free world. Most recently we have celebrated the return of 52 of our fellow Americans to the free world. The threat of Soviet intervention in Poland and the continued occupation of Afghanistan by the Soviet Union reminds us daily of the fact that we are living in an epoch in which one evil leads inexorably to another. We cannot forget Lithuania, because to do so might allow us to fall victim to the other horrors which lie before us in this century. Therefore, I join my colleagues in the commemoration of Lithuania's Independence Day, and further condemn the Soviet Union for denying these people their right to exercise the principle of self-determination.●

● Mr. LENT. Mr. Speaker, it is with great pleasure that I join with my distinguished colleagues in commemorating the 63d anniversary of the Declaration of Lithuanian Independence.

On February 16, 1918, the flame of freedom shone brightly in the people of the sovereign state of Lithuania—established on that date as an independent republic. Unfortunately, the flame I speak of was soon to be extinguished by another example of imperialism in a long line of Soviet domination. Although the period of Lithuanian freedom was brief, the Lithuanians have never ceased to struggle to maintain and secure the rights and privileges they once knew and cherished.

For four decades the Soviets have continuously disregarded the human rights of both the United Nations Charter and the Helsinki accords. They have also blatantly ignored the stipulations of the Belgrade Conference.

Undaunted, the Lithuanians have remained resolute in their ardent resistance to the Soviet's numerous acts of political repression, religious persecution and cultural genocide. Russian attempts to obliterate the Lithuanian culture, language, and religion have been fruitless. The people of Lithuania have refused to yield or succumb, and as a result of their valiant struggle, they have preserved their unique language, which is one of the oldest living languages, as well as their culture and religious heritage.

The Soviet Union's constant denial of the Lithuanian's right to be free and sovereign is inexcusable. Since 1940, the Baltic states of Lithuania, Estonia, and Latvia have been occupied by the Soviets. Resultantly, these people are subjected to fierce and unrelenting Soviet repression.

Mr. Speaker, as we commemorate the Declaration of Independence for the Lithuanians, let us reinforce our resolve to preserve and protect the

precious liberties and freedoms we enjoy, and to seek to restore those liberties and freedoms to those from whom they have been wrenched by force. Aggression against a free people cannot be condoned or tolerated, and must be challenged at every opportunity.

Today we must reaffirm our pledge to aid in restoring freedom to those who quest for its bountiful rewards. Let us join together in saluting the Lithuanians for their heroic courage in this struggle, and pledge our continual and augmented support.●

● Mr. YATRON. Mr. Speaker, I would like to join my colleagues and the Lithuanian American community today in commemorating the 63d anniversary of Lithuanian Independence Day. I wish to express the hope that one day Lithuania will again be a free and autonomous nation, and that her heritage of heroism, bravery, and dedication to the cause of freedom will continue to be a source of inspiration for all the oppressed peoples of the world.

After World War I, an independent Lithuania emerged from the ruins to begin rebuilding her land, establishing her own government, and in essence, began to determine her own destiny. This progression was halted by the Stalinist Soviets who ruthlessly seized Lithuania in 1940. While under Soviet domination for the past 41 years, Lithuania has not been given the opportunity to govern itself. This has not subdued the spirit of her people, however, who have continually resisted Soviet attempts to destroy their unity and identity. An ardent desire for freedom survives in Lithuania today which is reflected in the way the people steadfastly adhere to a cultural heritage which embraces the value of liberty.

The lesson of Lithuania must be heeded by all the free peoples of the world. Lithuania reminds us of how essential and how precious freedom truly is, and what its loss can signify. Let us pray that one day soon the Lithuanian people will achieve the independence that is the natural right of all men, and that by their example, the world will realize a universal understanding of the need for all people to be allowed to exercise their inherent right of self-determination.●

● Mr. BINGHAM. Mr. Speaker, on the occasion of the 63d anniversary of the Lithuanian Declaration of Independence, February 16, 1981, I would like to pay tribute to the spirit of freedom and independence which lives on in the hearts of Lithuanians throughout the world, despite the illegal occupation of their homeland by the Soviet Union. As a member of the Commission on Security and Cooperation in Europe, I strongly condemn the Soviet Union for its violation of principle 8 of the 1975 Helsinki Accord's Final Act, the right to self-determination both of states and of peoples.

Principle 8 states that—

The participating States will respect the equal rights of peoples and their right to self-determination, acting at all times in conformity with the purposes and principles of the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of States.

It also reiterates the rights of all peoples "to pursue as they wish their political, economic, social, and cultural development." The Soviet Union has, for four decades, denied to the Lithuanian people their territorial, political, and cultural self-determination, in clear contravention of both the spirit and the letter of principle 8. This denial of self-determination is not only a tragedy for the Lithuanian people, but in a broader context, denial of self-determination is a threat to peace, because of the instability and insecurity it engenders.

I would like to join Representative ANNUNZIO, who has arranged for a special order on this occasion, in commemorating Lithuanian Independence Day with my sympathy and support for their unyielding pursuit of self-determination and liberty.●

● Mr. FAUNTROY. Mr. Speaker, I want to thank my distinguished colleague, Mr. FRANK ANNUNZIO, for reminding us of the plight of the Lithuanian people and other Baltic peoples for self-determination and freedom.

The Lithuanian struggle for self-government, denied to them since 1940, is in accord with the Final Act of Helsinki, and is still another instance demonstrating the durability of the human spirit and the quest of all peoples for liberation and fundamental human rights.●

● Mr. NOWAK. Mr. Speaker, I would like to commend my colleague, the gentleman from Illinois (Mr. ANNUNZIO), for his leadership in arranging for his special order to commemorate Lithuanian Independence Day.

This occasion gives us the opportunity to renew our strong concerns about Soviet oppression and the denial of self-determination to the peoples of the Baltic States.

The cloud of a potential Soviet intervention in Poland, coupled with the continued brutal Soviet presence in Afghanistan, reinforces the need to remind the Soviets that we have not forgotten the millions of oppressed persons behind the Iron Curtain, nor have we wavered in our strong belief that they should be free.

It is our hope that our persistent remembrance of anniversaries such as Lithuanian Independence Day will offer reassurance to Lithuanian Americans and to those struggling to gain independence. Regardless of the length of the struggle, the fires of freedom cannot be extinguished.

A resolution adopted by the Lithuanian Club of Buffalo on February 8, 1981, describes the ongoing struggle within Lithuania to the continued Soviet violations of international law and individual rights. This resolution, I believe, expresses the rationale for our observance here today and I would therefore like to share it with my colleagues.

RESOLUTION

We, the Lithuanian-Americans of the Niagara Frontier, at a meeting held on February 8, 1981 to commemorate the reestablishment of Lithuania's independence, send our warmest greetings to the people of Soviet-occupied Lithuania, pledge our unwavering support for the restoration of Lithuania's sovereignty, and do hereby state as follows:

That February 16, 1981 marks the 63rd anniversary of the reestablishment of the independent State of Lithuania and the 730th anniversary of the formation of the Lithuanian Kingdom in 1251; and

That by the Peace Treaty of July 12, 1920, Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all claims to Lithuanian soil and her people; and

That until 1940, Lithuania was a sovereign nation, a member of the League of Nations, and signatory of numerous international treaties with the Soviet Union; and

That the Soviet Union in June of 1940 invaded and occupied Lithuania, and subsequent to that invasion forcibly annexed the Lithuanian nation into the Soviet Union; and

That the Soviet Union continues to conduct a policy of colonization, forced Russification, ethnic dilution, and religious and political persecution; and

That the people of Lithuania to this day are risking and sacrificing their lives in defiance of the Soviet regime, as recently made evident by the numerous arrests of the members of the Lithuanian Helsinki Monitoring Group, signers of the August 23, 1979 petition to the Secretary General of the United Nations, and publishers of the Chronicle of the Catholic Church in Lithuania and other dissident publications; and

That the United States government maintains diplomatic relations with the government of the Free Republic of Lithuania and consistently has refused to recognize the unlawful occupation and forced incorporation of this freedom-loving country into the Soviet Union; now, therefore, be it Resolved, That we will urge President Reagan's administration to maintain and to strengthen United States' policy with regards to the Baltic Republics of Lithuania, Latvia, and Estonia; and

That we urge the United States of America and other nations of the Free World to use diplomatic and other possible pressures to compel the Soviet Union to release from jails, concentration camps, and psychiatric wards, people who struggle for human rights and for liberty; and

That copies of this resolution be forwarded to the President of the United States, the Secretary of State, the American Ambassador to the United Nations, United States Senators and Members of the House of Representatives from our state, the Lithuanian Minister in Washington, D.C., the Lithuanian Consul General in New York City, and to all appropriate representatives of the press.●

● Mr. GUARINI. Mr. Speaker, February 16 marked the 63d anniversary of the independence of Lithuania. I am proud to join with those people of Lithuanian origin in commemorating this occasion.

While we celebrate the 63d anniversary of the independent Republic of Lithuania we must remember that the history of this proud and fiercely independent people goes back much further. The formation of the Lithuanian state took place 730 years ago. This formation became not only a geographic union but also a cultural union of people united by similar ideals.

Unlike many ethnic groups which have disappeared into history when confronted by the forces of overpowering nations, the Lithuanians were able to keep their culture and their ethnic identity. Lithuania was not only able to survive Czarist attempts at geographically dividing the land, but they also survived the Czarist attempt to eliminate the Lithuanian language and its flourishing culture.

In 1920 the independent Republic of Lithuania signed a peace treaty with the Soviet Union. This treaty guaranteed Lithuania's right as an independent and sovereign nation. At the same time the Russians renounced what they had previously claimed as their right of sovereignty over the country for all times. The signing of this treaty culminated a fight for independence that the Lithuanians had begun in the 1880's under the Russian Czar.

As we all unfortunately know, the freedom that the Lithuanians knew on February 16, 1918, was not to last. In 1940 the Soviet Union invaded Lithuania. The Lithuanian freedom fighters were unmatched in their gallantry but defeated by the overwhelming force of 300,000 troops. After World War II the Soviets refused to free the captured Baltic nation.

The types of oppression endured under the Czar resurfaced with the Soviet takeover. It is estimated that 30,000 Lithuanians lost their lives fighting the Soviets in the 10 years after the takeover. Religious freedom was denied and widespread attempts to erode the Lithuanian culture have been made.

We must recognize that freedom-loving Lithuanians are working hard to restore their rights. As Americans we can never lose sight of this struggle. As a step in the right direction we must seek enforcement of the Helsinki accords of 1975. Beyond this temporary goal we must remain open to the soundings for Lithuanian freedom. The Lithuanians deserve their freedom. I join them today in honoring their Independence Day and their continued quest for freedom.

I request that this tribute to the Lithuanians be included in Representative ANNUNZIO's special order on Lithuanian Independence Day.●

● Mr. ECKART. Mr. Speaker, 63 years ago the nation of Lithuania obtained its independence. Just over 22 years later, the proud and resolute Lithuanians were overrun by the forces of the Soviet Union, and to this day the courageous people of Lithuania continue to seek renewal of their lost independence.

The anniversary of the Lithuanian Declaration of Independence on February 16, coming so close as it does to the birthdays of two of our greatest Presidents, Lincoln and Washington, serves as a constant reminder to us of the struggles going on today for freedom. The effort to win the right of self-determination continues in all the captive nations, even while the people in them struggle to maintain their religion, language, and culture in the face of constant official Soviet repression.

We in this country must remember that freedom is a birthright that must not be taken for granted. Even as we battle to keep our own freedom strong, other nations, most recently Afghanistan, find themselves newly enslaved and subjugated.

The struggle of these people must not be ignored. They fight every day to emerge from the living hell of denied freedom.

On this day commemorating the shortlived freedom of Lithuania, we should renew our own commitment to assist those seeking their own birthright of freedom.●

● Mr. FROST. Mr. Speaker, I am grateful for this opportunity to participate, for the second straight year, in this special order commemorating Lithuanian Independence Day. This special celebration is a way to remind us all that despite the tyranny and aggression that seems to be growing in the world today, people around the world still yearn for freedom.

This day is especially significant to me since my maternal family heritage is Lithuanian. Since my Lithuanian forebears came to this country in the 1800's, we have come to appreciate the freedom available to all in the United States. In the same way, the people still in Lithuania today, who have endured the horrors of war and the domination of a totalitarian state dedicated to eradicating all semblance of freedom, appreciate the meaning of freedom. Their courageous struggles to become unshackled from tyranny is an example to us all. I join the House of Representatives in saluting the people of Lithuania on this special day.●

● Mr. PEYSER. Mr. Speaker, I consider it a privilege to commemorate the 63d anniversary of the establishment of the modern Lithuanian Republic. Today we honor the Lithuanians' constant dedication to self-determination and human rights that led to their declaration of independence.

Lithuanian spirit for independence has prevailed throughout centuries of colonization and domination by foreign powers. In 1795, Russia annexed Lithuania, despite many rebellions by the Lithuanian people. The Russians attempted to replace the native culture and language with their own. But, the Lithuanians resisted and remained faithful to their religion, language, and customs. Finally, in 1905, the discouraged Russians abandoned their policy of russification.

Ten years later, however, the First World War burdened Lithuania with foreign occupation forces and more repression. The German Army overran Lithuania in 1915, plundering those cities and towns that the rapidly retreating Russians missed. As the war turned against Germany, the Lithuanians pressured the German Government to authorize the gathering of a congress. On February 16, 1918, Lithuania declared itself an independent state dedicated to democratic principles.

Early in 1919, however, after the Germans retreated, the Russian Red army seized the capital city of Vilnius and set up a Communist government. By the summer of 1920, Russia signed a peace treaty forever renouncing its domination over Lithuania.

Once truly independent, Lithuania took steps toward promoting democracy and human rights. A constitutional government and parliament were formed. The new Government instituted a land reform program to increase the percentage of landowners. In addition, the Government secured social reforms benefiting laborers and provided more educational institutions.

In 1939, however, World War II cast its shadow upon the sovereign Lithuanian State. Contrary to its earlier promise, Russia forcibly annexed Lithuania in August 1940 and so ended the freedom and independence of thousands of Lithuanians. German forces later occupied and ravaged the tiny Baltic State in their offensive against Russia. At the end of the war, the Soviet Union reclaimed Lithuania as well as its sister republics, Latvia and Estonia, and has ruled over them since.

In 1958, nearly 20 years after annexation, the Lithuanian World Congress affirmed their commitment to freedom and independence. It adopted a unanimous resolution declaring that "Lithuanians continue fiercely resisting the alien rule" of the Soviet Union and calling on free nations to "reaffirm on every suitable occasion the inalienable rights of the Lithuanian people to national independence and individual freedom."

Today, the United States continues to recognize Lithuania as a sovereign

state and not as a Soviet constituent. At this time, we pay tribute to the proud and durable people of Lithuania—a people who continue to pursue their dream of independence. They are truly an example to all free nations that treasure the inalienable rights of freedom for all individuals.●

● Mr. JEFFRIES. Mr. Speaker, freedom is a way of life here in the United States, and for that reason we often take our liberty for granted. During this month of February our thoughts are drawn once again to those crusaders for freedom that highlight the course of American history, Abraham Lincoln and George Washington. In their hearts the fire of liberty burned bright, and today, we as citizens of this great Nation have inherited that legacy.

The flame burns in the hearts of the Lithuanian people as well. Sixty-three years ago, on February 16, 1918, the Republic of Lithuania declared its independence as a sovereign and democratic nation. During this week those of Lithuanian heritage commemorate that occasion, but not with happiness. Lithuania remains a captive nation under the control of the Soviet Union, and the anniversary of its former independence serves only to foster sadness and the renewed resolve to put an end to the Soviet occupation of this peaceful Baltic nation.

In June 1940, after only 22 years of living as a self-governing and free entity, Lithuania was seized by the avaricious Soviet Union in compliance with its unholy alliance with Hitler and Nazi Germany. The neighboring lands of Latvia and Estonia were also forcibly occupied and annexed.

The patriotic people of Lithuania did not accept their fate at that time; nor do they accept it now. Despite oppressive and tyrannical persecution by the Soviet leviathan, the struggle for political and religious freedom continues, both openly and through various underground organizations. One of the major forces in the fight is the Catholic Church, which instills fervor and new hope in the oppressed population. The Kremlin has continuedly attempted the russification of Lithuanian culture and heritage, but the proud nation has steadfastly resisted such measures. Unfortunately, continued opposition to Soviet policy in the Eastern bloc countries has caused the already suffocating grip on Lithuania by the Soviets to tighten even further.

Soviet expansionism has always been a threat to the freedom-loving peoples of the world; Hungary, Czechoslovakia, and Afghanistan are our most recent and appalling reminders of that reality. During this time when we honor those individuals who defended freedom and independence on these shores, let us also pause and remember the ongoing struggle of the Lithuanian people and lend our support and prayers to their cause, the crusade for liberty.●

● Mr. FORD of Michigan. Mr. Speaker, today marks the 63d anniversary of Lithuanian Independence Day. As in past years, I take this opportunity to pay tribute to all Lithuanians. I admire them for their courage and I admire them for being strong and proud.

I know that several of my colleagues here in the House are fortunate, as I am, to represent Lithuanian Americans. I know that these individuals love America, but they also love their heritage. It is their fight for freedom, aided by Radio Free Europe, Radio, Liberty, and the Voice of America, that have kept alive the hope of freedom for all those in the Baltic States.

Despite brutal attempts by many nations to incorporate Lithuania, these people have held on to their identity and they have kept alive their memory of Lithuanian desire for democratic freedom. The Soviet Union has tried to destroy freedom of press, speech, and religion. Despite the deprivation of these most basic human rights, Lithuanians continue to cling to their cultural heritage.

I am proud to commemorate Lithuania's Independence Day today. I feel confident that the struggle of these people will not go unnoticed.●

● Mr. BRODHEAD. Mr. Speaker, I am pleased to join with many of my colleagues in commemorating the 63d anniversary of the establishment of the independent Republic of Lithuania. This is an appropriate occasion to recall the tyranny to which Lithuania has been subjected by the Soviet Union and renew our commitment to opposing the Soviet Union's continued occupation of this independent nation.

The unfortunate history of the Soviet subjugation of Lithuania begins with the signing of the infamous nonaggression pact between Stalin and Adolph Hitler. Shortly thereafter, Lithuania and the other Baltic nations, Latvia and Estonia, became the first victims of the Soviet Union's imperialism and expansionism, which continues to this day. The United States has rightly never recognized as legitimate the occupation of the Baltic States. I am very pleased that the U.S. delegation to the Madrid Conference on the Helsinki accords reaffirmed this policy of nonrecognition, in keeping with our position that the illegal incorporation of these nations violates the Helsinki agreement. Although nonrecognition alone will not right the wrong done in 1940, we must not as a matter of principle ever seem to acquiesce in that wrong.

There are those who will say that our efforts today are in vain. However, we who have been actively involved in promoting the cause of basic human and political rights for people around the world know that this is not the case. On the contrary, our vigilance serves as one of the only deterrents, however small, to more rapid Soviet expansionism. We must continue to impress upon the Soviet Union the gravity with which we view aggression and denials of human rights, as well as the fact that these factors will be central to our foreign policy. Also, the constant efforts of Lithuanian Americans and the support of concerned Members of Congress are vital in keeping alive the hopes of the oppressed people of Lithuania. We owe it to these people not to abandon our efforts.

I hope that the commitment we are expressing today will continue to be reflected in our country's foreign policy—more strongly now than ever before.●

● Mr. ADDABBO. Mr. Speaker, I am glad and honored today in joining my distinguished colleagues and the over 1 million Lithuanian Americans in commemorating the 63d anniversary of the Declaration of Independence of Lithuania.

It is as important as ever that we show our moral support for the Lithuanians and their struggle for self-determination. As Americans, living in a country surrounded by friendly neighbors, and blessed with a government that respects the rights of its people, it is very difficult to comprehend what it would be like living in Lithuania since World War II. But imagine if you will, waking up tomorrow morning and finding out that our once friendly neighbor, through force of arms, terror, and brutality, as well as total disregard for international law, had invaded and annexed the United States. Imagine discovering that a treaty of nonaggression, signed in good faith, had been callously violated, or also being told that the invading nation had rigged an election to produce a Congress which requested the incorporation of the United States into the annexing nation. It would be a life in which little or no news of the free world would get past the borders and a world in which just as little information describing the tyranny, aggression, and blatant disregard for human rights of the occupying nation would get out. Picture a government which denies its citizens cultural, political, and religious freedoms—freedoms as a free nation it had fought so valiantly to secure.

What I have just described is a world the people of Lithuania know all too well since 1940, when the Soviet Union, in total disregard for the rights of a free nation, began its occupation of the once sovereign nation of Lithuania. It is a tribute to the brave people of Lithuania, who, though living under Soviet domination, have never lost their determination to one day live in a country where the rights and

needs of the people are held sacred. We, as the most powerful free Nation on this Earth, must never forget the plight of Lithuania. To do so would be a far more greater crime.●

● Mr. FLORIO. Mr. Speaker, this month commemorates the 63d anniversary of the reestablishment of an independent Lithuania and the 703d anniversary of the founding of the Lithuanian state. As our Nation approaches its own 205th year of national independence, I believe that we should pause to reflect on the courageous people of Lithuania, who have been denied both freedom and self-determination by the Soviet Union.

Nearly 40 years ago, on June 15, 1941, the Soviet Union executed or deported over 34,000 Lithuanians. After World War II the mass deportations of Lithuanians to undisclosed points in the Soviet Union resumed and continued until 1953.

The Lithuanian people have now entered a fifth decade of Soviet occupation. Soviet occupation has resulted in the unrelenting oppression of human rights in Lithuania. The once-growing economy of this Baltic nation is now dependent upon raw materials and markets controlled by government authorities in Moscow. Sadly, the world has witnessed the standard of living in Lithuania reduced by government dictate to the level imposed throughout the Soviet Union.

Soviet annexation of Lithuania has denied its people the right to practice religious beliefs, to have their children educated in their native tongue, and to enjoy all basic rights common to free nations. The United States has never recognized the illegal Soviet annexation of Lithuania. I urge President Reagan to reaffirm U.S. commitment to a free Lithuania and to strengthen U.S. recognition and support to the diplomatic corps established by independent Lithuania.

I have written to the U.S. delegation to the Helsinki Review Conference now being held in Madrid, Spain. I urged the delegation to use the conference as an effective forum to seek improvements to the human rights policies of the Soviet Union. I request my colleagues to join with me in denouncing the human rights policies of the Soviet Union and its illegal annexation of the Baltic States. Lithuania has kept alive a spark of freedom in the very face of Soviet oppression. Our Nation must morally commit its strength to assist the Lithuanian people in this struggle.●

● Mr. BENJAMIN. Mr. Speaker, today the House formally recognizes the 730th anniversary of the formation of the Lithuanian State and the 63d anniversary of the independent Republic of Lithuania.

I have spoken on former occasions regarding Lithuania, first praised by the Roman historian Tacitus. I have alluded to the majesty of its forests, the wonders of its culture, and the strength of its people. We have spoken of the decades of freedom enjoyed by the Lithuanian nation until 300,000 troops of the U.S.S.R. occupied their nation in 1940, deporting its people, assassinating its leaders.

As the Soviets again cast a wanton eye West, it behooves us to reiterate the words of the deputy chairman of the U.S. delegation to the Madrid Conference, who said:

The United States does not recognize the illegal incorporation, by force of arms, of the states of Latvia, Lithuania, and Estonia by the Soviet Union. This act is clearly inconsistent with Principal VIII of the Helsinki Final Act.

On behalf of the 10,000 Lithuanian people of northwest Indiana, I join the deputy chairman in condemning the Soviet Union's denial of the exercise of the principal of self-determination for the Baltic peoples.

With the passing of another season, it is my prayer that the seed of freedom will again bloom in Lithuania.

Mr. Speaker, I include the following resolution adopted by the Lithuanian American Council of Lake County, Ind., in the RECORD:

RESOLUTION

We, the Lithuanian Americans of Lake County, Indiana—assembled this 15th day of February, 1981 at Gary, Indiana, to commemorate the restoration of Lithuania's independence, do hereby state as follows:

Whereas February 16, 1981 marks the 63rd Anniversary of the restoration of independence to the more than 700 year old Lithuanian State;

Whereas Lithuania was recognized as a free and independent nation by the entire free world, she was a member of the League of Nations, however, she was by force and fraud occupied and illegally annexed by the Soviet Union disregarding the Peace Treaty of 1920 in which Moscow had guaranteed Lithuania's independence forever and disregarding the Non-Aggression Pact of 1926 with the Soviet Union;

Whereas the Soviet Union is an imperialistic, aggressive colonial empire, subjugating each year new countries; Lithuania was one of its first victims. The colonies of western countries have regained their independence, even underdeveloped nations of Africa and Asia, while Lithuania is still exposed to the most brutal Russian colonial oppression and exploitation;

Whereas the Soviet invaders, even though using tortures in jails, concentration camps, psychiatric wards are unable to suppress the aspirations of the Lithuanian people for self-government and the exercise of their rights to self-determination: Now, therefore, be it

Resolved, we are grateful to the President of the United States who instructed the U.S. delegation to raise at the Madrid conference the right of the Baltic States for self-determination;

We are grateful to President Carter for his struggle for human rights, which should include the right of nations to live free and independent lives,

We urge the United States of America and other nations of the free world to use diplomatic and other possible pressures that the Soviet Union withdraw its military forces, secret police apparatus, foreign administration, and release from jails, concentration camps and psychiatric wards people who struggle for human rights and for liberty;

We are grateful to President Reagan for a statement before his election that an official diplomatic non-recognition of the forced incorporation into the U.S.S.R. of the three Baltic nations will continue to be a policy also of his Administration.

That we express our most sincere gratitude to the United States Administration and the Congress for non-recognition of the incorporation of Lithuania into the Soviet Union and we request them to use every opportunity in international forums and in direct negotiations with the Soviet Union to strongly support the Lithuanian aims for independence: Be it further and finally

Resolved, that copies of this Resolution be forwarded to the President of the United States, to the Secretary of State, to the U.S. Congresssmen and Senators from our State, to Congressman Dante B. Fascell, Chairman of the Helsinki Committee in Washington and to the news media.●

● Mr. FARY. Mr. Speaker, on February 16, 1918, the proud and independent people of Lithuania won their national freedom. The independent State of Lithuania was reestablished. It is a special day for those of Lithuanian descent and to all who support the principles of freedom and self-determination.

Unfortunately, this era of independence and economic and political democracy was short lived. With the onslaught of World War II, Lithuania was engulfed by invading armies. Twenty-one years of freedom and honor came to an abrupt end. In 1940, the Soviet Union declared Lithuania a constituent republic of the U.S.S.R. The Lithuanian people fiercely protested. The Soviet Union retaliated with brutal methods; thousands were deported to Siberia or executed.

Appropriately, the U.S. Government has never recognized the Soviet annexation of the Baltic States and has continued to recognize the diplomatic corps established by an independent Lithuania. Since this policy of nonrecognition has a mitigating effect on the policies of the Soviet Union toward the Baltic States, I urge the new administration to support and strengthen the diplomatic representation of Lithuania.

I commend the recent statements by the United States at the Conference on Security and Cooperation in Europe. According to the deputy chairman of the U.S. delegation, "We know that there is little that can be done to right a wrong committed four decades ago. But let us remember also that the passage of time will not make that wrong right. Time does not make right, any more than might makes right."

The United States also took the position that principle IV of the Helsinki accords, which makes occupation or acquisition of territory in contraven-

tion of international law illegal, applies to the Soviet-occupied Baltic States of Lithuania, Latvia, and Estonia.

Russian domination is a part of the history of this oppressed Baltic nation. It first began in 1795 and continued until 1915. Despite this occupation, the Lithuanian people remained committed to their deep faith and to their nation. They refused to accept assimilation into the Russian system and culture.

Despite the lack of freedom and self-determination over the last 40 years, once again the pride and tradition of an independent spirit lives on. Today, I join in paying tribute to the spirit and tradition of the Lithuanian people. Along with Lithuanians throughout the world and all lovers of freedom and self-determination, I hold out eternal hope that someday Lithuania will obtain the independence they have been denied.●

● Mr. OTTINGER. Mr. Speaker, I rise to commemorate the 63d anniversary of the Declaration of Independence of Lithuania. As a member of the Ad Hoc Congressional Committee on the Baltic States and Ukraine, I feel it is important for us to condemn the Soviet Union for forcibly depriving Lithuanians of their sovereign rights and self-government.

As an independent nation, Lithuania placed great emphasis on social and economic progress for its people. A land reform program was implemented, the number of schools was increased, and labor laws were instituted. Tragically, all of this came to an end by the unprovoked invasion and occupation of the Baltic countries in June 1940.

Since that time, the Soviet vstem has attempted to shackle the fr e will of the Lithuanian people. Mosc v has restricted national cultural life and religious freedom; systematic russification is official Soviet policy. Despite this Russian tyranny, the Lithuanian people have retained their insatiable desire to be free once again.

Mr. Speaker, we must vocally oppose the Soviets for blatantly disregarding the human rights of the Lithuanian people; we must bring these human rights violations to the attention of the world. Also, the United States must continue to refuse to recognize the unlawful incorporation of Estonia, Latvia, and Lithuania into the U.S.S.R. Finally, we must maintain an unwavering commitment to aid the Lithuanian people in their quest for liberty and self-determination. Perhaps, if we remain diligent in our efforts, the hopeful words of a 1959 New York Times editorial commemorating Lithuanian Independence Day will come true:

In the Baltic countries, the path to a better future is still dark, but it is not lost and will not be. The day of the overlords will not last forever. The time will come when the three lost nations will be able to come out and join us.●

● Mrs. COLLINS of Illinois. Mr. Speaker, it is with great pride and honor that I rise with my colleagues in commemorating the anniversary of Lithuanian Independence.

It was 63 years ago, on February 16, 1918, that Lithuania gained independence following subjugation by Russia, and occupying German armies during World War I, for more than 120 years. Her freedom was challenged by the Soviet Union and she subsequently lost some territory. However, by her resistance, Russia was forced to recognize Lithuania as a sovereign state in 1920.

During World War II, Lithuania found herself again occupied, this time by German armies.

There was a brief time after her declaration of independence in 1918 when it appeared she would remain an independent nation. However, after 23 years, their freedom was stolen from them by the Russians again in 1941. Soon after Lithuania became part of the Soviet Union and its courageous but helpless people shipped to labor camps, the world saw that despite conditions which grew worse by the day, that there was hope alive that one day they would be free. When the war ended, they found that there was no freedom to be had. The end of the war only served to mark the continuation of their national tragedy.

We must never forget the fight waged by the Lithuanian people to reestablish their complete independence. As an American who enjoys the blessings of freedom, we must continue to strive for the same blessings for all peoples and nations.

Accordingly, I extend my warmest wishes to our Lithuanian friends here in the United States as they celebrate the anniversary of Lithuanian independence and look to the day when their friends and families in Lithuania can be free.●

● Mr. SMITH of New Jersey. Mr. Speaker, this great Nation has always sympathized with small nations struggling to be free. Even before he wrote our Declaration of Independence, Thomas Jefferson declared the partition of Poland to be "The infamy of the century." In 1822, this House expressed its sympathy and support for South American and Greek patriots struggling against foreign tyranny. In 1850, Secretary of State Daniel Webster told the Austrian Minister the United States desired to see Hungarian independence restored.

Our record is a noble one.

Today we share in the great tradition of American support for small nations rightfully struggling to be free. We commemorate the independence of Lithuania, proclaimed in 1918 after a century and more of suppression within the Russian Empire. We also commemorate the 730th anniversary of the founding of the Lithuanian state.

This is a day of both joy and sadness. Joy—because Lithuania on this day again took her place among the free nations of the world. Sadness—because that freedom was so brief.

Lithuania lies under the shadow of oppression and tyranny today. It has been annexed, against its will, by Soviet Russia. Its clergy, civil servants, teachers, army officers have been murdered. Its people have been deported, by the hundreds of thousands, to the slave labor camps of Siberia. The Roman Catholics of Lithuania are subjected to hideous persecution at this very hour. Everything possible has been done to destroy Lithuanian national life.

The very fact there still exists a Lithuanian national spirit is testament to the great courage of the Lithuanian people.

Lithuania committed no crime to merit her treatment. Rather, like the other nations of Eastern Europe, Lithuania had the misfortune to be caught between the expanding empires of Soviet Russia on the one hand, and Nazi Germany on the other.

As a result of the infamous Hitler-Stalin pact Lithuania was occupied by Soviet Russia in June 1940. Except for her occupation by Hitler in the Second World War, Lithuania has been held by Moscow ever since.

This Nation has never recognized the annexation of Lithuania or her Baltic neighbors, Latvia and Estonia. Nor should we ever do so. We should insist this last vestige of the Nazi-Soviet pact be expunged, and these small nations restored to their rightful freedom.

By this special order today we reaffirm our commitment to the people of Lithuania.

By this special order we reaffirm our belief that the natural condition of all peoples is freedom.

By this special order we reaffirm our support for the idea that the rights of small nations are as important as the rights of large nations.

The Lithuania people are fit partners for a league of honor.

As we support Lithuania today, let us express our support for nations resisting tyranny throughout the globe.

The gallant Polish people lie under the serious menace of Soviet invasion. Their hopes for a future in peace and freedom could be blighted at any moment.

The Afghan people continue their heroic struggle against overwhelming odds. In the natural fortresses of their mountains they fight jets, tanks, and poison gas with primitive weapons, but with right and justice on their side.

The people of the Ukraine continue their silent struggle against tyranny. Their spirit is also unconquerable.

Throughout Eastern Europe, in Central Asia, those oppressed by Soviet tyranny know there must come a day of freedom.

All these people are our allies.

As I have stated, we do not recognize the annexation of the Baltic States. These nations still maintain diplomatic legations here. However, the money to keep up the legations of Estonia, Latvia, and Lithuania is running low.

Since 1940, the frozen assets of the Baltic States have been used to pay for the upkeep of their diplomatic personnel. Now new sources of funds must be found.

This is a serious matter, and I trust we give some thought to it. We have a responsibility to the peoples of Lithuania, Latvia, and Estonia, to assist in maintaining their diplomatic identity.

Mr. Speaker, while we express our support for Lithuania today, let us have faith in Almighty God.

For His own purposes the Creator allows great evil to exist for a time. Then, at His own determination, that evil vanishes.

So it will be with the people of Lithuania. This great evil will pass. A free Lithuania will again exist under a free constitution. The sun of freedom will shine on a great, free nation.●

● Mr. McHUGH. Mr. Speaker, February 16 was the anniversary of Lithuania's Declaration of Independence, and I am honored to salute the Lithuanian people on this occasion. A rich cultural heritage, strong religious faith, and burning desire for freedom enabled this proud and ancient people to emerge from czarist domination in 1918 and establish a free and independent state.

Just as the Lithuanians had persevered in cherishing their heritage throughout the 19th century czarist occupation of their country, they have been heroic since 1940 in nurturing their national identity and their strong determination to be free again. The Soviet forces that overran Lithuania in 1940 and have ruled there since then have never been able to subdue the will of this brave people. This was demonstrated through long years of partisan fighting in the 1940's and early 1950's. It has been evident in demonstrations within the Soviet-managed factories, the appearance of underground newspapers and dissident journals, and the brash unwillingness of Lithuanian youth to be "Sovietized." Within the past year the restiveness of people oppressed by the Soviet system has been amply demonstrated by events in neighboring Poland.

It is both our duty and our privilege, Mr. Speaker, to do everything possible to advance the day when Lithuania and other captive nations can enjoy the blessings of liberty once again. To that end, it is our country's policy to refuse to recognize the forcible absorption of the Baltic countries into the Soviet Union, and to continue to recognize the diplomatic representatives who represent the legitimate claims of the Baltic countries to independence and self-determination.

Very recently, Mr. Speaker, we were made keenly aware of how precious freedom is. Dozens of our own citizens returned from 14 months of captivity at the hands of self-willed political forces that do not respect principles of international law and cooperation. At the same time, we have observed the chilling reality of Soviet expansionist intentions in the brutal Soviet invasion of Afghanistan. Yet, given the sordid example of Soviet tyranny over Lithuania and so many other captive nations, we should not be surprised. What is now important is that we take to heart the lessons which current history teaches about Soviet treachery. Those lessons were learned long ago by Lithuania and other nations which fell prey to Soviet greed. It is now our vigilance and firmness which must put those lessons into practice, both for our own security and the survival of liberty in a volatile world.●

● Mr. GONZALEZ. Mr. Speaker, the proud nation of Lithuania declared its independence 63 years ago on February 16, 1918. A goal had finally been realized by the Lithuanians after a tumultous period of Russian domination. Unfortunately, independence came to an abrupt end when their sovereignty was violated and their freedom suppressed by the Soviet Union only 20 years later in 1938. The aggression and tyranny to which they fell victim is the direct opposite of the freedom for which the United States represents.

During the brief period of independence, Lithuania made great progress in areas of social legislation as well as an overall advancement in the standard of living. In addition, literature flourished. Lithuanians reaffirmed their pride in the national folklore with superb examples in the arts such as opera and classical music.

It is unconscionable that the Soviet Union has attempted to deny and annihilate the basic human rights of the Lithuanian people. The Lithuanians, while living in constant fear of retaliation, have refused to accept the dismantling of their national ways and traditions. Although stripped of their cultural and political freedom, their determination to shed oppression and acquire full sovereignty has not been diminished.

We continue in our steadfastness to condemn the Soviet Union for refusing to permit the basic right of national self-determination to Lithuania. It is in this spirit that we must encourage that a new glimmer of freedom will shine on this proud nation of Lithuania on her independence day.●

● Mr. PORTER. Mr. Speaker, I am proud to add my voice to those that speak today in commemoration of Lithuanian Independence Day. It is a good time for those of us in this free nation to remember the many states that have lost their liberty to forced russification and been denied free expression of their national character.

We remember today the Byelorussians, Kazakhs, Ukrainians, Kirghiz, Turkmens, Uzbeks, Tatars, as well as the other Baltic peoples, the Latvians and the Estonians. Along with Moldovia, and parts of Finland, Japan, and Poland, they have fallen to the Russians' seemingly insatiable hunger for the internal buffer areas that they have been carving out for hundreds of years.

It is perhaps unrealistically sanguine to hope that individual liberties, religious rights, and national independence will be returned to these peoples any day soon. But it is vital that we recall their struggles, and while doing what we can to help them, learn from their sad experiences.●

● Mr. DAUB. Mr. Speaker, it is my privilege to register my support for this occasion of House recognition of Lithuania Independence Day.

Since the 1944 military annexation of Lithuania by the Soviet Union, the plight of this Baltic State has been a sober reminder to the world of the importance of a commitment to self-determination. This annexation was the result of an earlier Nazi German and Soviet Union Treaty wherein Stalin and Hitler agreed to divide Lithuania, Estonia, Latvia, Finland, and Poland between themselves. As you know, the first three states are now incorporated into the Soviet Union.

We as a nation have never recognized this incorporation. Principle IV of the Helsinki accords makes territorial expansion illegal under international law. It is the position of the United States that this provision is applicable to the occupation of Lithuania and other Baltic States.

Lithuania has been occupied for close to 40 years. However, Mr. Speaker, self-determination is not a principle to be compromised by time. Nor is it a principle easily suppressed in the hearts of those who, like Lithuanians, yearn for it on their own soil.

I call on the entire House to reflect upon the plight of Lithuania. I ask my colleagues to join in the admiration of the perseverance of the people of Lithuania in their struggle for self-determination and simple justice.●

● Mr. RODINO. Mr. Speaker, on Monday people of Lithuanian descent all over the world celebrated the 63d anniversary of the independence of the captive nation of Lithuania.

As Americans we commemorate this day by recognizing the long struggle for freedom that has been endured by

the people of Lithuania. For the past 63 years these proud and industrious people have sought national self-determination. Although this goal still eludes them, the fire of freedom which burns in the hearts of the people of Lithuania will never be extinguished.

Mr. Speaker, this fire of freedom lives in America, and it was carried here, in part, by the many Americans of Lithuanian descent. I am proud of these Lithuanian-Americans who have enriched our culture with their heritage and commitment to democratic principles.

I salute these hard-working Americans, and I pledge my continued support for human rights worldwide as America recognizes the plight of Lithuanians who continue to struggle for a free state. Let us all join in the 63d observance of Lithuanian Independence Day.●

● Mr. DINGELL. Mr. Speaker, I am proud to join with my colleagues in the House in this commemoration of Lithuanian Independence Day. It is a day on which we pause to recognize the courageous Lithuanian people and their continuing struggle for freedom.

The scars of the fight for national self-determination in Lithuania are deeply embedded in the history of this nation whose people have endured great suffering and loss. Despite the presence of a superior Soviet military force which has superimposed a political structure and repressed the free exercise of political, cultural, and religious freedoms, the Lithuanian people have been unwavering in their resistance and tenacity to be free. For generations, they have kept alive their rich and unique ethnic traditions and maintained the legacy of a commitment to independence and a free nation.

We share in the ideals and aspirations of the Lithuanian people and trust that their homeland once again will be blessed with freedom and peace.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, once again I join with the Lithuanian Americans across the country, the people of Lithuania, and my colleagues in commemorating the 63d anniversary of that nation's declaration of independence. This year, Lithuania's Independence Day takes on an even greater significance when we look at the most recent actions by the Soviet Union in Poland, and its invasion of Afghanistan.

It is important to note that many other once-free nations are waging the same fight as Lithuania for basic human freedoms. Poland, Estonia, Romania, Bulgaria, Hungary, Czechoslovakia, East Germany, and Afghanistan have all battled and are continuing to battle the terrible oppression of Soviet domination. Indeed, many Russian citizens are themselves struggling for the human rights they deserve.

The Lithuanian Republic, founded with such great hope in 1918, was tragically fated to enjoy only 22 years of independence. The Soviet invasion in 1940 was justified under the pretext of a friendship treaty. In July 1940, after mock elections, Russia claimed, and still claims, that Lithuania voluntarily voted and asked to be incorporated into the Soviet Union. By the end of World War II, Lithuania had lost about one-third of its population through forcible deportations, assassinations, and national genocide of its people.

Despite the Soviet repression, many Lithuanian citizens carry on a heroic struggle against their oppressors. According to Amnesty International, many Lithuanian citizens are imprisoned for the "crime" of expressing national sentiment in underground books and leaflets.

Lithuanian resistance is attested to by the large number of Lithuanians placed in Soviet concentration camps, prisons, and psychiatric hospitals for their activities on behalf of religious and national freedom. These activists are heroes such as Nijole Sadunaite, sentenced for her religious activity; Petras Paulaitis, Ph. D., whose total incarceration amounts to 35 years; Balys Gajauskas, a former freedom fighter, who had already served a 25-year prison sentence and was again, in 1978, sentenced to 15 years of prison and exile; and Viktoras Petkus, a member of the Lithuanian Helsinki Accords Monitor Group, sentenced in 1978 for 15 years. Support and admiration of these brave people runs deep, not only among Lithuanian Americans, but within the American Government.

Lithuania's struggle has been long and difficult, seeming almost futile; however, the people of this country remain determined to continue their fight for justice and human rights, both of which have been nonexistent since the Soviet invasion. We must stand firm in our position of nonrecognition of the Soviet occupation and annexation of Lithuania; it is indeed important that we, as leader of the free world, continue to condemn such transgressions as morally, ethically, and politically wrong.

The United States has never recognized the Soviet Union's illegal annexation of Lithuania and has maintained diplomatic relations with the representatives of her last independent government to this day. Hopefully, the support and encouragement of the American people will indicate to the Lithuanian people that they are being seen and heard by a nation which remembers and cares.

Only 1 year ago the world awaited the fate of Afghanistan; unfortunately, this once-free nation has also become a victim of Soviet expansionism. One year from today will we be awaiting the fate of yet another "once-free" nation?●

PROJECT HAPPY

The SPEAKER pro tempore (Mr. DICKS). Under a previous order of the House, the gentleman from Iowa (Mr. TAUKE) is recognized for 5 minutes.

● Mr. TAUKE. Mr. Speaker, I would like to take this opportunity to thank all those offices and individuals who participated in Project Happy last year. For the past 2 years, I have had the pleasure of coordinating this program among congressional offices and Catholic Charities. Over 65 offices participated by donating gifts of toys and food. Additionally, several offices generously gave money so that the charity could purchase the necessary food for families who would not normally have enjoyed an abundant holiday season.

I believe that I can speak for everyone when I say that we are left with the true feeling of the season, after watching the trucks loaded with gifts and food, lumber through the streets of Washington on their way to make someone's holidays warm and happy. It would not have been possible without the help of so many.

Below is a list of the offices that participated and a copy of the letter I received from Catholic Charities thanking us for our efforts. I would like to add my special thanks to Congressman PAUL FINDLEY and his staff for their added efforts and to the Congressional Staff Club for its generous donation again this year. These efforts, along with the many gifts, made the holiday season most enjoyable for many people who otherwise would not have been so lucky. Again, my heartfelt thanks to you all.

The following offices participated in Project Happy 1980:

CONGRESSMEN

Bill Alexander, Douglas Applegate, Robert Badham, Jonathan Bingham, David Bonior, Jack Brooks, James Broyhill, M. Caldwell Butler, Bill Chappell, Jr., James Cleveland, Tony Coelho, Baltasar Corrada, William Dickinson, Christopher Dodd, Charles Dougherty, Millicent Fenwick, Paul Findley, Edwin Forsythe.

Wyche Fowler, Jr., Bo Ginn, Henry Gonzalez, Lee Hamilton, John Paul Hammerschmidt, James Howard, James Jeffords, Jim Leach, Mickey Leland, Trent Lott, Mike Lowry, Ron Marlenee, Joseph McDade, Stewart McKinney, Norman Mineta, George O'Brien, Mary Rose Oakar, Charles Pashayan.

Claude Pepper, Thomas Petri, J. J. Pickle, Tom Railsback, Peter Rodino, Dan Rostenkowski, John Rousselot, Richard Schulze, Philip R. Sharp, Tom Tauke, Bob Traxler, William Wampler, Robert Whittaker, Larry Winn, Jr., Timothy Wirth, Jim Wright, Clement Zablocki.

SENATORS

Max Baucus, Thad Cochran, William Cohen, Nancy Landon Kassebaum, Jim Sasser, Harrison Schmitt, Richard Schweiker, Ted Stevens, John Warner, Milton Young.

ASSOCIATED CATHOLIC CHARITIES,
ARCHDIOCESE OF WASHINGTON,
Washington, D.C., January 8, 1981.

Representative TOM TAUKE,
Cannon House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE TAUKE: Project Happy was again a tremendous success. This year, over 110 families were helped in their celebrations of Christmas. For many, this Holiday Season meant having a complete and satisfying meal. For others, it was watching their children open presents on Christmas morning, that may not have otherwise been there.

As you know, most of the families sponsored by Project Happy, exist on fixed limited incomes; with barely enough to meet their basic needs when the Holiday Season arrives. These families have limited resources to share with their loved ones.

The families sponsored, have individually expressed their gratitude and pleasure with the items they received. On behalf of all Project Happy families, we thank those who contributed. The response from your staff and each of your fellow workers was positive and well received.

Please extend special thanks to Laura Kane for coordinating from your office, and to the Congressional Staff Club for their generous donation.

Our very special thanks to you, Rep. Tauke, for your concept and nurturing of Project Happy.

On behalf of Associated Catholic Charities and the families sponsored by Project Happy, a warm and sincere thank-you.

Sincerely,

(Ms.) DENISE REVELS,
Supervisor, Crisis Intervention Services.
Rev. Msgr. JAMES F. MONTGOMERY,
Executive Director.●

BLACK HISTORY MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

● Mr. RODINO. Mr. Speaker, each ethnic group in America has had its own special struggles to achieve equality in our society. But blacks, more than all others, have engaged in the longest battles and suffered the deepest wounds in their fight for justice.

It is so important, therefore, that the Congress pay tribute to this continuing struggle now, during the celebration of Black History Month.

The triumphs and tragedies of the past are well known and they are woven into the history of our Nation. One of the first Americans to give his life for freedom was a black man. Crispus Attucks died at the hands of British troops in the Boston massacre in 1770. He spilled the first blood in the cause of liberty; yet it would be 41 years before the United States legally abolished the importation of new slaves into the country, and in 1827 New York became the first State to abolish slavery.

The abolition movement was given impetus by William Lloyd Garrison's newspaper, Liberator, established in 1831, and when Dred Scott took his case to the Supreme Court in 1857 the issue of slavery in America's new territories became the most divisive force in our Nation. America's black men and women would have to wait until the middle of the Civil War to gain their freedom, when, in 1863 President Lincoln signed the Emancipation Proclamation.

Nearly a century later, equal opportunity in America was advanced when the Supreme Court ruled in Brown against Board of Education that separate but equal education was not good enough for America's black citizens.

The struggle did not end with that Court decision. The following year Rosa Parks went to jail for violating the Jim Crow laws in Alabama. The march on Washington in 1963 and the hundreds of other demonstrations around the country served to educate our Nation to the need for greater social justice.

Congress responded by enacting landmark civil rights legislation which I was proud to help write. The Civil Rights Acts of 1957, 1960, 1964, and 1968—and the Voting Rights of 1965—brought about a social revolution in our country.

The names in this struggle are legion, and the leaders were true pioneers who risked—and sometimes gave up—their lives in their noble cause. They sought to break down, through eloquence and bravery, the unjust barriers that confronted them for centuries.

Mr. Speaker, it would be impossible to list all those courageous individuals who have given so much—from Crispus Attucks, to George Washington Carver, to Booker T. Washington, to Mary Bethune, to the martyred Martin Luther King, Jr., and Malcolm X, to A. Phillip Randolph, to Vernon Jordan and Jesse Jackson and all of today's determined leaders. Without them and their protests, their boycotts, their sit-ins and their talents for education and leadership, many of the barriers would still stand today.

While millions of Americans are joining in thousands of cities and towns across our Nation to celebrate Black History Month, I believe that my congressional district is unique in its portrayal of the special role played by Afro-Americans in our country's development.

Many of the firsts for black Americans happened in New Jersey and, in reflecting on our history, I am reminded of Dr. King's letter from a Birmingham jail in 1963. He said:

Abused and scorned though we may be, our destiny is tied up with America's destiny.

A look at the history of New Jersey shows explicitly that the history of America is indeed tied up with the destiny of America's black citizens.

At the beginning of the 18th century blacks were brought to Newark to work in the plantations and copper mines across the Passaic River. But by the early 1800's many of the slaves became free and started the first black-owned businesses in the Nation. The first black Sunday school in the Nation was established in Newark in 1815, and 7 years later the first formal black church was founded in our city.

Newark began a program of school integration early in the 20th century, while most of the country continued strict segregationist education policies.

In 1917, Essex County became one of the first local chapters of the National Urban League, and it has remained in the forefront of this movement ever since.

Today the cities of Newark and East Orange in my district are led by black mayors—Kenneth Gibson and Thomas Cooke. Both men are outstanding leaders who have earned national respect and admiration because of their efforts on behalf of all their constitutents. The municipal councils of these two cities, the Essex County Board of Chosen Freeholders and the State assembly and senate all boast outstanding black representation from my district.

Black History Month celebrates these advancements, but it also reminds us to continue our efforts for social justice in America. It is fitting that the U.S. Postal Service this month has issued a stamp honoring Whitney M. Young, Jr., the late executive director of the National Urban League, who devoted his life to the pursuit of equal economic opportunity for black Americans.

Mr. Speaker, I am proud of the events in my district this month. The Newark and East Orange City Councils have passed proclamations, signed by Mayors Gibson and Cooke, in recognition of Black History Month. Black artists, actors, musicians who have their roots in Newark and East Orange are returning this month to share their experiences and their talents with their hometown folks. The museums, the colleges, the libraries, and schools are sponsoring poetry reading sessions, plays, and movies by black writers, African music and dance festivals and lectures on black history and culture.

In fact, this Friday, February 20, at East Orange City Hall, the East Orange Library will sponsor a slide presentation celebrating the contributions of black Americans, past, present, and future; and on Sunday, February 22, the East Orange Parent-Teachers Association is hosting a special program on black history.

These programs will provide a time to reflect on the works of so many illustrious black Americans who have enriched our national character and folklife. In the arts, there are Langston Hughes, Gwendolyn Brooks, and Paul Robeson; in science and education there are George Washington Carver, Mary Bethune, and Booker T. Washington; in music there are Louis Armstrong, Duke Ellington, Leontyne Price, Sarah Vaughan, and Aretha Franklin; in government there are Thurgood Marshall, Barbara Jordan, and Andrew Young; and in sports there are Jack Johnson, Jesse Owens, Jackie Robinson, and Muhammed Ali. These are just a few of the names that have contributed so much to our Nation.

I am proud of the role played by black men and women in our history as a nation and I am pleased to be a part of this celebration of Black History Month.

Mr. Speaker, there is no way to separate black history from the history of our country. The profound changes in our society wrought by blacks have been beneficial to all our citizens.

As I mentioned, the struggles are not over. All the battles have not been won. We must resist efforts to mark time or to retreat.

As Dr. King said, in every crisis there are dangers. But there are also opportunities.●

LET US END THE CREDIBILITY GAP ON THE PRIME RATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, last week I contacted the chief executive officers of the Nation's 10 largest banks in an effort to end the credibility gap over the much-heralded prime rate and to give the American public a more accurate interest rate picture.

The misleading nature of prime interest rate announcements is particularly unfair to consumers and small businessmen shopping for credit. Federal Reserve surveys indicate that at times last year lending to prime customers was actually several points below the publicly announced rate. It is possible that the more sophisticated borrowers are well aware that the prime rate is not the prime rate, but the small businessman and the consumer are none the wiser. In addition, many loan contracts are tied to the prime rate, moving up and down with the public announcements of changes by the money center banks. Other lenders often informally adjust their rates and fees to the same announcements.

In these inflationary times and in a period of crushing interest rates, I think it is highly important that banking corporations be precise, accurate, and extremely careful in conveying information to the public about their corporate policies and activities. Accordingly, I have written to the following bankers requesting more information about their actual lending practices in relation to the prime rate:

Walter B. Wriston, Chairman, Citicorp, New York City.

C. J. Medberry, Chairman, Bank of America, San Francisco.

David Rockefeller, Chairman, Chase Manhattan Bank, New York City.

William S. Beinecke, Chairman, Manufacturers Hanover Trust Co., New York City.

Lewis T. Preston, Chairman, Morgan Guaranty Trust, New York City.

Donald C. Platten, Chairman, Chemical Bank, New York City.

Roger E. Anderson, Chairman, Continental Illinois National Bank, Chicago, Illinois.

Alfred Brittain, III, Chairman, Bankers Trust Company, New York City.

Barry F. Sullivan, Chairman, First National Bank of Chicago, Chicago.

Carl E. Hartnack, Chairman, Security Pacific National Bank, Los Angeles.

COMMITTEE ON BANKING,
FINANCE AND URBAN AFFAIRS,
Washington, D.C., February 12, 1981.

Mr. WALTER B. WRISTON,
Chairman, Citicorp,
New York, N.Y.

DEAR MR. WRISTON: I am concerned about the widening credibility gap between the public announcement of changes in commercial banks' prime lending rates and actual day-to-day lending practices. I believe that it is a fundamental requirement for efficiency, equity, and free competition in a market that all participants have accurate and complete information about market prices.

Federal Reserve surveys indicate that upwards of two-thirds of the business loans made by large commercial banks in New York City were, at times last year, at interest rates below the publicly announced prime rate. I am informed that in May 1980 after the prime rate hit 20 percent in April the average interest rate charged on these loans was, in fact, more than four full percentage points below that advertised as the prime rate.

As you know, the phrase "prime rate" has gained wide acceptance in our vocabulary and, in fact, Webster's Dictionary defines the phrase thusly: "An interest rate at which preferred customers can borrow from banks and which is the *lowest commercial interest rate available* at a particular time." (Emphasis added.)

The Federal Reserve survey clearly established that the prime rate, as announced by the commercial banks, is not the "lowest commercial rate available" as Mr. Webster and the American public have been led to believe.

In these inflationary times and in a period of crushing interest rates, I think it is highly important that banking corporations be precise, accurate and extremely careful in conveying information to the public about their corporate policies and activities.

It is a matter of record that news commentators and financial writers seize upon every prime rate announcement as a major indicator, often suggesting that the prime eventually affects every rate in the land from the finance company to the department store credit sales. These widely heralded announcements of a prime that is not a prime can only help add to the inflationary high interest psychology of the nation, particularly when we are talking about double digit rates and then some.

The misleading nature of these prime rate announcements is highly unfair to the consumer and the small businessman. They cannot afford to assign personnel to shop for the best discount from the advertised prime rates that different banks are willing to negotiate.

What is the small store owner, seeking a loan to remodel, to think when he is told by Walter Cronkite that the very best rate to the blue ribbon, Triple A commercial borrower is a prime of 20 percent? Isn't he at a distinct disadvantage when he sits down to negotiate with his local lender? Shouldn't he have the knowledge that the prime is not 20 percent, but in reality 16 percent? Perhaps your more sophisticated borrowers are well aware that the prime rate is not the prime rate, but the small businessman and the consumer are none the wiser and most are in full belief that the commercial banking industry's prime rate announcement is the real thing.

Even more important is the fact that many loan contracts across the nation are tied to the prime rate, with the rates moving up and down with the announcements of the money center banks. What is the status of these contracts when the de facto prime rate, as established by the Federal Reserve, is some four percent less than the publicly announced prime?

In addition to these specific contractual ties to the prime rate, many lenders informally adjust their rates in line with the prime rate announcements. It is difficult to estimate the total impact that these highly visible rates have on the economy as a whole, but I am convinced that it is substantial.

In this time of deregulation, I hesitate to suggest new statutory and administrative remedies. Frankly, I would like to think the banking industry, itself, would be concerned and would make a voluntary effort to make certain that its announcements are accurate and that the public can depend on what Mr. Webster suggests is the correct definition of a prime rate.

You are a leader in your industry. I need your help in remedying the problem caused by the present use of the prime rate. Your views and suggestions would be very helpful. Also, as an important guide in clarifying the present use of the prime I am asking your bank, along with some other large banks, to answer the enclosed questions. This kind of information will go a long way in informing the American public about the nature of the prime rate.

Sincerely,

FERNAND J. ST GERMAIN,
Chairman.

SIX QUESTIONS ON THE PRIME RATE

1. Does your bank use a bank lending rate which you call your "prime rate" or an equivalent thereof? If so, exactly how is that rate defined? Is the rate stated publicly?

2. How does your bank set that rate? What officer or group of officers has responsibility for determining the rate?

3. Does your bank give loan customers discounts from the prime rate? If so, on what basis are these discounts given? Who has authority in the bank for granting discounts from the prime? Is any class of borrowers—

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with respect to size of borrowers or the type of business involved—more frequently given the discounts?

4. Please supply a statistically valid sample (using a sample of 100 or less) of all domestic commercial and industrial loans as reported under the Uniform Report of Condition provided to the Federal Financial Institutions Examination Council (without disclosing the identity of the borrower) made during May 1980 and January 1981. Please state the size of the loan, final maturity, and interest rates charged. Also please state what your bank's prime rate was during these two months.

5. Are your commercial and industrial loan customers informed of the range of interest rates charged different customers?

6. Does your bank have domestic commercial and industrial loans on which the interest rate floats with the prime rate, or with some other rate which is agreed upon in advance? Please describe the nature and extent of these loans as a percentage of your domestic commercial and industrial loans.

Please return your answers within four weeks.●

PUTTING COWPS TO REST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

● Mr. LEVITAS. Mr. Speaker, I commend President Reagan for his actions in joining in the movement to abolish the Council on Wage and Price Stability. A number of us in Congress have been calling for the end of COWPS for a long time. Our efforts resulted in legislation last year which would have COWPS expire on June 5, 1981, unless extended. President Reagan's actions insure that our efforts will be successful and COWPS will be put to rest.

The Council on Wage and Price Stability was established as a gimmick in 1974, just before an election, to give the administration and Members of Congress an opportunity to campaign on the basis that they were doing something about inflation. The same argument has been made every few years since then when legislation to extend the life of the Council has been considered by Congress.

The fact of the matter, however, is that there has been nothing in the Council on Wage and Price Stability except its name that has had any impact on inflation. It has not done anything about inflation. To make matters worse, its very existence created the false impression that something was being done when nothing was. The problem was that the Council on Wage and Price Stability was created as a deception of the public and has been extended year after year, based on the same deception.

The Council was given the statutory responsibility of monitoring and impacting upon all decisions in the private sector and all decisions in Government which would have an inflationary consequence—obviously an impossible task. Even as the number of staff and the amount of appropriations for the Council have been increased over the years, it has been impossible for this mandate to be carried out. It was never intended to. All the other functions of COWPS were already being carried out by one or more other agencies in Government better equipped to do them, such as the Labor Department, the Department of Commerce, the Bureau of Labor Statistics, the Federal Trade Commission, and the Justice Department.

The talented professionals at COWPS were not to blame for their problems. In fact, some good was done by them, especially in challenging some burdensome regulations and policies proposed by other agencies. But, it was the very charter and concept of COWPS that was flawed, not the people who worked there.

In 1975, I pointed out that—

The Council on Wage and Price Stability is a useless fraud on the American people. It is one more Federal agency now allowed to require information from private concerns, now able to request forms and paperwork from our already overburdened businesses. We are burying ourselves in a mound of red-tape and paperwork required by more and more Government agencies, and in the case of the Council on Wage and Price Stability, by an agency which cannot, or indeed will not, take any constructive action against the very thing it was supposed to fight, inflation.

And in 1977, I argued against the existence of this Council. At that time, I said on the floor of the House:

I suggest that the existence of this Council with its high-sounding mission of monitoring the entire economy for inflationary impact is nothing more than a sop to the public to make people think that the government is doing something, when, if fact, the council is inherently incapable of any meaningful functions. It is a cosmetic agency. It should be terminated as a useless body. It is like disguising the pain with an opiate and letting the cancer go untreated. As long as we have this merely symbolic council, we will not have to face the real and difficult task of fighting inflation since we can point to this agency as a solution. As long as we have this council, we have the skeleton on which wage and price controls could be pinned, an idea reprehensive to both labor and management.

In all fairness, the Council has never claimed to be the be-all and end-all cure to inflation. Yet, the statutory responsibilities of the Council are just that. To continue to let the public believe that the Council is capable of doing what its statutory charter provides is misleading and counterproductive.

Congressional support for the Council on Wage and Price Stability waned drastically in 1979 when the reauthorization was cut from 2 years to 1. And, although the Council was again reauthorized for another year in 1980, the House cut funding for the Council from the authorized appropriations of $8.5 million for fiscal year 1980 to an authorized appropriation of $6.95 million for fiscal year 1981. Yet, with the continuing appropriations under which the Council is now operating, its budget is running around $9 million.

President Reagan has taken the long overdue action necessary to eliminate this wasteful and unnecessary expenditure. He has recommended that when the appropriations for the Council expire on June 5, 1981, the Council be abolished. In the meantime, he has filed a rescission request with this body to cut the Council's budget, and he has eliminated 135 jobs on the Council and the useless wage-price standards and monitoring functions of the Council. The only jobs retained in the Council were those of the 35 people working on regulatory reform proposals.

I congratulate President Reagan on taking this action and hope that responsible cuts in the Federal Government, such as this move to eliminate the Council on Wage and Price Stability, will prevail in the future. The time for putting this Council to rest is long overdue.

From my own point of view, it is personally gratifying, once again, to have played a role in reducing Government by actually abolishing an agency in Government. In the case of the Civil Aeronautics Board and COWPS, I have had the opportunity of playing a major role in elimination of these agencies and I have enthusiastically supported the termination of others, such as the Renegotiation Board and the Federal Metal and Non-Metallic Mine Safety Board of Review.

When I came to Congress just over 6 years ago, I said I wanted to play a role in cutting back on Government, but I heard I was overly optimistic. It is good to see that my hopes and goals are actually being realized. Now let us look for some other Government agency candidates to put to rest.●

NATIONAL INTENSIVE AND CRITICAL CARE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

● Mr. BINGHAM. Mr. Speaker, I am introducing legislation today to designate the week of May 24, 1981 as "National Intensive and Critical Care Week."

Unfortunately, at some time in our lifetimes, nearly all of us will need the help of experts in critical and intensive care. Our lives will depend on the abilities of doctors and nurses in this highly complex specialty.

Dr. S. G. Hershey, professor of anesthesiology at the Albert Einstein College of Medicine in the Bronx, N.Y. and member of the Society of Critical Care Medicine has called to my attention the excellent work being done by the specialists in critical and intensive

care medicine. In a recent letter to me, Dr. Hershey wrote that:

This relatively formalized interdisciplinary field of medical care, education and research has rapidly achieved truly remarkable growth and recognition, worldwide, as an important component of everyday health care delivery. In the United States and "developed" countries, particulary, the various aspects of critical care practice identify the major distinguishing features of the large, best staffed and equipped tertiary care hospitals in any community. It is of interest to note that the emergence of critical care medicine within the present health care setting is due largely to the fact that its practice, teaching and research content is based on the unprecedented informational and technological advances in medicine since World War II.

By designating the week of May 24 as "National Intensive and Critical Care Week," we will not only be honoring those specialists who work so hard to save lives, but will also bring public attention to the Third World Congress on Intensive and Critical Care Medicine to be held between May 24 and May 29, 1981. The text of House Joint Resolution 177 follows:

H.J. RES. 177

A joint resolution designating May 24, 1981, through May 30, 1981, as "National Intensive and Critical Care Week"

Whereas critical and intensive care workers should be honored and recognized for their efforts;

Whereas the study of critical and intensive care techniques should be encouraged;

Whereas critical health situations require the most up-to-date techniques and information available from medical personnel; and

Whereas during the week of May 24, 1981, the American Society of Critical Care Medicine will be hosting the Third World Congress on Intensive and Critical Care Medicine in Washington, D.C.: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on May 24, 1981, and ending on May 30, 1981, is designated as "National Intensive and Critical Care Week", and the President of the United States is authorized and requested to issue a proclamation calling for the observance of National Intensive and Critical Care Week with appropriate ceremonies and activities.

LOS ANGELES TIMES EDITORIAL: "HE'S TOUGH—AND SILLY"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, the Los Angeles Times, in a recent editorial, has captured the overwhelming reaction of Californians to Secretary Watt's decision to place previously deleted basins back into the OCS lease sale 53 process. The Secretary's decision, which flouts the integrity of the OCS process, the desires of the State and local governments, and President Reagan's explicit commitment to listen to the needs and concerns of local governments when they are affected by Federal policy, is accurately characterized by the Los Angeles Times as "Silly."

The editorial recognizes that California has not been averse to sharing the burden of energy development. In fact, California has pioneered in offshore oil drilling, as any drive along the southern coast will make plain. What is at issue here is the indisputable fact that the estimates of oil and gas are minuscule and cannot justify the severe environmental and economic risks of oil exploration in this area. The Reagan administration with its proclaimed sensitivity to wise allocation of resources, will hopefully recognize that we must use the OCS lands in a balanced manner, as required by the OCS Lands Act amendments, the wishes of the people of this area, and the Members of the California delegation. Because this editorial raises a number of important points in a thoughtful manner, I would like to share it with my colleagues and it is reprinted below:

[From the Los Angeles Times, Feb. 17, 1981]

HE'S TOUGH—AND SILLY

Interior Secretary James G. Watt has knocked a chip off the shoulder of California's environmental movement by proposing to open up the north coast to offshore oil drilling.

It was a silly gesture, based on nothing that we can see except a desire to follow up on President Reagan's campaign promise to look everywhere for more domestic oil.

Now that Watt has shown how tough he is, we suggest that he forget about the north coast and find more productive ways to show that the new Administration can manage public resources better than the old.

The area that Watt proposes to include in the federal government's five-year leasing plan stretches roughly from the waters off Big Sur to the Oregon border.

The odds are that there is no oil at all, or at least not enough to make it worth producing, in the four geological basins that Watt proposes to offer for lease.

The U.S. Geological Survey estimates that there is a total of 194 million barrels in the basins—about a 10-day supply for the United States—spread in dribs and drabs under the ocean floor along a distance of some 600 miles.

The geological survey does not know that there is that much oil in the area. It measures geological basins, compares their size with basins in other parts of the world that have yielded oil, and guesses.

Oil companies already have done some exploratory drilling in the region that Watt now proposes to lease, and have found nothing.

Even if the oil industry wanted to go back and try again, however, there is not enough drilling equipment in the world pool to make that likely for years.

Exploratory rigs are already working in areas where the odds of finding oil are better than they are along the state's central and northern coast, and that is where they will stay.

The state government, the boards of supervisors in all eight counties that are involved and a number of members of Congress all objected to the inclusion of the four offshore basins in the leasing plan when they were proposed during the Carter Administration.

The protest did not represent a compulsive refusal to take any risks at all with the coastal environment in the national search for energy. California pioneered in offshore oil drilling, and producing wells dot the southern horizon.

The state, after study, agreed to the inclusion of the Santa Maria basin, off the coast just north of Point Conception, in the five-year plan of the Carter Administration last year. Geologists think the Santa Maria basin may hold 700 million barrels of oil.

But the state did object to risking some of the most environmentally sensitive stretches of coastline in the country when the chances of reward were so small.

We think the objection is valid.●

THE POSSIBILITY OF AN ENERGY CATASTROPHE

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PRICE. Mr. Speaker, a review of military and political developments in the Middle East over the last 10 years brings one to the jarring reality of the energy catastrophe, bearing on our national security, which we face. Things are definitely going downhill. The most discouraging facet of this dilemma we face is that it was avoidable. In the past decade or two, over which knowledgeable people recognized our growing problem, we could have warded off this crisis by increased development of our coal resources, increased utilization of nuclear energy, and increased domestic petroleum production.

These paths were clearly recognized and well documented but for many reasons stemming from the euphoria of complacency were not followed. With the passage of time our options have become much more limited. The same paths still are the only route to the long-time solution of our problem, but since we probably have much less time until significant interruptions to 40 percent of the free world's petroleum supplies occur we must seriously consider contingency plans for drastic and massive conversion from and restrictions in the use of critical petroleum uses.

Dr. Edward Teller, in an article in the Journal of the U.S. Army War College, entitled "Conflict in the Middle East: Time for an American Energy Contingency Plan," addresses this very problem. He summarizes developments in the Middle East which show how the energy supply situation is degrading and outlines what drastic steps we must get ready to take. Edward Teller's analysis warrants the attention of every one of us. He has applied his great mind to one of the most pervasive problems the free

world faces. His article is included below for the benefit of every one of us who must face the solution of this potential catastrophe:

CONFLICT IN THE MIDDLE EAST: TIME FOR AN AMERICAN ENERGY CONTINGENCY PLAN

(By Edward Teller)

For the last 10 years and more, the problem of US energy dependence and insufficiency has been a preemptive concern for those who bothered to look to the future. Despite some limited experience with rising fuel prices and long gas lines, we have as yet gained no idea of what a true energy shortage is. This knowledge may soon come to our nation in a most unhappy manner. The sad fact is that the coming crisis was largely avoidable. Had we adopted economically sound programs to encourage domestic oil production rather than penalize it, had we developed coal resources rather than simply talking about them, had we focused on a safe, clean, and inexpensive nuclear energy program rather than temporizing, we would not confront the crisis that lies ahead. Indeed, the greatest danger is no longer an energy crisis—it is the possibility of an energy catastrophe—and in seeking to place the blame for this catastrophe, we must look to ourselves, not to an Ayatollah.

What is the present situation? Soviet troops are in Afghanistan, positioned only 350 miles away from the sole maritime outlet of the Persian Gulf, the Strait of Hormuz, through which flows 40 percent of the Free World's oil. At the top of the Gulf, Iraq and Iran sit glaring at each other through the smoke and ashes of their destructive war, while the Soviets are poised opportunistically on the sideline. Southwest of the Strait, at a distance of about 650 miles, there is the aggressive, Soviet-equipped, Soviet-advised army of South Yemen. The military threat to the Strait of Hormuz posed by this hammer and pincer is thus appallingly real.

That is not the only danger. If internal instability could frustrate the attempts of the Shah of Iran to move his country into the 20th century, one can hardly say that the prospects of King Khalid on the Arabian peninsula are brighter. The recent occupation of the most holy shrine in Mecca has a less well-publicized story connected with it. King Khalid was due in Mecca the day that the shrine was taken. He might have been captured by the rebels but for the fact that he was indisposed that morning and thus, by good chance, did not make the trip.

Stability in Saudi Arabia is more apparent than real. The population base consists of 5 million tribal Bedouins. Superimposed over them is the thinnest possible crust of oil aristocrats: the royal house and the hangers-on. Social injustice in Saudia Arabia is as great perhaps as anywhere in the world. The royal house itself is deeply split. King Khalid has survived three heart attacks. No one knows what will happen when he dies. The workers in the Saudi oil fields—a million Yemenites, half a million Egyptians, a quarter of a million Palestinians—do not appear to be any less susceptible to destabilizing influence than the Iranian workers were. Imported South Korean workers are the exception, but they are kept isolated.

The fall of Saudi Arabia might well be a greater danger than blockage of the Persian Gulf, though either would cause catastrophic reverberations. These scenarios are unfortunately more than mere possibilities; they lie closer to the realm of probabilities. But in assessing the potential national responses in the event that these awful prospects come to pass, we should not even consider major military action in the Middle East. This would be true even if the United States had not shamefully neglected its military preparedness since the Vietnam War. The geography favors the Soviets—they are a few hundred miles from the scene of the action, while we are thousands of miles away.

Recourse to war is terrible under any circumstances. But recourse to a war we are bound to lose should surely be excluded. America's threats of armed retaliation in the wake of the Soviets' invasion of Afghanistan were ill-advised. Our threats amounted to sheer bluff and bluster, incapable as we are of matching Soviet power in the area. The "dare lines" we have drawn in the Middle East are about as effectual as etching granite with a twig.

Such being the case, we must confront the question, What non-military response shall we take when the oil stops flowing? I do not know when this will happen. It may be in a month, or sooner, or later. But the odds are high that the oil will not continue to flow freely. Our government, however, has no realistic contingency plan to deal with that potential catastrophe should it become a reality. Such a plan is in the interest not only of our comfort, but of our security as well. Indeed, peace itself could well depend upon it. Without a plan to moderate the effects of the loss of petroleum imports, economic blackmail is possible. Without contingency plans, arguments will be advanced for military action.

Before approaching the details of the contingency plan itself, we must try to look at the problem whole. What would happen if the leaders in the Kremlin were to take possession of the oil spigot? Would they close it completely? Or would they dole out the oil to Western Europe and Japan on conditions reducing these nations to the political condition of Finland? Would they limit the flow of oil to the Third World, which needs it desperately? Would they thereby succeed in subjugating the developing countries? Third World nations must have oil in order to develop, but, more important, they must have oil if they want to eat. Without oil they cannot sustain the Green Revolution. The new crops produce less than the old unless there is ample irrigation (which is now machine-powered) and ample quantities of fertilizers (which require energy for their production). Without the increases of foodstuffs made possible by the Green Revolution, starvation on a massive scale seems unavoidable.

A sound contingency plan must take into account the needs of nations other than our own. Self-interest, not simply altruism, dictates that we consider the needs of our allies and other currently independent nations. To deal with the international situation, we must be prepared not only to give up our imported oil, but also to try to export energy to those nations which otherwise would be overwhelmed. Such willingness on our part would obviously entail tremendous sacrifice. We would be engaged in a desperate economic war, requiring great moral dedication.

A serious contingency plan must address the radical economic dislocations that would ensue from an energy crash. To anticipate and plan for the infinitely complex ripple-effects of a radical energy shortage will require the best efforts of our best economists. For example, the drastic contraction of steel use by the automobile industry in the wake of an energy crunch might be neutralized by a concurrent channeling of steel into an expanded drill and pipeline industry to sustain intensified domestic petroleum search and production efforts. Reverses for the logging industry owing to reduced construction might be compensated for by increased use of wood fuels. To maintain a viable national economy in the face of major energy deprivations, the foregoing types of economic adjustments, compensations, and tradeoffs must be foreseen and provided for in a comprehensive, integrated national contingency plan.

An effective national energy policy as well as a realistic contingency plan must, of course, reflect an awareness of present and future energy patterns in the United States. It is important to realize, for example, that just to stop importing oil, we would have to reduce our oil usage by more that 40 percent. To be able to offer oil assistance to our allies and other endangered nations, however, we would have to cut our usage by more than half. An appreciation of where conservation is possible can be gained by observing our current oil use pattern. Fifteen percent of our annual oil consumption supplies residences and commercial establishments. Eleven percent goes to general industry; another 11 percent supplies the raw material of the petrochemical industry. Ten percent is used to generate electricity. Fifty-four percent is consumed for transportation.

We should immediately cut gasoline consumption massively. Unimaginable? By no means. Considering the current situation surrounding the Persian Gulf, a sound and prudent national energy policy would include conversion, wherever possible, from the automobile to bicycles, mopeds, and motorized tricycles. To encourage this changeover, traffic control measures could impose an alternating pattern of streets effectively closed to cars and thus opened without danger to smaller wheeled vehicles. We need to have busing of workers to their jobs rather than of school children to distant schools.

Under a fully operational contingency plan, worse sacrifices than these would be required. Air conditioning would have to be relinquished. One can live without air conditioning. In the winter, however, particularly in the East, North, and Midwest, one cannot live without heating. More rigorous solutions might require families to move into the same house together or perhaps to heat only one room in a house. Such contingency measures, if put into effect, would doubtless entail inconvenience, irritation, hardship, and disruption of our living patterns. Yet, the issue is survival itself, and the living patterns suggested are far less horrible than war.

Would we be able to do it? Certainly not without proper planning and preparation. Shall we be able to limit the duration of the emergency by building the power plants, including nuclear plants, in sufficient time? The Taiwanese enjoy a 63-month construction schedule for their nuclear plants. In the United States it takes more than 12 years to put a similar plant in operation because of repetitive licensing procedures. Many nations in Europe are moving with considerable speed. But the United States appears paralyzed.

The fable of a "China Syndrome" notwithstanding, experience shows that nuclear energy is safe. The long licensing process does not make it any safer. Today we have 200 nuclear generating plants throughout the Free World. They have operated on the

average for 10 years apiece. The most dramatic and damaging accident that has yet occurred was at the Three Mile Island plant in Pennsylvania. In this case, if the four operators, when the first problem occurred at 0400 hours, had called for the help of competent engineers and then gone home, and if those engineers had gotten out of bed, drunk three cups of coffee, showered, driven carefully to the plant, and spent two hours there deciding what to do next, few people today would have heard of Three Mile Island.

Even as it was, no one suffered physical harm. The amount of radiation exposure to those outside the plant was about the same as that from watching 40 hours of color television or flying in an airplane as a stewardess for a month. The worst reasonable prediction that can be made is that possibly 10 years from now there might be one additional case of cancer, and for that there is only a small probability. The only material harm was severe damage to a nuclear generator. Costs were compounded by many billions of dollars because replacement energy had to be produced from oil.

But regardless of whether we talk about nuclear energy, natural gas, solar energy, or energy from coal, additional energy sources can be developed only in small quantities during the next five years. Any effective contingency program for the interim must rest mainly on stringent conservation. Each month that we delay the development of our own resources creates more danger, lengthens the period of true deprivation should a contingency plan be needed, and weakens our economy further. Our national leaders must have the courage to impress the unpalatable realities of our energy situation upon the people.

Obviously, to talk of the oil companies as the heroes of our society is neither popular nor justified, but to introduce a form of taxation which makes it no more profitable to drill oil wells than to buy government bonds is complete folly. Similarly, the government was ill-advised to step in and prevent energy companies from ratifying realistic contracts to buy Mexican gas. With regard to coal, there is no coherent and unified national policy. The rhetoric of national leaders encourages the development and expanded use of coal; yet, environmental concerns inhibit such expansion. The tradeoffs between the advantages and disadvantages of coal vis-à-vis those of nuclear energy must be explained rationally to the American people and choices must then be made. In the seven years that have elapsed since the OPEC embargo put us dramatically on notice of our energy vulnerability, we could have put 200 nuclear plants into production. Instead we have about 70. We must have firm and enlightened leadership, at both the state and national levels, to convince the people of the threat of a massive oil shortage and galvanize the country into action.

Despite talk of detente, the cold war is likely to continue; but no matter how cold that war turns out to be, it will be incomparably better than a hot war. To lessen the probability of such a hot war, it is vital that we decrease our dependency on Middle East oil with all possible speed. As the situation now stands, we as a major power are hostage to the continued availability of Middle East oil, but we lack any guarantees for its continued availability, even if we were willing (which one would devoutly hope is not the case) to use military means, including nuclear weapons. To end our dangerous dependency, the primary requirement is a national energy development program. Meanwhile, looking to the possibility that events in the Persian Gulf region might result in an involuntary cutoff of our oil supplies, we must have a comprehensive, realistic, national contingency plan ready for use. Having neglected domestic energy production for so long, we must make radical conservation the heart of such a plan. Only by taking action now—by providing secure national energy sources as rapidly as possible and by careful planning to moderate the effects of an oil cutoff—are we likely to survive as a free and independent nation.●

THE NATIONAL PRAYER BREAKFAST

(Mr. HILLIS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HILLIS. Mr. Speaker, I wish to include in the RECORD the proceedings of the National Prayer Breakfast held at 8 a.m. on February 5, 1981.

The material follows:

THE NATIONAL PRAYER BREAKFAST

Can I have your attention. I'm about to say grace. My name is Senator Harold Hughes and please from here on would you be calm and quiet. Your attention please. Would you assume an attitude of prayer wherever you are. Our dear Heavenly Father, We do thank you for this morning. Thank you for the opportunity of fellowship one with another. We thank you that we in this country can be the host for so many of our friends from over 100 countries around this world this morning when we lift up our hearts in prayer for the leadership of this nation and for the leadership of the world. We ask especially that you bless the President of the United States, the Vice President and all those in authority here and in all the nations of the world. And now we are grateful dear God for the bounty of the earth you have given us and we ask you to bless it that by its strength we can better serve you. We ask it in the name of Jesus Christ. Amen.

(Music by Anderson College Male Chorus.)

CONGRESSMAN HILLIS PRESIDING

Ladies and Gentlemen, the Vice President of the United States and Mrs. Bush.

Ladies and Gentlemen, the President of the United States and Mrs. Reagan.

Ladies and Gentlemen, would you please remain standing as Barbara Williams, the Executive Director of the Congressional Black Caucus offers our opening prayer and also please for a statement of purpose by Dr. Graham.

BARBARA WILLIAMS

Barbara Williams: Please join hands with the person closest to you at your table and bow your heads. Father, we come to you, not as people with titles from nations and cities and states, but as your children this morning and we just thank you for being our Father. Lord, we really are grateful just for life today and we're thankful Father as we're gathered here from many nations, diverse backgrounds and cultures, that you do not see us as separate people but as one family of God. Father we just ask you to help us to see that today as we move through the day and hear your Word, Father, that we would just listen and once we've listened, Father, that we would believe and then we would act on what we hear. So Lord, we just have a burden this morning for the separations between us that you do not see but we see. Lord, we just claim your belief in our oneness in You. We are not today gathered as haves and have-nots, Lord, we're gathered as your people. Lord remove the hostility, Father, between those of us who are affluent and those of us who are not. Help us, Father, to be free from our agendas, our schedules, our ministries, our clubs, our institutions, Father and just read and hear and believe and trust in your Word. We claim that for this morning. We claim that for this day. We claim that for just this nation and this world and, Lord, we ask a special blessing this morning for the President and Mrs. Reagan. You have put them where they are and invested in them the authority as the first family of this nation. We pray right now, no matter what our backgrounds, affiliations, republicanism, democratness, we just release ourselves from that right now and we claim them as our family and we pray Father, that you would lift them up and that we would each day pray for them. Lord, when it's all over and it's said and done each one of us will stand before you not with the score cards, the balance sheets, not with accomplishments, titles, labels, none of it. You will wonder, Lord, whether we have loved you with all of our hearts, all of our minds, all of our souls, all of our strength and you will wonder and you will ask us if we've loved every neighbor as ourself. Deliver us, Father, from the binds and all of the separations and thank you again, Lord, for the opportunity to come together, Lord, not to hear speeches, but just to hear from God. We thank you Lord for this opportunity. We praise your name and we just lift up the name of Jesus Christ today, Lord as one nation under God. In the name of Christ we pray. Amen.

DR. GRAHAM

Dr. Billy Graham: Mr. President, Mrs. Reagan, Mr. Vice President, Mrs. Bush, the Lord is God, He made us. We're His people, the sheep of His pasture. Give thanks to Him and bless His name. For the Lord is always good. He is always loving and kind and His faithfulness goes on and on to each succeeding generation. During the past thirty years our nation has seen a revival of religious interest. I think part of it began probably with the election of Dwight Eisenhower. A few days before he was inaugurated as President he asked a young clergyman to come and visit him at the Commodore Hotel in New York. He walked over to the window and stood in silence looking out for a moment or two and then he said to the young clergyman that he felt that a part of the reason for his election was to help lead America in a spiritual renewal. He wanted some suggestions, especially a couple of appropriate Scripture verses. Not only did he quote Scripture in his inaugural address, but he also said a prayer of his own making.

In the meantime a small prayer group had started in the United States Senate and later in the United States House of Representatives. This had inspired Abraham Vereide and one or two colleagues to think and pray about the possibility of a Presidential Prayer Breakfast. One of those who was instrumental in that first Prayer Breakfast was former Senator Frank Carlson of Kansas who was supposed to be here today but he is ill. Every president since that first Prayer Breakfast in 1954 has participated in

this Prayer Breakfast. Now it has spread to many countries of the world and most of the 50 states where Governors' Prayer Breakfasts are held and to many of the major cities of the United States where Mayors' Prayer Breakfasts are held. Thousands of leaders on every continent have been confronted with the fact that God is not only interested in their individual lives but He's interested in us as nations. I believe the Prayer Breakfast movement has played a significant role in the revival of our religious interests during the past three decades. We live in a very dangerous world and I'm convinced that if we're to have peace in our time, it will come about in a spiritual dimension. Now we have a new administration with a great possibility of a new beginning that has been symbolized by the return of the hostages and the feeling of warmth and spiritual renewal that has swept America in the last few days. We are told in Scripture to pray for those in authority. This Prayer Breakfast is dedicated to praying for those in authority not only here in Washington, but throughout the world. Let us pray that God will renew our hearts and bring each of us to a deeper commitment of our lives to God and His will for us and especially do we pray on this occasion for the President and his family. Thank you.

Hillis: Thank you Dr. Graham. Now please be seated and enjoy breakfast.

Hillis: Mr. President, guests at the head table, ladies and gentlemen, I'm Congressman Bud Hillis from Indiana and it is my distinct honor and pleasure as chairman of the House Prayer Breakfast group to welcome each of you to this 29th National Prayer Breakfast. I speak for the entire House and Senate Prayer Breakfast Committee when I say we are genuinely pleased to have you with us today to share in this special fellowship that's found in the Spirit of Jesus Christ. We're especially delighted to have with us Dr. Billy Graham, who along with President Eisenhower and Senator Frank Carlson arranged the very first National Prayer Breakfast in 1953. For I'm sure as you see, as he stood here and told us in his statement of purpose that that the young clergyman visiting President Eisenhower in the hotel in New York was Dr. Graham, himself.

Dr. Graham said, Senator Carlson had also planned to be with us this morning, but due to illness he has been unable to join us and it is my understanding that he is in a hospital in Kansas and I ask and know that each of you will join in remembering him in our individual thoughts and prayers this morning. Also let me take a moment to say a word of welcome to all those people who are living and serving abroad, people in our Armed Services, on our ships at seas and all of the people all over the world who will be joining us in our fellowship through a taped rebroadcasting of this program over the Armed Forces Radio Network. Of course, to each of them we say we are sorry you cannot be with us in person but we acknowledge your presence in the Spirit and we are grateful for your participation. These rebroadcasts along with many breakfasts that are taking place all over the country in conjunction with this one have expanded the National Prayer Breakfast to a point where it now involves more people than ever before. And while this is a National Prayer Breakfast, it is heartening to note that the numbers have also continued to grow among our international guests. We have with us today representatives from over 100 nations and we certainly are very delighted to extend a very special welcome to each of them. Your participation broadens the scope of our fellowship and greatly enriches our endeavor.

Ladies and gentlemen, we meet here this morning as in years past, to reaffirm our country's spiritual foundation. We acknowledge that the Lord has richly blessed us as a people, but we are aware also that He has said, "of those to whom much is given, much is required." We meet this morning in the recognition of this obligation, humbly seeking the wisdom and the strength necessary to fulfill it. Like so many other times when the Prayer Breakfast has met, we've come together at a time when the world faces increasingly hard choices and many difficult challenges. But we're not here to debate those problems, or even to outline them; rather we are here today because we recognize that our shared faith and our personal relationship with Christ can truly make a difference in the world. It is in this spirit that the House and Senate Prayer Breakfast groups meet each week when Congress is in session and it is with this same spirit that we welcome each of you here with us today. And if I may be permitted a personal aside, let me say as an individual member of Congress how meaningful these small informal weekly meetings really are. For me and for everyone of my colleagues who participate regularly, these breakfasts represent an opportunity for each one of us coming as we do from diverse backgrounds and different parts of the country and representing many different political viewpoints to draw spiritual strength from one another. It's a unique and rewarding experience, one which we enjoy each week and one which we gladly share with you this morning. Again, welcome and thank you very much for coming. And now I would like to introduce our head table up to the President who will be presented later in the program. Following the introduction of the head table each participant will come forward in the order of their appearance on the program. Let me ask that you hold your applause until the first lady has been presented and I'll ask each of the head table as they are introduced to stand and remain standing until that point. Starting on your right and my far left, I see that Congressman Bill Hefner is with us. I'll ask Bill to stand. He's going to lead our song. Next to him is Dr. Billy Graham. Next is the Chief of Staff of the United States Army, General Edward C. Meyer and Mrs. Meyer. Ladies and gentlemen, the Vice President of the United States, The Honorable George Bush and Barbara Bush. Next to me the Governor of Minnesota the Honorable Albert Quie and Mrs. Quie. And now continuing to my far right may I introduce once again Barbara Williams, the Executive Director of the Congressional Black Caucus and now the Mayor of the City of New York, the Honorable Edward Koch, the Honorable Lawton Chiles, United States Senator from the State of Florida and Mrs. Chiles. To my immediate right I present my wife Carol. And, of course, we are especially honored to have with us this morning the first lady of our land, Nancy Reagan.

And now for our Old Testament reading I will call on the Mayor of New York, Edward Koch.

MAYOR KOCH

Mr. President, Mr. Vice President, Mr. Chairman, ladies and gentlemen, I'm very pleased to have this opportunity to be with you today. As mayor of a city with a long tradition of cultural and religious diversity, a city where Cardinal Cook has said on so many occasions mass is said every morning in 23 different languages, a city which has been home to countless millions seeking religious freedom, I both understand and appreciate the importance of this morning's breakfast. Today I would like to read to you Psalm 8, a Psalm of David. This Psalm speaks of God's glory and the wonders of His creation. One theme in particular has special meaning for us and that is the God-given dignity of all people and our stewardship of God's wondrous creation. Psalm 8:

"O Lord, our Lord, how majestic is thy name in all the earth. Thou, whose glory above the heavens is chanted by the mouths of babes and infants, Thou hast founded a bulwark because of thy foes to still the enemy and the avenger. When I look at Thy heavens, the work of Thy fingers, the moon and the stars which thou has established, what is man that thou art mindful of him and the Son of Man that thou dost care for him. Yet thou hast made him little less than God and dost crown him with glory and honor. Thou hast given him dominion over the works of thy hands. Thou has put all things under his feet. All sheep and oxen and also the beasts of the field, the birds of the air and the fish of the sea; whatever passes along the paths of the sea. Oh Lord, our Lord, how majestic is thy name in all the earth."

"Take My Hand Precious Lord" was sung by the Anderson College Male Chorus.

VICE PRESIDENT BUSH

The New Testament reading is from I Corinthians 13:

"If I speak in the tongues of men and of angels but have not love, I am only a resounding gong or clanging cymbal. If I have the gift of prophecy and can fathom all mysteries and all knowledge and if I have faith that can move mountains but have not love, I am nothing. If I give all I possess to the poor and surrender my body to the flames, but have not love, I gain nothing. Love is patient, love is kind. It does not envy. It does not boast. It is not proud. It is not rude. It is not self-seeking and it is not easily angered. It keeps no record of wrong. Love does not delight in evil, but rejoices with the truth. It always protects, always trusts, always hopes, always perseveres. Love never fails. But where there are prophecies, they will cease. Where there are tongues, they will be stilled. Where there is knowledge, it will pass away. For we know in part and we prophesy in part, but when perfection comes the imperfect disappears. When I was a child I talked like a child, I thought like a child, I reasoned like a child and when I became a man I put childish ways behind me. Now we see but a poor reflection. Then we shall see face to face. Now I know in part, then I shall know fully even as I am fully known. And now these three remain—faith, hope and love, but the greatest of these is love."

SENATOR CHILES

Be careful for nothing, but in everything with prayer and supplication with thanksgiving, let your requests be made known unto God and the peace of God which passes all understanding shall keep your hearts and minds through Christ Jesus. Father you tell us in your Word to pray for the king and all who are in authority so that we might live a good and peaceful life. And your Psalms tell us, Father, to let the nations be glad and to sing for joy for Thou shalt judge the people righteously and

govern the nations upon the earth. Father, you are the creator of government and it's used for your purposes to fulfill your plan. So Lord we come today in thanksgiving and a joyful heart. We thank you for all of the blessings you have given to us individually and that you've given to our land and to our nation. And we hold up to you today our President, Mrs. Reagan and their family. We hold up the Vice President, all of the Members of his Cabinet and Executive Branch and Father, we just ask you to pour out a blessing upon them to give them wisdom, knowledge and judgment, joy, peace and strength. Father, we see You using them as your instruments. We know that they are creatures of your government and we just see them as being used for your purposes to work healing upon the land and to bring peace upon the world. And, Father, we now hold up a prayer for national leaders everywhere. We ask you to bring into their hearts your instrument of peace. Father we hold up officials everywhere because we know that you tell us that one of the spiritual gifts is the gift of leadership and that we who have that gift of leadership are to lead with diligence. And Father, we ask that you being the author of that spiritual gift will give that power and that diligence. For unto us a child is born, unto us a son is given, and the government shall be upon his shoulders and his name shall be called wonderful, counselor, the mighty God, the everlasting father, the prince of peace. Of the increase of his government and peace there shall be no end. Amen.

CONGRESSMAN HEFNER

I would like you to help me. I would like to sing the first stanza of "How Great Thou Art" and then I would like for you all to join me in singing a couple of choruses and I want you to sing real good and loud. If it's not too much of a problem, I would like you to stand.

There's someone who is having a very special day tomorrow and perhaps we won't be together tomorrow as a body as we are right now, so I think it would be fine if you all would join me in singing "Happy Birthday" to the President of the United States. Would you do that?

Happy birthday was sung.

GOVERNOR QUIE

Governor Quie: Mr. President and Mrs. Reagan, Mr. Vice President and Mrs. Bush, and all you children of God from this nation and other nations who are gathered here this morning, this National Prayer Breakfast has a special meaning to it. It occurs every time there is a new President, a new Administration, and it has special meaning this morning because we have just completed an outpouring of the American spirit at the return of the hostages. It is a time of new beginnings and new hope and we see it expressed in the newspapers as a hope for the recovery of the economy. We see it expressed as a hope for peace, the end of aggression and even the point where none would dare take our hostages again.

I would like to have your hearts and minds turn to a passage in the Book of Zechariah, the fourth chapter and the sixth verse that brings a message from the Lord. And it reads, "You shall succeed, not by military might nor by your own strength, but by my spirit." How often we forget that we are a part of God's creation. God who made all and as we heard read from Mayor Koch this morning, the God who made the heavens and earth and the seas and all that are in it and who is man, mere man, that He is mindful of us. The essence of our being is in our spirit and so often we think of ourselves as physical beings because we can see it, intellectual beings because we can hear it, emotional beings because we can feel it and forget that before all else we are spiritual. And within each human being is a longing and a hungering until we find that union with God. The late Dr. Margaret Meade in a conversation I had one time with her expressed that additional spiritual significance in explaining one time when she and some other experts were working with a young child and that young child sitting in that little chair that babies sit in when they start sitting up, and that child couldn't even sit up straight. They did everything they could to get that child to sit up straight. Let me tell you a little bit about that child's family. It was from a broken home. It had never seen its father more than three times before in his life. That child's father came into the room. He never said a word and when that father came into the room, the child sat up straight. She said she knew there was something between that father and that child that was more than physical, intellectual and emotional. The world hungers to know each other, to be at one with each other and the greatest power that exists in this world is in the spirit. God is spirit and He expressed himself physically when He sent His son Jesus Christ to live on the earth. And the word that we'd know in that spiritual relationship between people, that's the word love. Love, one that we have a difficult time explaining ourselves because we don't use three words as the Greeks did. Eros—the relationship of a person of one sex with the other; filial, for those who are alike, kind of like each other; but agape, where we love our enemies. That is the Christ-like love and when one heard the words of the Vice president this morning in the 13th Chapter of I Corinthians and we think of the times that we are in and it starts out "if I could speak with the language of men and of angels", don't you long that all of the individuals in this room from every nation might be able to speak with the same language so that we could understand each other. But it says if we did not have love, we'd just be a big noise. Is that the reason why our talks and our treaties don't always work out, because we do not have love? Think of the problems this earth has. And it said in the second verse, "If I had all the knowledge and knew all the secrets." Does that mean we have the science and technology to be able to do all that we want to and do it without polluting and keep the ecological balance on this earth, then we would have perfection? It says if I knew all of that and didn't have love, I'd be nothing. And to those of us who may call ourselves religious, it says in the third verse, "If I gave everything that I had to the poor and even took the form of a martyr and gave my body to be burned and did not have love, it would avail me nothing." We begin to see the power of the love of God in human lives. But all that we have on this earth that we can see and talk about and feel will pass, but the spirit is eternal and the human being needs to work in the essence of their being and open their hearts and their minds to the Lord Himself. As we look to the future, we can think of times of this nature when we join together in the recognition that we are all children of God and in that spirit can we move to the future.

I'd like to tell you one thing that happened to me. I do it because if you are like me at all, it is difficult to reach out to another person and speak of spiritual matters. We don't speak easily of spiritual matters. The American Indian could speak of the spirit easier than we can because just as Jesus Christ spoke of the spirit like the wind, we hear it, we don't know where it's coming from or where it's going, so the Indians spoke of the spirit of the wind. The Bible also spoke of the spirit as streams of living water that nourishes us. What happened to me was that once I was convinced I ought to meet with some other people in the Congress, a few to spend time in Bible study and prayer. And I thought to myself, you know if Christ did that what did He do. He looked around for the person who was the strongest Pharisee that he could find and he was a Roman citizen and a Jew as well and he picked Paul. Paul had been going around killing Christians before he picked him to be the greatest missionary there was. I looked around the Congress and there was one person I thought was the best politician I ever saw there. I thought I'd meet with him and see if I could. But I never could get myself to go up and talk with him. One day he sat down beside me in the front row of the Congress and I thought now is the time God wants me to talk to him. I turned to talk to him about we ought to get together and pray together some time and the words wouldn't come out. So I turned forward again and composed the words to myself so I could say it to him and turned again to him and the words wouldn't come out. So I turned back again in disgust with myself and said, "Oh, Lord, I'm helpless. I can't do it. You're going to have to get somebody else to do it for me." And just then, he turned to me and said, "Albert we ought to get together and pray together some time." If I had any doubts of the spirit before, they were removed at that moment. The spirit of God moves in ways that we cannot understand if we open our hearts and let it be a part of us. That is the hope for the future. I'd like to end my comments to going back to II Kings, to King Hezekiah.

They said there never was a king like him before or afterwards. King Hezekiah walked with God and as you recall in the 19th Chapter of II Kings it spoke of the King of Assyria assailing Jerusalem and threatening and insulting King Hezekiah. And King Hezekiah went to the temple and laid it all out before God. He didn't ask God to save him because they were His chosen people or because King Hezekiah was such a wonderful person or any of that. This is what King Hezekiah said when he had finished, "And now, Oh Lord, my God, I beseech you to save us that all the kingdoms of the world might know that thou, Oh Lord, art God alone."

Congressman Hillis: Ladies and gentlement, I have the distinct honor at this time of presenting to you a man who by his presence here this morning is carrying on the tradition of this National Prayer Breakfast which was begun by Dwight D. Eisenhower 29 years ago. Ladies and gentlemen, please join me in welcoming the President of the United States.

THE PRESIDENT

President Reagan: Thank you very much. Mr. Chairman, Congressman Hillis and all you ladies and gentlemen, Nancy and I are delighted to be here and I want to thank you for the day in my life that you recognized in starting off my celebration of my 31st anniversary of my 39th birthday. To all of you, to the many who are here from across the world, the different lands and as the chairman told us earlier, I was surprised

to learn that we are joined this morning by meetings of this kind in places that might be surprising to some, on naval vessels, on military bases, even in penal institutions all across the land, you have taken Nancy and me back to a nostalgic time because I have found myself remembering occasions like this in a hotel dining room not quite so grand or not quite so large, but the Governor's Breakfast in Sacramento. They were always enriching, spiritual experiences and I think maybe, I haven't checked with Nancy about her, but I think maybe for both of us I could say this morning we are freed from the last vestige of homesickness. I would like to tell just a little story. It was given to me by a friend on a printed card, author unknown. Now I don't know how widely this has been distributed or whether many of you are aware of it. I'm going to tell it anyway. This unknown author wrote of a dream and in the dream he was walking down the beach beside the Lord and as they walked above him in the sky was reflected each stage and experience of his life. And reaching the end of the beach and of his life he turned back and looked back down the beach and saw the two sets of footprints in the sand except that he looked again and realized that every once in a while there was only one set of footprints and each time there was only one set of footprints, it was when the experience reflected in the sky was one of despair, desolation, of great trial or grief in his life. He turned to the Lord and said. "You said that if I would walk with you, you would always be beside me and take my hand. Why did you desert me? Why are you not there in my times of greatest need?" The Lord said, "My child, I did not leave you. Where you see only one set of footprints, it was there that I carried you." Abraham Lincoln once said, "I would be the most foolish person on this footstool earth if I believed for one moment I could perform the duties assigned to me without the help of one who is wiser than all." I know that in the days to come and the years ahead there are going to be many times when there will only be one set of footprints in my life. If I did not believe that I could not face the days ahead.

Mr. Hillis: Would you please remain standing for our final prayer.

GENERAL MEYER

In June of 1783 George Washington while he was still Commander in Chief of our Continental Army composed a prayer which he sent to the 13 governors of the then fledgling nations. With the words of our newest president still ringing in our hearts, it seems appropriate that we close this National Prayer Breakfast with the words of our first President in Washington's prayer for the nation. Let us pray:

"Almighty God, we make our earnest prayer that thou will keep the United States in Thy Holy protection, that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large and finally, that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy and to demean ourselves with that charity, humility and specific temper of mind which were the characteristics of the divine author of our blessed religion and without a humble imitation of example in these things we can never hope to be a happy nation. Grant our supplications, we beseech thee through Jesus Christ our Lord. Amen.

Mr. Hillis: Would you join me in singing the chorus "Alleluiah" and the second time we will sing "I will praise Him" and the third time we will sing alleluiah again.

FREE ENTERPRISE POSTAGE STAMP ACT

(Mr. GOLDWATER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GOLDWATER. Mr. Speaker, the Postal Service had a $306 million deficit last fiscal year. This deficit will probably increase after Postal Union contracts, which expire July 20, are renegotiated. The unions are suggesting Congress simply increase the Postal Service's annual subsidy to meet their escalating wage demands; in other words, more taxes. Such an increase would have to be quite substantial, because the Office of Management and the Budget recently proposed a $632 million reduction in Postal Service subsidies.

To further aggravate the Postal Service's deficit problems, the Postal Service has requested a 5-cent boost in first-class postage rates, but the Postal Rate Commission will probably approve only a 3-cent rate increase. This means higher rates for other classes of mail. Still, these increases will not come close to offsetting the $1.2 billion another 2-cent first-class postage increase would produce. Because of such nagging problems, the Postal Service is already talking about another rate increase—to 22 cents.

There just does not seem to be an end to these ever-escalating rate increases, Mr. Speaker. It seems incredible that the American taxpayer has already been subjected to a 300-percent increase in the last 15 years alone. I ask my colleagues to help me in reducing the taxpayer's burden, by cosponsoring the Free Enterprise Postage Stamp Act which is a commonsensical approach toward reducing more taxes and trying to do something about rate increases.

LUTHERAN COUNCIL IN THE U.S.A. PUBLIC POLICY RECOMMENDATIONS

(Mr. ERDAHL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ERDAHL. Mr. Speaker, today, I would like to share the following statement with public policy recommendations on church-State issues adopted by the Lutheran Council in the U.S.A.:

A. INTRODUCTION

An increasingly complex society has produced growing interdependence and interaction among groups, persons, and resources in the governmental, economic, and voluntary sectors. The government's responsibilities to maintain equity and order have led both the churches and the state into greater contact and, at times, into tension. As governmental bodies seek to perform their roles and the churches seek to fulfill their missions, each needs to be aware of the other's purposes, principles, and methods. In their endeavors, both the churches and the government have the task of formulating and clarifying position statements and guidelines for implementation and application when appropriate.

The Lutheran Council in the USA, a cooperative agency of The American Lutheran Church, Association of Evangelical Lutheran Churches, Lutheran Church in America, and Lutheran Church—Missouri Synod, is aware of rising concern within its participating bodies over governmental activity in matters affecting the churches and their ministries. There are instances in which laws, rulings, and regulatory procedures on the part of government appear to infringe upon the the churches and their agencies and institutions. Governmental efforts to define the nature, mission, ministries, and structure of religious organizations are likely to continue. These developments have raised questions within the Lutheran churches about the right and competence of government to define the nature, mission, ministries, and structure of religious bodies.

The Lutheran Council recognizes that an ongoing process of communication within the Lutheran family of churches and with other religious bodies and organizations in the voluntary sector is proper and timely as response is given to the government. Government officials need to be informed about the positions and perspectives of the Lutheran churches.

On these grounds the Lutheran Council convened a consultation on church-state issues which resulted in the following statement and recommendations. The report of the consultation was adopted by the council's 1979 annual meeting on May 16 in Minneapolis.

B. STATEMENT OF AFFIRMATION

1. Church and Government in God's world

God's omnipotent activity in creation is dynamic; that is, it is living, active, and powerful in all human affairs. The structure and policies of civil and Christian communities are determined and arranged by tradition, circumstances, and needs.

Lutherans acknowledge the twofold reign of God, under which Christians live simultaneously. God is ruler of both the world and the church. The church is primarily the agency of the Gospel in the new age of Christ, while the state is primarily the agency of the Law in the old age of Adam.

Given the balance of interests and differing responsibilities of the churches and the government in God's world, the Lutheran churches advocate a relationship between the churches and the government which may be expressed as "institutional separation and functional interaction."

Both the churches and the government are to delineate and describe the proper and responsible extent of their functional interaction in the context of God's rule and the institutional separation of church and state.

2. Institutional separation

In affirming the principle of separation of church and state, Lutherans in the United States respectfully acknowledge and support the tradition that the churches and the government are to be separate in structure. As the U.S. constitution provides, government neither establishes nor favors any reli-

gion. It also safeguards the rights of all persons and groups in society to the free exercise of their religious beliefs, worship, practices, and organizational arrangements within the laws of morality, human rights, and property. The government is to make no decisions regarding the validity or orthodoxy of any doctrine, recognizing that it is the province of religious groups to state their doctrines, determine their policies, train their leaders, conduct worship, and carry on their mission and ministries without undue interference from or entanglement with government.

a. The Church's Mission

(1) The central mission of the church is the proclamation of the Gospel; that is, "the good news" or promise of God that all persons are forgiven by and reconciled with God and one another by grace through faith in Jesus Christ.

(2) The church is the fellowship of such forgiven and reconciled persons united in Jesus Christ and guided by the Holy Spirit to be sons and daughters of the Father. In and through that fellowship Christians express their love for, confidence in, and reliance upon God through worship, education, social action, and service.

(3) The church is also the people of God called and sent to minister under his authority in his world. God also calls the church to be a creative critic of the social order, an advocate for the needy and distressed, a pioneer in developing and improving services through which care is offered and human dignity is enhanced, and a supportive voice for the establishment and maintenance of good order, justice, and concord. Another mark of the presence of the church in the world is in its ministries involving activities, agencies, and institutions through which the church and society seek to fulfill their goals in mutual respect and cooperation.

(4) Lutherans hold that their churches have the responsibility to describe and clarify to their members and to society the mission of the Lutheran churches and to determine, establish, maintain, and alter the various forms through which that mission is expressed and structured.

(5) The distinctive mission of the churches includes the proclamation of God's Word in worship, in public preaching, in teaching, in administration of the sacraments, in evangelism, in educational ministries, in social service ministries, and in being advocates of justice for participants in the social order.

(6) On the basis of their commitment to him who is both Lord of the church and Lord of the World, Lutheran churches establish, support, operate, and hold accountable their congregations, agencies, institutions, schools, organizations and other appropriate bodies.

(7) While church bodies have differing policies, it is fitting to describe them, including their duly constituted agencies, according their ecclesiastically recognized functions and activities.

(8) Lutheran churches have the authority, prerogative, and responsibility to determine and designate persons to be professional church workers, both clergy and lay; to establish criteria for entrance into and continuance in the functions carried on by professional church workers; to create educational institutions for training professional church workers; and to provide for the spiritual, professional, and material support of such persons. Such support extends throughout the preparation for, activity in, and retirement from service in the several ministries of the churches.

(9) Lutheran churches have the authority and prerogative to enter into relationships, associations, and organizations with one another; with overseas Lutheran churches and bodies; with other Christian fellowships or other religious groups on regional, national, and international levels; and with voluntary or governmental agencies which the Lutheran churches and other groups deem helpful and fitting to their respective purposes.

b. The Government's Role

(1) According to Lutheran theology, the civil government's distinctive calling by God is to maintain peace, to establish justice, to protect and advance human rights, and to promote the general welfare of all persons.

(2) As one of God's agents, government has the authority and power in the secular dimensions of life to ensure that individuals and groups, including religious communities and their agencies, adhere to the civil law. The churches and their agencies in the United States are often subject to the same legislative, judicial, and administrative provisions which affect other groups in society. When necessary to assure free exercise of religion, however, Lutheran churches claim treatment or consideration by government different from that granted to voluntary, benevolent, eleemosynary, and educational nonprofit organizations in society.

(3) Government enters into relationships, associations, and organizational arrangements with nongovernmental groups, including churches, according to the nation's laws and traditions, in order to fulfill its God-given calling and without compromising or inhibiting the integrity of either the groups or the government.

(4) Government exceeds its authority when it defines, determines or otherwise influences the churches' decisions concerning their nature, mission, and ministries, doctrines, worship and other responses to God, except when such decisions by the churches would violate the laws of morality and property or infringe on human rights.

3. Functional interaction

Lutherans in the United States affirm the principle of functional interaction between the government and religious bodies in areas of mutual endeavor, so that such interaction assists in the maintenance of good order, the protection and extension of civil rights, the establishment of social justice and equality of opportunity, the promotion of the general welfare, and the advancement of the dignity of all persons. This principle underscores the Lutheran view that God rules both the civil and spiritual dimensions of life, making it appropriate for the government and the churches to relate creatively and responsibly to each other.

In this functional interaction, the government may conclude that efforts and programs of the churches provide services of broad social benefit. In such instances and within the limits of the law, the government may offer and the churches may accept various forms of assistance to furnish the services. Functional interaction also includes the role of the churches in informing persons about advocating for, and speaking publicly on issues and proposals related to social justice and human rights. From the Lutheran perspective, the church has the task of addressing God's Word to its own activities and to government. The U.S. Constitution guarantees the right of the churches to communicate concerns to the public and to the government.

a. The Church's Responsible Cooperation with the Government

(1) The church relates to the interests of the state by offering intercessory prayers on its behalf. Christians are called to offer supplications and thanksgiving for all persons, especially "for kings and all who are in high positions" (1 Timothy 2:1).

(2) The church relates to the interests of the state by encouraging responsible citizenship and government service. The church has always admonished its members to be "subject to the governing authorities" (Romans 13:1) out of respect for the civil power ordained by God.

(3) The church relates to the interests of the state by holding it accountable to the sovereign law of God, in order to provide judgment and guidance for those leaders responsible under God for the peace, justice, and freedom of the world.

(4) The church relates to the interests of the state by contributing to the civil consensus which supports it. Especially under the U.S. system which provides for wide participation, the church has the responsibility to help create a moral base and legal climate in which just solutions to vexing political problems can take place.

(5) The church relates to the interests of the state by championing the human and civil rights of all its citizens. Christians believe that under God the state exists for people, not people for the state. In addition, the church may volunteer its resources as a channel for meeting the needs of society through cooperation with government.

b. The Government's Responsible Cooperation with the Church

(1) The state relates to the interests of the church by ensuring religious liberty for all.

(2) The state relates to the interests of the church by acknowledging that human rights are not the creation of the state.

(3) The state relates to the interests of the church by maintaining an attitude of "wholesome neutrality" toward church bodies in the context of the religious pluralism of our culture.

(4) The state relates to the interests of the church by providing incidental benefits on a nonpreferential basis in recognition of the church's civil services which are also of secular benefit to the community.

(5) The state relates to the interests of the church by providing funding on a nonpreferential basis to church agencies engaged in the performance of educational or social services which are also of secular benefit to the community.

C. PUBLIC POLICY RECOMMENDATIONS

The foregoing "Statement of Affirmation," prepared by the Lutheran Council's Consultation on the Nature of the Church and Its Relationship with Government, speaks in broad terms about a Lutheran understanding of the appropriate relationship between church and government, under God, which has been described in terms of "institutional separation and functional interaction."

The consultation applied this understanding to a number of concrete issues presently confronting Lutheran churches, their agencies and institutions in their relationship with government. The following recommendations, which deal with current issues, illustrate ways our churches can address future issues and should be understood as relating to the "Statement of Affirmation."

1. Religious liberty

We affirm in principle the civil right of the free exercise of religion by a wide variety of groups in our pluralistic culture. We acknowledge that the constitutional guarantees protecting religious beliefs are absolute. However, we recognize that those guarantees governing religious practices are not absolute. The violation of human rights and the breaking of just laws in the name of religion are deplored by our churches.

Recommended: That the Lutheran Council encourage the participating churches to oppose any attempt by government to curb religious liberty through criminal and/or administrative measures focused at groups, except in cases posing a grave and immediate threat to the public's health, safety, or welfare.

2. Regulatory processes

Lutheran churches, together with other churches and voluntary organizations, perceive a trend toward greater governmental intervention and regulation leading to erosion of civil and religious liberties.

Recommended: That the Lutheran Council urge Congress to review the regulatory processes, to ensure that they afford adequate notice and opportunity to the public to study and respond to proposed regulations and rulings.

3. Integrated auxiliaries

Prior to 1969 most religious organizations, including churches and their related agencies, were exempted from filing informational returns with the Internal Revenue Service. The Tax Reform Act of 1969, however, stipulated that all organizations exempt from taxation under Section 501(a) of the Tax Code would henceforth have to file an annual informational Form 990 return—except chruches, their "integrated auxiliaries," conventions and associations of churches, the exclusively religious activities of any religious order, and exempt organizations with gross receipts under $5,000 annually. The law involves the reporting of information; no payment of taxes is involved.

The problem for the IRS since 1969 has been to define "integrated auxiliaries," since that term had no legal meaning and no common definition among religious groups. In February 1976 the IRS issued proposed regulations which had the net effect of providing for all churches a single and extremely narrow definition of religious mission. Protests by a number of religious organizations led to some modifications in the "final" regulations issued in January 1977, but the regulations continue to be restrictive. Explicitly excluded from the definition of "integrated auxiliaries" are church-related hospitals, orphanages, homes for the elderly, colleges, universities, and elementary schools, although elementary and secondary schools are exempt from filing.

The heart of the issue is that the regulation relative to "integrated auxiliaries" seeks to impose on the churches a definition of "religious" and "church" which the churches cannot accept theologically, one which constitutes an unwarranted intrusion by the government into the affairs of the churches. The narrow definition introduces confusion within the churches and their agencies and institutions. Questions are raised in the agencies and their constituencies about whether these ministries are considered to be part of the churches' mission. It also leads the government to attempt other intrusions into the activities of the churches and church-related agencies and institutions, e.g., the Department of Labor's stance in the unemployment insurance tax issue (see section 5, below).

Our churches would probably not object to the disclosure of most of the information required by Form 990 by those agencies and institutions of the church whose ministries appear to have counterparts in the public sphere, if such requirement of disclosure were not predicated upon a denial that those ministries are an integral part of the churches' mission. But the churches object on principle to having any of their ministries, including their agencies and institutions, be treated as "not religious." These agencies and institutions perform ministries which are essential to the churches' mission and must not be put in a different category from the strictly sacerdotal functions of the churches.

Recommended: That the Lutheran Council encourage the participating churches to seek statutory change which will recognize the religious character of the churches' ministries through their agencies and institutions;

That the Lutheran Council encourage the participating churches to urge selected agencies and institutions to initiate a court test of the present IRS definition of "integrated auxiliaries." The intention of such action would be (a) to assure the churches' agencies and institutions that the church bodies continue to consider them an integral part of their mission; (b) to assist Congress in achieving a better understanding of this issue; and (c) to achieve a court ruling restoring the recognition of the integrity of the churches' ministry through their agencies and institutions.

4. IRS and private school desegregation

A religious organization, as other organizations otherwise entitled to a tax-exempt status, cannot claim the exempt status and at the same time operate contrary to established public policy on racial nondiscrimination. Withholding or withdrawing of the tax exemption by government must be based on an organization's racially discriminatory policy or practice determined on facts within a framework of due process. Presumptions on general circumstances or external conditions are inadequate for this purpose.

On August 22, 1978, the Internal Revenue Service issued a "Proposed Revenue Procedure on Private Tax-Exempt Schools." The proposal set forth guidelines which would be used by the IRS to determine whether such schools are operated on a racially discriminatory basis and whether they are entitled to tax exemption under Section 501(c)(3) of the Internal Revenue Code. On December 5, 1978, the IRS held hearings on the proposed revenue procedure. At that time, Lutheran church bodies presented testimony opposing the proposed procedure. On February 9, 1979, the IRS revised its original proposal. The revised revenue procedure is a reasonable procedure for dealing with racial discrimination by private schools. It may have been unnecessary, but it is not objectionable.

Recommended: That the Lutheran Council urge the participating churches to support the withholding or withdrawing of the tax-exempt status of organizations which, in fact, have a policy or practice of racial discrimination.

5. Unemployment insurance tax

To understand the current issues involving the churches' exemption from unemployment insurance coverage, the following points must be remembered:

First, the statutory exemption from coverage under the unemployment insurance law is based on structure, i.e., "church," "convention or association of churches" and "organization operated primarily for religious purposes." The Department of Labor is trying to qualify this by reading into it a functional test, narrowly tied to worship.

Second, elimination of the exemption would seem to have only a negligible impact on free exercise of religion. The direct effect would be paying a tax. There would be an indirect effect of possibly paying a higher tax (depending on experience rating) based upon discharging employees for what the organization might regard to be misconduct on religious grounds but which the government would decide was not such misconduct.

Both religion clauses of the First Amendment are violated when the government establishes an exemption based on structure and then applies it on the basis of the government's perception of whether an activity is or is not religious or sufficiently religious.

Recommended: That the Lutheran Council, while not necessarily opposing legislation which would eliminate the churches' exemption from unemployment insurance coverage, encourage the participating churches to oppose efforts by regulatory agencies of government to include the churches in unemployment insurance programs by definitions that appear to be contradictory to existing legislation.

6. Public funding and regulation of church-related education and social services

Education and social services are the tasks of society as a whole. These are public services. When churches contribute to the fulfillment of these public services, they may accept a measure of public support and a concomitant degree of monitoring by government on behalf of the public. That is, government may provide assistance on a nonpreferential basis in recognition of the public services and benefits provided by church-related educational institutions and by social service agencies and institutions of the churches. In relation to these public services, government regulation of church-related institutions and agencies is not per se objectionable.

Recommended: That the Lutheran Council urge the participating churches to object when governmental regulation of church-related educational institutions and social service agencies or institutions violates due process, exceeds statutory authority or infringes on First Amendment guarantees;

That the Lutheran Council encourage the participating churches to join, when possible, with other members of the voluntary sector in objecting to unreasonable regulations. Only when there is a bona fide constitutional question at stake should the Free Exercise Clause be invoked as the basis for objection to regulation;

That in order to maximize the access of citizens in our pluralistic society to education and social services from agencies and institutions of their choice the Lutheran Council encourage the further exploration and assessment of all constitutional means of government support for a variety of social and educational services at all levels, whether public, private, or church-related.

7. Specialized ministries of clergy

Church and government are presently interacting in two sets of circumstances involving the specialized ministries of the churches' clergy. One has to do with specialization in pastoral counseling and the other

with chaplaincies in specialized settings. Both of these ministries are more often conducted apart from and on behalf of congregations than through specific local congregations.

The point of intersection between church and state with respect to specialization in pastoral counseling is where governmental units seek to license or otherwise regulate such ministries. The normal counseling dimension in the work of parish pastors is not a part of the issue.

The points of interaction between church and state with respect to chaplaincies in specialized settings have to do with the right of churches to have adequate access in order to serve persons in such settings, the right of individuals in those settings to have access to the ministries of the churches, and the best way to combine these two rights of access.

Attention is drawn to the statement defining pastoral counseling and suggesting standards for certification and accountability approved by the Lutheran Council's Division of Theological Studies and Department of Specialized Pastoral Care and Clinical Education and by the council itself. Additionally, two studies are currently underway in the DTS in consultation with the DSPCCE: one on state licensure of pastoral counselors and the second on institutional chaplaincies.

Recommended: That the Lutheran Council encourage the participating churches to establish standards of approval and accountability for professional pastoral counselors and urge the states to recognize the status of such pastoral counselors;

That the Lutheran Council urge the participating churches to maintain their right of access to restricted environments (e.g., prisons, hospitals, and the military) in order to serve people in those environments, assert the right of people in such environments to access to the ministry of the church, and assert that these two rights of access are best served when qualified persons are integrated into the total function of that environment.

8. Regulation of lobbying activity

Advocacy on behalf of justice is an integral part of our churches' mission. The "substantiality" test as applied to lobbying activity requires that "no substantial part" of the income or activities of any tax-exempt organization may be directed toward "carrying on propaganda, or otherwise attempting to influence legislation" (Section 501(c)(3) of the Internal Revenue Code). Such a test unfairly penalizes, through the threat of loss of tax exemption, those churches which regard public advocacy as part of their mission. Moreover, the effect of this test is to give preferred status, in violation of the Establishment Clause of the First Amendment, to those churches which do not participate actively in the debate on public policy.

Recommended: That the Lutheran Council urge the participating churches to resist in principle the "substantiality test" as applied to lobbying activity by the churches.

Regulation of lobbying activity may jeopardize the constitutional rights of freedom of speech and freedom to petition the government for redress of grievances which, in turn, is contrary to the interest of open government and the public's right to be informed on issues. It is the responsibility of those who sponsor legislation that may seriously jeopardize those rights guaranteed under the First Amendment to certify that there is a compelling need for government intervention and regulation.

Lobby disclosure legislation which has been proposed extends its scope beyond those organizations engaged in major and continuing lobbying activity. It would, in fact, lay heavy burdens upon small, nonprofit organizations and thus limit many of the services they render in search of peace, justice, and human rights.

Recommended: That the Lutheran Council publicize the arguments it has set forth as testimony on March 14, 1979, before the House Subcommittee on Administrative Law and Governmental Relations, Committee on the Judiciary, stating opposition in principle to many of the components of far-reaching lobby disclosure legislation.

Lobby disclosure legislation which includes provisions requiring the reporting of grass-roots lobbying and the disclosure of the names of contributors will substantially restrict the free exercise of religion. Such legislation may well result in intimidation of the churches in carrying out their mission because of the massive record keeping that it would require. Disclosure of names poses a potential threat to those who might be inclined to address specific issues through contributions to the churches. Such legislation could also lead to excessive entanglement of government in the work of the churches.

Recommended: That the Lutheran Council urge the participating churches to oppose any lobby disclosure legislation which would substantially restrict the free exercise of religion.

The method for enforcing any lobby disclosure requirements is an important issue. Criminal sanctions are inappropriate in that they lead to intimidation of those who would be inclined to address government and thus will have a chilling effect on free speech and the right to petition the government.

Recommended: That the Lutheran Council recommend that the participating churches continue to oppose criminal sanctions within the context of any present or future lobby disclosure legislation.

9. Fund-raising disclosure

Lutherans support in principle the concept of fund-raising disclosure. The members of this consultation gladly endorse voluntary reporting of financial operations by church-related and other charitable organizations and encourage the maintenance of an informed giving public. However, in saying this, we are not endorsing every legislative or administrative effort that may be proposed to implement disclosure.

While aware of legitimate interest in curbing past abuses, we oppose federal legislation and regulation which would encompass the entire charitable community in an effort to reach and expose the activities of a very small number of fraudulent operators who solicit money from the general public.

There is no compelling need for legislation requiring charitable solicitation disclosure, given existing laws. Broad and inclusive legislation in this area would likely lead to an expansion of bureaucracy and could create serious constitutional difficulties.

Recommended: That the Lutheran Council urge the participating churches to oppose any legislation relating to fund-raising disclosure which leads to an unwarranted expansion of government bureaucracy without a justifying and compelling need, an unwarranted and excessive entanglement by government in the affairs of the church, or an unconstitutional involvement by the government in defining the church, its mission, ministry, or membership.

10. Tax exemptions and deductions

Religious organizations receive a number of tax exemptions and deductions under state and federal law. However, not every benefit of exemptions and deductions presently enjoyed is indispensable to the free exercise of religion. Lutherans in the USA must never be willing to subordinate their right to such free exercise of religion in exchange for, or as a condition of, the continuation of all benefits of exemptions and deductions currently in effect.

Recommended: That the Lutheran Council lend its support to coordinated efforts to ensure the continuance of all proper tax exemptions and deductions for all organizations in the voluntary sector, including religious organizations, as long as acceptance of these exemptions and deductions does not jeopardize constitutionally protected religious rights and freedoms;

That the Lutheran Council urge repudiation of the concept that exemptions and deductions for organizations in the voluntary sector are tax expenditures.

11. Enhancing the importance of charitable contributions

Studies have shown that changes in tax forms to simplify filing have had an adverse effect upon charitable giving. To reverse this trend, legislation has been introduced to make the charitable deduction available to all taxpayers, whether they elect the standard deduction or itemize their deductions.

Allowing a separate charitable deduction for all taxpayers whether or not they itemize their other deductions would (a) represent an important incentive to personal giving to voluntary human services, (b) recognize the unique nature of the charitable deduction in contrast with other currently itemized deductions, (c) democratize the charitable deduction's base by extending its use to most middle- and low-middle income taxpayers, (d) reverse the current trend toward decreased use of this deduction, and (e) avoid the regulatory and related governmental requirements associated with direct forms of federal assistance.

Under another proposal such a charitable deduction for all taxpayers would be allowed only if the charitable contributions exceed a certain amount or percentage of income (the "floor"). Establishing a "floor" would negate the positive effects of a proposal which permits all taxpayers to deduct gifts to charity on their individual income tax returns.

Recommended: That the Lutheran Council continue to support legislation that would allow all taxpayers to take a deduction for their charitable gifts, whether or not they itemize their other deductions;

That the Lutheran Council inform its participating church bodies and the Congress of the justification and need for such a deduction;

That the Lutheran Council continue to oppose any new limitations, such as a "floor," on the use of the charitable deduction.

D. IMPLEMENTATION OF CONSULTATION GOALS

For implementation of the goals of the consultation on church-state issues, the following actions were taken by the annual meeting of the Lutheran Council in May 1979:

Adopted the above report of the consultation as a policy statement for the guidance of the work of the council;

Authorized the general secretary of the Lutheran Council to have the report and the recommendations as adopted printed and distributed to the church bodies participating in the consultation;

Authorized the general secretary of the Lutheran Council or his representative to present testimony thereon before committees of the Congress, legislative bodies, and agencies of government as opportunity arises, the precise testimony in each instance being subject to approval by the presidents of the participating church bodies or their appointees;

Requested the presidents of the four participating church bodies to nominate persons for election by the council to constitute a continuing consultative committee of seven, responsible for studying church-state issues, this committee to meet at least twice a year with the staff of the council's Office for Government Affairs;

Authorized the appointment by the general secretary of the Lutheran Council, in consultation with the executive director of the Office for Governmental Affairs, of a committee of legal consultants, including lawyers drawn from the four participating church bodies, to meet on a call of the general secretary for deliberation of legal aspects of church-state issues;

Authorized the Office for Governmental Affairs in cooperation with the Division of Theological Studies and the Division of Mission and Ministry to hold a follow-up consultation with representatives of other church bodies and others interested in matters considered by the consultation;

Referred the report and recommendations of the consultation as adopted by the council to the participating bodies for their endorsement in substance.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PARRIS) to revise and extend their remarks and include extraneous material:)

Mr. TAUKE, for 5 minutes, today.

(The following Members (at the request of Mr. WEISS) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 15 minutes, today.

Mr. RODINO, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. CONYERS, for 60 minutes, on February 24, 1981.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HILLIS, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,560.

Mr. ERDAHL, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,800.

(The following Members (at the request of Mr. PARRIS) and to include extraneous matter:)

Mr. COLEMAN.
Mr. ROBERTS of South Dakota.
Mr. KEMP.
Mr. BEARD in two instances.
Mr. ERDAHL.
Mr. FISH.
Mr. MARLENEE.
Mr. DANNEMEYER.
Mr. VANDER JAGT in two instances.
Mr. GILMAN.
Mr. RITTER.
Mr. DORNAN of California in three instances.
Mr. ROTH.
Mr. DREIER.
Mr. CONABLE.
Mr. RUDD.
Mr. LEBOUTILLIER.
Mr. LEWIS.
Mr. GOLDWATER.
Mr. DERWINSKI in two instances.
Mr. BROYHILL.
Mr. KRAMER.
Mrs. HECKLER.
Mr. SCHULZE.
Mr. COLLINS of Texas in two instances.
Mr. STANGELAND.
Mr. GREEN.
Mr. WHITEHURST.

(The following Members (at the request of Mr. WEISS) and to include extraneous matter:)

Mr. EDWARDS of California.
Mrs. BOUQUARD.
Mr. MAVROULES in three instances.
Mr. BINGHAM in five instances.
Mr. JACOBS.
Mr. FAZIO.
Mr. STARK.
Ms. FERRARO.
Mr. RODINO in two instances.
Mr. AUCOIN.
Mr. FARY.
Mr. ROSENTHAL in two instances.
Mr. MAZZOLI in five instances.
Mr. BRODHEAD.
Mr. JOHN L. BURTON.
Mr. OTTINGER.
Mr. MOAKLEY.
Mr. MCDONALD.
Mr. WEISS in 10 instances.
Mr. GUARINI.
Mr. NOWAK.
Mr. BEDELL.
Mr. PATTERSON.
Mr. GEJDENSON in two instances.
Mr. FITHIAN.
Mr. BARNES.
Mr. FRANK.
Mr. SOLARZ.
Mr. RANGEL.
Mr. ANDERSON in three instances.
Mr. LEVITAS.
Mr. MOLLOHAN.
Mr. HARKIN.
Mr. DINGELL.
Mr. GORE.
Mr. CONYERS.
Mr. HAMILTON in three instances.
Mr. NATCHER.

BILL PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on February 18, 1981, present to the President, for his approval, a bill of the House of the following title:

H.R. 1553. A bill to provide for a temporary increase in the public debt limit.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of February 17, 1981, the House will stand in recess until approximately 8:40 p.m.

Accordingly (at 3 o'clock and 37 minutes p.m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 43 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 69 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Doorkeeper, Hon. James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber the gentleman from Texas (Mr. WRIGHT); the gentleman from Washington (Mr. FOLEY); the gentleman from Arkansas (Mr. ALEXANDER); the gentlewoman from New York (Ms. FERRARO); the gentleman from California (Mr. EDWARDS); the gentleman from Illinois (Mr. MICHEL); the gentleman from Mississippi (Mr. LOTT); the gentleman from New York (Mr. KEMP); and the gentleman from California (Mr. CLAUSEN).

The VICE PRESIDENT. On behalf of the Senate, pursuant to the order previously entered into, the Chair appoints the following Senators on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from South Carolina (Mr. THURMOND); the Senator from Tennessee (Mr. BAKER); the Senator from Alaska (Mr. STEVENS); the Senator from California (Mr. HAYAKAWA); the Senator from West Virginia (Mr. ROBERT C. BYRD); the Senator from California (Mr. CRANSTON); the Senator from Tennessee (Mr. SASSER); and the Senator from Mississippi (Mr. STENNIS).

The Doorkeeper announced the Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 3 minutes p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

A PROGRAM FOR ECONOMIC RECOVERY—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 97-21)

The PRESIDENT. Mr. Speaker, Mr. President, distinguished Members of Congress, honored guests, and fellow citizens. Only a month ago, I was your guest in this historic building and I pledged to you my cooperation in doing what is right for this Nation that we all love so much.

I am here tonight to reaffirm that pledge and to ask that we share in restoring the promise that is offered to every citizen by this, the last, best hope of man on earth.

All of us are aware of the punishing inflation which has, for the first time in 60 years, held to double digit figures for 2 years in a row. Interest rates have reached absurd levels of more than 20 percent and over 15 percent for those who would borrow to buy a home. All across this land one can see newly built homes standing vacant, unsold because of mortgage interest rates.

Almost 8 million Americans are out of work. These are people who want to be productive. But as the months go by, despair dominates their lives. The threats of layoffs and unemployment hang over other millions, and all who work are frustrated by their inability to keep up with inflation.

One worker in a Midwest city put it to me this way: He said, "I'm bringing home more dollars than I thought I ever believed I could possibly earn, but I seem to be getting worse off." And he is. Not only have hourly earnings of the American worker, after adjusting for inflation, declined 5 percent over the past 5 years, but in these 5 years, Federal personal taxes for the average family have increased 67 percent.

We can no longer procrastinate and hope that things will get better. They will not. Unless we act forcefully, and now, the economy will get worse.

Can we who man the ship of state deny it is somewhat out of control? Our national debt is approaching $1 trillion. A few weeks ago I called such a figure—a trillion dollars—incomprehensible. I've been trying ever since to think of a way to illustrate how big a trillion is. The best I could come up with is that if you had a stack of $1,000 bills in your hand only four inches high you would be a millionaire. A trillion dollars would be a stack of $1,000 bills 67 miles high.

The interest on the public debt this year we know will be over $90 billion. And unless we change the proposed spending for the fiscal year beginning October 1, we'll add another almost $80 billion to the debt.

Adding to our troubles is a mass of regulations imposed on the shopkeeper, the farmer, the craftsman, professionals and major industry that is estimated to add $100 billion to the price of the things we buy and it reduces our ability to produce. The rate of increase in American productivity, once one of the highest in the world, is among the lowest of all major industrial nations. Indeed. it has actually declined in the last 3 years.

I have painted a pretty grim picture but I think that I have painted it accurately. It is within our power to change this picture and we can act with hope. There is nothing wrong with our internal strengths. There has been no breakdown in the human, technological, and natural resources upon which the economy is built.

Based on this confidence in a system which has never failed us—but which we have failed through a lack of confidence, and sometimes through a belief that we could fine tune the economy and get a tune to our liking—I am proposing a comprehensive four-point program. Let me outline in detail some of the principal parts of this program. You will each be provided with a completely detailed copy of the entire program.

This plan is aimed at reducing the growth in Government spending and taxing, reforming and eliminating regulations which are unnecessary and unproductive or counterproductive, and encouraging a consistent monetary policy aimed at maintaining the value of the currency.

If enacted in full, this program can help America create 13 million new jobs, nearly 3 million more than we would have without these measures. It will also help us to gain control of inflation.

It is important to note that we are only reducing the rate of increase in taxing and spending. We are not attempting to cut either spending or taxing levels below that which we presently have. This plan will get our economy moving again, increase productivity growth, and thus create the jobs that our people must have.

I am asking that you join me in reducing direct Federal spending by $41.4 billion in fiscal year 1982, along with another $7.7 billion user fees and off-budget savings for a total of $49.1 billion.

[Applause.]

This will still allow an increase of $40.8 billion over 1981 spending.

I know that exaggerated and inaccurate stories about these cuts have disturbed many people, particularly those dependent on grant and benefit programs for their basic needs. Some of you have heard from constituents, I know, afraid that social security checks, for example, were going to be taken away from them. I regret the fear that these unfounded stories have caused and I welcome this opportunity to set things straight.

We will continue to fulfill the obligations that spring from our national conscience. Those who through no fault of their own must depend on the rest of us, the poverty stricken, the disabled, the elderly, all those with true need, can rest assured that the social safety net of programs they depend on are exempt from any cuts.

The full retirement benefits of the more than 31 million social security recipients will be continued along with an annual cost of living increase. Medicare will not be cut, nor will supplemental income for the blind, the aged, and the disabled, and funding will continue for veterans' pensions.

School breakfasts and lunches for the children of low income families will continue, as will nutrition and other special services for the aging.

There will be no cut in Project Head Start or summer youth jobs.

All in all, nearly $216 billion worth of programs providing help for tens of millions of Americans—will be fully funded. But government will not continue to subsidize individuals or particular business interests where real need cannot be demonstrated.

[Applause.]

And while we will reduce some subsidies to regional and local governments, we will at the same time convert a number of categorical grant programs into block grants to reduce wasteful administrative overhead and to give local governments and States more flexibility and control. We call for an end to duplication in Federal programs and reform of those which are not cost effective.

Already, some have protested that there must be no reduction in aid to schools. Let me point out that Federal aid to education amounts to only 8 percent of the total educational funding. For this eight percent the Federal Government has insisted on a tremendously disproportionate share of control over our schools. Whatever reductions we've proposed in that eight percent will amount to very little in the total cost of education. They will, however, restore more authority to States and local school districts.

[Applause.]

Historically the American people have supported by voluntary contributions more artistic and cultural activities than all the other countries in the world put together. I wholeheartedly support this approach and believe that Americans will continue their generosity. Therefore, I am proposing a savings of $85 million in the Federal subsidies now going to the arts and humanities.

There are a number of subsidies to business and industry that I believe are unnecessary. Not because the activities being subsidized aren't of value but because the marketplace contains incentives enough to warrant continuing these activities without a government subsidy. One such subsidy is the Department of Energy's synthetic fuels program. We will continue support of research leading to development of new technologies and more independence from foreign oil, but we can save at least $3.2 billion by leaving to private industry the building of plants to make liquid or gas fuels from coal.

We are asking that another major industry, business subsidy I should say, the Export-Import Bank loan authority, be reduced by one-third in 1982. We are doing this because the primary beneficiaries of taxpayer funds in this case are the exporting companies themselves—most of them profitable corporations.

This brings me to a number of other lending programs in which Government makes low-interest loans. Some of them at an interest rate as low as 2 percent. What has not been very well understood is that the Treasury Department has no money of its own to lend. It has to go into the private capital market and borrow the money. So in this time of excessive interest rates the government finds itself borrowing at an interest rate several times as high as the interest it gets back from those it lends the money to. This difference, of course, is paid by your constituents, the taxpayers. They get hit again if they try to borrow because Government borrowing contributes to raising all interest rates.

By terminating the Economic Development Administration we can save hundreds of millions of dollars in 1982 and billions more over the next few years. There is a lack of consistent and convincing evidence that EDA and its Regional Commissions have been effective in creating new jobs. They have been effective in creating an array of planners, grantsmen and professional middlemen. We believe we can do better just by the expansion of the economy and the job creation which will come from our economic program.

[Applause.]

The Food Stamp program will be restored to its original purpose, to assist those without resources to purchase sufficient nutritional food. We will, however, save $1.8 billion in fiscal year 1982 by removing from eligibility those who are not in real need or who are abusing the program.

[Applause.]

Even with this reduction, the program will be budgeted for more than $10 billion.

We will tighten welfare and give more attention to outside sources of income when determining the amount of welfare an individual is allowed. This plus strong and effective work requirements will save $520 million in the next year.

I stated a moment ago our intention to keep the school breakfast and lunch programs for those in true need. But by cutting back on meals for children of families who can afford to pay, the savings will be $1.6 billion in fiscal year 1982.

Let me just touch on a few other areas which are typical of the kinds of reductions we have included in this economic package. The Trade Adjustment Assistance program provides benefits for workers who are unemployed when foreign imports reduce the market for various American products causing shutdown of plants and layoff of workers. The purpose is to help these workers find jobs in growing sectors of our economy. There is nothing wrong with that. But because these benefits are paid out on top of normal unemployment benefits, we wind up paying greater benefits to those who lose their jobs because of foreign competition than we do to their friends and neighbors who are laid off due to domestic competition. Anyone must agree that this is unfair. Putting these two programs on the same footing will save $1.15 billion in just 1 year.

Earlier I made mention of changing categorical grants to States and local governments into block grants. We know, of course, that the categorical grant programs burden local and State governments with a mass of Federal regulations and Federal paperwork.

Ineffective targeting, wasteful administrative overhead—all can be eliminated by shifting the resources and decision-making authority to local and State government. This will also consolidate programs which are scattered throughout the Federal bureaucracy, bringing government closer to the people and saving $23.9 billion over the next 5 years.

Our program for economic renewal deals with a number of programs which at present are not cost-effective. An example is Medicaid. Right now Washington provides the States with unlimited matching payments for their expenditures. At the same time we here in Washington pretty much dictate how the States are going to manage those programs. We want to put a cap on how much the Federal Government will contribute but at the same time allow the States much more flexibility in managing and structuring the programs. I know from our experience in California that such flexibility could have led to far more cost-effective reforms. This will bring a savings of $1 billion next year.

The space program has been and is important to America and we plan to continue it. We believe, however, that a reordering of priorities to focus on the most important and cost-effective NASA programs can result in a savings of a quarter of a billion dollars.

Coming down from space to the mailbox—the Postal Service has been consistently unable to live within its operating budget. It is still dependent on large Federal subsidies. We propose reducing those subsidies by $632 million in 1982 to press the Postal Service into becoming more effective. In subsequent years, the savings will continue to add up.

The Economic Regulatory Administration in the Department of Energy has programs to force companies to convert to specific fuels. It has the authority to administer a gas rationing plan, and prior to decontrol it ran the oil price control program. With these and other regulations gone we can save several hundreds of millions of dollars over the next few years.

I'm sure there is one department you've been waiting for me to mention, the Department of Defense. It is

the only department in our entire program that will actually be increased over the present budgeted figure.

[Applause.]

But even here there was no exemption. The Department of Defense came up with a number of cuts which reduced the budget increase needed to restore our military balance. These measures will save $2.9 billion in 1982 outlays and by 1986 a total of $28.2 billion will have been saved. Perhaps I should say will have been made available for the necessary things that we must do. The aim will be to provide the most effective defense for the lowest possible cost.

I believe that my duty as President requires that I recommend increases in defense spending over the coming years.

[Applause.]

I know that you are aware but I think it bears saying again that since 1970, the Soviet Union has invested $300 billion more in its military forces than we have. As a result of its massive military buildup, the Soviets have made a significant numerical advantage in strategic nuclear delivery systems, tactical aircraft, submarines, artillery and antiaircraft defense. To allow this imbalance to continue is a threat to our national security.

Notwithstanding our economic straits, making the financial changes beginning now is far less costly than waiting and having to attempt a crash program several years from now.

We remain committed to the goal of arms limitation through negotiation. I hope we can persuade our adversaries to come to realistic balanced and verifiable agreements.

[Applause.]

But, as we negotiate, our security must be fully protected by a balanced and realistic defense program.

Let me say a word here about the general problem of waste and fraud in the Federal Government. One government estimate indicated that fraud alone may account for anywhere from 1 to 10 percent—as much as $25 billion—of Federal expenditures for social programs. If the tax dollars that are wasted or mismanaged are added to this fraud total, the staggering dimensions of this problem begin to emerge.

The Office of Management and Budget is now putting together an interagency task force to attack waste and fraud. We are also planning to appoint as Inspectors General highly trained professionals who will spare no effort to do this job.

No administration can promise to immediately stop a trend that has grown in recent years as quickly as Government expenditures themselves. But let me say this: waste and fraud in the Federal budget is exactly what I have called it before—an unrelenting national scandal—a scandal we are bound and determined to do something about.

[Applause.]

Marching in lockstep with the whole program of reductions in spending is the equally important program of reduced tax rates. Both are essential if we are to have economic recovery. It's time to create new jobs. To build and rebuild industry, and to give the American people room to do what they do best. And that can only be done with a tax program which provides incentive to increase productivity for both workers and industry.

Our proposal is for a 10-percent across-the-board cut every year for three years in the tax rates for all individual income taxpayers, making a total cut in tax rates of 30 percent. This 3-year reduction will also apply to the tax on unearned income, leading toward an eventual elimination of the present differential between the tax on earned and unearned income.

I would have hoped that we could be retroactive with this, but as it stands the effective starting date for these 10-percent personal income tax rate reductions will be called for as of July 1st of this year.

Again, let me remind you that while this 30 percent reduction will leave the taxpayers with $500 billion more in their pockets over the next five years, it's actually only a reduction in the tax increase already built into the system.

Unlike some past "tax reforms," this is not merely a shift of wealth between different sets of taxpayers. This proposal for an equal reduction in everyone's tax rates will expand our national prosperity, enlarge national incomes, and increase opportunities for all Americans.

Some will argue, I know, that reducing tax rates now will be inflationary. A solid body of economic experts does not agree. And tax cuts adopted over the past three-fourths of a century indicate these economic experts are right. They will not be inflationary. I have had advice that in 1985 our real production of goods and services will grow by 20 percent and will be $300 billion higher than it is today. The average worker's wage will rise (in real purchasing power) 8 percent, and this is in after-tax dollars and this, of course, is predicated on a complete program of tax cuts and spending reductions being implemented.

The other part of the tax package is aimed directly at providing business and industry with the capital needed to modernize and engage in more research and development. This will involve an increase in depreciation allowances, and this part of our tax proposal will be retroactive to January 1st.

The present depreciation system is obsolete, needlessly complex, and is economically counterproductive. Very simply, it bases the depreciation of plant, machinery, vehicles, and tools on their original cost with no recognition of how inflation has increased their replacement cost. We are proposing a much shorter writeoff time than is presently allowed: a 5-year writeoff for machinery; 3 years for vehicles and trucks; and a 10-year writeoff for plant.

In Fiscal Year 1982 under this plan business would acquire nearly $10 billion for investment. By 1985 the figure would be nearly $45 billion. These changes are essential to provide the new investment which is needed to create millions of new jobs between now and 1985 and to make America competitive once again in the world market.

[Applause.]

These won't be make-work jobs, they are productive jobs, jobs with a future.

I'm well aware that there are many other desirable and needed tax changes such as indexing the income tax brackets to protect taxpayers against inflation; The unjust discrimination against married couples if both are working and earning; tuition tax credits; the unfairness of the inheritance tax, especially to the family-owned farm and the family-owned business, and a number of others. But our program for economic recovery is so urgently needed to begin to bring down inflation that I am asking you to act on this plan first and with great urgency. Then I pledge I will join with you in seeking these additional tax changes at the earliest date possible.

[Applause.]

American society experienced a virtual explosion in Government regulation during the past decade. Between 1970 and 1979, expenditures for the major regulatory agencies quadrupled, the number of pages published annually in the Federal Register nearly tripled, and the number of pages in the Code of Federal Regulations increased by nearly two-thirds.

The result has been higher prices, higher unemployment, and lower productivity growth. Overregulation causes small and independent business men and women, as well as large businesses, to defer or terminate plans for expansion, and since they are responsible for most of our new jobs, those new jobs just aren't created.

We have no intention of dismantling the regulatory agencies—especially those necessary to protect environment and to ensure the public health and safety. However, we must come to grips with inefficient and burdensome regulations—eliminate those we can and reform the others.

I have asked Vice President BUSH to head a Cabinet-level Task Force on Regulatory Relief. Second, I asked each member of my Cabinet to postpone the effective dates of the hun-

dreds of new regulations which have not yet been implemented. Third, in coordination with the task force, many of the agency heads have already taken prompt action to review and rescind existing burdensome regulations. Finally, just yesterday, I signed an Executive order that for the first time provides for effective and coordinated management of the regulatory process.

Much has been accomplished, but it is only a beginning. We will eliminate those regulations that are unproductive and unnecessary by Executive order, where possible, and cooperate fully with you on those that require legislation.

The final aspect of our plan requires a national monetary policy which does not allow money growth to increase consistently faster than the growth of goods and services. In order to curb inflation, we need to slow the growth in our money supply.

We fully recognize the independence of the Federal Reserve System and will do nothing to interfere with or undermine that independence. We will consult regularly with the Federal Reserve Board on all aspects of our economic program and will vigorously pursue budget policies that will make their job easier in reducing monetary growth.

A successful program to achieve stable and moderate growth patterns in the money supply will keep both inflation and interest rates down and restore vigor to our financial institutions and markets.

This, then, is our proposal. "America's New Beginning: A Program for Economic Recovery." I don't want it to be simply the plan of my Administration—I'm here tonight to ask you to join me in making it our plan.

[Applause, the Members rising.]

Well, together we can embark on this road, not to make things easy, but to make things better.

Our social, political and cultural as well as our economic institutions can no longer absorb the repeated shocks that have been dealt them over the past decades.

Can we do the job? The answer is yes, but we must begin now.

We are in control here. There is nothing wrong with America that we can't fix. I'm sure there will be some who will raise the familiar old cry, "Don't touch my program—cut somewhere else."

I hope I've made it plain that our approach has been evenhanded; that only the programs for the truly deserving needy remain untouched.

The question is, are we simply going to go down the same path we've gone down before—carving out one special program here, another special program there. I don't think that is what the American people expect of us. More important, I don't think that is what they want. They are ready to return to the source of our strength.

The substance and prosperity of our Nation is built by wages brought home from the factories and the mills, the farms and the shops. They are the services provided in 10,000 corners of America; the interest on the thrift of our people and the returns for their risk-taking. The production of America is the possession of those who build, serve, create and produce.

For too long now, we've removed from our people the decisions on how to dispose of what they created. We have strayed from first principles. We must alter our course.

The taxing power of government must be used to provide revenues for legitimate government purposes. It must not be used to regulate the economy or bring about social change. [Applause.] We've tried that and surely we must be able to see it doesn't work.

Spending by Government must be limited to those functions which are the proper province of Government. We can no longer afford things simply because we think of them.

Next year we can reduce the budget by $41.4 billion, without harm to Government's legitimate purposes or to our responsibility to all who need our benevolence. This, plus the reduction in tax rates, will help bring an end to inflation.

In the health and social services area alone the plan we are proposing will substantially reduce the need for 465 pages of law, 1,400 pages of regulations, 5,000 Federal employees who presently administer 7,600 separate grants in about 25,000 separate locations. [Applause.] Over 7 million man and woman hours of work by State and local officials are required to fill out government forms.

I would direct a question to those who have indicated already an unwillingness to accept such a plan. Have they an alternative which offers a greater chance of balancing the budget, reducing and eliminating inflation, stimulating the creation of jobs, and reducing the tax burden? And if they haven't, are they suggesting we can continue on the present course without coming to a day of reckoning?

[Applause.]

If we don't do this, inflation and the growing tax burden will put an end to everything we believe in and our dreams for the future. We don't have an option of living with inflation and its attendant tragedy, millions of productive people willing and able to work but unable to find a buyer for their work in the job market.

We have an alternative, and that is the program for economic recovery.

True, it will take time for the favorable effects of our proposal to be felt. So we must begin now.

The people are watching and waiting. They don't demand miracles. They do expect us to act. Let us act together.

Thank you and good night.

[Applause, the Members rising.]

At 9 o'clock and 38 minutes p.m., the President of the United States, accompanied by the Committee of Escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order: The members of the President's Cabinet.

The Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Ambassadors, ministers, and chargé d'affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 9 o'clock and 45 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

REFERENCE OF PRESIDENT'S MESSAGE

Mr. DANIELSON. Mr. Speaker, I move that the President's message and accompanying papers be referred to the Committee of the Whole House on the State of the Union and ordered printed.

The motion was agreed to.

ADJOURNMENT

Mr. DANIELSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Thursday, February 19, 1981, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

542. A letter from the Acting Comptroller General of the United States, transmitting his review of the rescissions and deferrals of budget authority contained in the message from the President dated January 15, 1981 (House Document No. 97-11), pursuant to section 1014 (b) and (c) of Public Law 93-344 (H. Doc. No. 97-22); to the Committee on Appropriations and ordered to be printed.

543. A letter from the Acting Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics), transmitting the Defense Manpower Requirements report for fiscal year 1982, pursuant to 10 U.S.C.

138(c)(3); to the Committee on Armed Services.

544. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting the base structure annex to the Defense Manpower Requirements report for fiscal year 1982, pursuant to 10 U.S.C. 138(c)(3)(C); to the Committee on Armed Services.

545. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Air Force's proposed sale of certain defense equipment to Saudi Arabia (Transmittal No. 81-19), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

546. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the proposed sale by the Air Force of defense articles to Singapore (Transmittal No. 81-21), pursuant to section 813 of Public Law 94-106; to the Committee on Armed Services.

547. A letter from the Acting Director, ACTION Agency, transmitting proposed final regulations implementing a VISTA volunteer grievance procedure and a volunteer discrimination complaint procedure, pursuant to section 420(d) of Public Law 93-113, as amended; to the Committee on Education and Labor.

548. A letter from the Secretary of Health and Human Services, transmitting the annual report of the Director of the national cancer program for fiscal year 1980 and the annual plan for the program for fiscal years 1982-86, pursuant to section 404(a)(9) of the Public Health Services Act, as amended; to the Committee on Energy and Commerce.

549. A letter from the Secretary of State, transmitting the annual report on Americans incarcerated abroad for calendar year 1980, pursuant to section 108 of Public Law 95-105; to the Committee on Foreign Affairs.

550. A letter from the Acting Assistant Secretary for Congressional Relations, transmitting notice of the State Department's intention to consent to a request by the Government of Australia for permission to transfer certain U.S.-origin defense articles to the Government of Malaysia, pursuant to section 3(a) of the Arms Export Control Act; to the Committee on Foreign Affairs.

551. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting notice of the proposed issuance of a license for the export of certain defense equipment sold commercially to NATO AEW Program Management Organization (Transmittal MC-5-81), pursuant to section 36(c) of the Arms Export Control Act; to the Committee on Foreign Affairs.

552. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense equipment to Saudi Arabia (Transmittal No. 81-19), pursuant to section 36(b) of the Arms Export Control Act, as amended; to the Committee on Foreign Affairs.

553. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Air Force's intention to offer to sell certain defense articles and services to Singapore (Transmittal No. 81-21), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

554. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's intention to offer to sell certain defense equipment to Indonesia (Transmittal No. 81-24), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

555. A letter from the Acting Administrator, Agency for International Development, transmitting a report on women in development, requested by the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs; to the Committee on Foreign Affairs.

556. A letter from the Acting Public Printer, transmitting his annual report for fiscal year 1980; to the Committee on House Administration.

557. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the Council's annual report for the period covering fiscal year 1980, pursuant to section 202(b) of Public Law 89-665; to the Committee on Interior and Insular Affairs.

558. A letter from the Secretary-Treasurer, Congressional Medal of Honor Society of the United States of America, transmitting the annual audit report of the Society for calendar year 1980, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

559. A letter from the Acting Administrator of General Services, transmitting a prospectus program which proposes succeeding leases and renewed leases for 12 buildings in Washington, D.C.; to the Committee on Public Works and Transportation.

560. A letter from the Comptroller General of the United States, transmitting a report on the issues and challenges of the MX weapon system (MASAD-81-1, February 17, 1981); jointly, to the Committees on Government Operations, and Armed Services.

561. A letter from the Comptroller General of the United States, transmitting a report on the economic impacts which social and environmental regulations impose upon the construction of Federal water resources projects, and alternatives to controlling those impacts through evaluations (CED-81-36); jointly, to the Committees on Government Operations, Interior and Insular Affairs, and Public Works and Transportation.

562. A letter from the Chairman, Federal Election Commission, transmitting a copy of the Commission's appeal to the Office of Management and Budget concerning its fiscal year 1982 budget reduction, pursuant to section 307(d)(1) of the Federal Election Campaign Act; jointly, to the Committees on House Administration, and Appropriations.

563. A letter from the Acting Assistant Secretary of State for Congressional Relations, transmitting a determination by the Secretary of State waiving the requirement that certain foreign assistance funds for Costa Rica and Peru be withheld to cover the compensation from the Treasury paid to owners of fishing vessels seized by those countries during the period January 17, 1973, through January 14, 1980, pursuant to section 5(b) of the Fishermen's Protective Act of 1967, as amended, and Executive Order 11772; jointly, to the Committees on Merchant Marine and Fisheries, and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 1885. A bill to amend the Internal Revenue Code of 1954 to eliminate the requirement that States reduce the amount of unemployment compensation payable for any week by the amount of certain retirement benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. AuCOIN:

H.R. 1886. A bill to amend the Water Resources Development Act of 1976 with respect to Lake Oswego, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BEARD:

H.R. 1887. A bill to amend title 38, United States Code, to allow the Veterans' Administration to furnish hospital care to certain members of the Armed Forces injured during a period of war or other armed conflict, and to establish the Federal Interagency Health Resources Committee to coordinate the sharing of medical resources between facilities of the Veterans' Administration with those of the Department of Defense; jointly, to the Committees on Armed Services and Veterans' Affairs.

H.R. 1888. A bill to provide for forfeiture of economic gain derived by a Federal felon from sale of rights to information that takes its value from the felon's participation in the offense involved; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 1889. A bill to amend the Export Administration Act of 1979; to the Committee on Foreign Affairs.

By Mr. PANETTA:

H.R. 1890. A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the Senior Companion program, and to amend the Internal Revenue Code of 1954 to establish an income tax credit for maintaining a household for dependents who are 65 years of age or older; jointly, to the Committees on Education and Labor, Energy and Commerce, and Ways and Means.

By Mr. BROYHILL:

H.R. 1891. A bill to authorize the appropriation of funds for fiscal years 1982, 1983, and 1984, for the administration of the National Telecommunications and Information Administration; to the Committee on Energy and Commerce.

By Mr. COELHO:

H.R. 1892. A bill to provide that the U.S. District Court for the Eastern District of California shall be held at the Modesto-Ceres metropolitan area, in addition to those places currently provided by law; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H.R. 1893. A bill to amend the Powerplant and Fuel Use Act of 1978 to remove certain fuel use prohibitions on existing powerplants and major fuel-burning installations; to the Committee on Energy and Commerce.

By Mr. CONABLE (for himself, Mr. SHANNON, and Mr. MOORE):

H.R. 1894. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit for expenses for household and dependent care services necessary for gainful employment, to make such

credit refundable, and for other purposes; to the Committee on Ways and Means.

By Mr. CORRADA:

H.R. 1895. A bill to amend title 38 of the United States Code to allow judicial review of decisions made by the Administrator of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. DICKS (for himself, Mr. LOWRY of Washington, and Mr. SWIFT):

H.R. 1896. A bill to prohibit certain oil tankers from entering Puget Sound, Wash.; to the Committee on Merchant Marine and Fisheries.

By Mr. DONNELLY:

H.R. 1897. A bill to establish a program to develop, maintain, and monitor marine artificial reefs in waters of U.S. jurisdiction; to the Committee on Merchant Marine Fisheries.

H.R. 1898. A bill to designate the building known as the Quincy Post Office in Quincy, Mass., as the "James A. Burke Post Office"; to the Committee on Public Works and Transportation.

H.R. 1899. A bill to amend the Public Buildings Act of 1959 regarding the location and relocation of public buildings in metropolitan areas; to the Committee on Public Works and Transportation.

H.R. 1900. A bill to amend the Internal Revenue Code of 1954 to provide that the $2,000 credit for the purchase of a new principal residence will not be recaptured where the taxpayer replaces it with another principal residence; to the Committee on Ways and Means.

By Mr. DOWNEY:

H.R. 1901. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for contributions to individual retirement savings even though the taxpayer is an active participant in a pension plan and to increase the maximum deduction allowed for such contributions, and to require the Secretary of the Treasury to provide, with the instructions for completing individual income tax returns, a simple-language explanation of the requirements and benefits of such deduction; to the Committee on Ways and Means.

H.R. 1902. A bill to amend the Internal Revenue Code of 1954 to eliminate the requirement that States reduce the amount of unemployment compensation payable for any week by the amount of certain retirement benefits and to prohibit any reduction in unemployment compensation because of the receipt of social security or railroad retirement benefits; to the Committee on Ways and Means.

By Mr. EDGAR (by request):

H.R. 1903. A bill to amend title 38, United States Code, to terminate the authority for the pursuit of flight training programs by veterans and for the pursuit of correspondence training by veterans, spouses, and surviving spouses, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ERLENBORN (for himself, Mr. BADHAM, Mr. BAFALIS, Mr. BROWN of Ohio, Mr. CARNEY, Mr. COLEMAN, Mr. DANIEL B. CRANE, Mr. DANNEMEYER, Mr. DERWINSKI, Mr. GOLDWATER, Mr. GRADISON, Mr. GUYER, Mr. HARTNETT, Mrs. HOLT, Mr. HYDE, Mr. JEFFRIES, Mr. JOHNSTON, Mr. KINDNESS, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LOEFFLER, Mr. LONG of Maryland, Mr. LUNGREN, Mr. MCCLOSKEY, Mr. MCKINNEY, Mr. O'BRIEN, Mr. REGULA, Mr. STANGELAND, AND Mr. WINN):

H.R. 1904. A bill to establish a Department of Health, Education, and Welfare, and for other purposes; to the Committee on Government Operations.

By Mr. FISH:

H.R. 1905. A bill to establish a national adoption information exchange system; to the Committee on Education and Labor.

H.R. 1906. A bill to provide a penalty for the robbery or attempted robbery of any controlled substance from any pharmacy; to the Committee on the Judiciary.

H.R. 1907. A bill to amend the Internal Revenue Code of 1954 to increase to $2,500 the amount of interest which may be excluded from gross income, and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 1908. A bill to amend the Presidential Science and Technology Advisory Organization Act of 1976 to provide additional information to the Congress for the purpose of providing a basis for implementing multiyear research and development authorization; to the Committee on Science and Technology.

By Mr. GOLDWATER (for himself, Mr. FUQUA, Mrs. BOUQUARD, and Mr. LUJAN):

H.R. 1909. A bill to accelerate and provide direction to the Department of Energy's research, development, and technology demonstration program for the disposal of high level radioactive wastes; to the Committee on Science and Technology.

By Mr. GREEN (for himself and Mr. DOWNEY):

H.R. 1910. A bill to amend the Tariff Schedules of the United States to suspend the duty on tartaric acid and certain tartaric chemicals; to the Committee on Ways and Means.

By Mr. SAM B. HALL, JR.:

H.R. 1911. A bill to abolish the Legal Services Corporation; to the Committee on the Judiciary.

By Mr. HANCE:

H.R. 1912. A bill to amend the Internal Revenue Code of 1954 to increase to $2,000 for an individual and $4,000 for a joint return the amount of dividends and interest which may be excluded from gross income, and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. HARKIN:

H.R. 1913. A bill to amend the Internal Revenue Code of 1954 to provide for individuals a refundable tax credit for amounts paid or incurred for television subtitle equipment for use by hearing-impaired individuals; to the Committee on Ways and Means.

By Mr. HARKIN (for himself, Mr. MARRIOTT, and Mr. MURPHY):

H.R. 1914. A bill to amend title 49, United States Code, pertaining to the use of citizens band radios by operators of certain buses; to the Committee on Public Works and Transportation.

By Mr. KRAMER:

H.R. 1915. A bill to amend the Internal Revenue Code of 1954 to provide for the exclusion from the gross estate of a decedent of a portion of the value of certain interests in a farm or ranch or trade or business if the spouse or children of the decedent materially participate in such farm or ranch or trade or business; to the Committee on Ways and Means.

By Mr. LEACH of Iowa:

H.R. 1916. A bill to amend the Federal Reserve Act with respect to certain reserve requirements; to the Commiteee on Banking, Finance and Urban Affairs.

By Mr. MITCHELL of New York:

H.R. 1917. A bill to amend the Federal Civil Defense Act of 1950 to authorize appropriations for the purposes of such act of fiscal years 1982 through 1988; to the Committee on Armed Services.

By Mr. ANDERSON (for himself, Mr. ALBOSTA, Mr. APPLEGATE, Mr. ASPIN, Mr. AUCOIN, Mr. BAFALIS, Mr. BEVILL, Mrs. BOUQUARD, Mr. BRODHEAD, Mr. CARNEY, Mr. CLAUSEN, Mr. CLINGER, Mr. CONTE, Mr. CORCORAN, Mr. CORRADA, Mr. DASCHLE, Mr. DAVIS, Mr. DONNELLY, Mr. DOUGHERTY, Mr. EDGAR, Mr. EDWARDS of Alabama, Mr. EMERY, Mr. ERTEL, Mr. EVANS of Indiana, Mr. FISH, Mr. FLORIO, Mr. FORD of Tennessee, Mr. FRANK, Mr. FUQUA, Mr. GAYDOS, Mr. GINGRICH, Mr. GLICKMAN, Mrs. HECKLER, Mr. HOLLENBECK, Mr. HOWARD, Mr. IRELAND, Mr. JEFFORDS, Mr. JEFFRIES, Mr. KASTENMEIER, Mr. KILDEE, Mr. KOGOVSEK, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. LEHMAN, Mr. LOTT, Mr. MARLENEE, Mr. MOLLOHAN, Mr. MOORHEAD, Mr. NELLIGAN, Mr. NELSON, Mr. OBERSTAR, Mr. PANETTA, Mr. PEPPER, Mr. PRICE, Mr. RICHMOND, Mr. ROBERTS of Kansas, Mr. RUSSO, Mr. SABO, Mr. SAWYER, Mr. SHELBY, Mr. SKELTON, Mr. SPENCE, Mr. STANGELAND, Mr. SYNAR, Mr. TRAXLER, Mr. WEAVER, Mr. WINN, Mr. WOLPE, Mr. YATRON, Mr. YOUNG of Florida, and Mr. YOUNG of Alaska):

H.R. 1918. a bill to amend title 38, United States Code, to authorize a service pension of up to $150 per month for veterans of World War I and for certain surviving spouses and dependent children of such veterans; to the Committee on Veteran's Affairs.

By Mr. MOAKLEY:

H.R. 1919. A bill to amend title VII of the Civil Rights Act of 1964 to make discrimination against handicapped individuals an unlawful employment practice; to the Committee on Education and Labor.

By Mr. NOWAK (by request):

H.R. 1920. A bill to amend subtitle IV of title 49, United States Code, to provide for more effective regulation of motor carriers of passengers, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. OTTINGER:

H.R. 1921. A bill to amend the Internal Revenue Code of 1954 to allow individuals a refundable tax credit for a portion of the rent which they pay on their principal residences and which is attributable to real property taxes; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 1922. A bill to amend title 38 of the United States Code to authorize the establishment of a prisoners of war advisory committee and provide certain services and benefits to former prisoners of war and to authorize the awarding of the Purple Heart to certain former prisoners of war; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mrs. SCHROEDER:

H.R. 1923. A bill to authorize certain appropriations to the Office of Personnel Management, the Merit Systems Protection Board, the Special Counsel of the Merit Systems Protection Board, and the Federal Labor Relations Authority; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE:

H.R. 1924. A bill to amend the Internal

Revenue Code of 1954 to exempt from taxation the earned income of certain individuals working outside the United States; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 1925. A bill to amend the Food Stamp Act of 1977 for purposes of providing that certain educational loans, grants, scholarships, fellowships, and veterans' educational benefits received by recipients of aid to families with dependent children shall not be included in determining household income for purposes of such act; to the Committee on Agriculture.

H.R. 1926. A bill to amend the Railroad Retirement Act of 1974 to provide that State domestic relations or community property laws are not preempted by the act; to the Committee on Energy and Commerce.

H.R. 1927. A bill to provide that the 1972 revision in the social security benefit computation formula for men shall fully apply with respect to individuals who retired in or before 1972 as well as with respect to individuals retiring after that year; to the Committee on Ways and Means.

H.R. 1928. A bill to amend the Internal Revenue Code of 1954 and the Employee Retirement Income Security Act of 1974 to permit assignments or alienations of rights under pension plans pursuant to court orders for alimony or child support, and to permit the division of pension benefits under State community property law or common law; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. WEISS:

H.R. 1929. A bill to prohibit the use of funds to establish a nine-digit ZIP Code; to the Committee on Post Office and Civil Service.

By Mr. WON PAT:

H.R. 1930. A bill to amend the Immigration and Nationality Act to make alien crewmen, serving onboard a fishing vessel having its home port or operating base in the United States, nonimmigrant while they are temporarily in Guam, the Northern Mariana Islands, or American Samoa; to the Committee on the Judiciary.

By Mr. WYLIE:

H.R. 1931. A bill to extend the temporary suspension of duty on doxorubicin hydrochloride until the close of June 30, 1984; to the Committee on Ways and Means.

By Mr. BLANCHARD:

H.R. 1932. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for the purchase of a new principal residence; to the Committee on Ways and Means.

By Mr. BRINKLEY:

H.R. 1933. A bill to amend the Walsh-Healey and the Contract Work Hours Standards Act to permit certain employees to work a 10-hour day in the case of a 4-day workweek, and for other purposes; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. DORNAN of California:

H.R. 1934. A bill to permit the congressional page school to hold a graduation ceremony in the rotunda of the Capitol in June 1981; to the Committee on House Administration.

By Mr. FORD of Tennessee (for himself, Mr. LOWRY of Washington, Mr. MITCHELL of Maryland, Mr. MOFFETT, and Mr. WEISS):

H.R. 1935. A bill to amend the Internal Revenue Code of 1954 to eliminate certain tax expenditures; to the Committee on Ways and Means.

By Mr. GREEN:

H.R. 1936. A bill to amend the Internal Revenue Code of 1954 to allow taxpayers to value any excess inventory of books and other published material at its net realizable value; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself and Mr. SAWYER):

H.R. 1937. A bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product; to the Committee on the Judiciary.

By Mr. LEVITAS (for himself, Mr. STANGELAND, Mr. DONNELLY, Mr. ATKINSON, and Mr. ALBOSTA):

H.R. 1938. A bill to establish public buildings policies for the Federal Government, to establish the Public Buildings Service in the General Services Administration, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BINGHAM:

H.J. Res. 177. Joint Resolution designating May 24, 1981, through May 30, 1981, as "National Intensive and Critical Care Week"; to the Committee on Post Office and Civil Service.

By Mr. RAHALL:

H.J. Res. 178. Joint resolution to designate certain Federal holidays to their original date of observance; to the Committee on Post Office and Civil Service.

By Mr. SENSENBRENNER:

H.J. Res. 179. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. OTTINGER:

H. Con. Res. 71. Concurrent resolution expressing the sense of the Congress that the United States should recognize Jerusalem as the capital of Israel, and that the U.S. Embassy in Israel should be relocated to Jerusalem; to the Committee on Foreign Affairs.

By Mr. FORD of Michigan:

H. Res. 74. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on Post Office and Civil Service; to the Committee on House Administration.

By Mr. HAWKINS:

H. Res. 75. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on House Administration; to the Committee on House Administration.

By Mr. RODINO:

H. Res. 76. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on the Judiciary; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOGGS:

H.R. 1939. A bill for the relief of Guadaloupe Socorro Carrillo Gibbs; to the Committee on the Judiciary.

By Mr. EARLY:

H.R. 1940. A bill for the relief of Barnet Hellman; to the Committee on the Judiciary.

H.R. 1941. A bill for the relief of Claire Hontz; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 1942. A bill for the relief of Nancy Lu; to the Committee on the Judiciary.

By Mr. LEHMAN:

H.R. 1943. A bill for the relief of Capt. Julian G. Carr, U.S. Air Force, retired; to the Committee on the Judiciary.

By Mr. LOWERY of California:

H.R. 1944. A bill for the relief of Benjamin B. Doeh; to the Committee on the Judiciary.

H.R. 1945. A bill for the relief of Eliazar Sandoval-Flores; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 1946. A bill to reinstate and validate U.S. oil and gas leases numbered OCS-P-0218 and OCS-P-0226; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H.R. 1947. A bill for the relief of Seth Kofi Ahiekpor; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. BROWN of Ohio, Mr. APPLEGATE, Mr. GINGRICH, Mr. WEBER of Minnesota, Mr. ATKINSON, and Mr. MITCHELL of New York.

H.R. 44: Mr. LOEFFLER.

H.R. 46: Mr. LOEFFLER.

H.R. 247: Mr. JAMES K. COYNE, Mr. HILER, Mr. CRAIG, Mr. SHAW, Mr. EVANS of Iowa, Mr. NELLIGAN, Mr. YOUNG of Alaska, Mr. PORTER, and Mr. JEFFORDS.

H.R. 253: Mr. MCCLORY.

H.R. 266: Mr. ADDABBO, Mr. APPLEGATE, Mr. BARNARD, Mr. BROWN of Ohio, Mr. BUTLER, Mr. CORCORAN, Mr. ECKART, Mr. FARY, Mr. FROST, Mr. GINGRICH, Mr. HAWKINS, Mrs. HOLT, Mr. HYDE, Mr. KINDNESS, Mr. KOGOVSEK, Mr. LAGOMARSINO, Mr. LOEFFLER, Mr. LOTT, Mr. MCDONALD, Mr. MCEWEN, Mr. MINETA, Mr. PARRIS, Mr. RAILSBACK, Mr. ROE, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. STOKES, Mr. VENTO, Mr. WHITEHURST, Mr. WINN, and Mr. YOUNG of Missouri.

H.R. 334: Mr. EDWARDS of Alabama.

H.R. 469: Mr. JONES of North Carolina.

H.R. 473: Mr. GINN.

H.R. 478: Mr. STENHOLM.

H.R. 556: Mr. ZEFERETTI, Mrs. FENWICK, and Ms. MIKULSKI.

H.R. 750: Mr. TAYLOR and Mr. BEREUTER.

H.R. 837: Mr. RAILSBACK.

H.R. 911: Mr. ROSE, Mr. COLLINS of Texas, and Mr. GOLDWATER.

H.R. 967: Mr. MCCLORY.

H.R. 1000: Mr. HANCE.

H.R. 1005: Mr. LOWERY of California.

H.R. 1035: Mr. MURPHY.

H.R. 1100: Mr. WEBER of Minnesota, Mr. SMITH of New Jersey, and Mr. EDGAR.

H.R. 1206: Mr. COLEMAN, Mr. ROBERT W. DANIEL, JR., Mr. FAZIO, Mr. FORD of Michigan, Mr. GOLDWATER, Mr. KILDEE, Mr. KINDNESS, Mr. KOGOVSEK, Mr. LOWERY of California, Mr. LUNGREN, Mr. MARKEY, Mr. OTTINGER, and Mr. SIMON.

H.R. 1207: Mr. COLEMAN, Mr. ROBERT W. DANIEL, JR., Mr. DOUGHERTY, Mr. FAZIO, Mr. FORD of Michigan, Mr. GOLDWATER, Mr. GUYER, Mr. KILDEE, Mr. KINDNESS, Mr. KOGOVSEK, Mr. LOWERY of California, Mr. LUNGREN, Mr. MARKEY, Mr. OTTINGER, and Mr. SIMON.

H.R. 1270: Mr. HANSEN of Idaho, Mrs. COLLINS of Illinois, Mr. MCGRATH, Mr. GARCIA, Mr. DOWNEY, Mr. MITCHELL of Maryland, and Mr. LOWRY of Washington.

H.R. 1271: Mr. KOGOVSEK, Mr. MURPHY, Mr. NATCHER, Mr. BARNARD, Mr. CORRADA, Mr. CLINGER, Mr. WHITTAKER, Mr. JAMES K. COYNE, Mr. EDGAR, Mr. SIMON, Mr. ATKINSON, Mr. STOKES, and Mr. ERTEL.

H.R. 1362: Mr. BONIOR of Michigan, Mr. JAMES K. COYNE, Mr. DAVIS, Mr. FISH, Mr. MINETA, Mr. ROE, Mr. SMITH of Iowa, Mr. SOLOMON, Mr. HUGHES, Mr. WEAVER, Mr. HEFTEL, Mr. ASPIN, Mr. JOHN L. BURTON, Mr. WASHINGTON, and Mr. WOLPE.

H.R. 1400: Mr. STUMP, Mr. EMERY, Mr. DICKS, Mr. SUNIA, and Mr. EDGAR.

H.R. 1429: Mrs. CHISHOLM, Mr. ZEFERETTI, Mr. YATES, Mr. ROSENTHAL, Mr. LEHMAN, Mr. BONIOR of Michigan, Mr. FRANK, Mr. TRAXLER, Mr. BARNARD, Mr. ST GERMAIN, Mr. KOGOVSEK, Mr. MURPHY, Mr. PRICE, Mr. EDWARDS of California, Mr. GILMAN, Mr. WEISS, Mr. RAHALL, Mr. FLORIO, Mr. MITCHELL of Maryland, Mr. HAWKINS, Mr. MAVROULES, Mr. DWYER, Mr. WAXMAN, Mr. CORRADA, Mr. PEPPER, Mr. HOWARD, Mr. MORRISON, Mr. STOKES, Mr. GINGRICH, Ms. MIKULSKI, Mr. RICHMOND, Mr. ALBOSTA, and Mr. CONTE.

H.R. 1464: Mr. GRISHAM, Mr. HYDE, Mr. BUTLER, Mr. HANCE, Mr. GOODLING, Mr. FORSYTHE, Mr. LAGOMARSINO, Mr. ROTH, Mr. ERDAHL, Mr. CLAY, Mr. ANTHONY, Mr. JONES of North Carolina, Mr. ENGLISH, Mr. JEFFRIES, Mr. LOEFFLER, Mr. GONZALEZ, Mr. SANTINI, Mr. BONIOR of Michigan, Mr. BROWN of Ohio, Mr. LEVITAS, Mr. KEMP, Mr. PORTER, Mr. LOTT, and Mr. LUNDINE.

H.R. 1490: Mr. PRICE, Mr. BONIOR of Michigan, Mr. MILLER of California, Mr. KOGOVSEK, Mr. DASCHLE, Mr. FORSYTHE, Mr. DOUGHERTY, Mr. COELHO, Mr. MURPHY, Mr. HAWKINS, Mr. ROE, Mr. HUGHES, Mr. PEPPER, Mr. HORTON, Mr. DE LUGO, Mr. GINGRICH, Mr. FROST, Mr. WEAVER, Mr. SPENCE, Mr. CORRADA, Mr. NEAL, Mr. SIMON, and Mr. KILDEE.

H.R. 1531: Mr. DORNAN of California, Mr. WON PAT, Mr. PERKINS, Mr. MOLLOHAN, Mr. PANETTA, Mr. WINN, Mr. MOORHEAD, Mr. YOUNG of Missouri, Mr. GILMAN, Mr. DIXON, and Mr. LAGOMARSINO.

H.R. 1532: Mr. MCKINNEY, Mr. WON PAT, Mr. HUTTO, Mr. MURPHY, and Mr. JEFFRIES.

H.R. 1642: Mr. NATCHER, Mr. ROE, Mr. FUQUA, Mr. MURPHY, Mr. KOGOVSEK, Mr. FAZIO, Mr. ENGLISH, Mr. TRAXLER, Mr. HUGHES, Mr. GINGRICH, Mr. BADHAM, Mr. LUJAN, Mr. LEHMAN, Mr. COELHO, Mr. LOWERY of California, Mr. BEDELL, Mr. DAVIS, Mr. HUCKABY, Mr. DORNAN of California, Mr. MCDADE, Mr. COLLINS of Texas, Mr. ROSE, Mr. SIMON, Mr. MADIGAN, and Mr. CHAPPELL.

H.R. 1700: Mr. ANTHONY, Mr. BETHUNE, Mr. BONKER, Mr. BROWN of Colorado, Mrs. BYRON, Mr. COLEMAN, Mr. DUNN, Mr. HOPKINS, Mr. HUGHES, Mr. HYDE, Mr. LEVITAS, Mr. LOEFFLER, Mr. LOWERY of California, Mr. MILLER of Ohio, Mr. NEAL, Mr. O'BRIEN, Mr. PORTER, Mr. RAILSBACK, Mr. ROBERTS of South Dakota, Mr. ROBINSON, Mr. SHAW, Mr. SOLOMON, Mr. STENHOLM, Mr. STOKES, Mr. VANDER JAGT, Mr. WAXMAN, Mr. WRIGHT, and Mr. YOUNG of Alaska.

H.R. 1711: Ms. MIKULSKI, Mr. STOKES, Mrs. FENWICK, Mr. UDALL, Mr. GINN, Mr. LEHMAN, Mrs. BOGGS, Mr. FASCELL, Mr. ROE, Mr. LOWRY of Washington, Mr. FOGLIETTA, and Mr. OTTINGER.

H.R. 1765: Mr. LOEFFLER, Mr. MARLENEE, Mr. PANETTA, Mr. MATSUI, Mr. LEHMAN, Mr. FAZIO, Mr. BLILEY, Mr. HAWKINS, Mr. PASHAYAN, Mr. DIXON, Mr. FUQUA, Mr. LONG of Louisiana, and Mr. COELHO.

H.R. 1818: Mr. RODINO, Mr. FRANK, Mr. GARCIA, Mr. ROSENTHAL, and Mr. STOKES.

H.J. Res. 58: Mr. EVANS of Georgia, Mr. BUTLER, Mr. COLLINS of Texas, Mr. DORNAN of California, Mr. ROBERT W. DANIEL, JR., Mr. BARNARD, Mr. ROBINSON, and Mr. ROTH.

H.J. Res. 84: Mr. DYMALLY, Mr. MOLLOHAN, Mr. WINN, Mr. LAGOMARSINO, Mr. TRAXLER, Mr. GUYER, Mr. BRODHEAD, Mr. GIBBONS, Mrs. COLLINS of Illinois, Mr. GRAMM, Mr. WEBER of Minnesota, Mr. JAMES K. COYNE, Mr. DUNCAN, Mr. MAVROULES, Mr. HAWKINS, Mr. CORRADA, Mr. GRADISON, Ms. MIKULSKI, Mr. PETRI, Mr. WIRTH, Mr. RUSSO, Mr. BENJAMIN, Mr. FARY, Mr. WALGREN, Mr. WAXMAN, Mr. LEHMAN, Mr. HANCE, Mr. SPENCE, Mr. CHENEY, Mr. MORRISON, Mr. AKAKA, Mr. HEFTEL, Mr. YATES, Mr. SHAW, Mr. LEACH of Iowa, Mr. PORTER, Mr. DELLUMS, Mr. BROWN of Ohio, Mr. MCDADE, Mr. BARNARD, Mr. LUKEN, Mr. GRAY, Mr. SNYDER, Mr. ST GERMAIN, Mr. MOTTL, Mrs. HOLT, Mr. SWIFT, Mr. O'BRIEN, Mr. ROBERTS of South Dakota, Mr. NICHOLS, Mr. DORNAN of California, Mr. FAUNTROY, Mr. GUARINI, Mr. HARTNETT, Mr. FINDLEY, Mr. TAUKE, Mr. HILER, Mr. BONIOR of Michigan, Mr. PRICE, Mr. BEARD, Mr. LOWERY of California, Mr. QUILLEN, Mr. DE LUGO, Mr. PASHAYAN, Ms. OAKAR, Mr. BINGHAM, Mr. ROBERTS of Kansas, Mr. STOKES, Mr. BAILEY of Pennsylvania, and Mr. LEATH of Texas.

H.J. Res. 104: Mr. LOWERY of California, Mr. LENT, and Mr. LEBOUTILLIER.

H. Con. Res. 17: Mr. STRATTON, Mr. JACOBS, Mr. FINDLEY, Mr. D'AMOURS, Mr. BEARD, Mr. ROSE, Mr. FORSYTHE, Mr. BONKER, Mrs. HOLT, Mr. PEPPER, Mr. EVANS of Georgia, Mr. FROST, Mr. COLLINS of Texas, Mr. DASCHLE, Mr. GUYER, Mr. WHITLEY, Mr. MINETA, Mr. GLICKMAN, Mr. HARTNETT, Mr. ROBERT W. DANIEL, JR., Mr. SYNAR, Mr. RAHALL, Mr. WHITEHURST, Mr. HINSON, Mr. JONES of Oklahoma, Mr. KRAMER, Mr. EDGAR, Mr. HIGHTOWER, Mr. SAWYER, Mr. HUGHES, Mr. HORTON, Mr. BOWEN, Mr. BROWN of California, Mr. PETRI, Mr. ANTHONY, Mr. FISH, Mr. WILLIAMS of Montana, Mr. COLEMAN, and Mr. HAMILTON.

H. Res. 13: Mr. ANTHONY, Mrs. SCHNEIDER, Mr. OTTINGER, Mr. ROYBAL, Mr. GREEN, Mr. SOLOMON, Mr. JONES of North Carolina, Mr. FOGLIETTA, Mr. MCCOLLUM, Mr. PEYSER, Mr. DWYER, Mr. GRAY, and Mr. GUARINI.

H. Res. 30: Mr. WAXMAN, and Mr. STOKES.

H. Res. 38: Mr. FRANK, Mr. SIMON, and Mr. SKEEN.

H. Res. 55: Mr. COELHO, Mr. FAZIO, Mr. FROST, Mr. GARCIA, Mr. HUGHES, Mr. KOGOVSEK, Mr. MURPHY, Mr. PEPPER, Mr. ROSE, and Mr. STARK.

H. Res. 65: Mr. BEDELL, Mr. BONIOR of Michigan, Mr. PHILLIP BURTON, Mrs. CHISHOLM, Mr. DELLUMS, Mr. FAUNTROY, Mr. HARKIN, Mr. LEHMAN, Mr. MARKEY, Mr. MITCHELL of Maryland, Mr. PEPPER, Mrs. SCHROEDER, Mr. STOKES, Mr. WASHINGTON, Mr. WEAVER, and Mr. LOWRY of Washington.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

24. By the SPEAKER: Petition of the Gloversville Common Council, N.Y., relative to condemning recommendations by the Commission for a National Agenda for the Eighties; to the Committee on Banking, Finance and Urban Affairs.

25. Also, petition of Thomas P. Gannon, Folsom, Pa., and others, relative to prayer in public schools; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

OIL LEASE REINSTATEMENT SUPPORTED BY NATIONAL ENERGY POLICY

HON. JERRY M. PATTERSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. PATTERSON. Mr. Speaker, I am introducing a private bill today which will reinstate two offshore oil and gas leases in the Santa Barbara Channel, Calif. This bill is identical to legislation which I sponsored in the 96th Congress and which was unanimously passed by the House of Representatives. That bill, H.R. 5769, was also considered and favorably reported by the Senate Committee on Energy and Natural Resources. However, procedural delay and lateness of the session prevented the full Senate from considering the legislation.

Many of my colleagues have expressed their interest in cosponsoring this measure, but because it is a private bill, cosponsors are not permitted. I would, however, like to acknowledge and thank the Members who have expressed their support for the bill. Those Members are: Mr. ANDERSON, Mr. BADHAM, Mr. BURGENER, Mr. CHENEY, Mr. COELHO, Mr. DIXON, Mr. FAZIO, Mr. GOLDWATER, Mr. GRISHAM, Mr. KOGOVSEK, Mr. LEWIS, Mr. LUNGREN, Mr. MCCLOSKEY, Mr. MILLER of California, Mr. MINETA, Mr. MOORHEAD, Mr. PASHAYAN, Mr. ROUSSELOT, Mr. SHUMWAY, Mr. THOMAS, Mr. YOUNG of Alaska, and Mr. MARRIOTT.

Mr. Speaker, as I have already mentioned, this bill is identical to the measure which passed the House last year. It was the subject of a thorough and extensive review by both the Subcommittee on Mines and Mining and the Interior and Insular Affairs Committee during the 96th Congress. In order to provide my colleagues with the factual background which necessitates enactment of this legislation, I ask unanimous consent that an excerpt from the House committee report on H.R. 5769 (H. Rept. No. 96-1260, Aug. 27, 1980) be printed at the conclusion of my remarks.

This bill reinstates two OCS leases in the Santa Barbara Channel, Calif., for which the leaseholders—a group of independent oil and gas companies—paid $74 million. As a condition of this reinstatement, the bill requires that the companies file an exploration plan with the Secretary of the Interior within 45 days of its enactment. It also requires that the lessees comply with all pertinent environmental requirements of the Outer Continental Shelf Lands Act Amendments of 1978. Finally, the bill provides for the payment of back rentals for the period during which the leases were not in force and for a unique profit-sharing arrangement between the leaseholders and the Federal Government.

The Interior Committee stated in its report that our "national energy policy dictates" that we reinstate these two leases and permit the Pauley Group to resume its operation. I urge the committee to follow its directive and report this bill as soon as possible so that the Pauley Group can get on with the business of oil and gas exploration.

EXCERPT FROM HOUSE REPORT NO. 96-1260, "REINSTATING AND VALIDATING U.S. OIL AND GAS LEASES NUMBERED OCS-P-0218 AND OCS-P-0226," COMMITTEE ON INTERIOR AND INSULAR AFFAIRS (AUGUST 27, 1980)

BACKGROUND

The Pauley Group was created in 1967 as a joint venture by 11 independent oil companies to bid on OCS tracts in the Santa Barbara Channel. The Pauley Group was composed of Pauley Petroleum Company, as operator; Mesa Petroleum Company; Husky Oil Company; Colorado Oil and Gas Corporation; McCullouch Oil Corporation; J. M. Huber Corporation; Midwest Oil Corporation; Kewanee Oil Corporation; Ashland Oil & Refining, Inc.; MacDonald Oil Corporation; and Forest Oil Corporation.

On March 1, 1968, in exchange for a $73.8 million cash bonus payment and an annual rental of $34,560, the Pauley Group was granted an exclusive right to explore for oil and gas on two tracts in the Santa Barbara Channel for a primary term of five years and ". . . as long thereafter as oil and gas may be produced in paying quantities. . . . " The member companies of the Pauley Group and the United States executed lease number OCS-P-0218 for Tract 375 and lease number OCS-P-0226 for Tract 384.

The Pauley Group began immediate exploration and drilled eight exploratory wells between March, 1968, and January, 1969, at a cost of $4 million. In late January, 1969, when the Group was preparing to drill a ninth well, a blowout occurred several miles north of the Pauley Group tracts on a tract operated by the Union Oil Company. In response to the massive oil spill, the Secretary of the Interior suspended all drilling operations in the Channel on February 7, 1969. Ten days later, on February 17, 1969, the Secretary of the Interior altered the traditional standard of negligence for oil spills to one of strict liability applicable to all those who were operating in the Channel. This new standard of strict liability made each participant operating on the OCS jointly and severally liable not only for all clean-up costs of an oil spill, but also liable for any and all damage whatsoever to a third party, regardless of fault.

Concurrent with the issuance of this new standard of liability and the suspension of drilling operations, the private liability insurance market for offshore oil operations collapsed. As a result, the Pauley Group lost its liability insurance for offshore oil spills and was financially unable to obtain coverage from other sources. Without insurance, the independents risked financial disaster by resuming drilling operations and, thus, were effectively barred from operating in the Channel. In contrast, once the drilling ban was lifted, the major oil companies were able to resume their drilling activities because they could self-insure their operations. This step was unavailable to the independents because they lacked sufficient financial resources.

Thus, in April, 1969, the Pauley Group was confronted with a dilemma. On the one hand, the Pauley Group, forced to sit idle because the Interior Department's final decision on whether to resume drilling in the Channel was unknown and, in any case, because it was faced with the government's strict liability regulation, could elect to do nothing and wait. In waiting, however, the Pauley Group, with large amounts of their exploration budgets tied up and enormous interest payments due, risked their total investment and their financial stability. On the other hand, the Pauley Group could attempt to protect its substantial investment by seeking judicial relief for breach of contract. The risk of financial disaster was great and, on April 9, 1969, suit was filed in the United States Court of Claims.

The Pauley Group filed a petition for damages against the United States Government alleging that the United States had violated its contract with the Group by suspending drilling operations and imposing strict liability. Counts included breach of contract, frustration and mutual mistake; a fourth count of partial breach was alleged at a later time. Because damages were sought, the action was filed in the United States Court of Claims.

The Pauley Group was not the only Channel leaseholder to challenge the government's action in court. Other legal actions were filed by, among others, Union Oil Company and Gulf Oil Corporation, against the United States in California Federal District Court. These actions challenged the lawfulness of suspension orders of the Secretary of the Interior and sought injunctive relief, rather than monetary damages, against the Secretary's suspensions order, and an extension of the lease terms.

The case dragged on for ten years before the court dismissed the petition on January 24, 1979. Although the court did not award damages to the Group, it did indicate the possibility of another remedy:

"Perhaps the legislative or executive branches could, as a matter of grace or policy, extend their lease-terms to permit them to drill further (if they still wish to) in the effort to discover oil in commercial quantities, but of course we cannot take that step. *Pauley Petroleum, Inc.*, v. *United States*, 591 F.2d 1308, 1328 (Ct. Cl. 1979)."●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

RETIREMENT OF ROBERT L. DANIELS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. LEWIS. Mr. Speaker, on February 28 at its annual dinner-dance, the Barstow Area Chamber of Commerce will honor Robert L. Daniels on the occasion of his retirement as chamber executive. I have known and worked directly with Bob during his 7½ years in this post and want to take this opportunity to join his other friends in wishing him well. I am delighted that he plans to open his own business in the area so that neither his expertise nor his knowledge will be lost to us.

Bob came to Barstow after a successful career in the Marine Corps. He has played a vital role in many activities affecting the community as a whole. Over the past 2 years, I have had occasion to take the floor to discuss several different activities affecting the community. Some of my colleagues may remember this as the city where the Army is activating a new, sophisticated national training center designed to enhance our military capabilities. Others may recall it is also the site of a 10 megawatt solar generating plant—a facility which will come online before the end of this year and which will produce that amount of energy without the use of one drop of oil. Still others may remember it as the community which raised more than $105,000 in less than 48 hours to assist one of its citizens in paying for possible heart surgery. Bob played a vital role in all these projects.

Moreover, he had made significant long-range contributions to the operations of the chamber itself. While those contributions are too numerous to list, I would like to cite just a few. He was instrumental in forming the Barstow Area Industrial Development Commission. He established ongoing communication procedures between the chamber and elected representatives, including the annual Sacramento legislative trip. He established an annual Christmas decoration program within the community. He began an aggressive and well-organized plan to establish a separate identity for the city of Barstow and to publicize that identity on a nationwide basis. He began a local radio program designed to keep the citizens advised of activities and proposals which would directly impact on them.

All in all, Bob Daniels brought to the city of Barstow the kind of leadership which was vitally needed during a period when the population of the city was rapidly expanding. I am certain that I speak for all of his friends in Barstow in wishing him well in his new endeavor.●

THE ARMENIAN PEOPLE IN LEBANON

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DERWINSKI. Mr. Speaker, there is a great deal of tenacity among the Armenian people who are scattered throughout the world. They steadfastly preserve their religious and cultural heritage. A good example of this being the example set by Armenian theologians in Antelias, Lebanon. Despite the internal disputes in Lebanon, the complications created by the PLO and by the Syrian occupation army, the Armenian church is clearly able to survive. I recently received a copy of the Christmas message, issued by Bishop Karekin II, of the See in Antelias, which I share with my colleagues since it dramatizes the determination of the Armenians to retain their identity and their nationalistic spirit.

One year passed since the last time I wrote to you on this blessed occasion. It was not an easy year for our Spiritual Center, the Catholicosate of Cilicia in Antelias, and the people of our Diocese of Lebanon. It was not an easy year also for the people of our three Dioceses of Iran. But thanks be to God for all the blessings that He bestowed upon us. We learned much from conditions of hardship, times of tribulation, situations of insecurity and uncertainty. We learned that God never abandoned us. He continued to be with us because He is called "Emanuel".

Most of our time we spent here, in Antelias. Two brief journeys in February and August took us to Strasbourg and Geneva for the Executive and Central Committee meetings of the World Council of Churches. One pastoral visit to the Western Prelacy of our Armenian Church of America made us spend one month (November) with our own Armenian people in California. These visits gave us a most beneficial opportunity of seeing how God was with us through the ecumenical fellowship and the attachment of our Armenian people to their Church and to the Catholicosate of Cilicia. We were deeply gratified and greatly enriched by the reflection of God's love and care through the brotherhood of so many friends and the dedication of so many members of our church.

Here, in our headquarters of Antelias, in this Spiritual Home and National Center, we tried to work mainly in the area of Christian Education through the Theological Seminary, the Sunday Schools, publications and various other special programs aimed at the spiritual, cultural and national edification and conscientiousness of the people, particularly the young generation. In one word, we tried, through our humble and modest means and capacities, and together with our people, to respond to God's being with us by drawing closer to Him and to our Armenian Christian heritage.

1980 concludes the fiftieth year of the reestablishment of the centuries-old Catholicosate of Cilicia here in Antelias, Lebanon. Sixty years ago, in 1920, after the deadly blow of the massacres perpetrated by the Turks during the First World War, the See of Cilicia was forced to move out of Sis, the capital of the ancient Kingdom of Cilicia, where it had uninterruptedly served its people for about five centuries. As the people of Cilicia in great majority came to settle in Syria and Lebanon, the Catholicos of the time, Sahak II Khabayan followed his flock. After ten years of peregrination in various cities and towns of Syria and Lebanon, in 1930, Catholicos Sahak finally and with the unanimous wish and determination of the people in the Diaspora, came to reestablish the Catholicosate in Antelias. In this suburb of the city of Beirut an Armenian orphanage had been established by the American Near East Relief. The orphanage was converted into a center for Church administration and service.

In the same year the Seminary was opened on the same location. In fact, the decision for the reestablishment of the See of Cilicia was greatly motivated by the idea of preparing a new generation of ecclesiastical and lay leadership for the Diaspora where the people were scattered after the massacres and were left with no adequate and sufficient leadership to face the new challenges and the emerging demands of the new situation. Thus, the seminary became the very heart of the Catholicosate.

Since 1930, for fifty years, the Seminary has tried its utmost to meet the growing demands of the Church. Four years ago, due to the expansion of the city of Beirut, Antelias became almost fully integrated in the city of Beirut with all its conditions of a crowded life. The Seminary was transferred to Bikfaya, ten miles up in the mountain, in the summer residence of the Catholicosate, which provides better conditions for spiritual life and intellectual concentrated work.

The 50th anniversary is an occasion to render thanks to God, because we were blessed by His being with us for the last fifty years. It is also an invitation to us to become more faithful to Him by devoting our efforts to the promotion of the training of the servants of God. How to grapple with the complex situation of our Diaspora life without men well equipped for the service to God and His people? How can we preserve and enrich our Armenian Christian identity and mission without such people who are well versed in the Holy Scriptures, Theology, Armenian literary and cultural heritage?

The Seminary is here to continue to help the formation of such men who, after the cleansing of their own hearts and minds, can stand up with Isaiah and say: "Here am I! Send me" (Ch. 6:8)

The 50th anniversary will be duly marked during the year of 1981 in Antelias and in all our dioceses. Various programs are in preparation. I ask you all, friends and members of our church, to keep the Catholicosate and the Seminary present in your prayers and thoughts.

Let us not forget that God's being with us becomes a happy experience only when we try to be with Him.

Let us live all our life in 1981 and in the years to come with the full and responsible consciousness of this imperative of our being with Him.

Prayerfully,

KAREKIN II,
Catholicos Coadjutor.●

HUMAN RIGHTS—DISAPPEARANCES

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BONKER. Mr. Speaker, as officials of the Reagan administration continue proclaiming their intention to reverse America's foreign policy priorities—antiterrorism supplanting human rights—they would be well advised to read a report on disappearances, recently released by a working group of the United Nations Human Rights Commission.

To refresh the memory of my distinguished colleagues, the Foreign Affairs Subcommittee on Human Rights and International Organizations, which I chair, held a series of hearings during the 96th Congress on disappearances as a new form of human rights violation. As the result of those hearings, I sponsored and the House passed, with broad bipartisan support, House Concurrent Resolution 285:

Expressing the sense of Congress with respect to the disappearances of persons which is caused by the abduction and clandestine detention of those persons by the government of foreign countries or by international or transnational terrorist organizations.

Last year, armed with the backing of the Congress, the U.S. delegation under the brilliant leadership of Ambassador Jerome Shestack prevailed upon the 36th session of the U.N. Human Rights Commission to appoint the working group.

That group has reported to the 37th session of the Human Rights Commission meeting now in Geneva, that over 13,000 people in 15 countries have been victims of involuntary disappearances, with more than half of these people having vanished in Argentina. Furthermore, their report indicates that cases examined usually "involved persons who have been arrested, detained or abducted by personnel" associated with government agencies.

The U.N. report names as the worst violators, Governments of Argentina, Bolivia, Chile, El Salvador, Guatemala, the Philippines, South Africa, Uruguay, Cyprus, Ethiopia, Indonesia, Mexico, Nicaragua, and Peru.

The supreme irony is that out of the 15 nations named, 9 are countries with very repressive governments that could be the beneficiaries of the Reagan administration's reversal of policy.

It will be interesting to see how this administration's antiterrorism emphasis as opposed to a human rights emphasis is applied to these governments. For, according to the U.N. report, they are clearly guilty of terrorism against their own citizenry.●

PENSION EQUITY FOR WOMEN

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. SEIBERLING. Mr. Speaker, I am reintroducing two bills today to address inequities in Federal law regarding the pension rights of women. One bill would undo the damage to divorced and separated women caused by the Supreme Court's 1979 decision in the case of Hisquierdo against Hisquierdo, where the Court ruled that a divorced wife has no ownership interest in her former husband's pension under the Railroad Retirement Act of 1974. The second bill provides that pension plans governed by the Employee Retirement Income Security Act of 1974 (ERISA) must obey court orders dividing the pension benefits in a community property settlement, or attaching the pension for alimony or child support.

My interest in this area of law was sparked by a letter I received in 1978 from a constituent whose husband had left her and their two children and taken early retirement from his job. Because ERISA section 206(d)(1) (26 U.S.C. 401(a)(13) and 29 U.S.C. 1056(d)(1)) provides that "benefits provided under the plan may not be assigned or alienated," and because ERISA preempts State law, the husband's pension plan has ignored a State court order attaching his pension for the support of his homemaker wife and their two children. My constituent has had to turn to welfare for subsistance.

In the Supreme Court case, Jess Hisquierdo sued his wife, Angela, for divorce in 1975, after 14 years of marriage during which she was a homemaker and he a worker for the Atchison, Topeka & Santa Fe Railway. The California Supreme Court, reversing a lower court, ruled unanimously in 1977 that Mrs. Hisquierdo was entitled as a matter of ownership under California's community property laws to half the pension benefits attributable to his labor during their marriage. On January 22, 1979, in a 7 to 2 decision, the U.S. Supreme Court reversed the California Supreme Court, holding that section 14 of the Railroad Retirement Act of 1974 preempts California's community property laws. Section 14 (45 U.S.C. 231m) protects railroad retirement benefits from legal process "[n]otwithstanding any other law . . . of any State."

My research into this question has convinced me that Congress did not intend this result from ERISA, the Railroad Retirement Act, or from any other Federal law, and I think we have a responsibility to speak unequivocally on this point. A strong case can be made that Congress should recognize that marriage is an economic partnership by establishing joint worker-spouse ownership of Federal pensions. At the very least, we should not frustrate the laws of those eight States which have established such a community property interest.

The 95th Congress passed legislation to permit the attachment of civil service pensions under the terms of any court order or court-approved property settlement agreement incident to divorce proceedings, and the 96th Congress extended similar treatment for Foreign Service pensions. The bills I am introducing would apply these principles to private pensions covered by ERISA and to railroad retirement pensions, and legislation is being introduced in this Congress by other Members to apply these principles to military pensions. These bills are not only fair and just for the parties involved, they are fiscally prudent because they provide a source of support for those who might otherwise have none and have to turn to public assistance. I am hopeful that they will receive prompt attention in this Congress.

A bill to amend the Railroad Retirement Act of 1974 to provide that State domestic relations or community property laws are not preempted by the Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of the Railroad Retirement Act of 1974 (relating to exemption from legal process) is amended—

(1) by striking out "Sec. 14. Notwithstanding" and inserting in lieu thereof "Sec. 14 (a). Notwithstanding";

(2) by adding at the end thereof the following new subsection:

"SEC. 14 (b) Nothing in this Act is intended to prohibit the characterization or treatment under State law of the annuity or supplemental annuity provided by this Act as community property for all purposes, or as property subject to equitable distribution for the purpose of divorce, dissolution of marriage, annulment, or legal separation."

A bill to amend the Internal Revenue Code of 1954 and the Employee Retirement Income Security Act of 1974 to permit assignments or alienations of rights under pension plans pursuant to court orders for alimony or child support, and to permit the division of pension benefits under State community property law or common law

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (13) of section 401(a) of the Internal Revenue Code of 1954 (relating to requirements for qualification of pension plans, etc.) is amended—

(1) by striking out "(13) A trust" and inserting in lieu thereof "(13)(A) A trust";

(2) by striking out "This paragraph" in the last sentence and inserting in lieu thereof "This subparagraph"; and

(3) by adding at the end thereof the following new subparagraph:

"(B) Subparagraph (A) shall not apply to any assignment or alienation of benefits

payable to any participant or beneficiary who is receiving benefits under the plan if—

"(i) such assignment or alienation is pursuant to either a decree of divorce or separate maintenance, or an order of a court which requires an individual to contribute to the support of his children, or both; and

"(ii) such decree or order does not affect the date, timing, form, duration or amount of any benefit payments under the plan."

(b) Subsection (d) of section 206 of the Employee Retirement Income Security Act of 1974 is amended by adding at the end thereof the following new paragraphs:

"(3) Paragraph (1) shall not apply to any assignment or alienation of benefits payable to any participant or beneficiary who is receiving benefits under the plan if—

"(A) such assignment or alienation is pursuant to either a decree of divorce or separate maintenance, or an order of a court which requires an individual to contribute to the support of his children, or both; and

"(B) such decree or order does not affect the date, timing, form, duration or amount of any benefit payments under the plan.

"(4) Nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair or supersede the operation of any State law governing the acquisition, division, or distribution of property defined by State laws as community property or as property belonging to a marriage."

(c) The amendments made by this section shall take effect on the date of enactment of this Act.●

NOBEL PEACE PRIZE FOR LECH WALESA

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GUARINI. Mr. Speaker, I rise today to discuss a subject which not only gives me great personal pleasure, but is also a subject of great pride in my district.

Mr. Speaker, Lech Walesa, the courageous leader of the Polish free trade union known as Solidarity, has recently been nominated for the 1981 Nobel Peace Prize. I would like to take this occasion to state here on the floor of the House that I can think of no more appropriate recipient for this prestigious award than Mr. Walesa. He has set an example for all persons, regardless of nationality or the political system their nation follows, as one who cherishes freedom and the dignity of working men and women.

Lech Walesa has arrived at his present position of international prominence not as a man seeking personal power, or even a formal office in his country's government. He has come to our attention because of spectacular events in Poland, for which he has been the prime catalyst, have galvanized the imagination and respect of peoples throughout the world.

It is not my intention here today to speak to the merits or shortcomings of the Communist system under which Mr. Walesa's Poland finds itself operating—that is a subject for another time and another day. In leading his people, Lech Walesa has remained a calm and steady figure in the face of the overwhelming threat of a Soviet invasion of his beloved Poland. And, Mr. Speaker, as we all know from the sad and tragic history of Hungary and Czechoslovakia, such threats are far from idle exercise. Mr. Walesa has balanced these concerns with the very real needs of working people in Poland. He has resisted provocative counsel to push immediately to a confrontation even as at the same time he has resisted the easy path of retreat and surrender.

Mr. Speaker, I said that we in New Jersey's 14th Congressional District have great pride in Lech Walesa's achievements. That is for two reasons. Stanislaw Walesa, father of this now world renowned labor leader, lives and works in our district and is employed at the Henderson Lumber Mills in Jersey City. Like so many before him, the senior Mr. Walesa came to our shores in search of freedom and the land of opportunity. And, as you know, New Jersey's 14th Congressional District lies in the very shadow of the Statue of Liberty, long a symbol to generations of immigrants seeking a new life in America and leaving behind the oppression and totalitarian governments of their native lands. The people of our district, tens and thousands of them, feel a special bond with the Walesas, father and son.

We all fervently pray that awarding the Nobel Peace Prize to Lech Walesa will be the crowning event in a peaceful and successful achievement of his worthy goals. Perhaps such international recognition will give pause for reflection to those who would crush freedom in Poland through force of arms.

It is my hope, Mr. Speaker, in speaking out before the House today, to, in some small way, add my own voice, representing the people of Hudson County and New Jersey's 14th Congressional District, in supporting the nomination of Lech Walesa for the 1981 Nobel Peace Prize.●

STILL GOING AFTER THE CIA

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ROTH. Mr. Speaker, I submit for the RECORD an article by Mr. Rowland Evans and Mr. Robert Novak entitled "Still Going After the CIA." I would urge my colleagues to read this most interesting article.

The article follows:

STILL GOING AFTER THE CIA

Trying to repeal the 1980 election and preserve Jimmy Carter's human rights policies, liberal Democratic congressmen are plotting to keep control of the House Foreign Affairs African subcommittee and retain as a symbol of the past a staffer named Steven R. Weissman.

Weissman's 1978 attack on CIA undercover work in Zaire was reprinted in the book "Dirty Work 2, the CIA in Africa." It was published in 1979 with an introduction by Philip Agee, the renegade ex-CIA official now living in exile in West Germany to avoid U.S. investigators.

Weissman was hired two years ago by Rep. Stephen J. Solarz of New York, who is about to step down as chairman of the African subcommittee. Solarz then did not know Weissman had contributed to "Dirty Work 2," described in an introduction by Agee as an attempt "to expose and analyze clandestine operations" by the CIA in Africa. Weissman told us he himself was unaware that "Dirty Work 2" would include an introduction by Agee and an appendix listing the names of 385 undercover CIA operatives in Africa.

Solarz is giving up his African affairs chairmanship for what he thinks will be the more lively Asian affairs panel. The power play of liberals versus moderates in the committee's Democratic ranks revolves around Solarz's push for Rep. Howard Wolpe of Michigan, a liberal scholar on African affairs who is backed by the Congressional Black Caucus. Wolpe has given Solarz assurances that if he gets the chairmanship, he will retain the subcommittee's present staff—including Steven Weissman.

Wolpe's opponent in the caucus of committee Democrats, set for tomorrow, is moderate Rep. Dan Mica of Florida, who has seniority to become chairman but is regarded as dangerously unsafe on the human rights issue by the liberals. Supporting Solarz and Wolpe is the committee's longtime liberal powerhouse, Rep. Jonathan Bingham of New York, backed by many junior members (including five freshmen, two of them black and all of them liberals).

"These people are terrified," a committee staffer told us. "They think [President] Reagan and [Secretary of State Alexander] Haig are out of touch with reality, and they are trying to build a barricade around the African subcommittee to keep it safe for human rights."

In fact, it is Solarz, Bingham and Wolpe who seem "out of touch with reality." Their insistence on keeping Weissman as the Africa subcommittee's No. 2 staffer shows a quixotic attempt to repeal the election and restore politics of the 1960s and 1970s. The role of Weissman, so distrusted by the government of Zaire that he is regarded as an enemy by that U.S. ally, shines as a beau ideal of the post-Vietnam mood. But that time has passed.

How far it has passed was demonstrated last summer when Weissman appeared at a CIA briefing for Solarz in the congressman's office. Hours after the briefing, Adm. Stansfield Turner, director of the CIA, telephoned Solarz and admonished that the presence of Weissman had tended to tighten the tongues of the CIA briefers.

Solarz then learned for the first time from Turner that Weissman's treatise, titled "The CIA and U.S. Policy in Zaire and Angola," had been reprinted in "Dirty Work." Asking an explanation from his staffer, Solarz was told Weissman did not know that Agee and other anti-CIA extremists also would appear between the covers. Solarz transmitted that explanation to Turner and the matter was dropped, with

Weissman retaining his CIA security clearances.

But Weissman's activities on behalf of the African subcommittee, which the panel's liberals are battling to continue, do not stop with "Dirty Work." In informal remarks to the African Studies Association in Philadelphia last Oct. 16, Weissman used his subcommittee position to attack Zaire in a way surpassing the latitude taken by members of Congress themselves.

"Zaire is a basket case," Weissman told his largely black audience. "It is falling apart. . . . A concentrated lobbying effort is what is needed in Washington to change policy." Weissman, who has no notes, told us he never said that. But an eyewitness, who took careful notes, attests to the accuracy of the quote.

Those and other Weissman comments look to the government of Zaire suspiciously like an attempt by a U.S. government official to destabilize their country. In fact, the prospect of change in U.S. policy toward Zaire desired by Weissman is zero under Reagan and Haig; any change will go the other way—firming up U.S. support for the Mobutu regime, corrupt or not, with less minute attention to human rights. Backroom infighting over Solarz's successor reached a frenzied peak over the weekend with Speaker Thomas P. O'Neill himself helping Foreign Affairs Committee Chairman Clement Zablocki assert the rule of orderly succession, supporting Mica over Wolpe. That is one way to operate.

The other is to read the Nov. 4 election returns to the Democratic caucus. If the African affairs subcommittee truly desires to exercise influence, it must understand that the heady years of the anti-CIA cult and human rights as the shining emblem of American policy are gone.●

PRESIDENT REAGAN'S BUDGET CUTS

HON. DAVE DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DREIER. Mr. Speaker, on November 4, the voters of this Nation made it clear that they expected a new direction from their elected officials. They demanded that fiscal responsibility once again be restored to the operations of the Federal Government. Perched on the brink of economic disaster, the people of the United States gave a new generation of leaders a mandate to make decisive, yet commonsense, decisions to bring the mammoth Federal bureaucracy under control.

Tonight President Reagan unveils to the Nation an important first step in achieving this goal. Each specific budget cut represents a carefully considered, yet very difficult, decision in which the needs of particular groups were weighed against the overwhelming necessity to restore sanity to the Federal budget process.

While I may not agree with each particular reduction in Federal outlays, I believe it absolutely essential that we stand behind the President in what he is trying to accomplish. Only through putting aside our individual interests can we hope to achieve the national goal of a strong, stable, and prosperous America.

I applaud the President for embarking on a course that in the past few have had the courage to follow.●

DECONTROL, AT LAST

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DANNEMEYER. Mr. Speaker, this morning the House Energy and Commerce Subcommittee on Fossil and Synthetic Fuels, of which I am a member, began a hearing on President Reagan's decision of January 28, 1981, to speed up the process of oil price and allocation decontrol. I support the President's decision and outlined my reasons at the hearing this morning.

A number of sources could be used to support oil decontrol. One could turn to the drilling statistics showing a 5.6-percent increase in new oil and gas wells in 1979, the first year of partial decontrol, and 15.4 percent in 1980, the second year. In addition, one could point to the gasoline consumption decline of approximately 7 to 8 percent last year as further proof that oil decontrol works.

Former Energy Secretary Charles Duncan, testifying before our Oversight Subcommittee, stated on June 30, 1980, that drilling activity was up 33 percent during the first 6 months of 1980 over the same period in 1979 before decontrol.

On the important subject of the impact of decontrol on price, one could cite the now famous Lundberg Letter which reported on January 30, 1981, that the decontrol decision will only speed up the price increases that would have occurred without the President's actions under the Executive order.

Perhaps most importantly, Mr. Speaker, one could and should point to the Washington Post's lead editorial of January 29, 1981, entitled "Decontrol, at Last". The Post editorial is the most persuasive and succinct defense of oil decontrol that I have read since the President's decision. It contains a lucid analysis of the failure of the Government price and allocation system for crude oil. I cannot help but note that the same principles which apply to oil decontrol also apply to the regulation of natural gas under the Natural Gas Policy Act of 1978. I would hope that the Post and others would apply these principles to natural gas and support efforts to deregulate natural gas in the same fashion that we have now decontrolled domestic crude oil.

Mr. Speaker, I ask permission to insert the Post editorial at this point in the RECORD and respectfully commend it to my colleagues for their review.

[From the Washington Post, Jan. 29, 1981]

DECONTROL, AT LAST

President Reagan was absolutely right to decontrol oil and gasoline prices, quickly and without qualification. It is an essential step toward a rational energy policy. You can dismiss all of those tendentious claims about the added cost to the consumer. The added cost to the consumer will probably be in the range of zero. More than five-sixths of the country's crude oil supply is decontrolled. Home heating oil was decontrolled five years ago. As for gasoline, competition is holding actual retail prices well below the legal ceilings. For the country as a whole, these controls have brought nothing but harm, and the end of them will bring nothing but benefit.

The controls were wrong in theory when President Nixon imposed them in 1971. They were demonstrably wrong, as much costly experience already showed, when Congress insisted on perpetuating them in 1975. President Carter wisely began the process of decontrol last spring. The schedule was a gradual one running into next fall, when the law will expire altogether. Mr. Reagan has now sped up that final process by eight months.

Why were controls wrong? Because they disguised the dangerously high cost of oil to the American economy. The control system required refiners with cheap, price-controlled domestic oil to subsidize other refiners' imports. That held the price to American consumers far below the cost of the imports. Americans used a lot and kept the flow of imported oil high. That seriously damaged the country's balance of payments and eroded the value of the American dollar.

The high level of American imports helped create the very tight market that enabled the exporting nations to double their prices in 1979. By now, the price to the American consumer is undoubtedly higher than it would have been in the absence of any price controls at all. As an attempt to protect the American economy from higher oil costs, the controls have been an unmitigated failure.

Prices have been rising, inevitably, even under the controls. They aren't going to rise any faster in the absence of controls, unless another world shortage develops. Decontrol may even slow the rise a little. The control system contained a number of hidden subsidies—including the usual fat subsidy for the independent refiners—that will now lapse, saving the public a little money.

At worst, in another international shortage and panic like the one in 1979 following the Iranian revolution, prices will indeed rise. How much? It depends on the scale of the shortage. There could be a squeeze on the supply line as early as this spring, if the war continues between Iran and Iraq. But in return for higher prices at the gasoline pump, you will get insurance against a return of the gasoline lines. Those lines were created by the price ceilings, and the cumbersome allocation rules that they required. Having been through two memorable episodes of gasoline lines, most Americans would surely prefer the next time

around to pay in money rather than time, anger and anxiety.●

CALL TO CONSCIENCE VIGIL, 1981

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. KEMP. Mr. Speaker, I am elated at the release of Soviet prisoner of conscience Iosef Mendelevich after 10 years of imprisonment, and hope that this heralds, finally, a recognition by Soviet authorities that the human rights movement will not be ignored. I am convinced that had our voices not been raised these past 10 years in behalf of Mendelevich, he would still be in prison today, and I want to take this opportunity to urge all of our colleagues to recognize the importance of the vigil in the effort to assist Soviet Jews as well as other national groups within the Soviet Union to emigrate to a free country. Our friend Mike Barnes is coordinating the vigil this year, and I urge you to join in this worthwhile effort by contacting him. We owe him a debt of gratitude for his work in behalf of Soviet Jewry and particularly for his work on this year's vigil.

Col. Wulf Vilensky and his wife Sonya of Vilnius, Lithuania have not yet been successful in their attempts to join their children and grandchildren in Israel. This is the 6th year of their personal vigil, having first submitted their applications for exit visas in 1975. Colonel Vilensky is now retired, and before he applied to leave the Soviet Union he was considered a hero of the highest order as a result of valiant service during World War II. He accrued 26 medals for his bravery, including the coveted Hero of the Country Medal, and was honored on his 50th birthday by the Presidium of the Supreme Soviet of the Lithuanian S.S.R. "for many years of work in the military training field, for active participation in public work." However, Colonel and Mrs. Vilensky have no family left in the Soviet Union, and when the last of their family members left the country, they too applied to emigrate to Israel. All 20 family members are now in Israel; only Colonel and Mrs. Vilensky remain in Vilnius, prevented from joining them for 6 years now.

Of their detention Colonel Vilensky does not complain. He is far from a militant or an activist. He sees their desire to emigrate in terms of family, not in terms of national loyalty. "My army rank is colonel," he writes, "but my greatest rank is grandfather." They are very lonely in Vilnius.

I will continue to petition Soviet authorities in the Vilenskys' behalf, and because there are so many like them in the Soviet Union, prevented from being with their families or pursuing their life's goals, it is my hope that we will have the greatest possible participation in the vigil this year. Again, I want to thank Mike Barnes for his leadership in this important undertaking, and urge you to add your support to the efforts being made in behalf of Soviet Jewry.●

EQUAL EMPLOYMENT FOR THE HANDICAPPED

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MOAKLEY. Mr. Speaker, today, I am introducing legislation that will bring equal protection in employment to the handicapped under the Civil Rights Act of 1964.

Under existing law, there is no generally applicable prohibition against employment discrimination on the basis of handicap. Title VII of the Civil Rights Act of 1964 prohibits employment discrimination on the basis of race, color, religion, sex, or national origin; but it provides no protection for disabled workers.

The widespread exclusion of handicapped workers from employment exacts an enormous toll in terms of human dignity and the quality of life for countless Americans. Over 16 million people age 18 to 64 years reported some level of work disability in the 1976 census. Of this handicapped population, there were only 7.1 million persons working.

It is vital to realize that most of these people desire employment but do not work because of unjust and discriminatory hiring policies.

The handicapped face the dilemma of being discriminated against in employment opportunities because they are evaluated on the basis of false generalizations, misconceptions, and misinformation about their handicaps; not on the basis of their job skills, productivity or performance.

Qualified individuals, time and again, are denied employment because of their disability when the disability would in no way interfere with their job performance. Our handicapped deserve the opportunity to be evaluated and hired on the basis of their ability and not their handicap.

The need for this legislation is obvious. There are too many employers who still will not hire an otherwise qualified individual for the sole reason of their disability. Some employers cling to the myths related to hiring the handicapped. Fears of increased insurance rates, lower job performances and job stability, poor attendance and the required physical adjustment turn employers away from hiring the handicapped.

This unnecessary situation weighs a heavy cost on society. In 1980, it was estimated that the Federal Government spend approximately $1 out of every $13 in the Federal budget—$40 billion— to support our disabled population. State, local, and private support for disabled citizens amounts to approximately an additional $60 billion. Surely by eliminating employment discrimination of the handicapped, we can help reduce this economic burden on taxpayers.

Additionally, and more important, by enacting this legislation we can help reduce the loss in human terms that is caused by discrimination against handicapped individuals. Too many deserving people are excluded from society's mainstream; left to lose their dignity and self-worth.

The time has come to include handicapped individuals as a protected element in our population under title VII of the Civil Rights Act of 1964; protecting handicapped persons against all forms of employment discrimination under that title.

We must demonstrate our Nation's firm commitment to ending discrimination against the handicapped by enacting this legislation. I hope my colleagues will support me in my effort to give the handicapped an equal opportunity in employment.

Text of the bill follows:

H.R. —

A bill to amend title VII of the Civil Rights Act of 1964 to make discrimination against handicapped individuals an unlawful employment practice

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a reference in section 2, 3, 4, 5, or 6 of this Act to a section or other provision is a reference to a section or other provision of the Civil Rights Act of 1964.

SEC. 2. Section 701 is amended by adding at the end thereof the following:

"(1)(1) the term 'handicap' means the status of any individual—

"(A) who has a physical or mental impairment which substantially limits any of such individual's major life activities;

"(B) who has a record of such an impairment; or

"(C) who is regarded as having such an impairment.

"(2) Such term does not include the status of an individual who is an alcoholic or a drug abuser—

"(A) whose current use of alcohol or drugs prevents such individual from performing the job involved; or

"(B) whose employment, because of such current use of alcohol or drugs, would constitute a direct threat to property or safety of other individuals.".

SEC. 3. (a) Sections 703(a)(1), 703(a)(2), 703(b), 703(c)(1), 703(c)(2), 703(d), and 703(e)(1), are each amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

(b) The sentence beginning "Notwithstanding any" in section 703(h) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap"; and

(2) by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

(c) Section 703(j) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap";

(2) by inserting after "national origin" the second place it appears the following: ", or persons with any handicap,"; and

(3) by inserting after "national origin" the third place it appears the following: ", or persons with such handicap,".

(d) The center heading of section 703 is amended by striking out "OR NATIONAL ORIGIN" and inserting in lieu thereof "NATIONAL ORIGIN, OR HANDICAP".

SEC. 4. Section 704(b) is amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

SEC. 5. The sentence beginning "No order of the court" in section 706(g) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

SEC. 6. (a) Section 717(a) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

(b) Section 717(c) is amended by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

SEC. 7. The amendments made by this Act do not affect any right, remedy, obligation, or responsibility under the Rehabilitation Act of 1973.

SEC. 8. This Act and the amendments made by this Act shall take effect at the beginning of the sixth month after the month in which this Act is enacted.●

RECONSIDERING OUR SHARE

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. LEBOUTILLIER. Mr. Speaker, during the course of the upcoming session, this Congress will be called upon to find ways to responsibly eliminate excessive spending without hurting those American citizens who are truly in need.

I would like to call to the attention of this body a recent editorial presented by WOR-TV in New York, which suggested that among those ways the U.S. budget could be cut would be to reduce this country's contribution to the United Nations.

WOR's editorial director, Herbert W. Stupp, sagely notes that the U.S. Secretariat has become a bin of patronage employing about half of the 15,000 people on the U.N. payroll.

Mr. Speaker, certainly this world needs a body where the international community can meet and discuss the pressing issues which threaten our survival. But just as surely, other countries must shoulder their share of the burden as well as eliminate unnecessary personnel.

And most definitely, we cannot justify asking our own countrymen to tighten their belts while providing more than 25 percent of the U.N. budget.

Mr. Speaker, I commend Mr. Stupp's commentary to this body:

RECONSIDERING OUR SHARE

(By Herbert W. Stupp)

It's safe to say that two things the American people voted for in November, were less government, and more respect for America overseas. There is a way we can symbolically satisfy both desires. That is by taking a critical look at the U.S. contribution to the United Nations.

The U.N. has a staff of about 15,000 employees. A recent New York Times Magazine article quoted this adage: "How many people work at the secretariat?" The answer: "About half." The Secretariat has become something of a patronage system for the international community. There are more than a few high paying yet largely useless jobs. And it's common knowledge that the U.N. personnel from the Soviet bloc operate as spies.

What's especially galling is that the American taxpayer is subsidizing this activity. There are 153 member nations, yet we Americans contribute 25% of the U.N. budget.

Certainly, the U.S. should continue to support positive programs of the U.N. that work toward improving health, agriculture, and the like. And the U.N. remains a worthwhile forum during world crises. It's also important to the economy of New York City. But by withdrawing specific support for needless bureaucracy, we could make the U.N. a more effective body. A few measured, targeted cuts would give two important signals. That we mean to control our own budget and that we intend to be taken seriously by the world community.

And that's our opinion. I'm Herb Stupp.●

THE REPEAL OF FOREIGN-EARNED INCOME TAX

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to eliminate one of the most inequitable provisions of our current tax code, foreign-earned income tax. This tax, levied on Americans abroad, constitutes a major impediment to the expansion of American competitiveness in world markets, in addition to increasing opportunity costs of Americans working overseas.

At a time when American competitiveness in world markets is deteriorating, this tax further erodes the basis for any American trading advantage. The United States is the only major trading country which taxes its citizens outside its borders. The increased cost of this tax is forcing American companies overseas to replace their American expatriate staff with foreign nationals. This shift in hiring practices has resulted in endless adversities for the United States, not the least of which is an 8-percent unemployment rate, which I need not remind my colleagues is primarily attributable to the influx of foreign imports in the American marketplace.

This onerous taxing of Americans abroad is directly undermining efforts to enhance American trade policy. With a deficit balance of payments for 8 of the last 10 years, it is evident that the United States urgently needs to reevaluate current trade policy. Such a policy should be focused on advancing the American trade advantage overseas. Yet how can our competitiveness be improved when we continue to penalize the very citizens who are actively advocating American know-how in other countries. These citizens, who are already paying an opportunity cost in terms of relocation, should be relieved of this financial hardship.

The negative impact of this tax on U.S. workers, on overall tax receipts, and on domestic unemployment is not worth the projected increase in revenue to be collected from the personal income taxes of these Americans overseas.

Mr. Speaker, in short my bill would exclude all foreign-earned income of Americans working overseas, if they have resided in a foreign country for 11 out of 12 consecutive months. By enacting this vitally needed legislation, Congress would be taking a positive step toward restoring American economic prestige both at home and abroad.●

NUCLEAR WASTE MANAGEMENT RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT OF 1981

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GOLDWATER. Mr. Speaker, today I am introducing legislation to help our Nation deal with the growing problem of nuclear wastes. As you well know, this subject received a great deal of attention during the 96th Congress, and legislation to establish a comprehensive high-level nuclear waste program was reported in both Houses of Congress. However, due to unfortunate time constraints, we were unable to schedule floor consideration on this act's predecessor or to convene a conference on other nuclear waste legislation. With the beginning of the 97th Congress, I am confident that we can now move forward with a meaningful nuclear waste technology demonstration legislation and take the other necessary steps to make nuclear energy a viable option.

The issue of safe permanent disposal of nuclear wastes is of considerable importance to the Nation, and is a prob-

lem which had already been neglected for too long a period of time. Our Nation must demonstrate that technological solutions to this problem exist now or we may have to face the prospect of closing nuclear plants in the near future. We have already been forced to limit construction of new nuclear plants in some areas of the country due to the public's perception that a technological solution does not exist.

My legislation, the Nuclear Waste Management Research, Development, and Demonstration Act of 1981, will help us gain the experience and information necessary to obtain public confidence in our Nation's ability to safely dispose of high-level nuclear wastes.

This legislation directs the Secretary of Energy to design, construct, and operate two technology demonstration facilities for research and development purposes. Nuclear wastes owned or acquired by the Federal Government and primarily resulting from unlicensed activities shall be utilized in these activities. The first of these facilities is required to be in operation by the end of fiscal year 1987; the second is required by the end of fiscal year 1988. These facilities are required to be located at sites identified in accordance with the provisions of this act.

Under this bill, the Secretary is also required to design, construct, and operate technology demonstration facilities to solidify nuclear wastes for eventual implacement in the demonstration repositories. These solidification facilities shall utilize any suitable technique, including but not limited to vitrification, that will provide a waste form that is resistant to the release of radionuclides.

This bill also recognizes that the States must play a significant role in the formulation of any effective nuclear waste disposal program. My legislation formally recognizes the role of the States, and gives them a meaningful opportunity to influence any actions taken by the Secretary under this bill. It specifically requires the Secretary of Energy to consult and coordinate with the appropriate officials from any State in which a potential nuclear waste technology demonstration facility may be located regarding the Department's planning and construction of that facility. Thus, under this legislation, we protect the rights of the States involved in providing for the construction and operation of a nuclear waste technology demonstration facility, while at the same time acting in our Nation's best interests.

I believe that it should be a national goal to insure that a nuclear waste demonstration is begun now and that it be in operation within the time frame established in this bill. We need action rather than studies. We have seen a seemingly endless series of studies, reviews, and evaluations of nuclear waste disposal within the last several years, each ending with several laudable recommendations or goals that somehow get sidetracked before they are achieved. What we need instead is to establish a research, development, and demonstration program that will get this job done, and to my mind that includes construction and operation of a demonstration repository in a timely manner.

I find it ironic that despite its rhetoric on this subject, the Department of Energy has continued to slip the deadline for the construction of any nuclear waste facilities. We cannot afford to accept this leisurely type of approach.

We in the Congress must recognize that the principal national issue of concern with nuclear energy is waste disposal. I believe that this legislation provides the tools to allow us to adequately address this concern. For this reason, I urge that my colleagues support the bill and that it receive prompt consideration.●

MENDELEVICH IS FREE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. FRANK. Mr. Speaker, Iosef Mendelevich, one of the three remaining defendants in the 1971 Leningrad trials, was finally allowed to leave the Soviet Union this morning for Israel. It is exactly 10 years since the infamous trials wrongly convicted Mendelevich and his codefendants for attempted hijacking of a Soviet airliner. His original 12-year prison sentence was extended 3 years because of his desire to observe strict religious practices during his incarceration.

The release of Iosef Mendelevich, together with a recent increase in the number of exit visas issued to Jews could be a tremendously hopeful sign for all those concerned with human rights in the Soviet Union. Although current emigration figures are nowhere near the 1979 levels when emigration reached nearly 51,000 for the year, the upward swing cannot go unnoticed. I believe we must encourage the Soviet Union to continue the trend of the last 2 weeks by allowing even more Jews to leave, and by granting permission to the other prisoners of conscience to leave for the West.

At a time when East-West relations are poor, the Soviet Union is in a position to improve current tensions by improving its emigration record. In so doing, a new climate of conciliation could be created to improve East-West relations on a host of important issues.

I hope the Soviet Union will see fit to release the two others held in the Leningrad hijacking case, Yuri Fyoderov and Aleksei Murzhenko, as well as the other prisoners of conscience soon. Today, we can all be relieved that Iosef Mendelevich is free.●

FREEDOM FOR JAN BARTA

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. RITTER. Mr. Speaker, I am deeply concerned about the recent incarceration of Father Jan Barta in Czechoslovakia. The details surrounding Father Barta's arrest have been detailed in an article appearing in the January 7, 1981, edition of Jednota. Jednota is the official organ of the First Catholic Slovak Union of the United States and Canada.

As a nation committed to freedom from oppression, I feel we must continue to put pressure on the Communist regimes for their wanton acts of repression against their own citizens. As Members of Congress, we must continue to be sensitive to the oppression that occurs beyond our shores. The Communist nations must come to realize that incarcerating religious believers, simply because their views differ from those of the government, will be met with condemnation from free peoples everywhere.

The Slovak nation has a rich and highly cultured history. Its strong spiritual beliefs together with its inexorable sense of nationalism are feelings that will never be overcome by the shroud of totalitarianism. What makes Father Barta's arrest even more heinous is the fact that Father Barta has already suffered two heart attacks and his health is described as sickly. In addition, Father Barta was sentenced to prison in 1952, during the Government's all-out drive to eradicate religion from Czechoslovakia, and was not released until 1966. One wonders about the morality of a government whose repression includes the sick and the elderly.

The incarceration of Father Barta is not only a callous act against human rights, but also a grave act against all Slovaks. We must insist on the spirit of the Helsinki accords which provide basic human rights—rights that are guaranteed by that agreement signed by the Czechoslovak Government. I am proud to represent a district overflowing with ethnic pride. Today I join with them in asking the Government of Czechoslovakia to right its wrongs against Father Jan Barta and restore the rights entitled to him as a human being. I further join with all Americans in asking that we continue to hold the torch of religious freedom aloft to serve as a beacon to those who are repressed and to let them know

that we in America will continue the struggle for such human rights.

Enclosed, for the benefit of my colleagues, is a copy of the Jednota article describing the plight of Father Barta.

[From Jednota, Jan. 7, 1981]

RELIGIOUS ORDERS MOST SEVERELY RESTRICTED—HUMAN RIGHTS GROUP PROTESTS PRIEST'S ARREST IN CZECHOSLOVAKIA

(By Jerry Filteau)

ROME (NC).—A human rights group from Slovakia, Bohemia and Moravia has sharply protested the recent arrest in their country, Czecho-Slovakia, of a Franciscan Catholic priest.

The protest, given to NC News by reliable sources in Rome Dec. 23, said that Father Jan Barta, 59, was arrested in Liberec Nov. 18 by secret police agents.

He was charged with interfering with the state's control over the church.

The protest said that the secret police simultaneously searched three houses inhabited by Franciscans in Liberec Nov. 18, including the one where Father Barta lived, and confiscated about 70 objects. The objects were described as consisting mainly of religious writings, such as liturgical and theological books, Polish Catholic journals and writings on the Franciscan order.

Author of the protest was the Committee for the Defense of the Unjustly Persecuted of the Czecho-Slovak League for Human Rights, a group described as closely connected with Czecho-Slovakia's dissident "Charter 77" human rights movement.

"Father Barta's arrest is an open violation of the most basic human rights, as well as an arbitrary interference in the area of the Franciscan order's structure and life," the rights group communique said.

"With Father Barta's arrest," it said, the Czecho-Slovak secret police "clearly want to cut off the religious and pastoral activity of a priest who wanted to do nothing but exercise the ministry to which he had consecrated his whole life."

The Franciscan priest was described as a sickly man who has suffered two heart attacks and was on disability pension as the result of a serious accident.

In 1952 he was sentenced to 20 years in prison on charges of treason. He was one of more than 3,000 priests in the country imprisoned in the early 1950's in an all-out government effort to erase religion from Czecho-Slovakia.

In 1966, as some church-state tensions were easing, he was released from prison.

Shortly after the "Prague Spring" of 1968, when many religious restrictions were dropped or eased, a new series of government measures restored many of the pre-1968 conditions.

Religious orders are among the most severely restricted. They cannot accept novices and their members cannot live a community life. Nuns are barred from their traditional teaching and social service apostolates.

A Franciscan source in Rome said the order has no accurate figures on its members in Czecho-Slovakia because of the limitations on the order there and lack of communications.●

SOCIAL SECURITY BENEFITS AMENDMENTS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation which would correct an injustice in the computation of social security benefits for men who retired or reached the age of 62 prior to the 1972 Social Security Amendments.

To describe the bill, it is necessary to relate the development of the early retirement provision. In 1954, the Congress enacted a provision which extended to women only the option of retiring at age 62. To provide women who retired early eligibility to receive benefits to which they might not otherwise be entitled unless they retired at age 65, the early retirement provision modified the way in which social security looked at the earnings record, thus optimizing a woman's chance to receive social security benefits at age 62. In 1972, the same early retirement provision was extended to men. However, between 1954 and 1972, male retirees could not avail themselves of the early retirement provision. The result: There are thousands of male retirees who are receiving lower social security benefits than those provided under the early retirement formula, or who would have been eligible to receive benefits had they chosen to retire at age 62 under the early retirement provision, but were not eligible when they did retire at age 65.

My bill makes retroactive the 1972 amendments, thus providing lump sum back payments in benefits to those men who retired or attained the age of 62 before the 1972 amendments. In addition, it would adjust the benefit level for those men who retired early, thus increasing their monthly social security benefits. Finally, it would bring on the rolls those men who would have been eligible to receive social security benefits had they been able to use the early retirement provisions.

I have introduced this legislation in the past two Congresses, but no action was taken, largely to the complexity of the issue. I hope that the Social Security Subcommittee will consider this proposal this year, when it seeks to correct injustices in the social security system.●

FAMILY BUSINESS, RANCH AND FARM PROTECTION ACT

HON. KEN KRAMER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. KRAMER. Mr. Speaker, today, I am introducing a bill designed to help foster the preservation of family-owned farms, ranches, and businesses. In spite of numerous studies and reports which demonstrate that small businesses generate the bulk of employment and innovation in our economy, our present tax laws act to discourage the passing of small, family-owned and operated businesses from one generation to the next. The disincentives presented by present tax laws are compounded by the cruel inflation rate of recent years which has overstated the value of such small family-owned businesses, thus often resulting in heirs being forced to sell off these properties in order to pay inheritance taxes. If we are serious about generating new employment in the private sector and about raising productivity and regenerating the innovative spirit which has made this country the technological leader in the world—and we should be serious about meeting these objectives—then we must start with the tax laws which discourage the realization of these goals.

The legislation I am introducing, entitled the Family Business, Ranch and Farm Protection Act, would amend the Federal estate tax laws to allow up to one-half the value of a family-owned farm or business, to a maximum of $500,000 to be exempt from taxation when passed to family members who continue to operate it. The bill requires that family members continue to work in the business for a minimum of 5 years following inheritance to qualify for the exemption. The amount of tax liability is then prorated if the heirs sell the business within 10 years of inheriting. Thus, if the heir does not work in the business for at least 5 years, he must pay the estate tax on the total amount of his business which was exempted from estate taxes under this bill. If the heir sells after working in the business for 5 years, he would be required to pay one-half of the tax. Thereafter, the tax liability would be reduced each year by 10 percent of the amount for which he would have otherwise been originally liable if he sold the business without working in it for 5 years.

It is significant that the White House Conference on Small Business delegates voted as their third highest legislative priority changes in the estate tax laws to allow for preservation of family-owned business. It can truly be said that if small business is the backbone of our Nation's economy, then family-owned businesses are the core of our small business and free enterprise system. Unfortunately, the effect of existing estate tax laws and double-digit inflation and escalating property values could make family-owned businesses an endangered species, as more and more such businesses are forced to sell and become attrac-

tive candidates for acquisition by large corporations or conglomerates.

We must pay prompt recognition to the contribution which small, family-owned businesses, farms, and ranches make to overall national economy through job creation, advancing technology and innovation, and increasing productivity, and we must work to insure that that contribution is not lost through sheer inaction on our part in the Congress. Conditions have changed in recent years, mandating changes in the law, and I would hope that Members will closely review the changes which are proposed in the bill I am introducing and will join with me in pushing to effect those changes in this Congress.●

JOHN LINDSAY SPEECH ON URBAN POLICY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. RANGEL. Mr. Speaker, as we struggle to achieve a rational effective urban policy for this Nation, few voices, if any, are as credible and instructive as that of John V. Lindsay, one of my constituents and former mayor of New York City. Not only is Mr. Lindsay a recognized student of urban policy but he has the unique experience of having lived in and governed the Nation's largest and most innovative urban community. I recommend to my colleagues his views as they appear in the New York Times, February 5, 1981:

SHAPING URBAN POLICY

(By John V. Lindsay)

The President's Commission for a National Agenda for the 1980's recommended in December that the struggle to revitalize our older cities be abandoned. In fact, the opposite course should be pursued. The whole country will be weakened even more if the decline of these cities continues.

There are five major urban-policy areas that require sensible, decisive action by the Reagan Administration: economic development, elimination of mandated programs, public safety, intergroup relations, and mass transit.

After having served 17 years in three areas of the public sector—the Justice Department, Congress, and City Hall—I hold a view of urban issues, shaped by experience, that is distinctly pragmatic. I'm for what works best in meeting public needs—not more government or less government, but rather better government.

First, metropolitan centers must be made attractive to investors and employers. When tax cuts and abatements are instituted to induce the creation of new jobs, as they must be, care must be exercised to prevent the providing of incentives for employers to move out of cities. For example, untargeted across-the-board tax credits for new plant construction will give manufacturers economic reason to abandon the downtown and build facilities where they are least needed. Federal policy should produce exactly the opposite result: Employers should be encouraged to expand in those areas, urban, suburban, and rural, where employment rates have fallen below a certain level.

Second, Washington must abolish all federally mandated programs and relieve states and local governments of the fiscal burdens that are brought to their doorsteps by the migrating poor. While Mayor of New York City, I sued the Government to invalidate the entire welfare system, which imposes its costs on states and local governments and then sets discriminatory Federal reimbursement schedules for different areas of the country. Any program to deal with poverty must be national in scope, Federal in its administration, and uniform in its application. Urban areas, which have become the repositories of the poorest of the nation's poor, will never be able to deliver essential services or keep local taxes low enough to compete as long as they are oppressed by such Federal mandates as welfare and Medicaid.

Third, with crime rates at the highest level in history, is it any wonder that fear of crime has become an American preoccupation? Washington has allowed funding for law-enforcement assistance to lapse and failed to halt both the interstate traffic in handguns and the international commerce in narcotics. By licensing handguns, curbing the arms factories in South Carolina, Virginia, Florida, and Georgia that produce 70 percent of the handguns that are illegal, bringing the Government's narcotics strike force up to full complement, and rebuilding and restructuring crime-fighting funding, the Government can move effectively against crime, as it must.

Fourth, if the hallmark of a civilized society is the degree to which its citizens are safe from violence, we have indeed become a less civilized nation, and the absence of constructive local leadership often makes our streets even more dangerous. Fuses are short and people are quick to shout, even shoot, at one another. An idle generation roams the streets, estranged from the institutions and customs that used to bind communities together; they constitute small armies of hustlers that must be dealt with swiftly, but also given the chance to work and the hope of entering the mainstream. This will not be easy, but Washington can at least begin by shaping policy to bring employment back to cities. In this regard, our new leaders in Washington might read the report of the Kerner Commission on Civil Disorders (of which I was vice chairman), in which 11 Federal commissioners, Republicans and Democrats, conservatives and progressives, issued unanimous recommendations for reducing the incendiary possibilities that polarization produces.

Fifth, a decent transit system is basic to jobs—and to safety. Cities with mass-transit systems provide the best alternative to automobiles and represent a line of defense against America's inflationary dependence on the Organization of Petroleum Exporting Countries. Lamentably, the subways and commuter rail lines in New York are a public disgrace. They are filthy, crime-ridden, and mechanically unreliable. And the buck seems to stop nowhere. Local weaknesses notwithstanding, this system cannot be restored to health without a strong Federal mass-transit policy. A wrong policy is the current one that apportions mass-transit aid on the basis of population rather than on ridership.

I am familiar with most major world cities and have participated in urban conferences in many of them. The central governments of most of these countries assume direct responsibility for their cities' well-being. Our Federal Government must play the same role—and play it well.●

RESEARCH BILL ON NUCLEAR WASTE DISPOSAL

HON. MARILYN LLOYD BOUQUARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mrs. BOUQUARD. Mr. Speaker, today Mr. GOLDWATER, Mr. LUJAN, Mr. FUQUA, and I introduced the Nuclear Waste Research, Development and Technology Demonstration Act of 1981. This bill is intended to provide direction to the Department of Energy's research program for disposing of high-level radioactive wastes. It is fundamentally the same as H.R. 7418 which was introduced and reported from the Committee on Science and Technology during the 96th Congress. However, it is different in that much of the detail that is now considered unnecessary has been eliminated.

As many of you know, technical demonstration of nuclear waste disposal is a key element in freeing nuclear power from the political morass that has engulfed it for the past several years. With the technology that the vast majority of scientists agree is now available, there is no excuse for not promptly demonstrating to the people of the United States that nuclear wastes can be disposed of safely and effectively. At the same time, valuable experience and data will be gained for building, licensing, and operating commercial repositories.

The bill directs the Secretary to select two sites for small-scale research, development, and technology demonstration for nuclear waste isolation to build public confidence in the fact the technology is well in hand. A small quantity of high-level nuclear waste is to be solidified in a glasslike form and placed in containers designed to last at least as long as it takes for the wastes to decay to levels only as toxic as the uranium ore from which it came. In this way, the containers, or engineered barriers as they are technically called, will provide the primary protection for isolating the wastes. The geology deep underground will provide a further, secondary isolation. The concept behind engineered barriers is to reduce the hazard from the waste derived from spent uranium fuel rods to levels below that of the original mined uranium. The repository system composed of engineered barriers and surrounding geological protection would then provide a level of isolation greater than that provided by the original uranium ore body.

The bill provides that the first R.D. & D. facility shall be in operation by

the end of fiscal year 1987 and the second by the end of fiscal year 1988. The Secretary is further directed to consult with Federal and State officials about the Secretary's R.D. & D. plans. An important part of this bill is that it prohibits expansion of these facilities into permanent commercial high-level waste disposal repositories.

I hope that we can move quickly to revitalize and provide direction to the Nation's research efforts in the area of nuclear wastes. It will be a priority this year in the Committee on Science and Technology.●

JACK WYDLER

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DERWINSKI. Mr. Speaker, on January 23 of this year, the 1981 World Freedom Day Rally of the Republic of China was held in the Sun-Yat Memorial Hall in Taipei. The great gathering of people from all over the free world at that rally, was addressed by Dr. Ku Cheng-kang, the rally chairman, and by H. E. Sun Yun-Suan, Premier of the Republic of China, and by former Member of Congress, our good friend, John W. Wydler.

The occasion was the famous January 23 Day Celebration which commemorates the day of decision for thousands of Chinese from the Communist mainland who chose to go to Taiwan rather than return to the Communist State. On Taiwan, they joined a people united in the cause of freedom who are living proof of the benefits the free enterprise system can produce. The economic growth in the Republic of China stands in stark contrast to the economic decline on the mainland.

Our former colleague, Jack Wydler, was proud to participate that day as a representative of the American people and freedom loving people all over the world. I insert his speech made at the rally for the enlightenment of the Members:

SPEECH BY HON. JOHN W. WYDLER FOR 1981 WORLD FREEDOM DAY RALLY OF THE REPUBLIC OF CHINA TAIPEI

Mr. Chairman, Officials of Republic of China, Distinguished Guests, Friends in Taiwan:

I am honored to be here as a representative of the people of the United States of America, and as one who has served in the United States Congress, to participate in the celebration of this great week of Freedom.

The idea for this week started here in free China but it has spread throughout the free World. The presence today of my colleagues from many countries around the world, of all colors, races and religions who have come here is proof that men everywhere are united to preserve their right to freedom.

I pay special tribute to the World Anti-Communist League for the important part they have played in the struggle to spread freedom to all mankind and especially to the man who has provided it with guidance and leadership, Dr. Ku Cheng-Kang.

We, in the United States are thankful for the great work and sacrifices that have been made by the people of the Republic of China in the cause of freedom.

Today, I bring you this message from the people and the Congress of the United States of America: We need your help! You, here in free China, are on the front line of the battle to preserve freedom.

If you can preserve your freedom, ours is secure as well. If you lose your freedom, ours is in danger.

We must depend on you here in the Republic of China to stand fast in our common cause. If you do that you will have our everlasting thanks.

On our part, we know you need our support and the necessary weapons for your defense.

That is the least we can do on your behalf, and the Congress has spoken out clearly that the arms will be provided to you and that any attempt by the Communist Chinese to use force against free China, including boycotts and embargoes, will be a threat to peace and of grave concern to the United States.

Let the Communists make no mistake. We mean what we say.

My country has just installed a new man as President—Ronald Reagan. He is a man who hates Communism. He is a man who fights for what he believes in and he is a man who is a friend and admirer of the Republic of China here on Taiwan.

His election and inauguration sent a clear message to the forces of Communism who control the mainland of China. The message is that free men everywhere intend from this day forward to stand together in the defense of freedom.

And as my country celebrates the release of our hostages in Iran, we understand that if the freedom of 52 people can be so important and bring us such happiness then the freedom of whole nations and peoples is of the highest importance to us and to the world.

We are reminded that as we meet here a billion of your brothers and sisters on mainland China do not live in freedom. But they, like people everywhere, would like to live in freedom and if they could choose they would live in freedom.

You here on Taiwan, the people of the Republic of China, keep the flame of freedom burning for them.

While freedom lives and flourishes here, their hope will live and some day soon they will see their dreams come true and they will live in freedom with you.

The day will come when all the Chinese people will be re-united, in freedom, bound together in the heritage of thousands of years.

That heritage, inspired in this generation by Sun Yat-Sen and Chiang Kai-shek, is to see every Chinese man and woman living in freedom.

We know that day will come.

Here, today, we all join together and pray to God that the day of freedom will come soon.

IN SUPPORT OF VIKTOR BRAILOVSKY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 1981

● Mrs. HECKLER. Mr. Speaker, the Soviet Union's persecution of religious and political dissenters has been so systematic that accounts of repression there have almost lost their power to shock us in the United States.

But one recent example of this brutal policy cannot fail to outrage the sensibilities of all of us in the Congress, and across the country. The treatment of Viktor Brailovsky, a distinguished scientist who was a pioneer in the field of cybernetics, stands as a sordid monument to the Soviet Union's appalling disregard for basic human dignity.

Dr. Brailovsky's crime was being born a Jew in a nation devoted to the most virulent form of antisemitism. He compounded that crime by seeking to emigrate to Israel along with his wife Irina, also a scientist. He erred most grieviously by pressing his case—asserting the rights that in every truly civilized nation are considered a birthright of all humanity—and now he has been called to pay for those crimes.

Dr. Brailovsky has sought exit visas from the Soviet Union, for his wife and himself, since 1972. In those 9 years he has become increasingly vocal in his protests against the Soviet Government, and he has been increasingly harassed and persecuted by that Government.

In 1974 he was imprisoned for 2 weeks, for trying to arrange an international session of the Moscow Seminar of Jewish Scientists—a group he founded to keep his fellow persecuted scientists aware of new developments in their fields, to which the Soviet Government has systematically denied them access.

In 1976 he was granted an exit visa—for himself only. He refused to leave the country without his wife, and was soon arrested again, to be held for a short time.

Last April he was arrested a third time. This time he was held as part of an investigation into the publication of "Jews in the U.S.S.R.," a cultural publication he edited along with several other prominent refuseniks. He was again released, but again his freedom was short-lived.

Last November, on the eve of the meeting of signatories of the Helsinki Final Act in Madrid, Dr. Brailovsky signed a letter—cosigned by 237 other refuseniks—demanding that Soviet President Brezhnev issue them exit visas.

Arrested 2 days later for "defaming the Soviet state," Dr. Brailovsky re-

mains in Butyrskaya Prison to this day.

Soviet law says no prisoner can be held for more than 2 months without a trial—yet Dr. Brailovsky has been in prison since November, and has seen no trial.

At this moment Dr. Brailovsky's health appears to be deteriorating, as a result of a chronic liver ailment. His wife believes he has not been receiving proper medication, yet she has not been allowed to deliver any such medicine to him in prison.

The Soviet authorities have acknowledged Dr. Brailovsky's illness: they have in fact used it as an excuse for dropping their investigation of his supposed crimes, and putting off any trial, while still holding him in jail.

Mr. Speaker, this relentless persecution of Viktor Brailovsky epitomizes the viciousness with which the Soviet authorities have pursued their goal of crushing all dissent within their borders. It is an act calculated to break the wills of all who would dissent, as it seeks to destroy the life and hopes of one brave man who is their symbol.

Mr. Speaker, the United States cannot ignore Viktor Brailovsky, because it cannot ignore the ideals of freedom and dignity that he has come to symbolize. I ask that all Members in this House join me in calling on the Soviet Government to end its persecution of this man—to give him the medical care he needs, to release him from prison, and to allow him to emigrate to Israel along with his wife—and to adopt a policy of free emigrations for all its citizens, as would befit a nation that aspires to any degree of respect in the world community.

Thank you.●

THE SLATE BELT MEDICAL CENTER: COMMUNITY COOPERATION AT ITS BEST

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. RITTER. Mr. Speaker, on January 4, I was honored to have been present as a guest at the dedication ceremonies of the new Slate Belt Medical Center in Wind Gap, Pa. The decade-long story behind the construction of this fine new health care facility proves what the residents of a community in America can accomplish when they put their minds to it. At a time of inflation and high health care costs, we can all take heart at the way the people of the Slate Belt overcame all obstacles to make this dream come true. Having first been elected to Congress in 1978, I am delighted to have been a strong supporter of these efforts since then.

The beginning of the story of the medical center started in 1970, when Joseph Dell'Alba and several other interested Slate Belt residents started working toward the creation of a hospital in the Slate Belt. Dogged perseverance was necessary; in fact, many of the faces and names of the venture's supporters changed over the years. Through it all, a hard core of determined people continued, and new supporters were added. Finally, in 1978, the official requirements were met and permission was received to begin construction.

The medical center was to be a new concept in medical care. The building was to be of three floors, with the first floor housing a primary care center and emergency room and the upper two floors housing 120 beds for skilled-care patients and intermediate-care patients.

The cost of the project was estimated at $3.5 million. The board of directors of the Slate Belt Medical Center went to the 35,000 residents of the Slate Belt and asked them to open up their hearts and pockets in a fund-raising effort. The people of the Slate Belt responded magnificently. In a short time, they had pledged slightly over $1 million to the building fund. The banks of the Slate Belt arranged the rest of the money in a convenient loan, and the construction of the medical center began.

Groundbreaking occurred on June 24, 1979, and actual construction began shortly thereafter. The facility was built and equipped about a year and a half later.

Today the medical center stands as a monument to the determination of the residents of the Slate Belt to carry the facility through to a successful conclusion no matter the obstacles.

The Slate Belt Medical Center vividly emphasizes that the spirit of community cooperation and togetherness in America is not a thing of the past, and that the right cause with the right leadership will receive the support of the people.

Mr. Speaker, it is appropriate in this summary of the history of the Slate Belt Medical Center to list the names of some of the people who were particularly supportive during the effort to build the medical center. Here are just some of the many who gave of their time, energy, and resources to aid in the struggle:

Joseph Dell'Alba, Mayor of Wind Gap.
John Turtzo, M.D., Pen Argyl.
John Turtzo, D.M.D. Pen Argyl.
Douglas Turtzo, M.D. Pen Argyl.
Peter Ghatak, M.D. Pen Argyl.
David Turtzo, D.M.D., Pen Argyl.
John Oliver, M.D. Pen Argyl.
James Tinney, Pen Argyl, President, Pen Argyl National Bank.
Roy Williams, President, First National Bank of Pen Argyl.
Ronald Cann, Merchants National Bank of Bangor.
Joseph Beers, Richmond, President of a contracting firm, General Chairman of the Fund-Raising Campaign.
Mariano C. Saveri, President, Atlantic Apparel Contractor's Association.
Jeanette Reibman, State Senator, Easton.
Philip Ruggiero, State Representative, Bangor.
Russell Kowalyshyn, State Representative, Northampton.
Fred B. Rooney, former U.S. Congressman.
Richard Suck, Administrator, St. Luke's Hospital, Bethlehem.
Donald Porter, Administrator, Muhlenberg Medical Center, Bethlehem.
Donald Hamilton, Administrator, Easton Hospital, Easton.
Ernest Kline, former Lieutenant Governor of Pennsylvania.
Dr. Leonard Bachman, Pennsylvania Department of Health.
Thomas Vracarich, Pennsylvania Department of Health.
W. Philip Palmer, Director, Division of Primary Care Development of the Pennsylvania Department of Health.
Richard Miller, Consultant, Medical Care Systems.

The following members of the Slate Belt Municipalities Association:

John Dally, Mayor, Pen Argyl.
Joseph Dell'Alba, Mayor, Wind Gap.
Charles Angelini, Mayor, Roseto.
Jim Abbott, Mayor, East Bangor.
Duane Miller, Mayor, Bangor.
Russell Snyder, Mayor, Portland.
Paul Wagner, Chairman, Washington Township.
Victor Melnick, Chairman, Upper Mt. Bethel Township.
Richard Grucela, Chairman, Lower Mt. Bethel Township.
William Danner, Chairman, Plainfield Township.

The following members of the board of directors of the Slate Belt Medical Center:

Joseph Dell'Alba,
Olimpio R. Pacchioli,
Harry U. Mervine,
Louis Guida,
Charles Angelini,
Alan B. McFall,
John G. Oliver, M.D.,
Joan Cope,
Helen Pysher,
Ann Zelenka,
Kenneth Ace,
Richard Grucela,
Robert R. Davis,
Garfield Williams, Jr., and
Earl Laub.●

STEVEN G. ST. JOHN WINS INDIANA "VOICE OF DEMOCRACY" CONTEST

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. FITHIAN. Mr. Speaker, Mr. Steven G. St. John, while brilliantly representing the State of Indiana as well as the Second District, wrote the following piece as part of the Veterans of Foreign Wars' voice of democracy contest, a competition in which Steve placed first in his State. Steve, the son of Mr. and Mrs. Fred and Marjorie St. John, of Royal Center, has been very

active in Pioneer High activities, such as student council, the National Forensic League, National Honor Society, choir, band, and the French and German Clubs. The Purdue-bound senior also presided over his senior class.

The voice of democracy scholarship program began 34 years ago with the endorsement of the U.S. Office of Education and the National Association of Secondary School Principals. In 1961-62, the Veterans of Foreign Wars assumed sole sponsorship of the program, a duty that had previously entailed the services of National Association of Broadcasters, the Electronic Industries Association, and the State Associations of Broadcasters. Since 1961-62, the scholarships have increased from a single grant of $1,500 to the present number of five scholarships, totaling $31,500, with the first-place winner now receiving a $14,000 scholarship to the school of his/her choice. Steve is one of a quarter million participants, as student participation has tripled since the program's inception.

Steve, a future engineer, should be commended for his fine display of patriotism. We hope that other Indiana high school students will follow Steve's fine example of love for one's country and commitment to the outstanding ideals America represents. The Second District is proud to have Steve representing it and the State of Indiana in his quest for the national voice of democracy scholarship.

Mr. St. John's speech follows:

My commitment to my country * * * When I hear these words, I think of Americans in the Armed Forces or people elected to office * * * commitment * * * but the word commitment goes much deeper than this. It means to me a whole attitude of service, love and devotion to my country. Such dedication must go beyond being what is commonly termed a "flag waver," to include holding steadfast for what America stands for. Benjamin Franklin once said, "We have given you a Republic, if you can only keep it that." He was saying that without the commitment of the citizen, it would be impossible for the individual states to function as a whole. I am going to keep Mr. Franklin's warning in mind as I further explore my commitment to my country.

What then, should this dedication entail? Probably the most obvious demonstration of my dedication would simply be to vote. I can make my voice heard. I can have a say concerning the functions of our governmental system. When our government was established 200 years ago, our Founding Fathers based their theories on the assumption that people would continue to be committed to their country * * * that the average citizen would indeed feel responsible toward society. I believe that our electoral system works, that the vote of the average citizen does count. For me, voting is not merely a duty, rather it is a reaffirmation of the faith of the Founding Fathers in the common man.

Secondly, if I am to be a truly committed citizen, I must develop a sense of the greater good. What do I mean by the greater good? Last year at a high school assembly, I listened to a story that seemed to demonstrate this concept. It was the story of a man * * * a man whose job it was to watch over a railway bridge, rotating it when necessary to allow river traffic to pass. It wasn't unusual for the man's little boy to come with his father because he enjoyed playing by the river. One day, a day that seemed like any other, the bridge tender was anticipating the arrival of the 12:00 o'clock passenger train. As he was preparing to realign the bridge, he froze. Not 200 feet away, in plain sight, was his only child playing innocently in the massive gear mechanism. Quickly gauging the speed of the approaching train, he realizes that he hasn't time to call his son. In a split second, the man must decide between the life of his son and the lives of the passengers on the train.

The bridge tender's painful dilemma, illustrates in a dramatic way the difficult process of giving up individual freedoms for the sake of the greater good. We are loathe to relinquish these freedoms. For example, a man asked to submit to gun control becomes fearful. He feels less able to protect himself. Or another person affected by wage-price controls, to him this might mean a loss of security. But look for a moment at the benefits for society, the greater good. The man who has given up his gun has opted for a more peaceful environment. The citizen who acquiesced to wage controls in essence voted for his country's economic stability. "Liberty means responsibility," said George Bernard Shaw. He went on to add, "That is why most men dread it."

I need at this time to underscore one point. There is dread of fear in the mind of the citizen who is asked to give up personal freedoms for the sake of society. After all, the feeling of insecurity is very real. However, for the concerned citizen, the type of citizen I hope to be, this feeling of insecurity would be lessened because I would be concentrating on our nation's greater good. This concentration is a trust, a sort of faith similar to that held by our forefathers.

Benjamin Franklin said that we have been given a Republic, if we can keep it that. I intend to keep it through my belief in the common man, a man who will vote, a man who will preserve the larger vision, a man who will rotate the bridge.●

A TRIBUTE TO THE LATE HONORABLE ELLA T. GRASSO

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. OTTINGER. Mr. Speaker, I was saddened to learn of the death of my good friend Ella Grasso on February 5 after a courageous battle against cancer. I wish to join my colleagues in paying tribute to her and offering my deepest sympathy to her family.

The loss of Governor Grasso will be felt not only by the citizens of Connecticut but by her friends and admirers around the country. For more than 30 years she served the people of Connecticut, first in the State legislature, then as secretary of state and as a member of the house of representatives, and finally as Governor. As the first woman to be elected an American Governor in her own right, Governor Grasso was an outstanding example for other women in this country who are contemplating a career in public service.

Governor Grasso's compassion and hard work throughout her career are well known. It is indeed tragic that her public service was cut short. She will be sorely missed but not forgotten.●

CONDO MANIA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ROSENTHAL. Mr. Speaker, increased attention is being paid to the public policy issues stemming from the expanding trend toward conversion of rental housing to condominium and co-op status. Condo conversion is one of the strongest forces leading to inflated housing costs, displacement, and a serious reduction in the supply of affordable housing in many communities. Peter Dreier and John Atlas, who are the authors of an article entitled "Condo Mania" which appears in the March 1981 Progressive magazine, are also leaders of an expanding tenants movement, designed to protect the rights of people who cannot afford or do not want to buy housing.

I commend this article to my colleagues as a good overview of the condo issue.

The article follows:

CONDO MANIA: ACROSS THE COUNTRY, IT'S PAY UP OR MOVE OUT

Marie Abbott was frightened. The seventy-two-year-old Boston woman, living on a fixed income and partially paralyzed by a stroke, had just received a letter from her landlord informing her that the building in which she had spent the last thirteen years was being converted to condominiums.

"I don't know how I can move," she said. "I'm crippled on one side. I can't walk—I can't even get on a bus. My doctor told me I could have another stroke. I'd just as soon die. I hope I do soon."

In Fort Lee, New Jersey, sixty-nine-year-old Phyllis Hoffman was anxiously debating her choices. The two-bedroom apartment she shared with her sister was to become a cooperative, its $491 rent increasing to a monthly payment of $850. "I don't have that kind of money to invest," she said. "I moved here from New York for peace and quiet. Where are we going to go?"

The 800 tenants of the Towne Estates apartment complex in Boston were asking themselves the same question not long ago. They had received the unexpected news that their complex had been sold to American Snacks, Inc., which operates vending machines, doughnut shops, and hamburger restaurants. The new owner wanted to turn the units into condominiums and had given the tenants thirty days to buy or move. The tenants, who paid monthly rents of $350 to $450, would be saddled with monthly payments of $700 to $800 for the same units as condominiums.

A few tenants, young professionals and senior citizens alike, contacted the media and several sympathetic politicians, and "condomania" soon became a hot issue in Boston. Within a few weeks the heavy news coverage, a rally of almost 1,000 people, and pressure from tenants led the Boston City Council to pass an ordinance requiring landlords and converters to give tenants one year's notice (two years for seniors and the handicapped) before evicting for condominium conversion.

Versions of these dramas are being played out in most major cities and many suburbs across the country as the trend spreads to convert rental property to condominiums and cooperatives. The boom in condominiums (in which each unit is individually owned) and cooperatives (in which each owner buys a share in the entire complex) is so new that the U.S. Census counted them separately for the first time in 1980. But it has quickly become a major factor in the nationwide decline of rental housing available to low- and moderate-income people. In November 1979, the U.S. General Accounting Office estimated the country's vacancy rate at 4.8 per cent—the lowest on record—and added that the number of rental units lost through conversion will outstrip the number of new units being built. In most large cities, the vacancy rate is much lower.

Condominium ownership in this country first took hold in vacation areas in the early 1970s. Between 1970 and 1975, the number of condos increased fifteenfold to 1.25 million units, and by 1980, to more than 3 million. Indeed, condominium construction is the strongest sector of today's housing market, surpassing construction of both single-family homes and non-subsidized rental apartments for the first time in 1979.

But in the late 1970s the conversion phenomenon developed. According to a study released last summer by the Department of Housing and Urban Development (HUD), about 366,000 units have been converted to condominiums since 1970, with 71 per cent of the conversions taking place since 1977. Experts estimate that about 150,000 conversions took place in 1980 alone. According to HUD projections, half the population will live in condos by the end of the century if the trend of conversions and new construction continues unrestricted.

But like Marie Abbott and Phyllis Hoffman, most renters cannot afford to follow the trend. Studies estimate that one-half to three-quarters of tenants are unable to buy their converted apartments. Those who are forced out usually find inferior housing and higher prices awaiting them elsewhere in the tight rental market. And once they resettle, there is no guarantee that their new apartments will not be sold out from under them again.

Because of this, the conversion trend is meeting resistance from tenants and senior citizen groups. At first, most tenants are confused and unaware of their political and legal options. But receipt of a "buy up or move" letter—or even the anticipation of one—often prompts them to start talking to their neighbors for the first time. As a result, tenant organizations have mushroomed around the country.

Some tenant groups confront the converters directly. Tenants picketed the eighteen-story Promenade Apartments in suburban Bethesda, Maryland, for five months, frightening off potential buyers and forcing the converter to negotiate the terms of the conversion.

In most cases, however, tenants exert pressure on elected officials for protection. Some cities, including Philadelphia, Chicago, and Washington, D.C., enacted temporary bans on all condominium conversions. Sixteen states and several dozen cities have passed various laws to protect tenants and preserve the rental housing stock. Some prohibit conversions until the vacancy rate increases to an acceptable level so tenants have somewhere to move; others require six months' notice or more before eviction, and still others require landlords to let tenants approve the conversion or to pay their moving expenses.

Some well-intentioned laws may actually backfire, however. Senior citizens claim that in a tight rental market, landlords discriminate against the elderly if they know city laws will make them harder to evict. And in some communities, developers have circumvented tough condo conversion laws by turning apartments into luxury cooperatives. In response, cities have included cooperatives in their laws.

At the Federal level, New York Representative Benjamin S. Rosenthal introduced a bill to impose a three-year moratorium on condo and co-op conversion, to withhold Federal funds from communities that do not provide adequate rental housing, and to establish a Presidential commission to study the topic.

What is behind the condo phenomenon? Why would landlords want to sell their property, a source of income and power? The answer was summed up in a 1976 HUD report: "The large potential profits which can be made in a relatively short time when compared to new construction make conversion so inviting for investors."

According to Forbes magazine, a developer can usually turn a substantial profit in three to six months. The nation's biggest converter, American Invesco of Chicago, bought a thirty-story apartment building now called Outer Drive East Condominiums for $10 million in 1973, spent $250,000 on superficial remodeling, and sold the apartments for more than $14 million—a hefty 44 per cent return on investment. It was also American Invesco that purchased the Promenade Apartments for $50 million, made cosmetic improvements, and despite tenant picketing, put the co-ops on the market for a total of $100 million.

The profits are so large and so immediate that banks are happy to finance conversions at 13 per cent, 14 per cent, and on up to 20 per cent interest. An official for Continental Illinois Bank, which financed most of Chicago's big conversions, says, "We love them. The turnover is quick and we're making a lot of money." Consumer groups complain that the banks' love affair with conversion ties up mortgage money that could otherwise be spent on new construction.

Behind the dollar signs are the same investment incentives found throughout the housing industry—an industry built around tax benefits for the most affluent. One such incentive is a measure actually established as a tax reform in 1976: It eliminated rapid tax depreciation for old apartment buildings which had allowed land owners to shelter large amounts of their rental income. While the measure discouraged the once common practice of buying old apartments as tax shelters, holding them for a few years, and then reselling them to another high-income investor who would do the same thing, it ultimately prompted apartment owners to leave the rental market entirely—by selling out to condo converters.

In general, the rental market has not brought apartment owners the profits it once did. Their tenants are, for the most part, those left behind by the rush toward single-family home ownership of the 1950s and 1960s. In 1977, for example, while the median income of homeowners was $16,000, it was only $8,800 for renters. Landlords' operating costs have risen, but renters' incomes have not kept pace. As this gulf widens, many landlords feel they must bail out.

The first wave of condominium conversions usually takes place in the more profitable buildings in affluent neighborhoods. The recent HUD study found that most converted buildings had been generating substantial profits as apartments. It is only after this supply has been exhausted that converters go after more marginal buildings.

The effect of conversion is compounded by the failure of both the private and public sectors to build much new low- and moderate-income housing. New rental housing construction slowed to a virtual standstill in 1980, making it the worst year in two decades. The slowdown was due, in part, to the tight monetary policy established last year by President Jimmy Carter and the Federal Reserve Board, which dried up working capital needed to build new housing. But to convert existing housing to condominiums, rental income could still be used as working capital. Thus, conversion has been much safer than new construction.

Under these conditions, condo conversions offer building owners and speculators the quickest path to big profits with relatively little investment or risk. And where there are big profits, there is big business. Most conversions were initially undertaken by a mixture of small-time entrepreneurs and large local realty management firms, but now they are the work of far-flung enterprises. American Invesco alone has converted more than 15,000 units in sixty-three projects across the country. The company has bought up several large Chicago realty companies, a San Francisco firm, plus Colorado's largest commercial real estate enterprise. It has also entered the New York City market, buying a highrise on Park Avenue.

The big money draws converters into politics. American Invesco, which has lobbied heavily to stop tenant protection laws, is now under investigation by Rosenthal's Subcommittee on Commerce, Consumer, and Monetary Affairs for possible violation of mortgage lending and campaign finance laws. According to one committee source, the firm spent $300,000 on lobbying just to keep its records out of the investigators' hands, and another $200,000 to defend itself in newspaper advertisements.

The profit motive is a logical explanation for the lust for condominium conversions on the part of owners, converters, and banks. But what about the condo purchasers? Why would anyone want to buy an apartment?

The real estate industry claims that the demand for condominiums is rooted in the desire for home ownership. There is some truth to the claim. Most Americans have always wanted their own houses, associating ownership with security—the freedom from eviction or arbitrary rent increases; postwar policies turned this "American dream" into a reality for many. The Federal Housing Administration established guarantees for single-family home mortgages, stimulating banks to make credit widely available. Federal highway construction projects paved the way for massive suburban development. The Federal income tax law made interest and property tax payments deductible, per-

mitting home owners to pay less than renters at the same level.

As a result, home ownership rates rose continually from 44 per cent in 1940 to 55 per cent in 1950, and ultimately to 65 per cent in 1977. Those who continued to rent were largely those who could not afford to buy—the poor, the elderly, the urban minorities.

But that picture began to change as the average cost of a single-family home rose from $23,000 in 1970 to $80,000 today. Former developer Jay Janis, who headed the Federal Home Loan Bank Board under Jimmy Carter, has said that only a "privileged few"—about 15 per cent—can still afford to buy a new home.

As a result, many younger renters who planned ultimately to buy a house—especially two-income professional couples—have hopped on the condominium bandwagon for fear that if they don't buy something quickly, they will never be able to make a first down payment. Rising gasoline prices and urban gentrification have also made city living more attractive. Those looking for a place of their own as a hedge against inflation, but unable to afford a single-family house, may see a condominium as the only choice. Condos selling from $60,000 to more than $100,000 are snapped up by panicked buyers as soon as they come on the market. Chicago realtors have called the situation "mass hysteria."

So while "demand" for condos exists, it is, at least in part, artificial. It is a creation of long-standing Federal policy favoring home ownership, landlord-tenant laws that make renters vulnerable and insecure, and extremely low vacancy rates that create panic buying. Recent Federal policy indicates a tolerance of the situation; the Government-sponsored Federal National Mortgage Association, dubbed Fannie Mae, has taken out large ads in general-circulation magazines promoting condominiums, for instance. And Moon Landrieu, HUD Secretary under Carter, called efforts to restrict condo conversions "an emotional response."

For some, condominiums seem to be the new American dream. But for many more, they have become a nightmare. Tenants faced with conversion must either move or dig deeper into their pockets simply to keep the same roof over their heads. And even those who initially believe they can afford to buy are often unaware of the long-term costs of owning a condo—especially in buildings with structural defects—and of the management problems that may attend common ownership of the external features of a building. Developers argue that conversion improves the housing stock by providing incentives for maintenance and repair, but many purchasers in fact buy little more than cosmetic improvements, such as an extra coat of paint or a new rug.

In general, condo conversions do nothing to increase the supply of housing, but simply increase the cost. More housing for those of low or moderate income is urgently needed—yet even the private housing industry admits that it cannot provide it, either for rental or ownership. It is simply not profitable enough.

Housing policy can thus go one of two ways:

The housing industry is calling for deeper and deeper subsidies—directly through Federal housing law and indirectly through the tax code—to provide an "incentive" for new construction. But with speculation driving up the cost of land and the Federal Reserve's tight money policy boosting mortgage interest rates, the subsidies would have to be so deep that the housing built could hardly be called "private" at all—except for the private profits it would generate.

On the other hand, the Government could recognize that the housing "crisis" is largely artificial—part of a housing system controlled by bankers, speculators, and land owners who have no incentive for cost containment. The response need not be more public housing where the Government serves as landlord, bankers and real estate interests control local housing authorities, and tenants get caught in a fiscal austerity pinch. Instead of reserving public housing for the poor and regulating the private housing interests, a more comprehensive and democratic approach must be taken.

Alternative institutions, such as nonprofit and community-controlled housing cooperatives and housing development corporations, could be set up to construct new housing and rehabilitate old and abandoned buildings. "Sweat equity" and "urban homesteading" programs might be promoted for the same purpose. Mortgage money could be made available by creating state banks, investing Government and union pension funds at lower interest, and supporting the National Consumer Cooperative Bank, a new agency set up to lend money to consumer co-ops that mainstream lenders ignore. Or, to keep the price of land from skyrocketing, anti-speculation taxes and land banking (holding land off the speculative market) could be encouraged. By eliminating costly incentives and subsidies to powerful private interests, such programs would actually cost less and give residents more long-term security and financial control over their housing.

As the trend toward condominiums shows, traditional housing policy that frames the issues in terms of home ownership versus rental housing has become obsolete. It needs to be replaced with an equation that considers what people want out of the places where they live—affordability, security, and a sense of control.●

DEFENSE DEPARTMENT-VETERANS' ADMINISTRATION MEDICAL FACILITY SHARING ACT

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BEARD. Mr. Speaker, I have reintroduced a bill which would insure that wartime casualties, active duty military personnel, and deserving veterans receive the best health care possible.

This bill would accomplish this goal in two ways. First, the bill provides the Administrator of the VA with the authority to furnish hospital care to any member of the armed services for a service-connected disability incurred or aggravated during a period of war. These casualties will be given priority over all other persons except veterans in need of hospital care for service-connected disabilities.

Second, this bill expands the authority for sharing medical resources between hospitals and other health care facilities of the DOD and the VA. This bill provides the legislative authority for interagency sharing of health facilities, personnel, and equipment on a facility-by-facility contractual basis. This should promote maximum use of existing medical resources in a locality, since much of the duplication or underutilization of medical resources under the present system could be eliminated. At the same time, such sharing will result in greater efficiency and savings to taxpayers.

Two recent GAO reports recommended that Congress enact legislation which would allow wartime casualties to be treated in VA facilities and would encourage interagency sharing of medical resources. I feel that this bill combines GAO's recommendations as well as insuring that our military personnel receive the best medical care available.●

DEPENDENT CARE AMENDMENTS OF 1981

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. CONABLE. Mr. Speaker, I am reintroducing a bill today to expand the existing income tax credit for work-related dependent care expenses and to permit nonprofit organizations providing work-related dependent care readily to qualify for tax-exempt status.

I am pleased that joining with me in cosponsoring this revised bill are Representatives SHANNON and MOORE. They and I are committed to working for enactment of this legislation during the 97th Congress, and their support will make a major contribution to reaching this goal.

This bill is similar to H.R. 8109 which I introduced in September 1980, but with several very important changes. These changes have been made in response to many helpful suggestions and comments that have been made during the last few months by numerous individuals and groups with a special interest in work-related dependent care.

The need for work-related dependent care has grown steadily in the last few years even though birth rates have generally declined, largely because working mothers have become the rule in the United States rather than the exception. In March 1979, mothers in the work force included 62 percent of women whose youngest child was school aged, 52 percent of those whose youngest child was aged 3 to 5, and 41 percent of those whose youngest child was under 3 years of age.

Child care is too often wrongly categorized strictly as a "women's issue." It is a parent's issue. In 4.5 million 2-

worker families with preschoolers and almost 8 million with school age children, the fathers are increasingly sharing the responsibilities for dependent care arrangements.

Nevertheless, there are 1.3 million working mothers of preschoolers who are the sole parents in their families. The responsibilities for this group, which includes 60 percent of divorced mothers of children under age 3 and 75 percent of those with 3- to 5-year-olds, are heavy. They must have affordable child care if they are to hold jobs that prevent or reduce welfare dependency.

With so many working mothers of preschool and school age children in the work force at all income levels, it is time to reexamine policies regarding work requirements for the 3.5 million mothers receiving welfare. Two million of them have preschool children whose dependent care needs will have to be met before their mothers can take jobs that lead to economic self-sufficiency. Every year welfare benefits fail to keep pace with inflation, and more and more mothers receiving public assistance realize that unless they take jobs their children will not enjoy even basic minimum well-being. However, title XX, the social service block grant which funds most dependent care for low-income families, similarly has not kept pace with inflation. States have responded with tightened eligibility and reduced assistance in day care as well as in other services. In many areas today, families with incomes above 60 percent of median income have been excluded altogether from title XX day care. It is not uncommon for these families to then be forced sooner or later back onto welfare since the mother's minimum wage income is insufficient to pay for both living expenses and child care. Given the current fiscal restraints, there is little on the horizon to brighten this dismal picture. That is why my revised bill includes a sliding scale designed to target dependent care assistance more effectively on working parents at the low end of the economic spectrum.

I believe the tax credit is a fitting vehicle for future Federal efforts to aid dependent care. First, it is the parents who decide what kind of care to purchase rather than administrators of Government agencies. Because the credit goes directly to the taxpayer, it does not encourage the development of bureaucracies or monopolistic day care systems in States and localities that might limit parental choice or inflate the cost of services unnecessarily. Similarly, the credit does not skew the dependent care system toward any particular care alternative. It is available equally for child care in the home or out of the home, for babysitters, relatives, neighborhood group homes, summer day camps, day care centers, church-related or secular organizations. It is strictly up to the parents to explore the possibilities and make the choice.

The dependent care credit, created in 1976, is presently a nonrefundable credit of 20 percent of dependent care expenses up to a maximum credit of $400 a year for the care of one dependent and $800 a year for two or more dependents. The credit is currently being claimed on 3.8 million tax returns, for a total of approximately $1 billion in fiscal 1981. This makes it the largest single element of Federal assistance to dependent care.

Despite the strengths inherent in using the credit approach, there still remain some areas where the credit could be improved. Most of the provisions of the Dependent Care Amendments of 1981 address these areas. A summary of the bill and its rationale follows:

DEPENDENT CARE AMENDMENTS OF 1981

SEC. 2—INCREASED CREDIT PERCENTAGE

The bill would replace the present 20-percent credit with a credit geared to family income. Families with adjusted gross income of $10,000 or less would be eligible for a 50-percent credit. The credit percentage would be reduced in relation to the amount of family income above $10,000 up to the $40,000 income level where the credit would stabilize at 20 percent. The credit would be reduced by 1 percent for every $1,000 of income over $10,000. This gradual reduction would prevent any income notches from penalizing taxpayers for increasing their income.

Although better than nothing at all, the current 20-percent credit does not appear to make enough of a difference in many families' budgets to enable them to explore any alternatives to dependent care but the very cheapest, regardless of quality. Many relatively inexpensive babysitting and day care arrangements may be adequate or even ideal for meeting the needs of individual children and infants, but many are not. Yet the parents have no economic alternative but to go with what they can afford or give up their jobs.

It is my hope that by targeting this increase in the dependent care credit on families below $40,000, this bill will enable families to have at least some degree of financial choice in selecting dependent care most appropriate to their children's or dependent's needs. I hope also that this increased ability of parents to pay for dependent care will stimulate the growing dependent care market to provide still more alternatives and services than it does today.

The following chart illustrates the credit percentage available at certain income levels:

	Percent
$10,000 and below	50
$15,000	45
$20,000	40
$25,000	35
$30,000	30
$35,000	25
$40,000 and above	20

SEC. 3—REFUNDABLE CREDIT

The dependent care amendments would make the credit refundable. This means, simply, that families would be able to receive the full dependent care credit to which they might be entitled even though it exceeds their tax liability, or if they had no tax liability. This is not the case under present law. It is my hope that making the credit refundable will assist families who find themselves caught in the middle with too much income to qualify for Head Start or title XX programs, and too little to afford dependent care on the private market.

Under present law, women who are working their way off welfare are permitted to disregard all reasonable dependent care expenses in calculating how much welfare supplement they will receive in addition to their wages. Upon passage of a refundable dependent care credit, the program of aid to families with dependent children will need to be amended so that the disregard of dependent care expenses for purposes of calculating welfare benefits will reflect any dependent care tax credit to which the mother is entitled.

SEC. 4—INCREASED ALLOWABLE EXPENSES

The bill would allow the credit to be based on the first $2,400 of dependent care expenses for one dependent, and the first $4,800 of dependent care expenses where there are two or more qualifying dependents.

Under present law, the credit can be claimed on the first $2,000 of annual expenses for the care of one dependent, the first $4,000 for the care of two or more dependents. These maximum amounts were established in 1976, and despite considerable inflation since then, have not been raised.

Although only a small percentage of families using the dependent care credit claim the maximum amount allowable, many groups have argued that the credit ought to be available on an amount equal to current fees for day care centers in most cities. This figure is currently $50 per week, although many centers do in fact charge more.

In 1979, the average dependent care credit claimed was $206, reflecting a total family dependent care expenditure of just a little over $1,000. This is in keeping with the tendency of many families to use informal babysitting arrangements or to arrange their work schedules so that a minimim amount of child care is necessary.

However, I am proposing to increase the maximum amount on which the credit can be calculated in recognition that for some families, group day care centers may be the most desirable, or indeed the only, option available.

SEC. 5—OUT-OF-HOME CARE

The bill permits the dependent care credit to be claimed when dependents over age 14 are cared for outside the home.

Under present law, the credit is available for either in-home or out-of-home care of dependents aged 14 and younger. However, if the dependent is an incapacitated spouse or other dependent over age 14, the credit is currently available only for in-home care.

This change is designed to respond to the growing interest in encouraging families to keep their elderly and handicapped dependents living at home rather than in institutions. In a family where both the husband and wife work or where there is only one adult capable of work, there is no one at home during the day to look after the adult dependent. In some communities, day care programs for older retarded or handicapped individuals are being organized, as are programs for elderly people. These programs meet the social needs of the older dependents, are less of a financial burden on their families than in-home care would involve hiring a person during working hours.

It is the intent of this provision to allow the credit for only nonresidential out-of-home dependent care. The bill does not include nursing homes, hospitals or other residential settings. Therefore, the bill provides that the credit would be available only where the dependent ordinarily returns to the taxpayer's household each day.

SEC. 6—COVERAGE OF PARENTS WITH LOW INCOMES

The bill would permit the credit to be claimed even when one working parent realized no or low income during the year. Under present law, the credit may not be claimed on dependent care expenses in excess of the earnings of the sole or lesser-earning parent. This prevents someone from working part-time to earn, say, $500, in order to claim the credit on $4,000 of nursery school costs which would have been incurred whether or not the parent worked.

Occasionally, this provision has an unintended effect. Both parents may be working at full-time jobs all year long. But if one of them ends up with a net loss or realizes very little income despite a year's strenuous effort, the dependent care credit is forfeited. People with small businesses, farms or who are self-employed are particularly vulnerable to this situation. One example brought to my attention concerned a woman who worked all year as a secretary in town, commuting from the family's farm where her husband put in long hours. A combination of bad weather and low crop prices left them with virtually no income from the farm that year. They had placed their daughter in day care throughout the year so that both parents could work, and if the farm had shown some income, they would have been entitled to a dependent care credit of almost two hundred dollars. As it was, they got no credit because their dependent care expenses exceeded the income from the farm.

The bill addresses this situation by imputing for each month when an individual works in a trade or business on a substantially full-time basis earnings of not less than $166 for one dependent and $333 for two or more dependents. A "substantially full-time basis" is defined as at least 35 hours per week. This provision parallels the one already in existing law which imputes income to a full-time student.

SEC. 7—TAX-EXEMPT STATUS FOR DAYCARE CENTERS

The bill makes it easier for nonprofit daycare centers to qualify for tax-exempt status provided they are organized to care for children of working parents and there is general public access to their services.

In a number of communities, groups are organizing before- and after-school supervision for children of working parents. Others are organizing centers linked to networks of child care homes so that the supply of affordable, noninstitutional infant care can be expanded.

Both these kinds of organizations, as well as others of a more traditional nature such as summer play-schools, have had problems in qualifying for tax-exempt status under section 501(c)(3) of the tax code. Without tax-exempt status, it is difficult for these fledgling efforts to solicit the charitable contributions they often need to meet start-up and operational costs.

To qualify for tax-exempt status these innovative organizations must show they were organized and operated exclusively for educational or charitable purposes. An after-school or infant-care organization has difficulty in demonstrating its "curriculum." Children who have been in the classroom all day do not need more of the same. If an organization admits it is simply providing a safe place where the children can have a snack, do their homework, enjoy "free play" or other unstructured activities until their parents return from work, it will not qualify for tax-exempt status. If an organization caring for very young infants can convince the IRS that its curriculum consists of sensory/cognitive development, gross motor development and fine motor development instead of letting infants play with toys, crawl and learn to feed themselves, it just might qualify for tax-exempt status, as indeed an infant "school" on the West Coast succeeded in doing. But this is far-fetched, and I do not believe organizations providing the very legitimate service of dependent care for the children or working parents should have to go through such contortions to qualify for the tax-exempt status they need to get started and often to survive financially.

My bill provides that the term "educational purposes" in the sections of the code dealing with tax exempt status will be defined as including nonresidential care of individuals if substantially all of the dependent care provided by the organization is for the purpose of enabling individuals to be gainfully employed and if the services provided by the organization are available to the general public.

SEC. 8—EMPLOYER-PROVIDED SERVICES

The bill specifically allows the credit to be claimed on dependent care services provided by the taxpayer's employer if such services are deemed to be income to the employee.

A number of types of child care assistance are being provided by employers: Onsite day care centers, purchasing places for employee's children at private day care centers in the community, assisting employees in other ways to locate or pay for dependent care. Such assistance can be deducted by an employer as an ordinary and necessary business expense.

In many of these situations, the employees pay modest amounts for the day care services or pay on a sliding fee scale. At present, such employee benefits are not being taxed to the employee unless they are clearly part of the employee's overall compensation, such as when the employee receives a day care allowance in addition to the regular paycheck. However, it is possible that in the future the IRS might try to levy income tax on dependent care made available to employees. An employee with a child in the company day care center who has paid $30 a week for an annual total of $1,500 might find that the IRS thinks the day care was worth $3,500 and that income tax is owed on the remaining $2,000. I do not believe such in-kind dependent care services ought to be considered taxable income when they are generally available across the board to all employees of the company. The bill provides therefore that any such employer-provided dependent care, including imputed amounts as well as actual payments by the employee will be eligible for the dependent care credit. In most cases, this will neutralize the impact of being held liable for taxes on employer-provided dependent care services.

COST

The present law credit is estimated to cost $1,025 million in fiscal year 1981. Because it is difficult to predict precisely what the response would be

to the increased percentages and maximums allowed under this bill, an exact estimate of its cost is not available. However, it is believed that the bill would approximately double the present credit, with most of the benefit being distributed to the middle- and low-income brackets.

Virtually all of the cost is associated with increasing the credit percentage. Refundability and increasing the credit maximum also carry some modest cost. The remaining items are believed by the Joint Committee on Taxation to be cost neutral since they would either affect relatively few individuals or would generate offsetting revenues by permitting taxpayers to make a greater work effort.●

THE COST OF REGULATIONS

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DORNAN of California. Mr. Speaker, perhaps one of the clearest signs that the new administration is serious about cracking down on excessive Government regulation of business can be seen in the recent freeze imposed on implementing the last regulatory gasps of the Carter Presidency. If we are determined to create a positive business climate that will get our economy moving again, we have to take a hard look at the costs of the regulations we impose. We must guarantee that the benefits of these proposals significantly outweigh the costs.

Mr. Larry Israel of Santa Monica, Calif., himself a successful businessman, and a community leader, has passed along a UPI wire service story which emphasizes this point. I commend it to your attention.

BANK OFFERS TO GIVE MONEY AWAY BUT NOBODY NOTICES

MINNEAPOLIS. UPI—Bank officials doubted anyone would read the 115,000 booklets mailed to customers to comply with a government regulation, and they inserted a giveaway gimmick to prove the point.

Under government disclosure rules, the Northwestern National Bank mailed a 4,500 word booklet detailing requirements of new "Regulation E" affecting electronic money transfer services. The project cost $69,000.

In 100 booklets, the bank inserted a sentence which said:

"Any customer who receives (in the mail) a disclosure that includes this paragraph can get $10 simply by writing 'Regulation E' and the customer's name and address on a card and sending it along with a self-addressed, stamped envelope" to the bank.

Not one person answered.

"We'll still send $10 to anyone who has one of the 100 booklets," a bank spokesman said, "but it seems doubtful anyone read or saved it."

Paul Eisen, a senior vice-president/marketing, said the study suggests the detailed disclosure required is both ineffective and a big waste of money.

He said the bank would have preferred notifying customers that details of the regulation were available on request. That, he said, would have cut costs substantially.●

SPECIAL INTERESTS AND ELECTORAL REFORM

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MAVROULES. Mr. Speaker, there is an old saying around Capitol Hill that Government runs on all fours with public sentiment—meaning simply that Government ought to be the mirror reflection of the Nation's common interest.

It is a nice thought. After all, that is how things are supposed to run in Washington.

But the sad fact of the matter is that it no longer rings true.

Single-issue, or special-interest groups bear a good deal of the blame for this. Their rapid growth over the latter half of the past decade has driven a wedge between elected government and the common interest elected government is supposed to serve.

The basic reason for this intrusion into public affairs has been the way we run our political campaigns today. With heavy campaign debts looming large on every candidate's horizon, big-money special interest groups have invaded the highest councils of government, pleading their own special cases.

Jimmy Carter's farewell address to the Nation, January 14, highlighted this point, warning us that, because of special interest group pressure, Government is losing sight of the national interest, which, he says, should not be defined as "the sum of all our single or special interests."

It is a warning worth heeding, especially when we consider the source, a man characterized by many pundits as the most political President of modern times. But more so, we should mark his words because a sense of common purpose may be our last salvation from a Government tugged apart by self-serving and powerful interest groups, all having an unhealthy influence on the public policy decisions affecting every American.

There are over 2,500 such groups, also known as political action committees (PAC's), making sure today that Washington knows—and acts upon—their pet concerns. And because money talks, these groups are speaking very loudly indeed.

Recently the Federal Elections Commission released a report stating that over $75 million was contributed by PAC's to political candidates of their liking during the past election year. To compare, PAC contributions in 1974 amounted to $12.5 million nationwide.

The result has been the fragmentation of American society and purpose, and a rudderless ship of state heading toward a ruinous end.

But there is a ray of hope, coming from suggested reforms in our electoral process. These reforms call for:

The enactment of a public financing law for congressional elections, modeled after the voluntary tax checkoff system partially used to finance Presidential campaigns.

The extension of the term of office for a Member of the U.S. House of Representatives from 2 years to 4.

A limit of congressional service of 12 years, allowing for a maximum of three terms for a House Member and two for a Senator.

Finally, one 6-year term for the President of the United States.

All of these measures would lead Government back to the people and place a fatal crack in the foundation of what Common Cause's John Gardner aptly calls "the special interest state."

Mr. Speaker, let me elaborate.

Public financing of campaigns would free political candidates from the clinging need for special interest money by limiting the amount of these contributions while, at the same time, encouraging smaller financial contributions from private citizens. One such idea would limit total PAC contributions per congressional candidates to $70,000 and cut back individual PAC contributions from a maximum of $10,000 to $6,000 per candidate.

This voluntary public financing system, just as importantly, would encourage more people to throw their hats into the ring and seek elective office. Such positions should not be left in the domain of the wealthy or well connected.

Extending the term of office for a House Member is nothing new, first recommended by James Madison at the 1789 Constitutional Convention. The longer term would serve to ease the pressures of raising campaign funds on those we ultimately elect to office. With House Members campaigning every other year now, fundraising is an on-going, unrelenting concern. But, above all, a 4-year term would return Congress to first principles, that is, to representing all the people with the common good in mind.

Next, keeping in mind the public's need for responsive, vigorous Government, a 12-year limit on congressional service should be imposed. Such a cap would clear the arteries of the House and Senate and allow for the free flow of bright, new faces and fresh ideas.

The last reform, with a new President settling in to his first 100 days in office, is perhaps the most important. In an increasingly complex world, buf-

feted by a number of baffling social, economic, and military problems, the most powerful elected leader in the free world should be left as unencumbered as possible in order to pursue the awesome responsibilities of office. One 6-year term would free the President from reelection considerations and interest group pressure.

Woodrow Wilson once said, "The business of government is to organize the common interest against the special interest." These reforms would allow just that. Government getting about its business.●

ELLA TAMBUSSI GRASSO

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. VANDER JAGT. Mr. Speaker, the American people and the people of the State of Connecticut have lost a truly outstanding public servant and an exceptional example of strength and courage.

The late Ella Grasso served in this House with distinction and the State of Connecticut's gain, when she assumed the Governorship, was certainly our loss. Her dedication and unfailing good humor were a source of strength to us all; and her unstinting devotion to public service was truly inspiring.

When it was announced that Governor Grasso would resign her position to assure the people of the State of Connecticut that their chief executive would have the constant leadership so critical to government these days, it was just another example of the outstanding sense of service which characterized this fine lady. We all suffered with her and her family as the ravages of the disease with which she was afflicted attacked her body; and we were gratified and assured as it failed to conquer her spirit. Ella Grasso's courage in the face of adversity was just another example of the truly outstanding character she leaves as an example for us all.

No finer tribute can be paid to the life of this fine woman than that of her son in his eulogy—that she was an outstanding woman, an outstanding public servant, and a truly outstanding mother to her family. Mrs. Vander Jagt and I extend to Mrs. Grasso's family our sincerest sympathy and our sentiment that the memory of her example and courage be a source of strength to them in the future.●

RABBI HECT ADDRESSES INAUGURAL CELEBRATION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. SOLARZ. Mr. Speaker, one of the leading spiritual leaders from my district, Rabbi Abraham Hect, was asked to participate in the inaugural celebrations here in Washington. Rabbi Hect, who is the president of the Rabbinical Alliance of America and the rabbi of the Shaare Zion Congregation in Brooklyn delivered a moving address based on the Biblical exhortation "and thou shalt love thy neighbor as thyself."

Mr. Speaker, I insert this eloquent speech by Rabbi Hect in today's CONGRESSIONAL RECORD:

SPEECH OF RABBI ABRAHAM B. HECT

I feel privileged tonight to represent the Orthodox Jewish community of our great and beloved country. It is, indeed an honor to address such a distinguished and illustrious gathering, of our most dedicated and outstanding religious leaders, both clergy and laymen.

The first thought which comes to mind, as I look out upon this impressive audience of remarkable men and women, is contained in the Book of Psalms 133 "Behold how good and how pleasant it is, when brethren also dwell together". When there is a unity of purpose, which brings us all together in a common brotherhood, to celebrate the inauguration of our new president, Mr. Ronald Reagan, it is, indeed, good and pleasant to behold.

For we are gathered here tonight for a specific and unique purpose—to celebrate this inauguration—with love.

I am confident that all of us here are committed to the Biblical exhortation, Leviticus 19 "and thou shalt love thy neighbor as thyself, I am the Lord". The most noble, fundamental feeling towards G-d and man, is love. This love is possible only, when there is a total and complete belief in and dependence on, the Supreme Being—Almighty G-d, with whom our relationship is a personal one. There is a most telling reason why this injunction is followed by the words "I am the Lord".

For, love of fellowman is expected from all of us in the name of G-d. It can be realized, when we minimize and play down the importance of our own egos. When one is self centered and egotistical, ascribing to himself superior virtues, beliefs and concepts, he cannot practice this maxim.

The broader meaning of this Biblical commandment is that we are to give to our neighbor all of our love to everything that pertains to his person, all the conditions of his life, the weal and the woe, which make up his position in the world. We are to rejoice in his good fortune, and grieve over his misfortune, as if it were our own.

We are to assist at everything that furthers his well being and happiness as if we were working for ourselves. We must also keep trouble away from him as carefully as if threatened ourselves. This is something which does lie within our possibilities, and is something which is required of us even towards somebody, whose personality may be actually antipathetic to us.

For the demand of this love is something which lies quite outside the sphere of the personality of our neighbor, and is not based on any of his qualities.

I am the Lord! is given as the motive for this demand. It is something that is expected from us towards all our fellow men: in the name of G-d, Who has given all men the mutual calling of neighbors. Everyone is to find and recognize in everybody else, the furthering of his own well being, the conditions for his own happiness in life. Nobody may look on the progress of another, as a hindrance to his own progress, or look on the downfall of another, as the means for his own rising. Nobody may rejoice in his own progress, if it is at the expense of his neighbors' failure. Man proclaims his love of G-d, through his love to G-d's creatures.

It is here in our own blessed land that the emphasis has always been on the belief in, and dependence on, G-d. We are the only nation on earth to inscribe the motto of "In G-d We Trust", on all of our currency and coins. Lest we ever forget the cause and the source of our material and financial growth and success—we are constantly reminded. This slogan assures the daily recognition of our belief in and dependence on G-d. In Him and Him alone do we place our trust and confidence.

Perhaps, that is precisely the reason why our great republic these United States of America is the strongest and most powerful in the world. Inasmuch as we acknowledge the sovereignty of G-d in all of our activities, and we accept Him as the Ruler of the Universe, it naturally follows, that our country merit His fatherly supervision and concern, for all of the citizens of these United States. His everlasting and perpetual heavenly protection, has been the source of our confidence and hopes, for the future.

Our founding fathers, were men of high and noble principles and religiously motivated. They recognized the vital importance of religion in our daily lives, and they sought to have its influence felt, in the operation of the greatest democracy on earth. They weren't afraid or ashamed to acknowledge and proclaim their belief in and total dependence on G-d. And, therefore, our country developed and grew by leaps and bounds, most assuredly, because of the blessings of that same G-d, in whom the country had proclaimed its trust.

During these past decades there seems to have been a gradual erosion of this faith, which has resulted in a breakdown of some of the most basic and fundamental beliefs practiced by our people for almost two centuries. The deterioration of the home, the prevailing attitude of permissiveness which has translated into promiscuity, homosexuality, narcotics, rape, violence and murder, atheism and loss of respect of G-d, family, government and its institutions, have all added up to a real threat to the present and future of our wonderful country.

With the incoming presidency of Ronald Reagan, there is real hope for a change back to the fundamentals and basics, which made us a great people under G-d. Our new president has sounded the alarm and has caused the masses of our decent, loyal and patriotic citizens, to rally behind him. He represents a return to sanity, decency, self respect and morality. His program spells greatness once again for our country. He will, with the help of G-d and with our cooperation, bring back domestic serenity and national self respect.

We will, under his inspired leadership, once again merit the distinction of leader-

ship in world affairs. His program for a strong America, will reestablish our undisputed position, in the world arena. We look forward to an unprecedented era, under our new president, of great prosperity, patriotism, morality and decency in government, and in society in general.

It is our fervent hope and prayer to Almighty G-d, that Ronald Reagan be blessed from Heaven with good health, long life, inspired leadership and success, in guiding our ship of State through the stormy eighties. May G-d grant our great country, bountiful prosperity, harmony and tranquility, peace in our midst and throughout the entire world. And let us all respond with a mighty Amen.

Thank you and may G-d bless you all.●

ELLA GRASSO

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MAZZOLI. Mr. Speaker, I would like to join with my colleagues in the House of Representatives in paying tribute to the late Honorable Ella Tambussi Grasso, former Governor of Connecticut and former Member of the House of Representatives, who passed away earlier this month.

Ella and I were elected to the House in 1971 and we were both assigned to the House Education and Labor Committee. I got to know Ella very well in the 4 years we were seat mates on the committee. She earned my respect for her compassion, her warmth, her intelligence, and her competency.

That she later was elected Governor of Connecticut came as no surprise to me. And her record of success in dealing with the myriad and nettlesome problems facing the Governor of a major American State also came as no surprise to me. She was a thoroughgoing professional.

Ella's death is a loss to her family—to whom I extend my condolences and sympathies—but, also, to Connecticut, to her former colleagues here in the Congress and to all the people of the land.●

SUPERB MAIDEN SPEECH OF AMBASSADOR MICHAEL NOVAK AT THE 37TH SESSION OF THE COMMISSION ON HUMAN RIGHTS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ROSENTHAL. Mr. Speaker, it is with great satisfaction that I commend the first speech of Ambassador Michael Novak given to the 37th session of the Commission on Human Rights in Geneva.

Ambassador Novak had the unenviable duty to speak after the racist and undignified remarks of the representative of the Palestine Liberation Organization. Under these taxing circumstances Ambassador Novak performed with the grace, dignity, intelligence, and precision which America has come to expect of its best diplomats.

I am pleased to enter the full text of Ambassador Novak's speech which was furnished by the Office of Congressional Relations at the Department of State. I thank them for their prompt transmittal of the speech to my office.

The full text of the speech follows:

MICHAEL NOVAK'S SPEECH TO THE 37TH SESSION OF THE COMMISSION ON HUMAN RIGHTS

First, my congratulations to our new chairman—for his election, but also for the brisk and affable competence he has already shown. May the brevity of my congratulations permit a leap of soul to soul.

This is my first term of service in this Commission. I come new to it. Many of you are distinguished veterans, have borne the heat of the day, struggling for small gains. I ask you to recall, though, what it is like for a new-comer to enter into this environment.

Let me explain what I expected. I grew up as do all children in the United States in the sure knowledge that my family had not simply been born Americans, but had chosen to become Americans—had chosen America precisely because of the sweet sway of its institutions, and the sweet taste of its liberties and rights. The attraction of the United States upon immigrants, who have streamed toward America from every region of the world, lies in its human rights. "Boat people" still come to our shores—to breathe air that is free.

When I was a child, one of my first vivid memories was implanted by the invasion of Poland in 1939. When the report came on the radio, my father told me that that day might mark the most important event of my life. Within a few weeks one army from one direction, another from the other border, overwhelmed Poland and carved it into two. Speak of occupying armies!

My earliest memories, then, are of newsreels showing endless bombings, endless columns of refugees, and, by the end, the endlessly sad faces and gaunt bodies of those liberated from the death camps; the stacks of corpses; the mass burial sites; the chimneys of cremation. Thus, I was touched recently when Pope John Paul II went as one of his first papal visits to Auschwitz. In his famous address to the United Nations in New York, the pontiff later called attention to how the declaration of human rights came about. That declaration, he said arose, above every other factor, from the millions of victims of the holocaust, the total abrogation of whose rights made the world resolve: That the whole world, not a few nations only, ought to have a bill of rights.

My fellow Representatives, I cannot forget that we sit in this room because of the unbelievable suffering of millions of persons like ourselves—older, younger, skinnier, fatter, many who otherwise might have lived as long as the oldest persons in this room . . . but they were not permitted to live.

Our work here flows from their interrupted lives. The declaration of human rights is a memorial to their sacrifice. Our work is an attempt to draw some small good from so much evil.

These are the noble obligations with which I have always associated human rights. Human rights mean respect for human beings, recognition of each other's dignity. They mean cooperation, mutuality, negotiation. They mean the voice of reason.

Yet in my very first days within this commission, imagine my shock when I heard, as I did hear in this room, so much hatred, so many lies, such squalid racism, such despicable anti-semitism—all in the sacred name of human rights.

I have heard in this chamber attacks upon "Zionism" in accents of a murderous hatred not heard since the days of the Nazis. It is as though this chamber has retrogressed by forty years—as though this is, not 1981, but 1941, and not in Geneva, but along the Hitler-Stalin axis.

In 1945, as I say, there were only some fifty nations in the world and these few established the United Nations. Today there are some 160 member nations; more than one hundred new states.

Among these new nations stands tiny Israel. There is an ancient saying about Israel. The Lord God Jehovah promised Moses a "land of milk and honey." There is a wry modern joke in Israel which notes: "unfortunately, the Lord did not promise oil." Israel is not a land rich in resources. It is a beautiful land. Yet much of it was for centuries desert land unsuited for agriculture, and nearly bereft of significant industries.

Yet, overcoming all obstacles, the Israelis have built a nation to rival any in the world in its sciences, its arts, its symphonies, its free press, its institutions of just and humane procedures. When some of my distinguished colleagues attempt to portray Israel as a land without human rights, we must ask them, compared to what? Few nations have developed institutions, or can exhibit to the public eye a record of humane practice as highly developed as those of Israel.

The United States has deep and profound respect for Israel. The United States also has admiration for the wisdom, human courage, and respect for human rights shown by many Arab nations. Our Arab brothers and sisters face many problems besides those of Israel. Fratricidal wars serve no one's true hopes. There are too many fratricidal wars. Peace and prosperity come with mutual respect. Mutual respect is the goal of further progress. It is also the indispensable means to it.

My new delegation—and new government—have learned from history to honor the high spiritual achievement of Arab culture, the brilliance, sensitivity and natural courtesy of so many of its citizens (which we have experienced even in this room). We respect its antiquity as a sophisticated and developed culture—an antiquity of which a new nation like ours can only stand in awe. We admire the personal courage and wisdom of many Arab leaders.

The people of the United States were immensely touched when three leaders of the world, one Muslim, one Christian, one Jewish—three children of Abraham—stood together in mutual respect, difficult cooperation, and painstaking negotiations. We commend Israel for giving back land seized in war. We commend Egypt for the spectacular courage and humanity it flashed before the eyes of the human race, in deeds that will endure as long as human history is written.

Our delegation is new, but the charges heaped against Israel before this commis-

sion are old. They have long since been aired, objectively examined, and discharged in the dustbin. The State of Israel is a fact. The Egyptian-Israeli Peace Treaty is a fact. The Camp David Accords are a fact. These are realities to which passion must accommodate itself. They are realities which ground future advances, future hopes.

The American people deeply admire a tone of reasoned discourse, the demonstration of mutual respect, a dispassionate sense of moderation and compromise—qualities which we have often observed in the exemplars of Arab culture. But I am afraid that the hatred, unreason and wildness of language manifested in this room—once they become widely known—are unlikely to be admired by the American People. They have embarrassed, and often bored, this assembly.

Mr. Chairman, this is the first speech of my delegation, let it end on a note of vision.

My delegation wishes to honor the Egyptian delegate, and through him the great and noble human being who has captured the love and esteem of millions of human beings, President Sadat. Exactly because he is an example of Arab brotherhood, he is an example of human brotherhood—exactly because he is the latter, he fulfills the highest aspirations of the former. We would wish to be as great in spirit—and in the eyes of history—as he.

My delegation wishes also to honor Israel, because few nations have achieved more in so short a national lifetime. We admire Israel profoundly, Mr. Chairman. Her destiny and ours—let the world note—are irretrievably joined. We share the same high vision of human rights on which the traditions of this commission are based. We are, none of us, without sin. Yet neither is any nation, represented in this chamber or in any other, that accuses us.

Mr. Chairman, my delegation is delighted to work with you in this assembly, depressingly ugly as its proceedings often seem. We well know that pearls come from oysters, silk from worms, butterflies from caterpillars—and great human vision from poor human clay.●

IN HONOR OF THE RETIREMENT OF PETE MILLIGAN

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. FARY. Mr. Speaker, within the next few days a man I am proud to have had as a friend for nearly two decades is going to depart for the leisurely life of retirement in Florida. I am referring to C. G. "Pete" Milligan, who my colleagues from Illinois have known for many years as the assistant vice president of government relations for Illinois Bell Telephone Co. On March 1, Pete is closing out a 35-year career with the Bell System where he has held a variety of management positions.

Many of us who served in the Illinois General Assembly know Pete from our days in Springfield. Others have known him only since their days in Washington. But, in either instance, I am sure my colleagues feel as I do: Pete Milligan always has been a man of unquestioned integrity, utmost sincerity, unflagging loyalty, and total reasonableness. He has represented his company and his industry well. Pete would be quick to point out that his golf scores belie his enthusiasm for the game or the size of the catch his enthusiasm for fishing. In turn, I would be quick to point out that his warmth, his low-key personality and his great sense of humor belie his enthusiasm for his job and his devotion to the legislative process.

Over the years, I have observed that Pete is fond of quoting Murphy's Laws. That being the case, as Pete and his charming wife, Patty, retire to Florida where Pete hopes to bring his too-long neglected golf skills to a level many desire, but few attain, I would merely remind Pete of Murphy's third law: "Everything takes longer than you think."

I know my colleagues from Illinois join me in wishing Pete and Patty Milligan a most happy and healthful retirement.●

MILT ZIEHN

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. FAZIO. Mr. Speaker, it is with great pleasure and pride that I stand before you today to honor a truly dedicated and public-spirited resident of my district, Milt Ziehn, or Mr. Little League as he is known throughout the Greater Sacramento area.

A native of Ione, Calif., located in the adjoining district of my colleague, NORM SHUMWAY, Mr. Ziehn had his start in Little League a quarter of a century ago as the temporary secretary for one of our area leagues. At the present time he remains the district 6 administrator.

As Don Bloom, sports editor for the Sacramento Union, wrote recently, Mr. Ziehn's contributions are "unprecedented," which is why he has been honored as the first inductee into the Greater Sacramento Area Little League Hall of Fame. I am pleased to join all Sacramentans in honoring this outstanding individual. Milt Ziehn's commitment to the development of our young people is laudable and he deserves our utmost gratitude.

In addition, I respectfully submit Don Bloom's article detailing the career of Milt Ziehn to be included in the RECORD.

ZIEHN INAUGURAL HALL INDUCTEE

(By Don Bloom)

"Little League is nothing more than a free baby-sitting service."

"Little League is the greatest thing that's ever happened to kids."

"Little League is dominated by the early maturing boys who get the idea they're going to become major leaguers."

"Little League is wonderful because it is run by dedicated volunteers whose main concerns are about our youngsters' happiness."

For those of us who have spent a minimum of a decade donating time to a recreation which has far more good than bad points, the above comments are familiar. What it boils down to is you get out of Little League what you put into it. Neither the players nor the parents should overemphasize its importance, but rather just treat it as a low-key instrument to a fun time in everyone's life.

The man most versed on this subject is Milt Ziehn, Mr. Little League to those of use who've known his role in the development of thousands of youngsters. Nobody can accuse Sacramento of not having a Hall of Fame for every occasion. People who have given a large percentage of their free time have been justifiably honored. However, not until Don Northam and Ed Collins decided there should be a Greater Sacramento Area Little League Hall of Fame did the name Milt Ziehn get the recognition it deserves.

Ziehn, a softspoken native of Ione, is Little League's answer to The Man Who Came To Dinner. He never even knew it existed until February 1956, when he accepted the job as "temporary secretary" for the Grant Little League. After seeing "more than a thousand games" and handling an assortment of positions, Ziehn remains the District 6 administrator.

Ziehn's work in this field is unprecedented. That's why he will become the first person inducted into the Hall of Fame Nov. 19 at the Holiday Inn on Date Avenue near Madison. The banquet will be a fitting climax to the career of a wonderful man who's done an unbelievable job for a quarter of a century.

With the support of many friends, you've come a long way, Milt. For a man who admits, "I knew absolutely nothing about Little League," you've worn plenty of hats. Who would have thought you could fall in love with Little League and reach such a height as becoming a member of the National Board of Directors?

Looking back, Ziehn said, "When they couldn't find anybody to be president at Grant, I took that job for three years. I went to games every night. Many times I'd watch two innings at three games six days a week. I just figured it was my responsibility."

Through the decades, parents have spelled relief Z-i-e-h-n. He always was there when he was needed. "It's frustrating to see so few doing so much for so many," he said. "It remains the same today. My only disappointment is that parents and nonparents aren't lending a hand.

"Sure, there are good and poor managers. But it's difficult to get good ones for hundreds of teams. Most of them are high-class, ordinary people. Yes, I've had some experiences with screamers and I've asked a few of them to resign."

Among Ziehn's responsibilities was dealing with allowing girls to play. Times have changed since the ruling was made a few years ago. "The clamor has died down on discrimination," he said. "Not many girls are playing now and fortunately none of them have been hurt.

"One family took my league to court. The girl's parents wanted a parent or a friend to

be present during practices and games so she wouldn't be touched where she shouldn't be touched. But there was no such ruling for boys. Some managers wouldn't agree to attempt to help the girl if she were hurt because of a possible lawsuit. One unintentionally patted a girl on the seat as a gesture of encouragement and her parents got mad.

"One girl advanced to Senior Little League. When she got on base, the players ignored her. They let her steal when she wanted, never tried to force her out or make a tag on her. She finally became disgusted with it and quit."

Ziehn also has a handle on why Taiwan keeps winning the World Series in Williamsport, Pa. He said, "Taiwan has won the Little League, Senior Little League and Big League World Series more times than any country. Yes, they've been investigated. And their ages have been correct. In fact, the Taiwanese are more thorough than we are because their government runs it.

"The United States wouldn't allow more than one league in a population of 15,000 without a waiver. Taiwan was given a much higher figure because the U.S. wanted to give new countries more flexibility to make it international.

"Another thing to remember is the Taiwan kids are regimented and ours aren't. They play all year around over there. It's also interesting to note their championship teams never have been from the same league.

"What also helped them for awhile was they were allowed double-elimination tournaments. It isn't mandatory, but we can do it now, too. But I don't like it. It's too much for 12-year-olds."

Ziehn prefers not being a lonely figure in the Hall of Fame. He said, "I would like to see them induct one person from each district every year. It takes a lot of volunteer help to run the hundreds of teams involved. I don't think longevity should be 25 years, but anyone who serves for 10 years—as a board member, manager, coach, groundskeeper or a person working in the snack bar—should be considered."●

BISHOP MILTON MATHIS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. EDWARDS of California. Mr. Speaker, on behalf of Congressman MINETA and myself, it gives me great pleasure to bring to the attention of our colleagues the appointment of my constituent, Bishop Milton Mathis, to the post of jurisdictional bishop, California Northwest, Churches of God in Christ, Inc.

Pastor Mathis has been associated with the Prayer Garden Church of God in Christ in San Jose for the last 38 years. He has been a leader in establishing the church as a focus of community help for those in need of assistance in housing, food, clothing, and counseling. He was a former member of the San Jose Human Relations Commission and he has provided needed help and services to persons incarcerated in the Santa Clara County jail facilities. He has worked to foster a spirit of understanding between the various ethnic communities of our city.

The new bishop will assume the responsibility of chief executive and spiritual leader, representing the 160 churches from Bakersfield to Redding. It is the largest jurisdiction in the worldwide church organization.

It is people like Bishop Mathis who illustrate just what one individual with hard work can do to help his fellow men and women. We are delighted that his church has recognized what we in San Jose have long known—Milton Mathis is a remarkable man.●

A BLEAK ENERGY FUTURE

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MAVROULES. Mr. Speaker, on January 28, 1981, President Reagan announced the immediate elimination of virtually all price and allocation controls on crude oil, gasoline, and propane. According to the new administration, this would result in two positive accomplishments: Free enterprise increasing petroleum production and developing alternative energy sources, as well as reducing the present rate of inflation.

Mr. Speaker, the American oil companies are going to survive splendidly. I am afraid, however, the American people are not going to fare as well, with rising gasoline costs for running our automobiles, with rising costs for heating our homes, and with rising costs for providing electricity.

The new administration must believe the American people have not sacrificed enough and can continue to dig deeper and deeper into their pockets to pay these bills. Unfortunately, Mr. Speaker, many of their pockets are already empty. Inflation is no longer the new kid on the block. The big problem is trying to get rid of him by reducing energy costs.

It has become increasingly difficult for Congress to explain to the American people, and particularly to my fellow New Englanders, why they are spending more and more on energy while the Federal Government seems to be doing less and less to keep energy costs within the reach of most Americans.

Granted, Mr. Speaker, no one wants big government breathing down their backs, but if there is one area that requires aggressive and meaningful government involvement—I contend it is the area of energy.

Ever since the issue of decontrolling domestic petroleum prices reared its unwelcomed head on Capitol Hill, I have been consistently opposed to its imposition on the American people. I realize what it would mean to everyone's pocketbook.

Nevertheless, when the majority of my colleagues voted in support of President Carter's move to decontrol petroleum products, my dissatisfaction was at least in part lightened by the vision of Congress enacting a strong windfall profits bill, which would recapture a substantial portion of the windfall profits American oil companies would reap at the expense of the American people, and channel this revenue toward the development of alternate energy sources. It was championed as such an effort, and the House debates on the windfall profits conference bill bear this out. This, however, is not how things turned out.

Unfortunately, Mr. Speaker, the Windfall Profits Tax Act of 1980 was emasculated when the 96th Congress could only agree to apply the windfall profits tax to $227.3 billion of the $1 trillion excess profits the oil companies would be receiving, thanks to the decontrol proposal.

Worse yet, only 15 percent of the taxed profits would be directed toward mass transit programs and alternative fuels research.

Promises made by the proponents of decontrol were not met. Despite gradual decontrol, the American public was let down, as even steeper energy costs became unwelcomed guests in every household.

Thus it was of little help bringing the American people out of their energy dilemma. In fact, Mr. Speaker, their hands were being tied behind their backs—they had no real sense of what their energy future would be like. They could only resign themselves to higher energy costs, and a higher rate of inflation.

Time has not changed the reality of continually rising energy costs. President Reagan's action, once again, Mr. Speaker, compels the American people to bite the bullet even harder.

The President's recent action could not have come at a more inopportune time for most Americans. This is particularly true for New England, which has been experiencing one of the worst and most energy-expensive winters in its history. It is no longer a matter of reducing thermostats from a comfortable 70 degrees to 65 degrees. It means reducing thermostats from 65 degrees to a bitter 60 degrees, or even less.

In the dead of winter, New England—which already has 40 percent higher residential per capita energy costs than the rest of the Nation—will be witnessing a 9-cent-per-gallon increase in heating oil and gasoline

within the next few weeks. This assured 9-cent increase, Mr. Speaker, laughs in the face of the President's earlier prediction of only a 3-cent increase for this time period.

Because of the President's action, the American oil companies will squeeze another $775 million from New Englanders this winter. The average Massachusetts household's fuel bill is expected to increase by 33 percent—the average household now paying as much for heat, as it pays in government taxes.

And what about New England's electric bills, Mr. Speaker? Well, they are going to be increased just as dramatically. Boston Edison Co. predicts that its average customer will pay 71 percent more for electricity in 1981 than they did in 1980. On a monthly basis, the increase would push the bill for a family of four served by Edison from an average of $36.50 last year, to $62.50 in 1981, most of which will show up in the fuel adjustment portion of the bill. This is not small wonder, considering 79 percent of all New England's energy sources is oil, and only 13 percent of its oil is domestically produced.

What is even worse, Mr. Speaker, is that New Englanders see no end to this madness because they have cut back their power use between 10 and 11 percent from last year. As one Boston Edison official said, "These customers have basically 'bottomed out'," with these higher prices expected to reduce overall sales of power to residential customers by only 1.5 percent this year.

For the rest of the Nation, Mr. Speaker, a hefty sum of $11.7 billion will be squeezed out of the American consumer between now and September 30. Is this going to do anything to reduce inflation? Absolutely not. If anything, it will only serve to add fuel to inflation's already raging fires.

It is expected, Mr. Speaker, that the immediate effect of decontrol of oil prices on the rate of inflation, as measured by the Consumer Price Index (CPI), is likely to increase in the range of 1.1 to 1.4 percent. To illustrate this even further, the energy components of the CPI accounted for an increase of 1.8 percent in the aggregate CPI between December 1979 and December 1980. This contribution to the CPI represented nearly one-sixth of the percentage increase in the CPI since 1979.

Additional information regarding how increased energy costs have helped to aggravate inflation can be gleaned from the following tables:

TABLE 1.—CONSUMER PRICE INDEX FOR ALL ITEMS AND ENERGY COMPONENTS: DECEMBER 1979 TO DECEMBER 1980

[Index: 1967 equals 100]

Component	December 1979	December 1980	Percent change
CPI–U: All items	229.9	258.4	12.4
Composite energy	313.7	370.4	18.1
Gasoline	313.9	373.3	18.9
Electricity	224.7	262.3	16.7
Natural gas	332.6	381.5	14.7
Fuel oil	507.3	610.0	20.2

Calculated by CRS staff.

The weights of relative importance of energy components established in December 1979 are:

Type of energy expenditure	Relative weight in the CPI, in percent
Gasoline	5.619
Electricity	2.008
Natural gas	1.384
Fuel oil	1.058
Coal and other fuels	.148
Motor oil and coolant	.087
Total composite energy (rounded figure)	10.313

It is ironic that before decontrol, Americans were only at the mercy of the OPEC pricing and production whims. Now, Mr. Speaker, with total decontrol, the American people will be subject to the results of the latest round of ping-pong pricing games between America's oil companies and OPEC. We will have replaced the Federal Government's pricing practices with the American oil companies pricing schemes.

If the future is built upon the past, then I am not optimistic about our energy future. To understand my misgivings, let's look at what decontrol has really accomplished since 1979. Better yet, let's see what the American oil companies have done for or to America.

In 1973, America was producing over 9 million barrels per day in the lower 48 States, with the domestic price of oil being $3 a barrel. In 1980, we were producing less than 7 million barrels per day, and the price has gone up 13 times since 1973.

In 1972, the year before OPEC began to jack up oil prices, the oil industry earned about 15 percent of the total profits of American industry. But, looking at the first 6 months of 1980, oil companies earned almost 40 percent of all the profits earned by all of America's corporations. This certainly does not leave much room for the rest of America's industries to prosper.

Mr. Speaker, increased oil companies' profits and rising energy costs indicate that we are truly headed for economic disaster if America's productivity continues to be hampered.

With the administration and Congress talking about increasing production incentives in an effort to allow manufacturing companies more profits for capital investments, it will be no small wonder when American industry will not be able to find the money to do this.

Decontrol, to these American firms, means capital starvation and a stagnating economy, as these companies, the backbone of the American economy, will have to pay more for the energy they use.

It seems awfully ludicrous, Mr. Speaker, for the administration to cite America's basic industries as needful of Government assistance through tax reform measures, but with almost the same wave of the hand, causing them to incur additional production costs, thus reducing their profit margins. Aggravating their already ailing economic situation with this latest action will be like giving them cake with one hand, and vinegar, with the other, to wash it down.

The Federal Government, Mr. Speaker, itself will not escape the ravaging effects of decontrol. The Federal deficit is expected to increase by $15 billion in 1982—owing to increased Federal costs for low-income energy assistance, unemployment compensation—750,000 workers will be affected by total decontrol—and for filling the strategic petroleum reserve.

Perhaps, though, the American people will become immune to these added costs for energy and put on a complacent smile whenever it is announced that the American oil barons are winning the battle against the foreign oil sheiks when they reduce America's dependence on foreign oil. But, Mr. Speaker, will this be welcomed news as we are merely replacing oil sheiks with oil barons?

I wish I could paint a prettier picture for the American people. Perhaps I could if these higher prices were directed toward making alternative fuels competitive. This could offer some ray of hope for American consumers if the administration had coupled decontrol with a strenuous effort to create real competition between alternative energy sources. But, the administration has not done this, nor did the previous administration.

The facts speak for themselves, Mr. Speaker. With the Reagan administration proposing to slash the solar budget for next year by more than 60 percent from the $605 million level proposed by former President Carter; to eliminate the new solar energy and energy conservation bank that was created just last year; to cut various energy conservation programs in half from the $931 million Mr. Carter had proposed; to substantially cut into the synfuels program; and to drop all subsidies for the production of alcohol for automobile fuel, who or what will take up the void created by the virtual cessation of any Federal encouragement

or assistance in energy-related projects except those that are—to follow the trend in the Reagan budget proposals—confined to high-risk research and development projects with a potentially large payoff, and not mere demonstration or development projects? America's oil companies? Only through self-deception could I say "Yes."

At this moment, Mr. Speaker, the oil companies control most of the other energy areas where we might expect relief from our dependence on oil. Look at coal; 40 percent of the coal reserves are owned by the oil companies. Or nuclear energy. The oil companies control most of the uranium. Geothermal, solar energy, and shale oil have not escaped, either.

The oil companies, Mr. Speaker, have a lock on the energy resources of this country. And alternative energy resources are not going to be developed on a pace and on a scale determined by an industry that recognizes that fast development of alternative energy sources will only curtail their own profits. To me, it is as simple as that. A company is not going to breed its own competition.

Though I recognize the fact that energy research and development require long-range investment of time and dollars, I would much rather prefer my energy future to be guided by the Federal Government in cooperation with private industry—a pair that would stimulate real competition within the energy industry—than the American oil companies which serve only one master, their burgeoning bank account.

In the fall of 1973, we realized what energy dependence on OPEC oil meant. A massive Project Independence was envisioned by the American people as a way to diversify America's energy mix and reduce our dependence on foreign energy sources. Today, we stand at the crossroads of our energy destiny. Mr. Speaker, I fear that the present administration is formulating a Project Dependence for the American people.

Increased energy costs and a closing off of Government support for energy programs is hastening an energy and economic dark age for America.

Mr. Speaker, as Americans begin to spend 2 weeks or more worth of salary a month to cover their energy expenditures, there will be nothing left over to invest in America.●

DR. RUTH LOVE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. STARK. Mr. Speaker, I would like to take this opportunity to pay the highest tribute to a very important member of my community. On Tuesday, February 17, 1981, the Oakland Unified School District will honor Dr. Ruth Love in a special testimonial dinner. Dr. Love has been the superintendent of the Oakland public schools for the past 5 years.

It is with the deepest appreciation and gratitude that we pay tribute to Dr. Love on the eve of her departure. Dr. Love has accepted the position of superintendent of the Chicago School District and will be leaving for her new post in March.

Dr. Love has brought many things to the city of Oakland and the students she has served. Not only has the achievement of the students improved, but she has brought many innovative ideas and practices to the students of Oakland. Among these new programs is adopt-a-school, which links private industry to public education. This, as with many other programs, has been a great success.

Dr. Love came to Oakland from the U.S. Department of Health, Education, and Welfare in Washington, D.C., where she was the Director of the right-to-read program. In this program she was challenged with developing and instituting programs at every educational level designed to improve reading and literacy.

It is with a great deal of sadness that we bid Dr. Love farewell. We know that the students of the Chicago School District are very fortunate, as we have been fortunate in the last 5 years. I would like to join with the city of Oakland, the Oakland Unified School District, and every parent, teacher, and student in the Oakland schools in wishing Dr. Love success and good fortune in her new post.●

SUBMINIMUM WAGE PROPOSAL

HON. WILLIAM M. BRODHEAD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BRODHEAD. Mr. Speaker, I would like to commend an article to my colleagues on the proposal to create a subminimum wage. I have opposed this change in the past and I found William Greider's article in the February 15 edition of the Washington Post to be a thoughtful discussion of my views on the issue. The article follows:

THE MINIMUM WAGE LITMUS TEST

(By William Greider)

The "Battered Liberal" syndrome which afflicts so many in Washington these days has produced an unattractive side-effect, a willingness among some confused liberals to trade off pieces of the great liberal pie that belong to someone else.

This is done to show the new conservative crowd in town that thinking liberals can be hard-headed and practical, too, a token of earnestness.

For instance, The New Republic, a neoconservative journal which styles itself as the voice of liberalism, has studied the matter of minimum wage laws and concluded earnestly that conservatives are right about them. On reflection, after 40 years of knee-jerking to the New Deal, The New Republic finds the minimum wage is a bad thing because it inhibits the creation of more jobs for poor kids, especially poor black kids whom, it is well known, The New Republic cares about deeply. This change of heart is known around Washington as "facing the New Realities."

Okay, I am in favor of thinking, even among liberals. But it's my impression that most of The New Republic crowd went to Harvard and that none of them faces the slightest possibility of actually having to work for the minimum wage, not for a little while and certainly not for the rest of their lives. The federal minimum wage is $3.35 an hour, which, despite periodic increases, is unchanged in real terms since 1963.

The 5.6 million Americans who do work for the minimum wage are probably unaware of the New Realities; they are still mired in Old Realities. Millions of people in America work at dull, grubby, deadend jobs and they are still poor, millions of them. If you work full-time at the minimum wage these days trying to support a family of four, you earn about $6,600 a year. This is a long way below Harvard and even $800 below the official federal poverty line.

But if you undermine the minimum wage, you are depressing the wages of many millions more. For starters, there are another 5 million or so who work below the minimum wage, whose jobs are exempt from its coverage but whose pay levels are still influenced by it. Then there are probably 5 or 10 million more who work at jobs above the minimum wage but whose incomes are pegged to it. Sometimes, this is done explicitly in labor contracts for garment workers or retail clerks or others. More generally, the federal wage minimum is an arbitrary floor—established politically in pursuit of social equity—which affects wages way up the line from $3.35 an hour.

This is what the old liberals of organized labor fully understand even if new liberals, young people who prefer to pursue more fashionable causes, do not.

It is why old liberals routinely go to battle stations when Republicans like Sen. Orrin Hatch or President Reagan come forward, once again, with the hoary old idea of a subminimum wage for teenagers.

A subminimum invites employers to fire older workers and hire younger ones on the cheap. If the subminimum expires for a young worker after six months, it invites the employer to fire that young worker and hire another one. Even if you are willing to overlook those problems, a subminimum will have a generally depressing effect on wages at the bottom of the American economy, diluting the impact of the federal minimum on America's secondary labor market—that scruffy sector of low-paying jobs, mostly nonunion, where competition is fierce, employe turnover is high and fringe benefits are scant.

The minimum wage, therefore, is a wonderful litmus test for contemporary ideology, a simple measure of First Principles. Does the government have any business restricting the free market in labor at the bottom of the economy in pursuit of minimal social equity? If your answer is no, then

as a matter of logical consistency you should also be opposed to labor unions, health and safety rules, and the child-labor laws, each of which does the same. And you should also think of yourself as a conservative.

Strangely enough, the minimum wage issue, popular as it is in Republican business theology, is actually an instance in which conservatives are guilty of the classic liberal fallacy—focusing on one narrow problem and ignoring the much larger consequences which the proposed solution will have. The conservative critique has been superb at identifying this weakness in liberal programs, so I await patiently to see if these points are made in The Public Interest or National Review.

The minimum wage, whether one likes it or not, is connected intimately to all of the other things which conservatives do not like about the federal government—the welfare benefits in cash and kind provided to poor people, the working variety and the other kind. It is truly mindless to pretend that Congress cannot alter one without directly affecting the other, probably in ways which nobody wants.

If conservatives will read their own literature on welfare or, better yet, go talk to some live poor people, they will see that most poor families move back and forth between work and welfare and that the breakpoint for those decisions is often the gap between a minimum-wage job and the collective benefits of welfare, food stamps, housing subsidies and so forth. This gap is already quite small and, reasonably enough, many people will choose the security of welfare over the insecurity of a low-wage job, subject to layoffs and termination, especially if the money difference isn't that much. Thus, if Republicans wish to lower the minimum wage, they are effectively making it harder to get off welfare. The conservative answer might be: Well, then, let's lower welfare too. I doubt that confused liberals will accept that remedy.

On the subject of black teenagers and jobs, liberal thinking may be too mushy with wishful thinking, but conservative thinking is flat-out illogical. President Reagan, in one breath, points to the thick want-ad pages of The Washington Post and wonders aloud why people can't find jobs when there are obviously so many of them begging for workers. In the next breath, he proposes this solution: Create more jobs which pay lousier wages—only $2.50 an hour. Question: If slothful teenagers will not take any of those jobs in the want ads, why should we assume they will take worse jobs at the subminimum wage rate? Answer: We shouldn't. The problem of teenage unemployment, especially among blacks, is more complicated than that.

More to the point, the subminimum for teenagers is a bad idea whose time has passed. If the government were going to make a special exemption for young people, 16 to 19 years old, in order to encourage businesses to make more work places for this group, it should have done this 10 years ago, not in 1980. During the 1970s, the bulging youth population poured over the economy, oversupplying available spaces in the job market and in education. But now the huge baby boom is past; the youth labor pool is already shrinking and will get smaller and smaller in the next decade. If Ronald Reagan does nothing about the problem of youth unemployment, it will be ameliorated and probably even go away in a few years. He could take the credit for doing nothing.

However, this demographic reality poses a big problem for employers like hotels and restaurants and fast-food chains who hire more of their workers at the entry-level wages of the federal minimium. Any economist knows that the shrinkage of the youth labor pool—a smaller number of new workers coming into the labor market each year—should put a powerful upward pressure on pay at that end of the economy, as businesses must bid up wages to secure enough workers. Thus, if the new administration sets about gutting the minimum wage, the effect will be to restrain that natural upward pressure in the world of lousy wages. If the folks at The New Republic do not grasp the implications of this, I guarantee you that the folks at McDonald's do.

Ronald Reagan has a sentimental view of America at work which is fundamentally flawed. It tugs at our nostalgia but collides with the facts. Reagan sees smokestack America, but in 1980 industrial production is no longer the dominant engine of our economy, especially the basic industries which he romanticizes in his antigovernment rhetoric, Reagan speeches evoke blue-collar workers, drawing first-class union wages, owning their own homes and bitching about taxes. He is their friend.

But the "new" worker in America isn't employed in a factory. He or she works in "services," perhaps one of those classy high-tech fields but more likely one of the low-paying, nonunionized areas about which we have been talking. An important labor leader neatly summarized this shift in employment by observing that McDonald's hamburgers now employs more workers than U.S. Steel.

The nation and its politicians will need a while to absorb the full meaning of that fact, but this much we already know: Many government policies directed at one sector of the economy may threaten, even injure, the other. Yet the president does not even acknowledge that the national economic landscape is now more complicated than it was in his Illinois boyhood (for a brilliant account of how Reagan's nostalgia collides with reality, see Emma Rothschild's important article, "Reagan and the Real Economy," in The New York Review of Books, Feb. 5, 1981).

Work.—The president talks a lot about the importance of work, the sweat of the brow and all that, cherished values which he thinks liberals have ignored. So far, in that regard, Reagan has urged big-city mayors to join his crusade against the minimum wage. A few days later, his chief adviser revealed that the Reagan administration will seek a major reduction in the maximum tax rate on unearned income—nonwage income like dividends from stocks and bonds. Lower wages for people working in the restaurant kitchen; lower taxes for the stockholders dining out front. If this is the new Reaganomics we have been hearing about—getting the government off the backs of the rich and the poor alike—it sounds a lot like the Republicanism of old.

But the president is certainly right about liberals and work. It's time for them to begin thinking again about how they feel about work.●

THE MIDDLE EAST POLICY SURVEY: AN ESSENTIAL SOURCE OF INFORMATION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BINGHAM. Mr. Speaker, this week marks the first anniversary of the publication of the Middle East Policy Survey, a biweekly report from Washington and the Middle East which is edited by Kenneth Wollack and Richard Straus. I find the survey to be an indispensable asset to those of us involved in the making and following of U.S. foreign policy toward the Middle East. The Middle East Policy Survey is essential because it is completely objective and because it provides information not provided by the daily press and weekly news magazines.

The credentials of Ken Wollack and Richard Straus are well known to Members of Congress. Wollack served as legislative director of the American Israel Public Affairs Committee for 7 years. Straus was legislative liaison at the committee and prior to that was legislative assistant to former Representative Peter Frelinghuysen.

Because of the wide contacts of the editors here in Washington, the survey contains inside information on the administration's Mideast policymaking, as well as on congressional maneuvers relating to that policy. The survey is also very useful in pointing to emerging foreign policy trends in the new administration, not only in relation to the Middle East but in other areas as well.

I congratulate Ken Wollack and Richard Straus on the first anniversary of the Middle East Policy Survey and look forward to reading it for many years.●

ANTINUKE STRATEGY CONFERENCE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. McDONALD. Mr. Speaker, most Americans understand that the fundamental cause of the drastic rise in petroleum product prices they have experienced over the past 6 years is the fact that the United States lost its reserve production capacity. Due to many factors, but prime among them Federal policies, the ability of this country to simply open the tap a little wider whenever OPEC threatened an unfair price increase was lost.

When we lost that reserve production capacity, Americans did not lose

merely the ability to keep oil prices down, we also lost our energy independence, and became increasingly dependent on foreign countries for our energy needs.

There is little need for me to remind any Member of this House of the dangers to which energy dependency has exposed this country which include possibilities of severe economic damage through ever higher oil prices, possibilities of political blackmail by oil producing countries, and the increased international tensions we must face in the Persian Gulf.

Obviously the best way out of this predicament is for the United States to again achieve energy independence. This is not to say that we should not buy any petroleum abroad, but it is to say that we should keep this to a rational minimum. To do this we need to develop additional production capabilities in this country and to develop additional sources of energy.

A tremendous amount of oil is burned in this country to generate electrical energy. There is no logical reason why this fuel should not be replaced by nuclear fuel. But an organized lobby exists to prevent this from happening. The antinuclear lobby has a hidden agenda. It hopes to weaken the United States in order to aid various Third World revolutionary groups which are backed by the Soviet Union.

Recently this antinuclear lobby held its strategy conference for 1981. The Western Goals Foundation, a nonprofit tax exempt educational foundation formed "to rebuild and strengthen the political, economic, and social structure of the United States and Western civilization so as to make any merger with totalitarians impossible," has produced a report on that antinuclear conference which I believe will be of great interest to my colleagues.

The report follows:

ANTINUKE STRATEGY CONFERENCE

Some 350 activists from disarmament, Marxist, antinuclear, revolutionary and environmental organizations attended the fourth national conference of the Mobilization for Survival (MFS) held in Rockwell Hall at Duquesne University in Pittsburgh, January 30 to February 1, 1981.

With the hyperbolic rhetoric of paranoia, the Mobilization for Survival conference call, entitled "Building a Strategy for Survival," warned that "We face an imperative of unprecedented urgency" because "Our nation's political institutions have moved sharply to the right" and "The President-elect and much of the new Senate represent the most dangerous combination of foreign militarism, domestic reaction, and callous disregard for the environment."

Although single-issue antinuclear power groups comprise the majority of the MFS local membership, the conference call made it plain that for the coalition leadership, U.S.-Soviet relations and disarmament/detente struggles are the priorities.

Judging by the conference participants, the overwrought rhetoric about "the escalating danger of * * * nuclear disaster" and "merchants of death" inventing "fantastic technologies for overkill at a cost of $500 million a day, robbing our communities of jobs, of food, shelter, health care and peace of mind," only alienated the responsible citizens who are genuinely confused and concerned about unclear safety issues.

Most activists from local antinuclear power groups suggested that the 1981 focus of the coalition's efforts should be local nuclear power issues. These groups approved making the Mobilization's highest priority demonstrations on the March 28th anniversary of the accident at Three Mile Island. Indeed, the MFS did accept a Harrisburg demonstration as one priority, but most efforts will be directed against any planned increase in U.S. military defenses and against deployment of new, updated weapons.

The manner in which the disarmament activists who form the majority of the Mobilization for Survival leadership rammed through their programs in a style that would warm the heart of Joseph Stalin brought into sharp focus the fact that the MFS was organized by veteran U.S. leftists who collaborate with the World Peace Council (WPC). The MFS was formed to bring antinuclear power groups into the campaign for Western disarmament long promoted by the Soviet Union through its covert action and propaganda fronts headed by the WPC.

Nevertheless, several antinuclear power strategies were discussed which received warm approval from the MFS rank and file.

BANKRUPT NUCLEAR UTILITIES

The most dynamic antinuclear power speaker was professor Michio Kaku, a young physicist who described a plan by which antinuclear groups will attempt to bankrupt utilities operating nuclear-fueled electrical generating plants.

The key, according to Dr. Kaku, was to take up the issue of nuclear safety. Dr. Kaku maintained that through prolonged, sustained litigation in which antinuclear groups would repeatedly take the utilities to court to demand in every instance that the most expensive plant safety measures, waste transportation and disposal measures and the like be mandated, the utilities could be forced into bankruptcy.

Kaku emphasized that nuclear groups should cultivate an image with the media that their concern for worker and public safety and cancer. Kaku left unmentioned the such compelling issues as the far larger documentable numbers of deaths and disability from coal mining, from oil drilling, oil tanker accidents, and the health dangers posed by coal ash, a substance whose toxicity is permanent.

According to Dr. Kaku, the Three Mile Island clean-up will be the major focus and crucible for testing the bankruptcy by litigation strategy. Issues to be fought in court include transport of waste and opposition to dumping very slightly radioactive water into the Susquehanna.

He repeated again and again that the effort must be to force Three Mile Island's owners to use the most expensive clean up methods, to bankrupt them and block reopening of the TMI power plant "by any means necessary." Kaku was a vocal proponent of the demonstration in Harrisburg on March 28th.

This demonstration, intended to gain publicity and support for the drive to keep Three Mile Island closed by bankrupting its owners, was made a short-term priority of the Mobilization for Surivival.

ANTI-U.S. DEFENSE CAMPAIGN

The Mobilization for Survival leadership did not conceal the fact that it views the local antinuclear power groups and other issues basically as grist for the anti-U.S. defense effort. To fight planned increases in U.S. military strength, MFS called for "unity and solidarity" from such diverse "survival struggles" as "unemployment, nuclear power, disarmament, feminism, gay rights, racism [and] housing."

The MFS Coordinating Committee (CC) offered only two Strategy Proposals. Option I concentrated on disarmament and antinuclear issues and was justified by arguments supporting the "inseparability of the energy and armaments issues" such as "the danger that an interventionist President Reagan may actually initiate military involvement * * * in the Middle East or Central America * * * [and] initiate nuclear war; * * * [and] that Reagan may actually try nuclear blackmail to make the Soviet Union back down on some issue." This leads to the obvious implication that for the MFS hierarchy, defense of the Soviet Union is the primary duty.

Strategy Option II, entitled "Build Co-operation with Human Needs/Social Justice Constituencies" suggested the MFS work with women's, welfare rights, unemployment and labor groups on promoting the ERA, opposing welfare cuts and similar issues.

The MFS leadership tried to slant discussion away from these areas. The first of the "Questions to Ask Ourselves" was "Can an organization so heavily committed to antinuclear issues realistically hope to shift its emphasis?" Yet in thirteen of twenty small discussion groups this approach or a compromise linking disarmament to "saving jobs" and "peace conversion" and supporting Marxist revolutionary groups in Africa and Central America was favored.

The specific action proposals adopted as Major Priorities (limited to a maximum of 4 and meaning that "major staff time, resources, and energy" would be devoted to the program; Support Programs in which MFS would "participate nationally along with other groups * * *, give some staff time * * * [and] encourage our network to plug into it;" and Endorsed Programs meaning that "the project can list MFS as an endorser [and] MFS will publicize the activity through its newsletter."

PRIORITIES

1. (Short term) March 28, 1981, demonstration in Harrisburg, PA, on the anniversary of the Three Mile Island reactor accident.

(Long term) Development of support programs including a mass demonstration with civil disobedience for the United Nations Second Special Session on disarmament (SSD). SSD-II will take place in the spring of 1982. The first Special Session on Disarmament in 1978 was the vehicle for a major initiative by the Soviet Union against planned deployment by the U.S. and NATO of new defense systems to replace obsolete ones ineffective against the panoply of new Soviet weapons. This campaign against Western defenses was spearheaded by the USSR's principal political warfare front, the World Peace Council (WPC).

In this light it is interesting that the initiator of this MFS long-term priority proposal was the MFS International Task Force. This MFS International Task Force is led by two WPC activists, Kay Camp of the Women's International League for

Peace and Freedom (WILPF) and Terry Provance of the American Friends Service Committee (AFSC). The proposal was supported by the Los Angeles Alliance for Survival, and the War Resisters League (WRL), both groups with individuals and members involved with WPC activities.

The MFS Coordinating Committee had already endorsed a peace petition campaign to "bring out public opinion." Advance work for the SSD will include working with the U.N. Non-governmental organizations (NGOs) via the International Task Force and "liaison with other countries through the International MFS."

2. Jobs for Peace—an effort to place "peace initiatives" on local ballots. According to Detroit MFS head Vic Schumacher, similar initiatives have been considered in referendums in Detroit; Madison, Wisconsin; Oakland, CA; San Francisco and Boston. Schumacher said the Detroit "peace initiative" succeeded in winning 54 percent of the vote.

MFS argues that launching these initiatives in selected areas will "demonstrate concretely that the majority in a particular community favor cutting military spending and increasing domestic spending, to create more jobs and reduce inflation;" and that they demonstrate "concrete support and linkage of the peace movement for serious economic survival struggles—employment/inflation."

3. Local multi-issue teach-ins "peace education." These will be in the style of the 1980 "Survival Summer."

SUPPORT PROGRAMS

Six programs were selected for support by the Mobilization for survival. They included the following:

G.E. Boycott.—A national consumer boycott of General Electric, "the single largest company that is involved in every phase of nuclear development * * *. Following the rule of divide and conquer, G.E. alone will be targeted for maximum pressure." [Proposed by Citizens Against a Radioactive Environment in Cincinnati and supported by the Milwaukee MFS].

National Blockade of Diablo Canyon—The Abalone Alliance of California already is preparing for a state-wide blockade of Diablo, the next major nuclear power plant scheduled to go on line (June at the earliest). MFS will "help elevate the blockade to national participation and significance." [Proposed by the Alliance for Survival of Southern California].

Mobilization to Save the Heartland.—For the summer of 1982, prior to the fall Congressional and Senate elections, calls for demonstrations and "public education" in the Great Plains/Midwest states. The MFS said it has "targeted" this region because it contains two of the largest defense contractors, McDonnell-Douglas and General Dynamics (St. Louis, MO); the major strategic nuclear bases (SAC in Omaha, NE, and Whitman in Missouri); large nuclear facilities and waste sites (Paducah, KY; Calloway, MO; Morris, IL); cities in which hospital and industrial closings are issues (Youngstown, OH; Flint, MI; St. Louis, MO); the area of greatest "New Right" activity which MFS defined as "right to work laws and attack [sic] on liberal senators."

M-X Missile.—Adopting the Soviet line that the U.S. intends to use the MX as a "first strike weapon," the MFS will support the drive to prevent deployment of the MX.

The conference participants viewed this campaign as similar to their successful effort to stop the B-1 bomber, and plan an "intensive, focussed campaign" that they claimed will be supported by "strong local opposition" opposed to land used by the planned MX basing system. Organizers promoting this plan at the conference were desperately looking for some way to give the anti-MX campaign a "positive" flavor. This led some to support a call for transfer of MX deployment funding for "development of solar heating for homes." The anti-MX campaign was sponsored by the Alliance for Survival, whose leaders include a number of veteran Southern California World Peace Council and Communist Party activists formerly involved with the Los Angeles Peace Council's anti-Vietnam efforts.

Price-Anderson Act.—Effort to persuade Congress to repeal or raise liability limits of this legislation because it is "cited as an economic prop essential to the survival of the nuclear power industry." This also was proposed by the Alliance for Survival and was stated to have the support of Ralph Nader's Critical Mass organization and the Environmental Policy Center.

Registration and the Draft.—"To help give political direction to the anti-draft movement * * * [and] link militarism with unmet human needs," the project would focus on "counter-recruitment" and anti-military propaganda aimed at high school students and work in high schools." The proposal was initiated by MFS Field Coordinator Harold Jordan.●

FREE TRADE AND PRIVATE ENTERPRISE ARE ALIVE AND WELL IN THE SOUTHWEST

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. RUDD. Mr. Speaker, too often these days we hear that the free trade and private enterprise system is dead, passé, and nonworkable, but let me point out a sterling example of free enterprise that exists in my own State. Holsum Bakery, of Phoenix, Ariz., has been making baked goods for the citizens of Arizona since 1881, the year that the city of Phoenix was incorporated.

Edward Eisele, who in 1884 purchased the Phoenix bakery, forerunner of today's Holsum Bakery, started his operation producing a mere 200 loaves of bread a day. Today, Holsum produces approximately 64,000 units per hour and delivers them on a daily basis to virtually every city, town, and trading post in Arizona, as well as parts of southern California and Nevada.

From its humble beginnings, the bakery operation has expanded to employ over 400 Phoenicians. Through the continual introduction of new equipment, technology, and the expansion of production facilities, Holsum has consistently been rated among the most modern baking facilities in the country.

Under the leadership of Edward Eisele's son, Lloyd, and the present president, Edward Eisele, grandson of the founder, the bakery has expanded to serve a market area with over 220 different products. Holsum truly exemplifies the spirit of free enterprise and its success parallels that of Arizona, continually growing and expanding for the better.●

MICHAEL W. MURRAY

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. JOHN L. BURTON. Mr. Speaker, it is my pleasure to pay tribute today to a man whose hard work and dedication have dramatically improved the standard of living and quality of life for the elderly, blind, and disabled across this country and particularly in California. On February 18, Michael W. Murray will be leaving his position as principal regional official for region IX of the U.S. Department of Health and Human Services. With him go the talents of one of the finest human beings ever employed by the Federal Government.

In his post as PRO, Mike has served as the key representative of the Secretary of Health and Human Services, providing leadership, direction, and oversight for all HHS activities in the region. He has been widely recognized for his sensitive leadership of the Indochinese refugee resettlement program. Mike has worked closely with Governors, Members of Congress, Federal, State, and local officials, and, most importantly, local communities to insure quality care and social equality. He has long been a champion of peoples' rights and has richly earned the respect of countless local, State, and Federal legislators. In addition, Michael is an expert in the areas of aging and social security, bringing a special dimension to his appointment as principal regional official.

During his tenure at HHS, Michael was selected by President Carter to serve as Chairman of the Federal Regional Council and coordinated all regional offices and served as the President's representative.

Prior to his HHS appointment, Michael served as a professional staff member of the Select Committee on Aging and as my key staff assistant in both the U.S. House of Representatives and in the California Assembly.

Perhaps the greatest accomplishments of Mike's career are the abolition of mandatory retirement under the Older Americans Act; the creation of an independent and autonomous department of aging in California, providing advocacy for the elderly; and the establishment of an SSI program in California—through passage of AB-135—providing the highest benefit levels of any State in this country.

Michael's community involvement and total selflessness began early in his career. After receiving his A.B. in philosophy and English from St. Patrick's College, he went on to earn a master of divinity from St. Patrick's and a master of social work from Berkeley. He served as a counselor for the San Francisco Boy's Home, as an assistant pastor at St. Vincent de Paul Church, as a trainer for the western community action training program, and as an adult probation officer.

I recognize that this tribute employs almost every superlative in the English language. These, however, do not come near expressing the immense respect in which Michael Murray is held by his many friends and associates. His legislative talents will be sorely missed by those whose lives he has dramatically improved.●

MISS SHEREE R. DEAN WINS VOICE OF DEMOCRACY SCHOLARSHIP CONTEST

HON. CLINT ROBERTS

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ROBERTS of South Dakota. Mr. Speaker, recently the South Dakota Veterans of Foreign Wars and its ladies auxiliary conducted a voice of democracy contest in conjunction with the U.S. V.F.W.

The contest is an excellent forum for patriotism for our Nation's high school students. This year more than 250,000 secondary school students participated in this nationwide contest.

I am pleased to submit at this time the winning speech from my State as delivered by Miss Sheree R. Dean of Wessington, S. Dak. The speech follows:

Now, while I am still young, is an appropriate time for me to pause and reflect on my heritage, assess where I stand today, and look ahead to new horizons.

The birth of my country was fathered by iron-willed families. Pioneers gave their time, their energy, and their courage to protect the principles of the American people. My country, under God, prospered through blood, sweat, and tears, as well as wise dedication and spiritual growth. I commit my faith and determination that the American way of life shall grow and flourish.

Remember when President John F. Kennedy challenged each American by saying, "Ask not what your country can do for you, but rather what you can do for your country." I will nurture my mind with great thoughts for the betterment of my country, for to think is the source of power.

Freedom is the foundation of my nation. My country, America, is the democracy which has given me the opportunity to be in competition. It is my commitment and responsibility to protect my freedoms.

As I grow to adulthood I will face a changing world with new challenges. There will be more people and fewer resources. There will be vital issues in my government that will call for wise decisions. I will work to solve problems, utilizing the rich blessings of technology and ingenuity.

Young people's growth and knowledge have put my country in a position of leadership. Coming together is a beginning. Keeping together is progress. Working together is success. America can take the responsibility of leadership. I commit myself in service to those around me and to the era in which I live.

My country has for its support beams, freedom of religion, choice in education, responsibility for service, and a wealth of resources from God. To utilize these privileges I will make each day count with wisdom. I will turn my brain power into learning power, my know-how and abilities to work for my country, America.

Patrick Henry said, "I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no other way of judging the future, but by the past." I cannot change the past, but I can help to shape the future. Facing the future with faith will encourage me with each endeavor. I commit myself to higher standards of excellence, and to utilize my talents in useful channels.

America stands at the corner of great danger and great challenges. It is time to remember, to count my blessings, to cherish my sacred heritage, and to put it to productive use. My commitment is to season my country with the flavor of hope, encouragement and faith.

My country is my heritage fortified by the hard work and faith of my ancestors plus the technology of the present. I pray that I may help to turn the alloy of past experience and modern technology into a steel of mastery and character that will bless my country.●

MEXICO: NAIVE TOWARD LEFTIST MOVEMENT IN LATIN AMERICA

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. COLEMAN. Mr. Speaker, under the leadership of Chairman E DE LA GARZA, several members of the House Agriculture Committee traveled to Mexico to meet with Mexican leaders and to discuss problems of agriculture and the growing trend of instability in Latin America.

As a member of the delegation, I witnessed firsthand the importance of good relations between our two nations. We share a common border, engage in extensive trade, and are committed to the rights and freedoms of our respective citizens.

My colleagues are aware of the growing unrest in several of Mexico's neighboring countries. The United States has been especially concerned by recent developments in Nicaragua and El Salvador. As chairman of the Republican Task Force on Foreign Policy, one of the chief purposes of my trip was to ascertain whether Mexican officials share our concern for events in those nations and other Latin American countries troubled by outside interference and subversion.

During personal meetings with Deputy Foreign Minister Alfonzo Rosen Zweig-Diaz, I made clear my concerns. Mexico must join with us in being vigilant against groups—both far right and far left—which advocate the violent overthrow of governments. These groups invariably install authoritarian regimes which deny the rights and freedoms of their citizenry with no hope or promise of ever adopting a democratic system. Together we must work for a middle ground. By ignoring the terroristic activities in Latin America, and thus in effect condoning them, I feel that Mexico is leaving itself vulnerable to these very same anarchic possibilities. Mexico is certainly not insulated from these events and should be more active in opposing them.

We must recognize the economic potential of Mexico. We must recognize the important role Mexico has in maintaining the stability of the Western Hemisphere. We must insure that Mexico is a full partner in the efforts to curb subversion and terrorist unrest in Central America.

In recognizing these factors, however, I believe it is consistent that we ask Mexico to face squarely the present threat that the situation in Nicaragua and El Salvador presents to our mutual security. Just as friends can speak and act frankly with one another, so must we speak to our neighbor, Mexico.

My visit with the Deputy Foreign Minister convinced me that Mexico is looking for candor and consistency—as well as frankness—in U.S. policy directed toward Latin America.

We must work with Mexico and other nations toward policies that will restore stability in Latin America. In doing so, it is right that we ask our Mexican neighbors to recognize that the real threat to their security and ours is the subversion emanating from Cuba and other Soviet-sponsored terrorist forces.●

VFW COMMITMENT—TODD ADKINS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. COLLINS of Texas. Mr. Speaker, one of the finest programs in America is the VFW Ladies Auxiliary Voice of Democracy program. Their national essay theme was based this year on "My Commitment To My Country." Throughout the United States thousands of entries were submitted by patriotic young Americans. The best essay in Texas was written by Todd Adkins of Plano, Tex. Todd is

an outstanding young man who is serving as president of the student council of Plano High.

Here is the excellent VFW statement written by Todd Adkins:

Many years ago in the recorded history of mankind, a suppressed and unhappy group of people crossed over a large body of water to land where they would start a new life—a land which was accurately described as a wilderness. With hard work and diligence, these people struggled through starvation, war, invasion, and natural disaster to carve from this wilderness one of the truly greatest nations in the history of all mankind.

Indeed, America has been carved, and with many different tools. Some were tools of the mind, some were tools of the hand, yet all were tools of the heart. And from these hearts stemmed a devotion; a commitment to serve America in one form or another. Some used their worldly knowledge to lead America in the areas of business, politics, and domestic and international policies.

Others used their hands and served as the craftsmen of America. These were the people who built the homes, established the communities, and erected the cities. Many have called these individuals the backbone of our American society. And who can forget still another group whose courage and determination led us through the worst of times. A group who served with their blood.

Some joined the military to fight in combat; others joined to command. Yet all sacrificed their blood; many, their lives. Politicians, craftsmen, soldiers * * * as a whole, all these men and women shared one common goal—to preserve their freedom and justice; to serve and strengthen America. The politicians didn't devote their lives to politics because they loved politics, but because they loved America, and politics was an important aspect in maintaining America's democracy. The craftsmen of America were not so devoted to building and designing society as what they were to helping society with whatever it needed most. If the best method to serve America was through some form of craftsmenship, then truly, that would be the thing to do.

And what of those who served with their blood? In the Revolutionary War there were over 4,400 deaths on the battlefield. The number of combat deaths in World War II reached an astonishing figure of nearly 300,000. Yet these men didn't fight for the military, but for America. These men didn't die on the battlefield because they wanted to, but because that was what was required to best serve their country. For he who serves his country best does so by best serving his country's needs.

So when I ask myself what will my commitment be to my country, it's ill advised for me to reply, "I'll join the army." It's presumptuous for me to reply, "I'll run for president", because the best commitment I can make to my country is the one that is based on my country's needs, and it's premature to try to determine now what my country will need most from me five, ten, or even twenty years from now.

If, however, I can best serve my country by enlisting in the army, then by all means, I will serve. If America calls on me to enter into the political arena, then by all means, I will enter. If America asks nothing more of me than to be a responsible, law-abiding citizen, then this is what I will do.

My commitment to America parallels strongly with the ever-so-famous statement, "Ask not what your country can do for you, but what you can do for your country." My commitment to my country is to serve however America needs me most. And so to America I say, "my heart is at your service."●

ELLA GRASSO

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. JACOBS. Mr. Speaker, Richard Byfield Ohrn of Indianapolis extends these sentiments concerning our former dear colleague, Ella Grasso:

INDIANAPOLIS, IND.,
December 17, 1980.

Hon. ANDY JACOBS.

DEAR ANDY: I ask this tribute to our only lady Governor be placed in the CONGRESSIONAL RECORD, if possible.

ELLA GRASSO

The tireless worker with the happy face
The State as a family . . . old Connecticut
A friend of the family . . . dear Ella
Who stopped by for a while to give a hand,
To solve some problems . . . impossible problems
Who will now be missed so dearly missed
That empty place at the family table.

My best regards,

RICHARD.●

THE TRAGEDY OF EL SALVADOR

HON. ROBERT K. DORNAN

OF CALIFORNIA.

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DORNAN of California. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent article which appeared in the Sacramento Union by L. Francis Bouchey of the Council for Inter-American Security.

The subject of the article is the devastating effects of the so-called Carter human rights policy on the political situation in Central America and upon the relationship between our country and that vitally important area.

It is Mr. Bouchey's contention, supported with facts and figures, that Carter's selective "human rights" policy, reinforced by socialistic "reforms" offered by the State Department, has resulted in economic decline, political unrest and violence, and in a growing strength of the Cuban-supported guerrilla left in Central America. We all know the tragic results of Carter's policies in Nicaragua, and Mr. Bouchey contends that they have nearly brought El Salvador to the brink of ruin, vulnerable to a takeover by militant Marxism.

It is important to realize that, in spite of the damage Carter's policies have wrought, the situation in Central America is by no means hopeless. With regard to El Salvador and Guatemala, however, the Reagan administration can implement policies that will halt El Salvador's decline and reaffirm our support for pro-U.S. forces in that nation and others in Central America.

TRAGEDY OF EL SALVADOR—REAGAN MUST REVERSE CARTER'S FAILED NEW DIPLOMACY

(By L. Francis Bouchey)

By mid December it was clear that narrowing the Reagan options in Central America before Jan. 20 was the top priority and last hurrah for the McGovernite, new diplomacy crowd Jimmy Carter placed in charge of the so-called Third World in 1977.

It ends like it began. All in the name of something called human rights. Never mind that there are at least 20 times more political prisoners in Nicaragua today than at the height of Somoza's state of siege, or that El Salvador is now a bloody, political and economic basket case.

Accordingly, the new diplomacy crowd sallied through the State Department, and the journalistic camp followers of revolutionary politics in the press have rushed forward to define the Reagan options: Work with and soothe the radicals, or abandon Carter's noble new commitment to human rights and return to what they try to paint as the dark old days of collaboration with forces of reaction and repression.

Those trying to lock in the failed Carter policies overlook the fact that in El Salvador hundreds of victims have fallen in Castro-supported, civil war style violence with over 9,000 killed in the past 12 months. In the first 10 months of 1979, before Ambassador Robert White and the State Department engineered the overthrow of President Romero, violent deaths did not exceed 150, and for 1976 through 1978 there were only 110 terrorist operations in the country and practically none touched ordinary citizens.

Columnists Anthony Lewis, Mary McGrory and other human rights handwringers notwithstanding, real human rights (not to mention the bona fide security of the United States) are likely to fare better under the likes of U.N. Ambassador-designate Jeane Kirkpatrick than they have under human rights assistant secretary Patricia Derian.

Dr. Kirkpatrick's human rights recipe includes ingredients other than taking from the rich to give to the poor and bending over side ways to justify every Cuban trained malcontent who shouts human rights while he riddles a policeman or land owner with a rain of bullets. As professional and careful analysts, Dr. Kirkpatrick and other Reagan advisors and appointees know the record of injustice and consistent economic failure that follows like day and night in the wake of ideological Robin Hoods of the "left."

In the case of El Salvador, do we really want to see that Massachusetts-size country of 4.8 million split up what was, until last year, a prosperous agriculture sector into bitter poor, state owned ejidos a la Mexico, or into tiny uneconomical private poverty plots like folks have in Haiti? Is that the irreversible wind of progressive change with which our experts and ambassadors should sail?

Human rights and free human development is and will be on the Reaganite agenda, but hopefully human rights will not be confused with the coddling of juvenile communists and collectivist economists.

From Argentina and Peru, Jamaica and Chile, not to mention Cuba, the record of populist redistributism and state collectivist economic policy is plain for anyone who looks at the record. Failure. Dismal and absolute.

When Carter's deputy assistant secretary of state for inter-American Affairs told Guatemalan businessmen last year that their country needs a "mild dose of Marxism," businessmen in the economically-progressive country brought newspaper space to tell Mr. Check to go try his reforms first in the United States.

Why have so-called U.S. experts gotten away with pushing on our neighbors socialist policies that would outrage voters if they were advocated here at home? Doesn't opportunity for bettering one's own, and one's country's, economic lot qualify as a human right? Or have we let police-enforced equality in poverty become the ideal of American diplomats?

It is patent nonsense to say Reagan doesn't have options, or that (a) Carter policy in Central America has not been an abysmal disaster, or (b) that the so-called "moderates" in places like El Salvador are not, in fact, far to the "left" of George McGovern and even most U.S. socialists.

Begin with the fact that when Jimmy Carter moved into the White House the five Central American republics were stable, pro-United States and prospering. Growth in per-capita income was ahead of Latin America as a whole in both 1976 and 1977. Life expectancy was up, death rates and infant mortality down. Only 6.2 percent of El Salvador's budget went to the military; 32 percent went for education and health services.

Persons who spoke with Salvadorean junta President Napolean Duarte during his visit to Washington a few weeks ago report that he displayed unconcealed contempt for the private business sector and made clear that he wished to accelerate his unelected government's rush to socialism.

Particularly disturbing was the December appointment of another Christian Democrat junta member, Antonio Morales Erlich, as minister of agriculture. Morales Erlich has long been an advocate of rapid implementation of that phase of the agrarian reform which would nationalize private farms of 250 acres or larger in size.

Attempts to characterize the present junta civilians as being somehow to the political "right" is a full blown fabrication which surfaced two days after Reagan's landslide in a forgery that purported to be an internal State Department "Dissent Memo" and which was widely circulated in Washington, D.C. The Boston Globe said in an editorial that the paper was "apparently" written by present or former officials "with access to classified information."

Some knowledgeable persons in Washington saw the fine hand of Ambassador White and his new diplomacy colleagues in the fake document, which set forth the bizarre contention that the junta radicals with their program for instant socialism was the most "conservative" option available and that to abandon them would invite disaster. It even criticized the junta for its failure to draw in the bomb throwers who are the only elements to their left.

The plain truth is that what the Washington Post characterized as the new diplomats' attempt to preempt the revolutionaries by out-Castroing Castro has resulted in a ruined economy and an exiled managerial class.

Reversal of the Carter-White new diplomacy and the ongoing tragedy in El Salvador should revolve around three propositions:

1. The armed forces of the de facto Duarte government must be provided military equipment, particularly helicopters to counter the communist guerrilla offense and to restore peace.

2. Reform programs, socialistic or otherwise, should be suspended until the country is tranquilized and constitutional elections are held for a truly representative government. (In the meantime, the United States may have to provide substantial economic aid to assist the pacification program.)

3. Some competitive, free enterprise capitalism, not socialism, is the truly progressive course, El Salvador should be used to serve notice to developing countries that when it comes to dispensing assistance funds, the Reagan government will show preference to free enterprise countries.●

TRIBUTE TO AMERICA'S HOSPITALIZED VETERANS

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GEJDENSON. Mr. Speaker, by Presidential Proclamation, February 14, 1981, was designated "National Salute to Hospitalized Veterans' Day." It is my pleasure to join my colleagues in recognizing this important event by expressing the gratitude that this Nation rightfully owes its veterans.

Throughout our history, those who have served in the Armed Forces have defended the freedom and principles which are intrinsic to American life. By faithfully serving their country, these men and women have upheld the role of the United States in world affairs and protected the quality of life at home.

The services of our veterans warrant our ongoing support for their needs. The 172 Veterans' Administration medical centers across the Nation constitute a large part of that commitment. We must encourage all Americans to participate in recognizing the 1.3 million veterans who are being treated by these facilities, and to express their collective gratitude for these individuals' many contributions.

I am proud to add my voice in honoring our sick and disabled veterans. This is an expression of support for them and their futures, and of appreciation for their service to this land.●

SMALL BUSINESS DESERVES A TAX BREAK

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. NOWAK. Mr. Speaker, tonight President Reagan will present his economic recovery program to the American people and the Congress. A tax cut will be the cornerstone of his proposal and in all likelihood will contain an across-the-board reduction in personal income tax rates and liberalized depreciation schedules for business.

In the coming weeks, members of the Ways and Means Committee, members of the House Small Business Committee, and specifically, the Subcommittee on Tax, Access to Equity Capital and Business Opportunities, which I chair, will begin to analyze and debate the efficacy of these proposals.

Small business must receive a substantial proportion of the business tax cut: They are the key to revitalizing our tired economy. Small business creates the most jobs, and is the cutting edge of competition. A productive and vibrant small business sector modifies price increases, providing more goods and services at a lower cost. Our Nation depends on our smaller enterprises to create new technologies and new industries.

Relief is needed now more than ever. Interest rates are at an all time high, while our uneven approach to monetary policy has created an uncertain future. Gyrating interest rates and the on again, off again recession we have been experiencing, make business planning an uncertain science at best. Business failure rates are at an alltime high and, as everyone knows, an unsuccessful large business can easily merge or restructure its debts, while small enterprises simply fail.

Mr. Speaker, small business must receive a substantial share of the business tax cut. Since the small business sector contributes at least 45 percent to the overall gross national product, it is not unreasonable to conclude that at least 45 percent of the potential tax benefits from a tax cut this year should accrue to the small business sector.

The Small Business Legislative Council has written to key members of the Reagan economic team expressing the hope that small business will play a major role in the coming debate on tax cuts. Because of the importance of this matter to the American people and to the Congress, I am inserting correspondence received from the Council. The material follows:

SMALL BUSINESS LEGISLATIVE COUNCIL,
Washington, D.C., February 10, 1981.

Hon. HENRY J. NOWAK,
Chairman, Subcommittee on Tax, Access Equity Capital, and Business Opportunities, House Committee on Small Business, Washington, D.C.

DEAR MR. CHAIRMAN: I felt that you would be interested in the attached letter sent to Treasury Secretary Regan yesterday. We are very much aware that you and your colleagues on the Small Business Committee will be playing a vital role in helping to guide a tax bill through the House which will be responsive to the economy's need for productive capital information and retention incentives in general, and small busi-

ness' specific need for a truly proportionate share of these incentives.

We look forward to working with you in this effort.

Sincerely,

JEROME R. GULAN,
Legislative Director.

SMALL BUSINESS LEGISLATIVE COUNCIL,
Washington, D.C., February 10, 1981.

Hon. DAVID A. STOCKMAN,
Director, Office of Management and Budget, Washington, D.C.

DEAR MR. STOCKMAN: I felt that you would be interested in the attached letter sent to Treasury Secretary Regan yesterday.

The Small Business Legislative Council is a coalition of 86 professional, trade, and small business associations representing with their affiliates over 4.5 million small businesses.

As an extremely broad based economic interest, the small business community will play a key role in revitalizing the economy.

Having long been aware of our full partnership in the Nation's economic growth, we now urge your consideration and awareness of small business as a full economic partner in our combined revitalization efforts.

Please let us know how we can work together in assisting your efforts toward achieving our mutual goal of a balanced budget, enhanced productivity, and economic stability.

Sincerely,

HERBERT LIEBENSON,
Executive Director.

SMALL BUSINESS LEGISLATIVE COUNCIL,
Washington, D.C., February 9, 1981.

Hon. DONALD REGAN,
Secretary of the Treasury, Washington, D.C.

DEAR MR. SECRETARY: As participants at the economic briefing session last Friday, we were pleased to hear your comments regarding the position of small business in our economic structure particularly regarding their role as the chief employer of our labor force.

There has been a growing recognition of the fact that small business has been and will continue to be the basic provider of new jobs added to the economy. In recognizing this fact, we also must realize that our sector can only continue in this vein if the current economic constraints are lessened. Small business in the aggregate represents a general or public interest rather than one of the "special" interest so often referred to. I am sure that we are willing to make whatever sacrifices are necessary in order to turn the economy around, and we fully expect that we will be making such sacrifices.

On the other hand, we hope that in your planning for the tax cut message which the President hopes to send to Capitol Hill on February 18, you will recognize that small business must receive a proportional share of any benefits to be derived from a capital formation and depreciation package. Analysis has shown that the benefits of "10-5-3" proposals would have gone primarily to big business. Roughly speaking 70% of the benefits derived from that bill would accrue to some 2000 of the Nation's largest corporations leaving 30% to be distributed to literally millions of small businesses.

I am sure we need not belabor further at this point, but if we in the aggregate are responsible for almost 60% of the jobs, 50% of GNP and value added to the economy etc., it therefore follows that we must receive proportional benefits from any tax cut proposals.

If, on the other hand, small business is asked to bear a full burden of sacrifice and is not offered a full share of benefits essential to growth, and the creation of new jobs, we may find that our vast small business community will be hard pressed to support the administration's economic program.

We would be happy to meet with you at your earliest convenience to discuss this in greater details.

We will be anxiously waiting for details of your plans scheduled to be released of February 18.

Sincerely yours,

HERBERT LIEBENSON,
Executive Director.●

THE RELEASE OF IOSEF MENDELEVICH

HON. HAROLD C. HOLLENBECK

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. HOLLENBECK. Mr. Speaker, this morning I received news that I have been anxiously awaiting ever since my election to this distinguished body. I was advised earlier today, through the National Conference on Soviet Jewry and the Bergen County Conference on Soviet Jewry, that Iosef Mendelevich has been released from the Soviet prison system and was heading directly to Israel.

Having symbolically adopted Iosef as a prisoner of conscience and having worked to gain his release for more than 4 years, you can understand why this news is particularly gratifying. I applaud this humanitarian gesture and hope that it represents a first step toward Soviet willingness to comply with previously agreed international accords.

As we know, Iosef was convicted of attempting to hijack an airplane to Israel during the infamous Leningrad trials of June 1970. Of the original 10 defendants Iosef had been singled out for especially cruel treatment because of his adherence to orthodox religious beliefs. On the 10th anniversary of his imprisonment this summer, I circulated among my colleagues a letter to Soviet authorities calling for the early release of the three men who still remained in prison from the so-called Leningrad group. I was proud to have sent this letter to Leonid Brezhnev with the signatures of 64 of my colleagues, and I am delighted that Soviet authorities saw fit to honor our request for Mendelevich's release. I only hope that Soviet authorities will make this action for Mendelevich a rule rather than an exception.

The Soviets must be made to realize that certain truths transcend mere territorial boundaries and demand an international outcry. I know that I will not relent in my efforts to ease the plight of those being denied their fundamental rights as human beings, and that I will continue my campaign to remind Soviet authorities of our deep concern for certain individuals held in their prisons.●

PRESSING ISSUES FACING COAST GUARD TODAY

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. JONES of North Carolina. Mr. Speaker, this House and the Merchant Marine and Fisheries Committee, which I chair, are privileged to have leaders such as our colleague, GERRY STUDDS of Massachusetts. Congressman STUDDS served with distinction as chairman of our Oceanography Subcommittee during the 96th Congress and has now assumed a new role as chairman of the Coast Guard and Navigation Subcommittee. There are many pressing issues facing the Coast Guard today, and Congressman STUDDS has analyzed them succinctly and forcefully in an article published in the January 13, 1981, Boston Globe. I want to share that article with our colleagues now:

SOS, TOSS A LIFELINE

(By GERRY STUDDS)

The United States Coast Guard, long an angel of mercy to those in distress, founders today in a sea of bureaucratic difficulty and is in urgent need of rescue.

The oceans now accommodate far more than pleasure boats and small fishing operations; they have become competitive battlegrounds for limited resources of oil, minerals and protein; they are the globe's most vital means of transportation; they remain a depository for garbage and waste, and a place of concealment for nuclear submarines.

Legislation required to prevent and clean up spills of oil and hazardous substances, to regulate foreign fishing within 200 miles of our coast, to prevent the smuggling of drugs and to recover the oil, minerals and energy found in the sea has burdened the Coast Guard with a plethora of new and complicated duties with which it is demonstrably unprepared to deal.

Consider, for example, that:

The number of Coast Guard cutters has declined from 339 to 246 in the past decade.

The entire fleet of Coast Guard vessels averages more than 22 years in age; the cutter Cuyahoga, which sank in 1978 at the cost of 11 lives, was 52 years old.

Many Coast Guard vessels would be unable to meet the safety of manning standards imposed by the Coast Guard on merchant ships.

The average Coast Guard enlistee has fewer than 2 years experience; re-enlistments have declined by half since 1976.

The Coast Guard estimates it must nearly double in size by 1990 to meet its responsibilities mandated by law.

An OMB study found that "adequate maintenance has not been performed, personnel are undertrained for required tasks, people are required to work excessive overtime and large numbers of experienced personnel are leaving."

The Coast Guard is in trouble primarily because of its inability to compete effectively for budget dollars. As a quasi-military agency, its tendency has been to obey the decisions of its bureaucratic superiors with a minimum of complaint, while adopting a "can do" attitude toward congressmen concerned about their ability to perform assigned tasks. In principle, that is an admirable attitude, but when it is perpetuated in the face of inadequate equipment and manpower, it becomes foolhardy.

The Coast Guard simply will not be able to do its job unless it gets either a hefty increase in funds or a drastic reduction in its responsibilities.

Last summer, for example, the agency was ordered to monitor the chaotic, tragic effort by 100,000 Cubans and 10,000 Haitians to escape their home countries.

Coast Guard personnel must be capable of handling a variety of tasks in a competent, professional manner. Enforcement of the 200-mile fishing limit requires people who are part policemen, part diplomats, part linguists, part accountants, part marine biologists and full-time sailors. but there is no time to give Coast Guard recruits adequate training, and there are too few incentives to keep new recruits around long enough to develop needed skills.

I believe that the missions of the U.S. Coast Guard are vital and that the agency deserves additional funds in order to fulfill its obligations under the law. The Coast Guard will have to work more actively than it has in the past to publicize its needs, so that those sectors of the public that benefit most from Coast Guard activities can be mobilized in support.

Only a few months ago the Coast Guard plucked hundreds of frightened tourists from a burning cruise ship in near-Arctic waters off the Alaskan coast. It will be to no one's advantage if the next time the alarm bell sounds, the distress call emanates from the Coast Guard itself.●

FEDERAL PROSECUTION OF PHARMACY ROBBERIES

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. FISH. Mr. Speaker, the alarming rise in the crime rate across this country, particularly in drug-related crime, has been well documented in the media. Although the primary battle against violent crime is waged by State and local governments, there are certain areas where it is not only appropriate, but imperative, that the Federal Government serve as their ally.

Clearly, the recent rash of pharmacy robberies for purposes of obtaining controlled substances falls within this category. National efforts to fight illegal narcotics traffic have achieved a certain commendable measure of success, encouraging determined dealers and addicts to turn to an easier prey—their neighborhood drugstore. Ironically, although the Federal Government has jurisdiction to prosecute the improper sale and dispensing of controlled substances, there is no basis for prosecution when the same types of drugs are taken from the local pharmacy at the point of a gun.

Mr. Speaker, because there is a pervasive Federal interest in controlling drugs, because the recent increase in pharmacy robberies is the result of Federal efforts to thwart the obtainment of these drugs from other illegal sources, and because of the limited resources of the States and localities available to investigate and prosecute these offenses, it is time for the Federal Government to step in and bring to bear all of its resources against these criminals. For this reason, I am today introducing a bill which would make it a Federal offense to rob a pharmacy of any controlled substance. The penalty for this offense is a maximum $5,000 fine and/or 20 years imprisonment. If the perpetrator assaults anyone or uses a dangerous weapon in the commission of the offense, the penalties increase to a maximum of $10,000 and/or 25 years imprisonment. Where death results, a mandatory term of 10 years imprisonment is included.

As a member of the Committee on the Judiciary, I strongly supported the stalwart efforts of the gentleman from Illinois (Mr. HYDE) to include this type of offense in the Criminal Code revision bill which we considered last year (H.R. 6915). I hope that my colleagues will join me in the effort to promptly enact legislation of this nature. Although it was never the intent of Congress or the executive that the hardworking neighborhood pharmacist should bear the brunt of our war against narcotics, over 1,700 of these vicious and dangerous robberies occur each year. We should rectify this situation immediately.●

CRIMINALS SHOULD NOT BE ALLOWED TO "SELL" THEIR CRIMES

HON. ROBIN L. BEARD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BEARD. Mr. Speaker, today I am introducing a bill which is designed to insure that those in our society who commit crimes against innocent victims must turn over to those victims any financial gain they realize from selling information about themselves and their involvement in crime.

It is intolerable that a criminal should be able to commit a heinous crime or set of crimes and then receive pecuniary reward from those who are willing to pay for television, film, or publishing rights to information about the criminal. My bill would see that any such financial reward paid to a Federal felon would be seized by the court of original jurisdiction and eventually distributed to the victims of the crime, or their closest relations, instead.

My bill would also apply to persons arrested but awaiting trial. To give an example which may sound all too familiar to some, suppose an individual were finally arrested after committing several crimes and a magazine paid him a generous sum of money for photographs and other information about himself and his crimes. Under my bill such funds would be subject to being placed in an escrow account under the control of the court in which the trial is pending. The funds would remain in escrow until such time as the arrested person is convicted and has exhausted all direct appeals. If he is not convicted or the conviction is ultimately reversed on appeal, the funds in the account would be released to the acquitted individual, of course. If the person were convicted, however, and the conviction were upheld, the funds would be distributed to the victims or his or her relations upon the exhaustion of the appeals process. Once the funds are distributed to the victims, they would not be recoverable at any future time, even should a collateral attack on the conviction, such as habeas corpus, eventually succeed. Any proceeds accruing to the alleged felon after a later collateral attack has succeeded would, of course, be his.

New York enacted a similar law following the gruesome "Son of Sam" murders, when it was learned that some parties in the media were considering paying the perpetrator of those crimes for movie and television rights to his story. I believe the time has come to extend the principle of that law to the Federal criminal justice system.●

BUSING ORDERS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. COLLINS of Texas. Mr. Speaker, education needs to be one of the top priorities in this administration. In the past few years the courts have completely lost sight of quality education in their desire to achieve racial balance.

Since 1964 the cost of educating each child in Dallas has grown from $361 a year to where we now are paying over $1,900 a year.

We recently had a court order in the Dallas School District which would require an increase in the annual budget of between $25 to $30 million to carry it out. This will be a 10-percent increase in our annual school budget.

Jerry Bartos, who has been active and effective as a member of the Dallas School Board, asked me where we are heading.

In the desire to achieve racial balance, these court orders have moved Dallas in exactly the opposite direction. In 1968, the Dallas School District was 38 percent minority, but today the Dallas School District is 67 percent minority. Perhaps with these new regulations they will be able to get the Dallas School District up to where it equals Washington, D.C., which has a 97 percent minority registration.

We ask ourselves just what has this accomplished.●

OIL COMPANIES' ACTIONS SHOW NEED FOR NEW LAW

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BEDELL. Mr. Speaker, I am pleased to note the addition of a new group of cosponsors for H.R. 1362, the Small Business Motor Fuel Marketer Preservation Act of 1981. This brings to 60 the number of Members who have joined in bipartisan support for this important legislation.

There appear to be some in the petroleum industry who do not expect Congressmen to communicate with their constituents. These industry propagandists would have us believe that the recent decontrol of motor fuel has brought an end to the problems encountered by small and independent marketers. But we know that the small businessman's problems are far from resolved.

As I have noted before, the basic problem is the vast disparity in size and resources between the major oil companies and the small business operators. When the two forces go head to head in the same market—especially when one is the supplier and landlord of the other—the concept of competition becomes meaningless.

While Government regulation unquestionably have been a burden and a bother for small businesses in the petroleum marketing area, they also have been a shield. The Government did serve as somewhat of a buffer between the big oil companies and the small businesses.

Now that buffer has been removed. And we have not yet put in place a new law, such as H.R. 1362, to assure small businesses an opportunity to compete on fair and equitable terms in the gasoline marketplace. The results were inevitable, just as they have been swift in coming.

A gasoline station operator on the west coast called my office at the Small Business Committee last week to complain about the actions his supplier, a major integrated oil company, had undertaken immediately after President Reagan decontrolled the petroleum industry. With dismay and disbelief in his voice, the service station dealer said:

Some of the things they're doing, well they're going to force the small businessman right out of the market. * * * I thought they would wait a while at least, but they're not wasting any time.

For those who have any doubts as to the ability of the major oil companies to operate in the retail marketplace without any regard to the traditional concepts of antitrust or even of contract law, at least when it comes to their relations with their own dealers and distributors, I refer my colleagues to an article that appeared on page 2 of the Wall Street Journal on February 12. The text follows:

THREE OIL FIRMS CUT OFF GASOLINE SUPPLY TO RETAILERS AS U.S. CONTROLS ARE LIFTED

(By Bill Paul and Steve Mufson)

NEW YORK.—Three major oil companies are cutting off gasoline supplies to several hundred retail outlets following the end of federal gasoline regulations. Several more may be planning similar moves.

When President Reagan lifted controls on crude oil and oil products two weeks ago, he freed oil companies from the obligation to find another supplier for a service station before cutting off that dealer's gasoline. Oil companies generally have been reassuring dealers, and the public, that they don't currently plan any immediate cutoffs. But some are under way.

Three companies that have notified customers of cutoffs are Phillips Petroleum Co., Atlantic Richfield Co. and Texaco Inc. In addition, Robert Bassman, a Washington attorney who represents gasoline wholesalers, says he is negotiating with three other oil companies that want to reduce or cut completely supplies to some of those wholesalers.

"We're beginning to see the first trickle of post-decontrol supply problems," says Mr. Bassman, adding that the situation could worsen.

With the current overabundance of gasoline, most of the affected stations shouldn't have any trouble finding new supplies in the short run. But in view of the volatile world oil situation, most major oil companies will probably be reluctant to take on long-term supply contracts. If the world oil market tightens suddenly, the stations might come up short on supplies.

Two of the three companies are settling old scores. Eight years ago, Phillips told wholesalers in the Northeast that the company intended to stop supplying the region. The company had decided that it wasn't making an adequate profit there and that it didn't want to sell more oil products that it was manufacturing at its own refineries.

But federal allocation rules in 1973, which ordered companies to continue supplying historical customers, blocked the move. In the meantime, Phillips dismantled its sales offices in the Northeast and issued repeated warnings of its intentions to wholesalers.

As soon as President Reagan lifted controls, Phillips notified its 27 wholesalers, who service as many as 300 stations, that it wouldn't supply any more gasoline. "We are trying to complete the withdrawal we started back then," says Don Johnson, general sales manager of Phillip's eastern region.

Arco says it was also taking care of old business when it cut off Lerner Oil Co., a 106-station chain based in Gardena, Calif., which had been getting 50% of its supplies from Arco. Arco officials say the company had tangled in the courts with Lerner over the years, and had decided to discontinue supplying the outfit as soon as it was legally possible. Industry observers say Arco even refused to load a Lerner truck that was in an Arco terminal when word came through that controls had been lifted.

Lerner officials refused to discuss the cutoff, or whether the company had been able to line up alternate supplies.

Texaco is cutting off some stations in April. The number isn't known. Last October, Texaco asked the Energy Department to relieve the company of some of its supply obligations. The department refused. According to Thomas West, director of the National Association of Texaco Wholesalers, Texaco then notified some customers that it would end supplies in April. While the original gradual decontrol plan would have blocked such a move, immediate decontrol means some Texaco customers will have to seek new supplies. Mr. West said he didn't know how many stations would be affected.

Texaco couldn't immediately be reached for comment.

If the trend to cut off stations continues, it could cause concern in Washington. Even some officials and legislators who favored immediate decontrol have expressed concern over oil companies' actions aimed at some wholesalers. "We had been hoping for some restraint" on the part of the companies, said an aide to the Republican majority on the Senate energy committee.

When President Reagan signed the decontrol order, Sen. James McClure (R., Idaho), the committee chairman sent letters to the chief executive officers of the nation's 15 largest companies warning them against abusing their new-found freedom. "I believe that your company should provide notice of any major change in marketing policy" to avoid hardships to customers and affected regions, he wrote.

While the Senator didn't threaten the industry with renewed allocation controls, his letter noted pointedly that abrupt company actions "undoubtedly will be used as the basis" for demands in Congress to reimpose some sort of restrictions.

Reagan administration officials have also expressed some concern about company behavior in the wake of decontrol. But they said the administration doesn't have any plans to jawbone or otherwise pressure the companies.●

"FALLEN ANGEL": AN EXPOSÉ ON CHILD PORNOGRAPHY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. DORNAN of California. Mr. Speaker, I would like to call your attention to "Fallen Angel", a 2-hour television movie for CBS produced by Green/Epstein Productions in association with Columbia Pictures Television which will be broadcast February 24.

It marks the first time that television has produced a dramatic treatment about child pornography, a

loathsome social phenomenon in America which every year affects more than 100,000 children who are recruited from the ranks of an estimated 1 million runaways.

They fall prey to sexual werewolves who coerce them to pose and participate in pornographic films and still photos for sleazy magazines. It is a national disgrace and one, unhappily, that does not appear to be diminishing at all. Yet most Americans are not aware of this vicious form of child abuse.

It is hoped that a dramatic film like this, with actors like Dana Hill, Richard Masur, Melinda Dillon, and Ronny Cox, will be seen by millions of Americans, particularly caring parents and children, who must be made more aware of this horrendous crime.

I especially would like to commend Herman Rush, president of Columbia Pictures Television, executive producers Jim Green and Allen Epstein, producers Lew Hunter—who researched and wrote the script—and Audrey Blasdel-Goddard and director Robert Lewis who had the courage to bring this production to the screen.

SOVIET UNION IS ON THE MOVE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BINGHAM. Mr. Speaker, in the Los Angeles Times of February 13, Daniel Mariaschin makes a well-reasoned and well-researched case that the Soviet Union is "engaged in a two-pronged, two-continent offensive with the goal of neutralizing Western control of and access to strategic raw materials." Mr. Mariaschin stresses the acute need for the Reagan administration to develop a workable strategic minerals policy.

Daniel Mariaschin is director of national leadership for the Anti-Defamation League of B'nai B'rith, that dedicated organization which continues to do so much important work. I commend Mr. Mariaschin's article to my colleagues and other readers of the RECORD:

SOVIET UNION IS ON THE MOVE—IT FIGHTS WESTERN CONTROL OF STRATEGIC RAW MATERIALS

(By Daniel S. Mariaschin)

As the West fixes its attention on oil and the energy crisis, that crisis is serving as a diversion for the Soviets, who are engaged in a two-pronged, two-continent offensive whose goal is to neutralize Western control of, and access to, strategic raw materials.

Viewed in that context, reports that the Soviet Union is planning to back new efforts to destabilize the political status quo in Zaire should be noted by the West with more than passing interest. Controlling that country's Shaba province, which provides the bulk of the free world's cobalt, has been a strategic objective of Moscow's surrogates for nearly two decades. Western military intervention checked the most recent try at wresting this vital territory from Zaire three years ago after an uprising by Angolan- and Cuban-backed "Shaban rebels."

Whether this latest attempt to overthrow the government of Mobutu Sese Seko will succeed remains to be seen. What is clear is that the Kremlin's moves to encircle the West's sources of raw materials, including oil, is well on its way to fruition. Soviet influence in the Middle East and Persian Gulf is growing daily in a ring around the oil fields and vital shipping lanes of the region.

Through its presence in Ethiopia, the Soviet Union has near-control of the Horn of Africa, a foothold on the Red Sea by its backing of the Marxist government in South Yemen, and a solid presence—through arms shipments and the stationing of military "advisers"—in Syria, Iraq and even the supposedly pro-Western regime in North Yemen.

As the Soviets become net importers of oil in the next decade, their geopolitical position will help them intimidate oil producers into favorable arrangements that can only see Western access to petroleum supplies lessen and Western influence diminish in Arab capitals. But more than just oil is at stake.

Instability on the African continent is a real threat to all of us. The Soviets have nothing to lose in these adventures; of 27 major metals and minerals vital to keeping a modern economy in business and maintaining a strong defense posture, the Soviet Union is self-sufficient in 21, and nearly so in the remaining 6. By contrast, the United States is now mineral-poor. According to statistics published by the U.S. Bureau of Mines, the United States imported 90% of its manganese, nearly 99% of chrome ore and 83% of palladium and platinum. Nearly 95% of bauxite, or aluminum ore, was imported, as was most cobalt.

The United States now imports ores and metals to the tune of nearly $20 billion per year. The Bureau of Mines predicts that this amount will more than double by the end of this century. By law, the federal government must maintain up to a three-year stockpile of 93 strategic raw materials as a hedge against instability or embargo. But stocks of a number of minerals—including titanium, cobalt, alumina and beryllium—are not up to the minimum amounts necessary to get the country through any extended interruption of supply.

What makes the future so tenuous are the sources from which we import these vital materials. Some are secure; much of our nickel originates in Canada, we import tin from Mexico, and Brazil provides columbium. But the bulk of the imports are from Africa—more specifically, central and southern Africa—and that is where the Soviets enter the picture.

South Africa alone is the world's largest exporter of manganese ore, platinum metals and chrome ore. Together with the Soviet Union, it controls the world's market in these materials. Zimbabwe is also a major producer of chromium and manganese. Namibia has large deposits of uranium, and Zaire and Zimbabwe have tremendous reserves of cobalt. Without any or all of these nations trading on the raw-materials market, the Soviets could control both price and supply to the West.

The current troubles in southern Africa are a good example of what constitutes a real dilemma for the West. The question of majority rule is one close to the hearts of most Americans. The civil war in Zimbabwe, the effort to bring about an independent Namibia (with the United Nations as midwife) and the increasing racial friction in South Africa are viewed as poignant expressions of a wider human-rights struggle. The Soviets, who have armed and trained anti-Western, "anti-colonialist" liberation movements in each of these areas, have no such higher motives. The raw materials mined in southern Africa—chromium, uranium, the platinum metals group, gold, diamonds—are among the essential ingredients for a strong industrial base. The Russians, by trading on nationalist emotions, are in fact investing in what they see as the West's ultimate economic downfall.

And, while Moscow's hand can be seen at work in the Western Sahara (backing the Polisario guerrillas), in Angola, in Shaba Province and in Chad (rich in uranium), its real objective is the riches of southern Africa. Not only is mineral wealth important there, but fully 70 percent of Western Europe's raw materials and 80 percent of its oil pass the Cape of Good Hope each year.

According to some Western observers, the jury is still out on Zimbabwe and on whether Prime Minister Robert Mugabe can maintain a nonaligned course. Mugabe has downplayed his Marxist orientation, and has pledged to attract Western investment to his nation. His ambitious rivals in the government have indicated that they are not so favorably disposed toward the West or to the whites remaining in the country. Should these opponents eventually move into power, the raw-materials equation in southern Africa could be drastically altered.

Not content with its considerable oil and mineral wealth, Russia is seeking to deny or at least control the flow of these essentials to the free world. What has transpired over the last decade is a fine-tuning of the oft-interpreted, oft-misunderstood warning to the West by former Premier Nikita S. Khrushchev that "we will bury you."

Cuba, the Palestine Liberation Organization, East Germany, Bulgaria and others in the Soviet bloc are willing surrogates in the Kremlin's new adventures. With this kind of assistance in Africa and the Middle East, the Soviets can better sustain their losses in Afghanistan while minimizing Third World criticism of "superpower interventionism," a charge increasingly favored by the more powerful of the "nonaligned" nations. So far the approach is working.

Responding to Moscow's oil and mineral dynamic is no easy matter. A good start would be for the Reagan Administration and Congress to establish a workable strategic-minerals policy that would take into account our defense and economic needs as well as environmental considerations. Filling stockpile quotas to assure U.S. freedom from market fluctuations or supply cutoffs should be carried out forthwith.

But foreign policy is another matter. Washington must play "catch-up" in reasserting and reestablishing its influence in regions on which we depend for vital strategic materials. Pro-Soviet and anti-Western inroads in such areas as sub-Saharan Africa (principally Chad), the Persian Gulf and Southeast Asia over the past decade have placed the United States at a distinct geopolitical disadvantage. To cut U.S. losses and roll back Soviet influence, the Reagan Administration must implant selective, efficacious aid programs aimed at winning over mineral producers in the Third World.

Washington must impress on its Western European allies the serious implications of

the mineral scramble in Africa. As dependent as Europeans are on oil, they are equally or more dependent on African mineral sources. France seems to have recognized this; it continues to carry on an aggressive foreign policy in Africa, chiefly among its former colonies but recently in East Africa as well.

Most important, however, is the need for Americans to understand the gravity of the crisis at hand. Most Americans realize the importance of oil to our economy. But mention cobalt or tungsten or vanadium and you'll most likely draw a blank.

More straight talk from the experts and officeholders about the need to check the Soviets' drive to deprive the West of strategic mineral and fuel sources is called for. It has taken nearly a decade for many Americans to understand what the energy crisis is all about. We can't afford the same kind of lethargy on the question of a strategic-minerals supply.●

ELIMINATE PENALTY FOR WELFARE RECIPIENTS IN SCHOOL

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation to amend a provision in the Food Stamp Act which has made it difficult for welfare recipients to obtain an education. My bill will amend the Food Stamp Act to provide that no educational financial assistance received by AFDC recipients shall be considered as income for the purposes of determining their food stamp benefits.

Presently, the Food Stamp Act requires that, except for amounts paid for mandatory tuition and fees, educational aid in the form of loans, grants, scholarships, and fellowships must be counted as income in determining eligibility and benefit amounts under the food stamp program. Specifically, the act does not allow income deductions for the costs of books, supplies, or instructional material, and equipment, even if required for courses in which the student is enrolled. For AFDC recipients who are going to school so they can qualify for jobs that will get their families off welfare, any reduction in food stamps is a serious hardship and penalizes them for making the effort to obtain an education to qualify for a job with a future.

This problem came to my attention last year. One of my constituents, a young welfare recipient with two children, was completing her college degree to qualify her for full-time, productive employment. However, because she received an educational grant which exceeded her mandatory tuition payment, her family has experienced a reduction of $20 per month in food stamp benefits. This practically forced her to choose between completing her education and feeding herself and her children. Moreover, even though educational grants or loans are intended to apply to only the 9-month school year, any excess money is attributed to the AFDC recipient's income for 12 months, thus continuing the penalty beyond the school year when the "excess" is presumed available for nonschool use.

Mr. Speaker, this bill would help welfare recipients obtain an education without jeopardizing the food stamp benefits they receive for their families. I think it is proper that Congress should encourage AFDC recipients to make themselves qualified for gainful employment, and this bill represents a modest incentive toward that end.●

MAKING SCIENCE WORK: AN AMERICAN CHALLENGE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BROWN of California. Mr. Speaker, as this Congress prepares to consider billions of dollars of cuts which the new administration has chosen to make after less than a month of delibration, there will no doubt be some omissions and some mistakes. One area where a tragic mistake may be made is in the proposals to cut all types of research and development.

Mr. Speaker, it is true that every constituency can make a compelling case for avoiding budget cuts and even make a case for budget increases. However, I believe the case for supporting long-range research and development deserves special review because the future of our Nation's economic and social health and welfare is at stake. I realize that many Members do not believe this, largely because of their unfamiliarity with the nature and fruits of research, but it is a fact we need to understand.

One of the best science writers in the world today is Lewis Thomas, whose columns, articles, and books have appeared nearly everywhere. He most recently wrote a compelling essay for Discovery magazine entitled, "Making Science Work." What is most interesting about this editorial is its relevance to the budget discussions facing the Congress today. Dr. Thomas presented a fine description of the research process, the linkage between research and economic advances, and, finally, the steps the United States must take to maintain its leadership in the world.

I urge my colleagues who wish to concern themselves with the future of this Nation to review the following essay before they make any decision about specific cuts in the Federal research budget. The essay follows:

[From Discovery magazine, March 1981]

MAKING SCIENCE WORK

For about three centuries we have been doing science, trying science out, using it for the construction of what we call modern civilization. Every indispensable item of contemporary technology, from canal locks to dial telephones to penicillin to the Mars lander, was pieced together from the analysis of data provided by one or another series of scientific experiments. So were the technologies we fear the most for the threat they pose to civilization: radioactivity from stored bombs or flawed power plants, acid rain, pesticides, leached soil, and depleted ozone and increased carbon dioxide in the atmosphere.

Three hundred years seems a long time for testing a new approach to human living, long enough to settle back for critical appraisal of the scientific method, maybe even long enough to vote on whether to go on with it or not. There is an argument, to be sure. Voices have been raised in protest since the beginning, rising in pitch and violence in the 19th century during the early stages of the Industrial Revolution, summoning urgent crowds into the streets any day these days on the issue of nuclear energy. Give it back, say some of the voices, it doesn't really work; go back 300 years and start again on something else, less chancy for the race of man.

The scientists disagree, of course, partly out of occupational bias, but also from a different way of viewing the course and progress of science in the past 50 years. As they see it, science is still a brand-new venture. The principal discoveries in this century, taking all in all, are the glimpses of the depth of our ignorance about nature. Things that used to seem clear and rational, matters of absolute certainty—Newtonian mechanics, for example—have slipped through our fingers, and we are left with a new set of gigantic puzzles, cosmic uncertainties, ambiguities. Some of the laws of physics require footnotes every few years, some are canceled outright, some undergo revised versions of legislative intent like acts of Congress.

Biology presents us with one stupefaction after another. Less than 30 years ago we called it a biological revolution when the fantastic geometry of the DNA molecule was exposed to public view and the linear language of genetics was decoded. For a while things seemed simple and clear; the cell was a neat little machine, a mechanical device ready for taking to pieces and reassembling, like a tiny watch. But now, just in the last few years, it has become almost imponderably complex, filled with strange parts with functions that are beyond today's imagining. DNA is itself no longer a straightforward set of instructions on a tape; there are long strips of what seem nonsense inside and in between the genes, edited out for the assembly of proteins but essential nonetheless for the process of assembly; some genes are called jumping genes, moving from one segment of DNA to another, rearranging the messages, achieving instantly a degree of variability that we once thought would require eons of evolution. The cell membrane is no longer a simple boundary for the cell, but a fluid mosaic, a sea of essential mobile signals, an organ in itself. Cells communicate with each other, exchange messages like bees in a hive, regulate each other. Genes are switched on, switched off, by molecules from the outside whose nature is a mystery;

somewhere inside are switches that when thrown one way or the other can transform any normal cell into a cancer cell, and sometimes back again.

It is not just that there is more to do, there is everything to do. Biological science, with medicine bobbing somewhere in its wake, is under way, but only just under way. What lies ahead, or what can lie ahead if the efforts in basic research are pursued and the field continues to attract and train sufficient numbers of bright young people, is much more than the conquest of human disease or the amplification of agricultural technology or the cultivation of nutrients in the sea. As we learn more about the fundamental processes of living things in general we will learn more about ourselves, including perhaps the ways in which our brains, unmatched by any neural structures on the planet, achieve the earth's awareness of itself. It may be too much to say that we will become wise through such endeavors, but we can at least come into possession of a level of information upon which a new kind of wisdom might be based. At the moment we are an ignorant species, flummoxed by the puzzles of who we are, where we came from and what we are for. It is a gamble to bet on science for moving ahead, but it is, in my view, the only game in town.

The near views in our instruments of the dead soil of Mars, the bizarre rings of Saturn, and the strange features of other planets, literally unearthly, are only brief glances at what is ahead for mankind in the exploration of our own solar system. In theory, there is no reason why human beings cannot make the same journeys in person, or out beyond into the galaxy.

It has become the fashion to express fear of computers: the machines will do our thinking, quicker and better than human thought, construct and replicate themselves, take over and eventually replace us—that sort of thing. I confess to apprehensions of my own, but I have a hunch that those are on my mind because I do not know enough about computers. Nor, perhaps, does anyone yet, not even the computer scientists themselves. For my comfort, I know for sure only one thing about the computer networks now being meshed together like interconnected ganglia around the earth: what they contain on their microchips is bits of information put there by human minds; perhaps they will do something like thinking on their own, but it will still be a cousin once removed of human thought, and potentially of immense usefulness.

The relatively new term "earth science" is itself an encouragement. It is nice to know that our own dear planet has become an object of as much obsessive interest to large bodies of professional researchers as a living cell, and almost as approachable for discovering the details of how it works. Satellites scrutinize it all day and night, recording the patterns of its clouds, the temperatures at all parts of its surface, the distribution and condition of its forests, crops, waterways, cities, and barren places. Seismologists and geologists have already surprised themselves over and over again, probing the movement of crustal plates afloat on something or other deep below the surface, meditating on the evidence now coming in for the reality and continuing of continental drift, and calculating with increasing precision the data that describe the mechanisms involved in earthquakes. Their instruments are becoming as neat and informative as medicine's CAT scanners; the earth has deep secrets still, but they are there for penetrating.

The astronomers have long since become physicists, the physicists are astronomers; both are, as well, what we used to call chemists, examining the levels of ammonia or formaldehyde in clouds drifting thousands of light-years away, measuring the methane in the relatively nearby atmosphere of Pluto, running into paradoxes. Contemporary physics lives off paradox. Niels Bohr said that a great truth is one for which the opposite is also a great truth. There are not so many neutrinos being measured from our sun as theory predicts; something has gone wrong, not with the sun but with our knowledge. There are radioastronomical instruments for listening to the leftover sounds of the creation of the universe; the astronomers are dumbstruck, they can hardly hear themselves think.

The social scientists have a long way to go to catch up, but they may be up to the most important scientific business of all, if and when they finally get down to the right questions. Our behavior toward each other is the strangest, most unpredictable, and most unaccountable of all the phenomena with which we are obliged to live. In all of nature, there is nothing so threatening to humanity as humanity itself. We need, for this most worrying of puzzles, the brightest of our most agile minds, capable of dreaming up ideas not dreamed up before, ready to carry the imagination to great depths, and, I should hope, handy with big computers but skeptical about long questionnaires and big numbers.

Fundamental science did not become a national endeavor in this country until the time of World War II, when it was pointed out by some influential and sagacious advisers to the government that whatever we needed for the technology of warfare could only be achieved after the laying of a solid foundation of basic research. During the Eisenhower administration a formal mechanism was created in the White House for the explicit purpose of furnishing scientific advice to the president—the President's Science Advisory Committee, chaired by a new administration officer, the Science Adviser. The National Institutes of Health, which had existed before the war as a relatively small set of laboratories for research on cancer and infectious disease, expanded rapidly in the postwar period to encompass all disciplines of biomedical science. The National Science Foundation was organized specifically for the sponsorship of basic science. Each of the federal departments and agencies developed its own research capacity, relevant to its mission; the programs of largest scale were those in defense, agriculture, space, and atomic energy. The investment in science by the federal government rose from less than a billion dollars in the late 1940s to about $30 billion in 1980.

Most of the country's basic research has been carried out by the universities, which have as a result become increasingly dependent on the federal government for their sustenance, even their existence, to a degree now causing alarm in the whole academic community. The rising costs of doing modern science, especially the price of today's sophisticated instruments, combined with the federal efforts to reduce expenditures, are placing the universities in deep trouble. Meanwhile, the philanthropic foundations, which were once the principal source of funds for university research, are no longer capable of more than a minor contribution to science.

Besides the government's own national laboratories and the academic institutions, there is a third resource for the country's scientific enterprise—industry. Up to very recently, industrial research has been conducted in relative isolation. There are signs that this is beginning to change, and the change should be a source of encouragement for the future. Some of the corporations responsible for high technology, especially those involved in energy, have formed solid links with a few research universities—MIT and Caltech, for example—and are investing substantial sums in long-range research in physics and chemistry. Several pharmaceutical companies have been investing in fundamental biomedical research in association with medical schools and private research institutions.

There needs to be much more of this kind of partnership. The nation's future may well depend on whether we can set up within the private sector a new system for collaborative research. Although there are some promising partnership ventures now in operation, they are few in number; the tendency remains within industry to concentrate on applied research and development, excluding any consideration of basic science. The academic community tends to stay out of fields closely related to the development of new products. Each side maintains adversarial and largely bogus images of the other: money makers on one side and ivory tower dreamers on the other. Meanwhile, our competitors in Europe and Japan have long since found effective ways to link industrial research to government and academic science, and they may be outclassing us before long. In some fields, most conspicuously the devising and producing of new scientific instruments, they have already moved to the front.

There are obvious difficulties in the traditional behavior of the two worlds of research in the United States. Corporate research is obliged by its nature to concentrate on profitable products and to maintain a high degree of secrecy during the process; academic science, by its nature, must be carried out in the open and depends for its progress on the free exchange of new information almost at the moment of finding. But these are not impossible barriers to collaboration. Industry already has a life-or-death stake in what will emerge from basic research in the years ahead; there can be no more prudent investment for the corporate world, and the immediate benefit for any corporation in simply having the "first look" at a piece of basic science would be benefit enough in the long run. The university science community, for all the talk of ivory towers, hankers day and night for its work to turn out useful; a close working connection with industrial researchers might well lead to an earlier perception of potential applicability than is now the case.

The age of science did not really begin 300 years ago. That was simply the time when it was realized that human curiosity about the world represented a deep wish, perhaps embedded somewhere in the chromosomes of human beings, to learn more about nature by experiment and the confirmation of experiment. The doing of science on a scale appropriate to the problems at hand was only launched in the 20th century and has been moving into high gear only within the last 50 years. We have not lacked for explanations at any time in our recorded history, but now we must live and think with the new habit of requiring reproducible observations and solid facts for the explanations. Uncertainty, disillusion, and despair are prices to be paid, from time to time, for

living in an age of science. Illumination is the product sought, but it comes in small bits, and there can be no promise that we will ever emerge from the great depths of the mystery of being.

Nevertheless, we have started to do science on a world scale, and to rely on it, and hope for it. Not just the scientists, everyone, and not for the hope of illumination but for the sure, predictable prospect of new technologies, which have always come along like spray in the wake of science. We need better ways of predicting how a piece of new technology is likely to turn out, better measures available on an international level to shut off the ones that carry hazard to the life of the planet. We will have to go more warily with technology in the future, for the demands will be increasing and the stakes will be very high. Instead of coping, or trying to cope, with the wants of four billion people, we will, sooner or later, be facing the needs, probably desperate, of double that number, and perhaps thereafter, double again. The real challenge to human ingenuity, and to science, lies in the century to come.

How will we meet this challenge? I can think of three essential places to begin:

We should commit a certain percentage of the gross national product to the funding of pure, basic research, covering all fields of science and guaranteeing stability for the enterprise over the long term. It is no longer a question of staying ahead of the rest of the world; it is becoming a matter of catching up. Part of the money should come, as it does now, from government, part (through tax benefits, but as investments rather than just philanthropy) from the industrial sector. The total amount of support for science in general should be at least five per cent of the GNP, and the amount for basic science ought to be at least one per cent.

We should radically improve the country's educational system if we are to have a citizenry with a general understanding of the value and potential of science, and if we are to produce future generations of bright, talented young people for careers in research. The crucial educational periods are in the primary and secondary schools. We are now turning out high school graduates with little or no understanding of chemistry, physics, biology, or astronomy, and with no comprehension at all of real mathematics (a small minority of our high school students learn a small amount of calculus; their Soviet counterparts emerge with two years of calculus).

At the university level, we should be emphasizing the future possibilities of science much more than the past and present accomplishments. College students gain the impression that most, if not all, available bits of scientific information are already at hand, needing only to be mastered by rote in endlessly reductionist detail. The really interesting aspects of science, irresistible in their appeal to the imagination of young people, are the puzzles, the vast areas of ambiguity and plain ignorance about nature that have emerged in the past half century. There has never been a time in human history when it was known that there were so many unknown things lying just ahead, waiting to be found out. Students need to be taught, candidly and in detail, about human ignorance; this is the most exciting and challenging of all the things to be learned in college.

We should also be opening up the primary and secondary school systems for teachers who really know science. For some time to come, the universities will be producing more advance-degree graduates in science than can be absorbed by the available jobs in the academic or industrial worlds. Some of these people should be teaching science to our children, with positions carrying the same kind of dignity and respect, and financial reward, as are now provided for college teachers. The education of teachers of science should not be the sole responsibility of teachers' colleges, nor be regulated at the state level by teachers' unions; the graduate departments of the universities are better at this.

We should reduce the public pressure for quick and immediately usable results from science, in favor of more pressure for fundamental knowledge from long-term research. It is all very well to worry about the 1980s and the country's needs for improved technologies, but the real worry, for all of us, and our children and theirs, should be the 1990s and the turn into the 21st century. To meet that time we will need to learn a lot more than we know today, and there is no imaginable source of that information, whatever it turns out to be, other than basic research.

I cannot guess at the things we will need to know about from science to get through the time ahead, but I am willing to make one prediction about the method: we will not be able to call the shots in advance. We cannot say to ourselves, we need this or that sort of technology, therefore we should be doing this or that sort of science. It does not work that way. We will have to rely, as we have in the past, on science in general, and on basic, undifferentiated science at that. Science is useful, indispensable, sometimes, but whenever it moves forward it does so by producing a surprise; you cannot specify the surprise you'd like. Technology should be watched closely, monitored, criticized, even voted in or out by the electorate, but science itself must be given its head if we want it to work.●

LIONS CLUB OF WILMINGTON, CALIF., HOSTS COMMUNITY RECOGNITION NIGHT HONORING EVELYNE POINDEXTER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ANDERSON. Mr. Speaker, on February 18, 1981, the Lions Club of Wilmington, Calif., will host Community Recognition Night to honor one of my district's fine leaders, Mrs. Evelyne Poindexter.

The Community Recognition Award is given annually to the citizen who has done the most for the community in the past year.

In 1938 Evelyne moved to Wilmington from Colorado with her husband Max. A dedicated homemaker for 44 years, she helped raise two children, Jane and Roy.

In 1953, Evelyne started the Women's Division of the Wilmington Chamber of Commerce, and served as its first secretary.

In 1956, she served as president of the Wilmington Toastmistress Club. She was honored as Toastmistress of the Year in 1958.

Evelyne became the youngest president of the Wilmington Women's Club in 1959. She served on the Los Angeles Mayor's City Advisory Committee in 1960, and in 1979 was president of the Women's Division of the Wilmington Chamber of Commerce.

Additionally, Evelyne has served 32 years with the Red Cross, where she holds a Red Cross certificate for the blood bank. She has been a Girl Scout leader for 5 years, and received the highest of Girl Scout leader awards, the Gold Pin. She also served for years as Cub Scout den mother. She worked on the Cerritos Women's Club for 25 years, presiding over various committees, and has been charter chairman and member of the Los Cerritos District Art Festival for 15 years.

My wife, Lee, joins me in paying tribute to this great lady and her fine record of community participation. The recognition she is to receive on February 18 is truly deserved. We wish the best of success and prosperity in the years ahead for Evelyne Poindexter, her husband, Max, son, Roy Poindexter, daughter, Jane Forsberg, grandchildren, Edwin and Janice Lynn Forsberg and Gary, Brenda, and Scott Eugene Poindexter.●

CASE FOR CB RADIOS ON BUSES A GOOD ONE

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. HARKIN. Mr. Speaker, on most interstate public transportation modes, communications equipment has proven to be not only convenient but also crucial in assisting travelers and reducing the possibilities for serious accidents.

Airplanes, of course, are equipped with communications equipment to not only help the aircraft navigate but to also assist passengers who may have serious medical problems and to assist the aircraft commander in avoiding possibly serious or fatal incidents. Also, all passenger trains are equipped with communications equipment to provide two-way communications.

There is one exception to this, however, interstate buses generally carry no communications equipment.

I have been in contact with busdrivers across the country who tell of numerous instances of drivers being assaulted, buses being caught in blizzards, passengers having medical difficulties, and accidents occurring because of road hazards.

Let me give you just one example of what can happen. Recently, in St. Petersburg, Fla., 23 people died in a bus accident when a bridge was knocked down during a storm. A motorist with a CB radio was on the bridge trying to

warn drivers approaching the bridge. The bus was not equipped with a CB radio because the bus company did not allow drivers to have CB radios. The driver and all of the passenger perished.

Many bus companies do not allow their drivers to use CB radios because they fear the radios may be a distraction. However, the Department of Transportation, the Federal Communications Commission, and the Interstate Commerce Commission have adopted a Federal policy that the CB radio can offer a significant contribution to safety on the highways and encourage its use to provide highway safety and service.

Today I am introducing a bill which will allow the use of CB radios by those interstate busdrivers who desire to temporarily install a CB radio at their own expense. They would be allowed to use the radios for the safety and benefit of the passengers, for assisting operators of other motor vehicles when they are in difficulty, and for aiding law enforcement officials.

With this procedure, we will move toward the solution of this problem with a minimum of regulation and cost.

I am including in the RECORD at this point a column which appeared in the January 25, 1981, Cincinnati Enquirer. It lists a number of incidents which are typical of those I believe might be avoided with the use of CB radios.

CASE FOR CB RADIOS ON BUSES A GOOD ONE

(By Fred Simon)

"I'm not selling anything," said Phil Bezy. "I'm just trying to help improve transportation safety and trying to enlist your help in doing it."

His letter, sent to Breaker-Breaker, several police agencies and others around the country, outlined his one-man campaign. We thought you might be interested.

What Phil is trying to do is to get the interstate bus lines to install citizens band (CB) radios. He has made a pretty good case.

St. Petersburg, Fla.: When a span of the Sunshine Skyway Bridge was knocked out by a freighter during a thunderstorm, a motorist was on the bridge warning drivers via his CB radio. An interstate bus drove past the motorist and plunged off the bridge, killing the driver and 22 passengers. Company policy prevented the driver from having a CB radio.

Charleston, Mo.: At a recently posted detour, an overturned truck was lying on the shoulder of a road. After passing it, another truck driver started warning approaching traffic on his CB. He and four other truckers attempted to warn an oncoming bus of the hazard to no avail. The bus ripped open on impact, killing eight and injuring 44.

McLean, Texas: The driver and 24 passengers were injured when the bus they were on struck a jack-knifed tractor trailer on icy, fog-shrouded Interstate 40.

Binger, Okla.: A man at the rear of a bus became abusive and started arguing with another man. After stopping the vehicle for a third time to break up the ruckus, the driver put the offender into a front seat and told him he would be put off the bus at the next stop if he moved. The man grabbed the driver by the throat, throwing the bus out of control and into the path of a pickup truck. The bus overturned and burst into flames. Three passengers and the elderly couple in the pickup truck died; 33 other passengers were injured.

Bezy offered many more situations from other places around the country where the CB might have helped the driver of an interstate passenger bus cope with an emergency situation. None is a hypothetical situation; all have been well documented by newspaper clippings.

"Am I saying some or all of the above suffering, deaths and inconvenience could have been avoided if the buses had CB?" Bezy wrote. "Some—yes; all—who's to say for sure?"

Bus drivers have been requesting federal intervention to get CB radios into their vehicles. Allowing the drivers to use CB on the National Emergency Channel Nine would provide them with instant access to help when an emergency arose.

Phil Bezy is asking for help from the Surface Transportation Subcommittee of the Committee on Public Works and Transportation. He has enlisted the aid of a good many congressmen. It is possible his efforts will pay off.●

CALL TO CONSCIENCE VIGIL HONORS MENDELEVICH ON HIS DAY OF FREEDOM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BARNES. Mr. Speaker, today I join my colleagues and the family and friends of Josif Mendelevich who rejoice throughout the world on the occasion of his surprise release from Soviet prison following 10 years of hard labor as a result of the infamous Leningrad trials of 1970.

Throughout this ordeal, Mr. Mendelevich suffered through serious illness and squalid living conditions while managing to cling to his devout Judaic faith and observe strict dietary laws.

Nearly 2 years ago, I was pleased to meet personally with his sister, Rivka Drori of Israel, who came to the Nation's Capital to plead her brother's cause. I share her happiness now—and her hope that her brother will soon be restored to full and robust health in order to enjoy a meaningful and free life.

It is important that we now implore the Soviets to release as well the only two remaining prisoners convicted during the Leningrad trials—Alexi Murzhenko and Yuri Fiodorov. Neither shall we forget the other prisoners of conscience who have languished too long in Soviet camps.

But I perceive the release of Mendelevich—before his prison term officially ended—with some cautious optimism. Is his unexpected release a signal that the Soviets are responding to dialogs at the Madrid Conference and repeated congressional and other pressures exerted by the U.S. Government? I sincerely want to believe so, and will continue to work toward this aim in every possible way.●

CETA CAN WORK

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ANDERSON. Mr. Speaker, all too often, certain programs are lambasted and severely criticized for not having lived up to their potential, or for having been supervised incorrectly, or for having spent too much of the American taxpayer's money. One such program that has been placed in these categories by some is the CETA program. I, however, am fortunate to have within my district CETA programs that effectively and efficiently achieve their objectives—giving those in need of training, workplace experience that will enable them to get and hold a job after their time with CETA is over. The CETA program in Torrance, Calif., is one I would like to especially call to your attention. As I have recently discovered, I am not the only one who still has faith in this program, since a public letter from the president of the Torrance chapter of the League of Women Voters, Kay White, has put it very well for the whole world to see. This letter is especially significant as it comes from a non-Government source with no parochial ax to grind. It is refreshing to note that a private citizen feels that a CETA program can and does work well, and that in the bargain, can be recognized for the good it contributes to the entire community.

So, Mr. Speaker, I am inserting Ms. White's "Letter to the Editor" of the Torrance Daily Breeze, which appeared in the December 28 edition, as evidence that not all CETA programs should be dispensed with. I hope that my colleagues will make note of it, and perhaps they will discover that some of the CETA programs in their districts are also recognized for the benefits they provide.

CETA PROGRAM A SUCCESS

EDITOR, THE DAILY BREEZE: In response to your editorial of Dec. 8, "Phase out CETA," the League of Women Voters of Torrance would like to point out that there are municipal Comprehensive Employment and Training Act programs which are highly successful and beneficial, an example being the Torrance program.

We find our local CETA program is efficiently and effectively administered, avoiding many of the pitfalls of the program elsewhere.

Specifically, there is a strong antinepotism policy that precludes relatives of city

employees from participating in the program.

Administration costs are kept low. Good use is made of local training resources and innovative, economical programs.

Statistics from CETA personnel indicate that approximately 60 percent of the participants served each year move on successfully to unsubsidized employment within the regulated time.

Special programs are designed to meet the needs of the elderly, the handicapped, unemployed heads of households, unemployed veterans and low-income youths and young adults.

Last year the Torrance CETA staff was selected as one of the 10 prime sponsors in the country to participate in the Young Integrated Grants Demonstration Project. This national recognition confirms the confidence we place in our well-run program.

KAY WHITE,
President, League of Women Voters.●

A PREVIEW OF PRESIDENT REAGAN'S ECONOMICS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. VANDER JAGT. Mr. Speaker, in connection with research on tax reduction legislation, I have discovered some very interesting testimony before the Committee on Ways and Means that was presented in 1958—23 years ago. That particular appearance before the committee has taken on renewed significance today in the light of the identity of the spokesman, intervening events, and currently evolving fiscal developments.

The testimony to which I refer concerned a Kemp-Roth type tax plan which was then known as the Sadlak-Herlong bill—a tax reduction proposal designed to alleviate the stiffling disincentive of excessively high tax rates. Under that bill the tax relief would have occurred within the framework of fiscal responsibility with declining Federal expenditures and increasing Federal revenues. The cut in spending levels and the cut in tax rates contemplated in the bill were designed to provide inflation-free sustainable economic growth. The higher revenues were to be produced by lower tax rates applied to an expanding economic base. Like Kemp-Roth, the Sadlak-Herlong plan would have provided tax reduction in multiple stages over a period of years. The phased-in approach to tax reduction was eventually adopted in the so-called Kennedy tax reduction program, as ultimately approved in 1964.

The appearance before the Committee on Ways and Means to which I allude occurred on January 27, 1958. No presently sitting member on the Committee on Ways and Means was then a member of that committee or even a Member of Congress. The testimony advocating the adoption of the Sadlak-Herlong plan was offered by a spokesman who represented both labor and management organizations associated with an important American industry. In the witness' statement he made these points which I have excerpted:

* * * I represent the Motion Picture Industry Council and the Hollywood AFL Film Council * * * the organizations support * * * the Sadlak-Herlong bill * * * the personal income tax structure is unrealistic, confiscatory, and contrary to the principles of free enterprise * * * has tended to stifle * * * production * * * in this country * * * the result is unemployment * * * and * * * a loss of tax revenue to the government * * * the tax problems * * * are shared by * * * citizens in all lines of endeavor, varying only in the manner in which the taxes adversely affect them and curb their initiative * * * and we remember that Karl Marx said, and Lenin echoed, that the way to impose socialism on the people would be to first tax the middle class out of existence * * * it is imperative that some relationship * * * exist between the individual's sacrifice and the Government's fiscal needs * * * such relationship does not exist * * * no revenue will be lost * * * the normal growth of our economy * * * will actually result in the Government's share * * * increasing rather than decreasing * * * Government spending can be cut * * * we are pledged * * * support of our system based on individual freedom and liberty * * * as against a philosophy of statism and collectivism.

Then the witness effectively and persuasively responded to extensive questioning by several committee members at the conclusion of which our distinguished former colleague from Wisconsin, Hon. John W. Byrnes, said:

May I make a comment that I think Mr. Reagan ought to run for Congress because we need more of his philosophy and persuasiveness here in Congress.

Yes, the witness was Ronald Reagan—the motion picture executive and actor. He did not run for Congress as suggested by Congressman Byrnes but he subsequently was a great Governor of California and, of course, he is now the esteemed President of the United States.

President Reagan is working diligently to restore responsibility and restraint in the conduct of the Nation's fiscal affairs, to remove undue tax constraints on economic growth and opportunity, and to permit the American citizen to retain a larger share of the fruits of his own productivity.

As we confront our urgent fiscal problems, we must recognize the only revenue the Government can spend is that which it takes away from the citizens either through taxes or debt—which is deferred taxation just as inflation is a concealed tax. The Treasury Department has no secret source of revenue of its own. Government spending has to be paid for by the people. And the Reagan administration is committed to spend less of the people's money and to spend it more effectively in providing for the realistic and legitimate needs of our citizens for governmental goods and services.

The testimony by witness Ronald Reagan before the Committee on Ways and Means which I have excerpted can be found in the printed record of general revenue revisions hearings before the Committee on Ways and Means, part 2, pages 1980–1993, 85th Congress, 2d session (1958). It is on the record. We should have heeded his sound fiscal advocacy then; we must heed it today if we would expand economic opportunity, curb inflation, and create a revitalized America. The abuses and excesses of governmental programs that do not work must be controlled and curtailed and those Federal programs that serve a legitimate public interest must be refocused and strengthened to serve better their intended missions.

President Reagan's state of the Union address tonight will outline the steps to be taken now and continued in the future to repress the skyrocketing growth of our Government and improve its efficiency in accomplishing necessary governmental functions. I am fully supportive of the President, and I urge my colleagues to give expeditious approval to the administration's program to restore economic vitality.

Government enterprise must relinquish its depressively dominant role in our economy and in the lives of our people. Private enterprise must be encouraged to move America forward once again to leadership and preeminence in serving freedom's noble cause in peace and prosperity.

The Reagan administration deserves the chance—the time and the opportunity—to correct the errors and excesses of our past ways and to restore our Government to a posture of being servant, not master, of our people. It will not be done overnight but we must begin now, stay steady on the course, and make a sustained and disciplined effort to attain these exigent ends.●

THE SEIZURE AND FORFEITURE OF ILLICIT DRUG ASSETS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GILMAN. Mr. Speaker, narcotics trafficking and drug abuse have reached epidemic proportions both in this country and abroad. Drug trafficking is a multibillion dollar business estimated to have reached a staggering $64 billion just in this Nation alone. The profits from the illicit sale of marihuana, cocaine, heroin, Phencyclidine (commonly known as PCP or "Angel Dust"), Quaaludes and other dangerous drugs are enormous.

Until recently, our law enforcement agencies have been attacking the drug trafficking problem primarily by interdicting the illicit drugs (including the arrest, conviction and incarceration of the drug traffickers) and by cooperating with host nations to eradicate the illicit production of drugs at their source. In 1978, a third major ingredient was added to our law enforcement arsenal by permitting, under section 881(a)(6) of the Controlled Substances Act, the seizure and forfeiture of the drug traffickers' criminal assets—the cash, boats, aircraft, cars, homes, securities and other financial instruments used in the sordid drug trafficking business.

Mr. Speaker, narcotics trafficking is a highly sophisticated, well-financed operations conducted by international criminal syndicates, independent entrepreneurs, and so-called "respectable citizens." Drug trafficking tentacles reach into every region of the world, undermining the political, economic, and social institutions of every nation and causing human misery for millions of citizens throughout the world. Incarcerating the drug trafficker, such as Kingpin Nicky Barnes, formerly New York City's Mr. Untouchable, is important in removing that criminal influence from society. However, incarceration, as a single law enforcement strategy, only temporarily disrupts the drug organization; it does not immobilize that organization's drug trafficking operations. But the seizure and forfeiture of illegally obtained drug assets strike the drug traffickers where it hurts the most . . . at their pocketbooks.

During fiscal year 1980, our Federal Drug Enforcement Administration (DEA), working with the Internal Revenue Service, the U.S. Customs Service, and State, local and foreign law enforcement agencies seized a total of $90.8 million in illicit drug assets, of which more than $42 million was forfeited to the Federal Treasury. To date, DEA Administrator Peter Bensinger estimates a weekly seizure-forfeiture rate of between $2 million and $3 million.

Mr. Speaker, during the closing days of the 96th Congress, I introduced H.R. 8233 that would permit Federal drug law enforcement officials to use the proceeds from the sale of forfeited property to purchase evidence and other information in connection with their drug trafficking investigations. Within the next few weeks, I will be reintroducing this legislative proposal. In the interim, in an effort to more fully inform my colleagues of the efforts of our law enforcement authorities to seize illegally obtained drug assets, I am inserting at this point in the RECORD an article from the Los Angeles Times (Feb. 9, 1981), entitled "Forfeitures Up to $3 Million Weekly: Seizure of Ill-Gotten Gains Hailed in Fight on Drugs."

[From the Los Angeles Times, Feb. 9, 1981]

FORFEITURES UP TO $3 MILLION WEEKLY, SEIZURE OF ILL-GOTTEN GAINS HAILED IN FIGHT ON DRUGS

(By Ronald J. Ostrow)

WASHINGTON.—For years narcotics agents have confiscated tools of the drug dealers' trade—contraband drugs, cars, guns, occasionally an airplane, as long as the tools were used to make or distribute illicit drugs.

But now, thanks to a recent law, the government can be even tougher on drug pushers.

Recently in St. Louis federal agents seized a Cessna aircraft, a farm, $300,000 in cash and a private airport after breaking up one of the biggest marijuana smuggling operations in the United States.

In Miami, undercover agents for the Drug Enforcement Administration arranged for the delivery of 8,000 pounds of marijuana and then seized the smuggler's $1.2-million house, $34,500 in currency and two expensive cars, a Mercedes and a Lincoln.

CAPITAL HEART OF BUSINESS

In a Midwestern city, the agents targeted 64 automobiles for seizure—including as many as 35 Cadillacs—after cracking down on a curbside heroin and cocaine distribution ring.

The three cases show how the Drug Enforcement Administration is using the new law in the fight against illicit narcotics: seizing not just those items involved in producing and selling drugs; but also the illegally accumulated profits that drug traffickers invest in such entities as a private home or a bank account.

"Capital is at the heart of all businesses, both legal and illegal," said DEA Administrator Peter B. Bensinger. "Depriving drug traffickers of their assets, including their operating tools and their illegally accumulated profits is an essential step in crippling these organizations."

Bensinger said in an interview that many drug pushers have accumulated millions of illegal dollars and "the best way to hit them is in the pocketbook.

"As long as their assets remained untouched, they could quickly replace seized drugs and arrested people," he said.

The new seizure-forfeiture authority was enacted by Congress at the DEA's request in 1978 as an amendment to the Controlled Substances Act.

In Fiscal 1980, the first full year that the DEA went after accumulated drug profits, the agency used the new authority in more than half of its 1,685 seizures, taking over drugs and property it valued at $90.8 million. Its 521 forfeitures were valued at $42.6 million.

Bensinger estimated the seizure-forfeiture totals now at between $2 million and $3 million a week.

There is nothing new about law enforcement relying on forfeiture—taking illegally used or acquired property without compensating its owner. Bensinger said the practice is thousands of years old.

In 1970, with public concern over crime mounting, Congress enacted two major forfeiture provisions. One was part of the Racketeer Influenced Corrupt Organizations statute, the so-called RICO law that has become a major weapon in fighting organized crime. The other was a Continuing Criminal Enterprise statute.

But problems have developed in the agency's reliance on the laws to pursue illegally accumulated profits, according to Harry Myers, the DEA's associate chief counsel. The corrupt organizations law is almost useless, because courts have held that it does not apply to accumulated profits, Myers said.

He said court rulings have not been as clear on the Continuing Criminal Enterprise law but that the kind and amount of proof required for confiscation makes narcotics agents less likely to use it than the 1978 provision that subjects all money used in drug deals to forfeiture and, most important, all proceeds traceable to illegal drug trade.

If narcotics agents are seeking under the 1978 law to seize a $500,000 house that an apprehended drug dealer bought, they must prove "to a substantial certainty" that the money used to buy it stemmed from illegal drug activities. That standard of proof is much easier to meet than the "beyond a reasonable doubt" required in a criminal case.

"When you see people suspected of drug dealing who have listed their occupations as bakers and are buying $500,000 homes, it kind of stretches the imagination," Bensinger said.

Bensinger says his agency's pursuit of drug dealer profits gives it a three-fold strategy for waging the war on drugs at a time when two of the strategies—wiping out drug crops in host countries and stopping drugs at the border—are not as successful as federal officials would like.

"When you have defendants posting bail and fleeing jurisdiction or receiving minor jail sentences, you have to go after them another way," Bensinger said.

The FBI used to defend the agency's vigorous pursuit of car thieves by saying that it saved the taxpayers enough money in recovered cars to pay for the cost of its investigations. Similarly, Bensinger noted that the DEA's "cash flow" has climbed well above last year's level of asset seizures.

As enticing as Bensinger and other drug agency officials find the new enforcement tool, Bensinger said it is no panacea.

Bensinger's agency has drafted a model Forfeiture of Drug Profits Act which it hopes state legislatures will adopt.

"No state can afford to ignore the modern potential of this ancient doctrine," Bensinger said.

Although there are no easy answers or single approaches to effectively waging "war" against drug traffickers, the newly enacted seizure-forfeiture provision of the Controlled Substances Act is a welcome addition to the Nation's efforts to control narcotics trafficking both at home and abroad. In this regard, I commend our law enforcement officials and urge that my colleagues help them to intensify their investigations and seizures of illegally obtained drug assets by providing the personnel, equipment, and funding needed to do the job.●

TRIBUTE TO ELLA T. GRASSO

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. MINETA. Mr. Speaker, it is with profound sadness that I join Congressman MOFFETT and Members of the Connecticut delegation in paying tribute to the late Honorable Ella T. Grasso. Penetrating that sadness, however, is an abiding admiration for a woman who gave to her elected positions of leadership those qualities of compassion and fair judgment which are all too rare in our fast-paced world.

In her service as Representative of Connecticut's Sixth District, Mrs. Grasso revealed a strong commitment to the needs of her constituency. She won the friendship and professional admiration of her colleagues in the House through her service on the Veterans' Affairs and Education and Labor Committees, and gained the esteem of the people of Connecticut, who elected her Governor in 1974. As the first woman in American history elected in her own right to that position, Mrs. Grasso set an exemplary standard in political office for all legislators, male and female alike.

I know that my colleagues in the House share with me a deeply felt sympathy for Mrs. Grasso's family during this sad and difficult time.●

GREEN BILL—RELIEF TO PUBLISHERS

HON. S. WILLIAM GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GREEN. Mr. Speaker, today I have introduced legislation which would exempt publishers from a crippling Supreme Court ruling which forces them to destroy their inventories of books and discourges publishing of books that are not likely to be best sellers.

Some time ago the IRS ruled that the inventory practice of "writing down" the cost of unsold goods would no longer be accepted. The Supreme Court upheld this ruling and stated that the only way goods could be "written down" for tax purposes is if they are "remaindered"—sold at low prices—or if they are destroyed. The result is that book publishers, long dependent on this system of inventory, are having to destroy books in order to survive and are reluctant to publish new works that may meet the same fate.

This has created an intolerable situation. The Supreme Court ruling has forced book publishers to destroy thousands of books and is affecting the editorial decisions of publishing houses throughout the country.

Small publishers and academic publishers are being hit particularly hard. There are many books which sell fewer copies than expected and can be disposed of only over a long period of time. Past inventory practices have allowed publishers to "write down" the unsold books and then continue marketing them in the following year. Now, in order to take the "write down" loss, these books are being destroyed. It is making it very difficult for small publishing companies and those companies which specialize in academically oriented books to make a profit.

A typical example is Octagon Books, in New York City. Octagon has destroyed 11,000 books, including copies of "Baudelaire the Critic" and "The Tennessee Yeoman, 1840-60." These books are important, but do not have a mass appeal. The new tax ruling created a situation where it was more profitable for Octagon to destroy these books than to continue to keep them in inventory, because they could no longer be "written down."

What is especially disturbing is the way this decision is affecting editorial decisions. Now that companies know that they have this problem they will be very reluctant to publish books of a specialized nature. As a result, we are risking the loss of many important works.

My legislation would exempt publishers of books, maps, sheet music, and periodicals from this decision. The legislation would change the taxing policy of the IRS for the taxable years ending after December 1979. This was the date the publishers were forced to adhere to this new policy.

Providing swift relief to the publishing industry is critical. I hope my colleagues will join me in this effort to rectify this unfortunate situation.●

DEPARTMENT OF LABOR CONTRACT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MAZZOLI. Mr. Speaker, I commend to the attention of my colleagues the following editorial, "Does Anybody Labor at the Labor Department," which appeared in the February 8, 1981, Washington Post.

This is the latest in a series of articles written concerning a recent contract negotiated for Labor Department employees.

That contract includes a provision designated "Use of Personal Audio Devices." The provision reads, in part:

Employees have the right to play radios, cassettes, etc. on the worksite so long as the use does not disturb the productivity of the employee * * *.

I find it hard to believe that any employees—Federal or private—can perform capably, efficiently, and with concentration when radios, cassettes, and possibly televisions can be played near and around them.

I do not think that use of these noisemaking devices can do other than "disturb the productivity" of the worker operating the radio or cassettes or TV, and any other worker in the adjacent area. If their productivity is unaffected, they cannot be doing much to begin with.

Furthermore, the inclusion of the term "etc." in this contract is, maybe, a global first. Certainly this makes the contract so open ended as to be impossible to enforce.

To compound this problem, this Labor Department contract could well become a pattern for Government contracts to be negotiated in the years ahead.

I respect collective bargaining and feel it strengthens the Nation. But, this particular contract could prove very damaging.

It comes at a time when the Nation is desperately trying to increase the rate of productivity in the public and private sectors so America can compete with foreign nations. It comes when we are starting the painful—but necessary—process of reducing inflation which is eroding the strength and vitality of our Nation. This contract flies in the face of all this.

When the public reads about this Labor Department contract it is not hard to understand why Federal service and Federal employees are held in such low esteem.

We are all considered as lazy, incompetent, and inefficient workers. This is not a fair appraisal of our worth and our talent. But that is the appraisal which sticks with the public.

I have written the Department of Labor to express my concerns about this contract. I would ask my colleagues to give this matter careful attention.

The article follows:

DOES ANYBODY LABOR AT THE LABOR DEPARTMENT?

(By Barbara Palmer)

The Labor Department, I've heard, is to federal employe trends what California is to everything else—the place where everything happens first. So when a friend who is a lawyer there told me about a new collective bargaining agreement the department had signed with its employees, I listened.

Quite a progressive agreement, my friend said. Not only did it mandate "flexitime," a new federal program that allowed employes, within limits, to set their own hours; it also provided up to two years' "child care" leave after pregnancy. It even gave employes the right to play radios or tape decks at their desks.

This sounded like some federal paperwork I might actually want to read. I wasted no

time getting down to Labor to see if I might get a copy of the contract. The Frances Perkins Building, Labor's headquarters, is a modern concrete-and-glass facility familiar to many Washington commuters since it straddles Interstate 95 as the highway deadends near the Capitol. The gridlike cubicles of the building's facade do little to lift the spirits, and most of the offices inside its vast seven stories have no access to natural light—though I am told that an early problem with carbon monoxide fumes seeping into the lower floors from the freeway has been solved.

Inside, the atmosphere seemed generally relaxed. At one desk, a woman was doing her knitting, while in another office a secretary seemed engrossed in her novel. Farther along I noticed another woman padding toward her office in a pair of fuzzy bedroom slippers.

I wandered deeper into the maze of hallways, pausing every few yards to check whether I was approaching North 4408, the office of Local 12 of the American Federation of Government Employes (AFGE).

Thumpa, thumpa, thumpa, another one bites the dust.

I glanced in the direction of the sound, but all I could see was a reception area and the corner of a desk. In a nearby office, all of the five or six desks apparently had been left unoccupied. As I passed, a phone was ringing.

A NEW CONTRACT ENCOURAGES KNITTING, SLIPPERS, TV'S, TAPE DECKS AND FLEXIBLE HOURS, BUT TRY FINDING SOMEBODY AT HIS DESK

The contract proved to be an intimidating document 160 pages thick. On the last page was a list of the 14 representatives of the union and the 11 representatives of the department who had negotiated the agreement.

Instead of wading through the text, I decided to save some time by calling the participants directly. It was 2 p.m.—a good hour, I thought, to catch people in their offices. I picked a name from the top of the union list, one Jeffrey Salzman.

"Hello, is Mr. Salzman in?"

"He's not here," came the curt reply.

"Do you know when he'll be back?"

"No."

"Is he expected back at all today?"

"I really don't know."

Next on the list was Doris Thomas, third vice president of the union, according to the contract. I dialed her office in the Bureau of Labor Statistics.

"Is Ms. Thomas in?"

"No, I don't know where Doris is."

"Do you know when she'll be back?"

"No, she didn't say where she was going."

"Can I leave a message?"

"I guess so."

Third was Charles Wood. "Yes, this is his office," the reply came, "but he's usually not here. He spends most of his time over at the union office."

After the fourth name, I began to get worried. By the time the ninth person on the list was out of her office ("No, I don't have any idea when she'll be back"), I was getting desperate, I dialed number 10, a Paul Gifford.

Luckily, Gifford was in, and more than happy to talk about the contract.

I asked first about "flexitime." Gifford explained that limited experiments in "alternative work schedules" were going on in various government agencies, but that Labor's contract was the first to ensure that all the employes in the "bargaining unit" who weren't already participating in an experiment would be covered by one of several flexitime plans.

These ranged from a slight variation on the traditional work week to the most liberal plan, known as "maxiflex." In maxiflex, an employe's 40 hours of work can be concentrated into four days between 6 a.m. and 8 p.m., as the employe sees fit—providing he is present during the "core hours" (10 a.m. to 3 p.m.) of the "core days" (usually Tuesday, Wednesday and Thursday). Gifford explained: "Maxiflex means that if I get up on a Friday morning and it's an absolutely gorgeous day out, I can say, 'Gee, I'd rather go biking along the C & O Canal than go to work,' and I don't have to bother calling anyone to say I'm not coming in."

Gifford also cleared up some confusion I had over the provision of the contract relating to maternity leave, which reads:

"Child Care Leave: An employe may be granted any combination of annual leave or leave without pay, for a period up to two years for the purposes of pregnancy, or for assisting or caring for the minor children of the employe or the mother of a male employe's newborn child while the mother is incapacitated for maternity reasons."

I told Gifford the syntax of the paragraph struck me as odd. He explained that this was because the provision had been written to apply to fathers as well as mothers, and—in a concession management had initially resisted—to unwed fathers as well as unwed mothers. What the clause means, he said, is that any employe who has a child and takes "child care leave" is guaranteed either his old job or a comparable one when he returns, up to two years later. The union, Gifford said, had originally asked for five years.

Finally, there was this paragraph:

"Use of Personal Audio Devices: Employes have the right to play radios, cassettes, etc., on the worksite so long as the use does not disturb the productivity of the employe or other employes within the worksite and does not distract clientele."

I asked Gifford what the "etc." meant.

"It means televisions."

Indeed, said Gifford, the union interpreted the contract to include TVs under "audio devices." On this issue there seemed to have been some tactical debate within the union negotiating team. Later, Wayne Lauderdale, another union negotiator, told me: "Our biggest problem was whether to include televisions because a lot of clerical people are into soap operas. Originally, the word 'television' was in there, but it didn't cost us anything to strike it because it was covered anyway under 'etc.'."

Otherwise, said Lauderdale, "This provision was no big deal because all it did was affirm a practice that has been fairly widespread in the department for a long time."

Now I was getting somewhere. I decided it was time to check out management's view of all this. So I put in a call to Robert Hastings, the director of the department's Office of Labor-Management Relations.

"Is Mr. Hastings in?"

"No, he isn't."

"Do you expect him today?"

"I'm not sure."

I tried Hastings again the next day, and again the next. He wasn't in, so I left messages. The third day, when he hadn't returned my calls, I asked the receptionist whether he might be on leave, or sick perhaps?

"I'm not sure whether he's on leave or traveling," she said. "Mr. Hastings does travel a lot. But I'll give him your message when he comes in." She suggested that in the meantime I talk to Isaac Cole, another of the management negotiators.

Tipping my hand somewhat, I asked Cole whether management hadn't found a few of the union's demands unreasonable. Cole got angry.

"I didn't find any of the union's demands unrealistic," he snapped. "I assumed they were all made in good faith . . . It's a good contract. Management wouldn't have signed it unless we thought it was a good contract." Cole added, "I don't accept the premise that there has to be an adversarial relationship between management and the union." When I pressed him on this, he hung up.

I learned later the Department of Labor has historically been one organization where the traditional adversary relationship between unions and management has been successfully tempered, after a fashion.

When collective bargaining in the federal sector was recognized by executive order in 1962, Labor Secretary Arthur Goldberg made it a point of pride that his department would be the first to sign an agreement.

To achieve this goal, the story goes, he directed the department's negotiating team to make whatever concessions were necessary to the union.

"Those of us who were all familiar with collective bargaining agreements in the private sector were appalled with that agreement," recalls Leonard Nichols, a department veteran who is a member of management's negotiating team. "We really gave them the store. And once we had a soft agreement to start with, it just kept getting mushier and mushier."

The natural tendency of many Labor managers to sympathize with their union extended into the most recent contract talks last April. Ben Segal, one of the negotiators for the department, is a dues-paying member of the union he was negotiating with (although as special assistant to an assistant secretary he is too far up the management ladder to benefit directly from the contract).

"We recognize the union, accept the union and want it to be more effective," Segal told me. "We in the Labor Department are, in effect, preaching to employers about fair practices and labor-management relations, and I think that gives us an obligation to practice what we preach."

Many of the department's negotiators during the latest contract talks had no previous experience with collective bargaining on either the union or management side, while others were drafted as negotiators at the last minute and had little time to familiarize themselves with the issues.

Nichols recalls that he'd just returned from a two-week vacation and "barely had sat down in my chair before they told me to get over to the Georgetown Inn," where the negotiations dragged on for several weeks at government expense.

"That whole issue of flexitime was so damned complicated," added Nichols, "that at one point we were offering them something much more generous than they were asking for."

Across the table, on the other hand, the union negotiators knew what they wanted and were seemingly less concerned with setting an example of nonadversarial behavior. "We behaved like a union—self-interested," says Jeffrey Salzman. "And we achieved accordingly."

Just how much they achieved will only become evident over the next few years, but

a first impression can be gleaned by looking at the fine print in the contract.

There are, as expected, provisions that go beyond the civil service laws in making it harder to fire or otherwise discipline a nonperforming employe. If a supervisor wants a statistician to hit his calculator a little more often and accurately, for example, he must think twice before sidling up to the accountant's desk and saying so. According to the new contract, if the supervisor later attempts to suspend, demote or fire the employe, such "oral counselings, warnings, reprimands or admonishments" may not be used as evidence at the required disciplinary hearing. Only warnings in written memo form count.

If the supervisor, daunted by the task of building a paper record against his no-account accountant, decides to use the time-honored technique of transferring him to an open slot in Spokane or Dubuque, he again runs afoul of the contract. Under the new scheme if an employe doesn't accept a transfer, the department has to try to find him another job in Labor's Washington offices—and provide any training necessary.

Other provisions, which appear blandly innocuous, assume more meaning when they are explained by Local 12 officers. There is, for example, a clause entitled "work plans," which says that "employes have the right to propose new and innovative ways to carry out the mission or function of the department . . . [and] when feasible the department will implement the plan. If an employe's plan is rejected, the department will inform the employe, in writing, as to why it was rejected."

Sounds like nothing more than an official tribute to the suggestion box. But here was how union negotiator Gifford illustrated its importance:

"Suppose you're an investigator in the Bureau of International Labor Affairs and your job is to go out and examine the records of shoe companies or electronics firms to see how foreign imports are affecting their business. But you're also going to law school at night, and the traveling is interfering with your classes.

"Under the work plan provision, you could decide that it's unnecessary to go out in the field because you could really do the whole thing by phone and mail. You could just send forms to the company to fill out and analyze them back in Washington. It might save the government money."

"But what if you send out these forms," I asked, "and the companies send back false information that suits their own interests?"

"Well, management would have the right to bring up that point in its written explanation of why your suggestion isn't feasible." Gifford added that, of course, the union could disagree with management's explanation, and maybe even take the matter to arbitration.

On paper, many of the contract's provisions look sensible enough—unusual, to be sure, but phrased in language that truly cooperative union and management teams might be expected to arrive at. Most of the rights it grants employes are followed by reasonable-sounding qualification:

Employes can play their radios "so long as the use does not disturb the productivity of the employe." They can choose their own hours, but their bosses can set "coverage requirements" to assure, for example, that there are enough people to answer the phones at all times. They can work a 30-hour week, but only if they have built up a 10-hour credit by working overtime the previous week.

These are the sorts of innovations that might work in an environment where both managers and workers are motivated by a goal of performance—like producing a good product—or are afraid of the consequences of not performing—like getting fired, or going out of business.

Unfortunately, it is this shared motivation to perform that is so notably absent from the federal government, and that, in my conversations, seemed particularly absent from the Department of Labor. The contract's talk of productivity, after all, takes place within the context of a civil service system in which productivity is rarely measured, and mediocre performance rarely punished on either an individual or collective level.

Historically, in this system, about the only assurance of the government's *output* has been the federal work ethic's fairly rigid control over *input*. "9 to 5" was the substance of this ethic, and "I'm giving you my 40 hours" its creed.

One reason the Department of Labor was willing to sign the agreement, according to management negotiator Lockwood, was that, "Basically, there aren't any tangible costs"—no actual wage increases or budget-breaking fringe benefits. Intangible costs, on the other hand, are not so easy to spot, particularly in an organization like the Department of Labor that produces an intangible product.

(Theoretically, at least the flexitime portion of Labor's experiment is being evaluated by the federal Office of Personnel Management, which is scheduled to announce its findings in 1982. But OPM's effort is already bogged down in disputes over whether its evaluation plan will actually measure anything worth measuring. The General Accounting Office, for example, has pointed out that OPM has no plans to ask the public if the services provided by the government offices using "flexitime" have improved or deteriorated.)

It is quite likely that the "advances" embodied in the Department of Labor contract will spread to other agencies, as the AFGE is already urging. Barring hard numbers proving either an increase or decrease in productivity, the basic ratchet-rule of collective bargaining can be expected to take hold. As the AFGE's director of labor-management services, John Mulholland, put it, "Once one agency gets a new package of benefits, it doesn't take long for the rest to catch up."

I decided to give Robert Hastings one last try. A dozen calls over two weeks had produced no response, and only one indication of Hasting's actual presence in the national capital area (he had been "in a meeting"). I dialed.

"Mr. Hastings isn't in right now."

"Is Mr. Hastings ever in?"

"I'm sorry, but he's always in a meeting or out of the office. That's what he does all day."

I thought of Hastings a few days later when I read a report which said that the Office of Personnel Management was considering a new experiment in "alternative work scheduling." This experiment, I read, will go one step beyond "flexitime." It is called "flexiplace." Under it, a federal employe, if he can perform his work at home, would not have to show up at the office at all.

Actually, I had heard this idea before, from Paul Gifford, when he was discussing the demands the union had left to raise at the next round of contract talks.

"I could see," he had said enthusiastically, "where this contract could be improved . . ."●

75TH ANNIVERSARY OF SAN PEDRO CHAMBER OF COMMUNITY DEVELOPMENT AND COMMERCE HONORS LONGTIME MEMBERS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ANDERSON. Mr. Speaker, on Friday, February 20, 1981, the San Pedro Chamber of Community Development and Commerce will conduct a special recognition luncheon to commemorate 75 years of incorporation.

The main event of this luncheon will be the honoring of the many longtime members.

Special guests at this luncheon include Dr. Roy Smith, the oldest living past chamber president, who served in 1939. Additionally, all members who have held continuous membership for 25 years or more will be honored. Chamber records show 65 businesses will be so honored.

Included in the honorary roll will be: Southern California Gas Co., 63 years; C. J. Hendry Co., Chevron, U.S.A., Inc., Foots Mayflower, the San Pedro News Pilot, and Seaside Prescription Pharmacy, all with 62 years; Pacific Telephone, 61 years; Harbor Office Supply, 58 years; Louisiana Pacific Corp., 57 years; Louis M. Sepulveda, 53 years; Bank of America, Security Bank, United California Bank, and Van Camp Insurance, each with 52 years; the San Pedro YMCA, with 51 years; Atchison Realty and San Pedro Peninsula Hospital with 50 years each.

Also honored will be Becker Insurance Co. and San Pedro Harbor Ship Supply Co., 49 years; Star-Kist Foods, Inc., 48 years; Palos Verdes Properties, and Safeway Stores, Inc., 46 years; Tolbert's, and Jugoslav-American Club, 44 years; Glendale Federal Savings & Loan Association, and Savage Insurance Agency, 43 years; Anchor Press, 41 years; Pleasure Craft Co., Richard's Cleaners, and Tyler Printing Co., Inc., 38 years; Harbor Insurance Agency, Southwest Instrument Co., and Todd Pacific Shipyards Corp., 37 years; Frank Coletto Ford, Inc., Mesa Nursery, Seaside Supply Stores, Inc., and Supremeco, Inc., 36 years; San Pedro Hardware & Gift Co., 35 years; Independent Press Telegram, 34 years; Green Hills Memorial Park, 33 years; Olsen's Restaurant, 32 years; Lite House Electric Co., Moretti Tire Service, San Pedro Boat Works, Elton C. Spires, D.D.S., and Union War Surplus, 31 years; Hards-Fleming-Trutanic Insurance, 30 years; California Yacht Anchorages, Inc., Clara's for Flowers, R. J. Frie, M.D., 28 years; McCowan's

Market, McNerney's Mortuary, and Harry B. Meisel, O.D., 27 years; Allen & Son Jewelers, William R. Anderson, M.D., Ben's TV & Appliances, Cross Pharmacy, Robert F. Lande, D.D.S., San Pedro Board of Realtors, Inc., San Pedro Lock & Key, Roy Smith, M.D., George N. Stephenson, Trant's Shoes, and Wilmington Transportation Co., 26 years; Hilja's, Ben Karmelich, William Lusby, A.I.A., and San Pedro Glass & Mirror, 25 years.

The San Pedro Chamber's list of accomplishments is as impressive as its honorary member list. My wife, Lee, joins me in celebrating the chamber's anniversary, and in wishing continued success to an organization that has greatly served the Los Angeles Harbor community.●

RESHAPING POLITICAL INSTITUTIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, February 11, 1981, into the CONGRESSIONAL RECORD:

RESHAPING POLITICAL INSTITUTIONS

Most Americans are convinced that their national government does not work well. Every poll shows it, and the declining participation of voters at election time confirms it. Conversations with Hoosiers leave me with the very same impression: the government is simply not responding adequately to the problems the nation faces. Americans lack confidence in the government because many of the adverse events and trends of recent years—the Vietnam War, Watergate, inflation, unemployment, the energy shortage, Soviet adventurism, the hostage crisis—have been perceived by them as failures of government.

I have often wondered why the government has performed poorly. A principal reason seems to be that our political institutions have become so weak that we are not able to use them to build the consensus necessary for effective government action. The President finds his authority reduced by unresponsive civil servants, conflicts between his personal staff and his cabinet, and legislative restrictions Congress has imposed on him. The power of Congress is undercut by a diffusion of leadership among many members, the intense pressure of special interest groups, and antiquated, complicated procedures. The political parties have seen their influence wane because of advances in mass communications, reforms intended to open up the nominating process, and changes in the laws that control campaign financing. The challenge is to reshape these and other political institutions so that they will be more useful.

After thinking about this challenge for some time and reading several new reports, I want to offer a few suggestions on ways to strengthen three key political institutions: the Presidency, Congress, and the political parties. Unless these institutions work well, there will be little support for policies which are in the interests of the general public.

The Presidency: The American political system is not at its best without strong presidential leadership. Only the President can articulate national goals clearly and lead the nation in sensible efforts to reach those goals. The hand of the Chief Executive should be strengthened in several ways. His immediate staff should be small, highly professional, and unbiased, with expertise in international, economic, and domestic affairs. He needs one unit to search for talented people and another to anticipate general trends and develop long-range policies. There must be more cooperation between White House aides and department heads. The President's control of the bureaucracy must be tightened and his ties with Congress improved. Congress must release the President from legislative restrictions, especially those in foreign policy, that have made it more difficult for him to exercise his mandate. In recent years Congress has rejected its traditional deference to the President in foreign affairs, but it has not been able to come up with consistent policies on its own. No one wants it to be a "rubber stamp," but Congress must not ignore presidential leadership altogether.

Congress: Despite all its faults, Congress is still the best national institution for the reconciliation of divergent interests. The public's loss of confidence in Congress, however, can be corrected only by solid performance. Congress must "get its act together" and solve the major problems on the national agenda. If it is to do so, it needs to have its vulnerability to special interest groups reduced, its heavy workload lightened, and its unwieldy procedures streamlined. Congressional committees must be reorganized so that they parallel the functions of government. Responsibilities must be distributed more evenly among them. Both the number of subcommittees and the number of subcommittee assignments per member should be cut. Congressional leadership needs to be fortified, so that Congress can help give the country a sense of direction. It must be allowed to force timely consideration of the issues as it blends the various actions of Congress into a coherent whole. The roles of the Speaker, the key committees, and the party caucuses must be broadened.

The political parties: The consensus-building role of the political parties is probably more important than is generally appreciated. Political parties have often molded majorities out of disparate interests within our country, easing relationships within Congress, between Congress and the President, and among the governors, state legislatures, and mayors. If political parties are to assume their consensus-building role once again, they must be strengthened in several ways. We might increase the percentage of elected officeholders, candidates, and party officials in delegations to nominating conventions. We might shorten election campaigns and require presidential primaries, organized by time zone, to be held on a few dates. We might provide television time to political parties, make voter registration easier, and boost voter participation by declaring election day a national holiday. Public funding for congressional campaigns (with a portion of the funds going to political parties) should be considered, and a limitation should be placed on contributions that a candidate may accept from political action committees.●

TELECOMMUNICATIONS IN AMERICA

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BROYHILL. Mr. Speaker, since its creation in March of 1978, the National Telecommunications and Information Administration within the Department of Commerce has assumed a far-ranging national role in telecommunications and information issues. As such, NTIA is the lead agency in the executive branch for telecommunications-related matters.

I cannot overemphasize the importance of telecommunications to American society, and indeed, to our economy. There are few issues which have an effect on so many of our people. When NTIA formulates telecommunications policies or when it suggests regulatory changes to benefit the industry and the consumers it serves, this agency is making proposals which could have a substantial impact on millions of Americans.

On February 6, as my colleagues are aware, I introduced H.R. 1801, a bill to provide for a regular authorization for the Federal Communications Commission.

I am today introducing an authorization bill for NTIA and many of the reasons which prompted me to introduce the earlier legislation hold true in this case as well.

At present, there is no separate authorization for NTIA. Yet, the agency is making policy recommendations which affect great numbers of people and which involve millions of dollars. With a regular authorization process firmly in place, I believe we would have a mechanism to insure a thorough congressional scrutiny of the agency's activities. Additionally, this would afford us an opportunity to look at the full range of executive branch actions in the area of telecommunications, so that we could insure a comprehensive and coordinated approach in our actions.

This is not to say that NTIA has acted irresponsibly and should now be refined in. I worked very closely with NTIA officals during our attempts to enact the Telecommunications Act last year, and I valued their wise counsel. However, I do feel that the agency has many important functions—management of the electromagnetic spectrum to name just one—and these functions should be reviewed by the Congress on a regular basis. Consequently, I urge my colleagues to work with me to see that this bill is enacted into law.●

PATENT TERM AND REGULATORY DELAY

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. KASTENMEIER. Mr. Speaker, on December 12, last year, the President signed into law the most far-reaching amendments to the patent law in nearly 30 years.

These amendments were designed to modernize the patent system so as to promote commitment of the risk capital necessary to develop the advanced technology which is central to our Nation's economic well-being.

Patents and the patent system play an important role in the process of investment in new technology in several ways.

First, the grant of a patent assures to an inventor and investor a 17-year period during which the enormous costs of development may be amortized.

Second, the patent, although creating exclusive rights in an invention, is also a publicly disseminated document, publicized widely and available to competing inventors. This encourages the rapid dissemination of information about new technology which in turn spurs additional inventions.

Public Law 96-517, the bill signed last year, addressed three critical problem areas in the patent system: reexamination, Government patent policy, and patent fees.

However, during the course of hearings and markup on that legislation other issues arose, including the administrative structure of the patent system and the question of loss of effective patent life due to premarket regulatory delay. On the question of loss of effective patent term, members of the subcommittee, in particular my distinguished colleague from Michigan, Mr. Sawyer, graciously withdrew proposed amendments with the understanding that the question of restoring patent term lost due to regulatory delay would be considered separately in the 97th Congress.

It is with that understanding in mind that I am today introducing the Patent Term Restoration Act of 1981.

Proponents of patent life restoration argue that in many cases, especially in the pharmaceutical and chemical industries, the extensive and necessary premarket clearance procedures of agencies such as the FDA and EPA, reduce effective patent life so drastically as to make it increasingly difficult to attract the risk capital necessary to developing useful new products.

It is argued that the negative impact of lost patent life upon innovation is readily apparent in the pharmaceutical field. When a researcher uncovers a promising new chemical compound, he files for a patent. That patent usually is granted within 2 years, and the 17-year period of protection commences. New compounds are rarely marketable at this point, however, it now takes an average of 7 to 10 years and about $70 million to complete the testing period and the Food and Drug Administration's approval procedures before medicines are made available to the general public. The effective patent life for such products is, therefore, in the neighborhood of 7 to 10 years.

As a result of declining patent lives and the concomitant increase in time and expenses required to develop and market new therapies, many in the pharmaceutical industry believe that the flow of new medicines to the public has diminished. From 1955 through 1962, an average of 46 new drugs were introduced annually in the United States; today that average is only 17 a year, a decline of 63 percent. Late in the last Congress, I introduced for comment H.R. 7952, embodying the patent term restoration concept. My purpose in introducing the bill was to generate study, comment, and criticism on the issue. That process has now begun and is continuing. For example, we expect that preliminary information on this issue and other patent related matters soon will be forthcoming in connection with a study by the Office of Technology Assessment.

It is my intention that hearings on the bill will elicit many more comments, information, and criticism.

The legislation I am introducing today is very similar to the bill I introduced last Congress with one exception. Last year the legislation covered medical devices, drugs, and other chemical products such as pesticides and industrial chemicals. This year a new provision has been added at section 155(c)(4)(D) to cover other products subject to Federal premarketing review or notification requirements, because a number of people have expressed the concern that Federal premarketing requirements have eroded the patent life in less visible areas as well. Although I take no position on its merits. I have included the additional provision in the bill in order to draw attention to the issue when we have our hearings. Proponents of the broader coverage will be invited to make their case during our hearings, so that members of the subcommittee can make an informed decision on the issue.

I also urge groups representing consumers and other interested parties to plan on presenting their views during our hearings. Such broad participation will insure that there is a full and fair examination of the need for the legislation.●

BUSINESSES ASSIST ADOPTION

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GORE. Mr. Speaker, last week, the Nashville Banner printed an article about a number of major companies which are encouraging their employees to adopt homeless children by helping them to pay for the adoption expenses. I find this program refreshing and commendable and want to bring this item to the attention of my colleagues:

BIG COMPANIES HELP WORKER ADOPT CHILD

MINNEAPOLIS.—Big business is reaching out a helping hand to employees wishing to adopt a child.

A typical new adoption policy now offered by Honeywell, for example, provides that the company will pay all direct adoption expenses up to a maximum of $1,000 per child. Typically adoption costs here range from $300 for a stepchild to $3,500 for a foreign child.

"Since the company provides medical coverage to employees who have children through childbirth, we decided it made sense to also help our employees who have children through adoption," explained Ed Lund, vice president of administration.

The policy applies to some 55,000 employees in the United States. Other major firms with similar policies include IBM, Eli Lilly, Hallmark, Abbott Laboratories and Xerox.●

PUBLIC BUILDING ACT OF 1981

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. LEVITAS. Mr. Speaker, I have today introduced a bill entitled the Public Buildings Act of 1981, designed to provide Congress with a unique and long overdue process whereby we will have the opportunity to significantly modify ongoing practices of the General Services Administration, with respect to providing the necessary space to house departments and agencies of our Government. This bill represents what I believe to be a culmination of efforts undertaken during the 96th Congress by your House Committee on Public Works and Transportation and the Senate Environment and Public Works Committee.

This legislation does not have a great constituency throughout our country due to the fact that it deals with our housekeeper agency of Government, the General Services Administration. Yet, it is designed to save all taxpayers of our country a significant amount of money within a few years. So I suppose that the support constituency for this bill will be the taxpayers. The public is tired of haphazard operations, mismanagement, un-

necessarily costly and poor quality building and space programs, as pork-barrel solutions. The bill I am introducing will deal effectively with all these problems in a comprehensive way.

Mr. Speaker, this legislation directs that emphasis be placed on increased ownership of Government space and requires a reduction in our dependence on leasing to satisfy the long-term housing needs of our Government. The legislation requires GSA to undertake long-term planning. As an interim measure, during the 96th Congress, the House Committee on Public Works and Transportation approved the following resolution, which has, for the first time, brought about the transmission to the Congress from GSA a plan accommodating the public building needs of the United States through fiscal year 1987:

COMMITTEE RESOLUTION

Resolved by the Committee on Public Works and Transportation of the House of Representatives, That the Administrator of General Services is directed to submit to Congress, not later than the fifteenth day after Congress convenes each year, a program, for the first fiscal year beginning after such date, of projects and actions which the Administrator deems necessary to carry out his duties under the Public Buildings Act of 1959, as amended. Such program shall include, but not be limited to, the following:

(A) a plan for accommodating the public building needs of the United States for such fiscal year and the next succeeding five fiscal years,

(B) a list, in priority order, of construction, alteration, and acquisition projects for which authorization is requested for such fiscal year, including a description of the project and the number of square feet of space involved,

(C) a list, in priority order, of lease and lease renewals for which authorization is requested for such fiscal year,

(D) a list of all public buildings proposed in such fiscal year to be vacated in whole or in part, to be exchanged for other property, or to be disposed of,

(E) a proposed budget for such fiscal year for the Public Buildings Service (including, but not limited to, a proposed budget for such fiscal year for the repair and maintenance of public buildings and the total amount of funds proposed to be expended by the Administrator for leasing space in such fiscal year),

(F) if a prospectus for a project to be carried out, or a lease to be entered into or renewed, in any fiscal year must be transmitted to Congress under section 7 of the Public Buildings Act of 1959, as amended, the Administrator, whenever possible, shall transmit such prospectus to Congress, together with the annual program for such fiscal year.

Date: December 9, 1980.

HAROLD T. (BIZZ) JOHNSON,
Chairman.

In addition, I am enclosing pertinent sections encompassed in the report which appear to complement efforts undertaken by passage of the committee resolution:

PBS MANAGEMENT PLANNING SYSTEM, GSA, FY 83 CYCLE

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Volume I of the PBS Management Plan is transmitted in accordance with your committee's resolution of December 9, 1980, directing the Administrator of the General Services Administration to submit to the Congress a plan accommodating the public buildings need of the United States through Fiscal Year 1987.

The prospectus projects shown for Fiscal Years 1983 through 1987 have not been reviewed and approved by this Administration and are tentative until the individual prospectuses are forwarded to the Congress. We are currently scheduled to complete submission to the Office of Management and Budget of prospectuses for new construction, lease and lease amendment and repairs and alterations for Fiscal Years 81, 82 and 83 by the middle of March 1981.

Copies of this volume are being transmitted to the Honorable Robert T. Stafford, Chairman, Senate Committee on Environment and Public Works.

Sincerely,

RAY KLINE,
Acting Administrator.

PREFACE

This document is Volume I of three volumes which make up the PBS Management Plan and contains the Public Buildings Service Plan for accommodating the public building needs of the U.S. for the FY 81-87 period.

Five parts comprise Volume I. Part One summarizes the key aspects of the PBS Strategic Posture for the FY 81-87 planning horizon. Part Two documents historical populations and space trends over the past ten years and presents the forecasts of Federal population and space requirements for the plan period. Part Three lists the FY 81-87 proposed prospectus projects in priority order for each of the Management Plan years. Parts Four and Five provide the FY 82 PBS Budget Request. Appendices are provided to supplement the understanding of the PBS Management Planning Process and the information contained in this volume, including a special listing of prospectus projects for each of the Management Plan years by major client areas.

Volumes II and III, respectively, contain the National and Regional Program Plans, which cover all PBS multi-year operations. These will be available at a later date.

Inquiries concerning this report should be addressed to the Commissioner, PBS, Attn: Office of Program Support, Management Planning Office, 19th and F Sts., N.W., Washington, DC 20405.

PUBLIC BUILDINGS SERVICE MANAGEMENT PLAN EXECUTIVE SUMMARY

The Public Buildings Service Posture for the FY 81-87 period represents a significant shift in direction. Emphasis during this period will be increased ownership of space and on reducing our dependence on leasing to satisfy the long-term housing needs of our client agencies.

Because of the demonstrated economies of long-term ownership, the plan proposes to achieve by FY 93 a 60/40 ratio of personnel housed in Government-owned space as compared to those housed in leased space. This ratio will be achieved through a stepped-up construction and acquisition program.

The Management Plan calls for an increase in PBS controlled Government-owned space of approximately 41 million square feet from FY 80-93. This increase achieves the 60/40 ratio and is based on the assumptions that the PBS housed population will grow by less than one percent per year for FY 80-93 and that a 17% reduction in leased space from FY 87-93 can be achieved, as Government-owned space enters the inventory.

Approximately 9 million of the 41 million square feet enters the inventory from FY 80-85 primarily as a result of prior year design starts, acquisitions and lease activity. Total deliveries into the inventory from FY 86 through FY 93 are planned at approximately 32 million square feet as a result of planned design starts and other inventory actions during the FY 82-87 period. Designs starts during the FY 83-87 period will average 5 million square feet per year.

The Management Plan proposes total prospectus level project authorizations of $5.7 billion for acquisitions and for sites, design and new construction of 31.1 million square feet of space. Repairs and Alterations to the inventory for FY 81-87 are planned at total authorization levels of $1.0 billion.

To meet the FY 93 target the plan proposes congressional approval of the use of time financing. With time financing the program can proceed at the planned rate of design starts to attain the 60/40 project mix, while cutting estimated rental costs by 29% by FY 93. Without time financing the program would proceed at less than half this rate and the 60/40 objective would not be met.

It currently takes six to eight years to complete major construction projects. Two to three of those years are taken up in project development and obtaining authorization. The PBS Management Plan proposes congressional approval of procedures to allow site selection and design before final construction authorization. The result would be two years eliminated from the process and, therefore, two years of cost inflation eliminated. Other costs control measures to be emphasized include the PBS Capitalized Income Approach to Budgeting, achieving improved utilization of GSA-controlled space, establishing lease terms consistent with conversion to ownership, and energy conservation.

We will also be emphasizing responsiveness to our client agencies and to the public. Important in this regard are the timely delivery of commercially equivalent real property services, and space acquisition.

PART I—KEY CONCEPTS OF THE PBS STRATEGIC POSTURE

MANAGEMENT PHILOSOPHY AND STRATEGIC DIRECTION

On June 16, 1980, the Commissioner of PBS approved the management philosophy and strategic direction for the FY 81-87 plan period, as recommended by the PBS Planning and Project Review Board. This will govern implementation of the PBS Management Plan toward attainment by the end of the plan period of the directed operating posture.

A copy of this posture statement is attached as Enclosure A. Within this statement, the key concepts which provide the foundation for development of the PBS Facility Plan are:

a. Emphasis upon government ownership of the space inventory, and

b. Use of time-financing to finance new construction, purchase of existing buildings and conversion projects.

EMPHASIS UPON GOVERNMENT-OWNERSHIP IN THE SPACE INVENTORY

One of the Key Strategic Posture statements governing the preparation of the Facility Plan is the commitment on the part of GSA Management during the decade of the eighties to move toward increased ownership of buildings to be used for the principal offices of personnel housed by PBS. The actions proposed in this Facility Plan are keyed to achieving the targeted 60/40 ownership mix by the end of FY 93.

This commitment is based upon studies, which show that under expected ranges of discount and inflation rates, it is more beneficial for the Federal Government to own the majority of its space. In addition, it will also enable GSA to reduce significantly its dependence upon leased space, where rates are continuing to escalate at a very rapid rate.

In a recent study, a decision model based upon life cycle costs was used to examine Federal construction and lease alternatives.[1] Annual costs for comparable construction and lease projects in 126 geographic areas representing 84 percent of the current Federal office space inventory under GSA control were used to synthesize a national build/lease mix.

The study showed that the key factor in a build/lease decision centered upon the difference between the discount and inflation rates. Figure 1 illustrates this point. As the amount by which the discount rate exceeds the inflation rate increases, a lease decision becomes more favorable.

Historically, this difference has remained at approximately 2.5 percent as shown on Figure 2. This chart is based upon the assumption that the discount rate usually is equivalent to the Treasury bill rate. The assumption has been recognized as valid by GAO studies. Using this 2.5 percent difference as a basis, the evidence would support an economic decision to build rather than lease in most cases.

However, provisions of OMB Circular A-104; now require that GSA/PBS economic lease/build analysis be made when the difference between the discount and inflation rates is 7 percent. Figure 1 shows that this requirement will almost always result in a lease decision. Appropriate changes to the circular have been recommended to OMB based upon study results as discussed above.

Even without changes in OMB Circular A-104, recent dramatic increases in rental costs are driving PBS analyses toward government ownership. In prospectuses that are now being prepared, the decision is consistently in favor of owning the building when annual rental rates for comparable leased space approach or exceed $20 per occupiable square foot.

PART II—GSA HOUSED POPULATION AND SPACE TRENDS

PLANNED GROWTH IN HOUSED POPULATION AND GSA CONTROLLED

As stated in the Strategic Posture, (Appendix A), space-needs projections in the PBS Management Planning System are community based. They are derived from forecasts in Federal-population-to-be-housed in GSA controlled space. A summation of the Plan projections for space requirements over the FY 80-87 period are shown in Table 1. These projections are based upon the following assumptions:

a. That, as previously stated, a ratio of 60% personnel housed in government-owned space to 40% in leased space will be attained by the end of FY 93, and

b. That government population housed in GSA space will grow very modestly, (slightly less than 1% compounded per year) from 861,000 in FY 80 to 977,000 by the end of FY 93.

This personnel growth pattern compares favorably with projections made by the Bureau of Labor Statistics and by the Office of Personnel Management. This magnitude has also been independently confirmed through the results of a GSA regression multiples model, which forecasts space as a function of Federal white collar population and utilization rates.

Under these assumptions, a need for a total of approximately 41 million additional Government-owned square feet is projected above the FY 1980 amount. Leased space decreases from a high of 100.3 million sq. ft. in 1987 to 83.2 million by 1993. Planned deliveries from prior year space actions will bring approximately 9.2 million feet of Government-owned space into the inventory between 1980 and 1985. Since the FY 1982 program has been submitted, and allowing five years for site selection and acquisition, design, construction, and delivery of newly constructed space, 32 million square feet must be planned, approved, and funded over the seven-year period, FY 1983-1989, or approximately five million square feet of deliveries per year for FY 87-93.

REDUCED DEPENDENCE UPON LEASED SPACE

As demonstrated in Part I, the planned construction program will be a more effective way to satisfy housing requirements.

Figure 3 shows the historical mix of the percent of personnel housed in all GSA-owned space to leased space. Since FY 71, leased office space has risen from 35.7 million square feet or about 37% of the inventory to 68.1 million square feet or 47% of the inventory in 1980. This trend must be reversed if GSA is to reduce its dependence upon leased space, where sharply rising rental rates have become a major characteristic of the market place.

Figure 4-A depicts the impact of the planned stepped-up construction and acquisition program. By that date, the government-owned space inventory will approximate 183.4 million square feet, whereas leased space will total 83.2 million square feet. As new space deliveries begin to reach the inventory leased space levels drop sharply commencing in FY 88.

Figure 4-B, on the other hand, shows the more undesirable alternative space inventory pattern if PBS is limited to a small construction program comparable to the last five years of about 800,000 square feet annually. In this case by FY 93, 115.6 million square feet of space must be leased while 158.1 million would be government-owned.

Figure 5 shows the detrimental cost impact that would be experienced if the present lower-scale construction program is continued. Over the FY 80-93 period, rental costs would rise from approximately $500 million to 2.8 billion. Implementation of the program, as set forth in the PBS management plan would reduce this escalation, with rental costs rising from $1.3 billion in FY 87 to 2.0 billion in FY 93.

PART III-A—FISCAL YEARS 1981-87 PROPOSED CONSTRUCTION AND ACQUISITION PROGRAM

The attached list represents the General Services Administration's (GSA) proposed construction and acquisition program by Fiscal Year (FY). This includes those projects in the FY 1981 proposed budget, currently pending before Congress, the FY 1982 proposed budget, presently in the submittal process, and the balance of the plan for the period FY 1983-1987. The FY 83-1987 listings are in priority order based on current planning assumptions, and the review and evaluation of data available at this point in time.

This national program plan has been reviewed and approved by the Public Buildings Service's Planning and Project Review Board, after a series of board meetings and presentations by the GSA regional office staffs.

This proposed program was developed consistent with the GSA policy of housing Federal agencies in Government-owned space when feasible and working toward a goal of 60/40 personnel housed in owned to leased space by 1993, in accordance with recent legislative initiatives. It assumes a modest increase of approximately one percent per year compounded through 1993.

PROGRAM SUMMARY

Fiscal year	Sq. ft. (millions)	Millions of dollars
1981	0.69	18.1
1982	1.73	195.8
1983	6.18	965.7
1984	6.75	1,008.8
1985	5.75	1,166.5
1986	5.00	1,131.7
1987	5.00	1,247.4
Total	31.10	5,734.0

PART III-B—REPAIR AND ALTERATION PROGRAM

This portion of the facility plan addresses projects over $500,000 proposed for accomplishment in GSA-owned buildings and those structures planned for acquisition and renovation. Approximately 2,200 buildings are owned by GSA and of this inventory 60% are more than 35 years old. Four hundred fifty-five thousand (455,000) employees are housed in buildings that are currently available for meeting the space needs of Federal agencies. The Repair and Alteration Program emphasizes the maximum utilization of this existing resource, however, to continue optimum use of these buildings major repairs and alterations are proposed.

Facilities, systems, and equipment that become obsolete due to age, lack of replacement parts, and usage require repair and upgrading. Vacant and underutilized space is converted and upgraded to house employees in government-owned space rather than in leased locations. Alterations are necessary to bring structures into compliance with public laws regarding environmental protection, energy utilization and conservation, and handicapped accessibility. Life and property protection features not required when older buildings were constructed are now mandatory. Special programs in response to one time needs such as the Omnibus Judgeship and Bankruptcy Reform Acts are accomplished when needed.

[1] "An Economic Analysis of Future Federal Office Space Requirements and Options," October 1980, GSA Office of Planning and Analysis.

Projects within the facility plan address providing space on a priority basis so that Federal agencies can continue to fulfill their missions. Special one-time immediate program needs are proposed. Repairs and alterations are planned to maintain the existing inventory of buildings in an operational state. Projects planned throughout the Fiscal Year 1983-87 cycle take into account the expiration of leases; availability of space; acquisition schedules; appointment of judicial officers; alterations required by public laws; and condition of existing space, equipment and building systems.

PROGRAM SUMMARY

Fiscal year	Millions of dollars
1981	67.8
1982	97.00
1983	133.3
1984	206.0
1985	184.5
1986	145.2
1987	185.9
Total	1,019.7

Mr. Speaker, legislation affecting public buildings has consisted of various measures going back to 1902 when the First General Act was passed. A significant accomplishment affecting the acquisition and construction of Federal buildings was put in place by passage of the Public Buildings Act of 1959, whereby the Administrator of the General Services Administration was authorized to acquire public buildings by purchase, condemnation, donation, or exchange. At that time, direct Federal construction and acquisition was determined to be the most efficient and economical means of meeting Government space needs. The Federal Property and Administrative Services Act of 1949 remained intact, which authorizes the Administrator of General Services to lease, for a period up to 20 years, existing buildings or buildings to be erected for Government use by private or public lessors.

The futility of seeking funds for direct Federal construction projects in competition with other spending priorities brought about the Public Buildings Amendments of 1972, which set up a 3-year purchase contract program designed to eliminate a backlog of authorized projects which had not been funded. This authority was a stopgap measure, an attempt to reconcile the urgent need for new Federal facilities with lagging annual appropriations for construction.

Under the 1972 purchase contract program, a total of 68 public buildings throughout the country were completed, providing 15 million square feet of occupiable space at an estimated construction cost of $1.26 billion.

The 1972 amendments also established the Federal Buildings Fund, which began operation in fiscal year 1975. Briefly, collections for rents charged to Federal agencies occupying GSA space are deposited in the funds and made available to GSA for operation, maintenance, and acquisition of real property. Although GSA officials testified in 1972 that an estimated $225 million a year would be available from the fund for direct Federal construction of facilities, the reality of the situation soon became clear. Local real estate taxes over the purchase contract term place a substantial drain on the fund's resources. Real estate taxes of $1.3 billion represent about 30 percent of the fund's liability for purchase contract payments.

Since 1975, the fund has provided only about $50 million a year for meeting construction needs. In February 1979, GSA officials reported a backlog of approved or pending construction projects totaling $281 million—that figure has now escalated to $500 million. As a result of insufficient construction funds, GSA has relied increasingly on leasing rather than Government ownership in meeting space requirements.

Due to the fact that it has been some 20 years since passage of the Public Buildings Act of 1959, the need to review past policies and propose a new solution to the problem of how to provide space for Federal agencies in the most efficient and effective manner was clear. A key concern to the committee during the 96th Congress was the considerable expansion in the leasing program of GSA; therefore, it became necessary to look at the resources of GSA and insure the economic use of space by tenant agencies and attempt to facilitate an orderly and economical approach to meeting long-range facility requirements.

Expenditures for leased space have increased from $364 million in 1975 to the current level of $728.7 million in fiscal year 1982. An annual rental bill of $1 billion is right around the corner. It should be noted that the $728.7 million requested in fiscal year 1982 represents only a partial payment since the gross commitment of all GSA outstanding leases currently total approximately $2.4 billion. The omission of lease-payment obligations for all future years by the executive branch in submitting prospectuses to the Congress grossly understates leasing costs. This off-budget, hidden expense distorts the true fiscal impact of leasing and falsely understates the real extent of the national debt. It skews decision away from the least costly method of construction and acquisition—namely, Federal construction—and introduces a bias in favor of leasing since costs are only justified on an annual basis. Further, at the end of the lease term the taxpayer only has rent receipts and not a valuable asset.

The GSA fiscal year 1982 budget request of $195.8 million for construction and acquisition of facilities reflects a substantial increase over funds sought for identical purposes in the fiscal year 1981 budget, amounting to $37.5 million. Congress has attempted for many years to bring about an emphasis on construction of facilities, as opposed to leasing, and I am pleased to see that our efforts have been productive.

Mr. Speaker, passage of the Public Buildings Act of 1981 will provide for the establishment of a new method of financing Federal construction projects similar to the mortgage system used by the private sector, under which GSA borrows money from the Treasury for such construction and pays back over a 30-year period; will authorize the Administrator to carry out preliminary and design for projects prior to total project authorization, thereby reducing the time and cost for building; will require long-range planning of GSA's building needs; will provide Congress not later than the 15th day after Congress convenes each year a program of projects and actions which the Administrator deems necessary to carry out his duties under the Public Buildings Act of 1959, as amended, and shall include but not be limited to, a plan for accommodating the public buildings needs of the United States for the next 5 fiscal years, and a priority listing of projects for which authorization is sought in such fiscal year; will establish policies to be followed in locating Federal offices; will establish procedures providing for better architectural design of Government buildings; will establish the Public Buildings Service; will establish an art-in-architecture program; and for other purposes.

Passage of the legislation early in the 97th Congress, I believe, is essential to bring about more effective Government by reforming GSA's current policies. It is truly a taxpayers' relief and benefit bill by making Government more accountable, efficient, and frugal.●

PUBLIC BUILDING ACT OF 1981

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. STANGELAND. Mr. Speaker, I wish to commend the gentleman from Georgia, the Honorable ELLIOTT H. LEVITAS, on his leadership in sponsoring this bill and am pleased to cosponsor this important piece of legislation amending the Public Buildings Act of 1959, as amended. As ranking minority member of the Subcommittee on Public Buildings and Grounds of the House Committee on Public Works and Transportation, I look forward to working with interested Members of Congress and the new administration to implement major policy changes within the General Services Adminis-

tration in an attempt to reduce the exorbitant lease costs now being incurred to house Federal departments and agencies.

Specifically, in order to insure a thoroughly comprehensive hearing on this legislation, it is my hope that the Reagan administration will provide the committee with executive comments on this subject in the near future. During the previous administration, no official comments were specifically received on proposed legislation, thereby preventing thorough review of all provisions encompassed within this legislation.

By cosponsoring this bill, I do not mean to imply I am wedded to each and every provision contained in it. My main purpose is to join with the gentleman from Georgia in pinpointing these important issues so that our committee will be in a position to report out meaningful legislation at an early date.

Mr. Speaker, it is my expectation that the final product that emanates from our committee will save the taxpayers of this Nation millions of dollars. Thus, I look forward to a successful resolution of this legislation which incorporates many complex issues.●

ISRAEL: GOOD TO THE LAST DROP

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. WHITEHURST. Mr. Speaker, the February 23, 1981, issue of Newsweek contained a brief article by Peter Gwynne and Milan J. Kubic, writing from Jerusalem, outlining some of the steps that Israel has taken to insure an adequate water supply for its people.

Surely we in the United States can learn from Israel's experience and take some prompt and positive steps to provide the needed water for Americans.

The article follows:

[From Newsweek, Feb. 23, 1981]

ISRAEL: GOOD TO THE LAST DROP

(Peter Gwynne with Milan J. Kubic)

JERUSALEM.—By American standards, Israel is a hydrological disaster area. Its 25 inches of annual rainfall—a drought in many other countries—falls at the wrong time in the wrong place, soaking the remote northern hills in winter while leaving the south and center dry in the summer. The Sea of Galilee, Israel's only reservoir of fresh water, lies 696 feet below sea level and miles from major population centers. And Israel's Arab neighbors bitterly dispute rights to the Jordan River, the largest of its three meager streams.

Yet no one goes thirsty in Israel. An eclectic mixture of age-old habit and computer-controlled engineering squeezes every last drop out of what water there is. Since 1950 the country has increased its water utilization from 17 percent to almost 95 percent. Experts attribute such success largely to shrewd planning. When Israel became a state in 1948, the founding fathers immediately proclaimed all water a national property and entrusted it to an independent agency known as the Tahal. "We did not wait for a crisis," recalled Yaacov Vardi, a founder of Tahal. "We spent money, we used our best brains, we worried. And, of course, we knew that our backs were against the wall."

CLOUDS

As its first priority, the Tahal began collecting water from every possible source. Along Israel's 125-mile-long coast, engineers dug 30 wells per mile to trap 10 billion gallons of fresh water annually before it could seep out under the sea. Planes regularly seed clouds with silver iodide to encourage rain, while kibbutzniks and farmers burn the chemical in special generators on the ground. The land and air attacks on clouds have swollen rainfall by about 15 percent.

The Tahal distributes its bounty through a system of canals, pipes, tunnels and wells. Each year it channels close to 90 billion gallons of fresh water across the length and breadth of Israel. So flexible is the system that its pipes served Israeli troops stationed at the Suez Canal before the recent pullback from Sinai. At Avdot, deep in the Negev desert, ecologists from Ben-Gurion University have refurbished a 2,000-year-old network of dry riverbeds and stone-lined conduits to direct the runoff of rain from the hills to nearby fields.

Modern technology ensures that farmers use no more water than their produce requires. Sprinklers have given way to drip irrigation. Computers monitor air temperature, humidity and wind speed and adjust the amount of water delivered to the roots of the crops. In one test, a region that had yielded 9.52 tons of melons per acre using sprinklers produced 17.2 tons with drip irrigation.

Genetic engineers have also joined the battle to preserve water. A miniature peach tree developed by government scientists can be planted at the astonishing density of 3,200 trees per acre (compared with the normal 120). Because the trees grow so close together, they can be drip-irrigated and their fruit harvested quickly. Researchers have divided all fruits and vegetables that are grown in Israel into four categories, according to their tolerance for salt. This allows water managers to stretch scarce irrigation water by mixing fresh and brackish supplies. New varieties of cucumbers, tomatoes, melons and peppers, developed by careful cross-breeding, thrive in water whose salt content is five times greater than normal.

FEES

Israel actively encourages its citizens to save water, combining the carrot of public-service announcements with the stick of stiff fees. Jerusalem households pay 25 cents for their first 4,227 gallons of water each month, but 50 cents for each 264 gallons beyond that. No industrial plant can be built unless water commissioner Meir Ben-Meir has approved its water-recycling plan. "To get a license to dig a private well is *via dolorosa*," says Ben-Meir.

Not every scheme has worked. An experiment to prevent evaporation from the Sea of Galilee by covering it with alcohol failed when winds blew aside the cover. An effort to retain moisture in the soil by spraying it with silicones proved too expensive. Still, Israel has exported its hydrological know-how to 28 countries. "What we've done is take the existing knowledge and apply it on a large scale," said Yaacov Vardi. "We used all Israel as a laboratory."●

FREE VIKTOR BRAILOVSKY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 2, 1981

● Mr. DAUB. Mr. Speaker, I strongly support the concurrent resolution offered by my distinguished colleague, Congressman HAMILTON FISH, JR., which urges the Soviet Union to honor its commitment to international law and to its own Constitution by allowing Dr. Viktor Brailovsky to receive proper medical care and permitting his family and him to emigrate to Israel.

Article 42 of the Soviet Constitution of 1977 guarantees that "citizens of the U.S.S.R. have the right to health protection" and cites that nation's commitment to "reduce the incidence of diseases and insure citizens of a long and active life." I call upon the Soviet Government to give meaning to these words by providing Dr. Brailovsky with the medical treatment he critically needs.

I further call on the Soviet Government to recognize the final act of the Conference on Security and Cooperation in Europe. As a signator to this document, the Soviet Union has agreed to respect individual rights and fundamental freedoms, and its commitment to these principles can be demonstrated by allowing the Brailovsky's to emigrate.

The imprisonment and treatment of Dr. Brailovsky contravenes the basic tenets of universal human rights, and I am privileged to join in supporting this resolution.●

CHRYSLER AND THE FUTURE

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. VANDER JAGT. Mr. Speaker, only a few short weeks ago the country was treated to another orgy of doomsaying relative to the future of our Nation's third largest automobile manufacturer. I, for one, am getting a little tired of hearing and reading so much "can't do" thinking. Again and again over the past year financial institutions, responsible economists, and the ordinary people who put the pieces together in plants all over this country have, by their personal support, said that Chrysler "can do."

And model year 1981 is proving exactly that. In spite of continuing na-

tional economic problems which adversely impact costs, prices, and interest rates, Chrysler is doing better than it has in years. Because of the commitment of tens of thousands of people to quality and innovation, the future of Chrysler is brighter than it has been for years. While some may disagree with the involvement of the Government in this turn-around, I think that the thousands of workers who continue to labor proud and strong and to produce a fine product are a more vital witness to our system than would be thousands of those same workers in unemployment lines.

Recently, I had the opportunity to read over a review prepared by Chrysler officials of their company's past and future which I believe deserves our careful attention. I am pleased to have this opportunity to bring an encouraging word into the discussion of the Chrysler situation.

CHRYSLER'S FUTURE—JANUARY 1981

I'm glad to be here today to bring you up to date on what's happening at Chrysler Corporation and to tell you about Chrysler's future. With all the attention that has been given to Chrysler's problems, I'm sure some of you are wondering to yourselves whether Chrysler has a future of any kind—let alone one worth telling about. The answer to both questions is yes. Chrysler has a future that people should know about; and I'm here to tell you about it.

For the past two years, a lot of people, including reporters, editors, cartoonists, and editorial writers, have been trying to write Chrysler out of the automobile business. The Chrysler crisis has been the biggest business news story in the country. No other company has ever been through what we've been through—or has ever come back against such incredible odds.

Just over one year ago, we were reported to be on the verge of bankruptcy. And we were.

But 600,000 jobs were at stake. We wanted to save those jobs, and maintain the competitive strength of the nation's 10th largest industrial company. And with the help of the greatest grass roots coalition in history, we succeeded against all the odds. Dealers, suppliers, civic groups, community leaders, customers, and concerned citizens all spoke up on our behalf. Congress listened. They looked at our plans and our future products, and they liked what they saw. Congress passed the Loan Guarantee Bill by a 2 to 1 vote. No one in Washington had ever seen anything like it before.

Then last spring, we fulfilled the terms of the Loan Guarantee Act by putting together a $7 billion financial restructuring package. All together it involved 400 banks, eight states, five foreign countries, 4,000 dealers, 19,000 suppliers, and thousands of lawyers. The Secretary of Treasury called it the most complicated transaction in history.

And while the legal, finance, and local government affairs staffs were working 24 hours a day, seven days a week to keep our company together, a lot of people in the plants and offices were hard at work building a new Chrysler Corporation with the best products, the best plants, the best quality, and the best fuel economy in the industry.

The company that was once on the leading edge of everything that was wrong with America was becoming the symbol of everything that was right about the American automobile industry.

And we were on our way. But then last October, just when everything was coming together for us, we were hit with 20 percent interest rates, rising inflation, and fears about the economy.

Almost overnight we were stuck in the worst automotive depression in the history of the business. As a result, we had to apply for an additional $400 million in loan guarantees. That stirred up all the negative speculation about Chrysler's future all over again.

We didn't quit before when a lot of people tried to write us off. We proved them wrong.

We didn't quit this time, either. Chrysler Corporation is a fighting organization. We're in business to stay.

We developed a new operating plan which we submitted to the Loan Guarantee Board along with our application for additional loan guarantees. We cut costs. We brought production into line with sales. We reached new agreements with our employees, banks, suppliers, and others that will lead to new, positive relationships, and a more productive, competitive company. The plan is designed to make us profitable even in a depressed market.

The Loan Guarantee Board and its consultants spent thousands of hours going over every aspect of our plan. Nothing was taken for granted. They challenged all our assumptions. They checked and double-checked all our calculations. And when they were done, they said it is a practical, realistic plan that will keep Chrysler viable for years to come.

We are cutting new ground with this plan. There has never been anything like it before. It is tough. It is historic. It is substantial. Treasury Secretary Miller has called the plan "an economic milestone."

We know we're not out of the woods yet. The economy is still in deep trouble—inflation, recession, unemployment and a prime rate hovering around the 20 percent mark. That's a noose that's being tightened around the necks of automobile companies, their dealers, and their customers. It is choking off business at the wholesale and retail levels.

But we at Chrysler are in a better position to weather this crisis than we have been for some time. As the economy improves in 1981, and as interest rates moderate, the pent-up demand that exists today for cars and trucks will finally be unleashed. Chrysler has the programs and the products to capitalize on that inevitable market turnaround.

Let me tell you about them.

First, we put together one of the strongest management teams in the business, led by our Chairman, Lee Iacocca. All told, five of the top six jobs in the company are filled by experienced auto men new to Chrysler Corporation.

Second, we have six of the most modern automotive plants in the world. At our assembly plants, 98 percent of all welds are made by robots. That means accurate, consistent welds, and solid, durable car bodies.

At our engine plant where we are building our all-new 2.2 liter, 4-cylinder engines, we have installed sophisticated computer-operated engine test stands. Computers run checks on all vital engine functions, with the engine running at a variety of engine speeds—there are over 50 separate tests.

At our transaxle plants, we check every transaxle 70 times during the assembly process to make sure it meets specifications. Then it goes to an electronic test stand which perform 200 separate quality checks.

Third, our quality is outstanding. One independent survey reported that new car buyers now rate the quality of Chrysler products better than those of GM and Ford. It's the first time in eight years Chrysler has been in first place. It represents a 44 percent improvement in the quality of our products over the last two years.

Fourth, we are leaders in front-wheel-drive technology. It is the way of the future in automobile design. With front-wheel drive, the engine and drivetrain are up front and out of the way so that there's maximum interior space for any given design. In other words, there's plenty of leg room and shoulder room inside a car that's small on the outside. In 1981 Chrysler can offer the American public 1 million front-wheel drive cars. That's about 250 on average for each of our dealerships—three times what Ford and GM dealers can deliver.

Fifth, we have the best fuel economy in the industry—an average of 25.5 miles per gallon. Ford is 22.6, AMC is 23, and GM is 23.1 miles per gallon.

We also have more models that get over 25 miles per gallon than any other company—more than GM, more than Ford, more than AMC—and also more than Honda, more than Datsun, more than Toyota.

And sixth, we have the most competitive product line in our history.

Our cars are priced to sell. In the five segments that account for 75 percent of total sales—subcompact, subcompact sport, compact, mid-size, and mid-size wagon—nobody beats our products on fuel economy or price. We have more models under $7,000 than Ford or GM. Let me tell you a little bit about these products.

The stars of our 1981 line are the K-cars—Dodge Aries and Plymouth Reliant. We have a 2-door, a 4-door, and a station wagon model.

Aries and Reliant 2-door and 4-door models get 25 miles per gallon in city driving and 41 miles per gallon on the highway. That's the kind of fuel economy you'd expect to get in a subcompact. Yet Aries and Reliant seat six passengers.

In addition, Aries and Reliant are easy and economical to service. Estimated costs for parts and labor for scheduled maintenance are only $169 for 50,000 miles of normal service. That's just three-hundredths of a cent per mile.

When you add everything up, Aries and Reliant are the most fuel-efficient, economical, six-passenger cars on today's market. That could be why Motor Trend magazine has named the K-car the 1981 Car of the Year. This is the second time in four years we have received Motor Trend's Car of the Year Award for front-wheel drive technology. No other company can say that.

The K-cars aren't the only front-wheel-drive models Chrysler builds that beat out the competition. Dodge Omni and Plymouth Horizon, America's original front-wheel-drive compacts, are pound-for-pound one of the best values on the market today. According to a recent report by the National Automotive Dealers Association, Omni and Horizon hold their resale value a year after purchase better than any other U.S. car.

The Miser model of the Omni and Horizon is the most fuel-efficient 5-passenger car on the market.

Miser gets 30 miles per gallon in the city and 50 miles per gallon on the highway. Fifty miles per gallon is what you expect

from a large motorcycle. Nobody else comes close.

We have the sporty 024 and TC3 hatchback models. And we have some exciting front-wheel drive products from our Japanese partner, Mitsubishi.

That's our front-wheel-drive line. We also have some very competitive rear-wheel-drive cars. LeBaron, Diplomat, Cordoba, Mirada, and the new Imperial—our entry in the luxury car market.

Imperial has elegance, sophistication, and outstanding engineering. It is loaded with space-age electronics, developed by Chrysler engineers who helped develop the systems to send a man to the Moon. It has a unique electronic fuel injection system. And it sets a new standard of quality for the auto industry.

The 1981 Imperial embodies all that is excellent in Chrysler engineering—it's the flagship of our fleet.

We have a good story to tell on the truck side, too. We have a new pick-up for 1981, and a new sport-utility vehicle which Four Wheeler magazine named "Four Wheeler of the Year."

That's a brief description of our 1981 product line. Chrysler's 1981 products are just the beginning of what's ahead for Chrysler and for the entire automobile industry. The industry is moving in a whole new direction—a direction that is being determined by the changing needs and values of American car-buyers.

There is a whole new set of priorities motivating today's car buyers. The public has told us in no uncertain terms that it expects something different from the automobile companies today and in the future than it expected in the past.

People who buy cars today are making hard judgments about value and quality of workmanship. They don't care as much about prestige or loyalty to an old brand. They don't care as much about looks and appearance. The days of style being the only element to consider in designing a vehicle are over. To design something beautiful is no longer enough.

Looks count—they always will. But people want more. They want fuel economy. They want value. They want quality of workmanship. They want a vehicle that starts every time they turn the key. They want heaters and air conditioners to work every time they push the button. They want trim that lines up straight, doors that shut easily, and paint that's smooth as satin. If we ship cars that rust, that leak, that stall, and that just plain look shoddy, we deserve to lose our markets. And we should. Datsun, Toyota, Honda, and every one of the foreign manufacturers are ready to take advantage of every single mistake we make.

At Chrysler, we don't intend to let any of that happen. We are meeting the New Market Values head-on with our 1981 products. And we intend to keep on turning out products that are right for the times year in and year out, from now on. They will be some of the most fuel-efficient, technologically advanced cars and trucks you've ever seen.

We've got a brand-new, front-wheel drive truck coming.

We've bringing out a high-style, luxury version of the K-car.

We're introducing a brand-new, luxury model station wagon.

We've got some exciting sporty models coming that will be great to look at and fun to drive.

And there is much more to come. By 1984, we'll be a 100 percent front-wheel drive car company. For the rest of the 1980s and beyond, we'll have all the cars and trucks we need to stay competitive in all the major market segments.

I hope I've put to rest some of your doubts and answered some of your questions about Chrysler's future. It's been a long road back. And we're not out of the woods yet. But those of us closest to the action can sense the turnaround. Things are beginning to come our way. 1979 was our year of crisis. 1980 was our year of consolidation. 1981 will be our turnaround year.

We have access to the financing we need.

We have an operating plan designed to make us profitable in 1981, even in a depressed market.

We have the best management team in the business.

We have modern plants and equipment.

We have outstanding quality.

We are the leaders in front-wheel drive, value for the money, and fuel economy in the U.S. auto industry.

We have great products just right for America—starting with the K-car—Car of the Year and buy of the year.

We have an exciting line-up of future products.

For all those reasons, Chrysler Corporation is now in a unique position to lead this great country out of its current recession—up onto the high ground of recovery and renewed strength.

In the fall of 1979, people were saying, "You're on the ropes—you can't possibly pull it off." Now that it's 1981, and Chrysler is still in business, some of those same people are saying, "You guys are getting your act together . . . you've got some darn good cars . . . maybe you are going to pull it off after all."

I'll end on that note because we've not only got some darn good cars—we've got a good company and good people. I'm proud to be part of Chrysler, and I thank you for inviting me here to tell you about it.●

1981—FUTURE FARMERS OF AMERICA

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. NATCHER. Mr. Speaker, National Future Farmers of America Week will be celebrated February 21-28, and once again it is an honor for me to recognize this outstanding organization.

Founded in 1928, FFA now boasts over a half million members. Any young man or woman studying vocational agriculture or agribusiness is eligible to participate until age 21. At present, there are over 8,000 chapters.

The theme for the 1981 National FFA Week is "FFA—Building Tomorrow Today." Certainly this phrase is indicative of the goals and ambitions of this organization. FFA members are encouraged to build upon their classroom knowledge with practical work experience. Activities may range from a field trip to a local farm to an earning-while-learning program on a ranch, to competition at the State fair. Members may strengthen their leadership skills by holding office at the chapter, district, or State level. A spirit of cooperation is fostered when members work together on varied projects. As students increase their knowledge, they may advance from the rank of "Greenhand," to "Star Farmer of America."

The responsibility for feeding tomorrow's generations depends in part on these same students. The FFA member must be aware of new developments in agriculture, while at the same time, helping to improve agriculture himself. These youths are encouraged to better the community in which they live. As the world population increases, emphasis must be placed on developing improved protein resources. All FFA members realize that it is they who are to be the leaders in agriculture in the future.

Today, the Future Farmers of America know that agriculture is more than just farming. As Americans become increasingly aware of the need for energy conservation, the FFA is taking an active part. In 1980, the FFA received an Energy Efficiency Award from the President of the United States. In fact, quite a challenge faces agriculture's new generation. They must help cope with the problems of today while planning for tomorrow's energy requirements.

Together, these individuals are to be commended for their citizenship, patriotism, and dedication. I am pleased to congratulate them on their fine past achievements, and I would like to wish them continued success in the future.●

OUTLOOK FOR THE FUTURE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 18, 1981, into the CONGRESSIONAL RECORD:

OUTLOOK FOR THE FUTURE

According to a recent federal report entitled "Global 2000," the world may be facing a grim future if we do not act now to prevent it. If current social, economic, political, and technological trends continue, the year 2000 will see people all around the globe living in conditions worse than those they know today. The problems may not engulf us today or even tomorrow, but they will engulf us if we do not deal with them:

Population: The global population will grow from 4 billion in 1975 to 6.35 billion in 2000. The world's people will be adding 100 million to their number each year, one-third more than in 1975. About 90 percent of the growth will occur in the poorest countries.

Income: The wide gap between the "haves" and the "have-nots" will be wider still in 2000. There may be more than one

billion people living in desperate poverty, up from 800 million today.

Food: Production of food worldwide will grow about 15 percent per person in the last 30 years of the century, but most of the increase will benefit the well-fed countries. Already inadequate diets will deteriorate further in some regions. The real price of food is expected to double.

Farmland: Arable land will increase only 4 percent by 2000, so most of the gain in food production will result from farming techniques that require scarce oil and gas. An area of cropland and grassland more extensive than Maine will become barren every year. Increased urban sprawl will add to the problem.

Energy: The year 2000 will probably not bring relief from shortages of energy. Output of oil will level off in the 1990's. It will be more difficult for less developed countries to meet their energy needs. A shortage of wood fuel will plague the poorest nations.

Minerals: Minerals will be in sufficient supply through the end of the century, but more investment will be needed to maintain reserves. Increases in the price of energy may make some mining uneconomical. One-quarter of the world's people will continue to absorb three-quarters of its minerals.

Water: Regional shortages of water will be more severe by 2000. The need for water will double in half the world due to the increase in population alone. If standards of living are to be raised, the need will be even greater. New supplies of water will be more costly to develop.

Forest: During the next 20 years the demand for timber will increase, but an area of forest half the size of California is now disappearing every year. Some 40% of all forest in the Third World will be gone by 2000. Growing stocks of timber for commercial use will decline 50% per person.

Atmosphere: Depletion of ozone and concentration of carbon dioxide in the atmosphere may begin to alter the world's climate sometime in the next century. Acid rain may do serious damage, and pollution of the air will threaten health in an increasing number of countries.

Species: The extinction of plant and animal species will accelerate by the close of the century. Hundreds of thousands of species—perhaps 20% of all those in existence—may be lost forever. Since many of them have never been classified or examined by scientists, their value to man will never be known.

The scenario outlined in "Global 2000" is not a prediction. It is a projection of what will happen if nothing is done. We are not locked into a course of events that leads to human misery, material scarcity, and environmental destruction. We can take action to change things, and we have compelling reasons to do so. Not the least of these reasons is our own national interest: development and stability in the Third World, access to resources abroad, and a clean, healthy environment worldwide will make our nation stronger and more secure.

There are several principles we should follow in formulating an agenda of corrective action:

Since no nation can tackle global problems alone, international cooperation will be necessary. An important objective of American policy must be the management of global problems that can only be met if nations act in concert.

The federal government has impressive technical resources we can use to analyze and help solve global problems, but institutional change will be needed to focus these resources properly. We may want to draw experts from many agencies together into an office under direct control of the President.

If federal agencies are to bring global problems under control, they will require the private support of industry, labor unions, churches, universities, and environmental groups. We should consider the establishment of a public-private institute to channel private expertise into the effort.

Specific solutions to specific global problems are indispensable, but coordinated policy should be our primary goal. By "fitting all the pieces together" we can be assured that our initiatives will not undermine one another.

We know about global problems and we command the means to solve them, but we need an urgent commitment to the task.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 19, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 20

8:30 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed authorizations for fiscal year 1982 for theater and tactical nuclear force modernization programs of the Department of Defense.
224 Russell Building

9:00 a.m.
Foreign Relations
To hold hearings on the nominations of Richard M. Fairbanks III, of the District of Columbia, to be an Assistant Secretary of State for Congressional Relations; Robert C. McFarlane, of Maryland, to be Counselor of the Department of State; and M. Peter McPherson, of Maryland, to be Administrator of the Agency for International Development.
4221 Dirksen Building

9:30 a.m.
Armed Services
Preparedness Subcommittee
To continue open and closed hearings on operational readiness and mission capability of major Army operational commands.
212 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Resources Administration of the Department of Health and Human Services.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Panama Canal Commission; and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
1318 Dirksen Building

Budget
To continue hearings to review the President's economic proposals.
6202 Dirksen Building

Judiciary
Security and Terrorism Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the Federal Bureau of Investigation.
2228 Dirksen Building

Joint Economic
To continue hearings to review the overall economic policy of the administration.
2128 Rayburn Building

FEBRUARY 23

10:00 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 31, removing certain limitations on deductibility of business expenses related to residences; S. 239, providing an individual tax credit for the purchase of commuter vans; and S. 452, excluding from tax as ordinary income gain realized on the sale of stock of a corporation with respect to earnings and profits accrued during a year in which such corporation was not a foreign investment company.
2221 Dirksen Building

Select on Intelligence
To meet in closed session to receive an intelligence briefing.
Room S-407, Capitol

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Assistant Secretary for Health, scientific activities overseas, and retirement pay program for commissioned officers of the Department of Health and Human Services.
1114 Dirksen Building

Energy and Natural Resources
To hold hearings on the President's proposed budget for fiscal years 1981 and 1982 for the Department of Energy.
1202 Dirksen Building

FEBRUARY 24

8:00 a.m.
Governmental Affairs
Civil Services, Postal Operations and General Services Subcommittee
To hold hearings on Senate Joint Resolution 11, establishing the policy with respect to the number of digits which should be used as zip codes, and other pertinent proposed legislation.
3302 Dirksen Building

9:30 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Donald I. Hovde, of Wisconsin, to be Under Secretary of Housing and Urban Development.
5302 Dirksen Building

*Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Health Care Financing Administration of the Department of Health and Human Services.
1114 Dirksen Building

Budget
Business meeting, to mark up proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building

Finance
Savings, Pensions, and Investment Policy Subcommittee
To hold hearings on S. 12, 24, and 243, bills providing certain savings incentives.
2221 Dirksen Building

Rules and Administration
Business meeting, to consider committee resolutions requesting funds for operating expenses for 1981, and other legislative and administrative committee business.
301 Russell Building

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from the Disabled American Veterans.
318 Russell Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Human Development Services of the Department of Health and Human Services.
1114 Dirksen Building

Energy and Natural Resources
To hold hearings on the President's proposed budgets for fiscal years 1981 and 1982 for the Departments of the Interior and Agriculture.
3110 Dirksen Building

FEBRUARY 25

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain museum services, and Indian education programs.
1224 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on proposed recommendations of the Advisory Commission on Intergovernmental Relations and of the General Accounting Office on Intergovernmental Matters.
2228 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on proposed legislation authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

Labor and Human Resources
Business meeting, to consider its rules of procedure for the 97th Congress.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Social Security Administration of the Department of Health and Human Services.
1114 Dirksen Building

Banking, Housing and Urban Affairs
To hold hearings on the conduct of monetary policy.
5302 Dirksen Building

Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building

Foreign Relations
International Economic Policy Subcommittee
To hold hearings to examine current U.S. interests in developing countries and alternative strategies to advance U.S. interests.
4221 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management programs of the Department of Health and Human Services.
1114 Dirksen Building

Joint on Printing
To hold an organizational business meeting.
S-151, Capitol

FEBRUARY 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Woodrow Wilson International Center For Scholars; the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
1224 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3110 Dirksen Building

9:30 a.m.
Governmental Affairs
Intergovermental Relations Subcommittee
To continue hearings on proposed recommendations of the Advisory Commission on Intergovernmental Relations and of the General Accounting Office on intergovernmental matters.
357 Russell Building

Special on Aging
Organizational business meeting, to consider its rules of procedure for the 97th Congress, and other pending committee business.
457 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain departmental management programs and the Office for Civil Rights of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Coast Guard of the Department of Transportation
1318 Dirksen Building

Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building

FEBRUARY 27

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

10:00 a.m.
Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building
Foreign Relations
International Economic Policy Subcommittee
To resume hearings to examine current U.S. interests in developing countries and alternative strategies to advance U.S. interests.
4221 Dirksen Building

MARCH 2

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings to review materials and minerals policy.
235 Russell Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for elementary and secondary educational programs of the Department of Education.
1114 Dirksen Building

MARCH 3

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the American Battle Monuments Commission, Army Cemeterial Expenses, the Office of Consumer Affairs, and the Consumer Information Center.
1224 Dirksen Building
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Fish and Wildlife Service, Department of the Interior.
1318 Dirksen Building
9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for impact aid programs, and emergency school aid programs of the Department of Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General of the Department of Transportation; and the National Transportation Safety Board.
S-126, Capitol
11:30 a.m.
Veterans' Affairs
To hold hearings to receive the Veterans of Foreign Wars legislative recommendations for fiscal year 1982.
318 Russell Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for library and learning resource programs and vocational and adult education programs of the Department of Education.
1114 Dirksen Building

MARCH 4

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Water Research and Technology, Department of the Interior, the Holocaust Memorial Commission, and the Advisory Council on Historic Preservation.
1318 Dirksen Building
9:30 a.m.
Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building
Labor and Human Resources
To hold hearings on S. 234, to encourage the establishment of home health programs and to provide expanded coverage of home health services under the medicare and medicaid programs.
4232 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for educational, rehabilitation, and research programs for the handicapped of the Department of Education.
1114 Dirksen Building
Banking, Housing and Urban Affairs
To resume hearings on the conduct of monetary policy.
5302 Dirksen Building
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Fire Administration.
235 Russell Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain student financial assistance programs of the Department of Education.
1114 Dirksen Building

MARCH 5

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building
Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain school improvement programs, special institutions, and Howard University of the Department of Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the national Highway Traffic Safety Administration of the Department of Transportation.
1224 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Education, fund for the improvement of postsecondary education, educational statistics, educational research and training activities overseas of the Department of Education.
1114 Dirksen Building

MARCH 10

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Building Science, Federal Home Loan Bank Board, National Credit Union Administration, and the Office of Revenue Sharing (NYC).
1224 Dirksen Building
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Indian health service programs, and the Bureau of Land Management, Department of the Interior.
1318 Dirksen Building
9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Community Services Administration.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Administration, Research and Special Programs and the Office of the Secretary of the Department of Transportation.
S-126, Capitol
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Mediation and Conciliation Service, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, and the Federal Mine Safety and Health Review Commission.
1114 Dirksen Building

MARCH 11

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Railroad Retirement Board, domestic operations programs of ACTION, and the Soldiers' and Airmen's Home.
1114 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Corporation for Public Broadcasting, the National Commission on Libraries and Information Science, and the President's Commission on Ethical Problems in Medicine.
1114 Dirksen Building

MARCH 12

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Heritage Conservation and Recreation Service, Department of the Interior.
1114 Dirksen Building
9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building
10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Civil Aeronautics Board, Interstate Commerce Commission, and the Washington Metropolitan Area Transit Authority (Metro).
1318 Dirksen Building

MARCH 16

9:30 a.m.
Labor and Human Resources
To resume hearings on alleged sex discrimination in the workplace.
4232 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 17

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1981 for the Veterans' Administration.
1224 Dirksen Building
9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain health professional education and nurse training programs of the Department of Health and Human Services.
4232 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearing on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Urban Mass Transportation Administration of the Department of Transportation.
1114 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 18

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 19

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Railroad Passenger Corporation (Amtrak).
1318 Dirksen Building
2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 20

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building
10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 23

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for national centers for health statistics of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 24

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 25

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for alternative fuel programs and the Economic Regulatory Administration, Department of Energy.
1114 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

Labor and Human Resources
Labor Subcommittee
To continue hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of the Interior and certain related agencies.
1114 Dirksen Building

MARCH 27

9:30 a.m.
Labor and Human Resources
To resume hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 31

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Management and Budget.
S-146, Capitol

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the White House Office, Office of Administration, official residence of the Vice President, executive residence, special assistance to the President, compensation of the President, and other unanticipated needs.
S-146, Capitol

APRIL 1

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 and for the Federal Emergency Management Agency and the Selective Service System.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Bureau of Indian Affairs, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain adolescent pregnancy programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Secretary of the Treasury.
1224 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary, international affairs programs, Bureau of the Mint, Bureau of Engraving and Printing, and Bureau of Government Financial Operations of the Department of the Treasury.
1224 Dirksen Building

APRIL 2

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Surface Mining Reclamation and Enforcement, Department of the Interior; and the Smithsonian Institution.
1114 Dirksen Building

9:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from officials of Paralyzed Veterans of America, Blinded Veterans Association, Military Order of the Purple Heart, and Veterans of World War I.
412 Russell Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Postal Service.
S-146, Capitol

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from AMVETS.
412 Russell Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Customs Service, U.S. Secret Service, Federal Law Enforcement Training Center, and the Bureau of Alcohol, Tobacco, and Firearms.
S-146, Capitol

APRIL 7

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the General Services Administration.
1318 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Personnel Management, Merit Systems Protection Board and Special Counsel, Federal Labor Relations Authority, Advisory Commission on Intergovernmental Relations, Advisory Committee on Federal Pay, Commission on Executive, Legislative and Judicial Salaries, and the President's Commission on Pension Policy.
1318 Dirksen Building

APRIL 8

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Science and Technology Policy, Council on Environmental Quality, and the National Regulatory Council.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain health maintenance organizations of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Administrative Conference of the United States, Federal Elections Commission, Office of Federal Procurement Policy, Domestic Policy Staff, U.S. Tax Court, and the Committee for Purchase from the Blind and Other Severely Handicapped.
1318 Dirksen Building

APRIL 9

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for strategic petroleum reserve programs, the Energy Information Administration, and naval petroleum reserve programs, Department of Energy.
1114 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Internal Revenue Service, and the savings bond division of the Bureau of the Public Debt.
1318 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Council of Economic Advisers, National Security Council, and the Council on Wage and Price Stability.
1318 Dirksen Building

APRIL 21

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Forest Service programs, the Office of the Federal Inspector for the Alaska Natural Gas Transportation System, and the Pennsylvania Avenue Development Corporation.
1114 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 22

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Environmental Protection Agency.
1318 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary of Energy.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain community/migrant health centers and the National Health Service Corps of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 23

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 28

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Endowment for the Arts and the National Endowment for the Humanities.
1114 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 29

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Consumer Cooperative Bank, and the Consumer Product Safety Commission.
1318 Dirksen Building

APRIL 30

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Science Foundation.
1318 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Park Service, Department of the Interior.
1114 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

MAY 5

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 6

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Geological Survey, Department of the Interior.
1223 Dirksen Building

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for conservation and fossil energy programs.
1223 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 12

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Aeronautics and Space Administration.
1224 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 13

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Commission of Fine Arts, the National Gallery of Art, and the Bureau of Mines, Department of the Interior.
1223 Dirksen Building

MAY 14

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Territorial Affairs, Department of the Interior.
1223 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 19

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 20

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development.
1224 Dirksen Building

MAY 21

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
1224 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

JUNE 2

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and certain independent agencies.
1224 Dirksen Building

SENATE—*Thursday, February 19, 1981*

(Legislative day of Monday, February 16, 1981)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, LL.D., offered the following prayer:

Let us pray.

Gracious God, to whom all hearts are open, all desires known, from whom we have no secrets, in humility we pray for Thy mercy and grace.

We thank Thee for Thine unconditional love which proffers forgiveness and renewal. We are grateful for the promise that if we confess our sins Thou art faithful and just to forgive us our sins and to cleanse us from all unrighteousness.

Deliver us from stubborn pride that refuses to acknowledge our need and confess our sin. Save us from the guilt that corrodes our souls. Free us from every emotion within and circumstance without which prevent us from effective service for our families, our constituents, and our Nation.

We ask this in the name of Him who died that we might be forgiven. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader, the Senator from Tennessee, is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BAKER. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW AND 11 A.M. TUESDAY, FEBRUARY 24, 1981

Mr. BAKER. Mr. President, I have discussed this with the distinguished minority leader. I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 a.m. tomorrow, Friday, February 20, 1981, and that when the Senate convenes on tomorrow, pursuant to that arrangement, it immediately stand in recess until the hour of 11 a.m. on Tuesday, February 24, 1981.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER PERMITTING THE INTRODUCTION OF BILLS, RESOLUTIONS, STATEMENTS, AND AUTHORIZATION FOR COMMITTEES TO FILE REPORTS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on Friday, February 20, 1981, between the hours of 9 a.m. and 3 p.m. Senators be permitted to introduce bills, resolutions, and statements, and that committees be authorized to file reports.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that following the time allocated to the two leaders, under the standing order and the special order for Mr. BUMPERS, there be a period for the transaction of routine morning business today not to exceed 2 hours in length, in which Senators may speak therein for not to exceed 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR CERTAIN ACTION TO BE TAKEN DURING THE RECESS OF THE SENATE

Mr. BAKER. Mr. President, I ask unanimous consent that during the recess of the Senate over until Friday, February 20, 1981, and Tuesday, February 24, 1981, messages from the President of the United States and the House of Representatives may be received by the Secretary of the Senate and appropriately referred, and that the Vice President and the President pro tempore and the acting President pro tempore be permitted to sign duly enrolled bills and joint resolutions.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER REFERRING PRESIDENT'S MESSAGE ON THE BUDGET TO ALL STANDING COMMITTEES HAVING JURISDICTION AND TO THE COMMITTEE ON THE BUDGET

Mr. BAKER. Mr. President, I ask unanimous consent that the President's message on the budget be referred to all standing committees having jurisdiction over the subject matter as well as to the Committee on the Budget, which I have also consulted with the minority leader about.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENT REAGAN'S ADDRESS

Mr. BAKER. Mr. President, I have need for another brief moment of the remaining time under the standing order to comment on the President's speech.

As I sat in the Hall of the House of Representatives last evening, I was overcome with the feeling that I was listening to and participating in a most historic moment, perhaps a watershed for the American Republic.

I applaud the President. I support the President. And, from the perspective of a Republican Member of this body and the leader of the President's party in the Senate, I wish to state that I wholly concur in his remarks and his proposals.

Others, here and elsewhere, perhaps do not concur. But, for this moment at least, I urge that all Americans, including our colleagues here in the Senate, set aside our partisan beliefs and convictions, our economic philosophies, and instead focus for a moment on the President himself, on the commitments he made to himself and to the citizens of our country, and the steadfast determination he holds to honor those commitments.

Many may have said in the days since November 4 that the President would be unable to keep his bargain with the people, uttered and proclaimed in the course of his campaign for our Nation's highest office, that the dictates of the "real world of Washington" might weaken his resolve or lessen his commitment to those initiatives.

I believe that his address last evening demonstrates clearly that such speculation was incorrect and that the supercharged political atmosphere of Washington has not clouded Ronald Reagan's vision, nor will it ever. I have spoken often of what I refer to as Ronald Reagan's core of commitment, an unwavering dedication to his principles. That core of commitment was in full evidence last evening. I happen to share personally the President's principles and commitments.

But even to those of other principles and commitments, I believe Ronald Reagan's address must have been a marvelous reaffirmation of the independence of the American spirit and the determination of her people.

We witnessed last evening a President of the United States keeping the bargain he struck with those who entrusted him with the Presidency. Despite all the cynicism and skepticism that so often overwhelms us in this Federal city, the President has set about to do what he pledged to do. That in itself, Mr. President, is quite simply a testimony to Ronald Reagan, both as a man and as our President.

As much as I laud the President for what he said, I laud him as well for how

he said it, with clear conviction, with an air of determination, and with courage to go forward.

Beyond this personal statement about the President himself, allow me to address the substance of his remarks. For not only is Ronald Reagan keeping his bargain with himself and the American people, he is proposing the absolutely correct, albeit difficult, course of action which this country should follow.

There can be no doubt from any partisan or philosophic quarters that our Nation faces economic distress unparalleled in five decades. Staggering inflation, expanding Federal budgets, oppressive taxation, burdensome Government intervention, all combine to threaten destruction of the fabric of American society. It is not a question of big business versus small, rich versus poor, East versus West, for all Americans are affected. All Americans are being denied the fundamental tenets of our way of life, the right to own a home, the right to advance and better their station in life.

Americans are losing that, Mr. President. Indeed they are losing more, for they are losing the prayers and dreams of all parents that the lives of their children will be better, more secure, than their own have been.

President Reagan has kept his bargain. Now, we in Congress must keep ours. We are no less bound, no less responsible, and I trust no less committed than the President.

Mr. President, may I conclude, as Americans are commemorating Abraham Lincoln's birth, with a brief passage from President Lincoln's second state of the Union address in 1862:

> The dogmas of the quiet past are inadequate to the stormy present, Lincoln said. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so must we think anew and act anew. We must disenthrall ourselves, and then we shall save our country.

The challenge of our time is no less demanding, Mr. President. I trust we will join with President Reagan in meeting it.

The PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I yield such time as he may require to Mr. PROXMIRE and to Mr. BUMPERS from the time allotted to me.

RECOGNITION OF SENATOR BUMPERS

The PRESIDENT pro tempore. The Senator from Arkansas.

Mr. BUMPERS. I thank the minority leader for yielding such time as he might have.

S. 494—MANDATORY 5-YEAR SENTENCE FOR FEDERAL FELONY COMMITTED WITH A FIREARM

Mr. BUMPERS. Mr. President, exactly 48 hours ago I introduced a bail reform bill which would allow the courts to jail dangerous defendants before trial. I said then that we as a Congress need to act quickly to strengthen our criminal laws. Since I stood here at my desk on Tuesday, 48 hours ago, based on past statistics I can safely say that 74 Americans have been murdered with firearms—that is 1 firearm murder about every 40 minutes. In that time, another 764 have been assaulted with firearms, and more than 1,000 armed robberies have occurred. So today, Mr. President, I am introducing a bill which will provide a mandatory 5-year term of imprisonment for the commission of any felony with a firearm.

Mr. President, the rate of violent crime in this Nation can only be described as staggering. A recent study found that fully 45 percent of our citizens are afraid to walk alone at night; in other words, 45 out of every 100 Americans, if asked, would admit that there are areas within a mile of their homes where they would not walk alone. That sounds as if we are living in a combat zone, and indeed, some parts of some American cities have become almost precisely that. About 21,000 murders occur in our Nation each year, and 63 percent of those are caused by firearms; 187,000 armed robberies are perpetrated each year, and 141,000 armed aggravated assaults. Mr. President, it is true that most of these crimes will not end up in Federal court; and my bill, of course, only goes to Federal crimes, but, as I said Tuesday, the Federal Government needs to lead the way in taking the necessary steps to fight crime. We must be vigorous; we must be resolute, and we must be creative. If we act decisively, the States will follow.

Mr. President, the causes of crime are complex, but you do not have to be a criminologist to name some of the obvious causes; there is the absence of fear of being caught and punished; there is avarice; there is poverty in the midst of plenty; there is the something-for-nothing mentality; there is uncontrollable passion; and there is downright meanness or what it used to be fashionable to refer to back in Arkansas as plain old sin. We can and should deal with the causes, and I urge my fellow colleagues in both the Senate and the House of Representatives to turn their creative attention to the crime problem. Yet I am convinced that some partial solutions are already within our grasp. There are some straightforward changes in the law we can pass quickly which will have a deterrent effect.

Mr. President, I am proposing one such measure today. This bill makes a 5-year prison sentence mandatory for any Federal felony committed with a firearm, or committed by a person carrying a firearm even if it is not used, if an element of the offense is the use or threat of violence. When I say mandatory, I mean mandatory. Under this bill, the court may not suspend the sentence, may not give the defendant probation, may not order the term of imprisonment to run concurrently with any term of imprisonment imposed by the court for the underlying felony, and the defendant cannot be paroled during the 5-year period. What is more, for a second firearm offense, the defendant will be sentenced to a mandatory 10-year term of imprisonment.

Granted, this is a tough proposal. I can assure the Members of this body that I have carefully thought this out, and I fully intend this measure to be as harsh as it sounds. I see no reason to be compassionate with any criminal who uses a deadly weapon in the commission of a crime. Firearms are deadly, pure and simple, and criminals who use them should be treated with appropriate outrage. Society simply does not have to tolerate that kind of activity—period. And I am convinced that the knowledge that a stiff prison sentence is mandatory will have a deterrent effect on those who would commit such a repulsive crime.

Mr. President, a recent survey found that 90 percent of all Americans believe that the courts deal too leniently with criminals. Now that tells me a great deal; if that figure were 40 or even 50 percent, it would not be quite as persuasive. But I am convinced that 90 percent of the American people cannot be all wrong about this; the public perceives that our criminal justice system is too soft, and we should respect their judgment enough to look closely at the problem.

Mr. President, I am not willing to sit idly by and allow our national crime epidemic to continue at least without trying. There may be as many as 200 million firearms in this country—no one really knows exactly how many. It is estimated that every third car you meet has a gun in the glove compartment. There are over 220 million people in the United States, and last year violent crimes numbered at least 340,000. In West Germany, with 70 million people, or less than a third of our population, the number of violent firearm crimes was less than 300—you think about that, 340,000 in this country, 300 in Germany; and in Japan, with 115 million inhabitants, or roughly half our population, the figure was 171; there were more killings last year in the District of Columbia alone than that. There were more than 1,700 killings in New York City alone.

Finally, Mr. President, I want to make sure that my colleagues understand that this bill has nothing to do with gun control. You can support this bill regardless of how you feel about the issue of gun control. This bill is simple; if you commit one Federal crime with a firearm, you go to jail for at least 5 years. If you commit another, you go to jail for at least 10 years. This can be accurately described as a tough measure, and it is intended to be.

But I think it is also the kind of measure that is necessary if we are to make a dent in the shocking number of senseless and brutal firearm crimes that occur every day in this country.

I strongly urge my colleagues to give serious consideration to the cosponsorship of this bill.

Mr. President, I ask unanimous consent that the bill I am introducing be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the bill follows:

S. 494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 924 of title 18, United States Code, is amended to read as follows:

"(c) Whoever—

"(1) uses any firearm to commit a felony with respect to which the district courts of the United States have original and exclusive jurisdiction under section 3231 of this title; or

"(2) carries a firearm during the commission of any such felony if an element of such felony is the use of violence or threat of imminent violence;

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than five years, nor more than ten years. In the case of the second or subsequent conviction of a person under this subsection, such person shall be sentenced to imprisonment for any term of years not less than ten, or to life imprisonment. Notwithstanding any other provision of law, the court shall not suspend the sentence in the case of a person convicted under this subsection, or give that person a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony. Notwithstanding any other provision of law, a person convicted under this subsection shall not be eligible for parole during the first five years of imprisonment in the case of a first conviction under this subsection and during the first ten years of imprisonment in the case of a second or subsequent conviction under this subsection. It is the intention of Congress that the executive vigorously investigate and prosecute every violation of this subsection."

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. PRESSLER). Under the previous order, there will now be a period for the transaction of routine morning business.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BALANCING THE DISTRIBUTION OF FEDERAL DOLLARS BACK TO THE STATES

Mr. DIXON. Mr. President, over the past several weeks, there has been much discussion about Federal spending running wildly out of control and ways to stop it. While everyone is talking about balancing the budget, I want to talk about another form of balancing that might get lost in the shuffle of budget cuts and spending controls. And that is balancing the distribution of Federal dollars back to the States.

My State, the State of Illinois, stands 46th in the amount of money received for each tax dollar sent to Washington. That means that only 71 cents out of every dollar sent out of Washington is returned to the people of Illinois in all kinds of Federal outlays.

During the 5-year period ending in 1979, Illinois sent Washington $31.7 billion more than it received in Federal grants and aid. In 1979 alone, the Federal balance-of-payment deficit for Illinois totaled $7.7 billion. It is a sad record. But Illinois is not alone.

The Great Lakes States of Michigan, Indiana, Ohio, and Wisconsin, along with Illinois, received only 71 cents in Federal money for each dollar sent to Washington in 1979. That represents only 1 cent per dollar more than they received 4 years earlier. In 1979, Michigan received back only 66 cents on every dollar paid out to Washington—the lowest of any State in the Union. In the same year, Indiana received 70 cents; Ohio received 71 cents; Wisconsin received 74 cents.

Clearly, the Frostbelt States are buckling under economic hardships that threaten the entire Nation. The midwest and northeast regions are losing out to the South and West in population, employment, and Federal spending. Recent newspaper reports show migration trends out of the region and into the Sunbelt States. Estimates project that Sunbelt growth will be four times faster than the Frostbelt in the rest of the century.

The figures speak for themselves. The Midwest and Northwest lost more than three-quarters of a million manufacturing jobs during the last 10 years. Unemployment throughout the region is well above the national average.

This should come as no surprise. It is the inevitable result of past practices in Federal spending patterns. The 18 States of the Midwest and Northeast have consistently paid more in taxes than they get back in Federal spending—according to one report, $165 billion more from 1975 to 1979. At the same time the Defense Department has cut employment in the region disproportionately; figures show that 80 percent of Defense Department employees live in the South and West.

Federal policies designed to generate growth in the South and West at a time when their per capita income fell far below the national average have served their purpose. These policies have in large measure achieved their goals. But with the West and Southwest now enjoying higher, more dynamic rates of economic growth the question arises whether certain expenditures are still needed and appropriate.

This problem, Mr. President, takes on added urgency amid all the talk of budget tightening and spending cuts.

Defense spending which now goes disproportionately to the South and Southwest is scheduled to increase. However, programs designed to help depressed, urban areas are slated for major cuts and in some cases total elimination.

I agree with my colleague, Representative BOB EDGAR of Pennsylvania, who, as chairman of a coalition of Midwest and Northeast States, said that it is irresponsible to reject and forsake as hopeless one region of the country in favor of another. The siphoning of tax dollars from the Midwest and Northeast has accelerated the economic decline in these regions while other regions prosper and strengthen economically.

Growth in the Sun Belt does not have to be at the expense of economic growth in the Midwest and Northeast regions of the country. Nor does it necessarily prevent a revitalization of older urban areas where some of the proposed administration budget cuts will fall hardest. On the contrary, we must tap the resources of these regions. We should target industries of the future, notably energy and specialty manufacturing. We should seek tax incentives for business in the urban areas. We should focus Federal contracts, aid, and tax credits on the distressed and oppressed areas of the Midwest and Northeast and end the practice of subsidizing development of one region of the country at the expense of another.

Mr. President, I submit that competition among the regions is healthy. Indeed, it is an American tradition. But amid this regional rivalry the role of the Federal Government should be that of an understanding parent who treats each child equally—a parent who does not force one child to pay room and board when another child is regularly given an allowance.

Mr. President, on behalf of my colleagues from the Midwest and Northeast, I am asking for a halt to the disproportionate, unequal allocation of Federal dollars back to the States.

I am asking simply. Mr. President, for our fair share.

Mr. President, I ask unanimous consent that two recent editorials from the Chicago Sun-Times that eloquently describe the impact of Federal spending inequities on the Midwest, and particularly in Illinois, be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

MIDWEST: FEDERAL LOSER—AND ILLINOIS IS HARDEST HIT

Tax dollars still flow from the North and East to the South and West. but the Sun Belt's share of the federal pie has shrunk slightly, according to a new National Journal report.

Two Frost Belt regions, New England and the Plains states, used to be net exporters of money to Washington. Now they get more back than they send in.

But the poor old Great Lakes states—Illinois, Indiana, Michigan, Ohio and Wisconsin—continue to be the big losers. In fiscal 1979, they sent $27.5 billion more to Washington than they got back in all types of fed-

eral spending, an increase of almost $9 billion in four years.

As the chart shows, Illinois' $7.7 billion imbalance kept it the nation's leading exporter of tax dollars. It got back only 71 cents for every dollar paid in federal taxes.

The unemployment level in the Great Lakes states is 30 percent higher than the national average. Their industries are growing old and their population isn't increasing as fast as the national average.

They shouldn't have to subsidize more prosperous states. But they will until their leaders demand a reasonable share of the federal contracts and targeted federal aid that other states accept as their right.

That's how Massachusetts managed to increase its federal take from 95 cents on the dollar to $1.13 in four years. Even New York gets back 96 cents on the dollar.

Gov. Thompson must keep his promise to organize the region's governors to lobby for national economic policies that benefit this neglected part of the country.

The governors of the Great Lakes states all are Republicans, as are 11 of the 13 members of the Midwest Governors' Conference, which Thompson heads. We hope they can influence their fellow Republican in the White House.

The study mentioned above analyzes federal tax and spending patterns. A second, newly compiled by the Northeast-Midwest Congressional Coalition, shows how those patterns help—and hurt—a state's economy.

For years Illinois has been the federal budget's biggest loser. No other state comes close to our miserable record of sending Washington $31.7 billion more in federal taxes in the five-year period ending in 1979 than we received in federal grants and aid.

The effect of federal pump-priming is evident in the Northeast-Midwest study. Tennessee, Mississippi, Missouri, New Mexico and Massachusetts, five winners in federal spending, managed to keep their jobless levels low despite the recession. Their unemployment is almost 50 percent under the Illinois level.

All are enjoying a growth in manufacturing jobs, an important factor in increasing local property-tax revenue as well as adding to state income-tax receipts. But poor Illinois:

Lost 151,000 manufacturing jobs during the 1970s, a decline of 11 percent.

Gained 252,000 service jobs, but these generally pay lower than manufacturing jobs and don't add as much to the local tax base. Even so, the growth rate in service jobs was almost 40 percent below the national rate.

Lost 19,000 Defense Department jobs—the principal source of disparity in federal spending. In Massachusetts and Missouri, defense spending totals seven times as much per person as in Illinois. In fact, 43 states get more per person in defense contracts than Illinois, despite its industrial riches.

THE 100TH ANNIVERSARY OF THE SETHNESS PRODUCTS CO.

Mr. DIXON. Mr. President, an example of a true American success story has been revealed in the observance of the 100th Aniversary of the Sethness Products Co., headquartered in Chicago.

This organization makes caramel for many of the soft drink manufacturers.

We are pleased to join in recognizing the continued success of this unique organization and to bring this commentary from the Chicago Tribune of January 19, 1981, to the attention of my colleagues.

Mr. President, I ask unanimous consent that the article from the Chicago Tribune be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A 100-YEAR-OLD FIRM KEEPS COOKIN' UP CARAMEL-COLORED SUCCESS

(By Margaret Carroll)

Brown never has been a romantic color. It doesn't have the passion of red, the elegance of black, the vibrance of green. And yet, there it is, part of life—the color of earth, of many living things, of roast beef gravy, of sparkling colas.

At the Sethness Products Co. plant in Clinton, Ia., big batches of brown cook up daily at temperatures up to 300 degrees Farenheit. The concoction's essence is a corn sugar molasses that colors colas, packaged gravies, cough syrups, dark breads, blended whiskies, and dog food, among other products. Brown isn't quite the accurate term for this coloring, however. On label ingredients lists it's called caramel coloring.

In meat sauces, caramel can amount to as much as 40 per cent of the ingredients, contributing to flavor and color. But in most instances, colas for instance, caramel is used sparingly and only as color. A tank car of caramel coloring goes a long way.

That carload may go as far in distance as in volume, in fact. Caramel is marketed worldwide. In 1979 Sethness became associated with White Stevenson Ltd., a longtime caramel manufacturer in Bletchley, England, to facilitate production abroad.

Sethness products, largest of three sources in the U.S. for this unsung but vital food additive, has been in business for 100 years, all of those under the stewardship of the Sethness family.

Charles H. Sethness, Jr. of Chicago, president of the company, represents the third generation of family ownership. His three sons represent the fourth. Charles B. Sethness, a vice-president, works in the Chicago office in the North Pier Terminal. Henry is in sales in the Avenel, N.J., plant, and Daniel works in maintenance in the Clinton plant.

The story began a century ago when Charles Olinus Sethness a Norwegian immigrant, went to work for a company that made food flavorings and colors. Eventually, Sethness acquired a drugstore on the North Side of Chicago. In the basement of the store he began manufacturing his own line of flavorings and syrups. In time, he sold the store, preferring to concentrate on his products. In 1892, he won the contract to supply flavored beverage bases to the World's Columbian Exposition.

"Prior to the Prohibition era," the founder's grandson recalled, "the company had a line of liquor flavors. The liquor industry needed a caramel color to color whiskey. I think that's how he got into it."

That was around the turn of the century, and by then the company had moved into larger quarters with a laboratory. Caramel coloring was produced by heating solidified crude corn sugar in iron kettles over open fires. When Charles O. Sethness's three sons—Charles Henry, Walter, and Ralph—joined him in the business, company products ranged from chocolate syrups to processed fruit.

A few years after Charles H. Sethness Jr. joined the firm in the early 1930s, the company divided. Charles O. and his son, Walter, continued the flavor and essence business. Charles H. and his son formed Sethness Products Co. to manufacture caramel color exclusively.

The company's current president did not begin his career in the executive suite.

"As I remember, my first job was working in the office as a sales clerk, handling correspondence, trying to drum up a few orders," Sethness recalled. "I would have graduated from the University of Illinois in 1932, but I left in 1931. I was in the commerce school, minoring in chemistry, but I was not a serious student. And I always took it for granted that I would work for the company, which was then in Chicago, at 4640 W. Belle Plaine Av.

"The Depression years were touch and go. We had bought a building in the 1920s, which we lost. We rented space for a while, then moved to Keokuk, Ia., in 1939. My father moved the plant there to be close to the Hubinger corn refining plant."

During the 1940s, stainless steel replaced iron processing and storage equipment, and new technology was developed to produce high intensity color caramels necessary for diet colas. (More carbohydrate is consumed in producing high intensity color, hence its lower caloric content.) Technical advances and a short sugar supply during World War II reduced the number of caramel suppliers in the U.S. from 27 in 1930 to three after the war.

In the '50s, Sethness Products began purchasing its raw material from Clinton Corn Products, and in 1965, Sethness moved from Keokuk to Clinton. Today, processed corn sugar syrup flows directly via a 2,800-foot pipeline from a Clinton Corn Products facility to its neighbor, Sethness Products.

Commercial corn sugars are converted from starch, one of the elements of a corn kernel when separated into its various parts—germ, gluten, starch, and hull. One bushel of corn yields 55 pounds or 5 gallons of caramel.

Sethness plant manager Ray North explained the procedure: "Basically, we cook a corn syrup solution with a couple of chemicals to get the characteristics we want in a final product. We use different types of equipment to do the cooking, depending, for example, on whether the final product will be coloring for colas and root beers or coloring for the bakery trade."

A tour of the plant, however, demonstrates that the process is more complicated in the doing than in the describing. Corn sugar syrup moves through the pipeline into storage tanks with capacities of a million pounds or more. Then, as needed, it's pumped into kettle-like stainless steel reactors, their capacities ranging from 1,000 to 5,000 gallons.

In larger, pressure reactors "cooking" time can be reduced by elevating the temperature of the syrup as high as 300 degrees Fahrenheit. A catalyst of ammonia bisulfide is used in slight amounts in the process. Those amounts help determine characteristics of the finished coloring and thus its ultimate use.

"The temperature near the reactors can get up to 120 degrees during the summer," said Harley Riley, production superintendent. "The men working there then go into the air-conditioned control room occasionally to cool off." In addition to escaping the heat, they chart time and other factors involved in producing various colorings.

After cooking, purifying, and cooling through several stages, the caramel is stored (warm enough to keep it from crystalizing) in other giant tanks, some holding 20,000 gallons. Coloring is shipped in containers as small as 55-gallon barrels and as large as 16,500-gallon railroad tank cars. At the height of the carbonated beverage season, the plant may produce 40,000 gallons a day. The soft drink industry isn't as seasonal as it once was, but the company's busiest time still begins in April when soft drink firms begin building their summer inventories.

The company laboratory tests coloring at different stages to assure compliance with customers' varying requirements. Coloring used for soft drinks, for example, differs from that used in beer.

"They want their products with certain amounts of color intensity and at certain pH (acid) levels and at certain specific gravity," said Dean Bodnar, the lab director. "The formulations they use later on in terms of their equipment, handling, and other high-speed operations depend upon that product being the same, time after time after time within those specifications."

Caramel coloring is on the Food and Drug Administration's GRAS (generally regarded as safe) list. But Bodnar said the regulatory agency is bothered somewhat by the industry's inability to define the product. The International Technical Caramel Association is working on a definition.

"It's not an easy task to define caramel coloring *chemically*," Bodnar said. "It has been around a long time. It's the same sort of thing you have when you toast bread or bake a cake or glaze a ham—anytime you get proteins and carbohydrates together and heat them up and it turns brown. It's not magic, it's just an occurrence that doesn't have a chemical definition."

For something used so commonly it seems caramel can be a sticky subject. Nonetheless, the Sethnesses have stuck with it—for a century.

MAJ. GEN. MICHAEL D. HEALY

Mr. DIXON. Mr. President, I believe that a serious injustice has been done regarding the treatment of Maj. Gen. Michael D. Healy; because he has been passed over for promotion to the rank of lieutenant general, he is being retired involuntarily after 35 years of outstanding service to his country.

Mr. President, I ask unanimous consent that a letter I wrote to Secretary of Defense Caspar Weinberger and a recent editorial from the Chicago Tribune on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., February 18, 1981.

Mr. CASPAR WEINBERGER,
Secretary of Defense,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: It has recently come to my attention that Major General Michael D. Healy has been passed over for promotion to the rank of Lieutenant General, and is being retired involuntarily after 35 years of outstanding service to his country.

General Healy has risen through the ranks of the Army, from the rank of private. He is an extraordinarily capable leader and in good health.

I believe that Mike Healy still has a great contribution to make to the U.S. Army.

Mr. Secretary, I urge you to review the decision to retire General Healy, and to recommend to the President that General Healy be retained on active duty.

Thank you for your consideration of this matter.

Kindest personal regards.

Sincerely,

ALAN J. DIXON.

DOES THE ARMY NEED FIGHTERS?

The Tribune Magazine today carries a fascinating profile by William Currie of the kind of man this country needs in its military officer corps, Army Maj. Gen. Michael D. Healy. He is gritty, profane, and inspiring. He is tough, courageous, and unashamed that his profession is war.

But officers such as Gen. Healy do not always thrive in the modern military, and that is why Mr. Currie's article is significant. Gen. Healy is about to be retired involuntarily. Under Army regulations, if he is not promoted he must leave, and he is not getting his promotion.

He has led men in battle in two wars and has engaged in the nerve-wracking business of cold war intrigue in between. He joined the service as a private and achieved his commands because of his ability in battle.

But there was a problem with Gen. Healy. "Mike didn't have the West Point ring," Mr. Currie quotes one retired general as saying. "He's from the old school. He's a fighter, not a manager, not a systems analyst." And that may be what did him in. The peacetime Army does not feel the need for men such as Gen. Healy. It may even be a bit embarrassed by them. They speak the language of the barracks, not of the bureaucracy. They chafe in staff jobs, yearn for command. If there is armed conflict, they want to be there—and not because six months in combat is the right thing to do for career advancement. They want to be there because they were born for it.

The Army and the other services have lost too many good officers of Gen. Healy's sort in recent years: some for want of promotion, others because they have chosen to resign rather than be domesticated into computer-assisted managers.

We do not intend to write a brief for Gen. Healy's retention. But we do see his story as evidence that something may be going terribly wrong with our officer corps. It is not the only evidence. A recently published book entitled "Self-Destruction: The Disintegration and Decay of the United States Army during the Vietnam Era" is a broadside attack on military leadership. It was written by an officer under the pen name Cincinnati [the name of a man who rescued the Roman Army from itself]. One thing that comes in for Cincinnatus' bitterest criticsm is the military's inability to find places for skilled, inspiring combat leaders. Instead, the way to success and career longevity in the military is to get one's "ticket punched" through a variety of assignments, schools, and job experiences.

There is nothing wrong with the military encouraging its officers to be well-rounded and widely experienced. But in battle the Army does not need only renaissance technocrats and skilled administrators. It needs people who can grasp the whole of a clamorous combat situation instinctively, who know their opponents' strengths and weaknesses as thoroughly as they know their own, who can gain and hold the confidence of the men they take into the fire. These are gifts as rare as genius in mathematical obscurities or cunning in the politics of the Pentagon. They should be husbanded.

America has always been ambivalent about its military. It has not liked to admit in times of peace that it may be forced in the future to shed blood again. Those who are skilled in the techniques of combat bear the brunt of this ambivalence, for their presence is a reminder of a grim and tragic truth. But professional combat soldiers are needed even in times of peace, needed precisely because if war ever comes they become absolutely essential.

THE 63D ANNUAL COMMEMORATION OF THE DECLARATION OF INDEPENDENCE OF LITHUANIA

Mr. DIXON. Mr. President, on February 16, 1981, freedom-loving people worldwide observed the 63d annual commemoration of the declaration of independence of Lithuania.

In this day and age, as people struggle the globe over for the right to self determination and fight the forces of cultural extinction, we would do well to pause over the example of Lithuania.

The proud and courageous Lithuanians provide thoughtful insight into the human spirit; that flicker of hope which yearns for release from political bonds, in the face of overwhelming odds.

The Lithuanians have endured. They have fought off the shackles of foreign occupation time and time again.

Presently, they must endure a Soviet military presence which began in 1944.

If there is anyone who doubts that history proves right will conquer might, let him ponder the past of the Lithuanian people.

Secure in this knowledge, and with our prayers for a free Lithuania, we observe this day.

(Mr. PROXMIRE was recognized.)

Mr. BAKER. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. BAKER. Mr. President, I thank the distinguished Senator from Wisconsin for yielding for a moment so the distinguished minority leader and I might explore the possibility of getting a time agreement on a piece of business to be transacted on Tuesday.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF WILLIAM P. CLARK, OF CALIFORNIA, TO BE DEPUTY SECRETARY OF STATE

Mr. BAKER. Mr. President, I have discussed this matter with the minority leader and I believe it has been cleared now on both sides, with respect to the nomination of William P. Clark, of California, to be Deputy Secretary of State, vice Warren M. Christopher, resigned.

Mr. President, I ask unanimous consent that on Tuesday, following on after the recognition of the two leaders under the standing order and any special orders that may be entered, the Senate go into executive session for the purpose of considering that nomination beginning at 3 p.m.; that debate on the nomination be under the control of the distinguished chairman of the Foreign Relations Committee, the Senator from Illinois (Mr. PERCY) and the distinguished ranking minority member, the Senator from Rhode Island (Mr. PELL), equally divided in accordance with the usual form, except as to 2 hours which will be under the control of the distinguished Senator from Ohio (Mr. GLENN); and that the vote on the nomination occur not later than 6 p.m. on Tuesday next.

I might say parenthetically that I am advised there will be a rollcall vote.

I ask unanimous consent, as well, that it be in order now to order the yeas and nays on the nomination as part of this request.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, if the Chair will withhold for a moment.

Mr. President, before the Chair rules on my request, to reiterate the request, the Senate would go into executive session on Tuesday at 3 o'clock for the purpose of considering the Clark nomination. At that time, the time for debate on the nomination will be under the control of the distinguished chairman of the Foreign Relations Committee and the ranging minority member, equally divided, except for 2 hours which will be under the control of the Senator from Ohio (Mr. GLENN). At a time not later than 6 o'clock on Tuesday next the vote will occur by rollcall vote, which we are about to order, on the Clark nomination.

That is a reiteration of the request.

I yield to the distinguished minority leader.

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished majority leader. This would mean that if the full 3 hours, running from 3 to 6 p.m., are consumed, 1 hour would be under the control of Mr. PERCY and Mr. PELL, equally divided, and, 2 hours would be under the control of Mr. GLENN. Am I correct?

Mr. BAKER. The minority leader is correct. That is the intention of the majority leader.

Mr. ROBERT C. BYRD. I thank the distinguished majority leader. The request has been cleared on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank all Senators.

Mr. President, did the request include the authorization to ask for the yeas and nays at this time?

The PRESIDING OFFICER. It did.

Mr. BAKER. Then I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I thank the Senator from Wisconsin.

The text of the agreement follows:

Ordered, That on Tuesday, February 24, 1981, at the hour of 3:00 p.m., the Senate go into executive session and proceed to the consideration of Executive Calendar Order No. 31, the nomination of William P. Clark, of California, to be Deputy Secretary of State, on which there shall be 3 hours debate, with 30 minutes controlled by the Senator from Illinois (Mr. Percy), 30 minutes controlled by the Senator from Rhode Island (Mr. Pell), and 2 hours controlled by the Senator from Ohio (Mr. Glenn).

Ordered further, That the vote on this nomination occur no later than 6:00 p.m., Tuesday, February 24, 1981.

OBJECTIONS TO THE GENOCIDE TREATY ARE NOT STRONG

Mr. PROXMIRE. Mr. President, for almost 12 years now, I have risen almost every day on the floor of the Senate to plead with the Senate to ratify the Genocide Treaty. As we all know, the Genocide Treaty would outlaw the planned, premeditated destruction of an entire ethnic group by a government. The classic example, of course, was the extermination of the Jews in Europe by Hitler, when 6 million Jews were murdered, cruelly murdered—starved to death, gassed, shot—in one of the cruelest performances in recent history.

Mr. President, this is something that has gone on and on. Since then, we have had the Cambodian genocide, we have had genocide in Africa.

We had this proposal for a genocide treaty offered by President Truman in the United Nations 32 years ago. It was accepted by the United Nations. It has been ratified by virtually every developed country in the world except the United States. Every President has called on us to ratify it. Secretary of State Haig has asked that we ratify it in a very fine statement before the Foreign Relations Committee at his confirmation hearing. He said it was a matter of embarrassment that we had not ratified the Genocide Treaty.

The fact is that every religious group in the country—Protestant, Catholic, Jewish—every responsible legal group, including the American Bar Association, has called for it. Every Attorney General of the United States, right through the present Attorney General, has said it is in our interest to ratify this convention. It is opposed by some extreme far right-wing groups. They are the only ones who oppose it, but somehow, they have succeeded in keeping the Senate from ratifying it.

Mr. President, some opponents of the Genocide Treaty say it should not be ratified because objections exist concerning the so-called mental harm section. I think we should keep in mind that this treaty does permit mental harm, but this reference, according to Richard Gardner, former Assistant Secretary of State for International Organization Affairs, was inserted at the request of the Chinese delegation, Chaing Kai-shek. Of course, this treaty is so old that it goes back to the time before the present governments were in office. The Chinese delegation wanted to deal with drugs which would cause fiscal impairment of mental facilities and exterminate an ethnic group in that way. But you have to demonstrate if this mental harm provision is to be used as the basis for prosecuting a government under genocide. You have to establish the fact that the intent was to destroy an entire group.

Mr. President, I earnestly hope that, at long last, the Senate will now find in its heart the will to support this convention. No treaty in all our history has sat in the Senate as long as this. It has been reported to the floor of the Senate four times. The longest previous time that a treaty has been held up and delayed was 21 years. This has been held up for 32 years, and I have yet to find any Senator who will give me a substantive argument as to why this convention should not be adopted.

So I hope that the time has come now when, with the support of the Reagan administration, which has indicated its support for the treaty, we can act on this treaty at long last and get it adopted.

FOOD AS A WEAPON

Mr. THURMOND. Mr. President, there has been much talk by U.S. Agriculture Secretary John Block and others in the Reagan administration about the use of food as a foreign policy tool.

A recent editorial aired by WSPA–TV of Spartanburg, S.C., expresses my sentiments about food as a potential weapon in America's dealings with other countries.

Mr. President, in order to share this excellent editorial with my colleagues, I ask unanimous consent that this viewpoint be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOD AS A WEAPON

Increasingly, American leaders are coming to recognize that food has great potential as an instrument of foreign policy. With some effect, it has been used both against the Soviet Union over Afghanistan and Iran concerning the hostage situation. As people increase in numbers and acreage for cultivation decreases, the effect of American decisions about overseas food sales will be even more telling. Should the United States ever enter a food cartel with other food exporting nations such as Australia and Canada, the influence of such a cartel might some day exceed that of OPEC.

Hopefully, food exports can be used to win friends and stabilize areas in the name of peace. But as a potential weapon, food is important and should be kept in mind by the rest of the world. For food to be an important instrument in our foreign policy, we must protect those things in the country that produce food, soil and water. For this reason, WSPA urges that soil and water conservation programs be included in the omnibus farm bill now before Congress.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States

submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that he had approved and signed the following acts and joint resolution:

On January 26, 1981:

S.J. Res. 16. Joint resolution designating January 29, 1981, as "A Day of Thanksgiving To Honor Our Safely Returned Hostages."

On February 10, 1981:

S. 253. An act to increase the number of members of the Commission on Wartime Relocation and Internment of Civilians.

On February 17, 1981:

S. 272. An act to increase the membership of the Joint Committee on Printing.

REFERRAL OF PRESIDENT'S ECONOMIC MESSAGE—PM 31

The message from the President received yesterday (PM 31) transmitting the Economic Message of the President, was, by unanimous consent, referred jointly to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Rules and Administration, and the Committee on Veterans' Affairs.

ECONOMIC ADDRESS OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT—PM 32

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which, by unanimous consent, was referred jointly to the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Budget, the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, the Committee on Finance, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on the Judiciary, the Committee on Labor and Human Resources, the Committee on Rules and Administration, and the Committee on Veterans' Affairs:

To the Congress of the United States:

Mr. Speaker, Mr. President, distinguished members of Congress, honored guests, and fellow citizens:

Only a month ago, I was your guest in this historic building and I pledged to you my cooperation in doing what is right for this nation we all love so much.

I am here tonight to reaffirm that pledge and to ask that we share in restoring the promise that is offered to every citizen by this, the last, best hope of man on earth.

All of us are aware of the punishing inflation which has, for the first time in some 60 years, held to double-digit figures for two years in a row. Interest rates have reached absurd levels of more than 20 percent and over 15 percent for those who would borrow to buy a home. All across this land, one can see newly-built homes standing vacant, unsold because of mortgage interest rates.

Almost 8 million Americans are out of work. These are people who want to be productive. But, as the months go by, despair dominates their lives. The threats of layoff and unemployment hang over other millions, and all who work are frustrated by their inability to keep up with inflation.

One worker in a Midwest city put it to me this way: He said, "I'm bringing home more dollars than I thought I could ever earn but I seem to be getting worse off." Well, he is. Hourly earnings, of the American worker, after adjusting for inflation, have declined 5 percent over the past five years. And, furthermore, in the last five years, Federal personal taxes for the average family increased 67 percent.

We can no longer procrastinate and hope things will get better. They will not. If we do not act forcefully, and now, the economy will get worse.

Can we who man the Ship of State deny it is out of control? Our national debt is approaching $1 trillion. A few weeks ago, I called such a figure—a trillion dollars—incomprehensible. I've been trying to think of a way to illustrate how big it really is. The best I could come up with is to say that a stack of $1,000 bills in your hand only four inches high would make you a millionaire. A trillion dollars would be a stack of $1,000 bills 67 miles high.

The interest on the public debt this year will be over $90 billion. And unless we change the proposed spending for the fiscal year beginning October 1st, we'll add another almost $80 billion to the debt.

Adding to our troubles is a mass of regulations imposed on the shopkeeper, the farmer, the craftsman, professionals and major industry that is estimated to add $100 billion to the price of things we buy and reduces our ability to produce. The rate of increase in American productivity, once one of the highest in the world, is among the lowest of all major industrial nations. Indeed, it has actually declined the last three years.

I have painted a grim picture but I believe I have painted it accurately. It is within our power to change this picture and we can act in hope. There is nothing wrong with our internal strengths. There has been no breakdown in the human, technological, and natural resources upon which the economy is built.

Based on this confidence in a system which has never failed us—but which we have failed through a lack of confidence, and sometimes through a belief that we could fine tune the economy and get a tune more to our liking—I am proposing a comprehensive four-part program.

I will now outline and give in some detail the principal parts of this program, but you will each be provided with a completely detailed copy of the program in its entirety.

This plan is aimed at reducing the growth in government spending and taxing, reforming and eliminating regulations which are unnecessary and counterproductive, and encouraging a consistent monetary policy aimed at maintaining the value of the currency.

If enacted in full, our program can help America create 13 million new jobs, nearly 3 million more than we would without these measures. It will also help us gain control of inflation.

It is important to note that we are only reducing the rate of increase in taxing and spending. We are not attempting to cut either spending or taxing to a level below that which we presently have. This plan will get our economy moving again, increase productivity growth, and thus create the jobs our people must have.

I am asking that you join me in reducing direct Federal spending by $41.4 billion in Fiscal Year 1982, along with $7.7 billion in user fees and off-budget savings for a total savings of $49.1 billion. This will still allow an increase of $40.8 billion over 1981 spending.

I know that exaggerated and inaccurate stories about these cuts have disturbed many people, particularly those dependent on grant and benefit programs for their basic needs. Some of you have heard from constituents afraid that social security checks, for example, might be taken from them. I regret the fear these unfounded stories have caused and welcome this opportunity to set things straight.

We will continue to fulfill the obligations that spring from our national conscience. Those who through no fault of their own must depend on the rest of us, the poverty stricken, the disabled, the elderly, all those with true need, can rest assured that the social safety net of programs they depend on are exempt from my cuts.

The full retirement benefits of the more than 31 million social security recipients will be continued along with an annual cost of living increase. Medicare will not be cut, nor will supplemental income for the blind, aged, and disabled. Funding will continue for veterans' pensions.

School breakfasts and lunches for the children of low-income families will continue as will nutrition and other special services for the aging. There will be no cut in Project Head Start or summer youth jobs.

All in all, nearly $216 billion—providing help for tens of millions of Americans—will be fully funded. But government will not continue to subsidize individuals or particular business interests where real need cannot be demonstrated. And while we will reduce some subsidies to regional and local governments, we will at the same time convert a number of categorical grant programs into block grants to reduce wasteful administrative overhead and to give local government entities and states more flexibility and control. We call for an end to duplication in Federal programs and reform of those which are not cost-effective.

Already, some have protested there must be no reduction of aid to schools. Let me point out that Federal aid to education amounts to only 8 percent of total educational funding. For this Federal government has insisted on a tremendously disproportionate share of control over our schools. Whatever reductions we've proposed in that 8 percent will amount to very little of the total cost of education. It will, however, restore more authority to States and local school districts.

Historically, the American people have supported, by voluntary contributions, more artistic and cultural activities than all the other countries in the world put together. I wholeheartedly support this approach and believe Americans will continue their generosity. Therefore, I am proposing a savings of $85 million in the Federal subsidies now going to the arts and humanities.

There are a number of subsidies to business and industry I believe are unnecessary. Not because the activities being subsidized aren't of value but because the marketplace contains incentives enough to warrant continuing these activities without a government subsidy.

One such subsidy is the Department of Energy's synthetic fuels program. We will continue support of research leading to development of new technologies and more independence from foreign oil, but we can save at least $3.2 billion by leaving to private industry the building of plants to make liquid or gas fuels from coal.

We are asking that another major business subsidy, the Export-Import Bank Loan Authority, be reduced by one-third in 1982. We are doing this because the primary beneficiaries of taxpayer funds in this case are the exporting companies themselves—most of them profitable corporations.

And this brings me to a number of other lending programs in which government makes low-interest loans, some of them for an interest rate as low as 2 percent. What has not been very well understood is that the Treasury Department has no money of its own. It has to go into the private capital market and borrow the money to provide those loans. In this time of excessive interest rates the government finds itself paying interest several times as high as it receives from the borrowing agency. The taxpayers—your constituents—of course, are paying that high interest rate and it just makes all other interest rates higher.

By terminating the Economic Development Administration we can save hundreds of millions of dollars in 1982 and billions more over the next few years. There is a lack of consistent and convincing evidence that E.D.A. and its regional commissions have been effective in creating new jobs. They have been effective in creating an array of planners, grantsmen, and professional middlemen. We believe we can do better just by the expansion of the economy and the job creation which will come from our economic program.

The Food Stamp Program will be restored to its original purpose: To assist those without resources to purchase sufficient nutritional food. We will, however, save $1.8 billion in Fiscal Year 1982 by removing from eligibility those who are not in real need or who are abusing the program. Despite this reduction, the program will be budgeted for more than $10 billion.

We will tighten welfare and give more attention to outside sources of income when determining the amount of welfare an individual is allowed. This plus strong and effective work requirements will save $520 million next year.

I stated a moment ago our intention to keep the school breakfast and lunch programs for those in true need. But by cutting back on meals for children of families who can afford to pay, the savings will be $1.6 billion in Fiscal Year 1982.

Let me just touch on a few other areas which are typical of the kind of reductions we have included in this economic package. The Trade Adjustment Assistance Program provides benefits for workers who are unemployed when foreign imports reduce the market for various American products causing shutdown of plants and layoff of workers. The purpose is to help these workers find jobs in growing sectors of our economy.

And yet, because these benefits are paid out on top of normal unemployment benefits, we wind up paying greater benefits to those who lose their jobs because of foreign competition than we do to their friends and neighbors who are laid off due to domestic competition. Anyone must agree that this is unfair. Putting these two programs on the same footing will save $1.15 billion in just one year.

Earlier I made mention of changing categorical grants to States and local governments into block grants. We know, of course, that categorical grant programs burden local and State governments with a mass of Federal regulations and Federal paperwork.

Ineffective targeting, wasteful administrative overhead—all can be eliminated by shifting the resources and decision-making authority to local and State government. This will also consolidate programs which are scattered throughout the Federal bureaucracy. It will bring government closer to the people and will save $23.9 billion over the next five years.

Our program for economic renewal deals with a number of programs which at present are not cost-effective. An example is medicaid. Right now, Washington provides the States with unlimited matching payments for their expenditures. At the same time, we here in Washington pretty much dictate how the States will manage the program. We want to put a cap on how much the Federal government will contribute but at the same time allow the States much more flexibility in managing and structuring their programs. I know from our experience in California that such flexibility could have led to far more cost-effective reforms. This will bring a savings of $1 billion next year.

The space program has been and is important to America and we plan to continue it. We believe, however, that a reordering of priorities to focus on the most important and cost-effective NASA programs can result in a savings of a quarter of a billion dollars.

Coming down from space to the mailbox—the Postal Service has been consistently unable to live within its operating budget. It is still dependent on large Federal subsidies. We propose reducing those subsidies by $632 million in 1982 to press the Postal Service into becoming more effective. In subsequent years, the savings will continue to add up.

The Economic Regulatory Administration in the Department of Energy has programs to force companies to convert to specific fuels. It has the authority to administer a gas rationing plan, and prior to decontrol it ran the oil price control program. With these and other regulations gone, we can save several hundreds of millions of dollars over the next few years.

Now I'm sure there is one Department you've been waiting for me to mention. That is the Department of Defense. It is the only Department in our entire program that will actually be increased over the present budgeted figure. But even here there was no exemption. The Department of Defense came up with a number of cuts which reduced the budget increase needed to restore our military balance.

These measures will save $2.9 billion in 1982 outlays and by 1986 a total of $28.2 billion will have been saved. The aim will be to provide the most effective defense for the lowest possible cost.

I believe my duty as President requires that I recommend increases in defense spending over the coming years.

Since 1970 the Soviet Union has invested $300 billion more in its military forces that we have. As a result of its massive military buildup, the Soviets now have a significant numerical advantage in strategic nuclear delivery systems, tactical aircraft, submarines, artillery and anti-aircraft defense. To allow this imbalance to continue is a threat to our national security.

Notwithstanding our economic straits, making the financial changes beginning now is far less costly than waiting and attempting a crash program several years from now.

We remain committed to the goal of arms limitation through negotiation and

hope we can persuade our adversaries to come to realistic balanced and verifiable agreements. But, as we negotiate, our security must be fully protected by a balanced and realistic defense program.

Let me say a word here about the general problem of waste and fraud in the Federal government. One government estimate indicated that *fraud alone* may account for anywhere from 1 to 10 percent—as much as $25 billion—of Federal expenditures for social programs. If the tax dollars that are wasted or mismanaged are added to this fraud total, the staggering dimensions of this problem begin to emerge.

The Office of Management and Budget is now putting together an interagency task force to attack waste and fraud. We are also planning to appoint as Inspectors General highly-trained professionals who will spare no effort to do this job.

No Administration can promise to immediately stop a trend that has grown in recent years as quickly as government expenditures themselves. But let me say this: waste and fraud in the Federal budget is exactly what I have called it before—an unrelenting national scandal—a scandal we are bound and determined to do something about.

Marching in lockstep with the whole program of reductions in spending is the equally important program of reduced tax rates. Both are essential if we are to have economic recovery. It is time to create new jobs, build and rebuild industry, and give the American people room to do what they do best. And that can only be done with a tax program which provides incentive to increase productivity for both workers and industry.

Our proposal is for a 10 percent across-the-board cut every year for three years in the tax rates for all individual income taxpayers making a total tax cut of 30 percent. This three-year reduction will also apply to the tax on unearned income leading toward an eventual elimination of the present differential between the tax on earned and unearned income.

The effective starting date for these 10 percent personal income tax rate reductions will be July 1st of this year.

Again, let me remind you this 30 percent reduction in marginal rates, while it will leave the taxpayers with $500 billion more in their pockets over the next five years, is actually only a reduction in the tax increase already built into the system.

Unlike some past tax "reforms," this is not merely a shift of wealth between different sets of taxpayers. This proposal for an equal reduction in everyone's tax rates will expand our national prosperity, enlarge national incomes, and increase opportunities for all Americans.

Some will argue, I know, that reducing tax rates now will be inflationary. A solid body of economic experts does not agree. And certainly tax cuts adopted over the past three-fourths of a century indicate these economic experts are right.

The advice I have had is that by 1985 our real production of goods and services will grow by 20 percent and will be $300 billion higher than it is today. The average worker's wage will rise (in real purchasing power) by 8 percent and those are after-tax dollars. This, of course, is predicated on our complete program of tax cuts and spending reductions being implemented.

The other part of the tax package is aimed directly at providing business and industry with the capital needed to modernize and engage in more research and development. This will involve an increase in depreciation allowances and this part of our tax proposal will be retroactive to January 1st.

The present depreciation system is obsolete, needlessly complex, and economically counterproductive. Very simply, it bases the depreciation of plant, machinery, vehicles, and tools on their original cost with no recognition of how inflation has increased their replacement cost.

We are proposing a much shorter write-off time than is presently allowed. We propose a five-year write-off for machinery; three years for vehicles and trucks; and a ten-year write-off for plant.

In Fiscal Year 1982 under this plan business would acquire nearly $10 billion for investment and by 1985 the figure would be nearly $45 billion. These changes are essential to provide the new investment which is needed to create millions of new jobs between now and 1986 and to make America competitive once again in world markets. These are not make-work jobs, they are productive jobs with a future.

I'm well aware that there are many other desirable tax changes such as indexing the income tax brackets to protect taxpayers against inflation. There is the unjust discrimination against married couples if both are working and earning, tuition tax credits, the unfairness of the inheritance tax especially to the family-owned farm and the family-owned business and a number of others. But our program for economic recovery is so urgently needed to begin to bring down inflation that I would ask you to act on this plan first and with great urgency. Then I pledge to you I will join with you in seeking these additional tax changes at an early date.

American society experienced a virtual explosion in government regulation during the past decade. Between 1970 and 1979, expenditures for the major regulatory agencies quadrupled, the number of pages published annually in the *Federal Register* nearly tripled, and the number of pages in the *Code of Federal Regulations* increased by nearly two-thirds.

The result has been higher prices, higher unemployment, and lower productivity growth. Overregulation causes small and independent business men and women, as well as large businesses, to defer or terminate plans for expansion and, since they are responsible for most of our new jobs, those new jobs aren't created.

We have no intention of dismantling the regulatory agencies—especially those necessary to protect the environment and to assure the public health and safety. However, we must come to grips with inefficient and burdensome regulations—eliminate those we can and reform those we must keep.

I have asked Vice President Bush to head a Cabinet-level Task Force on Regulatory Relief. Second, I asked each member of my Cabinet to postpone the effective dates of the hundreds of regulations which have not yet been implemented. Third, in coordination with the Task Force, many of the Agency heads have taken prompt action to review and rescind existing burdensome regulations. Finally, just yesterday, I signed an Executive Order that for the first time provides for effective and coordinated management of the regulatory process.

Although much has been accomplished, this is only a beginning. We will eliminate those regulations that are unproductive and unnecessary by Executive Order where possible and cooperate fully with you on those that require legislation.

The final aspect of our plan requires a national monetary policy which does not allow money growth to increase consistently faster than the growth of goods and services. In order to curb inflation, we need to slow the growth in our money supply.

We fully recognize the independence of the Federal Reserve System and will do nothing to undermine that independence. We will consult regularly with the Federal Reserve Board on all aspects of our economic program and will vigorously pursue budget policies that will make their job easier in reducing monetary growth.

A successful program to achieve stable and moderate growth patterns in the money supply will keep both inflation and interest rates down and restore vigor to our financial institutions and markets.

This, then, is our proposal. "America's New Beginning: a Program for Economic Recovery." I do not want it to be simply the plan of my Administration—I am here tonight to ask you to join me in making it *our* plan. Together, we can embark on this road not to make things easy, but to make things better.

Can we do the job? The answer is yes. But we must begin now. Our social, political, and cultural, as well as our economic institutions. can no longer absorb the repeated shocks that have been dealt them over the past decades.

We are in control here. There is nothing wrong with America that we can't fix. So I'm full of hope and optimism that we will see this difficult new challenge to its end—that we will find those reservoirs of national will to once again do the right thing.

I'm sure there will be some who will raise the familiar old cry, "Don't Touch My Program—Cut Somewhere Else."

I hope I've made it plain that our approach has been even-handed; that only the programs for the truly deserving needy remain untouched.

The question is, are we simply going to go down the same path we've gone down before—carving out one special program here and another special program there. I don't think that is what the American people expect of us. More important, I don't think that is what

they want. They are ready to return to the source of our strength.

The substance and prosperity of our nation are built by wages brought home from the factories and the mills, the farms and the shops. They are the services provided in ten thousand corners of America; the interest on the thrift of our people and the returns from their risk-taking. The production of America is the possession of those who build, serve, create, and produce.

For too long now, we've removed from our people the decisions on how to dispose of what they created. We have strayed from first principles. We must alter our course.

The taxing power of government must be used to provide revenues for legitimate Government purposes. It must not be used to regulate the economy or bring about social change. We've tried that and surely must be able to see it doesn't work.

Spending by government must be limited to those functions which are the proper province of government. We can no longer afford things simply because we think of them.

Next year we can reduce the budget by $41.4 billion, without harm to government's legitimate purposes and to our responsibility to all who need our benevolence. This, plus the reduction in tax rates, will help bring an end to inflation.

In the Health and Social Services area alone, the plan we are proposing will substantially reduce the need for 465 pages of law, 1,400 pages of regulations, and 5,000 Federal employees who presently administer 7,600 separate grants at about 25,000 locations. Over 7 million man and woman hours of work by State and local officials are required to fill out Federal forms.

May I direct a question to those who have indicated unwillingness to accept this plan for a new beginning: An economic recovery? Have they an alternative which offers a greater chance of balancing the budget, reducing and eliminating inflation, stimulating the creation of jobs, and reducing the tax burden? And, if they haven't, are they suggesting we can continue on the present course without coming to a day of reckoning in the very near future?

If we don't do this, inflation and a growing tax burden will put an end to everything we believe in and to our dreams for the future. We do not have an option of living with inflation and its attendant tragedy, of millions of productive people willing and able to work but unable to find buyers in the job market.

We have an alternative to that, a program for economic recovery, a program that will balance the budget, put us well on the road to our ultimate objective of eliminating inflation entirely, increasing productivity and creating millions of new jobs.

True, it will take time for the favorable effects of our proposal to be felt. So we must begin now.

The people are watching and waiting. They don't demand miracles, but they do expect us to act. Let us act together.

Thank you and good night.

RONALD REAGAN.

THE WHITE HOUSE, *February 18, 1981.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–422. A communication from the Deputy Assistant Administrator for Pesticide Programs, Environmental Protection Agency, transmitting, pursuant to law, a final regulation of the Agency classifying certain uses of eight pesticide active ingredients for restricted use; to the Committee on Agriculture, Nutrition, and Forestry.

EC–423. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report of the Forest Service for fiscal year 1980; to the Committee on Agriculture, Nutrition, and Forestry.

EC–424. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "The MX Weapon System: Issues and Challenges"; to the Committee on Armed Services.

EC–425. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Federal Water Resources Agencies Should Assess Less Costly Ways To Comply With Regulations"; to the Committee on Environment and Public Works.

EC–426. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, questions concerning the counting of the review period for statutes enacted by the Council and Amendments of the Criminal Law of the District of Columbia; to the Committee on Governmental Affairs.

EC–427. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a proposed prospectus for succeeding leases and renewed leases for 12 buildings in the District of Columbia; to the Committee on Governmental Affairs.

EC–428. A communication from the Acting Commissioner of the Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports concerning visa petitions which have been granted third and sixth preference classification under section 204(d) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC–429. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a copy of the February 16, 1981 appeal of the Commission to the Office of Management and Budget concerning its FY 1982 budget reduction; to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS:

S. 494. A bill to amend chapter 44 of title 18, United States Code, to strengthen the mandatory penalty for the use of a firearm in the commission of a felony; to the Committee on the Judiciary.

By Mr. THURMOND:

S. 495. A bill to amend section 3 (1) of the Food Stamp Act of 1977, relating to the definition of the term "household", to prevent the splitting of a household for the purpose of qualifying as two or more households under such Act; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MELCHER (for himself, Mr. BUMPERS, Mr. GOLDWATER, Mr. FORD, Mr. CHILES, Mr. HATFIELD, Mr. PRYOR, Mr. BURDICK, Mr. BAUCUS, Mr. BOSCHWITZ, Mr. CANNON, and Mr. WALLOP):

S. 496. A bill to amend the Federal Mine Safety and Health Act of 1977; to the Committee on Labor and Human Resources.

By Mr. INOUYE:

S. 497. A bill for the relief of Tokeo Kato; to the Committee on the Judiciary.

By Mr. HART (for himself, Mr. PERCY, Mr. TSONGAS, Mr. CRANSTON, Mr. HATFIELD, Mr. BRADLEY, Mr. BAUCUS, Mr. LEAHY, Mr. SARBANES, Mr. RANDOLPH, Mr. WILLIAMS, Mr. HEFLIN, Mr. LEVIN, Mr. METZENBAUM, Mr. DECONCINI, Mr. EXON, and Mr. DOMENICI):

S. 498. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 499. A bill to amend a provision of the Internal Revenue Code dealing with involuntary conversions of broadcast property; to the Committee on Finance.

S. 500. A bill to amend the Internal Revenue Code of 1954 with respect to the amount which certain private foundations are required to distribute; to the Committee on Finance.

S. 501. A bill to amend the Internal Revenue Code of 1954 with respect to the amount which certain private foundations are required to distribute; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. WALLOP):

S. 502. A bill to amend the Internal Revenue Code to permit foreign pension plans to invest in the United States on a nontaxable basis; to the Committee on Finance.

By Mr. BURDICK:

S. 503. A bill to authorize the purchase, sale and exchange of lands by the Devils Lake Sioux Tribe of the Devils Lake Sioux Reservation, N. Dak., and for other purposes; to the Select Committee on Indian Affairs.

By Mr. ANDREWS:

S. 504. A bill for the relief of Visitacion C. Ramirez, doctor of medicine, Vicente A. Ramirez, Emmanual Ramirez, and Esteban Ramirez; to the Committee on the Judiciary.

By Mr. HAYAKAWA:

S. 505. A bill to improve the quality of table grapes for marketing in the United States; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HAYAKAWA (for himself, Mr. WALLOP, Mr. TOWER, Mr. STEVENS, Mr. BENTSEN, Mr. CRANSTON, Mr. HART, Mr. SIMPSON, Mr. HATCH, Mr. BOREN, and Mr. ARMSTRONG):

S. 506. A bill to reinstate and validate United States oil and gas leases numbered OCS–P–0218 and OCS–P–0226; to the Committee on Energy and Natural Resources.

By Mr. BOREN (for himself and Mr. HEINZ):

S. 507. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to eliminate the national trigger, to provide for an optional State trigger, and to

require 20 weeks of employment (or the wage equivalent) in order to qualify for benefits; to the Committee on Finance.

By Mr. BENTSEN:

S.J. Res. 32. Resolution to authorize and request the President of the United States to proclaim the week of February 16–22, 1982, and every year hereafter as national "League of United Latin American Citizen's (LULAC) Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND:

S. 495. A bill to amend section 3(i) of the Food Stamp Act of 1977, relating to the definition of the term "household," to prevent the splitting of a household for the purpose of qualifying as two or more households under such act; to the Committee on Agriculture, Nutrition, and Forestry.

DEFINITION OF HOUSEHOLD UNDER THE FOOD STAMP ACT

Mr. THURMOND. Mr. President, I rise today to introduce legislation to amend the Food Stamp Act of 1977, relating to the definition of a "household."

Mr. President, under current law a "household" is defined as, first, an individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from the others, or else pays compensation to the others for such meals, or second, a group of individuals who live together and customarily purchase food and prepare meals together for home consumption or else live with others and pay compensation to the others for such meals. The legislation I am introducing today would amend the definition of a "household" such that it would be defined as, first, an individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from the others, or second, a group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

Mr. President, enactment of my bill would eliminate what has commonly come to be known as the "boarder loophole." The current definition of a "household" results in serious abuse of the food stamp program. Current law permits family members who reside at the same residence and who do not themselves meet the eligibility requirements for participation in the food stamp program to represent to food stamp officials that they are merely boarders in the household, rather than an integral part of it. Thus, in determining food stamp eligibility for other residents of the household, only the amounts contributed and received as room and board must be added to the income of an applicant rather than including the income and assets of all who actually reside in the same household.

In other words, by either claiming to pay board, or by paying a nominal amount of board, each person residing at the same residence is treated as a separate household. Thus, no matter how great the aggregate income of the family or group of individuals, those who individually meet the eligibility requirements can obtain food stamps. I do not believe that Congress intended for such a situation to occur, because it obviously allows persons who do not truly need food stamp assistance to use a loophole in the law to qualify for it.

Mr. President, participation in the food stamp program should be limited to only those truly in need of nutritional assistance. Enactment of my bill would be a step in that direction. In addition, prevention of a household splitting for the purpose of qualifying for food stamps as two or more households should result in savings to the taxpayers. I sincerely hope that my colleagues in the Senate will join me in pressing for early enactment of this legislation.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be included in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(i) of the Food Stamp Act of 1977 is amended—

(1) by striking out in clause (1) "or else pays compensation to the others for such meals,"; and

(2) by striking out in clause (2) "or else live with others and pay compensation to the others for such meals".

By Mr. MELCHER (for himself, Mr. BUMPERS, Mr. GOLDWATER, Mr. FORD, Mr. CHILES, Mr. HATFIELD, Mr. PRYOR, Mr. BURDICK, Mr. BAUCUS, Mr. BOSCHWITZ, Mr. CANNON, and Mr. WALLOP):

S. 496. A bill to amend the Federal Mine Safety and Health Act of 1977; to the Committee on Labor and Human Resources.

AMENDMENT OF FEDERAL MINE SAFETY AND HEALTH ACT

● Mr. MELCHER. Mr. President, today I am introducing legislation on behalf of myself and Mr. BUMPERS, Mr. GOLDWATER, Mr. FORD, Mr. CHILES, Mr. HATFIELD, Mr. PRYOR, Mr. BURDICK, Mr. BAUCUS, Mr. BOSCHWITZ, Mr. CANNON, and Mr. WALLOP to correct misinterpretation of the Federal Mine Safety and Health Act Amendments of 1977.

Section 1 of this bill will disentangle the overlapping jurisdiction of the Occupational Safety and Health Act (OSHA) and the Mine Safety and Health Act (MSHA) where surface construction by independent contractors is concerned. Currently independent construction contractors, subject to OSHA in all other work for which they contract, are covered by MSHA in the event they contract for construction work on the surface of mine property. In other words independent construction contractors are subject to two different agencies, each with its own set of regulations, inspection policies and penalty systems.

Construction workers are not miners. OSHA policies should apply to surface construction work, not MSHA. Independent construction contractors should be relieved of this double indemnity and double paperwork burden. The safety of these workers would not be endangered. This amendment would not apply to underground mining construction which should be, as it now is, covered by MSHA.

Section 2 of the bill eliminates the coverage of States and political subdivisions thereof—counties, cities, and townships—from coverage under MSHA. The current policy of harassment of county road building operations, because they produce a limited amount of gravel for rural road repair, is a flagrant abuse of Federal regulatory power. The only Federal labor law that "covers" counties, and so forth—and only by interpretation of the Labor Department—is MSHA.

Section 3 provides that MSHA furnish safety and health mining opportunities and materials to States and political subdivisions thereof who request such services. We recognize that county officials care more about the safety and health of their employees than can any Federal inspectors, since, especially in rural areas, such employees are neighbors and friends of the officials. Those who ask for assistance should find it readily available.

This legislation will provide for a desirable reduction in the Federal work force, since the current corps of Federal inspectors can be substantially reduced. Those who remain can and should concentrate their efforts on improving conditions for real miners, and stop harassing independent construction contractors and elected county officials.

There is a need for an effective mine safety and health agency. But there is no need for such an agency to dissipate its resources in a power grab, such as this bill will correct, merely for the purpose of empire building within the Federal bureaucracy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 496

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That (a) section 3 of the Federal Mine Safety and Health Act of 1977 is amended—

(1) by amending subsection (d) to read as follows:

"(d) 'operator' means (1) any owner, lessee, or other person who operates, controls, or supervises a coal or other mine, or (2) any independent contractor performing services at such mine, except for a construction contractor;" and

(2) by adding at the end the following new subsection:

"(p) 'construction contractor' means any independent contractor—

"(1) whose primary business is in the contract construction industry; and

"(2) who is engaged by an operator for (A) the construction, repair, or alteration of structures, facilities, utilities, or private

ways or roads, located on (or appurtenant to) the surface areas of any coal or other mine; (B) excavations attendant to the activities described in clause (A); or (C) the installation of equipment attendant to the activities described in clause (A).".

(b) Section 109 of the Federal Mine Safety and Health Act of 1977 is amended by adding at the end the following new subsection:

"(e) Whenever any construction activity is undertaken by a construction contractor at any coal or other mine subject to this Act, the operator of such mine shall provide notice of the type of activity and number of employees involved to appropriate personnel of the area office of the Occupational Safety and Health Administration with jurisdiction regarding such activity.".

SEC. 2. (a) Section 3(d) of the Federal Mine Safety and Health Act of 1977, as amended (30 U.S.C. 802(d)), is amended by inserting immediately before the semicolon at the end thereof a comma and the following: "but does not include any State or political subdivision of a State".

(b) Section 4 of such Act is amended by inserting immediately before the period at the end thereof a comma and the following: "except that in no case (other than as provided for in section 117 of this Act) shall any coal or other mine owned by any State or political subdivision thereof be subject to the provisions of this Act".

SEC. 3. Title I of the Federal Mine Safety and Health Act of 1977, as amended, is amended by adding at the end thereof the following new sections:

"SEC. 116. Upon the request of any State or political subdivision thereof which owns or operates any coal or other mine, the administration is authorized to make available to such State or subdivision safety and health training opportunities and materials and other data for use for such State or subdivision in the operation of such mines.

"SEC. 117. (a) Nothing in this Act shall prevent any State agency or court from asserting jurisdiction under State law over any mandatory health or safety standard issue involving a coal mine or other mine owned by such State or a political subdivision thereof.".●

By Mr. HART (for himself, Mr. PERCY, Mr. TSONGAS, Mr. CRANSTON, Mr. HATFIELD, Mr. BRADLEY, Mr. BAUCUS, Mr. LEAHY, Mr. SARBANES, Mr. RANDOLPH, Mr. WILLIAMS, Mr. HEFLIN, Mr. LEVIN, Mr. METZENBAUM, Mr. DECONCINI, Mr. EXON and Mr. DOMENICI):

S. 498. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics; to the Committee on Finance.

PASSIVE SOLAR TAX CREDIT

● Mr. HART. Mr. President, today I am reintroducing, with 16 cosponsors, legislation to encourage builders to include passive solar energy systems in new homes by providing tax credits based on the efficiency of the passive solar system.

This proposal has already received the overwhelming support of the Senate. It was adopted by a vote of 82 to 1 during the Senate's consideration of the windfall profits tax bill in December 1979. Unfortunately, though, it was not included in the compromise finally approved by the conference.

Since that time, however, support in the House has increased dramatically. Today, Representatives HEFTEL and FOWLER, along with more than 125 cosponsors, are introducing a nearly identical bill in the House. It is clear the House is now willing to cooperate with the Senate to insure the prompt enactment of this important bill.

Mr. President, about 7 percent of our total energy diet is consumed by heating and cooling our homes. A well-designed passive solar system can reduce the heating load of a home by as much as 80 percent. Clearly, the potential for passive solar systems to reduce our reliance on fuel oil, natural gas, and electricity, is substantial.

"Passive" solar systems rely on energy-efficient architectural techniques and the use of common building materials, rather than mechanical means, to make maximum use of the Sun's energy. In general, passive solar techniques are relatively simple, inexpensive, and just a matter of commonsense. For example, new homes should be constructed with eaves on their southern exposure to block the direct rays of the high summer Sun, while permitting direct light from the low winter Sun to heat the structure. Other passive solar features, such as Trombe walls capture and store the Sun's heat during the day, then release it gradually during the night.

In general, passive solar systems are the most cost-effective solar technology for heating and cooling homes. While opportunities exist to add passive features to existing homes, the greatest potential for energy savings is realized when passive solar systems are incorporated as part of the original design of the home. In light of the fact that the Nation's entire housing stock is expected to be replaced over the course of the next 50 years, it is vitally important that new housing incorporate passive solar systems—as well as other energy-efficiency measures—if future generations are not to be "locked in" to increasingly costly and uncertain supplies of energy for their residential needs.

Despite the compelling advantages of passive solar systems, they are not widely incorporated in new homes. Although a passive solar system will pay for itself within just a few years, the benefit accrues to the owner rather than to the developer. Builders and developers who must compete in an extremely tight capital market are understandably discouraged from making any addition to a home which will increase its cost. Consequently, we need to provide a strong incentive to builders to include passive solar features as an integral part of new housing construction.

This legislation has been carefully drafted to provide the credit to builders of new homes based on their effectiveness in reducing the energy load of the home, rather than providing a credit for a percentage of the cost of the components of a passive solar system. This approach has the additional advantage of encouraging the use of low-cost, high-performance passive solar designs.

To be eligible for the credit, a builder must demonstrate that all the elements of a passive solar system are included in the design of the home. To determine the amount of the credit, the builder must contribute only three pieces of information: First, the location of the home; second, the number of square feet of the collector area; and third, the energy efficiency of the home to begin with. These factors can be compared on a simple chart which will predetermine the amount of the credit based on the extent to which the passive solar system has reduced the heating and cooling requirement of a home.

The maximum credit for a passive solar system would be $2,000. It is expected the credit for an average passive solar system would be about $1,000. On the average, this would constitute about a 20-percent subsidy for residential passive solar systems. Individuals would be eligible for this credit beginning September 30, 1981. The Joint Tax Committee has estimated that the revenue loss for fiscal 1982 would be only $9 million and that the total revenue loss through 1987 would be only $437 million.

This proposal has found widespread support in a broad coalition of labor, industry, and environmental groups. In the last Congress, this bill was endorsed by a number of national organizations, including:

National Conference of State Legislatures; National League of Cities; National Association of Home Builders; Sierra Club; Friends of the Earth; Environmental Action; National Wildlife Federation; Environmental Policy Center; League of Woman Voters; Solar Lobby; American Institute of Architects; and National Woodwork Manufacturers Association.

Mr. President, the compelling arguments in favor of this proposal are clear. The facts are in. The consensus is a strong one. The reality of this Nation's energy situation makes it vitally important that new housing incorporate passive solar systems. This legislation provides important incentives toward that goal, and I urge my colleagues to once again support it.●

By Mr. MOYNIHAN:

S. 499. A bill to amend a provision of the Internal Revenue Code dealing with involuntary conversions of broadcast property; to the Committee on Finance.

INVOLUNTARY CONVERSIONS OF BROADCAST PROPERTY

● Mr. MOYNIHAN. Mr. President, the bill I am introducing today is a technical amendment to section 1071 of the Tax Code.

It addresses a problem being faced by taxpayers in New York and California; there may be individuals in other States who are also affected.

An example of the problem is the plight of the Johnson Newspaper Corp. of New York. The corporation owns the Watertown Daily-Times and television station WWNY, both in Watertown, N.Y.

In 1975, the Federal Communications Commission ordered the corporation to divest itself of one of these properties. The order was one of a series of directives aimed at preventing companies in

seven small- and medium-sized cities from owning the only newspaper and commercial TV station in town.

Since its expertise was in the newspaper field, the Johnson Newspaper Corp. decided to sell the television station. A buyer was found for it last year; and the FCC has been asked formally to approve the sale. The buyer is the United Communications Corp., a holding company with a string of newspaper and broadcast properties in several New England and Midwestern States.

The only other fact that is relevant as background is that the Johnson Newspaper Corp. hopes to use the proceeds from the sale to purchase another newspaper.

This brings one to the question of taxes. Section 1033 of the Tax Code states that a taxpayer who has had involuntarily to convert property into cash will not be taxed immediately on his capital gain, provided he uses the cash to buy another property that is similar in service or use to the original property, and he does so within 18 months after the sale. The capital gain is taxed at some future date when the second. newly acquired property is sold.

In 1943, Congress added another section to the code—section 1071—that describes in more specific terms when the capital gain connected with an FCC-ordered sale is to go unrecognized. Briefly, the taxpayer must satisfy two conditions. He must obtain a tax certificate from the FCC. The certificate states that the sale was required in order to effectuate FCC policy on the ownership and control of radio broadcasting stations. Possession of a tax certificate is proof that the sale was an involuntary conversion. The Johnson Newspaper Corp. will have no difficulty obtaining such a certificate.

Second, the taxpayer, in effect, must have exchanged a "property" for a "radio broadcasting station." I should add here that the Internal Revenue Service has defined the term "radio broadcasting" to include telecasting. It did so in 1956.

To restate the second condition, one can sell a newspaper, radio station or TV station under FCC order, but the capital gain will go unrecognized only if one reinvests the proceeds in a radio or television station—and not in a newspaper as the Johnsons plan.

What I am proposing, obviously, is that section 1071 be changed. In place of the requirement that one acquire a "radio broadcasting station," I would substitute "radio or television broadcasting station, or newspaper."

I think this is a perfectly reasonable request. It is entirely consistent with the spirit of section 1071. Section 1071 was enacted because the FCC was ordering people to swap radio stations in various cities so as to increase competition in individual markets. The agency could not easily implement its plan if it had to worry about tax consequences. In addition, it did not seem fair to station owners that an exchange under FCC order should trigger Federal taxes.

As I have said, section 1071 was enacted in 1943. At the time, the FCC was concerned exclusively with radio. Naturally, the statute spoke of exchanging a "property" for a "radio broadcasting station."

Congress did not foresee that in the 1980's, the FCC would also be ordering the divestiture of television stations and newspapers. The statute simply needs to be updated.

Second, if this part of the Tax Code is not amended, the results it produces will sometimes be perverse and unfair. In 1978, the IRS was presented with the mirror image of the Johnson case. A taxpayer proposed to exchange a newspaper for a television station. Revenue ruling 78–269 said that the transaction was protected by section 1071. But exchanging a television station for a newspaper is not protected.

I submit that the tax treatment in such cases should not turn on the order in which assets are exchanged. The test, rather, should be whether the taxpayer has been forced by the FCC to sell and whether the assets he proposes to swap are sufficiently similar in kind.

If a television station and a newspaper are to be considered similar in some cases, they should be considered similar in all cases. I merely propose that one be consistent.

Finally, Mr. President, let me note that this bill was introduced last year. Donald Lubick, the then Assistant Treasury Secretary for tax policy, said—when asked—that the Treasury had no objection to it.

I ask unanimous consent, Mr. President, that the text of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.—Subsection (a) of section 1071 of the Internal Revenue Code (relating to gains from sale or exchange to effectuate policies of the FCC) is amended by striking the term "radio broadcasting stations" in the first sentence of such subsection and inserting in lieu thereof "radio or television broadcasting stations".

The subsection also is amended by striking the term "radio broadcasting station" in the second sentence and inserting in lieu thereof "radio or television broadcasting station, or newspaper".

SEC. 2.—The amendments made by this Act shall take effect on January 1, 1980.●

By Mr. MOYNIHAN:

S. 500. A bill to amend the Internal Revenue Code of 1954 with respect to the amount which certain private foundations are required to distribute; to the Committee on Finance.

S. 501. A bill to amend the Internal Revenue Code of 1954 with respect to the amount which certain private foundations are required to distribute; to the Committee on Finance.

AMENDMENT OF INTERNAL REVENUE CODE WITH RESPECT TO PRIVATE FOUNDATIONS

● Mr. MOYNIHAN. Mr. President, I am reintroducing two bills today that would reduce the payout requirement for private foundations. Under present law, every foundation must "pay out" each year in grants either all of its income—with the exception of its long-term capital gains—or the equivalent of 5 percent of its assets, whichever is greater.

I first introduced these bills last year. They should be seen as alternative, since each would do that same thing, just differently. One would not want to enact them both.

One bill proposes a simple payout requirement. That is that a foundation should make grants each year worth 5 percent of its assets.

The other bill suggests a more involved rule: A foundation should distribute each year either 5 percent of its assets, or its real income—its income after inflation—whichever is greater. The second bill may be more attractive in the abstract than the first, for reasons that I will explain later. But it also may be too complicated for the Internal Revenue Service to administer. That is a problem that I would expect to be discussed during hearings.

No matter which approach one selects, however, three points are clear. First, the present payout requirement is too high and should be reduced.

How does one know this? Because the requirement has not had the effect that Congress hoped it would have when it was enacted in 1969. Congress wanted private foundations to make more money available to charities and to colleges and universities. But in fact, less money—not more—is now going to these institutions.

According to the most recent Foundation Directory, the Nation's private foundations distributed $2.1 billion in grants in 1977, compared to $1.5 billion in 1972—more dollars in nominal terms, but not more after one adjusts for inflation. In terms of real purchasing power, the foundations distributed 8.2 percent less in 1977 than they had before.

This is not an aberration. Rather, it is precisely what one would expect when inflation is eating away at the value of foundations' capital, and the law says that foundations must spend their income, and not save a portion of it to reinvest.

My good friend Charles U. Daly, president of the Joyce Foundation in Chicago, used a table in his 1978 annual report to show how the assets of five foundations selected at random had declined in value since 1971. I ask unanimous consent, Mr. President, that that table be reproduced at this point in the RECORD.

[Chart referred to not reproduced.]

The Foundation Directory reports that from 1972 to 1977, the assets of the Nation's 3,100 largest foundations declined 29.2 percent in value.

In sum, the payout requirement has not enabled charities and universities to secure more funds from foundations, but has had the opposite effect. It has made the foundations fiscally weaker and less able to help.

A second point: Congress could let foundations protect themselves from inflation by reducing the payout requirement, and still do what it set out to achieve in 1969. There is a reasonable middle ground.

Congress wanted foundations to make

more grants to charities and universities—for two reasons. It wanted to close a tax loophole. Certain individuals had been using foundations to shelter family fortunes, investing their money and earning income on it that was not subject to tax.

At the same time, there was a need to guarantee that when money is donated to a foundation, some part of it is actually used for charitable and educational purposes. Otherwise, as the Ways and Means Committee put it, "the donor may receive substantial tax benefits from his contribution currently, (while) charity may receive absolutely no current benefit." Contributions to foundations are generally tax deductible.

Now it seems to me that we should be guided by two principles. One is that a foundation should be required to disburse as much as it can without impairing the purchasing power of its capital. In that way, a foundation could protect itself from inflation.

The other is that a foundation should disburse something each year, even when it has no income. Thus, the Government could be sure that the foundation is legitimate.

A payout rule that would require a foundation to disburse the equivalent of 5 percent of its assets, or all of its real income, whichever is greater, follows logically from these principles.

It may be too complicated to administer, however; thus, changing the present rule simply to 5 percent of assets would be a fair compromise.

Finally, Mr. President, let me point out that the experts predicted that Congress would have to come back and revise some of what it did in 1969.

Boris Bittker, in his book "Federal Income Taxation of Corporations and Shareholders," observes that—

(T)he Tax Reform Act of 1969 effected a massive overhaul of the tax treatment of foundations and exempt organizations. These provisions constitute the most complex and restrictive feature of the 1969 legislation, and even a brief summary of their scope and effect is well beyond this work. Suffice it to say that the 1969 changes can be characterized as 'modern mortmain' legislation—so much so that amelioration of its harsher aspects may be the order of the day when the passions of 1969 fade away.

I have two bills, Mr. President. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (f) of section 4942 of the Internal Revenue Code of 1954 (defining adjusted net income) is amended—

(1) by inserting ", reduced as provided in paragraph (5)," after "excess (if any)" in paragraph (1), and

(2) by adding at the end thereof the following new paragraph:

"(5) Inflation adjustment.—

"(A) IN GENERAL.—The amount of the excess determined under paragraph (1) shall be reduced by an amount equal to the product of—

"(i) the amount of such excess, multiplied by

"(ii) the inflation adjustment for the calendar year in which the taxable year begins.

"(B) Inflation adjustment defined.—For purposes of subparagraph (A), the term 'inflation adjustment' with respect to any calendar year means the percentage by which—

"(i) the first revision of the implicit price deflator for the gross national product as of the last day of the calendar year preceding such calendar year, exceeds

"(ii) such deflator as of the last day of the second calendar year preceding such calendar year.".

(b) The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 1983.

S. 501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 4942(d) of the Internal Revenue Code of 1954 (defining distributable amount) is amended by striking out "or the adjusted net income (whichever is higher)".

(b) Paragraph (1) of section 4942(f) of such Code (defining adjusted net income) is amended by striking out "For purposes of subsection (d)" and inserting in lieu thereof "For purposes of subsection (j)(3)".

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1980.

By Mr. MOYNIHAN (for himself and Mr. WALLOP):

S. 502. A bill to amend the Internal Revenue Code to permit foreign pension plans to invest in the United States on a nontaxable basis; to the Committee on Finance.

EXEMPTION OF FOREIGN PENSION TRUSTS FROM TAX ON INVESTMENT INCOME

● Mr. MOYNIHAN. Mr. President, the bill that Senator WALLOP and I are introducing today would exempt foreign pension trusts from having to pay U.S. tax on their investment incomes.

It is offered for several reasons. First, private pension systems in Great Britain, in Holland, in Japan and in other countries hold billions of dollars in assets. In the United Kingdom, the amount is $80 billion. In Holland, estimates vary, but a recent article in one of the country's leading newspapers put the value of private pension assets at $100 billion. Japan, Sweden, Denmark, and Canada also have funded plans.

Little of this money is invested in the United States today. More would be if the pension systems were able to retain all of their income from investment, rather than having to turn a share of it over to the Federal Government in taxes.

Our bill, therefore, may increase the pool of capital from which investments in the United States are made.

Second, the fact that the bill may add new capital distinguishes it from most other capital formation proposals. Most other plans would merely shift capital from one sector to another. Depreciation reform, for example, would raise one's after-tax rate of return through the purchase of depreciable assets. It would encourage an investor, when he draws up a list of possible investments in the future, to place depreciable assets higher on his list than in the past. But some other investment must move down.

Thus, money that would have gone into another investment would go into commercial buildings, machinery and other depreciable property, instead. There would be a redistribution of capital, but no change in total investment.

Our bill, however, may add to the supply of capital by bringing in new money from abroad. This makes it an unusual and attractive capital formation proposal.

Third, the suggestion that foreign pension trusts should go untaxed on their incomes is not an outlandish one. Generally speaking, a U.S. pension trust is not taxed, provided the trust is a part of a "qualified plan." A "qualified plan" is a pension arrangement that meets the funding, vesting and other standards described in section 401(a) of the Federal Tax Code.

A foreign pension trust, on the other hand, is taxed. The rates vary. Often 30 percent of the foreign trust's income is withheld at the source. However, tax treaties, where they apply, have reduced the rates on most dividend and interest income to 15 or 10 percent, or even zero.

Our bill would merely make it the policy of this Government that the income earned by United States and foreign pension trusts should be taxed in a similar fashion.

Finally, Mr. President, let's point out that foreign governments would be expected to reciprocate. The President would have the power to withdraw the tax exemption from any foreign trust if the country in which the trust was formed refuses to reduce its taxes on U.S. pension trusts. The bill is to be used as a carrot. And in the absence of reciprocation, we intend that the carrot should be a disappearing one.

That, in essence, is the major argument for the bill. Now let me run down its principal provisions.

The bill would add a new subparagraph to section 501(c) of the Federal Tax Code. A trust, corporation or fund that is part of a foreign pension plan would be exempted from Federal income taxes if it passed three tests.

The plan of which the trust, corporation or fund is a part must be set up primarily to provide retirement or similar benefits; and it must be predominantly for individuals who are not American citizens and who are not living in this country.

The plan's assets must be kept separately from the assets of the employer in accordance with the laws of the country where the plan is maintained.

Furthermore, the income of the plan must be taxed at preferential rates, or not at all, in the home country.

The bill would also make clear that the tax exemption is to be subject to adjustment under section 896 of the Tax Code. Section 896(b) requires the President to act whenever he finds that a foreign country is taxing U.S. citizens or corporations more heavily than the United States taxes nationals of the same country. The President must ask the foreign country "to eliminate (the) higher effective rate of tax."

And if that does not work, he "shall

proclaim" that the U.S. taxes on the foreign nationals in question will be increased. The Senate and House must be given 30 days' notice.

Those are the key provisions. The bill would take effect with respect to income earned on or after January 1 this year.

I introduced a nearly identical measure last year. But because there have been a few changes, Mr. President, I ask that the text of the new bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 502

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That

(a) section 501(c) (relating to organizations exempt from tax under section 501(a)) is amended by adding the following new paragraph:

"(22) A trust, corporation or fund which is formed pursuant to, or as part of, a foreign pension plan which satisfies the following requirements—

"(A) the plan is maintained primarily to provide retirement or similar benefits to employers who are primarily nonresident alien individuals;

"(B) the assets of the plan are segregated from the assets of the employer or employers maintaining the plan pursuant to the laws of the foreign country in which such plan is maintained; and

"(C) under the laws of the foreign country in which the plan is maintained, the income of the plan is exempt from tax or is subject to a lower rate of taxation than is generally imposed on other residents of such foreign country.

"The exemption provided by this paragraph shall be subject to adjustment under section 896 (relating to the adjustment of tax of nationals of foreign countries), and no later than January 1, 1984, the President shall report to Congress on the extent to which he has exercised the authority under that section with respect to relief from foreign income taxes for plans described in section 401(a).

"If all of the assets of a trust, corporation or fund are held for the benefit of one or more foreign pension plans described in this paragraph, such trust, corporation or fund shall itself be considered to satisfy the requirements of this paragraph."

(b) Section 512(a)(2) (relating to the unrelated business taxable income of certain foreign organizations) is amended by inserting "or section 501(c)(22)" immediately after "section 511".

(c) Section 505(d) (relating to pension plan reserves of life insurance companies) is amended by adding the following new paragraph:

"(7) purchased by foreign pension plan (within the meaning of section 501(c)(22)).".

(d) The amendments made by this Act shall become effective on January 1, 1981.●

By Mr. HAYAKAWA:

S. 505. A bill to improve the quality of table grapes for marketing in the United States; to the Committee on Agriculture, Nutrition, and Forestry.

IMPROVING THE QUALITY OF TABLE GRAPES FOR MARKETING IN THE UNITED STATES

● Mr. HAYAKAWA. Mr. President, I am introducing legislation to improve the quality of table grapes for marketing in the United States.

This bill amends the Agricultural Marketing Act of 1937 to include grapes. My bill would subject imported grapes to the same regulation in terms of size, quality, or maturity as table grapes from the Coachella Valley in California. Wherever such table grapes are subject to a marketing order, imported grapes would also be subject to the same quality controls.

At the present time our domestic producers are under a marketing order that consists of self-imposed regulation to insure that the quality of U.S. grapes going to our domestic markets is standard, in order to provide a desirable product to the consumer. The growers enter into this marketing order by voting among their grower membership. The growers have set their own production standards by which they comply. In this way the California table grape producers protect their reputation, and they consistently provide a tasty and dependable product to the market.

The Federal marketing order only applies to table grapes grown in the Coachella Valley in southern California. However, the Mexican-imported grapes, which compete directly with our Coachella Valley grapes, do not have to comply with the marketing order at this time. My bill would mandate that Mexican-imported grapes comply with the same standards as the U.S. grapes.

Once a grape is cut from the vine, its maturation process ends. Thus the grapes must completely mature before they are harvested. An immature grape, one that is cut too early, will be sour and it will be an undesirable product for the consumer. Once a consumer has eaten sour grapes, they are less likely to purchase more grapes the next time they go shopping. In the past, the Mexican-imported grapes have often been picked immaturely, and yet they compete directly with the American-grown grapes at the grocery store. There is no labeling in order to separate the grapes out from each other. Our growers in the Coachella Valley have self-imposed regulations in order to test the grapes for ripeness. This legislation, if enacted, would force the Mexican grapes to comply with the same standards as the American grapes.●

By Mr. HAYAKAWA (for himself, Mr. WALLOP, Mr. TOWER, Mr. STEVENS, Mr. BENTSEN, Mr. CRANSTON, Mr. HART, Mr. SIMPSON, Mr. HATCH, Mr. BOREN, and Mr. ARMSTRONG):

S. 506. A bill to reinstate and validate United States oil and gas leases numbered OCS-P-0218 and OCS-P-0226; to the Committee on Energy and Natural Resources.

VALIDATION OF CERTAIN OIL AND GAS LEASES

● Mr. HAYAKAWA. Mr. President. on behalf of myself and Senators WALLOP, TOWER, STEVENS, BENTSEN, CRANSTON, HART, SIMPSON, HATCH, BOREN, and ARMSTRONG, I am introducing legislation to reinstate and validate two U.S. Outer Continental Shelf oil and gas leases in the Santa Barbara Channel, Calif. This measure is identical to a bill that unanimously passed the House during the 96th Congress after extensive hearings were held in the Committee on Interior and Insular Affairs. The House-passed measure was also considered and favorably reported from the Senate Committee on Energy and Natural Resources. Unfortunately, passage of the bill by the Senate was procedurally blocked in the closing hours of the 96th Congress.

The legislation would reinstate the leases to a group of small, independent oil and gas developers for the remainder of the primary term, which was interrupted by the occurrence of the Union Company blowout in 1968. The group had previously invested $80 million in the two tracts. If allowed to resume drilling, the companies must file an exploration plan with the Secretary of the Interior within 45 days of enactment.

There is certainly no guarantee that oil will be found on the tracts. However, if oil is discovered, the bill would allow the Federal Government to receive a 50-percent share of the net profits, an unprecedented profit-sharing arrangement in offshore exploration.

Furthermore, the group would pay the windfall profit tax longer than any other leaseholder, would pay all back rentals, and the leases would be subject to all environmental and regulatory provisions of the OCS Lands Act Amendments.

Mr. President, reinstatement would be beneficial to all involved parties and consistent with our Nation's environmental and energy policies. The bill has broad bipartisan support as evidenced by the cosponsors, and I urge its prompt consideration.

I have an indepth explanation of this matter, and ask unanimous consent that it be printed along with the text of the bill at this point in the RECORD.

There being no objection, the bill and explanation were ordered to be printed in the RECORD, as follows:

S. 506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Notwithstanding any other provision of law, and subject to the requirements of section 2 of this Act, United States oil and gas leases numbered OCS-P-0218 and OCS-P-0226, located in the Santa Barbara Channel, California, shall be deemed to be in full force and effect from date of enactment of this Act for a period of four years, one hundred and twenty-six days, and so long thereafter as oil or gas is produced in paying quantities.

SEC. 2. (a) Lessees must exercise due diligence in the exploration and development of oil and gas from these leases. Within forty-five days after the effective date of this Act, lessees shall submit an exploration and development plan to the Secretary of the Interior.

(b) Lessees shall be subject to the pertinent provisions of the Outer Continental Shelf Lands Act Amendments of 1978 (Public Law 95-372).

(c) Lessees shall pay to the United States the amount of unpaid rental accrued under said leases and shall continue to pay the annual rental payment for the period the leases are in force.

(d) In lieu of the standard royalty interest payment required in each lease, the lessees shall pay to the United States a net profit share payment which—

(1) shall be made in accordance with part 390 of title 10 of the Code of Federal Regulations and which is determined on the basis of a recovery allowance of 15 per centum, and

(2) shall be an amount equal to 50 per centum of the net profits of the lessee under the lease as determined in accordance with such part 390: *Provided,* That, subject to the provisions of section 1337(a)(3) of title 45, United States Code, the payment to the United States in accordance with this subsection shall in each reporting period be at least equivalent to the royalty provided for in the original leases.

EXPLANATION

BACKGROUND AND NEED

The Pauley Group was created in 1967 as a joint venture by 11 independent oil companies to bid on OCS tracts in the Santa Barbara Channel. The Pauley Group was composed of Pauley Petroleum Company, as operator; Mesa Petroleum Company; Husky Oil Company; Colorado Oil and Gas Corporation; McCulloch Oil Corporation; J. M. Huber Corporation; Midwest Oil Corporation; Kewanee Oil Corporation; Ashland Oil and Refining, Inc.; MacDonald Oil Corporation; and Forest Oil Corporation.

On March 1, 1968, in exchange for a $73.8 million cash bonus payment and an annual rental of $34,560, the Pauley Group was granted an exclusive right to explore for oil and gas on two tracts in the Santa Barbara Channel for a primary term of five years and ". . . as long thereafter as oil and gas may be produced in paying quantities . . ." The member companies of the Pauley Group and the United States executed lease number OCS–P–0218 for Tract 375 and lease number OCS–P–0226 for Tract 384.

The Pauley Group began immediate exploration and drilled eight exploratory wells between March, 1968, and January, 1969, at a cost of $4 million. In late January, 1969, when the Group was preparing to drill a ninth well, a blowout occurred several miles north of the Pauley Group tracts on a tract operated by the Union Oil Company. In response, the Secretary of the Interior suspended all drilling operations in the Channel on February 7, 1969. Ten days later, on February 17, 1969, the Secretary of the Interior altered the Federal regulatory standard of negligence for oil spills to one of strict liability applicable to all those who were operating in the Channel. This new standard of strict liability made each participant operating on the OCS jointly and severally liable not only for all clean-up costs of an oil spill, but also liable for any and all damage whatsoever to a third party, regardless of fault.

Concurrent with the issuance of this new standard of liability and the suspension of drilling operations, the private liability insurance market for offshore oil operations collapsed. As a result, the Pauley Group lost its liability insurance for offshore oil spills and was financially unable to obtain coverage from other sources. Without insurance, the independents risked potential financial ruin by resuming drilling operations and, thus, were effectively barred from operating in the Channel. In contrast, once the drilling ban was lifted, the major oil companies were able to resume their drilling activities because they could self-insure their operations. This step was unavailable to the independents because they lacked sufficient financial resources.

Thus, in April 1969, the Pauley Group was confronted with a dilemma. On the one hand, the Pauley Group, forced to sit idle because the Interior Department's final decision on whether they could resume drilling in the Channel was unknown and, in any case, because it was faced with the government's strict liability regulation, could elect to do nothing and wait. In waiting, however, the Pauley Group, with large amounts of their exploration budgets tied up and enormous interest payments due, risked their total investment and their financial stability. On the other hand, the Pauley Group could attempt to protect its substantial investment by seeking judicial relief for breach of contract. The risk of financial disaster was great and, on April 9, 1969, suit was filed in the United States Court of Claims.

The Pauley Group filed a petition for damages against the United States Government alleging that the United States had violated its contract with the Group by suspending drilling operations and imposing strict liability. Counts included breach of contract, frustration and mutual mistake; a fourth count of partial breach was alleged at a later time. Because damages were sought, the action was filed in the United States Court of Claims.

The Pauley Group was not the only Channel leaseholder to challenge the Government's action in court. Other legal actions were filed by, among others, Union Oil Company and Gulf Oil Corporation against the United States in California Federal District Court. These actions challenged the lawfulness of suspension orders of the Secretary of the Interior and sought injunctive relief, rather than monetary damages, against the Secretary's suspension order, and an extension of the lease terms.

The case continued for 10 years before the court dismissed the petition on January 24, 1979. Although the court did not award damages to the Group, it did indicate the possibility of another remedy:

"Perhaps the legislative or executive branches could, as a matter of grace or policy, extend their lease-terms to permit them to drill further (if they still wish to) in the effort to discover oil in commercial quantities, but of course we cannot take that step. *Pauley Petroleum, Inc.* v. *United States,* 591 F. 2d 1308, 1328 (Ct. Cl. 1979)."

Thus, the Pauley Group came to the Congress for a reinstatement of the two leases.

Legislative reinstatement of these leases is dictated by several considerations. First, H.R. 5769 is consistent with the Congress' declared goal of rapidly increasing the domestic production of oil and gas. If the leases were successfully resold at the next scheduled sale of offshore leases in 1983, production would not begin for at least four additional years. However, if the leases are reinstated, the Pauley Group could begin exploration within 60 days and commence production, if commercially producible reserves exist, by late 1983—3 to 4 years sooner than if the leases are resold.

Second, reinstatement is consistent with the concern for the role of independents in the OCS expressed in the Outer Continental Shelf Lands Act Amendments of 1978, Public Law No. 95–372. Many of the problems confronting independent companies, such as those in the Pauley Group, have been resolved by the OCS Amendments. For instance, the Amendments established a limit to liability and an oil spill liability fund to resolve the absolute liability dilemma which confronted Pauley in 1969.

Finally, Congress has, in the past, reinstated leases where unique circumstances and equity considerations have justified such action. The Pauley Group's situation meets this standard and warrants resolution by the Congress. The Group was drilling on frontier OCS leases in water as deep as 600 feet. The Group was composed of independent oil exploration companies, many of whom individually dedicated most of their 1968 exploration budget to this highly speculative venture. After the Group had spent $80 million, drilled eight wells, and was preparing to drill a ninth well, the Union Oil Company blowout occurred on a tract several miles to the north. The Group's activities were suddenly suspended, and they were faced with an emotional and adverse public reaction to continued operations in the Channel, lawsuits brought by the State of California, and a change of policy direction by the Federal Government on drilling activities in the Channel. During this atmosphere of turmoil and confusion, the government imposed a new standard of liability, and private oil spill insurance was not available. The Pauley Group, being the only independents who held leases in the Channel, were barred by these circumstances from continuing their operations. The Group went through a decade of litigation in the courts and negotiation with the government which failed to resolve the matter, but which specifically pointed the way to a legislative solution.●

By Mr. BOREN (for himself and Mr. HEINZ):

S. 507. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to eliminate the national trigger, to provide for an optional State trigger, and to require 20 weeks of employment (or the wage equivalent) in order to qualify for benefits; to the Committee on Finance.

PROBLEMS IN UNEMPLOYMENT COMPENSATION SYSTEM

● Mr. BOREN. Mr. President, I am today introducing legislation that would correct longstanding problems in the unemployment compensation system. It seeks to complete the work begun last year by the Finance Subcommittee on Unemployment and Related Problems which I then chaired. Substantial progress was made but much remains to be done.

This bill seeks to achieve two objectives: to insure that unemployment compensation will be paid only to those who truly need it, and to save the Federal Government $3 billion. I am very pleased that President Reagan gave broad endorsement to the aims and concepts of this bill in his message to the Congress last night.

This legislation will achieve these objectives in three ways. First, the bill would target extended unemployment benefits to States experiencing high unemployment through elimination of the national trigger, a change expected to save about $2 billion. By "extended benefits" we mean 13 weeks of benefits paid at the end of the duration of regular unemployment benefits which are payable for a maximum of 26 weeks.

Currently extended benefits are triggered on in every State in the Union whenever the insured unemployment rate reaches 4.5 percent. This so-called national trigger provides that extended benefits will be paid even in those States where the unemployment rate is very low. As a means of insuring that extended benefits will be paid in pockets of high unemployment across the country, then, the national trigger is a very blunt and extremely expensive instrument. Not to discard it would be a disservice to the health of our unemployment compensation system.

The bill also gives States the option of setting the State trigger of extended benefits at 5 percent or higher when the State's insured unemployment rate is 20 percent higher than the past 2 years. Under current law States are required to trigger on to extended benefits when the insured unemployment rate (IUR) in that State reaches 4 percent and when that State's IUR is 20 percent higher than the level prevailing in the

State in the prior 2 years. When the 20-percent-higher factor is not met, States may, under current law, pay at their option extended benefits when the State's IUR reaches 5 percent. Under current law States cannot set this optional State trigger at an IUR level any higher than 5 percent. The bill I introduce today would eliminate this prohibition; States would be allowed to set the optional State trigger at any IUR which is 5 percent or higher.

Finally, Mr. President, this legislation will prohibit the payment of extended unemployment compensation benefits to the individuals whose attachment to the work force has been shorter than 20 weeks in duration. This provision, effective October 1, 1981, will save close to $500 million in fiscal year 1982. In the process, it will insure that unemployment benefits will be paid to individuals who are, indeed, unemployed and in need of assistance. Enactment of this legislation will eliminate the revolving door which stands between the job market and unemployment offices across the country—a revolving door which allows some individuals to work for a brief period, draw 39 weeks of unemployment benefits, return to the work force for a short time, and then draw 39 weeks of benefits again. Thus this needed reform will encourage individuals to find permanent employment in which they can make positive contributions to society rather than calling upon society to make unnecessary contributions to them.

Mr. President, the need for this set of reforms is most graphically illustrated by the indebtedness of several States to the Federal unemployment loan account. As of December 31, 1980, 16 States had outstanding loans from the Federal system totaling $4.9 billion. The long-needed reforms I introduce today will serve to strengthen the financial solvency of the unemployment compensation systems in these debtor States as it simultaneously shores up the Federal system's financial status.

The benefits of this bill, however, are not confined to unemployment compensation systems. These reforms are also needed because of the current economic conditions in the country. More than ever we must find ways to reduce Government spending and to effectively target income maintenance programs to those who need such help. Mr. President, this bill does both. I urge its adoption.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ELIMINATION OF "NATIONAL TRIGGER" UNDER THE EXTENDED BENEFITS PROGRAM

SECTION 1. (a)(1) Paragraphs (1) and (2) of section 203(a) of the Federal-State Extended Unemployment Compensation Act of 1970 are amended to read as follows:

"(1) shall begin with the third week after the week for which there is a State 'on' indicator; and

"(2) shall end with the third week after the first week for which there is a State 'off' indicator.".

(2) Section 203(b)(2) of such Act is amended by striking out "(or all the States)".

(3) Section 203(d) of such Act is repealed.

(4) Section 203(f) of such Act is amended—

(A) in paragraph (1), by—

(i) striking out "subsections (d) and (e)" and inserting in lieu thereof "subsection (e)", and

(ii) striking out "all State agencies (or, in the case of subsection (e), by the State agency)" and inserting in lieu thereof "the State agency",

(B) by striking out paragraph (2), and

(C) by redesignating paragraph (3) as paragraph (2).

(b)(1) Section 204(a) of such Act is amended—

(A) by striking out paragraph (3), and

(B) by redesignating paragraph (4) as paragraph (3).

(c) The amendments made by this section shall become effective on October 1, 1981.

STATE OPTION AS TO CRITERIA FOR STATE "ON" AND "OFF" INDICATORS

SEC. 2. (a) Section 203(e) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended, in the first sentence following paragraph (2) thereof, by striking out the matter beginning with "(ii)" and ending with "except", and inserting in lieu thereof the following: "(ii) the figure '4' contained in subparagraph (B) thereof were '5' (or such number, or percentage of a number, which exceeds 5, as is specified by the State law); except".

(b) The amendment made by this section shall be effective with respect to weeks of unemployment beginning on or after October 1, 1981.

EMPLOYMENT REQUIREMENTS

SEC. 3. (a) Section 202(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) Notwithstanding the provisions of paragraph (2), payment of extended compensation under this Act shall not be made to any individual for any week of unemployment in his eligibility period unless such individual meets one of the following requirements (as selected by the State)—

"(A) such individual had at least 20 weeks of covered employment during his base period, or

"(B) such individual had earnings in covered employment during his base period equal to or greater than the average weekly wage for covered employment in such State (based upon the most recent data available to the State) multiplied by 20.

A State may select which of such requirements shall apply to individuals in such State, or the State may provide that individuals may meet the provisions of this paragraph by meeting either of such requirements.".

(b) Section 202(a)(6) of such Act (as redesignated by subsection (a)) is amended by striking out "paragraphs (3) and (4)" and inserting in lieu thereof "paragraphs (3), (4), and (5)".

(c) The amendments made by this section shall apply with respect to weeks of unemployment beginning on or after October 1, 1981.

REPAYMENT OF STATE UNEMPLOYMENT

SEC. 4. (a) Section 3302 of the Internal Revenue Code of 1954 (relating to credits against unemployment tax) is amended by adding at the end thereof the following new subsections:

"(f) CREDIT REDUCTION NOT TO APPLY WHEN STATE MAKES CERTAIN REPAYMENTS.—

"(1) IN GENERAL.—In the case of any State which meets the requirements of paragraph (2) with respect to any taxable year, subsection (c)(2) shall not apply to such taxable year; except that such taxable year (and January 1 of such taxable year) shall be taken into account for purposes of applying subsection (c)(2) to succeeding taxable years.

"(2) REQUIREMENTS.—The requirements of this paragraph are met by any State with respect to any taxable year if the Secretary of Labor determines that the repayments during the 1-year period ending on November 9 of such taxable year made by such State of advances under title XII of the Social Security Act are not less than the sum of—

"(A) the potential additional taxes for such taxable year, and

"(B) any advances made to such State during such 1-year period under such title XII.

"(3) DEFINITIONS.—For purposes of paragraph (2)—

"(A) POTENTIAL ADDITIONAL TAXES.—The term 'potential additional taxes' means, with respect to any State for any taxable year, the aggregate amount of the additional tax which would be payable under this chapter (subject to the cap provisions of subsection (g)) for such taxable year by all taxpayers subject to the unemployment compensation law of such State for such taxable year if paragraph (2) of subsection (c) had applied to such taxable year and any preceding taxable year without regard to this subsection.

"(B) TREATMENT OF CERTAIN REDUCTIONS.—Any reduction in the State's balance under section 901(d)(1) of the Social Security Act shall not be treated as a repayment made by such State.

"(4) REPORTS.—The Secretary of Labor may, by regulations, require a State to furnish such information at such time and in such manner as may be necessary for purposes of paragraph (2).

(g) CAP ON CREDIT REDUCTION.—

"(1) IN GENERAL.—In the case of any State which meets the requirements of paragraph (2) with respect to any taxable year, the reduction in credits otherwise applicable to taxpayers subject to the unemployment compensation law of such State under subsection (c)(2) shall not exceed the greater of—

"(A) the percentage reduction of such credits which was in effect with respect to such State under subsection (c)(2) for the preceding taxable year;

"(B) 20 percent of the tax imposed under section 3301 with respect to the wages paid by such taxpayer during such taxable year which are attributable to such State; or

"(C) in the case of a State which, for such taxable year, has a rate of insured unemployment (as determined under subsections (e) and (f) of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 as in effect for taxable year 1980) which is equal to or less than 80 percent of such State's average of such rates for the two preceding taxable years, 30 percent of the tax imposed under section 3301 with respect to the wages paid by such taxpayer during such taxable year which are attributable to such State.

"(2) SOLVENCY REQUIREMENTS.—The requirements of this paragraph are met by any State with respect to any taxable year if the Secretary of Labor determines on November 10 of such taxable year that—

"(A) the outstanding balance for such State of advancess under title XII of the Social Security Act on the preceding September 30 was not greater than the outstanding balance for such State of such advances on the second preceding September 30;

"(B) no State action was taken during the 12-month period ending on the preceding September 30 (excluding any action required

under State law as in effect prior to the date of the enactment of this subsection) which has resulted or will result in a reduction in such State's unemployment tax effort (as defined by the Secretary of Labor in regulations); and

"(C) no State action was taken during the 12-month period ending on the preceding September 30 (excluding any action required under State law as in effect prior to the date of the enactment of this subsection) which has resulted or will result in a net decrease in the solvency of the State unemployment compensation system (as defined by the Secretary of Labor in regulations).

"(3) SECRETARIAL AUTHORITY TO ALTER DETERMINATION.—Any determination by the Secretary of Labor under subparagraph (B) or (C) of paragraph (2) may be altered or reversed by the Secretary of Labor if he determines that such action is warranted on the basis of the failure by such State to make available timely information with respect to State actions.

"(4) CREDIT REDUCTION FOR SUBSEQUENT YEARS.—In making determinations under subsection (c)(2) with respect to taxable years for which a State is not subject to the cap under this subsection, any taxable year, and January 1 of such taxable year, for which a State was subject to such cap shall not be taken into account in determining consecutive taxable years (or January 1 thereof).

"(5) DEFINITIONS AND SPECIAL RULES.—The definitions and special rules set forth in subsection (d) shall apply to this subsection in the same manner as they apply to subsection (c).

"(h) WAIVER OF NEW BORROWING PROVISIONS IN PERIODS OF RECESSION.—

"(1) REPAYMENTS IN LIEU OF CREDIT REDUCTION.—Notwithstanding subsection (f)(2)(P), advances made to a State during a 1-year period under title XII of the Social Security Act shall not be counted, at the option of the State, in determining eligibility for the State payment in lieu of credit reduction under subsection (f)(2) if such State, during the Federal fiscal year ending on the September 30 falling within such 1-year period, meets the requirements of paragraph (3) of this subsection.

"(2) CAP ON CREDIT REDUCTION.—The requirement of subsection (g)(2)(A) shall not be applicable to a State, at the option of the State, for a taxable year if such State, during the Federal fiscal year ending on the preceding September 30 referred to in such subsection, meets the requirements of paragraph (3) of this subsection.

"(3) REQUIREMENTS.—The requirements of this paragraph are met by a State during any Federal fiscal year if—

"(A) the rate of insured unemployment for such State (as determined under subsections (e) and (f) of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970 as in effect for taxable year 1980) for such fiscal year is equal to or greater than 4.8 percent;

"(B) there is a State 'on' indicator for such State for 26 or more weeks during such fiscal year, as determined under section 203 (e) of the Federal-State Extended Unemployment Compensation Act of 1970 or any State option provided for under a State law enacted pursuant to such subsection; and

"(C) the average employer contribution rate under such State's unemployment compensation law (approved under section 3304) based upon the total wages (as defined in section 3306(b) without regard to the limitation contained in paragraph (1) of such section 3306(b)) paid by employers during such fiscal year with respect to employment (as defined in section 3306(c)) is equal to or greater than a rate equal to 150 percent of such average employer contribution rate for all the States for such fiscal year, based upon such total wages.

"(4) Repayment requirements.—

"(A) Any State which avails itself of a waiver allowed by paragraph (1) must, within 24 months after the beginning of any subsequent Federal fiscal year during which such State did not meet the requirements of paragraph (3), repay so much of its outstanding balance of advances under title XII of the Social Security Act as exceeds its balance of such advances as of November 9 of the taxable year preceding the first taxable year in the most recent period of consecutive taxable years with respect to which such State availed itself of such waiver.

"(B) Any State which avails itself of a waiver allowed by paragraph (2) must, within 24 months after the beginning of any subsequent Federal fiscal year during which such State did not meet the requirements of paragraph (3), repay so much of its outstanding balance of advances under title XII of the Social Security Act as exceeds its balance of such advances as of the September 30 second preceding the November 10 of the first taxable year in the most recent period of consecutive taxable years with respect to which such State availed itself of such waiver.

"(C) Any State which fails to meet the requirements of subparagraph (A) or (B) shall cease to be eligible under subsections (f) and (g) for taxable years beginning with the taxable year in which such 24-month period ends, and shall remain ineligible under such subsections until the taxable year which begins in the Federal fiscal year in which the repayments required under this paragraph have been made.

"(i) WAIVER OF NEW BORROWING PROVISIONS FOR CERTAIN BORROWING IN TAXABLE YEAR 1981.—

"(1) REPAYMENTS IN LIEU OF CREDIT REDUCTION.—Notwithstanding subsection (f)(2)(B), advances made to a State under title XII of the Social Security Act during the 1-year period ending on November 9, 1981 but prior to the date of the enactment of this subsection shall not be counted, at the option of the State, in determining eligibility for the State payment in lieu of credit reduction under subsection (f)(2).

"(2) CAP ON CREDIT REDUCTION—For purposes of subsection (g)(2)(A), the amount of any advances made to a State under title XII of the Social Security Act during the Federal fiscal year ending September 30, 1981 shall not be included, at the option of the State, in determining such State's outstanding balance of such advances on September 30, 1981 or September 30, 1982.

"(3) REPAYMENT REQUIREMENTS.—

"(A) Any State which avails itself of a waiver under paragraph (1) or paragraph (2) must repay any advances not counted by reason of such paragraph prior to September 30, 1983.

"(B) Any State which fails to meet the requirements of subparagraph (A) shall cease to be eligible under subsections (f) and (g) for taxable years beginning with taxable year 1983, and shall remain ineligible under such subsections until the taxable year which begins in the Federal fiscal year in which the repayments required under this paragraph have been made.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1980.

SEC. 2. (a)(1) Section 1201(a)(1) of the Social Security Act is amended by inserting "(except as otherwise provided in subsection (c))" after "without interest".

(2) Section 1201 of such Act is amended by adding at the end thereof the following new subsection:

"(c)(1) In the case of any advance made under this section to a State during a taxable year in which such State is availing itself of the cap on credit reduction under section 3302(g) of the Internal Revenue Code of 1954, such advance shall be repayable at a rate of interest equal to the adjusted annual rate, in effect at the time such advance is made, established by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1954.

"(2) In determining the amount of any outstanding balance of advances made to States under this section for purposes of this Act and chapter 23 of the Internal Revenue Code of 1954 (Federal Unemployment Tax Act) there shall be included any interest owed on such advance.".

(3) Section 1203 of such Act is amended—

(A) by inserting "(a)" after "1203";

(B) by inserting ", except as provided in subsection (b)" after "without interest"; and

(C) by adding at the end thereof the following new subsection:

"(b) An amount equal to any interest paid by States on advances under section 1201 shall be repayable under this section into the Federal unemployment account in the same manner as an advance made under this section.".

(b) The amendments made by subsection (a) shall be effective with respect to advances made under title XII of the Social Security Act after the date of the enactment of this Act.

SEC. 3. (a) Section 904(b) of the Social Security Act is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking out "Such investments may be made" and inserting in lieu thereof "Except as otherwise provided in paragraph (2), such investments may be made";

(3) by striking out "(1) on original issue" and inserting in lieu thereof "(A) on original issue";

(4) by striking out "(2) by purchase" and inserting in lieu thereof "(B) by purchase"; and

(5) by adding at the end thereof the following new paragraph:

"(2) The Secretary of the Treasury shall determine the available portion of the funds credited to the book account of each State agency which is not, in his judgment, required to meet current withdrawals. Each State may direct the Secretary of the Treasury to invest any part of such available portion, up to an amount equal to 50 percent of such available portion, in such manner as the State determines to be appropriate.".

(b) Section 904(e) of such Act is amended to read as follows:

"SEPARATE BOOK ACCOUNTS

"(e)(1) The Fund shall be invested as a single fund except as provided under subsection (b)(2), but the Secretary of the Treasury shall maintain a separate book account for each State agency, the employment security administration account, the Federal unemployment account, the railroad unemployment insurance account, and the railroad unemployment insurance administration fund.

"(2) The Secretary of the Treasury shall credit quarterly (on March 31, June 30, and December 31 of each year) to each State agency account, the earnings of the Fund for the quarter ending on such date which are attributable to the investments made by the Secretary of the Treasury at the direction of such State as provided in subsection (b)(2).

"(3) The Secretary of the Treasury shall credit quarterly (on March 31, June 30, September 30, and December 31 of each year) to each separate book account established under paragraph (1), on the basis of the average daily balance of such account, a proportionate part of the earnings of the Fund for the quarter ending on such date which are attributable to investments made by the Secretary of the Treasury, other than those

investments made at the direction of a State as provided in subsection (b)(2).

"(4) For the purpose of paragraph (3), the average daily balance shall be computed—

"(A) in the case of any State account and the total of all accounts, by reducing the amount in such account and such total by an amount equal to the amount invested from such State account at the direction of the State as provided in subsection (b)(2);

"(B) in the case of any State account, by reducing (but not below zero) the amount in the account by the balance of the advances made to the State under section 1201; and

"(C) in the case of the Federal Unemployment account—

"(i) by adding to the amount in the account the aggregate of the reductions under paragraph (2), and

"(ii) by subtracting from the sum so obtained the balance of the advances made under section 1203 to the account.".

(c) The amendments made by this section shall become effective on the date of the enactment of this Act.●

● Mr. HEINZ. Mr. President, I am pleased to join my friend and distinguished colleague from Oklahoma, Senator BOREN, as an original cosponsor of this measure. And I am particularly pleased that this unemployment compensation (UC) reform package also includes the provisions of legislation that I have been working on for some time dealing with repayment of State UC loans from the Federal account.

The senior Senator from Oklahoma has already stated eloquently the case for the reforms to the UC extended benefits program that the Senate Finance Committee approved last year: Elimination of the national trigger, redefinition of the insured unemployment rate, and a requirement that individuals receiving extended unemployment benefits have worked 20 weeks or earned 20 times the average weekly wage.

Not only will these reforms save the Federal Government billions of dollars over the next several years, they will target extended benefits to those most truly deserving of them: Individuals with a long-term attachment to the work force whose prolonged unemployment results from national economic problems beyond their direct control. Benefits to the truly needy—and benefits paid under the regular State-run UC systems—will not be affected.

Because the case for these reforms has already been made so eloquently by Senator BOREN, I shall confine the remainder of my remarks to the provisions of this legislation added at my request. These provisions are essential to helping restore the solvency of State UC trust funds—which collectively owed close to $5 billion to the Federal UC account as of the end of 1980. In addition, these provisions will provide long overdue relief from provisions of current law that have the perverse, unintended effect of increasing joblessness in those industrial States of the Northeast and Midwest already devastated by recession.

I cannot overemphasize the fact this legislation is not a bailout of my State of Pennsylvania and the other States—mostly industrial States of the Northeast and Midwest—indebted to the Federal trust fund. Instead, this measure provides a mechanism for insuring timely repayment of these loans in a manner that is least disruptive of the economic climate of debtor States—coupled with stringent requirements for insuring that State UC systems remain solvent and strong disincentives for any further borrowing.

Before explaining the problems confronting debtor States and how my legislation would address these problems, I would like to direct my distinguished colleagues' attention to the following table showing outstanding loan balances as of December 31, 1980:

States with outstanding title XII loan balances as of December 31, 1980

Arkansas	$29,200,000.00
Connecticut	370,894,191.15*
Delaware	43,767,370.30*
District of Columbia	65,541,165.53*
Illinois	984,000,000.00
Maine	36,400,000.00
Michigan	842,000,000.00
Minnesota	28,200,000.00
New Jersey	651,928,000.00
Ohio	245,778,000.00
Pennsylvania	1,387,265,061.43*
Puerto Rico	88,700,000.00
Rhode Island	121,238,551.52*
Vermont	40,738,629.97*
Virgin Islands	7,405,000.00
West Virginia	47,214,000.00
Total outstanding loans December 1980	4,990,269,969.90

*Indicates States making repayments through reduced employer credits.

Since the beginning of the year, the Labor Department reports, the above figures have changed for the following States:

Arkansas, which borrowed $11.5 million in January and has requested an additional $9.8 million;

Illinois, which borrowed $134 million in January and has requested an additional $93 million;

Ohio, which borrowed $121.3 million in January and has requested an additional $101.4 million;

Kentucky, which has requested $30 million;

West Virginia, which borrowed $15.1 million in January and has requested an additional $37.5 million;

Minnesota, which borrowed $16.7 million in January and has requested an additional $54.9 million;

Delaware, which borrowed $2 million in January and has requested an additional $7.5 million; and

Pennsylvania, which has requested $305 million.

The Labor Department also projects additional borrowing during 1981 by the States of Rhode Island, New Jersey, Missouri, and Michigan.

Although Pennsylvania's outstanding debt is now the largest, the States of Michigan and Illinois are fast approaching the same level of indebtedness. A recent executive memo published by the Illinois Manufacturers' Association noted:

In a December 2 letter, Governor James Thompson asked members of the Employment Security Advisory Board to study state U/I tax increases and related alternatives regarding the plight of the Illinois Unemployment Trust Fund . . . the present $946.5 million debt of the Trust Fund to the federal government will probably increase by $520 million by April, and will total a projected $2.1 billion by January 1982. . . .

Similarly, in Michigan, State trust fund borrowing is projected to reach $1.3 billion by April 1981.

How did Pennsylvania and other debtor States come to owe some $5 billion to the Federal account? Certainly some States were negligent and failed to increase taxes sufficiently to cover the costs of increased benefit levels and eligibility—many of which were the result of Federal mandates. But most of the problems now confronting Pennsylvania and other States result from national economic problems and policies over which the States have no direct control.

As an example of the impact of increased joblessness on the solvency of State trust funds, consider the case of Pennsylvania, whose economy suffered a net loss of 185,000 manufacturing jobs from 1970 to 1979. Philadelphia alone lost 106,000 manufacturing jobs. This loss of manufacturing jobs has had a ripple effect throughout the State's economy: for example, one manufacturing job supports seven in the retail sector. Not coincidentally, during this same 1970 to 1979 period the State UC trust fund borrowed some $1.2 billion from the Federal account. Yet if Pennsylvania had been able to retain these jobs, the State UC system would collect $500 million more in annual revenue than it now does.

Nor is the experience of Pennsylvania among the UC debtor States unique. A Northeast-Midwest institute analysis of the financial problems confronting the UC system concluded:

On average, the states of the Northeast and Midwest pay higher weekly benefits to jobless workers than other states. However, when these benefits are adjusted for wage variations, the differences are found to be very small. They also assess employers with higher tax bills than states in the South and West. (UI payroll taxes per worker were an average of 33 percent higher in the Northeast-Midwest region than the South and West from 1973 through 1976. As a percent of total covered wages, average tax rates in the Northeast and Midwest from 1975 through 1977 were 12 percent higher than in the rest of the country.) Yet the Northeast-Midwest region required the largest advances from Federal accounts in order to meet the benefit demands of the recent recession. These excess costs are due primarily to the extent and duration of unemployment in the region—a factor largely beyond the control of the states. (Northeast-Midwest Institute, The Crisis in Unemployment Insurance: A Regional Analysis, August 1978, p. v.).

But whatever factors led to this massive indebtedness, Pennsylvania and other States have since taken decisive steps toward restoring the solvency of their UC systems. In July 1980, the Governor of Pennsylvania signed into law a package of benefit reductions and tax increases whost net effect is to provide the State UC system with an additional $540-plus million during the first year.

The effect of this package is to increase State taxes on Pennsylvania employers by $716 million per year by 1986. Recog-

nizing how important this package was to restoring the solvency of the State UC system, members of the Pennsylvania business community actively supported its passage. When is the last time in Washington anyone of us has seen business lobbyists beating down our doors asking that we impose additional taxes on them?

As a result of the leadership demonstrated by our Governor, State legislature, and business community, Pennsylvania employers now pay UC taxes higher than any other State in the Nation but one. During taxable year 1980, employer taxes in Pennsylvania were 2.1 percent of total wages—compared to a national average of 1.1 percent—and 4.7 percent of the taxable wage base of $6,300—compared to a national average of 2.4 percent. Only Rhode Island, whose UC system has faced problems similar to those of Pennsylvania, pays a slightly higher tax rate: 2.5 percent of total wages, and 4.2 percent of a taxable wage base of $7,200.

Having bitten the proverbial bullet, Pennsylvania and other debtor States now confront the prospect of seeing their best efforts toward restoring the solvency of their UC systems thwarted—and, in the process, a worsening of the joblessness that contributed to their financial plight.

The reason is that employers in States whose Federal loans are not repaid within 2 years face the loss of the Federal Unemployment Tax Act (FUTA) tax credit at the rate of 0.3 percent per year. The effect of this loss of the FUTA tax credit—commonly referred to as the escalating penalty tax—is to eventually increase the Federal tax on employers from 0.7 percent of taxable wages to 3.4 percent. This 2.7 percent increase means that employers in debtor States eventually pay close to five times the Federal "head tax" that employers in most States pay—in essence, quintuple taxation of jobs. And unlike State employer taxes, this Federal penalty tax is not experience rated—that is, it is not adjusted so that employers with stable employment patterns pay relatively less.

One need not be a Ph. D. economist to predict the devastating impact that this combination of increased State taxes and quintuple taxation of jobs at the Federal level will have and is already having on the economies of debtor States—resulting in increased joblessness, further drains on the UC system, and added cost to the taxpayer, both Federal and State.

This escalating Federal penalty tax is already taking effect in debtor States. During taxable year 1980, taxes for which were due this month, employers in Pennsylvania, Rhode Island, Delaware, Vermont, and the District of Columbia paid a 0.6 percent penalty tax on top of the 0.7 percent base rate—in effect, double taxation of jobs in those States. Connecticut employers paid a penalty tax of 0.7 percent for taxable year 1980. Employers in Illinois, New Jersey, Maine, Puerto Rico, and the Virgin Islands paid a Federal penalty tax of 0.3 percent for taxable year 1980. And the penalty tax escalates by another 0.3 percent in these debtor States for taxable year 1981.

In Pennsylvania each 0.3 percent increase in the Federal penalty tax costs Pennsylvania employers approximately $74 million. Thus the full Federal penalty tax of 2.7 percent will cost Pennsylvania employers approximately $666 million per year over and above the base tax of 0.7 percent and the State taxes which are being increased by $716 million over their 1979 level.

The result: Accelerated loss of jobs from the State, compounded by an increased reluctance on the part of potential new employers to locate there and of existing employers to maintain and expand employment opportunities.

The provisions of this legislation represent what I believe is the most responsible solution to the dilemma of how to insure that State UC systems repay their outstanding loans and keep their systems solvent in the future while not having the counterproductive effect of current Federal law of driving jobs out of States with already high levels of joblessness. This proposal is similar in many respects to provisions approved by the Finance Committee last year as part of H.R. 4007 and passed by the Senate as part of H.R. 8146, which the lameduck Congress did not take up in conference. It has been modified, however, in view of changed economic and budgetary conditions and subsequent discussions with business and Government officials.

Specifically, this legislation would:

First, allow qualifying States to repay their debt out of State UC trust funds, which are financed by experience-rated taxes, rather than face the escalation of the Federal penalty tax;

Second, freeze the amount to be repaid out of State trust funds as if the penalty tax escalated to 0.6 percent, again subject to certain restrictions;

Third, require, as a prerequisite for being granted the freeze and the option to make repayment out of State trust funds, that State UC systems meet certain stringent solvency criteria;

Fourth, provide that if economic conditions improve substantially, the freeze would escalate from 0.6 percent to 0.9 percent, thereby accelerating the rate of repayment;

Fifth, allow States to borrow temporarily for other than short-term cash flow purposes if economic conditions worsen substantially;

Sixth, require States qualifying for the freeze to pay interest on any new borrowing, thereby providing yet another incentive for States to maintain solvent UC systems and avoid further borrowing; and

Seventh, allow a greater return on State trust fund investments.

Let me briefly explain each of these provisions.

First. Repayment from State trust funds. As a result of this provision, funds used to repay outstanding Federal loans would be collected through experience-rated taxes, not flat-rated taxes. In contrast to the Federal penalty tax—a flat-rated tax—State employer taxes take into account whether an employer has a stable or unstable employment history.

Second. Penalty tax freeze at 0.6 percent: Rather than escalating to 2.7 percent, the Federal penalty tax would in effect be frozen at 0.6 percent subject to certain criteria explained below. This is equal to the penalty tax rate already in effect in Pennsylvania, Rhode Island, Delaware, Vermont, and the District of Columbia during taxable year 1980, and in Illinois, New Jersey, Maine, Puerto Rico, and the Virgin Islands during taxable year 1981. Assuming the State qualified, the penalty tax on employers in Connecticut would remain frozen at 0.7 percent. As explained previously, the freeze on the escalating Federal penalty tax is necessary to insure that the increase mandated under current Federal law does not have the counterproductive effect of leading to increased unemployment in recession-plagued debtor States.

Third. Critria for solvency: To qualify for a freeze on the amount to be repaid out of State trust funds, a State would have to meet Labor Department certification that:

The outstanding loan balance of the State as of September 30 of that year was no higher than it had been on September 30 of the preceding year, for example, the State could engage in no additional net borrowing, but could borrow only for short-term cash flow purposes;

No State action had been taken during the Federal fiscal year ending in that year to reduce the State's overall unemployment tax effort; and

No State legislation had been enacted during that same Federal fiscal year whose net impact is to reduce the solvency of the State UC system (in other words, States receiving the freeze could not liberalize benefits without also increasing taxes commensurately).

Thus a State would have to meet solvency criteria and have its UC system on a "pay as you go" basis to qualify for the freeze—or face the alternative of an escalating Federal penalty tax. Only in cases of extreme economic emergency could these solvency criteria be relaxed, as described in further detail below.

Fourth. Escalation of penalty tax as economic conditions improve: Because it is in the interests of all parties to repay outstanding Federal loans as quickly as possible without disrupting the economic climate of debtor States, my legislation contains an added provision that if economic conditions improves markedly the rate of loan repayment will accelerate. Thus, if a State's insured unemployment rate (IUR) drops 20-percent below its average for the preceding 2 years, the amount to be repaid out of State trust funds would escalate as if the penalty tax had risen to 0.9 percent. The expectation is, of course, that a sharp reduction in the State's IUR would mean that revenues flowing into the State trust fund would increase while benefits paid out would drop.

Fifth. Temporary antirecession borrowing: As I mentioned previously, the legislation prohibits net new borrowing on the part of debtor States qualifying for the freeze. In times of severe economic distress, however, this requirement may not be reasonable. For this reason, a State would be able to borrow

for up to 2 years without penalty if its insured unemployment rate for the year was at least 4.8 percent, the State had paid out extended benefits under a State trigger for at least 26 weeks, and its average tax rate—based on total wages—was at least 150 percent of the national average tax rate—based on total wages. In addition, a State would have 2 years to repay any borrowing undertaken during taxable year 1981 before passage of this legislation.

Sixth. Interest charged on new borrowing: Federal advances to State UC trust funds are currently interest-free, often making it more attractive politically to borrow from the Federal account rather than increase taxes or reduce benefits. As a disincentive to further borrowing and a prod to States to maintain solvent UC systems, any further borrowing on the part of States qualifying for the penalty tax freeze would be subject to interest at the rate specified by the Internal Revenue Code for tax delinquencies.

Seventh. Greater return on State trust fund investments: Because State trust fund accounts are currently held by the U.S. Treasury and invested for by the Treasury, States receive a relatively low rate of return on their moneys held in trust. This provision would allow States to invest up to half the funds in their account, potentially increasing their investment income substantially.

In closing, Mr. President, I believe that this measure represents a responsible solution to the financial plight of the UC systems in Pennsylvania and other industrial States of the Northeast and Midwest whose economies have been particularly hard hit by national economic problems.

But I must emphasize that, important as this legislation is, it does not begin to address the many economic problems manifest in almost all Northeastern and Midwestern States. The legislation I introduce today will keep a bad situation from getting worse. But far more legislative action is needed to address the underlying problems common to our States: Redressing the inequities in Federal fund distribution between Sun Belt and Snow Belt, higher energy costs, deteriorating urban areas, a shrinking tax base, an inadequate trade policy, the problems of meeting the needs of large minority or disadvantaged populations, a bias in our Tax Code against the capital intensive industries upon which our economic base depends, and other issues of urgency and concern. Nonetheless, I think passage of this legislation by my colleagues will demonstrate their sense of fairness and concern for our region. In this they will be signifying a more than symbolic commitment to making every region of this Nation a strong and prosperous part of America.

I therefore urge my distinguished colleagues on the Finance Committee to expedite consideration of this measure so that we can get on with the task of attaining the goals we all share: Maintaining and creating jobs and developing a financially solvent unemployment compensation system for those who are unfortunate enough to lose their jobs.●

By Mr. BENTSEN:

S.J. Res. 32. Resolution to authorize and request the President of the United States to proclaim the week of February 16–22, 1982 and every year hereafter as national "League of United Latin American Citizens (LULAC) Week.".

LEAGUE OF UNITED LATIN AMERICAN CITIZENS WEEK

● Mr. BENTSEN. Mr. President, as the League of United Latin American Citizens celebrates its 52d anniversary, I am pleased to introduce a joint resolution proclaiming February 16–22 LULAC Week.

LULAC, the oldest and largest Hispanic organization in the United States, has long been in the forefront of efforts to win equal rights and equal opportunity for some 15 million Americans whose cultural heritage is rooted in Spain and in the Spanish-speaking Americas. Hispanic Americans are the fastest growing ethnic group in this Nation and were a vital part of the American experience a century before the landing at Plymouth Rock.

Despite the obvious and important role Hispanic Americans have played in building America, many have been slow to appreciate the problems and injustices suffered for so long by the community. For more than half a century, LULAC has been a leader in the effort to eradicate segregated schools, eliminate restrictions against Hispanics owning property and combating other forms of discrimination. For generations LULAC has championed the fundamental guarantees of our Constitution and sought equality of opportunity for all Americans.

But as LULAC has fought against social injustice, it has also been committed to developing programs in response to the unique problems faced by Hispanic Americans in the schools and in the workplace.

In 1957, LULAC developed a preschool program to teach Spanish speaking children English prior to their entry into the public schools. The project came to be known as the little schools of the 400 and became so successful that the Texas Board of Education provided funding to implement this concept statewide.

In 1965, President Lyndon B. Johnson impressed by the little schools concept, expanded on this model and proposed Operation Head Start, which has served tens of thousands of children since its inception.

LULAC's commitment to educational achievement has evolved in accordance with the changing requirements of the Hispanic community. In 1973, for example, the LULAC educational service centers were established and now provide academic and career counseling to 16,000 college students annually. LULAC also administers the Nation's largest Hispanic scholarship program, which began in 1975 and now raises $250,000 annually to benefit 500 students.

In an effort to improve employment opportunities for disadvantaged Hispanics, LULAC jointly organized SER-Jobs for Progress with another prominent Hispanic organization, the American G.I. Forum. SER has been in operation for 7 years and provides job training at 150 job centers in more than 100 cities in the country, serving some 50,000 trainees annually.

The achievements of this vital organization is a tribute to the ingenuity and sense of purpose so commendable of our American tradition. LULAC has served as an inspiration to the Hispanic community. The struggle for social justice, human dignity, better opportunity in education, and greater access to employment will remain cardinal points of LULAC concern. I am pleased to join in commending the leaders and members of LULAC on their 52d anniversary and ask your support in enacting this joint resolution honoring dedicated men and women who have sought and worked untiringly to make the American dream an integral part of the lives of all Hispanic Americans.

As this new decade brings new challenges, I know we can rely on LULAC to be a guiding force and play a key role in helping shape responses to the issues of the eighties.

I ask that my statement and joint resolution be printed and made part of the permanent RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 32

To authorize and request the President of the United States to proclaim the week February 16–22, 1982 and every year hereafter as national "League of United Latin American Citizens (LULAC) Week."

Whereas LULAC is celebrating 52 years of dedicated service to Hispanic Americans of this Nation;

Whereas LULAC has been committed to improving the social and economic life of some 15 million Hispanic Americans and has championed the cause of equal opportunity;

Whereas LULAC recognized the special needs of Hispanic children and pioneered the innovative project, the "Little Schools of the 400" to advance their educational achievement;

Whereas 16,000 students now benefit from the LULAC National Educational Service Centers, designed to counsel and help them set career goals and succeed in our institutes of higher learning;

Whereas the National Scholarship Fund sponsors a generous scholarship program enabling 500 gifted students throughout the nation to pursue a college education;

Whereas SER-Jobs for Progress, founded by both LULAC and the American G.I. Forum has worked to increase employment opportunities for disadvantaged Hispanic Americans through job-related training in more than 100 cities throughout the nation;

Whereas LULAC has for the past 52 years promoted a deep and abiding faith in the American way of life, as expressed by its unalterable faith in the democratic principles on which our Nation was founded: Now therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to proclaim the week of February 16 through February 22, 1982, and every year hereafter as national "League of United Latin American Citizens (LULAC) Week" and to call upon Federal, State and local government agencies, interested groups and organizations, and the people of the United States to observe such week with appropriate programs, ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 25

At the request of Mr. ARMSTRONG, the Senator from Missouri (Mr. DANFORTH), the Senator from Kansas (Mr. DOLE), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from California (Mr. HAYAKAWA), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Vermont (Mr. LEAHY), the Senator from Montana (Mr. MELCHER), the Senator from South Dakota (Mr. PRESSLER), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from New Mexico (Mr. SCHMITT), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Idaho (Mr. SYMMS), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from Minnesota (Mr. BOSCHWITZ) were added as cosponsors of S. 25, a bill to amend title 38, United States Code, to provide a new educational assistance program for persons who enlist, reenlist, or otherwise enter the Armed Forces after December 31, 1980, and a career service person's educational assistance program, and to amend title 10, United States Code, to authorize an educational leave of absence for members of the Armed Forces.

S. 30

At the request of Mr. SASSER, the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 30, a bill to provide for the payment of interest by the Federal Government on any amount due for more than 30 days to any person under the terms of a contract entered into by the Federal Government and such person.

S. 43

At the request of Mr. SASSER, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 43, a bill to amend the Congressional Budget Act of 1974 to require the Director of the Congressional Budget Office to prepare and submit, for every bill or resolution reported in the House or the Senate which has certain specific economic consequences, an estimate of the cost which would be incurred by State and local governments in carrying out or complying with such bill or resolution.

S. 45

At the request of Mr. SASSER, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 45, a bill to reform the laws relating to the provision of Federal assistance in order to provide State and local governments with greater flexibility in managing programs and projects using such assistance.

S. 46

At the request of Mr. THURMOND, the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 46, a bill to amend title 5 of the United States Code to permit present and former civilian employees of the Government to receive civil service annuity credit for retirement purposes for periods of military service to the United States as was covered by social security, regardless of eligibility for social security benefits.

S. 52

At the request of Mr. HAYAKAWA, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 52, a bill to amend the Clean Air Act to repeal the requirement that State implementation plans provide for periodic inspection and testing of motor vehicles.

S. 142

At the request of Mr. BENTSEN, the Senator from Oklahoma (Mr. NICKLES), the Senator from Nebraska (Mr. ZORINSKY), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 142, a bill to increase the amount of the exemption of certain interest and dividend income from taxation, and to make permanent the exemption of interest from taxation.

S. 252

At the request of Mr. ARMSTRONG, the Senator from Arizona (Mr. GOLDWATER), the Senator from Montana (Mr. MELCHER), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Idaho (Mr. SYMMS), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 252, a bill to increase the pay, allowances, and special and incentive pays of members of the uniformed services.

S. 293

At the request of Mr. THURMOND, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 293, a bill to amend the Food Stamp Act of 1977 to prohibit any household from participating in the food stamp program if such household has one or more members on strike as a result of a labor dispute.

S. 317

At the request of Mr. BENTSEN, the Senator from North Dakota (Mr. BURDICK), the Senator from Utah (Mr. GARN), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 317, a bill to amend the Internal Revenue Code of 1954 to provide faster tax deductions for depreciation and larger investment tax credits in order to help combat inflation and increase the United States position in world trade.

S. 321

At the request of Mr. BENTSEN, the Senator from Indiana (Mr. LUGAR), the Senator from Mississippi (Mr. COCHRAN), the Senator from New York (Mr. MOYNIHAN), the Senator from Wyoming (Mr. SIMPSON), the Senator from Tennessee (Mr. SASSER), and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of S. 321, a bill to amend section 265 of the Internal Revenue Code of 1954 with respect to the deduction, by certain financial institutions, of interest paid on deposits of public funds where those deposits are secured by tax-exempt organizations.

S. 395

At the request of Mr. WALLOP, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 395, a bill to amend the Internal Revenue Code of 1954 to provide estate and gift tax equity for family enterprises, and for other purposes.

S. 396

At the request of Mr. DANFORTH, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 396, a bill to impose quotas on the importation of automobiles from Japan during 1981, 1982, and 1983.

S. 479

At the request of Mr. ROBERT C. BYRD, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 479, a bill to designate the first Sunday in June of each year as "National Shut-In Day".

SENATE JOINT RESOLUTION 22

At the request of Mr. PROXMIRE, the Senator from Wisconsin (Mr. KASTEN), the Senator from New York (Mr. MOYNIHAN), the Senator from Montana (Mr. MELCHER), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Hawaii (Mr. INOUYE), the Senator from Texas (Mr. BENTSEN), the Senator from Oregon (Mr. HATFIELD), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Utah (Mr. HATCH), the Senator from Colorado (Mr. ARMSTRONG), the Senator from New Mexico (Mr. SCHMITT), the Senator from Georgia (Mr. NUNN), the Senator from Utah (Mr. GARN), the Senator from Iowa (Mr. JEPSEN), the Senator from Nebraska (Mr. EXON), the Senator from Massachusetts (Mr. TSONGAS), the Senator from Delaware (Mr. ROTH), and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of Senate Joint Resolution 22, a joint resolution authorizing the President to proclaim March 16 of each year as "Freedom of Information Day".

SENATE CONCURRENT RESOLUTION 8—CONCURRENT RESOLUTION RELATING TO MONETARY POLICIES TO REDUCE INFLATION

Mr. PROXMIRE (for himself and Mr. GARN) submitted the following concurrent resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. CON. RES. 8

Resolved by the Senate (the House of Representatives concurring), Expressing the sense of the Congress that the Board of Governors of the Federal Reserve System should pursue monetary policies to reduce inflation and facilitate economic growth.

Whereas article I, section 8, of the Constitution provides that the Congress shall have the power to "coin money and regulate the value thereof";

Whereas the Congress established the Federal Reserve as its agent and delegated to it the day-to-day responsibility for managing the growth of money and credit;

Whereas the Congress in approving section 2A of the Federal Reserve Act has required the Board of Governors of the Federal Reserve System and the Federal Open Market

Committee to twice yearly report their objectives and plans for growth or diminution of the monetary and credit aggregates to the Congress.

Whereas the economy's performance is affected by changes in the growth of money and credit; and

Whereas chronic inflation is a threat to the stability of our economic, social, and political system, and excessive growth of money and credit contributes to inflationary pressures: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Board of Governors and the Federal Open Market Committee—

(1) adhere to a long-run anti-inflation policy until significant progress has been made in reducing inflation and establishing a financial framework conducive to a noninflationary economy;

(2) pursue policies over the remainder of 1981 and 1982 so as to encourage reductions in the rate of inflation and expansion in the rates of growth of the monetary and credit aggregates appropriate to facilitating economic growth; and

(3) work toward establishing long-run rates of growth of money and credit consistent with the economy's long-run potential to expand output and productivity in order to promote full employment, balanced growth, and price stability, by gradually reducing the rates of growth of the monetary and credit aggregates in a firm and stable manner.

SENATE CONCURRENT RESOLUTION RELATING TO THE CONDUCT OF MONETARY POLICY

Mr. PROXMIRE. Mr. President, I am today introducing a concurrent resolution relating to the conduct of monetary policy by the Board of Governors of the Federal Reserve System and the Federal Open Market Committee. This resolution stresses the importance of monetary policy in the continuing fight against inflation. It reflects the views expressed by the members of the banking committee in the last three reports on monetary policy made to the Senate. It also reflects the recommendation by the newly formed Committee to Fight Inflation, which is chaired by Dr. Arthur F. Burns, who we all know as an eminent economist and a former chairman of the Federal Reserve Board.

This Burns committee is a bipartisan group composed of seven Democrats and six Republicans all with experience in economic policymaking. A great deal of the credit for this resolution should go to that committee.

I think that the Congress has made great strides in the last several years with regard to understanding the role of monetary policy in the fight against inflation. The semiannual hearings on the conduct of monetary policy that began in 1975 have been very important in helping us to understand the very complex task performed by the Federal Reserve in the formulation and execution of monetary policies. We all recognize more clearly that too much money and credit growth adds to expectations that inflation will continue and therefore to inflation itself.

Before I explain the intent of this resolution I would like to read from the policy statement of the Committee to Fight Inflation, their recommendation on monetary policy. It states:

The ability of the Federal Reserve System to combat inflation has in the past been limited by lack of understanding and support in the Congress. Although the system has at times stepped hard on the monetary brakes, its policies have at other times accommodated a good part of the inflationary pressures in the market place. At present, the general thrust of monetary policy is appropriately, restrictive. The Federal Reserve has been and will remain the faithful agent of Congress: but if it is to continue to combat inflation forthrightly and with vigor, it must have the strong and steadfast support of Congress. We recommend that Congress adopt a concurrent resolution stressing the importance of restrictive monetary policies in furthering the goal of ending inflation.

This recommendation by the committee is really composed of two parts. First, it says that a resolution should be introduced stressing the importance of restrictive monetary policies in furthering the goal of ending inflation. Second, it says that the Congress should approve such a resolution so as to send a message to the Federal Reserve Board that it has the support of the Congress to pursue policies that will work toward ending inflation rather than policies that would tend to exacerbate inflation. I fully agree with these recommendations.

The Federal Reserve has been and probably will continue to be our principal anti-inflation fighter.

Some people feel that with the speech made by the President of the United States last night, the Congress is going to move in and play an active part in combating inflation. Well, I approve of the President's recommended budget cuts, but any analysis at all of that speech last night would have to admit that the President will still give us an unbalanced budget in 1981, in 1982, and in 1983. In view of the fact that the cuts in nonmilitary spending will be counterbalanced in part by increases in military spending, and in another part by tax reductions, very sharp tax reductions, I think that you would have to be extraordinarily naive to expect that the President's position is going to give us a balanced budget at any time.

Without a balanced budget, we continue to run the deficits. The President was very much against that in his inaugural speech.

Of course, that means once again that the burden of fighting inflation is on the Federal Reserve Board. If the Federal Reserve Board has to follow policies that drive interest rates up, it is our fault because we have not followed the kind of restrictive fiscal policy—not only balance the budget but running surpluses, not only for a year but for year after year—it will take to get the Federal Government out of the credit markets. The Federal Government borrowing almost a trillion dollars—think of that, almost a trillion dollars—every year, because the average maturity rate is less than a year, of course drives interest rates up through the roof. That is why the President's speech last night was a very interesting one, but one which said nothing about the Federal Government balancing the budget. I hope Congress will insist on it.

Mr. President, the choices of the Federal Reserve are difficult and painful to many, but given the current and recent past rates of inflation the Federal Reserve really has very little choice but to be firm in restraining the growth of money and credit.

Let us make it very clear, when they restrain money and credit, that means the price of credit goes up. And the price of credit is interest.

When I am talking about restraining credit, I am saying that they have to restrain credit because they are compelled to, unfortunately, follow a policy which I think most Americans would consider economically the cruelest policy we have, of high interest rates.

They have no choice. It is not their fault. It is forced on them by improvident policies that Congress has followed for more than 20 years.

The rate of inflation has moderated during the past 2 months, but it is still painfully high by any standard of measurement. We cannot hope to correct our economic problems unless inflation is brought under control and we restore price stability such as we had in the 1950's and early 1960's.

Most economists agree that the underlying rate of inflation, the inflationary tendency within the economy, will remain quite high. There is a danger that policies directed at reducing the adverse effects of the expected slowdown in the economy will rekindle inflationary expectations. If monetary policy were to become expansionary and ease up on interest rates, make credit more available and, therefore, bring interest rates down in the short run, it is likely that, in the long run, and the long run would only be a year or more, interest rates would rise dramatically.

That is the precise reason why this resolution calls on the Federal Reserve to continue to pursue anti-inflationary monetary policies.

Mr. President, this resolution has three parts. First, it calls upon the Federal Reserve to adhere to a long-run anti-inflation policy until significant progress has been made in reducing inflation and in establishing a financial framework conducive to a noninflationary economy. Inflation can only be sustained in the long run if rapid increases in nominal GNP are accommodated through excessive monetary expansion. In such circumstances the financial markets and companies have little incentive to provide funds for long-run investments whose earnings would be eroded quickly by inflation. Thus, it is important that we have in place a long-run monetary strategy aimed at getting rid of inflation in order to create a financial atmosphere conducive to long-term investment.

Second, the resolution calls upon the Federal Reserve to pursue policies over the remainder of 1981 and 1982 so as to encourage reductions in the rate of inflation and expansion in the rates of

growth of the monetary and credit aggregates appropriate to facilitating economic growth. The course of monetary policy set forth by the Federal Reserve in its February 1980 report to the Congress indicated that the rates of growth of the monetary and credit aggregrates for 1980 would be somewhat lower than in 1979. These rates of growth are set forth as target ranges. Personally I think that the ranges are far too broad and that they should be narrowed. But the important point is that the target ranges implied slower growth of money and credit, sufficient to allow moderate economic growth, while serving to restrain inflationary forces.

This resolution does not indicate that those ranges of growth for the monetary aggregates could, would, or should be changed by the Federal Reserve. It is their responsibility to set those targets. But, once the targets are set they should be adhered to, unless there is some reason for change. It would probably be appropriate for money growth in 1981 to be directed at target ranges that are slightly lower than those set for this past year. That is a judgment that can best be made by the Federal Reserve and one that should be reviewed carefully as we obtain additional information as to the course of economic activity.

Mr. President, there will be a lot of complaint about that, because what I am saying is that they ought to put the credit screws on even tighter. When they do that, they do two things. It tends in the short run to drive up interest rates. It tends in the long run to hold down inflation and inflation must be our objective, even though we have to pay this painful, cruel price of high interest rates in the short run to achieve it.

Third, the resolution calls upon the Federal Reserve to work toward establishing long-run rates of growth of money and credit commensurate with the economy's long-run potential to expand output and productivity in order to promote full employment, balanced growth, and price stability by gradually reducing the rates of growth of the monetary and credit aggregates in a firm and stable manner. The purpose of this recommendation is to indicate to the Federal Reserve that in recent years the growth of money and credit has generally been higher than need be. What we really need is a multiyear commitment for a gradual, but steady, slowdown in the growth of the monetary and credit aggregates. We recognize that the monetary and credit aggregate growth rates cannot and should not be reduced in one shot to the long-run rate commensurate with the economy's potential. This would cause serious disruptions in the economy. But, at the same time, if slower money and credit growth is to be achieved, it must be done consistently over a period of time in a firm and stable manner.

Mr. President, I hope that my colleagues in the Senate will join me in support of this resolution. It is an important resolution, for it will signal our continued concern with inflation and our recognition of the need for monetary policies that continue to pursue the elimination of inflation.

Mr. President, I am happy to announce that my good friend, the chairman of the Banking Committee (Mr. GARN) has cosponsored this resolution.

● Mr. GARN. Mr. President, as the cosponsor of this resolution, I wish only to echo Senator PROXMIRE's remarks about the importance of the Federal Reserve's anti-inflation policies and to stress the need for Congress to reduce the inflationary pressures of deficit spending.

The proposed resolution recognizes that short-term, stopgap monetary policy solutions are not effective unless they are stretched into long-term economic growth and stability. Too often we ignore the critical need for long-term planning and opt for actions which only alleviate economic ills for brief periods.

The Federal Reserve should not be the sole anti-inflation fighter in Washington. It is a struggle which involves all of us and which requires a coordinated Federal economic policy. Without a congressional effort to eliminate Federal budget deficits, we will suffer from economic woes no matter what the Fed does.

By adopting the proposed resolution, we can inform people that we are seriously pursuing long-term economic goals and will do so in coordination with an effective monetary policy.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

Mr. PACKWOOD. Mr. President, the Subcommittee on Taxation and Debt Management of the Senate Finance Committee will hold a hearing at 10 a.m. on February 23, 1981. I have scheduled three bills for this hearing. The three bills are: S. 31, introduced by Senator ARMSTRONG, to override proposed IRS regulations concerning the family rental tax and home offices; S. 239, introduced by Senator DURENBERGER, to encourage companies to provide ride sharing programs for employees; and S. 452, introduced by Senator BOREN, relating to certain capital gains tax liabilities imposed on foreign subsidiaries of U.S. corporations.

The purpose of this statement is to briefly explain the issues raised by these bills. This may help you chart the progress of tax legislation before the Taxation Subcommittee. It also helps assure greater public awareness of tax amendments coming before hearings.

FAMILY RENTAL TAX—S. 31

S. 31, introduced by Senator ARMSTRONG for himself, Senator DOLE, Senator BOREN, and several other Senators, overrides regulations proposed by the Internal Revenue Service relating to business use of homes and rental of residences to family members.

ISSUE

S. 31 overrides the IRS regulations proposed under Code section 280A in three ways. The first relates to deductions for home offices. S. 31 provides that a taxpayer operating a business at home is not blocked from deducting the expenses of the home office merely because the taxpayer has another job outside the home. This overrides the proposed IRS regulation denying the home office deduction in these circumstances.

The second provision relates to rental of homes to family members. S. 31 provides that a taxpayer is not barred from deducting expenses relating to a rental property merely because it is rented to a family member. This overrides the proposed IRS regulation denying rental-related deductions if the rental is to a family member.

The third relates to vacation homes. S. 31 provides that a taxpayer will not be treated as using a rental property for personal use if he or she takes a family member to the house on a day that he or she performs work or other improvements on the house. This overrides the proposed IRS regulation charging the taxpayer with personal use of a vacation home on such occasions.

STATUS

Senator ARMSTRONG has done an excellent job of bringing this controversy to the attention of Congress. On August 7, 1980, the IRS proposed regulations relating to Internal Revenue Code section 280A. Under an initiative taken by Senators ARMSTRONG and DOLE, the Congress adopted an amendment blocking implementation and enforcement of these regulations until December 15, 1980. During congressional consideration of a provision to extend this enforcement ban, the Treasury Department indicated in writing that it will not publish final regulations on these points before Juy 1, 1981.

S. 2239, introduced by Senator DURENBERGER for himself, Senator BENTSEN, and several other Senators, creates several incentives for ride-sharing programs.

One type of ride-sharing program is vanpooling. Vanpooling is the use of 8—and more—passenger vans to transport people. The single most important use of vanpooling is transporting employees to and from work. The Department of Energy has estimated that one commuter vanpool saves an average of 5,000 gallons of gasoline per year.

The Energy Tax Act of 1978 included two tax provisions to encourage use of vanpools. Under one provision, an employer buying a van seating eight or more passengers to be used for vanpooling for its employees receives a full 10-percent investment tax credit (Code sec. 44(c)(6)). Prior to adoption of that rule, such a van would normally receive a 3½-percent investment tax credit, since the useful life of a van is 3 to 4 years.

Under the second provision added in 1978, employees are not taxed on certain vanpool benefits provided by the employer (Code sec. 124). This applies only if the employer provides vanpool benefits under a separate written plan which does not discriminate in favor of employees who are officers, shareholders, or highly compensated individuals.

PROPOSED CHANGES

S. 239 creates several new vanpooling and ride-sharing incentives. These are as follows:

First, provide a 15-percent tax credit for vans to be used for vanpools purchased by individuals.

Second, broaden the income tax exclusion for vanpool benefits to also include employee subsidies for mass transportation and carpooling.

Third, extend the 10 percent energy tax credit to vans purchased or leased by employers for use in employee vanpool programs. This would be available in addition to the 10-percent investment tax credit in current law.

Fourth, extend the tax credits to van pools sponsored by third parties. This provision was adopted by the Senate in the Windfall Profit Tax Act in 1979, but was deleted by conference committee on the Windfall Profit Tax Act.

Fifth, exclude employee incentive mileage from the rule requiring that 80 percent of the use of the van be for ride sharing purposes.

Sixth, provide a tax credit for employer administrative costs related to ride sharing programs. This credit varies according to the percentage of employees participating in the ride-sharing program.

Seventh, reinstate the Federal gasoline tax deductions for taxes on gasoline and motor fuels used in ride sharing vehicles. This would apply for ride sharing vehicles used at least 176 days per year and carrying an average of at least three persons.

CAPITAL GAINS TREATMENT FOR FOREIGN INVESTMENT INCOME

S. 452, introduced by Senator BOREN, provides that capital gains income from the conduct of an active business by a foreign operating company will not retroactively be reclassified as ordinary income because of the reclassification of the company as a foreign investment company.

Senator BOREN had indicated that the bill was brought to his attention by the Williams Cos., but that the proposed change is not drafted to solely benefit this company. In 1980, the Treasury Department did not oppose the identical proposal when offered by Senator BOREN in the Senate Finance Committee. It was approved by the Senate Finance Committee on June 27, 1979 and November 20, 1980, but failed to be enacted prior to the adjournment of the 96th Congress.

ADDITIONAL STATEMENTS

THE PRESIDENT'S PROGRAM FOR ECONOMIC RECOVERY

● Mr. HAYAKAWA. Mr. President, President Reagan was forthright and understandable in describing his program for economic recovery. The tenor of his manner was fitting to the tenor of the subject. We are facing an economic disaster if we do not act promptly. Inflation is rampant, productivity is sluggish, unemployment is rising, and taxes are prohibitively high. There is no incentive to grow.

I think the President's four part program addresses the problems we are confronted with, and offers a reasonable and realistic approach to solving them. The combination of budget cuts, reductions in taxes, recessions of regulations, and a consistently limited monetary growth policy confronts all of our economic problems in a complementary way.

The budget cuts will be severe, and affect all of us. Programs on which we have depended will no longer be available. We are going to have to rely on ourselves instead of the Government. Given the right circumstances, nothing could be better for the economy—the Government cannot provide for our needs at the expense of the economy. The truly needy will be provided for. The rest of us will have to use that ingenuity which made this country great.

The reductions in taxes, both in personal taxes and for business, will provide the incentive for the growth which will bring the economy back to prosperity. By cutting taxes now, we will be able to reindustrialize, provide more jobs, and begin to fill the gap in services which the Government can no longer provide. The personal tax reductions will encourage investment and savings, which have been dangerously low in this country. These investments will be transformed into capital needed by business to spur productivity. The accelerated depreciation allowances will give business the opportunity to maintain new and efficient technology in production, keeping productivity high and prices low.

One of the most serious problems affecting productivity is the mass of well-meaning regulations that restrict the activities of business. As a member of the Small Business Committee, I am painfully aware of the disastrous effects these regulations have on industry. The President's plan to reduce the regulatory burden on business means that industry can spend its time producing rather than filling out Government forms.

The cooperation of the Federal Reserve Board in establishing a consistent policy of limited monetary growth will help to curb inflation, and the psychology that accompanies it. If we can reduce the expectation of inflation, we will have come a long way toward reducing inflation itself.

Separately, these elements attack particular areas of the economy which need attention. Together, they present a workable solution for our economic ills. I am going to work to maintain the integrity of the proposal as a unified solution.●

SMALL BUSINESS NEEDS CAPITAL FORMATION HELP NOW

● Mr. SASSER. Mr. President, today I have signed on as a cosponsor of S. 360, the Omnibus Small Business Capital Formation Act of 1981. I am cosponsoring this bill because it will alleviate the critical shortage of capital facing small businesses of this country. The bill contains many promising provisions that will, I am sure, help small business. The bill leaves out, however, one very important concept that is strongly backed by the grassroots small business community. This concept is direct expensing, or first year writeoff.

Simply stated, direct expensing is a reform of the present, very complicated, depreciation system. Under the present system a taxpayer is allowed to deduct the cost of certain equipment, in increments, over a period of years. Both the size of these increments and the time period for depreciation can vary for each piece of equipment.

Furthermore, the taxpayer must keep a separate set of records for each item depreciated. In short, the system is extremely complicated and is very time consuming for the small business taxpayer. It is responsible for errors and confusion in preparing tax returns and surely results in many small business taxpayers foregoing tax benefits to which they are entitled and which they so desperately need.

Direct expensing, on the other hand, would allow the small business to write off in 1 year, not several, his investment in depreciable equipment up to a certain maximum amount. Extensive record-keeping is not required. This method is simple, straightforward and it will result almost immediately in more retained earnings on which small businesses rely so heavily for capital investment.

Mr. President, the direct expensing concept was overwhelmingly endorsed by the White House Conference on Small Business. It ranked second in a priority list of recommendations to the Congress and the President voted on by the delegates to the conference. It received this support because of its universal appeal to small business people. It would be effective as a capital formation stimulus; it is easily implemented and readily understood by the small business taxpayer who cannot afford a staff of attorneys and accountants.

The Tennessee delegates to the White House Conference on Small Business worked hard to push direct expensing as a solution to the small business capital shortage. They have continued to push the idea through their newly formed organization, the Tennessee Roundtable for Small Business, Inc. In consultation with them, I introduced legislation in the last Congress (S. 2689), and again in this Congress (S. 172), to allow direct expensing up to $10,000 per year.

I submit that there is no more effective tool to deal with the small business capital formation problem. I regret that it was not made a part of S. 360, but I trust that the Finance Committee will consider folding in the features of S. 172 when they mark up the omnibus bill. I lend my support to the omnibus bill, however. It represents much needed legislation that will reinvigorate small business in the years ahead.

Small businesses are responsible for much of the innovation and most of the job creation in this country. It is time that we removed the economic roadblocks that hinder small business expansion.●

A NATIONAL INDUSTRIAL POLICY

● Mr. INOUYE. Mr. President, we are all aware, or should be aware, of the pressing need for the United States to compete economically with other industrialized nations of the world. It is deeply disturing to see the declining productiv-

ity of the American economy, compared with the rapidly escalating growth of foreign nations, as evidenced in economic statistics of recent years.

There is much that can be done by the Federal Government to encourage and promote the competitiveness of American international trade.

The time is long overdue for the United States to enact a national industrial policy, to establish a foundation on which American business can build.

The American worker is more than willing to compete with the foreign worker. Our workers are more highly educated, skilled and motivated than any others in the world. The challenge for Congress is to live up to the faith vested in us by the American people, to give them the tools with which they can compete fairly and economically with competitors abroad.

In short, we must translate our national willingness to compete into a national policy of competitiveness. In doing so, we will insure a stronger, more productive American economy for generations to come.

Many of the arguments supporting the need for a national industrial policy are expressed in a recent article by Mr. George Chaplin, editor in chief of the Honolulu Advertiser, and an authority for whom I have much respect.

Mr. President, I ask that the article be printed in the RECORD.

The article is as follows:

[From the Honolulu Advertiser, Jan. 28, 1981]

CHALLENGE TO U.S.: CATCH UP WITH JAPAN

(By George Chaplin)

Japan has replaced the United States as the world's top industrial power and will widen her lead over the next decade—with implications that go beyond the economic to domestic and global politics and national security.

The U.S. faces a gloomy and declining future—unless we develop a rational industrial policy at the federal level, an economic counterpart of our foreign and defense policies, and devise programs and strategies to achieve clearcut goals.

William L. Givens, a longtime student of U.S.-Japan relations, cited chapter and verse in support of his analysis in a talk yesterday sponsored by the Japan-America Society of Honolulu and Hawaii International Services Agency, at the Ala Moana banquet hall.

Givens served at the U.S. Embassy in Tokyo 1957–64, then with the Boston Consulting Group and now is chairman of Twain-Braxton Asia, a consulting firm which specializes in corporate strategy, with special focus on Japan and the developing economies of Asia.

The erosion of U.S. industrial competitiveness is "very far advanced" but "we are only beginning to feel its effects," he said, adding that our current economic problems reflect this growing disparity between the free world's two economic giants.

As we move into the Eighties, Japan—with 116 million people to our 220 million—is the second largest economy in history and her per capita GNP is on a par with that of the U.S. In a year or so she could surpass us "for good."

Givens said that Japan:

Is slightly ahead in technology and clearly superior in product quality and in the aggregate of industries which compete in world markets.

Is operating from a favorable base of modern, capital-intensive industries able to compete globally and at the leading edge of technology.

Is in a strong export position, with a large industrial trade surplus, an extremely strong currency, and the highest rates of savings and capital formation of the advanced economies.

Is controlling inflation, with real living standards continuing to rise.

Has educational standards and literacy rates that are among the world's highest.

Has the world's longest life expectancy for both men and women.

Givens presented this scenario of Japan's steady climb to her present dominance:

We don't think of Japan as being innovative, but the fact is she is at the forefront of industrial nations in absorbing and applying technology. (In 1978, with half of our population, she invested $143 billion in plant and equipment compared to our $148 billion).

This is no accident, but a deliberate policy sustained over 30 years. Japan reversed the world's competitive equilibrium, thereby achieving dominance in a long succession of major industries previously led by the U.S. and Europe—including textiles, consumer electronics, cameras, steel, ships, motorcycles and automobiles.

She is now advancing in such high technology areas as semi-conductors, computers, industrial robots, telecommunications (both voice and facsimile), optical fibers, aerospace, nuclear technology and bio-technology.

Ten years ago it was not believable that Japan would become the leading manufacturer of automobiles. We tend to think of her in terms of textiles, cameras, electronics, but the most significant post-war development was when Japan displaced us as number one in steel. With steel, a lot of industrial products—autos a major example—fall into place.

While Japan has maximized her exports, the U.S. by contrast has suffered a steady loss in our share of the world market, which means a decline of revenues, jobs and, ultimately, government revenues.

The dollar has deteriorated to about 55 percent of its previous value against the yen. This is reflected in our entire economy.

The U.S. is experiencing all the domestic stresses which one might expect would accompany a downward shift in our position in the international economic order: chronic inflation, chronic high unemployment, budgetary cutbacks, popular resistance to rising taxes, erosion of confidence in our leaders, a rising level of tension and infighting, and among domestic interest groups a competing for shares of a pie not growing as fast as our needs and expectations.

The prospect is for current patterns to continue in both countries.

In Japan, industry will almost certainly continue rolling forward in areas of increasing sophistication and productivity. Close collaboration will be ongoing between government and business. There will be levels of education, savings, capital formation, and worker motivation.

Trade policy will continue spohisticated. New technology will be absorbed at a faster rate than in the microprocessing and industrial robots, for example, Japan is moving ahead at a rate which will put her in a class by herself, and result in a larger share of the high-technology market. Productivity, incomes, living standards will continue to rise.

The prospect for the United States is considerably less attractive, unless we make a dramatic change of direction—which we are capable of doing.

If our only action is to continue our well-established pattern of economic behavior, the U.S. can anticipate:

A continuing decline in relative productivity.

A continuing loss of share in world and domestic markets, particularly in high technology industries.

A continuing relative decline in incomes and living standards.

A declining ability to support the entire spectrum of our domestic programs, our military defense programs, and our foreign policy programs—which, in totality, comprise American democracy.

A continuing decline in our influence and position in the world.

Givens had some observations about this scenario.

It's difficult to imagine a more serious position for the U.S., he said, than a continuing erosion of our industrial competitiveness. Everything that we plan or aspire to accomplish as a nation depends ultimately on our ability to generate the necessary resources largely through our industries. This is what we're not doing.

If there is a prolonged period of economic stress, marked by inflation, business failures, high unemployment and the like, the quality of life will suffer.

And there will be increased difficulty in funding government programs at all levels in education, social welfare, public works, law enforcement, housing, medicare and government-funded research and development.

Finally, it will increasingly be harder to meet our defense obligations, so we would face a guns-or-butter decision. Over time, the erosion of our capability can only contribute to political instability the world over.

Such developments would carry adverse implications for Japan as well.

Although the economic outlook for Japan is favorable, that very prospect is based to a significant degree on the probable decline of Japan's principal trading partner and military ally—a decline which almost would surely result in a deterioration of the global political climate in which both the U.S. and Japan must continue to live.

It's perhaps even more important to remind ourselves that although Japan is currently outperforming the U.S. as an industrial power, Japan is not inherently superior. In fact, the U.S. by all odds, should be the superior industrial power.

The U.S. has vastly superior resources and a two-to-one advantage in scale and has had a significant lead in most of the advanced technologies which will generate the world's economic growth for the remainder of this century.

The critical difference has been in basic industrial policy.

Japan has demonstrated a highly sophisticated comprehension of international competitive dynamics and the government has following a policy combining four major elements:

Systematically encouraging capital formation in progressively higher technology industries.

Maintaining high standards of education to enable its labor force to move rapidly up the technological scale.

Encouraging and assisting Japanese industry to compete aggressively for a global market share.

Facilitating those competitive efforts by skillful and sophisticated trade negotiations.

The U.S., on the other hand, Givens emphasizes, has had no industrial policy whatsoever. We have failed to do virtually all of the things which, as cornerstones of Japan's industrial policy, are essential to success in global competition. It shouldn't come as a surprise that we are losing pretty much across the board.

Givens submits that if, over the past 25 years, the U.S. government had created and maintained an environment in which personal savings and capital formation were more attractive; had provided encouragement, assistance and incentives for American firms to compete in foreign markets (includings, most notably Japan) and had used its considerable political influence to open those markets to U.S. products, Japan's economic accomplishments, while still remarkable, would have been significantly more limited in scale—and the U.S. would still today be the industrial/technological leader of the world.

In all of this, Givens sees Japan as having a dilemma:

That country is prospering to a degree which would not have been possible given a reasonably competitive U.S. The price of this windfall, over the longer term, will be considerable world instability as the U.S. decline creates a military power vacuum.

He thinks that Japan should encourage and assist the U.S. to adopt measures which will reverse the pattern and bring American industrial competitiveness closer to its true potential, even though that may reduce Japan's potential for future growth and rising affluence in the short term.

But long term if the U.S. fails to reverse course and continues to decline, the result may be even less attractive. If the U.S. operates below its true potential, it's not in the interest of either country.

The key, of course, is an effective American industrial policy, and on this Givens had the following to say:

Some people object to the concept as "socialistic" or "un-American." Some feel that if government will get out of the way, free enterprise will take care of things.

His view is that good industrial policy at the federal level does not mean a state-directed economy, but a counterpart of foreign or defense policy. It can and needs to be done. The need for more effective, rational channeling of resources is not only manifest, but urgent.

We need national economic objectives. We need legislative programs. We need, at the executive level, a sophisticated trade strategy. The thrust must be a bigger global share in higher technology sectors.

It can be done, Givens contends, if given the required effort.

Meanwhile, he urges the closest possible economic cooperation between the U.S. and Japan. Working toward common goals, these two largest industrial powers with a combined population approaching 350 million, with high incomes and educational levels, with huge technological and capital resources, could make technological advances, create trade flows and generate economic benefits which would dwarf anything yet seen.

He feels both countries have a common interest in moving in that direction.

During a question-and-answer period, Givens said:

President Reagan has had little exposure to Asia. (Lightly: "He's never even been in an Asia movie.") But Secretary of State Haig has had some exposure, having been assigned to Yokohama after World War II. And national security advisor Richard Allen has had experience in Japan.

The media are not doing a good job in economic reporting. They are not articulating the economic and political issues sufficiently well to serve as a bridge between the people and government.

Americans love this country. That includes those in the labor movement, who seem increasingly receptive to doing what's necessary to help meet the industrial crisis. A lot depends on national leadership.●

SECRETARY LEWIS' ACTIONS ON AIR SAFETY

● Mr. ANDREWS. Mr. President, the Secretary of Transportation has acted wisely in recommending that a Presidential task force be established to make a full and fair evaluation of how many pilots will be required in future airliners to assure maximum safety for the traveling public.

The issue of how many crew members should be in the airline cockpit has been a long-standing and divisive one in the airline industry, and it could have become worse in the next few years. As my colleagues are aware, the Air Line Pilots Association had planned to shut down the airline system early next month to protest the FAA's lack of action on this issue and others related to aviation safety.

However, ALPA decided to call off its planned work stoppage after being told by Secretary Lewis that President Reagan will appoint an impartial task force to study crew complement in the airline cockpit. In addition, the pilots have pledged to abide by whatever decision the task force reaches. Secretary Lewis also said the other safety issues raised by the pilots will be addressed by the new FAA Administrator.

The appointment of a Presidential task force to study crew complement is a prudent and reasonable step for the President and the Secretary of Transportation to take. I wish to point out that the Committee on Appropriations directed the previous Secretary of Transportation last fall "to conduct a comparative testing program designed to determine whether or not the highest possible level—degree—of safety * * * can be achieved with a minimum cockpit crew complement of less than three members." The committee also said this testing should be "as thorough as the existing state of the art permits, with special emphasis placed on operations conducted under emergency and adverse conditions." Thus, the committee earlier recognized the need for a study such as the one to be undertaken by the Presidential task force. I believe this task force will accomplish what the committee intended.

Secretary Lewis should be commended for moving quickly and decisively to resolve some complex problems in aviation safety. He is off to a fine start by relying more on cooperation than confrontation with those the Department oversees. I believe the results of his recent actions will be enhanced safety and less turbulent relations in the airline industry.●

JAPANESE AUTOMOBILE IMPORT RESTRAINTS

● Mr. DANFORTH. Mr. President, Japanese automakers are reporting record export sales for the month of January. Toyota's exports were up 13 percent from a year earlier. Nissan (Datsun) exports were up 28 percent and at Toyo Kogyo (Mazda), exports soared to 54 percent above the previous year. January deliveries to the United States for the three companies were up 10 percent, 13 percent, and 43 percent, respectively. It does not appear that the Japanese are exercising restraint in the face of the increasing auto industry problems in the United States and in other nations.

Two weeks ago Senator BENTSEN and I, along with six of our colleagues, reluctantly introduced S. 396, a bill that would limit Japanese imports through 1983 to the average annual levels of the last 4 years. The bill will help to provide breathing space for the U.S. industry while it retools to meet a changed market. The Japanese have shown no sensitivity to the seriousness of this situation. That is what forced us to take the course of action we are following.

I shall ask unanimous consent that the Senator from South Carolina (Mr. HOLLINGS) be added as a cosponsor to S. 396. This brings to 13 the number of cosponsors to this legislation.●

EXPORT TRADING COMPANIES

● Mr. GLENN. Mr. President, the need for legislation such as S. 144, a bill to encourage exports by facilitating the formation and operation of export trading companies, is, I believe, becoming more apparent with each passing day.

On Wednesday I presented testimony to the Banking Subcommittee on International Finance in support of this measure. I ask that my statement to the subcommittee be printed in the RECORD.

The statement follows:

STATEMENT OF SENATOR JOHN GLENN

Mr. Chairman, I want to thank you for this opportunity to testify in support of S. 144, a bill to encourage exports by facilitating the formation and operation of export trading companies. I cosponsored this legislation last year; the reasons for supporting it this year are even more compelling. The purpose of this bill is to improve U.S. export performance at a time when American companies are facing increasingly vigorous competition in the international market place. From every corner of the world, government planning and financing of foreign trade challenges the resources of American firms. To meet this challenge, American companies must organize the most efficient business operations possible and we in government must do what we can to help American firms improve their competitive edge.

One way in which we can do this is by facilitating the formation of trading companies. The trading company is not a new idea. It is as old as commerce itself and has enjoyed great success in other countries. In Japan, for example, the top ten trading organizations, the Sogo Shoshas, account for approximately 60 percent of Japan's imports and 50 percent of its exports. Trading companies have also played an important role in the economic growth of many European countries. Yet, despite their historical and international success, trading companies have not flourished in the U.S.

There are several reasons—both economic and legal—for this failure. It is my contention that the economic conditions no longer prevail and that the legal restraints are equally outdated. First, we have been generally self-sufficient for the bulk of our economic needs throughout our Nation's history. Second, the industrial revolution occurred early in our history and its effects spread quickly. This made the acquisition and distribution of goods easy and further reduced our need for foreign trade. Third, the large size of our domestic market meant

that American businessmen had ample growth opportunities close at hand and involving relatively small risk. These factors, all the products of our unique geographic and economic heritage, limited the attractiveness of and need for foreign trade companies. But these unique conditions no longer prevail. The interdependence and competitiveness of the world market make it impossible for the U.S. to sustain its economic growth while operating on outdated notions of resource self-sufficiency in limited domestic markets.

Unfortunately, Federal laws and regulations limit our ability to respond effectively to these new challenges. For example, government regulations prevent U.S. banks from offering many important trading services. In addition, antitrust uncertainties deter many U.S. firms from cooperating with other U.S. producers in their organization of export activities. These restrictions are anachronisms. They hamper American firms at a time when foreign governments are cooperating with and, in many instances, even subsidizing and directing the export efforts of their own firms. The result is that our unilateral export restrictions cost American businessmen opportunities abroad and cost American workers jobs at home.

S. 144 addresses many of these obstacles and facilitates the formation and operation of export trading companies. It does so by allowing banking organizations to play a significant role in the future success of American export trading companies. In the past, many small and medium-sized firms found foreign markets difficult to penetrate and too costly to do business in. That is one of the reasons why the Commerce Department estimates that some 20,000 smaller U.S. firms who could profitably export presently do not. Bank participation will enhance opportunities for small and medium-sized firms to enter world markets by giving them access to the capital, financing and marketing capabilities heretofore possessed only by larger firms.

While the degree of future bank participation in export trading companies—as well as the forms that such participation may take—remain uncertain at present, Section 105 of the bill sets certain limitations on the level of involvement permitted banking organizations that invest in or finance these companies. S. 144 allows banking organizations to invest up to $10 million in one or more export trading companies without prior regulatory agency approval, as long as that investment does not amount to control. Investments in excess of $10 million, or any investment or action which amounts to control of an export trading company, must be approved by the appropriate Federal banking agency. The bill sets an overall limit on a bank's involvement by prohibiting its direct and indirect investments in the ownership of one or more export trading companies from exceeding 5 percent of the bank's capital and surplus. Total investment by a banking organization, combined with extensions of credits to export trading companies, cannot exceed 10 percent of the bank's capital and surplus.

Some have argued that these restrictions do not go far enough; that banks should not be allowed to gain control of an export trading company, because that would represent a substantial departure from the long-established separation of banking and commerce in our economic system. They fear that the public's deposits may become exposed to undue risk if banks acquire ownership control of trading companies.

Legitimate questions concerning the scope of bank participation do merit careful consideration. It is true that banks, given their international offices, experience in trade financing and familiarity with domestic U.S. producers, will be likely sources of leadership in forming export trading companies. But I feel that S. 144 includes important safeguards which not only protect against unsound banking practices, but also against any unfair competitive advantages that might otherwise accrue to an export trading company having a bank investor.

A specific provision of the bill, for example, prohibits banks from extending credit on a preferential basis to an export trading company in which it has an equity interest. This subsection meets a traditional concern of U.S. policy that banks not favor their affiliates in loan transactions. But even without the inclusion of this provision, the Financial Institutions Regulatory and Interest Rate Control Act of 1978 already provides safeguards against such unfair lending practices by banking institutions. Similarly, the 5 percent limit placed on total equity investments, and the 10 percent limit placed on a bank's total investments in or financing of trading companies, protect banking organizations from overexposure.

I see no harm in allowing a bank to own a trading company as long as such limitations exist. In fact, permitting banks to have equity and management control over their affiliate relationships seems far wiser than mandating that bank capital be controlled solely by the decisions of nonbanking partners. Banking organizations will surely be more inclined to form export trading companies if they can control their investments. Such investments, in turn, will provide banks with a long-term incentive to establish the additional framework needed to offer a complete range of export services.

S. 144 also stipulates that any bank's proposed or existing investment in trading companies may be terminated by the appropriate Federal regulatory agency upon its determination that the ownership or control of any such investment constitutes a serious risk to the financial safety, soundness or stability of that bank. I believe that these limitations, coupled with the banking agencies' broad regulatory, supervisory and examination powers and other existing legal restrictions, assure that there will be no serious risk to the safety and soundness of bank participation in export trading companies.

The access to capital and international markets provided by Title I of S. 144 is a necessary, but not a sufficient, step in facilitating the formation of American trading companies. It is not sufficient because American firms have long been unwilling to risk investments in export activities, given the uncertain climate created by domestic antitrust rulings. So unless we are willing to clarify how our antitrust laws related to export trade, we cannot hope to utilize the full resources of the American business community in our effort to regain a competitive position in international trade.

On this last point, our competitiveness has deteriorated precisely because we have failed to develop a foreign trade policy consistent with changing international realities. Whereas private, multinational firms seeking the most efficient production and distribution of goods and services once dominated world markets, economic nationalism now prevails. In the critical areas of oil, steel and autos, government owned or directed, vertically integrated corporations shape the flow of trade. They do so as instruments of national governments and their actions are directed by political, rather than economic, consideration.

The postwar challenge America issued to her trading partners was not met by a purely American response. Industrial development programs in Italy, France, Great Britain, Japan and the developing nations are hybrids of the American model and their implementation has altered the evolution of world trade. Although I do not advocate the adoption of these nationalistic, economic policies here in the United States, neither do I believe we can shape a coherent, effective foreign economic policy without recognizing the unsettling effects of those policies on world trade and American industries.

Through the Marshall Plan and other development assistance programs, the U.S. helped Europe, Japan and the developing nations establish their industrial strength. We generously stood back while they nurtured their industries with financial assistance and protectionism. While we continue to provide the shelter of our defense umbrella, they continue along the path of independence and economic nationalism. It is time now to adjust our own policies to the new realities of the global market.

One way in which we can do this is by unleashing the full force of America's private enterprise from the restraints of needless and confusing regulation. I believe that this bill's clarification of long-standing ambiguities in the area of antitrust exemptions for export trading companies is a long overdue step in this direction. Title II of S. 144 encourages the formation of export trading companies by expanding the provisions of the Webb-Pomerene Act to include trade in services, as well as that in goods, wares or merchandise. This feature will greatly expand export opportunities for trading companies in areas where American companies are especially competitive.

Furthermore, Title II establishes a clearance procedure whereby firms can determine in advance whether their export activities are immune from antitrust suits. By establishing a certification procedure and codifying the enforcement intentions of our government's antitrust oversight branches, Title II of S. 144 eliminates some of the uncertainties in current law that have discouraged the formation of American consortia to bid on significant export projects. At the same time, however, S. 144 also protects against any anticompetitive effects that might result from the establishment and operation of export trading companies.

Mr. Chairman, this bill will not, by itself, solve America's foreign trade problems. Restoring the international competitiveness of the American enterprise will require us to do much more in the areas of capital formation, regulatory reform and research and development. But because S. 144 recognizes that cooperation between business and government is a critical ingredient in any comprehensive national effort to improve our export performance, I believe it is an important step in the right direction.●

JOINING THE JACKALS

● Mr. HOLLINGS. Mr. President, as a new administration and a new Congress begin to grapple with the many problems facing our country today, it is instructive to examine where we have been in order better to glimpse where we should be heading. In no area is this so true, and so urgent, as in addressing the foreign policy pitfalls confronting the United States.

In this Chamber we are fortunate indeed to have one of the country's shrewdest and far-seeing students of international security policy. I refer to the senior Senator from New York (Mr. MOYNIHAN). In the current issue of Commentary, Senator Moynihan has an article entitled "'Joining the Jackals:' The U.S. at the U.N. 1977–1980." It is an article informed by a refreshing sense of realism, and graced with that felicity of expression we have come to identify with our friend from the Empire State.

The Senator from New York states an understanding of the world and an appreciation of the need for more resolute foreign policy that is in the finest tradition of America—and of the Democratic Party of Harry S. Truman and John F. Kennedy. Senator MOYNIHAN is at his best in knocking the props from under the argument that East-West problems are over and that if we could end our mindless preoccupation with them, we could set ourselves free to solve the problems of North-South. In reality, of course, it does nothing to solve North-South problems to deny that East-West problems exist. The denial merely assures that the problems of no direction on the compass will be addressed. Those still unconvinced need only to look with some elemental objectivity on the events of the past few years. The assumptions that all we need is a little more understanding of the Soviets; that we have somehow been motivated by an "inordinate fear of communism;" and that our own country has been a source of international instability are all given their just desserts by the penetrating intellect of Senator MOYNIHAN.

Our friend from New York had a distinguished Ambassadorship to the United Nations. He presented the American viewpoint with a cogency and eloquence seldom seen there or anywhere else. He made us all proud again, and he made it clear to the nations assembled that at least insofar as his own tenure was concerned, the double standard had gone by the boards.

Mr. President, one does not have to agree with every conclusion drawn by the Senator from New York to realize the essential wisdom of his approach to the facts of international life. It is preeminently a time to clear our heads and to cast our policy in the light of the world as it is. The article by Senator MOYNIHAN takes us a long step in the right direction. It merits the attention of the widest possible audience, and I certainly hope my colleagues will peruse it well.

Mr. President, I ask that Senator MOYNIHAN's Commentary article be included in the RECORD.

The commentary follows:

[From the Commentary, February 1981]

"JOINING THE JACKALS"—THE U.S. AT THE U.N. 1977–1980

(By DANIEL P. MOYNIHAN)

A defeat so overwhelming as that which Governor Reagan inflicted on President Carter soon takes on the air of the inevitable. Before it does it may be useful to record that those who were defeated in no way looked upon the outcome as fated. To the contrary, the view in the White House was that things were going well until March 1, when Ambassador Donald F. McHenry voted in favor of a particularly vicious anti-Israel resolution in the Security Council of the United Nations, followed three weeks later by the appearance of Secretary of State Cyrus R. Vance before the Senate Foreign Relations Committee in which he refused to disavow the vote. Thereafter, in this view, everything spun out of control. The Carter administration left Washington convinced—and proclaiming—that defeat was brought on by malevolent incompetence at the U.S. Mission to the United Nations and the inability of the Secretary of State to control the Mission. What they did not proclaim and only dimly understood was that they themselves had put in place the ideas which helped bring them down; that indeed in that sense the outcome was fated.

Set forth by President Carter and others, the sequence of events was as follows. Senator Edward M. Kennedy's challenge to the President began poorly. On March 18 the two met in Illinois, the first industrial state to hold a primary. The President won handily. If Kenneay could be beaten a week later, in New York, his candidacy would collapse. A private pool conducted by Dresner, Morris & Tortorello Research in late January and early February showed the President leading the Senator 54 percent to 28 percent among probable Democratic primary voters in New York, with only 13 percent undecided. Yet in the end, Kennedy won, 59 percent to 41 percent.

In a gracious gesture, after the results were in, Lieutenant Governor Mario M. Cuomo, who headed Mr. Carter's campaign in New York, called the President to apologize. "No," said Mr. Carter as reported in the New York Times, "it was the United Nations vote." In an interview with Meg Greenfield of the Washington Post on March 27, Mr. Carter, speaking of an incumbent's problems in running for reelection, repeated the point:

". . . Then to make a mistake like we did on the UN vote and have the Secretary of State testify a few days before the election. . . ."

The same theme was sounded, finally, in a postmortem by Steven R. Weisman and Terence Smith of the Times after the national election:

"This blunder, in which the administration first voted in favor of a March 1 resolution rebuking Israel on settlements in Arab-claimed territory and then disavowed it, cost the President dearly among Jewish voters in the March 18 [sic] New York primary. Senator Kennedy carried the state and attracted new contributions to his campaign, which carried on through the last batch of primaries on June 3.

"New York was our chance to knock Kennedy out of the box early," said Mr. [Robert S.] Strauss, the campaign chairman. "We blew it with that vote."

Jody Powell told the Times reporters that in consequence, "We sure as hell spent a lot of time and money fighting him that would have been better spent against Reagan."

Now it will be clear that there are many reasons President Carter lost the election, of which the UN vote was only one and scarcely the most important. What is important, however, is that the administration had looked upon its United Nations record as a huge success. Other policies had failed, and that proved costly. But this had succeeded, and proved costly. When the fall of a President is involved, and possibly also the fall of a party, some notice should be taken. For I do not conceal my judgment that so long as the ideas underlying the Carter administration's UN policy are dominant within the Democratic party, we Democrats will be out of power.

In normal circumstances UN affairs play a marginal role in United States foreign policy, the simple reason being that American foreign policy is normally preoccupied with the Soviet Union, and the UN, with its profusion of small, even mini, states, is the last setting in which two powers would wish to conduct their affairs. But four years ago, to the incoming Carter administration, the main attraction of the UN as a setting in which to conduct foreign policy was precisely the prominent role Third World nations play in UN affairs, and the North-South axis of the place. This was a setting in which the cold war could at last be put behind us. In his first major foreign-policy address, given at Notre Dame on May 22, 1977, President Carter reported that the United States had overcome its "inordinate fear of Communism," and proposed that the two powers now join in a cooperative effort to improve North-South relations, specifically through economic assistance to the developing nations. In the meantime, the name of the UN Ambassador was promoted to second place on the directory of the State Department building, immediately below that of the Secretary.

In his Notre Dame speech, as in his appointments, President Carter brought together two strains in Democratic thinking on foreign affairs. The first was the old tradition of liberal internationalism—the extension of domestic standards of social justice to the world at large—exemplified by President Harry S. Truman's Point Four program or President John F. Kennedy's Alliance for Progress.

But there was another and newer strain of thought, one much at odds with the traditions of Truman and Kennedy. This was the view that had emerged in the course of the Vietnam war to the effect that the United States, by virtue of its enormous power, and in consequence of policies and perhaps even national characteristics that were anything but virtuous, had become a principal source of instability and injustice in the world. We were, in short, a status-quo power, and the status quo we were trying to preserve was abominable. By contrast, a more positive future was available to mankind if it could break out of the American dominion. Much has been written of this, and one need not expand. For my part the most evocative and excruciating memory of the onset of this point of view was the day that a group of former Peace Corps volunteers, protesting the war, ran down the American flag at Peace Corps headquarters in Washington and ran up that of the Vietcong.

Through the 1970's this view grew in strength within the Democratic party. It was most often to be encountered when issues of defense were involved. In an article written in November 1980, R. James Woolsey, who served with distinction as Under Secretary of the Navy in the Carter administration, described how leaders of many of the interest groups that claim to represent the traditional Democratic constituencies have convinced themselves over the last decade or so that they must be the enemies of increased American military power.

He explained why these constituencies had come to feel this way:

"What you spend on tanks you can't spend on schools or welfare, nor can you keep it. This is, however, an ageless problem of government. . . . Perhaps more important, the agony of Vietnam introduced a new element and led the interest-group spokesmen and many liberal Democratic politicians to attack the existence of American military power as a way to curtail its exercise. Throughout much of the 1970's, the halls of the Senate Office Buildings, for example, were jammed with young staff members looking for a weapons system to have their Senator oppose. They, and their friends in the executive branch, are now typing up their resumés in no small measure because the voters understood what many of the elected officials did not—that caution in using military power is wise, but unilateral restraint in obtaining it in the face of a massive build-up by a potential enemy is extremely dangerous."

There was a precise corollary to this doctrine of self-denial in defense, and it flowed from the idea that the political hostility which the United States encountered around the world, and especially in the Third World, was, very simply, evidence of American aggression or at least of American wrongdoing.

The aggression could be military, but just as often it would be diagnosed as economic (the role of the multinational corporation) or ecological (plundering the planet to sustain an obscenely gross standard of living). Often it would be presented as nothing more specific than not being "on the side of history" or "the side of change." No matter, the prescription was the same. If the United States denied itself the means of aggression, it would cease to be aggressive. When it ceased to be aggressive, there would be peace—in the halls of the United Nations no less than in the rice paddies of Southeast Asia.

As tanks and missiles were the instrument of military aggression, so ideas were the means of diplomatic aggression—specifically that array of attitudes, judgments, and prejudices which led Americans to suppose they represented on balance a successful society, one model of how developing societies, if fortunate, might turn out, and in the interval a fair standard by which to measure the merits of other societies.

Here, in the interest of what lawyers call full disclosure, let me acknowledge that, from the first, those members of the Carter administration responsible for policy at the UN, and more generally for relations with the developing nations, regarded my own brief tenure as U.S. Permanent Representative at the UN in 1975–76 as the prime example of American diplomatic aggression.

This was notably the view of C. William Maynes, who left the Carnegie Endowment for International Peace to become President Carter's Assistant Secretary of State for International Organization Affairs. It was the view of the Ambassadors who came and went at the U.S. Mission beginning with Andrew Young and ending with Donald McHenry. In an interview published in September 1980, contrasting his performance with mine, Ambassador McHenry said:

"I don't believe in confrontation politics, I don't believe in name-calling. I do believe in communicating with them [i.e., Third World nations], in stating my views, listening to theirs, respecting their views, expecting them to respect mine."

A few weeks later, on October 1, 1980, taking issue with a New York Times Magazine article entitled "How the Third World Runs the UN," he returned to this theme:

"The article was reminiscent of the speeches about the 'Tyranny of the Majority' that one of my predecessors used to deliver when he represented our country at what he later called 'A Very Dangerous Place' "*

Yet there was a fateful avoidance of reality in the new administration's view: a denial that there is genuine hostility toward the United States in the world and true conflicts of interest between this nation and others—an illusion that a surface reasonableness and civility are the same as true cooperation.

To be sure, if there are conflicts of interest among states, there are also truly shared interests, and even genuine friendships. The world, alas, is complex, and although the new men of the Carter administration professed to understand complexity where others had missed it, they were in fact great simplifiers. They trivialized the sources of real conflict between the United States and other nations, and they exaggerated our ability to resolve them to everyone's satisfaction.

Again, one notes a parallel with the approach of the new administration to defense and foreign policy. One of the first (and fateful) decisions of President Carter was to appoint Paul Warnke as negotiator for the strategic-arms-limitations talks with the Soviets. Warnke in his celebrated article "Apes on a Treadmill' had set forth the thesis that the Soviets essentially imitate American behavior in defense matters. Thus just as the United States could turn enmity into friendship merely by avoiding "confrontation politics" in its dealings with the Third World, so the United States could change Soviet behavior simply by changing its own.

But if these ideas had a parallel structure, they did not prove equally durable. Although President Carter had campaigned in 1976 on a pledge to cut the defense budget, his promise did not survive the first encounters with reality—the reality of conflicting interests and genuine danger. Instead, it was buried, and (admittedly modest) increases in defense spending commenced. The same readiness to retreat from unrealistic approaches was evident in the area of human rights (and indeed, here the administration's retreat was almost overeager). But if in these areas reality obliged the administration to think better of the ideas by which it had hoped to guide policy, no such perceptions ever managed to penetrate our approach to the United Nations. We would unilaterally change the whole international atmosphere simply by avoiding "confrontation politics." The United States would make amends for its past failures by a greater responsiveness, by greater openness, by at last understanding the problems of others and their perspectives. Thus the psychological arrogance that lay behind the seeming humility of our new relations with the Third World—it was we who still determined how others behaved—remained intact.

At the UN the arrogance of this view was particularly risky, for those convinced of the abuse of American power found themselves representing the United States at a time when our power was in fact much reduced. Whether American interests could, even so, be protected would depend on how well this decline was perceived, on the suppleness of the new tactics that would be brought to bear, and above all on the ability to sense failure when it struck one across the face. The new administration was conducting an experiment of a sort; much would depend on whether it could tell the difference between good results and bad.

Before defeat in the 1980 election forced a different conclusion upon them, the Carter people were of the opinion that the experiment had been a brilliant success. From the 1980 Democratic platform—prepared in cooperation with the staff of the National Security Council—one learned that when the administration came to power in 1977, "relations with the Third World were at their nadir. The United States appeared hostile and indifferent to the developing world's aspirations for greater justice, respect, and dignity. All this has changed."

Testifying before a House Subcommittee on March 27, 1980 (two days, mind, after the New York primary), Assistant Secretary Maynes spoke even more glowingly of changes that had come over the UN:

". . . the UN has become the crossroad of global diplomacy.

". . . [It] now appears to be less unfriendly and dangerous a place than some have led us to believe. It is also possible that we will find there a greater spirit of cooperation than before—not just in condemning the lawless but also in advancing the rule of law. But these promises may come to naught unless we adopt a more mature stance toward the UN itself.

We must remind ourselves that the United States needs the UN at least as much as it needs us.

One might have thought this assessment would be reflected in votes in the General Assembly or the Security Council. But it was not. Worse, the ideas of the new administration stood in the way of seeing opportunities to be seized and understanding problems to be met.

This was perhaps to be expected. The heavy emphasis on North-South relations, after all, was surely a way of coping with, or at least diverting attention from, the difficult realities of the post-Vietnam world. "American imperialism" had been defeated. Our defeat had been caused, to be sure, by overreaching and after a point it could not perhaps have been avoided. But its consequences, all the same, would have to be lived with, and adjusted to; foremost among them would be a major opening for, and stimulus to, Soviet imperialism. Susan Sontag has recently acknowledged how little she and others in the anti-war movement had understood this equation:

"It was not so clear to many of us as we talked of American imperialism how few options many of these countries had except for Soviet imperialism, which was maybe worse. When I was in Cuba and North Vietnam, it was not clear to me then that they would become Soviet satellites, but history has been very cruel and the options available to these countries were fewer than we had hoped. It's become a lot more complicated."

But the perception of such complexity was beyond the powers of the U.S. Mission to the UN under the Carter administration. Its members could not see the signs of a new phase of Soviet policy: military support for Ethiopia in 1977, coups in both Afghanistan and South Yemen in April 1978, the invasion of Cambodia in December 1978. Unable to explain all this or to fit it to the purposes they had set themselves, American diplomats at the UN grew increasingly silent.

It also emerged that our representatives had little sense of the UN Charter as law that had to be upheld, and to be expounded. A superb opportunity came in the fall of 1977 when the Soviets switched sides in the Horn of Africa. Abandoning Somalia, they actively entered the war in the Ogaden, an ethnically Somali territory, on the side of Ethiopia. Of a sudden the Somalis were pounding on our doors begging for help, pleading for us to understand the "nature of the Soviet threat," Soviet "neocolonialism," the "Soviet plot to encircle the Gulf," the "Soviet contempt for human rights and the rights of small nations."

Now it happens that in 1975 the principal sponsor of the resolution that declared Zionism to be a form of racism was none other than Somalia (acting in its then capacity as an especially fawning satellite of the Soviets). After the resolution was adopted, I rose in the General Assembly and addressed the following words directly to the Somalis:

"Today we have drained the word "racism" of its meaning. Tomorrow terms like "national self-determination" and "national honor" will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made . . . it is the small nations of the

*It would be hard to pack more misinformation into a single sentence. It was President Gerald R. Ford, in an address at the opening of the General Assembly in the fall of 1974, who warned the UN against "the tyranny of the majority"; at the close of that session Ambassador John A. Scali repeated the warning. If I ever used the phrase, which I do not recall doing, it was only to cite them. As for "A Very Dangerous Place," in 1978 I published a memoir about the UN with a passage on the first page: "I had first gone to Washington with John F. Kennedy and then stayed on with Lyndon Johnson. There I learned as an adult what I had known as a child, which is that the world is a dangerous place—and learned also that not everyone knows this." My editor thought "A Dangerous Place" would be a good title; but I was not referring to the UN. As seamen are taught of the sea, the UN is not inherently a dangerous element, but is implacably punishing of carelessness.

world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?"

With the Somalis bleating in terror, pleading for help, did the U.S. Mission to the UN make a single reference to their behavior in 1975, and our response? None. This would have been to engage in "confrontation," a practice of the discredited past.

The United States helped found the UN, mostly wrote the Charter, has largely paid for the place. U.S. representatives have an obligation to insist that there are standards written into that Charter. Occasionally we would stand up for them. In 1978 William J. vanden Heuval, the U.S. representative to the UN in Geneva, actually objected to the appointment of a KGB officer as director of personnel for UN activities in that city. (The appointment was a clear violation of article 100 of the Charter.) But there were few such instances. Not even when UNESCO, that embodiment of a decent liberal optimism, set about developing an international regime for state control of the press under the insolent euphemism of "A New World Information Order" did we engage in "confrontation." No, never. And so it went.

But the crucial turning point came with Camp David, which involved an irony worthy to be called tragic. Perhaps the most impressive achievement of Henry Kissinger as Secretary of State had been to cooperate with Anwar Sadat in maneuvering the Soviets out of Egypt. Together Sadat and Kissinger had had to stand against the efforts of Soviet policy to scuttle the new pro-American alignment of Egypt and the step-by-step peace negotiations, which had scored a major success with the second disengagement agreement of May 1975. The Zionism-is-racism resolution in November of the same year was itself one part of this sabotage campaign.

That the UN and its Third World majority could be manipulated for the purposes of an assault on American policy was much more poorly apprehended after Kissinger's departure. In fact, in its desire to dissociate itself from the past, the Carter administration set out to bring the Soviets back. The still startling Soviet-American communiqué (issued jointly but plainly Soviet-drafted) of October 1, 1977 proposed to reconvene the Geneva Conference, a meeting under UN auspices at which the two nations would be cochairmen and to which all interested parties would be invited. To Sadat the meaning of this was clear: a veto in the hands of the radical forces, immediate stalemate, ultimately perhaps his overthrow. And so to avoid going to Geneva, he went to Jerusalem (where, he had every reason to know, a deal was waiting to be struck with the Begin government). This set in motion the events that ended with the Camp David accords of 1978, and the Egyptian-Israeli peace treaty of 1979—Carter's single greatest achievement, albeit purchased only by a reversal of his original "Geneva" approach and by shifting negotiations over the Middle East away from the UN.

Inevitably forces at the UN would resent this. Thus it is not too much to say that the supreme test of the Carter policy at the United Nations was whether that body would leave him alone to make peace between Israel and its neighbors. Had his diplomats, through their new approach, acquired sufficient influence with the far-flung nations of the Third World to persuade them to stay out of disputes with which most of them had in any event only the remotest connection?

The answer was not long in coming. First, the remaining Arab states, with Iraq only momentarily absent, convened a "confrontation summit" in Damascus to fight the Camp David settlement. Iraq soon was brought in, and before the year was out leaders of all Arab states except Egypt had met in Baghdad to form a "rejection front" against Egypt and Israel. Simultaneously the Soviet Union (returning to the tactics it had used in 1975 to counter its expulsion from Egypt) escalated its campaign to delegitimate Israel by identifying it with the Nazis.

Having been sounded in 1971 with a two-part article in Pravda entitled "Anti-Sovietism is the Profession of Zionists," this theme was steadily elaborated and diffused. (The original Pravda article, for example, asserted that the massacre at Babi Yar had been a collaboration of Nazis and Zionists.) Once the idea had been set, it proceeded to be popularized on television, in novels, and finally in children's publications. Thus the October 10, 1980 issue of Pionerskaya Pravda, a tabloid-size weekly for children aged nine to fourteen who belong to the Soviet youth organization, Pioneers:

"Zionists try to penetrate all spheres of public life, as well as ideology, science, and trade. Even Levi jeans contribute to their operations: the revenue obtained from the sale of these pants are used by the firm to help the Zionists."

Most of the largest monopolies in the manufacture of arms are controlled by Jewish bankers. Business made on blood brings them enormous profits. Bombs and missiles explode in Lebanon—the bankers Lazars and Leibs are making money. Thugs in Afghanistan torment schoolchildren with gases—the bundles of dollars are multiplying in the safes of the Lehmans and Guggenheims. It is clear that Zionism's principal enemy—is peace on earth.

. . . The United Nations described Zionism as a form of racism and racial discrimination. More and more people today are beginning to realize that Zionism is present-day fascism.

This propaganda seemed to possess the Soviets internationally as well as at home, and they began to insist that other nations join in the campaign to treat Israel as an outlaw state, indeed a nonstate, an entity without the rights of statehood. It began to work. In 1978 Cuba became head of the "nonaligned nations." A summit meeting of these states in Havana between September 3 and 7, 1979 adopted a resolution that declared:

"The heads of state or government reaffirmed that racism, including zionism [sic], racial discrimination, and especially apartheid constituted crimes against humanity and represented violations of the United Nations Charter and of the Universal Declaration of Human Rights [Paragraph 237, Final Declaration of the Conference]."

In June 1980 at the ministerial meeting of the Organization of African Unity, held in Freetown, Sierra Leone, Israel was referred to in official documents merely as the "Zionist entity." And on October 8, 1980 the Soviets signed a Friendship Treaty with Syria of which Article 3 declared:

"The High Contracting Parties, guided by their belief in the equality of all peoples and states, regardless of race and religious beliefs, condemn colonialism, racism and zionism [sic] as one of the forms and manifestations of racism, and reaffirm their resolve to wage relentless struggle against them."

This was perhaps the clearest statement to date of the Soviet Union's opposition to the very existence of the state of Israel, but its essential purpose had been evident for at least a decade.

No less evident was what the United States Mission to the United Nations should have done. The Arab nations were split; the United States was, in effect, allied with the largest of them, Egypt, and in the cause of peace in the Middle East. The Soviet Union, though it might declare that "thugs in Afghanistan" were "tormenting schoolchildren" for the profit of Zionists, had established itself beyond all question as a brutal conqueror of Third World peoples and as an anti-Semantic regime of near demented proportions. The moment to fragment or silence the opposition was at hand.

Faced with this assault on the UN Charter, on peace, on decency—and, not so incidentally, on the President of the United States—what did our people do? They took the other side.

To persons whose deepest conviction was that Third World nations were hostile to the United States because of our own neocolonial behavior; whose strong disposition was to believe that the Soviet Union in almost all instances supported the true liberationist forces in the former colonial world while the United States, on the wrong side of history, backed brutal but doomed dictatorships—the events from 1977 to 1980 could make no sense. It became ever more difficult for such people to understand and support their own government's policy. For had not the Camp David framework, its peaceful appearances notwithstanding, called forth a more sustained disagreement between the U.S. and the Third World than even the "confrontationist" policies of the past? To understand this one had to entertain the possibility that the opposition we encountered there was not a matter of long-held grievances against our abuses of power. One had to entertain the possibility that there were those whose great fear was that in seeking peace we might succeed.

Confused, and after a point not altogether straightforward, the strategy of our diplomats in New York, backed up in the Department of State, started to undergo a subtle and disastrous transformation. They had begun with the proposition that if the United States put itself on the "right" side of history, we would find the nations of the world, most of which of course were "new," coming over to our side in turn. Unaccountably, however, they were still not on our side. To the contrary, some were actively seeking to undo the greatest diplomatic achievement the administration had to its credit, and none—not one—was objecting to or trying to impede such efforts. Evidently, then, we must still be on the wrong side. Reasoning thus, our diplomats prepared themselves to vote for the Security Council Resolution of March 1, 1980 and (though this was certainly not their intention) to help bring down the administration they served.

The chain of resolutions passed in condemnation of Israel by the Security Council in 1979–80 forms a complex story. Yet to follow it only a single point needs to be understood. It is that, as a direct result of American policy, the Security Council was allowed to degenerate to the condition of the General Assembly.

Under the UN Charter the General Assembly reaches decisions by majority vote, but its decisions are purely recommendatory (Article 10). By contrast, the Security Council has power. In situations where it determines that there is a "threat to the peace, breach of the peace, or act of aggression," the Council "shall make recommendations, or decide what measures shall be taken. . . ." These include "such action by air, sea, or land forces as may be necessary. . . ." The Security Council, in a word, may make war. And for that reason the Security Council does not operate by majority vote. Any permanent member may veto any action, simply by voting No. However, in the face of the increasingly vicious Soviet-Arab assaults that followed Camp David, the United States be-

gan to abstain. I have represented the United States on the Security Council; I have served as President of the Security Council. I state as a matter of plain and universally understood fact that for the United States to abstain on a Security Council resolution concerning Israel is the equivalent of acquiescing.

The first abstention in the sequence we are now tracing occurred on March 22, 1979 when the Council, in a resolution directed against Israel, established a three-member commission "to examine the situation relating to establishments in the Arab territories occupied since 1967, including Jerusalem." The phrasing here was ominous: "Arab territories . . . including Jerusalem." Jerusalem is the capital of Israel. How could its capital be in the territory of others?

Equally ominous, although at this point restrained, was the reaffirmation of earlier Council statements that the Fourth Geneva Convention "is applicable to the Arab territories occupied by Israel since 1967, including Jerusalem" and the strict injunction upon Israel "as the occupying Power, to abide scrupulously by the 1949 Fourth Geneva Convention." Now, the Fourth Geneva Convention on the Protection of Civilian Persons in Time of War is one of a series of treaties designed to codify the behavior of Nazi Germany and make such behavior criminal under international law. This particular convention applied to the Nazi practice of deporting or murdering vast numbers of persons in Western Poland—as at Auschwitz—and plans for settling the territory with Germans. The assertion that the Geneva Convention also applied to the West Bank played, of course, perfectly into the Soviet propaganda position that "Zionism is present-day fascism."

Within a year the new commission had submitted two reports. In response to these, on March 1, 1980, a resolution (465) was submitted to the Council that was as viciously anti-Israel—and as destructive of the Camp David accords—as any that had ever been encountered or could readily be devised. Israel was found to be in "flagrant violation of the Fourth Geneva Convention": the first nation in history to be found guilty of behaving as the government of Nazi Germany had behaved. It was determined "that all measures taken by Israel to change the physical character, demographic composition, institutional structure or status of the Palestinian and other Arab territories occupied since 1967, including Jerusalem, or any part thereof, have no legal validity. . . ."

In a word, according to Resolution 465, Israel is an outlaw state, guilty of war crimes. (Not the Vietnamese invaders of Cambodia, or the Soviets in Afghanistan. Israel!) Its alleged capital is not its capital at all—"Jerusalem or any part thereof"—and it is in illegal occupation of territory now for the first time designated "Palestinian."

Here, then, was the triumph of everything the Soviets and the "Rejectionists" had stood for: the repudiation of everything Sadat, and for that matter Begin and Carter, had sought. Yet the United States voted in favor of this resolution. Shortly thereafter the administration stated that this had been a "mistake." It was no mistake at all. Resolution 465 reflected the view of the majority of members of the United Nations, and the U.S. Mission there had simply come to accept that view. Their conception of the world, by now shared in Washington, gave them no alternative.

Once the vote was cast there came the shock of recognition, in Washington at least, that this was what that conception led to. But still they clung to it. The White House, sensing the disaster and the dilemma, did not want any testimony given before Congress. The State Department insisted, and so on March 20 the New York Times reported:

"VANCE REBUFFS CALL FOR FULL DISAVOWAL OF UN'S ISRAEL MOVE

"Yet it was more than that. Vance would neither disavow the episode nor acknowledge it. He could not bring himself to admit consequences he could not desire of a policy he could not repudiate."

The operative paragraphs of Resolution 465 began by stating that the Security Council:

1. Commends the work done by the Commission in preparing the report. . . .;

2. Accepts the conclusions and recommendations contained in the above-mentioned report of the Commission;

Yet Vance in his testimony on March 20 suggested that nothing, really, had happened, that voting for the resolution did not imply support for the commission report which had occasioned it.

Senator Paul S. Sarbanes of Maryland went directly to this point:

"SENATOR SARBANES. Mr. Secretary, the resolution that was passed and for which we voted, accepts the conclusions and recommendations contained in the report of the commission established by Security Council Resolution 446.

"Do I take your assertion to be that the word 'accepts' there means nothing more than 'receives'?

"SECRETARY VANCE. You do correctly understand.

"SENATOR SARBANES. Why wasn't the word 'receives' used? I would understand the word 'accepts' to carry with it some element of subscribing to the conclusions in the recommendation.

"SECRETARY VANCE. No; it was merely intended to connote receives. Accepts—they hand them to me, they are accepted."

I joined in the questioning:

"SENATOR MOYNIHAN. Very frankly, . . . Mr. Secretary, I am concerned with our reputation for plain dealing.

"Did anyone at the U.S. Mission to the United Nations tell you that in a Security Council resolution, the word 'accepts' should be read to mean 'receives'?

"SECRETARY VANCE. Yes; I have been told that.

"SENATOR MOYNIHAN. You have been told that?

"SECRETARY VANCE. Yes.

"SENATOR MOYNIHAN. Sir, I once served as U.S. Permanent Representative there. I can tell you that I could not conceive telling a Secretary of State that the word 'accepts' should be read to mean as in a letter, 'Dear Sir, I have received your letter of' so and so.

"The first paragraph, the preambular paragraph of a Security Council resolution starts out always, 'Taking note of.' This is the paragraph that says, 'We have received.'

" 'Accepts,' on the other hand, is a slight variation on the word 'endorse.' It would be the only way it would have been understood in my time there, sir.

"I think you have been misinformed, sir, and I think you have been done a disservice.*. . ."

Something quite extraordinary was happening here. It is of course possible that the members of the U.S. Mission had simply not told the truth to the Secretary of State. (They had evidently been less than candid on some other questions concerning the resolutions—informing him, for example, that references to Jerusalem had been excised from the text when they had not.) But how could a lawyer of Cyrus Vance's ability believe such an untruth save that at high and low levels alike the men of our government were deceiving themselves? The Carter administration had failed in its objectives at the UN; but to admit that failure was to cast in doubt the view of the world that justified the very existence of the administration. And to protect itself from having to face this failure, the administration had begun to undermine Camp David itself—its one great success.

The March 1 vote, then, was a disaster and should have stimulated a reappraisal of the route by which the administration had traveled to it. Israel had been permanently damaged, and (unless their perceptions are perilously dulled) other allies of the United States permanently warned. Yet no more was said than that it was a mistake, and only a partial mistake at that. The administration never thought its way through the matter. Those publicly most identified with these policies had already begun to leave—first Ambassador Young, then Assistant Secretary Maynes, and finally Secretary Vance himself. But the policies persisted. By the end of the Carter administration the pattern had become all but impossible to overcome. One can measure it this way: on nine substantive votes on the Middle East taken in the Security Council between January 1979 and August 1980 the United States abstained seven times.

Just once we cast a veto—striking down a Tunisian resolution of last April 30 which called for the creation of a Palestinian state. This resolution, one might note, unlike the one we voted for on March 1, did refer to "secure and recognized boundaries"—the language of Resolution 242—but only for the Palestinian state. Not for Israel.

To be sure, we occasionally made our unhappiness known. In August 1980, for example, Secretary of State Edmund S. Muskie went to New York and defended the American approach to a Middle East peace settlement based on the Camp David accords:

"Let me . . . repeat our belief that this constant recourse to debates and resolutions that are not germane to the peace process—and even harmful to it—should stop."

A salutary sentiment, but what must the other members have thought? For Secretary Muskie was asking on behalf of the United States for the end of a process that it was perfectly within our power to end. If we believed such resolutions to be harmful to the peace process, we were free to veto them. We were free to deny them the force of law they acquire when they pass. The same point could be made of such American statements on the March 1 resolution as this one by President Carter:

"While our opposition to the establishment of the Israeli settlements is longstanding and well known, we made strenuous efforts to eliminate the language with reference to the dismantling of settlements in the resolution."

Yet when the strenuous efforts failed, the U.S. Permanent Representative had only to raise his hand, to vote No, and the resolution would have failed.

Having committed itself, however, to solidarity with the majority at the UN, the Carter administration could not bring itself to exercise the veto. Thus in our flight from "confrontation" did we end not by understanding the perspectives of others, but by adopting them.

In so doing, we have acquiesced in a very great deal.

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*A brief review of UN documents will make clear that "accept" has the everyday meaning of "endorse." After the first commission report was submitted in July 1979, it became the subject of Security Council Resolution 452, in which the Council voted to "accept" its recommendations. The members of the commission easily understood what this meant. They wrote in their second report (which in turn became the subject of Resolution 465) that they had taken particular steps "bearing in mind that the Security Council, in Resolution 452 (1979), had *accepted the recommendations* contains in the commission's first report . . ." (emphasis added).

After March 1 the application of the Fourth Geneva Convention became a routine of Security Council resolutions. It was invoked in Resolutions 460 (May 8, 1980), 469 (May 20, 1980), and 471 (June 5, 1980), all three of which dealt with Israel's expulsion of two Palestinian mayors in the wake of terrorist attacks on Israeli civilian settlers. Where once there was the routine affirmation of Resolution 242, we now have routine indictments of Israel for Hitlerian crimes.

The U.S. abstained even when Israel's sovereignty itself was at issue. The last Security Council resolutions in this cycle of attacks on Israel were adopted in the summer of 1980 and dealt specifically with Jerusalem. Resolution 476 of June 30, 1980 warned Israel about its pending legislation on the annexation of East Jerusalem. One might well question the prudence of this Israeli law—and many have done so—but it was something else again to find that in Resolution 476 (as in its successor Resolution 477 of August 20) Israel had become the "occupying power" of its own capital. Both resolutions, in fact, seemed to include the entire city of Jerusalem within this charge. And Resolution 477 went still further: it declared the Basic Law on Jerusalem, by then passed, to be null and void. It declared in effect that Israel was not entitled to fix the location of its own capital city, and called—in a wholly unprecedented step—on member states to withdraw their embassies from this capital (which all did).

An epilogue of sorts took place in the third week of December 1980, as the Carter administration and the 35th General Assembly began winding down. On Monday, December 15, the General Assembly adopted five resolutions on the Middle East more virulent and anti-Semitic than perhaps anything the UN had yet seen. The debate was obscene. Thus the Ambassador of Jordan speaking of the Ambassador of Israel:

"The representative of the Zionist entity is evidently incapable of concealing his deep-seated hatred toward the Arab world for having broken loose from the notorious exploitation of its natural resources, long held in bondage and plundered by his own people's cabal, which controls and manipulates and exploits the rest of humanity by controlling the money and wealth of the world."

The occasion was the receipt of the most recent Report of the Committee on the Exercise of the Inalienable Rights of the Palestinian People, a body established by General Assembly resolution on November 10, 1975, the same day Zionism was declared to be a form of "racism and racial discrimination."

The first of the resolutions was breathtaking:

"'Security Council Resolution 242 of 22 November 1967 does not provide an adequate basis for a just solution for the question of Palestine."

One of the more dishonest (and debilitating because profoundly misleading) assertions of the U.S. Mission during the Carter years was that the 1975 Zionism resolution was somehow brought about by the United States. Having resisted, America was judged to have provoked. That resolution passed 67 to 55 with 15 abstentions. This resolution, potentially far more destructive, was adopted 98 to 16 with 32 abstentions.

The United States said nothing. No American delegate went to the podium to offer the smallest demur. Next, a resolution denounced the Camp David accords, declaring that the General Assembly expresses its strong opposition to all partial agreements and separate treaties which constitute a flagrant violation of the rights of the Palestinian people, the principles of the Charter, . . . [*etc*].

The United States said nothing. The last of the resolutions reasserted Israeli violation of the Fourth Geneva Convention. This time the United States, by abstaining, said all there was to say.

There was something of note in the sponsors of the resolutions. The familiar Soviet-leaning or Soviet-dominated nations were present: Afghanistan, Cuba, Lao People's Democratic Republic. But present also were Nicaragua and Zimbabwe, two Third World nations with which the Carter administration had presumably established relations of friendship and respect.

As for North-South relations, on Wednesday of that week Ambassador McHenry acknowledged that the General Assembly's Special Session on economic development which had convened in September had come to nothing. Finally, on Friday, December 19, the United States voted for a Security Council resolution condemning Israel for the expulsion of two Arab mayors (an expulsion which followed upon parliamentary debate, trials before an independent judiciary, and the usual processes of a possibly wrongheaded but stubbornly democratic society). Ambassador McHenry explained that the Fourth Geneva Convention "prohibits deportations, whatever the motive of the occupying power."

In an editorial entitled, "Joining the Jackals," the Washington Post, which had supported the President for reelection, described this American vote against Israel in the Security Council on that Friday as representative of "the essential Carter." Now the President himself was being held to account.

American failure was total. And it was squalid. These men, in New York and Washington, helped to destroy the President who appointed them, deeply injured the President's party, hurt the United States, and hurt nations that have stood with the United States in seeking something like peace in the Middle East. They came to office full of themselves and empty of any steady understanding of the world. The world was a more dangerous place when at last they went away.

Those who now take office must deal with the aftermath of this massive failure of policy. The Security Council resolutions are time bombs. Ticking. The case has all but been made that Israel is an outlaw state, and indeed the General Assembly has now called on the Security Council to consider imposing sanctions against it. It will take the toughest-minded diplomacy to dismantle the indictment now in place—thanks to the Carter administration; thanks to those who brought the Democratic party to such confusions. The new administration will have to deal also with the whole question of the Third World. It should be clearer now that hostility toward the West, toward the United States, is abiding and, it may be, burgeoning.

Yet it remains for the United States to evolve a mode of dealing with the UN majority, and this in some measure turns on what kind of countries we think them to be. Irving Kristol has put the matter at its bleakest:

"The radical-nationalist ideologies of these nations, so far from being a prelude to the liberal-constitutionalism we revere, are a kind of epilogue. They—or at least their ruling elites—have seen our present and reject it as their future. So long as we refuse to confront this reality, we do not have a clear vision of the world the U.S. inhabits. And so long as there is no such clear vision, there can be no coherent foreign policy."

My own view is more sanguine: consider India, Sri Lanka, Trinidad and Tobago, Jamaica. There are others—many others. Still, with the experience of these four years, we should at least have learned that foreign policy cannot be conducted under the pretense that we have no enemies in the world—or at any rate none whose enmity we have not merited by our own conduct. For it was this idea more than anything else, perhaps, that led the Carter administration into disaster abroad and overwhelming defeat at home.●

THE SAVINGS CALLED FOR IN S. 421—THE GENERAL GOVERNMENT EXPENDITURE CONTROL AND EFFICIENCIES ACT OF 1981—ARE NECESSARY AND ACHIEVABLE

● **Mr. DECONCINI.** Mr. President, on February 5, Senator SASSER, Senator PRYOR, and I introduced S. 421—the General Government Expenditure Control and Efficiencies Act of 1981—which would reduce expenditures and effect savings in fiscal year 1982, totaling $3.9 billion, including: $750,000,000 in Federal travel; $1,000,000,000 in consultant services, consultant contracts, and special consultant studies; $250,000,000 in audiovisual/filmmaking activities; $150,000,000 in public relations, public affairs, public information, and advertising; and $1,750,000,000 in debt collection, through more aggressive collections by the executive branch. At first blush some of these proposed economy measures may seem harsh or perhaps cutting too deeply, too fast. But frankly, I believe that perhaps these cuts are not deep enough. In any event, after reviewing a number of reports and analyses since the introduction of S. 421, I am more convinced than ever that these economies can be achieved in the coming fiscal year.

Mr. President, since the introduction of this legislation, I have examined a report by the Congressional Budget Office entitled "Reducing the Federal Budget: Strategies and Examples, Fiscal Years 1982–86," which agrees that budget reductions can be made over the next 5 fiscal years in two of the areas targeted for savings in S. 421; namely, advertising and debt collection.

My legislation calls for savings of $30,000,000 in the Federal advertising budget in fiscal year 1982. The CBO report indicates that $18,000,000 of this savings could be achieved by the military through the increased use of joint-service advertising. CBO suggests that the Department of Defense has found that, for certain purposes, joint-service advertising would be more cost effective, pointing to tests that showed joint-service magazine advertising, for example, yields per dollar spent 1.5 times the number of applicant leads for recruiting as does single-service magazine advertising.

The report goes on to say that joint-service advertising may also help to avoid undesirable interservice competition for recruits. Therefore, 60 percent of my proposed savings in Federal advertising could be achieved, while actually improving the scope of the military's recruiting efforts.

This same Congressional Budget Office report indicates that a strengthening of Federal agency debt collection activities could result in significant budgetary savings. My legislation calls for the Director of OMB to effect savings

of $1,750,000,000 in fiscal year 1982, while the CBO estimates that a net savings of $1.6 billion could be achieved in fiscal year 1982 through improved debt collection efforts by the executive branch. CBO goes on to suggest that cumulative savings of $8.4 billion over the 5-year period of fiscal 1982–86 may be conservative and suggests that these savings might be achiveable even without the implementation of some of the more drastic collection methods being discussed by the Congress and the executive branch, such as application of IRS tax refunds against nontax debts owed the Government, and garnishment of Federal salaries.

During the Lincoln Birthday recess, the problem of "uncollectible" debt has come home to roost in the District of Columbia, where it was discovered that over $139 million in debt owed the District has been written off as uncollectible. The Federal Government and the other government entities must come to grips with this multibillion dollar bad debt problem. The savings mandated by S. 421 are a good place to start.

Finally, the Office of Management and Budget/General Services Administration report on Federal travel has corroborated my contention that the Federal travel budget is totally out of control. S. 421 calls for a $750,000,000 reduction in travel expenditures in fiscal year 1982. This well-publicized report which I received on February 10 shows, among other things, that over 26.8 percent of the reasons given by agencies to OMB for travel were unknown. As I said in my floor speech of February 5, more than 25 percent of the Federal travel budget goes for information meetings, training attendance, speech or presentation, and conference attendance by Federal employees. So more than 51 percent of the Federal travel budget goes for these low-priority activities or is required for reasons that are unknown to the agencies that spend billions and billions of tax dollars every year on travel.

The object class analysis accompanying OMB Director Stockman's much-heralded "black book" of prospective budget cuts indicates that the Federal travel budget for fiscal year 1982 would not be the $8,841,000,000 that I projected in my floor statement on February 5, but a whopping $12.6 billion in fiscal 1982—an increase of $2,012,000,000 over the current 1981 estimates and a staggering $3,870,000,000 over the travel costs for fiscal 1980. Clearly, my proposed $750,000,000 reduction in travel expenditures would cause barely a ripple in the bloated Federal travel budget for 1982.

Mr. President, these reports from CBO, OMB, and GSA, coupled with those I referred to in my floor statement of February 5, make it crystal clear that the economy measures outlined in S. 421 are not only achievable, but absolutely essential if we are to bring order to the Federal budget in fiscal year 1982. I intend to pursue these issues through the Senate Budget Committee as they continue to develop their assumptions for the first concurrent budget resolution for 1982, and through the Senate Appropriations Committee, where these savings should ultimately be made through appropriations action. I urge my colleagues on both sides of the aisle to join with me in this effort.

OBJECTIONS TO ENHANCEMENT OF F–15 AIRCRAFT IN SAUDI ARABIA

● Mr. KENNEDY. Mr. President, I am strongly opposed to the suggestions apparently coming from very high sources that it is time for the United States to "enhance" the offensive capabilities of F–15 fighter planes supplied to Saudi Arabia.

I opposed the original sale of these advanced aircraft in 1978. They represented then and they represent now a potential threat to the security of Israel, our truest friend and closest ally in the Middle East. Saudi Arabia steadfastly refuses to recognize the existence of Israel or to support peace negotiations between Israel and her neighbors.

In fact, the F–15 sale aroused such concern that the previous administration promised explicitly not to enhance the offensive capabilities of the aircraft in the Saudi arsenal. The Secretary of Defense gave these assurances to the Congress, which would have disapproved the sale without them, and the same assurances were provided to our friends in the Middle East.

There are those who say that the new administration should abrogate the pledges of its predecessor. To do so would raise serious questions about the reliability of our word as a great power and as a guarantor of the peace process in the Middle East. And to forget the assurances of the past would undermine the credibility of future assurances from the executive to the legislative branch.

What is contemplated is not just any "enhancement" of the F–15 aircraft. What is contemplated is bomb racks, missiles, fuel tanks, and aerial refueling capabilities—which would enable Saudi F–15's to attack and devastate foreign territory including that of Israel. Not only do these new capabilities go well beyond what Saudi Arabia needs to defend its own territory; they increase the danger of Saudi involvement in any future Middle East conflict—and so to reduce rather than enhance the security of Saudi Arabia. Instead of making Saudi Arabia a greater military threat to Israel, we should be seeking a Saudi Arabia that is a force for peace between Israel and the nations of the Middle East.

We all know of the dangers to national and international security in the Persian Gulf region. The dangers come from Soviet military forces in Afghanistan; from militant regimes in Iran, Iraq, Yemen, and Ethiopia; from the PLO and other terrorist and subversive forces which undermine governments from within. But security for them, in the truest sense, will not come from bomb racks, missiles and refueling capabilities. The effective response must come instead from genuinely defensive capabilities, from military cooperation between regional and Western powers, and not least from the support of serious peace negotiations and the pursuit of social and economic progress.

Mr. President, I have discussed these concerns with my colleagues on the Foreign Relations Committee. I understand that committee members will soon be expressing their own strong objections to enhancing the F–15 aircraft in Saudi Arabia. I think many Senators in this Chamber will join us in opposing military transfers that threaten our own interests, the security of Israel, and the peace of the Middle East.●

SYNTHETIC FUELS DEVELOPMENT AND PRODUCTION MUST CONTINUE, SENATOR RANDOLPH BELIEVES

● Mr. RANDOLPH. Mr. President, last night we saw history adversely repeat itself. In 1955 a decision was made by a Republican administration to eliminate all Government involvement in development of coal gasification, coal liquefaction, oil shale, and other alternative energy projects, assuming that when the time was right private industry would anticipate and correctly respond to see the Nation had adequate fuel supplies. Of course, the events during the last decade show this was not the case. If we had continued the Government support for synthetic fuels initiated in the early forties we would have domestic, commercial production of the fuels today.

In his economic address to the Nation, President Reagan now proposes the Government reduce participation in pilot projects already operating, and stop all Department of Energy funding under their alternative fuels program, including over $3 million provided for feasibility studies and cooperative agreements. This is unacceptable. We must not take a step backward again in our national commitment to synthetic fuels. The money spent on this effort is an investment in our future, not subsidy, and is of equal importance, in fact, synonymous with defense spending for national security purposes.

I agree with the suggestion to declare the Synthetic Fuels Corporation operational and to let the provisions of the Energy Security Act guide the development of our synthetic fuels industry. But, this does not mean we should back away from the projects already committed to under Department of Energy programs, especially in the areas of direct and indirect liquefaction and gasification of coal which I consider to be the most promising of synthetic technologies.

I pledge to resist efforts to reduce Government participation in synthetic fuels while providing more research, development, and commercial funding for nuclear technologies. I will also work to see that the utility and industrial coal conversion program under the Economic Regulatory Administration is continued until necessary legislative proposals are made and enacted to assure the direct utilization of our coal resource.●

WHY REAGAN'S ECONOMICS WILL SUCCEED

● Mr. MATHIAS. Mr. President, nostalgia is a bittersweet emotion. It can be very sweet to look back to earlier, easier times. But if we allow the recollected sweetness of the past to blind us to the realities of the present and the requirements of the future, we will discover at very great cost how bitter the bitter aspect of nostalgia can be.

Right now, as we try urgently to get our limping economy back to full stride, one of the greatest mistakes we could make would be to try to patch things up to resemble the "good old days." There are good "new" days ahead for us, but only if we take a hardheaded look at and accept the inevitable changes that are taking place in our economy—changes which many believe will make us a predominately service economy by the end of this century.

Our present preoccupation with the economy has made armchair economists of us all and we avidly turn to the real economists among us for advice and guidance about how "to take arms against the sea of troubles and, by opposing, end them." In this process, we have become inundated with tactical suggestions about where to cut this specific program and how to squeeze waste from that one. And this advice is important and useful.

But we also need long-range, strategic thinking and vision to give some coherence to the tactics we adopt today. It is for this reason that I recommend to my colleagues' attention an article by George Gilder, program director of the International Center for Economic Policies Studies, which appeared in the Washington Post on February 8. In that article, entitled "Why Reagan's Economics Will Succeed," Mr. Gilder makes the absolutely vital point that:

(T)he future can prevail only if governments do not allow themselves to be paralyzed by the claims of the obsolescent past—the stagnant industries, socialist ideologies and government bureaucracies that stand between us and an exciting new decade of discovery and affluence.

I ask that Mr. Gilder's article be printed in the RECORD.

The article follows:

WHY REAGAN'S ECONOMICS WILL SUCCEED

Following a splendid series of appointments at the Treasury and the Office of Management and Budget, President Reagan's Thursday evening address signified a resounding triumph for supply-side theorists in his administration. As the cautionary tale of Margaret Thatcher's British regime will suggest, however, supply-side theory and monetary restraint can be easier to pronounce than apply.

Thatcher failed to combine her reduction in basic monetary growth rates with a reduction in government taxing and spending. But without spending cuts, tight money merely chokes the private sector. In 1980 and 1981, British manufacturing output is expected to drop by a total of 20 percent, while the obsolescent, inefficient and overmanned British public sector industries absorbed billions of pounds of scarce capital beyond their previously budgeted borrowing levels. Dramatically increasing the need for these bailouts is the very recession that is at least partly attributable to Thatcher's failure to cut taxes and government spending when she restricted monetary growth.

Now President Reagan has made a seemingly similar commitment to cut tax rates and government spending and to fight inflation by monetary restraint. The possibility naturally arises—indeed, Caroline Atkinson has already predicted it in this newspaper—that Reagan will suffer the same vicious circles of recession and failure.

But Reagan's deeper supply-side convictions—and more committed Cabinet—make this result unlikely. If Congress accepts the three-year schedule for Kemp-Roth, reducing the top tax rate on income to under 38 percent, the benefits will be even more dramatic than Reagan's advisers predict.

The current tax structure, in combination with transfer payments that must be given up as earnings rise, imposes marginal tax rates of over 50 percent on over half of the earners in America. This means that most Americans can do better by hiding a dollar of existing income than by earning another dollar: a sure formula for a tax system that on the margin loses more revenue than it gains. Moreover, these rates doubly penalize savings, both by deterring the effort to earn the additional dollars that are most likely to be saved and then by taxing the returns at the highest rate.

As has been shown repeatedly in both the United States and Japan, cutting marginal income tax rates will therefore impart twice the stimulus to savings as to consumption. In the lower brackets, people pay off debt and in the upper brackets they leave newly unprofitable tax shelters. Since the U.S. economy is swimming in consumer debt and honeycombed with tax shelters—and since personal savings are near alltime lows—there is vast room for response to substantial cuts in tax rates. The combined benefits of the Reagan programs on revenue, outlays and private savings mean that Kemp-Roth can be enacted without creating unmanageable federal borrowing requirements.

Overseas experience, however, strongly shows that these benefits cannot be achieved through the approach of focusing on corporate tax cuts or through the kind of compromise tax bill reported out of the Senate Finance Committee and now widely supported in Congress. Both Britain and Sweden maintained precisely this combination of high rates on personal income and low rates on corporations during the very years that their productivity plunged and their economies failed. Britain, in fact, has 100 percent one-year depreciation of investments, while Sweden raises just 4 percent of its tax revenue from corporations, less than any other European country and approximately one-third of the U.S. proportion.

The result is to concentrate most capital spending within the existing corporate structure and slowly to transform corporations from instruments of production into vessels of disguised consumption. Employees who cannot take money out of the firm without facing confiscatory taxation instead are compensated with company cars, vacation resorts, housing and other perks. These devices tie down workers to particular firms, obstruct entrepreneurship, foster totally spurious "capital formation" and retard productivity and growth.

The world's fast-growing Asian economies, on the other hand, have combined monetary restraint with lower rates of taxation on personal incomes and higher rates on corporations. Japan, for example, has depreciation allowances similar in effect to ours but has far lower marginal rates on comparable levels of personal income, with a top bracket of 70 percent that applies only to earnings over $396,000.

Under current political circumstances, so-called "surgically targeted" tax cuts are particularly perilous in the United States, as in England, because the likely beneficiaries are heavy industries in decline like steel and autos, and housing, already massively subsidized (though the United States has for decades spent an eight-times greater portion of its capital on housing than European countries and a three-times greater share than Japan). The decline of the housing, auto and steel industries portends a desirable shift in the U.S. economy toward vitally needed investments in energy, high technology, sophisticated services and other entrepreneurial ventures. Any effort to retard this change will greatly damage the nation's future.

The one bad portent in Reagan's speech, therefore, is his apparent nostalgia for the days when the United States dominated the world's horizons with industrial smokestacks. Those days are happily gone forever. But as is shown by the British experience—as well as by the effects of the Chrysler bailout on Ford and General Motors and by the continuing romance of subsidized synfuels—smokestack fetishism can lead rapidly from small doses of "targeted aid," on into the deadly addictions of lemon socialism.

The 1980's can be a period of global economic boom, as the energy prices recede as a result of new efficiencies and natural gas and oil discoveries, and as the full potential of the microcomputer revolution unfolds. But the future can prevail only if governments do not allow themselves to be paralyzed by the claims of the obsolescent past—the stagnant industries, socialist ideologies and government bureaucracies that stand between us and an exciting new decade of discovery and affluence.●

SUPPORT OF THE REGULATORY REFORM BILL

● Mr. DECONCINI. Mr. President, I would like to take this opportunity to express my support for the regulatory reform bill which Senator DOLE introduced on February 5, and to commend him for taking badly needed action in this area. I had hoped to have my statement included at the time the bill was introduced but it was inadvertently omitted. I would also like to commend Senator LAXALT as the chairman of the Regulatory Reform Subcommittee for his interest in this subject, as I strongly believe it is one that the American people are demanding we address. My constituents from Arizona have certainly so indicated.

This is a time in which our country needs greater accountability in Government and I believe that sponsoring legislation such as this is certainly a step in the right direction. I look forward to working with the other sponsors in their attempts to achieve this goal in the best manner possible.

I feel confident that the bill which Senator DOLE introduced will be the first in a series of regulatory reform measures considered during this congressional session. This measure requires agencies to consider alternative means of achieving their goal before adopting a particular rule. It also provides for the expiration of rules and regulations 5 years after they are adopted and for some level of judicial review of rules adopted by the Federal agencies. While I do not see this one piece of legislation as the answer to all the needs in this area, I feel confident that its introduction will give us a

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framework from which to begin finding the solution to the problem of Federal agency accountability.●

THE OMNIBUS SMALL BUSINESS CAPITAL FORMATION ACT OF 1981

● Mr. LEAHY. Mr. President, last week I was pleased to add my name to the list of cosponsors of the Omnibus Small Business Capital Formation Act of 1981, S. 360.

As Congress prepares to debate the merits of President Reagan's major tax proposals—the 10 percent across-the-board reduction for individuals, and the so-called 10–5–3 capital cost recovery plan—I am concerned that the needs and interests of our Nation's small business sector not be overlooked. Accordingly, I have joined with the chairman of the Senate Small Business Committee, Senator WEICKER, and others in sponsoring this omnibus small business tax package.

Numerous revisions in our Nation's tax laws are needed if smaller businesses are to attract and retain the capital they need to remain in the forefront of new job creation, innovation, and productivity growth. The provisions of S. 360 would improve the ability of small business to raise capital from outside financing sources, increase the share of internally generated capital small businesses are permitted to retain, reduce the growing burden of gift and estate taxes on small business, enable smaller businesses to attract better management by encouraging the use of stock options for key employees, and improve methods of inventory accounting for small business.

Mr. President, I do not support each and every specific provision of the Omnibus Small Business Capital Formation Act, nor do I believe the bill should be enacted, in full, in its present form. I do believe that each tax revision proposed by S. 360 speaks to a real and pressing problem confronting small business and should be fully debated in the context of the comprehensive tax reduction legislation now beginning to take shape.

It is my hope that a balanced tax cut package, including many of the provisions of S. 360, will be enacted once we have determined that we can afford revenue reductions. Such tax cuts, I believe, will stimulate the capital investment needed to restrain inflation and foster increased productivity and economic growth.●

COLORADO ROCKIES HOCKEY TEAM SOLD TO MR. PETER GILBERT

● Mr. HART. Mr. President, I am pleased to join thousands of my fellow Coloradans in welcoming the news of the sale of the Colorado Rockies hockey team to Mr. Peter Gilbert. I also applaud the choice of Mr. Mark Hogan, former Lieutenant Governor of the State, as chairman of the board of the newly constituted franchise and wish both of these gentlemen and the team much success.

I had the opportunity to meet with Peter Gilbert here in Washington not too long ago, and was delighted to hear of his exciting plans for the team.

I welcome him to Colorado and hope that it will not be too long before we have our first Stanley Cup. Knowing of the tremendous odds Peter Gilbert has faced in the past, and of his own remarkable personal success story, this is certainly a possibility. Beyond his financial success, Gilbert's personal adventures read like a fascinating novel.

I submit for the RECORD an account of his background, which appeared in the magazine of the Buffalo News in 1979.

The article follows:

THE WAR AND PEACE OF PETER GILBERT

(By Mike Vogel)

On a wood-paneled wall of the cubbyhole office hangs a Mauldinesque cartoon of a war-weary, battered soldier—leafing through the pages of the Wall Street Journal.

The cartoon is old, but it still says a lot about the man whose features it echoes.

To Peter Gilbert—soldier and builder of financial empires—the tiny office is a command post, the center of operations for a business that touches tens of thousands of Western New Yorkers.

By radio, telephone and memo, orders flow to the producers, technicians and servicemen who keep his current empire growing.

A scanner monitors the work of installers who are busy hooking still more subscribers into the International Cable television system. A desk console controls the ever-glowing eye of a small television, a check on transmission quality.

Throughout the labyrinthine West Seneca quarters, International Cable employees scurry about Mr. Gilbert's business. Microwave relays and earth stations hum to the touch of his technicians, and on the television screens of Erie County electrons dance to his tune.

Peter Gilbert finds it fascinating.

"I like running a business," he says, "I like making decisions—good ones, bad ones."

Most of the recent decisions, it would seem, have been good. International Cable has grown to a 60,000-customer, $8 million-a-year business. It's not only a success, its owner says, it's fun.

Best of all, the president of this area's largest cable TV venture adds, is the "multi-faceted" nature of the industry—its involvement in consumerism, technology, politics, business, education, entertainment and government regulatory policies.

In that, at least, the industry may well have met its match.

Peter Gilbert, as the cartoon on the wal indicates, is nothing if not multifaceted.

At the age of 7, he and his family fled Vienna to escape the Nazis.

At 19, he was the youngest British Army major in World War II's Mediterranean theater.

In his early 20s he was at sea, running refugees from behind the Iron Curtain to Palestine.

A few years later he was aloft, flying as a pilot for Israel in the War of Liberation.

Later still, he was delivering phone books in New York City, loading trucks, clerking—and working as a "girl Friday" in a high crime area machine shop office.

Within four years he was company vice president and on his way to his first financial empire, an empire that in another dozen years amounted to control of a 29-company, 9,000-employee manufacturing conglomerate.

Financial empire number two followed, a cable television firm in Long Island. In five years the number of customers had increased by 21,600 percent, and Peter Gilbert was making plans to come to Buffalo.

International Cable become empire number three. Peter Gilbert, as he had in Long Island, poured work into the community as well, into the Studio Arena fund drives, the United Way, cerebral palsy fund campaigns, the United Jewish Fund, the Buffalo Council of World Affairs, the Kenmore-Town of Tonawanda Chamber of Commerce.

The office walls are lined with awards for service and success. The workers who followed him here from their jobs in Long Island say it hasn't really changed the man.

Ask him what accomplishment he treasures most, and he seems startled by the question. Almost instantly, the surprise dissolves in laughter.

"I suppose I shouldn't say," he begins. "Perhaps, it was my first Little League win as a manager and the unbroken string of victories we had.

"Really, I don't think I could come up with an answer. The thing that warms me almost more than anything else is the relationship I've always had in business with my employees."

The cartoon soldier looks down on a man who is a bit heavier, a little balder and a lot more well-dressed. The young soldier has given way to a veteran of battles measured both in blood and in dollars.

"I've seen a lot of war, a lot of violence and a lot of good people," Mr. Gilbert says.

His family's flight from Vienna led to Palestine, where the boy became a young adult. He graduated from Jerusalem's Hebrew High Schol in time to enlist in the British Army for three years of wartime service.

He worked his way up through the ranks—"being an enlisted man was no fun," he recalls—and saw action in North Africa, Sicily, the Middle East.

"I volunteered for Burma, but I was too late," he adds.

He reached the rank of major—at 19, the youngest man of that rank in the Middle East—before World War II ended. After his discharge in 1946, he traveled to Houston to visit his father.

He got a job in a Houston burlap factory for 35 cents an hour. The job lasted three months.

The young ex-soldier went back to the Middle East, to the world of refugees and blockade running, shipping out on transports carrying a stream of humanity to the land known as Palestine.

"If you read Leon Uris' 'Exodus,' I lived that life for about two years," he says simply.

Blockade-running gave way to war, and Peter Gilbert returned to the United States long enough to learn how to fly. He married a girl from Brooklyn.

In the United States it was a time of peace, but the shadow of war fell across the wedding ceremonies in Bakersfield, Calif.

"There were ten people at my wedding," Peter Gilbert says quietly.

"Seven of them were killed in 1948."

Shirley, his bride, stayed behind as Peter joined the Israeli air force to fly bombers and transports in the war for Palestine.

His best friend, the man who had witnessed his wedding, died in the fighting. Peter remembers the night.

It was July, and the aircraft was loaded with wounded soldiers being evacuated to Tel Aviv. In the dark, the pilot mistook a nearby enemy-held airstrip for the Israeli field.

"They even turned the lights on for him," Mr. Gilbert recalls, "and when he got about 100 feet above the runway they let him have it.

"I remember that vividly."

He also remembers crash-landing his own transport, laden with stretcher cases, on a beach in No Man's Land south of Tel Aviv.

Nobody was hurt in the crash. His co-pilot, a Chicago man who spoke only English, offered to stay with the wounded while young Gilbert walked to a village for help.

"By the time I got to the village and telephoned for help, by the time they reached the airplane, everyone had been slaughtered, massacred. I can't describe how they found the bodies."

The killing of World War II, he says, was "more organized slaughter. But remember that I got in after the tide had turned, as Mr. Churchill would say.

"After the War of Liberation, I came back to my bride."

The future cable-TV magnate let his flying skills fade—"I was a lousy pilot," he maintains—and started in on New York City's world of finance.

"I had a very glamorous career," he explains.

"I delivered phone books in New York City, loaded trucks, worked as a payroll clerk in a shoe factory."

In 1961, he landed a job with Automatic Metal Products Corp., little more than a machine shop in one of the city's high crime areas.

"There were only 15 employees," he says, "and I was the office girl—no female would risk the neighborhood for the job.

"The company was on the rocks. I went out to get business for it, just to maintain my $45-a-week job. Then I bought out the owner."

By 1965 he was the company's vice president. By 1967 he not only owned the firm, he had built it into a $7 million-a-year manufacturer of electronics and microwave equipment—including, under contract to the Bell Telephone Laboratories, some of the first cable television components.

Having built his empire, he then sold it, merging with a national conglomerate bearing a New York Stock Exchange listing and emerging as the conglomerate's chief operating officer.

For two years, he served Alloys Unlimited Inc. (now Plessey) as vice president and director. He left Alloys in December 1969. In April 1970, he bought his first cable television system.

"I took over three major franchises for the most populated area of Suffolk County," he recalls.

"I knew very little about cable TV. I knew about the technology, since I've been involved in technological businesses all my working life."

He also knew Suffolk Cablevision was in trouble. When he bought out the previous owners, the system had fewer than 300 customers.

When he sold it two years later to Viacom Inc., a "spin-off of CBS" that owns television properties like "I Love Lucy" and "Hogan's Heroes," there were more than 30,000 subscribers.

Mr. Gilbert ran the company under contract for three more years after the $11 million sale, and the number of subscribers more than doubled.

His entry into the cable field, he says, offered itself."

"However, I felt that it had a very good future. It had a challenge aspect to it, and I like challenges, I always did."

Mr. Gilbert's contract ran out at the end of 1974. Once again, he found himself out of a job—until a group of lenders who had helped bankroll Buffalo's pioneering efforts in cable television sought him out.

He recalled "fond memories" of Buffalo, visits here when he was making electronic components for Wurlitzer, Sylvania, Bell Aerospace and Sierra Research. So he said yes.

In March 1975, he bought the Comax Telcom Corp. In September, the firm absorbed Amherst Cablevision. Early the next year, he acquired franchises for Kenmore and the Town of Tonawanda.

"I took over this rather ailing company at the end of March 1975," he says.

"It was almost beyond intensive care and approaching the mortuary stage."

Within 18 months, he adds, he broke even. International Cable's president admits that the business is turning a nice profit these days.

That's a feat no other local cable television firm has been able to duplicate.

"It's a very, very high risk business," Mr. Gilbert says.

"It can be very financially rewarding if you do things right, but there's no way of faking it."

There were decisions that helped International turn the corner: An increase in professionalism, purchase of the rights to Sabres home games, the entertainment packages offerd by the Home Box Office options.

The company president—a man who describes himself as "terrified of the dehumanizing aspects of modern technology"—credits his employees for the success.

"They're very, very good people," he says. "It's a family-type business."

There's a Gilbert niece on the payroll, along with 14 employees who moved their families here from Long Island when their boss made his move, and dozens of locally hired staffers.

Along the way, Mr. Gilbert admits, there were a few decisions that weren't so successful."

An "arch Republican" who nevertheless strongly admires Harry S. Truman, Mr. Gilbert describes himself as "a rather prudish fellow—prudish, conservative, perhaps a fossil."

But it was one of his decisions that curled the hair of International's late-night channel watchers.

Marketing studies, he says, proved that a good portion of the audience wanted X-rated movies. International, without advertising fanfare but with dynamic word-of-mouth proliferation, began to show the flicks.

The rationale was that the shows were on way beyond children's bedtimes and the television could always be switched off.

"I believe that it's not television that molds an audience, but audience that molds television," Mr. Gilbert contends.

"Two things happened. I overlooked the young adult and the babysitter."

Some rather articulate letters began arriving at the West Seneca offices, describing home conflicts over the blue movies. That, rather than political pressure, led to the end of the X-rated showcase, Mr. Gilbert says.

International, he maintains, is "very responsive" to its audience. It is, after all, customer-funded, not supported by advertising.

And the man who admits to being a solid sports and theater fan also defends the proliferation of current movie and stage show attractions available on pay TV as a help, rather than a hindrance, to box office sales.

"I can see it that way," he says, "but I also see that I'm generating interest.

"I'm an old tennis player, and I can remember when you could fire a cannon through Forest Hills and not hit anyone. Then tennis got on television, and now you can't get a ticket—and everyone plays tennis."

The HBO option, he says, offers a chance to see live stage shows and a chance to avoid the "cost and hassle" of going to a theater, especially for young couples with children.

And "exposure to the arts," he maintains, generates an interest in direct participation.

"I believe cable television has a mandate to serve the community," he adds.

"It fills a niche that broadcast stations and newspapers cannot fill, without being competitive with them. It supplements, expands, without competition."

And, of course, Peter Gilbert likes the business.

It's not labor-intensive, he says. He can generate the same revenues with 100 people here that he did with 600 people in his conglomerate days.

"It's like owning a 747," he says.

"If you sell only 50 seats, you're broke. But the costs are basically the same for a full planeload, and our personnel and equipment expenditures are basically the same for 60,000 customers as they were for 30,000."

There are no rapid price fluctuations on materials, and it's a business where a successful man tends to stay successful. A satisfied customer remains a customer, month after happy month.

Having built his local empire, Mr. Gilbert feels no particular urge to move on.

The quality of life here, he says, is "vastly superior" to New York City's. He and his wife feel at home in Allentown, and their four children and three grandchildren are scattered from coast to coast.

"I have plans, as I always have, to put as much into a community as I get out of it," he maintains.

The record backs that up. He has served as a director of the Long Island Medical Center, headed Buffalo's Council on World Affairs, helped run the Studio Arena fund drive and this year serves as associate chairman of the United Way campaign.

He has earned awards for service to the disabled and the Anti-Defamation League's "Torch of Liberty Award." He has also, he says, had his share of disappointments.

The disappointments don't, however, extend to the business world.

"One fellow might like gardening," he muses, "another might like building sailboats or restoring antique cars."

He leans back from the cluttered office desk, and for a moment the features mirror the cartoonist's vision of the young merchant soldier.

"I like growing businesses."●

AMERICAN POLICY AGAINST INTERNATIONAL TERRORISM

● Mr. MOYNIHAN. Mr. President, as American policy takes aim against international terrorism, it must be our first task to understand more clearly than we have in the past precisely who our enemy is. Too long has the view prevailed that the terrorist resorts to his extreme means out of some passionate attachment to a political goal, sometimes a noble one. The extremism of a man in this inflamed state might not be admired, but it was at the very least to be understood, and often excused.

Great writers such as Dostoevsky and James have been responsible in part for this picture of the terrorist psychology, but the experience of our time shows that it is not correct. The terrorist of today is inhuman precisely in the coldness of his brutality. His vision is no more blurred by feverish zeal than was the vision of the men who set out to exterminate whole peoples in the Second World War. And, like the Nazi program, terrorist activities are not the work of fanatics in two's and three's. It is now plain that we face an international network of terrorist organizations; today, no such group need train and equip its own members, plan and organize its work, or even fund itself. The scale of this enterprise, and above all the intimate role of the

Soviet Union in its every phase, need to be seen if we are to have any success in meeting and destroying it.

Mr. President, I submit for the RECORD two recent analyses of this problem that demonstrate an unusual clarity: From the Washington Post of January 27, 1981, an editorial, "Fixing Responsibility for Terror"; and Claire Sterling's superb essay, "Who were those Student Terrorists?" which appeared in the Post of January 23, 1981.

The material follows:

[From the Washington Post, Jan. 27, 1981]

FIXING RESPONSIBILITY FOR TERROR

The romantic 19th-century notion of the terrorist as a person in the grip of a passion, as an individual making a statement, lingers on to pernicious effect. It nourishes in some quarters an unnecessary psychological indulgence of the act and it keeps people from realizing that in the 20th century terrorism is largely an organized group or state-sponsored and managed activity. This is important because such groups as the PLO and such states as the Soviet Union and its allies—the principal sources of terror in the world—have between them resources far surpassing those available to individuals. There was both a PLO and a Soviet hand behind the seizure of the American hostages in Iran. Any attempt to combat terrorism must cope, if not start, with that fact.

The PLO openly conducts acts of terror against Israel and more quietly maintains ideological or organizational contacts with killers with other obsessions—in what Claire Sterling called, in an op-ed article the other day, "the terror network." Do the people who "understand" PLO violence when it is directed at Israelis realize that they are thereby in some measure supporting attacks on others? The PLO needs to be called to account, by its friends, for this connection. The United States, which has linked its acceptance of the PLO to the PLO's renunciation of terror against Israel, needs also to ask that it sever its links with Carlos the Jackal and the Japanese Red Army. Certainly the PLO deserves no credit for attempting to intervene for the hostages in Iran, when its larger role was to help make the terrorists' assault possible in the first place.

There will always be an argument over the Soviet role in particular incidents, but overall it is undeniable that the Kremlin, politically and logistically, gives incalculable assistance to international terrorism. East Germany, Czechoslavakia and Cuba seem to have special sub-functions. Soviet-bloc nations are involved in multiple relationships with the United States and other countries. This makes it difficult to send an unequivocal stop-or-else message. Yet surely much can be done, in this country and abroad, to improve intelligence and counterterror measures and to raise the political costs to the perpetrators. How strange that Moscow should have gotten a free ride for being the hatchery of international terrorism. How unacceptable.

Should the United States fight fire by fire—"unleash" the CIA, resume covert operations on a broad scale and even go (back) into the terror business itself? Terror is real: we may not yet have seen its most extreme permutations. Yet a response that blurred the line between terrorism and tough legitimate self-defense could produce excesses that would feed the fire, complicate the search for allies and sow domestic distraction. What is more important, as a first step, is to realize that the old relaxed ways of dealing with terrorism will no longer do. Responsibility for it must be fixed, and new policies, operational and political, must be devised.

[From the Washington Post, Jan. 23, 1981]

WHO WERE THOSE "STUDENT" TERRORISTS?

(By Claire Sterling)

It seems strange that so little is known even now about the American hostages' Iranian "student" jailers. In nearly 15 months, we never did find out just who they were and whose orders they were taking, when and where they were trained, by whom and to what end, whether for an Islamic or Marxist revolution or both. If nothing else, though, we can at least put them in their proper international context.

They were accomplished terrorists: the kind who were made, not born, whose professional counterparts may be found in dozens of countries today from Japan and Turkey to Italy, Spain, West Germany, Northern Ireland, much or most of Central and South America. Whether they learned their craft abroad or at home has not been established but hardly matters. For Iranians especially, the most high-powered instructors in the world would have been available either way.

Iran was singled out for special attention long ago by a global terrorist network. Thousands of Iranians learned the arts of urban guerrilla warfare that way in the 70s, under the expert tutelage of Cubans, East Germans and veteran Palestinian warriors. The whole of Iran's revolutionary underground—including both Islamic and Marxist wings—has been locked into the network for more than a decade.

The Iranians have been a privileged elite in this network since it first took shape, under radical Palestinian auspices. They were among the earliest foreign recruits in Middle East guerrilla camps: all such camps, in Syria, Lebanon, South Yemen, Libya, Algeria, but especially those run by George Habash's Marxist Popular Front for the Liberation of Palestine.

Soon after Ayatollah Khomeini swept into power in January 1979, the PFLP's chief spokesman, Bassam Abu Sharif, spoke proudly of his group's having "been in touch with the Iranian people's struggle for the past seven years," providing them with training "in everything from propaganda to the use of weapons." On the very day he spoke, the Journal de Geneve reported the recent arrival, in Iran and elsewhere around the Persian Gulf, of yet another terrorist band freshly graduated from a PFLP camp in Beaufort Castle near Tyre, Lebanon. The band had just spent eight months in the camp, trained by Cuban instructors there, "in street and desert fighting, attacking people and buildings, regular demolition operations and sabotaging oil installations," the Swiss paper reported.

It was certainly neither the first nor last such band carefully groomed to fight inside Iran. As far back as Dec. 19, 1971, the Lebanese paper al-Ahad reported that "the Palestinian revolution has opened the way for many Iranian fighters to benefit from practical training in the use of arms. . . . This first aid began in 1968 when a contingent of the Iranian revolutionary movement left Iran for training with the resistance movement," the paper went on. "After their return to Iran they began to train other members. . . . Owing to the direct influence of the armed Palestinian struggle, revolutionary groups began to study armed struggle and to carry out armed actions inside Iran."

How many of them were at it—by 1971, eight years before Iran's Islamic revolution peaked—is suggested by the arrests of 75 Iranians in a single group returning to their country that year, all trained and armed by the PFLP.

Guerrilla training was only part of their accumulating worldly experience. Iranian terrorists have been honored guests at every international terrorist summit meeting known to Western intelligence services, starting with the one sponsored by Habash in May 1972 in Badawi, Lebanon. They belonged to the inner circle around the celebrated Carlos the Jackal, directing continent-wide multinational terrorist operations for Habash out of Paris. From their own Paris headquarters, they worked closely with the Turkish People's Liberation Army (whose office they shared until the French police raided it), the IRA Provisionals, the Spanish Basque terrorists in ETA, the Japanese Red Army European team, the Swiss anarchists running a weapons takeout service for terrorist bands of all Western Europe, the German Baader Meinhof Gang, helping them to plot the shah's assassination in 1975, among other things.

None of this proves that our particular Iranian "students" emanated directly from the international terror network. If not, though, a lot must have rubbed off on them from others who did. They had the benefits, besides, of its prodigious intelligence-gathering machinery, logistic support, expert counsel on the media, worldwide propaganda services, money and couriers from the network's Libyan branch and highly specialized Palestinian personnel to mine the U.S. Embassy compound. Whether as members or clients of the network, they obviously got much further with it than they ever could have done without it.

Some Americans may find all this academic, now that the hostages are free. In fact, it is central to the future security of the United States and its Western allies. The seizure of the American hostages in Tehran was hardly unique. Something very much like it has been happening to our friends abroad all along. Practically every one of them suffered a similar trauma at the terror network's hands during the '70s—Fright Decade I. If we cannot prevent it, we might at least brace ourselves for a fresh round of shock, bound to follow as night follows day in Fright Decade II.●

REV. DR. EDWARD L. R. ELSON

● Mr. BUMPERS. Mr. President, I would like to take this opportunity to say a few words of respect to my friend, the Reverend Dr. Edward L. R. Elson, who retired recently as Chaplain of the Senate. Dr. Elson has been a figure of inspiration and wisdom to all of us. The 12 years during which he served this body were among the most difficult our Republic has ever faced, and Dr. Elson helped give perspective to the frantic events of the day. During this time, Dr. Elson delivered the morning prayer more than 1,700 times, and I know that he did so with great thought and care each time.

But Dr. Elson has manifested his faith in more arenas than one. Prior to coming to the Senate, he spent nearly a quarter century at the National Presbyterian Church, and helped make that one of the most influential religious institutions in this city. Before that, he served bravely as a chaplain in the U.S. Armed Forces. In fact, he received 18 military decorations, in addition to 13 Freedom Foundation Awards. The Reverend Elson has also been socially aware. One of the things that he is personally most proud of is having invited the first

American Indian, the first woman, and the first nun to offer the Senate's morning prayer.

As an indication of how close Dr. Elson came to Senators and their families on a personal basis, I might say that Dr. Elson officiated at the funerals of—among others—President Eisenhower, President Johnson, Supreme Court Justices Tom Clark and William O. Douglas, and Senators McClellan, Dirksen, Humphrey, and Allen. Dr. Elson has been an inspiration to me personally, and I wish him Godspeed in all his future endeavors.●

RIGHT VERSUS RIGHT: IMMIGRATION AND REFUGEE POLICY IN THE UNITED STATES

● Mr. HUDDLESTON. Mr. President, I would like to introduce to my colleagues the single most important article on immigration to the United States that I have seen in several years. Michael S. Teitelbaum, its author, has written a balanced, objective and thorough survey of the state of our knowledge on immigration issues, and has made excellent suggestions for the steps our Nation must take to meet the challenges immigration presents to us today.

His article, "Right Versus Right: Immigration and Refugee Policy in the United States," appears in the fall 1980, issue of Foreign Affairs. Mr. Teitelbaum is remembered by many of us as the very fine staff director of the Select Committee on Population in the House of Representatives from 1977 to 1979. Prior to that service, he had been on the faculties of Oxford University and Princeton University, and he is presently a program officer at the Ford Foundation.

As we proceed with our consideration of immigration issues this year, I am certain that we shall all refer many times to the authoritative analysis of our dilemma and to the thoughtful presentation of the facts which Mr. Teitelbaum has given us.

Due to the length of the article, I realize that it is not practical to reprint it in its entirety. However, I ask unanimous consent that parts I, III, and X be printed in the RECORD.

The material follows:

RIGHT VERSUS RIGHT: IMMIGRATION AND REFUGEE POLICY IN THE UNITED STATES

(By Michael S. Teitelbaum)

There is now a growing realization that immigration and refugee issues may prove to be among the most important and troubling world problems of the next decade. The recent large flows of refugees or expellees from Indochina, Afghanistan and Cuba, all typically treated as short-term crises, instead may be harbingers of long-trends of profound proportions. The same may be said for the accelerating trend of international migration, both legal and illegal.

Control over entry by non-citizens is generally considered one of the two or three universal attributes of national sovereignty; no government has ever explicitly abrogated this sovereign right, although on occasion a state has asserted the right of its citizens to enter another. Hence it is evident that problems of international migration, which are already large and of increasing magnitude, go to the heart of our collective definition of modern nation-states and of relations among them.

Immigration and refugee policy is of special and rapidly growing political importance in the United States. The debate is an increasingly unpleasant one, with anti-immigrant and anti-refugee sentiments apparently strong and growing. The most recent national poll on the subject of refugees showed only 19 percent supporting President Carter's decision to double the admission of Indochinese refugees to 168,000 each year, while 46 percent actually wanted a reduction from the previous level of 84,000 per year. In a later poll, 91 percent of the sample supported "an all-out effort to stop the illegal entry into the United States of 1½ million foreigners who don't have entry visas" and 80 percent wanted to "reduce the quotas of the number of legal immigrants who can enter the U.S. each year."[1] In 1977, the Carter Administration made a set of limited proposals that promptly dropped out of sight in the Congress. Now a national commission chaired by Theodore Hesburgh and including strong congressional representation is scheduled to come up with a new analysis and recommendations in early 1981. The problems can hardly fail to be faced in some fashion early in the next Administration.

The many critics of current U.S. immigration policies cannot be simply dismissed as xenophobic restrictionists. Even unthreatened and non-xenophobic people with progressive and humanitarian instincts differ greatly, sometimes vituperatively, in their perceptions of and prescriptions for American immigration policy. In large part this is because the debate is a contest of "right" versus "right." Excluding the kooks on the fringes, all sides advocate human rights and justice; none supports persecution and injustice. The disagreement is about which basic rights have precedence over which other basic rights; consensus in such a setting is, unsurprisingly, elusive.

The United States is by far the world's largest receiver of refugees and immigrants for permanent settlement. In 1978, the last year for which official statistics are available, over 600,000 legal immigrants and refugees were admitted for permanent residence in the United States.[2] (The 1980 figure seems certain to rise to 700–800,000 or even higher under current policies.) The 1978 total represents not only the largest number accepted by any nation in the world in that year, but perhaps twice as many as were received by all other countries combined.[3]

In addition to the legal flow, the United States is currently experiencing a large "illegal" or "undocumented" influx.[4] As with all clandestine processes, it is almost impossible to obtain accurate data on such migration. While there are extreme claims on both sides, most observers would agree that the annual inflow of illegal migrants is considerably larger than that of legal migrants and refugees, that the return flow is also considerably larger, and that the net inflow (i.e., those remaining after return migrants are subtracted) is perhaps roughly equal to the net legal flow.

Thus, a statistically conservative conclusion would be that in the past several years the United States has been receiving a net inflow, legal and illegal, amounting to at least one million persons per year—a minimum of 600,000 legal in-migrants, less perhaps 100,000 legal out-migrants, plus a comparable net flow of illegal migrants. The 1980 figures no doubt will be larger still.

Net immigration on this scale is at or near the highest levels ever experienced in American history. In the 1901–10 decade, the previous peak, legal immigration averaged 880,000 annually, and there was little known illegal entry. With a present U.S. population more than double what it was then, the current inflow represents a considerably smaller numerical ratio. On the other hand, the current record-low fertility of the U.S. population (lower even than in the depression years of the 1930s) means that international migration is accounting for a greater share of total population increase than ever before. If the above estimate of total annual net immigration is near the mark, it represents at least 40–50 percent of annual U.S. population change.

Estimates of the number of "undocumented" or "illegal" migrants presently in the United States range from as low as 2 million to as high as 12 million, with most responsible observers coalescing on a range of 4–6 million as of the mid-1970s, probably with substantial increases since then.[5] The absence of firm evidence has made this subject a popular one for demagogues. Some have tended to exaggerate the numbers radically and to speak of a "silent invasion"; others have sought to downplay the magnitude, claiming that it is insignificant in size and impact. But the consensus estimate of 4–6 million as of five years ago is, by any measure, very large and important.

The concentration of the modest enforcement efforts of the Immigration and Naturalization Service along the Mexican border has given rise to a popular impression that almost all illegal migrants are Mexicans. Most objective observers believe that the Mexican percentage is closer to 50–60 percent, with the other 40–50 percent coming from the Caribbean, Central and South America, Asia and Europe. Mexico is by far the largest single source country, but the problem is wider.

American immigration flows have come to be dominated to an unprecedented degree by immigrants speaking a single foreign language—Spanish—contrary to the intention of recent immigration reforms to encourage all forms of diversity and pluralism. The 1965 reforms of the Immigration and Nationality Act did away at last with the blatantly racist nature of the quotas developed during the 1920s. Under the 1965 and 1976 reforms, each individual nation now has an equal ceiling of 20,000 potential immigrants per year, which however does not include those who are eligible for admission because of immediate family ties to U.S. citizens. Under these laws the national diversity of immigration to the United States has increased dramatically in the past decade.

Linguistic diversity is another matter. The 1965 Act also provided for a regional ceiling of 120,000 immigrants from the whole Western Hemisphere, and for a ceiling of 170,000 from all other areas together. In practice, however, the family ties provision has meant that the number of legal immigrants from Hemisphere Spanish-speaking countries has steadily grown and has itself usually exceeded the regional ceiling substantially.[6] More important, the recent heavy influx of illegal migrants has been heavily concentrated, as we have just noted, among Spanish-speakers. The INS reports that, in the period 1968–77, approximately 35 percent of all legal immigrants to the United States were Spanish-speaking. If one adds to this figure plausible estimates of Spanish-speaking illegal immigrants, it becomes clear that over the past decade perhaps 50 percent or more of legal and illegal immigrants to the United States have been from a single foreign-language group.[7]

Such linguistic concentration is quite unprecedented in the long history of U.S. immigration. While there were substantial concentrations of a particular language group in past decades (e.g., 28 percent German-speaking in 1881–90 and 23 percent Italian-speaking in 1901–10), previous immigration flows generally were characterized by a broad diversity of linguistic groups ranging from

Footnotes at end of article.

Chinese to Polish to Spanish to Swedish. Furthermore, those concentrations that did occur proved to be short-lived.

The pressures for international migration can be expected to increase greatly over the coming decades. Moreover the trend in U.S. immigration flows is almost certain to be toward even greater concentration among already predominant groups. According to the International Labour Organization, the developing world will have to generate between 600 and 700 million new jobs in the next 20 years merely to absorb the rapid growth in its labor force and keep its unemployment rate from increasing. This number of new jobs is more than presently exist in the whole of the industrialized world taken together.[8]

Even more to the point are the high rates of population increase in prospect for almost all the developing countries that in recent years have been primary sources of migrants to the United States.[9] With the exceptions of Jamaica and Cuba, all of these nations can expect population growth ranging from a third to nearly 90 percent over the next 20 years. While measures to limit population growth could have an increasing impact on longer-term population trends in these countries, the great bulk of these 20-year increases are foreordained by births that have already taken place.[10]

In rough terms one may assess the prospects for emigration pressures in four groupings of countries that have been leading sources of legal immigrants in recent years:

The first group, developed or near-developed countries with low rates of population increase—e.g., Canada, Italy, the United Kingdom, Portugal and Greece—seem unlikely to experience great continuing emigration pressures, barring political or economic upheavals.

In the second group of countries, large developing nations from areas other than Latin America, India deserves special mention. Although India has no long history of large-scale out-migration here (as it has to the U.K.), the numbers in recent years have been substantial and a "critical mass" may be emerging that could lead to increased flows, especially from family ties. India's population is projected to increase by 45 percent, or 300 million, over the next two decades. Depending on its economic and political fortunes, it may or may not produce heavy pressures for immigration to the United States. India is officially English-speaking, albeit with multiple regional languages.

The third group consists of a number of smaller Asian developing countries with close historical ties to the United States and with varying levels of political instability—e.g., South Korea, the Philippines, Taiwan and Vietnam. Most already have more or less well-established patterns of out-migration to the United States, with the Philippines and South Korea routinely oversubscribing available visas. Threats of international hostilities, civil war or internal convulsions face many of these countries more or less vividly. If such developments were to occur, strong pressures would arise for admission of large numbers of refugees, as in the recent cases of Vietnam, Cambodia and Laos. English is a relatively popular second language in most of these countries.

It is the fourth group about which one can state with assurance that all indicators favor the rapid escalation of pressures for out-migration to the United States. This group consists of the relatively contiguous countries of Latin America and the Caribbean, including Mexico, the Dominican Republic, Colombia and Jamaica. Most are predominantly Spanish-speaking (with obvious exceptions in Haiti, Jamaica and many small Caribbean islands), with generally little prevalence of English as a second language. Most of the countries in this group have long-established patterns of substantial out-migration to the United States; their rapid population growth and the high proportion of young people (typically 45 percent or more under age 15, as compared to 22 percent in the United States) portend daunting rates of labor force growth. As a study prepared at the Inter-American Development Bank puts the problem:

"Stated briefly and in comparative terms, the United States in its best year since the Second World War (1977) created four million jobs; but Latin America, with one-fifth to one-sixth the economic base (GDP) must from now to the end of the century annually create four million jobs, just in order not to fall behind in its present high rate of unemployment. Does anyone truly believe they can do this?" [11]

Mexico, for example, is hard put at present to provide jobs and sustenance for its 68 million people, even with millions having emigrated already to the United States. Yet Mexico is projected to add more than 60 million to its population in next two decades. Over the near future, 700,000 new jobs per year will have to be created if already high unemployment rates are not to rise, yet even optimistic official forecasts predict only about 350,000 new jobs per year.[12] Colombia, often considered one of the success stories of Latin America in attempts to lower rapid population growth, will nonetheless increase by over 15 million from its present 27 million by the year 2000. Unless there is great success in generating jobs for these additional millions, the already large pressures for illegal migration of Colombians to Venezuela and to the United States can be expected to increase accordingly.

Enforcement of American immigration law is remarkably lax by any standard of assessment. The open land borders of the United States have received far less enforcement attention than would be considered normal policing effort in any town or city. Although the INS concentrates the bulk of its small Border Patrol forces along the Mexico-U.S. border, during an eight-hour period there are on average only 350 border patrolmen assigned to this 2,000-mile unfortified perimeter—less than the normal force of police assigned to guard the U.S. Capitol and its office buildings, comprising in total 103 acres.

The entire fleet of INS aircraft used to survey the lengthy borders and coastlines of the world's leading producer of aircraft consists of three leased helicopters (one of which was downed and destroyed recently by smugglers or illegal aliens) and 28 Piper Cubs and Cessnas. The U.S.-Canadian border, thought to be an important entry point for illegal aliens from the Caribbean and Asia, is punctuated with many small road crossings where the only official presence is represented by a road sign requesting border crossers to kindly report to the nearest INS office.

Enforcement of U.S. law regarding those entering legally on temporary visas is equally lax, both at ports of entry and internally. Of the more than eight million persons entering the United States on such visas in 1977, the archaic INS administrative system was unable to account for the departure of 15 percent, or over 1,200,000; no one knows how many of these stayed on illegally. Despite abundant evidence of widespread visa abuse by nationals from Caribbean countries (especially from the Dominican Republic), the State Department continues to issue "shopping passes" (known as annotated visas) that allow applicants unable to qualify for tourist or business visas to enter Puerto Rico only, for purposes of "furthering the inter-island economy." Yet once a person holding an annotated visa enters Puerto Rico, there is no effective mechanism in place to determine if he/she ever departs the island, or to bar a domestic flight from Puerto Rico to the U.S. mainland.

There is also considerable evidence that both the issuance and use of student visas have been subject to widespread abuse. Most Americans, even members of Congress, would be surprised to learn that profit-making technical training schools (e.g., for beauticians and auto mechanics) have been authorized by the INS to issue the Form I-20 that generally results in the immediate issuance of a student visa. Even the respectable non-profit education sector has seen the emergence of unscrupulous foreign student recruiters and a black market in visa forms, especially as small and financially strapped colleges have a harder time finding domestic students willing and able to pay high tuition fees.[13]

While in most countries it is a violation of law for employers to hire persons without legal visas or working papers, in U.S. law the so-called Texas Proviso specifically exempts employers from the legal proscriptions on harboring illegal aliens.[14] This bizarre provision, adopted in 1952 apparently at the behest of Texas agricultural interests, injects an obvious asymmetry into law; a person without proper papers is not permitted to obtain employment in the United States, but it is quite legal for his employer to employ him.

In addition, the substantial internal controls on resident noncitizens in most developed countries (e.g., compulsory annual police registration in Great Britain, and such registration coupled with identity papers in France and West Germany) do not exist in the United States.[15] Finally, the investigative staff of the INS, responsible for detecting, apprehending and processing several million undocumented migrants, numbers only about 1,000 persons nationwide.

In summary, the 2,000-mile Mexico-U.S. border and the 4,000-mile Canada-U.S. border are essentially porous, and the administration of visas for tourists, students, "shoppers," and other temporary visitors is such that anyone able to enter on such a visa can stay on permanently and obtain employment if so desired.

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The factors affecting immigration flows are normally visualized as a confluence of "push" factors in the sending country, "pull" factors in the receiving country, and "barriers" between them that take a legal, geographical or economic form. A comprehensive effort to regularize and control immigration to the United States must consider all three types of factors. The "push" factors are increasingly the poverty and political instability of the developing world—problems that can be confronted only through foreign policy initiatives, development assistance, and trade and economic policies affecting the developing world. The "pull" factors are said by most illegal immigrants to be primarily economic—the ready availability of relatively attractive jobs. The reduction of this primary "pull" factor requires the elimination of the Texas Proviso, with proper safeguards to protect civil rights and liberties. Finally, the "barrier" factors, which overall have been declining due to cheaper and easier transportation and improved communication, can only be regulated through more effective enforcement of legal provisions. Approaches to all three factors are eminently the province of policymakers.

Part of the confusion that characterizes the ongoing debate is due to the fact that immigration and refugee policy is one of those few subjects in which the liberal-conservative continuum is utterly meaningless. Some conservatives have favored unre-

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strained immigration to cheapen labor and reduce the power of unions, while others have opposed it on xenophobic or racist grounds. It is easy to identify liberals who have supported unlimited immigration in the spirit of humanitarian concern for the poor of the world, and others who have opposed it in the spirit of humanitarian concern for the poor of the United States. The array of political forces favoring continued large-scale illegal immigration include such unlikely bedfellows as agribusiness and industrial interests seeking cheap and complaint labor, religious leaders promoting global egalitarianism, ethnic activists seeking supporters, liberal unions recruiting new members, and idealists desiring a world without borders. Opponents of illegal immigration include many members of disadvantaged minority groups, liberal labor unions, and racist groups such as the Ku Klux Klan. Such bizarre coalitions defy all normal political logic, and help explain why so many prefer to avoid the issues entirely—no matter what position one adopts, one is agreeing with the views of highly unattractive new allies, while antagonizing old or potential allies in other important causes. Willingness to deal sensibly with immigration issues is further diminished by the ready use of unfair accusations of "prejudice" or "racism" against those urging that immigration flows be regularized and brought under more rational control.

Yet it is clear that there is an overwhelming national consensus favoring effective efforts to curtail widespread (if declining) openness to controlled legal flows of immigrants and refugees. Hence the prospects for a sensible set of trade-offs are not as implausible as the loose rhetoric of advocates make them sound.

In the long term, the only humane and sustainable policy regarding immigration and refugees must be one that accurately reflects American national interest and humanitarian values, protects the civil liberties and rights of citizens and immigrants alike, and recognizes the importance of trade and foreign assistance policies for developing countries. Such a policy can continue to admit very substantial numbers of legal immigrants and refugees and to be firmly nondiscriminatory and pluralistic in its orientation. And a comprehensive approach designed to bring large-scale illegal or undocumented immigration under reasonable control would go far toward promoting several desirable goals at once: assuring that immigration policy does not unfairly burden disadvantaged Americans; reestablishing the plural mix of immigrants and refugees of which most Americans are justifiably proud; and reversing the widespread belief that American immigration policy is out of control. By so doing, it would represent the single most important contribution toward a rebirth of America's historical commitment to a liberal immigration policy.

In the coming year the task will fall to the next President and Congress to formulate legislation that will embody such an immigration policy, and to find the will to enforce it. Ignoring the uncompromising extremism of the fringes, such reforms can be forged and implemented with no damage to the basic values of American life.

FOOTNOTES

[1] Roper Poll, September 1979 and June 1980.

[2] This figure excludes those entering the U.S. under a small legal temporary-worker program. In continental Western Europe, by contrast, the overwhelming bulk of legal entry in recent decades has been under such temporary-worker ("Gastarbeiter") programs; in very few cases are such entrants expected to become citizens. In the United States, of course, it is assumed that the great bulk of those admitted for permanent residence eventually will become U.S. citizens.

[3] A minor caveat is in order for the specific year 1978; in that year the People's Republic of China, not ordinarily a country of immigration, admitted an unknown number of Vietnamese nationals of Chinese origin on a one-time basis.

[4] A word on nomenclature is in order here. Persons present in the United States in violation of immigration laws are described by a variety of terms, including illegal aliens, undocumented workers, and illegal immigrants or migrants. None of these several terms is entirely appropriate. The term "illegal" is offensive to some who believe it attributes blame to the victim. The term "undocumented" is offensive to others, who consider it a euphemism. The term "alien" has otherworldly connotations to some. The term "immigrant" assumes permanence of settlement that may not occur, and the term "migrant" has a connotation of non-permanence that may not be true. These various imperfect terms are used interchangeably in this article, with no offensive connotations intended.

[5] *The New York Times* (January 16, 1980, p. A1) quotes unnamed "authorities in the State Department" as estimating that as of 1980 "the number of illegal aliens in the United States is at least 10 million, and these ranks are swelling at a rate of about two million a year." The 4–6 million range as of the mid-1970s has been accepted as reasonable by such responsible sources as former INS Commissioner Leonel Castillo, the Select Committee on Population of the U.S. House of Representatives, and senior demographers at the Bureau of the Census.

[6] The unpredictable, and sometimes large, numbers of Cuban refugees admitted under special arrangements in particular years make it difficult to choose a "normal" year. But in 1977, for example, the total of legal immigrants from the Western Hemisphere was about 223,000, of whom perhaps 30,000 (from Canada, Jamaica, Haiti and Brazil) were non-Spanish-speaking. Mexico, the largest single source country, was responsible that year for 44,079 legal immigrants, of whom more than half came under the family ties provision. (For unrelated and probably temporary reasons, the 1978 figures, the latest available, for Mexico were even higher—see footnote 10.) By comparison, all of the countries of Africa, taken together, sent an average of only about 7,000 legal immigrants per year to the United States during the past decade.

[7] One of the reviewers of this article, Dr. Charles Keely of the Population Council, has reminded me that there is also a very high concentration of his fellow Catholics among current immigrants and refugees from Latin America and Asia, and suggests that this pattern, if continued, will engender important social dynamics within the Church and its hierarchy in the coming decades.

[8] International Labour Organization, *Labour Force Estimates and Projections. 1950–2000*, Second Edition, Volume V, (Geneva: 1977), Table 6.

[9] In Latin America and the Caribbean, prominent source countries include Mexico (92,367), Cuba (29,754), the Dominican Republic (19,45?), Jamaica (19,265), and Colombia (8,272*). In Asia, they include the Philippines (37,276,) South Korea (29,288) Taiwan (21,315), and India (20,753). Finally, among developed countries are the United Kingdom (14,245), Canada (12,688*), Portugal (9,657*), Greece (7,838*), and Italy (7,510*). The numbers in parentheses are the latest tabulations of legal immigrants by country of origin available from the INS, which is so tardy in its reporting that these are 1978 figures (1977 when asterisked). In addition, there were in 1978 88,543 Vietnamese refugees whose status was adjusted to immigrants.

[10] Examples of projected 20-year population increases are 89 percent for Mexico; 64 percent for the Philippines; 58 percent for both Colombia and the Dominican Republic: 45 percent for India; 34 percent for Taiwan and South Korea; and 27 percent for both Jamaica and Cuba. In contrast, the comparable figures for developed countries are: Canada, 21 percent (including substantial immigration); Portugal, 17 percent; Greece, 10 percent; Italy, 7 percent; and the United Kingdom, 1 percent. All figures are rounded and based on data from the United Nations and the World Bank, as compiled in Population Reference Bureau, *1980 World Population Data Sheet*, Washington, 1980.

[11] "Urbanizing Latin America," paper presented by Robert W. Fox of the Inter-American Development Bank at the Global Conference on the Future, Toronto, Canada, July 21, 1980. The International Labour Organization projects labor force growth for Latin America of between 86 million and 95 million over the 20-year period 1980–2000. *Op. cit.* footnote 9, Vol. 3, Table 6.

[12] Peter H. Smith, *Mexico: the Quest for a U.S. Policy*, New York: The Foreign Policy Association, 1980, p. 25.

[13] *The New York Times* of January 15, 1980 reported that these recruiters charge fees of up to 15 percent of first-year tuition payments, and that blank I–20 forms signed by U.S. college officials were on sale for $700 to $1500 on the black market in Iran. The president of as respectable an institution as Bennington College admitted to the *Times* that his college issued such blank presigned forms, while he "supposed it wasn't the moral thing to do."

[14] The Texas Proviso makes interesting reading: Any person who "willfully or knowingly conceals, harbors, or shields from detection, in any place . . . any alien . . . not duly admitted . . . shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $2,000 or by imprisonment for a term not exceeding five years, or both, for each alien in respect to whom any violation of this subsection occurs: *Provided, however, that for the purposes of this section, employment (including the usual and normal practices incident to employment) shall not be deemed to constitute harbouring.*" (Immigration and Nationally Act, Section 274(a), emphasis added.)

[15] Present U.S. law does require address notification by all aliens via completion of a postcard to be sent to the INS each January. While many aliens comply with this requirement, many do not, and there is no effort at enforcement.●

IOSIF MENDELEVICH

● Mr. DANFORTH. Mr. President, yesterday, the Soviet Union released Iosif Mendelevich, the last member of the so-called Leningrad Ten to be held in prison. In 1970, Mr. Mendelevich was among the group which reportedly tried to take over an empty Soviet plane to escape to the West. Their attempt was made after his family's fourth application to emigrate had been denied.

Mr. Mendelevich was sentenced originally to a 15-year term, a period which was reduced to 12 years under the pressure of public opinion. Now, thanks to the efforts of the World Jewish Congress, he is free, having spent 10 of his 33 years in Soviet prisons.

During those 10 years, Mr. Mendelevich was denied any direct contact with his family. He was forced to work in Soviet labor camps. And he was subjected to cruel persecution for his re-

ligious beliefs. Mr. Mendelevich's commitment to observe the laws and customs of Judaism earned him punishment and harassment. For simply wearing his skullcap—the yarmulke—prison authorities retaliated against him. For his refusal to work on the Jewish Sabbath, he was transferred to the worst of the Soviet labor camps.

Yesterday, Mr. Mendelevich walked off an El Al jetliner onto Israeli soil. He clutched the blue identity card that makes him an Israeli citizen, and said how thrilled he was to be home in Israel, the home of his forefathers. Those of us who have communicated with American and Soviet leaders to urge that Mr. Mendelevich be released share his joy. The World Jewish Congress is to be commended for its key role in achieving his freedom. And now that he has won that freedom, I hope the meaning of Mr. Mendelevich's ordeal will not be lost—for this meaning is based on the difference between freedom and imprisonment, between religious liberty and persecution, between respect for human life and violation of human dignity. This is the difference between societies which value liberty—like America and Israel—and those which deny it—like the Soviet Union. Ten years of Mr. Mendelevich's life stand as testimony to the importance of defending the values which make our land and people free.●

S. 270—THE RADIO DEREGULATION ACT OF 1981

● Mr. HOLLINGS. Mr. President, on January 27 I was pleased to join in sponsoring S. 270, the Radio Deregulation Act of 1981, along with Senators SCHMITT, PACKWOOD, GOLDWATER, PRESSLER, STEVENS, and CANNON. This bill is a reasonable step forward in reducing unnecessary and ineffective regulations imposed on the broadcasting industry. S. 270 in large part tracks efforts undertaken in the last Congress by myself and these same colleagues to foster robust marketplace competition in the provision of all communications services, for example, S. 611; S. 622; and S. 2827. The bill also parallels a recent move by the Federal Communications Commission to abandon unnecessary regulatory constraints on the commercial radio marketplace (Docket No. 79-219).

The contrast between radio broadcasting in 1934, the year of enactment of the statutory charter of the FCC, and in 1981 is dramatic. Since 1934 the number of local commercial radio outlets has increased almost fifteen fold. Today there are about 8,963 radio stations, of which over 1,000 are noncommercial educational stations providing a distinct service which did not exist in 1934. The profusion of stations offering a broad diversity of specialized services provides an opportunity for revamping, as well as streamlining, regulation of the radio industry. Eliminating burdensome and sterile requirements, concentrating on structural means of achieving diversity rather than emphasizing conduct, and preserving the core concept of public interest trusteeship should be the key elements of a deregulation plan.

The underlying reason for this selective deregulation is that the competitive marketplace serves as a better regulator—and guarantor of the public interest—than do formalistic procedures and guidelines dictated by the Commission. I am comfortable in taking the minimal risks involved in letting the marketplace work its way, because I know that competition and the tradition of community service which the radio industry has steadfastly maintained will result in responsive radio broadcast service. I think radio long ago reached maturity, and that the Government is very late in recognizing this plain fact.

While I applaud the eminently sensible proposals set forth in S. 270, I wish to express a few reservations, some tentative, some less so, with the specific provisions of the proposed Radio Deregulation Act of 1981.

My first reservation relates to the soundness of an unqualified reliance upon the power of the market to compel conduct which is fully responsible to the needs and interests of the entire listening public. Granted, no radio market is perfect or indeed perfectable. However, one of the purposes of the current regulatory scheme which we slate for elimination is to supply incentives for radio station licenses to respond to economically insignificant minorities—ethnic minorities and minorities of taste. This supplemental regulatory incentive recognizes that consumer interests are not uniformly coextensive with advertiser interests. While I do not think that such imperfections of the marketplace are cause to reject any specific proposal, I pause before sweeping away, in one broad stroke, 46 years of precedent regarding nonentertainment programing, ascertainment, and commercial practices. I would prefer a more cautious approach—similar to the one we supported last year in S. 2827.

Specifically, instead of removing any and all requirements for news, public affairs and other programing, I would direct the Commission to eliminate guidelines for specific amounts of any sort of nonentertainment programing. As to ascertainment requirements, I would retain the notion that licensees should be aware of and respond to community needs and interests. I would eliminate the litigious effects of the current primers on ascertainment by removing the decisional significance of any failure to adhere to Commission ascertainment guidelines.

For guidelines shou'd be just that, not rigid rules of conduct. Licensees should not be subjected to vexatious adjudications whenever failing to abide strictly by the Commission's expected ascertainment procedures. At worst, a negligent licensee should be admonished not to disregard its obligation to remain attuned to the needs and interests of its community of license.

This approach—elimination of the often nitpicking regulations coupled with preservation of the core concept of public trusteeship those regulations were designed, albeit poorly, to further—avoids foreclosing the Commission from ever taking corrective actions when the marketplace demonstrably has failed to serve identified public interests.

My second reservation—one that I believe many in radio share—is that in reducing formalistic rules, guidelines, and policies we diminish the stability and certainty which comes with compliance with those formalities. Today, a radio broadcaster in literal compliance with stated minimal requirements for nonentertainment programing, ascertainment, and commercial practices, reasonably feels safe from collateral attack. Substituting marketplace dictates instead of regulatory ones will inevitably raise anxieties. Thus a licensee which diligently competes in its local market can never be certain that in some objective sense it is operating in the public interest. Operating under a generalized public interest obligation, a station manager must rely at his or her peril upon the market to supply essential public services he or she chooses not to offer. With no benchmark, no standards, no regulatory content to the public interest obligation a licensee whose performance is under challenge would be hard pressed objectively to demonstrate compliance.

Incidentally, the challenging party, be it a member of the listening public or other licensee, would likewise be hard pressed to fashion a substantive petition to revoke. I wonder whether the bill creates only a hollow procedural right. The Commission in turn would be drawn into making difficult subjective judgments as to the reasonableness of the licensee's reliance upon other stations in the market to meet the needs of the challenging party. In any event we do not want to replace specific regulation with vague expectation, hoping that anxious licensees will outdo themselves in providing public interest programing beyond the local demand for such programs, for fear of being somehow caught short.

This is a difficult dilemma, one for which I have no ready answer, but one which we shall have to address as we proceed on this legislation. I can state that I am not prepared to abandon the public trustee concept for radio—not under present or immediately foreseeable circumstances. We shall have to explore the question which this bill begs—would there really be anything left of the public trust after enactment.

This question leads to my third reservation—the bill is out of balance. We should reduce or eliminate regulations which serve little or no useful purpose. We should also reduce or eliminate regulations where the marketplace is likely to produce the same results as those regulations. However, we should also look to ways to preserve and enhance competitive forces both within the broadcast media and between broadcasting and other telecommunications media.

Thus the radio deregulations proposed in S. 270 should be only part of an overall scheme to replace conduct regulation with a structural approach. Such an approach—one already partially in place—shifts emphasis from licensee conduct—

a focus which is fraught with first amendment dangers and to date has proved highly inefficient—to market structure. Such an approach requires effective multiple and cross-ownership restrictions curtailing media dominance and creating more representative local ownership interests. Most significantly, the emphasis should be on increasing the number of local outlets of expression by more efficient use of the spectrum, expanding the spectrum available to radio where technologically feasible and sensible, and fostering new competitive technologies. I do not propose a headlong rush to competition for competition's sake. I do propose, however, that, in addition to reducing or eliminating rules which do not adequately serve the public's interest in augmented and diverse radio programing services, we look to innovative measures to promote that same public interest.●

THE ECONOMY

● Mr. MATHIAS. Mr. President, last night the President of the United States outlined to a joint session of the Congress the stringent budgetary measures that his administration proposes to introduce an element of stability into our inflation-ridden economy. His proposed budget cuts leave few Federal programs unscathed. They call for sacrifice from almost every element of our society. No interest groups or individuals have been given special immunity.

While none of us will agree with every jot and tittle of the President's economic plan, there can be no doubt that our first priority is identical to the President's first priority: To get this country back on its feet economically.

To come to grips with the hard facts of economic life in American today and do battle with runaway inflation soaring interest rates and sagging productivity, will require a determined national effort. It will require sacrifice and belt-tightening from everyone. Every single person in America must be prepared to give up something he or she prizes in order to get something we all need—economic stability.

But belt-tightening alone will not do the job. Sacrifices grudgingly made are not what is needed now. We need to rekindle a spirit in the American people which George Washington identified almost 200 years ago as the essential underpinning to our democracy. His words ring as true as bell brass today as we face the tough budgetary tasks the President has set for us. George Washington identified as absolutely essential to the well-being of the United States:

The prevalence of that pacific and friendly disposition among the people of the United States which will induce them to forget their local prejudices and policies, to make those mutual concessions which are requisite to the general prosperity and, in some instances, to sacrifice their individual advantages to the interest of the community.

That spirit of cooperation has characterized the American people whenever they have been faced with difficult challenges. I believe it is alive in America today waiting to be galvanized. I believe that each of us who bears the public trust bears an obligation to help kindle that spirit in the search for the new approaches to society's enduring problems that must come in the wake of budget cuts.

In a talk I gave earlier this week at the winter convocation of the George Washington University, I tried to suggest some new approaches that might help Americans to make the massive commitment of their faith and their energies to the future that the times demand. I ask that the text of my talk be printed in the RECORD at the conclusion of these remarks.

I call this speech to the attention of my colleagues not with any thought that the suggesions I make are a panacea but in the hope that they will stimulate other ideas and provoke a dialog that will help encourage "those mutual concessions which are requisite to the general prosperity."

The text of Mr. MATHIAS' remarks follows:

COMMENCEMENT ADDRESS BY SENATOR CHARLES MCC. MATHIAS, JR.

It is a great honor to be asked to address the Winter Convocation of The George Washington University. It is not easy, however, to combine a commencement address with a memorial lecture to the man whose name this university so proudly bears.

I will try to resolve that dilemma the way an old country preacher I knew solved the challenge of preparing a weekly sermon. My text will be from George Washington; my talk will be from the heart.

A commencement is an occasion for stocktaking. If is a time to stop and ask yourself where you are going; to ask yourself how you can make a contribution to the work of your generation, and to think about what you can do to improve the human condition.

But, because you are also citizens of the most richly-endowed and powerful nation on the face of the earth, it is also appropriate on such an occasion to take stock of our nation; to examine where it has been; where it is now, and, most importantly, to think a little about where this nation should go in the future.

This afternoon, as I explore these questions with you, my text will be a short paragraph from a document known as "Washington's Legacy". While waiting for the British to evacuate New York in the fall of 1783, George Washington addressed a "Circular to the States" as a sort of last will and testament before retiring to Mount Vernon where he expected, as he said, "to pass the remainder of life in a state of undisturbed repose".

That, of course, was not to be. But, when he wrote them, George Washington thought that these would be the last words of advice he would address to his fellow countrymen.

There are four things which I humbly conceive are essential to the well-being, I may even venture to say, to the existence, of the United States as an independent power:

1st. An indissoluble Union of the States under one federal head.

2nd. A sacred regard to public justice.

3rd. The adoption of a proper peace establishment, and

4th. The prevalence of that pacific and friendly disposition among the people of the United States which will induce them to forget their local prejudices and policies, to make those mutual concessions which are requisite to the general prosperity and, in some instances, to sacrifice their individual advantages to the interest of the community.

That fourth point of George Washington's is what I want you to keep in mind as we proceed with our stocktaking.

When our Founding Fathers launched this noble experiment in self-government, they gambled on the quality of the people themselves, on their civic-mindedness. That quality was virtually unknown and untested.

Alexander Hamilton made no bones about his views. "Your people", he said, "is a great beast". Even George Washington had some nagging doubts, which he confided to his friend Henry Lee in a letter written in October 1786, during the tumultuous debates over the Constitution. Washington wrote:

"I am lost in amazement when I behold what intrigue, the interested views of desperate characters, ignorance and jealousy of the minor part, are capable of effecting, as a scourge on the major part of our fellow citizens of the union: for it is hardly to be supposed that the great body of people, though they will not act, can be so shortsighted or enveloped in darkness, as not to see rays of a distant sun through all this mist of intoxication and folly."

A year later the situation had improved; the Constitution had been adopted, and two years later it was ratified. The "rays of a distant sun" were becoming perceptible—the great experiment was on its way.

Americans quickly cottoned to the idea that life should be good, and they set to with a will to make it so. If they did not always perform nobly, they performed energetically, resourcefully and well. New lands were settled, new technologies invented, and new institutions, political parties among them, were devised in response to new needs. A bright, shiny, strident, self-confident nation emerged. Europe's tired, poor, huddled masses, yearning to be free, flocked to this America. We, the people, believed in ourselves and in our ability to shape the future.

A chicken in every pot; a car in every garage; turn the rascals out; he governs best who governs least—these were not just slogans. They were articles of faith. The people—tracking mud through Andrew Jackson's White House parlor—were in charge, they believed. There was upward mobility and forward momentum.

Of course, there were signs here and there that the brave new world abuilding was not abuilding equally for everyone. But who had time to read the signs?

Teddy Roosevelt was one of the few who did.

"We have plenty of sins . . . to war against," he reminded the nation in his annual message to Congress in 1904. "We can do more for the general uplifting of humanity by striving with heart and soul to put a stop to civil corruption, to brutal lawlessness and violent race prejudice here at home than by passing resolutions about wrongdoing elsewhere".

Obviously, the quality of life was not improving for everyone.

But, it was not until the Depression, with its peak 16 million people out of work, that America looked reality in the face: the blessings of the American dream were very unequally bestowed. Some people never ate chicken at all.

Franklin Roosevelt, like his Cousin Theodore before him, was quick to grasp the problem. In his 1944 State of the Union Message, he acknowledged that: "As our nation has grown in size and stature—as our industrial economy has expanded—(our political rights) have proved inadequate to assure us equality in the pursuit of happiness". Looking forward to a bright post-war America, Roosevelt declared:

We cannot be content, no matter how high the general standard of living may be, if some fraction of our people—whether it be one-third or one-fifth or one-tenth—is ill-fed, ill-clothed and insecure.

He urged the country forward to "new goals of human happiness and well-being" to be equally shared "regardless of station, race or creed". He announced an Economic Bill of Rights which included:

The right to a useful and remunerative job;

The right to earn enough to provide adequate food and clothing and recreation;

The right of every family to a decent home;

The right to adequate medical care and the opportunity to achieve and enjoy good health;

The right to adequate protection from the economic fears of old age, sickness, accident and unemployment; and

The right to a good education.

Over the past several years social scientists have identified a few basic physiological needs that must be met if the quality of life is to be even minimally tolerable. Their list dovetails with Roosevelt's 1944 Economic Bill of Rights except that now, any such list must include: the right to freedom from bodily harm, the right to protection and to a living and working environment that is safe and stable.

America emerged from World War II the most powerful nation on earth—the most powerful nation the world had ever known. American industry could supply the world. American farms could feed it and the American people could look forward to an era of unprecedented prosperity and progress.

To some Americans the promise of the post-war era meant nothing more than upgrading the American dream to include two cars in every garage and at least two television sets in every house. To others—to Black Americans—it marked the beginning of an epic struggle to attain basic civil rights, to participate fully and freely in American life and to partake of the blessings of that life so long denied them. In the wake of the black civil rights movement, and certainly inspired by it, there has come a succession of non-violent people's revolts: the youth revolution, the anti-war movement, the consumer and environmental protection movements, and, most recently, the women's liberation movement. The achievements of these groups, both in improving the quality of life and in showing what people power can do, have been impressive.

If we look back to the America of 30-years-ago, we see a country that was segregated; an America where racial discrimination was the rule and not the exception; where women were relegated to an inferior role; where the elderly had little economic security, and where there were vast inequities in the quality and availability of health care and education.

Clearly, the quality of life has improved since then. Wider availability of better health care has lowered the infant mortality rate and raised life expectancy—almost 80 percent of the nation's children now graduate from high school as compared with less than 60 percent in 1950—enrollment in institutes of higher learning is five times greater than it was 30 years ago—and whereas, almost one-third of the nation was living in substandard housing in 1950 that figure had dropped to 3 percent by 1978.

The statistics are impressive, but statistics can also be misleading. In human affairs, it is better to trust what your eyes tell you. And we certainly cannot rejoice in what we see as we look at America today.

We have one of the highest standards of living in the world and the most appalling rate of crime. The streets of our cities are unsafe by day as well as night. Since 1960 our violent crime rate has more than quadrupled. In the first three-quarters of 1980 alone, there were an estimated 6,018 deaths by handguns.

We have the technology to send men to the moon and to explore the rings of Jupiter, but our urban transit systems can't get people to work on time.

We are the mightiest industrial nation the world has ever known and yet almost eight million of our people cannot find work.

We are graduating children from school who cannot read or write well enough to fill out simple employment application forms.

We are running out of water and fossil fuels.

We are squandering our human and natural resources. And inflation is destroying our faith in the future.

As a nation, we are faced with momentous decisions—how to control inflation—how to achieve energy independence—how to protect our environment and increase industrial productivity at the same time—how to come to grips with the world population explosion—how to deal with the changing demographic patterns in our society—how to provide millions of new jobs—how to preserve the world's forest and farmlands—and, most important of all, how to keep the peace and protect human rights in a world less dedicated to those goals than we are.

We have an urgent agenda before us. To attack it successfully, we must possess a unity of purpose and be prepared "to sacrifice . . . individual advantages to the interests of the community", as George Washington foresaw. But we also have at our disposal unprecedented resources—both human and technological—for attacking the problems on that agenda.

What is missing is long term goals to set a course by and the human will to achieve them.

In today's America the question of human will is a troubling one. Increasing numbers of people believe that our social and political systems no longer reflect their views or respond to their needs. Political apathy is visible at the polls: in the 1980 presidential election only 53 percent of the voting age population went to the polls—the fifth consecutive presidential election that turnout declined.

In this nation—which staked its future on the people's civic-mindedness—the individual now feels helpless and impotent in the presence of big business and big government. The large institutions that have grown up around modern technology seem immovable and unapproachable. They lack human dimension. They intimidate. So do the many complex and interrelated social problems crying for solutions.

The situation is certainly bad—but not irretrievable. I am convinced that we can reverse this drift toward alienation. I have a gut feeling that thousands of people, at all levels of our society, are ready, and more than ready, to make a massive commitment of their faith and their energies to the future. A sense of purpose is one of the elements crucial to the quality of life. It is lacking now in most of our lives.

I think the American people have grown apathetic while waiting for their so-called leaders to catch on to the fact that the time is long overdue to move in new directions, to espouse glorious causes and to find new methods for achieving them.

What is needed now is a goal to fire the imagination and to galvanize their energies, and the leadership to spark them forward.

I have no doubt about what this goal should be. America is an urban nation. Our rural days are far behind us. Close to three-quarters of all Americans live in cities. What better national goal could we set ourselves than the revitalization of our cities? How better could we improve the quality of life for all the people of this nation than by transforming our decaying cities into vibrant, wholesome, safe and humane environments where the human spirit can prosper?

I do not for one minute minimize the problems on the road to this goal. Our older cities are plagued with so many problems that a Presidential Commission recently actually suggested that everyone in them should just pick up stakes and move to the sunbelt.

There has been talk from time to time of a new Marshall Plan for the cities in the theory that national problems require national solutions. But, I think we've dabbled with national solutions long enough. Solutions, imposed from the top, just don't always work. The patchwork quilt of federal programs directed to the cities over the years has proved hopelessly inadequate, although billions have been spent. There is no reason to believe that more would somehow be better.

In the past, the cities have looked to the federal government for solutions, not because the federal government was wiser than they were, but because it was richer. The results have not been edifying. And, in any case, the days of general federal funding are over.

It seems to me that the time has come to try a completely opposite approach. We've tried working from the top down. Now let's try working from the bottom up.

I propose that we let the people who actually live and work in each of our cities dream their own dreams and build their own models of the city where they would like to bring up their children. Government's role—both local and federal—would be simply to encourage citizen initiative, to provide administrative infrastructure and, to some extent, to provide funding.

But I do not believe that government should provide all the funding or that it should play the midwife to our urban rebirth. That role should be reserved to the people themselves, with a massive assist from the private sector of our economy.

My proposal is this: that every business organization, every labor union, every professional group, every educational institution, which is involved in any way in the life of the city, contribute not only a certain percentage of its earnings to help finance urban revitalization, but make it possible for each of its employees to donate his and her ideas, labor and talent, on a regular basis, to the work of rebuilding the city.

Does this sound new-fangled and utopian? It shouldn't. The idea derives from the Middle Ages practice of tithing, in which people contributed 10 percent of their annual crop, or income, to the work of the church. But, my proposal calls for more than just a financial contribution from the private sector. It calls for the contribution of talent and work as well. This aspect of the proposal also is not new. It derives from a time-honored tradition of the American frontier—house-raising—when everyone pools their talents to get a job done quickly. This week it's your turn, next week mine. Pretty soon the town is built and many hands have made light work.

In feudal France, they had a word to describe work owed by a vassal to his lord. That word was *Corvée*. Happily, both the practice and the word have fallen into disuse. Now, I would like to build new meaning into that archaic word which has for so long symbolized man's inhumanity to man. I would like to take *Corvée* back to its Latin root, *Corrogare*, which means "to bring together by entreaty". And then, I would like to inject *Corvée* with a new humanity and let it describe the giving of work to benefit your fellowman.

Already, some of our law firms have programs of this sort where members of the firm donate a portion of their time to work for the good of the public—pro bono publico—while the firm defrays the cost. There is no reason why all professions and businesses couldn't do the same thing. Each employee would be given one day in 10 to go out to help with the rebirth of his city.

The great merit to this approach, it seems to me, is that it is people-oriented not project-oriented. It would give people an opportunity, once again, to shape their future and to feel that somewhere in their lives there was meaning.

Since George Washington's day, if we have proved anything, we have proved that the civic-mindedness of the American people is worth building on. We must now find people with the energy and the vision to catalyze the public spirit.

I hope that the members of this graduating class will provide the spark we need. I hope that you will take the lead in making what George Washington, so sweetly, termed "those mutual concessions which are requisite to the general prosperity".

I wish you good luck and Godspeed.●

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, has morning business been closed?

The PRESIDING OFFICER. It has not.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ORDER PERMITTING THE INTRODUCTION OF BILLS, RESOLUTIONS, AND STATEMENTS AND AUTHORIZING COMMITTEES TO REPORT

Mr. BAKER. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills, resolutions, and statements, and that the committees may report until 3 p.m. this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M. TOMORROW

Mr. BAKER. Mr. President, I have no further business to transact and I see no Senators requesting recognition.

So, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 11 a.m. on tomorrow.

The motion was agreed to; and at 12:03 p.m., the Senate recessed until tomorrow, Friday, February 20, 1981, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate February 19, 1981:

IN THE COAST GUARD

Vice Admiral James S. Gracey, U.S. Coast Guard, to be the Commander, U.S. Coast Guard Atlantic Area with the grade of vice admiral while so serving.

Rear Admiral James P. Stewart, U.S. Coast Guard, to be the Commander, U.S. Coast Guard Pacific Area with the grade of vice admiral while so serving.

The following named captain of the Coast Guard Reserve to be a permanent commissioned officer in the Coast Guard Reserve in the grade of rear admiral:

James H. Lipscomb III— xxx-xx-xxxx .

IN THE NAVY

The following named captains of the Navy for temporary promotion to the grade of rear admiral in the staff corps, as indicated, pursuant to Title 10, United States Code, sections 5772 and 5791, subject to qualification therefor as provided by law:

To be rear admiral

MEDICAL CORPS

Norman V. Cooley, Jr. Robert C. Elliott
Quintous E. Crews, Jr. James A. Zimble

SUPPLY CORPS

Joseph S. Sansone, Jr.
Edward K. Walker, Jr.
Donald E. Wilson

CIVIL ENGINEER CORPS

Donald L. Conner

DENTAL CORPS

Carlton J. McLeod

UNITED NATIONS

Charles M. Lichenstein, of the District of Columbia, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

HOUSE OF REPRESENTATIVES—*Thursday, February 19, 1981*

The House met at 11 a.m.

The Reverend George S. Macres, national chaplain, American Legion, Plymouth, Minn., offered the following prayer:

Heavenly Father, our Creator, in whose image and likeness we are created, we humble ourselves before Thee.

Grant unto each and every Representative in this august body Thy gracious care and guidance.

Help, save, comfort, and protect them, O God, with Thy favor.

Help us, the citizens, O Lord, to render to the Members of the House, the love, the honor, and the respect which is proper, and to support them with our prayers and our good will.

Bless our country, bless our Government, bless our people, and make our Nation a blessing to the people of the world.

For Thou, O God, art righteous and full of compassion and to Thee we ascribe honor, praise, and glory. In Your name dear Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE REVEREND GEORGE S. MACRES

(Mr. FRENZEL asked and was given permission to address the House for 1 minute.)

Mr. FRENZEL. Mr. Speaker, because of our hard working, and much beloved, Chaplain, Jim Ford, and because of its Scandinavian heritage, Minnesota is often assumed to be monolithically Lutheran and Nordic. Father George Macres, who gave our prayer today is, however, a splendid example of Minnesota's spiritual and ethnic diversity.

Father Macres is assistant pastor of St. Mary's Greek Orthodox Church in Minneapolis, and therefore I must share him with my distinguished colleague, MARTIN SABO. Despite his ministry in MARTIN'S district, Father George is smart enough to reside in Plymouth, Minn., one of Minneapolis' suburbs.

Last summer, Father Macres was appointed national chaplain of the American Legion. He served in the U.S. Marine Corps on Active and Reserve duty from 1939 to 1962.

Father George, by education and early vocational career, was an electronics engineer. But, while employed by the 3M Co., he answered a higher call and in 1970 was one of only three people with lay professions to be ordained as a priest in the Greek Orthodox Church of North and South America.

Father Macres has been treasurer of the Twin Cities Ministerial Association, serves on the Twin Cities Education Council, and belongs to the Hellenic Post 129 of the American Legion, where he serves as post chaplain. He and his wife, Bess, have two children also living in Minnesota.

This House is fortunate, and I am proud to have been led in prayer today by Father George Macres.

UNITED STATES MUST BE MADE ENERGY INDEPENDENT AGAIN

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, the President in his message last night dealt primarily with budgetary and taxation matters. Most of us share his objectives of a strong national defense, revitalized industry, reduced regulatory burdens, and more efficient and less costly operation of the Government. The Committees on Budget and Ways and Means already have scheduled hearings.

It would be a major tragedy if, in our preoccupation with these matters, we were to lose sight of the continuing and impelling need to make this Nation energy independent again. Without a vigorous, dynamic energy policy including conservation and production of all potential forms of energy, we certainly will not stabilize the price of petroleum and electric power.

Until we stabilize energy prices—and begin a dramatic downward movement in interest rates, we will not scratch the surface of the basic underlying causes of inflation—no matter how successful we may be with the budget. In our zeal to produce an immediate budgetary showing, let us never for one moment lose sight of the larger goals of energy independence, availability and stability of affordable credit, and the consuming public without whom all of our production would be in vain.

REDUCTION OF GOVERNMENT SPENDING AND CUTTING OF TAXES NOT ENOUGH TO STOP INFLATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, last night the President brought to the Congress his plan for economic recovery.

In my view his proposals are a step in the right direction for stopping inflation by reducing Government spending and cutting taxes.

However, the President's proposals represent only a partial remedy. Inflation is caused more by cruelly high interest rates and by soaring energy prices than by budget deficits.

What is also needed is strong Presidential support for lowering the cost of credit to productive sectors of our economy and continuation of our aggressive export policy to eliminate chronic trade deficits which also fire inflation.

How can we ever expect to stop inflation if we allow the dragon of chronic high interest rates to swallow up the economic gains we achieve by cutting budgets and taxes?

Mr. Speaker, I urge the Democratic Members of the House to receive the President's proposals with open minds and constructive spirits, but I also urge that we look closely at all sides of the problem.

INTERESTS OF THE MAJORITY MUST NOT BE SACRIFICED FOR BENEFITS OF A SELFISH FEW

● Mr. BEVILL. Mr. Speaker, President Reagan's economic message to the people of this Nation showed his sincere dedication to balancing the Federal budget. Throughout his public career, Mr. Reagan has strongly supported restoring fiscal responsibility to Government spending, and I believe he is absolutely correct in that position.

The majority of American voters expressed their confidence in his ability to achieve that goal and it is the duty of the Congress to support him in that effort.

I am very impressed by the vast amount of work the President and his administration already have accomplished toward achieving that important goal.

I feel that the Democrats in Congress will work very closely with the Reagan administration and the Republicans in Congress, in restraining Government spending, reducing excess Government regulation, readjusting the tax structure in our country, and strengthening our national security.

Of course, while we do not yet have the administration's specific budget proposals, I believe all of us in Congress will support equitable reductions in spending and responsible tax cuts.

The Appropriations Subcommittee I chair, on Energy and Water Development, will work closely with the administration to achieve meaningful and effective budget reductions, while maintaining our essential effort to achieve energy independence for America. In fact, this is my fifth year as chairman, and each year we have held our expenditures below the administration's budget request.

We must be sure, however, that cuts in spending and taxes do not bring added burdens to the millions of moderate- and middle-income earners of America, who have been forced to pay an unfair share of the costs of Government. The interests of the great majority must not be sacrificed for the benefits of a selfish few.●

PRESIDENT REAGAN'S SCENARIO NEITHER LOGICAL NOR POSSIBLE

(Mr. ROSENTHAL asked and was given permission to address the House for 1 minute.)

Mr. ROSENTHAL. Mr. Speaker, how in the world can the President of the United States suggest that we can effectively combat inflation when he asks us to:

Reduce the fiscal year 1982 budget by $41.4 billion;

Decontrol oil and natural gas, probably the most inflationary action possible;

Reduce taxes over a 3-year period by 30 percent; and

Propose at the same time an increase in the defense budget of approximately $7.2 billion just for fiscal year 1982.

I wish this scenario was either logical or even possible—I know it is not.

Not only is this package not likely to work, but these proposed budget cuts are inflammatory and inequitable. Those Americans most dependent upon the resources of the Federal Government will bear the heaviest burden of this Federal budget-cutting exercise, while Americans who are comfortably off will hardly feel any pain.

It is up to the Congress to establish firm priorities in any effort to balance the Federal budget and to do it with a clear recognition that equity, justice, compassion, and deliberation should prevail. I trust we will accept this serious responsibility.

□ 1110

PRESIDENT REAGAN'S REGULATORY REFORM PROPOSALS

(Mr. DANIELSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIELSON. Mr. Speaker, last night our President, I was happy to see, pointed out that one of the things that he wants to stress in connection with his new program is regulatory reform. I am pleased to announce that we have been ready and willing to act in that field for a long time. In fact, in the 96th Congress my Subcommittee on Administrative Law of the Judiciary Committee reported out a very fine bill which addresses that problem directly.

So when the President says he would like to move ahead on that problem, I say hooray, we join you and I hope that you will present us with whatever plans you may have.

I did send to the President about a month ago, immediately after the inauguration, a copy of the bill which I introduced on the first day of this session, H.R. 746 which is substantially the same bill as that reported by the Judiciary Committee last year. It included treatment of such things as cost-benefit analyses, a regulatory agenda, a review period, oversight by the OMB, expedited procedures, subpena power of agencies, judicial review, and legislative veto, and also designed to avoid unnecessary litigation.

I was pleased on the day before yesterday, February 17, 1981, when Vice President BUSH said he would like to see a regulatory reform program which would include cost-benefit analysis, a regulatory agenda, a review period, oversight by the OMB, expedited procedures, subpena power of agencies, judicial review, and legislative veto, and paying attention to avoiding unnecessary litigation.

I hope the President will remember that, as with laws where it takes a law to repeal a law, it will take a regulation to repeal a regulation. That usually cannot be done by Executive fiat alone.

We stand ready, willing, and able to assist in bringing some order into the chaos of regulations and are awaiting proposals by the President to achieve that end.

BUDGET COMMITTEE READY TO ACT EXPEDITIOUSLY

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, I want to inform the House that not only has the Budget Committee already begun to act on the 1981 and 1982 budgets, but we are prepared to act expeditiously on the program recommended by President Reagan last night.

But in order to be successful and to meet the timetables that all of us want, and that all of the American people are expecting, we are going to need considerable cooperation from the administration. Right now, the Budget Committee is hamstrung because we do not have specific figures on about half of the proposed budget, including national defense and some of the other categorical programs and consolidations that the administration recommends. If we are able to get the specific recommendations, the specific budget proposals, from the administration by March 10, then the Budget Committee will act very expeditiously. We hope that we can report to the House, and pass through the Congress, an omnibus bill, including a reconciliation title that will include serious and significant spending cuts that will help reduce inflation. I think we will have such an omnibus bill passed by the Congress by mid-July, and that it will put in place the opportunity to have a tax cut before we recess for August.

In order to meet this timetable, however, we are going to require significant cooperation in getting the proper numbers and the proper details of the program from the administration. I think the Democrats on the Budget Committee as well as the Republicans are going to be very cooperative. We all want to move ahead so that we can get this economic program moving and get our economy back on a path toward real growth for all Americans.

PRESIDENT REAGAN'S ECONOMIC PROPOSALS

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, the President's speech last night was an extremely clear statement of his economic game plan. Most Members agree, as I do, that spending restraint, regulatory reform and a tighter monetary policy are in order and consistent with our need to fight an underlying 10 percent inflation rate and unemployment at the same time. The specifics and fairness of those three proposals will undoubtedly be debated and discussed but I sense a great deal of support for carrying out the President's overall goals. On tax policy it is harder to agree. The flaw there is not with the concept but the means. If the tax cut can be reshaped—to be conditioned on the spending cuts, to be

made fair to middle-income Americans, and if its size and composition can be modified and moderated so that we do not simply replace Government programs with personal consumption—then a tax reduction will spur economic growth without higher deficits, higher interest rates and higher inflation.

PRESIDENT REAGAN'S ECONOMIC PROPOSALS

(Mr. MATTOX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MATTOX. Mr. Speaker, I think the American people deserve to know that the Reagan proposals we heard last night of both budget cuts and tax cuts, if totally enacted, will still create the largest deficit in American history. I cannot agree with that program because I am in favor of a balanced budget, and I think if we are going to have tax cuts, for every $1 cut in taxes, we need to have a $1 cut in the budget.

Mr. Speaker, what is more, based on what the President said last night, we are in for 4 years of proposals that benefit the rich. I think the Democratic Party should restructure the tax proposals so that they benefit lower- and middle-income Americans. We need to help the working families of America by providing relief from social security taxes and the marriage penalty.

Let us not be stampeded. Tax relief is needed, but it must be fair. Let us enact a tax bill that does not make the rich richer, as the Reagan Kemp-Roth plan does.

DEMOCRATS' GOLDEN OPPORTUNITY FOR COOPERATION WITH REAGAN ADMINISTRATION

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, while I am sure that every Member of this body would disagree with at least one of the budget cut recommendations made by President Reagan, I think we must agree that Mr. Reagan's budget cuts are being made fairly across the board.

I would hope that rather than hitting on the small areas of disagreement we might have with the President's recommendations, that we would all work to cooperate with the administration and do our part to bring Federal spending under control. We on this side of the aisle have a golden opportunity to offer the hand of cooperation to the President. If we do not do so, we will be forsaking the American people and the people who elected us last November.

There is no doubt in my mind that the American people by a large majority favor significant budget reductions and they expect the Democrats in the House to facilitate the consideration of the recommendations made by President Reagan last night.

Mr. Speaker, we on the majority side of the aisle should not be obstructionists at this critical time in the history of our Nation. We must be willing to work with Mr. Reagan and the Republican-controlled Senate to formulate a new economic policy for America that will reduce the oppressive level of inflation and put the American people back to work in productive jobs. Mr. Speaker, I hope you will take the lead in this effort.

PRESIDENT REAGAN SHOULD NOT BE PENNY WISE AND POUND FOOLISH IN BUDGET CUTS

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIRTH. Mr. Speaker, in analyzing President Reagan's address last night, we must repeatedly emphasize to our colleagues and to the Nation the importance of taking a long-range view of our Nation's economic problems, and of facing the difficult decisions today which will lay the groundwork for a sound future for our economy.

I hope that the President shares the strong, traditionally bipartisan view that our Nation's investment in basic scientific research and in research and development efforts is a critical element in economic growth and American competitiveness in world markets—that maintaining our Nation's traditional leadership in the sciences is one of the keys to our economic future.

As with many other areas of the Federal budget, the President has proposed reductions in scientific programs—at NASA, in National Science Foundation programs, and in other scientific efforts in other areas of the budget. I hope that the President intends to continue to pursue the strong investment in research and development efforts pursued by past Presidents and past Congresses, in the context of his overall program of budget restraint.

There are a number of proposals which concern me—not because I believe that programs in the sciences should be immune from the kind of careful examination to which the entire Federal budget should be submitted, but because they appear to have been dictated by budget policy alone, and not by twin priorities of budget restraint and sound scientific investment. Among these are the President's proposal to defer the 5-year program begun last year of upgrading our Nation's university laboratory facilities, which are rapidly becoming obsolete.

Mr. Speaker, investments in science and research and development which are very small in budget terms may have very large effects on our Nation's scientific capabilities 5, 10, and 20 years from now. As a member of the Budget and Science and Technology Committees, I look forward to working with my colleagues to guarantee that our scientific investments are carefully channeled, and that what reductions must be made are not made in fields which sacrifice the important contributions which sound scientific investment can make to our economy, from spurring new growth to improving our Nation's sagging productivity.

IOSIF MENDELEVICH HAS BEEN RELEASED

(Mr. ZEFERETTI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. ZEFERETTI. Mr. Speaker, I wish to bring to the attention of my colleagues the case of Iosif Mendelevich, an original defendant in the Leningrad trials and my Soviet prisoner of conscience. I am very pleased to inform you that on February 17, the Reuters News Service confirmed reports that Mr. Mendelevich had been released and allowed to emigrate to Israel after 10 intolerable years of imprisonment in the Soviet Union.

Iosif Mendelevich has been pardoned from his harsh sentence of 12 years in prison and its extension of 3 additional years for his observance of the Jewish faith. After years of continual Soviet harassment and intimidation, his ordeal is now over. However, there are a great many other Soviet Jews that face daily persecution and long terms in Soviet labor camps. We must continue our commitment to educate and arouse public interest in their treatment and remind Soviet authorities of their responsibilities to human rights under the Helsinki agreement.

Whatever our religious beliefs, we share a true hatred of religious persecution in any guise, especially the type practiced by Soviet authorities. Nevertheless, our long-term commitment to these oppressed people can gain their freedom and afford them the human rights they so richly deserve.

Mr. Speaker, it gives me great pleasure to say that Iosif Mendelevich has been released and will soon be reunited with his family in Israel, and I would like to thank my colleagues for their support of my efforts on his behalf.

□ 1120

THE PRESIDENT'S MESSAGE

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, I, too, wish to commend the President and especially Dave Stockman, our former colleague, for attacking excess spending in the Federal Government, and I pledge my support for that part of the program for economic recovery as contained in the message from the President. However, I do rise to say that the tax cuts as proposed must be restructured, because in analyzing them, I find that in my district 80 percent of the people will receive less than a $1-a-day tax cut. They will receive less than 25-percent-a-day tax cut overall. Eighty percent will receive less than 25 percent after you deduct the amount that gasoline has gone up. Because of the oil decontrol, of crude oil, they will receive less. My farmers will be paying more this year because of oil decontrol in the increase of gasoline and diesel fuel than they will receive in the tax cut.

I would also like to point out that the upper echelon people as contained in the President's own message right on this page receiving over $215,000 income will get back $81,000 in 3½ years, while my people will be getting back about $400 to $500 in the whole 3½ years.

DEALING WITH GOVERNMENT SPENDING AND TAXING POLICY DOES NOT GO NEARLY FAR ENOUGH

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I fully intend to support the President in a number of areas in his economic recovery plan. I believe that some of his plans are bold and courageous. However, it is important to point out that an attempt to solve our inflation problem by simply dealing with Government spending and taxing policy does not go nearly far enough.

In fact, nearly one-half of the inflation today comes from the increasing cost of energy and if we are going to solve our inflation problem we must produce more energy and use less. Also, we must produce the right kind of energy. In the President's proposed budget cuts he cuts important programs to help produce more energy, namely, alcohol fuels, solar energy, and others, and I believe that is unwise.

I just think that the American people should understand that if we cut the Federal budget in half, we would not reduce the price of a barrel of oil by 1 cent and that is what is causing a major part of today's inflation. The President's program is just the first rough draft chapter in the inflation-fighting handbook. But we need a chapter on energy and interest rates as well.

Also, just a comment on the tax cut proposals. In the 1970's, it has been the middle-income wage earner who has seen a real and significant increase in the tax burden. Now we see the tax cutters aiming their benefits at the rich and the large corporations. It is the old cake-and-crumbs theory—the big interests get the cake and the little guy gets the crumbs. That's not fair or sound tax policy.

RONALD REAGAN'S PROPOSAL

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, Ronald Reagan's proposal to slash taxes, increase defense spending, and balance the budget, all at the same time was derided barely a year ago as "voodoo economics" by that prominent Republican statesman, GEORGE BUSH. Last night that very proposal, together with massive cutbacks in programs for America's neediest individuals and communities, was placed before the Congress and the American people. Pretending to be evenhanded, the President's program would devastate low- and middle-income Americans while providing in classic Republican fashion great tax benefits for big business and the wealthiest individuals in our society.

Sounding a clarion call to repeal the social advances of the 20th century, the President proclaimed that the Government's taxing power "must not be used to regulate the economy or bring about social change." True as this Republican administration seems to be to its tradition, I hope that we as Democrats will be also true to ourselves, and that the budget and the tax programs we adopt will be for the benefit of all Americans, not just for the privileged few.

THE REAGAN ECONOMIC PLAN

(Mr. BARNARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNARD. Mr. Speaker, last evening, we heard the President's remedy for the economic ills of the country. It was a plan that showed much study and examination—and which touched all parts of Government and the economy. It is not a perfect plan, in that it does not please everyone, but it is a start.

For far too long, we have allowed the budget to grow without regard for the burden we have been placing on the American people. It is long past time for us to begin the process of deciding which programs are effective and help people, and which are wasteful and need to be eliminated.

The President's program is not perfect. As Members of Congress, we are duty bound to suggest positive changes instead of carping criticism. As President Reagan said last night, his is the only program before us at this time. If we are to fulfill our role as the Democratic alternative, the burden is on us to come up with alternative cuts, and not to act as a negative obstructionist force, but as a positive one, willing to work with the administration.

The American people have indicated the direction they want to move in, and we are bound to respect their wishes. What we want is a strong America—and for that, the time to rebuild it is now.

OUR ALLIES MUST ALSO DO MORE IN DEFENSE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I totally applaud most of the spending cuts, and I think they are very important and long overdue, but I also doubt whether we should have tax cuts at the moment. I do not think you hand out candy before everyone had taken the medicine, because I remind people we are still looking at a very heavy deficit. But I think there is a piece that already has been missing, and that is that we also have to tell our allies they must do more in defense also.

I just came from the Committee on Armed Services where General Rogers is testifying. He tells us that even before the new defense increases that the United States is putting in, even before those took place, Europe is only contributing one-half as much of their GNP as we are to defense. They are only contributing one-half as much per soldier enlisted as we are, and that is before we add and take on this very serious burden. We are still paying over 66 percent of NATO's costs. I think that we must say to our allies: "Yes, Europe is our first line of defense, but it is your ultimate line of defense, and you have got to do more." We must also say that to the Japanese and others who have been living happily under our umbrella, letting us pick up the tab.

DO NOT UNDERESTIMATE THE PATRIOTISM AND GOOD SENSE OF THE PEOPLE

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. HOLT. Mr. Speaker, I think the President's economic plan is a workable plan. All of us are familiar with that cry we hear in great volume and frequency when we deal with the budget: "Don't cut my program; cut somebody else's."

Well, the mail and phone calls to my office show a change this year. The people know the economy is in deep trouble; they know that the growing weight of Government spending is crushing the prospects for economic growth and opportunity; they are demanding change and willing to accept some sacrifice for a better tomorrow.

I have in hand a letter from the stepfather of three surviving children of a Marine Corps officer who was killed in the line of duty. These youngsters would be eligibile for support by the social security system when they attend college.

The adopted father of these young people writes me that he is supporting the President's proposal to cut those student benefits "even though it will ultimately mean great personal sacrifice for my family and myself."

He further said:

It means that I am going to have to work harder to make up the difference. The time has come for all of us to be willing to make sacrifices in order to preserve the economic viability of our country.

Mr. Speaker, this remarkable letter is an example of the kind of constituent communications I have been receiving. I have had special interest groups tell me they are willing to take some cuts in their programs to carry their share of the burden.

Mr. Speaker, I urge this House to listen to the people. Do not underestimate the patriotism and good sense of the people.

FEBRUARY 6, 1981.

Congresswoman MARJORIE HOLT,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSWOMAN HOLT: Last evening the President of the United States addressed the nation concerning our current economic crisis. He indicated that his formal proposals will be coming to the Congress on February 18th and from what the press has been reporting, some of his recommendations will include the reduction in cost-of-living increases for Social Security and the elimination of educational benefits under the Social Security system.

I am writing to support the President even though it will ultimately mean great personal sacrifice for my family and myself. I am the adopted father of three children whose father was a Marine Corps officer killed in the line of duty. As the result of his death these children are eligible for and receive Social Security and Veterans benefits. Obviously these benefits have contributed significantly to their economic and material security and stability. We have, of course, enjoyed the cost-of-living increases which have come each year and we were looking forward to the educational assistance that would have been available when the kids were ready for college. It is my opinion, however, that reduction in taxes, reduction in government spending, and reduction in inflation are far more important that receiving cost-of-living increases in Social Security and educational assistance in the future. The elimination of these two features to our benefits simply means that I am going to have to work harder to make up the difference; and what is working harder but increasing production—a very necessary ingredient to the elimination of inflation.

Undoubtedly, you will receive a great deal of correspondence from your other constituents urging that these measures as well as others in the present economic package not be adopted. The time has come for all of us to be willing to make sacrifices in order to preserve the economic viability of our country. It is essential that those in positions of leadership such as yourself set the best example when it comes to this matter of sacrifice, and that example cannot be set if your attitudes and decisions are going to be responsive only to those special interest groups who want everybody elses program cut but their own.

With best personal regards.

Sincerely yours,

____ ____.

LET US ON A BIPARTISAN BASIS RESTORE THE ECONOMY AND THE FAITH OF THE AMERICAN PEOPLE IN THE AMERICAN DREAM

(Mr. CARMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARMAN. Mr. Speaker, there was a breath of fresh air in this Chamber last night. The President of the United States laid out the economic facts of life.

His was a message of hope. We can really have more disposable income for our families and our working people. The program favors labor, business, indeed all of our people.

The American people do not want 4 more years of the economic claptrap they have just experienced. I say, let us stop partisan snipes that say we cannot do anything. I say let us on a bipartisan basis restore the economy and restore the faith of the American people in the American dream.

□ 1130

COURAGE

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLLINS of Texas. Mr. Speaker, we were all here last night and heard the President of the United States deliver an outstanding message. It was a message which showed real courage. President Reagan called upon Congress to cut the budget by $49 billion. The real question is now: Does Congress have courage also?

We have an opportunity in a few weeks to see how much courage we have because the subject of committee staff funding is coming up. As we all know, these staff budgets are bloated. They are overinflated. They are way out of line.

Last night as I was sitting here, two Members on our side of the aisle pointed to one Member on the other side, and they said, "He is showing courage." They talked about Chairman GUS HAWKINS. They said that Chairman HAWKINS of California has already taken positive action. That he is showing courage. Chairman HAWKINS is working within his own committee and has made substantial reductions.

I want to tell the Members that the majority has the votes. The majority party, the Democrats have Republicans outnumbered by 51 votes, and the question is: How many of you have courage, and can we count on you to cut the size of those committee staffs? Because we need you.

CONGRESSMAN LATTA HAILS REAGAN "BLUEPRINT" FOR ECONOMIC RECOVERY

(Mr. LATTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, President Reagan has given the American people a blueprint for breaking out of the maddening maze of Federal spending, taxing, and regulation that has stalled our economy, crippled our ability to compete, stifled our initiative, given us double-digit inflation, and threatens our standard of living.

The proposed cuts in the growth of spending, taxation, and regulation, together with fiscal and monetary restraint, constitute the first coordinated and concerted effort to reshape the relationship of the Federal Government to our economy in nearly 50 years.

Furthermore, President Reagan has shown that we can reduce spending and taxs and leave intact the safety nets of the social programs which are vital to the disabled, the elderly, and the truly needy. Social security retirement benefits, medicare, and veteran's benefits will not be reduced, neither will Project Head Start, summer youth jobs, and school breakfasts and lunches for children of low-income families.

But, it must be recognized that the President has not set out a recovery program from which Congress and special interest groups can select only those proposals they find appealing.

He has brought forward a comprehensive, integrated package. It would be foolish, for example, for the Congress to pass a tax cut while continuing its business-as-usual attitude toward spending programs. As the President said, both are essential for economic recovery.

The President has placed a full plate before the Congress, and there are but 118 legislative working days in this session to complete action on this all-important program.

As the ranking Republican member of the Budget Committee, I intend to do all I can to insure that the President's program receives timely and expeditious action. I strongly believe that once the people of America come to realize that these actions must be taken to protect their future and their country's future, they will lay their parochial interests aside in favor of our national interest and overwhelmingly support them. America is still the best Nation on Earth and we all want to keep it that way. To do so, every American able to do so, must do his part.

CONGRESS SHOULD NOT BREAK RANKS WITH THE WORKINGMAN

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, I have listened intently as a number of Members of the opposition party commented on the President's speech last night, and I certainly applaud those who indicate that they are going to be willing to support the spending cuts that the President outlined. I think it is vitally important that we do support those budget cuts in order to get our economic house in order here in Washington. But I was disappointed to hear so many of them break ranks with the workingman of this country by saying that they would oppose the tax cut policy. Because, you see, we can support those spending cuts and still have a budget that is in deficit. The only way that we are going to solve the problem of deficits is to get economic growth going, and that is what the tax cut policy is all about, economic growth. When you say you cannot support a tax cut, you are breaking ranks with the workingman who is going to be the beneficiary of those tax cuts and also the beneficiary of the jobs that are going to be created by economic growth.

I would hope that those Members would reconsider and support both the policy of spending reductions and tax cuts.

A PLEDGE OF SUPPORT FOR LEGISLATIVE SCHEDULE

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I just want to take this opportunity to applaud my colleague, the gentleman from Pennsylvania, for the very cogent remarks that he just made. I, too, would like to applaud those Members from the other side of the aisle who had some complimentary things to say about the President's address last night. I understand the Members who would be critical. They have positioned themselves over a period of years to be cast in that light.

Particularly the chairman of the Budget Committee, the gentleman from Oklahoma (Mr. JONES), I know that he has set out for himself a very rigid schedule, hoping to get to a markup of probably a three-part resolution by the end of March. I simply want to pledge to him the utmost support that we can give him from our side of the aisle to meet this very rigid schedule that is going to have to be met under the time frame where, if my calculations are correct, there are only about 118 working days before an August recess, if we take into account those occasions when we take off for Easter, for Memorial Day, Fourth of July, and all of the rest. It is an enterprising chore that we have before us, and I just want to thank those Members from the other side who have pledged their support to this effort.

REPORT ON RESOLUTION ESTABLISHING A SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Mr. ZEFERETTI, from the Committee on Rules, submitted a privileged report (Rept. No. 97-4) on the resolution (H. Res. 13) establishing a Select Committee on Narcotics Abuse and Control, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to inquire of the distinguished majority leader the program for next week.

The SPEAKER pro tempore (Mr. DANIELSON). Without objection, the gentleman from Illinois (Mr. MICHEL) is recognized.

There was no objection.

Mr. MICHEL. Mr. Speaker, I yield to the gentleman from Texas, the distinguished majority leader.

Mr. WRIGHT. Mr. Speaker, the House will not be in session tomorrow, and it will be my purpose, upon the completion of this colloquy, to ask unanimous consent that, upon today's adjournment, we adjourn to meet at 12 o'clock noon on next Monday.

Monday's session would be pro forma, in that there is no legislation for consideration on February 23.

On Tuesday, we again would meet at noon, and at the present time we have only one bill scheduled for consideration under a suspension of the rules. That bill is H.R. 31 concerning cash discount and antisurcharges. It is a bill from the Banking Committee.

On Wednesday, we meet at 3 o'clock and take up the Select Committee on Narcotics Abuse and Control resolution.

On Thursday, we will meet at 11 o'clock in a pro forma session.

We will not be in session on Friday.

It will be the policy of the leadership that, until legislation begins to find its way through the committees and their mills and becomes available for our consideration on the House floor, not to have Friday sessions. I do not know how long that will last. Perhaps, predictably, through the months of February and perhaps into March. But, of course, when legislation begins to flow from the committees and it becomes necessary for us to do so in order to complete our schedule, we will work a 5-day-week schedule.

Mr. MICHEL. Mr. Speaker, I thank the distinguished majority leader. If the gentleman from Illinois might be permitted to make a personal observation that, while the schedule on paper for activity in this House might appear to be very lean, it is my understanding that the Ways and Means Committee will begin hearings next week, will it not, on the tax measure proposed by the President and what other measures might come before it?

Mr. WRIGHT. The gentleman is absolutely right.

Mr. MICHEL. And having just made the comment that I did with respect to the chairman of the Budget Committee, it is all the more important, to meet that ambitious time schedule, that those Members be given the full opportunity to meet at a regularly scheduled time for committees, I think much more so than anything we might be doing out here on the floor, and I hope that we might address ourselves, then, with intensity to those committee deliberations which are so fundamental to our considering anything out here on the floor after the committees have done their work.

Mr. WRIGHT. I thank the gentleman for his comments. It is absolutely correct that the Committee on Ways and Means will begin hearings on the tax recommendations of President Reagan on next Tuesday, and on such other recommendations that would rightly come before that committee in the course of those hearings.

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Similarly, the gentleman probably is aware that the Committee on the Budget already has been in the process of hearings and has established an ambitious time schedule in which it hopes to be able to bring the budget resolution, the third budget resolution for fiscal year 1981, and then the budget resolution for fiscal year 1982, and such reconciliation measures as may be required, in a timely fashion, fully on time.

□ 1140

It is my further understanding that the Committee on Ways and Means is targeting at least the hope and expectation of having a tax package to present to us upon completion of that budgetary action. And so, the purpose of both the minority and majority I should like to think will be to be constructive in every sense, and in no sense destructive or obstructive.

We will try to create a climate in which there will be early opportunity for ample, fair, full, and free consideration to be given to each of the recommendations that the President will be sending to us in specific form to implement the broad objectives that he discussed last night.

Mr. MICHEL. I thank the majority leader, and yield back the balance of my time.

ADJOURNMENT TO MONDAY, FEBRUARY 23, 1981

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to dispense with the business in order under the Calendar Wednesday rule on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

VIOLENCE AGAINST MINORITIES ON THE INCREASE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 60 minutes.

● Mr. CONYERS. Mr. Speaker, in recent months newspapers and magazines have reported on what appears to be an increasing incidence of criminal violence directed against minority group citizens. This violence has manifested itself in a variety of ways—random shootings and sniper attacks, assaults, attacks on civil rights leaders, firebombings, armed confrontations at political demonstrations, and intimidations and threats of violence. The violence is not confined to any one section of the Nation. It is a serious national problem.

Numerous acts of criminal violence have been committed by members of the Ku Klux Klan, including assaults, attempted arson, and shootings. Twenty-three Klansmen have been convicted of Federal violations of civil rights laws. But much of the violence directed against minority group citizens has been committed by individuals who were not members of or affiliated with any group or organization. It is clear that those individuals and groups such as the Ku Klux Klan have constitutional rights that are protected under the first amendment. But no individual or group has the right to commit criminal violence against other citizens.

My staff, in cooperation with the Congressional Research Service, compiled a partial listing of this violence in recent years. Although cross burnings are not included in this report, it should be noted that such acts are not meaningless acts of vandalism or pranks having no racial motivation. Cross burnings send an unmistakable signal of racial or religious bigotry.

I commend the following report "Selected Incidents of Criminal Violence Against Minority Group Citizens, 1978–81" to my colleagues:

SELECTED INCIDENTS OF CRIMINAL VIOLENCE AGAINST MINORITY GROUP CITIZENS, 1978–81

ALABAMA

October 22, 1980, Birmingham: A bomb was found on the steps of a black church.[1]

October 29, 1979, Muscle Shoals: Two black ministers were assaulted by Ku Klux Klansmen with pick ax handles. Two Klansmen later pled guilty to violations of federal civil rights laws.[2]

October 20, 1979, Hayden: Ku Klux Klansmen attacked a house occupied by a racially mixed group and beat and injured a black male. One Klansman was later convicted of violations of federal civil rights laws.[3]

September 28, 1979, Cullman: Several Vietnamese refugees employed at a textile mill were threatened by a knife-wielding Ku Klux Klansman. The Klansman was later convicted of violations of federal civil rights laws.[4]

July 5–6, 1979, Birmingham: Black citizens protesting the fatal shooting of a black woman by police clashed with Ku Klux Klansmen. Police arrested fourteen persons. A second confrontation occurred after armed white citizens drove through the city firing at least once. Eight whites including several Klansmen were later arrested.[5]

May 26, 1979, Decatur: More than one hundred heavily armed club-swinging Ku Klux Klansmen clashed with civil rights demonstrators and riot police. Two Klansmen and two black citizens were shot and wounded. Several Klansmen and black citizens were later arrested.[6]

December 15, 1978, Cullman: A black minister was abducted on an interstate highway by three white males and whipped after he had publicly denounced the rape conviction of a mentally retarded black male by an all white jury. A Ku Klux Klan leader asserted that Klansmen had been responsible for the abduction.[7]

Fall 1978, Talladega County: Ku Klux Klansmen fired a shotgun into the homes of NAACP leaders and racially mixed couples. Thirteen Klansmen later pled guilty to or were convicted of violations of federal civil rights laws.[8]

CALIFORNIA

November–December 1980, Contra Costa County: A series of attacks against black families by white vandals occurred including an attempted assault and a shooting incident.[9]

January 13, 1979, Chico: A deaf black male was shot and killed by two white males and one white female. According to press reports the assailants murdered their victim because they could not find any animals to shoot on a hunting trip. The assailants later pled guilty to murder charges.[10]

October 9, 1978, Cartago: Two Ku Klux Klansmen fired a shotgun into the home of a black family. Both Klansmen later pled guilty to violations of federal civil rights laws.[11]

CONNECTICUT

October 2, 1980, Manchester: The home of a black family was firebombed. Two white males were later arrested.[12]

GEORGIA

1978–81, Atlanta: Seventeen black children have been found murdered. One black child is still missing.[13]

INDIANA

May 29, 1980, Fort Wayne: Vernon Jordan, President of the National Urban League was shot and critically wounded by a sniper attack.[14]

Mid-January, 1980, Indianapolis: A black male was shot and killed by a sniper attack.[15]

January 1, 1980, Indianapolis: A black male was shot and killed by a sniper attack.[16]

June 11, 1979, Muncie: A white male attempted to run over a black citizen with a truck as he was removing a cross used at a Ku Klux Klan rally. Police later arrested a Klansman.[17]

June 11, 1979, Muncie: A group of white males armed with clubs and at least one gun forced an interracial couple to flee their home.[18]

MARYLAND

July 8, 1978, Baltimore: Three Ku Klux Klansmen were arrested on charges stemming from a plot to bomb the home of Congressman Parren Mitchell and a Baltimore synagogue. The Klansmen were later convicted.[19]

MASSACHUSETTS

January–March 1980, Great Barrington: A white female threatened and harassed a black family. The woman later pled guilty to violations of federal civil rights laws.[20]

July 13, 1980, Boston: A black sailor was stabbed by a group of white males.[21]

June 30, 1980, Boston: The home of a black family was firebombed. A white youth was later arrested.[22]

May 1, 1980, Boston: A black male was fatally stabbed by several white youths.[23]

October 31, 1979, Boston: A black off-duty Boston police officer was pelted with rocks by a crowd of white youths. A white youth was later arrested.[24]

September 28, 1979, Boston: A black teenager was shot and wounded by a white male sniper during a football game. The victim was left a quadriplegic. The assailant was later convicted.[25]

September 18, 1979, Boston: A group of white teenagers hurled stones and large metal bolts at three school buses with black passengers. Three black children were injured.[26]

July 13, 1979, Boston: Four members of a black family were injured when their home was stoned by a group of forty to fifty white youths. Several of the youths were later arrested.[27]

June 3, 1979, Boston: A twelve year old black youth was struck by several arrows fired by a white male who wore a white sheet and motorcycle helmet.[28]

1979, Boston: Eleven black women were found murdered within a five month period.[29]

July 22, 1978, Boston: The home of a Guatemalan family was firebombed shortly after the windows had been smashed by about two hundred white youths.[30]

MICHIGAN

August 3-7, 1980, Detroit: A group of Ku Klux Klansmen fired a shotgun and a rifle at a black male. Four Klansmen later pled guilty to violation of federal civil rights laws.[31]

MISSISSIPPI

June 10, 1978, Tupelo: Ku Klux Klansmen clashed with a white minister during a protest by civil rights demonstrators. A black male observer of the U.S. Department of Justice was later threatened by a white male with a bicycle chain.[32]

Summer 1978, Okolona: A group of white males attacked a black college president. Sixteen shots were fired at him as he sat in his car.[33]

NEW JERSEY

September 21, 1979, Plainfield: Three shots were fired from a shotgun into the home of a black family. Four white males were later arrested.[34]

September 13, 1979, Plainfield: Several white males assaulted a black male with a baseball bat. Another black male was also attacked in a separate incident by bat-wielding white males. Other black citizens were threatened. Three white males were later arrested.[35]

NEW YORK

December 29, 1980-January 5, 1981, Buffalo: A black male was fatally stabbed by a white male. Four other black males were also attacked by a knife-wielding white male assailant.[36]

December 30, 1980, Rochester: A black male was fatally stabbed by a white male.[37]

December 22-24, 1980, New York: Three black males and an Hispanic male were fatally stabbed. Witnesses to at least two of the stabbings have described the assailant as a white male. Police officials stated that one individual may be responsible for all four fatal stabbings. Three other black males were also attacked by a knife-wielding white male assailant.[38]

October 10, 1980, Erie County: A black male hospital patient was attacked by a white male who attempted to strangle him.[39]

October 8-9, 1980, Buffalo: Two black males were assaulted and beaten to death. Their hearts were cut out.[40]

September 22-24, 1980, Buffalo, Cheektowaga, Niagara Falls: Three black males and a black teenager were shot and killed by sniper attacks or in shooting incidents. Witnesses have described the assailant as a white male.[41]

August 8, 1979, Yonkers: The home of a black family was firebombed. City officials described the attack as racially motivated.[42]

NORTH CAROLINA

December 3, 1980, Weldon: Three black females were abducted by a gun-wielding white male. One of the women was raped and killed. The assailant was later arrested.[43]

November 3, 1979, Greensboro: Demonstrators protesting against the Ku Klux Klan clashed with Klansmen and Nazis. Five of the demonstrators including three white males, one black female and one Hispanic male were shot and killed. Six Klansmen and Nazis were later tried on State charges of murder and rioting. An all white jury acquitted all of the defendants.[44]

OHIO

November 1, 1980, Youngstown: A black teenager was shot and killed by a rifle fired from a pickup truck. Press accounts indicate that a group of white youths in a pickup truck had been driving around shooting randomly at black citizens. Three white youths have been arrested.[45]

June 8, 1980, Cincinnati: Two black teenagers were shot and killed by a sniper attack.[46]

OKLAHOMA

October 21, 1979, Oklahoma City: A black male and a white female companion were shot and killed by a sniper attack. Police said that the assailant was a white male.[47]

PENNSYLVANIA

June 15, 1980, Johnstown: A black male and a white female companion were shot and killed by a sniper attack.[48]

TENNESSEE

October 24, 1980, Chattanooga: A black teenager was shot and wounded by two white males.[49]

April 19, 1980, Chattanooga: Four black women were shot and wounded by a shotgun fired from a car. A Ku Klux Klansman was later convicted and two other Klansmen acquitted by an all white jury.[50]

UTAH

August 20, 1980, Salt Lake City: Two black youths were shot and killed by a sniper attack as they were jogging with two white female companions. A white male has been arrested on state and federal charges.[51]

VERMONT

October 27, 1980, Bennington: One of three white males was sentenced to between three months and one year in jail for his role in the abduction and stabbing of a black teenager.[52]

FOOTNOTES

[1] Washington Post, October 23, 1980.
[2] United States Department of Justice.
[3] United States Department of Justice.
[4] United States Department of Justice.
[5] St. Louis Post-Dispatch, July 8, 1979.
[6] New York Times, May 27, 1979, May 29, 1979 and May 30, 1979.
[7] New York Times, December 21, 1979.
[8] United States Department of Justice.
[9] New York Times, December 4, 1980.
[10] Los Angeles Times, February 10, 1980.
[11] United States Department of Justice.
[12] Washington Post, October 13, 1980.
[13] Washington Post, February 16, 1981.
[14] Washington Post, May 30, 1980.
[15] Washington Post, October 23, 1980.
[16] Washington Post, October 23, 1980.
[17] Muncie Evening Press, February 16, 1980.
[18] Muncie Evening Press, June 14, 1979.
[19] Washington Star, July 9, 1978.
[20] New York Times, December 19, 1980.
[21] Boston Globe, July 15, 1980.
[22] Boston Globe, August 16, 1980.
[23] Boston Globe, July 14, 1980.
[24] Boston Globe, November 2, 1979.
[25] Boston Globe, September 29, 1979 and Washington Post, December 7, 1980.
[26] New York Times, September 19, 1979.
[27] Boston Globe, July 15, 1979.
[28] Boston Globe, June 4, 1979.
[29] New York Times, June 2, 1979.
[30] Boston Globe, July 25, 1978.
[31] United States Department of Justice.
[32] New York Times, July 9, 1978.
[33] "Mississippi Relives Its' 60s" by Aryeh Neier Nation, September 23, 1978.
[34] New York Times, September 26, 1979.
[35] New York Times, September 22, 1979.
[36] New York Times, January 3, 1981 and January 6, 1981.
[37] New York Times, January 3, 1981.
[38] New York Times, December 24, 1980, December 25, 1980, and December 26, 1980.
[39] New York Times, October 20, 1980.
[40] New York Times, October 11, 1980.
[41] Washington Post, October 2, 1980.
[42] New York Daily News, August 9, 1979.
[43] Washington Star, December 5, 1980.
[44] New York Times, November 6, 1979 and November 18, 1980.
[45] New York Times, November 30, 1980.
[46] New York Times, November 30, 1980.
[47] Washington Post, October 23, 1980.
[48] Washington Post, June 16, 1980.
[49] Washington Post, October 25, 1980.
[50] Washington Post, July 23, 1980.
[51] Los Angeles Times, October 29, 1980 and November 6, 1980.
[52] Times Arqus, October 30, 1980.●

LEGISLATION INTRODUCED RELATING TO CREDITS FOR PASSIVE SOLAR RESIDENTIAL CONSTRUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. FOWLER) is recognized for 30 minutes.

Mr. FOWLER. Mr. Speaker, I am extremely pleased to appear today as the sponsor of a bill to provide an energy performance-based tax credit to builders who incorporate passive solar energy systems in new homes.

This legislation has won widespread, bipartisan support within Congress and within the private sector. In the last session we had 146 cosponsors in the House for an identical bill. The other body approved a similar measure sponsored by Senator HART in December of 1979 by a vote of 82 to 1. Today Congressman HEFTEL and myself are joined by 127 other House Members in introducing the passive solar tax credit legislation.

Among the groups which have endorsed the passive solar tax credit for builders are: the National Association of Home Builders, the American Institute of Architects, the National Conference of State Legislatures, the National League of Cities, the League of Women Voters, the Sierra Club, the Bricklayers International Union, the Solar Lobby, Environmental Action, the National Concrete Masonry Association, the Passive Solar Products Association, the Friends of the Earth, the Brick Institute of America, the National Wildlife Federation, the International Masonry Institute, the Environmental Policy Center, Pittsburgh

Plate Glass, the National Woodwork Manufacturers Association, the Solar Energy Industries Association, and the Mason Contractors Association.

Clearly, there is a broad and growing awareness that passive solar energy can make an important contribution toward reducing our Nation's energy problems. As Modesto Maidique, author of the solar energy section of the Harvard Business School's acclaimed report, "Energy Future," wrote to me last September 11:

Passive solar design is the most desirable of all the solar technologies and should be strongly encouraged.

A well-designed passive solar energy system can produce energy savings of up to 80 percent of a standard home's conventional heating load. When one multiplies this by the over 1 million new houses constructed annually, it is obvious that these passive systems represent a tremendous potential for conserving conventional energy resources. A 1979 study prepared for the White House concluded that by the year 2000, passive solar could contribute 1 quad—the energy-equivalent of 180 million barrels of oil per year—of the Nation's energy needs.

But this potential will not be realized as fully or as quickly as is possible, or as the country needs, without positive action by the Federal Government. For many years we have subsidized the production and consumption of fossil fuels through special tax treatment, federally funded research and development, and most recently Federal price controls. Even though these policies have been or are in the process of being revised in light of new circumstances, they have created biases within our economic system against energy conservation or unconventional energy resources.

What we propose in the legislation being introduced today is to provide a partial offset against these past policies in order to let a promising new technology take root.

The approach we have chosen; namely, a tax credit to the builders of passive homes, grew out of our experience with the Energy Tax Act of 1978. In that legislation the Congress recognized the desirability of assisting the purchase of both active and passive solar energy systems by providing a tax credit to the homeowner who installed such systems. However, as the legislation has been interpreted, it bars credits for passive solar systems which serve a dual function; and, since many of the major passive features, such as specially designed eaves, Trombe walls, and south-facing windows, are of necessity structural components as well, current law excludes the vast majority of passive solar energy systems.

When it became apparent that the 1978 Energy Tax Act was not going to provide the intended spur to passive solar, a number of individuals in both the executive and legislative branches began to search for an alternative method to stimulate the adoption of passive solar techniques. What emerged from this effort was the decision to provide the credit to the builder rather than the homebuyer, and to spell out in detail how the credit would be determined rather than allowing for discretionary determination by the IRS.

Making the credit available to the homebuilder targets the assistance to the key decisionmaker in the building process.

A primary reason why passive systems, which would result in substantial life-cycle cost and energy savings, are not being built in large numbers today is that residential buyers are extremely sensitive to changes in the cost and availability of credit and hence give maximum consideration to the first cost of a home. Builders are certainly aware of this and must give priority to cutting first costs to a minimum.

The $2,000 maximum credit under my bill would represent a significant offset for the higher initial costs of a passive home and therefore is a substantial incentive for the construction of passive systems.

On September 8 of last year the Ways and Means Committee conducted a hearing on my legislation and the testimony from business, labor, and administration witnesses was virtually unanimous in support of the passive solar tax credit proposal.

Assistant Treasury Secretary Donald C. Lubick:

We believe that the credit is soundly conceived from a technical standpoint and support its adoption.

Assistant Energy Secretary Thomas E. Stelson:

The Administration continues to support this (passive solar tax credit) approach to stimulating rapid and widespread use of an important, basically simple, but widely misunderstood technology. . . . Estimated impact of the credit will be over 500,000 (housing) units through 1990 with a savings of 180 million barrels of oil equivalent.

Robert Peterson, on behalf of the National Association of Home Builders (NAHB):

NAHB strongly supports the bills before the Committee that would provide a tax credit to builders that construct passive solar homes. . . . A tax credit for a builder that incorporates a passive solar design is a needed incentive to spur such construction.

Furthermore, my bill's approach of promoting passive solar homebuilding through a tax credit is fully consistent with the philosophy contained in the economic message transmitted to the Congress yesterday by President Reagan: relying on tax incentives to spur solar energy and energy conservation efforts.

Finally, to those in this House who are quite properly concerned with preserving the integrity of the Federal Tax Code, I would point out that those of us who support the passive tax credit have no intention of making it a permanent part of our tax system. Rather, we seek a limited 5-year program followed by a 3-year phaseout in order to insure an orderly return to a subsidy-free environment. Thus, my bill is meant to be a temporary measure designed to give passive solar technology a fair chance in the marketplace by providing a partial financial offset against the various cheap-energy subsidies that in the past have discouraged energy-efficient building construction.

Despite recent improvements in our energy conservation efforts we still are faced with an unacceptably high foreign oil bill of over $90 billion a year and over 40-percent reliance on interruptible overseas sources of supply. For both economic and national security reasons, we cannot afford to let nature take its course in moving our country toward a more energy efficient future, but we must pursue public policies to speed this transition. In my opinion, the passive solar tax credit, which would utilize the private sector rather than governmental bureaucracy, represents one of the most cost-effective ways of achieving energy self-sufficiency.

In closing, I would like to stress the importance of moving this legislation this year. For each month that we delay, 100,000 new homes—homes that on average will be a part of our housing stock and a consumer of our energy resources for the next 30 years—will be constructed. We must not let this opportunity to improve our energy security and efficiency slip away.

Attached to my statement are: First, a list of the current cosponsors of the passive solar tax credit; second, the text of the bill; third, copies of charts explaining the operation of the credit; and fourth, a description, including revenue estimates, of the passive solar legislation prepared by the staff of the Joint Committee on Taxation.

(NOTE.—The Joint Committee on Taxation report was concerned with the passive solar tax credit legislation introduced in the last session. The bill I am submitting today is identical to my earlier proposal except that the effective dates have all been pushed back by 1 year.)

Mr. Speaker, I submit for the RECORD the list of cosponsors of the bill, the bill itself, an explanation of how the credit works, and a description of various bills relating to credits for passive solar residential construction:

PASSIVE SOLAR TAX CREDIT COSPONSORS

Alabama: Dickinson.

Arizona: Udall.

California: George Brown, Coelho,

Dellums, Dixon, Dornan, Don Edwards, Fazio, Goldwater, Mineta, Panetta, Patterson.
Colorado: Kogovsek, Kramer, Schroeder, Wirth.
Connecticut: Moffett, Ratchford.
Florida: Fascell, Ireland, Lehman, Nelson, Pepper.
Georgia: Barnard, Billy Lee Evans, Fowler, Ginn, Hatcher, Jenkins, Levitas.
Hawaii: Akaka, Heftel.
Illinois: Porter.
Iowa: Bedell, Harkin, Leach, Tauke.
Kansas: Winn.
Kentucky: Hopkins, Mazzoli.
Louisiana: Boggs.
Maine: Emery, Snowe.
Maryland: Barnes, Mikulski, Parren Mitchell.
Massachusetts: Boland, Conte, Donnelly, Markey, Mavroules, Moakley, Studds.
Michigan: Albosta, Blanchard, Bonior, Brodhead, Conyers, Crockett, Kildee, Sawyer, Traxler, Wolpe.
Minnesota: Erdahl, Oberstar.
Missouri: Clay, Gephardt, Robert Young.
Montana: Marlenee, Pat Williams.
New Jersey: Fenwick, Florio, Guarini, Hollenbeck, Howard, Hughes, Rodino, Roe.
New Hampshire: D'Amours.
Nevada: Santini.
New York: Addabbo, Bingham, Downey, Fish, Garcia, LaFalce, Nowak, Scheuer.
North Carolina: Neal, Rose.
Ohio: Luken, Mottl, Pease, Seiberling, Stokes, Wylie.
Oregon: AuCoin, Weaver.
Pennsylvania: James Coyne, Dougherty, Edgar, Ertel, Goodling, Gray, McDade, Marks, Murphy, Ritter, Walgren, Yatron.
South Dakota: Daschle.
Tennessee: Duncan, Harold Ford, Gore.
Texas: Frost, Hance, Paul, Pickle, Stenholm, White, Wilson.
Utah: Marriott.
Virginia: Whitehurst.
Vermont: Jeffords.
Washington: Pritchard.
West Virginia: Mollohan.
Guam: Won Pat.
Puerto Rico: Corrada.

H.R. 1963

A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREDIT FOR PASSIVE SOLAR RESIDENTIAL CONSTRUCTION.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44F. CREDIT FOR PASSIVE SOLAR RESIDENTIAL CONSTRUCTION.

"(a) ALLOWANCE OF CREDIT.—In the case of a builder of a new residential unit which incorporates a passive solar energy system, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount determined under the solar construction credit table prescribed by the Secretary under subsection (d).

"(b) LIMITATIONS.—

"(1) MAXIMUM DOLLAR AMOUNT PER UNIT.—

"(A) IN GENERAL.—The amount of the credit allowed by subsection (a) shall not exceed $2,000 for a residential unit.

"(B) PHASEOUT OF CREDIT AFTER 1986.—In the case of a residential unit completed after December 31, 1986, there shall be substituted for '$2,000' in subparagraph (A) the amount determined in accordance with the following table:

'Units completed in	The amount is—
1987	$1,500
1988	1,000
1989	500'.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than credits allowable by sections 31, 39, and 43.

"(c) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) BUILDER.—The term 'builder' means a person who is in the trade or business of building residential units and has a proprietary interest in the residential unit built.

"(2) NEW RESIDENTIAL UNIT.—The term 'new residential unit' means any unit—

"(A) which is located in the United States,

"(B) which is designed for use as a residence,

"(C) which is a unit of a building having less than 5 residential units,

"(D) the construction of which is completed after September 30, 1981, and before January 1, 1990, and

"(E) which is ready for occupancy before January 1, 1990.

"(3) PASSIVE SOLAR ENERGY SYSTEM.—The term 'passive solar energy system' means a system—

"(A) which contains—

"(i) a solar collection area,

"(ii) an absorber,

"(iii) a storage mass,

"(iv) a heat distribution method, and

"(v) heat regulation devices, and

"(B) which is installed in a new residential unit after September 30, 1981, and before January 1, 1990.

"(4) SOLAR COLLECTION AREA.—The term 'solar collection area' means an expanse of transparent or translucent material that—

"(A) is located on that side of the stucture which faces (within 30 degrees) south, and

"(B) the position of which may be changed from vertical to horizontal in such a manner that the rays of the Sun directly strike an absorber.

"(5) ABSORBER.—The term 'absorber' means a hard surface that—

"(A) is exposed to the rays of the Sun admitted through a solar collection area,

"(B) converts solar radiation into heat, and

"(C) transfers heat to a storage mass.

"(6) STORAGE MASS.—The term 'storage mass' means a dense, heavy material that—

"(A) receives and holds heat from an absorber and later releases the heat to the interior of the structure,

"(B) is of sufficient volume, depth, and thermal energy capacity to store and deliver adequate amounts of solar heat for the structure in which it is incorporated,

"(C) is located so that it is capable of distributing the stored heat directly to the habitable areas of the structure through a heat distribution method, and

"(D) has an area of directly irradiated material equal to or greater than the solar collection area.

"(7) HEAT DISTRIBUTION METHOD.—The term 'heat distribution method' means—

"(A) the release of radiant heat from a storage mass within the habitable areas of the structure, or

"(B) convective heating from a storage mass, through airflow paths provided by openings or by ducts (with or without the assistance of a fan or pump having a horsepower rating of less than 1 horsepower) in the storage mass, to habitable areas of a structure.

"(8) HEAT REGULATION DEVICE.—The term 'heat regulation device' means—

"(A) shading or venting mechanisms to control the amount of solar heat admitted through solar collection areas; and

"(B) nighttime insulation or its equivalent to control the amount of heat permitted to escape from the interior of a structure.

"(9) JOINT PROPRIETARY INTEREST IN RESIDENTIAL UNIT.—If 2 or more builders have a proprietary interest in a residential unit, the credit allowable under subsection (a) shall be apportioned to each builder on the basis of his ownership interest in the residential unit.

"(10) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—

"(A) IN GENERAL.—For purposes of determining the amount of credit with respect to a residential unit, there shall not be taken into account any portion of a passive solar energy system which is financed from subsidized energy financing.

"(B) SUBSIDIZED ENERGY FINANCING.—For purposes of subparagraph (A), the term 'subsidized energy financing' has the meaning given such term by section 44C(c)(10)(C).

"(11) SWIMMING POOLS EXCLUDED.—The amount of credit under subsection (a) shall be determined without regard to any swimming pool.

"(d) SOLAR CONSTRUCTION CREDIT TABLE.—

"(1) PRESCRIPTION OF TABLE.—After consultation with the Secretary of Energy and the Secretary of Housing and Urban Development, the Secretary by regulations shall—

"(A) prescribe the solar construction credit table referred to in subsection (a) which meets the requirements set forth in paragraph (2), and

"(B) prescribe a table of insulation factors, based on the amounts of insulation in floors, walls, and ceilings and the number of panes of glass in the windows of a structure, for 8 categories of residential units ranging from one having no added insulation to one having the maximum feasible amount of insulation.

"(2) REQUIREMENTS FOR SOLAR CONSTRUCTION CREDIT TABLE.—

"(A) IN GENERAL.—In order to meet the requirements of this paragraph, the table prescribed by the Secretary—

"(i) shall provide a credit at the rate of $60 for each 1 million Btu's of annual energy savings per residential unit, and

"(ii) shall set forth different amounts of credit for different ratios of solar collection area to house heating load and for residential units located in different areas of the United States.

"(B) ANNUAL ENERGY SAVINGS PER RESIDENTIAL UNIT.—For purposes of subparagraph (A), the annual energy saving for a residential unit shall be the amount by which the number of Btu's of nonsolar energy required to provide heat to a reference house for a calendar year exceeds the number of Btu's of nonsolar energy required to heat a similar house, in the same or a similar location, which uses an incorporated passive solar energy system for a calendar year.

"(C) REFERENCE HOUSE.—For purposes of subparagraph (B), the term 'reference house' means a residential unit with 1,500 square feet of habitable floor space and a heating load of 7.5 Btu's per square foot per degree day.

"(D) HEATING LOAD.—For purposes of subparagraph (C), the term 'heating load' means the product of the number of square feet of habitable floor space of a residential unit multiplied by the appropriate insulation factor, set forth in the table prescribed by the Secretary under paragraph (1)(B), for that unit.

"(e) TERMINATION.—The credit allowable by subsection (a) shall not be allowed with respect to a residential unit the construction of which is completed after December 31, 1989."

(b) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting immediately after the item relating to section 44E the following new item:

"Sec. 44F. Credit for passive solar residential construction."

(2) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44E" and inserting "44E, and 44F".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after September 30, 1981.

HOW DOES THE CREDIT WORK?

SIMPLE, TWO-STEP PROCESS

Step 1. Recognition factor form

The builder will complete a simple form which identifies the requisite passive solar components.

Recognition factors: Storage Mass; Solar Collection Areas; Absorber; Heat Distribution; Heat Regulation Method. The five elements must be integrated into any building qualifying for the credit.

Step 2. Determination of amount of tax credit

To determine his tax credit, the builder must know—

1. Closest city to building (from list of 219 cities);

2. Solar collection area (total area of south facing windows); and

3. House heating load (amount of heating energy required by the house).

Factors 2, 3 will be used to determine the passive rating of the house.

To determine the house heating load: The builder multiplies the total floor area of the house by 1 of 8 selected insulation factors derived from the Insulation Factor Table.

The builder then determines the Passive Solar Rating by dividing the area of south glass by the house heating load:

Passive Solar Rating equals the area of south glass divided by the heating load.

The builder enters the Passive Solar Rating at the closest number on the Solar Construction Credit Table and finds the nearest city.

EXAMPLE

House location: Roseville, California.

Nearest location: Sacramento.

Passive collection area: 279 Ft².

House heating load*: 465 Btu/Hr °F.

*House heating load (1500 Ft²) (31—From Insulation Factor Table) equals 465 Btu/Hr °F.

Passive Rating: 279 divided by 465 equals 0.6.

Tax Credit: $708.

SOLAR CONSTRUCTION CREDIT EXAMPLE [1] TABLE

[Amounts in dollars]

Location	Passive rating						
	0.2	0.3	0.4	0.5	0.6	0.7	0.8
Albuquerque	420	800	1,100	1,340	1,480	1,620	1,700
Atlanta	250	475	620	820	972	1,080	1,144
Boston	374	636	898	1,122	1,309	1,496	1,683
Burlington	366	641	916	1,053	1,237	1,328	1,420
Columbus	310	557	756	876	955	1,144	1,194
Madison	432	778	1,080	1,296	1,512	1,635	1,858
Sacramento	231	400	524	616	708	753	801

[1] Illustrative purposes only—actual figures will vary.

Note: Insulation Factor Table unavailable at this time.

DESCRIPTION OF H.R. 7688, H.R. 7690, AND H.R. 8019 RELATING TO CREDITS FOR PASSIVE SOLAR RESIDENTIAL CONSTRUCTION

PRESENT LAW

Under present law, there is a credit for installation of a renewable energy source system of 40 percent of the first $10,000 of such expenditures on the taxpayer's principal residence. In the case of newly constructed homes, the original purchaser may claim the credit for separately stated renewable energy source costs when use of the new residence begins. Under recently issued Treasury regulations, renewable energy source property eligible for the credit is defined to include both active solar systems and passive solar systems. However, expenditures for components of a passive solar system which serve a dual function are not eligible for the credit. Thus, the credit is not available with respect to expenditures for structural components such as roofs, walls, and windows but is available for shading and venting devices that do not have a dual purpose.

EXPLANATION OF BILLS

H.R. 7688, H.R. 7690, and H.R. 8019, scheduled for hearings before the Committee on Ways and Means on September 8, 1980, would allow a credit to builders who install passive solar systems in new residences with one to four residential units. For residential units completed after September 30, 1980, and before December 31, 1985, the maximum credit per unit would be $2,000. For units completed in 1986, 1987, and 1988, the maximum credit would be $1,500, $1,000, and $500 respectively. No credit would be available for units completed after 1988.

A system would qualify if it contains each of the 5 components described below, and the tax credit would be determined by reference to a table, issued under regulations, which reflects the interrelationship of the solar collection area and the heating load for the geographic location of the residence.

A qualifying passive solar energy system must contain:

(1) a solar collection area that faces south (e.g., windows),

(2) an absorber (e.g., dark surfaced floors or walls),

(3) a storage mass with sufficient volume, depth and thermal capacity appropriate to the geographic area (e.g., dense stone walls or floors),

(4) a heat distribution method with ducts, openings, fans, and pumps to circulate air throughout the habitable areas, and

(5) heat regulation devices to control heat gain and heat loss, appropriate to the season (e.g., shades and insulation).

If a particular home qualifies for the credit, the builder would calculate the exact amount of credit as follows. First, the heating load of the house would be calculated by multiplying the floor area of the house by one of eight insulation factors. Next, the passive rating of the house would be calculated by dividing the passive solar collection area (essentially the number of square feet of south-facing windows) by the heating load. Finally, the amount of the credit would be taken from a credit table based on location and passive rating.

PRIOR CONGRESSIONAL CONSIDERATION

During consideration of the Crude Oil Windfall Profit Tax Act of 1980, a similar provision was adopted in a Senate floor amendment. The amendment was not agreed to in conference.

EFFECTIVE DATE

The bills would be effective for units completed after September 30, 1980, and before January 1, 1989.

REVENUE EFFECT

It is estimated that the provision would result in a reduction in budget receipts of $6 million in fiscal year 1981, $22 million in fiscal year 1982, $40 million in fiscal year 1983, $63 million in fiscal year 1984, and $365 million in fiscal years 1985 through 1989.

□ 1150

MANDATORY PENALTIES FOR CRIMES COMMITTED WITH DEADLY WEAPONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on the first day of the 97th Congress I introduced H.R. 35, a bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in felonies involving the use of a firearm or other deadly weapon.

Under current law, anyone who uses or carries a firearm when committing a felony as defined by Federal law must be sentenced to not less than 1 year and not more than 10 years in addition to the sentence imposed for the underlying felony itself. Under this law it is possible for those convicted to receive a suspended sentence, a probationary sentence, and also parole. Second or subsequent convictions require a sentence of an additional 2 to 25 years, and the court does not have the discretion to suspend it or impose a probationary sentence. However, parole is still possible.

The purpose of my bill is to see that those convicted of carrying a firearm or other deadly weapon do not avoid imprisonment. As we have discovered through experience, leaving the length of the prison sentence to the discretion of the court often allows offenders to return to society after having received few, if any, penalties for their crimes, free to resume their criminal activity. Because of the uncertainty of imprisonment, the offend-

er knows the chances are great that even if convicted he will spend little time in prison, and once again he will be out on the streets victimizing innocent, hard-working, productive members of society. It is this injustice that I propose to help remedy with my bill.

The most important provision of H.R. 35 imposes a mandatory minimum sentence on anyone convicted, and it removes the possibility of parole. Specifically, the first time a person is convicted of committing a felony with the use of a dangerous weapon, he would receive not less than a 1-year prison sentence which would be served in its entirety, in addition to any other sentence for the commission of the crime itself. A felon who is convicted a second time would receive a minimum 5-year prison term, over and above any other prison sentence.

While these provisions remove any discretion by the judge in sentencing below the minimum or granting a suspended or probationary sentence, the court does retain discretion as to the length of the sentence so long as it remains within the minimum and maximum set by law. However, and I wish to stress this point, no matter what length the sentence, it must be served in its entirety in prison. Once the sentence has been imposed, the judge may not suspend it or any part of it; nor may he grant a probationary sentence for any part of it; nor may the felon be paroled. The number of years the judge declares as sentence in court will be the number of years served by the felon in prison.

I do not regard my bill as the solution to our society's problems with crime. I do believe, however, that my proposal will be more effective in putting those who are a danger to our society in prison than our present system. Under my proposal the risk of imprisonment is increased by the certainty of punishment, whereas, under the present law the chance exists that a person convicted of a crime will not have to serve any time at all. There is no certainty of punishment and very little risk which might serve to deter unlawful behavior. Also, if penalizing the use of dangerous weapons during the commission of a felony has any deterrent effect at all, it could well have a larger effect on deterring crime in general. By deterring the use of weapons, the law is punishing the criminal's means of coercion. If he is deterred at all, he will be less likely to commit crimes of coercion since he will be less likely to carry a weapon.

I urge the support of my colleagues for H.R. 35.●

TRIBUTE TO MALCOLM MacDONALD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

● Mr. BINGHAM. Mr. Speaker, last month Great Britain and the world lost a beloved and distinguished statesman. The Right Honorable Malcolm MacDonald died at the age of 79. The event was noted with sadness, I am sure, not only in London and Washington, but in many other parts of the world, including Africa, India, and Southeast Asia.

I have never known any one who was more universally regarded with respect and affection by those with whom he had contact. He was not only a wise public servant in the great tradition of Britain's civil service, but a warm and compassionate human being.

Upon hearing that I planned to pay tribute to Malcolm MacDonald, our distinguished former colleague, John Brademas, wrote to me as follows:

I should like to add my own tribute to an extraordinary statesman whose death on January 11, 1981, deprives not only the British Commonwealth, which he so splendidly served, but the cause of free and democratic political institutions, of a distinguished champion.

Malcolm MacDonald played a most important role in the difficult process of decolonization following World War II. Decency, commonsense, sound judgment, practical skills—all these qualities he combined with sensitivity to the concerns of the peoples of Southeast Asia and Africa, the principal areas of his activities.

Like a number of Members of Congress, I became acquainted with Malcolm MacDonald through my participation in meetings of the Anglo-American Parliamentary Group on Africa, which periodically brought together members of the British House of Commons and Members of our Congress for discussions of major issues affecting Africa.

No person who participated in those sessions contributed more to our understanding than Malcolm MacDonald. He was a valiant servant of freedom and I am privileged to salute his memory.

Rather than undertake myself to review the record of Malcolm MacDonald's distinguished career and his many achievements, I would prefer to rely on the authoritative columns of the Times of London. That noted journal published the following obituary on January 12, 1981:

THE RIGHT HONORABLE MALCOLM MacDONALD—DISTINGUISHED SERVICES TO THE COMMONWEALTH

The Right Hon. Malcolm MacDonald, OM, who died yesterday at the age of 79, had a remarkable career first as a highly promising young Cabinet Minister between the wars and then a distinguished Commonwealth statesman. When he entered the Cabinet in the late 1930s there were experienced observers who predicted that he would emulate his father, Ramsay MacDonald, in becoming Prime Minister. But it is for his services to the Commonwealth that he will be particularly remembered.

As a young Cabinet Minister before the war he had held responsibility for Commonwealth affairs, but it was later when he held diplomatic posts in a number of Commonwealth countries that he was outstanding. The enthusiasm and idealism that he brought to the process of decolonization were of great value to a number of new nations, and were incidentally a reassurance of the integrity of British intentions. He was probably most at home in south-east Asia and in Africa, but wherever he was posted he demonstrated an intense interest in the lives of the people. He valued the countries for themselves, not just as factors on the international scene.

Malcolm John MacDonald was born at Lossiemouth, Scotland, in August, 1901, the son of James Ramsay MacDonald, who was to become Britian's first Labour Prime Minister. He went to the co-educational school Bedales, at Petersfield, Hampshire, and then to Queen's College, Oxford. He began political activity while still at the university and contested Bassetlaw unsuccessfully in both 1923 and 1924. He then began the foreign travel which was to take up so much of his time later and to give him so much pleasure, touring the United States, Canada and Australia in 1924-25 as one of an Oxford debating team, and visiting Honolulu and Manchuria a little later. In 1929, at his third attempt, he was elected to Parliament as Labour member for Bassetlaw.

After the Labour split in 1931, when he went with the National group, he was appointed Parliamentary Under-Secretary at the Dominions Office—not without some accusation of nepotism, which was soon met by his obvious success in office. At the 1935 election he lost Bassetlaw but was returned at a by-election in Ross and Cromarty early in 1936, and shortly afterwards entered the Cabinet, first as Secretary of State for the Colonies and then as Dominions Secretary. From November, 1938, he combined the two posts, and when they were again separated in 1939 he retained the Colonial Secretaryship. He led the prewar discussions on a much more vigorous policy of assistance towards colonial development and was responsible for the drafting of the Bill which became the Colonial Development and Welfare Act, 1940.

In the Churchill Government of 1940 MacDonald was made Minister of Health, but in February, 1941 Churchill asked him to go to Canada as United Kingdom High Commissioner. In that post he was able by his sympathy with Canadian feelings and his ability to make contact with all sections of the population to serve admirably as an interpreter both of British feelings to the Canadians and of Canadian views to the United Kingdom Government.

In 1946 MacDonald left Canada for the sphere where he was to work longest and most distinctively. The postwar plans for Malaya envisaged separate governments for mainland Malaya and the island of Singapore, with a Governor-General as coordinator. To that post MacDonald was appointed, with persuasive rather than compulsive powers. The structure was changed in 1948 when, after long discussions in which MacDonald took a leading part, the initial Malayan Union was replaced by the Federation of Malaya under a High Commissioner, but MacDonald stayed on. Simultaneously he took over the role which Lord Killearn had played as Special Commissioner of coordinating diplomatic activity in South-East Asia as a whole, assuming the new title of Commissioner-General for South-East Asia.

In this post he continued without specific over-ruling powers to act as a higher level coordinator between the Governments of Malaya, Singapore and the three British

Borneo territories on the administrative side and the British Ambassadors in the emerging or developing countries of South-East Asia on the diplomatic side. He travelled constantly and developed a strong interest in the culture and art as well as the politics of this highly mixed area. His obviously sincere interest in the political progress of these emerging countries helped to convince them of fundamental British sympathy with their political aspirations. MacDonald worked in Malaya through all the most anxious years of Communist terrorist activity there and the ultimate smoothness of the transition to independence in Malaya and internal self-government in Singapore owed much to him. But as that movement progressed MacDonald found a diminishing scope for his coordinating activities within the Malayan area itself, particularly as the local political groups with which he had worked most closely turned out not to be the first wielders of power in the early stages of self-government.

He turned his personal attention more to the residual problems of colonial administration in British Borneo and to the diplomacy of Indonesia, Burma, Thailand and the former French territories of Indo-China, where inevitably he was much involved in the negotiations which culminated in the agreement of 1954 and the division of Vietnam. By 1955 it was clear that this particular role in the area was coming to an end and he was transferred to the post of High Commissioner in India, which he occupied until 1960.

His work there was inspired by the same sympathy with the political aspirations of a newly independent nation, which helped him to act as a mediator between London and Delhi during the Suez crisis, but he never appeared to be as much at home in India as he had been in South-East Asia and to outward appearance had less opportunity of influencing events during the greater part of his High Commissionership.

In 1961 he was asked to be head of the British delegation to the conference in Geneva summoned to consider the crisis in Laos. Here his talents and knowledge were particularly useful. He knew the area well and had followed events in French Indo-China since the war. He established good relations with his Russian opposite number, the late Mr. G. Pushkin and was also successful in his relations with the Chinese delegation led by the Foreign Minister, Marshal Chen Yi. Thanks as much as anything to MacDonald's patience and goodwill the conference reached agreement after a year of wayward negotiation.

Throughout his years in Singapore his interest in all aspects of Chinese civilization had steadily deepened and he was especially pleased to be invited by the Chinese to pay a visit to Peking when his official duties were ended. It was unfortunate that his trip coincided with the Chinese attacks on Indian troops in the North East Frontier Agency in October and November, 1962, though even in this situation he was able to act as a mediator. While absent on his visit he was once again appointed to official office as the Governor of Kenya with the task of bringing in a self-governing constitution and seeing the country through into independence.

It had become obvious that the only way in which this could speedily be done was to reinstate Mr. Jomo Kenyatta, who had been imprisoned for his alleged involvement in the Mau Mau rebellion, and who was rejected by Mr. MacDonald's predecessor as the "leader to darkness and death". MacDonald with great skill brought Kenyatta into parliament and into leadership—and through the constitutional negotiations and the rivalries of the Ianu (Kikuyu-Luo) party and the Kadu coalition of minor tribes, which was generally preferred by most white settlers. Kenyatta triumphed in the elections and after, and the wisdom of MacDonald's guidance was seen in his transmogrification into "Mzee" and "the Squire" beloved by the remaining settlers and his own countrymen alike, Modern Kenya's prosperity and moderation owes something to MacDonald's efforts; and he was not responsible for the subsequent less attractive development, of black rule.

After Kenya's independence in 1964, he became Governor-General and subsequent British High Commissioner. During this period the greatest challenge was the military revolts in East Africa, and though he exerted only a behind the scenes influence, his presence in Nairobi was invaluable in getting the agreement of all the African leaders to bring in British troops to crush the mutineers in all three countries.

His last post was his appointment by Mr. Wilson as Britain's roving envoy in Africa, with the particular function of reducing the disruptive effects upon the Commonwealth of UDI in Rhodesia in 1965. Again his work was mostly behind the scenes but from 1967 onward he was constantly in the air between African capitals, and in holding the Commonwealth association together he did more than was generally realised; sharing the credit for turning many awkward corners with Mr. Arnold Smith the Secretary General with whom he often worked closely. He relinquished the post in 1970—still a full eight years before the final resolution of the problem. But he returned to Africa frequently, and notably to work on an ambitious survey of third country problems under the auspices of Sussex University. He himself became Chancellor of Durham University.

During his periods of service abroad MacDonald found time for interests quite outside his political duties. One was the study of birds, which he pursued in Canada, Malaya, Borneo and the Himalayas and on which he wrote several books alone or in collaboration with a Singapore Chinese enthusiast in the same field, Mr. Loke Wan Tho. Another was the collection of objects d'art particularly ceramics, for which he naturally found many opportunities in South-East Asia. The pursuit of these interests as well as the making of contacts at all levels of the communities in which he worked benefited by his great liking for informal social contacts. He was always happier having supper in a Chinese restaurant in Singapore or travelling in the forests of Borneo than attending formal diplomatic functions. Characteristic also was his great interest in young people, which gave him an especial delight in going back regularly to Singapore for the discharge of his duties as the first Chancellor of the University of Malaya. His taste for informality increased the breadth of his local contacts but perhaps reduced the weight of his influence with the governments with which he had to deal.

He was made an OM in 1969 and had been made a PC in 1935.

He married, in 1946, Mrs. Audrey Fellowes Rowley. They had one daughter.●

PRESIDENT REAGAN'S UNEVEN HAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, the unevenness of the Reagan administration's so-called evenhanded approach to our Nation's economic troubles is illustrated clearly in its 10 percent across-the-board tax cuts. This form of tax cut, known as a proportional cut is a thinly disguised system to redistribute income upward. However, we have heard enough rhetoric about even versus uneven plans. Let us let the numbers speak for themselves about the supposed evenhandedness of the Reagan administration's tax cut plans as they effect people rather than aggregates.

If an individual makes $10,000 a year from his labor, he will receive a 1981 tax decrease of $67. That is roughly $1.27 a week added to his paycheck. On the other hand, if an individual receives $100,000 a year in unearned income from trust funds, investments in the stock market or other sources that do not require his labor, the Reagan tax plan will give him $1,755 extra this year, or almost $34—not cents, but dollars—a week extra. That is over 25 times as much tax relief for the coupon clipper as for the factory workers.

But that is only a small part of the total story. Since the tax relief does not take effect until July this year the full impact, and the full discriminatory relief is not obvious until 1982. In that year, a worker who makes $10,000 will get $180 of relief under the President's program. That may sound like a lot, but it is only $3.46 a week. On the other hand, a person who gets $200,000 a year in unearned income will take home $12,821 more in 1982 than he otherwise would. This person's massive tax break is a gift from the Federal Government of $246 a week. How can this be considered fair when the average take-home pay for workers in this country is $213 a week? Is it fair that the Government would choose to give handouts to the already wealthy? In fact, more money than the average American takes home?●

MILITARY CASUALTY MEDICAL TREATMENT PLANNING ACT OF 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. LEATH) is recognized for 5 minutes.

● Mr. LEATH of Texas. Mr. Speaker, I rise today to introduce a bill which is designed to enhance the medical care provided to a new classification of veteran beneficiaries. This bill will: Offer priority treatment in Veterans' Ad-

ministration hospitals to active duty members of the armed services who are wounded in combat under contingency or wartime situations.

H.R. 1969, the Military Casualty Medical Treatment Planning Act of 1981, authorizes the Veterans' Administration to provide medical care on a priority basis to members of the uniformed services who are injured during a period of war or national emergency. It would aid substantially in eliminating anticipated shortfalls in DOD medical facilities in the event that the U.S. forces are engaged in large-scale hostilities, either in a declared war or in a contingency situation. In the VA scale of priorities, the bill would place current battlefield casualties above veterans with non-service-connected nonemergency conditions.

Mr. Speaker, it is highly appropriate that the Veterans' Administration hospital system be the main backup to the military, particularly in time of war. The Olin E. Teague Veterans' Medical Center at Temple, Tex., is a perfect example of the potential that is available in time of war or conflict. We have a number of buildings at the center that were former wards during the days of McCloskey General Hospital. For a minimum amount of funds the interior of these buildings could be refurbished and utilized to house patients. There are 13 buildings that could be converted to the backup system, making a minimum of 666 beds available which would meet Joint Commission of Hospital Accreditation requirements.

If the center were to receive approval for a new domiciliary to accommodate 400 patient-members and if it were to be located on available vacant VA land, there could be an additional nine buildings available for conversion, capable of expanding to an additional 570 beds meeting joint commission requirements. At this station alone, Mr. Speaker, there is the potential for a total of 1,236 beds. It could be done without enormous expenditures of funds. I am certain there is similar potential existing at the two other VA medical centers in my district—those located at Waco and Marlin, Tex.

It concerns me that the Department of Defense is giving consideration to contracting outside of Government in order to have a backup system in case of defense mobilization. I question whether or not this should be done and I think the Secretary should proceed with caution until the provisions of my bill are enacted, which would provide specific authority for the Veterans' Administration to work with the Department of Defense in a national emergency.

With the concurrence of the chairman of the full committee, my good friend, "SONNY" MONTGOMERY, I will ask the chairman of the subcommittee of jurisdiction to hold early hearings on this bill so that we might proceed to put in place a proper backup system in case of national mobilization. I am particularly anxious to see that the Medical Center at Temple, as well as those at Marlin and Waco, are not overlooked in the discussions that will take place.●

INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY: THE NEED TO REORGANIZE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ENGLISH) is recognized for 5 minutes.

● Mr. ENGLISH. Mr. Speaker, today I am introducing legislation designed to correct a basic flaw in the organization of the executive branch—one which cripples the ability of the United States to respond to the problems emerging from the imposition of barriers to the flow of information throughout the world. Unless corrected, it is a flaw which will cost this Nation billions of dollars in foreign trade and tens of thousands of jobs. It will also result in the further erosion around the world of the basic democratic principle of the free flow of information.

The flaw I speak of is the fragmented, uncoordinated, confused, and conflicting structure within the executive branch for the development and implementation of international telecommunications and information policies. In a yearlong investigation, the Subcommittee on Government Information and Individual Rights, which I chair, found that the U.S. Government is simply unprepared to respond to the expanding set of problems facing this Nation in international communications and information. Those findings are detailed in a report by the Committee on Government Operations, "International Information Flow: Forging A New Framework" (H. Rept. 96-1535) issued last December.

In simple economic terms, the United States is threatened with the loss of billions of dollars. In one of the few economic sectors in which American businesses hold a competitive edge—telecommunications and computer products and services—our ability to compete is threatened. At risk is a multibillion-dollar export sector growing at a rate of more than 30 percent each year.

The health and growth of other economic sectors dependent on the "information industries," such as international finance, are equally threatened—with billions more at stake. Barriers to the international flow of information also threaten injury to fundamental democratic freedoms and individual rights throughout the world.

The subcommittee investigation found that, in the face of these emerging threats, the U.S. Government is unprepared. It has developed neither comprehensive plans nor a coherent strategy for responding to the policies of other nations which may damage U.S. interests. The U.S. Government does not have even the organizational structure to develop such policies, coordinate its actions, and effectively protect U.S. interests. The report describes the problems emerging from the worldwide reconsideration of international communications policies and the flow of information. It explores the inability of current U.S. Government organization to respond to those problems. And, it recommends a basic reorganization of Government activities in international communications and information policy.

While the report examines the past and current inadequacies of existing government organization, these are not the only reasons for reorganization. Even if the existing organization had worked well in the past, it is incapable of providing the coordination of Government action and the development of policy necessary to anticipate and respond to the rapid change in international communications and the growth of barriers to the flow of information. The current organization is based on a dangerously obsolete compartmentalization of Government policymaking. The world has changed and continues to change with increasing speed. Yet, the U.S. Government holds to an organizational structure the essential weaknesses of which have been recognized for more than a decade.

The United States cannot afford an organization of Government which does not assure the most effective representation of U.S. interests.

For all of these reasons, I am introducing a bill which translates the key recommendations of the report into statute. The bill is patterned on H.R. 8443, introduced at the close of the last session, but is streamlined and more clearly focused on the central task of putting someone in charge. Like my distinguished predecessor, Richardson Preyer, I do not believe that we can wait to begin the debate and process which will lead to an organization of Government that will effectively represent our Nation's interests.

I welcome the help of my colleagues and the new administration in perfecting the bill I offer today. But in fashioning the best reorganization possible, we must not lose sight of the urgency of our task. We need a solution to our current organizational problems which works, and while we do not need to rush headlong, we cannot afford delay.

The text of the bill follows:

H.R. 1957

A bill to reorganize the international communications activities of the Federal Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "International Communications Reorganization Act of 1981".

ESTABLISHMENT OF COUNCIL ON INTERNATIONAL COMMUNICATIONS AND INFORMATION; TRANSFER OF FUNCTIONS

SEC. 2. (a)(1) There is established in the Executive Office of the President, for a period of five years beginning one month after the date of enactment of this Act, a Council on International Communications and Information (hereinafter in this Act referred to as the "Council"). The Council shall be composed of—

(A) an Executive Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate;

(B) the Secretary of State;

(C) the Secretary of Commerce;

(D) the Chairman of the Federal Communications Commission;

(E) the United States Trade Representative;

(F) the Director of the Office of Management and Budget; and

(G) the Assistant to the President for National Security Affairs.

(2) The Executive Secretary shall preside at meetings of the Council.

(3) The Council shall have a staff to be headed by the Executive Secretary. The Executive Secretary is authorized to exercise the powers of the Council.

(b)(1) All functions vested in the Secretary of State by section 5-201 of Executive Order 12046 of March 27, 1978, are transferred to the Council.

(2) All functions vested in the Secretary of Commerce by sections 2-301 (c), (d), (f), (g) and 2-404 and, to the extent their provisions relate to international telecommunications and information, by sections 2-401, 2-406, 2-407, 2-409, 2-501, and 2-502 of Executive Order 12046 of March 27, 1978, are transferred to the Council.

(3) All functions vested in the Director of the International Communications Agency by section 3 and, to the extent that its provisions relate to responsibility for advising the President, section 6 of Executive Order 12048 of March 27, 1978, are transferred to the Council.

(c) The Council shall, through performance of the functions transferred to it by subsection (b), develop and implement a uniform, consistent, and comprehensive United States policy on international communications and information and shall advise the President with respect to international communications and information. In order to implement such policy, to avoid duplicative activities and conflicting policies among Federal agencies, and to assure the greatest possible cooperation among such agencies, the Council shall—

(1) coordinate the policies and activities of all Federal agencies involving international communications and information; and

(2) review all policy determinations of Federal agencies, and all proposed statements of United States policy by such agencies, relating to international communications and information, and approve, disapprove, or modify any such policy determination or proposed statement.

(d) The Council shall serve as the office of the Federal Government to which United States citizens and United States organizations and enterprises may bring problems and concerns regarding international communications and information. The Council shall delegate to appropriate Government authorities responsibility to respond to such concerns and problems.

(e) The provisions of subsection (c)(2) shall not apply to any action or determination of an independent regulatory agency made pursuant to the rulemaking or adjudicatory procedures set forth in section 553, 554, 556, or 557 of title 5, United States Code, or pursuant to comparable statutory rulemaking or adjudicatory procedures.

(f) The Council shall, from time to time, make such recommendations and such reports to the President as it deems appropriate or as the President directs.

POWERS

SEC. 3. (a) For the purpose of carrying out its functions under this Act, the Council may—

(1) subject to the civil service and classification laws, appoint and fix the compensation of such officers and employees as the Council considers necessary;

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including travel time) at rates not in excess of the maximum rate of basic pay payable for grade GS-18 of the General Schedule provided in section 5332 of title 5, United States Code, and while such experts and consultants are so serving away from their homes or regular place of business, pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

(3) promulgate such regulations concerning its procedures and operations as may be necessary;

(4) utilize those services, personnel, and facilities of the Department of State, the Department of Commerce, the International Communications Agency, and the United States Trade Representative, that are used for international communications and information activities;

(5) utilize, with their consent, the services, personnel, and facilities of any other Federal agency;

(6) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the work of the Council and on such terms as the Council considers appropriate, with any agency or instrumentality of the United States, or with any public or private person, firm, association, corporation, or institution;

(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)); and

(8) adopt an official seal, which shall be judicially noticed.

(b)(1) The Council may appoint, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, up to 5 scientific, technical, or professional employees and may compensate employees so appointed without regard to the provisions of chapter 51 and subchapter 3 of chapter 53 of such title relating to classification and General Schedule pay rates. The rate of basic compensation for such employees shall not be in excess of the minimum rate of pay currently paid for GS-16 of the General Schedule under section 5332 of such title.

(2) Notwithstanding any other provision of law, the Director of the Office of Personnel Management shall establish positions within the Senior Executive Service for three limited-term appointees. The Council shall appoint individuals to such positions as provided by section 3394 of title 5, United States Code. Such positions shall expire five years after the effective date of this Act. Positions in effect under this subsection shall be taken into account in applying the limitations on positions prescribed under section 3134(e) and section 5108 of such title.

(c) In carrying out any function transferred by this Act, the Council, or any officer or employee of the Council, may exercise any authority available by law (including appropriation Acts) with respect to such function to the official or agency from which such function is transferred, and the actions of the Council in exercising such authority shall have the same force and effect as when exercised by such official or agency.

(d) Except as otherwise provided in this Act, the Council may delegate any function to such officers and employees of the Council as the Council may designate, and may authorize such successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Council under this section or under any other provision of this Act shall relieve the Council of responsibility for the administration of such functions.

COOPERATION OF OTHER AGENCIES

SEC. 4. (a) All Federal agencies shall provide the Council with any information which the Council determines is necessary to carry out its functions, except to the extent that a Federal agency is prohibited by statute from disclosing information to another Federal agency.

(b) No Federal agency may issue any policy statement, engage in any consultation, establish any policy, or implement any change in policy, relating to international communications or information, unless such agency first submits to the Council such statement, policy, or policy change or notifies the Council of the nature, terms and conditions of such proposed consultation and—

(1) the Council approves such statement, policy, policy change, or consultation;

(2) the Council modifies such statement, policy, or policy change, or modifies the nature, terms or conditions of the consultation, in which case the statement, policy, or policy change may be issued or consultation made only as so modified; or

(3) sixty days elapse after such submission or notification and the Council does not approve, modify, or disapprove the submission or consultation.

(c) The provisions of subsection (b) shall not apply with respect to any action or determination of an independent regulatory agency made pursuant to the rulemaking or adjudicatory procedures set forth in section 553, 554, 556, or 557 of title 5, United States Code, or to comparable statutory rulemaking or adjudicatory procedures.

ADVISORY COMMITTEE

SEC. 5. (a) The Council shall establish an Advisory Committee on International Communications and Information (hereinafter in this Act referred to as the "Committee")

to provide overall policy guidance to the Council with respect to the functions of the Council. The Committee shall be composed of not more than thirty individuals and shall include representatives of labor, manufacturers of telecommunications and data processing goods, other manufacturers, providers of telecommunications and data processing services, financial institutions, other service industries, small business, consumer interests, the legal profession, and the general public.

(b) The Committee shall meet at the call of the Executive Secretary to provide policy advice, technical advice and information, and advice on other factors relevant to the activities of the Council. A meeting of the Committee shall be called and held at least once each calendar quarter.

(c) The Council shall, before approving under this Act any statement of new United States policy relating to international communications and information, consult with the Committee for the purpose of obtaining the views of the Committee on the effect of the proposed submission on the social and economic interests of the United States.

(d) The Council shall make available to the Committee such staff, information, personnel, and administrative services and assistance as may reasonably be required to carry out the activities of the Committee.

(e) The Council shall adopt procedures for consulting with and obtaining information and advice from the Committee on a continuing and timely basis. Such consultation shall include the provision of information to the Committee as to (1) significant issues and developments, and (2) overall objectives and positions of the United States with respect to the activities of the Council. The Council shall not be bound by the advice or recommendations of the Committee but the Council shall inform the Committee of failures to accept such advice or recommendations. The Council shall submit an annual report to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate on consultations with the Committee, issues involved in such consultations, and the reasons for not accepting any advice or recommendations of the Committee.

INTERAGENCY COMMITTEE

SEC. 6. (a) There is established an interagency committee which shall be composed of the Chairman of the Federal Trade Commission, the Secretary of Defense, the Secretary of Labor, the Secretary of the Treasury, the Postmaster General, the Chairman of the Federal Reserve Board, the Administrator of the National Aeronautics and Space Administration, and the Director of the International Communications Agency.

(b) The interagency committee shall consider and advise the council with respect to problems which Federal agencies encounter in the performance of their responsibilities with respect to international communications and information.

CONFIDENTIAL INFORMATION

SEC. 7. Any information submitted by a person to the Council, the Committee, or the interagency committee established in section 6 of this Act, which is exempt from disclosure pursuant to 5 U.S.C. 552(b)(4) (relating to trade secrets and confidential commercial information)—

(1) shall not, except as provided in paragraph (2), be disclosed without the consent of the person who submitted the information; and

(2) may be disclosed—

(A) to officers and employees of the United States designated by the Council or Committee,

(B) to any appropriate committee in Congress, upon the request of such committee,

(C) to the Committee, or

(D) pursuant to court order,

where the Council has taken appropriate steps to inform the recipient of the confidential nature of the information.

REPORT OF COUNCIL

SEC. 8. The Council shall submit simultaneously to the President and to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate—

(1) not later than three months after the date of the enactment of this Act, and periodically thereafter, a report setting forth the Council's plans for fulfilling its responsibilities under this Act, including its priorities for responding to problems and developing policies with respect to international communications and information; and

(2) not later than sixteen months after the date of the enactment of this Act, a report setting forth any legislative or administrative recommendations necessary to further coordinate and establish a uniform, consistent, and comprehensive United States policy with respect to international communications and information.

AMENDMENTS

SEC. 9. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"Executive Secretary, Council on International Communications and Information."

DEFINITIONS

SEC. 10. For purposes of this Act—

(1) "appropriate committee in Congress" means any committee or subcommittee of the House of Representatives or the Senate having legislative or oversight jurisdiction over the subject matter involved;

(2) "independent regulatory agency" means the Civil Aeronautics Board, the Federal Communications Commission, the Federal Trade Commission, the Interstate Commerce Commission, and the Securities and Exchange Commission; and

(3) "Federal agency" means an agency as that term is defined in section 551(1) of title 5, United States Code.●

BALANCED BUDGET AND SPENDING LIMITATION AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. DASCHLE) is recognized for 5 minutes.

● Mr. DASCHLE. Mr. Speaker, I am today proposing an amendment to the Constitution which will require a balanced Federal budget and limit Federal spending.

The amendment I am proposing today is similar to the balanced budget amendment I proposed nearly 2 years ago, the first measure I introduced in the House of Representatives after being elected to Congress. Since I first proposed a balanced budget constitutional amendment, Federal spending has continued to exceed receipts, the national debt has continued to grow and is fast approaching $1 trillion, and Federal spending as a proportion of the gross national product has continued to increase. These ominous and troubling excesses are undisputable evidence of the continuing lack of Federal fiscal restraint and discipline. Continuing budget deficits, ever increasing public debt, and Federal Government growth must be eliminated. The constitutional amendment I am proposing today will eliminate these excesses by requiring badly needed Federal fiscal restraint and discipline.

Evidence of the current lack of Federal fiscal restraint and discipline is inescapable. In 1970 the national debt was $382 billion. By the end of fiscal year 1977, the gross Federal debt had increased to $785 billion, or $3,751 for every man, woman, and child in our Nation. Today, the total outstanding Federal debt is $934 billion and the debt ceiling limit has recently been increased by another $50 billion to $985 billion. The Federal budget has been balanced in only 2 of the last 20 years and the Federal budget has not been balanced once in the last 12 years. Federal spending and the size of the budget deficit have continued to increase. Federal spending increased by $86 billion from $493 billion to $579 billion between fiscal year 1979 and 1980. Federal spending during fiscal year 1981 is expected to increase to $660 billion. In fiscal year 1974 the budget deficit was $4.7 billion, increasing to a $45 billion deficit in fiscal year 1975 and a $65 billion deficit in fiscal year 1976. Federal fiscal restraint and discipline are needed and needed now.

A constitutionally mandated balanced budget and limitation on spending is essential to the restoration of Federal fiscal integrity. Without this constitutional mandate, business as usual will prevail and the American people can no longer afford more business as usual. Individuals must exercise fiscal restraint and discipline or suffer the economic consequences and the American people realize the Federal Government is not immune to this economic reality. Instead of deficit spending, the American people want Federal Government spending to be based on the principle of pay-as-you-go and a constitutional requirement for a balanced Federal budget is the surest means to achieve this goal.

Without a constitutionally mandated balanced Federal budget, business as usual will prevail as new and expanded uses of Federal funds are identified, articulated, and demanded. The number of Federal programs and the cost of the Federal Government will continue to increase and the ability to establish budgetary priorities will be further frustrated. Budgetary priorities must be established and priorities will be established when a balanced

Federal budget and limitation on spending is mandated.

A resounding consensus on budgetary priorities likely does not exist today because spending priorities have been incidental to Federal spending, but there certainly exists consensus support for a balanced Federal budget and a limitation on Federal spending. From the starting point of consensus support for a balanced Federal budget and a limitation on Federal spending, spending priorities will be achieved. Without first achieving the requirements for a balanced Federal budget and a limitation on spending, budgetary and spending priorities will continue to be as elusive as they are today.

The text of the constitutional amendment I am proposing today is as follows:

H.J. RES. 180

Joint resolution proposing an amendment to the Constitution of the United States to provide that, except in cases of war or national emergency to be declared by Congress, the budget of the United States must provide that the expenditures of the United States in each fiscal year shall not exceed the receipts of the United States for that fiscal year, and shall not exceed 20 percent of the average gross national product for the three calendar years immediately preceding such fiscal year

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of the final passage of this joint resolution:

"ARTICLE —

"SECTION 1. The Congress shall adopt for the United States a budget for each fiscal year. The budget adopted by Congress for each fiscal year must provide that the aggregate of expenditures of the United States, not including expenditures for the redemption of bonds, notes, or other obligations of the United States and interest on debt, shall not exceed the aggregate of receipts of the United States, not including receipts derived from the issuance of bonds, notes, or other obligations of the United States, and shall not exceed 20 percent of the average gross national product of the United States for the three calendar years immediately preceding the beginning of such fiscal year.

"SEC. 2. The aggregate of receipts in excess of the aggregate of expenditures during a fiscal year shall be deemed receipts of the United States for the succeeding fiscal year or shall be used for the purpose of providing tax relief for taxpayers of the United States.

"SEC. 3. A declaration of war made by Congress pursuant to section 8 of article I of this Constitution or the physical inability of Congress to meet and consider such a declaration as a result of armed attack shall suspend the application of sections 1 and 2 of this article. Such suspension shall be effective so long as the hostilities continue.

"SEC. 4. A concurrent resolution approved by a vote of two-thirds of the Members of each House of Congress declaring a state of national emergency shall suspend the application of sections 1 and 2 of this article. Such suspension shall be effective only during the fiscal year in which such resolution was adopted.

"SEC. 5. Public debt incurred as a result of the adoption of a concurrent resolution declaring a state of national emergency shall be extinguished by the end of the fifth consecutive fiscal year following the fiscal year in which such debt was incurred.

"SEC. 6. This article shall take effect on the first day of the first fiscal year of the United States beginning not less than two years after the date of the ratification of this article.

"SEC. 7. Congress shall have the power to enforce this article by appropriate legislation.".●

TRIBUTE TO RHEA HOWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HIGHTOWER) is recognized for 5 minutes.

Mr. HIGHTOWER. Mr. Speaker, last week, in Wichita Falls, Tex., an unusual man died at age 88, leaving an extraordinary record of unselfish public service.

Rhea Howard dedicated his life to the newspaper business but, more than that, he dedicated his own time and tireless energies to building a better life for the people of his city of Wichita Falls and north Texas. I do not believe there was a segment of his community that was left untouched by the helping hand of Rhea Howard. I am proud to have counted him as a friend for many years.

For over 33 years as editor and publisher of the Wichita Falls Times, Mr. Howard engaged in a tireless effort to bring jobs and businesses to Wichita Falls, aiding its charities, caring for its senior citizens, championing its university, seeking opportunities for its young people, supporting its fine arts, and exerting bold leadership in its political affairs.

Rhea Howard was not an armchair admiral, content to let others in the community carry the burdens every community faces. He got personally involved because he believed the old saying that: "Service is the rent we pay on the space we occupy."

As with many great men, he started his life's work at the bottom—selling papers on the street. He was energetic and before long had worked in every department at the newspaper, moving from melting type metal to setting type by hand to hand-feeding the presses to selling advertising to reporting stories. Rhea Howard knew the newspaper business as few do. He worked at it and broadened the influence of the newspaper in Wichita Falls' affairs far beyond normal ranges by the sheer force of his energy and civic pride.

His newspaper was one of the first in Texas to inaugurate a farm news department, a small thing in itself but another indication of the boldness and awareness that characterized his life.

Politically, Rhea Howard was a Democrat with both the small "d" and the capital "D." He served some 15 years on the Texas State Democratic Executive Committee, was a delegate to four national Democratic conventions and was a personal friend of several Texas Governors and three American Presidents. His paper was one of the few to endorse President Harry Truman in 1948. He worked hard for President John Kennedy and was one of President Johnson's closest friends for many years. Rhea Howard was not afraid to make a commitment; he kept the commitments he made.

Politics, however, was really an adjunct to his main focus: His community and the Red River Valley region where he lived and raised a family.

He and his wife of 67 years, Kathleen Howard, who died last October 21, were closely identified with virtually every civic undertaking for over 50 years.

Mr. Howard received numerous awards from all facets of the community and from his colleagues in the newspaper business. But, most important of all, Rhea Howard had the respect of his neighbors and his professional associates.

He was a builder.

He could be depended on.

He always carried more than his share of the load.

Rhea Howard was a committed man and every inch a Christian gentleman.

Texas and the Nation have lost one of those rare people who make a difference in the lives of their fellow Americans, who make a difference in whether or not a community moves forward.

I will miss Mr. Howard as a valued friend, but certainly not more than the people of Wichita Falls who will miss him as their best champion.

FIRE SAFETY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. FERRARO) is recognized for 5 minutes.

● Ms. FERRARO. Mr. Speaker, I am deeply concerned over the recent wave of disastrous fires involving major loss of lives that we have witnessed. Beginning with the MGM Grand Hotel fire on November 21 of last year, there have been four separate instances when tragic fires have dominated the evening news.

Another chapter in this distressing saga was almost written yesterday at the Harley Hotel in my own New York City. On the day of its official grand opening, just hours after a luncheon attended by Mayor Koch and Governor Carey, fire broke out in the hotel's

third floor generator room. Fortunately, no one was killed, although 12 persons, including 6 firefighters, were treated for smoke inhalation.

Disaster was avoided at the Harley Hotel yesterday because the hotel is equipped with an automatic sprinkler system. Neither the MGM Grand nor Las Vegas' Hilton Hotel, which caught fire February 11, had such systems. New York City Deputy Fire Commissioner John Mulligan said that the Harley's sprinkler system had checked the spread of the fire, giving firefighters time to get to the hotel and bring the fire under control.

It is clear to me that the installation of improved fire safety equipment is essential if we are going to put an end to these terrible disasters. One of the reasons hotels, office buildings, nursing homes, restaurants, and other establishments do not install such equipment is cost. On December 4, a fire in a conference room at Stouffer's Inn in White Plains, N.Y., took 26 lives. The terribly tragic irony of that situation was that the motel had installed sprinklers in its corridors, but for cost reasons had not put them in the conference rooms.

To assist businesses with their efforts to improve fire safety procedures, I have today introduced legislation that would provide a 30-percent tax credit on the purchase of automatic sprinkler systems, early smoke and fire detection systems, fire-rated doors and walls, and other features which upgrade fire protection systems in public buildings. The credit would be an add-on to the existing investment tax credit, and it would not be refundable. The credit also would not be available for private residences.

Mr. Speaker, in 1979, the last year for which full figures are available, almost 40,000 Americans were killed or injured in fires. I feel this legislation is a simple, practical means of addressing this very serious problem. There are some kinds of catastrophes, such as hurricanes, tornadoes, or floods, which are beyond our control. But the loss of life and property due to fires in public buildings can be greatly reduced, if we are willing to make the effort. Everybody supports fire safety. But the bottom line is money. By providing additional fire protection, we can save lives. I invite all my colleagues to join me in this effort.●

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON ENERGY AND COMMERCE—SUBPENA FOR DEPOSITION AND PRODUCTION OF DOCUMENTS OF HON. JOHN E. MOSS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Energy and Commerce:

COMMITTEE ON ENERGY AND COMMERCE,
Washington, D.C., February 17, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

(Attention: Leonard Kirk O'Donnell, H202, The Capitol).

DEAR MR. SPEAKER: Pursuant to the provisions of H. Res. 722, 96th Congress and on behalf of the Honorable John E. Moss, the former Chairman of the Subcommittee on Oversight and Investigations, I am forwarding a copy of a subpoena, with attachments, directed to Mr. Moss calling for a deposition and the production of documents on February 24, 1981, in Sacramento, California. This is the notification required by Section 2 of H. Res. 722.

Sincerely,

JOHN D. DINGELL,
Chairman.

[U.S. District Court for the Western District of Washington at Seattle—Civil Action File No. C 79-443V]

FREMONT ENERGY CORPORATION, A UTAH CORPORATION, ET AL., *v.* THE SEATTLE POST-INTELLIGENCER, THE HEARST CORP., ET AL., TO JOHN E. MOSS

You are commanded to appear at Sacramento Deposition Reporters, 926 J Building, Suite 424, in the city of Sacramento, California, on the 24th day February, 1981, at 1:00 o'clock p.m. to testify on behalf of Plaintiffs at the taking of a deposition in the above entitled action pending in the United States District Court for the Western District of Washington and bring with you any and all reports, records, files, notes, memoranda, correspondence or other documents pertaining to certain remarks and comments more specifically described in attachment A to this subpoena.

Dated February 2, 1981.

ATTACHMENT A

(1) Mr. Moss' remarks made to Dan Seligman on or about January 23, 1979, during a telephone interview of Mr. Moss. For convenience and information purposes, copies of Mr. Seligman's notes of that conversation are attached as Exhibit *A*.

(2) The "Moss Report", a/k/a a *Report on Uranium Lode Mining Claims on Federal Lands*, dated December 1978, issued by the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce, U.S. House of Representatives, 95th Congress, Second Session, [hereafter, "the subcommittee"], the face sheet of which is attached as Exhibit *B*.

(3) The subcommittee hearings which occurred in October, 1977, on the subject matter described in the Moss Report.

(4) Comments made by Ben Smethurst to Dan Seligman during January—March 1979 about Fremont Energy Corporation (FEC), the Moss Report, or the related subcommittee hearings.

(5) The procedures and rules of the subcommittee and of Congress during the course of the subcommittee hearings.

DIFFICULTIES FACED IN CUTTING SPENDING

(Mr. HIGHTOWER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HIGHTOWER. Mr. Speaker, last night President Reagan appeared before the Congress and issued a challenge to Congress and the Nation to cut back on Government spending as a means of bringing inflation under control. Many of us have been advocating cuts in spending for several years, but on a case-by-case basis it has been very difficult to get the needed support in Congress and with the public generally.

Last week the Perryton Herald, a newspaper in my district, carried an editorial which I believe expresses the difficulties that we now face very well. I commend this fine newspaper for their insight and understanding of the problem. I believe that this kind of information will be useful to my colleagues and I include the editorial at this point in the RECORD:

WHERE DO WE START

All of us are eager for the new Reagan administration to start cutting taxes, but we don't quite know where to begin.

Well, it came as quite a shock to some Ochiltree county citizens when they read last week in the Herald that this county received some $17.6 million in federal funds.

If we are sincere in this program for cutting federal spending, we ought to be willing to cut down on the amount of federal funds that come into Ochiltree county.

In addition to $17.6 in direct federal funds, another $6.9 million came in as indirect federal support, making a total of $24.5 million.

According to the report of the Community Services Administration, the largest "provider" of the federal agencies for Ochiltree county is the Department of Agriculture which spent $6,791,000 in direct federal support and another $5,730,000 in indirect federal support.

The direct support went for wheat production stabilization ($3.4 million), commodity loans ($2.3 million), feed grain production stabilization ($2.2 million), and grain reserve program ($228,000).

Other direct aid amounts in this county went into such things as food stamp bonus coupons, $30,000; extension activities, $19,000; agricultural conservation program, $75,000; soil and water conservation, $48,000; and storage equipment and facility loans, $153,000.

Within the indirect federal support total was over $4.5 million split between economic emergency loans and rural electric loans and loan guarantees. Other indirect support went to emergency disaster loans, $590,000; farm operating loans, $447,000; and farm ownership loans, $106,000.

It would be hard to single out any of these for elimination, although we really can't consider these loan programs as actual federal spending programs.

A favorite target for spending cuts is the Department of Health, Education and Welfare. HEW spent $4,268,000 in this county last year, and it would appear that here is a ripe spot to cut.

But the largest HEW expenditure was $2,009,000 for Social Security insurance payments; $880,000 went to Social Security survivors insurance; $609,000 went to Medicare payments; $281,000 went to Social Security disability insurance; $122,000 went to medi-

cal assistance programs and $49,000 went to education of deprived children.

Well, there's not much to cut here.

The Small Business Administration put out over $2.3 million, most in the form of loans for physical disaster loans and another $140,000 for direct small business loans.

Not much fat here, of course, because these are loans which are to be paid back.

The Veterans Administration paid out $947,000 in Ochiltree county. Of this amount, $367,000 went to veterans disability compensation; $143,000 went for veterans pensions; $167,000 went to veterans readjustment training; $83,000 went to dependents indemnity compensation and $79,000 went to veterans death benefits.

Another $109,000 went for veterans guaranteed and insured loans.

Not much to cut out here, of course.

The Office of Personnel Management paid out $655,000 for civil service retirement and another $428,000 for payment into the Postal Service retirement fund.

There is no way to cut out these payments, either.

The Department of Defense paid out $38,000 in military retirement pay which is certainly untouchable.

The Department of Housing and Urban Development spent $96,000 in direct support for mobile home loan insurance, $31,000 for mortgage insurance for low income family homes and $68,000 for property improvement loan insurance.

Some of this could probably be cut out, but this is small potatoes when compared to the overall sum of federal funds spent here.

Well, what do we have?

In looking over this list, about the only things that could be cut out, or at least not credited to federal spending, is the amount spent for agriculture loans in this county, and the SBA loans.

These loans total about $10 million, which is a sizable sum, but hardly enough to make a dent in the $24 million figure credited to this county, and we wouldn't want the loan programs eliminated.

We wouldn't want the Social Security payments ended, of course. Neither would we stand for trimming payments to veterans under the several programs authorized for them.

And we certainly believe in loan programs for agriculture.

The pension payments to retired civil service and postal people can't be cut because this is their money by law.

When you get right down to it, cutting federal spending is a lot harder when you deal in specifics rather than generalities.

President Reagan has a harder job than we thought.

RULES OF COMMITTEE ON FOREIGN AFFAIRS FOR 97TH CONGRESS

(Mr. ZABLOCKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ZABLOCKI. Mr. Speaker, pursuant to rule XI, clause 2, I present for the printing in the RECORD the rules adopted by the Committee on Foreign Affairs:

RULES FOR THE COMMITTEE ON FOREIGN AFFAIRS OF THE HOUSE OF REPRESENTATIVES 97TH CONGRESS

(Adopted February 5, 1981)

1. GENERAL PROVISIONS

The Rules of the House, and in particular, the committee rules enumerated in Clause 2 of Rule XI, are the rules of the Committee on Foreign Affairs, to the extent applicable. Each subcommittee of the Committee on Foreign Affairs (hereinafter referred to as the "Committee") is a part of the Committee and is subject to the authority and direction of the Committee, and to its rules to the extent applicable.

2. DATE OF MEETING

The regular meeting date of the Committee shall be the first Tuesday of every month when the House is in session pursuant to Clause 2(b) of Rule XI of the House. Additional meetings may be called by the Chairman as he may deem necessary or at the request of a majority of the Members of the Committee in accordance with Clause 2(c) of Rule XI of the House of Representatives.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to Clause 2(c) of Rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered.

3. QUORUM

For purposes of taking testimony and receiving evidence, two Members shall constitute a quorum.

One-third of the Members of the Committee shall constitute a quorum for taking any action, with the following exceptions: (1) Reporting a measure or recommendation, (2) closing Committee meetings and hearings to the public, and (3) authorizing the issuance of subpenas.

No measure or recommendation shall be reported to the House unless a majority of the Committee is actually present.

4. MEETING AND HEARINGS OPEN TO THE PUBLIC

(a) Each meeting for the transaction of business, including the markup of legislation, of the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This subsection does not apply to open Committee hearings which are provided for by subsection (b) of this rule or any meeting that relates solely to internal budget or personnel matters.

(b)(1) Each hearing conducted by the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony—

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate paragraph (2) of this subsection; or

(B) may vote to close the hearing, as provided in paragraph (2) of this subsection.

(2) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person—

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of paragraph (1) of this subsection, if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee or subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the Committee or subcommittee shall proceed to receive such testimony in open session only if a majority of the Members, a majority being present, determines that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

(3) No Member of the House may be excluded from nonparticipatory attendance at any hearing of the Committee or a subcommittee unless the House of Representatives has by majority vote authorized the Committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subsection for closing hearings to the public.

5. ANNOUNCEMENT OF HEARINGS AND MARKUPS

Public announcement shall be made of the date, place, and subject matter of any hearing or markup to be conducted by the Committee or a subcommittee at least 1 week before the commencement of that hearing or markup unless the Committee or subcommittee determines that there is good cause to begin such meeting at an earlier date. Such determination may be made with respect to any hearing or markup by the Chairman or subcommittee chairman, as appropriate.

Public announcement of all hearings and markups shall be made at the earliest possible date and shall be published in the Daily Digest portion of the Congressional Record, and promptly entered into the committee scheduling service of the House Information Systems.

Members shall be notified by the Chief of Staff, whenever it is practicable, 1 week in advance of all meetings (including markups and hearings) and briefings of subcommittee and of the full Committee.

The agenda for each Committee and subcommittee meeting, setting out all items of business to be considered, including a copy of any bill or other document scheduled for markup, shall be furnished to each Committee or subcommittee Member by delivery to the Member's office at least 2 full calendar days (excluding Saturdays, Sundays, and legal holidays) before the meeting, whenever possible.

6. WITNESSES

A. Interrogation of witnesses

Insofar as practicable, witnesses shall be permitted to present their oral statements without interruption, questioning by the

Committee Members taking place afterward. After completing his questioning, the Chairman shall recognize the ranking majority and then the ranking minority Member, and thereafter in recognizing Members present, he may give preference to the Members on the basis of their arrival at the hearing, taking into consideration the majority and minority ratio of the Members actually present. A Member desiring to speak or ask a question shall address the Chairman and not the witness in order to insure orderly procedure.

Each Member may interrogate the witness for 5 minutes, the reply of the witness being included in the 5-minute period. After all Members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

The Chairman shall take note of Members who are in their chairs when each day's hearing begins and, insofar as praticable, when the time occurs for interrogation, shall recognize each such Member ahead of all others.

B. Statements of witnesses

So far as practicable, each witness shall file with the Committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. PREPARATION AND MAINTENANCE OF COMMITTEE RECORDS

An accurate stenographic record shall be made of all hearings and markup sessions. Members of the Committee and any witness may examine the transcript of his or her own remarks and may make any grammatical or technical changes that do not substantially alter the record. Any such Member or witness shall return the transcript to the Committee offices within 5 calendar days (not including Saturdays, Sundays, and legal holidays) after receipt of the transcript, or as soon thereafter as is practicable.

Any information supplied for the record at the request of a Member of the Committee shall be provided to the Member when received by the Committee.

Transcripts of hearings and markup sessions (except for the record of a meeting or hearing which is closed to the public) shall be printed as soon as is practicable after receipt of the corrected versions, except that the Chairman may order the transcript of a hearing to be printed without the corrections of a Member or witness if the Chairman determines that such Member or witness has been afforded a reasonable time to correct such transcript and such transcript has not been returned within such time.

8. EXTRANEOUS MATERIAL IN COMMITTEE HEARINGS

No extraneous material shall be printed in either the body or appendixes to any Committee or subcommittee hearing, except matter which has been accepted for inclusion in the record during the hearing. Copies of bills and other legislation under consideration and responses to written questions submitted by Members shall not be considered extraneous material.

Extraneous material in either the body or appendixes to any hearing to be printed which would be in excess of eight printed pages (for any one submission) shall be accompanied by a written request to the Chairman, such written request to contain an estimate in writing from the Public Printer of the probable cost of publishing such material.

9. PUBLIC ANNOUNCEMENT OF COMMITTEE VOTES

The result of each rollcall vote in any meeting of the Committee shall be made available for inspection by the public at reasonable times at the Committee offices, including a description of the amendment, motion, order, or other proposition; the name of each Member voting for and against, and whether by proxy or in person, and the Members present but not voting.

A rollcall vote shall be ordered on any question at the request of 20 percent of those present.

10. PROXIES

Proxy voting is permitted in the Committee only under the following conditions:

The proxy authorization—

(a) Shall be in writing;

(b) Shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee; and

(c) Shall be limited to a motion to report a bill or a resolution.

Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies are not counted for a quorum.

11. PRIOR APPROVAL OF REPORTS

No Committee, subcommittee, or staff report, study, or other document which purports to express publicly the views, findings, conclusions, or recommendations of the Committee or the subcommittee may be released to the public or filed with the Clerk of the House unless approved by a majority of the Members of the Committee or subcommittee, as appropriate. In any case in which Clause 2(l)(5) of House Rule XI does not apply, each Member of the Committee or subcommittee shall be given an opportunity to have views or a disclaimer included as part of the material filed or released, as the case may be.

12. STAFF SERVICES

The Committee staff shall be selected and organized so that it can provide a comprehensive range of professional services in the field of foreign affairs to the Committee, the subcommittees, and all its Members.

The staff shall include persons with training and experience in foreign affairs who have a variety of backgrounds and skills so as to make available to the Committee services of individuals who have a firsthand acquaintance with major countries and areas and with major aspects of U.S. overseas programs and operations.

It is intended that the skills and experience of all members of the Committee staff shall be available to all Members of the Committee.

(a) The professional and clerical employees of the Committee, except those assigned to the minority or to a subcommittee as provided below, shall be appointed, and may be removed, by the Chairman with the approval of the majority of the Members of the Committee. Their remuneration shall be fixed by the Chairman within the ceilings set in Clause 6(c) of Rule XI, and they shall be under the general supervision and direction of the Chairman. Staff assignments are to be authorized by the Chairman or by the Chief of Staff under the direction of the Chairman.

(b) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority Members of the Committee shall determine within the general ceiling in Clause 6(c) of Rule XI: *Provided, however,* That no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart. Such staff shall be under the general supervision and direction of the ranking minority Member with the approval or consultation of the minority Members of the Committee.

(c) In the matter of subcommittee staffing:

(1) The chairman of each standing subcommittee of this Committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority Member of each of six standing subcommittees on this Committee is authorized to appoint one staff person who shall serve at the pleasure of said ranking minority Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in Paragraph (c) of Clause 6 of Rule XI of the Rules of the House or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

(4) No Member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the ranking minority party Members pursuant to subparagraph (2) of this paragraph shall be made available from the staff positions provided under Clause 6 of Rule XI of the Rules of the House.

13. NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) The full Committee will handle the markup and reporting of general legislation relating to foreign assistance (including development assistance, security-related aid, and Public Law 480 programs abroad) or relating to the Peace Corps. Regional subcommittees will have responsibility with respect to foreign assistance as follows:

(1) The annual legislative programs of foreign assistance for each region shall be referred to the appropriate subcommittee for review and legislative recommendations, within a time frame to be set by the Committee.

(2) Those subcommittees shall be responsible for ongoing oversight of all foreign assistance activities affecting their region.

(3) Those subcommittees shall have the responsibility of annually reporting to the full Committee, on a timely basis, the findings and conclusions of their oversight, including specific recommendations for legislation relating to foreign assistance.

(b) There shall be eight standing subcommittees. The names and jurisdiction of those subcommittees shall be as follows:

A. Functional subcommittees

There shall be four subcommittees with functional jurisdiction:

Subcommittee on International Security and Scientific Affairs.—To deal with national security and scientific developments affecting foreign policy; strategic planning and agreements; war powers and executive agreements legislation; Arms Control and Disarmament Agency; security aspects of nuclear technology and materials; oversight of military aspects of foreign policy and foreign intelligence; and oversight of State and Defense Department activities involving arms transfers, arms export licenses, administration of security assistance, arms sales,

foreign military training and advisory programs, and conventional arms control.

Subcommittee on International Operations.—To deal with Department of State and International Communication Agency operations and legislation; the diplomatic service; international education and cultural affairs; foreign buildings; parliamentary conferences and exchanges; protection of American citizens abroad; and international broadcasting.

Subcommittee on International Economic Policy and Trade.—To deal with measures relating to international economic and trade policy; measures to foster commercial intercourse with foreign countries; export administration; international investment policy; trade and economic aspects of nuclear technology and materials; legislation pertaining to and oversight of the Overseas Private Investment Corporation; commodity agreements; and special oversight of international financial and monetary institutions, the Export-Import Bank, and customs.

Subcommittee on Human Rights and International Organizations.—To deal with oversight of, and legislation pertaining to, the United Nations, its related agencies, and other international organizations; implementation of the Universal Declaration of Human Rights and other matters relating to internationally recognized human rights generally; the American Red Cross; international environmental policy; and oversight of international fishing agreements.

B. Regional subcommittees

There shall be four subcommittees with regional jurisdiction: Subcommittee on Europe and the Middle East; Subcommittee on Asian and Pacific Affairs (including South Asia); Subcommittee on Inter-American Affairs; and the Subcommittee on Africa.

In addition to the responsibilities provided by subsection (a) of this rule, the regional subcommittees shall have jurisdiction over the following:

(1) Matters affecting the political relations between the United States and other countries and regions, including resolutions or other legislative measures directed to such relations.

(2) Legislation with respect to disaster assistance outside the Foreign Assistance Act, boundary issues, and international claims.

(3) Legislation with respect to region- or country-specific loans or other financial relations outside the Foreign Assistance Act.

(4) Resolutions of disapproval under section 36(b) of the Arms Export Control Act, with respect to foreign military sales.

(5) Oversight of regional lending institutions.

(6) Identification and development of options for meeting future problems and issues relating to U.S. interests in the region.

(7) Environmental, population, and energy affairs affecting the region.

(8) Base agreements and regional security pacts.

(9) Oversight of matters relating to parliamentary conferences and exchanges involving the region.

(10) Concurrent oversight jurisdiction with respect to matters assigned to the functional subcommittees insofar as they may affect the region.

14. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the Chairman of the full Committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of Committee or subcommittee meetings or hearings whenever possible. It shall be the practice of the Committee that meetings of subcommittees not be scheduled to occur simultaneously with meetings of the full Committee.

In order to insure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the Chairman through the Chief of Staff of the Committee.

The Chairman and the ranking minority Member of the full Committee may attend the meetings and participate in the activities of all subcommittees, except for voting and being counted for a quorum.

15. REFERRAL OF BILLS BY CHAIRMAN

All legislation and other matters referred to the Committee shall be referred by the Chairman to all subcommittees of appropriate jurisdiction within 2 weeks, unless by majority vote of the majority party Members of the full Committee, consideration is to be otherwise effected. Any subcommittee chairman who believes that the subcommittee has jurisdiction over the legislation or other matter may so notify the Chairman within the 2-week period.

The Chairman may designate a subcommittee chairman or other Member to take responsibility as "floor manager" of a bill during its consideration in the House.

16. PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

The majority party caucus of the Committee shall determine an appropriate ratio of majority to minority party Members for each subcommittee: *Provided, however,* That party representation on each subcommittee or conference committee shall be no less favorable to the majority party than the ratio for the full Committee. The Chairman of the full Committee and the ranking minority Member are authorized to negotiate matters affecting such ratios including the size of subcommittees and conference committees.

17. SUBCOMMITTEE BUDGETS AND RECORDS

(a) Each subcommittee shall have an adequate budget to discharge its responsiblity for legislation and oversight.

(b) In order to facilitate Committee compliance with Paragraph (e)(1) of Clause 2, Rule XI, each subcommittee shall keep a complete record of all subcommittee actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be promptly made available to the full Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

All subcommittee hearings, records, data, charts, and files shall be kept distinct from the congressional office records of the Member serving as chairman of the subcommittee. Such records shall be coordinated with the records of the full Committee, shall be the property of the House, and all Members of the House shall have access thereto.

18. MEETINGS OF SUBCOMMITTEE CHAIRMEN

The subcommittee chairmen shall meet on a regularly scheduled basis to be determined by the subcommittee chairmen, but in any event not less frequently than once a month. Such a meeting need not be held if there is no business to conduct. It shall be the practice at such meetings to review the current agenda and activities of each of the subcommittees. Each majority party Member of the Committee shall have the right to attend such meetings.

19. ACCESS TO CLASSIFIED INFORMATION

It shall be the policy of the Committee to afford access to classified information under its control for its own Members and other Members of the House of Representatives.

Authorized persons.—In accordance with the stipulations of the House Rules, all Members of the House shall be construed to be persons authorized to have access to classified information within the possession of the Committee.

Members of the Committee staff shall be construed to be authorized access to classified information within the possession of the Committee (1) when they have the proper clearances, and (2) when they have a demonstrable "need to know". The decision on whether a given staff member has a "need to know" will be made on the following basis:

(a) In the case of the full Committee majority staff, by the Chairman, acting through the Chief of Staff;

(b) In the case of the full Committee minority staff, by the ranking minority Member of the Committee, acting through the Minority Staff Director;

(c) In the case of subcommittee majority staff, by the Chairman of the subcommittee;

(d) In the case of the subcommittee minority staff, by the ranking minority Member of the subcommittee.

No other individuals shall be considered authorized persons, unless so designated by the Committee Chairman.

Designated persons.—Each Committee Member is permitted to designate one member of his or her staff as having the right of access to classified information in the "confidential" category. Such designated persons must have the proper security clearance and a "need to know" as determined by his or her principal. Upon request of a Committee Member in specific instances, a designated person also shall be permitted access to information classified "secret" which has been furnished to the Committee pursuant to section 36(b) of the Arms Export Control Act, as amended. Designation of a staff person shall be by letter from the Committee Member to the Committee Chairman.

Location.—Classified information will be kept in secure safes in the Committee rooms. All materials bearing the designation "top secret" must be kept in secured safes located in the main Committee offices, 2170 Rayburn House Office Building. "Top Secret" materials may not be taken from that location for any purpose.

Materials bearing designations "confidential" or "secret" may be taken from Committee offices to other Committee offices and hearing rooms by Members of the Committee and authorized Committee staff in connection with hearings and briefings of the Committee or its sub-units for which such information is deemed to be essential. Removal of such information from the Committee offices shall be only with the

permission of the Chairman of the full Committee, under procedures designed to insure the safe handling and storage of such information at all times.

Notice.—Notice of the receipt of classified documents received by the Committee from the Executive will be sent promptly to Committee Members. The notice will contain information on the level of classification.

Access.—Except as provided for above, access to classified materials held by the Committee will be in the main Committee offices in a designated "reading room". The following procedures will be observed:

(a) Authorized or designated persons will be admitted to the reading room after inquiring of the Chief of Staff or an assigned staff member. The reading room will open during regular Committee hours.

(b) Authorized or designated persons will be required to identify themselves, to identify the documents or information they wish to view, and to sign the Classified Materials Log, which is kept with the classified information.

(c) No photocopying or other exact reproduction, oral recording, or reading by telephone, of such classified information is permitted.

(d) The assigned staff member will be present in the reading room at the option of the authorized person. Such staff member will be responsible for maintaining a log which identifies (1) authorized and designated persons seeking access, (2) the classified information requested, and (3) the time of arrival and departure of such persons. The assigned staff member will also assure that the classified materials are returned to the proper location.

(e) The Classified Materials Log will contain a statement acknowledged by the signature of the authorized or designated person that he or she has read the Committee rules and will abide by them.

Divulgence.—Any classified information to which access has been gained through the Committee may not be divulged to any unauthorized person in any way, shape, form, or manner. Apparent violations of this rule should be reported to the Chairman of the full Committee at once, and by him to the full Committee as promptly as possible.

Other regulations.—So long as they do not conflict with any of the rules herein set down, the Chairman of the full Committee may establish other regulations and procedures as in his judgement may be necessary to safeguard classified information under the control of the Committee. Members of the Committee will be given notice of any such regulations and procedures promptly. They may be modified or waived in any or all particulars by a majority vote of the full Committee. Furthermore, any additional regulations and procedures should be incorporated into the written rules of the Committee at the earliest opportunity.

20. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

When requested by the Superintendent of the House Radio and Television Gallery and upon approval by the Committee or its subcommittees, all Committee and subcommittee hearings which are open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage: *Provided,* That such request is submitted to the Committee or its subcommittees not later than 4 p.m. of the day preceding such hearings.

The Chairman of the full Committee or the chairmen of the subcommittees are authorized to determine on behalf of the full Committee or its subcommittees respectively whether hearings which are open may be broadcast, unless the Committee or its subcommittees respectively by majority vote determine otherwise.

Such coverage shall be in accordance with the following requirements (Section 116(b) of the Legislative Reorganization Act of 1970; Clause 3(f) of Rule XI of the Rules of the House of Representatives):

(a) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(b) No witness served with a subpena by the Committee shall be required against his will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to Clause 2(k)(5) of Rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(c) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(d) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or its subcommittees or the visibility of that witness and that Member to each other.

(e) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(f) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from the hearing or meeting room while the Committee or subcommittee is in session.

(g) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage to the hearing or meeting at the then current state of the art of television coverage.

(h) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(i) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or its subcommittees.

(j) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(k) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(l) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(m) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

21. SUBPENA POWERS

A subpena may be authorized and issued by the Committee or its subcommittees, in accord with House Rule XI, Clause 2(m), in the conduct of any investigation or series of investigations, only when authorized by a majority of the Members voting, a majority of the Committee or subcommittee being present. Pursuant to House Rules and under such limitations as the Committee may prescribe, the Chairman may be delegated the power to authorize and issue subpenas in the conduct of any investigation or series of investigations. Authorized subpenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee.

22. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever the Speaker is to appoint a conference committee, the Chairman shall recommend to the Speaker as conferees those Members of the Committee who are primarily responsible for the legislation (including to the fullest extent feasible the principal proponents of the major provisions of the bill as it passed the House), who have actively participated in the Committee or subcommittee consideration of the legislation, and who agree to attend the meetings of the conference.

23. OTHER PROCEDURES AND REGULATIONS

The Chairman of the full Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee. Any additional procedures or regulations may be modified or rescinded in any or all particulars by a majority vote of the full Committee.

RULES OF COMMITTEE ON SMALL BUSINESS FOR 97TH CONGRESS

(Mr. MITCHELL of Maryland asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MITCHELL of Maryland. Mr. Speaker, pursuant to clause 2(a) of rule XI, I submit for printing in the RECORD the rules of the Committee on Small Business for the present Congress, which were adopted at the committee's organizational meeting on February 19, 1981:

RULES OF PROCEDURE OF THE COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, 97TH CONGRESS

1. GENERAL PROVISIONS

The Rules of the House, and in particular the committee rules enumerated in clause 2 of rule XI, are the rules of the Committee on Small Business to the extent applicable and by this reference are incorporated. Each subcommittee of the Committee on Small Business (hereinafter referred to as the "committee") is a part of the committee and is subject to the authority and direction of the committee, and to its rules to the extent applicable.

2. DATE OF MEETING

The regular meeting date of the Committee on Small Business shall be the first Tuesday of every month when the House is in session. Additional meetings may be called by the chairman as he may deem necessary or at the request of a majority of the members of the committee in accordance with clause 2(c) of rule XI of the House of Representatives.

At least three days notice of such additional meetings shall be given unless the Chairman determines that there is good cause to call the meeting on less notice.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to clause 2(c) of rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered or, upon at least three days notice, it may be set for a different date.

3. QUORUM

No measure or recommendation shall be reported unless a majority of the committee is actually present; for purposes of taking testimony or receiving evidence, two members shall constitute a quorum; and for all other purposes one-third of the members shall constitute a quorum.

4. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(A) *Meetings*

Each meeting for the transaction of business, including the markup of legislation, of the committee or its subcommittees, shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business or markup session which has been closed to the public.

This provision does not apply to any meeting that relates solely to internal budget or personnel matters.

(B) *Hearings*

Each hearing conducted by the committee or its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearings.

No member may be excluded from nonparticipatory attendance at any hearing of the committee or any subcommittee, unless the House of Representatives shall by majority vote authorize the committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to members by the same procedures designated for closing hearings to the public.

5. ANNOUNCEMENT OF HEARINGS

Unless the chairman, or the committee by majority vote, determines that there is good cause to begin a hearing at an earlier date, public announcement shall be made of the date, place, and subject matter of any hearing to be conducted by the committee at least one week before the commencement of that hearing.

6. WITNESSES

(A) *Interrogation of witnesses*

The committee shall apply the 5-minute rule in the interrogation of witnesses in any hearing until such time as each member of the committee who so desires has had an opportunity to question each witness.

(B) *Statement of witnesses*

Each witness shall file with the committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. PROXIES

A vote by any member of the committee or any of its subcommittees by proxy is permitted, provided that such proxy shall be in writing, and delivered to the clerk of the committee, shall assert that the member so voting by proxy is absent on official business or is otherwise unable to be present at the meeting of the committee or its subcommittee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for quorum.

8. SUBPOENAS

A subpoena may be authorized and issued by the chairman of the committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers and documents as he deems necessary. The ranking minority member shall be promptly notified of the issuance of such a subpoena.

Such a subpoena may be authorized and issued by the chairman of a subcommittee with the approval of a majority of the members of the subcommittee and the approval of the chairman of the committee or a majority of the members of the committee.

9. COMMITTEE STAFF

The staff of the Committee on Small Business shall be as follows:

(A) The professional and clerical employees of the committee, except those assigned to the minority or to a subcommittee chairman or ranking minority member as provided below, shall be appointed and assigned, and may be removed, by the chairman. Their remuneration shall be fixed by the chairman and they shall be under the general supervision and direction of the chairman.

(B) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority members of the committee shall determine: *Provided, however,* That no minority staff person shall be compensated at a rate which exceeds that paid his or her majority staff counterpart. Such staff shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they deem appropriate.

(C) Each subcommittee chairperson and each ranking minority member on not more than six subcommittees shall have the right to appoint and assign one person to work on subcommittee business at a salary commensurate with the responsibilities prescribed but at a rate not to exceed 75 percent of the maximum established rate for the employees on the professional staff of the committee. Such staff members shall perform services in facilities assigned to the committee and to the extent that they are not occupied during regular working hours with tasks assigned by the subcommittee chairperson or ranking minority member who appointed them, they shall perform other tasks as assigned by the chairman or the staff director.

10. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There shall be six standing subcommittees as follows:

1. SBA and SBIC Authority, Minority Enterprise and General Small Business Problems.

2. General Oversight.

3. Antitrust and Restraint of Trade Activities Affecting Small Business.

4. Energy, Environment, and Safety Issues Affecting Small Business.

5. Tax, Access to Equity Capital and Business Opportunities.

6. Export Opportunities and Special Small Business Problems.

During the 97th Congress, the chairman and ranking minority member shall be *ex officio* members of all subcommittees, without vote, and the number of members assigned to subcommittees shall be as follows:

Subcommittee No. 1: 7 Democrats, 5 Republicans.

Subcommittee No. 2: 7 Democrats, 5 Republicans.

Subcommittee No. 3: 4 Democrats, 3 Republicans.

Subcommittee No. 4: 4 Democrats, 3 Republicans.

Subcommittee No. 5: 6 Democrats, 4 Republicans.

Subcommittee No. 6: 6 Democrats, 4 Republicans.

The jurisdiction of such subcommittees shall include the following:

I. SBA and SBIC authority, minority enterprise and general small business problems

Access to SBA services.

Illegal activities affecting small business.

Minority enterprise.

SBA and SBIC authorizations.

II. General oversight

General oversight of activities of Government agencies and legislation affecting small business.

Postal Service.

Procurement.

III. Antitrust and restraint of trade activities affecting small business

Anticompetitive activities affecting small business.
Federal Trade Commission and antitrust activities.
Robinson-Patman Act.
Sherman and Clayton Acts.
Unassigned Regulatory Agency activities.

IV. Energy, environment, and safety issues affecting small business

Department of Energy and related agencies.
Energy allocations, marketing, etc.
Energy Research and Development Contracts.
Impact of pollution laws and EPA rules.
Marketing of petroleum products.
Occupational Safety and Health Administration.
Science boards and commissions.
Tennessee Valley Authority.

V. Tax, access to equity capital and business opportunities

Access to equity capital.
Banking practices.
EDA.
Franchising practices.
HUD policies affecting small business.
Impact of tax policies on small business.
Job creation.
SEC handling of ventures.

VI. Export opportunities and special small business problems

Export opportunities for small business.
Reduction of unnecessary paperwork.
Regulatory Flexibility Act.
Various communications matters affecting small business.
Various Federal regulatory policies and programs affecting small business.
Various transportation matters affecting small business.

11. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the chairman of the full committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible. Meetings of subcommittees shall not be scheduled to occur simultaneously with meetings of the full committee.

12. SUBCOMMITTEE REPORTS ON INVESTIGATIVE HEARINGS

The report of any subcommittee on a matter which was the topic of a study or investigation shall include a statement concerning the subject of the study or investigation, the findings and conclusions, and recommendations for corrective action, if any, together with such other material as the subcommittee deems appropriate.

Such proposed report shall first be approved by a majority of the subcommittee members. After such approval has been secured, the proposed report shall be sent to each member of the full committee for his supplemental, minority or additional views.

Any such views shall be in writing and signed by the member and filed with the clerk of the committee within 5 calendar days (excluding Saturdays, Sundays, and legal holidays) from the date of the transmittal of the proposed report to the members.

After the expiration of such 5 calendar days, the report may be filed as a House report.

13. REFERRAL OF BILLS BY CHAIRMAN

Unless retained for consideration by the full committee, all legislation and other matters referred to the committee shall be referred by the chairman to the subcommittee of appropriate jurisdiction within 2 weeks.

14. RECORDS

The committee shall keep a complete record of all actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each subcommittee rollcall vote, together with a description of the matter voted upon, shall be promptly made available to the full committee and such votes shall be available for inspection by the public at reasonable times in the offices of the committee.

15. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

Access to classified information supplied to the committee and attendance at closed sessions of the committee or its subcommittees shall be limited to members, and to members of the committee staff and stenographic reporters who have appropriate security clearance when the chairman determines that such access or such attendance is essential to the functioning of the committee.

The procedure to be followed in granting access to those hearings, records, data, charts, and files of the committee which involve classified intelligence information or information deemed by a subcommittee to be sensitive shall be as follows:

(a) Only Members of the House of Representatives may have access to such information.

(b) Members who desire to read materials that are in the possession of the committee should notify the clerk of the committee or the subcommittee possessing the materials.

(c) The clerk will maintain an accurate access log which identifies without revealing the material examined, the staff member involved, and the time of arrival and departure of all members having access to the information.

(d) If the material desired is material which the committee or subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, Members of the House will be required to identify the information they desire to read and sign an access information sheet acknowledging such access and that the Member has read these procedures.

(e) Such material shall not be removed from the room.

(f) A staff representative shall insure that the documents used by the Member are returned to the proper custodian or to original safekeeping as appropriate.

(g) No notes, reproductions or recordings may be made of any portion of such information.

(h) The contents of such information shall not be divulged to any person in any way, form, shape, or manner and shall not be discussed with any person who has not received the information in an authorized manner either under these rules or the laws or rules in effect for officials and employees of the executive branch.

(i) When not being examined in the manner described herein, such information will be kept in secure safes in the committee rooms.

(j) These procedures only address access to information the committee or a subcommittee deems to be sensitive enough to require special treatment.

(k) If a member believes the material should not be classified or considered restricted as to dissemination or use, the member may ask the committee or subcommittee to so rule; however, as far as materials and information in the custody of the Small Business Committee is concerned, the classification of materials as determined by the executive branch shall prevail unless affirmatively changed by the committee or the subcommittee involved, after consultation with the appropriate executive agencies.

(l) Other materials in the possession of the committee are to be handled in accordance with the normal practices and traditions of the committee and its subcommittees.

16. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Upon approval by the committee or its subcommittee, all committee and subcommittee hearings which are open to the public may be covered, in whole, or in part, by television broadcast, radio broadcast, and still photography or by any such methods of coverage.

The chairman of the full committee or the chairmen of the subcommittees are authorized to determine on behalf of the full committee or its subcommittees, respectively, whether hearings which are open may be broadcast, unless the committee or its subcommittees respectively by majority vote determine otherwise.

Permission for such coverage shall be granted only under the following conditions:

(1) Live coverage by radio or television shall be without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in the room. The allocation among the television media of the positions of television cameras in the room shall be in accordance with fair and equitable procedures as devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Television and radio media equipment shall not be installed in, or removed from, the room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used, except that the television media may install additional lighting in the room, without cost to the Government, in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage at the then current state of the art.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage by the other media.

(11) Television and radio media personnel shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Still photography personnel shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

17. OTHER PROCEDURES AND REGULATIONS

The chairman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

The committee may not be committed to any expense whatever without the prior approval of the chairman of the full committee.

APPENDIX

EXCERPTS OF HOUSE RULES PERTAINING TO COMMITTEE PROCEDURE

RULE XI

* * * * *

COMMITTEE RULES

Adoption of written rules

2. (a) Each standing committee of the House shall adopt written rules governing its procedure. Such rules—

(1) Shall be adopted in a meeting which is open to the public unless the committee in open session and with a quorum present, determines by rollcall vote that all or part of the meeting on that day is to be closed to the public;

(2) Shall be not inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House; and

(3) Shall in any event incorporate all of the succeeding provisions of this clause to the extent applicable.

Each committee's rules specifying its regular meeting days, and any other rules of a committee which are in addition to the provisions of this clause, shall be published in the Congressional Record not later than thirty days after the Congress convenes in each odd-numbered year. Each select or joint committee shall comply with the provisions of this paragraph unless specifically prohibited by law.

Regular meeting days

(b) Each standing committee of the House shall adopt regular meeting days, which shall be not less frequent than monthly, for the conduct of its business. Each such committee shall meet, for the consideration of any bill or resolution pending before the committee or for the transaction of other committee business, on all regular meeting days fixed by the committee, unless otherwise provided by written rule adopted by the committee.

Additional and special meetings

(c)(1) The chairman of each standing committee may call and convene, as he or she considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(2) If at least three members of any standing committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

Ranking majority member to preside in absence of chairman

(d) If the chairman of any standing committtee is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

Committee records

(e)(1) Each committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

(2) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto, except that in the case of records in the Committee on Standards of Official Conduct respecting the conduct of any Member, officer, or employee of the House, no Member of the House (other than a member of such committee) shall have access thereto without the specific, prior approval of the committee.

Proxies

(f) No vote by any member of any committee or subcommittee with respect to any measure or matter may be cast by proxy unless such committee, by written rule adopted by the committee, permits voting by proxy and requires that the proxy authorization shall be in writing, shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Open meetings and hearings

(g)(1) Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public; *Provided, however,* That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(1) of Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by each committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony,

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate clause 2(k)(5) of rule XI; or

(B) may vote to close the hearing, as provided in clause 2(k)(5) of rule XI. No Member may be excluded from nonparticipatory attendance at any hearing of any committee or subcommittee, with the exception of the Committee on Standards of Official Conduct, unless the House of Representatives shall by majority vote authorize a particular committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same proce-

dures designated in this subparagraph for closing hearings to the public: *Provided, however,* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

(3) Each committee of the House (except the Committee on Rules) shall make public announcement of the date, place and subject matter of any committee hearing at least one week before the commencement of the hearing. If the committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest and promptly entered into the committee scheduling service of the House Information Systems.

(4) Each committee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

(5) No point of order shall lie with respect to any measure reported by any committee on the ground that hearings on such measure were not conducted in accordance with the provisions of this clause; except that a point of order on that ground may be made by any member of the committee which reported the measure if, in the committee, such point of order was (A) timely made and (B) improperly overruled or not properly considered.

(6) The preceding provisions of this paragraph do not apply to the committee hearings which are provided for by clause 4(a)(1) of rule X.

Quorum for taking testimony and certain other action

(h)(1) Each committee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence which shall be not less than two.

(2) Each committee (except the Committee on Appropriations, the Committee on the Budget, and the Committee on Ways and Means) may fix the number of its members to constitute a quorum for taking any action other than the reporting of a measure or recommendation which shall be not less than one-third of the members.

Prohibition against committee meetings during 5-minute rule

(i) No committee of the House (except the Committee on Appropriations, the Committee on the Budget, the Committee on Rules, the Committee on Standards of Official Conduct, and the Committee on Ways and Means) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule. For purposes of this paragraph, special leave will be granted unless 10 or more Members object.

Calling and interrogation of witnesses

(j)(1) Whenever any hearing is conducted by any committee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) Each committee shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each member of the committee who so desires has had an opportunity to question each witness.

Investigative hearing procedures

(k)(1) The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person,

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of clause 2(g)(2) of this Rule, if by a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony, the committee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the committee shall proceed to receive such testimony in open session only if a majority of the members of the committee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. In each case the committee shall afford such person an opportunity voluntarily to appear as a witness; and receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

Committee procedures for reporting bills and resolutions

(l)(1)(A) It shall be the duty of the Chairman of each committee (except as provided in subdivision (C)) to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(B) In any event, the report of any committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request. This subdivision does not apply to the reporting of a regular appropriation bill by the Committee on Appropriations prior to compliance with subdivision (C) and does not apply to a report of the Committee on Rules with respect to the rules, joint rules, or order of business of the House or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(C) Before reporting the first regular appropriation bill for each fiscal year, the Committee on Appropriations shall, to the extend practicable and in accordance with section 307 of the Congressional Budget Act of 1974, complete subcommittee markup and full committee action on all regular appropriation bills for that year and submit to the House a summary report comparing the committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to current resolution on the budget for that year.

(2)(A) No measure or recommendation shall be reported from any committee unless a majority of the committee was actually present.

(B) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(3) The report of any committee on a measure which has been approved by the committee (A) shall include the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X separately set out and clearly identified; (B) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures; (C) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and (D) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 4(c)(2) of Rule X separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(4) Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(5) If, at the time of approval of any measure or matter by any committee, other than the Committee on Rules, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of

the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(A) Shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(B) Shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of subparagraph (3) are included as part of the report.

This subparagraph does not preclude—

(i) The immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(ii) The filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(6) A measure or matter reported by any committee (except the Committee on Rules in the case of a resolution making in order the consideration of a bill, resolution, or other order of business), shall not be considered in the House until the third calendar day (or the tenth calendar day in the case of a concurrent resolution on the budget), excluding Saturdays, Sundays, and legal holidays, on which the report of that committee upon that measure or matter has been available to the Members of the House. Nor shall it be in order to consider any measure or matter reported by any committee (except the Committee on Rules in the case of a resolution making in order the consideration of a bill, resolution, or other order of business, or any other committee in the case of a privileged resolution), unless copies of such report and the reported measure or matter have been available to the Members for at least 3 calendar days, excluding Saturdays, Sundays, and legal holidays during which the House is not in session before the beginning of such consideration: *Provided, however,* That it shall always be in order to call up for consideration, notwithstanding the provisions of clause 4(b), rule XI, a report from the Committee on Rules specifically providing for the consideration of a reported measure or matter notwithstanding this restriction. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(A) Any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(B) Any decision, determination, or action by a Government agency which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

For the purposes of the preceding sentence, a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

(7) If, within seven calendar days after a measure has, by resolution been made in order for consideration by the House, no motion has been offered that the House consider that measure, any member of the committee which reported that measure may be recognized in the discretion of the Speaker to offer a motion that the House shall consider that measure, if that committee has duly authorized that member to offer that motion.

Power to sit and act; subpoena power

(m)(1) For the purpose of carrying out any of its functions and duties under this rule and Rule X (including any matters referred to it under clause 5 of Rule X), any committee, or any subcommittee thereof, is authorized (subject to subparagraph (2)(A) of this paragraph)—

(A) To sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(B) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The chairman of the committee, or any member designated by such chairman, may administer oaths to any witness.

(2)(A) A subpoena may be authorized and issued by a committee or subcommittee under subparagraph (1)(B) in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas under subparagraph (1)(B) may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or by any member designated by the committee.

(B) Compliance with any subpoena issued by a committee or subcommittee under subparagraph (1)(B) may be enforced only as authorized or directed by the House.

Use of committee funds for travel

(n)(1) Funds authorized for a committee under clause 5 are for expenses incurred in the committee's activities; however, local currencies owned by the United States shall be made available to the committee and its employees engaged in carrying out their official duties outside the United States, its territories or possessions. No appropriated funds, including those authorized under clause 5, shall be expended for the purpose of defraying expenses of members of the committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to travel outside the United States or its territories or possessions:

(A) No member or employee of the committee shall receive or expend local currencies for subsistence in any country for any day at a rate in excess of the maximum per diem set forth in applicable Federal law, or if the member or employee is reimbursed for any expenses for such day, then the lesser of the per diem or the actual, unreimbursed expenses (other than for transportation) incurred by the member or employee during that day.

(B) Each member or employee of the committee shall make to the chairman of the committee an itemized report showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, any funds expended for any other official purpose and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. All such individual reports shall be filed no later than sixty days following the completion of travel with the chairman of the committee for use in complying with reporting requirements in applicable Federal law and shall be open for public inspection.

(2) In carrying out the committee's activities outside the United States in any country where local currencies are unavailable, a member or employee of the committee may not receive reimbursement for expenses (other than for transportation) in excess of the maximum per diem set forth in applicable Federal law, or if the member or employee is reimbursed for any expenses for such day, then the lesser of the per diem or the actual, unreimbursed expenses (other than for transportation) incurred, by the member or employee during any day.

(3) A member or employee of a committee may not receive reimbursement for the cost of any transportation in connection with travel outside of the United States unless the member or employee has actually paid for the transportation.

(4) The restrictions respecting travel outside of the United States set forth in subparagraphs (2) and (3) shall also apply to travel outside of the United States by Members, officers, and employees of the House authorized under clause 8 of rule I, clause 1(b) of this rule, or any other provision of these Rules of the House of Representatives.

(5) No local currencies owned by the United States may be made available under this paragraph for the use outside of the United States for defraying the expenses of a member of any committee after—

(A) The date of the general election of Members in which the Member has not been elected to the succeeding Congress; or

(B) In the case of a Member who is not a candidate in such general election, the earlier of the date of such general election or the adjournment sine die of the last regular session of the Congress.

RULES OF COMMITTEE ON VETERANS' AFFAIRS FOR 97TH CONGRESS

(Mr. MONTGOMERY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, pursuant to rule XI, clause 2, I present for printing in the RECORD the rules adopted by the Committee on Veterans' Affairs on February 4, 1981:

RULES OF THE COMMITTEE ON VETERANS' AFFAIRS

Rule I—General Provisions. The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

Rule II—Meetings:

(a) The regular meeting day for the full committee shall be at 10 a.m. on the second

Tuesday of each month, and at such other times and in such places as the chairman may designate; however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to the call of the chairman.

(c)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereto shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however:* That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to subparagraph (2) of this paragraph, or to any meeting that related solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however:* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

Rule III—Records and Roll Calls. There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

Rule IV—Quorums. A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: *Provided,* That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

Rule V—Hearing Procedures:

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event, the chairman or the subcommittee chairman, whichever the case may be, shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 48 hours in advance of his or her appearance, a written statement of his or her proposed testimony and shall limit his or her oral presentation to a summary of the statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman of a majority of those minority members before the completion of such hearing, to call such witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(e) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority.

Rule VI—Oversight:

(a) In order to assist the House in:

(1) Its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, the various subcommittees, consistent with their jurisdiction as set forth in Rule VIII, shall have oversight responsibilities as provided in paragraph (b).

(b) Each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated.

In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(c) Each subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdictions.

Rule VII—Broadcasting of Committee Hearings. Broadcasting, either by radio or TV of all open committee hearings and meetings shall be permitted when, in the judgment of the chairman, in consultation with the ranking minority member, such action is warranted. Photographs shall be permitted during hearings of the full committee and subcommittees as the chairman decides.

All coverage shall be subject to the following provisions:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media

may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

Rule VIII—Number and Jurisdiction of Subcommittees:

(a) There shall be five standing subcommittees as follows: Oversight and Investigations; Hospitals and Health Care; Education, Training and Employment; Compensation, Pension and Insurance; and Housing and Memorial Affairs. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively;

Oversight and Investigations: Investigative authority over matters that are referred to the subcommittee by the chairman of the full committee for investigation and appropriate recommendations.

Hospitals and Health Care: Veterans' hospitals, medical care, and treatment of veterans.

Education, Training and Employment: Education of veterans, vocational rehabilitation, and readjustment of servicemen to civilian life.

Compensation, Pension, and Insurance: Compensation, pensions of all the wars of the United States, general and special, and life insurance issued by the Government on account of service in the Armed Forces.

Housing and Memorial Affairs: Veterans' housing programs, and cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior, and burial benefits.

(b) The chairman and the ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote on all matters before the subcommittee.

Rule IX—Powers and Duties of Subcommittees:

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. WALKER) to revise and extend his remarks and include extraneous material:)

Mr. DERWINSKI, for 1 hour, on February 24.

(The following Members (at the request of Mr. HIGHTOWER) to revise and extend their remarks and include extraneous material:)

Mr. FOWLER, for 30 minutes, today.

Mr. GONZALEZ, for 15 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. BLANCHARD, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. LEATH of Texas, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

Mr. DASCHLE, for 5 minutes, today.

Mr. HIGHTOWER, for 5 minutes, today.

MS. FERRARO, for 5 minutes, today.

(The following Member (at the request of Mr. MICHEL) to revise and extend his remarks and include extraneous material:)

Mr. COLLINS of Texas, for 60 minutes, on February 23.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. SAWYER in two instances.

Mr. GILMAN in two instances.

Mr. LENT.

Mr. SHUMWAY.

Mr. FRENZEL.

Mrs. HECKLER in six instances.

Mr. BAILEY of Missouri in two instances.

Mr. REGULA.

Mr. PAUL.

(The following Members (at the request of Mr. HIGHTOWER) and to include extraneous matter:)

Mr. MCHUGH.

Mr. MAZZOLI.

Mr. BAILEY of Pennsylvania.

Mr. CONYERS.

Mr. STOKES in two instances.

Mr. LEATH of Texas.

Mr. MAVROULES.

Mr. MONTGOMERY.

Mr. ENGLISH.

Mr. DASCHLE.

Mr. MOLLOHAN.

Mr. OBEY in five instances.

Mr. DWYER.

Mr. MCDONALD in two instances.

Mr. ZABLOCKI.

Mr. HIGHTOWER.

Mr. HUBBARD.

Mr. FUQUA.

Mr. BIAGGI in two instances.

Mr. CONYERS.

Mr. BOLAND.

ADJOURNMENT

Mr. HIGHTOWER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 57 minutes a.m.), under its previous order, the House adjourned until Monday, February 23, 1981, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. ZEFERETTI: Committee on Rules. House Resolution 13. Resolution to establish the Select Committee on Narcotics Abuse and Control; with amendment (Rept. No. 97-4). Referred to the House Calendar.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

564. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 201 of the Agricultural Act of 1949, as amended, to delete the requirement that the support price of milk be adjusted semiannually; to the Committee on Agriculture.

565. A letter from the Acting Assistant Secretary of the Army (Installations, Logistics and Financial Management), transmitting notice of the proposed conversion to contractor performance of the wearing apparel activity at Fort Meade, Md., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

566. A letter from the Principal Deputy Assistant Secretary of the Navy (Logistics), transmitting notice of the proposed conversion to contractor performance of the keypunch services function at the Weapons Station, Yorktown, Va., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

567. A letter from the Principal Deputy Assistant Secretary of the Navy (Logistics), transmitting notice of the proposed conversion to contractor performance of the guard service function at the Cheatham Annex and the Craney Island Fuel Facility of the Naval Supply Center, Norfolk, Va., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

568. A letter from the Comptroller, Department of State, transmitting the quarterly report on the programing and obligation of international narcotics control funds as of December 31, 1980, pursuant to section 481 of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

569. A letter from the Secretary, Commission of Fine Arts, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1980, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

570. A letter from the Chairman, Marine Mammal Commission, transmitting the Commission's eighth annual report, covering calendar year 1980, pursuant to section 204 of Public Law 92-552; to the Committee on Merchant Marine and Fisheries.

571. A letter from the Secretary of Health and Human Services, transmitting the 1980 annual report on poverty-related research and demonstration projects, pursuant to section 232(b) of the Community Services Act of 1974, together with a related report on income maintenance activities carried out under section 1110 of the Social Security Act; jointly, to the Committees on Education and Labor, Ways and Means, and Energy and Commerce.

572. A letter from the Comptroller General of the United States, transmitting a report on progress toward the solution of technical problems with the F/A-18 naval strike fighter (MASAD-81-3, February 18, 1981); jointly, to the Committees on Government Operations and Armed Services.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON:

H.R. 1948. A bill to amend the Federal Aviation Act of 1958, relating to aircraft piracy, to provide a method for combating terrorism, and for other purposes; jointly, to the Committees on Foreign Affairs, the Judiciary, and Public Works and Transportation.

By Mr. BIAGGI:

H.R. 1949. A bill to amend the Fair Labor Standards Act of 1938 to provide that blind persons may not be employed at less than the applicable minimum wage under that act; to the Committee on Education and Labor.

H.R. 1950. A bill to amend section 133 of the Elementary and Secondary Education Act of 1965 to permit the Secretary of Education to waive the requirements of subsection (b)(7)(B) of such section, relating to matching funds for services provided under schoolwide projects to children who are not educationally deprived; to the Committee on Education and Labor.

H.R. 1951. A bill to amend the Internal Revenue Code of 1954 to permit an exemption of the first $5,000 of retirement income received by a taxpayer under a public retirement system or any other system of the taxpayer is at least 65 years of age; to the Committee on Ways and Means.

By Mr. BREAUX (for himself and Mr. FORSYTHE):

H.R. 1952. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1982, 1983, and 1984; to the Committee on Merchant Marine and Fisheries.

H.R. 1953. A bill to authorize appropriation for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1982, 1983, and 1984; to the Committee on Merchant Marine and Fisheries.

By Mr. BRODHEAD (for himself, Mr. HILLIS, Mr. TRAXLER, and Mr. DINGELL):

H.R. 1954. A bill to impose quotas on the importation of Japanese automobiles during the 5-year period beginning with 1981; to the Committee on Ways and Means.

By Mr. DASCHLE:

H.R. 1955. A bill to authorize appropriations for fiscal year 1982 for the Navy for research, development, test, and evaluation of a shallow underwater missile (SUM) submarine system; to the Committee on Armed Services.

By Mr. DE LA GARZA (for himself, Mr. WAMPLER, MR. LOEFFLER, Mr. ANTHONY, Mr. BOWEN, Mr. CHAPPIE, Mr. HAGEDORN, Mr. HANSEN of Idaho, Mr. JONES of Tennessee, Mr. MARLENEE, Mr. MORRISON, Mr. ROBERTS of Kansas, Mr. ROBERTS of South Dakota, Mr. ROSE, Mr. SKEEN, Mr. STENHOLM, and Mr. THOMAS):

H.R. 1956. A bill to amend the act of March 2, 1931, to require the Secretary of the Interior, in cooperation with the Secretary of Agriculture, to implement a program for animal damage control, and for other purposes; to the Committee on Agriculture.

By Mr. ENGLISH (for himself, Mr. BROOKS, Mr. WEISS, Mr. WAXMAN, Mr. JOHN L. BURTON, Mr. MOFFETT, Mr. BUTLER, and Mr. GOLDWATER):

H.R. 1957. A bill to reorganize the international communications activities of the Federal Government; to the Committee on Government Operations.

By Ms. FERRARO:

H.R. 1958. A bill to amend the Internal Revenue Code of 1954 to provide an additional investment tax credit for fire prevention equipment; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 1959. A bill to establish an energy stamp program to provide energy stamps to low- and moderate-income households to help meet the costs of rising fuel bills; to the Committee on Energy and Commerce.

By Mr. FOWLER (for himself, Mr. HEFTEL, Mr. BRODHEAD, Mr. DOWNEY, Mr. DUNCAN, Mr. FORD of Tennessee, Mr. GEPHARDT, Mr. GUARINI, Mr. HANCE, Mr. JENKINS, Mr. PEASE, Mr. PICKLE, Mr. ADDABBO, Mr. AKAKA, Mr. ALBOSTA, Mr. AUCOIN, Mr. BARNARD, Mr. BARNES, Mr. BEDELL, Mr. BINGHAM, Mr. BLANCHARD, Mrs. BOGGS, Mr. BOLAND, Mr. BONIOR of Michigan, Mr. BROWN of California, Mr. CLAY, Mr. COELHO, Mr. CONTE, Mr. CONYERS, Mr. CROCKETT, Mr. D'AMOURS, Mr. DASCHLE, Mr. DELLUMS, Mr. DICKINSON, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DOUGHERTY, Mr. EDGAR, Mr. EDWARDS of California, Mr. EMERY, Mr. ERDAHL, Mr. ERTEL, Mr. EVANS of Georgia, Mr. FASCELL, Mr. FAZIO, Mrs. FENWICK, Mr. FISH, Mr. FLORIO, Mr. FROST, Mr. GARCIA, Mr. GINN, Mr. GOLDWATER, Mr. GOODLING, Mr. GORE, Mr. GRAY, Mr. HARKIN, Mr. HATCHER, Mr. HOLLENBECK, Mr. HOPKINS, Mr. HOWARD, Mr. HUGHES, Mr. IRELAND, Mr. JEFFORDS, Mr. KILDEE, Mr. KOGOVSEK, Mr. KRAMER, Mr. LAFALCE, Mr. LEACH of Iowa, Mr. LEHMAN, Mr. LEVITAS, Mr. LUKEN, Mr. MCDADE, Mr. MARKEY, Mr. MARKS, Mr. MARLENEE, Mr. MARRIOTT, Mr. MAVROULES, Mr. MAZZOLI, MS. MIKULSKI, Mr. MINETA, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOFFETT, Mr. MOLLOHAN, Mr. MOTTL, Mr. MURPHY, Mr. NEAL, Mr. NELSON, Mr. NOWAK, Mr. OBERSTAR, Mr. PANETTA, Mr. PATTERSON, Mr. PAUL, Mr. PEPPER, Mr. PORTER, Mr. PRITCHARD, Mr. RATCHFORD, Mr. RITTER, Mr. RODINO, Mr. ROE, Mr. ROSE, Mr. SANTINI, Mr. SAWYER, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SEIBERLING, Mrs. SNOWE, Mr. STENHOLM, Mr. STOKES, Mr. STUDDS, Mr. TAUKE, Mr. TRAXLER, Mr. UDALL, Mr. WALGREN, Mr. WEAVER, Mr. WHITE, Mr. WHITEHURST, Mr. WILLIAMS of Montana, Mr. WILSON, Mr. WINN, Mr. WIRTH, Mr. WOLPE, Mr. WYLIE, Mr. YATRON, Mr. YOUNG of Missouri, Mr. CORRADA, Mr. WON PAT, and Mr. JAMES K. COYNE):

H.R. 1960. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 1961. A bill to amend the Internal Revenue Code of 1954 to increase the exclusion for dividends and interest and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. GILMAN (for himself and Mr. ATKINSON, Mr. BAILEY of Pennsylva-

nia, Mrs. COLLINS of Illinois, Mr. CORRADA, Mr. COURTER, Mr. JAMES K. COYNE, Mr. DELLUMS, Mr. DORNAN of California, Mr. DOWNEY, Mr. DWYER, Mr. ERTEL, Mr. FISH, Mr. GIBBONS, Mr. HORTON, Mr. JEFFORDS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. MARTIN of New York, Mr. MITCHELL of Maryland, Mr. MURPHY, Mr. PEPPER, Mr. PORTER, Mr. SCHEUER, Mr. WEISS, Mr. WHITEHURST, and Mr. WOLPE):

H.R. 1962. A bill to amend the Veterans Health Programs Extension and Improvement Act of 1979 to require the Veterans' Administration and the National Academy of Sciences to enter into an agreement under which the Academy will conduct an epidemiological study of veterans exposed to agent orange; to the Committee on Veterans' Affairs.

By Mr. HEFTEL (for himself and Mr. FOWLER):

H.R. 1963. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics; to the Committee on Ways and Means.

By Mr. HOLLAND (for himself, Mr. GUARINI, Mr. HANCE, Mr. ROUSSELOT, Mr. ARCHER, Mr. JACOBS, Mr. GEPHARDT, and Mr. DUNCAN):

H.R. 1964. A bill to allow an income tax deduction for certain motor carrier operating authorities to offset the impact of the Motor Carrier Reform Act of 1980; to the Committee on Ways and Means.

By Mr. HUGHES:

H.R. 1965. A bill to amend the Immigration and Nationality Act to provide criminal penalties for the knowing employment of illegal aliens; to the Committee on the Judiciary.

H.R. 1966. A bill to amend the Clayton Act to provide remedies for the enforcement of antitrust judgment, to provide review procedures for the purposes of modifying or vacating an antitrust judgment, and for other purposes; to the Committee on the Judiciary.

H.R. 1967. A bill to amend the Clayton Act and the Internal Revenue Code of 1954 with respect to punitive damages received by private litigants under the Clayton Act, and for other purposes; jointly, to the Committees on Ways and Means and the Judiciary.

By Mr. KILDEE (for himself, Mr. MURPHY, Mr. BRODHEAD, Mr. COELHO, Mr. BONIOR of Michigan, Mr. DOWNEY, Mr. ZEFERETTI, Mr. ADDABBO, Mr. FORD of Michigan, Mr. VENTO, Mr. ROE, Mr. HYDE, Mr. HOWARD, Mr. CORRADA, Mr. DOUGHERTY, and Mr. YATRON):

H.R. 1968. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the payment of benefits with respect to public safety officers who die of certain medical conditions sustained in the performance of duty; to the Committee on the Judiciary.

By Mr. LEATH of Texas (for himself, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, and Mr. HEFNER):

H.R. 1969. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to provide medical care on a priority basis to members of the Armed Forces who are injured during a period of war or national emergency, and for other purposes; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mr. MINISH:

H.R. 1970. A bill to amend the Internal Revenue Code of 1954 to eliminate the requirement that States reduce the amount of unemployment compensation payable for any week by the amount of certain retirement benefits; to the Committee on Ways and Means.

By Mr. MITCHELL of New York:

H.R. 1971. A bill to amend chapter 55 of title 10, United States Code, to improve vision care services under CHAMPUS; to the Committee on Armed Services.

By Mr. PAUL:

H.R. 1972. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on Education and Labor.

By Mr. RAILSBACK:

H.R. 1973. A bill to amend title VIII of the Act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMAS:

H.R. 1974. A bill to amend the Internal Revenue Code of 1954 to provide that the windfall profit tax shall not apply to an amount of crude oil equal to the amount of residual fuel oil used to produce the crude oil; to the Committee on Ways and Means.

By Mr. YOUNG of Missouri:

H.R. 1975. A bill granting the consent of Congress to the Southern States Energy Compact, and for related purposes; to the Committee on Energy and Commerce.

By Mr. DASCHLE:

H.J. Res. 180. Joint resolution proposing an amendment to the Constitution of the United States to provide that, except in cases of war or national emergency to be declared by Congress, the budget of the United States must provide that the expenditures of the United States in each fiscal year shall not exceed the receipts of the United States for that fiscal year, and shall not exceed 20 percent of the average gross national product for the 3 calendar years immediately preceding such fiscal year; to the Committee on the Judiciary.

By Mr. FITHIAN:

H.J. Res. 181. Joint resolution proposing an amendment to the Constitution of the United States to limit the expenditure of Government funds during any fiscal year to the total revenue of the government as projected by the Congress for such year; to the Committee on the Judiciary.

By Mr. MITCHELL of Maryland:

H. Res. 77. Resolution to provide for the expenses of investigation and studies to be conducted by the Committee on Small Business; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNARD:

H.R. 1976. A bill for the relief of Svea von Hanstein, Werner von Hanstein, Melanie von Hanstein, and Philipp von Hanstein; to the Committee on the Judiciary.

By Mr. SHARP:

H.R. 1977. A bill for the relief of Maria Gloria (Joy) C. Villa; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. CRAIG, Mr. DANNEMEYER, Mr. RUDD, Mrs. SCHNEIDER, Mr. SIMON, and Mr. ZEFERETTI.

H.R. 84: Mr. WON PAT, Mr. MOTTL, Mr. FAZIO, Mr. HORTON, Mr. ECKART, Mr. GARCIA, Mr. FISH, Mr. BINGHAM, Mrs. SCHNEIDER, and Mr. GREGG.

H.R. 85: Mr. EMERY, Mr. BONKER, Mr. PRITCHARD, Mr. DYSON, Mr. DOUGHERTY, Mr. ADDABBO, Mr. RODINO, Mr. SCHEUER, Mr. PEPPER, Mr. GREEN, Mr. MURPHY, Mr. WEISS, Mr. VENTO, Mrs. BOGGS, Mr. ROSE, Mr. FORD of Michigan, Mr. OTTINGER, Mr. LAFALCE, Mr. MOAKLEY, Mr. STOKES, Mr. RANGEL, Mr. LEHMAN, and Mr. SEIBERLING.

H.R. 215: Mr. MOLLOHAN, Mr. KAZEN, Mr. LOWERY of California, Mr. ROBERTS of South Dakota, Mr. ANTHONY, Mr. WINN, Mr. MURPHY, Mr. GINGRICH, Mr. KOGOVSEK, Mr. HUBBARD, Mr. COELHO, and Mr. WYLIE.

H.R. 364: Mr. WOLPE.

H.R. 391: Mr. MCDONALD, Mr. HARTNETT, Mr. HANSEN of Idaho, Mr. JEFFRIES, and Mr. PHILIP M. CRANE.

H.R. 556: Mr. MITCHELL of Maryland, Mr. GUARINI, Mr. SMITH of New Jersey, Mr. GRAY, Mr. OBERSTAR, and Mr. ROSENTHAL.

H.R. 757: Mr. FISH, Mr. RINALDO, Mr. DOWNEY, Mr. MURPHY, and Mr. MITCHELL of Maryland.

H.R. 874: Mr. WEISS.

H.R. 913: Mr. WEBER of Minnesota, Mr. COLLINS of Texas, Mr. GINGRICH, Mr. HYDE, Mr. BURGENER, Mr. IRELAND, Mr. HARTNETT, Mr. BONKER, Mr. HUGHES, Mr. NEAL, and Mr. RAILSBACK.

H.R. 953: Mrs. SMITH of Nebraska, Mrs. HOLT, Mr. WALKER, Mr. JOHNSTON, Mr. PETRI, Mr. COLLINS OF TEXAS, Mr. KOGOVSEK, Mr. WEBER of Minnesota, Mrs. BOUQUARD, Mr. BAILEY of Missouri, Mr. KRAMER, Mr. VENTO, Mr. DYSON, Mr. FORSYTHE, Mr. HUGHES, Mr. FRENZEL, Mr. CRAIG, Mr. BEDELL, Mr. BEARD, Mr. NEAL, Mr. GUNDERSON, and Mr. GREGG.

H.R. 1007: Mr. SOLARZ, Mr. SCHEUER, Mr. DOWNEY, Mr. AKAKA, Mr. MURPHY, Mr. WOLPE, Mr. WON PAT, Mr. BONIOR of Michigan, Mr. WEISS, Mr. FOWLER, Ms. OAKAR, Mrs. COLLINS of Illinois, Mr. VENTO, Mr. CLAY, Mr. DIXON, Mr. MAZZOLI, Mr. CORRADA, Mr. WEAVER, Mr. MOAKLEY, Mr. SIMON, Mr. STOKES, Mr. RAHALL, Mr. CROCKETT, Mr. FOGLIETTA, Mr. ADDABBO, Mr. LOWRY of Washington, Mr. MITCHELL of Maryland, Mr. LONG of Maryland, Mr. EDGAR, and Mr. MAVROULES.

H.R. 1100: Mr. WYLIE.

H.R. 1200: Mr. GINGRICH and Mr. CRAIG.

H.R. 1260: Mr. BROWN of California, Mr. MURPHY, Mr. VENTO, Mr. WEISS, Mrs. BOUQUARD, Ms. MIKULSKI, Mr. PEPPER, and Mr. WHITEHURST.

H.R. 1261: Mr. BROWN of California, Mr. MURPHY, and Mr. VENTO.

H.R. 1262: Mr. BROWN of California and Mr. MURPHY.

H.R. 1263: Mr. BROWN of California and Mr. MURPHY.

H.R. 1264: Mr. BROWN of California and Mr. MURPHY.

H.R. 1265: Mr. BROWN of California and Mr. MURPHY.

H.R. 1300: Mr. BEDELL, Mr. BROWN of Ohio, Mr. CORRADA, Mr. COURTER, Mr. DANIEL B. CRANE, Mr. HUGHES, Mr. KOGOVSEK, Mr. MOTTL, Mr. SOLOMON, Mr. MICHEL,

Mr. STANGELAND, Mr. PORTER, Mr. HYDE, and Mr. PASHAYAN.

H.R. 1339: Mr. GOODLING, Mr. GINGRICH, Mr. EVANS of Iowa, Mr. ROUSSELOT, Mr. BROWN of Ohio, Mr. HILER, Mr. BEDELL, Mr. PORTER, and Mr. BARNARD.

H.R. 1340: Mr. GOODLING, Mr. GINGRICH, Mr. EVANS of Iowa, Mr. IRELAND, Mr. MOFFETT, Mr. BROWN of Ohio, Mr. HILER, Mr. BEDELL, Mr. PORTER, and Mr. BARNARD.

H.R. 1373: Mr. WHITTAKER, Mr. HANCE, Mr. CRAIG, and Mr. MARLENEE.

H.R. 1378: Mr. BAFALIS, Mr. DUNCAN, Mrs. FENWICK, Mr. SABO, Mr. FORSYTHE, Mr. JEFFORDS, Mr. ECKART, Mr. KRAMER, Mr. GINGRICH, Mr. PETRI, Mr. BROWN of Ohio, Mr. ERDAHL, Mr. FRANK, Mr. HARTNETT, Mr. D'AMOURS, Mr. WOLPE, Mr. LOWERY of California, Mr. PEPPER, Mr. FAZIO, Mr. KILDEE, and Mr. BAILEY of Missouri.

H.R. 1400: Mr. MAZZOLI.

H.R. 1596: Mr. SMITH of New Jersey.

H.R. 1918: Mr. CAMPBELL, Mr. CHAPPELL, Mr. GUYER, Mr. MCDADE, Mr. TAUKE, and Mr. ZABLOCKI.

H.J. Res. 100: Mr. CAMPBELL, Mr. BROYHILL, Mr. BROWN of Ohio, Mr. DORNAN of California, Mr. CORCORAN, Mr. MILLER of Ohio, Mr. KRAMER, Mr. GRADISON, Mr. COLEMAN, Mr. HANSEN of Idaho, Mr. SHUMWAY, Mr. MARRIOTT, Mr. SAM B. HALL, JR., Mr. BROWN of Colorado, Mr. JOHNSTON, Mr. FIELDS, Mr. LOWERY of California, Mr. LOTT, and Mr. SMITH of Oregon.

H. Res. 13: Mr. HUBBARD, Mr. GONZALEZ, and Mr. YOUNG of Florida.

H. Res. 50: Mr. GUARINI.

EXTENSIONS OF REMARKS

TOXICITY OF ARTISTS' SUPPLIES

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. RICHMOND. Mr. Speaker, 3 years ago, I began an investigation into the toxicity of artists' supplies after receiving letters from several artists who had developed serious, chronic illnesses while working with their art materials. Because of the lack of information in the labels of artists' supplies, these artists had no way of knowing the potential hazards of using these materials, or the proper precautionary measures to take to avoid misuse.

As I explored the problem further, I discovered that hundreds of artists and hobbyists are suffering from a number of illnesses, such as permanent nerve damage, liver and kidney damage, lung disease and miscarriages, as a result of their exposure to toxic art supplies. Conclusive evidence of the connection between the art materials and resulting illnesses was provided by research conducted by Battelle Laboratories of Ohio.

To provide my colleagues with an idea of the scope of this problem, I have prepared a list to show a few of the professions which routinely use hazardous chemicals and the health-related problems associated with various degrees of use of the chemicals:

PAINTING

Cadmium Vermilion Red (Pigment Red 113) may cause mercury poisoning, which can severely damage the nervous system and kidneys.

Flake White (cremnitz white, white lead, Pigment White 1) may cause lead poisoning and birth defects, including mutations, through ingestion.

Turpentine (gum turpentine, gum spirits, spirits of turpentine, wood turpentine, steam-distilled turpentine) can cause skin irritation and allergies, sometimes years after exposure. Accidental entry into lungs through ingestion is common and can cause fatal pulmonary edema.

PRINTING

Chrome Yellow (lead chromate, Pigment Yellow 34) may lead to skin irritation, allergies and ulcers through direct contact. Chronic inhalation may cause lead poisoning and lung cancer. Ingestion may cause immediate chromium poisoning (Gastroenteritis, vertigo, muscle cramps and kidney damage).

Carbolic Acid (Phenol) may cause nervous system depression and liver, kidney and spleen damage with a single exposure. Direct skin contact can be fatal.

Toluene (Toluol, aromatic naphtha) may cause menstrual disorders, skin defatting, narcosis and possible chronic liver and kidney damage. Inhalation of large amounts may cause heart sensitization and death.

CERAMICS, GLASSBLOWING, AND ENAMELING

Arsenic Oxide (used in glassblowing) can lead to skin ulceration and skin cancer through direct contact. Inhalation or ingestion may cause lung cancer, liver damage, permanent nerve damage, and kidney and blood damage.

Clays may cause silicosis, a disease involving severe lung scarring, through inhalation of clay dust.

Fluorspar (Fluorite, calcium fluoride, used in ceramics) may cause lung irritation, bone and teeth defects, and anemia through inhalation or ingestion.

Manganese Carbonate (used in enameling) can cause a serious nervous stystem disease resembling Parkinson's Disease.

SCULPTURE

Cedar Wood Dust (Western Red) can lead to severe skin allergies, asthma, bronchitis and conjunctivitis.

Methyl Ethyl Ketone (a peroxide hardener used with polyester resin) can cause immediate and permanent blindness upon contact with eyes.

Sandstone may cause silicosis through inhalation.

METALWORKING PROCESSES

Bronze often causes metal fume fever (chills, fever) through inhalation. May cause lead poisoning.

Lead may cause lead poisoning, affecting the gastrointestinal system (lead colic); red blood cells (anemia); and neuromuscular system (weakening of wrists, fingers, ankles, toes). May also cause liver and kidney damage and possible birth defects.

PHOTOGRAPHY AND PHOTOPROCESSES

Acetic Acid can cause severe skin corrosion and chronic bronchitis.

Catechin (catechol, pyrocatechol, o-dihydroxybenzene) can cause acute poisoning with symptoms of cyanosis (blue lips/nails), convulsions and anemia, through inhalation.

Tertiary-Butylamine Borane can cause nervous system damage.

CRAFTS

Oxalic Acid (used in fabric dying) can lead to severe skin corrosion, ulcers and gangrene through skin contact.

Ortho-Dichlorobenzene (used in leathercraft) causes narcosis, and possible hepatitis and kidney damage.

Zinc Chloride (used in stained-glassmaking) may cause chronic bronchitis through chronic exposure or pulmonary edema through large acute exposures.

Over the past 3 years, innumerable articles on this subject have appeared in the New York Times, the Los Angeles Times, the Washington Post, as well as regional and local papers throughout the country. Art Hazards News, Art Workers News, Ocular magazine for visual artists, and a host of other trade papers have started regular series on this vital subject. One of the country's leading experts in the field, Dr. Michael McCann, has recently published a 378-page book entitled "Artist Beware" that explains in detail the dangers involved with the misuse of hundreds of artists products and chemicals.

In order to rectify this situation, which threatens the health and safety of the 36 million Americans who use art materials in the studio, the home, and the classroom, I introduced legislation that would require more comprehensive labeling information on artist supplies.

This legislation would require that the labels of potentially toxic artists' materials contain five pieces of information necessary to protect the consumer: a list of the common names of the chemicals contained in the product; the health hazards associated with misuse of the product; preventative measures to take to avoid misuse; measure to take in case illness occurs; and methods to safely dispose of the product.

In September 1980, our colleague, JIM SCHEUER, chairman of the House Subcommittee on Consumer Protection and Finance, held hearings on this legislation. During those hearings, testimony was given by artists and their physicians, toxicologists, artists' advocates and representatives from the art materials industry. At the conclusion of the testimony, Mr. SCHEUER suggested that, due to the serious consumer health risks created by the current situation, an appropriate resolution to the problem would be a cooperative effort between artists and industry representatives to draw up voluntary labeling standards for the art materials industry.

This discussion process has already begun, and I am happy to say that the art supply manufacturers have been very helpful and cooperative in attempting to work out a solution to our common problem.

Although I am reintroducing legislation that would set Federal standards for the labeling of art supplies, I am hopeful that more comprehensive labeling can be accomplished quickly through self-regulation of the industry. If industry self-regulation proves impossible, I believe it is the responsibility of Congress to recognize and address this issue that affects so many millions of Americans. I will continue to keep my colleagues up to date on this issue and will be happy to answer any questions they may have.

A summary of the legislation follows:

SECTION 1. Amends the Federal Hazardous Substances Act (FHSA) to include "chronic toxicity" under the definition of hazardous

substances. This section also provides the Consumer Product Safety Commission with the authority to issue regulations concerning substances that cause chronic illnesses.

SECTION 2. Defines the term "chronic toxicity" as any substance which causes tumors or cancer, has an adverse reproductive or genetic effect, has an adverse effect on the central nervous system or peripheral nervous system, or any other chronic effects as determined by the Commission. The section goes on to add the word "chronic" to the term "toxic."

SECTION 3. Mandates that all labels of products containing substances that cause chronic or acute illness have: (a) a description of the physical side effects that could result from the misuse of the product; (b) a description of how to counteract the possible physical side effects resulting from misuse of the product; (c) a description of the proper precautionary measures to avoid misuse; and, (d) instructions for safely disposing of the product. Substances which may be carcinogenic must carry the following: Warning: Has Been Shown To Cause Cancer in Animals.

SECTION 4. Includes technical amendments to the FHSA and mandates that all labels of products containing substances that cause either chronic or acute illness provide instructions for procedures to counteract possible health side effects.

SECTION 5. Allows the Consumer Product Safety Commission two years to issue appropriate regulations under this Act.

The complete text of this bill follows:

H.R. 443

A bill to amend the Federal Hazardous Substances Act to establish labeling requirements applicable to substances which cause chronic health side effects, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(f)(1) of the Federal Hazardous Substances Act (15 U.S.C. 1261(f)(1)) is amended by adding at the end thereof the following new clauses:

"(E)(i) Any substance or mixture of substances which possesses chronic toxicity (as defined in paragraph (g)(2)(A)), if such substance or mixture is capable of being ingested, inhaled, or absorbed into the human body through any customary or reasonably foreseeable handling, use, or misuse (including any reasonably foreseeable handling, use, or misuse by children).

"(ii) The Consumer Product Safety Commission shall have the authority to issue regulations, in accordance with the procedures prescribed in section 553 of title 5, United States Code, which provide that any particular substance or mixture of substances shall not be classified as a hazardous substance under subclause (i) if the Commission determines that such substance or mixture does not present any risk to humans if such substance or mixture is ingested, inhaled, or absorbed into the human body through any customary or reasonably foreseeable handling, use, or misuse (including any reasonably foreseeable handling, use, or misuse by children).

"(F) Any substance or mixture of substances which the Consumer Product Safety Commission determines, in accordance with the procedures prescribed in section 553 of title 5, United States Code, or in accordance with the procedures established in section 3(a), to possess chronic toxicity (as defined in clause (B), clause (C), or clause (D) of paragraph (g)(2)), except that a substance or mixture shall not be considered to be a hazardous substance under this clause unless such substance or mixture is capable of being ingested, inhaled, or absorbed into the human body through any customary or reasonably foreseeable handling, use, or misuse (including any reasonably foreseeable handling, use, or misuse by children).

"(G) Any substance or mixture of substances which—

"(i) possesses chronic toxicity, as defined in subclause (A), subclause (B), or subclause (C) of paragraph (g)(2), or as determined under subclause (D) of paragraph (g)(2); and

"(ii) is present as a contaminant in any household substance or mixture of household substances;

if the Consumer Product Safety Commission determines, in accordance with the procedures prescribed in section 553 of title 5, United States Code, or in accordance with the procedures established in section 3(a), that such substance or mixture is capable of being ingested, inhaled, or absorded into the human body through any customary or reasonably foreseeable handling, use, or misuse (including any reasonably foreseeable handling, use, or misuse by children).".

SEC. 2. Section 2(g) of the Federal Hazardous Substances Act (15 U.S.C. 1261(g)) is amended—

(1) by inserting "(1)" after the paragraph designation;

(2) by inserting ", and to any substance which possesses chronic toxicity" after "body surface", and

(3) by adding at the end thereof the following new subparagraph:

"(2) For purposes of this paragraph, substances which possess chronic toxicity include the following:

"(A) Any substance which causes tumors or cancer (or which is metabolized to a substance which causes tumors or cancer) in humans or other mammals, including—

"(i) any substance which—

"(I) the Secretary of Health and Human Services (or the head of any bureau, administration, or other organization unit in the Department of Health and Human Services); or

"(II) the International Agency for Research on Cancer;

reviews and determines to cause tumors or cancer in humans or other mammals, if any such determination is based upon valid studies and procedures; and

"(ii) any substance which is regulated by the Environmental Protection Agency, the Food and Drug Administration, or the Occupational Safety and Health Administration as the result of a determination that such substance causes tumors or cancer in humans or other mammals, if any such determination is based upon valid studies and procedures.

"(B)(i) Any substance which causes any adverse reproductive effect or any adverse genetic effect.

"(ii) For purposes of this clause, adverse reproductive effects and adverse genetic effects include any birth defect, toxicity to a fetus, sterility or impaired reproductive capacity, spontaneous abortion, any mutagenic effect, and any damage to genetic material.

"(iii) Any determination of the Consumer Product Safety Commission that a substance causes any adverse reproductive effect or any adverse genetic effect shall be based upon valid studies and procedures. Such studies and procedures may include the use of human subjects, experimental animals, micro-organisms, culture cells, or other test systems.

"(C)(i) Any substance which causes any adverse effect upon the central nervous system or any peripheral nervous system.

"(ii) any determination of the Consumer Product Safety Commission that a substance causes any adverse effect upon the central nervous system or any peripheral nervous system shall be based upon valid studies and procedures. Such studies and procedures may include the use of human subjects, experimental animals, or other test systems.

"(D) Any substance which the Consumer Product Safety Commission determines (in accordance with the procedures prescribed in section 553 of title 5, United States Code, or in accordance with the procedures established in section 3(a)) to possess any form of chronic toxicity, other than those forms of chronic toxicity specified in clause (A), clause (B), or clause (C), if such substance or mixture is capable of being ingested, inhaled, or absorbed into the human body through any customary or reasonably foreseeable handling, use, or misuse (including any reasonably foreseeable handling, use, or misuse by children).".

SEC. 3. Section 2(p) of the Federal Hazardous Substances Act (15 U.S.C. 1261(p)) is amended—

(1) in subparagraph (1) thereof—

(A) by inserting ", in the case of any substance other than any substance or mixture of substances which is defined as a hazardous substance under clause (E) or clause (G) of paragraph (f)(1) and other than any substance which possesses chronic toxicity (as defined in paragraph (g)(2)(A))," after "(1) which"; and

(B) by adding at the end thereof the following: "(K) in the case of any hazardous substance which causes any physical side effect, a statement which describes the nature of such side effect and explains procedures which may be followed to counteract such side effect;";

(2) in subparagraph (1)(I) thereof—

(A) by striking out "and storage" and inserting in lieu thereof ", storage, and disposal"; and

(B) by striking out "or storage; and" and inserting in lieu thereof ", storage, or disposal;"; and

(3) by redesignating subparagraph (2) as subparagraph (3), and by inserting after subparagraph (1) the following new subparagraph:

"(2) which, in the case of any substance or mixture of substances which is defined as a hazardous substance under clause (E) or clause (G) of paragraph (f)(1) and which possesses chronic toxicity (as defined in paragraph (g)(2)(A)), states conspicuously (A) the information required in clause (A), clause (B), and clause (I) of subparagraph (1); (B) the phrase 'Warning: Has Been Shown To Cause Cancer in Animals' on any substance which has been determined to possess chronic toxicity (as defined in paragraph (g)(2)(A)), based upon any valid study or procedure using experimental animals; (C) the phrase 'Warning: Has Been Shown To Cause Cancer in Humans' on any substance which has been determined to possess chronic toxicity (as defined in paragraph (g)(2)(A)), based upon any valid study or procedure using human subjects; and (D) precautionary measures which describe actions to be followed and actions to be avoid-

ed in connection with any use of the substance; and".

SEC. 4. Section 20(a)(1)(A) of the Federal Hazardous Substances Act (15 U.S.C. 1275(a)(1)(A)) is amended—

(1) by inserting ", 2(p)(2)," after "sections 2(p)(1)";

(2) in clause (i) thereof, by inserting "and section 2(p)(2)(D)" after "section 2(p)(1)(F)";

(3) in clause (ii) thereof, by striking out "and" at the end thereof; and

(4) by adding at the end thereof the following new clause:

"(iv) instructions for procedures to counteract side effects under section 2(p)(1)(K); and".

SEC. 5. The amendments made in the foregoing provisions of this Act shall take effect at the end of the 2-year period following the date of the enactment of this Act. The Consumer Product Safety Commission shall have authority to issue regulations (in accordance with the Federal Hazardous Substance Act, as amended by such foregoing provisions) during such 2-year period for purposes of carrying out such amendments, except that the effective date of any such regulations shall not occur before the end of such 2-year period.●

TO HONOR SISTER AVELAR

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, the work of members of the religious community is work that seeks no reward or recognition from the public. Yet it is, in a very real sense, an essential part of the fabric of American society, a part of our lives that merits the highest form of accolade.

On February 22, the Luso-American Award Committee of Fall River, Mass., in conjunction with the Jornal de Fall River, will present a special award for community service to one member of the Massachusetts religious community whose piety and hard work have combined to touch the lives of thousands: Sister Avelar of New Bedford, Mass.

Over the years Sister Avelar's tireless work with the needy of New Bedford has earned her the nickname of "The Little Saint Franci Assisi." At the age of 78, this native of Corvo, Azores, still combines the strenuous duties of a teacher with countless hours spent assisting all those who come daily to her classroom, looking for relief from poverty and despair.

Mr. Speaker, Sister Avelar's lifetime of dedication to the less fortunate marks her as an invaluable contributor to the life and well-being of her community. I am proud to take part in honoring her, and I ask all my colleagues in this House to join me in this tribute.

Thank you.●

LATEST UNITED KINGDOM POLL FAVORS END OF ULSTER LINK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BIAGGI. Mr. Speaker, the ad hoc congressional committee, of which I am chairman, has as one of its major priorities, the dissemination of information on the current situation in Northern Ireland. I am inserting into today's CONGRESSIONAL RECORD, a copy of an article which appeared in a recent edition of the Irish Echo, detailing a poll conducted by the London Sunday Times, which found a majority of people in Britain—by a 2-to-1 margin—supportive of severing their relationship with Northern Ireland.

We have consistently maintained that the people of Northern Ireland deserve to determine their own political future, with due consideration to the interests of all parties in the conflict. The United States can and should play a role, both diplomatically and economically, in order to facilitate a just solution for all the people of Ulster.

The results of this poll strongly suggest that the time is now for a broad-ranging initiative in Northern Ireland. The visit of Prime Minister Thatcher to this country later this month provides an appropriate opportunity for our Government to encourage a solution to the tragedy there, one which includes all parties and all governments. We were heartened by the initial talks between Mrs. Thatcher and Prime Minister Haughey of Ireland on this topic, and seek to urge them to continue such dialog on substantive issues.

I commend this article to the attention of my colleagues:

U.K. POLL SAYS END NORTH LINK

LONDON.—A majority of people in Britain—almost two to one—would vote Northern Ireland out of the United Kingdom, according to a special opinion poll conducted for the London Sunday Times.

Some 63 percent say they would vote for the ending of the union, while only 37 percent want to retain it.

This is a dramatic rebuff to the leader of the Democratic Unionist Party, Rev. Ian Paisley, who suggested on television last week that such a poll be taken and repeated this to the British Prime Minister, Margaret Thatcher, at a stormy meeting in the House of Commons.

He has expressed the strong conviction that there would be a majority for retention of the link.

The poll was conducted by Market and Opinion Research International and the question put to 1,071 adults in 54 constituencies: "If there was a referendum tomorrow in England, Scotland and Wales on whether or not Northern Ireland should remain part of the UK, which way would you vote?"

The answer in percentages, says The Sunday Times, was:

Remain as part of the UK: 29 percent
Not remain: 50 percent
Would not vote: 13 percent
Undecided: 8 percent

Eliminating the abstainers and don't knows, this gives a huge 26 percent majority for ending the link, the newspaper concludes.

The poll also found that two out of three of the sample wanted the people of the North to have a say in their own affairs, and some 88 percent objected to the Provisionals.●

KLASSEN FAMILY PERSECUTED IN SOVIET UNION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. McDONALD. Mr. Speaker, human rights violations is a growth industry in the U.S.S.R. and the persecution of the Klassen family is no exception. Rudolph David Klassen was born on September 24, 1931, in the Ukraine. He has a wife, Talita. He presently lives in the Kazakhstan SSR at Maliy Proezd 19A in the city of Karaganda, a city in which many former inmates of the Gulag system are forced to reside. Mr. Klassen was arrested on June 20, 1980, for the terrible crime of teaching the gospel of Jesus Christ to little children. His wife does not know where he is confined and has been told she has no visitation rights. She has received a smuggled letter informing her he has been beaten and tortured and does not expect to see her in this world again. He has been previously arrested for his Christian activities and served 5 years in a forced labor camp. So much for religious freedom in the U.S.S.R.

The Klassen family would like to leave the Soviet Union and join Mr. Klassen's father in Canada or his brother David in West Germany. Given the present attitude of the Soviet Government the chances are poor. There is always the hope that the Soviet Government might exercise a small amount of human decency and permit the Klassen family to leave, however.●

THE INDEPENDENT AGENT ORANGE STUDY ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. GILMAN. Mr. Speaker, today I am reintroducing the Independent Agent Orange Study Act, with 26 of my colleagues as cosponsors. This bill will remove from the jurisdiction of the Veterans' Administration the study of the effects of agent orange

required to be conducted under the provisions of Public Law 96-151, and place that study in the hands of the National Academy of Sciences.

There are many complex questions concerning the effects of agent orange on our health which must be resolved before we consider the important matter of compensation for those who have been exposed and who contend that they have suffered serious harm. We must resolve the question of whether or not agent orange causes any serious harm to humans.

While there are a number of ongoing research programs investigating the effects of agent orange, most of those directed by the executive branch bear the burden of being suspect by some portions of the public who perceive those agencies to be self-serving in the conduct of that research, the agencies involved being perceived to have bureaucratic interests to protect.

I believe that we should remove any suspicion of self-serving behavior in the conduct of the important epidemiological study and literature review to be conducted under Public Law 96-151. My bill authorizes and requires the Administrator of Veterans' Affairs to enter into an agreement with the National Academy of Sciences to enable the Academy to control the study and the Administrator to reimburse the Academy for all expenses incident to such a study. This bill also provides for the adjustment of the deadlines in existing law which are necessitated by the transfer.

The National Academy of Sciences is a private, nonprofit membership organization chartered by Congress in 1863 to perform research, upon the request by the Federal Government, in any area of science or technology.

The transfer of this study to independent auspices has been called for by action of the National Convention of the American Legion, which resolved that it "sponsor and support legislation to amend Public Law 96-151 by assigning the responsibility of designing a protocol for and conducting an epidemiological study of persons who, while serving in the Armed Forces of the United States during the period of the Vietnam conflict, were exposed to any of the dioxins including agent orange to an independent agency such as the National Academy of Sciences, the National Institutes of Health, the Center for Disease Control, et cetera"

The National Academy of Sciences is the sort of organization that has both the credibility and the capacity to answer, to the extent humanly possible, our questions about agent orange.

Mr. Speaker, I urge those of my colleagues who have not yet become cosponsors of this legislation to consider doing so. For the information of my colleagues, I ask that the full text of this bill be printed at this point in the RECORD.

H.R. 1962

A bill to amend the Veterans Health Programs Extension and Improvement Act of 1979 to require the Veterans' Administration and the National Academy of Sciences to enter into an agreement under which the Academy will conduct an epidemiological study of veterans exposed to agent orange

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Agent Orange Study Act".

SEC. 2. (a) Section 307(a)(1) of the Veterans Health Programs Extension and Improvement Act of 1979 (Public Law 96-151; 93 Stat. 1097) is amended—

(1) in the first sentence thereof, by striking out "design a protocol for and conduct" and inserting in lieu thereof "arrange, pursuant to subparagraph (B), for the designing of a protocol for and the conducting of";

(2) in the last sentence thereof, by striking out "conduct" and inserting in lieu thereof "arrange, pursuant to subparagraph (B), for the conducting of"; and

(3) by inserting "(A)" after "Sec. 307. (a)(1)", and by adding at the end thereof the following new subparagraph:

"(B) Not later than ninety days after the date of the enactment of the Independent Agent Orange Study Act, the Administrator and the National Academy of Sciences shall enter into an agreement under which the Academy shall design a protocol for and conduct the study required by subparagraph (A). Such agreement shall provide that any expenses incurred by the Academy shall be paid or reimbursed by the Administrator. The Academy shall give appropriate consideration to, but shall not be bound by, any action taken by the Administrator pursuant to this section before the date of the enactment of the Agent Orange Study Act.".

(b) Section 307(a)(2)(B)(ii) of the Veterans Health Programs Extension and Improvement Act of 1979 (Public Law 96-151; 93 Stat. 1097) is amended by striking out "the date of the enactment of this Act" and inserting in lieu thereof "the date of the enactment of the Agent Orange Study Act".

(c) Section 307(b)(1) of the Veterans Health Programs Extension and Improvement Act of 1979 (Public Law 96-151; 93 Stat. 1098) is amended by striking out "the date of the enactment of this Act" and inserting in lieu thereof "the date of the enactment of the Independent Agent Orange Study Act".●

DO IMPORTS COST JOBS?

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. FRENZEL. Mr. Speaker, "Do Imports Cost Jobs?" is the title of an article in the February 9 Newsweek by Dr. Milton Friedman, Nobel Prize-winning economist.

In this excellent article, Dr. Friedman points out that those who seek to limit imports are asking low-paid workers to sacrifice their jobs in order to save the jobs of high-paid workers. He maintains that fewer jobs would be saved by limiting imports than would be lost and calls the campaign to limit imports "180 degrees wrong."

In his concluding paragraph Dr. Friedman quotes Adam Smith's statement that it is always in the interest of the people to buy whatever they want from those who sell cheapest and that the interest of the merchants and manufacturers, and Friedman adds trade unions and government bureaucrats, is directly opposite to that of the great body of the people.

I invite my colleagues' attention to this very clear and persuasive analysis. To Dr. Milton Friedman, the limitation of imports is clearly bad economic policy.●

REESTABLISH THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL IN THE 97TH CONGRESS

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. ENGLISH. Mr. Speaker, I am pleased to offer my support for House Resolution 13, a resolution to reestablish the Select Committee on Narcotics Abuse and Control in the 97th Congress. I am sure that my colleagues are aware of the domestic and global proportions of the persistent and growing problem of drug abuse. No region of our country is immune and every segment of our society is susceptible to the menace of international drug trafficking.

While I am concerned about all aspects of our country's drug abuse problem, I have a special interest in seeing that the work of the select committee continue. For the past 4 years, I have been chairman of the select committee's task force on drug abuse in the U.S. military. There is perhaps no more important mission of the select committee than its work on drug abuse in the military; nor is there any area in which we have seen greater progress as a result of our efforts. Between 1977 and 1980, the task force conducted thorough onsite investigations—including the administration of thousands of our own personnel opinion surveys—and held seven hearings in the United States and abroad. These efforts have served to focus national attention on the threat drug abuse poses to our national security and combat readiness as well as establish a new sense of resolve within the administration and throughout the chain of command to reduce currently intolerable levels of drug abuse, particularly among lower enlisted personnel.

When the select committee held its first hearing in April 1978, we found

that the Department of Defense (DOD) and the service branches had systematically rendered inoperative its drug abuse reporting mechanisms. An authoritative worldwide self-report survey had not been conducted since 1974. Since the termination of our military involvement in Vietnam, other data collection procedures had also been dismantled. The evaluation of the impact of varying types and levels of drug abuse on unit performance and combat readiness had ceased. In short, the DOD had given drug abuse an extremely low priority and had no idea what the current levels of drug abuse were.

The Department of Defense eventually initiated a 12-point program designed to enhance its understanding of the nature and extent of the drug abuse problem among our military personnel. One product of this effort has been the administration and analysis of a worldwide self-report drug abuse survey. Consider these figures from that survey:

On a worldwide basis, 26 percent of U.S. military personnel report current usage of marihuana or hashish. Among lower enlisted personnel stationed in West Germany, current use of hashish was reported at 36 percent, while in Hawaii, current use among all E-1 to E-5's was a whopping 44 percent. Breaking the Hawaii figure down by service among lower enlisted personnel, the figures are 48 percent for the Army, 51 percent for the Navy, 44 percent for the Marine Corps, and 17 percent for the Air Force.

Worldwide among lower enlisted personnel, 21 percent reported some form of work impairment because of drug use—lowered performance, late for work/left early, did not come to work, and high while working. The type of work impairment most frequently reported by junior enlisted personnel was "high while working"—19 percent; and what is most alarming, nearly one-half of those indicated this had occurred on 40 or more days during the preceding 12 months. These figures are almost duplicated in data provided on alcohol abuse. It is hard to ignore the implications of these data on combat readiness.

The task force has been particularly concerned about the abuse of heroin among U.S. Army personnel stationed abroad, particularly in the Federal Republic of Germany. In November 1978, the task force administered a self-report survey to lower enlisted personnel stationed in high-risk areas of West Germany and found that 10.3 percent were using heroin monthly or more often. An alarming 16.9 percent reported using barbiturates that frequently. Since then, the U.S. Army in Europe has engaged in a vigorous law enforcement program—including massive urinalysis sweeps and treatment effort, and the new survey shows the levels of heroin abuse dropping, now to about 5 percent among lower enlisted personnel. The task force and the committee as a whole have worked hard to monitor this effort and to keep the Army's "feet to the fire." We are pleased to see the results of these efforts. However, we know that heroin remains readily available in Europe, though somewhat more expensive than 2 years ago. There was a bumper crop of opium harvested in Southwest Asia in 1979, primarily in Iran, Afghanistan, and Pakistan. The Drug Enforcement Administration reports the crop is estimated to be 1,700 metric tons. According to the U.S. Army in Europe, the problem is even more acute due to opium stockpiles in Pakistan, reported to be as high as 400 metric tons. Even if there is a crop production decrease in 1980, as has been reported, the stockpiles will assure the availability of a continuous opiate supply in the Federal Republic of Germany. There are also reports that the use of cocaine is on the increase and that it now accounts for 15 percent of all urinalysis positives among USAR EUR personnel.

While we are beginning to see progress, there remains much more to be done. An increase in defense spending for military hardware, while sorely needed, will not specifically impact on this problem. What is needed is the development of a permanent drug abuse deterrent structure in the military that will create an atmosphere inhospitable to drug abuse. This requires intensive study of the epidemiology of drug abusing behavior in the barracks, and major legislative revisions in order that military drug dealers and abusers can be dealt with in a firm and consistent manner. Most importantly, the DOD and the services must continue to develop programs that emphasize the priority of the drug and alcohol-abuse problem throughout the chain of command.

It is in the above areas that the select committee plays a vital role. The task force has issued three separately targeted reports, and many of our recommendations have been adopted by the DOD and the Army. Representatives of all military services have stated repeatedly on the official record that without this committee's ongoing vigilant attention, support and input, the momentum thus far achieved would have long waned in the face of more pressing, nonpersonnel oriented problems.

The military drug problem is but one component of the committee's broad mandate. It is for this reason that the Select Committee on Narcotics Abuse and Control should continue its important work in assisting the Congress to examine the multifaceted drug abuse problem in its entirety. Drug abuse is a persistent problem that requires the attention of us all and I urge my colleagues to support House Resolution. 13.●

TO HONOR DENNIS LOURA

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, the lives of our children are a crucial part of our own lives—because it is the next generation that will play such a great role in determining all our futures. Those who dedicate themselves to improving the lives of the young are owed a debt of recognition for their selfless work and caring.

On February 22, the Luso-American Award Committee of Fall River, Mass., in conjunction with the Jornal de Fall River, will present a special award for community service to one man who has shown a special concern for the young: Dennis Loura of Taunton, Mass.

After moving to Taunton several years ago from Santa Maria, Azores, Dennis Loura has spent much of his time and money to set up a youth soccer league in that city. Dedicated to the idea that vigorous, safe athletic competition is an essential part of a child's growing experience, he has turned his love of the game of soccer into a vital outlet for the energies of his city's young people. Almost 400 children now compete in the league he helped to found.

Mr. Speaker, Dennis Loura's involvement and concern for the children of Taunton are a fitting example of the sort of constructive work that can be done to create a truly well-rounded environment for our next generation. I am proud to take part in honoring him, and I ask all my colleagues in this House to join me in this tribute.

Thank you.●

RESEARCH AND DEVELOPMENT AUTHORIZATION ESTIMATES ACT, H.R. 1908

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, Feoruary 19, 1981

● Mr. FUQUA. Mr. Speaker, yesterday I introduced the Research and Development Authorization Estimates Act, the purpose of which is to provide additional budgetary and related information to the Congress to provide a basis for implementing multiyear research and development authorizations. The bill is designed to give the Congress and the Executive greater flexibility in managing authorizations in three ways. First, the bill requires the Executive to submit budget esti-

mates of the major Federal research and development programs for at least 2 years. Second, the bill modifies reporting requirements of the Presidential Science and Technology Advisory Organization Act of 1976, and finally, the bill provides for a continuing analysis and evaluation of inflation factors on Federal research and development, to be carried out by the Director of OSTP, in consultation with OMB. I wish to point out to my colleagues that H.R. 1908 is the successor bill to H.R. 7689 in the previous Congress, which was approved unanimously by the Committee on Science and Technology and passed the House on July 21, 1980.

To review briefly the development of the original legislation in the 96th Congress, H.R. 7689 evolved following 15 months of full committee consideration which included two sets of hearings, an interim report, and the written contributions of many knowledgeable individuals. The bill, developed in collaboration with the Office of Management and Budget and the Office of Science and Technology Policy, received the endorsement of the General Accounting Office, the Congressional Budget Office, the Office of Technology Assessment, the National Science Board, the National Academy of Sciences, and most of the major academic associations.

As in the previous Congress, the new bill is a pilot endeavor to facilitate the handling of authorizations. It does not require subcommittees or committees to follow any particular procedure or do anything differently. It does require the Executive to submit estimates of its major research and development programs for at least 2 years—so that committees may authorize for more than 1 year if they so desire. The bill contains no provisions for new funding.

PROVISIONS OF THE BILL

H.R. 1908 contains four major provisions. These are as follows:

First, in addition to his statutory responsibilities to advise and assist the President and the OMB throughout the budget formulation process, the Director of the Office of Science and Technology Policy shall advise and assist the Director of OMB in the preparation of estimated budget requests for major R. & D. programs for at least 2 years. Such estimates are to be included in the R. & D. portion of the Federal budget submitted to Congress in even-numbered years.

Second, the foregoing requirement is designed to apply to programs which account for about 95 percent of all Federal R. & D. funding.

Third, in order to provide Congress with timely information which is coordinated with R. & D. budget requests, the following changes are made in the Science and Technology Policy and Organization Act of 1976.

The 5-year outlook dealing with trends, status, needs, uses, and evaluations of science and technology, which is now required to be revised annually, is changed to a 4-year outlook with updating at the 2-year midpoint.

The annual report required additionally of OSTP—which has been shifted together with the outlook to the National Science Foundation by Executive order—is eliminated—but its major focus and purposes are folded into the 4-year outlook and its update.

Fourth, OSTP is given the task of assisting and advising OMB in a continuing analysis and evaluation of how inflation factors are affecting R. & D., the nature of those factors, and how they should be applied in the Federal R. & D. budget process.

Mr. Speaker, this bill represents a step toward greater congressional use of multiyear authorizations. It would be unrealistic to expect such use to crystallize overnight. It will take time and patience to work out methods of operation and to sort out programs which may lend themselves to the multiyear procedure vis-a-vis those which may not. The ultimate effect is not readily predictable. However, as other demands on Congress continue to grow—and there are many—the mechanism suggested by H.R. 1908 could lead to marked benefits for Congress as a whole by permitting more flexible scheduling and greater freedom in the application of committee time.

Mr. Speaker, it is my intention to reopen hearings on the bill following completion of the committee's actions on its authorization activities and after the new administration's officials pertinent to this matter have all been appointed.●

NEED TO AMEND THE LONGSHOREMEN'S ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. PAUL. Mr. Speaker, today I am introducing legislation to exempt marinas and small boatyards from the provisions of the Longshoremen's and Harbor Workers' Compensation Act which presently requires them to pay extremely high insurance premiums for employees.

Under the Compensation Act, small boatyards and marine operations are placed in the same category as large shipyards for insurance purposes.

It is clearly unfair and unrealistic for the Government to require these smaller businesses to pay the same exorbitant rates as the larger shipyards where the work conditions are much more hazardous. This legislation would correct this inequity by differentiating between the small businesses and the large shipyard and harbor operations.

By amending the Longshoremen's Act to exempt small boatyards and other small marine operations, we will be able to provide needed economic relief to these small businesses which are forced to pay premiums that may be five to six times as much as ordinary workmen's compensation. One small businessman in my district is forced to pay rates of over $14 per $100 of salary, which represents over $2,000 per month just for insurance. A needless expenditure of $25,000 per year can fatally wound a small business.

Only by removing such bureaucratic regulations and providing substantial tax reductions can we provide the economic relief America's small businesses so badly need. Congress must begin now to remove this and other unnecessary burdens which have crippled our small businesses.●

A BETTER IDEA: THE MILITARY ENGINE WARRANTY

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. MAVROULES. Mr. Speaker, in the coming years, the military services and the Department of Defense must examine new policies in contracting for major weapons. While there is a strong public consensus to revitalize our military capabilities, there is a corresponding obligation to exercise prudent judgment in the expenditure of tax dollars.

I am encouraged to see evidence of just such a new initiative. Earlier this year, the Air Force entered into a warranty agreement with a major defense contractor on a military jet engine. A second agreement with another contractor is expected soon.

While these agreements are being implemented without much public attention, they are milestones in defense contracting and Government procurement.

What exactly are these warranty agreements?

Well, they are not that different in principle from the warranties most of us have for our automobiles and other major appliances. When you or I purchase a new car or other product, we have a guarantee that the item will work. If it does not operate as the warranty states, the item is put in working order.

Today, if only a tentative and experimental effort, we have the first warranty on a major piece of military equipment. This is an encouraging step for the U.S. taxpayers, who are entitled to receive the best possible

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value for their dollars. It is also good news for the soldiers and pilots in the field whose lives may depend upon whether a piece of military equipment works when needed.

The first warranty agreement, implemented earlier this year, is for the TF-34 engine, which powers the Air Force's A-10.

A second agreement, this one for the F-100 engine is expected to be completed and implemented soon. The F-100 engine powers the Air Force's F-15 and F-16 jet fighters.

We owe these warranty agreements to the hard work and personal initiative of Gen. Alton Slay, the former head of Air Force Systems Command, who retired last month.

While each component in a high performance aircraft is crucial to the successful performance of that aircraft's mission, engine reliability has been a matter of great concern to the Armed Services Committee, and military and defense officials. An aircraft with a faulty engine, and as a consequence grounded, adds little to our readiness and capability to respond during an emergency.

These warranty agreements are a step toward the greater operational readiness of these military aircraft. In making a contractor accountable for their product, the manufacturer will have a competitive incentive for building the best possible system.

The TF-34 warranty has been signed and implemented by the Air Force and the engine's manufacturer, the General Electric Co. For many years, manufacturers of commercial jet engines have issued warranties to the airlines for their products. Now, the principle behind the commercial jet engine warranty is extended to a military jet engine.

The TF-34 comprehensive warranty covers 329 engines manufactured in the fiscal year 1981 procurement. The fine print grants warranty coverage for 300 cycle hours operating time, or 2 years. The turbine's hot section is covered for a 3-year period. The cycle hours are measured as the number of times the engine heats to its operational temperatures.

The warranty provides credits for parts used in field maintenance, or credits for labor and parts used in repairs at a central depot.

If the Government elects to return the engine to the contractor for corrections, the contractor is required to meet a limited turn around time for parts, components, and engine overhauls. A liability ceiling is set at $6.4 million.

The second warranty covers engines for the F-15 and F-16 fighters, key aircraft in the inventory which will be deployed well into the 21st century. The warranty for the engines in these aircraft, the F-100, will be in place when the Air Force and Pratt & Whitney implement the agreement which has already been agreed to in principle.

Now in place is a limited warranty for the F-100 high-pressure turbine. The agreement covers 900 cycle hours or 42 months. It also extends to secondary damages.

Soon, the F-100 coverage on the high pressure turbine will be complemented by a comprehensive warranty for the entire engine. This agreement will cover the 398 engines delivered as the fiscal year 1981 procurements, and will extend coverage for 200 cycle hours or 2 years. A ceiling on liability is established at $19 million.

I point out that these military warranties are first steps only. But their significance grows as the weapons in the American arsenal grow more sophisticated and more expensive.

A mechanism must be devised to keep these sophisticated weapons systems at their highest level of operational readiness. Product warranties may be the answer.

The warranty agreements between the Air Force, General Electric, and Pratt & Whitney will establish a data base from which future warranty agreements may be considered and measured.

While representing a cautious initial step, the concept of warranty agreements for military systems is a significant tool for maximizing tax dollars spent for defense.

I want to commend the Air Force, General Electric, and Pratt & Whitney for their work in this innovative area.●

LET US BID FAREWELL TO ANOTHER STEREOTYPE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BIAGGI. Mr. Speaker, an impressive gain in breaking down stereotypes about the elderly was made with the debut this week of a new comic strip in newspapers across the country. For far too long, older people have been depicted in the mass media in a negative and sometimes derogatory fashion. But a new comic strip called "Ben Swift" may help change that unfair and grossly inaccurate image. To start with, the comic strip is unique in that its principal character is an elderly person, Ben Swift, a retired newspaper editor who is coping with life in the mythical small town of Sycamore Cove.

Ben is faced with the same kind of economic problem shared by many of the Nation's elderly—how to make ends meet on a social security check. His wife works to supplement their funds. Ben explains his trim figure this way: "It's called the fixed income eat-as-much-as-you-can-afford diet."

Ben spends his days fishing with his granddaughter while he philosophizes, making plans to write the great American novel and cooling his heels at the social security office. During one of his visits, he blasts away at a bureaucrat who has kept him waiting too long: "Excuse me. Do you work here, or are you retired, too?"

Ben earns extra money as a carrier for the newspaper he once edited. Sometimes his customers get annoyed at the ex-editor's stubborn pursuit of accuracy and perfection, like the time he kept them waiting for newspapers while he took a wagonload of them back to the printing plant because of a spelling error in the headlines.

Ben Swift is drawn by John Lane, who has spent the last 25 years as an artist, political cartoonist, and art director, and now is beginning a new career as a comic artist. The comic strip is distributed by the United Feature Syndicate in New York, with a starting run of 85 daily and Sunday newspapers.

What is important about the Ben Swift comic strip, aside from its humor, is its social implications. It is recognition that the Nation's 25 million elderly citizens are a part of the community fabric, that they have feelings, that they have their own lives to live and all too often are frustrated by a world dominated by young people. Does it have a message? Artist Lane says, "It's a cry out against everything in our society that says that young is the way it's got to be."

There are television programs aimed at the elderly, programs on cable, magazines, and several newspaper columns devoted to problems and concerns of the aging. Now, there is a comic strip and I welcome "Ben Swift" as an idea whose time has come.●

PASSIVE SOLAR SYSTEM STATEMENT

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. HEFTEL. Mr. Speaker, today, I am joining with my distinguished colleague from Georgia, Mr. FOWLER, and over 120 Members in introducing legislation intended to encourage builders to include passive solar energy systems in new homes by providing tax credits based on the performance of the passive solar system. This legislation is also being introduced today in the Senate by GARY HART of Colorado. I would like to take this opportunity to congratulate Senator HART for his tireless efforts on behalf of this proposal.

Mr. Speaker, it is my feeling that the passive solar legislation which we

are introducing today would accomplish two major goals. First, it would give a needed boost to the housing industry to include passive solar systems in new construction at a very modest cost to the Federal Government over the 8-year duration of the program. The current recession has not only reduced new housing starts nationwide but it has also seriously hampered the ability of builders to incorporate passive solar in the housing which is started. The second major benefit to be derived from this proposal is quite obviously in the energy savings which we will realize by including passive solar systems as part of the original design of homes. Since the Nation's entire housing stock is expected to be replaced over the course of the next 50 years, it is vitally important that new housing incorporate passive solar systems, as well as other energy-efficiency features, if future generations are to be "locked in" to increasingly costly and uncertain supplies of energy for their residential needs.

The major obstacle facing passive solar is that builders and developers are increasingly constrained by today's inflationary economy and, therefore, inhibited from making any addition to a home which will increase its costs. The benefits of passive solar accrue to the homeowner rather than the developer over the life of the home. Consequently, there is a need to provide an incentive to builders to proceed with passive solar construction in new housing. The benefit to the builder will be an improved climate for passive investment. The benefit to the homeowner will be reduced energy costs over the life of the residence. The benefit to the Nation will be reduced consumption of fuel, particularly oil and natural gas.

Mr. Speaker, this legislation would provide a tax credit to builders and developers for residential passive solar systems based on their effectiveness in reducing the standard heating and cooling load on a home, rather than providing a credit for a percentage of the cost of all the components of the passive solar system—many of which might serve dual functions.

To qualify for the credit, a passive solar system will have to possess all of the following elements, which are strictly defined in the legislation: A solar collection area, an absorber, a heat storage mass, a heat distribution mechanism, and heat regulation devices. The amount of the credit for a given passive solar system would be determined by analyzing through a series of simple calculations the energy efficiency of the given passive house in a particular location.

The maximum credit for a passive solar system under this proposal would be $2,000. It is expected that the credit for an average system would be about $1,000, constituting about a 20-percent subsidy for residential passive solar systems. The program would be phased out by the end of 1989.

Mr. Speaker, our Nation must make every effort to encourage the use of currently available alternative energy systems. It is my feeling that passive solar can make a contribution to our Nation's energy needs in the near term if we give the homebuilding industry the financial boost that it needs to get these systems off the drawing boards and into new housing construction. Accordingly, I look forward to developing this important energy proposal with my colleagues in the coming months. It will, I believe, give a needed boost to our Nation's housing industry and allow us to take one more step down the road to energy independence.●

GAO CLEARS WAY FOR VA AGENT ORANGE STUDY

HON. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. MONTGOMERY. Mr. Speaker, I rise to bring to the attention of my colleagues what I hope is good news in the continuing resolution of the controversy surrounding the use during the war in Vietnam of the herbicide defoliant, agent orange, and the subsequent allegations of delayed health impairments said to have been suffered by our military people who served there.

Many of my colleagues know that a major epidemiological study of possible long-term health effects of exposure to agent orange was mandated by the last Congress almost 14 months ago by Public Law 96-151. Section 307 of this law required the Veterans' Administration to conduct, and be responsible for, the results of the study. In an attempt to procure highly credible expertise from outside the agency, the VA—properly and wisely, I think—advertised for the design of a protocol for the study and promulgated a request for proposal (RFP) in March of last year.

Almost simultaneously with this initiative, an instant protest was filed with the General Accounting Office, and a complaint was filed for declaratory and injunctive relief in the U.S. District Court for the District of Columbia.

Because of this litigation, the VA properly suspended all negotiations for the letting of a contract for the design of the agent orange epidemiological protocol.

The district court denied the plaintiff's request for a temporary restraining order against the VA but retained jurisdiction over the case. The court requested a formal opinion by the GAO.

On Monday, February 2, the Comptroller General issued a final decision in this case after many, many months of GAO review. During this time all activities relating to this study were necessarily stalled, and the search for the answers to the agent orange questions was suspended for this extremely valuable investigation.

I feel it important to remind the Members of this Chamber that a great deal of abusive and unwarranted criticism was directed against the VA during this time. The VA was accused of ineptitude in drafting the RFP in the first place, and of foot dragging in not letting the contract, despite the fact that the alleged poor quality of the RFP had yet to be proven and that the VA was legally required to abstain from choosing a contractor while the case was in litigation.

I am pleased today to inform my colleagues that the Comptroller General has decided that the protest had no merit in any particular; and hence, the motion was denied.

It is my sincere desire that the VA move as expeditiously as possible to choose a contractor for protocol design. There must be an obvious public signal that this large-scale investigation, addressing the very serious concerns of Vietnam veterans, the public, and the Government, will be conducted with best speed, commensurate with scientific methodologies, and in parallel with the many other ongoing scientific investigations.

I think that there are some very important lessons to be learned from this episode:

First, castigation of the VA in this instance was not only unfair but was counterproductive in the sense of arriving rapidly at the truth about agent orange;

Second, the bias against the VA—and indeed, the Government—in this issue has been unreasoning in its vehemence; and

Third, opponents of proper, scientific methodology in getting the true facts about agent orange cannot have it both ways. They cannot accuse the Government of inaction while at the same time delay the Government from proceeding on its mandated course of action.

A few days ago, my friend, Senator ALAN CRANSTON of California, inserted into the RECORD a copy of the GAO opinion. It can be found on pages 2050 through 2053 of the RECORD dated February 6, 1981. Senator CRANSTON has been deeply involved in this sensitive issue, and his remarks should be noted by every Member of the House.●

TO HONOR OLGA PEREIRA

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, it is often easy to overlook the quiet, effective service to our communities that is rendered each day by concerned private citizens. Fortunately, occasions do arise on which we can pay fitting tribute to these people, without whom our communities would be so much the lesser.

On February 22 the Luso-American Award Committee of Fall River, Mass., in conjuction with the Jornal de Fall River, will present a special award for community service to Olga Pereira of Fall River, a tireless worker who has worked to improve the lives of the mentally retarded.

A native of Brazil, Mrs. Pereira came to this country more than 70 years ago. Since her retirement from the garment industry 10 years ago, she has worked with the severely retarded—first at the Paul Dever School in Taunton, Mass., and more recently at the Carroll Annex in Fall River. She is also a foster grandparent in a special program for the elderly sponsored by the Citizens for Citizens Agency.

Mr. Speaker, Olga Pereira has shown throughout her life a measure of compassion and dedication that inspire all who know her. She retains a youthful vigor that belies her long years of service. I am proud to take part in honoring her, and I ask all my colleagues in this House to join me in this tribute.

Thank you.●

WITHDRAWAL OF BILINGUAL EDUCATION REGULATIONS: THE AFTERMATH

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BIAGGI. Mr. Speaker, I wish to draw my colleagues' attention to the first major education decision of the Reagan administration which has received a great deal of attention of late—withdrawal of the regulations outlining Federal requirements for bilingual education.

These regulations, known as the Lau regulations, were proposed last August to implement title VI of the Civil Rights Act of 1964 which prohibits discrimination on the basis of national origin. Simply put, the regulations called upon school districts to teach bilingual children in their native language while they learn English.

The decision to withdraw these regulations must be viewed as a pragmatic response to a thorny and emotional issue. From the outset, I was deeply concerned over the fiscal, as well as educational implications of these regulations. I contacted Secretary Hufstedler to express my support for the Department's decision to provide guidelines to local schools, so they might have possible models of teaching methods to choose from. My concern rested with the nature of these models, and the implied lack of flexibility which they created by not encouraging intensive instruction in English. I also remained concerned over the implications these regulations posed for the types of personnel who would be staffing these programs.

Removal of these regulations will now allow us to focus on the real issue we must face in bilingual education—our Federal role in educating children whose native language is not English. I have never waivered in my commitment to the education of bilingual children. Our obligation to teach them is both social as well as legal. The Supreme Court ruled in 1974, in Lau against Nichols, that schools must provide special help to a child who could not understand English. This was a laudible decision. Equally as laudible was their decision not to say how this obligation must be fulfilled.

Of the 500-plus school districts operating bilingual education programs in this country, there exist several methods for teaching children English. One option has been the use of intensive instruction in English. Given the individualistic nature of LEA's, it seems most reasonable and practical to allow schools to implement programs best suited to their own local needs and resources. The role of the Federal Government in bilingual education should be the enforcement of the civil rights of these children by insuring that they learn English as quickly and effectively as possible.

As New York's senior member on the House Education and Labor Committee, I represent a school district which runs the second largest bilingual education program in the country, serving almost 50,000 students. I also remain concerned with the quality of personnel we are providing in bilingual education programs. I was the author of the provision in current law which mandates that bilingual education teachers be proficient in English. While we must be advocates for the rights of English-deficient children, we must be equal in our advocacy of high standards for the teachers who instruct them.

The issue of bilingual education remains with us and I pledge to conduct hearings in the Education and Labor Committee early in this session of Congress in order to ascertain what bilingual education is doing and what remains to be done. I would also like to insert editorials from the New York Times and Washington Post that I think provide a good map for the road before us and urge my colleagues to read them carefully.

[From the New York Times, Feb. 4, 1981]

BILINGUAL EDUCATION, AND FEDERAL DUTY

Secretary of Education Bell, in revoking the bilingual education regulations proposed by his predecessor, appears to be assailing a dragon when in fact he is only flogging a dead horse. The regulations have already been mortally wounded by Congress. It has forbidden the department to put them into effect pending legislative debate—wake might be more accurate—in the spring.

Most of the controversy over bilingual education stems from a 1974 Supreme Court ruling in Lau v. Nichols, a case involving the rights of Chinese children in San Francisco public schools. The court held unanimously that special education must be provided for children whose primary language is not English; it did not require any special pedagogical approach.

But bilingual education's most vocal supporters have favored programs under which non-English-speaking children continue to get much of their instruction in their native language until, in theory, they eventually become proficient in English. Critics of that approach have urged making those children fluent in English as rapidly as possible, by the best means available. In fact the proposed regulations, now revoked by Secretary Bell, had moved a long way toward giving local schools a choice of the approach they deemed most practical, while still giving the department the final say in the matter.

Secretary Bell is acting under the Reagan Administration's instructions to reduce Federal regulations. Politics aside, it makes sense to let the local districts work out which strategies are best suited to deal with their children's language problems. Those problems, not to mention the languages they speak, differ from district to district.

Yet legitimate reliance on local initiatives does not relieve the Federal Government, or Secretary Bell, of responsibility. The Supreme Court has ruled that non-English-speaking children have a constitutional right to special assistance. Washington has an obligation to enforce that ruling, and to provide fiscal support for programs that respond to extraordinary linguistic disadvantage. In the current fiscal year, that support totals $175 million. Having buried the dead regulations, Mr. Bell still faces a live problem.

[From the Washington Post, Feb. 4, 1981]

GOODBYE TO THE BILINGUAL REGS

The end of federal requirements for bilingual education was long overdue. The final blow to the regulations, struck Monday by Secretary of Education Terrel Bell, gave a merciful death to both the regulations and the years of tangled debate over how to handle children who come to American Schools speaking a foreign language. The debate was confused from the beginning because it was based on the idea the bilingual education is the best (make that "only") way for American schools to help children who speak foreign languages in their transition to English-speaking education. Without any proof of that hypothesis, the federal government went wild trying to force local school districts to adopt bilingual programs under the threat of loss of federal grant money. Out of that adventure grew the tan-

gled debate now ending, a debate that long ago lost its focus.

With Mr. Bell's cutoff of the regulations, however, the argument is once again in proper focus: do school districts have an obligation to give extra help to students who don't speak English? The answer to that is an unequivocal yes. And the federal government, in case of default of other authorities, must act to require school districts to help such children. The question of what kind of help is a secondary issue and one that requires a good deal of discretion at the local level. It varies with the number of children who have the problem in a school district, the native language the majority of the children bring to the schools and so forth.

The end of bilingual education regulations does not mean an end, unfortunately, to many local and state actions (or court orders) taken by school districts to comply with the federal drive for nationwide bilingual education. There are about 500 school districts operating bilingual programs as a result of the years of federal pressure to do so. In some of those school systems, other methods of helping foreign-speaking students to make the transition to English may work more effectively or more cheaply. In one of its last attempts to keep the bilingual regulations alive, the Department of Education acknowledged this principle in granting Fairfax County schools an exemption to the regulations. Fairfax has an effective program, which uses only English to help foreign-speaking students adjust to their schools.

Now school boards on both the state and local level will inevitably begin to review their bilingual programs in the absence of any federal orders. What must be protected in this process in the idea that some help should be provided to children who come to American schools speaking a foreign language. This is the center of the tangled, emotional argument Mr. Bell has begun to sort out.●

RESOLUTION PROCLAIMING MARCH 1, 1981, AS NATIONAL DAY OF THE SEAL

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 19, 1981

● Mr. BONKER. Mr. Speaker, I wish to join my distinguished colleague from the State of Vermont, Representative JEFFORDS, in sponsoring a resolution proclaiming March 1, 1981, as National Day of the Seal.

March 1 is an appropriate day to celebrate the seal: It is early in March that about 400,000 baby harp seals will be born on the ice off Canada's Newfoundland coast. While our purpose is to focus on the birth of the seals, we cannot ignore the fact that some 180,000 of these seal pups will be brutally clubbed to death shortly after their birth. Their bright, white coats will be stripped by Canadian and Norwegian workers, and the pelts shipped off to Norway to be turned into fur collars and cuffs, glove linings, key chains, and toy stuffed seals. This is an exceptionally inhumane and senseless slaughter.

I urge my colleagues to join us in cosponsoring this resolution, and in observing March 1 as National Day of the Seal.●

TERRORISM IN EL SALVADOR

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. McHUGH. Mr. Speaker, in its February 23 issue, Time magazine reports that the Federal Bureau of Investigation and other independent investigators have developed evidence that could lead to the apprehension of those responsible for the murders of the four American women missionaries in El Salvador last December. The story also goes on to report that:

Salvadoran authorities are stonewalling, stubbornly refusing to press the inquiry to the point where their own security forces might become implicated.

This report is deeply disturbing to me, Mr. Speaker, and directly contradicts the State Department's January 14, 1981, statement on the resumption of U.S. military assistance to El Salvador, which justified that resumption in part on "progress in areas of concern to us, especially the investigation of the murders of the four American churchwomen."

Obviously, the longer this investigation is allowed to drag on, the less likely it is that these brutal murders will ever be solved and the terrorists responsible brought to justice. Thus, it is my hope that the State Department will be able to report that this story is not accurate when it appears before the Foreign Operations Subcommittee to testify on U.S. policy toward El Salvador next month.

Mr. Speaker, I know that many of our colleagues have a continuing interest in this investigation. Thus, for the benefit of those who may not have seen this story, I am inserting a copy into the RECORD at this point.

STONEWALLING—OFFICIALS IGNORE NEW CLUES

Sixteen sets of fingerprints. A revealing smear of red paint. Ballistics tests on high-powered rifle bullets. A collection of such solid clues has raised serious new questions about the official investigation into the brutal murder late last year of three American nuns and a lay religious worker in El Salvador. But Time has learned that while the inquiry has turned up an impressive amount of hard evidence about what took place. Salvadoran authorities are stonewalling, stubbornly refusing to press the inquiry to the point where their own security forces might become implicated.

When the American women missionaries were found shot to death last December, U.S. officials cited "circumstantial evidence of possible security force involvement." But Salvadoran police and military officers dragged their feet in trying to track down the killers of the women, prompting the Carter Administration to suspend all U.S. aid to El Salvador until a "complete, thorough and professional investigation" of the murders had been undertaken. A four-man Salvadoran commission of inquiry was finally appointed, and a team of FBI agents was dispatched to help.

Then came last month's offensive by El Salvador's leftist guerrillas. The U.S. moved swiftly to restore $5 million in nonlethal military aid and add $5 million in weapons and ammunition. One reason cited for the resumption was a vague claim by the State Department of "progress" in the murder investigation. In fact, the only real progress has been made by the FBI agents and other independent investigators.

Some of the FBI team's findings:

Sixteen sets of latent fingerprints were lifted from the burned, blackened paint of the white Toyota microbus the four women were driving the night they were killed.

The microbus bore a smear of red paint, where it had apparently scraped against another vehicle. Peasants in the area reported seeing the microbus being towed by a red vehicle.

Although official Salvadoran doctors refused to perform autopsies at the time, two of the nun's bodies were later exhumed in the U.S. and bullets were removed from them. Ballistics tests revealed the kind of high-powered rifle the bullets came from are a type regularly used by the security forces.

The names of all security forces personnel on duty in the area where the women were killed, about 20 men, were established. Some were national police troops; others belonged to the Hacienda (Treasury) Police.

The next steps should have been simple. The fingerprints of the 20 policemen could have been compared with the prints on the microbus. The weapons issued to the men that night could have been examined and ballistics tests performed. A search could have been made for a red vehicle. The Salvadoran government has failed to take any of these steps.

It is unlikely that the U.S. will apply any further pressure to find the killers. Last week the State Department reiterated its "concern" about the investigation but "delinked" it from future aid to the Salvadoran government. Shortly after the new U.S. chargé d'affaires, Frederic Chapin, arrived in El Salvador last week, he spelled out the Reagan Administration's new priorities: to give "full support to the present government" against the leftist insurgents and "to help impede the intervention of third countries" in El Salvador's affairs. "All else," the chargé concluded, "is subordinate."●

TO HONOR PAUL CARREIRO, JR.

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, the goal of American citizenship remains a cherished dream for many newcomers to America. The task of transforming that dream to reality can be a great challenge for those who do not speak English—but thanks to the efforts of a small but dedicated group, the dream is being realized every day.

On February 22, the Luso-American Award Committee of Fall River, Mass., in conjunction with the Jornal de Fall River, will present a special award for community service to one man who has helped hundreds of immigrants earn their citizenship papers: Paul Carreiro, Jr., of Bristol, R.I.

As a teacher of English and citizenship classes at the Fox Point Neighborhood Boys Club Center, and at St. Elizabeth's Parish in Bristol, Paul Carreiro, Jr., has worked long and hard to instill the central tenets and ideals of Americanism in the citizens of the future. His efforts are unstinting, because the goal is so great.

Mr. Speaker, Paul Carreiro, Jr.'s record of tireless work to teach the members of his community to be proud, responsible, and well-informed citizens, is work in the finest tradition of our Nation. I am proud to take part in honoring him, and I ask all my colleagues in this House to join me in this tribute.

Thank you.●

YOSEF BEGUN, SOVIET PRISONER OF CONSCIENCE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. DOWNEY. Mr. Speaker, as you know, one of the most distressing problems facing world society today is the continued oppression of Soviet citizens because of their political and religious beliefs.

Persons of conscience desiring to emigrate to other countries to practice their religion freely are being denied their basic right to leave the country. In addition to this injustice, many are being persecuted and sentenced to internal exile for having the courage to stand up and express their desire to emigrate.

Yosef Begun is a doctor of science. In 1971, when he applied for an exit visa he was turned down because of the secret classification of the position he had held two decades before as a senior scientist at a research institute in the 1950's. As a Jew, Mr. Begun's religious beliefs prompted the Soviet Government to persistently monitor him.

Constant interrogations and harassment by the Soviet Government left Yosef Begun, 4 years ago, unable to secure any kind of employment. Desperately in need of funds to support his family, Yosef began teaching private Hebrew lessons. However, the Russian Government does not recognize this as valid employment and arrested him for a uniquely Soviet crime—unemployment.

For this, Mr. Begun was sentenced for 2 years of internal exile. His crime was trying to earn a living to support his family. After spending 1 year in a Siberian labor camp, he was released and returned to Moscow to rejoin his family where he was arrested once again for not having the correct passport to live in Moscow with his family.

For the second time he was sentenced for 3 years internal exile in Siberia. Last August Yosef Begun was released, but is still being denied his right to live in Moscow with his wife and son. He now resides 60 miles away in Strunino. Mr. Begun has reapplied for an exit visa, but the Soviet Government has repeatedly thrown obstacles in the way of securing this document. These roadblocks have consisted of tremendously long waits for interviews and applications, and tedious requests for irretrievable documents. Most recently Mr. Begun's application was returned as incomplete due to the lack of his father's death certificate. Presently, Yosef is continuing his futile search for witnesses of his father's death.

It is difficult for Americans to understand how or why a person can be put through this kind of sustained ordeal simply because they desire to emigrate. It is difficult to believe that we are discussing an advanced industrial nation in the last quarter of the 20th century.

This case is only one illustration of the hundreds of unjustifiable cases of human suffering that exist inside the Soviet Union today. It is imperative that we be consistently reminded of the mass denial of civil liberties and the sufferings of men and women, like Yosef Begun, so that Yosef and all persons of conscience may have a brighter future for our effort to convince the Soviets to reexamine their archaic concept of human freedom.●

PASSIVE SOLAR TAX CREDIT BILL

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. SCHROEDER. Mr. Speaker, I am happy to support Congressmen FOWLER's and HEFTEL's efforts to increase the use of solar energy in this country. Legislation of this kind is essential to insure that we move progressively toward energy efficient methods of heating and cooling our homes while reducing our reliance on fossil fuels.

Passive solar designs have proven their potential to significantly reduce our unhealthy dependence on diminishing energy resources, but have achieved only limited utilization because of the problems this bill remedies. Like all good legislation the bill solves these problems in a specific and direct way with an eye on eventually removing the Federal Government from the process. The phaseout provisions in the bill testify to the belief that in a free marketplace solar can and will stand on its own.

I thank Congressmen FOWLER and HEFTEL for their efforts in drafting this legislation and look forward to seeing my colleagues join me in supporting its passage.●

ADDITIONAL FLEXIBILITY FOR SCHOOLWIDE PROJECTS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BIAGGI. Mr. Speaker, today I am reintroducing legislation which would amend title I, section 133, "Schoolwide Projects" of the Elementary and Secondary Act Amendments of 1978, Public Law 95-561. This program, in section 133, allows local educational agencies (LEA's) to use title I funds to upgrade entire educational programs in eligible schools. The "Schoolwide Projects" provision requires a comprehensive assessment of the educational needs of all students in a school, planning for and provision of educational services with the involvement of the community, as well as periodic improvement of the plan through the training and retraining of teachers.

This technical amendment I am introducing would remove one of the many restrictive requirements governing the use of schoolwide project funds, which require eligible schools to provide supplemental funds for nontitle I students in running a project. If at least 75 percent of the students in a school are eligible for title I services, then the school may be exempted from the matching provisions for its nontitle I students. It is obvious that the requirement for additional funds might make the program unworkable as the very schools which have large percentages of disadvantaged children are likely to be the same schools without additional sources of revenue.

The need for this legislation has been well documented. A recent nationwide survey by the Bay Area Research Group revealed what many members of the conference committee considering this legislation in 1978 feared—the matching requirement makes the program unattractive to a majority of school districts with large title I populations. Overall, they found very few districts are participating: a total of 19 districts in 6 States representing a total of 140, 102 of which are in 1 district.

Within these 140 schools conducting schoolwide projects, a number of en-

couraging findings surfaced—participation in schoolwide projects led to the elimination of pull-out programs which are so often psychologically and socially damaging to pupils. Another positive finding was the fact that teachers were relieved of the administrative burden of identifying title I pupils and schools were relieved of the administrative burden of maintaining separate accounts for title I funds. Finally, and most importantly, there was found no evidence that services to title I students were diluted by the implementation of this plan, an unwarranted fear of many title I advocates.

In my own home city of New York, there are estimated to be 151 schools out of a total of 913 schools which are eligible to run schoolwide projects. These include 139 elementary and junior high schools and 12 high schools, or 28 percent of 532 schools which are eligible for title I services. The law currently reads that local educational agencies make special supplemental moneys available for each student who is not educationally deprived. In our 151 schools, this represents a total of 51,540 students. New York State requires that we provide a minimum of $400 per eligible title I child. Thus 51,540 noneligible children times $400 is equal to $20,616,000 in additional funds required to run schoolwide projects in all our eligible schools. In our current effort to sustain a balanced city budget, combined with reductions in funds we receive from the State, it would be impossible for the New York City Board of Education to raise this money itself. At a time when we must make the most of what resources we currently have in our schools, my amendment makes good educational as well as fiscal sense.

It is my intention to work to include this bill in any technical amendments package considered by the House Education and Labor Committee this year. I would urge my colleagues to pay attention to this issue, particularly those who have large title I programs in their own school districts. We can provide compensatory education to disadvantaged children without sacrificing services by eliminating the restrictive provisions governing schoolwide projects and urge that it be done.●

EXTENDING AUTHORIZATION FOR APPROPRIATIONS FOR COUNCIL AND OFFICE OF ENVIRONMENTAL QUALITY

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to extend the authorization for appropriations for the Council on Environmental Quality (CEQ) and the Office of Environmental Quality which were established by the National Environmental Policy Act and by the Environmental Quality Improvement Act as part of the Executive Office of the President. The three members of CEQ are appointed by the President subject to Senate confirmation. Their main duties are to advise the President on environmental issues, to monitor the status and trends of the environment, and to provide information to the public on environmental matters. The Council also publishes an annual report to Congress on environmental quality which contains data on environmental conditions and trends as well as recommendations for Federal program improvement and legislation.

In addition, CEQ has been delegated, by Executive order, the responsibility for promulgating regulations for Federal agency compliance with NEPA's impact statement requirements. These regulations were promulgated in November of 1978 and the Council is currently reviewing the agency implementing procedures.

The legislation I am introducing today would simply continue the current level of authorizations through fiscal year 1984. It is intended only as a vehicle for committee hearings and is not intended to be a policy statement. The Subcommittee on Fisheries and Wildlife Conservation and the Environment will be holding hearings in the near future where the operation of the Council and Office of Environmental Quality will be examined. Those hearings will help the subcommittee determine the proper level of funding and what, if any, substantive amendments are needed.●

PROPER REINDUSTRIALIZATION STRATEGY

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. REGULA. Mr. Speaker, over the last year or so, the term "reindustrialization" has all but become Washington's latest catch phrase. Everyone, it seems, prescribes reindustrialization as the cure for what ails America's economy. Unfortunately, however, in this case our capacity for rhetoric has outstripped our ability to act.

While most of us, Democrats and Republicans alike, appear to agree on the elements of a proper reindustrialization strategy—tax changes, regulatory reform, increased research and development, and greater cooperation among industry, labor, and government—relatively little has been actually accomplished to date.

George Will, in a recent article, pointed out how desperate the situation is becoming. Mr. Will informs us that, "McDonald's has more employees than U.S. Steel. Golden arches, not blast furnaces, symbolize the economy." This is a chilling commentary on the economic situation now facing the United States.

Mr. Speaker, nearly 1 million manufacturing jobs have been lost in the Northeast and Midwest during the past 10 years. Hundreds of plants have closed or curtailed operations. Since 1970, the U.S. share of world manufactured goods trade has fallen by 23 percent. Last year alone, The Ford, Chrysler, and General Motors Corporations each lost between $1.5 and $2 billion. Because up to 20 percent of the American economy is either directly or indirectly dependent upon the automobile industry, the "ripple effect" has been staggering. In 1980, Firestone Tire & Rubber Co. lost $100 million.

In the heat of last year's reelection campaign, President Carter told us that almost 12 million new jobs had been created during the past 4 years. What he neglected to say was that more than 70 percent of the new private sector jobs between 1973 and 1979 were in services and retail trade. Clearly, this trend must not be allowed to continue if we wish to keep our Nation a leading industrial power. I insert Mr. Will's article in the RECORD and ask that my colleagues give it the careful consideration it deserves.

UNPADDING THE "PADDED SOCIETY"

The "science" of economics increasingly resembles a branch of psychology, nervously invoking such concepts as "confidence" and "spirit." Keynes considered society's "animal spirits" a crucial variable, and in this regard, at least, President Reagan is a Keynesian. He speaks of America's "spirit" being "ready to blaze into life" if we "stimulate our economy." But MIT's Emma Rothschild, who is descended from some spirited capitalists, asks: can the capitalist spirit blaze, now that America's employment structure has shifted further than any other large industrial nation's from manufacturing and toward labor-intensive, low-productivity services and trade sectors?

Reagan's promise to "put America to work" came at the end of a decade in which Americans went to work in record numbers. Even in the "stagflation" years, 1973–79, while total employment held steady in France and Britain and declined in West Germany, the U.S. private sector created almost 11 million new jobs. As Rothschild says, it is as though Canada's entire labor force moved south and found employment. Actually, the most important factor was that women, driven by economic necessity, moved out of the home, creating a supply of labor with a low level of experience, and hence low productivity. More than 70 per cent of the new jobs were in services and retail trade. By 1979, 43 per cent of all Americans in nonagricultural jobs were in those two fields.

Service: Rothschild says that the increase in employment in eating and drinking places since 1973 is greater than total employment in the auto and steel industries

combined. Three service industries—eating and drinking places, health, and business services (mailing, janitorial, etc.)—each produced more than 1 million new jobs in the 1973-79 period and now have a larger combined employment than "total employment in an entire range of basic productive industries: construction, all machinery, all electric and electronic equipment, motor vehicles, aircraft, shipbuilding, all chemicals and products, and all scientific and other instruments."

M'DONALD'S HAS MORE EMPLOYEES THAN UNITED STATES STEEL—GOLDEN ARCHES, NOT BLAST FURNACES SYMBOLIZE THE ECONOMY

Last week Reagan referred to America as "this once great industrial giant." Two days earlier General Motors, the dominant corporation in America's emblematic industry, had announced that in 1980, for the first time since 1921, it lost money. Chrysler probably now has more debts than assets: a negative net worth. Reagan also referred to the second symbol of American industrialism: steel. But golden arches, not blast furnaces, are becoming the symbols of American enterprise. Today McDonald's has more employees than U.S. Steel. This "once great industrial giant" used to make big locomotives, big Buicks. Now it makes Big Macs.

And litigation.

Here are the percentage increases of practicing engineers and lawyers: 1940s, engineers 83, lawyers 0; 1950s, engineers 59, lawyers 19; 1960s, engineers 40, lawyers 25; 1970s, engineers 15, lawyers 83.

Furthermore, America has become, for the majority, what Felix Rohatyn calls a "padded society," padded with cost-of-living allowances, automatic wage increases regardless of productivity, stock options and other benefits for executives regardless of performance, constantly increasing unemployment compensation and pensions. Padding? In the 1920-21 slump, the factory-wage level fell about 2 per cent. In the 1980 recession, it rose 11 per cent. The biggest padding is the biggest middle- and high-income subsidy: the deductibility of mortgage-interest payments.

That makes many Americans winners from inflation, and contributes to large capital gains for homeowners. Also, it diverts excessive credit resources. More savings are expended on mortgages than on any other use, to the detriment of capital formation and job creation in basic industries. The nation will really be serious about fighting inflation and about reindustrializing when such interest deductibility is at least limited. But don't hold your breath.

As Robert Samuelson of the National Journal says, "the essence of the orthodoxy inherited from the Depression" is that government must temper the rigors of the free market. Thus the proliferation of groups demanding "protection from normal economic change and chance." But today the question is: what do Americans consider "normal" change and chance?

Study: Risk, an indispensable facet of capitalism, has been plentiful for smaller businesses. One study estimates that a firm in business in the mid-1960s had a more than 50 per cent chance of being out of business by the mid-1970s. But the government keeps coming to the aid of large economic entities: Lockheed, Penn Central, Franklin National, New York City, Chrysler. Even when those two Texas cut-ups, the Hunt boys (who do not have a large constituency) got into hot water, Federal authorities encouraged banks to aid the boys' creditors. As Alfred Malabre says, "After so many years of governmental flinching," one task for inflation fighters is "the introduction of a believable element of risk into the economic environment."

There is going to be abundant risk in the political environment. Capitalists believe in the division of labor, and Reagan reportedly has told his aides, "You worry about the fiscal side and I'll worry about the political side." His aides should worry because the budget is a President's only substantial instrument for influencing the economy, but there is not substantial certainty about how the budget can be used to do that. Reagan's "political side" involves asking Congress to pull a bit of padding from the "padded society," which means in large measure from the middle class.

Government generally is a servant of the strong. In this middle-class nation, middle-class representatives generally legislate comforts for the comfortable, for those persons sufficiently educated, leisured, organized, articulate and confident enough to master the art of complaining. The middle class is the padded class. So in the long, hot summer of 1981, as Washington simmers in humidity and Congress shivers in fear, we may see confirmation of Rohatyn's rule: this country cannot muster a majority for anything but complaint.●

WORLD WAR I PENSION

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. ANDERSON. Mr. Speaker, yesterday I introduced H.R. 1918, a pension for all World War I veterans and their widows.

That this pension has not yet been passed is both exasperating and a tragedy. I read recently the account by the gentleman from Texas (Mr. GONZALEZ) of the near enactment of a World War I pension in 1961, when 218 Members signed a discharge petition to consider it. At that time, such a pension was estimated to cost $11 billion per year—when the whole Federal budget was less than $100 billion. Millions of veterans and widows, who should have received that pension, have died in the intervening 20 years. The political clout of the World War I group has been decimated by death and old age. The average age of these veterans is over 85 and their death rate is over 15 percent. We have little time left if we are to make even the smallest gesture toward honoring our traditional responsibility to this group.

Though the diminished number of recipients has cut the projected first year cost down to almost $1 billion, I realize that there is not even that much money for new programs in the near future. So, after consulting with the leaders of the Veterans of World War I organization, H.R. 1918 is an authorization, not an entitlement. This would require us to fight for partial or complete appropriations in future years to be able to pay any of the pensions. At least with an authorization, we will finally have the pension on the books and will have recognized the justice of their claim. We will have achieved at least a moral victory for those veterans who do not survive to ever collect on this pension.

From the American Revolution through the Spanish-American War, Congress established a service pension for every wartime veteran and widow. When we entered the First World War, there was nothing in the enlistment papers about an old age pension. But, there was a 100-year tradition that the country owed such an honorarium to its men who went to war.

The veterans who came home after 1918 knew the trauma and dislocations caused by wartime service. So, during the Second World War, they were the leaders in setting up the GI bill, the home and farm loans, the education benefits and the other programs which so many of our generation took advantage of, and which have been so important in reestablishing in civilian life many citizen-soldiers when the fighting was over. But, if the World War I vets were technically eligible for parts of the GI bill, most of them were well beyond starting college or buying their first home. In the change from the old service pensions to the new GI bill, the World War Oners have mostly been left out. To be sure, there is what is currently misnamed a pension which the VA distributes; but that is really a poverty program. Most World War I veterans and widows who are poor enough to be eligible collect less than $100 per month; more than 60 percent of World War I veterans and widows collect nothing.

My bill, late as it might be, would partially right the injustice which several Congresses have done to the World War I group. It calls for $150 a month to be paid to each veteran and widow, regardless of income or source of income. It would be an actual pension, that is an unqualified payment for service. $150 a month is hardly a generous sum. When it can actually be paid, however, it will make a very substantial improvement in the lives of many of these aged veterans and widows. For the rest, passage of this authorization will be a long overdue acknowledgment that we remember and care about the service and sacrifice they gave for us.

The Veterans of World War I, the Veterans of Foreign Wars, and the American Legion all support a World War I pension. In order to overcome the opposition in Congress and in the administration to such a pension, the strong support of Members of Congress is essential. We would welcome the cosponsorship and support of the Members of the 97th Congress.●

SHALLOW UNDERWATER MISSILE SUBMARINE SYSTEM

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. DASCHLE. Mr. Speaker, I am today reintroducing legislation to authorize funds for the research, development, testing, and evaluation of the shallow underwater missile submarine system (SUM). In my estimation, this system has many elements that are far superior to the horizontal multiple protective basing system (MPS) nearing the construction stage in the Nevada/Utah desert. SUM would be capable of launching either existing Minuteman intercontinental ballistic missiles (ICBM's) or the M-X, which is now nearing the production stage. I believe that it is imperative that SUM be given further consideration before vast amounts of money are spent on the construction of the MPS. My legislation would approve this next level of development.

Full scale development of SUM would envision the procurement of small—1,000 ton or less—submarines with Minuteman or M-X missiles encapsulated outside their hulls. The submarines would be diesel powered and have a crew of around 12. Prototypes already exist in West Germany.

There are several advantages of SUM over the MPS. One of the most important is cost. Estimates for SUM range between $12 and $15 billion while conservative estimates of the MPS network figure $30 to $35 billion, excluding operation and support costs. Now the Congressional Budget Office has come out with a new report stating that the total cost of the MPS/-M-X system could go as high as $106 billion, assuming the Soviet Union seeks to match missile with missile and warhead with warhead. Recent history has shown that the Soviet Union will take whatever steps may be necessary to match the United States in military strength.

Another important advantage is that deployment could occur much earlier with SUM than with MPS. Estimates conclude that a SUM network could be operational within 3 to 6 years while the MPS will take until the end of this decade to complete. This is extremely important as our most dangerous period of vulnerability to a preemptive Soviet strike will be at the same time the MPS is under construction.

Another reason to further explore SUM is the fact that the Air Force is considering the possibility that an ABM defense network may be necessary to protect the M-X. Such a proposal seem ludicrous considering the MPS network was supposedly developed to lessen the chances that a Soviet preemptive strike would be successful in wiping out our land force of ICBM's.

Deployment of a new submarine force with strategic capabilities would further complicate Soviet targeting of our strategic targets and force them to increase spending for antisubmarine warfare (ASW), an area they are already noticeably behind in. This would divert money and resources from other areas they seek improvement in as well.

Development of SUM would also mean that the United States will possess a strategic quadrad, instead of the current triad. This extra dimension could give the United States additional leverage at the bargaining table. Since President Reagan intends to renegotiate the SALT II treaty, perhaps we could use this to restrict the Backfire bomber.

Finally, it is my sincere hope that our civilization has progressed beyond the need to ever again use nuclear weapons. Unfortunately, the balance of power in the world today necessitates that the United States be prepared for any eventuality, including nuclear war. Thus, it is up to the President and Congress to insure that the weapons systems we do develop are compatible with our national interests. An intelligent decision on this matter cannot be made unless such factors as cost, environmental impact, availability of scarce resources, especially water supplies, and the expediency with which such weapons can be developed and deployed are considered. I do not believe that the MPS network is compatible with these interests when considering the potential $106 billion total cost, the squandering of 13,000 acres of scarce western water per day, and our increased vulnerability to improving Soviet missile accuracy; MIRV capabilities; and the Backfire manned bomber. Mr. Speaker, the citizens of this country are demanding more control on Federal spending, a balanced budget, and an end to the misuse of taxpayer money on expensive boondoggles that contribute little to national productivity or the long-term viability of our economic and political system. The multiple protective basing system proposed for the Nevada/Utah desert achieves none of these objectives and is the reason why I am introducing this legislation today.

Following is a text of the bill:

H.R. 1955

A bill to authorize appropriations for fiscal year 1982 for the Navy for research, development, test, and evaluation of a shallow underwater missile (SUM) submarine system

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there are hereby authorized to be appropriated for fiscal year 1982 for the use of the Navy such sums as may be necessary for research, development, test, and evaluation of a shallow underwater missile (SUM) submarine system capable of launching intercontinental ballistic missiles, including the proposed M-X missiles.●

EMERGENCY HOME PURCHASE

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BLANCHARD. Mr. Speaker, yesterday I introduced legislation to provide a refundable tax credit for the purchase of a new home.

The legislation, called the Emergency Home Purchase and Inventory Reduction Act of 1981, is designed to provide a short-term stimulus for the sagging housing industry. It would provide a tax credit of 5 percent of price of a new home up to a maximum of $5,000 and would apply to any home whose construction began before February 18, the day of introduction of the bill. The credit would be available for home purchases during a 9-month period, again, retroactive to the date of introduction.

Current high interest rates and the sharp fluctuation of interest rates over the past year have dealt a devastating blow to the housing industry. It is essential that we give a short-term shot in the arm to this industry and help get it back on its feet.

We as Members of Congress cannot simply sit back and watch essential industries deteriorate. Industries like housing are not only critical in and of themselves, but also have direct relationship to other important industries in the manufacturing sector of our economy. And the housing industry, like other industries, has particular problems that require a targeted economic approach. This bill is an example of the kind of tax cut that should be a part of any economic program aimed at bringing about a strong and stable economic recovery.

The test of the Emergency Home Purchase and Inventory Reduction Act of 1981 follows:

H.R. 1932

A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for the purchase of a new principal residence

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Home Purchase and Inventory Reduction Act of 1981".

SEC. 2. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting after section 44E the following new section:

"SEC. 44F. PURCHASE OF NEW PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—In the case of an individual, there is allowed, as a credit against

the tax imposed by this subtitle for the taxable year, an amount equal to 5 percent of the purchase price of a new principal residence purchased by the taxpayer.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) may not exceed $5,000.

"(2) LIMITATION TO ONE RESIDENCE.—The credit under this section shall be allowed with respect to only one residence of the taxpayer.

"(3) MARRIED INDIVIDUALS.—In the case of a husband and wife who file a joint return under section 6013, the amount specified under paragraph (1) shall apply to the joint return. In the case of a married individual filing a separate return, paragraph (1) shall be applied by substituting '$2,500' for '$5,000'.

"(4) CERTAIN OTHER TAXPAYERS.—In the case of individuals to whom paragraph (3) does not apply who together purchase the same principal residence for use as their principal residence, the amount of the credit allowed under subsection (a) shall be allocated among such individuals as prescribed by the Secretary, but the sum of the amounts allowed to such individuals shall not exceed $5,000 with respect to that residence.

"(c) DEFINITIONS.—For purposes of this section—

"(1) NEW PRINCIPAL RESIDENCE.—The term 'new principal residence' means a principal residence (within the meaning of section 1034), the original use of which commences with the taxpayer, and includes, without being limited to, a single family structure, a residential unit in a condominium or cooperative housing project, and a mobile home.

"(2) PURCHASE PRICE.—The term 'purchase price' means the total contract price of the new principal residence set forth in the contract for purchase, on the date of the acquisition thereof.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if—

"(A) the property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under section 267 or 707(b), (but, in applying section 267 (b) and (c) for purposes of this section, paragraph (4) of section 267(c) shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants), and

"(B) the basis of the property in the hands of the person acquiring it is not determined—

"(i) in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(ii) under section 1014(a) (relating to property acquired from a decedent.)

"(d) RECAPTURE FOR CERTAIN DISPOSITIONS.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), if the taxpayer disposes of property with respect to the purchase of which a credit was allowed under subsection (a) at any time within 36 months after the date on which he acquired it as his principal residence, then the tax imposed under this chapter for the taxable year in which terminates the replacement period under paragraph (2) with respect to the disposition is increased by an amount equal to the amount allowed as a credit for the purchase of such property.

"(2) ACQUISITION OF NEW RESIDENCE.—If, in connection with a disposition described in paragraph (1) and within the applicable period prescribed in section 1034, the taxpayer purchases a new principal residence, then the provisions of paragraph (1) shall not apply and the tax imposed by this chapter for the taxable year following the taxable year during which disposition occurs is increased by an amount which bears the same ratio to the amount allowed as a credit for the purchase of the old residence as (A) the adjusted sales price of the old residence (within the meaning of section 1034), reduced (but not below zero) by the taxpayer's cost of purchasing the new residence (within the meaning of such section) bears to (B) the adjusted sales price of the old residence.

"(3) DEATH OF OWNER; CASUALTY LOSS; INVOLUNTARY CONVERSION; ETC.—The provisions of paragraph (1) do not apply to—

"(A) a disposition of a residence made on account of the death of any individual having a legal or equitable interest therein occurring during the 36-month period to which reference is made under such paragraph,

"(B) a disposition of the old residence if it is substantially or completely destroyed by a casualty described in section 165(c)(3) or compulsorily and involuntarily converted (within the meaning of section 1033(a), or

"(C) a disposition pursuant to a settlement in a divorce or legal separation proceeding where the other spouse retains the residence as principal residence.

"(e) PROPERTY TO WHICH SECTION APPLIES.—

"(1) IN GENERAL.—The provisions of this section apply to a new principal residence—

"(A) the construction of which began before February 18, 1981,

"(B) which is acquired and occupied by the taxpayer after February 18, 1981, and before November 18, 1982, and

"(C) which was acquired by the taxpayer under a binding contract entered into by the taxpayer after February 18, 1981, and before November 18, 1981.

"(2) BINDING CONTRACT.—For purposes of this subsection, a contract for the purchase of a residence which is conditioned upon the purchaser's obtaining a loan for the purchase of the residence (including conditions as to the amount or interest rate of such loan) is not considered nonbinding on account of that condition.

"(3) CERTIFICATION MUST BE ATTACHED TO RETURN.— This section does not apply to any residence unless there is attached to the return of tax on which the credit is claimed a written certification (which may be in any form) signed by the seller of such residence that construction of the residence began before February 18, 1981. For purposes of this paragraph, a written certification filed by a taxpayer is sufficient whether or not it is on a form prescribed by the Secretary so long as such certification is signed by the seller and contains the information required under this paragraph."

(b)(1) Subsection (b) of section 6401 of such Code (relating to amounts treated as overpayments) is amended—

(A) by striking out "and 43 (relating to earned income credit)" and inserting in lieu thereof "43 (relating to earned income credit), and 44F (relating to purchase of new principal residence)", and

(B) by striking out "39, and 43" and inserting in lieu thereof "39, 43, and 44F".

(2) Paragraph (2) of section 55(b) of such Code (defining regular tax) is amended by striking out "and 43" and inserting in lieu thereof ", 43, and 44F".

(3) Subsection (c) of section 56 of such Code (defining regular tax deduction) is amended by striking out "and 43" and inserting in lieu thereof "43, and 44F".

(c) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 44E the following new item:

"Sec. 44F. Purchase of New Principal Residence."

(d) The amendments made by this section shall apply to taxable years ending after February 18, 1981.●

COLUMBIA COLLEGE'S DOUBLE SEXTET SINGS IN NATION'S CAPITAL

HON. WENDELL BAILEY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BAILEY of Missouri. Mr. Speaker, on Monday, February 2, it was my pleasure to welcome 17 members of the Double Sextet of Columbia College in Columbia, Mo., to our Nation's Capital. These talented young men and women, under the musical direction of Columbia College's associate professor of music, Tom Mills, performed before appreciative audiences at the Pentagon on February 3 and the next day sang at the Regency Hyatt House for several convention groups. Later on February 4, the group performed for a meeting of the presidents of our Nation's independent colleges and universities, among whom was Columbia College's own president, Dr. Bruce B. Kelly. The Double Sextet is noted for its choreographed performances of lively melodies accompanied by drum, guitar and piano.

As some of my colleagues may not be acquainted with Columbia College, I would like to take this opportunity to share some of the unique history of this fine 4-year academic institution located in my district.

Columbia college was founded in 1851 as a 4-year women's educational center, based on high academic standards and whose purpose was to offer women a quality education equivalent to that offered by the University of Missouri system which, until 1869, remained open only to male student enrollment. One of the founders of the college was the then president of the University of Missouri, and the college has enjoyed close ties with the University of Missouri system throughout its 130-year history.

Although nondenominational, the college was known as Christian College until 1969 and was noted as the first college for women chartered by a State legislature west of the Mississippi. In 1913, the college under the guidance of its president, Mrs. Louella St. Clair, became a junior college for women and in 1918, Phi Theta Kappa, the junior college equivalent of Phi

Beta Kappa, was founded as an honorary society on the campus to recognize high academic achievement.

Mrs. St. Clair was only 28 when she assumed the presidency of Christian College in 1893, succeeding her deceased husband. She served as president almost continually until her retirement in 1920 and was responsible for the active building program which today gives Columbia College its attractive physical plant. The next three presidents of the school, Edgar Lee (1920-34), James C. Miller (1937-56), and Kenneth Freeman (1956-65) continued to build the reputation of Christian College as a distinguished junior college, and each, as well-known educators in their own right, served as president of the American Association of Junior Colleges.

In 1969, Christian College expanded its academic program to a 4-year academic institution, became coed (with male enrollment jumping from 7 in 1970 to 526 in 1976), and changed its name to Columbia College. It continues to enjoy strong cross-academic ties with the University of Missouri, and today has a student enrollment of approximately 2,000, including the college's extended studies program.

Among Columbia College's many accomplished alumni are Lavinia Ream (class of 1856) who sculpted the famous bust of Abraham Lincoln which now stands in the Capitol Rotunda; Artie Mason Carter (class of 1900) who founded the Hollywood Bowl; Jane Froman (class of 1925) whose singing career formed the story for the movie, "With A Song In My Heart", and whose mother, Anna Froman, in the 1920's founded Columbia College's Double Sextet; Sally Rand who scandalized Chicago in 1933 with her historic fan dance; Deborah Bryant who was Miss America in 1965; and Susan Wilson, currently a senior at Columbia College, who was Miss Missouri and third runner-up in the Miss America pageant in Atlantic City in 1979.

Mr. Speaker, in recognition of the Double Sextet and their fine performance in Washington, I list below the members of this singing group who shared their talented voices with the people of the capital area: Ernie Adams, Liz Boss, Jesse Curry, Michael Durham, Nancy Eicken, Jerry Fochtmann, Mike Franzel, Ken Glass, Jay Johnson, Laurie Kirchoff, Mary Kuecker, Claire Moerles, Lisa Smith, Cynthia Sumner, Marshelle Vikers, Don Wahonick, and Larry Wooten.●

A SALUTE TO ICABOD FLEWELLEN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. STOKES. Mr. Speaker, thank you for providing me with this opportunity to bring to the attention of my colleagues a man whose work and achievements in Cleveland serve as an inspiration and challenge to us all—Mr. Icabod Flewellen. Mr. Flewellen is the creator and principal contributor to the Afro American Cultural and Historical Society in Cleveland. The historical society serves as a fountain of information and a beacon of light for both the young and old of all races within the Cleveland metropolitan area.

Mr. Speaker, Mr. Flewellen's unswerving dedication to the establishment of this center epitomizes the message of the poem "Dream Deferred" by the late Langston Hughes. Like the poet urged, Mr. Flewellen held steadfastly to his dream of creating a respository of information and artifacts capturing not only the history but also the culture of black Americans.

Convinced that his dream of establishing a center was not impossible, he began at the age of 13 to collect pertinent information for the museum. In the process, Mr. Flewellen overcame barriers and obstacles which at times seemed insurmountable. But, Mr. Speaker, nothing could deter him from his dream.

Even though Mr. Flewellen has never enjoyed large financial resources in this endeavor, he always possessed the richness of conviction and dedication to excellence which has characterized our black achievers in this country.

Mr. Speaker, with that in mind, I find it especially appropriate to cite Mr. Flewellen during this month—Black History Month. Through his exceptional fortitude and vision, Mr. Flewellen has preserved the rich history of blacks in this country. For generations to come, people from all walks of life will be able to trace and understand the plights, hardships, and unique contributions of black Americans to the history and culture of this Nation.

Mr. Speaker, the development of the Afro American Historical and Cultural Society into an institution of enormous stature and pride in Cleveland mirrors the feeling the Cleveland community has for Icabod Flewellen. His dream has become a reality and we are richer for it.

With that final thought, Mr. Speaker, I would like to enter an article about Mr. Flewellen, written by Denise Stinson of the Cleveland Plain Dealer, in the RECORD.

[From the Cleveland Plain Dealer, Feb. 10, 1981]

BLACK-HISTORY PATHFINDER—THE MUSEUM OF HIS DREAMS DOES NOT LOOK LIKE MUCH, BUT WITHIN ITS WALLS YOU'LL FIND THE PRIDE OF A PEOPLE

(By Denise L. Stinson)

Icabod Flewellen sees himself as something of an oddball.

Long before it became fashionable, Flewellen was an expert in black history and had dreams of establishing a black history museum.

From the outside, the Afro American Cultural and Historical Society, 1839 E. 81st St., looks to be nothing more than a ramshackle, old building. But on the inside are the remembrances of years of rich black history.

Born in Williamson, W. Va., Flewellen, who would not give his age, said his interest in black history began as a youngster.

"My daddy, who was a railroad brakeman, used to tell me of the great black inventors on the railroad," Flewellen said.

"Every now and then we found a self-motivated teacher who would throw in a few things that weren't in the textbooks. But still, we got very little black history."

This bothered young Flewellen. So at 13, he began clipping newspapers and collecting information on blacks. Those items, along with many others, were destroyed during a fire in the 1930s, set by what he calls "people who did not like what I was doing. I had a much richer collection then," Flewellen said.

That, however, is hard to believe.

Flewellen's home, 8716 Harkness Ave., is literally filled with black-history overflow that is not in the museum. One can barely walk through the array of file cabinets, paintings, newspapers, plaques and documents.

For the history student Flewellen's collection is a goldmine. There are collections of information on blacks in music, in the church and in science.

There are paintings of great black achievers and items of interest, such as the story of Cortez Peters, the world champion in speed typing on a manual typewriter.

Flewellen said Peters, who learned to type on the floor with a typing chart, could type so fast that he did not need to use shorthand and had been known to type blindfolded and with gloves on his hands.

There are photographs, such as the one of George G. Jones, who established the only brass mill in the United States in the early 1900s and sold brass to the old Cleveland transit System (CTS) for wheels that ran on the overhead cables.

Flewellen's quest for items for the museum often has him traveling.

"Everybody knows that I will go anyplace, any time to get something rare, particularly something that blacks haven't heard of before."

That traveling, combined with the day-to-day expenses of the museum, has proved to be a financial drain on the historian.

"Every now and then I get a small donation, $15, maybe $20, to help with the expenses," said Flewellen. "But for the most part, there are none."

To help support the museum, Flewellen works as a maintenance man at Case Western Reserve University.

Still Flewellen devotes most of his time to his dream.

"One reason I have been so intent all along in establishing this museum is because I feel that black children need it so badly," said Flewellen.

"Black children need to know there is a place they can come to and find out about their people. Something that will help to give them a sense of pride in who they are. And nothing helps to do that like learning you are a part of a remarkable people that have contributed millions and millions of things to the society you live in."●

SIKES ACT AUTHORIZATION

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to extend the authorization of appropriations for the Sikes Act, which authorizes the Secretaries of the Interior, Defense, and Agriculture to carry out fish and wildlife conservation programs on military reservations and public lands.

The Sikes Act became law in 1960. Title I authorizes the Secretary of Defense to carry out a program of fish and wildlife conservation and public outdoor recreation on military installations. The programs are carried out pursuant to cooperative plans mutually agreed to by the Secretaries of Defense and Interior and the appropriate agency in the State in which the installation is located. The current authorization levels for this title are $1.5 million per year for the Department of Defense and $3 million per year for the Department of the Interior.

Title II, adopted in 1974, directs the Secretaries of the Interior and Agriculture, in cooperation with appropriate State agencies, to plan, develop, maintain, and coordinate programs for the conservation and rehabilitation of fish and wildlife on certain lands under their respective jurisdiction. The Secretary of the Interior is also directed to adopt, modify, and implement such conservation and rehabilitation programs on lands under the jurisdiction of the Department of Energy (DOE) and the National Aeronautics and Space Administration (NASA), but only with the prior written approval of those agencies. The current authorization levels for title II are $10 million to the Department of the Interior and $15 million to the Department of Agriculture per year.

The legislation I am introducing would simply continue the current authorization levels for fiscal years 1982, 1983, and 1984. It is not a statement of policy and should be considered only as a vehicle to begin the committee process. The Subcommittee on Fisheries and Wildlife Conservation and the Environment will hold hearings on this legislation in the near future and we will, of course, examine the authorization levels carefully to see if they are appropriate. We will also reexamine the Sikes Act to see if any substantive amendments are needed.●

STRONGER MILITARY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. HUBBARD. Mr. Speaker, the present military status of our Nation is under close scrutiny. I would like to share with my colleagues a few suggestions from my constituent and Vietnam veteran, Jerry Mart of Hopkinsville, Ky., regarding the combat readiness of our military. I submit Mr. Mart's recent letter to me:

I could sit here and write 200 pages or more about the horrors my contemporaries and I faced while in Viet Nam. I know you don't have time to read all of that, so I'll be as succinct as possible.

We are patriots, my brothers and I. As the story of the newly-liberated hostages spread across the television screen, the tears ran down my face . . . . just as they did when the POW's began returning from Viet Nam.

The thought crossed my mind: we all are Americans, some just have different jobs than others. And I hope, incidentally, that we will uphold our end of the bargain with Iran. To do anything less would be dishonorable in the extreme.

But—we must also prepare for other Iran's. Our armed forces have been going downhill since 1965. This must be very quickly turned around.

Some of my most frightening experiences in Viet Nam were the direct results of bad decisions by poorly-trained officers and NCO's. I don't know what happened to our military leadership training over the years, but it certainly fell by the wayside. I'll be so bold as to make this statement: today, there is not one, single field-grade officer, or NCO, qualified to lead men into combat. There were very few in Viet Nam.

The United States Military must be brought up to higher standards than ever before. Toward this end, as a veteran and a proud American, I offer a few suggestions:

1. Let the career officers and NCO's get some combat experience (theories taught from books and training manuals are quickly forgotten under fire). How? Well, there's always something going on somewhere. Iraq, for example. Attach, on a temporary basis, American military people to Iraqi combat units. Let 'em get shot at. Those who make it back will be much better leaders for the experience. Nobody in the world needs to know about this but the generals. I might add that precedents have already been set by other countries. I don't know if I'm free to talk about the people I met in Viet Nam; but, officers from other countries were there, observing, going out on patrols, getting wounded, learning.

2. Reinstate the draft . . . as quickly as possible. Get the manpower built up. Never mind about the women—this issue should have died a merciful death long ago. Once you look through all the fuss and feathers, you can see that the women always have served. Just examine the history.

3. Give the armed forces benefit of better training than ever before. This is where we Viet Nam veterans could play a vital part. Many of us are now too old to rejoin the military (I'm 38), but wouldn't have any objections to working for, or with, the military. The military could hire us, as consultants, if nothing else (everyone hires consultants these days). New jobs, new purpose for those of us who feel as though we've been forgotten.

The military could put us in uniform as prior-service advisors (this is done in other countries) and give us temporary commissions and let us work toward the strengthening of our country.

Truly, Congressman Hubbard, I feel that it is time to pull out all the stops to get things on the right track. I don't mean strength as in nuclear weapons—that's another thing altogether. I mean strength as in elite ground forces. These, I'm afraid, exist only in legend these days.

There are mercenaries all across the land who are far more skilled and better trained than most of our military. I know whereof I speak, for some of these men elected to leave the military and go on their own because of rampant incompetence in the ranks and among the leaders. I fully believe that 10 of these men, armed with rifles, knives, and ropes could have rescued the hostages with ease.

Perhaps it wouldn't be a bad idea to seek out some of these and hire them to put together ground combat training programs for the military.

Respectfully,

JERRY MART.●

EXPLOITATION OF BLIND WORKERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation which would eliminate discrimination against blind workers by insuring them equitable wage and overtime pay treatment. This bill would extend to blind and visually impaired citizens the coverage of the minimum wage and overtime pay provisions of the Fair Labor Standards Act (FLSA) of 1938. This action is vital if we are to insure the full civic rights of our visually handicapped citizens and eliminate the exploitation of blind workers in sheltered workshops.

Current law allows a subminimum wage to be paid to workers with handicaps which might limit their productivity. This option has seldom been used except in the 200 sheltered workshops which employ more than 5,000 sightless workers to produce a host of individual appliances. In turn, the workshops are able to sell these products for millions of dollars in profit. It is the height of social injustice of allow these enormous profits while blind workers in these workshops are paid as little as 58 cents an hour—not even enough to subsist upon. For years, blind workers fought for access to the job market. Today they face a

different form of discrimination which my bill will eliminate—economic discrimination.

This bill is a just method of rectifying this exploitation and I expect its timely consideration by the House Education and Labor Committee where I am the ranking New York member. Expeditious consideration is even all the more important after looking at the data from a recent Department of Labor study of this issue: There are an estimated 900 blind workers in competitive industry receiving subminimum wages and 6,196 visually impaired workers in more than 100 sheltered workshops nationwide. The exemption certificates show that these workers get less than $1 an hour, without any fringe benefits or job security. Some only get carfare. Additionally, nearly half of these 6,196 earn less than $1,500 per year while administrators of workshops which employ them earn as much as $50,000 with substantial benefits.

We have heard much about the need to put America back to work. There are thousands of sightless workers who should be a viable part of this effort and this legislation is critical to our work to insure that they become so. The blind and the visually impaired want the opportunity to earn a living themselves rather than relying on the earnings of others. We owe it to them to provide them the opportunity.●

WEST VIRGINIA'S VOICE OF DEMOCRACY WINNER

HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. MOLLOHAN. Mr. Speaker, I am proud to note that Melissa Lee Dean, a senior at Wheeling Park High School and a resident of Wheeling in my congressional district, is this year's West Virginia winner of the Veterans of Foreign Wars' outstanding voice of democracy contest.

She and other State winners will be in Washington the first week in March for final judging that will result in five national winners being selected to receive scholarships.

To reach the finals of this competition is indeed an accomplishment. This year's voice of democracy contest was built around the theme "My Commitment to My Country," and more than 250,000 students participated. I congratulate Ms. Dean on being chosen to represent the State of West Virginia, and wish her the best of luck in the finals.

I commend her comments to my colleagues:

Silver and gold weigh heavy; and the meticulous job of weighing and balancing it is painstaking. But weighing heavier, is the job of balancing individual freedoms and governmental controls on the scale of democracy. This task lies in the hands of the American people, and no amount of silver or gold can reward us for successfully completing this task.

In order for us to strike this delicate balance, we must be committed to working with our local, state, and government officials. Realizing this need is the first step in equalizing the scale that makes for the success of this great Nation. My commitment, therefore, is to voice my opinion with respect for my government, to which I'm deeply indebted. I willingly will support and work with the government on issues with which I agree. I realize that I won't always agree with them; and it is at this time I will offer suggestions I believe to be beneficial to the functioning of our country.

In making this commitment, I looked back in history to see how the scales were balanced in the beginning of our Nation. I found that as early as 1787, our government realized our needs for balancing half of the scale with individual freedoms. The birth of our Constitution was just around the corner. The Constitution which guarantees these freedoms is what keeps America going. We have to respect these freedoms and use them always. Freedoms that are not used, or that are used incorrectly, are no freedoms at all.

Individual freedoms that are carried too far may result in what Dr. Joyce Brothers labels "Me-ism". Dr. Brothers, as well as Robert Coles, child psychiatrist, believe that we are suffering from a "me-first syndrome". If we are to carry on the tradition of preserving the America of the past for the generations of the future, we must return to practicing Americanism and break away from "Me-ism".

But the individual freedoms are only half of the scale. To prevent the scale from tipping, we must have a structured government to insure our freedoms as well as to keep the country functioning. Without our type of government, we would never have had the amount of freedoms that we often take for granted today. The government was set up with us in mind in the first place, and if we wish to continue exercising our many freedoms, we at least owe it our support and respect. We should not underestimate it. Like anyone or anything, if we expect nothing of it, it will continue to live up to our expectations.

Merely identifying individual freedoms, and governmental control, will not completely level out our problem.

Balancing a scale is not always easy. We must learn to give and take proportionately. With this in mind, we must not be afraid to attempt to balance the scale ourselves. We are permitted and encouraged to exercise our rights, so why not take advantage of it?

Each individual is given a choice. Our responses and actions won't be the same, just as no two people are the same. An equal distribution of individual freedoms and governmental control is what our country is striving for. We can help our country reach this goal by living up to our commitments. We will need help and guidance, but we will produce positive results for "A policy or goal has been formed only when commitments and power have been brought into balance." (Quote by Walter Lipperman.)●

VFW VOICE OF DEMOCRACY WINNING SPEECH

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. OBEY. Mr. Speaker, the winning Wisconsin speech in the Veterans of Foreign Wars voice of democracy contest was given by a fine young man from Webster, Wis., Mr. Mark E. Anderson. I'm enclosing a copy of his speech in the CONGRESSIONAL RECORD.

In an ancient story of Rome, a hero was needed to save the city in an hour of desperation. The Roman army was trapped outside the walls. A poor noble, nicknamed Cincinnatus, was asked to come to Rome to take command of the situation. Upon hearing their plight, Cincinnatus left his plow and oxen to go to Rome. There he rallied the citizens, organized defenses, and by a series of attacks, drove the invaders out of the country. Having finished his job in sixteen days, he asked to resign his dictatorship and go back to his plowing.

Once again, nineteen years afterwards, the enemy returned and again Cincinnatus left his farm and saved the day for Rome. After that, he could have had any honor office, or gift he wanted. As before he chose to return to his little four acre farm as a private citizen. So ever since, the name Cincinnatus has been a symbol of the man who is committed to his country but with no ambition for personal reward or glory.

This is the kind of commitment I have for America. I want to serve my country to keep her strong and free, and like Cincinnatus, serve it with no motivations for personal glory.

The purpose of our American constitution is that every man, woman, and child has certain rights to freedom, justice, protection and opportunity. What is my commitment in return to preserving that essential purpose of this great land? The three areas are obedience, responsibility, and loyalty.

First of all, I am committed to my country to obey the laws. If any law is foolish or unnecessary, we as people can easily have it changed. If we let it stand on the books, put there by the will of the majority, it is up to us as citizens to obey it. We are shareholders in this free land and we are cheating our own country if we do not obey the laws. Therefore, I will entrust myself to be a law abiding citizen.

An additional commitment is that of responsibility. Theodore Roosevelt once stated, "The first requisite of a good citizen in this republic of ours is that he shall be able and willing to pull his weight"

One major responsibility of mine is to vote and vote intelligently. The whole theory of a free, democratic country depends on the people as voters. Many pay little attention to voting, therefore do not have a voice in our government. I will vote for leaders who uphold strong moral principles upon which our nation was founded. I will exercise my privilege of voting and help preserve the freedom which I now cherish.

Finally, there is the commitment of loyalty. It is part of our tradition that every man able to bear arms should be willing to step forward in time of emergency. No one can have much to say in favor of a war, but it is better to endure war than to sacrifice the

clearly bought liberties handed down to us by our forefathers. They were not afraid to fight and die if need be for our freedom. That is how we came to have a country founded on democracy; that is how we eradicated slavery and prevented disunion. I will pledge myself to serve in the military and help preserve the peace and freedom we now enjoy.

Being committed to my country is not a business of merely taking favors and benefits from the government. It is the giving of myself to the principles of freedom for which America stands.

At Gettysburg, Abraham Lincoln called on his fellow citizens to dedicate themselves to the task before them. "That a nation of the people, by the people and for the people shall not perish from the earth." No one since Lincoln ever expressed the American ideal so well. My commitment to my country is to dedicate myself to that task again.●

WENDY WIEDEMANN: MISSOURI'S VOICE OF DEMOCRACY WINNER

HON. WENDELL BAILEY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BAILEY of Missouri. Mr. Speaker, as our colleagues are well aware, each year the Veterans of Foreign Wars and its ladies auxiliary sponsor the excellent voice of democracy contest in which hundreds of thousands of our high school students match their writing skills in competition for college scholarships.

This year the VFW's contest theme was "My Commitment to My Country" and over 250,000 secondary school students representing over 8,000 schools submitted essays. The winning contestants from each State will come to Washington on March 3 for the final judging and the top five winners will receive national scholarships ranging from $14,000 to $2,500.

Mr. Speaker, I am pleased to advise my colleagues that the winning essayist from Missouri is Miss Wendy Wiedemann, a senior honors student at Washington High School in Washington, Mo., and I am proud to say, one of my multitalented constituents.

Wendy combines obvious academic and writing skills with active participation in school activities including serving as secretary-treasurer of the National Honor Society, business manager of the theater guild, and feature editor and business manager of her school newspaper, the Advocate. Wendy has also won numerous oratory and speech awards, is an accomplished singer and was both Washington's Junior Miss and the 1979 Union Fair Queen. She is the daughter of Marilyn and Warren Wiedemann, hopes to attend Benedictine College, and is interested in studying political science and law in the years ahead.

Mr. Speaker, Wendy's winning speech addresses the many problems facing our Nation and the consequent challenges which confront our young people today in their role as citizens of the United States and as our leaders of the future. Wendy's perception of her duty toward her country and fellow citizens can give us all heart that our future lies in secure and caring hands, and I take this opportunity to share her outstanding and discerning speech with my colleagues:

MY COMMITMENT TO MY COUNTRY

(By Wendy Wiedemann)

My country 'tis of thee
Sweet land of liberty,
Of thee I sing.
Land where our fathers died,
Land of the pilgrims' pride,
From every mountain side,
Let freedom ring.

Twenty years ago, the graduating class of 1961 "had it made". Gas was down to 19 cent a gallon—everyone drove big cars. There was no energy crisis, no environmental or conservation concerns. Assassination, drugs, race riots, and Vietnam were obscure in their minds. And almost none of them were interested in politics. They just thought things would turn out all right.

Today, however, the members of the 1981 graduating class face gas prices of $1.30 a gallon, registration of the draft, and two digit inflation. We are constantly being warned that this hair spray, or that trash bag will harm the environment, and assassination, drugs, and robbery are part of our everyday lives. We still have American men somewhere in Vietnam and we don't know if they are dead or alive. At this time, we still have hostages in Iran, and that conflict may never end. We are becoming more interested in politics. Young people today realize that in order for things to get better, we must work to make them that way.

With these changes come responsibilities. Now, more than ever before, America is in a critical period which needs careful handling. It is up to us, to me, as to how this period will progress.

The youth of America has been given a gift from our forefathers, a gift which many people in the world will never have—freedom. America has been the strongest, most powerful country in the world, but what about our future?

In order to keep our future secure, my generation must make a commitment to our country, to our constitution and our leaders. America doesn't owe me anything—but I owe it my life.

America has been my home and my refuge. It has protected me and has kept me out of war. Now, in these uncertain times, it is up to me and my generation to protect and overcome economic, defense, environmental, and foreign relation problems.

America's resources are diminishing, her military strength is being challenged, and faith in her government has been considerably shaken over the past few years. I as an individual, have a commitment to my country to help right the wrongs caused by uncaring, uncommitted people. It is up to me to help America back onto the bedrock of leadership once again.

I am committed to keep America a free democratic country. I am committed to right the faults in the system and to advocate the fact that America is still the greatest, most generous country on earth. I am committed to keep America strong and prosperous for the generations to come.

Indeed, I am committed to help my country, that sweet land of liberty, the land where our fathers died, the land of the pilgrims' pride, so that from every mountain side, freedom may still ring.●

ADAMS VFW POST HAS 60TH BIRTHDAY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, I would like to call to the attention of my distinguished colleagues a very extraordinary event in my congressional district of which I am extremely proud. It is the celebration on Saturday, February 21, of the 60th anniversary of the David F. Adams Post 611 of the Veterans of Foreign Wars in Taunton, Mass.

I extend my congratulations to all the members, officers, and auxiliary of this post, and extend my appreciation of their community involvement and their civic pride and patriotism.

Chairman of the banquet committee is Gilbert F. Simmons; cochairman is Harold P. Dull, whose concern for medical care for the veteran is paramount; and cochair is F. Vernon Harrica, the post's adjutant.

The David F. Adams Post was chartered in 1921, consisting of veterans of World War I and the Spanish-American War. Today two charter members remain: Henry S. Williams, a past commander; and Arthur J. King.

State Senator John F. Parker will present a special certificate to both Mr. Williams and Mr. King. Senator Parker is also guest speaker, and I know the celebrants are in for a delight in this regard.

This year this post is most ably led by Commander Joseph R. Rose; Senior Vice Commander Russell Littlefield; Junior Vice Commander Douglas Ford; Quartermaster Thomas L. Smith; Adjutant Vern Harrica; and Chaplain Thomas Leonard.

This post has a very active auxiliary which is led this year by Stella Beaulieu. Senior vice president is Elsie Littlefield; junior vice president is Julia Guillemette; Kathleen Rose is secretary; Manion Menelly is treasurer. Stella Dull is chaplain; and patriotic instructor is Lena Silvia.

The active participation of these leaders, post members and auxiliary is important to me as a leader on the Veterans' Affairs Committee of the House. We are now considering a budget for the Federal Government for the fiscal year 1982. As you know, these are times of fiscal constraint and restraint. I shall do all I can to assure that the budget for the Veterans' Administration is adequate to provide the health care that is needed, and com-

pensation payments to our disabled veterans, pensions for the elder veteran, and readjustment education and employment for our youngest veterans.

I look forward to continuing to work with the members and auxiliary of the David F. Adams Post 611 of the Veterans of Foreign Wars of the United States, and wish them well on this grand occasion.●

PATENT RESTORATION ACT

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. SAWYER. Mr. Speaker, I have today joined my distinguished colleague, Mr. KASTENMEIER, chairman of the Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice on which I serve, in introducing the Patent Restoration Act of 1981. This bill is designed to restore equity and fairness to the American patent system and to help reverse the clearly evident decline in American technological innovation.

Specifically, this legislation would permit the restoration of patent life lost due to federally mandated premarket testing and regulatory review. The maximum restoration period allowed would be 7 years. Moreover, the patent life thus restored would apply only to the specific use for which regulatory review was required and not to the range of other products or uses which might otherwise derive from the patent in question.

As you all know, under current law, an innovator is awarded a patent on a new product or discovery that extends for a period of 17 years. This period of protection is designed to encourage the innovation process and has worked exceedingly well throughout most of our history. For some products, however, a considerable portion of patent life is eaten up by extensive premarket testing and regulatory review imposed by the Federal Government. Take the pharmaceutical industry, for example. It is now estimated to take some 7 to 10 years to move a new drug product through testing and development to final marketing approval. Throughout this process, the life of the patent is ticking away and is frequently reduced by one-half. The result has been a clearly discernible decline in therapeutic drug innovation in the United States. Chemical companies, medical device manufacturers, and agricultural chemical producers face a similar dilemma.

The Patent Restoration Act would eliminate this incongruous situation in which one arm of Government awards a 17-year patent to stimulate innovation and another arm of Government takes one-half of it away. It would in no way affect our strong commitment to the public that only safe products are placed on the market. Yet it will alleviate the inadvertent effect that such premarket testing and regulatory review requirements have had on the patent system to the detriment of innovation.

The legislation takes a simple and flexible approach to the problem. The relevant regulatory review periods for which patent restoration is available are clearly defined and easily measured. Hence no new bureaucracy will be needed to administer the act. In addition, the bill provides for the restoration of patent life only to the extent that it has been reduced by regulatory review requirement. If and when this regulatory period is reduced by whatever means, the available restoration period would be correspondingly less.

Enactment of this legislation could be particularly beneficial to our small innovative companies that have been most affected by the time-consuming and costly nature of the regulatory process and least able to afford the resulting loss of patent protection. I also believe it will bring significant benefits to our consumers as more resources are attracted back into the innovation process and new and better products are made available to the public.

One of the greatest challenges before the 97th Congress is to find ways to revitalize the American economy. Restoration of the incentive to innovate and create should become one of our principal objectives in this effort. The Patent Restoration Act of 1981 is a simple, equitable, and cost-effective means to achieve this goal and should be a priority on our legislative agenda in the 97th Congress.●

TRIBUTE TO JOHN AND MARGE FLAHERTY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. SHUMWAY. Mr. Speaker, on February 25, the Young Men's Christian Association (YMCA) of San Joaquin County, Calif., will pay tribute to John and Marge Flaherty, my friends and constituents. The Flahertys have given more than 20 years of service to the Y, and to the community. During that tribute on February 25, they will be inducted into the YMCA Hall of Fame, an honor of the highest order. I request that my colleagues join with me in recognizing the many fine accomplishments of this remarkable couple, and in extending congratulations and best wishes to them for a job well done.

The Flahertys' contributions to the Y have been recognized previously. They have received the YMCA Meritorious Award, as well as the Volunteer Youth Award and the Paul Moritz Award. At least 10 years of direct service to youth is required to qualify for that latter recognition.

Together, the Flahertys have served on numerous YMCA committees, including the World Service Committee and the World Service Fundraising Committee, the Sustaining Membership Committee, the Youth Committee, Camp Committee, and Youth and Government Committee. They visited Camp Alpine for many years to insure that it was properly prepared for the new camping season, and, from 1954 to 1974 they were leaders of local "Hi-Y" programs. During that 20-year period, they were forced to request a 1-year absence due to travel in Japan. During that time, the leadership was assumed by individuals who had been thoroughly trained by the Flahertys.

Marge Flaherty served as the first woman YMCA board of directors president. She received the President's Award in 1973, and she has served on the YMCA Long Range Planning Committee. Additionally, she has attended workshops to consider possible rewording and updating of the YMCA constitution so that women as well as those with other religious beliefs might be included in YMCA programs. Marge has also participated in numerous YMCA board of directors' training labs and seminars.

John Flaherty organized and ran Easter Caravans, and planned fundraising activities to finance their trips to such places as Yosemite, Big Sur, and Death Valley. He served as a camp counselor for years, and was a member of the Raggers Club. His two sons joined him in the YIG program, and both Sean and Casey Flaherty are following in their parents footsteps as active, involved YMCA enthusiasts.

The Flahertys are indeed a credit to the YMCA, and it is especially appropriate that this couple who have given so much of themselves to the Y should be included in the Y's Hall of Fame. I know that my colleagues join with me in commending their work, and in congratulating their fine achievements.●

CALL TO CONSCIENCE VIGIL, 1981: IDA NUDEL EXEMPLIFIES THE COURAGE AND DETERMINATION OF SOVIET JEWS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. LENT. Mr. Speaker, it is both my privilege and honor to take an active part in Vigil 1981. It is vitally important that we direct our attention to the hardships, cruelties, and oppres-

sions that thousands of Soviet Jews are forced to endure.

In the beginning of January, at the same time that our Government was undergoing a smooth transition of power, KGB officers were disrupting scientific seminars, Hebrew classes, and cultural activities in Moscow. This continual oppression of human rights is inexcusable. Fortunately however, the courage and desire for freedom of these innocent victims of the cruel Soviet regime remains firm and resolute. I cite as an example, my own adopted prisoner of conscience, Ida Nudel.

For a decade Ida Nudel has been held captive without reason, by the Soviets. As if this were not enough for any one person to endure, Ida must deal with the fact that her family has been separated in one of the Kremlin's vicious and heartless tactics to break up families. While Ida suffers in exile in the bleak Siberian wasteland, her husband and sister in Israel pray and anxiously await the issuance of her visa so that she may join them in Israel. The entire family has waited far too long.

I think it appropriate to inform this Chamber why Ida Nudel is being denied a visa. The official reason given was that she possessed state secrets. This is an absurdity. Ida's work in the Soviet Union dealt with hygiene standards in food stores and control of infection in foods. Ida herself said: "The biggest secret I had was knowing where the mice build their nests."

Ida Nudel's indefatigable courage has made her a model for Soviet Jews attempting to emigrate. So extensive have been her assistance and compassion for others that she has been acclaimed as the "Guardian Angel of Moscow" and the "Mother of the Prisoners."

The undaunted determination and strong character of people such as Ida Nudel should remind us in this country of the many freedoms we enjoy, and too often take for granted. Let this vigil serve as an unequivocable message to the Kremlin that we who support human rights will continue to do so tirelessly until the Soviet Jews seeking religious freedom and the tranquility of a free life in Israel are granted those liberties.

One of the refuseniks being held captive expressed his burning desire for freedom, as well as the prisoner's collective faith in our efforts when he said, "Do pray for us; maybe you will ask God to send us success this time." Let us continue to strive to win the sacred freedoms pledged for in Helsinki in 1975.

It is vital that we never cease in our pressure on the leaders of the Soviet Union. Just yesterday, Soviet authorities freed Josef Mendelevich, who had been imprisoned in the Soviet Union since 1970 for his efforts to seek the freedom to practice his religion in Israel.

Last night's television news reports showing Mendelevich's joyous arrival in Israel and his prayers at the wall of Second Temple should inspire every one of us to redouble our efforts on behalf of the Soviet Jews—like Ida Nudel—who still long for the joyous day when they, too, will breathe the air of freedom in Israel.●

A SALUTE TO ALBERT BANDSUH, JOHN BUSHER, MYLES GALLAGHER, GLADYS GILMORE, AND MARY NEWPORT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. STOKES. Mr. Speaker, I would like to take this opportunity to join my colleagues in the Cuyahoga County Bar Association in honoring five outstanding employees who collectively have served the public for more than a century and a half. Mr. Albert F. Bandsuh, Mr. John T. Busher, Mr. Myles F. Gallagher, Mrs. Gladys I. Gilmore, and Ms. Mary Newport will be cited at the 35th Annual Public Servants Merits Awards luncheon in Cleveland on February 25.

Mr. Speaker, the exemplary work and unselfish contributions of the honorees undoubtedly has enhanced the work of the Cuyahoga County Bar Association. At a time when people increasingly are critical of the delivery and quality of services to the public, it is encouraging to be able to point to five individuals who made excellence and public service their daily goal.

Accordingly, the entire Cleveland community joins the Cuyahoga County Bar Association in saluting these fine public servants. At this time, Mr. Speaker, I insert some information on each of the honorees in the RECORD so that my colleagues can also pay tribute to them:

ALBERT F. BANDSUH

Mr. Albert Bandsuh currently serves as the Chief Clerk with the File Department of the Probate Court. He began his public service career with the County Clerk's Office a quarter of a century ago.

After two years with the Clerk's Office, he was transferred to filing for the Probate Court. Through his dedication and hard work, he was promoted through the ranks and is now in charge of all files at the Probate Court, some of which date back to the nation's Civil War era.

JOHN T. BUSHER

Mr. Speaker, Mr. Busher has carried on his family's tradition of public service. His father served as County Clerk from 1933 to 1939 and was later selected as Chief Justice of the Cleveland Municipal Court. His sister serves, with distinction, as the Chief Probation Officer in the Cleveland Municipal Court.

After serving in the U.S. Army from 1942 to 1945, he started with the County Clerk's Office on February 11, 1946, as a file clerk and counterman in the Auto Title Bureau. From 1952 until 1964, John Busher was in private industry but was lured back to the Clerk's Office to head the microfilm division within the legal section of the County Clerk's functions.

MYLES F. GALLAGHER

Mr. Myles F. Gallagher, Referee, in the Cleveland Municipal Court passed the Ohio Bar examination in March, 1957 but preferred to remain in the public service career he began as a city patrolman in 1951.

Following four years on the police beat, Myles joined the MUNY Clerk's staff. After 15 months of varied duties as a Deputy Clerk, he was appointed Deputy Bailiff. In March, 1974, he was named a Referee of the Court.

Today, he is recognized as one of the Court's most distinguished referees in the opinion of his nominator Judge Edward F. Katalinas.

GLADYS A. GILMORE

Mrs. Gladys Gilmore has been an employee of the Federal Government for 37 years, the last decade of which has been in the position of Executive Secretary to the U.S. Attorney at the Department of Justice. Her primary responsibilities today include the coordination of Grand Jury scheduling, record keeping and the training and orientation of new employees within the U.S. Attorney's office.

Her enthusiasm and dedication to her work resulted in her selection as a "Federal Woman of Achievement" last July by the Cleveland Federal Executive Board. At the awards ceremony for that honor, Mrs. Gilmore said that she "finds happiness and joy in helping others".

MARY NEWPORT

Ms. Newport began her career with the Federal Reserve in 1942 as a bank teller where she remained five years. After a period of private employment, she joined the staff of the Juvenile Court as a Deputy Clerk.

In 1966, she became Chief Docket Clerk, a position that she holds to this date. Her responsibilities include scheduling procedures requiring coordination of the court docket with the availability of counsel.

"She is extremely dependable and conscientious and begins her work day about 6 a.m.", reports Judge John J. Toner, Administrative Judge of Juvenile Court who recommended her selection to the Bar Association's Awards Committee.

The committee arranging the 35th Annual Luncheon is comprised of Franklin Polk, Chairman, Harry Auslander, Harold Sieman, Jack P. Nantel, Ranelle A. Gamble, Lucien Karlovec, Jr., Martin G. Lentz, Fred Mandel, Irvin Milner, Nelson Moss, Bernard Nosan, Arthur Wincek and Sam L. Lazzaro.

At this time, Mr. Speaker, I would like the members of the House to join with me and the Cuyahoga County Bar Association in saluting this year's recipients of the Public Servants Merits Awards. Indeed, they stand as a shining symbol of excellence and a challenge to us all.●

THE SMALL SAVERS ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. GILMAN. Mr. Speaker, last year, the Congress passed the windfall profit tax, a part of which allowed Americans to exclude from their taxable earning up to $200 of interest or dividend income per year—or $400 if married and filing jointly, beginning with tax year 1981. In other words, when taxpayers file their 1981 returns next year, they will be able to reduce their taxable income by the amount of interest and dividends received up to those amounts.

Mr. Speaker, I feel that the amount of the exclusions we enacted last year are inadequate to carry out the purpose of the bill, the stimulation of investment and savings to provide the capital our country needs for its economic growth. Therefore, I am today introducing legislation to increase the amount of the exemption from $200-$400 to $1,000-$2,000 and to make the exemption permanent. If enacted, the increase in the exemption would become effective retroactively, from January 1, 1981.

Many of our Nation's economic problems can be attributed to the low rate of savings and investment of Americans. For example, productivity is hurt by a shortage of private investment capital for efficient machinery and new buildings. Interest rates rise to frightening levels when insufficient funds are available for the construction of the homes young families need.

The fact is that Americans save only about 5.1 percent of every $1 of the gross domestic product. In contrast, Canadians save 9.1 percent, Britons save 7.4 percent, West Germans save 9.1 percent, Frenchmen 12 percent, and the Japanese save an incredible 16.9 percent, according to 1978 statistics compiled by the Library of Congress.

Our savings rate is so low, compared to these other countries, because we have not provided the necessary incentives for savings and investment. The after tax return on savings and investments, especially for investors and savers who do not have large amounts of money to devote to this purpose, is often exceeded by the rate of inflation, making saving a losing proposition.

The exclusion we have already enacted is a step in the right direction, but in my view, this further step is needed as well, to provide the incentive necessary for further investment in the future of this country.

For this reason, Mr. Speaker, I have introduced the Small Savers Act, to provide for a tax exclusion of $1,000 of interest and dividend, and I urge my colleagues to join me in cosponsoring this measure.

The bill follows:

H.R. 1961

A bill to amend the Internal Revenue Code of 1954 to increase the exclusion for dividends and interest and to make such exclusion permanent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 116(b) of the Internal Revenue Code of 1954 (relating to dollar limitation on exclusion of dividends and interest received by individuals) is amended by striking out "$200 ($400" and inserting in lieu thereof "$1,000 ($2,000".

(b) Subsection (c) of section 404 of the Crude Oil Windfall Profit Tax Act of 1980 is amended by striking out ", and before January 1, 1983".

(c) The amendments made by this section shall apply to taxable years beginning after December 31, 1980.●

FREEDOM FOR THE BALTIC STATES

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. DWYER. Mr. Speaker, one February, 63 years ago, two proud Baltic nations, Lithuania and Estonia, bravely proclaimed their independence. It is a sad irony that this week and next, as we joyously hail their parallel quests for freedom, we must also lament the fact that they are still not free.

In 1940, the three Baltic States—Lithuania, Estonia, and Latvia—were forcibly incorporated into the U.S.S.R., their people harassed, deported, arrested, imprisoned, exiled, and executed, in complete violation of international law and human rights.

And so again, during what ought to be a completely joyous celebration of freedom, we must register our vehement opposition to the Soviet Union for its total disregard for fundamental human liberties. The Lithuanians, Estonians, and Latvians, like their compatriots in the Ukraine, have been denied their right to self-determination.

How often must we condemn the Soviets for their oppressive and cruel acts?

As long, Mr. Speaker, as the spirit of freedom still lives among those who have been denied it.

In the Baltic States, that spirit thrives.

After years of torture, even death, the Baltic freedom fighters—forever brave, steadfast—still persevere in their quest for release from Soviet domination.

The United States and most Western countries have not accorded diplomatic recognition to the Soviet incorporation of Estonia, Latvia, and Lithuania, emphasizing those countries' right to sovereignty. We must continue to strengthen this diplomatic posture of nonrecognition of a totalitarian rule imposed and maintained by force.

Through systematic russification, Russians are continuing to migrate to these countries, in an attempt by the Soviets to obliterate all traces of their unique ethnic cultures.

It is to the credit of these Baltic nations that the Soviet effort has failed to squelch—even discourage—their intense desire for independence, and with that, the preservation of their cultural heritage.

We in New Jersey's 15th District humbly salute all three of these Baltic nations which have stood fast in their commitment to freedom against all odds.

Let us pray that no more blood be shed; that the time will come when the Baltic States can be free once more, a freedom they have earned over and over and over again.●

HUMAN RIGHTS—EL SALVADOR

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BONKER. Mr. Speaker, as the Reagan administration proceeds to make El Salvador a test case of its new policy—priority emphasis on combating terrorism rather than combating human rights violations—the administration will be wise to heed the human rights comments made by Pope John Paul II in Manila. The Pope said:

Even in exceptional situations that may at times arise, one can never justify any violations of the fundamental dignity of the human person or of the basic rights that safeguard this dignity.

In El Salvador the Carter administration had linked its aid commitment to better enforcement of human rights policies by Salvadoran authorities and to a thorough investigation into the death of four American religious workers. The Reagan administration has now removed these conditions. The danger in such a policy is best described by yesterday's Washington Post lead editorial entitled "El Salvador: The Political Dimension."

The Post said:

The Salvadoran Government must show itself as eager to halt violence directed against civilians by soldiers and the right-wing death squads—often the same people—as it is to halt violence conducted by guerrillas. Precisely here lies the importance of keeping the heat on the Government to discover who killed the American church workers. This incident cannot be parked in a human rights cubbyhole. It is, for many Salvadorans, the test of whether their Government is on their side. The United States would not want to help the Government reduce the guerrillas, as could yet happen, only to find that the Government's failure

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to rein in its own forces still denied it broad popular support.

If human rights as a policy does not sound tough enough for the Reagan administration officials then let them proclaim that their concern for strategic interest is matched by their concern for freedom. Let the administration tell the world that security for us and everyone else cannot be built on repressive governments of either the right or the left. I commend to the attention of my distinguished colleagues the Washington Post editorial:

[From the Washington Post, Feb. 18, 1981]

EL SALVADOR: THE POLITICAL DIMENSION

A military response is necessary in El Salvador, where a Nicaraguan-, Cuban-, Soviet-supported insurgency is attempting to overthrow an army-backed center-right government with a commitment to social reform. But a political response is necessary, too. It has not been in sufficient evidence as the Reagan administration cranks up to make El Salvador a demonstration of its worldwide anti-communist strategy.

A political response means two things. The Salvadoran government must show itself as eager to halt violence directed against civilians by soldiers and the right-wing death squads (often the same people) as it is to halt violence conducted by guerrillas. Precisely here lies the importance of keeping the heat on the government to discover who killed the American church workers. This incident cannot be parked in a "human rights" cubby hole. It is, for many Salvadorans, the test of whether their government is on their side. The United States would not want to help the government reduce the guerrillas, as could yet happen, only to find that the government's failure to rein in its own forces still denied it broad popular support.

The other requirement is to construct a negotiating framework, of which nothing has so far been heard from Reagan officials. Among the guerrillas and their civilian supporters, some are committed to armed struggle to the point of regarding compromise as betrayal of their revolution. But others appear to be more concilliatory. The code word "Zimbabwe," meaning talks by opposing forces in a civil war, is gaining a certain currency. The United States may not have the sole duty, or the best opening, to promote negotiations. Mexico, for instance, seems better placed, if it could break through its revolutionary rhetoric and try. Other international parties are standing by. But the American interest in negotiations must be asserted.

There is an undeniable military dimension to the El Salvador crisis, but the crisis remains essentially political. The administration should not oversell the notion that a military showdown, launched essentially for considerations of American global stategy, is everything. Its best chance of being successful and supported in the policy it is now unveiling is to show itself open to the political dimension as well.●

JOHN C. TOMLIN, CHAPLAIN OF AMERICAN LEGION POST NO. 20, ATTLEBORO, MASS.: REFLECTIONS ON THE RETURN OF THE AMERICAN HOSTAGES

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, several weeks ago this Nation welcomed home our hostages from Iran. We not only celebrated their return, but rejoiced as well in the reaffirmation of freedom—a tenet of American life that endures no matter what challenges we face or have faced as a people.

From the President to Cabinet Secretaries and Members of Congress to the man and woman on the street, Americans found words to match their joyous feeling.

One of my constituents, John C. Tomlin who is chaplain of Post No. 20 of the American Legion, Attleboro, Mass., wrote a poem that captures the consciousness of the American people during the days that followed the hostages return. I insert this poem in the RECORD.

Thank you.

It was the 20th day of January in 1981
For the United States of America, a new life had just begun.
For on this beautiful winter's day, fifty-two brave Americans were finally on their way.
On their way home—home where they belong.
After being so far away, for oh; so very long.
The shouts of joy were heard far and wide.
Men and women paused, thanked God, and then they cried.
Yes, the hostages are free—at last—free and coming home.
To see their families and Oh, how much they've grown.
So America rejoices as her nightmare ends.
Four hundred and forty-four days away from loved ones and friends.
Let's be thankful to God this ordeal is Over
And may it never happen again on this or any shore.●

END THE "MARRIAGE TAX"—THE SOONER, THE BETTER

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. SAWYER. Mr. Speaker, we have recently heard that the Reagan administration will present to Congress a comprehensive tax bill which, among other things, will propose long-overdue action to reduce the marriage penalty in the Tax Code which causes many married couples with two incomes to pay more taxes than if they were both single.

As the sponsor of a bill to eliminate the marriage tax, I strongly support consideration of a measure to eliminate this injustice which places the Federal Government in the awkward position of undermining traditional family values and the institution of marriage.

I am pleased to note the support of this position expressed in the February 3, 1981, editorial of the Detroit News. I want to echo their message which says that the sooner the marriage penalty goes, the better.

[From the Detroit News, Feb. 3, 1981]

THE MARRIAGE PENALTY

The Reagan administration, in its deliberations over cutting federal income taxes, should take a long look at the "marriage penalty."

Because of the progressive nature of the income tax structure (the more you earn the higher your tax rate), many married couples with two incomes wind up paying more in taxes than they would have if each was single. The situation has been exacerbated by rising incomes, which push taxpayers into higher tax brackets, and increased participation of women in the workforce, which raises total family income.

The marriage penalty can operate as a disincentive to wives entering the job market at a time when inflation is forcing families to seek additional income to keep up, not with the Joneses, but with their own former standard of living.

And this tax on the marriage vows falls largely upon those Americans who are most likely to put their after-tax dollars in savings, a source of badly needed investment capital.

Some lawmakers even worry that the marriage penalty will undermine the institution of marriage. "Our tax system shouldn't force people into cohabitation or divorce," says Rep. Millicent Fenwick, R-N.J. "It shouldn't penalize people who get married."

The marriage penalty's impact falls hardest on the husband and wife whose income is equal or nearly so. A House Ways and Means Committee study last year found that a couple with no dependents who earn $25,000 each, and do not itemize deductions, would pay $2,674 more in taxes than if they were unmarried.

As the disparity in a couple's wage levels widens, the marriage penalty lessens. If one spouse makes $40,000 and the other $10,000 the penalty for being wed drops to $454.

But assume, in the second example, that the wife, re-entering the workforce after a long absence, earns the $10,000, which amounts to $5 an hour. Her wages would add some $4,500 to the couple's joint federal tax bill. Tack on $665 for the wife's Social Security taxes. Add in state and local taxes and costs for commuting, parking, clothes, housekeeping, and incidentals. After taxes and expenses, the lower-paid spouse actually might be making only about $2 an hour.

Looking at it this way, many wives might understandably decide it's scarcely worthwhile to spend 40 hours a week at work and then have to devote their evenings and weekends to piled-up household chores.

The marriage penalty is inequitable and demeaning. The sooner it goes, the better.●

LITHUANIAN INDEPENDENCE DAY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MAZZOLI. Mr. Speaker, I would like to join with my colleagues in the House of Representatives in commemorating Lithuanian Independence Day.

On February 16, 1918, 63 years ago, the people of Lithuania declared their independence. In 1940, during Soviet occupation during the Second World War, Lithuania was declared a Constituent Republic of the Soviet Union.

The United States has refused to recognize the Soviet incorporation of Lithuania, as well as that of her neighbors Estonia and Latvia. Despite the protest of freedom-loving peoples all over the world, the Lithuanian people have only enjoyed a scant 22 years of actual freedom out of the 63 years they have been independent.

We must not forget the peoples of Lithuania and the other Baltic States whose freedom and identity is suppressed. Commemorating their day of independence is one way of showing the world that we have not forgotten.●

PROCEDURES FOR THE PROTECTION OF CLASSIFIED INFORMATION ON FEDERAL COURTS

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BOLAND. Mr. Speaker, last year the Congress enacted and the President signed a much needed piece of legislation, the Classified Information Procedures Act, popularly known as the graymail bill.

Section 9(a) of this act (Public Law 96-456) states:

Within one hundred and twenty days of the date of the enactment of this Act, the Chief Justice of the United States, in consultation with the Attorney General, the Director of Central Intelligence, and the Secretary of Defense shall prescribe rules establishing procedures for the protection against unauthorized disclosure of any classified information in the custody of the United States district courts, courts of appeal, or Supreme Court. Such rules, and any changes in such rules, shall be submitted to the appropriate committees of Congress and shall become effective forty-five days after such submission.

The security procedures required by the act were submitted to the Judiciary and Intelligence Committees of the House and the Senate on February 12, and will become effective on March 29, 1981. While the act contains no provision for congressional approval or veto, I believe it is important that interested Members of Congress, the bar, and the public have an opportunity to comment before the procedures become effective. Therefore, I insert the security procedures in the RECORD at this point:

SUPREME COURT OF THE UNITED STATES,
Washington, D.C., February 12, 1981.

Hon. EDWARD P. BOLAND,
Chairman, Permanent Select Committee on Intelligence, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with the provisions of Section 9(a) of the Classified Information Procedures Act of 1980, Pub. L. No. 96-456, 94 Stat. 2025, I transmit to you a copy of the rules to prevent the unauthorized disclosure of classified information in federal criminal court proceedings; they have been submitted to the President of the Senate and the Speaker of the House. Section 9(a) of the Act provides that the rules are to become effective 45 days after they are submitted to the Congress.

Cordially,

WARREN E. BURGER.

Enclosure.

SECURITY PROCEDURES ESTABLISHED PURSUANT TO PUB. L. 96-456, 94 STAT. 2025, BY THE CHIEF JUSTICE OF THE UNITED STATES FOR THE PROTECTION OF CLASSIFIED INFORMATION

1. Purpose

The purpose of these procedures is to meet the requirements of Section 9(a) of the Classified Information Procedures Act of 1980, Pub. L. 96-456, 94 Stat. 2025, which in pertinent part provides that:

". . . [T]he Chief Justice of the United States, in consultation with the Attorney General, the Director of Central Intelligence, and the Secretary of Defense, shall prescribe rules establishing procedures for the protection against unauthorized disclosure of any classified information in the custody of the United States district courts, courts of appeal, or Supreme Court. . ."

These procedures apply in all proceedings in criminal cases involving classified information, and appeals therefrom, before the United States district courts, the courts of appeal and the Supreme Court.

2. Court security officer

In any proceeding in a criminal case or appeal therefrom in which classified information is within, or reasonably expected to be within, the custody of the court, the court shall designate a court security officer. The Attorney General or the Department of Justice Security Officer, with the concurrence of the head of the agency or agencies from which the classified information originates, or their representatives, shall recommend to the court persons qualified to serve as court security officer. The court security officer shall be selected from among those persons so recommended.

The court security officer shall be an individual with demonstrated competence in security matters, and shall, prior to designation have been certified to the court in writing by the Department of Justice Security Officer as cleared for the level and category of classified information that will be involved. The court security officer may be an employee of the Executive Branch of the Government detailed to the court for this purpose. One or more alternate court security officers, who have been recommended and cleared in the manner specified above, may be designated by the court as required.

The court security officer shall be responsible to the court for document, physical, personnel and communications security, and shall take measures reasonably necessary to fulfill these responsibilities. The court security officer shall notify the court and the Department of Justice Security Officer of any actual, attempted, or potential violation of security procedures.

3. Secure quarters

Any in camera proceeding—including a pretrial conference, motion hearing, or appellate hearing—concerning the use, relevance, or admissibility of classified information, shall be held in secure quarters recommended by the court security officer and approved by the court.

The secure quarters shall be located within the Federal courthouse, unless it is determined that none of the quarters available in the courthouse meets, or can reasonably be made equivalent to, security requirements of the Executive Branch applicable to the level and category of classified information involved. In that event, the court shall designate the facilities of another United States Government agency, recommended by the court security officer, which is located within the vicinity of the courthouse, as the site of the proceedings.

The court security officer shall make necessary arrangements to ensure that the applicable Executive Branch standards are met and shall conduct or arrange for such inspection of the quarters as may be necessary. The court security officer shall, in consultation with the United States marshal, arrange for the installation of security devices and take such other measures as may be necessary to protect against any unauthorized access to classified information. All of the aforementioned activity shall be conducted in a manner which does not interfere with the orderly proceedings of the court. Prior to any hearing or other proceeding, the court security officer shall certify in writing to the court that the quarters are secure.

4. Personnel security—court personnel

No person appointed by the court or designated for service therein shall be given access to any classified information in the custody of the court, unless such person has received a security clearance as provided herein and unless access to such information is necessary for the performance of an official function. A security clearance for justices and judges is not required, but such clearance shall be provided upon the request of any judicial officer who desires to be cleared.

The court shall inform the court security officer or the attorney for the government of the names of court personnel who may require access to classified information. That person shall then notify the Department of Justice Security Officer, who shall promptly make arrangements to obtain any necessary security clearances and shall approve such clearances under standards of the Executive Branch applicable to the level and category of classified information involved. The Department of Justice Security Officer shall advise the court in writing when the necessary security clearances have been obtained.

If security clearances cannot be obtained promptly, personnel in the Executive Branch having the necessary clearances may be temporarily assigned to assist the court. If a proceeding is required to be recorded and an official court reporter having the necessary security clearance is unavailable, the court may request the court security officer or the attorney for the govern-

ment to have a cleared reporter from the Executive Branch designated to act as reporter in the proceedings. The reporter so designated shall take the oath of office as prescribed by 28 U.S.C. § 753(a).

Justices, judges and cleared court personnel shall not disclose classified information to anyone who does not have a security clearance and who does not require the information in the discharge of an official function. However, nothing contained in these procedures shall preclude a judge from discharging his official duties, including giving appropriate instructions to the jury.

Any problem of security involving court personnel or persons acting for the court shall be referred to the court for appropriate action.

5. Persons acting for the defendant

The government may obtain information by any lawful means concerning the trustworthiness of persons associated with the defense and may bring such information to the attention of the court for the court's consideration in framing an appropriate protective order pursuant to Section 3 of the Act.

6. Jury

Nothing contained in these procedures shall be construed to require an investigation or security clearance of the members of the jury or interfere with the functions of a jury, including access to classified information introduced as evidence in the trial of a case.

After a verdict has been rendered by a jury, the trial judge should consider a government request for a cautionary instruction to jurors regarding the release or disclosure of classified information contained in docments they have reviewed during the trial.

7. Custody and storage of classified materials

a. Materials Covered

These security procedures apply to all papers, documents, motions, pleadings, briefs, notes, records of statements involving classified information, notes relating to classified information taken during *in camera* proceedings, orders, affidavits, transcripts, untranscribed notes of a court reporter, magnetic recordings, or any other submissions or records which contain classified information as the term is defined in Section 1(a) of the Act, and which are in the custody of the court. This includes, but is not limited to (1) any motion made in connection with a pretrial conference held pursuant to Section 2 of the Act, (2) written statements submitted by the United States pursuant to Section 4 of the Act, (3) any written statement or written notice submitted to the court by the defendant pursuant to Section 5(a) of the Act, (4) any petition or written motion made pursuant to Section 6 of the Act, (5) any description of, or reference to, classified information contained in papers filed in an appeal, pursuant to Section 7 of the Act and (6) any written statement provided by the United States or by the defendant pursuant to Section 8(c) of the Act.

b. Safekeeping

Classified information submitted to the court shall be placed in the custody of the court security officer who shall be responsible for its safekeeping. When not in use, the court security officer shall store all classified materials in a safe or safe-type steel file container with built-in, dial-type, three position, changeable combinations which conform to the General Services Administration standards for security containers. Classified information shall be segregated from other information unrelated to the case at hand by securing it in a separate security container. If the court does not possess a storage container which meets the required standards, the necessary storage container or containers are to be supplied to the court on a temporary basis by the appropriate Executive Branch agency as determined by the Department of Justice Security Officer. Only the court security officer and alternate court security officer(s) shall have access to the combination and the contents of the container unless the court, after consultation with the security officer, determines that a cleared person other than the court security officer may also have access.

For other than temporary storage (e.g., brief court recess), the court security officer shall insure that the storage area in which these containers shall be located meets Executive Branch standards applicable to the level and category of classified information involved. The secure storage area may be located within either the Federal courthouse or the facilities of another United States Government agency.

c. Transmittal of Classified Information

During the pendency of a trial or appeal, classified materials stored in the facilities of another United States Government agency shall be transmitted in the manner prescribed by the Executive Branch security regulations applicable to the level and category of classified information involved. A trust receipt shall accompany all classified materials transmitted and shall be signed by the recipient and returned to the court security officer.

8. Operating routine

a. Access to Court Records

Court personnel shall have access to court records only as authorized. Access to classified information by court personnel shall be limited to the minimum number of cleared persons necessary for operating purposes. Access includes presence at an *in camera* hearing or any other proceeding during which classified information may be disclosed. Arrangements for access to classified information in the custody of the court by court personnel and persons acting for the defense shall be approved in advance by the court, which may issue a protective order concerning such access.

Except as otherwise authorized by a protective order, persons acting for the defendant will not be given custody of classified information provided by the government. They may, at the discretion of the court, be afforded access to classified information provided by the government in secure quarters which have been approved in accordance with § 3 of these procedures, but such classified information shall remain in the control of the court security officer.

b. Telephone Security

Classified information shall not be discussed over standard commercial telephone instruments or office intercommunication systems.

c. Disposal of Classified Material

The court security officer shall be responsible for the secure disposal of all classified materials which are not otherwise required to be retained.

9. Records security

a. Classification Markings

The court security officer, after consultation with the attorney for the government, shall be responsible for the marking of all court documents containing classified information with the appropriate level of classification and for indicating thereon any special access controls that also appear on the face of the document from which the classified information was obtained or that are otherwise applicable.

Every document filed by the defendant in the case shall be filed under seal and promptly turned over to the court security officer. The court security officer shall promptly examine the document and, in consultation with the attorney for the government or representative of the appropriate agency, determine whether it contains classified information. If it is determined that the document does contain classified information, the court security officer shall ensure that it is marked with the appropriate classification marking. If it is determined that the document does not contain classified information, it shall be unsealed and placed in the public record. Upon the request of the government, the court may direct that any document containing classified information shall thereafter be protected in accordance with § 7 of these procedures.

b. Accountability System

The court security officer shall be responsible for the establishment and maintenance of a control and accountability system for all classified information received by or transmitted from the court.

10. Transmittal of the record on appeal

The record on appeal, or any portion thereof, which contains classified information shall be transmitted to the court of appeals or to the Supreme Court in the manner specified in § 7(c) of these procedures.

11. Final disposition

Within a reasonable time after all proceedings in the case have been concluded, including appeals, the court shall release to the court security officer all materials containing classified information. The court security officer shall then transmit them to the Department of Justice Security Officer who shall consult with the originating agency to determine the appropriate disposition of such materials. Upon the motion of the government, the court may order the return of the classified documents and materials to the department or agency which originated them. The materials shall be transmitted in the manner specified in § 7(c) of these procedures and shall be accompanied by the appropriate accountability records required by § 9(b) of these procedures.

12. Expenses

Expenses of the United States Government which arise in connection with the implementation of these procedures shall be borne by the Department of Justice or other appropriate Executive Branch agency.

13. Interpretation

Any question concerning the interpretation of any security requirement contained in these procedures shall be resolved by the court in consultation with the Department of Justice Security Officer and the appropriate Executive Branch agency security officer.

14. Term

These procedures shall remain in effect until modified in writing by The Chief Justice after consultation with the Attorney General of the United States, the Director of Central Intelligence, and the Secretary of Defense.

15. Effective date

These procedures shall become effective forty-five days after the date of submission to the appropriate Congressional Committees, as required by the Act.

Issued this 12th day of February, 1981, after taking into account the views of the Attorney General of the United States, the Director of Central Intelligence, and the Secretary of Defense, as required by law.

WARREN E. BURGER,
Chief Justice of the United States.●

LITHUANIAN INDEPENDENCE DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ANDERSON. Mr. Speaker, Monday marked the 63d anniversary of the declaration of Lithuanian independence. At that time, the courageous and pioneering spirit of the Lithuanian people won out over the repressive Soviet and German forces which had held them back from their true desire to be free and self-governing.

The Government which the Lithuanian nation devised for itself guided the people for 22 remarkable years—years of growth and dedication to country. Yet this young country was not allowed to grow and prosper any further, as the Soviet army, 300,000 strong, overran the cities and the countryside in the summer of 1940. Lithuania was captive, and has remained so up to today. In 1940 the Soviets began a cruel cycle of repression, denying even the most basic social, religious, and political freedoms. It has continued to this day, yet the desires of the Lithuanian people to be free to govern themselves, as well as to practice their religion and celebrate Lithuanian national days, has not diminished one iota over the years. In fact, Mr. Speaker, I believe that the desire has grown stronger with each successive day.

Lithuanian Americans are firm in their identification with their brothers held captive by the Soviet Union. They take every opportunity possible to argue and plead their cause, because freedom for Lithuania is not something one can fight for only on the weekend. It is a day-to-day struggle which the Lithuanian people deal with, one that carries few rewards but great frustration. Thus it is up to us and the entire American people to speak out on behalf of the Lithuanian nation, who, while harassed by the Soviets, have not lost their fervor or determination to regain the freedom of nationhood that is rightfully theirs.

We cannot forfeit the human spirit in the face of totalitarianism, Mr. Speaker. This fight will continue as long as it is necessary.●

HUMAN RIGHTS—GUATEMALA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. BONKER. Mr. Speaker, as the Central American caldron continues to boil, every day produces a new horror. This week Amnesty International, the Nobel Peace Prize winning organization reported that President Romeo Lucas Garcia, of Guatemala directs "a long-established Government program of murder and torture" which last year alone accounted for over 3,000 people murdered and hundreds of others missing.

The international organization said its investigation clearly established that such killings are carried out by the Guatemalan Army and police force and not by secret death squads as the Government claims.

By most independent accounts Guatemala has the worst human rights record of any country in Latin America. Guatemala now stands accused of Government-inspired terror. The world will be observing how the Reagan administration responds to these outrageous violations of human rights. It will be especially interesting since the administration has proclaimed that its policy emphasis will be on violations committed by terrorists and Washington's adversaries, not by countries friendly to the United States such as Guatemala.

I commend to the attention of my distinguished colleagues two items that detail the tragedy in Guatemala. One, the Amnesty International news release describing its report on human rights conditions in Guatemala, and second, an op-ed piece in the New York Times by Jonathan Power, a writer for the International Herald Tribune. In his article entitled, "Behind the Killings in Guatemala," he lends further credence to the charges made in the Amnesty report against the Guatemalan Government.

The news release and article follow:

BEHIND THE KILLINGS IN GUATEMALA

(By Jonathan Power)

GUATEMALA CITY—Every day, the morning newspapers report more of the same: 14, or 10, or 12 bodies discovered—another wave of killings. Since 1966, there have been 30,000 deaths. Since Gen. Fernando Romeo Lucas Garcia became President in 1978, there have been 3,000, with more than 600 other persons arrested and unaccounted for. Bodies have been found piled in ravines, dumped at roadsides, buried in mass graves.

According to Amnesty International, in London, Guatemala has the worst human-rights record of any Latin American country. The violence has not reached the crescendo that it has in El Salvador, nor have as many people "disappeared" in as short a time as after the Chilean coup in 1973, but no Latin-American country can be compared to Guatemala for long-term, systematic assassinations and torture.

Guatemala has a long tradition of political violence. Miguel Angel Asturias, the Nobel Prize-winning Guatemalan novelist, wrote about it in his 1920 novel, "El Senor Presidente." Observers agree that the period from 1966 to the present has been unparalleled in viciousness and cruelty. Most of those killed are peasants; the next largest group is students. But in the last two years, Guatemala has lost the cream of the leadership of its Social Democratic and Christian Democratic Parties and many of its most independently minded professional people. By comparison, the army and the police have lost relatively few.

What triggered the violence is not easy to pinpoint. Many observers point to the 1954 coup, sponsored by the Central Intelligence Agency, in which the reformist President Jacobo Arbenz Guzmán was deposed, and that was followed by killings that left hundreds dead. Others point to a guerrilla movement a small group of army officers started among land-starved Indians in the hills in the early 1960's; the army and civilian paramilitary groups ruthlessly put it down, but it started again in 1975, fueled partly by frustrations brought on when vote fraud cheated the Christian Democrats out of an election victory. Still, there seems little doubt that the violence is overwhelmingly from the right. Torture, shooting, and garroting intimidate the population and maintain political dominance.

Who organizes the killings? High Government officials say that for the moment they are hopelessly caught in the violence between the left and right. The right-wing violence, they say, is caused by death squads. The Government denies having made a single political arrest or holding a single political prisoner. But Michael McClintock, an Amnesty International researcher, believes he has firm evidence that the Government has inspired most of the killings. His conclusions are about to be made public. Briefly, here is his main evidence.

On a number of occasions, prisoners known to be in police custody have turned up dead—for example, 37 who were garroted in 1979 and dumped in a ravine.

There is the evidence of one of only a handful of survivors who have escaped after having been picked up. Amnesty International plans to publish a taped interview with a former prisoner who tells how he was held at a military base and tortured.

There is Gregori Yuja Xona, a peasant who took part in the occupation of the Spanish Embassy in Guatemala City in 1980 to protest army abuses in El Quiche province. (A hundred Indians were killed when the army fired on a protest demonstration.) He and the Spanish ambassador were the sole survivors of the assault on the embassy. He was held under police guard in a hospital, the police removed him without explanation, and his mutilated body was found abandoned.

Mr. McClintock says he has information that the principle center for selecting assassination targets is housed in the offices of the Presidential guard in an annex of the Presidential palace. It is, he says, under the direction of Maj. Hector Montalan, who heads both the Presidential general staff

and military intelligence and who reports directly to President Lucas. Informed exiled sources in Costa Rica confirm Mr. McClintock's information. A former Vice President, Francisco Villagrán Kramer, who fled Guatemala late last year and now lives in Washington, says Mr. McClintock is accurate: While in power, he says, he learned how the system worked, and does not doubt that most killings are decided upon in the palace complex.

Until now, the State Department has refused to accept the proposition that the evidence points directly to the Guatemalan Presidency, and United States diplomats in Guatemala will acknowledge it only as a possibility. Mr. Villagrán and Mr. McClintock present a formidable case. But, then, a United States Embassy in Guatemala that is strongly advising Washington to renew arms sales and counterinsurgency training for Guatemala may not want to believe that the chain of horror begins on President Lucas's doorstep.

AMNESTY INTERNATIONAL DESCRIBES GOVERNMENT PROGRAM OF MURDER AND TORTURE IN GUATEMALA

Amnesty International said today (Wednesday 18 February 1981) that a long-established government program of murder and torture in Guatemala was run from an annex of the National Palace, under the direct control of President Romeo Lucas Garciá.

In a new report, Guatemala: A Government Program of Political Murder, published today, the international human rights organization said some 3,000 people were found murdered after being seized in the first ten months of 1980, and hundreds of others were missing.

The Guatemalan Government attributes such killings to independent groups outside its control, but the report summarizes detailed evidence that they are carried out by the army and police, and it adds two new pieces of evidence—interviews with a survivor and a former soldier.

Many thousands of people have been murdered by the security forces in Guatemala over the past two decades after being picked out as real or suspected critics of government policy. In 1976, Amnesty International estimated that about 20,000 people had been murdered or "disappeared" after being detained in the previous ten years, and it estimates that nearly 5,000 Guatemalans have been seized and killed since General Lucas Garcia became President in 1978. Bodies are found piled in ravines, at roadsides or in mass graves, often with the scars of torture. Most were killed by strangling, by being suffocated in rubber hoods or by being shot in the head.

The murder program is run, the report said, from offices in the palace complex by a presidential agency founded in 1964, known until recently as the Regional Telecommunications Center and before that by a series of other names.

Guatemalan authorities attribute the killings to the Escuadrón de la Meurte (Death Squad) and the Ejército Serreto Anticomunista (Secret Anti-Communist Army), described as independent groups, but Amnesty International said that no convincing evidence has been produced that such independent groups exist. It noted that there was violent guerrilla activity in Guatemala, but said this could not justify murder by a government.

The interview transcripts included in the new report contain recent eyewitness testimony corroborating other evidence of the security forces' responsibility. One of the interviews is with a man described as the only known survivor of political imprisonment in Guatemala in 1980. It tells of his detention at Huehuetenango army base where he says he witnessed the killing of three prisoners and saw the bodies of six others in the eleven days he was held. The other interview, with a conscript who was trained and sent out to take part in the detentions and killings describes the military units' license to kill "anyone who was a suspicious character", as well as people on target lists.

The report includes representative case histories of some of those seized by troops or police; some were later found dead and others are still missing.

Victims include people from all parts of Guatemalan society: peasants, urban workers, clergy, educators, students, lawyers, doctors, journalists, community workers. "By far the majority of victims were chosen," the report says, "after they had become associated—or were thought to be associated—with social, religious, community or labor organizations, or after they had been in contact with organizers of national political parties." In other words, it says, they "tend to be selected from grassroots organizations outside official control."

The escaped prisoner and former soldier whose interviews are included are not identified by name because of the danger of reprisals.

They said to me, if you discover your father is in subversive movements—I didn't understand the word—"subversive," they said is whatever is against the Government and is what causes disorder in Guatemala—if your father is involved in groups like that, kill him, because if you don't he'll try and kill us. . . . From the testimony of a former conscript, included in the report.●

A TRIBUTE TO MARY L. FONSECA

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mrs. HECKLER. Mr. Speaker, Americans are proud to think of this country as a mosaic of many nations and cultures. Citizens of every conceivable ethnic and cultural heritage can point with pride to the contributions of their forebears, who came from other lands, to the great American experiment in democracy.

But these contributions are not just a matter of history. They continue each day, with the new generations of Americans who combine a deep pride in their Americanism with a strong sense of the values and beliefs their ancestors brought to this country.

One of the most proud and active groups in this American mosaic are Americans of Portuguese heritage. Since the days of the great Revolutionary War hero Peter Francisco, Luso Americans have made great and lasting contributions to their Nation, and their communities.

On February 22 the Luso-American Award Committee of Fall River, Mass., in conjunction with the Jornal de Fall River, will honor one of the most distinguished and able Luso Americans ever to serve the people of Fall River. They will present their annual Luso American Award to the Honorable Mary L. Fonseca, State senator from Fall River and the majority whip of the Massachusetts State Senate.

For 36 years in public service—29 of those years spent in the State senate—Mary Fonseca has provided the citizens of Fall River, and all the people of the Commonwealth of Massachusetts, with determined and able leadership. She has defied the attempts of those who would seek to label her: as a woman, as a Luso American, as the senator from Fall River, she has served all those constituencies best, by fighting for the best interests of all the citizens of the Commonwealth.

She has been a leader in the age-old fight to eliminate discrimination against women in our society. By her example, she has shown the way for countless women to assume leadership positions in government and public service, on a completely equal footing with men.

She has fought tirelessly for the goal of quality higher education, and was influential in the establishment of two distinguished colleges to serve the people of the Fall River area.

Through all this, she has provided a brand of spirited and sage public service that has won her the respect, admiration and appreciation of all those whose lives she has touched.

Mr. Speaker, I believe that Senator Mary Fonseca embodies the highest qualities of public leadership and service that our Founding Fathers envisioned when they set our great experiment in democracy into motion. Her career is a sterling example of the great contributions the Luso American community has made to our society, and a monument to the finest traditions of American government in action. I ask all my colleagues in this Congress to join me in paying tribute to this most distinguished public servant, Senator Mary L. Fonseca.

Thank you.●

IN HONOR OF THE LATE ELLA TAMBUSSI GRASSO

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. GOODLING. Mr. Speaker, I am honored today to join my colleagues in paying tribute to the late Ella Tambussi Grasso, 83d Governor of the State of Connecticut and a former Member of this body. Each one of us can learn much from the example of Mrs. Grasso, who, in her more than 25 years of elected office, left her mark

not only as a professional politician, but more importantly as a public servant having genuine personal concern for her constituents.

Known for her vivacious personality and firm beliefs, Mrs. Grasso's reputation extended far beyond Connecticut's borders. We are all familiar with her remarkable record of public service, one which included 4 years in the State legislature, 12 years as Connecticut's Secretary of State, and two terms as the Representative from the Sixth Congressional District before her election as Governor in 1974.

Mrs. Grasso embodied the great American dream: the daughter of an immigrant baker from northern Italy who went on to become one of the most durable Connecticut politicians in recent years. As she once put it, she was the Nation's "first lady Governor who was not a Governor's first lady."

Her husband, Mr. Thomas Andrew Grasso, once told reporters about the time when the Grassos owned a movie house. Mr. Grasso reportedly said: "She sold the tickets, and I worked the projector. But now she runs the whole show."

And run the whole show Mrs. Grasso did, indeed. She led a State confronted with financial difficulties and recession, and fought to hold down public spending; she did this while resisting the imposition of an income tax, an act requiring political courage and conviction. She worked for a "sunshine" law that opened many functions of government to public scrutiny and championed efforts to aid the elderly and the retarded. Mrs. Grasso's performance during two natural disasters that struck Connecticut—a blizzard in 1978 and a tornado in 1979—perhaps exemplifed best the extent to which she cared for the people of the Constitution State.

Mrs. Grasso believed in open government, and encouraged citizens to visit her with their problems, a habit she developed while Connecticut's Secretary of State. She once said: "I think that's why I went into government, because I realized early on that if I was concerned with problems, the best way of getting them solved was to be part of the decisionmaking process."

During her two terms in this body, Mrs. Grasso served ably on the Committee on Veterans' Affairs and on the Education and Labor Committee. She flew home every weekend to meet with constituents. And, a legislative aide from those Washington years reportedly remembers that, when a constituent came in with a personal problem, one got the impression that he was "talking to your mother, someone generally concerned about the little things that were happening to you."

As she so often thought of the people whom she served so dutifully, I join my colleagues in remembering Ella T. Grasso, a truly remarkable woman. She will be remembered here for her flexible yet cautious service to Connecticut's Sixth District. May I extend my thoughts and prayers to Mrs. Grasso's family at this saddened time.

For myself, I can think of no greater testimony than that which was paid by one mourner at Mrs. Grasso's funeral: 16-year-old Shawn Hallisey, of New London, said then that when he first met Mrs. Grasso a few years ago, she sat him down and asked him questions about his school. "When I saw her again, she remembered me," Shawn said, according to reports. "Not many politicians remember you."●

LITHUANIAN INDEPENDENCE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BIAGGI. Mr. Speaker, this week Lithuanians throughout the world observed the 63d anniversary of the declaration of the independence of Lithuania. Despite years of oppression in Estonia, Latvia, Lithuania, and other captive nations throughout the world, the Lithuanian desire to be free is still strong; their courage and dedication to liberty remains unyielding.

In 1940, after 22 years of independence, the Lithuanian State was robbed of the rights of a free nation by the aggressive imperialism of an expansion-minded Soviet Union which to this day, as evidenced by their invasion of Afghanistan and their troops on the Polish border, continues to threaten the free world.

Throughout many years of hardship Lithuanians have withstood the increased and improved subjugative tactics of the Soviets and have remained defiant. They are proof that the will and courage of those who wish to be free will endure over the methods of those who wish to control them through oppression and deprivation of human rights.

We in the United States must reaffirm our strong commitment to human rights throughout the world. The support of basic human, political, civil, and religious rights, along with the right of self-determination, is a fundamental policy objective and moral obligation of this country to the rest of the world, therefore it is essential that we do not forget the struggle and sacrifice of the Lithuanian people at this time.

The Soviet Union's annexation of Lithuania has never been recognized by the United States. We have recognized and supported the diplomatic corps established by independent Lithuania and will continue to do so.

As the leader of the free world, our country has always been in the forefront of the struggle to preserve personal liberties and basic human rights throughout the world. We must continue to push for self-determination for Lithuania and must not forget their courage and never ending determination.●

ANTI-NUKE STRATEGY CONFERENCE, PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. McDONALD. Mr. Speaker, the Mobilization for Survival (MFS), a disarmament and antinuclear power coalition, recently held its strategy conference for 1981. The MFS is the most current incarnation of the popular fronts of the anti-Vietnam period such as the National, Spring, and New Mobilization Committees and the People's Coalition for Peace and Justice (PCPJ) in which the Communist Party, U.S.A. (CPUSA) and groups which collaborated with the Soviet-controlled World Peace Council (WPC) played leadership roles.

The MFS grouping was formed to bring antinuclear power groups into the Soviet-orchestrated false peace campaign that presses for American disarmanent in the face of the Soviet military buildup.

The Western Goals Foundation, a nonprofit educational organization formed "to rebuild and strengthen the political, economic, and social structure of the United States and Western Civilization so as to make any merger with totalitarians impossible" has produced a report on the recent national conference of the MFS which details strategies, lobbying campaigns targeting Congress against new U.S. defense systems, and other programs. I have already made available to my colleagues the first section of that report on antinuclear and disarmament strategies. The second section, which includes a report on the coalition's support for Soviet-backed Third World terrorist groups, I offer now.

The report follows:

ANTI-NUKE STRATEGY CONFERENCE, PART II

(Western Goals Foundation, February 1981)

TERRORIST SUPPORT

Throughout the Mobilization for Survival conference members of various Marxist-Leninist parties and support groups for both U.S. and foreign revolutionary terrorist organizations worked to publicize and attract new support for their causes.

As part of the MFS conference, workshops were held backing Soviet-supported revolutionary and terrorist groups in the Middle East, in southern Africa and Central America.

The focus of MFS support in the Middle East is the Palestine Liberation Organization (PLO). An issue that appeared to have little "draw" for the environmentalists at

the MFS meeting, it certainly did have support among the "Old Left" contingent associated with the World Peace Council (WPC), its U.S. section, the U.S. Peace Council (USPC), Women's International League for Peace and Freedom (WILPF), Women Strike for Peace (WSP), and members of MFS's Religious Task Force which has a considerable overlap with Clergy and Laity Concerned (CALC).

Literature was distributed signed by the Palestine Human Rights Campaign (PHRC), in effect the PLO's full-time Washington, D.C., lobby, and several other groups such as Operation PUSH [whose International Affairs director is veteran Communist Party, U.S.A. organizer Jack O'Dell], the National Association of Arab-Americans, Southern Christian Leadership Conference (SCLC), Raza Unida Party, Black United Front (BUF), New American Movement (NAM), Antiochean Orthodox Church of North America, and one of the most ancient of CPUSA fronts, the Methodist Federation for Social Action (MFSA). These groups termed themselves the Middle East Peace Action Coalition (MEPAC) and call for U.S. recognition of the PLO.

The chaotic state of the MFS conference in its last stages precluded a full floor discussion of MFS "Middle East work." However, members of the MFS Coordinating Committee said that it would examine future Middle East activities which would probably be through the major pro-PLO "popular front," the Coalition for Peace and Justice in the Middle East (CPJME).

The CPJME founding conference on November 24, 1980, included Samih Farsoun, Palestine Congress of North America (effectively the U.S. section of the PLO's political front, the Palestine National Congress); Ramsey Clark; Alan Solomonow, Middle East Peace Project; Jack O'Dell, Operation PUSH; David Dellinger; and Rev. Paul Mayer, MFS Religious Task Force.

The workshop on El Salvador with Heidi Tarver of the Committee in Solidarity with the People of El Salvador (CISPES) distributed a document entitled "Work Plan for the Salvadorean Solidarity Movement as Recommended by the East Coast Conference in Solidarity with the Salvadorean People, Washington, DC, October 11-12, 1980." This document contains directives for a high-pressure "blitz" against Congressmen, the media and the religious community to support the revolutionary terrorist groups being armed and trained by the Soviet Union, Cuba, and the Soviet satellite states.

The El Salvador solidarity document was not subtle. It ordered:

"Pressure Congress to halt all U.S. military aid to El Salvador; Pressure the Administration to halt all U.S. military aid shipments * * *; Initiate letter writing campaigns to Congress * * *; confront Congresspersons [sic] in their local districts * * *; organize * * * delegations to El Salvador which can return and generate publicity and support; Pressure the traditional media * * *; Pressure journalists' associations, newspaper guilds, etc. * * *; Expose the repressive nature of the agrarian reform program * * * linking it to the * * * pacification program used in Vietnam; Denounce the role of the AIFLD * * *."

Under "Religious Sector," the CISPES document listed "specific recommendations" including distribution of "analysis" articles to the religious press and "prepare Op-Ed pieces for submission by local church officials." So much for spontaneity of thought on the subject.

A resolution was attached passed by those attending the CISPES founding conference in Washington, D.C. who included representatives from the Washington Office on Latin America (WOLA), Institute for Policy Studies (IPS), National Lawyers Guild (NLG), Council on Hemispheric Affairs (COHA), North American Congress on Latin America (NACLA), and EPICA. In part it stated:

"Recognizing, that the Salvadorean people express their immediate and historic interests through the Democratic Revolutionary Front; and that the Unified Revolutionary Directorate is the political-military vanguard of the Salvadorean people; and * * * that the just war * * * is the only possible means to achieve peace, freedom, self-determination, and social injustice; [the Conference] Resolves:

"To work in unity with the Democratic Revolutionary Front, recognizing it as the broadest expression of the Salvadorean people, and the Unified Revolutionary Directorate as its vanguard; * * * and to promote in the United States a broad-based and coordinated solidarity movement in support of their struggle * * *."

The resolution page closed with the slogans, "In the face of imperialist intervention, international solidarity!" "United in combat until the final victory!"

As of this writing, CISPES has not registered with the U.S. Department of Justice as an agent of the Democratic Revolutionary Front or Unified Revolutionary Directorate of El Salvador.

Domestic U.S. terrorists had their supporters present at the Mobilization for Survival conference also. Distributing literature proclaiming "Free the Eleven Puerto Rican Prisoners of War!" and "Long Live the FALN," members of the former Weather Underground Organization (WUO) and its Prairie Fire Organizing Committee (PFOC) who now form the New Movement in Solidarity with Puerto Rican Independence urged not only support for the Cuban-backed Puerto Rican terrorist movement, but also for the Salvadorean FDR, the Republic of New Africa, and the Black Guerrilla Family, a prison gang composed of former members of the Black Liberation Army (BLA) and Black Panther Party (BPP).

The former Weather Underground members promoted demonstrations against the trials on federal charges of convicted FALN terrorists in Chicago. Other groups also used the occasion to publicize demonstrations.

One such demonstration was a protest and picket at the Washington Hilton on February 11, 1981, against the Rockwell International Corporation, a major defense contractor. The irony that the MFS conference promoting the anti-Rockwell protest was being held in Duquesne University's Rockwell Hall, donated by that same American company for higher learning, appeared lost on the MFS participants.

Among the scheduled workshops were:

Jobs with Peace Referendum Campaigns—Vic Schumacher, Detroit MFS; Carl Casebolt; Tim Sperry.

Middle East Crisis—David Dellinger.

Feminism as a Tool for Analyzing the Present Crisis—Leslie Cagan, Donna Warnock.

El Salvador—Heidi Tarver, Committee in Solidarity with the People of El Salvador (CISPES).

South Africa—the Nuclear Connection—Rev. Don Morton, South African Military Refugee Aid Fund (SAMRAF).

Using the Fairness Doctrine to Combat Utility Media Bias—Deborah Costlow, Media Access Project (MAP)

Militarism and the Draft—John Judge, Central Committee of Conscientious Objectors (CCCO) and Harold Jordan, MFS staff.

Racism and the Cold War Serve the Same Master—Frank Chapman, National Alliance Against Racist and Political Repression (NAARPR), a CPUSA front; and AFSC Field Staff, St. Louis.

Health Effects of Radiation: Epidemiological Evidence—Dr. Ernst Sternglass.

U.S. Nuclear Weapons Strategy—Sidney Lens.

Political Surveillance: How to Identify It and What to Do About It—Susan Benda, Campaign for Political Rights.

The State of the Anti-Nuclear Movement—Anna Gyorgy, Montague, MA.

Women and Apartheid—Mary Wade, Quaker United Nations Office.

U.S. Prison System and Social Justice—Scott Myers, National Committee to Support the Marion Brothers.

The Next Battle: Flushing TMI Water into the Susquehanna—Michio Kaku, Columbia University.

Keynote speakers included Anna Gyorgy of the Women's Pentagon Action, Rev. Leon White of the United Church of Christ Commission for Racial Justice, and Eqbal Ahmad, Institute for Policy Studies (IPS).

Demonstrating the IPS elitism and arrogance that has become proverbial among "movement" left activists, Ahmad admitted that he had had Rev. White speak first so that he had time to scribble some notes for his speech. Ahmad's performance was not so much a speech as a diatribe of hatred of all things American. Maintaining with evident satisfaction that the "American century" was ending "without having ever existed and predicting that the U.S. system will be ended within ten years, Ahmad asserted that the "U.S. regime has proved unable to assure the country's continued prosperity."

Upholding the apparent consensus among IPS activists that there is "no Soviet threat" because the USSR "is not an expanding power" and "will not expand into the Third World," (ignoring inconvenient facts like Angola, Ethiopia, South Yemen and Afghanistan), Ahmad expressed additional satisfaction that the defeat of the U.S. in Southeast Asia demonstrated the U.S. "is no longer the number one country in the world."

Ahmad, who has been working closely with CounterSpy magazine, a favorite "source" of material for the Soviet propaganda machine, dismissed reports by the Americans held hostage in Iran of beatings and torture saying "For them, mistreatment was not having hot baths."

The conference closed with unresolved business being referred to the Coordinating Committee.

National organizations active in the MFS include the American Friends Service Committee (AFSC); Fellowship of Reconciliation (FOR), Communist Party, U.S.A. (CPUSA), U.S. Peace Council (USPC), Women's International League for Peace and Freedom (WILPF), Women Strike for Peace (WSP), Socialist Party, U.S.A., War Resisters League (WRL), the People's Alliance, SANE, the New American Movement (NAM) and Clergy and Laity Concerned (CALC).

Other organizations attending the MFS conference included the Communist Workers Party (CWP), Socialist Workers Party (SWP), Campaign for Political Rights [originally the Campaign to Stop Govern-

ment Spying], Workers World Party (WWP), Coalition for a New Foreign and Military Policy (CNFMP), Democratic Socialist Organizing Committee (DSOC), Plowshares Eight Support Committee [backing a sabotage raid on a U.S. defense contractor], and the Committee Against Registration and the Draft (CARD).●

LITHUANIAN INDEPENDENCE

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. ZABLOCKI. Mr. Speaker, this week, we observe the 63d anniversary of Lithuanian independence. Thus, it is a fitting time for us to reaffirm our support for the principles of freedom and self-determination for the peoples of the Baltic nations, and to honor individuals who have worked hard at great personal sacrifice to promote the realization of those principles.

On February 16, 1918, the Lithuanian people proclaimed their freedom and established an independent government. They enjoyed independence for 22 years, until the Soviet invasion and subsequent annexation of Lithuania in 1940. The Lithuanian people have endured Soviet subjugation far too long. We admire their heroic efforts to preserve their ethnic and cultural heritage, and to work toward basic freedoms and liberty which is the right of all people to enjoy.

In this regard, the particular contribution of one individual, Viktoras Petkus deserves special notice. Mr. Petkus created the Lithuanian-Helsinki monitoring group, and displayed valiant efforts to promote the observance of humanitarian principles of his homeland. However, because the Soviets do not tolerate such action, they arrested and sentenced Viktoras Petkus to a 7-year prison sentence and 5 years of internal exile. The U.S. delegation to the Conference on Security and Cooperation in Europe has recognized the outstanding and courageous contribution of Viktoras Petkus, and nominated him, along with three others, to receive the Nobel Peace Prize.

We applaud and support the brave efforts of Viktoras Petkus and those of other individuals in their determination to achieve independence and exercise personal liberties.

The United States will continue to remain steadfast in its policy of nonrecognition of the Soviet Union's forced annexation of the Baltic nations of Latvia, Estonia, and Lithuania, and its condemnation of foreign troop intervention, political imprisonments, and the denial of human rights including the right to self-determination of the Lithuanian people.●

THE ANTI-AFRICA LOBBY: WASHINGTON OFFICE ON AFRICA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. McDONALD. Mr. Speaker, every day those of us who serve in this body are approached by lobbying individuals and groups asking us to support their causes. Just as they have a right to lobby, we who serve in this body have a duty to our constituents and to all Americans to be aware of the nature of these groups and to examine whether their causes are in the interests of the country as a whole.

Although modestly funded, one of the most active lobbying groups is the Washington Office on Africa (WOA), which last month launched an appeal for funds. The appeal used alarming language with its theme a claimed possibility that the new Reagan administration is planning to intervene in southern Africa with Angola almost certainly presenting the first test.

Quite oblivious to dangers created for the United States and the non-Communist world by the Soviet Union and its surrogates in southern Africa, and to the aggression already unleashed from Angola against Zaire, as well as South-west Africa, the WOA wrote: "The new administration's dominant emphasis on Soviet expansion could well lead to a dangerous insensitivity to the consequences of such a policy."

One can only infer that the WOA believes that to concentrate on blocking the expansion of Soviet totalitarianism which is already creating a chain of new colonies across Africa is an error. Perhaps WOA does not recall how much a failure appeasement proved to the world in the 1930's.

To conclude its funding appeal, WOA wrote:

> Today we are faced with President Reagan, who may lead our country into a new and dangerous period of United States-African relations. Can we afford to give up now, after the gains we have made?

Rhetoric aside, during the Nixon, Ford, and Carter administrations, the WOA had fluctuating and various degrees of success in influencing U.S. policies and legislation affecting Africa. Among the successes the WOA claims as its work are the Clark amendment which prohibits any Central Intelligence Agency covert action in Angola without explicit congressional approval and sanctions against Rhodesia which barred import of materials including strategic chrome ore produced under the former non-Marxist Rhodesian Government.

With the change of administrations, the new leadership in the Senate and developments in this body, WOA said:

> We anticipate efforts aimed at changing investment and trade policy, loosening export controls, and possibly renewing nuclear fuel exports.

All policies WOA takes credit for having facilitated.

The Washington Office on Africa (WOA), 110 Maryland Avenue NE., Washington, D.C. 20002 (202-546-7961), is a spinoff group and the lobbying arm of the New York-based American Committee on Africa (ACOA). According to WOA's associate director, Christine Root, who has been with WOA since its inception, WOA is a lobbying group, sponsored by several Protestant Church denominations and the American Committee on Africa, which focuses on U.S. policy toward those areas of southern Africa which are still under white rule.

Explained Miss Root:

> In our efforts to influence the passage of legislation, we do both direct lobbying with staff and Members of Congress in Washington and communicate with constituents in especially important districts, so that Members of Congress get both accurate information on the issues and a sense that people in their districts care about the issue.

In making these statements, Root was expanding on what WOA terms a focussed approach which they explain as follows:

> The WOA works for a progressive U.S. policy toward Africa. * * * We believe that such a policy cannot become reality unless we concentrate our limited resources and the support of a relatively small number of concerned Americans. We therefore focus on Congressional legislative issues, and try to win them one at a time.

WOA's fight against the former non-Marxist black majority government in Zimbabwe has demonstrated that its goals are not majority rule. Furthermore, WOA's rhetoric against whites living in Africa takes on a racialist tone as was demonstrated in a 1978 statement:

> The center of the lobby against white rule is the Washington Office on Africa. Its three-person staff works out of a tiny Capitol Hill office with an equally tiny budget of $52,000 a year. Its considerable clout comes from the support of influential domestic allies who are not usually identified as African lobbyists or registered as such.

The leadership position taken by the Washington Office on Africa was confirmed in a 1978 publication of the American Friends Service Committee (AFSC) which praised WOA's active lobbying with congressional offices; it is taking the lead in the successful effort to secure repeal of the Byrd amendment; and the drive to halt Eximbank help for South Africa.

The effect of WOA's lobbying is not merely to oppose governments dominated by whites in southern Africa, but to support Soviet-backed revolutionary movements in these areas. For example, WOA demanded a U.S. hands-off policy in Angola and declined to support the pro-Western

UNITA guerrillas, so that the effect was aiding the Marxist-Leninist MPLA forces receiving massive support from the Soviet Union, Cuba, and the Warsaw Pact countries.

WOA's parent organization, the American Committee on Africa (ACOA), originated from meetings held in London in 1951 between members of the Soviet-controlled African National Congress (ANC) and U.S. black activist Bill Sutherland. Sutherland, 62, is an employee of the American Friends Service Committee (AFSC) who is based in Tanzania.

Soon thereafter with the agreement of ANC's then-secretary general Walter Sisulu, a forerunner of ACOA called Americans for South African Resistance (ASAR) was organized by a U.S. citizen, peace activist and former executive director of the Congress of Racial Equality (CORE), George Houser. When Houser reorganized ASAR into the ACOA, support activities for pro-Soviet revolutionary terrorist movements continued with the Algerian FLN, Congo Premier Patrice Lumumba, Angola's MPLA, FRELIMO in Mozambique and the Zimbabwe Patriotic Front.

According to the AFSC:

The American Committee on Africa for a quarter of a century has given undivided time, attention and support to the liberation struggle in Africa. Trusted implicitly by liberation movement leaders, the ACOA is highly regarded by those who are working in this country to assist the freedom struggle in Southern Africa.

ACOA has taken a leadership role in coordinating the campaigns to stop U.S. bank loans to South Africa, to promote divestment of stock in companies doing business with South Africa, and to stop the sale of Krugerrand by U.S. banks and coin dealers.

In the United States, the ACOA and WOA work closely with revolutionary terrorist support and lobbying groups having a broader interest base such as the Institute for Policy Studies (IPS), the Coalition for a New Foreign and Military Policy (CNFMP) (of which the WOA is an affiliate), the American Friends Service Committee (AFSC) and Clergy and Laity Concerned (CALC). In addition, WOA and ACOA serve as primary resources for many other support groups for Soviet backed revolutionary and terrorist groups in Africa including the Southern Africa Committee, Pan African Skills Project/Patrice Lumumba Coalition and the International Defence and Aid Fund.

In 1967, the ACOA established a presence in Washington, D.C., and opened a full-time office in 1968. This direct ACOA lobbying activity ceased with the opening of the WOA in 1972. Operating as an independent organization for 9 years, the WOA now lists as its sponsors the ACOA; Christian Church Disciples of Christ; the Church of the Brethren; Episcopal Church, Public Affairs Office, Executive Council; Lutheran Church in America, Division for Mission in North America; the United Church of Christ, Board of World Ministries, Office for Church in Society; United Methodist Church, Board of Global Ministries, Women's Division, Africa Office; United Presbyterian Church, Program Agency; and the United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW).

Regarding WOA funding, it is noted that a 1980 report by David Jessup entitled "Preliminary Inquiry Regarding Financial Contributions to Outside Political Groups by Boards and Agencies of the United Methodist Church, 1977-79," shows that the WOA received $2,000 a year during the review period from the UMC while the total UMC funding to U.S. groups, many of them revolutionary, is nearly $50,000 a year. Mr. Jessup wrote:

The ACOA received $5,000 from the Women's Division and $4,000 from the World Division in 1977-79, while the WOA received $3,500 from the Women's Division in 1977-78. Twenty other organizations received approximately $38,600 over a two-year period from the two Divisions: Africa News, the Southern Africa Committee, the South Africa Freedom Committee, Trans-Africa, Eritreans for Liberation, African Survival Committee, Committee to Oppose Loans to South Africa, International Freedom Mobilization, Pan African Congress, Pan African Skills, South Africa Freedom Day Coalition, Soweto Childrens Group, South Africa Christian Council Refugee Program, S.W. Africa National Union, Zimbabwe African Women, Coalition of Concerned Black Americans, Commission for Racial Justice, MeHarry Medical Society Program, and the International Defense and Aid Fund.

The Washington Office on Africa has an estimated annual budget of $130,000 which includes salaries, $50,000; postage, $7,000; office rental, $4,000; printing and publications, $60,000; and lobbying expenses, $9,000.

Since October 1980, WOA's executive director has been Jean Sindab, who is completing her Ph. D. in political science from Yale University, having spent a year in Zambia doing research. WOA's associate director is Christine Root, active with WOA since its inception.

However, WOA's long-term executive director, Edgar "Ted" Lockwood, retired from that post in June 1980, but only to continue to exercise his influence on policy as director of the Washington Office on Africa Educational Fund (WOAEF) which shares WOA's office space.

Others who have worked for the WOA include David Neigus, George Wright, Maghan Keita, Sr., Janice McLaughlin, David McGloin, and Carolyn Long.

The considerable clout and influential domestic allies of which WOA boasts it described in more detail in 1979, stating:

In addition, we multiply our numbers by working with other networks. We help get the word out through the Coalition for a New Foreign and Military Policy and through IMPACT, a religious network. This year we joined with TransAfrica in establishing a Washington working group of over 30 national organizations to coordinate legislative strategies on southern Africa.

TransAfrica describes itself as the Black American Lobby for Africa and the Caribbean. It was founded in 1977 as a membership organization to inform and organize popular opinion in the United States to advocate policies and practices that will help to achieve a more progressive U.S. foreign policy toward the nations of Africa and the Caribbean and peoples of African descent generally throughout the world.

From its support for the Marxist terrorist groups in southern Africa, Trans-Africa appears to use the word "progressive" as a code word to signify change along lines sought by the Soviet Union.

TransAfrica's organizer and executive director is Randall Robinson, who is well known on Capitol Hill as the former director of the Congressional Black Caucus.

TransAfrica has an elected board of 23 directors who include Richard Hatcher, chairman; Harry Belafonte; Rev. Isaac Bivens; Bishop Hartford Brookins; Walter Carrington, Esq.; Dr. Herschelle Challenor; Courtland Cox; Robert Farrell; Dr. Carlton Goodlett; Dorothy Height; Dr. Willard Johnson; Eugene Jackson; C. Payne Lucas; William Lucy; Louis Morton; Representative PARREN MITCHELL of Maryland; Rev. Randolph Nugent; Rev. Robert C. S. Powell; Dr. Samuel Proctor; Frank Savage; Percy Sutton; Dr. James Turner; and Dr. Ron Walters.

It is noted that of the TransAfrica directors, several such as Percy Sutton, Harry Belafonte, Coalition of Black Trade Unionist (CBTU) Leader William Lucy, and World Peace Council Vice President Carlton Goodlett have in the past been involved with fronts and causes of the Communist Party, U.S.A. (CPUSA), while Courtland Cox is a veteran of the Institute for Policy Studies (IPS) and its anti-intelligence spinoff, the Center for National Security Studies (CNSS).●

A TRIBUTE TO A PUBLIC SERVANT

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. RATCHFORD. Mr. Speaker, the State of Connecticut grieves this month not only for the passing of our former Governor, Ella T. Grasso, for whom we paid tribute this week, but

for the recent loss of a public servant with whom I was honored to serve in our general assembly, State Representative Silvio A. Mastrianni.

Representative Mastrianni was far more than a distinguished colleague in the Connecticut Legislature, far more than a partner in good government in the years since my service beside him, far more than a staunch political ally with whom it was a pleasure and a lesson to stalk the campaign trail—far more, even, than a trusted friend. He was a public servant who sincerely devoted himself to the people he represented in the State capitol—the men and women of Derby and Ansonia, Conn., who live in the 104th assembly district.

This able legislator, just 60 years old when he died, was known to his colleagues in Hartford and his neighbors in the Naugatuck River Valley as the working man's representative—a man who could always be counted on to speak out for the working men and women of our part of the State. He was also known to his friends—and Silvio Mastrianni was a man with many friends—by his nickname, "Stork."

I know I'll miss Stork: His very practical wisdom in the human aspects of the sometimes inhuman business of politics and government; his leadership in the general assembly, and the promise of his post as house majority whip; his understanding of the problems of labor and of the real needs of workers; his patience and his caring and his friendship.

The people of the 104th assembly district of Connecticut were blessed with Stork's dedicated service for a decade. They and all his friends grieve for his loss, and I call on my colleagues in this body to join me in paying solemn tribute to a gentleman who honored the highest secular calling—the calling of public service.●

LITHUANIAN INDEPENDENCE

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. HUGHES. Mr. Speaker, February 16, 1981, marked the 63d anniversary of Lithuanian independence from foreign domination. For over a century, from 1795 to 1915, the people of Lithuania courageously withstood subjugation and political domination by the Russians. Then, during World War I, this Soviet oppression was succeeded by the devastation of German occupation.

But in 1918, the Lithuanian fervor for freedom was forever affirmed. The brave people of this struggling nation cast off their yoke of oppression, and declared their homeland to be a sovereign state. International recognition of the Republic of Lithuania was formally granted when nations around the world, including the Soviet Union signed the Peace Treaty of 1920.

Each year, we Americans joyfully recall our Nation's independence day, the Fourth of July, with fireworks and festivities; for the brave people of Lithuania, however there will be no national celebrations. The Lithuanians mark the recognition of their anniversary of independence with silent contemplation and tears. For, in 1981 Lithuanian independence remains little more than a vivid memory for some, and a dream for others.

In 1940, after only 22 years of freedom, the promise of Lithuanian autonomy was inexorably broken by the Soviet Union. During World War II, Soviet forces again invaded Lithuania, their troops occupied Lithuanian territory, and the Lithuanian homeland was forcibly incorporated into Soviet boundaries. Soviet suppression called an abrupt halt to the great strides which the Republic of Lithuania had made both economically and culturally in this short time.

The people of Lithuania cannot be denied their national identity. Despite the russification process, the steadfast Lithuanians continue to retain their own language, their religious preferences, and their unique culture and heritage. In an effort to support the Lithuanian struggle for freedom, the United States refuses to acknowledge a permanent incorporation of the Republic of Lithuania into the U.S.S.R. While the Russians continue to maintain control over Lithuanian territory, the people of this courageous nation remain free in spirit.

On the 63d anniversary of Lithuanian independence, let the United States again affirm its national commitment to the inalienability of basic human rights for all. Let the strength of the Lithuanian dissidents serve as a beacon to oppressed individuals throughout the world.

I urge the Soviet Union, and all of the signatory nations, to comply with the Helsinki accords, which set forth the principles of individual liberty and basic human rights. I salute the courageous people of Lithuania, and share their hope that once again they will be granted the right to self-determination and individual freedom that we in the United States so dearly love.●

THE ANTI-AFRICA LOBBY: WASHINGTON OFFICE ON AFRICA, PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 19, 1981

● Mr. McDONALD. Mr. Speaker, we have been discussing the activities of a lobbying group, the Washington Office on Africa (WOA), which has boasted that its "considerable clout comes from the support of influential domestic allies who are not usually identified as African lobbyists or registered as such."

A part of that "clout" can be seen in the contacts of the Southern African Working Group, which is not inappropriately abbreviated SWAG. This group was put together by the WOA and TransAfrica in January 1979, and is an outgrowth of a 1978 economic warfare project called South African Summer initiated by the American Friends Service Committee (AFSC) and the Coalition for a New Foreign and Military Policy (CNFMP) of which the WOA is an active member.

In promoting this project, the AFSC stated:

> The Coalition, working in close collaboration with the Washington Office on Africa, through its extensive coast-to-coast outreach informs a large variety of people about Southern Africa issues, and suggests specific actions, especially legislative, for concerned people to take.

From the list of participants in the founding meeting of the Southern Africa Working Group one can see part of the scope of domestic allies who are not usually identified as African lobbyists or registered as such. They included the following individuals:

Millard Arnold, Lawyers Committee for Civil Rights Under Law (LCCRUL), 733 15th Street NW., Suite 520, Washington, D.C. 20005.

Leonard Ball, CBTU, 1010 Vermont Avenue NW., Washington, D.C. 20005.

Tartt Bell, AFSC, 1822 R Street NW., Washington, D.C. 20009.

Ron Brown, National Urban League, 425 13th Street NW., Suite 515, Washington, D.C. 20004.

Cindy Buhl, CNFMP, 120 Maryland Avenue NE., Washington, D.C. 20002.

Roger Cochetti, United Nations Association, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.

Ken Colburn, Congressional Black Caucus, 306 House Annex I, Washington, D.C. 20515.

Cecelie Counts, Southern Africa News Collective, 2901 18th Street NW., No. 204, Washington, D.C.

Courtland Cox, Emergency Fund for Southern Africa, 1625 I Street NW., No. 725, Washington, D.C. 20006.

Olapido Dada, 1644 11th Street NW., Washington, D.C.

Jennifer Douglas, National Urban League.

Bob Edgar, African Studies Center, Howard University, WDC 20059.

Gretchen Eick, United Church of Christ (UCC), Office of Church in Society (OCIS), 110 Maryland Avenue, NE., Washington, D.C. 20002.

Koko Farrow, UCC-Committee for Racial Justice, 1029 Vermont Avenue, Washington, D.C. 20005.

Elizabeth French, Women Strike for Peace (WSP), 8817 Chalon Drive, Bethesda, Md. 20034.

John W. Garland, National Conference of Black Lawyers (NCBL), 1926 6th Street NW., Washington, D.C. 20001.

Lou Gerber, Communications Workers of America (CWA), 1925 K Street NW., Washington, D.C. 20006.

James Hackney, Lawyers Study Group, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

Bob Hayden, United Steelworkers, 815 16th Street NW., Washington, D.C. 20006.

Sylvia Hill, Southern Africa News Collective, 1823 9th Street NW., Washington, D.C. 20001.

Helen Hopps, Institute for Policy Studies (IPS), 1901 Q Street NW., Washington, D.C. 20009.

Ed Killackey, Maryknoll Fathers, 1325 Otis Street NE, Washington, D.C. 20017.

Stephanie Klein, International Human Rights Law Group, 1700 K Street NW., Washington, D.C. 20006.

Alex Knopp, Members of Congress for Peace through Law (MCPL), 201 Massachusetts Avenue NE., Washington, D.C. 20002.

Francis Kornegay, African Bibliographic Center, 1346 Connecticut Avenue, NW., Washington, D.C. 20036.

Helen Kramer, International Association of Machinists (IAM), 1300 Connecticut Avenue, NW., Washington, D.C. 20036.

Rollins Lambert, U.S. Catholic Conference, 1312 Massachusetts Avenue, NW., Washington, D.C. 20005.

Johnnie Landon, Institute for Labor Relations, 2345 Sherman Avenue, NW., Washington, D.C.

Edgar Lockwood, WOA.

Singleton McAllister, TransAfrica.

Mary Jane Patterson, United Presbyterian Church, 110 Maryland Avenue, NE., Washington, D.C. 20002.

Bonnie Potter, United Auto Workers (UAW), 1125 15th Street, NW., Suite 600, Washington, D.C. 20005.

Emmitt Roberts, LCCRUL, 733 15th Street, NW., No. 520, Washington, D.C. 20005.

Randall Robinson, TransAfrica.

Christine Root, WOA.

Charles Sklar, Women Strike for Peace (WSP), 201 Massachusetts Avenue, NE., Washington, D.C. 20002.

Damu Smith, AFSC, 1822 R Street, NW., Washington, D.C. 20009.

Edward Spriggs, Esq., Arnold and Porter, 1712 16th Street, NW., No. 805, Washington, D.C. 20009.

Martha Wenger, Clergy and Laity Concerned (CALC), 1322 18th Street NW., Washington, D.C. 20036.

Laurie Wiseberg, Human Rights Internet, 1502 Ogden Street NW., Washington, D.C. 20010.

Amy Young-Anawaty, International Human Rights Law Group, 1700 K Street NW., Washington, D.C. 20006.

Not all the groups and individuals collaborating with the Washington Office on Africa, TransAfrica and the Southern Africa Working Group (SAWG) were able to attend the first meeting. Those invited who missed the first meeting include:

Bruce Cameron, legislative representative, Americans for Democratic Action (ADA), 1411 K Street NW., Washington, D.C. 20005.

Bob Cummings, African Studies Department, Howard University.

Gladys Dorgedt, National Council of Negro Women, 1346 Connecticut Avenue NW., No. 832, Washington, D.C. 20036.

Helen Ellsworth, Amnesty International (AI), 413 East Capitol Street SE., Washington, D.C. 20003.

Joyce Hamlin, United Methodist Women, 110 Maryland Avenue NE., Washington, D.C. 20002.

George Houser, ACOA, 198 Broadway, 4th Floor, New York, N.Y. 10038.

Jane Leiper, National Council of Churches, 110 Maryland Avenue NE., Washington, D.C. 20002.

Carolyn Long, Bank Campaign, 2800 Woodley Road NW., No. 42, Washington, D.C. 20008.

William Lucy, American Federation of State, County and Municipal Employees (AFSCME), 1625 L Street NW., Washington, D.C. 20005.

Mel McCaw, African-American Institute (AAI), 1201 Connecticut Avenue NW., No. 902, Washington, D.C. 20036.

Howard McGuigan, AFL-CIO, 815 15th Street NW., Washington, D.C. 20005.

Calvin Moore, Oil, Chemical and Atomic Workers (OCAW), 1126 16th Street NW., Washington, D.C. 20036.

Yvonne Price, Leadership Conference, 2027 Massachusetts Avenue NW., Washington, D.C. 20036.

Ruby Rhoades, Church of the Brethren, 110 Maryland Avenue NE., Washington, D.C. 20002.

Althea Simmons, director, NAACP Washington Office, 733 15th Street NW., No. 410, Washington, D.C. 20005.

Ed Snyder, Friends Committee on National Legislation (FCNL), 245 2nd Street NE., Washington, D.C. 20002.

Patrick Tobin, Washington Representative, International Longshoremen's and Warehousemen's Union (ILWU), 417 4th Street SE., Washington, D.C. 20003.

Dr. Ronald Walters, 1113 Woodside Parkway, Silver Spring, Md. 20910.

Robert White, NAFPE, 1644 11th Street NW., Washington, D.C. 20001.

Herman Will, United Methodist Church, 100 Maryland Avenue NE., Washington, D.C. 20002.

Among the groups most active with the SWAG in 1980 were:

American Friends Service Committee (AFSC), which excuses its support of a wide range of revolutionary and terrorist groups on the grounds that the "violence of the status quo"—meaning the existence of social and economic inequalities, poverty, hunger, unemployment and "lack of a decent education"—justify "the armed violence of the freedom fighters." AFSC operates also through the Friends Committee on National Legislation (FCNL) whose director, Ed Snyder, has been associated with the Institute for Policy Studies (IPS) since the early 1960's.

Americans for Democratic Action (ADA) a lobbying organization with a longstanding record for anti-anti-communism which has supported the campaigns for drastic limits on U.S. foreign intelligence operations, to abolish U.S. internal security programs, and to promote disarmament and détente with the Soviet Union.

Amnesty International (AI) a human rights group formed in 1961, during the past decade it has increasingly focused its attacks on Free World governments while only mildly criticizing Marxist-Leninist regimes. AI's opinion-molding techniques were instrumental in promoting U.S. human rights policies against Rhodesia, South Africa, Iran and Latin America. One indication of AI's longstanding leftward curve is the fact that its targeting policies have remained consistent regardless of the fact that for the past two years AI's research director has been Derek Roebuck, a member of the Moscow-line Australian Communist party.

Clergy and Laity Concerned (CALC) a group founded by the National Council of Churches (NCC) to oppose U.S. support of South Vietnam, it has interpreted "anti-imperialism" to include support for Soviet-backed Third World revolutionary terrorist movements and Marxist totalitarian regimes.

Coalition of Black Trade Unionists (CBTU) an organization in which veterans of the Communist Party, U.S.A. (CPUSA) and its trade union and civil rights fronts have played leading roles. Among CBTU's efforts have been promoting support for the African National Congress (ANC) and pension fund divestment moves among black trade union officials.

Institute for Policy Studies (IPS) a Washington-based internationally active radical think-tank that has consistently advocated policies that support Soviet foreign policy goals whether the issue is disarmament (for the West), nonintervention (against Soviet-backed terrorist and insurgent groups), abolition of nuclear power (for the West), or efforts to curtail the intelligence and internal security agencies.

IPS and its Transnational Institute (TNI) project have documented ties to the Soviet and Cuban intelligence services. For more than fifteen years, IPS has played a central role in cultivating influence in Congress and the Executive Branch agencies and in coordinating pressure for policies of benefit to the U.S.S.R. IPS chairman Peter Weiss was president of the ACOA for a decade. Two ongoing IPS projects, the Southern Africa Project whose activists include Helen Hopps and Prexy Nesbitt, and Mike Klare's Militarism and Disarmament Project have played key roles in coordinating divestment and antibank loan campaigns in Western Europe and the United States. The present TNI director, Basker Vashee, was subsidized by IPS/TNI while he was serving as the European spokesman of the Soviet-controlled faction of the Zimbabwe Patriotic Front, the Zimbabwe African People's Union (ZAPU).

Lawyers Committee for Civil Rights Under Law (LCCRUL) founded during the Kennedy Administration with the assistance of the Justice Department, the organization was intended to undercut the role of the CPUSA-controlled National Lawyers Guild (NLG) in the civil rights movement by providing a vehicle through which liberal attorneys could work. However, NLG lawyers promptly joined LCCRUL, have played significant roles LCCRUL projects and staffing. LCCRUL has operated a project on southern Africa for several years and has supported the leaders of both newer South African militant groups and the older Soviet-aligned African National Congress (ANC) and Peking-supported Pan Africanist Congress (PAC).

National Congress of Black Lawyers (NCBL) an organization of Marxist and revolutionary lawyers which serves as an adjunct to the predominantly white National Lawyers Guild (NLG). The NCBL is an affiliate of the Western Hemisphere affiliate of the Soviet-controlled International Association of Democratic Lawyers (IADL), the American Association of Jurists (AAJ), which is based in Havana.

Women Strike for Peace (WSP) a group thoroughly penetrated by the CPUSA and

which shortly after its formation affiliated with the Soviet-controlled Women's International Democratic Federation (WIDF). WSP members often hold dual membership in the Women's International League for Peace and Freedom (WILPF), another affiliate of the Coalition for a New Foreign and Military Policy (CNFMP), and which collaborates with the World Peace Council and the WIDF.

World Peacemakers—Organized by IPS founder and "senior fellow" Richard Barnet and his IPS/TNI associates, the "Peacemakers" group apparently was originally targeted at establishing direct contact with President Carter. The organization is targeted at encouraging religious group participation in various disarmament, détente, "myth of the Soviet threat" and "human rights" campaigns.

The range of the Washington Office on Africa's influential domestic allies who are not usually identified as African lobbyists or registered as such was demonstrated perhaps best in the collection of signatories to a letter sent in March 1979 to the President opposing U.S. recognition of the non-Marxist elected black majority government in Zimbabwe.

The WOA/TransAfrica letter, which used TransAfrica's return address, particularly opposed any lifting of U.S. economic sanctions against Zimbabwe/Rhodesia, an action which would undoubtedly have prevented that country's economic collapse and forced capitulation to the Soviet-backed Patriotic Front.

The letter termed jailed terrorists "political prisoners" and called for the end of martial law and legalization of both Patriotic Front terrorist parties because "the people of Zimbabwe cannot vote freely with a gun at their heads." Of course as independent U.S. observers confirmed, once the United States did follow this course supported by the WOA and its radical allies, Zimbabweans did vote "with a gun at their heads"—those of the Soviet and East German trained Zimbabwe African Peoples Union (ZAPU) and the Red Chinese and Cuban trained Zimbabwe African National Union (ZANU).

Among those who signed that letter were:

Mia Adjali, executive secretary, United Nations/International Affairs, Women's Division, Board of Global Ministries, United Methodist Church.

Eqbal Ahmad, IPS.

Robert Z. Alpern, Washington Office, Unitarian Universalist Association.

Richard Barnet, IPS.

B. Tartt Bell, director, Washington Public Affairs Program, American Friends Service Committee.

Rev. Issac Bivens, United Methodist Church, Board of Global Ministries.

Robert Boehm, board of directors, The Africa Fund; and chairman, Center for Constitutional Rights (CCR), a radical litigation group of National Lawyers Guild activists in which IPS chairman Peter Weiss is a leader.

Robert Borosage, IPS.

Ramsey Clark, former U.S. Attorney General and a CCR "cooperating attorney."

Charles E. Cobb, Commission for Racial Justice, United Church of Christ.

Jean Dorsett, vice president, Women's Division, Board of Global Ministries, United Methodist Church.

Richard Falk, Institute for World Order.

Carl Feil, OSM, administrative assistant, U.S. Catholic Mission Council.

Henry Foner, president, Joint Board of Fur, Leather and Machineworkers.

Moe Foner, executive secretary, District 1199, National Union of Hospital and Healthcare Employees.

Douglass Fraser, president, United Auto Workers and current IPS trustee.

Victor Goode, executive director, National Conference of Black Lawyers (NCBL).

Carlton B. Goodlett, a veteran Communist Party member, active vice-president of the World Peace Council (WPC), and San Francisco publisher who preferred to use a more respectable "cover" in signing the White House letter, "president, National Black United Fund."

Hon. Richard Hatcher, Gary, Indiana.

Edward A. Hawley, executive editor, *Africa Today*, a publication founded by the ACOA.

George M. Houser, ACOA.

Rev. Jesse L. Jackson, Operation PUSH.

Hon. Maynard Jackson, Atlanta.

Edward Killackey, MM, Maryknoll Washington Office for Justice and Peace.

Saul Landau, director, IPS Transnational Institute.

Edgar Lockwood, WOA.

William Lucy, president, Coalition of Black Trade Unionists.

Barbara Lupo, co-director, Clergy and Laity Concerned (CALC).

Hilda Mason, D.C. City Council.

Lloyd McBride, president, United Steelworkers of America.

Melvin A. McCaw, director, Washington Office, African American Institute (AAI).

Paul McCleary, associate secretary, Division on Overseas Ministries, National Council of Churches.

Sr. Janice McLaughlin, MM, associate, WOA.

Kathleen McTigue, South Africa Catalyst Project—West.

Patsy T. Mink, president, Americans for Democratic Action (ADA).

Charlene Mitchell, executive secretary, National Alliance against Racist and Political Repression (NAARPR), and a member of the Communist Party, U.S.A. Central Committee.

Michael Moffitt, an IPS fellow listed on the White House letter as of the "Letelier-Moffitt Memorial Human Rights Fund."

L. Calvin Moore, legislative director, Oil, Chemical and Atomic Workers Union (OCAW).

Prexy Nesbitt, IPS.

Sr. Merle Nolde, co-director, National Assembly of Women Religious (NAWR).

Sr. Mary O'Keefe, co-director, NAWR.

Rev. Randolph Nugent, associate general secretary, National Division, Board of Global Ministries, United Methodist Church.

Fr. Robert C. S. Powell, director, Africa Office, National Council of Churches.

Ruby Rhoades, Washington representative, Church of the Brethren.

Lawrence M. Rich, Coalition for Responsible Investment.

Cleveland Robinson, secretary-treasurer, District 65, Distributive Workers of America.

Randall Robinson, TransAfrica.

Louis W. Schneider, executive secretary, American Friends Service Committee.

Karl Seidman, South Africa Catalyst Project—East.

Stanley K. Sheinbaum, a former member of Counter-Spy magazine's advisory board now a University of California regent.

Timothy Smith, director of the Interfaith Center on Corporate Responsibility, formerly with ACOA and other projects supporting southern Africa revolutionary terrorist groups.

John Stockwell, the CIA defector who "burned" pro-Western CIA agents in Angola and has worked with IPS's project to attract additional U.S. intelligence defectors, the Government Accountability Project (GAP).

Stephen Talbot, Africa editor, Internews.

Ethel Taylor, national coordinator, Women Strike for Peace and a veteran World Peace Council activist.

Patrick F. Tobin, ILWU.

Peter Weiss, IPS chairman and vice-president of the Center for Constitutional Rights (CCR).

William Wipfler, director, Human Rights Office, Division on Overseas Ministries, National Council of Churches.

Amy-Young-Anawaty, executive director, International Human Rights Law Group.●

SENATE—*Friday, February 20, 1981*

(Legislative day of Monday, February 16, 1981)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. The Senate will come to order.

Under the previous order, the Senate stands in recess until 11 a.m. next Tuesday.

RECESS UNTIL TUESDAY, FEBRUARY 24, 1981, AT 11 A.M.

Thereupon, at 11:01 a.m., the Senate recessed until Tuesday, February 24, 1981, at 11 a.m.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. KASSEBAUM (for herself, Mr. PACKWOOD, and Mr. CANNON):

S. 508. A bill to provide for the improvement of the Nation's airport and airway system, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HELMS (by request):

S. 509. A bill to amend Section 201 of the Agricultural Act of 1949, as amended, to delete the requirement that the support price of milk be adjusted semiannually; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HELMS:

S. 510. A bill for the relief of Muradali P. Gillani, Yasmeen Muredali Gillani, and Aneela Gillani; to the Committee on the Judiciary.

By Mr. CANNON (for Mr. LAXALT (for himself and Mr. CANNON)):

S. 511. A bill to designate the hospital known as the Veterans' Administration Medical Center, located in Reno, Nev., as the "Ioannis A. Lougaris Veterans' Administration Medical Center;" to the Committee on Veterans' Affairs.

By Mr. CANNON (for Mr. LAXALT (for himself and Mr. CANNON)):

S. 512. A bill to direct the Secretary of Agriculture to convey certain National Forest System lands in the State of Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 513. A bill to provide for the construction of a Veterans' Administration hospital in the State of Nevada; to the Committee on Veterans' Affairs.

S. 514. A bill to provide hospital care facilities operated by the Veterans' Administration within a reasonable distance of veterans with service-connected disabilities who live in the area of Las Vegas, Nev.; to the Committee on Veterans' Affairs.

S. 515. A bill to provide for the establishment of a national cemetery in the State of Nevada; to the Committee on Veterans' Affairs.

By Mr. KASTEN:

S. 516. A bill for the relief of Chuen-Yung Yu and Chuen-Yuh Yu; to the Committee on the Judiciary.

By Mr. BENTSEN:

S. 517. A bill to amend the Clean Air Act to provide for further assessment of the validity of the theory concerning depletion of ozone in the stratosphere by halocarbon compounds before proceeding with any further regulation of such compounds, to provide for periodic review of the status of the theory of ozone depletion, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MELCHER:

S. 518. A bill to provide tax incentives to encourage new personal saving and enhance personal retirement; to the Committee on Finance.

S. 519. A bill to amend the Internal Revenue Code of 1954 to adjust the unified credit against estate and gift taxes to take into account the rate of inflation; to the Committee on Finance.

By Mr. RIEGLE:

S. 520. A bill for the relief of Eduardo Velesco Barlan, Doctor of Medicine, his wife, Senen Macalinao Barlan, and their daughter, Madelynn Gay Barlan; to the Committee on the Judiciary.

By Mr. HAYAKAWA (for himself and Mr. CRANSTON):

S. 521. A bill for the relief of Benjamin Bane; to the Committee on the Judiciary.

By Mr. HAYAKAWA:

S. 522. A bill to amend section 302(a) of the Fishery Conservation and Management Act of 1976 to create a new California Pacific Council with authority over the fisheries in the Pacific Ocean seaward of the State of California; to the Committee on Environment and Public Works.

By Mr. MELCHER:

S. 523. A bill to repeal the credit against U.S. taxes for foreign taxes paid, and allow a deduction; and to repeal the deferral of U.S. tax on the income of foreign subsidiaries of U.S. companies (as permitted under present law), and tax profits of foreign subsidiaries currently to their U.S. parents in the same manner as domestic companies; to the Committee on Finance.

By Mr. BAUCUS:

S. 524. A bill to require that imported meat and meat food products made in whole or in part of imported meat be subjected to certain tests and that such meat or products be labeled "imported" at all stages of distribution until delivery to the final consumer; to require that the cost of conducting such tests, and the cost of conducting certain inspections and identification procedures on imported meat and meat food products, be borne by the exporters of such articles; to require certain eating establishments, which serve imported meat, to inform customers of that fact; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. WILLIAMS (for himself and Mr. BRADLEY):

S. 525. A bill to provide that not less than one very high frequency commercial television broadcasting station be located in each state; to the Committee on Commerce, Science, and Transportation.

By Mr. MATHIAS (for himself and Mr. BAUCUS):

S. 526. A bill to amend the Congressional Budget Act to limit the growth of Federal taxation and spending and to achieve balanced budgets, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977.

By Mr. BAUCUS:

S. 527. A bill to amend the Internal Revenue Code of 1954 to subject pension trusts to the tax imposed by section 511 on unrelated business income for income related to the sale or rental of farmland and grazing land; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM (for herself, Mr. PACKWOOD, and Mr. CANNON):

S. 508. A bill to provide for the improvement of the Nation's airport and airway system, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AIRPORT AND AIRWAY SYSTEM DEVELOPMENT ACT OF 1981

● Mrs. KASSEBAUM. Mr. President, I am today introducing legislation which would reauthorize the airport and airway development program. The Airport and Airway Development Act was originally passed in 1970 to establish an aviation trust fund. In the last Congress the Senate Commerce Committee reported a reauthorization bill in November 1979 which passed the full Senate February 5, 1980.

However, reauthorization legislation did not pass in the House. As a result, the expenditure program expired on June 30, 1980 and the revenue program expired on September 30, 1980.

Mr. President, I believe it is essential that we move forward to reauthorize both the expenditure program and tax program in the early months of this year. Over $4 billion sits in the airport and airways trust fund right now, Mr. President, and the development needs of our airport and airway systems are going unmet. It is an injustice to the users of that system who have contributed this money to allow this program to lapse. I therefore urge my colleagues to work with me to seek early enactment of the necessary legislation to get the program moving again.

In President Reagan's budget message delivered to the joint session of Congress Wednesday, he indicated the administration would propose legislation to reduce funding available for airport construction grants during 1981 and 1986 by 33 percent. The President indicated that one way this reduction could be accomplished is through the elimination of large commercial airports from grant eligibility.

While the legislation I am introducing today does not reach the 33-percent reduction advocated by the President, it does come close, and I want to indicate a willingness to work with the administration in order to come to common ground regarding funding levels.

I, also, want to indicate my appreciation for the administration's recognition that, whatever the cuts may be, they

can be accomplished by excluding large self-sufficient airports from the grant program.

This approach, which is the basis of the legislation I am introducing today, will allow us to concentrate the remaining funds on those airports which are the most in need of Federal assistance.

I am, however, concerned about the administration's proposal regarding the user taxes which help to fund our airport and airway systems. The legislation which I am introducing today, would allow for a decrease in the taxes charged to passengers on commercial aircraft. The justification for such a decrease is that $4 billion surplus which sits in the airport and airway trust fund right now. Through the use of this surplus over the next 5 years and through an increase in general aviation fuel taxes to 8.5 cents plus other miscellaneous taxes, we believe we can generate revenues adequate to fund those needs which have traditionally been supported by the trust fund. Apparently, the administration feels that there should be substantial increases in taxes to fund areas of Federal Aviation Administration operation which have traditionally been supported by the general public. I am wary, Mr. President, of embarking upon a program of substantial increases in user taxes at this time. Such increases seem to be inconsistent with the philosophy of the President's avowed intention to reduce taxes on both business and individuals.

There can be no question, Mr. President, but that the general public reaps enormous benefits from the efficient and safe operation of the American air system. In most communities, airports are the heart of the economic life in the area. Plants are located in areas where either commercial or general aviation can be utilized for their company's transportation needs.

The availability of safe and reasonably priced air transportation has been essential in the dispersal of industry throughout our Nation. The bill I am now introducing is premised upon a doubling of the current fuel tax. To go beyond that increase risks imposing excess costs which could threaten our goal of strengthening the ability of the Nation's business community to provide jobs for Americans.

Mr. President, I understand that an early proposal of the administration included a 20-percent fuel tax on general aviation fuel. However, in discussions with administration officials, I have determined that that report was in error and that while an increase in general aviation fuel taxes is contemplated, a 20-percent tax is not.

As I said earlier, Mr. President, I contemplate introducing legislation which would propose an increase in general aviation fuel taxes from the current 4-cent-per-gallon tax to an 8.5-cent-per-gallon tax. I will be happy to work with administration officials in fashioning appropriate tax legislation to reflect a reasonable contribution from users to the cost of operating our airport and airway systems. I share the administration's intention of having those who benefit from FAA operations contribute to its funding. That must clearly include the general public, which benefits immensely from the safe and efficient airway system that we have in this country.

The legislation which I am introducing today is basically the same as that which passed the Senate last year. The principal concept of this legislation is the elimination of large and medium hub airports—those which enplane more than 815,000 passengers annually—from the ADAP program.

The theory behind this concept is that the Nation's largest airports are large business operations which do not need the Federal Government involved in their financial relationships. These airports are professionally staffed, they have the ability to raise large amounts of revenue and certainly have the ability to generate sufficient funds to replace the amount of money passed to them through the Federal Government in the old airport development aid program. This proposal recognizes this economic reality and would remove the Federal Government as the "middleman" in airport development programs. I believe that this is wholly consistent with the philosophy which has wrought such significant changes in this body.

I think we have all come to realize that there are many Federal programs which can be better planned and more economically funded at the local level. I believe the airport aid program is just such a program and that it is a good place to start in our efforts to move funds and decisionmaking back to the local level.

I think we all realize, Mr. President that construction, for example, can move ahead much more rapidly, and at significantly lower costs, if the Federal Government is not in the decisionmaking process. The establishment of priorities with respect to airport projects can much more effectively be determined by the users and providers at the local level.

There are of course, Mr. President, airports which do not wield the necessary economic power to be equal negotiating partners with the airlines. This legislation recognizes that. Indeed, by eliminating the larger airports from the Federal dole, we can provide more funds for the development of the smaller airports. This is extremely important in meeting the demands on our airport and airway system occasioned by the Airline Deregulation Act.

Mr. President, I want to stress that while the sponsors of this legislation are strongly committed to the concept of defederalization, we are certainly open to suggestions regarding ways to improve upon the bill.

As I noted earlier, we are particularly interested in comments regarding authorization levels and those changes which we have made in the legislation since its passage in the Senate last year. I would note again that this bill is quite consistent with the Reagan administration's desire to cut Federal spending.

Indeed, aside from the figure for fiscal year 1981, our suggested authorizations are remarkably close to those suggested in the new budget proposals. We will be holding Aviation Subcommittee hearings on the 24th and 25th of February to discuss these and other issues involved.

The major provisions of the bill are as follows:

DEFEDERALIZATION

The bill provides that the Nation's 69 largest airports will become ineligible for Federal airport development assistance after September 30, 1982. In total, the bill, "defederalizes" 69 airports: 40 by September 30, 1981, and 29 by September 30, 1982. As I stated earlier the rationale for this provision is plain and simple. These airports are basically self-sufficient, they can generate revenues adequate to meet their capital expenditure needs by increasing landing fees and there is no need for the Federal Government to play "middleman" in their development programs.

APPORTIONMENT OF FUNDS

For those airports not "defederalized," the bill provides for money to be apportioned from the trust fund both on the basis of enplanements at those airports and on the basis of need (as determined in the discretion of the Secretary). In the past, the program required the administration of separate Federal aid programs for airport development at "air carrier," "air-commuter service," "reliever," and "general aviation" airports as well as a separate program for planning. The proposed bill would combine the grant and planning program for all such airports into a single grant program for airport development and planning. This section provides for enhanced discretion on the part of the Secretary to move the available funds to higher priority projects. In the past, the program has been criticized on the basis that the administration had separate programs for different kinds of airports. This often meant that the highest priority needs were not met while Federal spending was sponsoring programs of much less significance because the Secretary was unable to move funds to the area of highest needs.

MINIMUM GUARANTEE

Within the discretionary fund, 5-year minimum guarantees are provided for reliever, general aviation, and small carrier airports. Here I want to stress the position of the sponsors of this legislation that minimums provided in this provision are just that, minimum guarantees, not a maximum, not an average. We hope that more, much more, will be spent in meeting the needs of these various kinds of airports. By setting minimums and still having a large discretionary fund with the flexibility to move moneys around, we hope to insure that the greatest needs will be met first.

RELIEVER AIRPORTS

The bill stresses the important role that reliever airports are going to play in the future years. It provides a special apportionment for airports which are part of "primary hubs" or air traffic hubs whose commercial service airports collectively enplane 0.05 percent or more of the passengers enplaning annually at all commercial service airports. Approximately 1,375,000 passengers would have

to be enplaned by the airports comprising an air traffic hub in calendar year 1979 in order for that air traffic hub to qualify in this program in this fiscal year.

Each primary hub is apportioned 50 cents for each passenger enplaned at each commercial service airport which is a part of the primary hub—with a limit of $5 million per primary hub. Funds apportioned under this section cannot be distributed for use by the airports comprising the primary hub until the sponsors of each commercial service airport and each publicly owned reliever airport which is part of the primary hub have agreed upon and jointly submitted to the Secretary a consolidated improvement plan and an annual expenditure program.

The largest airports in the primary hub would be ineligible to receive the assistance and therefore the money will be directed toward those airports in the primary hub area which are providing a reliever function. The requirement of participation of all the sponsors of all the airports comprising the primary hub encourages local evaluation of metropolitan air system needs.

STATE PARTICIPATION

This provision is a change in the bill as it was passed by the Senate last year although a similar provision was in the bill as introduced. It provides that qualifying States will be allowed to administer funds allocated to general aviation airports. We believe that this is an important precedent to set, particularly in light of the increasing recognition of the necessity of turning over the management of Federal programs to the States and local communities.

While this provision ran into substantial opposition last year, we believe the situation has changed and that there is evidence that many airport owners and operators would prefer to deal with the State rather than the Federal Government on airport aid financing. The program we establish is, however, a precautionary first step as we understand that there are legitimate concerns about the ability of some States to administer aviation development funds. Indeed, the provision requires a finding by the Secretary that the States have the resources to allocate airport development funds before any grants to the States are made.

Mr. President, we know that the States are already partners with the localities and the Federal Government in airport development. Indeed, of 890 airport projects including planning grants—reported for 1978—only 7.3 percent were funded by Federal and local sponsors only without any State dollars involved. Nearly 9 out of 10 airport projects over the last 10 years have involved some State funding—either outright grants or a share of the local matching dollars.

Forty-six States now participate in airport and development projects, within an average of $2 million per year per State. Mr. President, we believe the time is right for an increased State role in airport assistance programs and are confident that the approach we suggest here is an appropriate first step in that direction.

AIRPORT ACCESS

Mr. President, one of the chief concerns of those of who have been wary of defederalization process is that once the Federal Government has stopped funding airport development projects at our Nation's largest airports, those airports may tend to implement fee schedules or other rules regarding the use of airport facilities which will discriminate against general aviation and commuter users.

Therefore, we have included in this legislation strong language amending the Federal Aviation Act which we believe will insure a reasonable degree of equitable access to airports which are no longer a part of the ADAP system.

This, is, of course, essential to providing all airport and airway facility users with the type of service they are demanding in the deregulated environment.

Finally, Mr. President, I want to discuss an amendment which I am submitting separately from the legislation which would permit airports that become ineligible to receive Federal assistance for airport development and airport planning to replace such revenues through the imposition of a limited passenger facility charge.

The chief opponents of the "defederalization" concept contained in this legislation are those airports which would lose Federal funds under the bill. They insist that they have insufficient economic power to renegotiate long-term contracts which they have entered into with the airlines which provide service at the airports.

I am skeptical of this argument because the airports we are talking about "defederalizing" are multimillion dollar operations, the smallest of which is worth $100 million in annual gross revenues to the airlines which serve it. It seems to me obvious that airlines and airports rely on each other for their economic life.

Such a relationship does not, it seems to me, give credence to the argument that one partner in this relationship would attempt to drive the other to ruin.

Indeed, I believe it provides an ideal situation where in the negotiation process can determine the amount and timing of improvements to an airport.

It simply cannot be denied that both parties have a financial interest in perpetuating an efficient airport operation. Nevertheless, I do understand that the airports are parties to long-term contracts, that attempts at renegotiation could be difficult.

There is, therefore, some merit to providing airports with an alternative means of collecting the revenues which they will lose by being "defederalized."

Therefore, I have, through the introduction of this passenger facility charge amendment, provided one way in which such replacement funds could be raised by airports without the renegotiation of contracts.

This amendment would provide that the operator of a commercial service airport that is ineligible to receive Federal assistance or which elects not to receive assistance could impose a passenger facility charge.

This charge would be limited to the amount that the airport would have been otherwise able to collect under the formulas contained in the ADAP legislation.

In order to protect the interests of consumers who will be paying this fee, the amendment requires that the charge will be imposed on all passengers in a nondiscriminatory fashion and that it will be a part of the ticket price. It is hoped that this latter requirement will avoid situations where, in the past, such fees have been collected at booths in the airport or some other such arrangement which is equally inconvenient to passengers.

Because we require that the fee be imposed as a part of the ticket price, this of course, imposes an administrative burden on the airlines which sell the tickets. The amendment therefore provides that the airlines can recover their costs of administration.

Moreover, we provide that the charge can be imposed only on the first day of the fiscal year in question and not changed until the next fiscal year to minimize the administrative costs and we provide that the Secretary of Transportation will do the calculations necessary to determine the amount of a passenger facility charge that airports are eligible to impose.

As you know, Mr. President, if airports are to impose such a charge, an amendment such as the one I have just outlined is necessary because section 113 of the Federal Aviation Act of 1958 currently prohibits the imposition of such a fee.

This prohibition grew out of an abuse of such fees in the past. As I noted above, in the past, such fees have been collected in an inconvenient way, and more importantly some airports which were imposing such fees were siphoning them off the airport to finance other projects unrelated to airport development.

The amendment which I today introduce would require that any funds collected from such a fee remain on the airport. It provides, indeed, that all revenues generated by such charge and all other revenues generated by the airport, or their equivalent amount, will be extended for the capital and operating costs of the airport, the local airport system, or other local facilities which are owned or operated by the airport operator and used for the transportation of passengers or property.

The intent of this language is to make sure that the passenger fee is not used to replace any other fee generated by the airport which would then be sent off the airport to finance the projects unrelated to airport development.●

● Mr. CANNON. Mr. President, I am pleased to join my distinguished colleagues in sponsoring the reauthoriza-

tion of the Airport and Airway Development Act.

This bill will provide an early opportunity for the Congress to demonstrate the fiscal conservatism so many politicians have been expounding. We have provided legislation which removes funding eligibility for those airports which are capable of raising their own revenues, and focuses the airport development program on the smaller airports which are not self-sufficient. While the bill increases funding for direct, safety-related navigational aids, it reduces total Federal spending on airport development. As noted by CBO airport defederalization will save more than $1 billion over the term of this authorization.

I am pleased to say that this bill reflects much of what we worked so hard to achieve last year in S. 1648, a bill which was overwhelmingly approved by the full Senate.

This legislation again introduces the concept of a State role in allocating funds for smaller airports. That same concept was introduced in the original version of S. 1648, but later deleted in committee, with my support, because of strong opposition by nearly all the aviation user groups. I am willing to again put this idea of State block grants forward for comment, but I would be less than candid if I did not admit to continuing questions in my own mind as to its advisability.

While last year's primary debate focused on defederalization and taxes, this year's debate will be on federalization and taxes. In other words we already have achieved defederalization of more than 3,000 public airports with a 5-percent ticket tax level, so this year's question is, How many of those airports should be reinstated for funding, based upon need, and what is an appropriate 5-year tax level for balancing the trust fund? While the status quo is highly undesirable, it is not nearly as offensive as continuing the Federal funding of all airports, whether they require financial assistance or not, or continuing to overtax the airport and airway system, principally airline passengers, by $1 billion a year.

Once the authorization bill has been approved we can look forward to setting an appropriate tax level. Issues such as defederalization will clearly dictate my position on whether the ticket tax should be lower or higher than the historic level.

I am hopeful that all the parties involved in the upcoming debate will recognize the consistency of the Senate's position and its dedication to the principles and commitments we made last year. Such a consistency in position is the key, in my view, to reauthorizing the ADAP program in a reasonable period of time.

In closing, I want to congratulate Chairman PACKWOOD and Subcommittee Chairman KASSEBAUM for their diligent efforts to reauthorize this important program without delay.●

By Mr. CANNON (for Mr. LAXALT (for himself and Mr. CANNON)):

S. 511. A bill to designate the hospital known as the Veterans' Administration Medical Center, located in Reno, Nev., as the "Ioannis A. Lougaris Veterans' Administration Medical Center;" to the Committee on Veterans' Affairs.

● Mr. LAXALT. Mr. President, today I wish to reintroduce legislation to rename the Veterans' Administration Medical Center in Reno, Nev., the "Ioannis A. Lougaris Veterans' Administration Medical Center,' which Mr. CANNON and I originally introduced in the last session of Congress. I am confident that my colleagues will find this bill worthy of passage, and I call on them to support it.

The reason I ask to change the name of the Reno Veterans' Hospital is that the medical center was established in 1927 in large part due to Mr. Lougaris' efforts. It is truly fitting that the hospital be named after him, in commendation of his many years of service to veterans in the State of Nevada, and as a tribute to his lifelong achievements.

Ioannis Anastasiou "Johnny" Lougaris was born on February 17, 1897, in Zante, Greece. As he was third of four sons in a poor family, his father sent him to America when he was 19 years old. Upon his arrival in New York, Lougaris shined shoes and sold bags of peanuts from a pushcart along the streets of the city.

He worked for a time with the Edison Phonograph Co., then wound up in San Francisco after working with a group of fellow Greeks on railroad construction. While in San Francisco, Lougaris placed an advertisement in the newspaper seeking a room in a private home where he might have the opportunity to improve his English. However, discrimination against Greeks was strong at the time, and those who responded to his ad refused him when they discovered his ethnic origin. Finally, he told a family in a prospective household that he was Russian, and they agreed to take him. Later when they discovered he was Greek, his nationality no longer mattered, because he had proven his good character.

In December 1917, Lougaris enlisted in the Army to fight in World War I. He fought several battles in France until he was seriously wounded and sent back to the States.

Lougaris became inflicted with tuberculosis, and left a Chicago veterans' hospital for the West after being told by his doctor that he only had 6 months to live.

When his train stopped in Sparks, Nev., before crossing the glistening, snow-covered Sierras, Lougaris hopped off the train to stretch his legs. His first breath of the cool, clean Truckee Meadows air convinced him to settle there and make his home. He took a mail order course in law and passed the bar examinations of both California and Nevada. At 92 years of age, he still continues to work on specialized cases at his law office in Reno.

He has been a dedicated advocate for better services to veterans for more than a half a century. It was due to his increasing efforts that the Veterans' Administration Medical Center in Reno was established. On August 13, 1979, Mr. Lougaris received a certificate of commendation from the American Legion, Department of Nevada, expressing gratitude for his efforts and emphasizing that "the Reno Veterans' Administration Medical Facility stands as a tribute to his dedicated service." The Nevada American Legion further "endorses that the Veterans' Administration Medical Center in Reno, Nevada be named Ioannis A. Lougaris Medical Center."

Mr. President, it is entirely fitting and proper that the Reno Veterans' Hospital be named in this manner. Twelve other veterans' hospitals have been named by Congress. In view of all of Mr. Lougaris' contributions on behalf of the veterans in Nevada, I believe it is wholly appropriate that the Veterans' Administration Medical Center in Reno, Nev., be renamed the "Ioannis A. Lougaris Veterans' Administration Medical Center." ●

By Mr. CANNON (for Mr. LAXALT (for himself and Mr. CANNON) (by request):

S. 512. A bill to direct the Secretary of Agriculture to convey certain National Forest System lands in the State of Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

CONVEYANCE OF NATIONAL FOREST LANDS IN NEVADA

● Mr. LAXALT. Mr. President, it has come to my attention that S. 250, a bill to direct the Secretary of Agriculture to convey certain National Forest System lands in the State of Nevada, which Senator CANNON and I recently introduced, contains two minor drafting errors that need correction. Therefore, I am today introducing a new bill which is technically correct and will facilitate committee action on this piece of legislation. Thank you.●

By Mr. CANNON (for himself and Mr. LAXALT):

S. 513. A bill to provide for the construction of a Veterans' Administration hospital in the State of Nevada; to the Committee on Veterans' Affairs.

VETERANS' HOSPITAL IN SOUTHERN NEVADA

● Mr. CANNON. Mr. President, I am introducing a bill today for myself and my Nevada colleague, Senator LAXALT, to provide for the construction of a Veterans' Administration hospital in the southern part of the State of Nevada.

At the present time, veterans in Nevada are served by only one VA hospital located in Reno, in northwest Nevada.

Veterans in more populous southern Nevada, 500 miles to the southeast, have no VA facilities, except for limited services provided by an outpatient clinic in the Las Vegas area, and are therefore almost completely dependent on VA hospitals in crowded Los Angeles, 300 miles away.

I think it is a gross disservice to our veterans to force them to travel to Los Angeles to get treatment of service-

related disabilities. In addition, it certainly is not fair to make the veterans of southern California wait for treatment because their facilities are overcrowded.

I urge serious consideration of this proposal at the earliest possible opportunity. Unfortunately, the former VA Administrator opposed this proposal in his September 1975 report to the Senate Committee on Veterans' Affairs on the basis that administration studies indicated the location did not meet the changing requirements of veterans. I want to urge the Veterans' Affairs Committee to request an updated study from the Veterans' Administration. Hopefully, that study will take into consideration that the majority of veterans in my State are located in the southern part of Nevada. Our principal city is Las Vegas. This particular location will also be accessible to many veterans in California and Utah.

It is my hope that the 97th Congress and the new administration will give this problem the serious consideration it warrants.●

By Mr. CANNON (for himself and Mr. LAXALT):

S. 514. A bill to provide hospital care facilities operated by the Veterans' Administration within a reasonable distance of veterans with service-connected disabilities who live in the area of Las Vegas, Nev.; to the Committee on Veterans' Affairs.

BEDS FOR VETS IN SOUTHERN NEVADA

● Mr. CANNON. Mr. President, I wish to introduce a bill for myself and Senator LAXALT pertaining to civilian hospital care for veterans in southern Nevada.

The Veterans' Administration has just opened a new veterans outpatient clinic in Las Vegas to replace the former facility in Henderson, Nev. The old clinic provided 9,600 square feet and the new facility has 38,500 square feet in a new two-story building. This is something the Nevada delegation has been working on for several years. It will meet the outpatient needs of our veteran community very nicely but still leaves a void insofar as hospital care is concerned. The Nevada delegation finds that veterans with service-connected disabilities who live in or in the areas surrounding Las Vegas must travel unreasonable distances to obtain hospital care in a Veterans' Administration facility. The delegation further finds that physical facilities suitable for use by the Veterans' Administration to provide such care are available in the city of Las Vegas and that such facilities can be leased and staffed without excessive cost to the United States.

Specifically located across the street from the new outpatient clinic is the Southern Nevada Memorial Hospital. Its facilities are presently being utilized for emergency care on a fee basis for veterans with service-connected disabilities. They have two empty wings comprised of 58 beds which could be used for the establishment of a veteran hospital facility.

The Las Vegas area is believed to be the largest isolated metropolitan population of veterans in the United States being 300 miles distant from the nearest veteran hospital. There are over 60,000 veterans in southern Nevada, including what has been considered the highest percentage of Vietnam-related service veterans in the country. Here is a remarkable opportunity to provide hospital care at a nonprofit county operated hospital directly across the street from our new veterans outpatient clinic.

The Southern Nevada Memorial Hospital is a comprehensive service general hospital. It has been used extensively for the emergency treatment of veterans, and under this legislation it would be available for general care as well. I hope my colleagues will agree that this is an expeditious way to greatly increase medical opportunities for Nevada veterans and will join me in support of this measure.●

By Mr. CANNON (for himself and Mr. LAXALT):

S. 515. A bill to provide for the establishment of a national cemetery in the State of Nevada; to the Committee on Veterans' Affairs.

NATIONAL CEMETERY IN STATE OF NEVADA

● Mr. CANNON. Mr. President, on behalf of myself and Senator LAXALT, I introduce, for appropriate reference, a bill to establish a national cemetery in the State of Nevada. At present, there is no national cemetery in Nevada to provide for the burial of deceased veterans.

Although national cemeteries came into being during the Civil War to provide for the burial of soldiers who had died in service, most of them are situated where battles occurred and, therefore, are not evenly distributed in the 50 States. For this reason, the western part of the United States has few national cemeteries, and the many veterans who served during World War II have no place within reasonable proximity to their domicile for burial. During the last World War we had approximately 16 million men under arms, and when you consider their dependents, we have a total of about 50 million people who are eligible for burial.

Due to the march of time, the need for this legislation is increasing in urgency. Early in the 2d session of the 92d Congress the Senate Committee on Veterans' Affairs considered the proposal to establish a national cemetery in Nevada. Unfortunately, the bill was not adopted. Nevada's congressional delegation has offered this proposal for many years and I am especially hopeful that the 97th Congress and the new administration can work together effectively to enact this proposal into public law.

I urge the committee to reconsider this proposal at the earliest possible opportunity.●

By Mr. BENTSEN:

S. 517. A bill to amend the Clean Air Act to provide for further assessment of the validity of the theory concerning depletion of ozone in the stratosphere by halocarbon compounds before proceeding with any further regulation of such compounds, to provide for periodic review of the status of the theory of ozone depletion, and for other purposes; to the Committee on Environment and Public Works.

OZONE DEPLETION VALIDATION ACT OF 1981

● Mr. BENTSEN. Mr. President, this country now faces and has consistently faced a multitude of complex problems. In addressing these problems Congress must continually seek solutions that draw a reasonable balance between the competing demands of a given issue. Often we have shifted the burden of drawing these delicate balances to regulatory agencies that are ill prepared to or statutorily prohibited from making such decisions. I have long been concerned about the growth of regulation and its impact on the American economy. When I was chairman of the Joint Economic Committee, we studied this critical question and found that the cost of Government regulation is now estimated to exceed $100 billion a year. The realization that the combined effect of congressional action could result in an unaccountable $100 billion annual cost to the American economy prompted me to develop and introduce the Regulatory Budget Act of 1981 (S. 399) and the Regulatory Cost Reduction Act of 1981 (S. 401). The Regulatory Budget Act would set a ceiling on the total impact that regulations could have in a given year. It would force the administration to prioritize regulations based on need. The Regulatory Cost Reduction Act would require that an agency choose the most cost effective method to regulate when it has several ways to achieve the same regulatory result.

These bills are designed to deal with the general problem of regulatory reform. Today, I am introducing a bill to bring perspective and balance to a single regulatory issue—the control of chlorofluorocarbons.

Chlorofluorocarbons, or CFC's as they are commonly called, are a family of extraordinarily useful chemicals that have a huge economic and social benefit to our Nation.

They are a family of chemical compounds made up of carbon fluorine, chlorine and, sometimes, hydrogen atoms. Developed in the 1930's as replacements for the highly corrosive, flammable and toxic materials then used as refrigerants, CFC's subsequently became the basic propellant for aerosol sprays. Today, they continue to be used as the primary refrigerant in home and commercial refrigeration and air-conditioning systems and in mobile air-conditioning. They are also widely used as blowing agents for plastic foams including insulating foams, industrial solvents, and food freezants, and inerting agents for flammable sterilent gases. As such CFC's have become essential to many facets of American lifestyles. For many

of these uses, there are no available safe substitutes.

CFC's are valued because they are relatively nontoxic, and are nonexplosive, noncorrosive, and nonflammable. They use energy efficiently, and are compatible with most construction materials. They also possess excellent heat transfer properties.

CFC's are produced in more than 20 countries and are used in virtually all countries of the world. The United States accounts for about a third of world CFC production, selling over 800 million pounds at a value of approximately $500 million a year.

In April 1980 the EPA announced its intention to limit production of CFC's to current levels and then to reduce production by as much as 70 percent. EPA's concern is based on a theory, first advanced in 1974, that CFC's, upon their release in the lower atmosphere, the troposphere, gradually make their way into the upper atmosphere, the stratosphere, where they are broken apart by high-energy sunlight. One of the decomposition products—chlorine—is theorized to attack the ozone in the upper atmosphere, resulting in a decrease in the natural ozone concentrations. Ozone in the upper atmosphere serves the important function of screening out part of the Sun's ultraviolet radiation. Although ultraviolet radiation has both beneficial and detrimental effects, there is concern that there could be an increase in the harmful effects should the naturally occurring ozone concentrations be reduced significantly by CFC's.

The ozone depletion theory, as it is known, remains neither proved nor disproved. Based on the theory, computer programs have been developed to attempt to simulate what might go in the upper atmosphere. Because the atmospheric processes are complex, numerous assumptions and estimates had to be made. Thus, the models do not accurately reflect current atmospheric conditions, much less conditions as they may exist 100 years from now, when maximum depletion is predicted to occur.

Already, a number of atmospheric measurements have shown disagreement with the predictions provided by computer calculations. Additionally, trend analyses of actual measurements of the ozone do not show any depletion to date. This contrasts with the computer prediction that approximately 2.1 percent depletion should already have occurred.

Clearly, more research is necessary to adjust the theory to actual occurrences in the atmosphere. Work is continuing to improve the computer models to account for actual atmospheric measurements. Ozone trend analysis, which is the statistical analysis of actual ozone concentrations, is receiving increasing attention. This technique, already refined to the point that it can detect a plus or minus change of approximately 1 percent in ozone concentration over a period of 20 years, can serve as an early warning system for any developing problem.

Ozone trend analysis, with the sensitivity of detecting depletion within approximately 1 percent, can serve as an early warning system should depletion occur from any cause. Should depletion be detected, at a level potentially harmful to human health and the environment, the wisdom of waiting for additional research would be reexamined.

In October 1978, EPA, along with the Food and Drug Administration and the Consumer Product Safety Commission, banned the use of CFC's as propellants in aerosols, except for limited essential applications such as in medihalers. And on October 7, 1980, EPA announced its intent to regulate all nonaerosol uses of CFC's in an advanced notice of proposed rulemaking.

Outside the United States, only Canada, Norway, and Sweden have essentially banned the use of CFC's as aerosol propellants. A 30-percent voluntary cutback in production of CFC's for use as aerosol propellants, but not bans, is being implemented in countries of the European Economic Community. No other country currently plans to regulate the nonaerosol uses of CFC's.

Among the major industrialized nations, there is widespread conviction that the scientific evidence currently available does not justify severe regulation such as a total aerosol propellant ban.

The question then arises as to why EPA is proposing additional regulations and its justification for further action. EPA's cited justification is a November 1979 report from the National Academy of Sciences (NAS) which concluded, based on theoretical calculations derived from computer models, that continued worldwide emissions of CFC's at 1977 rates might—probably would—result in 16.5 percent less ozone in the stratosphere in about 100 years. A 16.5 percent loss, said NAS, would result in significant increases in the incidence of skin cancer, and possibly have adverse effects on marine life, crop production, and weather.

However, it should be noted that the NAS report contrasted sharply with findings by the United Kingdom Department of the Environment's Stratospheric Research Advisory Committee. Examining essentially the same data, the U.K. team concluded that the validity of the theory is still in doubt. They acknowledged major errors or omissions in the current theory and recommended a further review of the technical status of the issue in about two years.

More recently, a study commissioned by the European Economic Community said that "a delay of 5 years before any decision is taken on CFC's can be reasonably accepted."

In the advance notice of proposed rulemaking, published in the October 7, 1980, Federal Register, EPA stated its preference for an economic incentives approach to regulation over the traditional approaches of mandated standards or bans. Specifically, EPA proposed capping U.S. CFC production or use at current levels. The resultant restriction on supplies would then drive the prices up, thus creating an incentive to reduce CFC use. EPA hopes to eventually reduce CFC use by 50 to 70 percent.

In implementing a production cap, EPA would utilize the "permit pounds" concept. Each CFC would be assigned a potential ozone depletion factor. From the ozone depletion factor and the number of pounds of each CFC produced in a base year, a total production ceiling in permit pound units would be calculated.

All major CFC's would be included in the cap, and producers would be allowed to swing production between products so long as a total ceiling level of permit pounds were not exceeded. EPA would issue permits—by direct allocation or through auctioning to producers or users in permit pound units. These permits would be transferable between users or producers. Exports and possibly imports would be included in the cap.

The economic implications of regulating nonaerosol uses of CFC's, Mr. President, are serious matters which cannot be ignored. More than 780,000 jobs and 260,000 business locations related to CFC use would likely be impacted in some way. The annual value of goods and services dependent to some extent upon CFC's exceeds $28 billion, and there is about $135 billion of installed equipment which depends upon CFC's.

Small businesses could be at a disadvantage in trying to compete for restricted supplies under a cap. Closing of manufacturing plants and use locations could follow. Production could be transferred to nonregulated countries. All of these factors would add to the U.S. unemployment problem. At the same time, it should be recognized that CFC's are the basis of a major U.S. export market that would be jeopardized by a restriction on CFC use. Imports of CFC's to the United States also might be jeopardized by a restriction, affecting U.S. concerns dependent on those imports.

According to the Rand report for EPA, a production cap would result in product shortages which could lead to higher prices. Long term, many CFC users will find it difficult to remain competitive abroad as no other CFC producing nations plan to regulate. Unemployment would likely increase in those industries where no viable alternatives to CFC's exist. Many industries that switch to current state-of-the art non-CFC alternatives will likely pay a penalty in terms of workplace safety. Moreover CFC using industries would face negative growth prospects.

A total ban on all uses of CFC's would result in a net annual energy penalty in 10 years equivalent to almost 10 billion gallons of fuel, according to a 1980 study by the Battelle Columbus Laboratories. This 10 billion gallons can be equated with the fuel required to drive 12 million average automobiles—about 10 percent of all autos on U.S. roads—for 1 year, 45 percent of current annual oil production from Alaska's North

Slope, or 9.5 percent of total U.S. crude oil imports in 1978.

Although EPA is not considering a total ban, it can be expected that any cutback in CFC use would result in proportional energy penalties. Energy consequences of shortages for new applications, such as the heat transfer fluid in solar collectors, could also be significant.

Although alternatives are available for some CFC uses, all alternatives have one or more limitations. Some of the alternatives are facing health, safety, or environmental regulations. Others would require major adjustments in production techniques of products currently dependent upon CFC's or would be unable to deliver the desired characteristics in the end product with optimum utilization of raw materials, or would result in energy penalties. And some others are less safe for the worker and consumers.

The search for safe, environmentally sound and commercially acceptable alternatives to CFC's has been underway since the theory was first postulated. However, to date, no candidate alternative has passed all the screening tests. Industry researchers believe that acceptable alternatives are 7 to 10 years away, if they can be developed at all.

The legislation I am introducing today is a sound and realistic approach to an important health issue. Obviously, the ozone depletion theory warrants serious concern and should be investigated. My bill recognizes the importance of such investigation. However, scientific measurements and evaluations, not theory, should decide the issue. Experimental evidence can be obtained quantitatively to verify or disprove the theory, and there is time, in my judgment to perform these necessary experiments without undue risk to our health and welfare.

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the RECORD.

There being no objection, the bill and the summary were ordered to be printed in the RECORD, as follows:

S. 517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ozone Depletion Validation Act of 1981."

SEC. 2. Part B of title 1 of the Clean Air Act is amended by adding at the end thereof:

"FINDINGS

"SEC. 159A. The Congress finds that—

"(a) Protection of the ozone layer in the stratosphere is a global concern and requires international cooperation.

"(b) There is considerable scientific uncertainty relating to man's understanding of stratospheric science and of many of the principal assumptions concerning the theory that chlorofluorocarbons deplete the stratospheric ozon layer. Ozone depletion estimates are calculated by mathematical models. However, to date none of these models can be validated by actual atmospheric measurements.

"(c) Advanced analytical techniques can detect long-term changes of approximately one percent in the stratospheric ozone concentration, should they occur from any cause. These techniques provide an early warning monitoring system, and to date no depletion of the stratospheric ozone has been detected. Therefore, there is no unreasonable risk to health or welfare in taking time to conduct needed research.

"(d) Research programs are under way to reduce or resolve the key scientific uncertainties in the ozone depletion theory.

"(e) Chlorofluorocarbons have a large economic and employment significance to the United States. These compounds have vital housing, automotive, and industrial uses. There are no safe, environmentally sound, and commercially feasible substitutes for chlorofluorocarbons in most of these uses.

"(f) There is no government proposal outside the United States to control non-aerosol uses of chlorofluorocarbons, and few countries have even taken action to control chlorofluorocarbons as aerosol propellants. Other major producing countries have considered the existing scientific data and rejected any further control of chlorofluorocarbons at this time.

"(g) Further unilateral action by the United States to control chlorofluorocarbons will do little to reduce any potential threat of depletion of ozone in the stratosphere, but is likely to result in increased energy utilization, decreased competitiveness of United States industries in international trade, and other adverse economic consequences.

"(h) A disproportionate share of the economic burden of further unilateral control by the United States would be borne by small business users of chlorofluorocarbons.

"CONTINUED STUDIES; POSTPONEMENT OF REGULATIONS

"SEC. 159B(a). In light of these findings, and in particular the rapid development of knowledge of the physical and chemical structure of the stratosphere and the serious adverse consequences associated with unilateral control by the United States of chlorofluorocarbons, the Administrator shall—

"(1) continue to conduct the studies and research authorized by section 153 (a) and (b) of this title, with emphasis given to increasing actual measurements of stratospheric ozone and to improving methods of identifying potential trends in actual ozone measurements;

"(2) undertake to contract with the National Academy of Sciences to (i) continue the review and research efforts heretofore conducted by the Academy pursuant to section 153(d) of this title; (ii) determine if changes in the concentration of ozone in the stratosphere have occurred or are occurring and, if so, the extent, nature and causes of any such changes; (iii) investigate whether there are unreasonable effects on health and welfare from any such changes; and (iv) report all findings as well as any uncertainties associated with such findings; and

"(3) not propose further regulations for the control in the United States of any chlorofluorocarbon under this statute or any other statute until such time as an international agreement or agreements among the major free-world producing countries of chlorofluorocarbons are reached as to the nature, extent and implications of any threat to the concentration of ozone in the stratosphere and as to the appropriate regulatory action to be taken by such countries pursuant to such agreement or agreements to provide protection against the depletion of ozone in the stratosphere, or until depletion of the stratospheric azone by chlorofluorocarbons at a rate determined to be eventually harmful to human health and the environment is actually detected.

"(b) Any final regulation adopted pursuant to subsection (a)(3) shall not take effect until at least ninety days after the date of its promulgation, and in any event shall not take effect until expiration of the time provided for adoption of a resolution of disapproval, as hereinafter set forth.

"EXPANSION OF CONTINUING PROGRAMS

"SEC. 159C. The research and monitoring programs provided for in section 154 of this title shall be continued and expanded, with particular emphasis given to determining whether changes in the concentration of ozone in the stratosphere have occurred or are occurring and, if so, the extent, nature, causes and effects of any such changes and any uncertainties associated therewith.

"REPORT ON RESEARCH EFFORTS

"SEC. 159D. The National Academy of Sciences, in consultation with the National Aeronautics and Space Administration and the Administrator of the National Oceanic and Atmospheric Administration, shall not later than two years from the effective date of this section, and annually thereafter until such time as the theory of ozone depletion by chlorofluorocarbons has been validated, report to the Administrator and the Congress all findings concerning actual or potential alteration of the concentration of ozone in the stratosphere and the causes of any such alteration, and the implications and uncertainties associated with such findings. Copies of such reports shall be made available to the public.

"REPORT ON INTERNATIONAL EFFORTS

"SEC. 159E. The President shall no later than two years from the effective date of this section, and annually thereafter, report to Congress on the status of efforts undertaken to reach an international agreement or agreements among the major free world producing countries of chlorofluorocarbons as to the nature, extent, and implications of any threat to the concentration of ozone in the stratosphere and the appropriate regulatory action to be taken by such countries pursuant to such agreement or agreements to provide protection against the depletion of ozone in the stratosphere. Copies of such reports shall be made available to the public.

"STATE REGULATIONS

"SEC. 159F. Except as provided in section 159(b) of this title, no State or political subdivision thereof may adopt or attempt to enforce any regulation respecting the control of chlorofluorocarbons for the purpose of protecting the stratosphere or ozone in the stratosphere until such time as the Administrator, pursuant to section 159B(a)(3) of this title and other applicable requirements, has promulgated a regulation or regulations respecting the control in the United States of chlorofluorocarbons.

"PRIOR REGULATIONS; OTHER STATUTORY PROVISIONS

"SEC. 159G. Nothing contained in sections 159A through 159F of this title shall affect (1) the validity of regulations concerning aerosol propellants containing chlorofluorocarbons promulgated by the Administrator prior to the effective date of those sections, or (2) the Administrator's obligation to comply with other applicable requirements in adopting regulations for the control of chlorofluorocarbons consistent with the international agreement or agreements or after the actual detection of eventually harmful depletion, referred to in section 158B(c).

"DEFINITION

"SEC. 159H. As used in sections 159A through 159G of this title, the term "chlorofluorocarbon" means any of the halocarbon compounds commonly known as CFC-11, CFC-12, CFC-113, CFC-114, CFC-115, and CFC-22 as well as any other simple saturated compounds of carbon, chlorine, fluorine, and optionally hydrogen containing not more than four carbon atoms.

"RESOLUTION OF DISAPPROVAL

"SEC. 159I. (a)(1) Any rule promulgated pursuant to section 159B(a)(3) shall not become effective if within ninety legislative days after the date of promulgation, either House of Congress adopts a resolution disapproving such rule.

"(2) If at the end of ninety legislative days after the date of promulgation of such rule, neither House of Congress has adopted a resolution disapproving the rule, the rule shall take effect unless a later date may be required by law or specified in the rule.

"(b)(1) The Administrator may not promulgate a new rule pursuant to section 159B(a)(3) identical or substantially identical to one disapproved pursuant to this section unless a statute is adopted affecting the Administrator's powers with respect to this subject matter.

"(2) If the Administrator proposes a new rule dealing with the same subject matter as the disapproved rule, he shall comply with the procedures required for the issuance of a new rule, except that, if less than twelve months have passed since the date of such disapproval, such procedures may be limited to changes in the rule.

"COMPUTATION OF LEGISLATIVE DAYS

"SEC. 159J. For the purposes of this chapter the term 'legislative days' does not include any calendar day on which either House of the Congress is not in session.

"PROCEDURE FOR CONSIDERATION OF RESOLUTIONS

"SEC. 159K. (a) The provisions of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by section 159I of this title; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(b)(1) Resolutions of disapproval of a rule shall, upon introduction or receipt from the other House of Congress be immediately referred by the presiding officer of the Senate or of the House of Representatives to the standing committee having oversight and legislative responsibility with respect to the Environmental Protection Agency in accordance with the rules of the respective House; and such resolutions shall not be referred to any other committee.

"(2) If a committee to which is referred a resolution which has not been adopted by the other House of Congress does not report such resolution within sixty legislative days after such referral, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(3) Such motion to discharge must be supported by one-fifth of the Members of the House of Congress involved, and is highly privileged in the House and privileged in the Senate; and debate thereon shall be limited to not more than one hour, the time to be divided in the Senate equally between, and controlled by, the majority leader and minority leader or their designees. An amendment to the motion is not in order, and it is not in order to reconsider the vote by which the motion is agreed to or disagreed to.

"(c)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a resolution of disapproval shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a resolution with respect to a rule, it shall be in order at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(3) Debate on the resolution shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to or motion to recommit the resolution is not in order and it is not in order to move to reconsider the vote by which the resolution is agreed or disagreed to.

"EFFECT ON JUDICIAL REVIEW

"SEC. 159L. Congressional inaction on or rejection of a resolution of disapproval or of a resolution for reconsideration shall not be deemed an expression of approval of such rule.".

SUMMARY OF THE PROVISIONS OF THE BILL

This bill would amend Part B of Title I of the Clean Air Act to provide for the continuation and expansion of studies and research regarding the ozone layer of the stratosphere, the possible alteration, if any, of the concentration of ozone in the stratosphere, and the potential effects, if any, upon health and the environment of any change in ozone concentration. The bill also provides that further regulation of chlorofluorocarbons to the American economy, and the global nature of the issues involved.

The bill provides in Section 159B(a) (1) and (2) that the Administrator of the Environmental Protection Agency shall continue to conduct studies and research previously authorized by Congress under Section 153 of the Clean Air Act, and that the Administrator shall contract with the National Academy of Sciences (NAS) to continue and expand research heretofore undertaken by the NAS under the Clean Air Act. A principal focus of these studies will be to determine whether changes in the ozone concentration have occurred or are occurring and, if so, the extent, nature, and causes of such changes and whether there are any unreasonable effects on health and the environment from any such changes.

Section 159B(a)(3) of the bill provides that the Administrator shall not propose any further regulations for the control of chlorofluorocarbons until there is an international agreement or agreements among the major free-world producing countries of chlorofluorocarbons as to both the nature, extent, and implications of any threat to the ozone concentration in the stratosphere and the appropriate regulatory action to be taken by such countries. In the absence of such an international agreement, the Administrator can propose regulations for the control of chlorofluorocarbons if depletion of the stratospheric ozone by chlorofluorocarbons at a rate determined to be eventually harmful to human health and the environment is actually detected. Other sections provide for Congressional review of any Agency action on this subject. Section 159G makes it clear that in proposing or adopting regulations under Section 159B(a)(3), the Administrator must comply with other applicable requirements.

Other sections of the bill direct that research and monitoring programs previously mandated by Congress will be continued and expanded. The NAS, in consultation with NASA and NOAA, is to make periodic reports to the Congress and the Administrator on its findings. The President is to report to the Congress on the status of efforts to reach an international agreement or agreements respecting chlorofluorocarbons.

Section 159F continues in effect the existing limitations in Section 159(b) of the Clean Air Act upon state or local government regulations to control chlorofluorocarbons. Section 159H defines chlorofluorocarbons for purposes of this bill.●

By Mr. MELCHER:

S. 518. A bill to provide tax incentives to encourage new personal savings and enhance personal retirement; to the Committee on Finance.

PERSONAL SAVINGS AND RETIREMENT ENHANCEMENT ACT

● Mr. MELCHER. Mr. President, today I am introducing a bill to provide tax incentives to encourage new personal savings and enhance retirement programs. The bill is comprised of three basic provisions:

The first is an increase in the current exemption from tax for income from savings account interest and dividends. We took a good first step during the windfall profit tax bill in providing an exemption of up to $200 per individual and $400 per joint tax return from the tax on interest and dividend income. The problem is that these amounts are really too small to gain our objective, which is to encourage additional savings. Since that time there have been several suggestions that Congress act to increase this exemption. I think that it is high time to act. My bill would increase this exemption to $5,000 per individual and $10,000 per joint tax return. I do not think this is too large an exemption in the face of the severe need for new investment funds that would be generated by increasing this exemption.

The second, aimed at immediately encouraging greater personal savings, provides for a tax credit of 7 percent for the purchase of special 1-year, emergency, small denomination savings certificates. These certificates, which will be available for purchase for a period of 180 days from enactment, will provide the small saver a combined return from the tax credit and interest earned that is competitive with the return on Treasury bills and large denomination commercial certificates of deposit.

The third, aimed at encouraging additional long term personal savings and enhancing the retirement program of the average person, expands the opportunity of establishing individual retirement accounts to everyone, whether or not they are in other retirement programs. It also increases the limits on what can be put into IRA's to make up for what has been lost to inflation. This provision of the bill will become effective immediately, but also upon the termination of the special tax credits for the emergency savings certificates, the amount invested in the certificate can be transferred into

an IRA without applying against IRA account limits.

President Reagan recently told the nation that we face an economic crisis greater than any since the Great Depression. To fight this crisis he has called for spending and tax cuts. Congress is going to respond to the call to cut spending and tighten the Federal belt. But spending cuts and budget balancing alone is not going to get us out of the crisis that President Reagan referred to. Neither are simple across the board tax cuts, badly needed as they are. The real crisis that we face as a nation is the disappearance of one of the vital elements in a capitalistic economy—namely capital.

If we are ever to get our economy back on its feet again, it is clear that we need to stimulate capital accumulation through greater personal savings. The personal savings rate in the United States has dropped to abysmal levels in recent years—reaching a record low of 3.4 percent in 1979, and continuing to run at levels well below historic rates.

Greater personal saving will provide the reasonably priced investment funds needed to get our housing and automobile industries moving again, and to help many of our older businesses modernize their plants. It will also spur new investment in small businesses and insure that our working farmers have the operating funds they need.

This legislation does more than that stated in the old proverb of "killing two birds with one stone"; it actually meets three of our economic goals at the same time—it provides an important tax incentive to help taxpayers provide for their future; it creates reasonably priced investment capital for our businesses; and it fights inflation by encouraging personal saving instead of increased consumption.

Mr. President, I hope that my colleagues will agree that this approach makes good sense, and I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 518

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Personal Savings and Retirement Enhancement Act".

SEC. 2. FINDINGS BY CONGRESS.

Whereas, the rate of personal saving dropped to an all time low of 3.4 percent of disposable income in 1979, and continues to remain below historic national levels;

Whereas, the low level of personal savings is a significant factor in the current high cost of borrowing;

Whereas, the current high cost of borrowing is having a devastating impact on small businesses, and on the housing, agriculture, auto, and other industries, causing a drastic jump in the national level of unemployment; and

Whereas, conventional retirement programs are not providing adequate retirement income for many taxpayers.

It is the determination of Congress that legislative action must be taken now to provide tax incentives to encourage new personal savings, and enhance personal retirement programs.

SEC. 3. INCREASE IN EXEMPTION OF CERTAIN INTEREST INCOME FROM TAX.

Section 116 of the Internal Revenue Code of 1954, as amended, is further amended by striking out "$200 ($400" in subsection (b)(1) and inserting in lieu thereof "$5,000 ($10,000".

SEC. 4. TAX CREDIT FOR SPECIAL EMERGENCY SAVINGS CERTIFICATES.

(a) IN GENERAL.—Subpart (A) of part IV of subchapter (A) of chapter (1) of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately before section 45 the following new section:

"SEC. 44(D)(1) SPECIAL EMERGENCY SAVINGS CERTIFICATES

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to 7 percent of the amounts paid during the taxable year for the purchase of special emergency savings, certificates.

"(b) LIMITATION.—The amount of the credit allowed by subsection (a) for any taxable year shall not exceed $126 ($252 in the case of a married individual filing a joint return).

"(c) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) SPECIAL EMERGENCY SAVINGS CERTIFICATE.—The term 'special emergency savings certificate' means a certificate of deposit—

"(A) issued by an institution described in subparagraph (A) or (B) of section 116(c)(1),

"(B) which has a face value of $50 or $100,

"(C) which bears interest at an annual rate of—

"(i) 5 percent in the case of $50 certificates, or

"(ii) 6 percent in the case of $100 certificates,

"(D) which has a term of 1 year, and

"(E) which is purchased within 180 days after the date of enactment of the Interest Rate Reduction and Savings and Retirement Enhancement Act.

"(2) PENALTY FOR EARLY WITHDRAWAL.—No amount shall be allowed as a credit under subsection (a) with respect to any special emergency savings certificate if the amounts on deposit reflected by such certificate are withdrawn by the taxpayer less than 1 year after the date on which the certificate was purchased by the taxpayer.".

(b) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by inserting immediately before the item relating to section 45 the following new item:

"Sec. 44D. Special emergency savings certificates.".

(c) CREDIT TO BE REFLECTED IN WITHHOLDING.—The Secretary of the Treasury shall provide for the credit allowed by section 44D of the Internal Revenue Code of 1954 (relating to special emergency savings certificates) to be reflected, to the extent appropriate, in the first withholding period for the taxpayer beginning after the date on which the taxpayer purchases such a certificate, or in the first estimated quarterly income tax payment of that taxpayer as may be appropriate.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years ending after the date of enactment of this Act.

SEC. 5. INDIVIDUAL RETIREMENT ACCOUNT ENHANCEMENT PROGRAM.

(a) INCREASE IN RETIREMENT SAVINGS.—Section 219 of the Internal Revenue Code of 1954 (relating to retirement savings) is amended—

(1) by striking out "15 percent" in subsection (b)(1) and inserting in lieu thereof "20 percent",

(2) by striking out "$1,500" in subsection (b)(1) and inserting in lieu thereof "the deductible amount described in subsection (c)(6)",

(3) by striking out "15 percent" in subsection (b)(7)(A) and inserting in lieu thereof "20 percent",

(4) by striking out "$1,500," in subsection (b)(7)(B)(ii) and inserting in lieu thereof "the deductible amount described in subsection (c)(6),", and

(5) by adding at the end of subsection (c) the following paragraph:

"(6) DEDUCTIBLE AMOUNT.—For purposes of this section—

"(A) TAXABLE YEARS BEGINNING IN 1981.—The deductible amount for taxable years beginning in 1981 is $2,000.

"(B) RETIREMENT SAVINGS FOR MARRIED INDIVIDUALS.—Section 220 of such Code (relating to retirement savings for certain married individuals) is amended—

"(i) by striking out '15 percent' in subsection (b)(1)(B) and inserting in lieu thereof '20 percent',

"(ii) by striking out '$1,750,' in subsection (b)(1)(C) and inserting in lieu thereof 'the deductible amount described in subsection (c)(7)', and

"(iii) by adding at the end of subsection (c) the following new paragraph:

"'(7) DEDUCTIBLE AMOUNT.—For purposes of this section—

"'(A) TAXABLE YEARS BEGINNING IN 1981.—The deductible amount for taxable years beginning in 1981 is $2,400.'".

(b) CONFORMING CHANGES.—

(1) Section 408 of such Code (relating to individual retirement accounts) is amended—

(A)(i) by striking out "$1,500" in subsections (a)(1), (b)(2), (b)(5), and (i) and by inserting in lieu thereof "the deductible amount described in section 219(c)(6)", and

(ii) by striking out "$1,750" in subsection (d)(5)(A) and inserting in lieu thereof "the deductible amount described in section 220(c)(7)".

(2) Section 409 of such Code (relating to retirement bonds) is amended by striking out "$1,500" in subsection (a)(4) and inserting in lieu thereof "the deductible amount described in section 219(c)(6)".

SEC. 6. RETIREMENT SAVINGS TO BE AVAILABLE WITHOUT REGARD TO COVERAGE BY OTHER PLANS.

(a) SECTION 219 AMENDMENTS.—Section 219 of the Internal Revenue Code of 1954 (relating to retirement savings) is amended—

(1) by striking out paragraph (2) of subsection (b), and

(2) by striking out paragraph (4) of subsection (c).

(b) SECTION 220 AMENDMENTS.—Section 220 of such Code (relating to retirement savings for certain married individuals) is amended—

(1) by striking out paragraph (3) of subsection (b), and

(2) by striking out paragraph (5) of subsection (c).

SEC. 7. SPECIAL RULES.

Any funds invested under the provisions of section 4 of this bill may be transferred to the individual retirement accounts authorized under section 5 of this bill during the first three hundred and sixty days following enactment of the bill, without regard to the limits set in section 5.

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to taxable years ending after the date of enactment of this Act.●

By Mr. MELCHER:

S. 519. A bill to amend the Internal Revenue Code of 1954 to adjust the unified credit against estate and gift taxes to take into account the rate of inflation; to the Committee on Finance.

FAMILY ENTERPRISE PROTECTION ACT

● Mr. MELCHER. Mr. President, today I am introducing a bill to adjust the estate tax reforms of 1976, and the gift exemption, for the inflation that has occurred in the past 4 years. This bill will adjust the Federal estate and gift exemption levels for 1981 to bring them into line with the higher prices caused by inflation. It will increase the effective exemption from inheritance taxes to $400,000 in 1981 and $500,000 in 1982. It will increase the amount of property that an individual may give tax free annually to another individual from $3,000 to $10,000.

Based on the price increases caused by inflation during the last 4 years, a farm or business which passes to children as a result of the parent s death could be subject to over $25,000 more in inheritance taxes than it would have been in 1976. This is not because of any increase in real value of the estate, but just because of inflation.

Increases like this in inheritance taxes might well make the difference between survival and extinction for thousands of family businesses. The problem may not be as serious if the enterprise is passed to a surviving spouse. But it can be critical when it is necessary to transmit a farm or business to children; and the more children, the worse the diffculties.

It is not just the individual farm or business that is affected. It is the pattern of land ownership and business ownership in Montana and throughout the entire country. If we do not act to relieve this tax pressure, the danger is that the present estate tax, inflated because of price increases, can mow down a whole generation of family enterprises before we realize what has happened.

That would threaten our entire economic system. If we are going to preserve family ownership of farms and commercial enterprises, we must prevent them from being taxed out of existence at the time they are being passed on to the next generation.

This whole process has been worsened because tax authorities often insist on a far higher valuation of the farm or the business than the heirs believe reasonable under the circumstances. We are now fighting new IRS regulations that would do that to many of our farms. On top of that, there are often long delays and the added expense of negotiation, and often lawsuits. These have convinced many family entrepreneurs to take the quick, painless route—sell out and get out.

A tax structure that encourages this trend is not only bad economic policy, it is bad social policy. As we put together a tax bill this session of Congress that has as one of its primary aims the revitalization of the American economy, we must not ignore the family-owned businesses. Family-owned businesses are an intregal component of our economy and society. As a source of entrepreneurial spirit and for their many contributions in the fields of technology, innovation, and social advancement, family-owned small businesses must be preserved and protected. The family business is a source of pride which gives the family a personal sense of freedom, accomplishment, and pride in ownership. The perpetuation of the family business in America is of significant importance to the survival of free enterprise that has built the foundation of our country and economy.

I hope that my colleagues in the Senate will agree with this and help me press the tax writing committees to include provisions in the up-coming tax bill that will adjust inheritance taxes for inflation.

Mr. President, I ask unanimous consent that my bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 519

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Family Enterprise Protection Act of 1981"

SEC. 2. (a) Subsection (a) of section 2010 of the Internal Revenue Code of 1954 (relating to unified credit against estate tax) is amended by striking out "$47,000" and inserting in lieu thereof "$155,800".

(b)(1) The table contained in subsection (b) of such section 2010 is amended by adding at the end of the table the following:

"1981 ---------- $121,800";

and,

by striking out "$47,000" in the caption thereof and inserting in lieu thereof "$155,800".

(2) The heading for such subsection (b) is amended by striking out "$47,000" and inserting in lieu thereof "$155,800".

(c)(1) Subsection (a) of section 6018 of such Code is amended by striking out "$175,000" in paragraph (1) and inserting in lieu thereof "$500,000".

(2) Paragraph (3) of section 6018 of such Code is amended by adding at the end of the paragraph, the following:

"(E) in the case of a decedent dying during 1981, by substituting '$400,000' for '$500,000'".

SEC. 3. (a) Subsection (a)(1) of section 2505 of the Internal Revenue Code of 1954 (relating to unified credit against gift tax) is amended by striking out "$47,000" and inserting in lieu thereof "$155,800".

(b)(1) The table contained in subsection (b) of such section 2505 is amended by adding at the end of the table the following:

"After December 31, 1980, and before January 1, 1982---------- $121,800"; and

by striking out "$47,000" in the caption thereof and inserting in lieu thereof "$155,800".

(2) The heading of such subsection (b) is amended by striking out "$47,000" and inserting in lieu thereof "$155,800".

SEC. 4. (a) The amendments made by the first section of this Act shall apply to the estates of decedents dying after December 31, 1980.

(b) The amendments made by section 2 of this act shall apply to gifts made after December 31, 1980.

SEC. 5. (a) Subsection (b) of section 2503 of the Code (relating to exclusions from gifts) is amended by striking out "$3,000" and inserting in lieu thereof "$10,000".

(b) The amendment made by this section shall apply to gifts made after December 31, 1980.●

By Mr. HAYAKAWA (for himself and Mr. CRANSTON):

S. 521. A bill for the relief of Benjamin Bane; to the Committee on the Judiciary.

BENJAMIN BANE

● Mr. HAYAKAWA. Mr. President, I am introducing today a bill on behalf of myself and Mr. CRANSTON that will provide that Benjamin Bane shall be considered not to have lost his status as a citizen of the United States.

Through the years, Dr. Bane has fallen victim to a series of catastrophic and administrative situations beyond his control. Dr. Bane was born in Durham, N.C. in 1905. In 1911, Benjamin Bane traveled with his parents to South Africa where he remained until he was 23 years old. At that time, he decided to continue his education as a dentist in the United States. However, upon discovering that his premedical education would not be accepted in the United States, Dr. Bane alternatively pursued his education in England where he obtained his doctorate of dentistry.

When Dr. Bane attempted to return to the United States, he was informed by the U.S. Embassy in England that a passport could not be issued in the absence of a birth certificate. Unfortunately, the hall of records in North Carolina, where his birth certificate was filed, had been destroyed by fire. In a subsequent attempt to obtain a U.S. passport, he was told that it would be expeditious to apply for and travel on a British passport. Therein lies the tragedy. In the haste of the processing, Dr. Bane was not informed that his application for a British passport would in any way affect his American citizenship.

Unfortunately, the rest of Dr. Bane's efforts to prove his citizenship have been unsuccessful, even though he eventually was able to secure another record of his American birth. This American born doctor, a California constituent of mine, is now terminally ill, and I am most proud to sponsor this bill on his behalf.●

By Mr. HAYAKAWA:

S. 522. A bill to amend section 302(a) of the Fishery Conservation and Management Act of 1976 to create a new California Pacific Council with authority over the fisheries in the Pacific Ocean seaward of the State of California; to the Committee on Environment and Public Works.

CALIFORNIA PACIFIC COUNCIL

● Mr. HAYAKAWA. Mr. President, I would like to introduce a bill to create a new California Pacific Council.

This legislation would amend the Fishery Conservation and Management Act of 1976 by giving a newly created California Pacific Council the authority over the fisheries in the Pacific Ocean seaward of the State of California. The California Pacific Council would have nine voting members, including seven to be appointed from the State of California by the Secretary of Commerce.

California has over 1,000 miles of coastal water, more than the other Pacific Council States combined. Yet California has a relatively small representation on the Pacific Management Council. California has well over half of the fishery resources of the present council, which consists of Washington, Oregon, Idaho, and California, and yet California has only 3 voting members on the 15 member council.

The fishermen in my State are fearful of having their industry jeopardized by disputes in other States and in which California is not directly involved. Therefore, our fishermen feel that the Pacific Fisheries Management Council is not really representing them. These fishing groups, in addition to many municipal groups, support this legislation that I am introducing.

My bill does not address what would happen to the terms of the California representatives on the existing Pacific Fisheries Management Council. This matter would be determined by the Secretary of Commerce. I do not believe this matter will present any problems.●

By Mr. MELCHER:

S. 523. A bill to repeal the credit against U.S. taxes for foreign taxes paid, and allow a deduction; and to repeal the deferral of U.S. tax on the income of foreign subsidiaries of U.S. companies—as permitted under present law—and tax profits of foreign subsidiaries currently to their U.S. parents in the same manner as domestic companies; to the Committee on Finance.

TAX TREATMENT OF FOREIGN EARNED INCOME

● Mr. MELCHER. Mr. President, the bill I am introducing today is comprised of two major provisions that modify the U.S. tax treatment of foreign earned income by U.S.-owned companies.

The first provision repeals the foreign tax credit. Instead of permitting U.S.-owned multinational corporations a dollar-for-dollar credit against their U.S. corporate taxes for the taxes they pay overseas, this provision will allow only a deduction from taxable income. This change will bring greater equity to the tax treatment of multinational and wholly owned domestic U.S. companies by treating the taxes paid to foreign governments the same as taxes paid to State and local governments here at home.

The second part of the bill repeals the deferral of U.S. tax on the income of foreign subsidiaries of U.S. companies—as permitted under present law—and tax profits of foreign subsidiaries currently to their U.S. parents in the same manner as profits of domestic companies. The foreign tax credit would be allowed for the repatriated earnings.

The issue of the foreign tax credit and tax deferral has been raised in Congress before, both by me and others. I introduced this same legislation during consideration of the windfall profit tax bill a little over a year ago. It seemed incomprehensive to me at that time that we were approving legislation that was going to tax the domestic production of crude oil an additional $227 billion between 1979 and 1990, on top of the corporate and other taxes they already pay, and at the same time, refuse to close up some of the tax loopholes that permit U.S.-based multinational companies to avoid billions of dollars in U.S. taxes. It was clear to me that we were penalizing domestic oil production and rewarding overseas oil production. The latest figures show that the oil companies understood this and have continued to get fat on their overseas operations.

A recent Jack Anderson article on the abuses of the foreign tax credit points out that 75 percent of all the foreign tax credits claimed by American companies go to the oil industry. I will ask unanimous consent that the Jack Anderson column from the February 2 Washington Post be printed in full at the conclusion of my remarks.

Another recent article on the abuses of the foreign tax credit appeared in the January issue of People and Taxes. It is an article Congress should take heed of and I will also ask that it be printed in full at the conclusion of my remarks.

Although the greatest abuse of the foreign tax loopholes in the code is by the oil companies, this is not the only area that needs attention. The combined use of foreign tax credits and tax deferral give multinational firms a competitive advantage over their purely domestic counterparts. If a domestic firm in my State of Montana, or any other State, is required to pay local or State corporate taxes as part of their operating costs, they are allowed a deduction for the taxes paid against their Federal corporate tax obligation. However, if a multinational firm pays taxes abroad, they are permitted a dollar-for-dollar credit against the foreign taxes they pay. This is a significant tax advantage.

Tax deferral is also a useful tool that multinational corporations have at their disposal to lower U.S. tax obligations that is not available to domestic corporations.

A simple hypothetical example can show the tax advantages of deferral. Let us assume there are two corporations, "A" and "B." Let us say that corporation A is located in Billings, Mont., and that corporation B is a subsidiary of a U.S. company located in a foreign country that has offered it a "tax holiday" for a period of 9 years. Let us follow these two corporations through 9 years of operation to see what effect U.S. tax deferral has on their reinvested profits.

In the first year, corporation A, the Billings corporation, earns $1 in profits. Because it is located in the United States, it must pay corporate income taxes at the rate of 45 percent on that dollar. This leaves 55 cents for reinvestment. Let us say the corporation reinvests the entire 55 cents for an additional 8 years and can earn a 15-percent annual rate of return on its investment, and will pay a 45-percent tax on each year's profits. After 9 years, corporation A's investment will be worth $1.04. The profit on this investment is $0.50. The net results of these transactions is a total net profit after taxes of $1.04 for corporation A.

Now, let us look at corporation B undergoing similar transactions, but operating abroad under a tax holiday. Corporation B also earns $1 of profits in the first year. But, because corporation B owes no income taxes on that income, it is able to reinvest the entire amount. In effect, the U.S. Government is making an interest-free loan to corporation B for the duration of its investment. Of course, it is really the American taxpayers who foot the bill for this generosity.

After 8 years at a 15-percent rate of return, corporation B's investment will be worth $3.06. If corporation B now decides to return these profits to the United States, it will finally be subject to U.S. corporate income taxes. Of course, corporation B can reinvest this profit also and delay the tax still further if it wishes. But, assuming it brings the profits back home, the U.S. corporate income tax due will be $1.40. This leaves corporation B with a net profit after taxes of $1.66.

Mr. President, this is 59 percent higher than the profits corporation A—the one operating in my home State—was able to earn on a similar investment. And the only reason for this difference is that corporation B could defer its U.S. tax liability.

Some will argue that this example is unrealistic because corporation B pays no foreign income tax on its profits. Mr. President, there are many schemes and devices by which our corporations operating abroad can escape all or substantially all foreign taxes on their incomes. Many foreign nations offer special tax inducements to corporations to entice them to locate in their countries. But, even in countries that collect taxes from subsidiaries of the U.S. multinationals, there are substantial advantages. Of the 63 major countries where U.S. multinationals have investments, 9 have a realized corporate tax rate of 10 percent or less. In these countries our hypothetical reinvestment would provide a return at least 39 percent greater than in the United States.

There are 11 countries that have a realized corporate rate of between 10 and 20 percent. Here our investment would bring a return at least 22 percent greater than in the United States. There are 11 countries with a realized corporate tax of 20 to 30 percent. In these countries, our investment would bring a return at least 17 percent greater than in the United States.

Only in eight countries with less than 9 percent of foreign investments—and that is U.S. foreign investments—in 1979 would the rate of return not be larger than a similar investment in the United States.

In an effort to be as accurate as possible, I have included a table showing what the different returns would be for varying foreign tax rates.

Mr. President, I will ask unanimous consent that the tables showing the tax rates in various countries be printed in the RECORD at the conclusion of my remarks.

Mr. President, President Reagan has outlined a broad approach of tax and spending cuts in his program for national economic recovery that are aimed at getting our domestic economy back on its feet. I intend to support these efforts

as best I can. However, I am emphatically against putting the interest of the multinational corporations ahead of the needs of our own citizens. There are going to be deep budget cuts, and the American people have said they are willing to sacrifice for the general good. I do not think it is too much to ask the same of the giant multinational companies, both inside and outside the oil business, to do the same. They have gotten fat over the years through these tax loopholes and it is high time they returned some of the benefit to the American people. I hope that my colleagues will agree with me.

Mr. President, I now ask that the text of the bill as well as the other material referred to earlier in my statement be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF THE FOREIGN TAX CREDIT AND TREATMENT OF FOREIGN TAXES AS A DEDUCTION AGAINST UNITED STATES TAXES.

This section repeals sections 901, 902, 903, 904, 905, 906, 907, and 908 of the Internal Revenue Code of 1954 (relating to the foreign tax credit).

SEC. 2. TAXATION OF EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.

(a) GENERAL.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by inserting after subpart II thereof the following:

"Subpart I—Controlled Foreign Corporations

"Sec. 983. Amounts included in gross income of United States shareholders.
"Sec. 984. Definitions.
"Sec. 985. Rules for determining stock ownership.
"Sec. 986. Exclusion from gross income of previously taxed earnings and profits.
"Sec. 987. Adjustments to basis of stocks in controlled foreign corporations and of other property.
"Sec. 988. Records and accounts of United States shareholders.
"Sec. 989. Election by individuals to be subject to tax at corporate rates.
"Sec. 990. Records and accounts of United States shareholders.
"Sec. 990A. Transition rules for period before subpart I is completely phased in.

"Sec. 983. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNT INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation for an uninterrupted period of 30 days or more during any taxable year, every United States shareholder of such corporation which owns (within the meaning of section 985(a)) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in its gross income, for its taxable year in which or with which such taxable year of the corporation ends, its pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—A United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 985(a)) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to the earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the earnings and profits of such corporation for the taxable year, as (ii) the part of such year described in subparagraph (A) (ii) during which such shareholder did not own (within the meaning of section 985(a)) such stock bears to the entire year.

"(b) EARNINGS AND PROFITS.—For purposes of this subpart, under regulations prescribed by the Secretary, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules appropriate to carry out the rules of this subpart.

"(2) shall be reduced (or in the case of a deficit, shall be increased) by the amount, if any, by which the sum of the deficits in earnings and profits of such corporation for any prior taxable years beginning after December 31, 1979, exceed the sum of the earnings and profits of such corporation of such prior taxable years.

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States, and

"(4) shall not include any amount of earnings and profits which could not have been distributed by such corporation because of currency or other restrictions or limitations imposed under the laws of any foreign country but any such amounts shall be included in earnings and profits for the first taxable year in which such restrictions or limitations are terminated or modified to permit distribution of such amounts.

"(c) COORDINATION WITH ELECTION OF A FOREIGN INVESTMENT COMPANY TO DISTRIBUTE INCOME.—A United States shareholder who, for his taxable year, is a qualified shareholder (within the meaning of section 1247(c)) of a foreign investment company with respect to which an election under section 1247 is in effect shall not be required to include in gross income, for such taxable year, any amount under subsection (a) with respect to such company.

"(d) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United State shareholder who, for his taxable year, is subject to tax under section 551(d) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"(e) CONSOLIDATION OF EARNINGS AND PROFITS FROM MULTIPLE FOREIGN CORPORATIONS.—(1) Subsection (a) shall be applied to a United States shareholder who owns stock in more than one controlled foreign corporation, or who owns stock in other foreign corporations (whether controlled foreign corporations or not) through stock owned by a controlled foreign corporation, by taking into account the aggregate earnings and profits of all such foreign corporations.

"(2) The Secretary shall prescribe regulations to carry out the purposes of subparagraph (1).

"SEC. 984. DEFINITIONS.

"(a) UNITED STATES SHAREHOLDER DEFINED.—For purposes of this subpart, the term 'United States shareholder' means, with respect to any foreign corporation, a United States person (as defined in section 957(d) who owns (within the meaning of section 985(a)), or is considered as owning by applying the rules of ownership of section 985(b), 1 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation.

"(b) CONTROLLED FOREIGN CORPORATION DEFINED.—For purposes of this subpart, the term 'controlled foreign corporation' means any foreign corporation—

"(1) of which more than 50 percent of the total combined voting power of all classes of stock entitled to vote is owned (within the meaning of section 985(a)), or is considered as owned by applying the rules of ownership of section 985(b), by United States shareholders on any day during the taxable year of such foreign corporation, or

"(2) over which United States shareholders exercise actual control, as determined by the Secretary, from all facts and circumstances in the case.

"(c) LIMITATION ON ACTUAL CONTROL DETERMINATION.—In the case of a foreign corporation of which not more than 20 percent of the total combined voting power of all classes of stock entitled to vote is owned (within the meaning of section 985(a)), or is considered as owned by applying the rules of ownership of section 985(b), by one or more United States shareholders on any day during the taxable year of such foreign corporation, the burden of proof in respect of the issue, for purposes of subsection (b)(2), as to whether such United States shareholders exercise actual control shall be upon the Secretary.

"SEC. 985. RULES FOR DETERMINING STOCK OWNERSHIP.

"(a) DIRECT AND INDIRECT OWNERSHIP.—

"(1) GENERAL RULE.—For purposes of this subpart, stock owned means—

"(A) stock owned directly, and

"(B) stock owned with the application of paragraph (2).

"(2) STOCK OWNERSHIP THROUGH FOREIGN ENTITIES.—For purposes of subparagraph (B) of paragraph (1), stock owned, directly or indirectly, by or for a foreign corporation of foreign estate (within the meaning of section 7701(a)(31)) or by or for a partnership or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries. Stock considered to be owned by a person by reason of the application of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person.

"(b) CONSTRUCTIVE OWNERSHIP.—For purposes of section 984, section 318(a) (relating to constructive ownership of stock) shall apply to the extent that the effect is to treat any domesic corporation as a United States shareholder within the meaning of section 984(a), or to treat a foreign corporation as a controlled foreign corporation under section 984(b), except that—

"(1) In applying subparagraphs (A), (B), and (C) of section 318(a)(2), if a partnership, estate, trust, or corporation owns, directly or indirectly, more than 50 percent of the total combined voting power of all classes of stock entitled to vote of a corporation, it shall be considered as owning all of the stock entitled to vote.

"(2) In applying subparagraph (C) of section 318(a)(2), the phrase '10 percent' shall be substituted for the phrase '50 percent' used in subparagraph (C).

"SEC. 986. EXCLUSION FROM GROSS INCOME OF PREVIOUSLY TAXED EARNING AND PROFITS.

"(a) EXCLUSION FROM GROSS INCOME.—For purposes of this chapter, the earnings and profits for a taxable year of a foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 983(a) shall not, when such amounts are distributed directly, or indirectly through a chain of ownership described under section 985(a), to—

"(1) such shareholder (or any person which acquires from any other person any portion of the interest of such United States shareholder in such foreign corporation, but only to the extent of such portion, and subject to such proof of the identity of such interest as the Secretary may by regulations prescribe), or

"(2) a trust (other than a foreign trust) of which such shareholder is a beneficiary, be again included in the gross income of such United States shareholder (or of such domestic corporation or of such trust).

"(b) EXCLUSION FROM EARNINGS AND PROFITS OF CERTAIN FOREIGN SUBSIDIARIES.—For purposes of section 983(a), the earnings and profits for a taxable year of a controlled foreign corporation attributable to amounts which are, or have been, included in the gross income of a United States shareholder under section 983(a), shall not, when distributed through a chain of ownership described under section 985(a), be also included in the earnings and profits of another controlled foreign corporation in such chain for purposes of the application of section 983(a) to such other controlled foreign corporation with respect to such United States shareholder (or to any other United States shareholder who acquires from any person any portion of the interest of such United States shareholder in the controlled foreign corporation, but only to the extent of such portion, and subject to such proof of identity of such interest as the Secretary may prescribe by regulations).

"(c) ALLOCATION OF DISTRIBUTIONS.—For purposes of subsections (a) and (b), section 316(a) shall be applied by applying paragraph (2) thereof, and then paragraph (1) thereof—

"(1) first, to earnings and profits attributable to amounts included in gross income under section 983(a), and

"(2) then to other earnings and profits.

"(d) DISTRIBUTIONS EXCLUDED FROM GROSS INCOME NOT TO BE TREATED AS DIVIDENDS.—Any distribution excluded from gross income under subsection (a) shall be treated, for purposes of this chapter, as a distribution which is not a dividend.

"SEC. 987. ADJUSTMENTS TO BASIS OF STOCK IN CONTROLLED FOREIGN CORPORATIONS AND OF OTHER PROPERTY.

"(a) INCREASE IN BASIS.—Under regulations prescribed by the Secretary, the basis of a United States shareholder's stock in a controlled foreign corporation, and the basis of property of a United States shareholder by reason of which it is considered under section 985(a)(2) as owning stock of a controlled foreign corporation, shall be increased by the amount required to be included in its gross income under section 983(a) with respect to such stock or with respect to such property, as the case may be, but only to the extent to which such amount was included in the gross income of such United States shareholder.

"(b) REDUCTION IN BASIS.—

"(1) IN GENERAL.—Under regulations prescribed by the Secretary, the adjusted basis of stock or other property with respect to which a United States shareholder or a United States person receives an amount which is excluded from gross income under section 986(a) shall be reduced by the amount so excluded.

"(2) AMOUNT IN EXCESS OF BASIS.—To the extent that an amount excluded from gross income under section 986(a) exceeds the adjusted basis of the stock or other property with respect to which it is received, the amount shall be treated as gain from the sale or exchange of property.

"SEC. 988. SPECIAL RULES FOR FOREIGN TAX CREDIT.

"(a) TAXES PAID BY FOREIGN CORPORATION.—

"(1) FIRST TIER FOREIGN SUBSIDIARY.—For purposes of subpart A of this part, if there is included, under section 983(a), in the gross income of a domestic corporation any amount attributable to earnings and profits of a foreign corporation at least 1 percent of the voting stock of which is owned by such domestic corporation then, under regulations prescribed by the Secretary, such domestic corporation shall be deemed to have paid the same proportion of the total income, war profits, and excess profits taxes paid (or deemed paid) by such foreign corporation to a foreign country or possession of the United States for the taxable year on or with respect to the earnings and profits of such foreign corporation which the amount of earnings and profits of such foreign corporation so included in the gross income of the domestic corporation bears to the entire amount of the earnings and profits of such foreign corporation for such taxable year.

"(2) SECOND TIER FOREIGN SUBSIDIARY.—If the foreign corporation described in paragraph (1) (hereinafter in this subsection referred to as the 'first foreign corporation') in the gross income of which there would be included (under section 983(a) applied as if the first foreign corporation were a domestic corporation) any amount attributable to the earnings and profits of a second foreign corporation in which it owns 10 percent or more of the voting stock the first foreign corporation shall be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid or deemed to be paid by the second foreign corporation to any foreign country or to any possession of the United States for the taxable year on or with respect to the earnings and profits of the second foreign corporation as the amount of earnings and profits of the second foreign corporation included (under rules similar to the rules prescribed under paragraph (1)) in the gross income of the first foreign corporation bears to the entire amount of the earnings and profits of the second foreign corporation for such taxable year.

"(3) THIRD TIER FOREIGN SUBSIDIARY.—If the first foreign corporation owns 10 percent or more of the voting stock of a second foreign corporation in the gross income of which there would be included (under section 983(a) applied as if the second foreign corporation were a domestic corporation) any amount attributable to the earnings and profits of a third foreign corporation in which it owns 10 percent or more of the voting stock, the second foreign corporation shall be deemed to have paid the same proportion of any income, war profits, or excess profits taxes paid by such third foreign corporation to any foreign country or to any possession of the United States for the taxable year on or with respect to the earnings and profits of the third foreign corporation as the amount of earnings and profits of the third foreign corporation included (under rules similar to the rules prescribed under paragraph (2)) in the gross income of the second foreign corporation bears to the entire amount of the earnings and profits of the third foreign corporation for the taxable year.

"(b) TAXES DEEMED PAID.—

"(1) TAXES PREVIOUSLY DEEMED PAID BY DOMESTIC CORPORATION.—If a domestic corporation receives a distribution from a foreign corporation, any portion of which is excluded from gross income under section 986, the income, war profits, and excess profits taxes paid or deemed paid by such foreign corporation to any foreign country or to any possession of the United States in connection with the earnings and profits of such foreign corporation from which such a distribution is made shall not be taken into account for purposes of section 902, to the extent such taxes were deemed paid by a domestic corporation under subsection (a) for any prior taxable year.

"(2) TAXES PAID BY FOREIGN CORPORATION AND NOT PREVIOUSLY DEEMED PAID BY DOMESTIC CORPORATION.—Any portion of a distribution from a foreign corporation received by a domestic corporation which is excluded from gross income under section 986(a) shall be treated by the domestic corporation as a dividend solely for the purposes of taking into account under section 902 any income, war profits, or excess profits taxes paid to any foreign country or to any possession of the United States, on or with respect to the accumulated profits of such foreign corporation from which such distribution is made, which were not deemed paid by the domestic corporation under subsection (a) for any prior taxable year.

"(c) SPECIAL RULES FOR FOREIGN TAX CREDIT IN YEAR OF RECEIPT OF PREVIOUSLY TAXED EARNINGS AND PROFITS.—

"(1) INCREASE IN SECTION 904 LIMITATION.—In the case of any taxpayer who—

"(A) either (i) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 983(a) to include in his gross income an amount in respect of a controlled foreign corporation, or (ii) did not pay or accrue for such taxable year any income, war profits, or excess profits to any foreign country or to any possession of the United States, and

"(B) chooses to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 986(a) and which is attributable to earnings and profits of the controlled foreign corporation which was included in his gross income for the taxable year referred to in subparagraph (A), and

"(C) for the taxable year in which such distribution or amount is received, pays, or is deemed to have paid, or accrues income, war profits, or excess profits taxes to a foreign country or to any possession of the United States with respect to such distribution or amount, the applicable limitation under section 904 for the taxable year in which such distribution or amount is received shall be increased as provided in paragraph (2), but such increase shall not exceed the amount of such taxes paid, or deemed paid, or accrued with respect to such distribution or amount.

"(2) AMOUNT OF INCREASE.—The amount of increase of the applicable limitation under 904(a) for the taxable year in which the distribution or amount referred to in paragraph (1)(B) is received shall be an amount equal to—

"(A) the amount by which the applicable limitation under section 904(a) for the taxable year referred to in paragraph (1)(A) was increased by reason of the inclusion in gross income section 983(a) of the amount in respect of the controlled foreign corporation, reduced by

"(B) the amount of income, war profits and excess profits taxes paid or deemed paid, or accrued to any foreign country or possession of the United States which were allowable as a credit under section 901 for the taxable year referred to in paragraph (1)(A) and which would not have been allowable but for the inclusion in gross income of the amount described in subparagraph (A).

"(3) CASES OF WHICH TAXES NOT TO BE ALLOWED AS DEDUCTION.—In that case of any taxpayer who—

"(A) chose to have the benefits of subpart A of this part for a taxable year in which he was required under section 983(a) to include in his gross income an amount in respect of a controlled foreign corporation, and

"(B) does not choose to have the benefits of subpart A of this part for the taxable year in which he receives a distribution or amount which is excluded from gross income under section 986(a) and which is attributable to earnings and profits of the controlled foreign corporation which was included in his gross income for the taxable year referred to in subparagraph (A),

no deduction shall be allowed under section 164 for the taxable year in which such distribution or amount is received for any income, war profits, or excess profits taxes paid or accrued to any foreign country or to any possession of the United States on or with respect to such distribution or amount.

"(4) INSUFFICIENT TAXABLE INCOME.—If an increase in the limitation under this subsection exceeds the tax imposed by this chapter for such year, the amount of such excess shall be deemed an overpayment of tax for such year.

"SEC. 899. ELECTION BY INDIVIDUALS TO BE SUBJECT TO TAX AT CORPORATE RATE.

"(a) GENERAL RULE.—Under regulations prescribed by the Secretary or his delegate in the case of a United States shareholder who is an individual and who elects to have the provisions of this section apply for the taxable year—

"(1) the tax imposed under this chapter on amounts which are included in the gross income under section 983(a) shall (in lieu of the tax determined under section 1 be an amount equal to the tax which would be imposed under section 11 if such amounts were received by a domestic corporation and

"(2) for purposes of applying the provisions of section 988 (relating to foreign tax credit) such amounts shall be treated as if they were received by a domestic corporation.

"(b) ELECTION.—An election to have the provisions of this section apply for any taxable year shall be made by a United States shareholder at such time and in such manner as the Secretary or his delegate shall prescribe by regulations. An election made for any taxable year may not be revoked except with the consent of the Secretary or his delegate.

"(c) SURTAX EXEMPTION.—For purposes of applying subsection (a)(1), the surtax exemption provided by section 11(c) shall not exceed, in the case of any United States shareholder, an amount which bears the same ratio to the surtax exemption as the amounts included in his gross income under section 983(a) for the taxable year bears to his pro rata share of the earnings and profits for the taxable year of all controlled foreign corporations with respect to which such United States shareholder includes any amount in gross income under section 983(a).

"(d) SPECIAL RULE FOR ACTUAL DISTRIBUTIONS.—The earnings and profits of a foreign corporation attributable to amounts which were included in the gross income of a United States shareholder under section 983(a) and with respect to which an election under this section applied shall, when such earnings and profits are distributed, notwithstanding the provisions of section 986(a)(1), be included in gross income to the extent that such earnings and profits so distributed exceed the amount of tax paid under this chapter on the amounts to which such election applied.

"SEC. 990. RECORDS AND ACCOUNTS OF UNITED STATES SHAREHOLDERS.

"(a) RECORDS AND ACCOUNTS TO BE MAINTAINED.—The Secretary may by regulations require each person who is, or has been, a United States shareholder of a controlled foreign corporation to maintain such records and accounts as may be prescribed by such regulations as necessary to carry out the provisions of this subpart.

"(b) TWO OR MORE PERSONS REQUIRED TO MAINTAIN OR FURNISH THE SAME RECORDS AND ACCOUNTS WITH RESPECT TO THE SAME FOREIGN CORPORATION.—Where, but for this subsection, two or more persons would be required to maintain or furnish the same records and accounts as may by regulations be required under subsection (a) with respect to the same controlled foreign corporation for the same period, the Secretary may by regulations provide that the maintenance or furnishing of such records and accounts by only one person shall satisfy the requirements of subsection (a) for such other persons.

"(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 864(c)(4)(D) is amended to read as follows:

"(D) No income from sources without the United States shall be treated as effectively connected with the conduct of a trade or business within the United States if it consists of dividends, interest, or royalties paid by a foreign corporation in which the taxpayer owns (within the meaning of section 958(a)), or is considered as owning (by applying the ownership rules of section 958 (b)), more than 50 percent of the total combined voting power of all classes of stock entitled to vote.".

(2) Section 951 is amended by adding at the end thereof the following:

"(c) TAXABLE YEARS BEGINNING ON ENACTMENT OF THIS ACT.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1) of such subsection) with respect to a taxable year of a controlled foreign corporation beginning after December 31, 1979, to the extent that such amount is required to be included in the gross income of a United States shareholder under section 983(a).".

(3) Section 1016(a)(19) is amended by striking out "section 961" and inserting in lieu thereof "sections 961 and 987".

(4) Section 1246(a)(2)(B) is amended by inserting "or 983" after "section 951" and by inserting "or 986" after "section 959".

(5) Section 1248 is amended by amending subsection (d)(1) to read as follows:

"(1) AMOUNTS INCLUDED IN GROSS INCOME UNDER SECTION 951 OR 953.—Earnings and profits of the foreign corporation attributable to any amount previously included in the gross income of such person under section 951 or 983, with respect to the stock sold or exchanged, but only to the extent the inclusion of such amount did not result in an exclusion of an amount from gross income under section 959 or 986.".

(6) Section 78 (relating to dividends received from certain foreign corporations by domestic corporations choosing foreign tax credit) is amended by striking out "or under section 960(a)(1) (relating to taxes paid by foreign corporation)" and inserting in lieu thereof the following: ", under section 960 (a)(1) (relating to taxes paid by foreign corporation), or under section 988(b) (relating to taxes deemed paid by corporations)".

SEC. 3. EFFECTIVE DATE

The amendments made by this section shall apply with respect to taxable years of foreign corporations beginning after December 31, 1980, and to taxable years of United States shareholders which end within or with such taxable years of such foreign corporations.

[From the Washington Post, Feb. 2, 1981]

BIG OIL ESCAPING U.S. INCOME TAXES

(By Jack Anderson)

Americans are understandably not impressed by the obscene spectacle of Big Oil weeping crocodile tears all the way to the bank. Even the most naive consumers can see a connection between the doubling of gasoline and fuel oil prices and the fat quarterly profits the major oil companies keep racking up.

But, what many don't realize is that Uncle Sam's tax collectors—who are such relentless tigers when they stalk the ordinary taxpayer—are tame tabby cats for the Big Oil boys. Through a transparent tax dodge enacted by a compliant Congress, the oil companies evade enough taxes each year to handle a healthy chunk of the federal budget.

The device is called "foreign tax credit." On the surface, it seems fair enough: For every dollar in foreign taxes an oil company pays, it is given a dollar of credit against its U.S. income taxes. Ostensibly, this prevents double taxation—or so the slick propagandists of Big Oil would have us believe.

The hitch is this: The foreign "taxes" are in fact part of the purchase price—the same kind of royalties an oil company might pay to private landowners in this country for the right to pump oil from their property. Overseas, the landowners are the various foreign governments, so most royalties paid to them are construed as taxes.

It makes no difference to the foreign governments; a royalty using the alias of a tax is still money. But to the oil companies—and the rest of the American taxpayers—it makes a colossal difference.

Literally billions of dollars are at stake. Comprehensive figures in a revealing Internal Revenue Service study have been reviewed by my associate Dale Van Atta. They cover the tax returns of all American oil companies for the 12-month period from July 1975 through June 1976. Here's what the figures show:

The 39 biggest oil companies grossed a staggering $291 billion.

The deductions worked out by their accounting wizards totaled $254 billion.

After a few further allowances, the total profit admitted to by the 39 oil companies came to an impressive $36.5 billion. For most corporations, this would mean an income tax owed of $17.5 billion.

Instead, the oil companies wound up paying about $2.5 billion in U.S. income taxes.

How could this happen? Simple enough: The oil moguls claimed foreign tax credits totaling $15 billion. So on an aggregate income of nearly $300 billion, the companies paid a total of about less than 1 percent in income taxes—while individual American taxpayers were giving the federal government 20, 30, 40 percent or more of their annual earnings.

Big Oil's special place in the hearts of Congress is made clear by some figures in another IRS study. Even with all the huge multinational American corporations entitled to claim foreign tax credits—like IBM, ITT, etc.—the oil industry accounted for 75 percent of all foreign taxes claimed by U.S. companies. Obviously, the foreign tax credit law is as tailor-made as an oil baron's $800 suit.

As if the disguising of royalties as taxes weren't bad enough, the fine needlework in the law allows an even trickier use of the foreign tax credits by Big Oil. With IRS and Department of Energy blessings, some oil companies are permitted to charge their U.S. refineries—that is, themselves—much higher prices for crude oil than their cost for drilling and shipping it to the United States. Thanks to various bookkeeping tricks, only

minimal taxes are paid on this so-called "foreign profit."

These legal ruses allow the oil companies to reassure outraged American consumers that, really now, they're not making exorbitant profits from their U.S. customers. Most of those eye-popping profits they announce every three months come from their foreign operations, they say with a straight face.

[From the People & Taxes, January 1981]

THE FOREIGN TAX CREDIT: WILL THE LOOPHOLES BE PLUGGED

(By George Riley)

Big oil has an early demand for the new Treasury secretary, Donald Regan. A week after the presidential election, the Carter administration issued new regulations to narrow a loophole which has wedded the oil companies and OPEC in a profitable relationship unwittingly financed by American taxpayers. But the new regulations are temporary, and Regan could alter or relax them before they become permanent.

The new rules govern application of the foreign tax credit, one of the most controversial and complex areas of the tax law. For almost three decades, U. S. petroleum companies have treated many payments made by their subsidiaries to OPEC governments as tax credits, and not as mere deductions. The difference is critical. As a deduction, the payment would only reduce overall taxable income. A credit, however, directly offsets the amount of tax owed to the U.S. Treasury when the subsidiary repatriates its profits to the parent company. With a 48 percent corporate income tax, a one dollar payment to a foreign government reduces U.S. taxes by 48 cents when treated as a deduction. As a credit, the dollar payment reduces U.S. tax liability by a full dollar.

The foreign tax credit has beeen available to all corporations and citizens since it became law with the passage of the 1918 Revenue Act. The credit applies, however, only to foreign taxes levied against income. Other payments and taxes must be treated as deductions.

The idea behind the credit was to avoid double taxation on foreign income. The policy was intended neither to encourage nor to discourage foreign investment. Theoretically, the total tax on overseas income—both the foreign and U.S. income taxes—would equal the tax as if the income were earned exclusively within the United States.

With the knowledge and possible connivance of the U.S. government, this neutral policy toward foreign investment was twisted into a massive subsidy for multinational oil companies and their OPEC partners. By cleverly disguising as income taxes what were actually royalties, the corporations shifted millions of U.S. tax dollars into the coffers of OPEC governments.

Only after Congressional inquiries and some unfavorable IRS rulings did the Carter administration cut back on the credits. Yet the history of the credit hardly suggests that the regulations will be immune from political pressures, especially from an administration openly supportive of the industry.

The first oil companies to profit from the creative use of the foreign tax credit were Exxon, Mobil, Standard Oil of California and Texaco. Together these companies owned the Arabian American Oil Company, better known as Aramco.

In the late 1940's, Saudi Arabia began to press the Aramco companies to increase the country's share of the price of a barrel of crude oil from 12 percent to 50 percent. At first, the companies balked at the proposal, and with the birth of OPEC ten years in the future Saudi Arabia was not in a position to dictate terms. The stalemate was shifted when the U.S. State Department, fearing hostile nationalism in the Middle East, allegedly intervened on behalf of Saudi Arabia.

The solution seemed to please everyone. Saudi Arabia would raise its net take to 50 percent by instituting a national income tax which, in reality, only affected the oil companies. The companies, in turn, preserved their profits because the credit allowed them to pay Saudi Arabia with money that would have gone into U.S. income taxes.

American officials were not unaware of the consequence of this covert form of foreign aid. George McGhee, who served as assistant secretary of State during the negotiations, told a Senate subcommittee in 1974: "I find in my records that I pointed out at the time, that the U.S. Treasury would in a sense be financing this change." In 1978, a House consumer subcommittee reported that the Treasury lost $50 million for the 1950 tax year, the first year the credit was taken.

Other countries quickly followed Saudi Arabia's example. In 1951, Kuwait set up a similar tax scheme. The next year saw Lebanon and Iraq establish a levy on corporate income. An income tax was also included in the Iranian Consortium agreement of 1954.

The U.S. Treasury initially objected to the credit. The 1978 congressional study found that from 1950 to 1954, the Secretary of Treasury went on record as "emphatically opposing a favorable ruling on the ground that the payment was in fact an increased royalty exacted in the guise of an income tax." After Eisenhower's election, however, Treasury reversed itself and issued a favorable retroactive ruling in 1955. The same study found that the State Department and National Security Council pressured Treasury to make the change.

Through the credit, the oil companies have realized enormous savings on U.S. taxes. The consumer subcommittee estimated that from 1950 to 1978, the companies saved some $14 billion in U.S. taxes. In other words, the Treasury lost $14 billion because tax payments to oil producing nations were credited against—rather than deducted from—U.S. tax liability.

The new regulations are designed to strike at a fiction that is central to the foreign tax credit scheme. Because most of the OPEC oil was transferred from the foreign subsidiary to the U.S. parent companies, the subsidiary's income was determined entirely by the parent. To establish a more realistic income for taxation purposes, OPEC governments used an accounting procedure known as "posted prices." Under this system, the foreign government assumed that the subsidiary "sold" each barrel to the parent at a price posted by the government. After deducting royalties and production costs from the posted price, the government applied its tax to the remaining "income." As long as the posted price reflected worldwide market conditions, the levy was roughly equivalent to an income tax.

The fiction became apparent when the posted prices began to depart drastically from world prices. Simply by raising the price, the producer government could increase its tax revenues. The companies would offer little resistance as long as the new costs were met with money that would have gone to satisfy U.S. income tax liability.

The new regulations codify a 1978 IRS ruling that companies cannot take credits for payments based on artificially posted prices. In order for the payments to qualify as credits, the country must compute the company's income in a fashion that will not exceed the fair market price of the goods or services produced by the subsidiary.

Other aspects of the regulations may reduce misuse of the foreign tax credit. For example, the foreign country's income tax must not treat the oil companies "significantly different" from other taxpayers. Also, a credit will not be allowed if the tax is clearly intended only to shift U.S. tax dollars to foreign treasuries.

The multinational oil companies condemned the new regulations immediately after they were announced. In newspaper ads, Mobil accused the lame duck administration of exceeding its Constitutional limitations by making "punitive changes" that Congress refused to enact. In a curious allusion, Mobil compared Carter to John Adams who, in a fit of pique after his election defeat by Thomas Jefferson, appointed the famous "midnight judges" just before leaving office.

But far from being a last minute change, the new regulations were four years in the making. Mcreover, the Treasury Department has been quite generous to the companies. The consumer subcommittee found that the Department impeded the issuance of new rulings after the IRS struck down the use of foreign tax credits by companies operating in Indonesia in 1976. When the IRS finally ruled against the arrangement in Saudi Arabia in 1978, Treasury insisted that the ruling apply only prospectively, despite the fact that IRS rulings are usually retroactive.

Though Congress has refused to heed the calls to abolish the credit, it has cut back on the scope of the provision. The Tax Reduction Act of 1975 and the Tax Reform Act of 1976 both limit the amount of credit that the oil companies can claim on overseas payments.

As the history of the tax credit shows, the key policy decisions are not made in Congress. Through regulations and rulings, Treasury and IRS exercise tremendous power in shaping the final results of any law. And, even if the new regulations remain unchanged, desultory enforcement and poor auditing can vitiate the guidelines.

The Reagan administration's position on the new regulations will be an important indication of the future course of tax and energy policy. If Reagan's promise to unleash the oil companies means relaxing restrictions on the tax credit, the results will be increased profits from foreign operations with no benefit for U.S. production.

Comparative returns on investment

[Assuming annual earnings of 15 percent]

	After tax profits
U.S. foreign subsidiary (zero foreign tax)	$1.66
U.S. foreign subsidiary (10 percent foreign tax and using available foreign tax credits)	1.45
U.S. foreign subsidiary (20 percent foreign tax and using available foreign tax credits)	1.27
U.S. foreign subsidiary (30 percent foreign tax and using available foreign tax credits)	1.22
U.S. domestic company	1.04

Realized corporate income tax rates, 1974

Country:	*Realized corporate tax rate*
Canada	41.1
Austria	33.4
Belgium	37.5
Denmark	32.5
France	48.0
Germany	43.0
Greece	11.9
Ireland	12.7
Italy	41.9
Luxembourg	17.1
Netherlands	36.0
Norway	40.5
Spain	30.3
Sweden	43.1
Switzerland	27.1
United Kingdom	44.6
Australia	42.9
New Zealand	51.7
Mexico	42.2

Country:	Realized corporate tax rate
Argentina	28.2
Brazil	30.3
Chile	39.4
Colombia	47.3
Ecuador	18.7
Peru	47.7
Uruguay	25.2
Venezuela	30.0
Costa Rica	33.7
El Salvador	7.6
Guatemala	21.0
Honduras	25.2
Nicaragua	1.8
Panama	15.4
Algeria	0.0
Morocco	54.5
Liberia	5.7
Ethiopia	38.6
Kenya	19.0
Nigeria	4.7
Rhodesia	30.9
South Africa	41.9
Zambia	28.0
Iran	10.5
Israel	44.7
Lebanon	15.1
Sri Lanka	21.2
India	57.0
Malaysia	27.9
Pakistan	52.6
Philippines	29.6
Singapore	26.9
Taiwan	6.0
Thailand	14.9
Hong Kong	15.5
Japan	47.4
Indonesia	36.4
Bahamas	5.1
Bermuda	0.3
Netherlands Antilles	4.5
Dominican Republic	21.7
Jamaica	22.6
Puerto Rico	12.2
Trinidad and Tobago	36.7

●

By Mr. BAUCUS:

S. 524. A bill to require that imported meat and meat food products made in whole or in part of imported meat to be subjected to certain tests and that such meat or products be labeled "imported" at all stages of distribution until delivery to the final consumer; to require that the cost of conducting such tests, and the cost of conducting certain inspections and identification procedures on imported meat and meat food products, be borne by the exporters of such articles; to require certain eating establishments, which serve imported meat, to inform customers of that fact; and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

MEAT LABELING AND INSPECTION ACT OF 1981

● Mr. BAUCUS. Mr. President, today I am introducing the Meat Labeling and Inspection Act of 1981. This is a bill to establish stronger inspection standards for imported meat products and to require that these products carry labels explaining that they are imports.

A significant part—6 percent or more—of the beef Americans eat is imported. But there are serious questions about the safety and wholesomeness of imported meat. And consumers have no way of knowing whether the meat they buy is safe, wholesome American product or foreign product produced and slaughtered under questionable conditions.

U.S. livestock producers suffer too, when unsafe or adulterated meat products are imported. Foreign producers can compete unfairly when they do not have to comply with the same stringent wholesomeness and safety requirement as domestic producers.

DOMESTIC VERSUS FOREIGN INSPECTION

Inspection procedures for imported meat are so shoddy that even the agency doing the inspecting has said:

We have no basis for determining the level of effectiveness achieved by the present program. We know that it provides some protection against the entry of adulterated products into the United States food channels, but we do not know precisely how much. (USDA–FSQS in Task Force Report on the Inspection of Imported Meat and Poultry; November, 1979).

USDA inspectors constantly monitor domestic plants which produce meat to move in interstate commerce.

Federal inspectors examine animals both before and after slaughter to insure that they are free from disease and contamination. Samples taken from carcasses and internal organs are tested for the presence of chemical residues and disease.

Federal inspectors insure that clean operating practices are used and that sanitary conditions are maintained in domestic slaughter facilities. Inspectors also assure that only permitted amounts of acceptable ingredients are used in product formulation.

This is in sharp contrast to the relatively haphazard inspection of foreign meat markets. The USDA does not conduct continuous inspection in foreign plants.

Rather, countries wishing to be eligible to export meat request USDA and State Department approval. Before granting approval, the USDA evaluates the countries' laws, regulations, and inspection staff and conducts onsite reviews.

Once a country is authorized to export, its inspection procedures are not routinely reexamined. For example, the task force report points out that although foreign countries are supposed to maintain laws and regulations to limit biological residues to levels permitted in the United States, the USDA has only recently begun to monitor compliance in this area.

Officials of the U.S. Food Safety and Quality Service do make periodic inspections of foreign plants. However, only 17 inspectors are available to monitor 1,159 certified foreign meat plants. At best, USDA inspectors visit foreign plants quarterly. Some overseas establishments are visited only once every 2 years.

These infrequent inspections cannot insure compliance with U.S. standards. The problem is aggravated because inspections must be announced in advance; plant operators thus have ample warning to prepare for inspections.

During 1978, only 38 times did an inspection result in plants being rejected for failure to meet U.S. standards.

Imported meat must undergo an additional inspection when it arrives at a U.S. port. But this inspection—supposedly a second line of defense—also is minimal.

Eight-five inspectors examined the 2 billion pounds of meat imported in 1978.

In fact, an imported product is routinely marked "U.S. inspected and passed" before it is actually inspected. Later, if for some reason the product fails to pass inspection, these "U.S. inspected and passed" marks are supposed to be removed or obliterated. There is at least a great potential for abuse under this procedure.

MEAT LABELING AND INSPECTION ACT

The legislation I am introducing today contains three basic provisions:

First, whenever imported meat is sold to consumers, its country of origin would have to be printed on the label.

Second, meat products could not be imported unless tests had been conducted by competent inspectors to insure that the meat did not contain substances prohibited in food produced in the United States.

Third, restaurants serving imported meat products would have to inform their customers of this fact.

The legislation would require testing of carcasses and internal organs of animals slaughtered overseas to insure that they do not contain more of any substance than the maximum level permitted in domestic meat or meat products.

Foreign inspectors would be required to meet criteria established by the Secretary of Agriculture that would be equivalent to the qualifications of domestic meat inspectors.

Appropriate officials in foreign countries would be required to certify to our Secretary of Agriculture that the products being imported have been tested and meet the standards established. Under current law, there is no such assurance.

Mr. President, no inspection system can be perfect. The present inspection system is so disjointed that it is impossible to even estimate its effectiveness. But no matter how much we improve this inspection system, the possibility exists for unsafe or unwholesome food products to be imported.

Thus, as a last line of defense, foreign meat and meat products must be labeled as imported. Consumers must be given the opportunity to avoid purchasing and consuming potentially unsafe food.

For the sake both of consumers who eat meat and of the domestic producers who provide it, I hope the 97th Congress will enact legislation to strengthen inspection and require labeling of imported beef.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—MEAT LABELING AND INSPECTION

SEC. 101. Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by inserting "(1)" after "(a)", and by adding at the end thereof the following:

"(2) Any imported meat or meat food product referred to in paragraph (1), and any meat food product made in whole or in part of such imported meat, or its package or container, shall be labeled as 'imported', 'imported in part', or 'may contain imported meat', as appropriate. This paragraph shall

not apply if the meat or meat product, or its package or container, is marked and labeled to show the country of origin as required under regulations referred to in paragraph (1).

"(3) If any person other than the ultimate consumer cuts meat or a meat food product into pieces or breaks a package or container containing meat or a meat food product and such meat, product, package, or container is required to be marked or labeled as provided in paragraph (1) or (2), such person shall affix a label to each piece of such meat or product or to each package or container in which any such meat or product is placed to provide the information required by paragraph (2). For purposes of this paragraph and paragraph (2), the term 'label' includes 'labeling' as defined in section 1(p).

"(4) No carcasses, parts of carcasses, meat or meat food products of cattle, sheep, swine, goats, horses, mules, or other equines which are capable of use as human food shall be imported into the United States unless—

"(A) tests have been conducted on the carcasses, parts of carcasses, and meat and meat food products, including internal organs, of the animals from which such articles came, to determine whether such articles (i) contain any substance prohibited in any carcass or meat or meat food product from any domestically produced animal referred to above, and (ii) contain a level of any substance in excess of the maximum level of such substance permitted under law or regulation in any carcass or meat food product from any domestically produced animal referred to above;

"(B) such tests have been conducted, in the country from which such articles are being imported, by persons who have been initially certified (and subsequently recertified) in the same manner or similar manner and under the same criteria as persons who are initially certified (and subsequently recertified) by the Department of Agriculture to conduct such tests on articles of animals produced in the United States; and

"(C) the appropriate government official of the country from which any such article is being imported has certified to the Secretary that such article has been tested in accordance with regulations issued by the Secretary and that such article does not contain any substance referred to in subparagraph (A) or contain a level of any substance in excess of the maximum level referred to in such subparagraph, as appropriate.

"(5) In order to verify the accuracy of testing required for substances referred to in paragraph (4), the Secretary shall conduct a program under which inspectors of the Department of Agriculture take, from time to time, samples of carcasses, parts of carcasses, and meat and meat food products of animals referred to in paragraph (4) which are intended for export to the United States, including the internal organs of the animals from which such carcasses and meat and meat food products came, and send such samples to the United States for appropriate testing.

"(6) As used in paragraphs (4) and (5) of this subsection, the term 'substance' means any chemical matter for which the Department of Agriculture conducts tests on carcasses, parts of carcasses, and meat and meat food products, including the internal organs, of cattle, sheep, swine, goats, horses, mules, or other equines which are capable of use as human food, for the purpose of determining whether residues of such chemical matter are present in such articles or to determine whether the residues of such chemical matter present in such articles exceeds levels authorized by law or regulation.

"(7)(A) The Secretary shall prescribe such assessments and fees on imported meat and meat food products as he determines necessary to cover the costs of inspections, certifications, testing, and labeling (or other marking) required under this section.

"(B) In establishing the level or rate of assessments and fees to be imposed under this title, the Secretary shall take into consideration the volume of exports, the value thereof, and such other factors as he deems appropriate in order to achieve a fair and equitable allocation of such assessments and fees among exporters.

"(8) The Secretary shall have authority to suspend or revoke the privilege of any exporter of meat or meat food products to export such meat or products to the United States if such exporter fails to pay the assessments or fees for which he is responsible to pay under this title.".

TITLE II—REQUIREMENT OF CERTAIN EATING ESTABLISHMENTS TO INFORM CUSTOMERS THAT IMPORTED MEAT OR MEAT FOOD PRODUCTS ARE SERVED IN SUCH ESTABLISHMENTS

SEC. 201. (a) The owner of any eating establishment shall inform individuals purchasing food from such establishment that such establishment serves meat or meat food products imported from a foreign country, or meat food products containing meat imported from a foreign country. The owner shall inform such individuals—

(1) by displaying, in a conspicuous place in such establishment, a sign indicating that foods containing meat imported from a foreign country are served in such establishment; or

(2) by indicating such fact on the menus offered to such individuals.

(b) Any owner of an eating establishment who knowingly violates subsection (a) of this section, or whose employee or other agent knowingly violates such subsection, shall be fined an amount not to exceed $100 for each day such subsection is violated.

(c) For purposes of this section—

(1) The term "eating establishment" means any restaurant, cafeteria, lunch counter, or other facility (including any such facility located on the premises of any retail establishment)—

(A) which engages in operations affecting commerce; and

(B) which sells (for consumption on the premises) meat or meat food products which have been imported from a foreign country, or food containing meat imported from a foreign country.

(2) The term "commerce" means travel or transportation between any of the several States, or between any foreign country and any State, or between points in the same State but through any other State or any foreign country.

(3) The term "owner" means a corporation, partnership, association, any other legally organized entity or an individual.

(4) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(d) For purposes of this section, an eating establishment engages in operations affecting commerce if (1) such establishment serves or offers to serve food to any individual engaged in commerce, or (2) a significant portion, as determined by the Attorney General of the United States under section 202, of the food which such establishment offers for sale has moved in commerce.

SEC. 202. The Attorney General of the United States shall prescribe a regulation defining the term "significant portion", as used in section 201(d) of this Act, within thirty days from the date of the enactment of this Act.

SEC. 203. The provisions of this title shall become effective ninety days after the date of the enactment of this Act or thirty days after the effective date of the regulation described in section 202 of this Act, whichever occurs later.●

By Mr. WILLIAMS (for himself and Mr. BRADLEY):

S. 525. A bill to provide that not less than one very high frequency commercial television broadcasting station be located in each State; to the Committee on Commerce, Science, and Transportation.

THE FAIR BROADCASTING ACT OF 1981

● Mr. WILLIAMS. Mr. President, not since 1961 has the State of New Jersey had a VHF television station.

This is a unique situation, and one which by now is no doubt familiar to many of my colleagues. But for the benefit of our newer Members on both sides of the aisle, I would like to summarize the problems this lack of television service has caused in New Jersey, and briefly outline the considerable body of evidence which has pushed me to continue this effort to have a VHF station assigned to our State.

One can hardly overestimate the importance and the impact of television in our society. The overwhelming majority of Americans depend on television for their news and information about the public affairs in their States and communities. Clearly, New Jerseyans are at a disadvantage because they must depend on stations in New York and Philadelphia for coverage of New Jersey events. Oftentimes this amounts to news of a fire in Newark or tragic accident in Camden; hardly a well-balanced or thorough attempt at State coverage.

Since 1971, I have served as cochairman of the New Jersey Coalition of Fair Broadcasting, a citizens group which was formed to advocate New Jersey's cause. The coalition has a long record of attempts to convince the Federal Communications Commission of the importance of our mission. Back in 1974, the group petitioned the FCC for relief. We were delighted to find that the FCC believed that "New Jersey's television needs and its overall circumstances constitute a special case warranting unique and responsive action by the Commission."

We have not been so delighted, however, with the followup responses by the Commission. We have seen the Commission request New York and Philadelphia stations to pay more attention to New Jersey coverage. We have heard the Commission suggest adding six new UHF stations, and consider whether it can require networks to affiliate with those stations. Many different avenues have been recommended to resolve New Jersey's grievance, but I am afraid they have all fallen short of the mark.

I am convinced New Jersey residents need a VHF television station and that no other proffered alternative can come close to filling the media void they now endure. In my opinion, the legislation which I am offering today would provide the most concise and most effective solution to the State's problem. It would clearly establish a fair and workable solution and pave the way for early action by the FCC.

The legislation, as introduced, would amend the Communications Act of 1934

to provide not less than one VHF commercial television broadcasting station for each State. It would require that if, and only if, a VHF station becames available in a State which already has other VHF stations, the Commission must allocate the available license to a State without a station, if it is technically feasible to do so.

Until recently, there has not been such an auspicious environment for action of this kind. There have simply been no stations available for reassignment. Recently, however, several related events made my hopes for a New Jersey commercial VHF station seem more attainable.

Last year, the FCC decided to deny the license renewal application of the licensee for three major television stations, including channel 9 in New York. While New Jersey's needs were not a factor in the decision, it nevertheless presents the Commission with an excellent opportunity to resolve New Jersey's nagging problem.

My colleague from New Jersey (Mr. BRADLEY) and I joined in petitioning the FCC to seize this opportunity to reallocate the channel to our State, and I am pleased to note that the formal rulemaking on this petition has begun. I am most hopeful that the FCC will act favorably on this petition so that the very long and arduous task of actually putting a station on the air may get underway.

Senate action, and certainly congressional approval on the measure I am proposing here today would surely ease the difficult task by spelling out the intent of Congress and clearing the path for the Commission.

I urge my colleagues to carefully consider the legislation I am introducing today, and I hope that when the Commerce Committee considers broadcast issues later this year under the able leadership of the Senator from Oregon (Mr. PACKWOOD), that it will again review the advisability of a legislative solution to New Jersey's problem.

I am also looking forward to working with the chairman of the Communications Subcommittee (Mr. GOLDWATER), and I would again like to express my appreciation for the time he and members of that subcommittee have given to our concerns in the past.

Senator GOLDWATER has long been concerned about the television void in New Jersey, and we have always appreciated his willingness to consider legislative proposals designed to ease the problem. His careful study of the issues, and his thoughtful concern as well as his words of encouragement in the past have been a source of hope for New Jerseyans awaiting a solution to this unfair situation. His willingness once again to consider a legislative solution is deeply appreciated.

Mr. President, I ask unanimous consent that the text of my legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(f) In order to carry out the intent of subsection (b) of this section, it shall be the policy of the Commission to assign channels for very high frequency television broadcasting in a manner which ensures that not less than one such channel shall be licensed to a commercial station located in each State, if technically feasible. If the Commission at any time on or after January 1, 1980, declines to renew, or revokes, the license of any very high frequency commercial television station whose authorized channel of operation is assigned to a State with more than one such assignment, it shall, if technically feasible, assign such channel to a State in which no very high frequency television broadcasting station is operating commercially.".●

● Mr. BRADLEY. Mr. President, I am pleased to join my colleague from New Jersey in introducing legislation to end a historic injustice against New Jersey. We are currently one of only two States in the country which lack a commercial VHF television station. This legislation would require the Federal Communications Commission to assign a VHF station to any State without such a station when a license becomes available in a neighboring State.

Last spring Senator WILLIAMS and I petitioned the FCC for a rulemaking to reassign WOR-TV channel 9 in New York to New Jersey. I am pleased that they have issued a notice of proposed rulemaking to do that. Final action on this matter will be delayed until the conclusion of litigation challenging the revocation of the RKO-owned station's license.

Passage of this legislation will have two effects. It will underscore the seriousness with which the problem is treated by the Senate. It will also offer potential relief to the other similarly deprived State—Delaware.

Many arguments have been advanced over the years on the need for a New Jersey commercial VHF station. Chief among these is the need for residents of our State to communicate with each other. We know more about the events of New York City and Philadelphia than we do about what's happening in Trenton, Newark, Jersey City, or Camden. Our view of ourselves is that which non-New Jerseyans have of us.

It is my hope that this legislation, combined with our petition before the FCC will correct the problem.●

By Mr. MATHIAS (for himself and Mr. BAUCUS):

S. 526. A bill to amend the Congressional Budget Act to limit the growth of Federal taxation and spending and to achieve balanced budgets, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977.

FISCAL RESPONSIBILITIES ACT OF 1981

● Mr. MATHIAS. Mr. President, twice in the past 2 weeks President Reagan has spoken to us about our ailing economy, and he struck as responsive a chord in us as he has in the American people. For the past 2 years, rarely a week went by without another report of an economic indicator gone wild. One thing emerges clearly—our complex trillion dollar economy needs a major overhaul.

Public enemy No. 1 is inflation. Today's inflation defies all traditional economic theory—we have a dangerous mix of economic forces that gives us both high prices and high unemployment with sluggish growth.

While we cannot control many of the factors that contribute to inflation—including energy prices, declining innovation, lagging productivity, and the scarcity of venture and investment capital—we can control the Federal budget. So let us begin our fight against inflation with a permanently balanced Federal budget.

As our opening salvo in that fight, Senator BAUCUS and I today reintroduce our Fiscal Responsibilities Act. This bill would amend the 1974 Budget Act to require a permanently balanced budget, with revenues and outlays limited to 21 percent of the gross national product.

Over the past 2 years, we have seen an encouraging and dramatic change in thinking on and off Capitol Hill. For the first time, I think everyone agrees that we have got to put a lid on Government spending. Some would prefer to amend the Constitution to require a balanced budget. Others, like Senator BAUCUS and me, would prefer the statutory route.

Last year, when the Senate Judiciary Committee considered an amendment to the Constitution, I voted against it. I have always thought that we should amend the Constitution only as a last resort. We should first try to balance the budget by tightening up the Congressional Budget Act of 1974. As an original cosponsor of the Budget Act, I think it can be an effective tool against excessive Government spending. Rather than resort to the lengthy and uncertain constitutional amendment process, I think Congress should amend the Budget Act to require a permanently balanced budget. Our bill will do just that.

I urge all of my colleagues to study the Fiscal Responsibilities Act and to join us in support of it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Responsibilities Act of 1981".

TITLE I—TO DISCOURAGE TAXFLATION BY REQUIRING AN AFFIRMATIVE VOTE OF CONGRESS BEFORE TAX RECEIPTS INCREASE AS A PERCENTAGE OF GROSS NATIONAL PRODUCT

SEC. 2. (a) Section 301(a) of the Congressional Budget Act of 1974 (31 U.S.C. 1322) is

amended by renumbering paragraphs (6) and (7) as (7) and (8) respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) an estimate of the gross national product at the close of such fiscal year and of the fiscal year in progress;".

(b) Such Act is amended by inserting after section 301 the following new section:

"INCREASES IN REVENUES AS A PERCENTAGE OF GROSS NATIONAL PRODUCT

"SEC. 301A. If, immediately prior to the final vote on the adoption of any concurrent resolution on the budget for any fiscal year (or the conference report thereon) in either the House of Representatives or the Senate, the percentage which the recommended level of Federal revenues for such fiscal year is of the estimated gross national product at the close of such fiscal year exceeds the percentage which the estimated level of Federal revenues for the fiscal year in progress is of the estimated gross national product at the close of the fiscal year in progress, then a separate vote shall be taken on agreeing to the recommended level of Federal revenues for such fiscal year. In the case of a concurrent resolution on the budget for a fiscal year after such fiscal year has begun, the level of Federal revenues for the preceding fiscal year shall be substituted for the estimated level of Federal revenues for the fiscal year in progress, and the gross national product at the close of the preceding fiscal year shall be substituted for the estimated gross national product at the close of the fiscal year in progress.".

TITLE II—TO REQUIRE APPROVAL BY THREE-FIFTHS OF THE MEMBERS OF THE HOUSE OF REPRESENTATIVES AND THE SENATE OF ANY BUDGET WHICH PROVIDES FOR A DEFICIT

SEC. 3. (a) Section 305(a)(6) of the Congressional Budget Act of 1974 (31 U.S.C. 1326(a)(5)) is amended by inserting before the period at the end of the first sentence the following: ", except that after all amendments to the figures set forth pursuant to paragraph (1) and paragraphs (3) through (6) of section 301(a) have been considered, a vote shall be taken on such figures, but such vote shall not prevent further amendment of such figures as provided by this paragraph".

(b) Section 301(b)(1) of such Act (31 U.S.C. 1326(b)(1)) is amended by adding at the end thereof the following new sentence: "Prior to the consideration of any amendments to the figures set forth pursuant to paragraph (2) of section 301(a), (A) action shall be concluded, except as provided by paragraph (7) of this subsection, on all amendments to the flugres set forth pursuant to paragraph (1) and paragraphs (3) through (6) of such section, and (B) a vote shall be taken on the figures as then set forth pursuant to paragraph (1) and paragraphs (3) through (6) of such section, but such vote shall not prevent further amendment of such figures as provided by paragraph (7) of this subsection".

SEC. 4. The Congressional Budget Act of 1974 is amended by inserting after section 301A (as added by section 2 of this Act) the following new section:

"THREE-FIFTHS MAJORITY REQUIRED FOR DEFICIT BUDGETS

"SEC. 301B. On the question of adoption of any concurrent resolution on the budget for any fiscal year (or the conference report thereon) in either the House of Representatives or the Senate, if a deficit in the budget is set forth as appropriate, an affirmative vote of three-fifths of the Members present and voting, a quorum being present, shall be required.".

TITLE III—TO REQUIRE THE PRESIDENT TO SUBMIT A BALANCED BUDGET IN WHICH NEITHER EXPENDITURES NOR REVENUES EXCEED 21 PER CENTUM OF THE GROSS NATIONAL PRODUCT

SEC. 5. The Budget and Accounting Act, 1921 (31 U.S.C. 1 et seq.), is amended by inserting after section 201 the following new section:

"SEC. 201A. (a) If the budget transmitted pursuant to section 201 for any fiscal year sets forth—

"(1) estimated expenditures of the Government during such fiscal year exceeding 21 per centum of the estimated gross national product at the close of such fiscal year; or

"(2) estimated receipts of the Government during such fiscal year exceeding 21 per centum of the estimated gross national product at the close of such fiscal year; or

"(3) estimated expenditures in excess of estimated receipts,

the President shall transmit an alternate budget for that fiscal year in which estimated expenditures and estimated receipts do not exceed such percentages of the estimated gross national product, and in which estimated receipts exceed estimated expenditures.

"(b) An alternative budget transmitted pursuant to subsection (a) or (b) for any fiscal year shall be transmitted on the same day as the budget transmitted pursuant to section 201 for such fiscal year and shall be in the same form and detail as the budget so transmitted, except that, at the discretion of the President, such alternate budget may omit the detail of matters that are the same as the budget so transmitted.".

● Mr. BAUCUS. Mr. President, I am pleased to join with Senator MATHIAS in introducing the Fiscal Responsibilities Act of 1981. This legislation proposes what I believe is the correct way to impose constructive restraint on the burgeoning Federal budget.

The measure uses two basic procedures to accomplish this objective: first, no deficit spending could be enacted unless both Houses of Congress have agreed to the deficit by three-fifths votes; second, each Member of Congress would be required to vote for or against any tax increase that exceeds the gross national product—including the tax increases brought on by inflation.

In essence, the measure will insure that Congress decisively confronts proposed increases in Federal taxation and Federal spending.

The bill's requirements are triggered early in the congressional budget process, and continue to operate throughout the steps leading to adoption of the budget.

The congressional budget process has now begun with submission of the administration's proposals. The administration is uniquely positioned to analyze and recommend spending priorities and needs, given its substantial staffing and resources.

Recognizing this capacity, the measure would require the submission of an alternative budget if the administration's proposed budget contains a deficit or if estimated expenditures or receipts exceed 21 percent of the gross national product. The alternative budget would have to be a balanced budget, and revenues and expenditures would have to be no greater than 21 percent of the estimated gross national product.

The submission of an alternative budget is critical, since it would permit Congress quickly and directly to consider and evaluate the option of adopting a balanced budget.

Later, during consideration of any concurrent budget resolution or conference report on such a resolution, a second requirement is applied. If the percentage of proposed Federal revenues compared to the estimated gross national product exceeds the percentage for the previous year, a separate vote must be taken on the question whether the increase should be accepted.

In this manner, Congress will be forced to address an issue of concern to the taxpayers and the voters of this country—the growth of Federal spending beyond growth in the economy.

Last, if Congress decides to approve a deficit budget, it can do so under this proposal. But, a three-fifths majority vote of both Houses would be required. I believe this extraordinary majority requirement properly places the presumption in favor of a balanced budget. It would still be possible to use deficit spending if economic exigencies required it. However, the burden of establishing the need for a budget in balance would be placed on its advocates—not its opponents.

In the past, some have suggested that the U.S. Constitution might be amended to require balanced budgets. I have not taken this point of view lightly. But, I have concluded that such material is not appropriate for inclusion in the Constitution. The Constitution should—and does—contain the broad principles by which we govern ourselves. Lockstep economic policies—no matter how critical—no not belong there and are properly matters to be addressed by the Congress as our economic circumstances change.

So, I am pleased to offer this statutory approach with Senator MATHIAS for the consideration of our colleagues. It requires us to stand up and be counted—to cast a clear and decisive vote on budgetary restraint and balance.

I am under no illusion that this legislation will solve all our economic problems. It will not. But, it represents an important first step.

Congress must address the public's demand for restraint on Government spending and appropriately balanced budgets. We must address it this session.●

By Mr. BAUCUS:

S. 527. A bill to amend the Internal Revenue Code of 1954 to subject pension trusts to the tax imposed by section 511 on unrelated business income for income related to the sale or rental or farmland and grazing land; to the Committee on Finance.

FAMILY FARM PRESERVATION ACT

● Mr. BAUCUS. Mr. President, today I am reintroducing legislation I developed last year to curb pension fund investments in agricultural land.

During a hearing of the Senate Small Business Committee which I chaired last October, representatives of the Department of Agriculture and farm organizations testified that pension fund investments are a serious threat to our family farm system. The witnesses recommended that legislation be enacted to prevent the land price inflation, soil and water erosion, and reduction of competition that would accompany pension fund control of agricultural land.

After the hearing I drafted and introduced legislation to close the tax loopholes that give pension funds purchasing agricultural land an unfair competitive advantage over family farmers. The 96th Congress did not have time to complete action on this legislation. Its enactment should be a priority now.

THREAT OF PENSION FUND INVESTMENTS

Farm leaders have called pension fund investments in farmland "unneeded, unwelcome, undesirable, and disruptive."

The American Agricultural Investment Management Co. formed last year to channel pension fund capital into agricultural land claims that it will help young people enter agriculture by providing capital to finance farmland.

But farm experts disagree. They point out that there is no shortage of capital to buy farmland. Pension fund investments could radically inflate already spiraling land prices, making it even more difficult for existing farmers to expand their operations and for young people to get started in farming.

Pension fund investments in farmland are particularly disturbing because of their huge potential impact. The funds control massive amounts of capital. If pension funds invested only 1.5 percent of their nearly $600 billion in assets annually, they could buy up all the farmland that is normally available for public sale. Theoretically pension funds have enough assets to purchase all the farms and ranches in the United States.

Pension funds are likely to be less careful stewards of soil and water resources than family farmers and will not contribute nearly as much to local towns and communities.

Most important, however, concentration of control over our farmland by a few large investors would set the stage for control over the price of food. Family farmers who compete among themselves in a free market have provided abundant supplies of food at low prices. Reducing competition, by concentrating control of farmland in the hands of a few investors, could be the most damaging effect of pension fund investments.

PENSION FUND TAX ADVANTAGES

All of us recognize the importance of pension funds. They encourage a voluntary private retirement system and provide badly needed investment capital for U.S. industry. But while these investments are crtical in this Nation's efforts to reindustrialize, they yield no benefits when made in our fixed supply of agricultural land.

Pension funds are interested in farmland because in recent years it has been a more profitable investment than stocks or bonds. Experts predict that farmland price appreciation will continue, partly because of inflation and partly because of greater pressures on our food supply.

But because of their tax status, pension funds receive an added bonus for their investments. Under present law, most income to pension trusts is nontaxable and contributions to establish the trust are tax deductible. Tax only is paid when pension fund benefits are distributed to the plan's beneficiaries. At this point the beneficiary has benefited from the deferral of taxes for all the years his or her money was in the plan, plus he is able to pay taxes at the lower rate established for persons over age 65.

Thus, pension funds can compete unfairly with family farmers who must pay taxes on their current income.

THE FAMILY FARM PRESERVATION ACT

Mr. President, the Family Farm Preservation Act I am reintroducing today modifies the present Tax Code so that pension fund income from the sale or rental of agricultural land will be taxed. Under present law if pension funds operate farms or ranches directly their income will be taxed. But income from rental or sale of agricultural lands is tax exempt for pension funds.

My bill will close this loophole to discourage pension fund purchases of agricultural land and help preserve family farms. As a member of the Senate Finance Committee I will be asking for quick hearings and enactment of the Family Farm Preservation Act.

At this time I ask unanimous consent that the text of the Family Farm Preservation Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Family Farm Preservation Act."

SEC. 2. APPLICATION OF UNRELATED BUSINESS INCOME TAX.

(a) MODIFICATIONS TO INCOME.—Subsection (b) of section 512 of the Internal Revenue Code of 1954 (relating to modifications) is amended by adding at the end thereof the following new paragraph:

"(16) Notwithstanding paragraphs (3) and (5), in the case of a trust described in section 401(a), or section 501(c)(17), which is exempt from tax under section 501(a)—

"(A) there shall be included in unrelated business taxable income gain from the sale or exchange of, and rents from, open land used for pasturage of livestock and farmland (as defined in section 1252(a)(2)), and

"(B) deductions directly connected with such gain or rents shall be taken into account.".

(b) UNRELATED TRADE OR BUSINESS.—Subsection (b) of section 513 of such Code (relating to special rule for trusts) is amended by adding at the end thereof the following new sentence: "In the case of a trust described in paragraph (2), the term includes the activity of purchasing, renting, and selling land described in section 512(b)(16)(A).".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to taxable years beginning after December 31, 1981.●

ADDITIONAL COSPONSORS

S. 63

At the request of Mr. HEINZ, the Senator from Illinois (Mr. PERCY), and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 63, a bill to amend the Clean Air Act to provide compliance date extensions for steelmaking facilities on a case-by-case basis to facilitate modernization.

S. 141

At the request of Mr. BENTSEN, the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 141, a bill relating to tax treatment of qualified dividend reinvestment plans.

S. 317

At the request of Mr. BENTSEN, the Senator from Massachusetts (Mr. TSONGAS), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 317, a bill to amend the Internal Revenue Code of 1954 to provide faster tax deductions for depreciation and larger investment tax credits in order to help combat inflation and increase the U.S. position in world trade.

S. 360

At the request of Mr. WEICKER, the Senator from Vermont (Mr. LEAHY), the Senator from Indiana(Mr. LUGAR), the Senator from Illinois (Mr. PERCY), the Senator from Tennessee (Mr. SASSER), the Senator from New Mexico (Mr. SCHMITT), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 360, a bill to amend the Internal Revenue Code of 1954 to improve productivity and employment by promoting capital investment in small business, and for other purposes.

S. 414

At the request of Mr. CHAFEE, the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 414, a bill to amend the Truth in Lending Act to encourage cash discounts, and for other purposes.

SENATE JOINT RESOLUTION 30

At the request of Mr. RIEGLE, the Senator from Arkansas (Mr. PRYOR), the Senator from Utah (Mr. HATCH), the Senator from Maryland (Mr. SARBANES), the Senator from Missouri (Mr. EAGLETON), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Louisiana (Mr. LONG), the Senator from Indiana (Mr. LUGAR), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from New York (Mr. MOYNIHAN), the Senator from Utah (Mr. GARN), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Kentucky (Mr. FORD), the Senator from Maine (Mr. COHEN), the Senator from Missouri (Mr. DANFORTH), the Senator from Oklahoma (Mr. BOREN), the Senator from Tennessee (Mr. SASSER), the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. CANNON), the Senator from Arizona (Mr. DECONCINI), the Senator from North Dakota (Mr. BURDICK), the Senator from Alabama (Mr. DENTON), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of

Senate Joint Resolution 30, a joint resolution to designate April 26, 1981, as "National Recognition Day for Veterans of the Vietnam Era."

SENATE RESOLUTION 76—RESOLUTION PROVIDING FOR TWO ADDITIONAL MEMBERS OF THE JOINT COMMITTEE ON PRINTING

Mr. MATHIAS submitted the following resolution, which was referred to the Committee on Rules and Administration:

S. RES. 76

Resolved, That S. Res. 36, 97th Congress (a resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee on the Library), agreed to February 3, 1981, is amended on the first page (1) by inserting on line 5, immediately after "Virginia," the following: "Mr. Hatfield of Oregon,", (2) by striking out "and" on line 5, and (3) by inserting immediately after "Nevada" on line 6 the following: ", and Mr. Ford of Kentucky".

SEC. 2. The amendments made by the first section of this resolution shall take effect on the date this resolution is agreed to.

AMENDMENTS SUBMITTED FOR PRINTING

AIRPORT AND AIRWAY SYSTEM DEVELOPMENT ACT OF 1981—S. 508

AMENDMENT NO. 5

(Ordered to be printed and referred to the Committee on Commerce, Science, and Transportation.)

Mrs. KASSEBAUM submitted an amendment intended to be proposed by her to the bill (S. 508) to provide for the improvement of the Nation's airport and airway system, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. HELMS. Mr. President, as chairman of the Committee on Agriculture, Nutrition, and Forestry, I wish to announce that hearings have been scheduled on the reauthorization of the Food and Agriculture Act of 1977. These hearings will be comprehensive, and the Committee expects to receive testimony on a wide range of agricultural and food policy issues.

The hearings will begin on March 2 and are scheduled to conclude on March 26. All hearings will begin at 9 a.m., and will be held in room 324 Russell Senate Office Building, unless otherwise changed. Since the Senate majority leader has announced his intention that the bulk of committee business be conducted on Mondays and Wednesdays, two sessions will be held on those days with the afternoon hearing beginning at 2 p.m.

Specific subjects have been assigned to each day and are listed below:

March 2—Members of Congress, General Farm Organizations.
March 3—Wheat: Also, the Secretary of Agriculture is expected to make a brief, general statement with detailed comments coming at the conclusion of the hearings:
March 4—Feed Grains.
March 5—Cotton.
March 6—Sugar.
March 9—Soybeans and Rice.
March 10—Peanuts.
March 11—Dairy.
March 12—General.
March 13—Livestock.
March 16—Food Stamp Program.
March 17—Food Stamp Program.
March 19—Rural Development.
March 20—Conservation.
March 23—Agricultural Exports and P.L. 480 (Food for Peace Program).
March 24—Research and Extension.
March 25—Secretary of Agriculture and USDA witnesses.
March 26—Forestry.

In order to accommodate as many persons as possible who wish to testify, each witness will be limited to an oral statement of no more than 10 minutes. Comprehensive written statements will be accepted and inserted into the hearing record. Also, each witness or organization may testify only once, so each statement should encompass all concerns regarding the farm bill. Twenty-five advance copies of the statement should be delivered to the committee by noon on the day prior to the witness' appearance, and 75 additional copies should be submitted on the hearing day.

Anyone wishing to testify should contact John McCarthy, chief clerk, or Denise Alexander, hearing clerk, of the Agriculture Committee at 224–0013 or 224–0014.●

ADDITIONAL STATEMENTS

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY FOR THE 97TH CONGRESS

● Mr. HELMS. Mr. President, paragraph (2) of rule XXVI of the Standing Rules of the Senate requires that each committee of the Senate adopt and publish its rules not later than March 1 of each year.

At its organizational meeting, held January 28, 1981, the Committee on Agriculture, Nutrition, and Forestry adopted rules governing committee procedure for the 97th Congress. These rules are identical to those adopted by the committee for the 96th Congress and are ancillary to those governing Senate committees contained in the Standing Rules of the Senate.

I subm't for the RECORD the rules of the committee:

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.

3. To assure the equitable assignment of members to subcommittees, no member of the committee will receive assignment to a second subcommittee until, in order of seriority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

4. Six members shall constitute a quorum for the purpose of transacting committee business: *Provided,* That for the purpose of receiving sworn testimony, a quorum of the committee and each subcommittee hereof shall consist of one member.●

RULES OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

● Mr. McCLURE. Mr. President, the Energy and Natural Resources Committee, at its organizational meeting on January 2, 1981, adopted the committee rules for the 97th Congress.

I submit for the RECORD the rules of the committee:

RULES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES 97TH CONGRESS

GENERAL RULES

Rule 1. The Standing Rules of the Senate as supplemented by these rules, are adopted as the rules of the Committee and its Subcommittees.

MEETINGS OF THE COMMITTEE

Rule 2. (a) The Committee shall meet on the third Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

(b) Business meetings of any Subcommittee may be called by the Chairman of such Subcommittee, *Provided,* That no Subcommittee meeting or hearing other than a field hearing, shall be scheduled or held concurrently with a full Committee meeting or hearing, unless a majority of the Committee concurs in such concurrent meeting or hearing.

OPEN HEARINGS AND MEETINGS

Rule 3. (a) Hearings and business meetings of the Committee or any Subcommittee shall be open to the public except when the Committee or such Subcommittee by majority vote orders a closed hearing or meeting.

(b) A transcript shall be kept of each hearing of the Committee or any Subcommittee.

(c) A transcript shall be kept of each business meeting of the Committee or any Subcommittee unless a majority of the Committee or the Subcommittee involved agrees that some other form or permanent record is preferable.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee or any Subcommittee at least one week in advance of such hearing unless the Chairman of the full Committee or the Subcommittee involved determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the Committee or Subcommittee involved concurs. In no case shall a hearing be conducted with less than twenty-four hours notice.

(b) Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee or Subcommittee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

(c) Each member shall be limited to five minutes in the questioning of any witness until such time as all Members who so desire

have had an opportunity to question the witness.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included on the agenda of the next following business meeting of the full Committee or any Subcommittee if a written request for such inclusion has been filed with the Chairman of the Committee or Subcommittee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee or Subcommittee to include legislative measures or subjects on the Committee or Subcommittee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee or any Subcommittee shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee or Subcommittee. The Staff Director shall promptly notify absent Members of any action taken by the Committee or any Subcommittee on matters not included on the published agenda.

QUORUMS

Rule 6. (a) Except as provided in subsections (b), (c), and (d), seven Members shall constitute a quorum for the conduct of business of the Committee.

(b) No measure or matter shall be ordered reported from the Committee unless eleven Members of the Committee are actually present at the time such action is taken.

(c) Except as provided in subsection (d), one-third of the Subcommittee Members shall constitute a quorum for the conduct of business of any Subcommittee.

(d) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure or matter before the Committee or any Subcommittee.

VOTING

Rule 7. (a) A rollcall of the Members shall be taken upon the request of any Member. Any Member who does not vote on any rollcall at the time the roll is called, may vote (in person or by proxy) on that rollcall at any later time during the same business meeting.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

(c) Each Committee report shall set forth the vote on the motion to report the measure or matter involved. Unless the Committee directs otherwise, the report will not set out any votes on amendments offered during Committee consideration. Any Member who did not vote on any rollcall shall have the opportunity to have his position recorded in the appropriate Committee record or Committee report.

(d) The Committee vote to report a measure to the Senate shall also authorize the staff of the Committee to make necessary technical and clerical corrections in the measure.

SUBCOMMITTEES

Rule 8. (a) The number of Members assigned to each Subcommittee and the division between Majority and Minority Members shall be fixed by the Chairman in consultation with the ranking Minority Member.

(b) Assignment of Members to Subcommittees shall, insofar as possible, reflect the preferences of the Members. No Member will receive assignment to a second Subcommittee until, in order of seniority, all Members of the Committee have chosen assignments to one Subcommittee, and no Member shall receive assignment to a third Subcommittee until, in order of seniority, all Members have chosen assignments to two Subcommittees.

(c) Any Member of the Committee may sit with any Subcommittee during its hearings and business meetings but shall not have the authority to vote on any matters before the Subcommittee unless he is a Member of such Subcommittee.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 9. Witnesses in Committee or Subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee or Subcommittee deems such to be necessary. At any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any Member, any other witness shall be under oath. Every nominee shall submit a statement of his financial interests, including those of his spouse, his minor children, and other members of his immediate household, on a form approved by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. A statement of every nominee's financial interest shall be made public on a form approved by the Committee, unless the Committee in executive session determines that special circumstances require a full or partial exception to this rule. Members of the Committee are urged to make public a statement of their financial interests in the form required in the case of Presidential nominees under this rule.

CONFIDENTIAL TESTIMONY

Rule 10. No confidential testimony taken by or confidential material presented to the Committee or any Subcommittee, or any report of the proceedings of a closed Committee or Subcommittee hearing or business meeting, shall be made public, in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 11. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee or Subcommittee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 12. Any meeting or hearing by the Committee or any Subcommittee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 13. These rules may be amended only by vote of a majority of all the Members of the Committee in a business meeting of the Committee: Provided, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting.●

RULES OF THE SELECT COMMITTEE ON SMALL BUSINESS

● Mr. WEICKER. Mr. President, the Select Committee on Small Business held its organizational meeting on January 27, at which we adopted the committee rules for this Congress.

The Small Business Committee rules for this Congress are essentially the same rules adopted by the committee during the last Congress, with two minor changes. A regular meeting day for the committee is now provided for, which shall be the first Wednesday of each month unless otherwise directed by the chairman. This change conforms the committee rules to section 133 of the Legislative Reorganization Act of 1946 which requires each standing committee of the Senate to fix a regular meeting day each month for the transaction of committee business. The committee rules have also added a section which provides the procedure by which the membership of the committee can amend the committee rules if it so desires.

I would also like to take this opportunity to say that I look forward to working with all of our members, in my new role as chairman, during what appears to be a very challenging year for all of us on the Small Business Committee.

The committee's principal focus in the upcoming year will be a vigorous oversight of the Small Business Administration's programs and policies. In the last Congress, comprehensive legislation was enacted, Public Law 96–302, that extended most of SBA's programs through fiscal year 1982. As chairman of this committee, I do not believe we should create more programs for this agency to administer. Instead, it is time to review what is already on the books. It is the duty of this committee to scrutinize the agency's performance in the areas of management assistance, procurement assistance, advocacy, and loan making.

I intend to play a leadership role in the oversight process. However, the task is a large one and will require the active involvement of all the members. The work will often be tedious and demanding, but it must be done.

Critics of SBA, seeing evidence of an agency in serious trouble, have called for it to be abolished and folded into another executive department. I believe that would be a mistake. SBA, as part of the executive branch, has an important role to play in the small business community. It is the duty of this committee to redefine SBA's mission, allocate its resources accordingly and insure that SBA's constituency, the small business community, is no longer ill-served.

I look forward to working with this new administration and my colleagues on this committee in this common enterprise.

Therefore, as chairman of this committee, I intend to stress the oversight responsibility of the committee. However, I am also aware of the need for this committee to be a legislative "watchdog" for the small business community in the Senate.

The agenda of the White House Conference on Small Business remains unfinished. The capital formation/retention issue remains the top priority item for the small business community.

Recent and prospective economic difficulties have exacerbated the chronic shortage of capital that has long plagued small business in America and have jeopardized the survival of many small businesses—our country's principal creator of new private sector jobs and innovation. Internally generated earnings are inadequate to finance the escalating costs of doing business; and external financing sources have simply dried up in the present restrictive credit environment.

In short, unless specific legislative action to open the capital lifeline is taken as a matter of urgent priority in the 97th Congress, many smaller businesses will be unable to survive and many others will be forced into retrenchment at the very time our Nation desperately needs their contribution to employment and productivity growth.

The formation of an agenda of this committee will be an evolving process. As chairman, I intend to seek the counsel of my colleagues and the small business community. On February 18, the staff of the committee will meet with representatives of small business organizations to receive their views on what items should receive the attention of our committee.

Mr. President, I submit for the RECORD the rules of the committee.

The rules follow:

STANDING RULES OF THE SENATE SMALL BUSINESS COMMITTEE

(As adapted in executive session February 8, 1979)

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

[(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other] meetings may be called by the Chairman as he deems necessary, on three days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the office of the Committee a written request therefor, addressed to the Chairman. Immediately therafter, the Clerk of the Committee shall notify the Chairman of such request. If, within three calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

(b)(1) Nine Members of the Committee shall constitute a quorum for reporting any legislative measure or nominations.

(2) Six Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony, shall consist of one Member of the Committee or subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

(d) The Chairman and Ranking Minority Member shall serve as ex officio members of all subcommittees on which they do not serve as members.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his approval of a request by any Member of the Committee. The Chairman of any subcommittee may, after approval of the Chairman, initiate a hearing of the subcommittee on his authority or at the request of any member of the subcommittee. Written notice of all hearings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any subcommittee and question witnesses testifying before any subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 24 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

[4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.] ●

LITHUANIAN INDEPENDENCE DAY

● Mr. QUAYLE. Mr. President, forgotten among the reports of Soviet intervention in Afghanistan and their threatened invasion of Poland, is the plight of the Lithuanian people. On June 15, 1940, the Soviet Union invaded the Republic of Lithuania. This action was in direct violation of the Soviet-Lithuanian Non-Aggression and Non-Intervention Pacts in which the Soviet Union committed itself to respect the sovereignty and territorial integrity of Lithuania. The continued Soviet occupation of Lithuania is also in violation of international law and the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations.

Today, I rise to lend my voice in celebration of the 63d anniversary of the Declaration of Independence of Lithuania. It is, of necessity, a somewhat muted celebration. Imagine what July 4 here would be like if we were subjected to foreign domination and annexation. still, the flame of hope for Lithuanian freedom burns brightly. Lithuanian Americans, in particular, continue their indefatigable work to restore self-determination for their brethren in Lithuania.

Mr. President, to our credit, the United States has never recognized the Soviet military occupation and annexation of Lithuania. The U.S. Government accredits diplomatic representatives of independent Lithuania. Members of the U.S. Congress have consistently indicated their sympathy with the desire of Lithuanians for release from Soviet domination. I share their concern. The continued Soviet occupation is an act of unprovoked aggression by a cruel and inhuman regime that must never be acceded to by the Lithuanian people themselves, or by any of the freedom-loving people of the world.

Therefore, on this, the 63d anniversary of their independence, I sincerely hope that the Lithuanians will take heart from the example of their courageous neighbors to the South and will remember the words of Franklin Roosevelt who once said to a delegation of Lithuanian Americans:

Lithuania did not lose her independence. Lithuanian independence was only temporarily put aside. Time will come and Lithuania will be free again.●

THE LEE METCALF AND SPANISH PEAKS WILDERNESS AREAS

● Mr. BAUCUS. Mr. President, 15 years ago, Senator Lee Metcalf wrote to the U.S. Forest Service's region I forester to express his support for wilderness designation of the Spanish Peaks Primitive Area. Senator Metcalf stated—

> Wilderness serves the recreational, scientific, educational, conservation, and historical needs of the people. Wilderness has become a rare and precious resource in this country. Many states have little, if any, of it left. Montana is more fortunate—and I want to assure that it will always be that way.

Throughout his renowned career of service to Montana, Senator Metcalf treasured the concept of protection of Montana's wildlands. Where possible without causing hardship to other diverse interests in our public lands, Lee Metcalf sought to preserve a portion of Montana as it was before civilization. Due in large part to his efforts, Montanans today can take pride in a living heritage of pristine lands which include the Great Bear, Absaroka-Beartooth, and Welcome Creek Wilderness areas.

The year 1981 presents a considerably different public landscape than that which existed in 1952 when Lee Metcalf was first elected to the U.S. Congress. Today, we are at the conclusion of the much debated RARE I and RARE II wilderness inventory processes. The study of three of the areas mandated for special attention under the Montana Wilderness Study Act (S. 393) is also nearing completion. Simultaneously, pressures are mounting for the release of hundreds of thousands of acres of roadless forest lands to multiple use. Given this scenario and my personal assessment that vast additions to the wilderness system are unlikely in the future, I want to take this opportunity to endorse the establishment of Lee Metcalf Wilderness Area within the Taylor-Hilgard study area and designation of the Spanish Peaks area for inclusion in the wilderness system.

Naming any wilderness for Senator Metcalf would, of course, be a fitting and appropriate tribute to this giant in America's conservation movement. More importantly, however, this particular designation will write the final chapter in one of the conservation efforts which Lee Metcalf advocated throughout his distinguished career. In fact, only Senator Metcalf's untimely death, January 12, 1978, was able to draw the curtain on his own efforts to designate a wilderness area in the Madison and Gallatin Ranges.

THE LEE METCALF WILDERNESS

I am supporting designation of the area generally outlined in the Forest Service's alternative D for the Taylor-Hilgard Wilderness Study Area together with the Monument Peak area which lies adjacent to Yellowstone National Park for inclusion in the National Wilderness Preservation System. As a part of a legislative package which would also include final designation of the Spanish Peaks Primitive Area as a wilderness, I am confident this proposal represents a balanced position which is in the public interest. Furthermore, following consultations with Senator MELCHER, Congressman WILLIAMS and Congressman MARLENEE, I believe this is legislation which will have unified delegation support.

In essence, the Lee Metcalf Wilderness Area would consist of the 157,000 acres contained in the Forest Service's alternative D, supplemented with additional acreage in the Monument Peak area. Together with the more than 70,000 acres in the proposed Spanish Peaks Wilderness Area, this represents a reasonable compromise between those who would have no wilderness and those who would have unlimited wilderness. Careful consideration must be given to specific boundaries in the drafting of this legislation. In addition, any measure will also be scrutinized by the Senate Energy and Natural Resources Committee on which Senator MELCHER sits and the House Interior and Insular Affairs Committee on which Congressmen WILLIAMS and MARLENEE sit. Ample opportunity for necessary modifications will thus exist through amendments at the committee level as well as on the floor.

In making this proposal, I am cognizant of possible resource conflicts. Of particular concern to me is the effect which wilderness designation might have on the area's timber industry. After careful study of the data developed by the Forest Service, however, I believe that an honest appraisal of this proposal will demonstrate that relatively minimal impact on timber production of the Beaverhead and Gallatin National Forests will be experienced. Indeed, proper management of those areas selected for nonwilderness within the Taylor-Hilgard Study Area should contribute much to forest productivity in the area.

As concerns mineral production, the jury is still out on this question. Historically, the area has been of marginal value for its mineral production. As a result, I believe that recreational, wildlife, watershed and social values provide a compelling counterbalance to foregone mineral production.

THE SPANISH PEAKS

The spectacular Spanish Peaks Primitive Area is rare in two ways. First, the magnificence of this 63,000 acre section of the Madison Range is virtually unparalleled. Second, support for the permanent withdrawal of these lands from development is nearly unanimous. Indeed, following public hearings conducted in Bozeman, Mont., September 9, 1966, the Forest Service summarized public reaction as follows:

> A large majority of those commenting favored an enlarged wilderness, which involves several different boundary proposals. Since there was absolutely no opposition to establishment of a wilderness, the Forest Service considered the several recommendations for making the wilderness larger.

Public support for this area has not diminished. Even those Montanans who only enjoy the view of the Spanish Peaks with its 25 peaks over 10,000 feet high have a special feeling for the protection of this resource.

In line with this sentiment, I advocate inclusion of the Spanish Peaks within our National Wilderness Preservation System. At a minimum, the 63,000-acre area currently managed as a primitive area should be expanded by about 7,000 acres as recommended by the Forest Service. In addition, other boundary adjustments should be considered where necessary to enhance and protect the wilderness values of this region.

LAND OWNERSHIP

Most frequently mentioned as a stumbling block to wilderness legislation in the Madison Range is the checkerboard ownership pattern. Dating back to the Federal Government's land grants to the Northern Pacific Railroad, this archaic situation prevents proper management of public and private lands. The controversy which has been generated seems endless at times. I am, therefore, unalterably committed to adjustments in land ownership patterns within the Beaverhead and Gallatin Forests. A land-exchange plan between the principal private landholder, the Burlington Northern, and the Forest Service, must be part and parcel of any wilderness legislation. Of course, commonsense and the law require that any such exchange be on a value-for-value basis.

This is not a new position. On June 23, 1977, I testified before the House Subcommitee on Public Lands on the subject of the Montana Wilderness Study Act. On the issue of checkerboard land ownership, I requested the subcommittee to "urge the Forest Service to move expeditiously to effect an exchange of the private lands for other national forest land." The report on the bill responded favorably to this suggestion which had been made by others as well.

Regrettably, planning efforts in the form of an environmental impact statement on a land exchange were halted by the Secretary of Agriculture on February 22, 1979 due to external factors beyond my control. In a letter to the Secretary dated May 14, 1979, I expressed my strong opposition to this action and urged immediate resumption of the study. No action was forthcoming.

The time may now be right for resumption of planning for a land exchange in the Taylor-Hilgard Study Area. Accordingly, I am, by letter, expressing this opinion to the U.S. Forest Service and the management of Burlington Northern with the urging that their negotiations be continued in earnest.

The most likely course available to these negotiations appears to be consolidation of Burlington Northern's holdings in the Jack Creek drainage on a value for value basis, rather than acre for acre. In exchange, the Forest Service would control the former Burlington Northern checkerboard lands held south of the Jack Creek drainage. This action would thus clear the decks for legislative action on this wilderness proposal.

While Burlington Northern is the principal property owner with some 22,000 acres in the proposed Lee Metcalf Wilderness Area, other private landholders control more than 3,400 acres of land

which must be dealt with. A plan of purchase or exchange must be settled upon which treats these parties equitably as well.

I stand ready to lend whatever assistance may be needed to bring these land exchange negotiations to a successful conclusion.

MONUMENT PEAK AREA

The Monument Peak area presents a difficult management decision. Difficult decisions, however, provide the opportunity for innovation solutions. In this instance, the requirements of wildlife and the grizzly bear, in particular, conflict with other resource management objectives.

The arguments which have been advanced by scientists actively involved in grizzly bear research in this area are compelling. The proximity of the Monument Peak Area to Yellowstone National Park and its native grizzly bear population convince me that this prime habitat must be protected. This, in essence, suggests the need for open space and solitude.

Wilderness designation would provide one mechanism for protecting wildlife values. However, in light of other resource demands, I am not advocating wilderness status for the entire area. Instead, I support the establishment of a wilderness area surrounding Monument Peak and adjacent to Yellowstone National Park. This designation would have very limited effect on areas with recretional, timber, and mineral potential. By the same token, critical habitat for the threatened grizzly bear would be undisturbed.

SNOWMOBILING

Public comment presented at hearings conducted by the Forest Service on the environmental impact statement for the Taylor-Hilgard Area and my own experience indicate that snowmobiling is an increasingly popular method of enjoying many areas of the Madison Range. In light of the area's sluggish wintertime economy, snowmobiling also contributes to the health of the tourism industry.

Fortunately, most snowmobiling appears to be concentrated along what has been informally labeled the "Big Sky Snowmobile Trail." Under the outline of this proposal, snowmobiling can generally continue in an uninterrupted fashion. In light of the proposed wildlife priority for the Monument Peak area, some restrictions may be necessary in this area and where otherwise necessary, for resource protection. Given the continued cooperation of snowmobile users, these restrictions should be minimal, however.

RELEASE LANGUAGE

As a result of the wilderness studies which have been and are being conducted in Montana, several million acres of forest lands have been withdrawn from the resource production base of our national forests. Of these lands, a great deal of acreage simply has little potential for inclusion in the wilderness system. This territory should be released from wilderness study.

Accordingly, I support inclusion of language in this legislation which would release specific roadless areas by recognizing the sufficiency of the wilderness inventory. This release language reflects the necessity of finalizing the study of and planning for our national forests. In addition, it responds to the importance of maintaining a healthy timber industry for Montana's economy.

The specifics of this "release language" will require further study to identify an appropriate approach. This will require consultation with the public, industry groups, conservationists, and the Forest Service.

CONCLUSION

My purpose is to set forth a plan of action for legislation to establish wilderness areas in the Madison Range of Montana. I do not intend that it should be considered a rigid position. On the contrary, I recognize that flexibility will be needed throughout the legislative process. I would, as a result, welcome any suggestions which this statement may generate.●

THE RELEASE OF IOSEF MENDELEVICH

● Mr. LEVIN. Mr. President, I was pleased to learn on Wednesday that Iosef Mendelevich, the last Soviet Jewish prisoner of conscience remaining in jail after being convicted during the Leningrad trials of 1970, was released from prison and allowed to emigrate to Israel by the Soviet Union.

For Iosef Mendelevich, the last 10 years have been harrowing. He has served his term doing hard labor. He has suffered serious illness and encountered squalid living conditions. Because of his religious beliefs, he has subsisted on a diet of less than 1,200 calories each day, and he often fasted on the Sabbath. In fact, because of his desire to observe strict orthodox religious practices, his original 12-year prison term was increased by 3 years. He is now celebrating his freedom with friends and relatives in Israel.

I met some of the people he is celebrating with 2 years ago when they came to Washington to tell Members of Congress and the people of the United States about Iosef's situation. In June 1979, after I met with Rivka Drori, his sister, I wrote Ambassador Anatoly Dobrynin about this case. I never received an answer to that letter, or to others I signed with my colleagues about Mendelevich.

Now, the release of Iosef Mendelevich and the reported moderate increases in the number of exit visas being granted to Soviet Jews may be a most positive sign that Soviet policy may be shifting.

Perhaps these actions are gestures timed to coincide with next week's opening of the 26th Congress of the Communist Party of the Soviet Union. Perhaps they are signals to the new administration that the Soviet Union will now be willing to reopen further negotiations with the United States on arms control and other security matters of mutual interest. Perhaps they are an indication of the beginning of a new trend toward greater Soviet adherence to international agreemeents, especially the Helsinki accords of 1975, designed to revive Soviet-American diplomatic and trade relations. Perhaps the actions are only isolated interests based on internal policies and they should not be interpreted as anything more or less.

One thing is clear—they are positive steps but we will have to wait some time before we can understand whether they indicate a substantive change in Soviet policy and practices.

Meanwhile, we must remember that we, in the West, have, for some time now, been calling on the Soviet Union to make such a gesture of good faith. The new administration, therefore, finds itself faced with a serious policy question: How to respond to this "human rights" initiative in a context which does not contradict American reactions to other Soviet activities and which recognizes the importance of the release of Iosef Mendelevich and others.

Further, I believe that we must remember that two prisoners remain in jail following the Leningrad trials, and we must remember that there are still other prisoners of conscience languishing in Soviet prisons. Aleksei Murzhenko, Yuri Federov, Anatoly Shcharansky, Ida Nudel, Viktor Brailovsky, and others cannot be forgotten.●

OVERTIME PAYMENTS AT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

● Mr. BAUCUS. Mr. President, on January 21, 1980, I wrote Secretary Richard Schweiker of the Department of Health and Human Services concerning a recent Inspector General audit of internal controls over the payment of overtime at HHS. The report delineated four major problem areas in the control of overtime payments. In addition, the auditors found that these problems had been identified in earlier Inspector General and General Accounting Office reports. Since the payment of overtime is a sensitive area and an area susceptible to waste and abuse, I asked Secretary Schweiker to review the audit and take corrective action.

I received Secretary Schweiker's response yesterday. I shall submit for the RECORD at the conclusion of my remarks, Secretary Schweiker's response and my original letter.

I am encouraged by Secretary Schweiker's letter. He has issued a memorandum to the heads of all principal operating components, heads of the Office of the Secretary staff offices, and principal regional officials requiring immediate action to correct the deficiencies found by the audit staff, including the elimination of payments for overtime worked at home. In addition, Secretary Schweiker has asked the auditors to report back to him in 90 days on all actions taken.

Such immediate and positive action is to be congratulated. We have all heard a lot of rhetoric about eliminating waste and fraud from the Government. Secretary Schweiker's response indicates he is serious about this common goal. I look

forward to working with him during the next 4 years.

The letters follow:

U.S. SENATE,
Washington, D.C., January 21, 1981.

Hon. RICHARD S. SCHWEIKER,
Secretary, Department of Health and Human Services, Washington, D.C.

DEAR MR. SECRETARY: As we discussed at your confirmation hearing, eliminating wasteful spending, mismanagement and fraud in federal programs, must be a top priority. I am committed to that goal, and look forward to working with you in that effort.

Periodically, I review audit reports issued by the Office of Inspector General of the Department of Health and Human Services. Critical analyses of HHS programs, such as those provided by that office, are absolutely essential in reducing waste.

Recently two internal audits came to my attention. Their findings are disturbing, and I am writing to urge you to take immediate corrective action.

The first audit is entitled "Review of Internal Controls Over Payment of Overtime," Audit Control No. 12–13076, issued December 1, 1980. This audit reviews the procedures used by 102 HHS offices for payment of overtime to Federal employees. The auditors found that:

Often, written overtime request and approval documents were not used or were not prepared in advance to ensure that overtime, valued at $133,965, was justified and authorized. Timesheets and Administrative Time and Leave Records were not properly documented to support overtime payments of $122,778 for 12,747 hours. Discrepancies of $8,892 in overtime payments were not identified because supervisors were not adequately reviewing timesheets and T&A cards to ensure that overtime hours were accurately reported. Timekeeper duties were also not segregated to provide effective internal controls and minimize the possibilities for fraud, abuse or unauthorized actions. These conditions persisted despite identification of internal control weaknesses and errors in time and attendance reporting in prior Office of Inspector General and GAO audit reports.

While the first four findings are serious and demand immediate attention to prevent further abuses in these sensitive areas, the last finding is most disturbing to me.

After repeated reports dating back several years by the Inspector General and the General Accounting Office detailing the same problems, the only action taken by HHS administrators appears to be the issuance of memoranda detailing plans to make plans. If we are to eliminate government waste, fraud and inefficiency, government administrators must be held responsible for those duties they are paid to perform. If those administrators are unwilling or unable to perform those duties, they should be replaced. I recommend that an immediate and specific follow up review be done to determine if the 102 offices surveyed are now in compliance with departmental overtime procedures. I would appreciate receiving from you a list of all actions taken.

The second report, Audit Control No. 12–13105, issued December 2, 1980, discusses the Department's efforts to reduce energy consumption. The auditors found that: although the targeted reduction in energy use had been achieved, further reductions can be made by (1) eliminating significant energy waste which we observed throughout HHS-owned and leased buildings in the metropolitan Washington, D.C. area and (2) providing funds for retrofit projects. We estimate that about $790,000 annually could have been saved by eliminating the energy waste—much of it at no cost to the Government—and $930,000 from the retrofit projects.

I am distressed to discover that over $1.7 million is being wasted each year because government employees fail to take advantage of energy conservation measures. I expect the federal government to be a leader in energy conservation. Yet this report documents that HHS is not even using the common-sense approaches to energy conservation being used by millions of home owners and businesses.

I urge you to take action to assure that the very basic measures of energy conservation, such as reduction of unnecessary heating, cooling and lighting, are implemented immediately. I also urge you to begin a vigorous retrofit program to take advantage of projects with short payback periods. I would appreciate receiving from you a list of all actions taken.

Thank you for your attention to this matter. I look forward to working with you during the next four years.

With best personal regards, I am

Sincerely,

MAX BAUCUS.

THE SECRETARY OF HEALTH AND HUMAN SERVICES,
Washington, D.C., February 18, 1981.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAUCUS: I am responding to your January 21 letter which requested that I address the problems cited in two recently issued internal audit reports: "Review of the Internal Controls over the Payment of Overtime" and "More Can Be Done to Conserve Energy in HHS Occupied Buildings."

To address the findings of that report, which related to the documentation of overtime payments, I have directed the Department's managers to take immediate action to insure compliance with and strengthen these procedures. Also, I have instructed the Acting Inspector General to perform a follow-up survey to report on our compliance and progress here.

Following receipt of the follow-up survey, I will send you a report on our actions. You can expect this report by mid-June.

The second audit report you cited suggests that further actions are needed to promote energy conservation in DHHS facilities. By March 15, I will provide you a response to that report's findings and your particular concerns.

I appreciate your concern over the problems raised by these two audit reports. Let me assure you that identifying and combating waste, inefficiency and fraud in the Department is a high priority of mine.

Sincerely,

RICHARD S. SCHWEIKER,
Secretary.

THE SECRETARY OF
HEALTH AND HUMAN SERVICES,
Washington, D.C., February 18, 1981.

Memorandum to heads of principal operating components, heads of OS staff offices, and principal regional officials.

Subject: Strengthening controls on overtime.

I have just become aware of the attached December 1, 1980, report by our Inspector General of his 1978 review of internal controls over the payment of overtime. The report reveals numerous and significant discrepancies in our offices with respect to compliance with procedures for requesting, authorizing, and documenting overtime and for controlling overtime payments. While the report does not identify specific instances of fraud or illegal payments, it clearly identifies control failures with a high potential for fraud and abuse.

The four major problem areas identified in an initial draft of the report by the Inspector General and the needed corrective actions were brought to your attention by the Assistant Secretary for Personnel Administration in December 1979. At that time, you were asked to remind your managers and supervisors of the importance of effective implementation of overtime policies and to develop a plan for strengthening the implementation of those policies. The December 1 report states that the problems still exist.

We cannot tolerate any further delay in taking the necessary steps to eliminate completely any deficiencies in our oversight and control of overtime. To that end, I am directing the following actions be taken:

Each component head will take immediate steps to insure that managers and supervisors are properly authorizing, certifying and documenting overtime. You should evaluate a sufficient sample of your overtime usage across the country to convince you that your supervisors and managers are in full compliance and will stay in full compliance, with governing policies and procedures;

The Inspector General will conduct a follow-up audit of overtime control procedures after 90 days and report the findings directly to me;

The Assistant Secretary for Personnel Administration will review overtime policies and procedures for sufficiency with particular attention to internal payroll audit and control procedures, will increase the number of time cards audited each fiscal year, and will complete and distribute the new timekeeper manual and self-training package by March 31.

Finally, the audit report reveals some cases of overtime worked at home. This practice cannot be adequately controlled, and I want steps taken immediately to eliminate it.

The Department's poor record in exercising control of overtime payments represents, in itself, a potential area for substantial fraud and abuse. When you identify performance failures in this area, I expect you to take prompt and direct action to correct them. I want to be sure that our managers understand we expect effective management and control of overtime. We will not tolerate an attitude of indifference with respect to this situation.

RICHARD S. SCHWEIKER,
Secretary.●

SMALL BUSINESS IS KEY TO REINDUSTRIALIZATION IN NEW ENGLAND

● Mr. WEICKER. Mr. President, for the benefit of my colleagues who are interested in the issue of reindustrialization and the consideration of Federal policies to spur regional economic development, I ask to have printed in the RECORD an article that appears in the current issue of the New England Economic Review entitled "New England's Economy in the 1980's."

The article very clearly indicates the importance of the contribution of two factors in enabling a mature region not only to survive potentially disruptive structural change but also to continue growing and providing improved living standards. These two critical factors are the region's human resources, who are served by such a fine network of educational institutions, and its small businesses, the key to virtually all new private sector job growth in New England.

Mr. President, what is so instructive about this article is that it suggests directions for economic policy formulation aimed at the so-called "older" regions of our country. We must be very careful that the economic program to be considered by the Congress this year includes policies that enable our Nation's smaller businesses to continue making their vital contribution to job development and economic growth and we must be mind-

ful of the possible regional disparities in the distribution of the benefits of general business tax reduction. And, on the spending side, we must not permit the budget cutter's ax to fall too indiscriminately, jeopardizing the community and human resource development efforts so instrumental to the region's economic recovery.

As chairman of the Select Committee on Small Business I intend to do all I can to insure that small business tax reduction is an element of the first tax bill considered in the Senate this year. I hope very much to have the support of my colleagues in this effort and commend this important article to them.

The article follows:

NEW ENGLAND'S ECONOMY IN THE 1980'S

(By Lynn E. Browne and John S. Hekman*)

New England's image is rapidly changing in the public mind. It was formerly looked on as "old," or more graciously as "mature." Its basic industries had shrunk to mere vestiges of their earlier size, its cities were stagnant, and unemployment in some areas was alarmingly high. Today New England has a healthy manufacturing base which is growing at a higher rate than the national average, an unemployment rate which is lower than most other regions, and many cities which are rejuvenating themselves. A comprehensive picture of the region today would show that there is some of the old as well as some of the new in this economy. This article provides an analysis of the strengths and weaknesses of New England's economy in the 1980s. It attempts to sort out both the potential problem areas and the industries and occupations that are likely to prosper.

How should we think of New England? The often-used term "mature economy" has widely varied overtones. It has been used to mean an economy which is aged, with an antiquated capital stock that cannot compete with newer regions. This was true to a certain extent in the 1960s, but it does not apply today. Nevertheless, New England is mature in several other senses. It is especially mature in the sense that the region is no longer in a growth stage like that of the South, the West or a developing nation. The population and labor force have been growing at a slow, fairly steady pace for the past 40 years; net immigration has been modest. New England has had substantial numbers of women in its labor force far longer than other regions, so the increase in female participation in recent decades has been smaller here than elsewhere in the United States.

New England is also mature with respect to the utilization of its resources and land area. There will probably not be large moves to develop coal, oil shale, ores or hydroelectric power which would change the nature of the region's economy. And there are no large undeveloped areas which can experience rapid growth or industrialization on the order of that in the South, the West, and the Northwest.

There are many ways in which a mature economy can change, however, even if its population growth is steady and its industrial potential is well developed. Structural changes in the form of outside competition or altered demand for industrial output can greatly disrupt a mature region, creating the need for large-scale reinvestment of capital and reallocation of labor. Such changes have been particularly great for New England, with the result that the region is "developing" today in that its industrial mix is being substantially transformed by these pressures. One question for the eighties is whether the region will move smoothly along its present path or whether additional structural changes will require further shifts in direction. To answer this question it will help to look at the factors involved in the decline of the region's economy in the fifties and sixties as well as the forces behind the growth of recent years.

ECONOMIC PERFORMANCE IN THE 1970S

While the changes in a mature region may seem modest in relation to those taking place in rapidly growing areas, they can mean the difference between a prosperous, vital economy and stagnation. This was clearly evident in New England's experience in the seventies.

From the early fifties through 1970 New England's per capita income was 7–10 percent above the national average. However, the 1970 recession, which for much of the nation represented only a slowing in growth, affected the region severely. Employment fell more sharply than in the nation and remained depressed long after the national recovery had begun. The region's unemployment rate increased relative to that elsewhere and remained a percentage point above the national rate throughout the early seventies. Wage rates, responding to the pressure of unemployment, grew more slowly than in the country as a whole. New England's per capita income fell from 109 percent of the national average in 1970 to 104 percent in 1974.

The region was only just beginning to recover fully from the earlier recession when the 1973–75 downturn began. Again New England suffered a sharper employment decline than the nation and in 1975 New England's unemployment rate of 10.2 percent was the highest of the major regions. The region's per capita income continued to fall relative to the nation.

New England's fortunes reached a low in 1975. In retrospect, however, the year seems to have been a turning point. In contrast to the experience in 1970–71 the New England economy began to recover at the same time as the nation. Employment growth in the region closely tracked the national pattern both during the recovery period and in the ensuing expansion.

From the trough of the recession in early 1975 through the end of 1979 nonagricultural employment in New England grew 16 percent, while nationally 14 percent. Not only was New England's employment growth much stronger, both absolutely and relative to the rest of the country, than in the first half of the decade, but relative to the nation it was stronger than at any time since World War II. The growth in manufacturing is particularly striking when one considers that there was no increase in the number employed in manufacturing in New England over the preceding 25 years. The recent strength has been concentrated in durable goods manufacturing. However, employment in nondurables, which had been declining for many years, also increased.

This vigorous employment growth has occurred at a time when the region as a whole has experienced very modest population growth. The labor force—the number of people employed or seeking work—has grown much more rapidly because of increasing participation rates and changing age structures. However, because population growth has been limited, the labor force in New England has not grown as rapidly as in the nation. This combination of vigorous employment growth and moderate population growth has brought about a dramatic improvement in New England's unemployment rate. In 1979 the unemployment rate in the region averaged 5.4 percent, compared to a national rate of 5.8 percent. As yet there is no indication that the tighter labor market has caused an increase in wages relative to those elsewhere; however, the decline in relative per capita incomes has been arrested.

UNDERLYING TRENDS

Why was the second half of the seventies so different from the first? More importantly, are the eighties likely to be a continuation of New England's recent experience or will there be a return to earlier doldrums?

The period 1975–79 was a time of unusual prosperity for New England. However, the region's poor performance in the early seventies was also unusual. Although employment growth in New England lagged that in the nation throughout the fifties and sixties, the disparities were never as great as in the early seventies. Unfavorable trends dating back at least 30 years were reinforced by developments peculiar to the first half of the seventies.

Throughout the postwar period New England has faced continued employment losses in its older industries—particularly textiles and, more recently, leather goods. New England's prosperity was built on textiles and shoes, but the technology of large segments of these industries is such that, today, low wage costs are the primary locational consideration. New England is not a high wage area but manufacturing wages are not as low as in the South and in many parts of the world. Consequently, there has been a steady loss of jobs in these industries to the south and abroad. In 1950 there were 264,000 textile jobs in New England, in 1979 63,000.

Despite the employment losses in these industries, New England's unemployment rates and per capita income growth were comparable to those of the nation through most of the fifties and sixties. The region's population growth was less than that of the nation, so that the need for new jobs was correspondingly less. Also, total employment did increase in New England: opportunities in nonmanufacturing activities, especially in services, grew vigorously and at times the durable goods sector showed considerable strength. In particular, during the mid to late sixties there was a large expansion in aircraft and shipbuilding and in the manufacture of electrical and electronic equipment to serve the needs of the aerospace program and the Vietnam war.

Then came the early seventies, a period marked by two national recessions—the second commonly characterized as the worst since the Great Depression—and sharp cutbacks in defense expenditures. New England was severely impacted by the recessions. New England still has a high portion of its employment in manufacturing which is more vulnerable to cyclical downturns than nonmanufacturing. There were large employment losses in the older textiles and leather goods industries. From 1969 to 1971 employment in these industries fell more than 30,000; from 1973 to 1975, another 17,000. These losses have not been made up to any extent. The demand for textiles and leather goods is not as cyclical as that for many other manufacturing industries. However both industries face severe competitive pressures from other parts of the country and from abroad, and marginal operations are more vulnerable in recessionary periods than in expansions.

The defense cutbacks in the early seventies also fell particularly heavily on New England. Although New England has only 6 percent of the nation's population, it typically receives 10 percent or more of the nation's prime defense contracts. Between FY67 and FY71 defense contracts fell roughly 40 percent in real terms and then remained flat for the next five years. In 1973 and 1974 the federal government pulled its fleet out of Newport

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and closed down the Quonset Airbase and repair facility in Rhode Island as well as the South Boston Naval Annex. Finally, 1974 was also the year in which oil prices rose 2½ times. New England, with 80 percent of its energy coming from oil, was again more severely affected than the country as a whole. Thus, for New England the first half of the seventies brought one economic shock after another.

The unfavorable character of the early seventies obscured the fact that some firms, especially in the instrument and computer areas, were growing very rapidly. Indeed, the growth of these firms may actually have been enhanced by the difficulties elsewhere in the region as manpower, particularly with scientific and engineering skills, could be obtained very readily. The seventies saw a tremendous expansion in computer applications. It was also a time of considerable change. Not all firms were successful. However, New England was fortunate to be at the most scientific end of the computer spectrum and to be the home of some of the most innovative firms. Thus not only did New England benefit from the national expansion in computer use but the region's share of the computer market increased. Instruments also fared well, with increased emphasis on pollution control and, after 1974, on energy conservation, fostering a demand for precise measuring and control devices.

The key factor of production for such industries is professional labor—scientists, engineers, computer programmers. New England has long been a center for research and development and has had a relatively abundant supply of scientific and professional personnel. This resource has in turn fostered the growth of industries heavily reliant on research and innovation, so that competition for highly trained manpower is keen. In the early seventies, however, the defense and aerospace cutbacks released many engineers and scientists making them available to the young computer and instrument firms. Search costs were minimal.

It also seems likely, although the evidence is anecdotal, that the difficulties of the times forced some of the more established industries to seek out new and growing markets. They found these markets, frequently in the export area. In 1972 5.2 percent of the shipments of New England manufacturers went abroad; in 1976 9.2 percent. (For the United States as a whole the increase was from 4.8 percent to 7.0). It is not easy to penetrate export markets. One must learn new government regulations, new customs, new ways of doing business. Therefore, such an expansion in New England's export business suggests an aggressiveness which may not have been present before. The high cost of energy may also have served as a catalyst, forcing firms to take a hard look at their operations to see what cost cutting measures were available. Even the textile industry seems to have recognized that its future in New England is dependent upon cost saving investments and developing new markets.

The second half of the seventies also brought a turnaround in defense spending. From FY76 to FY79 the real value of prime defense contracts awarded to New England plants increased 42 percent. This increase reflected both an increase in the value of national defense contracts and an expansion in New England's share of these contracts.

Fortunately too, after the dramatic increase in 1974, real oil prices remained fairly stable until 1979. In the intervening years the price of natural gas, which is the most important industrial fuel nationally, rose sharply.

This combination of favorable developments produced the vigorous expansion of the second half of the seventies, particularly the strong growth in manufacturing. Most of the new manufacturing jobs in this period came in the instrument, electrical equipment, and computer industries. However, traditional industries held their own. The decline in textile and leather goods employment slowed dramatically. Employment in primary metals, paper, and jewelry actually increased from 1976 to 1979. The duration of the expansion was of course a benefit—not only to the older, more troubled industries but also to the high technology firms, since many of their products are capital goods and therefore sensitive to economic downturns.

LOOKING AHEAD

The future appears to hold considerable opportunity for New England's continued growth, led by the rapid expansion of high technology manufacturing and professional services, many of which, such as consulting firms in business, economics, engineering and architecture, are export oriented. It is possible to argue that the recent growth of these industries cannot be maintained in the long run. These pitfalls will be noted first, and then the basic strengths of New England's industry will be examined.

The problems experienced by the region's industry in the past have come either from the demand for particular industrial products or from the strength of outside competition. To illustrate, it was a sudden drop in the national demand for defense goods that produced a severe slump in several defense-related industries in the early seventies and created a large oversupply of engineering personnel, while it was mainly outside competition which nearly wiped out New England's textile and footwear industries since World War II.

It is one thing to say that "high tech" has a bright future, but the picture becomes less clear when one looks at any particular industry. New England produces a wide variety of industrial process controls, testing equipment and sophisticated instruments for manufacturers. One factor in the growth of these products has been the need to reduce industrial pollution and energy consumption. Once these demands have been met the market may not continue to grow as rapidly. Similarly, the demand for defense equipment may be going through a temporary upward adjustment rather than a long-run upswing.

In electronics, New England has helped to create and has profited enormously from the move from large main frame computers to smaller, less expensive minicomputers and more recently from the "microprocessor revolution." The broad applicability of these machines virtually assures a long period of growth for this industry. However, New England's share of this growth is less certain. Presently many New England firms have a technological edge over their competitors in other regions, but this could be lost either through increased investment in research in other areas or through a lessening of the importance of technological ability, through the standardization of design, for example. Other regions could turn out to be more favorable locations for computer manufacturing as the industry increases in its scale of operation. At the very least, major portions of the production process, such as peripheral equipment and subassemblies, will tend to be increasingly located outside New England, with the design and development work staying here. Thus the growth of computer-related employment in this region may be at a lower rate than that for the nation or the world.

These speculations regarding instruments, controls, and computers are intended to suggest that the presence of high technology industry does not guarantee a high rate of growth in the economy for a long period. With this reservation in mind, however, New England's technological and knowledge-based industries do appear to have good prospects, not so much because the demand for individual products will grow as because the demand for New England's particular skills will remain strong.

New England's advantage in manufacturing does not derive from any natural resources, from its location or from a low cost of production. Rather, the region has long specialized in products which have a large component of skilled labor and which often utilize relatively new technologies that have not found their way into general use. The fundamental reason for the emergence of New England's particular group of industries is the common needs that they share. In the nineteenth century the machine tool industry which was concentrated in the region created the critical metalworking machinery which in turn allowed other industries to develop high-speed, sophisticated machinery for textiles, shoes, paper, rubber, clocks, bicycles and other products. The final goods producers were more productive in New England than elsewhere because of their connection with the toolmakers and machinery builders. Thus, developments in the early years of this century laid the foundation for the high technology industries we have today. The combined skills from metalworking, machine tools, instrument making and, increasingly, industrial and scientific research from the region's universities helped give New England a head start in industries such as electric and electronic equipment, industrial controls and specialized machinery. These fields began growing rapidly after World War II and passed the traditional industries in importance in the 1960s.

The presence of a large base of skilled engineers, metalworkers and designers is both an asset and a liability. Being the incubator for new products has produced periods of rapid growth for New England, primarily from textiles in the nineteenth century and from electronics-related firms at present. But many industries in the region have experienced a product life cycle in which rapid growth resulting from technological development is followed by a more stable maturity during which standardization of production and labor-cost orientation have made other regions more attractive to producers. Even within the newer industries there has been considerable change in the particular products made in the region. Hand-held calculators were produced here for a time, but their production moved to other regions and overseas very quickly as mass production methods became available. Similarly, the manufacture of certain electronic components like circuit boards has largely moved overseas. The future strength of high technology industry in New England is related more to the pool of skills residing here than to the prospects for any individual group of products.

A technologically oriented industrial structure requires a more technically trained labor force. More people must be engaged in research and in developing commercial applications for this research—more scientists and engineers. The need does not stop, however, with scientists and engineers or with computer programmers. There is a need for managers who understand and can take maximum advantage of the skills of their specialized staffs; for technical writers to make new developments and products readily comprehensible to those who would use them; and for technicians who can use new, more complicated processes in the workplace. Thus in addition to the need for particular professions, there is a need at all levels for a broader understanding of the fundamentals of technology—an understanding of mathematics; a familiarity with computers; and, most importantly, an innovative outlook and an acceptance of change.

New England's position as a technological

center owes much to the quality of its labor force. The average educational attainment of people in New England is above that of the country as a whole. The difference is due in part to a lower proportion of the population with very little education, but more so to the high percentage of New England residents who have completed at least four years of college. The region's advantage is even greater for those who have had some graduate education.

New England's educational system has a strong scientific orientation. The number of scientists and engineers who graduate from New England colleges and universities is greater than would be expected, based on the region's population. Students are attracted from all over the country and many choose to stay in New England. The availability of such professionals clearly fosters the growth of industries with large research requirements. At the same time, the existence of a cluster of high technology firms attracts scientific and technical personnel beause of the diversity of opportunities and greater employment security it offers.

The rapid growth in New England's high technology firms over the past several years has greatly expanded the demand for scientists, engineers and people trained in computer applications. The surplus of personnel created by the defense cutbacks in the late sixties and early seventies has been absorbed. With defense spending now rising in real terms, competition for scientists, engineers and technicians is keen.

As firms compete for personnel, salaries will be bid up and firms will be forced to recruit from more distant locations. Rising costs may slow the growth in employment. Moreover, if firms cannot obtain the necessary labor within New England, they may eventually look to other locations in which to expand their operations. For every professional who is hired, technicians, production workers, and office staff will also be needed. Thus a critical question for New England is whether the growth in the technical component of the region's labor force will sustain a continuation of the recent expansion in high technology employment.

Young people are responding to the strong demand for electrical engineers and computer programmers. College enrollments in these subjects are up. However, universities and colleges are limited in how rapidly they can respond to changing market demands. Financial constraints prevent them from simply adding personnel in the new fields, while the tenure system restricts the extent to which resources can be diverted from one area to another. Moreover, universities are understandably reluctant to make major changes until the nature of the new direction is clear. The demand for engineers has been volatile in the past; no school wants to expand its engineering program only to find that the emphasis has shifted again.

Changes in the age structure of the population make this problem more severe. From 1980 to 1990 the number of people aged 16–24 will fall more than 15 percent at the national level. This will mean sharp declines in what has traditionally been considered the college age population. Educational institutions, particularly four-year resident colleges, will face severe financial pressures. Funds for new programs will be scarce. Colleges and universities will be forced to reach out more and more to older adults who already have a college degree. Presumably many institutions will find that the way to attract such students is by offering training in the skills which are in so much demand today. However, the transition will be difficult; not all institutions will survive.

The decline in the number of young adults also means that it will be more difficult for society to respond to new industry requirements. A ycung labor force is flexible. The eighties will undoubtedly see an increased emphasis on retraining. However, it is still easier to teach new skills to young people who have not yet made a career commitment, than to persuade someone who has invested considerable time and money in one career path to shift to another.

The changing age structure has positive implications as well. Young people tend to have higher unemployment rates; they lack experience. Ccnsequently, the decline in the number of new entrants to the labor force will have a favorable impact on unemployment; the greater maturity of the labor force is likely to mean greater stability and therefore higher productivity for a given technology. Nevertheless, fewer new entrants mean less flexibility. And this lack of flexibility may limit the application of new technologies. This is a problem for the country as a whole but certainly for New England as the region's recent growth has been so tied to the expansion in high technology industries.

Several trends at the national level have beneficial implications for this region's industry. Reindustrialization is being used as a catchall term for attempts by business and government to revitalize America's industry. In the private sector this is taken to mean more emphasis on research and development and on investment in more sophisticated equipment and production processes. In the public sector it also means the encouragement of research and (according to some, at least) the promotion of fast-growing "new" industries rather than noncompetitive "old" ones. These trends indicate that New England has the industry mix, and more importantly the skill mix, that is right for the 1980s. Revitalization of industry will mean more robots, more microprocessor-controlled machines, more sophisticated process controls and more consulting services demanded from this region.

Manufacturing increased its share of New England's employment between 1975 and 1979, reversing a downward trend that started at least as long ago as 1947. Looking ahead, it is quite possible that manufacturing will continue to grow as rapidly as the economy as a whole. The employment categories which have had the largest increase in the past have been services and retail trade. However, these areas will probably not continue to expand so rapidly in the future; this would mean an increase in the relative importance of manufacturing. For example, the medical services area has increased its employment by over 200,000 since 1967; this has been by far the biggest factor in total services growth. But much of the growth over this period was an adjustment to the Medicare and Medicaid programs. Considering that the facilities for these programs are now largely in place and that the current drive is to contain overall medical costs, it is doubtful that medical services will continue to expand as rapidly as in the past.

In retail trade, over half the employment increase of 225,000 since 1967 was in eating and drinking establishments. Much of this was in fast food restaurants and a good deal of this employment is part time, so that it overstates the economy's expansion in comparison with areas like manufacturing. Again, there is probably a limit to further expansion here, as meals purchased outside the home are not expected to sustain recent growth rates.

Other nonmanufacturing areas of the region's economy are similarly unlikely to grow as rapidly as they have of late. Federal, state and local government employment increased rapidly from 1967 to 1973 but growth then leveled off to about one-third of that rate of increase from 1973 to 1979. The outlook for private education is for no growth or a reduction in size because of demographic trends.

New England's strong performance in the late seventies was attributable, in part, to increases in defense contracts and expanding export markets. Both defense and exports hold considerable promise for New England in the eighties. The mood of the country now favors a stronger defense and calls for fiscal restraint generally exclude defense spending. Thus it would seem that the nation can expect a significant increase in defense expenditures over the next several years. Since New England typically captures such a large share of prime contracts, this expansion should work to the region's particular advantage.

Between 1972 and 1976 New England's exports almost doubled. This growth reflects both increasing penetration of world markets by New England manufacturers and the rapid growth of some of the nation's major trading partners. Manufacturing is not, however, the only sector which has developed ties to other countries. New England management and economic consulting firms advise firms in many countries; New England engineering firms help build power plants and other large installations around the world. Yet some markets are still largely untapped. The United States still has very limited trade with much of the developing world. There are also opportunities in the industrial countries: recent tariff cuts negotiated in the Multilateral Trade Negotiations open up interesting export possibilities in Japan, particularly for high technology products. The Commerce Department has identified computers and peripheral equipment, electronic components, and communications equipment as areas where exports to Japan might increase substantially because of tariff reductions.[1]

While defense spending and exports offer opportunities to New England firms, there are pitfalls as well. As the experience of the early seventies so painfully taught, attitudes about defense spending can change. While public sentiment is strongly for more defense today, what will be the situation five or ten years from now? Because the government is such a large purchaser any cutback can have severe effects. Thus New England firms must take care not to become so dependent on defense contracts that private sector markets are not developed.

In the export area the problem is also one of changing attitudes and the federal response to these attitudes. There appears to be a growing protectionist sentiment in the country brought on by the difficulties of U.S. auto and steel companies in competing with imports. The auto companies are now actively lobbying for quotas on auto imports and the federal government has just agreed to increase the trigger price at which imports of steel are restricted. One must sympathize with the difficulties of these industries.

However, restrictions on imports will most certainly lead to retaliatory measures which will then limit the growth in U.S. exports. The issue is not simply the United States vs. Japan or the United States vs. West Germany. If American firms are to penetrate foreign markets, particularly those of the developing nations, the United States must be prepared to let the products of these countries into our own markets. Export markets hold considerable potential for New England firms; but these markets will not be developed if other countries are not allowed to compete for a share of the U.S. market. And it would be foolish to deny that such competition may create difficulties for some industries, including some in New England.

Federal efforts to promote "reindustrialization" through increased expenditures on research and development and greater incen-

[1] Alan O. Maurer, "MTN Agreement on Tariff Cuts Opens Opportunities in Japan," Business America, 22 September 1980.

tives for capital formation will also affect New England's future. Because of its concentration of prestigious universities and because of the technological orientation of its industry, New England should benefit from more emphasis on research. The effects of accelerated depreciation and other incentives to investment are less clear. On the one hand, New England industries—both the new high technology and the more traditional ones—tend to be labor intensive. Therefore, the region can probably not expect to get a share of federal investment incentives corresponding to its share of economic activity. Even if the percentage increase in investment in New England is comparable to that elsewhere, the dollar increase will be relatively small because of the low capital intensity of its industry. However, if New England does not benefit directly, it will gain indirectly from the expansion in the demand for capital goods. New England's manufacturing industries today are oriented to the production of producer durables; many high technology products are investment goods. The region is an important supplier of architectural and engineering services. Consequently, national efforts to stimulate capital investment will expand the demand for New England products.

What of energy? One cannot talk about the future without some discussion of the energy situation. New England still derives roughly 80 percent of its energy from oil; nationally oil accounts for just under 50 percent of energy use. And the Iran-Iraq war has made clear once again that world oil supplies are not secure. A number of efforts and initiatives are underway that could reduce New England's dependence on oil: the conversion of some oil-fired power plants to coal; the possibility of significant purchases of hydroelectric power and natural gas from Canada; numerous small scale efforts to tap renewable energy sources in the region—wood, low-head hydro, solid waste, and solar power. Eventually aggressive pursuit of such options may leave New England in a relatively favorable energy situation. However, for the eighties New England remains vulnerable to energy supply disruptions.

New England will also continue to face an energy cost disadvantage. The average cost of energy in New England in 1979 was about 24 percent above the country as a whole.[2] This disparity is due, in large measure, to New England's dependence on oil. Elsewhere natural gas is the primary fuel for industrial and commercial purposes and, for much of the country, natural gas prices have been held artificially low by federal regulation. These controls on gas prices are being relaxed and in 1985 controls on new natural gas will be completely eliminated. These increases plus the replacement of old, low cost supplies with newly discovered gas subject to today's higher ceilings are causing sharp increases in the cost of gas to the end-user. It will be some time, however, before oil and gas costs are comparable. New gas prices will not be fully deregulated until 1985. Other categories of gas will be deregulated still later, while gas from wells already committed to interstate markets will not be fully deregulated. And meantime, of course, the price of oil is not standing still.

Thus for most of the eighties and perhaps beyond, New England will continue to pay more for its energy. The region has, however, adapted to high energy costs. The most important manufacturing industries in New England—nonelectrical machinery, electrical equipment and instruments—all use relatively little energy per dollar of value added. With the exception of paper, those industries which use energy intensively—primary metals, chemicals, glassmaking—are substantially less important in New England than nationally. New England's industrial structure is, therefore, less sensitive to energy costs than that in other regions; so the effects of future energy cost increases may prove less disruptive here than elsewhere.

Finally, even adversity offers opportunities. Emphasis on energy saving has increased the demand for measuring and controlling instruments and has spawned numerous manufacturing and consulting enterprises dedicated to developing alternative energy resources.

CONCLUSION

The picture that emerges for New England in the 1980s is one with good growth prospects for the important durable goods industries and the professional services related to them. The lack of natural resources and poor geographical location which have worked against the region in the past are becoming less important liabilities as New England's economic activity turns more and more to durable goods with very high value-to-weight ratios and to export-oriented services in which the region has a sharp comparative advantage.

Manufacturing employment may increase in size relative to government, trade, and services, since analysts see favorable growth prospects for high technology goods, while the other major employment areas may experience a leveling off of their growth. It is important to note in this regard that manufacturing is becoming increasingly specialized in the production of capital goods. Consumer goods such as apparel, textiles, and shoes will probably see little or no growth in the eighties, nor will durable consumer goods such as autos or appliances have many opportunities for employment. Most of New England's industrial output is now in the capital goods category—computers, instruments, control devices, aircraft parts and defense equipment. This specialization may make the region highly sensitive to cyclical swings in investment spending; when the country catches a cold, New England will have pneumonia, as the saying goes. At present many of our capital goods are cost-saving products that are in steady demand, but as this market is saturated, demand will be dependent on replacement decisions by users, and this will put us squarely in the investment cycle. Fortunately there is at present such a diversity of uses for these products that this problem may never materialize.

Defense employment is another area which experiences erratic cycles. New England is almost certain to see an expansion of defense jobs in the early eighties. The negative side of this is that substantial unemployment will result if a defense cutback subsequently occurs; the positive side is that new product spin-offs for the private sector may be created as has been the case before. These spin-offs could soften the blow from a loss of defense jobs.

The growth of the newer industries and services in New England in the 1970s has underscored the importance of small business in creating employment. Many of the products produced in the region today did not exist 20 years ago, and of these a large proportion were developed by small firms, whether as a result of university research, government projects, or subcontracts from larger firms. The "reindustrialization" of New England has come about not through reinvestment by existing industries but by their replacement with new ones. It is well to keep this in mind when formulating economic development strategies. So often such strategies tend to pay the most attention to large, established businesses.

The other ingredient in New England's growth formula has been its unique labor force. To a large extent the region's industry mix is a result of its labor mix and not the other way around. Thus development policies should be aware of the fact that New England attracts people, not industry. The availability of skilled and professional workers is currently one of the factors constraining growth in some industries. While this is widely understood, there is disagreement over what can and should be done to make the region competitive in this national labor market. There will undoubtedly be much discussion in the next few years regarding the proper balance of social and cost considerations in developing a favorable economic climate.

One way to attract workers is to provide facilities available for their education. New England is being called on to make difficult decisions at the public and private levels to determine what kinds of professional and technical training programs should be established or expanded. Today we have a surplus of teachers and a shortage of computer programmers. The challenge will be to remove this imbalance without reversing it.

Finally, one must look outside the region to see what national policies will affect the region. New England's industry is highly dependent on exports to sustain its growth. In the nineteenth century our textiles competed with imported goods in the domestic market, causing New England to favor tariff protection, while the South wanted free trade policies to help their exports of cotton. Today the situation is reversed, as New England produces export goods and the South struggles to compete with imported textiles. New England's interest clearly lies with free trade in the eighties.●

[2] New England Congressional Caucus, New England Energy Fact Book, July 1980.

NOMINATION OF MURRAY WEIDENBAUM AS CHAIRMAN, COUNCIL OF ECONOMIC ADVISORS

● Mr. GARN. Mr. President, as chairman of the Banking Committee, it is a pleasure for me to bring before the Senate the nomination of Murray Weidenbaum to be Chairman of the President's Council of Economic Advisors. Dr. Weidenbaum is eminently qualified for this position, having both distinguished academic and employment careers.

Over the past several years, he has served as an Assistant Secretary of the Treasury, as Mallinckrodt Distinguished University Professor and director of the Center for the Study of American Business, both at Washington University in St. Louis, and as adjunct scholar of the American Enterprise Institute here in Washington. In all of these endeavors, Dr. Weidenbaum has excelled as an outstanding theoretician whose views are firmly based in reality.

The Banking Committee has completed a thorough review of Dr. Weidenbaum's background and suitability to be Chairman of the Council of Economic Advisors. On February 5, 1981, the committee held a hearing on the nomination and, having subsequently concluded their consideration of this matter, the members of the committee unanimously recommend that Dr. Weidenbaum be confirmed by the full Senate.

During the Banking Committee's hearing on the nomination, Dr. Weidenbaum stressed the need for a balanced approach to our economic problems, and indicated his intention to deal simultaneously with the closely related issues of high inflation and high unemployment. He expressed his support for tax

cuts accompanied by a "vigorous program of expenditure restraint." Dr. Weidenbaum also emphasized that we normally deal with economic problems on a short-term basis, without ever achieving long-term solutions. I wholeheartedly agree that we have too often applied band-aids to our economic problems and that we must now insure that our fiscal and economic policies promote long-term growth and stability.

In addition to being an outstanding economist, Dr. Weidenbaum is an expert on the regulatory burdens that the Federal Government has placed on our economy. He has not advocated the immediate elimination of all regulations, but rather an analysis of the cost benefits of the multitude of regulations that have been imposed in the past couple of decades. This approach is critical to the future effectiveness of our Government and is one which we as legislators should keep in mind more often.

Being one who has quoted Dr. Weidenbaum many times, I urge my colleagues to promptly confirm his nomination.●

LITHUANIAN INDEPENDENCE DAY

● Mr. ZORINSKY. Mr. President, yesterday was a momentous occasion for the Lithuanian American community, marking both the 63d anniversary of Lithuanian Independence Day and the 730th anniversary of the founding of the Lithuanian state. It is unfortunate that such an auspicious occasion must be tarnished by the fact that 1981 also signifies the 41st year of Soviet occupation of the Baltic States, Estonia, Latvia, and Lithuania.

In the wake of the Soviet invasion of Afghanistan, the plight of the Lithuanians comes ever more clearly into focus. Soviet aggression in the free world is not only a threat, it is now a reality to the Afghans, and it has been a reality to the Lithuanians for four decades. The United States has an obligation to oppressed peoples everywhere to voice our opposition to the Soviet Union's blatant violation of human rights. On this important anniversary, it is particularly appropriate for Americans to contemplate and express our disdain for Soviet abuses in Lithuania.

Let us not forget, Mr. President, that this occasion is not only one of remembrance of independence and a celebration of a people striving to overcome their plight of oppression. Let not the spirit of Lithuanian independence be smothered by the cloud of Soviet oppression which hovers over that nation. Let us revel in the celebration, and, if only for a moment, divert our attention from the tragedy that has befallen the Baltic States.●

FEDERAL CIVILIAN HIRING FREEZE

● Mr. SPECTER. Mr. President, I recently toured the Philadelphia Navy Shipyard and was surprised to learn that the shipyard had been required to discharge, as a consequence to the job freeze, several people who had been employed a few days for work on the $500 million service life extension rehabilitation of the U.S.S. *Saratoga*. Furthermore, the Philadelphia Navy Yard is scheduled to employ additionally, 250 engineers, architects, and so forth, for this work by mid-March 1981. As there are other federally owned Navy shipyards in other States, it occurred to me that similar manpower problems may have been encountered in these yards as well. I, therefore, wish to record the following telegram which was sent on February 9 to Mr. David Stockman, Director of the U.S. Office of Management and Budget, Executive Office of the President. The telegram follows:

Last Tuesday when you met with some of us on the Senate Appropriations Committee, you asked us to advise you on any special problems relating to budget costs.

Today, I toured the Philadelphia Navy Shipyard, a unit of the United States Navy. One ship, the U.S.S. *Saratoga*, is now undergoing a $500 million Service Life Extension rehabilitation. Two other ships, the U.S.S. *Inchon* and the U.S.S. *LaSalle* are also being refitted. As a matter of National Defense, it is important that these rebuilding and rehabilitation projects be completed competently, completely, and on time.

However, at the present time 65 workers, already recruited and ready to go to work at the Navy Yard have been denied employment, under the provisions of OMB Bulletin 81–6. In most of these cases, appeals have been filed per your January 29, 1981 memorandum "Federal Civilian Hiring Freeze."

It is my thought that the "freeze" was not intended to apply to such jobs in the light of the President's stated intentions on National Defense.

If the work on the three ships is to be completed on a timely basis, the Navy Yard is scheduled to employ 250 additional engineers, naval architects, etc. by mid-March, 1981. Failure to employ these professional and technical people on a timely basis will inevitably stretch out the dry dock time for one or all three of these ships.

Under these circumstances and in the interest of National Defense, it is my request that this work at the Philadelphia Navy Yard be exempted from the freeze, or at least that the processing of all Philadelphia Navy Yard applications per the January 29 memorandum be expedited.

I need not remind Members of this body of the extreme importance which we all attach to national defense. The decision by DOD was made some time ago that the service life extension program would be, in many cases, the most economical way to proceed with fleet modernization. I am sure that the national administration will correct this oversight as soon as the issue has been examined.●

S. 284—WASTE AND INEFFICIENCY IN GOVERNMENT LITIGATION

● Mr. BAUCUS. Mr. President, eliminating wasteful duplication and mismanagement from Federal programs is one of my top priorities. As a member of the Senate Judiciary Committee, I share responsibility for overseeing the activities of the Department of Justice. For 2 years I have studied the Department's handling of litigation and during the last Congress I chaired hearings on this subject.

I have become convinced that congressional action is necessary to bolster our oversight of how the Federal Government manages its litigation. Wasteful duplication of effort and mismanagement of litigation on the part of lawyers both in the Department of Justice and in the client agencies contributes to an incessant drain on taxpayers' dollars.

One problem is that the authority to conduct litigation is consistently being diffused and delegated out to client agencies thereby undermining the Department's control of the management of litigation and causing unnecessary duplication. Another problem is that once litigation is initiated it is not adequately monitored.

I introduced legislation earlier this month that would improve the management of litigation in the Federal Government. I wish to expand on four major aspects of my bill, S. 284, the Department of Justice Litigation Improvement Act.

TITLE I: LITIGATION POLICY

Mr. President, Congress recognized the need for the Government to speak with a single voice in legal matters when it established the Department of Justice in 1870. However, this single voice concept has never existed in practice. Exceptions have always been provided by statute, and there are presently approximately 27 agencies with some degree of independent litigation authority.

In the past, Congress has passed several pieces of legislation giving litigation authority to agencies other than the Department of Justice. Congress examined each of these proposals within the context of the individual agency but did not examine the larger question of Government litigation.

Often, the Judiciary Committee will not be aware of the delegation of litigation authority contained in a bill until the legislation reaches the floor of the Senate or House. Consequently, the litigation authority of the Department of Justice is often decentralized without the knowledge of the House and Senate Judiciary Committees.

Another way that litigation authority is decentralized is through the widespread use of special agreements between the Department of Justice and individual agencies. Often these memorandums of understanding determine which agency will litigate and under what circumstances. But in many instances, these memorandums of understanding tend to be ambiguous or unnecessarily complex. Consequently, a substantial amount of agency time and legal resources may be spent solely on drafting and interpreting such memorandums.

For the most part, Congress has had no voice in reviewing these memorandums. In some cases, specific committees have had in interest in them, but the Senate and House Judiciary Committees have not been able to review them and insure that these memorandums are in the best interests of Government litigation policy as a whole.

Mr. President, the bill I introduced last week will address these problems.

S. 284 would require the Attorney General to submit to Congress a copy of any agreement with any other agency that affects the basic litigation authority of the Department. The bill would require that the Attorney General submit

such agreements no later than 60 days prior to their effective date. This provision is not intended to provide for a congressional veto of memorandums of understanding. Rather, this provision will substantially increase congressional awareness of agreements that affect Government litigation authority. In this way, ample opportunity will be provided for congressional consultation.

Moreover, S. 284 would require the Attorney General to submit to the Senate and House Judiciary Committees written statements on legislation which affects the litigation authority of the Department of Justice. In this way, the Judiciary Committees would be fully informed and aware of the impact of proposed legislation on the Department's authority. This would be a first step in creating a congressional structure that would more effectively review Government litigation policy.

An additional step is needed, however, which is the requirement that every piece of legislation affecting the Department's litigation authority be referred to the Senate and House Judiciary Committees prior to floor consideration by either the full House or the Senate. A few years ago, Senators Eastland, THURMOND and KENNEDY urged the majority leader to adopt such a policy. I believe their request was a sound one; and I intend to work with Senators THURMOND and BIDEN and the Senate leadership to revive the discussions of this proposal.

Finally, title I of my bill provides the Attorney General with the authority to resolve all legal disputes between Federal agencies with respect to litigation authority. Current law implicitly grants the Attorney General the authority. In my view, it is important to make this authority explicit. As chief legal officer of the United States, the Attorney General is best able to resolve disagreements or uncertainties concerning litigation authority. This provision will result in more efficient use of tax dollars and Federal legal resources by eliminating costly court battles between agencies who are trying to decide which agency has jurisdiction to litigate.

I want to make clear that my bill is not offered as a panacea to Government litigation problems. Rather, this legislation represents a constructive, flexible approach to deal with an increasingly uncoordinated Government litigation policy.

TITLE II: CASE MANAGEMENT REPORT

Mr. President, the problem with management of litigation is not solved once the litigation authority question is resolved. There are still ongoing problems of coordinating the litigation. Title II of S. 284 addresses the management of Government litigation.

Currently, the Department of Justice is not capable of adequately tracking the status of litigation as it meanders through the bureaucratic maze. During congressional oversight hearings that I chaired last year I was somewhat dismayed by the Department's inability to give me information on case management. I concluded that the Department of Justice, the world's largest law firm, does not have a comprehensive case management information system.

The lack of data on Federal litigation and the justice system compounds the difficulty in assessing the existence and scope of the various issues facing the Department and the public it serves. There are no uniform crime reports on Federal crimes, no Federal offender-based transaction statistics, and no Federal program-oriented civil litigation case statistics. The net effect is an unremitting absence of the types of information necessary for planning, implementing and evaluating justice programs.

In a first effort to close the information gap, the Judiciary Committee in the fiscal year 1980 Authorization Act directed the Attorney General to prepare a plan to activate case management information and tracking systems in the 95 U.S. attorney offices and the legal divisions. The Department submitted the plan as required. Unfortunately, we were uncertain as to the sufficiency of the Department's plan. The Department of Justice still needs a case management information system that will yield the statistics necessary for planning programs and managing resources efficiently.

Title II of my bill would address this problem. S. 284 would require the Attorney General to prepare a systems development plan for the activation and coordination of a comprehensive tracking system for each judicial district of the United States. The plan would have as its goal the development of a system that would stress the retrievability of quality data having maximum utility to users. The plan would also assess the costs of implementing such a system and compare those costs to the benefits derived from correcting the confusion currently surrounding the status of Justice Department cases.

It is also hoped that as a byproduct of this system, data which the Congress needs to legislate and effect oversight will also be produced. Specifically, I anticipate that the management information system will ultimately be able to produce aggregated data on:

First, matters and cases, by case-type and program-type, from intake or commencement of the investigation to the final disposition, including judgments and collections of fines; second, decisions whether to prosecute or litigate, whether to settle a case, and whether to plea bargain, the stage of the proceeding at which such decision is made and the reasons for such decision, again, by case-type and program-type; third, the number of matters and cases handled by each division or office primarily responsible for the matter or case, and by each supporting division or office responsible for assisting in such matter or case, again, by case-type and program-type; fourth, the number of cases and matters by case-type and program-type referred to the Department of Justice for prosecution or litigation by any local, State or Federal Government organization, including any organization within the Department of Justice; and fifth, the number of cases and matters by case-type and program-type referred by the Department of Justice for prosecution or litigation to any local, State, or Federal Governmental organization.

TITLE III: STATUS OF CASES REFERRED TO THE DEPARTMENT OF JUSTICE

Mr. President, until the planned system under title II is completed the Attorney General should be required to advise Congress of the status of cases referred to the Department by client agencies. Title III of S. 284 would require the Attorney General to include this information in his authorization request to the House and Senate Committees on the Judiciary.

My past oversight hearings on this subject have convinced me that it is essential that the Department monitor referrals from client agencies so that cases are not forgotten and slip through the bureaucratic cracks. Requiring the Department of Justice to report referrals to Congress will impress upon them the need to keep track of their cases.

Such tracking capability is not only essential for Congress as it performs its oversight responsibility, but will be important to each agency so that if judicial action is not warranted, the case can be returned promptly to the agency for possible administrative action. All too often nothing is done with a case because too much time has lapsed between opening the investigation and final determination of action.

My legislation would require the Department to determine the status of all civil and criminal cases and to give the House and Senate Judiciary Committees access to this information.

Enactment of this measure will not mean any interference whatsoever in actual handling of cases but it will mean that Congress will have a new capability for monitoring enforcement of the laws it has passed.

TITLE IV: DEPARTMENT OF JUSTICE REPORT TO CONGRESS ON CONSTITUTIONAL QUESTIONS

Mr. President, the final section of my bill would require the Attorney General to advise Congress when the Department of Justice intends to refrain from defending the constitutionality of a law passed by Congress. This title is a companion bill to Congressman LEVITAS' bill, H.R. 1134, introduced last month in the House.

There is an alarming rise in the frequency of incidents where the Department of Justice refuses to defend a provision of a law passed by Congress. It is of historic interest that in the first 100 years of the Department's history only three times have they failed to defend a provision of a Federal statute because they thought it was unconstitutional. Since 1970, however, the Department has refrained from defending the constitutionality of a Federal statute seven times. In three other incidences, the Department of Justice actually initiated litigation contesting the constitutionality of a statute.

During oversight hearings I chaired last year, I questioned officials at the Department of Justice about their obliga-

tion to defend Federal statutes. I was somewhat concerned by their response. It seems there is a feeling in the Department that discretion exists with the Attorney General to refrain from defending statutes that he views as unconstitutional. This is despite the fact that the laws have been passed by both Houses of Congress and signed by the President. Attorney General Civiletti admitted in a letter to me on this issue dated July 30, 1980, that there was a heavy presumption against failing to defend the constitutionality of a statute. Nevertheless, he said, rare situations may occur where the Department must exercise its discretion and refrain from defending a law.

Mr. President, there may be merit to the Department's position, but unfortunately, the Department seems to be taking the position more and more often. The final provision of my bill merely requires the Attorney General to advise Congress when the Department intends to refrain from defending the constitutionality of a Federal law. This will enable us to at least be forewarned of the Department's intentions so that we can take appropriate action.

CONCLUSION

Mr. President, all four titles of my bill will help improve the efficiency and effectiveness of programs at the Department of Justice. A more centralized authority to litigate will decrease wasteful duplication. An improved case management information system will enhance the Department's ability to conduct better program evaluations. Report to Congress on the status of cases referred by agencies to the Department of Justice will increase our ability to legislate more rational policies. Management at the Department of Justice will be improved and the Congress will be better informed.

Mr. President, I intend to offer this bill as an amendment to the Justice Department's authorization bill when it is considered by the Judiciary Committee.

In addition, I hope my colleagues in the Senate will consider and pass title IV of this bill separately. I introduced it last month as S. 285 and an expanded RECORD statement will appear in the RECORD in the near future.

Mr. President, I ask to have S. 284 printed in the RECORD.

The bill follows:

S. 284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Justice Litigation Improvement Act".

TITLE I—LITIGATION AUTHORITY OF THE ATTORNEY GENERAL

SEC. 101. (a) Section 516 of title 28, United States Code, is amended by inserting "(a)" immediately before "Except as otherwise authorized".

(b) Section 516 of such title is amended by adding at the end thereof the following new subsections.

"(b) The Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a copy of each written agreement between the Department of Justice and another agency affecting the litigation authority of the Department for particular categories of cases. Each agreement shall be submitted no later than thirty days before the agreement is effective.

"(c) Unless specific statutory authority for litigation responsibility is otherwise provided, the Attorney General shall be the exclusive arbiter for the resolution of any legal dispute between two or more executive agencies or departments, including a dispute as to which agency or department shall litigate an action, administer a particular program, or regulate a particular activity.

"(d) The Attorney General shall report, at the beginning of each Congress, to the Committees on the Judiciary of the Senate and the House of Representatives on—

"(1) bills or resolutions affecting the litigation authority of the Department of Justice, of which the Attorney General is aware, that were introduced in the previous Congress but were not enacted;

"(2) the status of litigation authority in the Federal Government, including the extent to which agencies other than the Department of Justice are authorized to litigate and whether such agencies are conducting litigation by formal or informal agreement with the Department of Justice;

"(3) the Attorney General's assessment of each agreement between the Department of Justice and another agency affecting the litigation authority of the Department for particular categories of cases, including—

"(A) a description of any problems relating to any such agreement;

"(B) the steps the Attorney General intends to take to remedy those problems; and

"(C) any legislative recommendations the Department of Justice may have to improve the coordination of legal activities between the Department of Justice and its client agencies; and

"(4) the efforts the Attorney General has undertaken in the preceding two years and the efforts the Attorney General expects to undertake during the forthcoming years to coordinate activities and resolve conflicts between the Department of Justice and other Federal agencies, and to increase the efficient and effective operation of Federal litigation resources.".

TITLE II—DEPARTMENT OF JUSTICE REPORT ON FEDERAL CASE MANAGEMENT

SEC. 201. The Attorney General shall prepare and submit to the Committees on the Judiciary of the Senate and House of Representatives a systems development plan for the activation and coordination, within the Department of Justice, of compatible, comprehensive case management information and tracking systems for each of the judicial districts of the United States as described in chapter 5 of title 28 of the United States Code and for each of the divisions of the Department of Justice.

SEC. 202. The plan prepared pursuant to section 201 shall—

(1) determine the functional, informational, and data service requirements of each of the legal divisions of the Department, the United States Attorneys Offices, and a representative sampling of key client agencies;

(2) identify, from the requirements determined under paragraph (1), data that should be uniformly collected for purposes of inclusion in the systems, and determine how such data should be defined for purposes of inclusion in and access to the systems;

(3) evaluate existing case management information and tracking systems to determine the responsiveness of such systems to the requirements determined under subsections (1) and (2);

(4) assess what data is required to be collected to improve the effectiveness and responsiveness of the existing systems and develop the policies and procedures for the collection and generation of such data;

(5) have as its goal, maximum service and data quality, retrievability, and utility to the users; and

(6) include a timetable for the implementation of such plan, and an assessment of the costs for implementation of such plan.

SEC. 203. There are authorized to be appropriated for the fiscal year ending September 30, 1981, $300,000 for the purposes of development and implementation of a systems development plan as described in this title.

TITLE III—STATUS OF CASES REFERRED TO THE DEPARTMENT OF JUSTICE

SEC. 301. Until completion of the planned systems under title II, the Attorney General shall include in his authorization request to the Committees on the Judiciary of the Senate and the House of Representatives a report on the status of cases referred to the Department of Justice by any Inspector General of an agency.

SEC. 302. The report required under section 301 shall include—

(1) the name of the referring agency and the agency program involved;

(2) a brief description of the nature of the case, including a citation of the alleged violation;

(3) the name of the division within the Department of Justice or the United States attorney responsible for the handling of the case;

(4) the current status of the case, including any action taken with respect to the prosecution of the case, and if no action has been taken, an explanation of why such case was not prosecuted and any administrative action recommended; and

(5) the result of any court action, if any, including any sentence of imprisonment or fine imposed as a result of such court action and the amount of any restitution awarded, if any, and the amount, if any, collected.

SEC. 303. (a) Except as provided in subsection (b), the file of any case described in section 301, with respect to which further action by the Department of Justice is terminated, shall be available for review by members of the Committees on the Judiciary of the Senate and the House of Representatives, and the staff of such committees, after removal from such files of the names and identifiers of any sources or informants, if any, and all grand jury material under an obligation of secrecy required by Rule 6(e) of the Federal Rules of Criminal Procedure

(b) The provisions of subsection (a) shall not apply to any case relating to national security.

TITLE IV—DEPARTMENT OF JUSTICE REPORT TO CONGRESS

SEC. 401. Chapter 31 of title 28 of the United States Code is amended by inserting immediately after section 522 the following:

"§ 522A. Report and declaration of the Attorney General with respect to the constitutionality of laws of the United States

"(a) The Attorney General shall transmit a report to each House of the Congress in any case in which the Attorney General—

"(1) establishes a policy to refrain from the enforcement of any provision of law enacted by the Congress, the enforcement of which is the responsibility of the Department of Justice, because of the position of the Department of Justice that such provision of law is not constitutional; or

"(2) determines that the Department of Justice will contest, or will refrain from defending, any provision of law enacted by the Congress in any proceeding before any court of the United States or before any court of a State, or in any administrative or other proceeding, because of the position of the Department of Justice that such provision of law is not constitutional.

"(b) Any report required in subsection (a) shall be transmitted not later than thirty days after the Attorney General establishes the policy specified in subsection (a)(1) or makes the determination specified in subsection (a)(2). Each such report shall—

"(1) specify the provision of law involved;

"(2) include a detailed statement of the reasons for the position of the Department of Justice that such provision of law is not constitutional; and

"(3) in the case of a determination specified in subsection (a)(2), indicate the nature of the judicial, administrative, or other proceeding involved.

"(c) If the Attorney General determines that the Department of Justice will contest, or will refrain from defending, any provision of law enacted by the Congress in any proceeding before any court of the United States or before any court of a State, or in any administrative or other proceeding because of the position of the Department of Justice that such provision of law is not constitutional, then the representative of the Department of Justice participating in such proceeding shall make a declaration in such proceeding that such position of the Department of Justice regarding the constitutionality of the provision of law involved constitutes the position of the executive branch of the United States with respect to such matter.".

SEC. 402. The table of sections of Chapter 31 of title 28 of the United States Code is amended by inserting immediately below the item relating to section 522 the following:

"522A. Report and declaration of the Attorney General with respect to the constitutionality of laws of the United States.".●

NEED FOR EXPORT TRADING COMPANY LEGISLATION

● Mr. HEINZ. Mr. President, the position of the United States in the international marketplace has continued to decline throughout the past decade and threatens to grow worse if aggressive new policies are not instituted promptly. One needed step is the enactment of export trading company legislation (S. 144) which will help promote a significant increase in U.S. exports. According to a study done by the National Association of Manufacturers last year, imports of manufactured goods increased nearly four times as fast as exports since 1970, with that margin growing in the last half of the decade.

The study reported that our industrial competitiveness is declining, measured both by increased import penetration here and loss of export markets elsewhere. The U.S. share of world markets declined from 21.3 percent to 17.4 percent over the past 10 years, the largest relative decline among major industrial exporters. We have lost market share in 8 of the 9 EC countries and 12 of the 13 OPEC countries. While our manufactured goods trade has stayed in rough balance, Japan and West Germany in 1979 had surpluses of $70 billion and $60 billion respectively.

Mr. President, these statistics are indeed alarming and make a clear and compelling case for the need to mobilize the Nation's exporting resources. On February 17 and 18, the Subcommittee on International Finance and Monetary Policy held hearings on S. 144, which now has 59 cosponsors. Several witnesses expanded on the need for this legislation to improve our export picture. Notable among them was former Senator Adlai Stevenson, the real "father" of the bill.

Mr. President, I ask that Senator Stevenson's testimony be printed in the RECORD.

TESTIMONY ON EXPORT TRADING COMPANIES

(By Adlai E. Stevenson)

I thank you for the opportunity to appear before this distinguished Subcommittee and continue an effort we began together some years ago, to examine U.S. export performance and develop the elements of a national export strategy.

The nation's oil import bill will exceed $85 billion this year and leave us with a merchandise trade deficit of almost $20 billion. Last month, the Commerce Department recorded the nation's 57th consecutive monthly trade deficit. The deficits mount, with no end in sight, adding to inflation and unemployment, weakening the dollar and, ultimately, our influence in the world. The deficits persist, yet we leave the nation's vast export potential largely untapped.

U.S. exports have grown over the past decade from 4.3 percent of our national product to 8 percent today. But this expansion has not kept pace with the growth of overseas markets. Since 1970, the U.S. share of total world exports has declined from 15 percent to 12 percent, while our competitors have maintained or increased their shares. For exports of manufactures, the decline in U.S. share has been even more precipitous—from 21.3 percent in 1970 to 17.4 percent in 1979.

These figures are not abstractions; they represent billions of dollars of export business which have fallen to our trading partners in Europe and Japan. And with each billion dollars of lost exports, we lose an estimated 40,000–50,000 domestic jobs. Other countries, such as West Germany, go all out to produce and sell in world markets, and export upward of 22 percent of their GNP. This country, despite countless studies documenting untapped export potential, still lacks a coherent national export policy and the institutions and channels which could mobilize it.

Foreign trade remains the province of the largest U.S. corporations, with 1 percent of U.S. firms responsible for 80 percent of all exports. Export expansion on the scale required to offset U.S. trade deficits will depend on the development of new channels to link tens of thousands of small and medium sized American firms with global markets. Today, fewer than one in ten U.S. manufacturers sell any part of their production overseas (20,000 out of 250,000 U.S. firms). Yet studies by the Department of Commerce and testimony before this Subcommittee have indicated that more than 20,000 other U.S. producers offer goods and services which could be highly competitive abroad. The small size and inexperience of these firms, however, leave them unaware of overseas opportunities and ill-equipped to absorb the front end costs and risks involved in developing foreign markets.

Export trading companies could link these exporters with global markets. They could represent small as well as large U.S. companies world wide, spotting market opportunities, meeting price competition, absorbing exchange rate fluctuations, handling the details of export transactions—and offering a full range of services and products to foreign purchasers and domestic producers.

Regional and international banks, with their financing capabilities, international correspondent networks, and expertise about foreign economic conditions, are especially well positioned to develop trading company subsidiaries handling export goods and services. Banks could buy into existing firms or form alliances with manufacturers or other banks to create new ones.

Large manufacturers and merchandisers already involved in sizeable export trade could, via export trading companies, handle the goods of myriad other firms. A corporation's international contacts and expertise offer economies of scale in the overseas marketing of products from small and medium sized firms which could not otherwise be exported profitably. Export trading companies would also give corporations the flexibility to deal with multi-country, multi-currency transactions, or massive "turnkey" projects involving multiple suppliers. Perhaps most importantly, it would enable firms to handle the complex trade deals increasingly being carried out on a barter basis with socialist and Third World countries. According to the Commerce Department, as much as 40% of East-West trade this year will involve some sort of barter arrangement. Companies such as GE, GM and Rockwell International already have established "counter-trade subsidiaries." With passage of S. 144, these could become full-line trading companies and in a better position to carry out counter-trade transactions.

Despite the success of trading companies as "export middlemen" in Europe, Japan, and other countries, such companies have been slow to develop in the United States, due to deterrents presented by banking regulations, antitrust uncertainties, and the traditional insularity of the U.S. market. Last year, legislation was developed by this Subcommittee to remove some of these deterrents. The Export Trading Company Act of 1980 modified provisions of existing law which discourage the establishment or expansion of export trading companies, and offered modest incentives to their development. It passed the Senate last session by a vote of 77–0. Unfortunately, the House was unable to act on the bill before the session ended. I am pleased the export trading company legislation has been reintroduced and I am hopeful that through your efforts, Mr. Chairman and those of other Senators concerned about U.S. export performance, the clock will not run out on this legislation again.

Although a variety of existing enterprises provide export services to U.S. producers, most are small, thinly-capitalized firms which fulfill only a few of the many functions required for export trade. Concern has been raised that these firms would be at a competitive disadvantage against the full-line export trading companies contemplated by this legislation. This concern is misplaced, for several reasons.

First, the whole premise of this legislation is that U.S. export potential has barely been tapped. The export business is not a static pie. Major opportunities exist for existing export management firms as well as new export trading companies, opportunities which will be enhanced by passage of this legislation and as more firms gain export experience.

This has been the case in Japan, where despite the existence of nine dominant export trading companies, over 6,000 smaller export trading companies continue to compete profitably for export business.

Second, nothing in this legislation precludes existing export management firms from seeking bank or corporate equity and expanding into full-line trading companies. Indeed, many firms have testified before this Subcommittee of their eagerness to do so. This legislation basically affords existing firms the flexibility to structure their operations as comprehensively as they find profitable.

Third, I agree that the formation of export trading companies will increase compe-

tition in the export trade business. But I find that outcome wholly desirable. Competitive export management firms will remain competitive, whether or not they remain specialized. If they choose to expand, they will be prime candidates for (bank or corporate) equity investors. Less competitive export firms will be forced to improve efficiency or go out of business. The result—increased productivity in the export service sector and expanded U.S. exports.

The success of large-scale general purpose trading companies in Europe and Japan has contributed significantly to the export earning, of all our major trade competitors. Foreign-owned trading companies operating in the U.S., in a manner precluded to U.S. export trade associations, have been equally successful. Last year, a Japanese-owned trading company was responsible for 1 percent of total U.S. exports—serving 34 corporations in the Fortune 500. The sixth largest U.S. exporter is another Japanese trading company—Mitsui. While these companies successfully expand U.S. exports, the profits go to Japan. Why should U.S. firms be precluded from competing for this business, offering a full range of services and keeping the profits here?

The growth of U.S. export trading companies has been hindered by government regulation, the structure of American enterprise, and the traditional insularity of the U.S. market. U.S. banking laws exclude banks from offering export trading services or investing in export trading companies. Antitrust uncertainties deter U.S. companies from pooling resources with other producers in order to expand exports. American businessmen, especially small businessmen, are unfamiliar with foreign customs and languages, unaware of foreign market opportunities, and ill-equipped to deal with the bureaucratic requirements of licensing, insurance, financing and shipping arrangements. Large multinational companies have developed their own export markets, but do little to assist other potential exporters.

Without S. 144 to reduce impediments and encourage U.S. trading companies, small and inexperienced firms will continue to be locked out of foreign markets, except as suppliers to large firms which will themselves remain handicapped.

THE NECESSITY FOR BANK PARTICIPATION

If export trading companies are to develop on a scale sufficient to affect overall U.S. export levels, it is imperative that banks and major corporations be involved in their formation. Commercial banks especially, with their financial resources, international correspondent networks and trade financing experience are well positioned to assist in the establishment of trading companies. Even more importantly, commercial bank networks extend throughout the U.S., touching virtually all small and medium sized firms. U.S. banking oganizations have the systems, skills and experience to develop trading companies offering one-stop export service to U.S. firms, but need broader authority to do so. S. 144, within carefully defined limits, would provide that authority, by enabling banks, banking holding companies and Edge corporations to make limited investments in export trading companies, subject to prior approval and conditions imposed by appropriate Federal bank regulatory agencies. These limitations include the specifications that no bank may invest more than 5 percent of its capital in an export trading company, and that all investments over $10 million, as well as any controlling (25 percent or more) equity positions, be reviewed by the appropriate bank regulatory agency and subject to conditions designed to ensure the safety of bank involvement and fair competition.

The legislation comprehends a number of safeguards to protect against breaches of the traditional wall separating domestic banking and commercial activities. The bill makes clear that trading companies must be engaged exclusively in international trade. It does not grant ETCs any authority to engage in, for example, manufacturing, farming or the securities industry.

The separation of banking and commerce is an American tradition with some justification. It is not true, however, that banks have been limited exclusively to credit and deposit related functions for 100 years. In 1919, for example, Congress recognized that banks must compete in the foreign market and authorized banks to form Edge Act corporations which may engage in activities abroad which are prohibited within the United States. Another instance of bank participation in commercial activity is bank ownership of Small Business Investment Corporations, which Congress deemed necessary to make capital available for small businesses.

Section 105(4) of S. 144 squarely prohibits preferential bank lending to any affiliated export trading company or its customers, a prohibition which exceeds anything now in the Bank Holding Company Act or International Banking Act. The legislation ensures that banking organizations would have to exercise the same credit judgments in lending to export trading companies and their customers as they do in other banking activities. The limit on aggregate bank investments in export trading companies further protects against too great an incentive to lend to an affiliated trading company or its customers.

Above and beyond these statutory limitations, the bill vests bank regulatory agencies—the Federal Reserve, Comptroller, FDIC and FHLBB—with authority to establish standards, guidelines, regulations, inventory-to-capital ratios, or other requirements governing the activities of export-trading companies with commercial bank involvement. Any initial investment by a banking institution in an export trade subsidiary must be specifically approved by a federal banking agency. Thereafter, the agency has the right to disapprove additional investments in an ETC, or additional lines of activity the ETC may want to engage in. The agencies can set conditions limiting a particular bank's financial exposure to an ETC and prevent any operations or practices they deem unsound. They also have the authority to enforce any conditions or limitations imposed with cease-and-desist orders, and require such reports as necessary to monitor a banking organization's export trade involvement. All this is in addition to the stringent statutory limitations limiting total investments (equity and loans) in ETCs to 10 percent of a bank's capital and prohibiting preferential lending. These comprehensive controls, devised in cooperation with the Federal Reserve, ensure against any conceivable threat to a bank's depositors, shareholders or competitors which could be posed by the equity involvement of banks in export trading companies.

THE NECESSITY OF ANTITRUST IMMUNITY TO ENCOURAGE TRADING COMPANIES

Title II of S. 144 would revise the Webb-Pomerene Act of 1918 to clarify the antitrust provisions applicable to export trade associations and export trading companies. It also extends the Act's coverage to the export of services and transfers administrative responsibility for Webb-Pomerene from the FTC to the Commerce Department. Most importantly, it provides a certification procedure which would enable Webb associations and export trading companies to obtain antitrust preclearance for specified export trade operations. The clearance procedure would facilitate exports by permitting firms to determine in advance exactly which export trade activities would be immune from antitrust suit and which ones would not.

It should be clearly understood that this title constitutes no substantive change in U.S. antitrust law. It merely codifies what ambiguities in the wording of Webb-Pomerene left unclear, in a manner consistent with court interpretations and Justice Department Enforcement practices. Legal uncertainties about what export activities constitute a "substantial restraint of domestic trade," and the threat of antitrust litigation have severely limited the statute's utility. The 33 Webb-Pomerene associations in existence today account for less than 2 percent of U.S. exports.

The United States can ill-afford inconsistencies in antitrust policy which, in the name of competition, effectively prevent U.S. firms from competing in world markets. Title II of this legislation recognizes the significant export gains which could be made if export trading companies and Webb-Pomerene associations were allowed to engage in specific activities without fear of prosecution under the anti-trust laws. The certification process mandates the Department of Commerce to consult with the Justice Department and the Federal Trade Commission in determining that proposed export activities do not violate antitrust standards. The Secretary of Commerce must also find that the export operations to be certified will serve a specified need. Any change in the export trade or methods of operation must be reported to the Secretary of Commerce and the certification accordingly modified.

Even after the export activities of a trading company or association have been certified, they remain subject to the continuing scrutiny of the Departments of Commerce and Justice and the Federal Trade Commission. Either Justice or the FTC may at any time initiate an action to revoke a trading company's certification. Once the certification has been revoked, civil or criminal suits may be brought against an export trading company.

Mr. Chairman, it is extremely difficult to comprehend how the modest clarification of existing law and elaborate safeguards of Title II could be deemed in any sense a legislative endorsement of cartels or a violation of U.S. antitrust statutes. Careful reading of this Title and the legislative and case history of the Webb-Pomerene Act makes clear not only the established need for clarification of permissible export trade activities, but the fact that nothing in this legislation constitutes a substantive change in antitrust law.

PROVISIONS FOR IMPLEMENTATION OF S. 144

In order to encourage the direct participation of smaller exporters in the formation of export trading companies, the legislation urges the Economic Development Administration and the Small Business Administration to give special attention to the financing needs of small and medium sized concerns interested in exploring export opportunities. S. 144 authorizes $20 million per year in fiscal years 1981 through 1985 to EDA and SBA to support loans or guarantees for these purposes. The level of funding proposed is modest, both in relation to the need or export promotion activities directed towards small businesses and in comparison with the tremendous employment and balance of payments gains which accompany increased export activity. In 1978, in fact, the Carter administration's "export policy" proposed a $100 million SBA program to assist small businesses interested in exporting. Unfortunately, nothing on this scale has been implemented.

The bill also directs the Secretary of Commerce to promote actively the formation of export trading companies and to disseminate information about related opportunities. Finally, S. 144 directs Eximbank to establish a guarantee program for commercial loans to U.S. exporters when potential export business is threatened by a small exporter's in-

ability to secure adequate financing. The legislation leaves the size of this program unspecified, with amounts to be appropriated annually to the Export-Import bank. The section makes clear, however, that the program is designed to aid small and medium sized exporters.

In my judgment, all of these provisions are essential if this legislation is to reach its intended beneficiaries—the large pool of small and medium sized firms with export potential, but lacking the expertise and resources to bring their products to world markets.

Finally, Mr. Chairman, I would like to comment on certain tax provisions which were contained in earlier versions of this legislation. The original bill's third title extended tax deferrals available under the DISC (Domestic International Sales Corporation) provisions of the tax code to export trading companies, including income from the export of services. It also allowed for limited use of subpart S of the tax code by export trading companies—permitting certain passthroughs to shareholders of closely held corporations. The title directed the Commerce Department, in consultation with the IRS, to prepare a guide to help export trading companies form DISCs or elect subpart S tax treatment.

These provisions were intended to help small exporters benefit from favorable tax provisions in existing law. Since its inception in 1971, over 60 percent of total DISC benefits have gone to parent corporations with more than $250 million in assets. A Treasury Department analysis of the program concluded the legal and accounting costs of complying with the complex DISC legislation inhibited small company participation in the tax benefits.

It is only fair to ensure that export trading companies, and especially smaller companies or Webb associations, are able to take advantage of legitimate tax benefits. Eligibility for favorable tax treatment could also present a significant incentive to formation of export trading companies. For these reasons, I hope the tax provisions will be reintroduced, and receive favorable consideration by the Senate Finance Committee as an integral element of export trading company legislation.

In conclusion, S. 144 is not a national export strategy; it will not overnight reverse a $20 billion merchandise trade deficit. But this legislation will substantially improve the nation's ability to compete in a highly competitive, trade-dependent world. No other first step will do more to strengthen the marketing of American goods and services abroad. S. 144 proposes no costly or cumbersome new federal programs. It simply repeals disincentives and impediments in existing law. It helps put American industry on an equal footing with its foreign competitors. It gives American business, especially small business, a chance to win new markets, create new employment, and foster the broad expansion of U.S. export potential required to reverse dangerous deficits and stabilize the dollar.●

LITHUANIAN INDEPENDENCE

● Mr. METZENBAUM. Mr. President, this week, Lithuanian-Americans are meeting in cities and towns across this country to observe the 63d anniversary of Lithuania's Declaration of Independence. In doing so, they will renew their commitment to preserving their rich culture here in America, and at the same time, they will remember the time when that small country was free.

Our friends and neighbors of Lithuanian heritage have a profound and abiding concern about their brethren who must live every day with the reality of Soviet oppression.

All Americans should know that Lithuania has produced far more than its share of the incredibly brave men and women who make up the human rights movement in the Soviet Union, and in spite of nearly four decades of Soviet dominance, the Lithuanian people continue to demand their fundamental right to practice their religious faith and to preserve their identity as a nation.

Lithuanians can take pride in their nation's stubborn resistance to overwhelming Soviet power. But pride is tempered by sadness because the independence that was restored to Lithuania on February 16, 1918, lasted only until 1940. In that year, in the aftermath of the infamous treaty between Stalinist Russia and Nazi Germany, the Soviet Union moved ruthlessly to extinguish the freedom of three small neighbors—Lithuania, Latvia, and Estonia.

The Soviets in 1940 were not bothered by the fact fully 20 years before, they had formally given up all claims to the Baltic States.

It did not concern Stalin that the people of those countries had no desire to be a part of the oppressive Soviet system.

To this day, the United States, to its great credit, has never recognized the Soviet conquest of the Baltic States.

A Lithuanian Embassy still exists in Washington.

Lithuanian diplomats are still accredited to this country.

And to this day, the United States stands firm in its belief that the question of the Baltic States is not and cannot be closed.

That position has—and will continue to have—my strong support.

But whatever our point of view in this country might be, the fact remains that the Soviet Government is just as determined now as it ever was to crush dissent, to eradicate, religion, and to eliminate minority cultures.

Consider for example, what it means to be a member of a religious community in the Soviet Union:

No religious believer—Christian, Jew, or Moslem alike—may be a teacher in the Soviet Union.

No religious believer may be a civil servant or an official in the government.

No religious believer may be assured of access to places of worship or to the services of the clergy.

In the Soviet Union, official permission is required for a priest or a minister or a rabbi to visit the sick. Official permission is required even to administer the last rites to the dying. And often in the Soviet Union, official permission is refused.

Yet in Lithuania today, church officials estimate that 75 percent of the people are practicing Catholics. The Church of Silence is silent no more and the human rights movement has grown into a major force. When one of its leaders—Father Alfonsas Svarinskas—was asked by foreign journalists if he considered himself a dissident, he gave a reply that must have caused great consternation at the headquarters of the KGB:

"In Lithuania," he said, "everybody is a dissident. As far as we are concerned," he added, "it is the collaborators whose numbers are small here, not the dissidents."

I am sure that Father Svarinskas spoke the truth.

But in the Soviet Union, speaking the truth is a costly and dangerous thing.

For Balys Gayauskas, editor of the Chronicles of the Catholic Church in Lithuania—the oldest of the underground papers in the Soviet Union—speaking the truth meant a sentence of 15 years—10 of them to be spent in what the Soviets call a "special regime" prison.

A special regime prison in the Soviet Union is very special indeed.

The food in such places is especially bad.

Living quarters are especially cold and crowded.

Medical care and hygienic facilities are especially absent.

And the risk to life and health and sanity is especially great.

For Viktoras Petkus, a member of the group established in Lithuania to monitor Soviet compliance with the Helsinki accords, speaking the truth has meant arrest, a ludicrous trial and a 12-year sentence—7 years in special regime camp, followed by another 5 years of internal exile.

Petkus, who is 52 years old, is a scholar of Lithuanian literature, a devout Catholic, and a founding member of the Helsinki Watch Group. What was his crime? He was convicted of anti-Soviet agitation and propaganda for asking the Soviet Government to honor its own solemn word, given in writing to the other nations of the world, that it would observe the human rights provisions of the Helsinki accords. It is no crime in the Soviet Union for the Government to promise such things. It is a crime only when a Soviet citizen asks the Government to live up to its promises.

At Helsinki, the Soviets promised to permit emigration to reunite families. That is a hollow promise to Ben Paulionis, a Lithuanian American in my home city of Cleveland, who has been trying without success for 34 years to secure permission for his wife to come from Lithuania to America. His children have grown up without him. He has never seen his grandchildren. His wife is retired from her job as a midwife—hardly an occupation that involves state security. But still, she cannot leave.

Mr. President, the Paulionis case is a classic example of the open Soviet contempt for the most elementary standards of decency and human rights.

The American Embassy in Moscow has pressed this case as a priority.

I have written about it repeatedly to Ambassador Dobrynin. I have raised it in meetings with Soviet officials.

Always, the Soviets promise to look into the case. They say that these matters can be resolved quietly, that there is no need for a public outcry.

But what resolution has there been?

None. Not one word has come from the Soviet Embassy. And Mrs. Paulionis is still in Lithuania.

That is an outrage—the kind outrage with which millions of people in the Soviet Union have to live with every day.

Mr. President, it has been said that the human rights thrust in our foreign policy was a mistake.

I have heard the argument that support for human rights in the Soviet Union and other countries complicates our international relations. They are sensitive to criticism, I am told, and if we want to get along, we should go along.

I am not prepared to go along—not with a regime that presides over the jailhouse of nations that is the Soviet Union today.

I am not prepared to get along with a country that routinely violates its own promises to observe basic human rights guarantees.

And to those who believe that human rights is not a proper subject for American diplomacy, I say ask the people whose independence day we observe this week.

The Lithuanians know how important it is to keep up the pressure on the Soviet Government.

They understand what human rights means to those whose who do not enjoy them.

And they know what a tragedy it would be were this Nation to back away from its commitment to speak up for those whose voices have been silenced.

Mr. President, I salute the Lithuanian-American community on this special occasion and I commend them for keeping alive the hope that the ancient Lithuanian nation will again know freedom.●

MONTANA LAW SCHOOL MOOT COURT TEAM WINS NATIONAL CHAMPIONSHIP

● Mr. BAUCUS. Mr. President, occasionally I cannot resist the impulse to express my pride in the accomplishments of certain Montanans. In this instance, I commend the University of Montana Law School moot court team for winning the national championship in New York City recently.

As many of my colleagues who have participated in this competition know, it is rigorous and the standards by which the appellate advocacy of these student competitors is judged are demanding. Team members Carey Matovich, Paul Meismer, and Karl Seel are especially deserving of praise. They have proven that, although the UM Law School is one of the smallest in the Nation, it is one of the finest.

Of course, behind every successful competitor stands a contingent of advisors, trainers, and supporters who also share in the victory. Accordingly, I would also like to congratulate my good friends, Prof. J. Martin Burke who served as faculty advisor for the team and Dean John O. (Jack) Mudd who has worked diligently to foster the kind of academic environment that encourages this level of excellence in legal education. In addition, the entire faculty of the law school is to be commended.

I ask that the following article from the January 31, 1981, Missoulian be printed in the RECORD.

The article follows:

UM TEAM WINS NATIONAL COMPETITION

Three University of Montana law students will return to Missoula laden with cash awards, trophies, books and a championship title earned at the National Moot Court Competition in New York City this week.

UM's team of students out-argued law students from Northwestern University Friday in the final round of the moot-court contest, one of the most prestigious of all law-school competitions.

Carey E. Matovich of Jordan, the only woman on UM's team, won the "best-all argument" award for her presentation. Paul C. Meismer, Billings, and Karl P. Seel, Missoula, were also members of UM's team.

Friday's victory was the first national moot-court championship won by UM students. Another team of UM students qualified for national competition in 1957.

Nine justices sat as a mock supreme court to hear the final-round of arguments Friday as nearly 1,000 spectators watched UM and Northwestern compete for the title. Potter Stewart, associate justice of the U.S. Supreme Court, presided over the contest as chief.

The moot court competition is sponsored by the Young Lawyers Committee of New York's Association of the Bar and the American College of Trial Lawyers. It is meant to encourage "appellate advocacy," or the presentation of a case before an appeals court, among law students and to provide a common meeting ground for faculty, staff, students, judges and lawyers.

UM's faculty adviser was J. Martin Burke, associate professor of law.

In the semifinals, also held Friday, Missoula students defeated Indiana University's team of law students while Northwestern beat Drake University.

In earlier rounds, UM topped teams from Baylor University, University of New Mexico, University of Alabama and Southern Methodist University. Twenty-nine teams from across the country qualified for national competition.●

HOUSE OF REPRESENTATIVES—*Friday, February 20, 1981*

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the fourth calendar quarter 1980:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. A-K Associates, Inc., 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.
B. City of South Lake Tahoe, P.O. Box 1210, South Lake Tahoe, Calif.; California Society of Pathologists and Pathologist Practice Association, 1225 Eighth Street, Suite 590, Sacramento, Calif. 95814.

A. Akin, Gump, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Zale Corp., 3000 Diamond Park Drive, Dallas, Tex. 75247.

A. All Unions Committee To Shorten the Workweek, 4300 Michigan Avenue, Detroit, Mich. 48210.

A. Morris J. Amitay, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.
B. ENI Cos., 1417 116th Avenue NE., call No. C21611, Belleview, Wash. 98009.

A. Morris J. Amitay, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.
B. Hickory Association, 560 South Broadway, Hicksville, N.Y. 11801.

A. Morris J. Amitay, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.
B. Northrop Corp., 1701 North Fort Myer Drive, Arlington, Va. 22209.

A. Anderson & Pendleton, 1000 16th Street NW., Suite 701, Washington, D.C. 20036.
B. Military Mission of Chile, 1736 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Arnold & Porter, 1220 New Hampshire Avenue NW., Washington, D.C. 20036.
B. The Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.

A. Association for the Advancement of Psychology, 1200 17th Street NW., No. 200, Washington, D.C. 20036.

A. Lloyd G. Ator, Jr., 228 Shorey Road, Silver Spring, Md. 20901.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Continental Materials), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Christine M. Bangert, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.

A. Judy Bardacke, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

A. Carol Barger, Consumers Union, 500 West 13th Street, Austin, Tex. 78701.
B. Consumers Union of U.S., Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Suite 400, Washington, D.C. 20006.
B. Tartaric Chemicals Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Neil D. Baron, Booth & Baron, 122 East 42d Street, New York, N.Y. 10168.
B. Standard & Poor's Corp., 25 Broadway, New York, N.Y. 10004.

A. Laura L. Beaty, 806 North Jefferson Street, Arlington, Va. 22205.
B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. St. George/Highly Corp., 1127 West Seventh Avenue, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 400 Jenifer Street NW., No. 300, Washington, D.C. 20015.
B. Teamster 959 Employee Pension Trust, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Phil M. Bitter, Chevron U.S.A., Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.

A. Black, Manafort & Stone, Inc., 435 North Lee Street, Alexandria Va. 22314.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Neal Blair, 2727 Jones Branch Drive, Suite 400, McLean, Va. 22102.
B. Free the Eagle, 2727 Jones Branch Drive, Suite 400, McLean, Va. 22102; Educational Corp., and Target, Inc., 2411 Old Crow Canyon Road, San Ramon, Calif. 94583.

A. Blatchford, Epstein & Brady, 1000 Potomac Street, NW., Washington, D.C. 20007.
B. Insulation Contractors Association, 905 16th Street NW., Washington, D.C. 20006.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Mineral Insulation Manufacturers Association, 382 Springfield Avenue, Summit, N.J. 07901.

A. Richard W. Bliss, 1899 L Street NW., Suite 1200, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.

A. Susan A. Boolukos, American Frozen Food Institute, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
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A. Stephen S. Boynton, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Arlington, Va. 22209.
B. The Wildlife Legislative Fund of America, 50 West Broad Street, Columbus, Ohio 43215.

A. Jerry M. Brady, 1000 Potomac Street NW., Suite 103, Washington, D.C. 20007.
B. National Energy Efficiency Coalition, 1000 Potomac Street NW., Suite 103, Washington, D.C. 20007.

A. Peter Elliot Braveman, 500 Newport Center Drive, Suite 555, Newport Beach, Calif.
B. Loeb & Loeb, 1 Wilshire Boulevard, 16th floor, Los Angeles, Calif. 90017 (for Joan Irvine Smith).

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000 North, Washington, D.C. 20036.
B. Northern Solar Systems, Inc., 30 Pond Park Road, Hingham, Mass. 02043.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Home Owners Warranty Corp., National Housing Center, 15th and M Streets NW., Washington, D.C. 20005.

A. Joseph A. Bruno, 15 Chester Street, No. 28, Cambridge, Mass. 02140.
B. Shawmut Corp., 1 Federal Street, Boston, Mass. 02211.

A. Busby, Rehm & Leonard, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Arlington, Va. 22202.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Safetran Systems Corp., P.O. Box 1037, Louisville, Ky. 40201.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Council on Foundations, Inc., 1828 L Street NW., Washington, D.C. 20036.

A. Cary & Baron, 500 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Puget Sound Power & Light Co., Puget Power Building, Bellevue, Wash. 98009.

A. John J. Castellani, TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

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B. Professional Insurance Agents, 600 Pennsylvania Avenue SE., Suite 202, Washington, D.C. 20003.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Stichting Philips Pensioenfonds A and B, Tramstraat 62, Eindhoven, The Netherlands.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Murray Ohio Manufacturing Co., Franklin Road, Brentwood, Tenn. 37027.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Norris Industries, 5215 South Boyle Avenue, Los Angeles, Calif. 90058.

A. Marvin Collins, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 2006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. The Committee for Freedom of Access to Legal Lotteries, P.O. Box 92, Guilford, Maine 04443.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.

B. Bulova Systems & Instruments Corp., Green Acres Road NW., P.O. Box 189, Valley Stream, N.Y. 11582.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.

B. First Bank & Trust Co., 1544 Winchester Avenue, Ashland, Ky. 41101.

A. Cook, Purcell, Hansen & Henderson, 11th Floor, 1015 18th Street NW., Washington, D.C. 20036.

B. Guam Growth Council, P.O. Box BV, Agana, Guam 96911.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.

B. Hamilton Technology, Inc., P.O. Box 1609, Columbia Avenue, Lancaster, Pa. 17604.

A. J. Barry Coughlin, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Company, Dearborn, Mich. 48121.

A. Council for American Private Education, 1625 I Street NW., Washington, D.C. 20006.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Phillips Petroleum Co., 1262 Adams Building, Bartlesville, Okla. 74004.

A. Cramer & Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. William C. Cramer, Cramer & Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Eli Lilly, Inc., 307 East McCarty Street, Indianapolis, Ind. 46285.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Wholesaler-Distributors, 1725 K Street NW., Washington, D.C. 20006.

A. Charles H. Crutchfield, Suite 104, 6230 Fairview Road, Charlotte, N.C. 28210.

B. General Tire & Rubber Co., One General Street, Akron, Ohio 44329.

A. Gerard L. Cullen, 7900 Callaghan Road, San Antonio, Tex. 78229.

B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.

A. Sharon Allen Currens, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Suite 340, Washington, D.C. 20006.

B. Korea Leather & Fur Exporter's Association.

A. Cheryl C. Davis, David Vienna & Associates, 510 C Street NE., Washington, D.C. 20002.

B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202 and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.

B. Snyder Oil Co., 410 17th Street, Suite 1300, Denver, Colo. 80202.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202 and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.

B. Tenneco Oil Co., 126 North Point Drive, P.O. Box 2888, Houston, Tex. 77001.

A. DeHart Associates, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., 1633 Broadway, New York, N.Y. 10019.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Mineral Resources Co., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Patsy B. Dix, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

A. Karen A. Doherty, Sierra Club, 800 Second Avenue, New York, N.Y. 10017.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

A. John J. D'Onofrio, 1125 University Building, 910 16th Street, Denver, Colo. 80202.

B. Ute Mountain Ute Tribe, Towaoc, Colo. 81334.

A. Timothy L. Donohoe, Enserch Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.

B. Enserch Corp., 301 South Harwood Street, Dallas, Tex. 75201.

A. C. R. Duggan, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.

A. Don R. Duncan, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.

B. Phillips Petroleum Co., Bartlesville, Okla.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., No. 460, Washington, D.C. 20006.

B. Toyota Motor Sales, U.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.

A. William A. Edwards, 250 Old Country Road, Mineola, N.Y. 11501.

B. Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.

A. Keith H. Ellis, Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Paul A. Equale, Travel Industry Association of America, 1899 L Street NW., Washington, D.C. 20036.

B. Travel Industry Association of America, 1899 L Street NW., Washington, D.C. 20036.

A. Donald C. Evans, 290 Cocoanut Avenue, Sarasota, Fla. 33577.

A. Penelope S. Farthing, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

A. Mary Clare Fitzgerald, The Chase Manhattan Bank, 900 17th Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10081.

A. Martha Flory, Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. John P. Foley, Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Gregory W. Frazier, P.O. 427, Englewood, Colo. 80151.

A. Free Alaska Lands Committee, 425 G Street, No. 930, Anchorage, Alaska 99501.

A. Free the Eagle, 7927 Jones Branch Drive, Suite 400, McLean, Va. 22102.

A. Fred Gaboury, 343 South Dearborn Street, Room 600, Chicago, Ill. 60604.

B. All Unions Committee To Shorten the Work Week, 4300 Michigan Avenue, Detroit, Mich. 48210.

A. Michael R. Gale, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.

B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.

A. David McLane Gardiner, Sierra Club, 330 Pennsylvania Avenue SE., Washington, D.C. 20003.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

A. Dwight M. Geduldig, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Phyllis H. Gerstell, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.

A. John J. Gould, 27 Wilmot Road, Waltham, Mass. 02154.

B. Shawmut Corp., 1 Federal Street, Boston, Mass. 02211.

A. John R. Graff, International Association of Amusement Parks & Attractions,

Suite 330, 1025 Vermont Avenue NW., Washington, D.C. 20005.

B. International Association of Amusement Parks & Attractions, Suite 303, 7222 West Cermak Road, North Riverside, Ill. 60546.

A. Mark E. Grayson, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc. (for The Navajo Nation, Window Rock, Ariz.), 633 Third Avenue, New York, N.Y. 10017.

A. Mark N. Griffiths, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.

B. Ad Hoc Group on Life Insurance Company, Taxation of Pension Funds, Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.

B. Beneficial Management Corp., 200 South Street, Morristown, N.J. 07960.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.

B. Stichting Philips Pensioenfonds A and B, Tramstraat 62, Eindhoven, The Netherlands.

A. Beverly Halem, P.O. Box 1591, Cocoa, Fla. 32922.

B. Halem Industries, Inc., 414 Highpoint Drive, Suite 206, Cocoa, Fla. 32922.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.

B. Agri-Business, Inc., Board of Trade Building, 1700 Iron Street, Salina, Kans. 67401.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.

B. Operation Independence, 406 San Jacinto Building, Austin, Tex. 78701.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.

B. West Alabama Grain Products Cooperative, Inc., P.O. Box 237, Uniontown, Ala. 36786.

A. Elisabeth Hanlin, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. Jill A. Hanson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Gary Hattal, International Federation of Professional & Technical Engineers, AFL-CIO, 1126 16th Street NW., Suite 111, Washington, D.C. 20036.

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B. Toyota Motor Sales, U.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.

A. Helicopter Association of America, Inc., 1110 Vermont Avenue NW., Suite 430, Washington, D.C. 20005.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.

B. Munir P. Benjenk, 1308 28th Street NW., Washington, D.C. 20007.

A. Thomas R. Hendershot, Barnett, Alagia & Carey, 1627 K Street NW., Suite 900, Washington, D.C. 20006.

B. Partnership Placements, Inc., 1801 Century Park East, Suite 1901, Los Angeles, Calif. 90067.

A. Thomas R. Hendershot, Barnett, Alagia & Carey, 1627 K Street NW., Suite 900, Washington, D.C. 20006.

B. Petroleum Heat & Power Co., 3000 Peltz Street, Philadelphia, Pa.

A. Thomas R. Hendershot, Barnett, Alagia & Carey, 1627 K Street NW., Suite 900, Washington, D.C. 20006.

B. Philadelphia Gas Works, 1518 Walnut Street, Philadelphia, Pa. 19102.

A. Thomas R. Hendershot, Barnett, Alagia & Carey, 1627 K Street NW., Suite 900, Washington, D.C. 20006.

B. Philadelphia Stock Exchange, 17th Street and Stock Exchange Place, Philadelphia, Pa. 19103.

A. Thomas R. Hendershot, Barnett, Alagia & Carey, 1627 K Street NW., Suite 900, Washington, D.C. 20006.

B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

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B. The Keefe Co. (for Continental Materials), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Beverly L. Hines, Visa U.S.A., Inc., 1620 I Street NW., Washington, D.C. 20006.

B. Visa, U.S.A., Inc., 300 Clearview Way, San Mateo, Calif. 94403.

A. Philip R. Hochberg, Vorys, Sater, Seymour & Pease, 1828 L Street NW., No. 1111; Washington, D.C.

B. North America Soccer League, 1133 Avenue of Americas, New York, N.Y. 10036.

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A. Margaret Renken Hudson, Korf Industries, Inc., 2550 M Street NW., Suite 450, Washington, D.C. 20037.

B. Korf Industries, Inc., 1 NCNB Plaza, Suite 2900, Charlotte, N.C. 28280.

A. Mark Hulbert, 339 Eighth Street NE., Washington, D.C. 20002.

B. National Taxpayers Legal Fund, 777 14th Street NW., Suite 236, Washington, D.C. 20005.

A. Mark Hulbert, 339 Eighth Street NE., Washington, D.C. 20002.

B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

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A. Beverly E. Jones, Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.

B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. Kaye, Scholer, Fierman, Hays & Handler, 1575 I Street NW., Suite 1150, Washington, D.C. 20005.

B. American Psychoanalytic Association, 1 East 57th Street, New York, N.Y. 10022.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. The Keefe Co. (for Continental Materials), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

A. Jeanne P. Kowalski, Southern Pacific Communications Co., 1801 K Street NW., Suite 221, Washington, D.C. 20006.

B. Southern Pacific Communications Co., P.O. Box 974, Burlingame, Calif. 94010.

A. Charles C. Krautler, 1100 H Street NW., Washington, D.C. 20080.

B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

A. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Engineering Supervision Co., 170 Newport Center Drive, No. 150, Newport Beach, Calif. 92660.

A. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Suite 1200, Washington, D.C. 20036.

B. Kona Coast Co., care of Karl B. Rodi, 611 West Sixth Street, Los Angeles, Calif. 90017.

A. Edward A. Lenz, 1750 K Street NW., Washington, D.C. 20006.

B. Health Insurance Association of America, Inc., 1750 K Street NW., Washington, D.C.; 919 Third Avenue, New York, N.Y.; 332 South Michigan Avenue, Chicago, Ill.

A. Cathy A. Lewis, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.

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A. Michael R. Lewis, ILWU, 1133 15th Street, Suite 640, Washington, D.C. 20005.

B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.

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A. Janice C. Lipsen, 900 17th Street NW., Suite No. 504, Washington, D.C. 20006.
B. Counselors for Management, Inc. (for Independent Zinc Alloyers Association), 900 17th Street NW., Suite 504, Washington, D.C. 20006.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y. 10004.
B. Bowater North America Corp., 1500 East Putnam Avenue, Old Greenwich, Conn. 06870.

A. Thomas D. Maher, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
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A. Sharon L. Messinger, 1700 North Moore Street, No. 2300, Arlington, Va. 22209.
B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.

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A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C. 20036.
B. AEtna Life & Casualty, 151 Farmington Avenue, Hartford, Conn., 06156.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C. 20036.
B. Dividend Support Group, Care of Northwestern National Life Insurance Co., 20 Washington, Avenue South, Minneapolis, Minn. 55440.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C. 20036.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C. 20036.
B. New York Life Insurance Co., 51 Madison Avenue, New York, N.Y. 10010.

A. Nossaman, Krueger & Marsh, 1140 19th Street NW., Washington, D.C. 20036.
B. Phoenix Mutual Life Insurance Co., 1 American Row, Hartford, Conn. 06115.

A. David S. O'Bryon, American Chiropractic Association, 1735 DeSales Street NW., Washington, D.C. 20036.
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A. O'Neill, Forgotson & Roncalio, 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Premiere, 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Ken Parmelee, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Congress of Surveyors & Mappers, 210 Little Falls Street, Falls Church, Va. 22046.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Movers Conference, 1117 North 19th Street, Arlington, Va. 22209.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94025.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue, Suite 1200, Washington, D.C. 20036.
B. International Communications Association, P.O. Box 10013, Houston, Tex. 77206.

A. Richard F. Phillips, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. M. M. Pierce, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Molly J. Pierce, Blue Cross & Blue Shield Associations, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Blue Cross & Blue Shield Associations, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Pierson, Ball & Dowd, 1000 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. National Association of Royalty Owners, Inc., 117 North Broadway, Ada, Okla. 74820.

A. Pierson, Ball & Dowd, 1000 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.

B. Oklahoma Mineral Owners & Surface Owners Association, Route 2, Sayre, Okla. 73662.

A. Michael M. Pousner, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. Robert H. Kellen Co. (for Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342), 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.

A. Brainard E. Prescott, 670 Main Street, East Aurora, N.Y. 14052.
B. Security New York State Corp., 1 East Avenue, Rochester, N.Y. 14638.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Commercial Union Assurance Co., 1 Beacon Street, Boston, Mass. 02108.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Ronan Telephone Co., P.O. Drawer 3, Ronan, Mont. 59864.

A. Daniel B. Priest, 1725 K Street NW., Washington, D.C. 20006.
B. Priest & Fine, Inc., 1725 K Street NW., Washington, D.C. 20006.

A. Project Advisory Group, 1029 Vermont Avenue NW., Suite 860, Washington, D.C.

A. Puget Sound Power & Light Co., Puget Power Building, Bellevue, Wash. 98009.

A. John V. Rainbolt, 1800 K Street NW., Suite 926, Washington, D.C. 20006.
B. MidAmerica Commodity Exchange, 125 West Jackson Boulevard, Chicago, Ill. 60604

A. W. Lee Rawls, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77001.

A. John M. Rector, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.

A. Gary B. Reimer, Tiger International, Inc., 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Tiger International, Inc., 1888 Century Park East, Los Angeles, Calif. 90067.

A. Patricia Blau Reuss, 805 15th Street NW., Suite 822, Washington, D.C. 20005.
B. Women's Equity Action League, 805 15th Street NW., Suite 822, Washington, D.C. 20005.

A. Susan M. Rogers, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036

A. Carole M. Rogin, Hauck & Associates, 1800 M Street NW., No. 1030, Washington, D.C. 20036.
B. Hauck & Associates, 1800 M Street NW., No. 1030, Washington, D.C. 20036.

A. Emil A. Romagnoli, ASARCO, Inc., 120 Broadway, New York, N.Y. 10271.
B. ASARCO, Inc., 120 Broadway, New York, N.Y. 10271.

A. Paul R. Sacia, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational & Cooperative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.

A. Frank M. Salinger, National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

A. Vincent R. Sandusky, Sheet Metal & Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal & Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Vienna, Va. 22180.

A. Deborah M. Schechter, American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.
B. American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.

A. Ann C. Scheiner, American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.
B. American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Ocean Spray Cranberries, Inc., Plymouth, Mass. 02360.

A. Rosalie K. Schlosser, Armstrong, Byrd & Associates, Inc., 1606 20th Street NW., Washington, D.C. 20009.
B. Armstrong, Byrd & Associates, Inc. (for Toyota Motor Sales, U.S.A., Inc.), 1606 20th Street NW., Washington, D.C. 20009.

A. Schwartz & Connolly, Inc., 1747 Pennsylvania Avenue NW., Suite 650, Washington, D.C. 20006.
B. ASARCO, Inc.

A. Steve Aaron Schwartz, International Federation of Professional & Technical Engineers, AFL-CIO, 1126 16th Street NW., Suite 111, Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL-CIO, 1126 16th Street NW., Suite 111, Washington, D.C. 20036.

A. Seifman & Lechner, 1000 Potomac Street NW., Washington, D.C. 20007.
B. National Association of Police Organizations, 12th and L Streets, Sacramento, Calif. 95814.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Council for American Private Education, 1625 I Street NW., Washington, D.C. 20036.

A. L. Philip Sheldon, Jr., Christian Voice Moral Government Fund, 418 C Street NE., Carriage House, Washington, D.C. 20002.
B. Christian Voice Moral Government Fund, 418 C Street NE., Carriage House, Washington, D.C. 20002.

A. C. Kyle Simpson, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

A. Jean Sindab, 2480 16th Street NW., No. 610, Washington, D.C. 20009.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. Donald E. Sinville, 227 North Street, Manchester, N.H. 03104.
B. Public Service Co. of New Hampshire, Manchester, N.H. 03105.

A. Sisk, Foley, Hultin & Driver, 2501 M Street NW., Suite 380, Washington, D.C. 20037.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

A. James R. Smircina, P.O. Box 5000, Cleveland, Ohio 44101.
B. The Cleveland Electric Illuminating Co., P.O. Box 5000, Cleveland, Ohio 44101.

A. David H. Smith, 507 2d Street NE., Washington, D.C. 20002.
B. Blue Ribbon Sports, Inc., 3900 Southwest Murray Boulevard, Beaverton Oreg. 97005.

A. Peter Leigh Snell, David Vienna & Associates, 510 C Street NE., Washington, D.C. 20002.
B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.

A. Ted C. Springer, P.O. Box 1219, Idaho Falls, Idaho 83401.
B. Salmon River Electric Cooperative, Inc., Challis, Idaho 83226.

A. George C. Steiner, 9708 Marshall Avenue, Silver Spring, Md. 20901.

A. Alan Stover, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

A. Donald R. Sweitzer, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., No. 708, Washington, D.C. 20036.
B. Taft, Stettinius & Hollister (for Telephone & Data Systems, Inc., 79 West Monroe Street, Chicago, Ill. 60603), Dixie Terminal Building, Cincinnati, Ohio 45202 .

A. Target, Inc., 2411 Old Crow Canyon Road, San Ramon, Calif. 94583.

A. Teamsters for a Democratic Union, 2000 P Street NW., No. 612, Washington, D.C. 20036.

A. Paul M. Tendler, 2020 K Street NW., Suite 420, Washington, D.C. 20006.
B. Paul Tendler Associates, 2020 K Street NW., No. 420 Washington, D.C. 20006. (for Rasch Elektronik, Albert Einstein-Straeb 18, 6074 Rodermark 2 West Germany).

A. Tennessee Home Medical Providers Association, Inc., 424 North Central Avenue, Knoxville, Tenn. 37917.

A. Thevenot, Murray & Scheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Business Aircraft Association, 1 Farragut Square South, Washington, D.C. 20006.

A. Barbara Brendes Thies, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. David R. Toll, 1828 L Street NW., Suite 402, Washington, D.C. 20036.

B. The Business Roundtable, 200 Park Avenue, New York, N.Y. and 1828 L Street NW., Washington, D.C.

A. Richard L. Trachtman, 2550 M Street NW., Suite 620, Washington, D.C. 20037.

B. American Society of Internal Medicine, 2550 M Street NW., Suite 620, Washington, D.C. 20037.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.

B. New York Air, LaGuardia Airport, Flushing, N.Y. 11317.

A. Daniel W. Vannoy, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Washington, D.C. 20036.

B. Nissan Motor Corp., Ltd., 17-1 Ginza, 16-Chome, Chuo-Ku, Tokyo, Japan, Nissan Motor Corp., U.S.A., 18501 South Figueroa Street, Carson, Calif. 90248.

A. Steve A. Villas, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Cigar Association of America, Inc., 1120 19th Street NW., Washington, D.C. 20036.

A. W. P. West, Jr., Delta Air Lines, 1629 K Street NW., Room No. 204, Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

A. Donald W. Whitehead, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. O'Connor & Hannon, 1919 Pennsylvania Avenue NW., Washington, D.C.

A. David E. Whitten, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

A. Robert P. Will, 955 L'Enfant Plaza SW., Suite 1101, Washington, D.C. 20024.

B. Association of California Water Agencies, 1127 11th Street, Sacramento, Calif. 95814.

A. Robert P. Will, 955 L'Enfant Plaza, North, SW., Suite No. 1101, Washington, D.C. 20024.

B. Metropolitan Water District of Southern California, P.O. Box 54153, Los Angeles, Calif. 90054.

A. Robert P. Will, 955 L'Enfant Plaza, North, SW., Suite No. 1101, Washington, D.C. 20024.

B. Six Agency Committee, 107 South Broadway, Suite No. 8103, Los Angeles, Calif. 90012.

A. Williams & Jensen, 1101 Connecticut Avenue NW., Suite 500, Washington, D.C. 20036.

B. Mustang Fuel Corp., 1100 First National Center East, Oklahoma City, Okla. 73102.

A. Perry F. Williams, 225 Main Street, Newington, Conn. 06111.

B. The American Radio Relay League, Inc., 225 Main Street, Newington, Conn. 06111.

A. Women's Equity Action League, 805 15th Street NW., Suite 822, Washington, D.C. 20005.

A. Janice Zarro, 9 West 57th Street, New York, N.Y. 10019.

B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Michael J. Zimmer, Cogeneration Coalition, Inc., Suite 1010, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. ENTEX, Inc., P.O. Box 2628, Houston, Tex. 77001.

A. Michael J. Zimmer, Cogeneration Coalition, Inc., Suite 1010, 1150 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potlatch Corp., 1015 15th Street NW., Washington, D.C.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1980:

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter
12. $.....''Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Offjce overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Robert J. Aagre, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $824. E. (9) $141.55.

A. Paul C. Abenante, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.

A. Thomas G. Abernethy, 3973 Stuart Place, Jackson, Miss. 39211.
B. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Eazor Express, Inc., Eazor Square, Pittsburgh, Pa. 15201.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Kiowa-Comanche-Apache Intertribal, Land Use Committee, P.O. Box 72, Lawton, Okla. 73501.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Kootznoowoo, Inc., P.O. Box 116, Angoon, Alaska 99820.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Seneca-Cayuga Tribe of Oklahoma, P.O. Box 1283, Miami, Okla. 74354.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Ukpeagvik Inupiat Corp., P.O. Box 427, Barrow, Alaska 99723.

A. Albert E. Abrahams, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611 and 925 15th Street NW., Washington, D.C. 20005.
D. (6) $5,875. E. (9) $594.38.

A. Sherman Abrahamson, Control Data Corp., 3717 Columbia Pike, Arlington, Va. 22204.
B. Control Data Corp., 3717 Columbia Pike, Arlington, Va. 22204.
D. (6) $150.

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Action for Children's Television, 46 Austin Street, Newtonville, Mass. 02160.
D. (6) $23,694.25. E. (9) $620.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,400.

A. John J. Adams, 1919 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20006.
B. Vepco, Seventh & Franklin Streets, Richmond, Va.
D. (6) $600.

A. Kenneth R. Adams, Volkswagen of America, Inc., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 888 West Big Beavor, Troy, Mich. 48084.
D. (6) $300.

A. Thomas L. Adams, Jr., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Hobson H. Adcock, PepsiCo, Inc., 700 Anderson Hill Road, Purchase, N.Y. 10577.
B. PepsiCo, Inc., 700 Anderson Hill Road, Purchase, N.Y. 10577
D. (6) $600.

A. The Adherence Group, Inc., 21 West Street, New York, N.Y. 10006.
E. (9) $4.70.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $14,206.56. E. (9) $14,206.56.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue, NW., Washington, D.C. 20001.
D. (6) $5,660. E. (9) $5,753.09.

A. Donald G. Agger, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Government of Morocco, Rabat, Morocco).

A. Robert S. Agman, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,217.45. E. (9) $7.52.

A. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
E. (9) $50.

A. Randolf H. Aires, Sears, Roebuck & Co., 1211 Connecticut Avenue NW. Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $450. E. (9) $82.32.

A. G. Colburn Aker, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Alaska Interstate Co., No. 2200 Post Oak Tower, 5051 Westheimer Road, Houston, Tex. 77056.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. American Petroleum Partners, 350 North St. Paul, Dallas, Tex. 75201.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Brooklyn Industrial Development Corp., 2 Belmont Avenue, Rye, N.Y. 10580.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. City of Houston, City Hall, Houston, Tex. 77001.
D. (6) $7,500.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $25,000.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Goldston Oil Corp., P.O. Box 22568, Houston Tex. 77027.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Contract Carrier Conference, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Deloitte, Haskins & Sells, 1114 Avenue of the Americas, New York, N.Y. 10036.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Energol Corp., Inc., P.O. Box 91246, Seattle, Wash. 98108.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Filmways, Inc., 2049 Century Park East, Los Angeles, Calif. 90067.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. FSC Corp., 110 East 59th Street, 37th Floor, New York, N.Y. 10022.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. General Cryogenics, Inc., 2524 Rodney Lane, Dallas, Tex. 75229.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. E & J Gallo Winery, P.O. Box 1130, Modesto, Calif. 95353.
D. (6) $1,250.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Leaseway Transportation Corp., 21111 Chagrin Boulevard, Cleveland, Ohio 44122.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Louisiana Alcohol Fuel Co., 1102 Sixth Street, New Orleans, La. 70115.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. MAPCO, Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Metropolitan Transit Authority of Harris County, P.O. Box 61429, Houston, Tex. 77208.
D. (6) $6,000.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Military Accessories Service Association, Inc., 2 Park Avenue, Suite 1118, New York, N.Y. 10016.
D. (6) $1,500.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.

B. National Association of Condominium and Cooperative Housing, 5415 North Sheridan Road, Chicago, Ill. 60640.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. New Energy Corp. of Indiana, 915 15th Street NW., No. 200, Washington, D.C. 20005.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Northwest Alaskan Pipeline Co., 1801 K Street NW., No. 901, Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Northwest Pipeline Co., 314 East Second South, Salt Lake City, Utah 84111.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Ringling Bros. Barnum and Bailey Combined Shows, Inc., 1015 18th Street NW., Washington, D.C. 20036.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Shearson Loeb Rhoades, 15 Wall Street, Ninth Floor, New York, N.Y. 10005.
D. (6) $1,500.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Sun Co., Inc., 1608 Walnut Street, Philadelphia, Pa. 19103.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Sun Pipe Line Co., P.O. Box 2039, Tulsa, Okla. 74102.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Sun Ship, Inc., Morton Avenue, Chester, Pa. 19013.
D. (6) $7,500.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Texas Bankers Association, 203 West Tenth Street, Austin, Tex. 78701.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Texas Instruments, Inc., P.O. Box 225474—MS 241, Dallas, Tex. 75265.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Valley View Bank, P.O. Box 30100, Dallas, Tex. 75230.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., No. 400, Washington, D.C. 20036.
B. Worldwide Church of God, P.O. Box 385, Pasadena, Calif. 91102.

A. Akin, Gump, Strauss, Hauer & Feld, 1333 New Hampshire Avenue NW., Suite 400, Washington, D.C. 20036.
B. Waterman Steamship Corp., 1133-15th Street NW., Suite 1130, Washington, D.C. 20005.
D. (6) $7,500.

A. Alaska Coalition, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $35,618.12. E. (9) $32,426.71.

A. Joan H. Albert, National Association of Casualty & Surety Agents, 600 Pennsylvania Avenue SE., Apt. 202, Washington, D.C. 20003.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Apt. 302, Washington, D.C. 20015.

A. James J. Albertine, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Air Florida, A.M.F.P.O. 592337, Miami, Fla. 33159.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. American Fishing Tackle Manufacturers Association, 2625 Clearbrook Drive, Arlington, Heights, Ill. 60005.
D. (6) $4,500.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Associated Industries of Florida, 203 S. Adams Street, Tallahassee, Fla., 23202.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. The Brunswick Corp., One Brunswick Plaza, Skokie, Ill. 60076.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. City of Tucson, Tucson, Ariz.
D. (6) $1,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Coalition for Energy Efficient Transportation, 1901 North Fort Myer Drive, Rosslyn, Va. 22209.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Computer Sciences Corp., 650 North Sepulveda Boulevard, El Segundo, Calif. 90245.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. The Continental Group, Inc. One Harbor Plaza, Stamford, Conn.
D. (6) $1,000

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Newspaper-Broadcaster Committee, P.O. Box 3412, San Francisco, Calif. 94119.
D. (6) $7,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Pan American World Airways, Inc., Pan Am Building, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Pratt & Whitney Aircraft Group, 400 Main Street, East Hartford, Conn.
D. (6) $12,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla.
D. (6) $3,000.

A. Alcalde, Henderson, O'Bannon & Bracy, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.
B. The Wildlife Legislative Fund of America, 50 W. Broad Street, Columbus, Ohio 43215.
D. (6) $6,000.

A. Alderson, Ondov, Leonard & Sween, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Claude D. Alexander, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $214.10.

A. Donald C. Alexander, Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800N, Washington, D.C. 20036.

A. Donald C. Alexander, 1800 M Street NW., Suite 800N, Washington, D.C. 20036.
B. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800N, Washington, D.C. 20036 for Evans Products, 1121 SW. Salmon Street, Portland, Oreg. 97208.
D. (6) $750.

A. Willis W. Alexander, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $6,135.70.

A. Maxton M. Allcox, Brotherhood of Maintenance of Way Employes, 400 First Street NW., room 801, Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $11,403.24.

A. Robert D. Allen, 2845 Summit Drive, Hillsborough, Calif. 94010.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $4,782.30.

A. Alliance to Save Energy, 1925 K Street NW., No. 507, Washington, D.C. 20006.

A. Jonathan Alter, The Save the Dunes Council, 308 Second Street SE., Washington, D.C. 20003.
B. The Save the Dunes Council, Box 114, Beverly Shores, Ind. 46301.
E. (9) $540.19.

A. Richard H. Altman, 444 North Capitol Street NW., Room 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Room 412, Washington, D.C. 20001.
D. (6) $1,125.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $540. E. (9) $432.06.

A. Robert Alvarez, Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99. E. (9) $30.

A. Amalgamated Transit Union, AFL–CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.

A. John O. Ambler, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $9,102.47. E. (9) $9,102.47.

A. American Arts Alliance, 424 C Street NE., Washington, D.C. 20002.
D. (6) $45,151.98. E. (9) $55,708.45.

A. American Association of Foundations for Medical Care, 11325 Seven Locks Road, Potomac, Md. 20854.

A. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $2,822. E. (9) $2,822.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $661.22.

A. American Association of Port Authorities, Inc., 1612 K Street NW., Suite 900, Washington, D.C. 20006.
D. (6) $81,300. E. (9) $28,584.34.

A. American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Potomac, Md.
E. (9) $81.44.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $38,833.65. E. (9) $38,833.65.

A. American Congress on Surveying & Mapping, 210 Little Falls Street, Falls Church, Va. 22046.

A. American Council for Capital Formation, 1919 Pennsylvania Avenue NW., Suite 201, Washington, D.C. 20006.
D. (6) $3,080. E. (9) $3,986.58.

A. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
E. (9) $1,457.31.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068 and 425 13th Street NW., Washington, D.C. 20004.
D. (6) $74,855. E. (9) $74,855.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $150,329.08.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500. E. (9) $2,500.

A. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $21,530. E. (9) $21,530.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.
D. (6) $2,170. E. (9) $3,899.62.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $12,457. E. (9) $12,457.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $11,317.98. E. (9) $5,775.98.

A. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
E. (9) $1,925.68.

A. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
E. (9) $1,250.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $1,175. E. (9) $1,175.

A. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $74,988. E. (9) $69,432.18.

A. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $4,225.

A. American League for Exports and Security Assistance, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $32,174.45. E. (9) $32,174.45.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $2,467.80. E. (9) $3,909.75.

A. American Mandate Committee, 374 Broad Street, Elyria, Ohio 44035.

A. American Maritime Association, 17 Battery Place, New York, N.Y. 10004 and 1612 K Street NW., Washington, D.C. 20006.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1700 North Moore Street, Arlington, Va).
D. (6) $4,846.10. E. (9) $4,846.10.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,898.75. E. (9) $27,316.26.

A. American Movers Conference, 1117 North 19th Street (P.O. Box 9204), Arlington, Va. 22209.
E. (9) $380.43.

A. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $7,912.73. E. (9) $40,695.22.

A. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $9,526.17. E. (9) $9,526.17.

A. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.
D. (6) $759.68. E. (9) $759.68.

A. American Orthotic and Prosthetic Association, 717 Pendleton Street, Alexandria, Va. 22314.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
D. (6) $28,192. E. (9) $3,256.13.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $158,170. E. (9) $173,158.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $8,178.00.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $986,858.85. E. (9) $157,798.99.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
E. (9) $11,350.00.

A. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $5,380.02. E. (9) $5,380.02.

A. American Society for Medical Technology, 1725 DeSales Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $2,594.50. E. (9) $2,879.00.

A. American Subcontractors Association, 815 15th Street NW., Suite 902, Washington, D.C. 20005.

A. American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
D. (6) $42,187.75. E. (9) $42,187.75.

A. American Veterinary Medical Association, 1522 K Street NW., No. 828, Washington, D.C.
E. (9) E. $120.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $13,805. E. (9) $1,263.

A. American Waterways Shipyard Conference, Suite 1101, 1600 Wilson Boulevard, Arlington, Va. 22209.
E. (9) $41.75.

A. Morris J. Amitay, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.

D. (6) $5,416.66.

A. John G. Ams, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,750. E. (9) $353.49.

A. Edward Andersen, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $750.

A. J. L. Anderson, Time Inc., 888 16th Street, NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.
E. (9) $16.05.

A. Anderson & Pendleton, 1000 16th Street NW., Suite 701, Washington, D.C. 20036.
B. Military Mission of Chile, 1736 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $57.52.

A. Robert L. Anderson, Deere & Company, John Deere Road, Moline, Ill. 61265.
B. Deere & Company, John Deere Road, Moline, Ill. 61265.

A. Sally M. Anderson, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $20.

A. Steven C. Anderson, American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.

A. Wayne C. Anderson, 1629 K Street NW., Washington, D.C. 20006.
B. Nabisco, Inc., East Hanover, N.J. 07936.
D. (6) $5,000. E. (9) $2,135.09.

A. William C. Anderson, 1101 Sixteenth Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 Sixteenth Street NW., Washington, D.C. 20036.
E. (9) $50.

A. Robert C. Angel, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Jack R. Angell, United Gas Pipe Line Co., 1101 17th Street NW., Washington, D.C.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston Tex. 77001.

A. Jay Angoff, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,583.33.

A. J. Donald Annett, Texaco, Inc., 1050 17th Street NW., No. 500, Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. Apartment and Office Building Association, 1511 K Street NW., No. 319, Washington, D.C. 20005.
D. (6) $10,745.

A. John D. Aquilino, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $779. E. (9) $21.27.

A. John Archer, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Rodney E. Armstrong, Armstrong, Byrd & Associates, 1606 20th Street NW., Washington, D.C. 20009.
B. Toyota Motor Sales (USA), Inc., 2055 West 190th Street, Torrance, Calif. 90509.
D. (6) $2,700. E. (9) $2,700.

A. W. Stanley Armstrong, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $25.04. E. (9) $6.50.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Family Corp., 1902 Wynnton Road, Columbus, Ga. 31906.
D. (6) $600.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Iron and Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $600.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,666.66.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Corporate Property Investors, 230 Park Avenue, New York, N.Y. 10017.
D. (6) $313.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Realty Committee, 2033 M Street NW., Washington, D.C. 20036.
D. (6) $800.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $469.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refinery Co., P.O. Box 3331, Houston, Tex. 77001.
D. (6) $469.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $292.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Security First Group, Inc., 1800 Avenue of the Stars, Los Angeles, Calif. 90067.
D. (6) $825.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. American Invsco Corp., 120 South LaSalle Street, Chicago, Ill. 60603.
E. (9) $40.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Federation of Apparel Manufacturers, 450 Seventh Avenue, New York, N.Y. 10001.
D. (6) $925. E. (9) $24.19.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Werner J. Fleischmann, 300 Jacksonville Road, Pompton Plains, N.J. 07444.
D. (6) $625. (E) (9) $1.70.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Maritz, Inc., 1355 North Highway Drive, Fenton, Mo. 63026.
D. (6) $5,955. E. (9) $55.09.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. MFA Mutual Insurance Co., 1817 West Broadway, Columbia, Mo. 65201.
D. (6) $1,000. E. (9) $18.10.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Coordinating Committee for Multiemployer Plans, 816 16th Street NW., Suite 603, Washington, D.C. 20006.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Table Grape Growers Association, Boulevard Transversal KM 4.5, Hermosillo, Sonora, Mexico.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. West Mexico Vegetable Distributors Association, P.O. Box 838, Nogales, Ariz.

A. Associated Employers, Inc., 6009 Rittiman Plaza, San Antonio, Tex. 78218.

A. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $17,628. E. (9) $579.01.

A. Associated Credit Bureaus, Inc., 16211 Park-Ten Place, P.O. Box 218300, Houston, Tex. 77218.
E. (9) $73.20.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $466.66. E. (9) $466.66.

A. Association for the Advancement of Invention & Innovation, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $500. E. (9) $648.50.

A. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Association of American Foreign Service Women, P.O. Box 8068, Washington, D.C. 20024.
D. (6) $430.75. E. (9) $41.14.

A. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $8,130.54. E. (9) $8,130.54.

A. Association of American Railroads, American Railroads Building, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $29,582. E. (9) $29,582.

A. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.
E. (9) $120.

A. Association of Data Processing Services Organization, Inc. (ADAPSO), 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

E. (9) $1,397.76.

A. Association of Government Accountants, 727 South 23d Street, No. 100, Arlington, Va. 22202.

A. Association of Independent Corrugated Converters, 1101 30th Street NW., Suite 304, Washington, D.C. 20007.
E. (9) $365.20.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street N.W., Washington, D.C. 20036.
E. (9) $1,110.00.

A. The Association of Private Pension and Welfare Plans, Inc., 1725 K Street NW., Suite 801, Washington, D.C. 20006.

A. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $3,600. E. (9) $3,600.

A. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.
D. (6) $12,800.

A. George J. Aste, United Airlines, 1825 K Street NW, No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $500.

A. Carl E. Atkinson, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $80. E. (9) $8.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $3,285.

A. Lloyd G. Ator, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.
D. (6) $500. E. (9) $187.44.

A. Deborah Marie Atwood, P.O. Box 937, Ferndale, Wash. 98248.
B. Intalco Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98248.
D. (6) $1,130. E. (9) $615.16.

A. James A. Austin, American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500.

A. John S. Autry, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
E. (9) $1,900.

A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.
E. (9) $336.

A. Walter C. Ayers, Virginia Petroleum Council, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Craig H. Baab, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $63.86.

A. Dale R. Babione, The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
D. (6) $1,055.

A. Bache Halsey Shields, Inc., 100 Gold Street, New York, N.Y. 10038.
E. (9) $2,100.

A. Baer Marks & Upham, 299 Park Avenue, New York, N.Y. 10171.
B. Commodity Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. Joan N. Baggett, 815 15th Street NW., Washington, D.C. 20005.
B. International Union of Bricklayers and Allied Craftsmen, 815 15th Street NW., Washington, D.C. 20005.
D. (6). $4,700. E. (9) $266.38.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. William W. Bailey, Merck & Co., Inc., 1050 17th Street NW., Suite 1050, Washington, D.C. 20036.
B. Merck & Co., Inc., Box 2000, Rahway, N.J. 07065.
D. (6) $1,000. E. (9) $289.50.

A. Judith L. Baird, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250.

A. John Baize, 1575 I Street NW., No. 360, Washington, D.C. 20005.
B. American Soybean Association, 1575 I Street NW., No. 360, Washington, D.C. 20005.

A. Edward R. Bajer, 1015 15th Street NW., Suite 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., Suite 802, Washington, D.C. 20005.
D. (6) $450.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.
D. (6) $375.

A. Baker & Botts, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77002.

A. Baker & Daniels, 1920 N Street NW., Suite 600, Washington, D.C. 20036.
B. The Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.

A. Baker & Daniels, 1920 N Street NW., Suite 600, Washington, D.C. 20036.
B. Rock Island Refining Corp., P.O. Box 68007, Indianapolis, Ind. 46268.
D. (6) $310.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baldwin Knauf, Iphofen, West Germany.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.

A. Jacqueline Balk-Tusa, Boise Cascade Corp., 1625 I Street NW., Suite 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Suite 809, Washington, D.C. 20006.
D. (6) $11,430.

A. Ballard, Spahr, Andrews & Ingersoll, 1101 Connecticut Avenue NW., Suite 406, Washington, D.C. 20036.
B. Alaska Housing Finance Corp., Plaza 201 East Third Avenue, Anchorage, Alaska 99510.

A. Ballard, Spahr, Andrews & Ingersoll, 1101 Connecticut Avenue NW., Suite 406, Washington, D.C. 20036.
B. Idaho Housing Agency, 405 South Eighth Street, Suite 395, Boise, Idaho 83701.

A. Michael Baly, III, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $3,481. E. (9) $545.64.

A. Sheila MacDonald Bamberger, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.
D. (6) $3,000. E. (9) $55.66.

A. Samuel J. Baptista, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Barber Oil Corp., 245 Park Avenue, New York, N.Y. 10017.

A. Dennis J. Barbour, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.
B. American College of Preventive Medicine, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.

A. Dennis J. Barbour, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.
B. Association of Teachers of Preventive Medicine, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.

A. Carol M. Barger, Consumers Union, 500 West 13th, Austin, Tex. 78701.
B. Consumers Union of U.S., Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.

A. Robert O. Barker, NAM, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $30.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,200. E. (9) $315.85.

A. Barley & Malt Institute, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.
D. (6) $23,037.68. E. (9) $5,045.95.

A. Donna R. Barnako, National Council of Health Centers, 2600 Virginia Avenue NW., Suite 915, Washington, D.C. 20037.
B. NCHC, 2600 Virginia Avenue NW., Suite 915, Washington, D.C. 20037.

D. (6) $812. E. (9) $82.50.

A. John H. Barnard, Jr., 803 Ironbark Place, Orinda, Calif. 94563.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Roger H. Barnard, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. Committee of Domestic Steel Wire Rope & Specialty Cable Manufacturers, care of Mr. Robert Cornog, Macwhyte Co., 2906 14th Avenue, Kenosha, Wis. 53140.

A. Barnes, Richardson & Colburn, 1819 H Street NW., Washington, D.C. 20006.
B. John W. Thatcher, c/o Banana Supply Co., Inc., 3030 NW. Second Avenue, Miami, Fla. 33137.

A. Barnett, Alagia & Carey, 1627 K Street NW., Washington, D.C. 20006.
B. American School Food Service Association, 4101 East Iliff Avenue, Denver, Colo. 80222.
D. (6) $10,180.40. E. (9) $831.87.

A. Barnett, Alagia & Carey, 1627 K Street NW., Washington, D.C. 20006.
B. Florida Fruit & Vegetable Association, 4401 East Colonial Drive, Orlando, Fla. 32814.
D. (6) $3,896.30.

A. Barnett, Alagia & Carey, 1627 K Street NW., Washington, D.C. 20006.
B. Florida Tomato Exchange, 4401 East Colonial Drive, Orlando, Fla. 32814.
D. (6) $1,250.

A. Larry P. Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,900.

A. Barnett Yingling & Shay, Suite 940, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Citibank, 399 Park Avenue, New York, N.Y. 10043.
D. (6) $250. E. (9) $8.

A. Barnett Yingling & Shay, Suite 940, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Crocker National Bank, One Montgomery Street, San Francisco, Calif. 94104
D. (6) $125. E. (9) $4.

A. Richard L. Barr, Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa 50309.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. Coffee, Sugar & Cocoa Exchange, Inc. and New York Coffee and Sugar Clearing Association, Four World Trade Center, New York, N.Y. 10048.
D. (6) $7.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. New York Cocoa Clearing Association, Inc., Four World Trade Center, New York, N.Y. 10048.
D. (6) $7.

A. Barrett Smith Schapiro Simon & Armstrong, 26 Broadway, Suite 1400, New York, N.Y. 10004.
B. Prudential Lines, Inc., One World Trade Center, 37th Floor, New York, N.Y. 10048.
E. (9) $27.22.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $1,500.

A. Barrier Islands Coalition, Suite 4500, 122 East 42nd Street, New York, N.Y. 10168.
E. (9) $125.

A. Thea Rossi Barron, 106 Little Falls Street, Falls Church, Va. 22046.
B. Right To Life Crusade Inc., Box 2703, Tulsa, Okla. 74101.
D. (6) $1,500. E. (9) $35.44.

A. David S. Barrows, 1201 Southwest 12th Street, Suite 200, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. Linda Leigh Bartlett, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Lawrence R. Baskerville, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $450.

A. James P. Bass, 1101 17th Street NW, Washington, D.C. 20036.
B. American Airlines, Inc., 1101 17th Street NW, Washington, D.C. 20036.
D. (6) $215.

A. Barbara Bassuener, American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Robert E. Bates, Jr., Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125. E. (9) $48.24.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $2,200.

A. Laurie C. Battle, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,250.

A. Lynne D. Battle, College Placement Council, 1101 Connecticut Avenue NW, No. 705, Washington, D.C. 20036.
B. College Placement Council, Inc., P.O. Box 2263, Bethlehem, Pa. 18001.

A. John F. Battles, Massachusetts Petroleum Council, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Batzell, Nunn & Bode, 1015 15th Street, NW., Suite 1100, Washington, D.C. 20005.
B. Emergency Small Independent Refiners Task Force, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
D. (6) $500.

A. Batzell, Nunn & Bode, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1015 15th Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Batzell, Nunn & Bode, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
B. Mount Airy Refining Co., International Energy Building, 265 North Belt East, Suite 150, Houston, Tex. 77060.
D. (6) $500.

A. Karen J. Bauer, American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Richard H. Bauer, Union Pacific Corp., Suite 600 South, 1120 20th Street NW., Washington, D.C. 20036.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $500. E. (9) $185.09.

A. Robert J. Baughman, 717 Pendleton Street, Alexandria, Va. 22314.
B. American Orthotic and Prosthetic Association, 717 Pendleton Street, Alexandria, Va. 22314.

A. Tina Marts Beach, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $84.

A. Bruce A. Beam, American Electric Power Service Corp., 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. American Electric Power Service Corp., 2 Broadway, New York, N.Y. 10004.
D. (6) $114.45. E. (9) $265.63.

A. Donald S. Beattie, Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $2,885.80.

A. Christine T. Beatty, St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $3,600. E. (9) $295.24.

A. Richard S. Beatty, Alston, Miller & Gaines, 1800 M Street NW., Washington, D.C. 20036.
B. Great American Management & Investment, Inc., 5775-D Peachtree Dunwoody Road, Suite 600, Atlanta, Ga. 30342.
D. (6) $1,679. E. (9) $90.86.

A. Laura L. Beaty, 806 N. Jefferson Street, Arlington, Va. 22205.
B. National Parks and Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $64.26. E. (9) $15.

A. Robert J. Becker, Joint Council of Allergy & Immunology, 401 East Prospect

Avenue, Suite, 210, Mount Prospect, Ill. 60056 or 229 North Hammes Avenue, Joliet, Ill. 60435.
B. Joint Council of Allergy & Immunology, 401 East Prospect Avenue, Suite 210, Mount Prospect, Ill. 60056.

A. William W. Beddow, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. Edwin L. Behrens, The Procter & Gamble Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Co., 301 East Sixth Street, Cincinnati, Ohio 45201.
D. (6) $45.

A. Max J. Beilke, National Association for Uniformed Services, 903 South Highland Street, Arlington, Va. 22204.
B. National Association for Uniformed Services, 903 South Highland Street, Arlington, Va. 22204.
D. (6) $1,005.

A. James Beizer, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $306.24.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen and Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $112.

A. J. Raymond Bell, 2113 S Street NW., Washington, D.C. 20008.
B. National Association of Theatre Owners.

A. Winston Everett Bell, P.O. Box 5463, Las Vegas, Nev. 89102.

A. C. Thomas Bendorf, 3615 Overcreek Road, Columbia, S.C. 29206.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $3,000. E. (9) $100.

A. C. Robert Benedict, 643 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.
D. (6) $210. E. (9) $90.

A. Beneficial Management Corporation of America, 1300 Market Street, Wilmington, Del. 19899.

A. Bruce Benefield, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
D. (6) $1,000.

A. Kenneth U. Benjamin, Jr., American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,887.50. E. (9) $117.38.

A. W. M. Benkert, American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,250.

A. Douglas P. Bennett, 3238 Prospect Street NW., Washington, D.C. 20007.
B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.
D. (6) $2,000.

A. James M. Bennett, Jos. Schlitz Brewing Co., 235 W. Galena Street, Milwaukee, Wis. 53212.
B. Jos. Schlitz Brewing Co., 235 W. Galena Street, Milwaukee, Wis. 53212.

A. Kathleen M. Bennett, Crown Zellerbach, 1660 L Street NW., Suite 215, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. William C. Bennett, Jr., Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $400.

A. Walter L. Benning, 14901 Ritchie Road, Centreville, Va. 22020.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $300.

A. John C. Bennison, American Society of Travel Agents, Inc., 1300 19th Street NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
D. (6) $5,000.

A. Benoit, Smith & Laughlin, 2001 Jefferson Davis Highway, Suite 501, Arlington, Va. 22202.
B. Hughes Aircraft Co., Los Angeles, Calif.
D. (6) $23,264.64. E. (9) $24,100.50.

A. Frederick S. Benson, III, American Paper Institute, Inc., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Nancy C. Benson, 1575 I Street NW., Suite 220, Washington D.C. 20005.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $855. E. (9) $216.40.

A. James E. Benton, N. J. Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW, Washington, D.C. 20037.

A. David A. Beren, 910 17th Street NW, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW, Washington, D.C. 20006.

A. Rebecca J. Berg, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $400. E. (9) $1,129.07.

A. Paul C. Bergson, RJR Industries, Inc., 2550 M Street NW., Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $162.08. E. (9) $5.

A. Jane W. Bergwin, Consumers Power Co. of Michigan, 1050 17th Street NW., Suite 290, Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $200.

A. David Berick, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,000. E. (9) $697.

A. Peggy Berk, Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017.
B. Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017 (for William M. Mercer, Inc., 1211 Avenue of the Americas, New York, N.Y. 10036).

A. Jason S. Berman, Warner Communications, Inc., 1776 K Street NW., Suite 701, Washington, D.C. 20006.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $7,500.

A. William R. Berman, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Max N. Berry, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Committee To Assure the Availability of Cassein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Centre National Interprofessionnel De L'Economic Laitiere, 8, Rue Danielle Casanova, 75002 Paris, France.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cheese Importers Association, 460 Park Avenue, New York, N.Y. 10022.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Great Western Sugar Co., P.O. Box 5308, Denver, Colo. 80217.
D. (6) $250. E. (9) $435.61.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Importers Group, American Importers Association, 11 West 42d Street, New York, N.Y. 10036.

A. Berry & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta, Ga. 30324.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc. (ALESA), Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $15,000.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Archer-Daniels-Midland Co., Decatur, Ill. 62525.
D. (6) $3,000.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. International Association of Bio-Energy Producers, Inc., 126 High Street, Boston, Mass. 02110.
D. (6) $2,000 E. (9) $500.

A. Robert A. Best, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.

B. Pullman Swindell, 441 Smithfield Street, Pittsburgh, Pa. 15222.
D. (6) $2,000.

A. Robert B. Betz, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,222.02. E. (9) $262.11.

A. Robert L. Bevan, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,075.

A. Beveridge, Fairbanks & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

A. Beveridge, Fairbanks & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. New England Electric System, 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $1,099. E. (9) $15.

A. Beveridge, Fairbanks & Diamond, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Union Mines, 1212 Avenue of the Americas, New York, N.Y. 10036.

A. Walter J. Bierwagen, 5151 Wisconsin Avenue NW, Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW, Washington, D.C. 20016.

A. Thomas E. Biery, Mid-Continent Oil & Gas Association, 1919 Pennsylvania Avenue NW., No. 503, Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $726. E. (9) $170.37

A. Moe Biller, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $4,371.69.

A. Billig, Sher & Jones, P.C., 2033 K Street NW., Washington, D.C. 20006.
B. The Adherence Group, Inc., 21 West Street, New York, N.Y. 10006.
E. (9) $4.70.

A. Ken Billington, 6537 24th Avenue NE., Seattle, Wash. 98115.
B. Public Power Council, 1310 Main Street, Vancouver, Wash. 98666.
D. (6) $350. E. (9) $141.05.

A. Sarah Massengale Billock, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $122.56.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Alascom, Inc., 949 East 36th Street, Anchorage, Alaska 99502.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Alaska Power Authority, 333 West Fourth Avenue, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. City of Haines, Box 576, Haines, Alaska 99827.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.

A. Birch, Horton, Bittner & Monroe, Pestinger & Anderson, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Cook Inlet Regional Corp., 2525 C Street, Anchorage, Alaska 99509.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. MAPCO, Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Municipality of Anchorage, 623 West Sixth Avenue, Anchorage, Alaska 99502.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Sealaska Corp., 1 Sealaska Plaza, Juneau, Alaska 99801.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Shan-Kon International, Inc., P.O. Box 57, Fort Yukon, Alaska 99740.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Teamster 959 Employee Pension Trust, 1200 Airport Heights Road, Anchorage, Alaska 99504.

A. Birch, Horton, Bittner & Monroe, 1140 Connecticut Avenue NW., No. 1100, Washington, D.C. 20036.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Robert J. Bird, Suite 804, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, Suite 804, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Paul Revere Corp., Worcester, Mass. 01808.

A. C. Thomason Bishop, III, 704 Lisburn Road, P.O. Box 355, Camp Hill, Pa. 17011.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $212.50.

A. Neal R. Bjornson, National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $2,500.

A. Brent Blackwelder, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. Donna C. Blair, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200.

A. Neal Blair, 2727 Jones Branch Drive, Suite 400, McLean, Va., 22102.
B. Free the Eagle, 2727 Jones Branch Drive, Suite 400, McLean, Va. 22102; and Target, Inc., 2411 Old Crow Canyon Road, San Ramon, Calif. 94583.
D. (6) $4,000.

A. Richard W. Blake, 1156 15th Street NW., No. 1019, Washington, D.C. 20005.
B. American Sugarbeet Growers Association, 1156 15th Street NW, No. 1019, Washington, D.C. 20005.

A. Paul M. Blanton, P.O. Box 970, Fort Worth, Tex. 76101.
B. Texas Electric Service Co., P.O. Box 970, Fort Worth, Tex. 76101.
D. (6) $98.56. E. (9) $23.40.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Constructora Nacional de Carros de Ferrocarril, S.A., San Lorenzo No. 925, 5 Piso, Mexico, D.F., Mexico.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. National Association of Private Enterprise (Associacion Nacional de la Empresa Privada-ANEP), Alameda Roosevelt 2827, San Salvador, El Salvador.
D. (6) $7,000. E. (9) $294.66.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.
D. (6) $12,500. E. (9) $236.83.

A. Blatchford, Epstein & Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Radiological Services, Western Radiological Group, Armacost Management Services, Inc., 2044 Armacost Avenue NW., Los Angeles, Calif. 90025.

A. David Blatt, Municipal Labor Committee, 818 18th Street NW., Suite 750, Washington, D.C. 20006.
B. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.
D. (6) $6,979.78. E. (9) $1,568.33.

A. Kenneth T. Blaylock, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $20,601. E. (9) $2,183.62.

A. Richard W. Bliss, 1899 L Street NW., 12th Floor, Washington, D.C. 20036.
B. New England Electric System, 25 Research Drive, Westborough, Mass. 01581.
D. (6) $750. E. (9) $251.60.

A. Richard W. Bliss, 1899 L Street NW., Suite 1200, Washington, D.C. 20036.

B. St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.
D. (6) $605. E. (9) $40.80.

A. Richard W. Bliss, 1899 L Street NW., 12th Floor, Washington, D.C. 20036.
B. SUNEDCO, 12700 Park Central Place, Dallas, Tex. 75251.
D. (6) $1,800. E. (9) $195.40.

A. L. Thomas Block, Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.
D. (6) $800. E. (9) $110.

A. Peter L. Blocklin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $220.

A. H. E. Blomgren, National Manufactured Housing Federation, 1310 New Hampshire Avenue NW, Suite 1007, Washington, D.C. 20036.
B. National Manufactured Housing Federation, 1310 New Hampshire Avenue NW, Suite 1007, Washington, D.C. 20036.
D. (6) $12,500.01.

A. Douglas M. Bloomfield, 444 North Capitol Street NW, No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW, No. 412, Washington, D.C. 20001.
D. (6) $11,250.

A. Mark Bloomfield, American Council for Capital Formation, 1919 Pennsylvania Avenue NW, No. 201, Washington, D.C. 20006.
B. American Council for Capital Formation, 1919 Pennsylvania Avenue NW, No. 201, Washington, D.C. 20006.
D. (6) $1,250.

A. Jack A. Blum, 1015 18th Street NW, Washington, D.C. 20036.
B. Independent Gasoline Marketers Council, 1015 18th Street NW, Washington, D.C. 20036.
D. (6) $10,000. E. (9) $535.

A. Jared O. Blum, 1730 M Street NW, Washington, D.C. 20036.
B. Direct Selling Association, 1730 M Street NW, Washington, D.C. 20036.
D. (6) $500. E. (9) $141.63.

A. Blum & Nash, 1015 18th Street NW, No. 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Blum & Nash, 1015 18th Street NW, No. 408, Washington, D.C. 20036.
B. General Electric Co., 3125 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $2,625. E. (9) $20.25.

A. Blum & Nash, 1015 18th Street NW, No. 408, Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $8,200. E. (9) $857.60.

A. Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Albert H. Blumenthal, 40 West 57th Street, New York, N.Y. 10019.
B. Phillips, Nizer, Benjamin, Krim & Ballon, 40 West 57th Street, New York, N.Y. 10019 (for American Bobst Holdings, Inc.).
D. (6) $195.

A. Wayne F. Boan, National Association of Manufacturers, 601 North Vermont Avenue, Los Angeles, Calif. 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,300.

A. Boat Owners Association of The United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $13,000. E. (9) $9,668.64.

A. Robert S. Boege, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 200 L Street NW., Suite 810, Washington, D.C. 20036.

A. Helen Bogolubov, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
E. (6) $375.

A. Robert Z. Bohan, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Patricia M. Boinski, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Robert J. Bolger, National Association of Chain Drug Stores, Inc., 413 North Lee Street, Alexandria, Va. 22314.
B. National Association of Chain Drug Stores, Inc., 413 North Lee Street, Alexandria, Va. 22314.
D. (6) $1,650.

A. Jeffrey W. Bolotin, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, New York, N.Y.

A. Bernadette Bolton, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $300.

A. M. Warren Bolton, 2500 DeKalb Pike, Norristown, Pa. 19404
B. Provident Indemnity Life Insurance Company, 2500 DeKalb Pike, Norristown, Pa. 19404.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.
D. (6) $500.

A. L. H. Bonin, Jr., Gulf Oil Corp., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $2,400.

A. Jay Bonitt, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $165.

A. Sharon Lee Bonitt, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Susan A. Boolukos, American Frozen Food Institute, 1700 Old Meadow Road, Suite 100, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.

A. Edward T. Borda, 1625 Eye Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 Eye Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Laurence D. Bory, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington, D.C. 20005.
D. (6) $750.

A. G. Stewart Boswell, American Apparel Manufacturers Association, Inc., 1611 North Kent Street No. 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
D. (6) $2,650. E. (9) $217.70.

A. Charles G. Botsford, The Botsford, Co., 1730 M Street NW., No. 515, Washington, D.C. 20036.
B. The Botsford Co., 1730 M Street NW., No. 515, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $60.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, P.O. Box 925, Harrisburg, Pa. 17108.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David W. Bowers, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Robert R. Bowers, West Virginia Petroleum Council, Suite 714 Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Deborah K. Bowker, National Association of Postal Supervisors, P.O. Box 23456, L'Enfant Plaza Station, Washington, D.C. 20024.
B. National Association of Postal Supervisors, P.O. Box 23456, L'Enfant Plaza Station, Washington, D.C. 20024.
D. (6) $2,884.62.

A. Edward L. Bowley, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street, NW., Washington, D.C. 20005.
D. (6) $6,022.29. E. (9) $1,454.98.

A. Joan Costain Bowyer, Phelps Dodge Corp., 1015 15th Street NW., Washington, D.C. 20005.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $150.

A. Elisa Boyd, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. BOMA International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $3,200. E. (9) $2.

A. John G. Boyd, IBM, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines, Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $138. E. (9) $4.50.

A. Robert K. Boyd, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,600. E. (9) $331.

A. Stephen S. Boynton, 1901 North Fort Myer Drive, Suite 1204, Arlington, Va. 22209.
B. The American Fur Industry, 101 West 30th Street, New York, N.Y. 10001.
D. (6) $700.

A. Stephen S. Boynton, 1901 North Fort Myer Drive, Suite 1204, Arlington, Va. 22209.
B. The Wildlife Legislative Fund of America, 50 West Broad Street, Columbus, Ohio 43215.
D. (6) $350.

A. Robert E. Bradford, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Frank W. Bradley, 1700 K St. NW., Washington, D.C. 20006.
B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $1,200.

A. Mitchell H. Bradley, American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Wayne W. Bradley, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $500. E. (9) $372.76.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $2,500. E. (9) $88.97.

A. Raymond F. Bragg, Jr., American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
D. (6) $100.

A. Stuart J. Brahs, American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, 1850 K Street NW., Washington, D.C. 20006.
D. (6) $80.31.

A. S. Gail Bramblett, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $1,689.80. E. (9) $30.

A. Robert M. Brandon, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.
B. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.
D. (6) $1,850. E. (9) $75.

A. T. Edward Braswell, Jr., Corcoran, Youngman & Rowe, 1511 K Street NW., Washington, D.C. 20005.
B. Newport News Shipbuilding & Drydock Co., 4101 Washington Avenue, Newport News, Va. 23607.
D. (6) $3,750.

A. Roy Braunstein, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14 Street NW., Washington, D.C. 20005.
D. (6) $6,724.51. E. (9) $90.

A. Peter Elliot Braveman, 500 Newport Center Drive, Suite 555, Newport Beach, Calif.
B. Loeb and Loeb, 1 Wilshire Boulevard, 16th Floor, Los Angeles, Calif. 90017 (for Joan Irvine Smith).
D. (6) $37,500. E. (9) $180.

A. Edward T. Breathitt, Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
B. Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000 North, Washington, D.C. 20036.
B. Board of Trade Clearing Corp., 141 W. Jackson Boulevard, Chicago, Ill. 60604.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000 North, Washington, D.C. 20036.
B. Northern Solar Systems, Inc., 30 Pond Park Road, Hingham, Mass. 02043.
D. (6) $598.

A. John Henry Brebbia, Alston, Miller & Gaines, 1800 M Street NW., Suite 1000 North, Washington, D.C. 20036.
B. RCA Global Communications, Inc., 60 Broad Street, Room 700, New York, N.Y. 10004.
D. (6) $3,549. E. (9) $38.05.

A. George W. Breece, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $387.50.

A. Breed, Abbott & Morgan, 1875 I Street NW., No. 1000, Washington, D.C. 20006
B. Associated Hospital Service of New York, 80 Lexington Avenue, New York, N.Y. 10016.

A. Breed, Abbott & Morgan, 1875 I Street NW., Washington, D.C. 20006.
B. Lasker, Stone & Stern, 20 Broad Street, New York, N.Y.

A. Breed, Abbott & Morgan, 1875 I Street NW., No. 1000, Washington, D.C. 20006
B. Lefrak Organization, 97-77 Queens Boulevard, Forest Hills, N.Y.

A. Breed, Abbott & Morgan, 1875 I Street NW., No. 1000, Washington, D.C. 20006
B. David H. McConnell, 375 Park Avenue, New York, N.Y.

A. Breed, Abbott & Morgan, 1875 I Street NW., No. 1000, Washington, D.C. 20006
B. Panhandle Eastern Pipe Line Co., 3000 Bissonnet Avenue, P.O. Box 1642, Houston, Tex. 77001.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. American Car Rental Association (ACRA), 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.
D. (6) $1,250.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Committee for Effective Tax Incentives, 1634 I Street NW., 8th Floor, Washington, D.C. 20006.
D. (6) $3,000.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Hilton International, Inc., 301 Park Avenue, New York, N.Y. 10022.
D. (6) $2,000.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Trans World Airlines, 1000 16th Street NW., Suite 704, Washington, D.C. 20036.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. Truck Renting and Leasing Association (TRALA), 1750 Pennsylvania Avenue, Suite 1303, Washington, D.C. 20006.
D. (6) $1,250.

A. Bregman, Abell & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.

A. Michael J. Brennan, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Bridge, Structural and Ornamental Iron Workers, AFL-CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $8,580. E. (9) $394.42.

A. Edward J. Brenner, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention & Innovation, Suite 605, 1735 Jefferson Davis Highway, Arlington, Va. 22202.

A. Miles H. Bresee, Jr., 170 Altura Way, Greenbrae, Calif. 94904.
B. Bechtel Power Corp. 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. John B. Brewer, American Movers Conference, 1117 North 19th Street, P.O. Box 9204, Arlington, Va. 22209.
B. American Movers Conference, 1117 North 19th Street, P.O. Box 9204, Arlington, Va. 22209.

A. Carolyn Brickey, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $2,750.01.

A. Bill Brier, 1850 K Street NW., Suite 550, Washington, D.C. 20006.
B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500.

A. Belva B. Brissett, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,406.25. E. (9) $449.80.

A. Ellen Broadman, Consumers Union, 1511 K Street NW., Suite 1033, Washington, D.C. 20005.
B. Consumers Union, 256 Washington Street, Mount Vernon, N.Y. 10550.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 823 U.N. Plaza, New York, N.Y. 10017.
D. (6) $575.

A. Michael D. Bromberg, 1111 19th Street NW., Suite 402, Washington, D.C. 20036.
B. Federation of American Hospitals, 1111 19th Street NW., No. 402, Washington, D.C. 20036.
D. (6) $4,500.

A. Dale E. Brooks, Chevron U.S.A., Inc., 1700 K Street, Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A., Inc., (a subsidiary of Standard Oil Co. of California), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. E. R. Brooks, P.O. Box 841, Abilene, Tex. 79604.
B. West Texas Utilities Co., P.O. Box 841, Abilene, Tex. 79604.

A. Phillip W. Brooks, Volunteer State Oil Committee, 18th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
(6) $50.

A. Carol L. Bros., National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.
B. National Women's Political Caucus, 1411 K Street NW., Suite 1110, Washington, D.C. 20005.
D. (6) $2,711. E. (9) $1,501.30.

A. Daniel T. Bross, United Gas Pipe Line Co., 1101 17th Street NW., Suite 704, Washington, D.C.
B. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
D. (6) $986. E. (9) $460.92.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $19,150. E. (9) $19,150.

A. Donald G. Brotzman, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,000.

A. Ben J. Brown, 1101 15th Street NW., Washington, D.C. 20005.
B. U.S. & Overseas Tax Fairness Committee, Inc., 1101 15th Street NW., Washington, D.C. 20005.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $175.

A. David S. J. Brown, Monsanto Co., 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $312.73.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. CENTAR Associates, 369 Passiac Avenue, Fairfield, N.J. 07006.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, Inc., 1919 Pennsylvania Avenue NW., No. 702, Washington, D.C. 20006.

A. J. D. Brown, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C.
D. (6) $300.

A. Jesse B. Brown, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
D. (6) $14.92.

A. Karen H. Brown, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Theoran Brown, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,265.

A. Brown, Todd & Heyburn, 1600 Citizens Plaza, Louisville, Ky. 40202.
B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. 40232.
D. (6) $7,451.50. E. (9) $2.40.

A. Vincent D. Brown, Nebraska Petroleum Council, P.O. Box 95063, 334 South 13th Street, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $200. E. (9) $4.

A. William E. Brown, Ford Motor Co., 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $414. E. (9) $251.30.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Canadian Financial Corp., 2030 Northwestern Financial Center, 7900 Xerxes Avenue South, Minneapolis, Minn. 55431.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. National Corp. for Housing Partnerships, 1133 15th Street NW., Washington, D.C. 20005.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. National Housing Rehabilitation Association, 1300 19th Street NW., Suite 310, Washington, D.C. 20036.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. New York State Urban Development Corp., 1515 Broadway, New York, N.Y. 10036.

A. Richard L. Brubacher, Minnesota Petroleum Council, 300 Northern Federal Building, St. Paul. Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500. E. (9) $18.

A. James W. Bruner, Jr., League To Save Lake Tahoe, P.O. Box 10110, So. Lake Tahoe, Calif. 95731.
B. League To Save Lake Tahoe, 2197 Lake Tahoe Boulevard, P.O. Box 10110, South Lake Tahoe, Calif. 95731.
D. (6) $7,980. E. (9) $1,016.78.

A. Kathryne M. Bruner, General Atomic Co., 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $700. E. (9) $25.

A. Michael E. Brunner, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1700 North Moore Street, Arlington, Va.
D. (6) $3,000. E. (9) $328.90.

A. Robert O. Brunner, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $310.61. E. (9) $25.45.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., No. 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Harvey F. Brush, 2006 Washington Street, San Francisco, Calif. 94109.
B. Bechtel Inc., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Garry Bryant, 806 15th Street NW., Suite 600, Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $5,911.58. E. (9) $1,001.23.

A. Ronald B. Buckhalt, National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.

D. (6) $1,600. E. (9) $1,250.

A. Robert D. Buehler, B. F. Goodrich Co., 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $400.

A. Douglas W. Bulcao, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue, Suite 300, Washington, D.C. 20036.
B. American Textile Manufacturers, Inc., 1101 Connecticut Avenue, Suite 300, Washington, D.C. 20036.
D. (6) $504. E. (9) $18.45.

A. Norman D. Burch, College of American Pathologists, 1333 New Hampshire Avenue NW., Suite 520, Washington, D.C. 20036.
B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60077.
D. (6) $5,220. E. (9) $43.

A. David G. Burden, 200 East Randolph Drive, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago. Ill. 60601.

A. Paul F. Burdett, 10 Emerson Court, Severna Park, Md. 21146.
B. Richardson-Merrell, Inc., 10 Westport Road, Wilton, Conn. 06897.
E. (9) $35.

A. William J. Burhop, Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,000.

A. Burke & Burke, 529 Fifth Avenue, New York, N.Y. 10017.
B. Laura H. Beer, P.O. Box 139, Corning, N.Y. 14830, et al.
D. (6) $5,500. E. (9) $425.36.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $69.46.

A. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C.
D. (6) $30,685.01. E. (9) $1,000.47.

A. Phillip C. Burnett, National Cotton Council of America, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $426.14. E. (9) $40.75.

A. Mahlon A. Burnette III, 1010 Wisconsin Avenue, NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. David G. Gurney, United States Tuna Foundation, Suite 208, 2040 Harbor Island Drive, San Diego, Calif. 92101.
B. United States Tuna Foundation, 2040 Harbor Island Drive, Suite 208, San Diego, Calif. 92101.
D. (6) $6,000. E. (9) $3,000.

A. Charles S. Burns, Phelps Dodge Corp., 1015 15th Street NW., Washington, D.C. 20005.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200.

A. Gerrie Bjornson Burns, B. F. Goodrich Co., 1800 K Street NW., Suite 929, Washington, D.C. 20006.
B. The B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $100.

A. Timothy F. Burns, CMA, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Busby, Rehm & Leonard, P.C., 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Ad Hoc Committee on Lead Consumers, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
D. (6) $75. E. (9) $7.23.

A. Busby, Rehm & Leonard, P.C., 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $6,500. E. (9) $100.

A. Busby, Rehm & Leonard, P.C., 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Bacardi Imports Inc., 2100 Biscayne Boulevard, Miami, Fla. 33137.

A. Nicholas J. Bush, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $330.55.

A. Business Executives Move for New National Priorities, 901 N. Howard Street, Baltimore, Md. 21201.
D. (6) $1,417.82. E. (9) $611.50.

A. Business Products Council Association, P. O. Box 35047, Fayetteville, N.C. 28303.

A. John Butler, Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW. (for American Family Mutual Insurance Company), Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corp., 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvaina Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut), 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John F. Byset, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Cable, McDaniel, Bowie & Bond, 900 Blaustein Building, Baltimore, Md. 21201.
B. Crown Central Petroleum Corp. P.O. Box 1168, One North Charles Street, Baltimore, Md. 21203.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Suite 700, Washington, D.C. 20036.
B. General Dynamics Corp., Pierre Laclede Center, St. Louis, Mo. 63105.
D. (6) $165.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Suite 700, Washington, D.C. 20036.
B. Mocatta Metals Corp., 4 World Trade Center, Suite 5200, New York, N.Y. 10048.
D. (6) $280.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Suite 700, Washington, D.C. 20036.
B. Rohm & Haas Co. 1899 L Street NW., Suite 870, Washington, D.C. 20036.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Suite 700, Washington, D.C. 20036.
B. Rohm & Haas Co., 1899 I Street NW., Suite 870, Washington, D.C. 20036.

A. Cadwalader, Wickersham & Taft, 1333 New Hampshire Avenue NW., Suite 700, Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,220. E. (9) $464.74.

A. Morrison Cain, Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Alan Caldwell, Del Monte Corp., 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., One Market Plaza, San Francisco, Calif., 94119.
D. (6) $1,000. E. (9) $50.

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301

A. Califano, Ross & Heineman, 1575 I Street NW., Washington, D.C. 20005.
B. Quality Care, Inc., 100 North Centre Street, Rockville Centre, N.Y. 11570.

A. Peter E. Callanan, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Honeywell Inc., Honeywell Plaza, Minneapolis, Minn. 55408.
D. (6) $575. E. (9) $220.

A. Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga., 30342.
E. (9) $4,407.

A. Gordon L. Calvert, Box 34-531, Washington, D.C. 20034.
B. Commercial Collection Agency Section, Commercial Law League of America, 222 West Adams St., Chicago, Ill. 60606.
D. (6) $2,000. E. (9) $50.58.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington D.C. 20003.
B. Ferro Corp, Cataphote Division, P.O. Box 2369, Jackson, Miss. 39205 and General Steel Industries, Inc., Flex-O-Lite Division, P.O. Box 4366, St. Louis, Mo. 63123.

D. (6) $3,000.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Gulf + Western Industries, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $4,000.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154.
D. (6) $1,875.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Prismo Universal Corp., 300 Lanidex Plaza, Parsippany, N.J. 07054.
D. (6) $5,661.67

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Safetran Systems Corp., P.O. Box 1037, Louisville, Ky. 40201.
D. (6) $4,912.50.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.
B. Champlin Petroleum Co., 345 Park Avenue, New York, NY. 10022.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.
B. Eastern Central Motor Carrier Association, Inc., P.O. Box 3600, Akron, Ohio 44310.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Offshore Marine Services Association, Suite G, 2701 Houma Boulevard, Metairie, La. 70002.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.
B. Rocky Mountain Energy Corp., 345 Park Avenue, New York, N.Y. 10022.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.
B. Union Pacific Railroad, 345 Park Avenue, New York, N.Y. 10022.

A. C. Russell Campbell, Jr., Suite 900, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. General Telephone & Electronics Corp., One Stamford Forum, Stamford, Conn. 06904.
D. (6) $1,500. E. (9) $32.31.

A. Carl C. Campbell, National Cotton Council of America, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Jerry L. Campbell, 831 Chestnut Street, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 831 Chestnut Street, Chattanooga, Tenn. 34702.

A. John E. Campbell, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

A. Thomas D. Campbell, 1000 16th Street NW., Suite 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60610.
D. (6) $1,500. E. (9) $298.84.

A. Alyce D. Canaday, Pacific Power & Light Co., 404 World Center Building, Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $522. E. (9) $711.85.

A. Robert P. Canavan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $1,592.40. E. (9) $58.

A. Sharon M. Canavan, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,645.

A. Paul W. Cane, 5 Corte Alegra, Greenbrae, Calif. 94904.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. David L. Cantor, 1111 19th Street NW., 9th Floor, Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., 9th Floor, Washington, D.C. 20036.
D. (6) $175.50. E. (9) $48.59.

A. Capital Advocates, 1127 11th Street, Sacramento, Calif. 95814.
B. Summa Corp., et al., Box 14000, Las Vegas, Nev.
D. (6) $9,015. E. (9) $291.63.

A. Marvin H. Caplan, Industrial Union Department, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,853. E. (9) $134.84.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Aetna Life & Casualty Co., 151 Farmington Avenue, Hartford, Conn. 06115.
D. (6) $9,951.50. E. (9) $39.05.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. American Family Life Assurance Co. of Georgia, P.O. Box 1459, Columbus, Ga. 31902.
D. (6) $1,445.10 E. (9) $24.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Public Broadcasting Communications, Inc., 304 West 58th Street, New York, N.Y. 10019.
E. (9) $170.54.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European & Japanese National Shipowners' Association, 30/32 St. Mary Axe, London, EC3A 8ET England.
D. (6) $8,400. E. (9) $431.72.

A. Charles E. Capron, 2401 Calvert Street NW., No. 905, Washington, D.C. 20008.

A. Arnold P. Caputo, 1970 Hopewood Drive, Falls Church, Va. 22043.
B. National Concrete Masonry Association, 2302 Horse Pen Road, Herndon, Va. 22070.

A. Isaac R. Caraco, 4532 Park Monaco, Calabasas Park, Calif. 91302.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 9365, San Francisco, Calif. 94119.

A. Denise A. Cardman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Norval E. Carey, General Atomic Co., 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $3,224. E. (9) $397.86.

A. Peter Carlson, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,375.

A. Thomas H. Carmody, 507 Second Street NE., Washington, D.C. 20002.
B. Blue Ribbon Sports, Inc., 3900 SW. Murry Boulevard, Beaverton, Oreg. 97005.
D. (6) $2,500. E. (9) $1,300.

A. Chapin Carpenter, Jr., Magazine Publishers Association, 1629 K Street NW., No. 603, Washington, D.C. 20006.
B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $1,500.

A. Jack M. Carpenter, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $33.87. E. (9) $50.15.

A. Richard M. Carrigan, National Education Association, 1201 16th Street NW., Washington, D.C. 20036
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $1,884.80. E. (9) $134.50.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $8,000.

A. Hans L. Carstensen III, Weyerhaeuser Co.,1625 I Street NW., Suite 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98477.
D. (6) $700. E. (9) $17.

A. David C. Carter, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,875.

A. Joseph L. Carter, Jr., Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $358.74. E. (9) $166.26.

A. James P. Carty, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $500.

A. Donato Caruso, Lorenz, Finn, Giardino & Lambos, 25 Broadway, No. 1755, New York, N.Y. 10004.
B. New York Shipping Association, Inc., 80 Broad Street, New York, N.Y. 10004.

A. Cary & Baron, 500 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Puget Sound Power & Light Co., Puget Power Building, Bellevue, Wash. 98009.
D. (6) $5,161.89. E. (9) $4,788.71.

A. David H. Casey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,650. E. (9) $3,620.31.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Amfac Nurseries, Inc., 840 Malcom, Burlingame, Calif. 94010.
D. (6) $600. E. (9) $145.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Belle Fourche Irrigation District, Newell, S. Dak. 57760.
D. (6) $500. E. (9) $124.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Committee on Power for the Southwest, Inc., 400 South Broadway, Suite No. 3, Edmond, Okla. 73034.
D. (6) $300. E. (9) $64.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Garrison Diversion Conservancy District, P.O. Box 140, Carrington, N. Dak. 58421.
D. (6) $900. E. (9) $188.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Salt River Valley Water Users Association, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $3,000. E. (9) $660.

A. Jim Casey, 1629 K Street NW., Suite 800, Washington, D.C. 20006.
B. Twin Falls Canal Co., P.O. Box 326, Twin Falls, Idaho.
D. (6) $4,000. E. (9) $889.

A. John S. Casey, P.O. Box 266, Heflin, Ala. 36264.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Eugene I. Casraiss, Jr., United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $10,047.62. E. (9) $108.30.

A. Daniel J. Cassidy, 1001 Connecticut Avenue NW., No. 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. John J. Castellani, TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

A. Joseph E. Cavanagh, International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $2,675.

A. Dorothy Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,250.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. Grumman Corp., 1600 Wilson Boulevard, Arlington, Va.
D. (6) $400.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. Martin-Marietta Corp., Rockville, Md.
D. (6) $300.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. R.C.A., 1901 North Moore Street, Arlington, Va.
D. (6) $450.

A. Cederberg & Associates, 7100 Sussex Place, Alexandria, Va. 22307.
B. United Technologies, 1125 15th Street NW., Washington, D.C.
D. (6) $300.

A. Central Lincoln People's Utility District, 255 Southwest Coast Highway, Newport, Oreg. 97365

A. Central States Resource Center, P.O. Box 477, Urbana, Ill. 61801.
D. (6) $6,339.50. E. (9) $6,118.20.

A. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
E. (9) $2,000.

A. Owen R. Chaffee, 203 Yoakum Parkway, No. 1012, Alexandria, Va. 22304.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, VA. 22202.
D. (6) $700. E. (9) $80.

A. John A. Chambers, 1050 17th Street, NW., Suite 680, Washington, D.C. 20036.
B. Satra Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $3,200. E. (9) $800.

A. Thomas Champion, 1111 19th Street, NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street, NW., Washington, D.C. 20036
D. (6) $1,365. E. (9) $442.43.

A. Steven M. Champlin, 329 8th Street NE., Washington, D.C. 20002.
B. Vietnam Veterans of America, 419 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,200.

A. Ed Chandler, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $4,250. E. (9) $500.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1575 Eye Street NW., Washington, D.C. 20005.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa. 17405.
E. (9) $7.10.

A. William U. Chandler, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. Leslie Cheek III, Crum and Forster Corp., 1120 Connecticut Avenue NW., Suite 1142, Washington, D.C. 20036.
B. Crum and Forster Corp., Madison Avenue at Canfield Road, Morristown, N.J. 07960.
D. (6) $14,500. E. (9) $1,321.98.

A. Jane Cheever, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Jane Cheever, The First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.
B. The First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $5,000. E. (9) $3,000.

A. David L. Chew, 1615 H Street NW., Washington, D.C. 20062.
B. Citizen's Choice, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $3,000. E. (9) $26.27.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C. 20010.
D. (6) $263.50. E. (9) $265.55.

A. Phillip R. Chisholm, National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
D. (6) $6,125. E. (9) $367.44.

A. William T. Christian, Atlantic Richfield, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $250.

A. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
E. (9) $3,766.84.

A. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.

A. Citizen/Labor Energy Coalition, 1300 Connecticut Avenue NW., Room 401, Washington, D.C. 20036.
D. (6) $1,925. E. (9) $1,925.

A. Citizens Committee for the Right To Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $175,978.99. E. (9) $17,077.27

A. Citizens for Government Fairness, P.O. Box 1336, Brawley, Calif., 92227.
D. (6) $8,804.62. E. (9) $10,899.76.

A. Norman M. Clapp, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $4,050. E. (9) $61.95.

A. James W. Clark, Jr., American Optometric Association, 1730 M Street NW., Suite 206, Washington, D.C. 20036.
B. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.
D. (6) $135.24. E. (9) $189.30.

A. Kimball Clark, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $490.10. E. (9) $392.37.

A. Thomas R. Clark, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Vernon A. Clark, 1899 L Street NW., Suite 403, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $750.

A. Donald M. Clarke, International Harvester, 1707 L Street NW., Washington, D.C. 20036.
B. International Harvester, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $1,250. E. (9) $312.97.

A. Wade P. Clarke, Jr., Deere & Co., John Deere Road, Moline, Ill. 61265.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Industrial Health Council, 1075 Central Park Avenue, Scarsdale, N.Y. 10583

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Columbia Nitrogen Corp., P.O. Box 1483, Augusta, Ga. 30903 & Nipro, Inc., P.O. Box 1483, Augusta, Ga. 30903.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Securities Clearing Corp., 55 Water Street, New York, N.Y. 10041.
D. (6) $1,117 E. (9) $5.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sporting Arms and Ammunition Manufacturers Institute, 420 Lexington Avenue, New York, N.Y. 10017.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10583.

A. Ronald D. Clements, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,125. E. (9) $275.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Coffee, Sugar, & Cocoa Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.
D. (6) $2,920 E. (9) $730.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Joint Corporate Committee on Cuban Claims, c/o Lone Star Industries, Inc., P.O. Box 5050, Greenwich, Conn. 06830.
D. (6) $900. E. (9) $270.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.
B. National Tour Brokers Association, Inc., 120 Kentucky Avenue, Lexington, Ky. 40502.
D. (6) $4,750. E. (9) $1,425.

A. Clifford & Warnke, 815 Connecticut Avenue, Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Dexanne B. Clohan, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,112.05.

A. Coalition for Energy Efficient Transportation, 1901 North Fort Myer Drive, Rosslyn, Va. 22209.

A. The Coalition for Full Nuclear Accountability, Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $6,662.16 E. (9) $6,662.16.

A. Coalition of Automotive Associations, 1607 New Hampshire Avenue, Washington, D.C. 20009.

A. Coalition of Concerned Charities, c/o Annette Miller, 1776 F Street, NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,250.

A. Thomas B. Coates, c/o Connecticut Petroleum Council, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Richard B. Cobb, Petroleum Council of Georgia, 230 Peachtree Street NW., Suite 1500, Atlanta, Ga. 30303.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $460. E. (9) $619.08.

A. John J. Coffey, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A. Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $650.

A. Don V. Cogman, 1100 Connecticut Avenue NW., Suite 820, Washington, D.C. 20036.
B. MAPCO, Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.
D. (6) $3,750. E. (9) $564.04.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $11,750. E. (9) $691.57.

A. Cohen & Uretz, 1775 K Street NW., Fourth Floor, Washington, D.C. 20006.
B. Contract Staffing of America, Inc., 17601 East 17th Street, Tustin, Calif. 92680.
E. (9) $16.50.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. CSL Industries, 1 Century Plaza, 2029 Century Park East, Los Angeles, Calif. 90067.
D. (6) $23,993.75. E. (9) $3,246.78.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $322.94.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Northwest Energy Co., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $16,659.25. E. (9) $452.66.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Stichting Philips Pensioenfonds A and B, Tramstraat 62, Eindhoven, The Netherlands.
D. (6) $4,128.75. E. (9) $3,836.90.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33138.
D. (6) $13,125. E. (9) $705.50.

A. Herbert B. Cohen, Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800 N, Washington, D.C. 20036.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. American Petroleum Refiners Association, Ring Building, Washington, D.C. 20036.
D. (6) $300.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of American Chambers of Commerce, Europe and Mediterranean.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.
B. Lubar & Youngstein, 29 St. John Street, London SW1A 1HB, England.
D. (6) $17,656.72. E. (9) $314.38.

A. E. William Cole, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $600. E. (9) $70.

A. Eleanor Cole, UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $1,000.

A. Ken W. Cole, Amoco Public & Government Affairs, P.O. Box 3092, Houston, Tex. 77001.
B. Standard Oil Co., (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

A. Robert E. Cole, Industry Government Relations, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $1,264.89.

A. Stacey W. Cole, c/o New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.

B. Cardio Pulmonary Contractors Association, 2550 M Street NW., Washington, D.C. 20037.
D. (6) $3,000.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. College of American Pathologist, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. National Association of Truck Stop Operators, P.O. Box 1285, Alexandria, Va. 22313.

A. William J. Colley, 2550 M Street NW., Washington, D.C. 20037.
B. National Pharmaceutical Alliance, 2550 M Street NW., Washington, D.C. 20037.
D. (6) $7,500.

A. Calvin J. Collier, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

A. Calvin J. Collier, Hughes, Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $9,131.04.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Ferrous Scrap Consumers Coalition, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Suite 308, Washington, D.C. 20007.
B. Tanners' Council of America, Inc., 411 Fifth Avenue, New York, N.Y. 10016.

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

B. Tool and Stainless Steel Industry Committee, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.

A. Bruce D. Collins, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $412,50.

A. George R. Collins, 1126 16th Street NW., Washington, D.C.
B. IUE-AFL-CIO, 1126 16th Street NW., Washington, D.C.
D. (6) $600. E. (9) $300

A. Mary M. Collins, Shell Oil Co. 1025 Connecticut Avenue NW, Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Paul L. Collins, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
E. (9) $134.45.

A. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

A. W. Kent Combs, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $517.14. E. (9) $8.40.

A. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800 N., Washington, D.C. 20036.

A. Committee for Effective Capital Recovery, 1901 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $2,453.18. E. (9) $2,453.18.

A. Committee for Effective Tax Incentives, 1 Farragut Square, 8th Floor, Washington, D.C. 20006.
E. (9) $3,000.

A. Committee for Equality of Citizens Before the Courts, 3401 West Division Street, Chicago, Ill. 60651.
D. (6) $500.

A. The Committee for Freedom of Access to Legal Lotteries, P.O. Box 92, Guilford, Maine 04443.

A. Committee for Humane Legislation, Inc., 2101 L Street NW., Washington, D.C. 20037. Business: 11 West 60th Street, New York, N.Y. 10023.
D. (6) $8,842.37. E. (9) $7,242.65.

A. Committee of Urban Program Universities, 1300 19th Street NW., No. 220, Washington, D.C. 20036.
D. (6) $13,500. E. (9) $8,731.70.

A. Committee To Assure the Availability of Casein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,696,170. E. (9) $279,322.18.

A. Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
E. (9) $144.52.

A. Lance Compa, 1411 K Street NW., Suite 410, Washington, D.C. 20005.

B. United Electrical, Radio & Machine Workers of America (UE), 11 East 51st Street, New York, N.Y. 10022.
D. (6) $4,387.87. E. (9) $97.50.

A. Computer & Communications Industry Association, Suite 512, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Edward C. Cone, Jr., P.O. Box 1606, Forest Park, Ga. 30050.
B. Southeastern Lumber Manufacturers Association, P.O. Box 1606, Forest Park, Ga. 30050.
D. (6) $27.04.

A. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $1,350.

A. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $33,601. E. (9) $33,601.

A. Raymond F. Conkling, 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. Robert J. Conner, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Chrysler Corp., 1200 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $500. E. (9) $588.77.

A. Stephen N. Conner, Route 1, Box 165, Easton, Md. 21601.
B. Ministry of Foreign Affairs, Kingdom of Saudi Arabia, c/o Royal Embassy of Saudi Arabia, 1520 18th Street NW., Washington, D.C.
E. (9) $1,874.63.

A. Albert J. Conners, Air Force Sergeants Association, 5211 Auth Road, Camp Springs, Md. 20023.
B. Air Force Sergeants Association, 5211 Auth Road, Camp Springs, Md. 20023.

A. John J. Connolly, American Waterways Operators, Inc., 1600 Wilson Boulevard, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $700.

A. Jerry C. Connors, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $2,500.

A. Constructora Nacional de Carros de Ferrocarril, S.A., San Lorenzo No. 925, 5 piso, Mexico, D.F. Mexico.

A. Consumers Union of U.S., Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.
E. (9) $9,040.

A. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $91,798.42.

A. Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.
E. (9) $760.

A. John T. Conway, 410 First Street SE., Washington, D.C.

B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $6,562.50. E. (9) $515.84.

A. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $303.75. E. (9) $218.48.

A. Charles F. Cook, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $211.53. E. (9) $7.50.

A. Frederick N. Cook, c/o Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $450.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C. 20036.

A. K. Richard Cook, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $400.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Aleutian/Pribilof Islands Association, Inc., 1689 C Street, Anchorage Alaska 99501.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., 11th Floor, Washington, D.C. 20036.
B. American Motorcycle Association, P.O. Box 141, Westerville, Ohio 43081.
D. (6) $939.85.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Bank of Louisville, 500 West Broadway, Louisville, Ky. 40202.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. B.A.T. Industries, Ltd., P.O. Box 345, Windsor House, 50 Victoria Street, London SW1H 0NL England.
D. (6) $14,175.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. The Board of Trade of Kansas City, Mo., Inc., Kansas City, Mo. 64112.
D. (6) $4,250. E. (9) $668.65.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Bulova Systems & Instruments Corp., Green Acres Road West, P.O. Box 189, Valley Stream, N.Y. 11582.
D. (6) $1,731.25

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Citizens Deposit Bank, P.O. Box 8, Vanceburg, Ky. 41179.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Co., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $2,000.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $750.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. First Bank & Trust Co., 1544 Winchester Avenue, Ashland, Ky. 41101
D. (6) $500.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Guam Growth Council, P.O. Box BV, Agana, Guam 96911.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Hamilton Technology, Inc., P.O. Box 1609, Columbia Avenue, Lancaster, Pa. 17604.
D. (6) $1,731.25.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., 11th Floor, Washington, D.C. 20036.
B. Harley Davidson Motor Co., Inc., P.O. Box 652, Milwaukee, Wis. 53201.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Suite 1100, Washington, D.C. 20036.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.
D. (6) $5,300. E. (9) $918.51

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. N.C. Machinery, Box 3562, Seattle, Wash. 98124.
D. (6) $250.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.
D. (6) $700.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Roadway Express, Inc., P.O. Box 471, 1077 Gorge Boulevard, Akron, Ohio 44309.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. St. George Tanaq Corp.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $2,000.

A. Cook, Purcell, Hansen & Henderson, Chartered, 1015 18th Street NW., Washington, D.C. 20036.
B. The Tobacco Institute, 1875 I Street, NW., 8th Floor, Washington, D.C. 20006.
D. (6) $2,000. E. (9) $13.34.

A. Robert M. Cook, 201 Holiday Plaza, 1105 South 13th Street, Norfolk, Nebr. 68701.
B. Livestock Marketing Association.

A. Paul E. Cooney, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Paul E. Cooney, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Paul E. Cooney, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (from Smith Barney, Harris Upham & Co., Inc.).

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Janet R. Cooper, 1016 16th Street NW., Washington D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $978.12.

A. Joshua W. Copper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,400. E. (9) $607.48.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington D.C. 20006.
D. (6) $10,500. E. (9) $7.50.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $14,240. E. (9) $14,707.98.

A. Darrell Coover, 499 South Capitol Street SW., Suite 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $286.

A. John F. Corcoran, Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
B. Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. Samuel C. Corey, Sr., 2500 DeKalb Pike, Norristown, Pa. 19404.
B. Provident Indemnity Life Insurance Co., 2500 DeKalb Pike, Norristown, Pa. 19404.

A. Bennett J. Corn, Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

B. Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. Corn Refiners Association, Inc., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,221. E. (9) $1,703.40.

A. Cornell Oil Co., 5440 Harvest Hill Road, Suite 200, Dallas, Tex. 75230.
E. (9) $2,099.32.

A. Donald E. Cornett, 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Richard L. Corrigan, 1015 15th Street NW., Suite 802, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., Washington, D.C. 20005.
D. (6) $875.

A. Alfred W. Cors, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $536. E. (9) $24.38.

A. Allan D. Cors, 1800 K Street NW., Suite 1104, Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $300.

A. Glen S. Corso, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,000. E. (9) $473.

A. R. H. Dick Cory, 1510 American Bank Tower, Austin, Tex. 78701.
B. Central & South West Services, Inc., 1 Main Place, Suite 2700, Dallas, Tex. 75250.

A. John E. Cosgrove, Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $12,673.36.

A. Cosmetic, Toiletry and Fragrance Assoc., Inc., 1133 15th Street NW., No. 1200, Washington, D.C. 20005.

A. Clark R. Cossé III, 5644 Hawthorne Place, New Orleans, La. 70124.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $7,750.02.

A. James R. Costello, Jr., American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
B. American Textile Manufacturers, Inc., 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
D. (6) $500. E. (9) $30.40.

A. Michael E. Costello, 1660 L Street NW., Suite 901, Washington, D.C. 20036.
B. Texas Eastern Tranmission Corp., P.O. Box 2521, Houston, Tex. 77001.
E. (9) $327.17.

A. Cotton Farmers Association, 700 Texas Center, 900 Washington, Waco, Tex. 76703.

A. Paul J. Coughlin, Jr., 1120 20th Street NW., Suite 600 South, Washington, D.C. 20036.

B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $1,250.

A. Craig A. Coulter, Cities Service Co., 1660 L Street NW., No. 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Council for a Competitive Economy, 410 First Street SE., Washington, D.C. 20003
D. (6) $2,895. E. (9) $1,716.41.

A. Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108.
E. (9) $12,683.67.

A. Council for American Private Education, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $600. E. (9) $600.

A. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
E. (9) $600.

A. Council of Industrial Boiler Owners, 11222 Silverleaf Drive, Fairfax Station, Va. 22039.
E. (9) $300.

A. Council of State Chambers of Commerce, 499 South Capitol Street SW., Suite 412, Washington, D.C. 20003.
D. (6) $265.50. E. (9) $101.31.

A. James H. Cousins, Sr., National Savings and Loan League, 1101 15th Street NW., Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $2,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Association of Oral and Maxillofacial Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $6,000. E. (9) $22.75.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Watch Association, 10 East 40th Street, New York, N.Y. 10016.
D. (6) $400.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of Maximum Service Telecasters, Inc. (MST), 1735 DeSales Street NW., Washington, D.C. 20036.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Bristol Bay Native Corp., P.O. Box 220, Anchorage, Alaska 99510.

A. Covington & Burling, 888 16th Street NW., Washington D.C. 20006.
B. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, Fla. 33394.
D. (6) $977.50.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Hugo Neu, 380 Madison Avenue, New York, N.Y. 10017.

A. Covington & Burling, 888 16th Street NW., Washington D.C. 20006.
B. Interbank Card Association, 888 Seventh Avenue, New York, N.Y. 10019.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Armonk, N.Y. 10504.
D. (6) $10,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) 20,000. E. (9) $24.30.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Lydall, Inc., 615 Parker Street, Manchester, Conn. 06040.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HHH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. New York State Urban Development Corp., 1515 Broadway, New York, N.Y. 10036.
E. (9) $15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Securities Industry Association, 490 L'Enfant Plaza East SE., Washington, D.C. 20024.

A. Eugene S. Cowen, 2759 Unicorn Lane NW., Washington, D.C. 20015.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $21.30.

A. Cowper & Madson, 712 8th Avenue, Fairbanks, Alaska 99701.
B. State of Alaska, Pouch A, Juneau, Alaska 99811.
D. (6) $1,487.98.

A. Archibald Cox, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,916.67. E. (9) $1,691.54.

A. C. Bryan Cox, P.O. Box 139, Kansas City, Mo. 64141.
B. Kansas City Life Insurance Co., P.O. Box 139, Kansas City, Mo. 64141.

A. Karl E. Cox, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.
B. American Footwear Industries Association, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.
D. (6) $250. E. (9) $57.06.

A. Kenneth A. Cox, 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $1,085 E. (9) $48.20.

A. Cramer & Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
D. (6) $5,476.81. E. (9) $23.19.

A. Cramer & Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 and Global Exploration & De-

velopment Corp., 1414 Collins Avenue, Lakeland, Fla. 33801.

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.

A. William C. Cramer, 1320 19th Street NW., Suite 200, Washington, D.C. 20036.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 and Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801.

A. William D. Crawford, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States & Canada, Railroad Labor Union, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $2,031.96.

A. Aldene E. Creech, National Associations of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $98.13.

A. Kathryn Hilton Creech, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $125.

A. Joseph M. Cribben, 6900 Valley Brook Drive, Falls Church, Va. 22042.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue, NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $30.

A. Byron M. Crippin, Jr., 303 20th Street SW., Austin, Minn., 55912.
B. Geo. A. Hormel & Co., P.O. Box 800, Austin, Minn. 55912.
E. (9) $10.

A. Richard E. Cristol, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
D. (6) $406.

A. Critical Mass Energy Project, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $400. E. (9) $261.25.

A. P. H. Croft, The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,450. E. (9) $103.38.

A. Robert W. Cromartie, 1800 Massachusetts, Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts, Avenue NW., Washington, D.C. 20036.
D. (6) $50.

A. Charles H. Cromwell, Inc., 6709 Georgia Street, Chevy Chase, Md. 20015.
B. General Electric Company, 777 14th Street NW., No. 1000, Washington, D.C. 20005.

A. Charles H. Cromwell, Inc., 6709 Georgia Street, Chevy Chase, Md. 20015.
B. Hughes Helicopters, 1140 Connecticut Avenue NW., No. 1005, Washington, D.C. 20006.

A. Charles H. Cromwell, Inc., 6709 Georgia Street, Chevy Chase, Md. 20015.
B. Motorola, Inc., 1776 K Street NW., No. 200, Washington, D.C. 20006.

A. Charles H. Cromwell, Inc., 6709 Georgia Street, Chevy Chase, Md. 20015.
B. Northrop Corp., 1701 North Fort Myer Drive, Arlington, Va. 22209.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

A. Donald A. Crosier, c/o Nebraska Petroleum Council, P.O. Box 95063, 334 South 13th Street, Lincoln, Nebr. 68509.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David T. Crow, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $2,140.14.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Avon Products, Inc., 9 West 57th Street, New York, NY. 10019.
D. (6) $316. E. (9) $20.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
E. (9) $30.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Commuter Airline Association of America, Inc., 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $420.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.

A. Crowell & Moring, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.

A. David C. Crowley, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $450. E. (9) $25.

A. George D. Crowley, Jr., Groom & Nordberg, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bally Manufacturing Corp., 2640 West Belmont Avenue, Chicago, Ill. 60618.

A. Kenneth R. Crowley, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.

A. Cuba Claims Association, Executive Committee, P.O. Box 014004, Miami, Fla. 33101.
E. (9) $171.

A. Barry M. Cullen, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $125.

A. John T. Curran, Legislative Director, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $12,880. E. (9) $325.15.

A. Carl T. Curtis, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Don Rich Co., 372 Franklin Avenue, Redlands, Calif. 92373.

A. Carl T. Curtis, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Green Field Transport Co., Inc., P.O. Box 1235, Fort Dodge, Iowa, 50501, et al.
D. (6) $335.60.

A. Henry G. Curtis, 2121 Fifth Avenue, Seattle, Wash. 98121.
B. Industrial Customers of BPA, 464 Lloyd Building, 700 Northeast, Multnomah, Portland, Oreg. 97232.

A. William K. Dabaghi, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,574.

A. Fred L. Dahl, 10808 South Glen Road, Potomac, Md. 20854.
B. Bechtel Power Corporation, 1620 I Street NW., Washington, D.C. 20006.

A. William Kay Daines, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $19.15.

A. Terese C. D'Alessio, Room 402, 2020 North 14th Street, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

A. Donald W. Dalrymple, American Cyanamid Co., 1575 I Street NW., Suite 220, Washington, D.C. 20005.
B. American Cyanamid Co., Wayne, N.J. 07470 (for Lederle Laboratories, Pearl River, N.Y. 10965).
D. (6) $2,593.75. E. (9) $283.87.

A. James G. Dalton, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,000.

A. John M. Damgard, ACLI International Inc., 1735 I Street NW., Suite 716, Washington, D.C. 20006.
B. ACLI International, Inc., 717 Westchester Avenue, White Plains, N.Y. 10604.

A. Frank C. Damrell, Jr., 5900 Wilshire Boulevard, Suite 2600, Los Angeles, Calif. 90036.
B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.
D. (6) $3,880. E. (9) $862.43.

A. Tracy Danese, Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.

D. (6) $352. E. (9) $20.

A. John E. Daniel, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 11 West 42d Street, New York, N.Y. 10036.
D. (6) $3,750. E. (9) $295.58.

A. Daniels, Houlihan & Palmeter, P.C., 1819 H Street NW., Washington, D.C. 20006.
B. Japan Lumber Importer's Association, Tokyo, Japan.
A. Dan Danner, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.
B. Armco, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.
D. (6) $300. E. (9) $222.87.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Population Crisis Committee, 1120 19th Street NW., Washington, D.C. 20036.
D. (6) $160.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Stewart Capital Corp., 485 Madison Avenue, New York, N.Y. 10022.
D. (6) $410.

A. Danzansky, Dickey, Tydings, Quint & Gordon, Louis H. Diamond, Steven H. Schram, and Frank N. Ikard, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. TVI Corp., 4261 Howard Avenue, Kensington, Md. 20795.

A. William H. Darden, Reynolds Metals Co., 1620 I Street NW., Washington, D.C. 20006.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.
D. (6) $750. E. (9) $30.

A. Thomas Roger Dart, Alabama Petroleum Council, P.O. Box 4220, Montgomery, Ala. 36195.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $207.96.

A. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex.
E. (9) $6,551.95.

A. Philip J. Daugherty, Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,867. E. (9) $226.

A. John B. Davenport, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $165.

A. Larry C. Davenport, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342 (for: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.)
D. (6) $788.

A. Daniel I. Davidson, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. Northern California Power Agency (770 Kiely Boulevard, Santa Clara, Calif. 95051), and the cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompoc, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, California and associate member, Plumas-Sierra Rural Electric Cooperative.

A. David R. Davis, Indiana Petroleum Council, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Drew M. Davis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. Edward M. Davis, American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $2,250. E. (9) $382.79.

A. Davis, Gillenwater, Lynch & Doane, 6801 Whittier Avenue, McLean, Va. 22101.
B. Industrial Consultants Netherlands, B.V., P.O. Box 13373, 2501 EJ, The Hague, Netherlands.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, P.O. Box 185, Denver, Colo. 80201; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Colorado Counties, Inc., 1500 Grant Street, Suite 301, Denver, Colo. 80203.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Integrity Oil & Gas Co., 410 17th Street, Suite 1670, Denver, Colo. 80202.
D. (6) $228. E. (9) $191.65.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Northern Colorado Water Conservancy District, P.O. Box 679, Loveland, Colo. 80537.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. John T. Oxley, c/o R. B. Jowell, Route 2, Box 151, Owasso, Okla. 74055.
D. (6) $144. E. (9) $121.04

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Purgatoire River Water Conservancy District, 430 East Main Street, Trinidad, Colo. 81082.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Rio Grande Water Conservancy District, P.O. Box 816, Alamosa, Colo. 81101.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Snyder Oil Co., 410 17th Street, Suite 1300, Denver, Colo. 80202.
D. (6) $1,932. E. (9) $1,623,95.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 2600 Colorado National Building, P.O. Box 185, Denver, Colo. 80201; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Sport & Culture, U.S.A., Inc., 10 West Broadway, Suite 810, Salt Lake City, Utah 84101.

A. Davis, Graham & Stubbs, 2600 Colorado National Building, 950 17th Street, Denver, Colo. 80202; and Suite 400, 1300 19th Street NW., Washington, D.C. 20036.
B. Tenneco Oil Co., 126 North Point Drive, P.O. Box 2888, Houston, Tex. 77001.
D. (6) $1,776. E. (9) $1,492.82.

A. Kenneth E. Davis, Rohm & Haas Co., 1899 L Street NW., Suite 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $73.30.

A. Ovid R. Davis, The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

A. R. Hilton Davis, Chamber of Commerce of United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $73.60.

A. Robert W. Davis, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $720. E. (9) $318.52.

A. William Lee Davis, 299 Park Avenue, New York, N.Y. 10171.
B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10171.
D. (6) $529.17. E. (9) $401.03.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. Coalition of Automotive Associations, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.

A. John Russell Deane III, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. Specialty Equipment Market Association, 11540 East Slauson Avenue, Whittier, Calif. 90606.

A. Deaver & Hannaford, Inc., 1225 19th Street NW., Suite 750, Washington, D.C. 20036.
B. Americans for the Voter Initiative, 3115 N Street NW., Washington, D.C. 20007.
D. (6) $200. E. (9) $49.

A. Deaver & Hannaford, Inc., 1225 19th Street NW., Suite 750, Washington, D.C. 20036.
B. Asociacion de Amigos del Pais, 6a Avenue A, 10-38, Zona 9, Guatemala City, Guatemala, C.A.
D. (6) $32,550. E. (9) $1,075.70.

A. Deaver & Hannaford, Inc., 1225 19th Street NW., Suite 750, Washington, D.C. 20036.

B. National Venture Capital Association, 1225 19th Street NW., Suite 750, Washington, D.C.
D. (6) $16,800. E. (9) $1,378.80.

A. Mark A. de Bernardo, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,248. E. (9) $177.60.

A. Robert L. Debo, Missouri Oil Council, 428 East Capitol, Suite 203, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Mark O. Decker, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $45.

A. Winston M. Decker, American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
B. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
D. (6) $120.

A. Winston M. Decker, Association of American Veterinary Medical Colleges, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
D. (6) $120.

A. George K. Degnon Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Association of State & Territorial Health Officials, 1015 15th Street NW., Washington, D.C. 20005.
D. (6) $400.

A. George K. Degnon Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. National Association of Children's Hospitals and Related Institutions, 1601 Concord Pike, Suite 34, Independence Mall, Wilmington, Del. 19803.

A. DeHart Associates, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1633 Broadway, New York, N.Y. 10019.
D. (6) $325. E. (9) $63.64.

A. John W. Delaney, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. John W. Delaney, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.
B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Robert B. Delano, American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $2,250.

A. Myra J. DeLapp Security Pacific National Bank, 1901 L Street NW., Washington, D.C. 20036.
B. Security Pacific National Bank, 333 South Hope Street, Los Angeles, Calif. 90071.
D. (6) $1,260.

A. Dell, Craighill, Fentress & Benton. 888 17th Street NW., Suite 1200, Washington, D.C. 20006.
B. Consejo Estatal de Desarrollo, Carratera A Tecate No. 1, Apartado 1798, Tijuana, Baja, Calif.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.
B. Governor Roberto de la Madrid, Gobernador de Baja, Calif., P.O. Box 286, San Ysidro, Calif. 92073.

A. Dell, Craighill, Fentress & Benton, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.
B. Sn. Jesus Almeide N., Mexican National Confederation of Livestock Producers, 16th Street, Chihuahua, Mexico.

A. Cartha D. DeLoach, 700 Anderson Hill Road, Purchase, N.Y. 10577.
B. PepsiCo, Inc., 700 Anderson Hill Road, Purchase, N.Y. 10577.
D. (6) $600. E. (9) $29.50.

A. Stephen L. DeMaria, P. O. Box 3498. San Francisco, Calif. 94119.
B. Bendix Forest Products Corp., P.O. Box 3498, San Francisco, Calif. 94119.
D. (6) $1,500.

A. Tania L. Demchuk National Association of Independent Insurers, 499 South Capitol Street SW., Suite 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $100.

A. Bradford T. Dempsey, 512 W. Maple Avenue, No. 210, Vienna, Va. 22180.

A. George H. Denison, 4837 Del Ray Avenue, Washington, D.C. 20014.
B. Westinghouse Electric Corp. 1801 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Ray Denison, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $16,057.40. E. (9) $228.19.

A. John H. Denman, Missouri Oil Council, 428 East Capitol, Suite 203, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Daniel B. Denning, Gulf Mineral Resources Co., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Mineral Resources Co., 1720 South Bellaire Street, Denver, Colo. 80222.

A. Wells Denyes, Eastman Chemical Products, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $70. E. (9) $2.50.

A. Department for Professional Employees, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $7,239.73. E. (9) $7,239.73.

A. Derrel B. De Passe, Container Corp. of America, 1100 Connecticut Avenue NW., Suite 540, Washington, D.C. 20036.
B. Container Corp. of America, 1100 Connecticut Avenue NW., Suite 540, Washington, D.C. 20036.
D. (6) $9,750. E. (9) $4,950.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10158.
D. (6) $385.

A. Ralph B. Dewey, Pacific Gas & Electric Co., 1050 17th Street NW., Suite 1180, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $681.50. E. (9) $809.57.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France.
D. (6) $812.50. E. (9) $5,954.79.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Government of Morocco, Rabat, Morocco.
D. (6) $1,525. E. (9) $794.78.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. Sofreavia, 75 rue la Boetie, Paris 8eme, France.
D. (6) $3,035. E. (9) $2,573.08.

A. Miller D. Dial, 1850 K Street NW., Suite 550, Washington, D.C. 20006.
B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500. E. (9) $137.54.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,875.

A. John M. Dickerman, John Dickerman & Associates, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,000. E. (9) $296.78.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. American Fisheries Defense Committee, 2101 L Street, 10th Floor, Washington, D.C. 20037.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Capeway Seafoods, Inc., 16 Front Street, New Bedford, Mass. 92742.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Custom Automotive Sound Association, Inc., Suite 1000, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $1,000.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Government of Liberia, Monrovia, Liberia.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Hi-Energy Research & Development Corp., 1830 Flametree Way, Hemet, Calif. 92343.

D. (6) $600.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. L-5 Society, 1620 North Park, Tucson, Ariz. 86719.
D. (6) $240.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Marine Engineers Beneficial Association, 444 North Capitol Street, Washington, D.C. 20001.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Mitsubishi International Corp., 1111 19th Street NW., Washington, D.C. 20037.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. National Federation of Societies for Clinical Social Work, 167 Araca Road, Babylon, N.Y. 11702.
D. (6) $500.

A. Dickstein, Shapiro & Morin, 2101 L Street NW., Washington, D.C. 20037.
B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. J. R. Dierker, 1150 17th Street NW., Suite 500, Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. Nancy Dietz, 46 Austin Street, Newtonville, Mass. 02160.
B. Action for Children's Television, 46 Austin Street, Newtonville, Mass. 02160.
D. (6) $500.

A. Paula A. Dilley, Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Timothy V. A. Dillion, 1850 K Street NW., Suite 380, Washington, D.C. 20006.
B. Westlands Water District, P.O. Box 5222, Fresno, Calif. 93744.
D. (6) $2,353.80. E. (9) $103.83.

A. Thomas A. Dine, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
D. (6) $7,500.

A. Michael F. Dineen, Lumbermens Mutual Casualty Co., Suite 206, 600 Pennsylvania Avenue, SE., Washington, D.C. 20003.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $1,800.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $51,503.12. E. (9) $51,503.12.

A. J. L. Disque, 556 Morris Avenue, Summit, N.J. 07901.
B. Ciba-Geigy Corp., 556 Morris Avenue, Summit, N.J. 07901.
D. (6) $459. E. (9) $523.

A. Steven P. Doehler, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
B. Mortgage Insurance Cos. of America, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
D. (6) $2,500.

A. Hollis M. Dole, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $5,000. E. (9) $86,754.68

A. Dana B. Dolloff, 1485 East Putnam Avenue, Old Greenwich, Conn. 06870.
B. International Paper Co., 1620 Eye Street NW., Suite 700, Washington, D.C. 20006.

A. Richard M. Donaldson, 1700 Guildhall Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Guildhall Building, Cleveland, Ohio 44115.

A. Timothy L. Donohoe, Enserch Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Enserch Corp., 300 South Saint Paul Street, Dallas, Tex. 75201.
D. (6) $6,250. E. (9) $538.

A. William J. Donovan, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
D. (6) $300. E. (9) $222.33.

A. Francis X. Dooley, 525 School Street SW., Washington, D.C. 20024.
B. American Road & Transportation Builders Association, 525 School Street SW., Washington, D.C. 20024.
D. (6) $3,000. E. (9) $212.75.

A. Joseph W. Dorn, Kilpatrick & Cody, 2501 M Street NW., Suite 500, Washington, D.C. 20037.
B. Kilpatrick & Cody, 2501 M Street NW., Suite 500, Washington, D.C. 20037. (For: Furniture Rental Association of America.)
D. (6) $980.

A. Dean R. Dort II, Deere & Co., Suite 808, 910 17th Street NW., Washington, D.C. 20006.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.
D. (6) $150.

A. Joseph K. Doss, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Leo D. Dougherty, 187000 Walkers Choice, No. 404, Gaithersburg, Md. 20760.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $3,523.76. E. (9) $1,042.70.

A. Theodore Douglas, 2501 59th Street, St. Louis, Mo. 63130.
B. Missouri State Conference of Painters and Allied Trades, 2501 59th Street, St. Louis, Mo. 63130.

A. Dow, Lohnes & Albertson, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Hampton Roads Energy Co., Security Marine Terminal Co., Suite 202, Central Office Building, 330 County Street, Portsmouth, Va. 23704.

A. Jane Lind Downey, American Movers Conference, 1117 North 19th Street (P.O. Box 9204), Arlington, Va. 22209.
B. American Movers Conference, 1117 North 19th Street (P.O. Box 9204), Arlington, Va. 22209.

A. John C. Doyle, Jr., 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. John P. Doyle, Jr., Bell Helicopter Textron, 1666 K Street, Suite 300, Washington, D.C. 20006.
B. Bell Helicopter Textron, 1666 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $3,221.87. E. (9) $1,879.05.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Water Quality Association, 477 East Butterfield Road, Lombard, Ill. 60148.

A. Robert H. Doyle, 1120 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Water Systems Council, 221 North LaSalle Street, Chicago, Ill. 60601.

A. Nancy Drabble, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $4,250.01.

A. James E. Drake, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,726.

A. Andrew Drance, 2020 North 14th Street, Room 402, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.

A. Anthony V. Dresden, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Jerome L. Dreyer, 1300 North 17th Street, Suite 300, Arlington, Va. 22209.
B. Association of Data Processing Services Organizations, Inc. (ADAPSO), 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

A. Drinker Biddle & Reath, 1815 H Street NW., Suite 1200, Washington, D.C. 20006.
B. Phoenix Steel Corp., 4001 Philadelphia Pike, Claymont, Del. 19703.
D. (6) $925.

A. Kevin J. Driscoll, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Thomas E. Drumm, Jr., 4613 Great Oak Road, Rockville, Md. 20853.
B. MacMillan, Inc., 4613 Great Oak Road, Rockville, Md. 20353.

A. Evelyn Dubrow, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $8,775. E. (9) $3,127.54.

A. Morgan D. Dubrow, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $140.

A. Evan M. Dudik, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $6,000.

A. Henry A. Dudley, 1737 H Street NW., Washington, D.C. 20006.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $6,249 E. (9) $376.41.

A. Francis J. Duggan, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $469.55. E. (9) $397.10.

A. Evelyn Dukovic, Morality in Media, Inc., 3 East 86th Street, New York, N.Y. 10028.
B. Morality in Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.
D. (6) $8.15.

A. Mervin E. Dullum, Delta Air Lines, Inc., 1629 K Street NW., Room No. 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $200. E. (9) $57.40.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Adolph Kizas, 5715 Timothy Place, Alexandria. Va. 22303.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Delaware 5.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. East Bay Regional Park District, 1150 Skyline Boulevard, Oakland, Calif. 94169.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Huron-Clinton Metropolitan Authority, 3050 Penobscot, Detroit, Mich. 48226.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Iva May Harvey, Route 7, Box 117, Blythe, Calif. 92225.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Kenai Natives Association, Inc., P.O. Box 1210, Wildwood, Kenai, Alaska 99611.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Koniag, Inc., P.O. Box 746, Koniag, Alaska.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Mid-West Electric Consumer Association, P.O. Box 5089, Evergeen, Colo.

A. Duncan, Weinberg & Miller, P.C., 1775 Pennsylvania Avenue NW., Suite 1200, Washington, D.C. 20006.
B. Western Fuels Association, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.

A. Louise C. Dunlap, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $300.

A. Douglas C. Dunn, InterNorth, 1015 15th Street NW., Suite 900, Washington, D.C. 20005.
B. InterNorth, 1015 15th Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $1,500.

A. Mari Lee Dunn, American Council for Capital Formation, 1919 Pennsylvania Avenue NW., No. 201, Washington, D.C. 20006.
B. American Council for Capital Formation, 1919 Pennsylvania Avenue NW., No. 201, Washington, D.C. 20006.
D. (6) $332.

A. James A. Dupree, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $3,600. E. (9) $1,233.68.

A. Joseph L. Duran, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. L. L. Duxbury, Burlington Northern Inc., 413 New Jersey Avenue SE., Washington, D.C. 20003.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $2,400. E. (9) $1,460.53.

A. Denis J. Dwyer, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $225.

A. R. Ken Dyar, 1620 Southeast 127th Avenue, Vancouver, Wash. 98664.
B. Central Lincoln People's Utility District, 255 Southwest Coast Highway, Newport, Oreg. 97365.

A. Jean F. Dye, National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

A. Dennis J. Earhart, 1753 Euclid Street, NW., Washington, D.C. 20009.
B. Bonneville Associates, Inc., 200 East South Temple, Suite 300, Salt Lake City, Utah 84111. (for: Federal Research Committee, Box 8144, Salt Lake City, Utah 84108)
D. (6) $292.50.

A. Dennis J. Earhart, 1753 Euclid Street NW., Washington, D.C. 20009.
B. Bonneville Associates, Inc., 200 East South Temple Street, Suite 300, Salt Lake City, Utah 8411 (for: Roncalio & Associates, Box 1707, Cheyenne, Wyo. 82001).

A. Dennis J. Earhart, 1753 Euclid Street NW., Washington, D.C. 20009.
B. Bonneville Associates, Inc., 200 East South Temple, Suite 300, Salt Lake City, Utah 84111 (for: The Western Regional Council, Box 81244, Salt Lake City, Utah 84108).

A. Jack D. Early, The Madison Building, Suite 514, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association, 1155 15th Street NW., Suite 514, Washington, D.C. 20005.

A. Roy W. Easley, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $500.

A. Patricia S. Ebaugh, St. Joe Minerals Corp., 1730 Rhode Island Avenue NW., Suite 612, Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,531. E. (9) $144.17.

A. D. R. Ebe, Goodyear Tire & Rubber Co., 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,200.

A. Robert E. Ebel, Enserch Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood Street, Dallas, Tex. 75201.
D. (6) $1,450. E. (9) $887.

A. Harold F. Eberle, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $3,532.93.

A. N. Boyd Ecker, Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $18.75.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. American Seat Belt Council, P.O. Box 467, New Rochelle, N.Y. 10802.
D. (6) $9,000. E. (9) $412.26.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Suite 460, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.
D. (6) $2,900. E. (9) $15.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DGA International, 1225 19th Street NW., Washington, D.C. 20034 (for Airbus Industrie, 31700 Blasnau, Toulouse, France).
D. (6) $5,790.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. DGA International, 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, No. 75 Rue La Boetie, 75008 Paris, France).
D. (6) $2,475.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Republic of Uganda, Embassy of Uganda, 5909 16th Street NW., Washington, D.C. 20011.

D. (6) $30,000. E. (9) $25.24.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
D. (6) $3,250.

A. Helen H. Edge, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $323.44.

A. Arthur B. Edgeworth, Jr., U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,562.50.

A. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $14,416.24. E. (9) $52,901.16.

A. Stephen L. Edmiston, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $7,826. E. (9) $371.45.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Cherokee Nation. P.O. Box 119, Tahlequah, Okla. 74464.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Doss Aviation, Inc., P.O. Box 725, Fort Rucker, Ala. 36360.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. IU International Management Corp., 1500 Walnut Street Philadelphia, Pa. 19102.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Oklahoma Association of Electric Coops, P.O. Box 11047, Oklahoma City, Okla. 73111.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. U.S. Maritime Committee, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.

A. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
E. (9) $1445.18.

A. Edwards Associates, 507 Second Street, NE., Washington, D.C. 20002.
Southwest Salmon Street, Portland, Oreg. 97204.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016

A. Macon T. Edwards, National Cotton Council of America, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $1,562.50. E. (9) $23.26.

A. William A. Edwards, 250 Old Country Road, Mineola, N.Y. 11501.
B. Long Island Lighting Co., 250 Old Country Road, Mineola, N.Y. 11501.
D. (6) $1,660.00. E. (9) $815.00

A. Paul S. Egan, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $5,046. E. (9) $26.83.

A. Eggers & Greene, 1407 Main Street, Suite 335, Dallas, Tex. 75202.
B. The LTV Corp., P.O. Box 225003, Dallas, Tex. 75265.
D. (6) $3,000. E. (9) $107.98.

A. Charles E. Ehrhart, Ralston Purina Co., 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $134.

A. Sara Ehrman, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
D. (6) $7,875.

A. Jonathan P. Ela, Sierra Club, 142 West Gorham Street, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $960.

A. H. J. Elam III, Cone Mills Corp., 1201 Maple Street, Greensboro, N.C. 27405.
B. Cone Mills Corp., 1201 Maple Street, Greensboro, N.C. 27405.

A. George K. Eliades, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $100. E. (9) $154.50.

A. J. Burton Eller, Jr., National Cattlemen's Association, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1000 Lincoln Street, Denver, Colo. 80203
D. (6) $1,000. E (9) $24.29.

A. Charles W. Elliott, Wisconsin Petroleum Council, 25 West Main Street, Room 703, Madison, Wis. 53703
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $25. E. (9) $71.12.

A. Kimberly Elliott, Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $4,875. E. (9) $47.37.

A. Dorothy A. Ellsworth, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,868.85. E. (9) $184.65.

A. Perry R. Ellsworth, National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
B. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $22.65.

A. Joseph T. Elvove, 54 Surfwatch Drive, Kiawah Island, S.C. 29455.
B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $15,750. E. $10,609.38.

A. Carl F. Emde, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $50.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Suite 801, Washington, D.C. 20036.
D. (6) $28,801.50. E. (9) $26,951.42.

A. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.
E. (9) $1,746.21.

A. Employee Relocation Council, 1627 K Street NW., Suite 600, Washington, D.C. 20006.
E. (9) $2,189.30.

A. Lowell J. Endahl, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $175.

A. Energy Action Educational Foundation, 2000 P Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $505. E. (9) $262.97.

A. Energy Consumers & Producers Association, P.O. Box 1726, Seminole, Okla. 74868.
D. (6) $37,238.44. E. (9) $8,569.62.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. National Health Federation, P.O. Box 688, Monrovia, Calif. 91016.
D. (6) $3,000.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. York Barbell Co., York, Pa. 17405.
D. (6) $1,800. E. (9) $454.61.

A. Ralph Engel, 1001 Connecticut Avenue NW., Suite 1120, Washington, D.C. 20036.
B. Chemical Specialities Manufacturers Association, 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Lewis A. Engman, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $5.

A. Patricia Hanahan Engman, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $500.

A. M. Dale Ensign, Sinclair Oil Corp., 1100 17th Street NW., Suite 406, Washington, D.C. 20036.
B. Sinclair Oil Corp., P.O. Box 1677, Englewood, Colo. 80150.
D. (6) $500. E. (9) $126.50.

A. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $45,105.16. E. (9) $44,559.43.

A. Epstein Becker Borsody & Green, P.A., 1140 19th Street NW., Suite 900, Washington, D.C. 20036.
B. American Association of Foundations for Medical Care, Suite 214, Cabin John Mall, 11325 Seven Locks Road, Potomac, Md. 20854.
D. (6) $802.50.

A. Epstein Becker Borsody & Green, P.A., 1140 19th Street NW., Suite 900, Washington, D.C. 20036.
B. American Association of Professional Standards Review Organizations, Suite 214, Cabin John Mall, 11325 Seven Locks Road, Potomac, Md. 20854.
D. (6) $22.50.

A. Vickie L. Erickson, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $600.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
E. (9) $5,200.

A. European Travel Commission, 488 Madison Avenue, New York, N.Y. 10022.

A. Donald C. Evans, 290 Coconut Avenue, Sarasota, Fla. 33577.

A. Joseph O. Evans, 4401 Lee Highway, Apartment 21, Arlington, Va. 22207.

A. Evans Products Co., 1121 Southwest Salmon Street, Portland, Oreg. 97205.
E. (9) $1,000.

A. Robert D. Evans, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Fawn K. Evenson, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.
B. American Footwear Industries Association, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.
D. (6) $900. E. (9) $30.08.

A. Michael E. Faden, Union of Concerned Scientists, Inc., 1725 I Street NW., Suite 601, Washington, D.C. 20006.
B. Union of Concerned Scientists, Inc., 1384 Massachusetts Avenue, Cambridge, Mass. 02238.
D. (6) $4,650.

A. Robert R. Fahs, Cargill, Inc., 1050 17th Street NW., Suite 1202, Washington, D.C. 20036.
B. Cargill, Inc., P.O. Box 9300, Minneapolis, Minn. 55440.
D. (6) $2,500.

A. Far West Ski Association, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
E. (9) $1,051.43.

A. Thomas Boyd Farley II, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,850. E. (9) $81.30.

A. The Farmers' Educational & Cooperative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $88,716.75. E. (9) $54,150.02.

A. Robert S. Faron, LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C.
B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Washington, D.C.; 140 Broadway, New York, N.Y.
D. (6) $6.12.

A. John Farquhar, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Dolores L. Farr, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $3,271. E. (9) $217.16.

A. Michael Farrar, American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Penelope S. Farthing, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. David Fasken, Whitaker & Brooks, 608 First National Bank Building, Midland, Tex. 79701.

A. Clinton Fawcett, The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.
B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.

A. Jane Fawcett-Hoover, Proctor & Gamble Mfg. Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Proctor & Gamble Mfg. Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Federation for American Immigration Reform, 2028 P Street NW., Washington, D.C. 20036.
E. (9) $2,564.23.

A. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $1,450.51. E. (9) $1,450.51.

A. Federation of American Hospitals, 1111 19th Street NW., Suite 402, Washington, D.C. 20036.
D. (6) $9,000. E. (9) $9,000.

A. Roger D. Feldman, 1333 New Hampshire Avenue NW., Suite 1100, Washington, D.C. 20036.
B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., Suite 1100, Washington, D.C. 20036.

A. Kenneth E. Feltman, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Fensterwald & Associates, 2101 L Street NW., Suite 203, Washington, D.C. 20037.
B. National Nutritional Foods Association, 7747 South Painter Avenue, Whittier, Calif. 90602.
D. (6) $4,250. E. (9) $618.49.

A. Edward T. Fergus, Bache Halsey Stuart Shields, Inc., 100 Gold Street, New York, N.Y. 10038.
B. Bache Halsey Stuart Shields, Inc., 100 Gold Street, New York, N.Y. 10038.
D. (6) $700.

A. Betsy Ferguson, Times Mirror Co., 1875 Eye Street NW., Suite 1110, Washington, D.C. 20006.
B. Times Mirror Co., Times Mirror Square, Los Angeles, Calif. 90053.
D. (6) $5,500. E. (9) $20.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. Alascom, 949 East 36th Avenue, Anchorage, Alaska 99502.
E. (9) $650.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. Alaska International Industries, 3201 C Street, Suite 600, Anchorage, Alaska 99503.
D. (6) $6,400. E. (9) $675.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. Northwest Alaskan Pipeline Co., P.O. Box 1526, Salt Lake City, Utah.
D. (6) $6,900. E. (9) $775.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. U.S. Borax & Chemical Corp., 3075 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $12,400. (9) $815.

A. James H. Ferguson, American Society for Personnel Administration, 1140 Connecticut Avenue NW., Suite 609, Washington, D.C. 20036.
B. American Society for Personnel Administration, 30 Park Drive, Berea, Ohio 44017.
D. (6) $7,500. E. (9) $4,483.

A. Blaine Fielding, American Paper Institute, Inc., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Gary W. Fields, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Manual D. Fierro, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $162.

A. Herbert A Fierst, 610 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of B.C., 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $11,250. E. (9) $298.

A. Matthew P. Fink, Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, Washington, D.C. 20006.

A. Sheldon I. Fink, Sonnenschein, Carlin Nath & Rosenthal, 8000 Sears Tower, Chicago, Ill. 60606.
B. First Wisconsin Mortgage Trust, 233 S. Wacker Drive, Chicago, Ill. 60606.

D. (6) $15,400. E. (9) $1,475.52.

A. Thomas D. Finnigan, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $28.26.

A. M. J. Fiocco, 1909 K Street NW., Suite S-410, Washington, D.C. 20006.
B. The National Industrial Traffic League, 1909 K Street NW., Suite S-410, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $14.65.

A. Laurie A. Fiori, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $317.30. E. (9) $172.18.

A. H. Barney Firestone, 10 S. LaSalle Street, Suite 1600, Chicago, Ill. 60603.
B. Assure Competitive Transportation, Inc., 10 S. LaSalle Street, Suite 1600, Chicago, Ill. 60603.

A. First Class Mailers Association, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
E. (9) $56.

A. First Congressional District Action Committee, 6 Maxfield Court, Barrington, R.I. 02806.
D. (6) $554.25. E. (9) $716.61.

A. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
E. (9) $5,750.28.

A. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Richard L. Fisher, Standard Oil Co. (Indiana), 1000 16th Street NW., Suite 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $630.

A. Fisheries Development Corp., 17 Battery Place, New York, N.Y. 10004.

A. Victor E. Fitzmaurice, Union Oil Co. of California, 1100 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Foylston Street, Los Angeles, Calif. 90017.

A. Five Freedoms, Inc., P.O. Box 656, Columbia Md. 21045.

A. Hilliard J. Fjord, 602 Main Street, Room 600, Cincinnati, Ohio 45202.
B. The Ohio River Co., 580 Walnut Street, Suite 1400, Cincinnati, Ohio 45202.
D. (6) $1,500. E. (9) $317.65.

A. Susan G. Flack, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $12.50.

A. James J. Flanagan, 25 Research Drive, Westborough, Mass. 01581.
B. New England Power Service Co., 25 Research Drive, Westborough, Mass. 01581.
D. (6) $310.14. E. (9) $75.80.

A. M. Kendall Fleeharty, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Robert P. Fogarty, 3499 Ridgewood Drive, Columbus, Ohio 43220.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Howard W. Fogt, Jr., Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.
B. Smith Barney, Harris Upham & Co., Inc., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Mutual Insurance Co., 3099 East Washington Avenue, Box 7430, Madison, Wis. 53707.
D. (6) $120. E. (9) $1.80.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. & Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Foley, Lardner, Hollabaugh & Jacobs, Suite 1000, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.
D. (6) $13,025. E. (9) $7.10.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06160.
D. (6) $1,000. E. (9) $5.50.

A. Foley, Lardner, Hollabaugh & Jacobs, Suite 1000, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.
D. (6) $16,715. E. (9) $612.52.

A. Food & Beverage Trades Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $10,926.34. E. (9) $10,926.34.

A. Food Marketing Institute, 1750 K Street NW. Washington, D.C. 20006.
E. (9) $10,300.

A. Foodservice & Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Carol J. Forbes, 604 North Carolina Avenue SE., Washington, D.C. 20003.
B. Grand Laboratories/Freeman, S. Dak. and Impro, Waukon, Iowa. General Leasing Corp., Rockville, Md.
D. (6) $16,150. E. (9) $15,839.

A. Forest Farmers Association, Box 95385, Atlanta, Ga. 30347.

A. Forest Industries Committee on Timber Valuation and Taxation, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,449.25. E. (9) $1,449.25.

A. Ira N. Forman, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., No. 412, Washington, D.C. 20001.
D. (6) $8,374.98.

A. Sallie H. Forman, National Broadcasting Co., Inc., 1800 K Street NW., Washington, D.C.
B. National Broadcasting Co., Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $975. E. (9) $217.20.

A. Robert U. Foster, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $10,000.

A. Ebert E. Fournace, 3706 Eaton Road NW., Canton, Ohio 44708.
B. American Electric Power Service Corp., 180 East Broad Street, Columbus, Ohio 43215.

A. Joseph L. Fraites, Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. William H. G. France, National Motorsports Committee of ACCUS, 1701 K Street NW., No. 1204, Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., No. 1204, Washington, D.C. 20006.

A. Douglas L. Francisco, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $25.75.

A. J. Dee Frankfourth, P.O. Box 403, Eagle River, Alaska 99577.
B. Alaska Coalition, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $1,750. E. (9) $109.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $1,074.90. E. (9) $66.37.

A. Thomas C. Franks, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $455.53.

A. Welby M. Frantz, American Movers Conference, 1117 North 19th Street, P.O. Box 9204, Arlington, Va. 22209.
B. American Movers Conference, 1117 North 19th Street, P.O. Box 9204, Arlington, Va. 22209.

A. Robert M. Frederick, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $4,212.50.

A. Free Alaska Lands Committee, 425 6th Street, Suite 930, Anchorage, Alaska 99501.

D. (6) $37. E. (9) $1,626.49.

A. Free the Eagle, 7927 Jones Branch Drive, Suite 400, McLean Va. 22102.
D. (6) $4,500. E. (9) $48,067.78

A. Leslie E. Freed, American Can Co., 1660 L Street NW., Suite 201, Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
E. (9) $180.97.

A. James O. Freeman, U.S. League of Savings Associations, 1709 New York Avenue, Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,565.

A. Linda J. Freeman, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $275.

A. David W. Freer, Western Oil & Gas Association, 2101 L Street NW., Washington, D.C. 20037.
B. Western Oil & Gas Association, 727 West 7th Street, Suite 850, Los Angeles Calif. 90017.
D. (6) $825.

A. Pamela B. Freer, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $4,610. E. (9) $45.10.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $550. E. (9) $15.

A. George L. Frick, Delaware Oil Men's Association, 20 East Division Street, Dover, Del. 19901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,575.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Automotive Dismantlers & Recyclers of America, 1000 Vermont Avenue, Washington, D.C. 20006.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Beth Israel Medical Center, 10 Nathan Perlman Place, New York, N.Y. 10003.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Dr. Halla Brown, 2475 Virginia Avenue NW., Washington, D.C. 20037.
E. (9) $1.35

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Czechoslavak claimants.
E. (9) $44.81.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Davy McKee, 6200 Oak Tree Boulevard, Cleveland, Ohio 44131.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Sea Colony, Inc., c/o Carl Freeman Associates Inc., Cabin John Center, 11325 Seven Locks Road, Potomac, Md. 20854.
D. (6) $20,546.25. E. (9) $394.35.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $1,500.

A. Barry A. Friedman, Wilner & Scheiner, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.

A. Gay H. Friedmann, 1150 Connecticut Avenue NW., No. 717, Washington, D.C. 20036.
B. Southern California Gas Co., 720 West 8th Street, M.L. 1208, Los Angeles, Calif. 90017.
D. (6) $5,310.

A. James M. Friedman, 650 Terminal Tower, Cleveland, Ohio 44113.
B. Cleveland Electric Illuminating Company, 55 Public Square, Cleveland, Ohio 44113.

A. Margery Sinder Friedman, 1800 M Street NW., Suite 800N, Washington, D.C. 20036.
B. Morgan, Lewis & Bockius (for Evans Products, 1121 S.W. Salmon Street, Portland, Oreg. 97208), 1800 M Street NW., Suite 800N, Washington, D.C. 20036.

A. Gustave Fritschie, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $6,000. E. (9) $50.

A. Charles H. Fritts, 2009 North 14th Street, Suite 600, Arlington, Va. 22201.
B. New Bedford Seafood Council, Inc., 17 Hamilton Street, New Bedford, Mass. 02740.
D. (6) $6,600. E. (9) $216.67.

A. Charles H. Fritzel, National Association of Independent Insurers, 499 South Capitol Street SW., No. 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $300. E. (9) $150.

A. Jeffrey A. Fritzlen, Tenneco Inc., 490 L'Enfant Plaza East SW., Suite 2202, Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $1,000.

A. Gordon H. Fry, 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.

A. Fulbright & Jaworski, 1150 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.
B. Kenneth Lewis, 3300 North West Yeon Avenue, Portland, Oreg. 97210.

A. Full Employment Action Council, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $7,147.

A. Richard G. Fuller, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $1,104.

A. Ronald K. Fuller, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. San Diego Gas and Electric Co., 101 Ash Street, San Diego, Calif. 92101.
D. (6) $1,200. E. (9) $105.

A. Fulton Energy Corp., 5201 Leesburg Pike, Suite 205, Falls Church, Va. 22041.

A. Claudia R. Fuquay, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $50.50.

A. David H. Fyock, P.O. Box 376, Germantown, Md. 20767.
B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.J. 07054.
D. (6) $2,083. E. (9) $474.64.

A. Terry Gabrielson, Transcontinental Gas Pipe Line Corp., 490 L'Enfant Plaza SW., No. 3202, Washington, D.C. 20024.
B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.
D. (6) $450.

A. James E. Gaffigan, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $888.46.

A. Norman S. Gaines, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $619.

A. Michael R. Gale, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
B. American Israel Public Affairs Committee, 444 North Capitol Street NW., Suite 412, Washington, D.C. 20001.
D. (6) $4,326.92.

A. Ann E. Gallagher, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
D. (6) $150.

A. Mark J. Gallagher, 1707 L Street NW., Suite 400, Washington, D.C. 20036.
B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

D. (6) $4,822. E. (9) $2,181.

A. William R. Ganser, Jr., 4804 Folse Drive. Meairie, La. 70002.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,658.50.

A. Robert M. Gants, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. M. D. Garber, Jr., Phillips Petroleum Co., 2101 L Street NW., 6th Floor, Washington, D.C. 20037.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Council of Industrial Boiler Owners, 11222 Silverleaf Drive, Fairfax Station, Va. 22039.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Heizer Corp., 20 North Wacker Drive, Chicago, Ill. 60606.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Marathon Oil Co., 1800 M Street, NW., Washington, D.C. 20036.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Peoples Gas Co., 1875 I Street NW., No. 1050, Washington, D.C. 20006.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Sealed Power Corp., 2001 Sanford Street, Muskegon, Mich. 49443.

A. Gardner, Carton & Douglas, 1875 I Street NW., No. 1050, Washington, D.C. 20006.
B. Zeigler Coal Co., 1700 North Moore Street, Arlington, Va. 22209.

A. Sherwin Gardner, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Theodore J. Garrish, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. American Metal Detectors Manufacturers, Inc., 2814 National Drive, Garland, Tex. 75041.

A. Theodore J. Garrish, National Outdoor Coalition, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. National Outdoor Coalition, 8387 Tamarind Avenue, Fontana, Calif. 92335.

A. James J. Garry, Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. E. June Garvin, Ohio Petroleum Council, 88 East Broad Street, Suite 1960, Columbus, Ohio 43215.
B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.
D. (6) $150. E. (9) 32.15.

A. W. Bradford Gary, Anheuser-Busch Cos., Inc. 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. Anheuser-Busch Companies, Inc., 721 Pestalozzi Street, St. Louis, Mo. 63118.
E. (9) $10.

A. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $75.

A. Lillian B. Gaskin, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Philip Gasteyer, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,100.

A. Margaret L. Gehres, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,300. E. (9) $176.96.

A. Robert C. Gelardi, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D. Atlanta, Ga. 30342 (for: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342).
D. (6) $1,200.

A. Morton A. Geller, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Jose A. Gemeil, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Samuel E. Stavisky & Associates Inc., 1100 17th Street NW., Washington, D.C. 20086. (for: Brazilian Coffee Institute, 767 Fifth Avenue, New York, N.Y. 10153.)
E. (9) $50.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
E. (9) $3,250.

A. General Instrument Corp., 1775 Broadway, New York, N.Y. 10019.
D. (6) $1,250. E. (9) $457.30.

A. Georgia Association of Petroleum Retailers, Inc., 315 W. Ponce de Leon Avenue, 933 First National Bank Building, P.O. Box 789, Decatur, Ga. 30031.
B. Service Station Dealers of America, Inc., 2021 K Street NW., Washington, D.C. 20006.
E. (9) $2,500.

A. Joseph G. Gerard, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $999. E. (9) $710.01.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $6,956.52 E. (9) $64.50.

A. Dorothy F. Gevinson, Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. William T. Gibb III, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $850. E. (9) $ 5.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1919 Pennsylvania Avenue NW., Suite 503, Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $1,540. E. (9) $ 36.

A. Anne Marie Gibbons, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
D. (6) $400

A. John A. C. Gibson, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $10,625. E. (9) $2,313.19.

A. Thomas F. Gibson, 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.

A. Theresa M. Gibson, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. William G. Giery, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foodservice and Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Arthur P. Gildea, 274 Glenfield Court, Cincinnati, 45238.
B. Brewery & Soft Drink Workers National Conference International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 1400 Renaissance Drive, Park Ridge, Ill. 60068.

A. Michael Gildea, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $13,305.

A. John E. Giles, 1600 Eye Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 Eye Street NW., Washington, D.C. 20006.

A. Mark W. Gillaspie, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Neal P. Gillen, American Cotton Shippers Association, 1707 L Street NW., Suite 460, Washington, D.C. 20036.
B. American Cotton Shippers Association, 1707 L Street NW., Suite 460, Washington, D.C. 20036.
D. (6) $15,000. E. (9) $1,180.75.

A. Joe L. Gilmore, Chrysler Defense, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Defense, Inc., 6000 E. 17-Mile Road, Sterling Heights, Mich. 48078.

A. Michael J. Giuffrida, National Frozen Food Association, Inc., 1019 19th Street NW., Suite 800, Washington, D.C. 20036.
B. National Frozen Food Association, Inc., P.O. Box 398, Hershey, Pa. 17033.
D. (6) $480.

A. Sol Glasner, Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.
B. Sperry Corp., 2000 L Street NW., Suite 810, Washington, D.C. 20036.

A. George L. Gleason, 410 First Street SE., Washington, D.C. 20036.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $2,980.31. E. (9) $67.32.

A. John P. Gleason, Jr., 1750 Old Meadow Road, McLean, Va. 22102.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22102.

A. Law Offices of Thomas W. Gleason, One State Street Plaza, New York, N.Y. 10004.
B. International Longshoremen's Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

A. The Glenmede Trust Co., 229 South 18th Street, Philadelphia, Pa. 19103.

A. J. F. Godfrey, P.O. Box 186, Fort Worth, Tex. 76101.
B. The Western Company of North America, P.O. Box 186, Fort Worth, Tex. 76101.
D. (6) $16.

A. Harvey S. Gold, Velsicol Chemical Corp., 1015 15th Street NW., Suite 909, Washington, D.C. 20005.
B. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
D. (6) $300. E. (9) $50.

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien, Servanty, 31700 Blagnac, France).

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005).

A. Howard S. Goldberg, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, 75 rue la Boetie, Paris 8eme, France).

A. Carl Goldfield, American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
D. (6) $500.

A. William M. Goldstein, Morgan, Lewis & Bockius, 123 South Broad Street, Philadelphia, Pa. 19109.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800 N, Washington, D.C. 20036.

A. Jack Golodner, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Actors Equity Association, 165 W. 46th Street, New York, N.Y.
D. (6) $2500. E. (9) $322.44.

A. Jack Golodner, 815 16th Street NW., Washington, D.C. 20006.
B. Department for Professional Employees, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,132.99.

A. Ruth Gonze, American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $500.

A. Don A. Goodall, American Cyanamid Co., 1575 I Street NW., Suite 220, Washington, D.C. 20005.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $429. E. (9) $199.84.

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005).

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for government of Morocco, Rabat, Morocco).

A. Charles E. Goodell, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, 75 rue la Boetie, Paris 8eme, France).

A. Vance V. Goodfellow, 304 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 304 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $7,423.32.

A. Robert F. Goodwin, Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.
B. Meredith Corp., 1850 K Street NW., Suite 275, Washington, D.C. 20006.
D. (6) $40. E. (9) $33.

A. Peter J. Gossens, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
B. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
D. (6) $9,300. E. (9) $213.18.

A. John R. Graff, Suite 330, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. International Association of Amusement Parks and Attractions, Suite 303, 7222 West Cermak Road, North Riverside, Ill. 60546.

A. Lawrence T. Graham, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $888.46.

A. Luis L. Granados, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. The ESOP Association of America, 47 Kearny Street, San Francisco, Calif. 94108.
D. (6) $1,875. E. (9) $604.04.

A. Edward Shawn Grandis, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,500.

A. William W. Grant, Utah International Inc., 1150 Connecticut Avenue NW., Suite 710, Washington, D.C. 20036.
B. Utah International Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $683.22.

A. James L. Granum, Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
B. Southern Railway Co., 920 15th Street NW., Washington, D.C. 20005.
D. (6) $1,000.

A. Michael R. Graul, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,000.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va., 22102.
D. (6) $639.63. E. (9) $25.

A. Mark E. Grayson, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Mark E. Grayson, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017 (for Health Insurance Association of America, Washington, D.C.).

A. Mark E. Grayson, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017 (for Navajo Nation, Window Rock, Ariz.).

A. Mark E. Grayson, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, NY, 10017 (for RKO General, New York, N.Y.).

A. Mark E. Grayson, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017, (for Seattle First National Bank, Seattle, Wash).

A. Mark E. Grayson, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017 (for Uniroyal, Inc., Washington, D.C.).

A. Samuel A. Grayson, Union Pacific Railroad Co., P.O. Box 1745, Boise, Idaho 83701.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr. 68179.

A. The Great Western Sugar Co., P.O. Box 5308 T.A., Denver, Colo., 80217.

E. (9) $509.70.

A. Donald R. Greeley, Celanese Corp., 1101 17th Street NW., Suite 307, Washington, D.C. 20036.
B. Celanese Corp., 1211 Avenue of the Americas, New York N.Y. 10036,
D. (6) $750. E. (9) $94.85.

A. George R. Green, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $900.

A. James W. Green, National Education Association, 1201 16th Street NW., Washington D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,156.40 E. (9) $169.55.

A. Mark Green, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Alison E, Greene, March of Dimes Birth Defects Foundation, 1707 H Street NW., Suite 600, Washington, D.C. 20006.
B. March of Dimes Birth Defects Foundation, 1275 Mamaroneck Avenue, White Plains, N.Y. 10605.
D. (6) $2,500. E. (9) $237.91

A. P. Michael Greenwald, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $430.33.

A. Saunders Gregg, Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.
B. Entex, Inc., P.O. Box 2628, Houston, Tex. 77001.
D. (6) $1,417. E. (9) $3,121.72.

A. Lori Gribbin, Rohm & Haas Co., 1899 L Street NW., Suite 807, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500.

A. Harold H. Griffin, Family Health Program, Inc., 1050 17th Street NW., Suite 320, Washington, D.C. 20036.
B. Family Health Program, Inc., 9930 Talbert Avenue, Fountain Valley, Calif. 92708.
D. (6) $2,750. E. (9) $126.89.

A. Joan M. Griffin, 1717 Massachusetts Avenue N.W., Suite 503, Washington, D.C. 20036.
B. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue, NW., Suite 503, Washington, D.C. 20036.
D. (6) $4,500. E. (9) $50.53.

A. L. George Griffin, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500.

A. Edward D. Griffith, Atlantic Richfield Co., 1333 New Hampshire Avenue, NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $1,000.

A. Mark N. Griffiths, National Association of Manufacturers, 1776 F Street N.W., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $4,375. E. (9) $35.45.

A. A. Jack Grimes, 8150 Leesburg Pike, No. 1100, Vienna, Va. 22180.
B. National Pest Control Association.

A. Robert J. Grimm, 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Gary Grobman, Suite 704, 1735 I Street NW., Washington, D.C. 20006.
B. Smith and Howard Associates, Inc., Suite 704, 1735 I Street NW., Washington, D.C. 20006.
D. (6) $900. E. (9) $55.

A. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Groom and Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Ad Hoc Group on Life Insurance Company Taxation of Pension Funds, c/o Groom and Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
D. (6) $1,500. E. (9) $8.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Aetna Life & Casualty, 151 Farmington Road, Hartford, Conn. 06115.

A. Groom and Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. American President Lines, 1950 Franklin Street, Oakland, Calif. 94612.

A. Groom and Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Connecticut General Insurance Co., Hartford, Conn. 06115.

A. Groom and Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Eli Lilly and Co., 307 E. McCarty Street, Indianapolis, Ind. 46206.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $100. E. (9) $6.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. John Hancock Mutual Life Insurance Co., P.O. Box 111, Boston, Mass. 02117.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Matson Navigation, 333 Market Street, San Francisco, Calif. 94105.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Natomas Co., 601 California Street, San Francisco, Calif. 94108.
D. (6) $100. E. (9) $6.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Phoenix Mutual Life Insurance Co., One American Row, Hartford, Conn. 06115.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.
D. (6) $250. E. (9) $8.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. The Travelers, One Tower Square, Hartford, Conn. 06115.

A. Groom & Nordberg, 1775 Pennsylvania Avenue NW., Suite 450, Washington, D.C. 20006.
B. Western Conference of Teamsters Pension Trust Fund, P.O. Box 7880, San Francisco, Calif. 94102.

A. David B. Gross, Shell Oil Co., Suite 200, 1025 Connecticut Avenue, Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza (P.O. Box 2463), Houston, Tex. 77001.
D. (6) $1,000.

A. Nina G. Gross, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,400. E. (9) $346.97.

A. Frank N. Grossman, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $300.

A. Jerome Grossman, Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108.
B. Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108.
D. (6) $5,236.82.

A. John R. Groundwater, Jr., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Gail Pardue Grubb, 1101 15th Street, Suite 205, Washington, D.C. 20005.
B. Home Health Services & Staffing Association, 1101 15th Street NW., Suite 205, Washington, D.C. 20005.
D. (6) $1,500.

A. Richard F. Guay, 1101 15th Street NW., Washington, D.C. 20005.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. Jerome R. Gulan, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $4,500.

A. Jerome R. Gulan, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Gun Owners of America, Inc. 101 S. Whiting Street, Alexandria, Va. 22304.

D. (6) $84,195.26. E. (9) $69,510.89.

A. Thomas M. Gunn, P.O. Box 516, St. Louis, Mo. 63166.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. David Gusky, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $2,759.66.

A. Susan L. Gustafson, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Robert F. Guthrie, 815 16th Street NW., Washington, D.C. 20006.
B. Department for Professional Employees, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,838.24.

A. Ellen Haas, Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
B. Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.
E. (9) $8.00.

A. C. James Hackett, American Plywood Association, P.O. Box 11700, Tacoma, Wash. 98411.
B. American Plywood Association, P.O. Box 11700, Tacoma, Wash. 98411.

A. James M. Hacking, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $461.53. E. (9) $277.65.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J. 07960.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. Cadillac Fairview U.S., Inc., c/o The Corporation Trust Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $2,000.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. California Westside Farmers, 955 L'Enfant Plaza North SW., Room 1101, Washington, D.C. 20024.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. National Living Centers, 777 South Post Oak Road, Suite 600, Houston, Tex. 77056.

A. Craig Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. Stichting Philips Pensioenfonds A and B, Tramstraat 62, Eindhoven, The Netherlands.

A. George Hackler, 400 North Capitol Street NW., Suite 320, Washington, D.C. 20001.
B. Cadillac Fairview U.S., Inc., c/o The Corporation Trust Co., 100 West 10th Street, Wilmington, Del. 19801.

A. Loyd Hackler, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $52.85.

A. Williman G. Haddeland, Minnesota Petroleum Council, 300 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Ann Hagemann, 6503 North Rochester Street, Falls Church, Va. 22043.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.

A. Ronald D. Hagen, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $288.46. E. (9) $61.94.

A. Bruce N. Hahn, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022

A. James S. Hahn, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $343.20.

A. Donald M. Haines, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,408.10.

A. Thomas F. Hairston, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $1,141.91.

A. Haley, Bader & Potts, 1730 M Street NW., Washington, D.C. 20036.
B. Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.
D. (6) $35. E. (9) $219.14.

A. Cheryl A. Haley, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $317.67. E. (9) $35.05.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Agri-Business Inc., 11411 Rendezvous, San Antonio, Tex. 78216.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. American Energy Inc., Forman, N. Dak. 58032.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Central Texas Grain Products Marketing Cooperative, Box 184, Hutto, Tex. 78634.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Grain Products Alcohol Cooperatives, 1 Pleasant Valley Plaza, 2200 Hidden Valley Drive, Little Rock, Ark. 72212.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. M&M/Mars Division of Mars, Inc., High Street, Hackettstown, N.J. 07840.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Operation Independence, 406 San Jacinto Building, Austin, Tex. 78701.

A. Martin Ryan Haley & Associates, Inc., 1015 15th Street NW., Washington, D.C. 20005.
B. Tobacco Tax Council, P.O. Box 8269, 5407 Patterson Avenue, Richmond, Va. 23226.

A. Hall Estill, Hardwick, Gable, Collingsworth & Nelson, P.C, 1750 K Street NW., Suite 350, Washington, D.C. 20006.
B. The Williams Cos., P.O. Box 2400, Tulsa, Okla. 74101.

A. Richard F. Hall, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $900. E. (9) $333.

A. Joseph Halow, North American Export Grain Association, Inc.,1800 M Street NW., Suite 610-N, Washington, D.C. 20036.
B. North American Export Grain Association, 1800 M Street NW., Suite 610-N, Washington, D.C. 20036.
D. (6) $450.

A. Maurice E. Halsey, Northern Illinois Gas Co., 1627 K Street NW., Suite 202, Washington, D.C. 20006.
B. Northern Illinois Gas Co., P.O. Box 190, Aurora, Ill. 60507.
D. (6) $2,500.

A. Jerald V. Halvorsen, Allied-General Nuclear Services, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.
D. (6) $5,000.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd., Belize City, Belize (Central America).

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Beneficial Foundation, 1300 Market Street, Wilmington, Del.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La. Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.
E. (9) $5.39.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
E. (9) $84.43.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Bruce Hamilton, Sierra Club, Box 1078, Lander, Wyo. 82520.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $450. E. (9) $252.58.

A. James L. Hamilton III, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $113.75. E. (9) $93.55.

A. Philip W. Hamilton, 1901 L Street NW., No. 711, Washington, D.C. 20036.
B. Hamilton & Associates, Inc., 1901 L Street NW., No. 711, Washington, D.C. 20036 (for: National Labor-Management Foundation, Louisville, Ky.).

A. Stanley Hamilton, Common Carrier Conference-Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.
B. Common Carrier Conference-Irregular Route, 1616 P Street NW., Suite 204, Washington, D.C. 20036.
D. (6) $500. E. (9) $50.

A. J. E. Hansen, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350

A. Jill A. Hanson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $1,000

A. Rayburn Hanzlik, 523 West Sixth Street, Suite 400, Los Angeles, CA 90014.
B. The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
D. (6) $1,916.25. E. (9) $ 1,041.10

A. Peter J. Hapworth, 1511 K Street NW., Washington, D.C. 20005.
B. The Sugar Association, Inc., 1511 K Street NW., Washington, D.C. 20005.
D. (6) $437.50. E. (9) $ 228.52.

A. William E. Hardman, 9300 Livingston, Road, Washington, D.C. 20022.
B. National Tooling & Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Andrew E. Hare, 8001 Braddock Road, Suite 600, Springfield, Va. 22160.
B. National Right To Work Committee, 8001 Braddock Road, Springfield, Va. 22160.
D. (6) $250. E. (9) $122.

A. Charles N. Harkey, Beneficial Management Corporation of America, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.
B. Beneficial Management Corporation of America, 1300 Market Street, Wilmington, Del. 19899.

A. Bryce L. Harlow, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Donald L. Harlow, 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, 5211 Auth Road, Camp Springs, Md. 20023.

A. John L. Harmer, 350 South 400 East, Suite G-5, Salt Lake City, Utah 84111.
D. (6) $15,000. E. (9) $3,850.

A. C. Wayne Harmon, Gulf Oil Corp., 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $250. E. (9) $110.15.

A. Robert L. Harness, Monsanto Co., 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $450. E. (9) $441.15.

A. Wiley C. Harrell, Anheuser-Busch Cos., Inc., 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. Anheuser-Busch Cos., Inc., 721 Pestalozzi Street, St. Louis, Mo. 63118.
E. (9) $10.

A. Michael T. Harrigan, 2033 M Street NW., Washington, D.C. 20036.
B. United States Olympic Committee, 1750 East Boulder, Colorado Springs, Colo. 80909.

A. Toni Harrington, American Honda Motor Co., Inc., 955 L'Enfant Plaza SW., Suite 905, Washington, D.C. 20024.
B. American Honda Motor Co., Inc., 100 West Alondra Boulevard, Gardena, Calif. 90247.
D. (6) $150. E. (9) $119.53.

A. Robert H. Harris, General Electric Co., 777 14th Street, Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $380.

A. Robert L. Harris, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $50.

A. Jim Harrison, Committee of Urban Program Universities, 1300 19th Street NW., Suite 220, Washington, D.C. 20036.
B. Committee of Urban Program Universities, 1300 19th Street NW., Suite 220, Washington, D.C. 20036.
D. (6) $5,750.

A. Richard Hart, National Association of Manufacturers, 601 North Vermont, Los Angeles, Calif., 90004.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $15.

A. Charles D. Hartman, Texaco, Inc., 1050 17th Street NW., Suite 500, Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $425.75.

A. Robert S. Hartmann, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Norman B. Hartnett, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $16,541. E. (9) $1,212.56.

A. Clifford J. Harvison, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Michael M. Hash, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,935.14. E. (9) $102.35.

A. Walter A. Hasty, Jr., Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Rodney E. Haugh, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Mary W. Haught, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $700. E. (9) $38.60.

A. Charles W. Havens III, 1025 Connecticut Avenue NW., Suite 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Suite 512, Washington, D.C. 20036.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., Mead World Headquarters, Courthouse Plaza Northeast, Dayton, Ohio 45463.

A. John H. Hawkins, Jr., Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street., Birmingham, Ala. 35291.
D. (6) $8,814. E. (9) $546.49.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $543.75.

A. Robert L. Healy, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $285.

A. Heavy Specialized Carriers Conference, Inc., 1156 16th Street NW, Washington, D.C. 20036.

A. William H. Hecht, 1875 I Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, 1875 I Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Jay Hedlund, 2030 M Street NW., Washington, D.C. 20036.
Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,750. E. (9) $177.53

A. Edward D. Heffernan, Shannon, Heffernan, Moseman & Goren, Suite 1025, 1875 I Street NW., Washington, D.C. 20006.
B. Ductile Iron Pipe Research Association, Oak Brook, Ill.

A. Edward D. Heffernan, Shannon, Heffernan, Moseman & Goren, Suite 1025, 1875 I Street NW., Washington, D.C. 20006.
B. E Street Associates, Washington, D.C.

A. Edward D. Heffernan, Shannon, Heffernan, Moseman & Goren, Suite 1025, 1875 I Street NW., Washington, D.C. 20006.
B. State of Alaska, Anchorage, Alaska.
D. (6) $11,002.50.

A. John F. Heilman, Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $11,596. E. (9) $515.22.

A. Kristine E. Heine, Toyota Motor Sales, U.S.A., Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.
D. (6) $2,600.

A. Robert B Heinet, Box 569 LOW, Locust Grove, Va. 22508.
B. Gerber Products Co., Fremont, Mich.
D. (6) $6,000. E. (9) $2,634.05.

A. Helicopter Association of America, Inc., 1110 Vermont Avenue NW., Suite 430, Washington, D.C. 20005.
E. (9) $12,368.

A. Steven B. Hellem, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $2,500.

A. Harry V. Helton, Reynolds Metals Co., P.O. Box 27003, Richmond, Va. 23261.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.

A. Noel Hemmendinger, Arter Hadden & Hemmendinger, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Arter Hadden & Hemmendinger, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006 (for: Japan Iron & Steel Exporters' Association, Tokyo, Japan).

A. Douglas F. Henderson, Rocky Mountain Oil & Gas Association, 1155 15th Street NW., Suite 314, Washington, D.C. 20006.
B. Rocky Mountain Oil & Gas Association, 345 Petroleum Building, Denver, Colo. 80202.
E. (9) $33.

A. John B. Henderson, Textron Inc., 1666 K Street NW., Suite 300, Washington, D.C. 20006.
B. Textron Inc., 40 Westminister Street, Providence, R.I. 02903.
D. (6) $1,990. E. (9) $280.

A. Richard Dean Henderson, Private Truck Council of America, Inc., 1101 17th Street NW, Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW, Suite 310, Washington, D.C. 20036.
E. (9) $20.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. George F. Hennrikus, Jr., The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $3,954.

A. Donald A. Henriksen, 515 South Flower Street, Los Angeles, Calif. 90071.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Lawrence R. Herman, Independent Insurance Agents of America, Inc., 1120 19th Street NW, Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $1,843.27.

A. Lyla M. Hernandez, American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Potomac, Md. 20854.
B. American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Potomac, Md. 20854.
E. (9) $14.

A. Heublein, Inc., Munson Road, Farmington, Conn. 06032.
E. (9) $18,940.

A. Ted A. Heydinger, 1615 H Street NW, Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW, Washington, D.C. 20062.
D. (6) $1,650. E. (9) $98.20.

A. Andrew I. Hickey, Jr., Federal National Mortgage Association, 3900 Wisconsin Avenue NW, Washington, D.C. 20016.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW, Washington, D.C. 20016.
D. (6) $20,687.48 E. (9) $1,097.91.

A. Paul T. Hicks, Rhode Island Petroleum Association, 154 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 2101 L Street NW Washington, D.C. 20037.
D. (6) $100.

A. Hide Action Program, 1611 North Kent Street, Suite 900, Arlington, Va. 22209.

A. J. Thomas Higginbotham, Mellon Bank N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $1,428.31.

A. Kevin M. Higgins, 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Hill and Knowlton, Inc., 1425 K Street, NW., Suite 1000, Washington, D.C. 20005.
B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037.
D. (6) $8,250.

A. J. Eldred Hill, Jr., UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
B. UBA, Inc., 1800 M Street NW., Suite 460 South, Washington, D.C. 20036.
D. (6) $2,000.

A. Morton A. Hill, Morality in Media, Inc., 980 Park Avenue, New York, N.Y. 10028.
B. Morality in Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.

A. E. Joseph Hillings, P.O. Box 44, Winter Park, Fla. 32790.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $4,010.86.

A. Sheila K. Hixson, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $350.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp. Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $3,200. E. (9) $108.

A. Robert J. Hobbs, National Consumers Law Center, Inc., 11 Beacon Street, Boston, Mass. 02108.
B. National Consumer Law Center, Inc., 11 Beacon Street, Boston, Mass. 02110.

A. Jerald E. Hobson, El Paso Co., 1775 K Street NW., Suite 310, Washington, D.C. 20006.
B. The El Paso Co., P.O. Box 2185, Houston, Tex. 77001.
D. (6) $2,500. E. (9) $244.92.

A. Howard E. Hoelter, Illinois Petroleum Council, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Irvin A. Hoff, 20 Live Oak Road, Hilton Head Island, S.C. 29928.
B. U.S. Cane Suger Refiners' Association, 1001 Connecticut Avenue NW, Washington, D.C. 20036.

A. Ellen Hoffman, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Fund of the Washington Research Project, Inc., 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,357.29. E. (9) $239.96.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.
D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Associations, 30/32 St. Mary Avenue, London EC3A 8ET, England.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Direct Selling Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $267.50.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94106.

A. Hogan & Hartson, 815 Connecticut Avenue NW, Washington, D.C. 20006.
B. Guam Power Authority, Agana, Guam.

A. Hogan & Hartson, 815 Connecticut Avenue NW, Washington, D.C. 20006.
B. National Rehabilitation Association, 1522 K Street NW, Washington, D.C. 20006.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Vinland National Center, 3675 Ihduhapi Trail, Loretto, Minn. 55357.
E. (9) $46.67.

A. Richard F. Hohlt, United States League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,387.50. E. (9) $9.50.

A. Walter Holan, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Bruce E. Holbein, Digital Equipment Corp., 111 Powdermill Road, B79, Maynard, Mass. 01754.
B. Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
D. (6) $7,500.

A. Michele O' Donnell Holbrook, National Fuel Gas Distribution Corp., Room 900, 10 Lafayette Square, Buffalo, N.Y. 14203.
B. National Fuel Gas Distribution Corp., National Fuel Gas Supply Co., Penn-York Energy Co., Seneca Resources Co., National Fuel Gas Co.
D. (6) $186. E. (9) $583.71.

A. Marcus A. Hollabaugh, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylanvia Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Kelly Holley, American Paper Institute, 1619 Masssachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Wendell M. Holloway, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,245. E. (9) $773.24.

A. Lee B. Homes, United States League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,725.

A. Moses D. Homes, Jr., National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) 1,790.40. E. (9) $20.96.

A. Peter E. Holmes, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $500.

A. Holt Cicatiello Neiswanger & Ross, Inc., 1441 Irving Street, Rahway, N.J. 07065.
B. New York Mercantile Exchange, Four World Trade Center, New York, N.Y. 10048.

A. E. Y. Holt, Jr., National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. James L. Holt, 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. Kennecott Corp., 10 Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $368.93.

A. John W. Holton, 1120 Connecticut Avenue NW, Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW, Washington, D.C. 20036.

A. Gary Hong, 1717 Massachusetts Avenue, Suite 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 2121 Pennsylvania Avenue NW., Washington, D.C.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Geo. A. Hormel & Co., P.O. Box 800, Austin, Minn. 55912.
E. (9) $10.

A. Robert Jack Horn, Detroit Edison Co., 1819 H Street NW., Suite 960, Washington, D.C. 20006.
B. The Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. 48226.
D. (6) $358. E. (9) $55.

A. John F. Horty, 1735 I Street NW., Suite 710, Washington, D.C. 20006.
B. National Council of Community Hospitals, 1735 I Street NW., Suite 710, Washington, D.C. 20006.
E. (9) $906.71.

A. Houdaille Industries, Inc., 1 Financial Plaza, Fort Lauderdale, FL 33394.

A. Thomas B. House, American Frozen Food Institute, 1700 Old Meadow Road, McLean, Va. 22102.
B. American Frozen Food Institute, 1700 Old Meadow Rd., McLean, Va. 22102.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $3,454.78.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Argo Post Office, Bedford Park, Ill. 60501.

A. Arthur L. Howard, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Donald L. Howell, First City National Bank Building, Houston, Tex. 77002.
B. Vinson & Elkins, First City National Bank Building, Houston, Tex. 77002 (for: Slurry Transport Association)
D. (6) $1,937.50. E. (9) $1.80.

A. J. William Howell, International Business Machines Corp., 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $198. E. (9) $21.75.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Mary J. Lynch Howell, Textron Inc., 1666 K Street NW., Suite 300, Washington, D.C. 20006.
B. Textron Inc., 1666 K Street, NW., Suite 300, Washington, D.C. 20006.
D. (6) $1,500. E. (9) $270.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10271.
D. (6) $1,500. E. (9) $576.91.

A. David Emery Hughes, Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine.
B. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine.
D. (6) $25.

A. Peter W. Hughes, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/ American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $785.07.

A. Robert Hughes, American Association of Foundations for Medical Care, 11325 Seven Locks Road, Potomac, Md. 20854.
B. American Association of Foundations for Medical Care, 11325 Seven Locks Road, Potomac, Md. 20854.

A. Vester T. Hughes, Jr., 1000 Mercantile Dallas Building, Dallas, Tex. 75201.
B. Barber Oil Corp., 245 Park Avenue, New York, N.Y. 10017.

A. Vester T. Hughes, Jr., 1000 Mercantile Dallas Building, Dallas, Tex. 75201.
B. Cornell Oil Co., 5440 Harvest Hill Road, Suite 200, Dallas, Tex. 75230.
D. (6) $500. E. (9) $1,599.32.

A. William E. Hughes, Jr., 11 Hills Avenue, East Hampton, Conn. 06424.
B. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037.

A. William G. Hughes, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $108.71.

A. Edward L. Huie, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
B. National Association of Air Traffic Specialists, Suite 415, Wheaton Plaza North, Wheaton, Md. 20902.
D. (6) $7,430.24. E. (9) $1,389.53.

A. Cordell W. Hull, 497 Stockbridge Avenue, Atherton, Calif. 94025.

B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. David C. Hull, National Cotton Council of America, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Hunker-Fedric, P.O. Box 1837, Roswell, N. Mex. 88201.
B. David Fasken, c/o Whitaker & Brooks, 608 First National Bank Building, Midland, Tex. 79701.
E. (9) $326.12.

A. A. Truman Hunt, Jr., Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Acacia G. Hunt, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $78.75. E. (9) $3.15.

A. Harriet Hunt, 82 Second Street, San Francisco, Calif. 94105.
B. The Trust for Public Land, 82 Second Street, San Francisco, Calif. 94105.
D. (6) $1,177. E. (9) $580.72.

A. Richard M. Hunt, NL Industries, Inc., Suite 1009, Connecticut Building, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $2,968.

A. Michael M. Hunter, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $60.

A. Milton F. Huntington, Maine Petroleum Association, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $88. E. (9) $16.50.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.
B. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. Raymond D. Hurley, 1 Farragut Square South, Washington, D.C. 20006.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. John F. Hussey, Monsanto Co., 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 N. Lindbergh Boulevard, St. Louis, Mo. 63166.
E. (9) $86.32.

A. Dewey M. Hutchins, Jr., Eastman Kodak Co., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastman Kodak Co., 343 State Street, Rochester, N.Y. 14650.
D. (6) $400. E. (9) $136.

A. Philip A. Hutchinson, Jr., Volkswagen of America, Inc.; 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 888 W. Big Beaver, Troy, Mich. 48084.
D. (6) $250.

A. Randy Huwa, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,400.

A. Robert D. Hynes, Jr., 1800 K Street NW., Washington, D.C. 20006.
B. National Broadcasting Co., Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $25.85.

A. John Iaccio, Seafarers International Union, AGLIW District, 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Seafarers International Union, AGLIW District, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,125.

A. I.G.C., Inc., 2550 M Street NW., Suite 405, Washington, D.C. 20037.
B. Republic of Turkey, 1606 23d Street NW., Washington, D.C. 20008.
D. (6) $6,000.

A. Ronald K. Ikejiri, Japanese American Citizens League, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 1765 Sutter St., San Francisco, Calif. 94115.
D. (6) $5,156.10. E. (9) $82.95.

A. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $19,881.63. E. (9) $19,881.63.

A. Independent Local Newspaper Association, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $7,500.

A. Independent U.S. Tanker Owners Committee, 1612 K Street NW., No. 510, Washington, D.C. 20006.

A. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $18,589.69. E. (9) $18,589.69.

A. Nancy J. Ingalsbee, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
B. Far West Ski Association, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
D. (6) $435. E. (9) $616.43.

A. G. Conley Ingram, Alston, Miller & Gaines, 35 Broad Street, Suite 1200, Atlanta, Ga. 30335.
B. Great American Management Investment, Inc., 5775-D Peachtree-Dunwoody Road, Suite 600, Atlanta, Ga. 30342.
D. (6) $612.50.

A. Andrea L. Innes, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $7,125. E. (9) $805.40.

A. Deborah A. Insley, General Motors Corp., 1660 L Street NW., Suite 800, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $380.78.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $34,173.14.

A. International Union of Bricklayers and Allied Craftsmen, 815 15th Street NW., Washington, D.C. 20005.
E. (9) $4,966.38.

A. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $65,491.75. E. (9) $65,491.75.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $401.38.

A. Investment Counsel Association of America, Inc., 50 Broad Street, New York, N.Y. 10004.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $4,755.01 E. (9) $11,016.37.

A. Joseph S. Ives, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $130.

A. Robert A. Jablon, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, Gainesville-Alachua County Regional Electric Water & Sewer Utilities, Sebring Utilities Commission, Cities of Homestead, Kissimmee, Lakeland, Starke, Tallahassee, Fla.

A. Mercer L. Jackson, National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

A. Mary Jo Jacobi, 3M, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
D. (6) $1,023.

A. Jaeckle, Fleischmann & Mugel, 700 Liberty Bank Building, Buffalo, N.Y. 14202.
B. Samuel Strapping Systems, Ltd., 2620 Dixie Road, Mississauga, Ontario, Canada.
E. (9) $31.43.

A. Margo L. James, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $4,500. E. (9) $315.83.

A. Leslie A. Janka, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20034.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for government of Morocco Rabat, Morocco).
D. (6) $34.78. E. (9) $55.70.

A. Barbara Diane Steigler Jarrell, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $274.12.

A. Thomas Destry Jarvis, National Parks & Conservation Association, 529 Tennessee Avenue, Alexandria, Va. 22305.
B. National Parks & Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.

D. (6) $415.82. E. (9) $25.

A. Joseph A. Jeffrey, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $329.70.

A. Joseph S. Jenckes, Abbott Laboratories, 1730 M Street NW., Suite 808, Washington, D.C. 20036.
B. Abbott Laboratories, Abbott Park, North Chicago, Ill. 60064.

A. Jenkens & Gilchrist, 2200 First National Bank Building, Dallas, Tex. 75202.
B. American College of Emergency Physicians, P.O. Box 61911, Dallas, Tex. 75261.
D. (6) $434.50. E. (9) $87.19.

A. Jennings, Strouss & Salmon, 111 West Monroe, Phoenix, Ariz. 85003.
B. Shamrock Foods Co., 2228 North Black Canyon Road, Phoenix, Ariz. 85009.

A. Chris L. Jensen, Florida Petroleum Council, 111 N. Gadsden Street, Tallahassee, Fla. 32301
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037

A. Jensen, Sanders & McConnell, 1200 North Main Street, Suite 900, Santa Ana, Calif. 92701 and 244 Maryland Avenue NE., Washington, D.C. 20002
B. County of Orange, 10 Civic Center Plaza, Santa Ana, Calif. 92701.
D. (6) $9,500. E. (9) $1,274.

A. Jensen, Sanders & McConnell, 1200 North Main Street, Suite 900, Santa Ana, Calif. and 244 Maryland Avenue NE., Washington, D.C. 20002.
B. Orange County Transportation Commission, 1020 North Broadway, Santa Ana, Calif. 92701.
D. (6) $6,500. E. (9) $847.

A. A. W. Jessup, Exxon Corp., 1899 L Street NW., Apt. 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $1,651.78.

A. Guy E. Jester, J. S. Alberici Construction Co., 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Charles E. Joeckel, Jr., Disabled American Veterans, 807 Maine Avenue SW., Washington, D.C. 20024.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $8,601. E. (9) $1,207.37.

A. Ronald P. Johnsen, Columbia Gas Service Corp., 1625 I Street, Suite 303, Washington, D.C. 20006.
B. Columbia Gas Service System Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $175. E. (9) $342.80.

A. Bruce T. Johnson, The Bowery Savings Bank, 110 East 42d Street, New York, N.Y. 10017.
B. The Bowery Savings Bank, 110 East 42d Street, New York, N.Y. 10017.
D. (6) $12,500 E. (9) $13,329.56.

A. David H. Johnson, Mississippi Petroleum Council, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Jess Johnson, Jr., Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, P.O. Box 4220, Montgomery, Ala. 36195.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $215.

A. Rady A. Johnson, Standard Oil Co. (Indiana), 1000 16th Street NW., No. 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60680.
D. (6) $400. E. (9) $11.50.

A. Reuben L. Johnson, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America, Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $8,938.44. E. (9) $172.43.

A. Richard W. Johnson, Jr., 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.

A. Richard W. Johnson, Jr., 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the USA (NCOA), P.O. Box 33610, San Antonio, Tex. 78233.
D. (6) $3,097.26 E. (9) $183.09.

A. Spencer A. Johnson, Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.

A. Stanley L. Johnson, Texaco Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $200.

A. William Johnson, Consumers Power Co. of Michigan, 1050 17th Street NW., Suite 290, Washington, D.C. 20036.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.
D. (6) $600.

A. James D. Johnston, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $2,596.07.

A. Charlie W. Jones, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $400.

A. James E. Jones, Jr., 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $875. E. (9) $30.

A. James E. Jones, Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24022.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24022.

A. Norvill Jones, Reynolds Metals Co., 1620 I Street NW., Washington, D.C. 20006.
B. Reynolds Metals Co., 6601 West Broad Street, Richmond, Va. 23261.
D. (6) $250.

A. De Soto Jordan, EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. EDS Corp., 229 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $374. E. (9) $162.95.

A. James V. Jordan III, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Jeffrey H. Joseph, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,365. E. (9) $29.21.

A. Linda Kline Joseph, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $5,621.49. E. (9) $123.10.

A. Ellen Josephson, National Legal Aid and Defender Association, 1625 K Street NW., 8th Floor, Washington, D.C. 20006.
B. National Legal Aid and Defender Association, 1625 K Street NW., 8th Floor, Washington, D.C. 20006.
D. (6) $7,000.

A. Mary T. Joyce, CF Industries, Inc./Energy Cooperative Inc., 1850 K Street NW., Suite 550, Washington, D.C. 20006.
B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500. E. (9) $270.64.

A. Braniff International, James N. Juliana, 1750 New York Avenue NW., Suite 340, Washington, D.C. 20006.
B. Braniff International, Braniff Boulevard, P.O. Box 61747, Dallas-Fort Worth Airport, Tex. 75261.

A. Robert E. Juliano, Hotel and Restaurant Employees & Bartenders International Union, 1875 I Street NW., Suite 450, Washington, D.C. 20006.
B. Hotel and Restaurant Employees & Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.
D. (6) $9,999.96. E. (9) $769.50.

A. Ruth E. Jurman, Glass Packaging Institute, 2000 L Street NW., Washington D.C. 20036.
B. Glass Packaging Institute, 2000 L Street NW., Washington D.C. 20036.

A. H. Richard Kahler, Caterpillar Tractor Co., 1850 K Street NW., Suite 925, Washington D.C. 20006.
B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $2,617.16.

A. Ann P. Kahn, 9202 Ponce Place, Fairfax, Va. 22031.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $24.90.

A. Linda Heller Kamm, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 North West Shore Boulevard, Tampa, Fla. 33607.

A. Donald J. Kaniewski, Laborers' International Union of N.A., AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of N.A., AFL-CIO, 905 16th St. NW., Washington, D.C. 20006.
D. (6) $5,573.32. E. (9) $159.60.

A. Charles W. Karcher, Room 1702, Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Company (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Gene Karpinski, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Ave. SE., Washington, D.C. 20003.
D. (6) $3,750.

A. Joseph E. Karth, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American League for Exports and Security Assistance, Inc. (ALESA), Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $12,500.00

A. Joseph E. Karth, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Archer-Daniels-Midland Co., P.O. Box 1470, Decatur, Ill. 62525.
D. (6) $8,500.

A. Joseph E. Karth, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $3,500.

A. Joseph E. Karth, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Pullman-Swindell, 441 Smithfield Street, Pittsburgh, Pa. 15222.
D. (6) $1,500.

A. Lawrence W. Katz, 8283 Greensboro Drive, McLean, Va. 22102.
B. Satellite Business Systems, 8283 Greensboro Drive, McLean, Va. 22102.
D. (6) $1,300. E. (9) $64.25.

A. Linda E. Katz, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20006.
D. (6) $2,524.67. E. (9) $482.76.

A. Milton M. Kaufmann, 19102 Roman Way, Gaithersburg, Md. 20760.
B. The Fund for Animals, Inc., 140 West 57th Street, New York, N.Y. 10019.

A. Everett E. Kavanaugh, Cosmetic, Toiletry & Fragrance Association, Inc., 1133 15th Street NW., No. 1200, Washington, D.C. 20005.
B. Cosmetic, Toiletry & Fragrance Association, Inc., 1133 15th Street NW., No. 1200, Washington, D.C. 20005.

A. Thomas O. Kay, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $512.34.

A. William J. Keating, National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, P.O. Box 28328, Washington, D.C. 20005.

A. Howard B. Keck, Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
B. Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.

A. Teresa A. Keefe, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2,938. E. (9) $7.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Vicki, R. Keenan, 5597 Seminary Road, No. 1907-S, Falls Church, Va. 22041.
B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.

A. Robert C. Keeney, North Washington at Madison, Alexandria, Va. 22314.
B. United Fresh Fruit & Vegetable Association, North Washington at Madison, Alexandria, Va. 22314.
D. (6) $466.77 E. (9) $124.65.

A. Keiki Kehoe, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,750. E. (9) $398.58.

A. Jefferson D. Keith, 8150 Leesburg Pike, No. 1100, Vienna, Va. 22180.
B. National Pest Control Association, 8150 Leesburg Pike, No. 1100, Vienna, Va. 22180

A. Robert H. Kellen, Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342.
B. The Robert H. Kellen Co., 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342 (for: Calorie Control Council, 5775 Peachtree-Dunwoody Road, Suite 500-D, Atlanta, Ga. 30342).
D. (6) $540.

A. Don Kellermann, Times Mirror Co., 1875 Eye Street NW., Suite 1110, Washington, D.C. 20006.
B. Times Mirror Co., Times Mirror Square, Los Angeles, Calif. 90053.
D. (6) $18,175. E. (9) $1,470.

A. John B. Kelley, Avco Corp., 1025 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.
D. (6) $1,500.

A. Michael T. Kelley, Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va. 22209.
B. Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va. 22209.
D. (6) $204.48. E. (9) $49.40.

A. Ty Kelley, National Association of Chain Drug Stores, Inc., 413 North Lee Street, Alexandria, Va. 22314.
B. National Association of Chain Drug Stores, Inc., 413 North Lee Street, Alexandria, Va. 22314.
D. (6) $1,500.

A. Stephen S. Kellner, 1001 Connecticut Avenue NW., No. 1120, Washington, D.C. 20036.
B. Chemical Specialties Manufacturers Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Carol A. Kelly, American Textile Manufacturers Institute, Inc., 1101 Connecticut Avenue, Suite 300, Washington, D.C. 20036.
B. American Textile Manufacturers, Inc., 1101 Connecticut Avenue, Suite 300, Washington, D.C. 20036.
D. (6) $234. E. (9) $33.71.

A. Ernest B. Kelly III, Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $1,000. E. (9) $60.09.

A. Harold V. Kelly, Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, OH 44101.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employees, 3 Research Place, Rockville, Md. 20850.
D. (6) $7,000. E. (9) $1,100.

A. William F. Kennedy, General Electric Co., Fairfield, Conn. 06431.
B. General Electric Co., Fairfield, Conn. 06431.

A. Jeremiah J. Kenney, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
E. (9) $1,214.53.

A. Peter B. Kenney, National Broadcasting Co., Inc., 1800 K Street NW., Washington, D.C. 20006.
B. National Broadcasting Co., Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Robert T. Kenney, Texaco, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Texaco Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.

A. J. H. Kent, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. American Supply Association, 221 N. LaSalle Street, Chicago, Ill. 60601.
D. (6) $1,483.28. E. (9) $880.77.

A. J. H. Kent, Kent & O'Connor, Inc., 1919 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. Senior Centers of America, 2640 Peerless Road NW., Cleveland, Tenn., 37311.
D. (6) $1,598.97. E. (9) $598.97.

A. Vytautas Kazimieras Kerbelis, 69 Cottage Street, Bar Harbor, Maine 04609.
B. Aras Pyschomotor Domain of Self, 69 Cottage Street, Bar Harbor, Maine 04609.
D. (6) $600.

A. Paul A. Kerschner, National Retired Teachers Association-American Association

of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Assocation-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $571.16. E. (9) $51.08.

A. Robert M. Ketchel, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Gilbert W. Keyes, P.O. Box 3999, M/S: 8F-77, Seattle, Wash. 98124.
B. The Boeing Company, P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $68.98. E. (9) $89.74.

A. Earline A. Keyser, 7352 Lee Highway, Falls Church, VA. 22046.
B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.

A. Richard F. Kibben, 200 Park Avenue, New York, N.Y. 10166.
B. Business Roundtable, 200 Park Avenue, New York, N.Y. 10166.

A. William S. Kies, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Daniel L. Kiley, 8 North Jefferson Street, Roanoke, Va. 24042.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $4,350. E. (9) $2,402.78.

A. Kilpatrick & Cody, 2501 M Street NW., Suite 500, Washington, D.C. 20037.
B. Furniture Rental Association of America, 50 West Broad Street, Suite 1331, Columbus, Ohio 43215.
E. (9) $1,426.85.

A. Margaret A. Kimball, Route 1, Box 118A, Bealeton, Va. 22712.
B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.

A. Kimberly-Clark Corp., N. Lake Street, Neenah, Wis. 54956.
E. (6) $706.63.

A. Richard H. Kimberly, Kimberly-Clark Corp., 1400 Holcomb Bridge Road, Roswell, Ga. 30076.
B. Kimberly-Clark Corp., 401 North Lake Street, Neenah, Wis. 54956.
D. (6) $34. E. (9) $555.82.

A. James L. Kimble, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

A. Charles L. King, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $320.

A. Dean King, National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Edward H. King, Walgreen Co., 200 Wilmot Road, Deerfield, Ill. 60015.
B. Walgreen Co., 200 Wilmot Road, Deerfield, Ill. 60015.

A. G. Jack King, U.S. Air, Inc., Washington, National Airport, Washington, D.C. 20001.
B. U.S. Air, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $1,000.

A. King & Spalding, 1800 M Street NW., Suite 825 South, Washington, D.C. 20036.
B. Branch & Associates, Inc., Suite 1630, 400 Colony Square NE., Atlanta, Ga. 30361.
D. (6) $5,000.

A. King & Spalding, 1800 M Street NW., Suite 825 South, Washington, D.C. 20036.
B. Palm Beach Civic Association, 235 South County Road, Palm Beach, Fla. 33480.
D. (6) $6,737.

A. King & Spalding, 1800 M Street, NW., Suite 825 South, Washington, D.C. 20036.
B. Tri-South Mortgage Investors, 1532 Dunwoody Village Parkway, Atlanta, Ga. 30338; Great American Management, 2850 Equitable Building, Atlanta, Ga. 30303; CMEI Inc., 300 Interstate North, Atlanta, Ga. 30339.
D. (6) $5,000.

A. W. Russell King, Freeport Minerals Co., 1050 17th Street NW., Suite 1301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10166.
D. (6) $300.

A. Roger P. Kingsley, 10801 Rockville Pike, Rockville, Md. 20852.
B. American Speech-Language-Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
D. (6) $6,000. E. (9) $15.

A. Francis L. Kinney, 76 Pheasant Run, Newington, Conn. 06111.
B. Northeast Utilities Service Co., Selden Street, Berling, Conn. 06037.

A. Janie A. Kinney, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Alan G. Kirk II, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
D. (6) $13.76.

A. John R. Kirk, Bingham, Dana & Gould, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Sally Ann Kirkpatrick, Alliance of American Insurers, 1776 F Street NW., Washington, D.C. 20006.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $588. E. (9) $325.25.

A. Saul B. Klaman, National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $586.54.

A. Catherine B. Klarfeld, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. Phosphate Rock Export Association, 1311 Northwest Shore Boulevard, Tampa, Fla. 33607.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.

A. Joann Klimschot, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,638.

A. Richard A. Kline, 1100 17th Street NW., Suite 313, Washington, D.C. 20036.
B. Council of Active Independent Oil & Gas Producers, 1100 17th Street NW., Suite 313, Washington, D.C. 20036.
D. (6) $5,781.

A. James E. Kneale, Lockheed Corp., 2335 South Meade Street, Arlington, Va. 22202.
B. Lockheed Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $560. E. (9) $311.04.

A. Peter E. Knight, Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $5,200. E. (9) $491.58.

A. John C. Knott, Burlington Northern Inc., Burlington Northern Station, Casper, Wyo. 82601.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.

A. C. Neal Knox, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,575.

A. Philip M. Knox, Jr., Sears, Roebuck & Co., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.

A. Ruth E. Kobell, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational & Co-Operative Union of America (National Farmers Union), Denver, Colo. 80251, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $4,603.83. E. (9) $87.

A. Thomas G. Kobus, National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $12,115.34.

A. Bradley R. Koch, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $133.75.

A. George W. Koch, 1010 Wisconsin Avenue NW., Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Robert M. Koch, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Stanley E. Kolbe, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,749.30.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.
B. Aeron Marine Shipping Co., Triad Office Center, 2001 Marcus Avenue, Lake Success, N.Y. 11042.
D. (6) $871.12.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.
B. Colt Industries Inc., 430 Park Avenue, New York, N.Y. 10022.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.
B. Southern Overseas Corp., P.O. Box 2110, Wilmington, N.C. 28402.

A. Nicholas Kominus, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

A. Stephen Koplan, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $14,550. E. (9) $164.17.

A. Horace R. Kornegay, Suite 800, 1875 Eye Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1875 I Street NW., Washington, D.C. 20006.
D. (6) $150. E. (9) $10.75.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $8,998.44.

A. Michael J. Kowalsky, 1120 19th Street NW., Suite 410, Washington, D.C. 20036.
B. Cigar Association of America, Inc., 1120 19th Street NW., Suite 410, Washington, D.C. 20036.

A. E. J. Krabacher, Cincinnati Milacron Inc., 4701 Marburg Avenue, Cincinnati, Ohio 45209.
B. Cincinnati Milacron Inc., 4701 Marburg Avenue, Cincinnati, Ohio 45209.
D. (6) $2,100. E. (9) $498.

A. Mylio S. Kraja, American Legion, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $9,138. E. (9) $524.65.

A. Amos Kramer, Kansas Petroleum Council, 1414 Merchants Bank Building, 8th and Jackson Street, Topeka, Kans.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $1,164.71.

A. Charles C. Krautler, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

A. Lawrence E. Kreider, Conference of State Bank Supervisors, 1016 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio.
E. (9) $4,282.30.

A. L. Wayne Krug, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Joseph Kuchler, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,062.45.

A. Lloyd R. Kuhn, Aerospace Industries Association, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $12,978.

A. Thomas R. Kuhn, American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $2,062.50. E. (9) $106.44.

A. Daniel M. Kush, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.
D. (6) $500. E. (9) $210.10.

A. Kutak Rock & Huie, 1650 Farnam Street, Omaha, Nebr. 68102.
B. E. F. Hutton & Co., Inc., One Battery Park Plaza, New York, N.Y. 10004.

A. Dan Kuykendall, DK Consultants, Inc., P.O. Box 40841, Washington, D.C. 20016.
B. Alpha 21 Corp., P.O. Box 4605, Midland, Tex. 79701.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $7,450. E. (9) $11,945.

A. Laborers' International Union, 905 16th Street NW., Washington, D.C. 20006.
E. (6) $8.40.

A. Phillip Ray Lackey, 823 15th Street NW., Washington, D.C. 20005.
B. International Masonry Institute, 823 15th Street NW., Washington, D.C. 20005.
D. (6) $1,131.

A. Philip A. Lacovara, Hughes Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Bristol-Myers Co., 1155 15th Street NW., Washington, D.C. 20036.

A. Philip A. Lacovara, Hughes Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.

A. Philip A. Lacovara, Hughes Hubbard & Reed, 1660 L Street NW., Washington, D.C. 20036.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Bruce C. Ladd, Jr., 4406 Franklin Street, Kensington, Md.
B. Laclede Gas Co., 720 Olive Street, St. Louis, Mo.
D. (6) $7,500. E. (9) $40.

A. Walter B. Laessig, 1115 Massachusetts Avenue NW., Suite 6, Washington, D.C. 20005.
B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,062.65. E. (9) $14.

A. Sandra L. LaFevre, Nationwide Insurance Companies & Affiliates, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies & Affiliates, One Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $500.

A. Sarah M. Laird, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $4232. E. (9) $26.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David F. Lambert III, Automotive Occupant Protection Association, 2001 Jefferson Davis Highway, Suite 1101, Arlington, Va. 22202.
B. Automotive Occupant Protection Association, 2001 Jefferson Davis Highway, Suite 1101, Arlington, Va. 22202.
D. (6) $10,665.

A. David M. F. Lambert, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Jewish Employment Vocational Services, 1727 Locust Street, St. Louis, Mo. 63103.

A. David R. Lambert, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
D. (6) $5,000.

A. C. Peter Lambos, Lorenz, Finn, Giardino & Lambos, 25 Broadway, No. 1755, New York, N.Y. 10004.
B. New York Shipping Association, Inc., 80 Broad Street, New York, N.Y. 10004.

A. Stephen K. Lambright, Anheuser-Busch Cos., Inc., 1211 Connecticut Avenue NW., Suite 502, Washington, D.C. 20036.
B. Anheuser-Busch Cos., Inc., 721 Pestalozzi Street, St. Louis, Mo. 63118.
E. (9) $10.

A. David W. Landsidle, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $600.

A. Karl S. Landstrom, Geothermal Resources International Inc., 510 N. Edison Street, Arlington, Va. 22203.
B. Geothermal Resources International Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.
D. (6) $750. E. (9) $10.

A. Lane and Edson, P.C., 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
B. City of Baltimore, Mayor William Donald Schaefer, Office of the Mayor, 250 City Hall, Baltimore, Md. 21202.

D. (6) $2,000.

A. Lane and Edson, P.C., Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
B. National Leased Housing Association, Suite 400 South, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450.

A. Laurence F. Lane, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $975.

A. Robin W. Lanier, National Retail Merchants Association, 1000 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $5.

A. Wayne R. LaPierre, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $150.

A. Clifford C. LaPlante, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $637.50.

A. J. Stephen Larkin, International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $500. E. (9) $77.81.

A. LaSalle National Bank, 135 South LaSalle Street, Chicago, Ill. 60690.

A. Lawrence C. Laser, Cities Service Co., 1660 L Street NW., No. 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street, NW., No. 207, Washington, D.C. 20036.

A. Michael Lashbrook, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750.

A. Glenn T. Lashley, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. Latham, Watkins & Hills, 1333 New Hampshire Avenue NW., Suite 1200, Washington, D.C. 20036.
B. Engineering Supervision Co., 170 Newport Center Drive, No. 150, Newport Beach, Calif. 92660.
D. (6) $1,140. E. (9) $13.50.

A. Theodore A. Lattanzio, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $648.

A. Louis F. Laun, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Dennis Lavallee, National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

A. Charles B. Lavin, Jr., American Subcontractor Association, 815 15th Street NW., Suite 902, Washington, D.C. 20005.
B. American Subcontractor Association, 815 15th Street NW., Suite 902, Washington, D.C. 20005.

A. Kathryn Lavriha, League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $2,594. E. (9) $34.

A. Jane A. Lawlor, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22047.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $195. E. (9) $101.65.

A. Henry J. Lawrence, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,250.

A. Lead-Zinc Producers Committee, 1320 19th Street NW., Suite 600, Washington, D.C. 20036.
D. (6) $8,000. E. (9) $8,462.91.

A. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $23,040. E. (9) $23,040.

A. John I. Le Berre, 900-17th Street NW., Washington, D.C. 20006.
B. Chemical Corp., 900-17th Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $28.

A. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20036.
B. Ad Hoc Rail Shippers Group, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20016.
D. (6) $263. E. (9) $263.

A. LeBoeuf, Lamb, Leiby & MacRae, 140 Broadway, New York, N.Y., 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C.
B. Underwriters at Lloyd's, London, c/o Wm. G. Hockensmith, 409 McClure Building, Frankfurt, Ky. 40601, c/o John Smith, Lord, Bissell & Brook, 115 LaSalle Street, Chicago, Il. 60603.
D. (6) $20. E. (9) $6.12.

A. Lee, Toomey & Kent, 1200 18th Street NW., Washington, D.C. 20036.
B. Specialty Advertising Association International, 1404 Walnut Hill Lane, Irving, Tex. 75062.
D. (6) $230. E. (9) $8.

A. Joanna S. Lehane, 1120 19th Street NW., Suite 333, Washington, D.C. 20036.
B. Motor and Equipment Manufacturers Association, 1120 19th Street NW., Suite 333, Washington, D.C. 20036.
D. (6) $40.

A. William T. Lehner, Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., One Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $50.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. AGRI International, Inc.

A. Leighton, Conklin, Lemov, & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Alarm Industry Telecommunications Committee, of the National Burglar & Fire Alarm Association, 1101 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $9,826.26. E. (9) $6,044.35.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., No. 800, Washington, D.C. 20036.
B. City & Regional Magazine Association, 2033 M Street NW., No. 800, Washington, D.C., 20036.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Clorox Company, 1221 Broadway, Oakland, Calif. 94612.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Developmental Healthcare & Wellness, Inc., 6188 Oxon Hill Road, Oxon Hill, Md. 20021

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Family Practice Life and Health Action Research Institute, Inc., 6188 Oxon Hill Road, Oxon Hill, Md. 20021

A. Leighton, Conklin, Lemov, & Jacobs, Chartered., 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. GEM Mailing, 9760 B George Palmer Highway, Lanham, Md. 20801.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. General Instrument Corp., 320 West 57th Street, New York, N.Y. 10019.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., No. 800, Washington, D.C. 20007.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Jet America International, Inc., General Aviation Terminal, Washington National Airport, Washington, D.C. 20001.

A. Leighton, Conklin, Lemov, & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Liberty Communications, Inc., P.O. Box 7009, Eugene, Oreg. 97401.
D. (6) $1,027.06. E. (9) $554.66.

A. Leighton, Conklin, Lemov, & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Milicom, Inc., Suite 5500, 153 East 53rd Street, New York, N.Y. 10022.

D. (6) $4,087.82. E. (9) $2,226.78.

A. Leighton, Conklin, Lemov, & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. National Association of Small Business Investment Corp., 618 Washington Building, Washington, D.C. 20035.
D. (6) $25,000. E. (9) $200.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Professional Air Traffic Controllers Organization, 444 North Capitol Street NW., Washington, D.C. 20001.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. Security Associates, Inc., 1111 19th Street, Arlington, Va. 22209.

A. Leighton, Conklin, Lemov, & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRT Telecommunications Corp., 1747 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $7,841.14. E. (9) $5,644.94.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street, NW., Suite 800, Washington, D.C. 20036.
B. Universal Medical Laboratory, Inc., 2141 K Street NW., Suite 108, Washington, D.C. 20006.

A. Leighton, Conklin, Lemov, & Jacobs, Chartered, 2033 M Street, NW., Suite 800, Washington, D.C. 20036.
B. Whey Products Institute, 130 North Franklin Street, Chicago, Ill. 60606.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.
B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.
D. (6) $32. E. (9) $40.76.

A. Gilbert Lekander, 1629 K Street NW., No. 801, Washington, D.C. 20006.
B. Montana Power Co., 40 E. Broadway, Butte, Mont. 59701, Washington Water Power Co., P.O. Box 3727, Spokane, Wash.
D. (6) $300.

A. Lynette B. Lenard, Dow Chemical Co., 1800 M Street, NW., Suite 700S, Washington, D.C.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $100. E. (9) $50.

A. Earl T. Leonard, Jr., The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $382. E. (9) $ 702.28.

A. Lloyd Leonard, League of Women Voters of the United States, 1730 M Street, NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $3,132. E. (9) $59.

A. Rodney E. Leonard, Community Nutrition Institute 1146 19th Street NW., Washington, D.C. 20036.
B. Community Nutrition Institute, 1146 19th Street NW., Washington, D.C. 20036.

A. Charles Leppert, Jr., Procter & Gamble Manufacturing Co., 1801 K Street NW., Suite 230, Washington, D.C. 2006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Dale Lestina, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $ 1,884.80. E. (9) 79.50.

A. Ernest M. LeSueur, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.
B. Beneficial Management Corporation of America, 1300 Market Street, Wilmington, Del. 19899.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Service Corp., 2 Broadway, New York, N.Y. 10004.
D. (6) $168.75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Boston Edison Co., et al.
D. (6) $3,537.50.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Commonwealth Edison, 1 National Plaza, Chicago, Ill. 60601.
D. (6) $1,635.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere (CARE), Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $25. E. (9) $1.75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Estate of Blanca Rosa Langenegger; Langenegger AG. Service, Inc., P.O. Box 575, First & Warehouse Avenue, Sunnyside, Wash.
D. (6) $350. E. (9) $20.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Holy Cross Hospital, 15031 Rinaldi Street, Mission Hills, Calif. 91345.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Association for Hospital Development ("NAHD"), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $510.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Council of Community Hospitals ("NCCH"), 1735 I Street NW., Suite 710, Washington, D.C. 20006.
D. (6) $1,170.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $2,000.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Independent Local Newspaper Association, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $525.

A. Manuel Levine, 6404 Elray Drive, Baltimore, Md. 21209.
B. Wood, Lucksinger & Epstein, One Houston Center, Suite 1600, Houston Tex. 77010.
D. (6) $408.

A. Roger N. Levy, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $2365.53.

A. Cathy A. Lewis, 1101 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Vinson & Elkins, 1101 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036 (for First City Bancorporation of Texas, Inc., Houston, Tex.)
D. (6) $21.25.

A. Charles L. Lewis, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. E. David Lewis, Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
B. Society of American Wood Preservers, Inc., 1401 Wilson Boulevard, Suite 205, Arlington, Va. 22209.
D. (6) $110. E. (9) $224.50.

A. Michael R. Lewis, International Longshoremen's & Warehousemen's Union, 1133 15th Street NW., Suite 640, Washington, D.C. 20005.
B. International Longshoremen's & Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.
D. (6) $5,000. E. (9) $340.

A. Wm. J. Lhota, Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.
D. (6) $763.55. E. (9) $836.72.

A. Herbert Liebenson, National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
B. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $5,625.

A. Herbert Liebenson, Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
B. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.

A. William C. Lienesch, 238 10th Street NE., Washington, D.C. 20003.
B. National Parks and Conservation Association, 1701 18th Street NW., Washington, D.C. 20009.
D. (6) $898.22. E. (9) $27.75.

A. Lillick McHose & Charles, 1333 New Hampshire NW., Washington, D.C. 20036.
B. Pacific Maritime Association, 635 Sacramento Street, San Francisco, Calif. 94120.

D. (6) $222.50. E. (9) $1.20.

A. Edward J. Lincoln, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Kathleen M. Linehan, 1025 Connecticut Avenue NW., No. 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $210. E. (9) $37.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Ambassador Bridge Co., P.O. Box 447, Detroit, Mich. 48232.
D. (6) $3232.50.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Lake Superior District Power Co., 101 West Second Street, Ashland, Wis. 54806.
D. (6) $389.59.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Madison Gas & Electric Co., 100 North Fairchild Street, Box 1231, Madison, Wis. 53701.
D. (6) $864.48.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20011.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $4,169.44. E. (9) $20.05.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Northern States Power Co., 100 North Barstow Street, Eau Claire, Wis. 54701.
D. (6) $1,168.55.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Oregon Department of Transportation, Transportation Building, Salem, Oreg.
D. (6) $3,000.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Illinois, Department of Transportation, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $4,674. E. (9) $32.85.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. State of Illinois, Department of Transportation, Division of Water Resources, 2300 South Dirksen Parkway, Springfield, Ill. 62764.
D. (6) $1,800. E. (9) $17.60.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Superior Water, Light & Power Co., 1230 Tower Avenue, Superior, Wis. 54880.
D. (6) $234.19.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Electric Power Co., 231 West Michigan, Milwaukee, Wis. 53201.
D. (6) $3,701.93. E. (9) $53.06.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Power & Light Co., Madison, Wis. 53701.
D. (6) $1,622.23.

A. Linton, Mields, Reisler & Cottone, Ltd., 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wisconsin Public Service Corp., P.O. Box 700, Green Bay, Wis. 54305.
D. (6) $1,567.97.

A. Thomas A. Lisk, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Robert G. Litschert, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,127. E. (9) $376.28.

A. William F. Little, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 41821.
D. (6) $362,50. E. (9) $296.

A. Roy Littlefield, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $4,900. E. (9) $186.

A. David A. Litvin, 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. Kennecott Corp., Ten Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $43.47.

A. E. F. Livaudais, Jr., Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif., 90071.

A. Livestock Marketing Association, 4900 Oak Street, Kansas City, Mo. 64112.

A. H. Richard Lloyd, Jr., General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $65.55.

A. Harold D. Loden, American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
D. (6) $4,000.

A. Nils A. Lofgren, Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 300 New Center Building, Detroit, Mich., 48202.
E. (9) $320.

A. Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,500.

A. Long, Aldridge, Heiner, Stevens & Sumner, 134 Peachtree Street, Suite 1900, Atlanta, Ga. 30043.
B. Cable Atlanta, Inc., 1038 West Peachtree Street, Atlanta, Ga. 30309.

A. Nira Hardon Long, Smothers, Douple, Gayton & Long, 1800 M Street NW., Suite 880 South, Washington, D.C. 20036.
B. City of Los Angeles, Los Angeles, Calif. 90012.
D. (6) $7,162.22.

A. Robert S. Long, Clark Oil & Refining Corp., 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.
B. Clark Oil & Refining Corp., 8530 West National Avenue, Milwaukee, Wis. 53227.

A. Robert W. Long, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $165.85. E. (9) $8.

A. John H. Lonnquist, Jr., Johns-Manville Corp., 1025 Connecticut Avenue NW., No. 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $100.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Association of Bituminous Contractors, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Classroom Publishers Association, 2020 K Street NW., Washington, D.C. 20006.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Industrial Diamond Association, 59 East Main Street, Moorestown, N.J. 08057.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Optical Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Loomis, Owen, Fellman & Howe, 2020 K Street NW., Washington, D.C. 20006.
B. Textile Rental Services Association of America, 1250 Hallandale Beach Boulevard, Hallandale, Fla. 33009.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y. 10004.
B. Bowater North America Corp., 1500 East Putnam Avenue, Old Greenwich, Conn. 06870.

A. Lord, Day & Lord, 25 Broadway, New York, N.Y. 10004.
B. Phosphate Chemicals Export Association, Inc., 200 Park Avenue, New York, N.Y. 10017.
D. (6) $18,811.25 E. (9) $1,287.31.

A. Philip J. Loree, 50 Broadway, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $200.

A. Robert E. Losch, P.C., Losch & DePuy, 1716 New Hampshire Avenue NW., Washington, D.C. 20009.
B. American Dredging Co., et al.
D. (6) $17,500. E. (9) $2,617.20.

A. Robert E. Losch, P.C., Losch & DePuy, 1716 New Hampshire Avenue NW., Washington, D.C. 20009.
B. Pelican Terminal Corporation (PELCO), 734 Walt Whitman Road, Suite 304, Melville, N.Y. 11747; and Port of Gal-

veston (Galveston Wharves), P.O. Box 328, Galveston, Tex. 77550.
D. (6) $10,000. E. (9) $2,157.06.

A. Claudia J. Louis, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. John T. Lounsbury III, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $500. E. (9) $200.

A. James P. Low, American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.
B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. William C. Lowrey, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000.

A. Freddie H. Lucas, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $307.95.

A. Lucas, Friedman & Mann, 810 18th Street NW., Suite 202, Washington, D.C. 20006.
B. Coushatta Tribe of Louisiana, c/o Ernest Sickey, Tribal Chairman, Elton, La. 70532.

A. William F. Ludlam, Sr., P.O. Box 5282, Virginia Beach, Va. 23455.
B. American Revolution Bicentennial Administration Licensees Association, P.O. Box 10, Cocoa Beach, Fla. 32931.
E. (9) $2,590.

A. Kathy K. Luhn, 1899 L Street NW., Suite 403, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1899 L Street NW., Suite 403, Washington, D.C. 20036.
D. (6) $58. E. (9) $37.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $3,367.39.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., United Technologies Building, Hartford, Connecticut 10601, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $12,324.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $600. E. (9) $ 29.03.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. National Product Liability Council, 600 New Hampshire Avenue, Suite 920, Washington, D.C. 20037.
D. (6) $250. E. (9) $14.38

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., Two North 9th Street, Allentown, Pa. 18101.
D. (6) $2,672.80. E. (9) $240.16

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West Tenth Street, Wilmington, Del. 19801.
D. (6) $361.75. E. (9) $9.98.

A. William T. Lyons, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ciba-Geigy Corp., Ardsley, N.Y. 10502.
D. (6) $3,062. E. (9) $1,549.55.

A. Russell MacCleery, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C. 20005.
D. (6) $3,100. E. (9) $75.

A. Jack A. MacDonald, National Council of Health Centers, 2600 Virginia Avenue NW., No. 915, Washington, D.C. 20037.
B. NCHC, 2600 Virginia Avenue NW., No. 915, Washington, D.C. 20037.
D. (6) $862.50. E. (9) $143.32.

A. James E. Mack, National Confectioners Association, 5101 Wisconsin Avenue, Suite 506, Washington, D.C. 20016.
B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $21,625. E. (9) $820.69.

A. James E. Mack, Peanut Butter & Nut Processors Association, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
B. Peanut Butter & Nut Processors Association, 5101 Wisconsin Avenue, Suite 504, Washington, D.C. 20016.
D. (6) $14,499.98. E. (9) $3,979.90.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $7,494.26. E. (9) $500.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $8,150.72. E. (9) $3,568.63.

A. Edward C. Maeder, 2550 M Street NW., Washington, D.C. 20037.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Government of Morocco, Rabat, Morocco).
D. (6) $560. E. (9) $374.32.

A. Thomas D. Maher, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. John F. Mahoney, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $3,710. E. (9) $209.43.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. F. Anthony Maio, Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Suite 1000, Washington, D.C. 20006.
B. First Wisconsin National Bank of Milwaukee, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Andre Maisonpierre, Alliance of American Insurers, 1776 F Street NW., Washington, D.C.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.

A. David L. Mallino, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $8,998.44.

A. J. Wilson Malloy, Jr., Eastman Chemical Products, Inc., 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastman Chemical Products, Inc., P.O. Box 431, Kingsport, Tenn. 37662.
D. (6) $700. E. (9) $18.50.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
E. (9) $400.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $6,249.99. E. (9) $67.50.

A. Manchester Associates, Ltd., 1155 15th Street NW., Suite 1010, Washington, D.C. 20005.
D. (6) $2,325. E. (9) $9,211.06.

A. Forbes Mann LTV Corp., 1155 15th Street NW., Suite 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $500. E. (9) $20.

A. Armand G. Manson, 1666 K Street NW., Suite 300, Washington, D.C. 20006.
B. Bell Aerospace Textron, 1666 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $2,614.

A. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $1,300. E. (9) $105.

A. Allen J. Manzano, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $421.50.

A. March for Life, Inc., P.O. Box 2950, Washington, D.C.

D. (6) $19,013.83. E. (9) $20,705.11.

A. Ronald N. Marcus, 4638 South 34th Street, Arlington, Va. 22206.
B. National Committee for Auto Crash Protection, 1220 19th Street NW., Washington, D.C. 20016.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $413.49.

A. Lawrence D. Markley, P.O. Box 3518, Anchorage, Alaska 99501.
B. Chugach Electric Association, Inc., P.O. Box 3518, Anchorage, Alaska 99501.
D. (6) $1,827.20. E. (9) $1,939.64.

A. John Marlin, 307 West Nevada, Urbana, Ill. 61801.
B. Central States Resource Center, P.O. Box 447, Urbana, Ill. 61801.
D. (6) $2,687.49.

A. Howard Marlowe, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $15,159.80. E. (9) $203.06.

A. D. V. Maroney, Jr., Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Chalmers Marquis, NAPTS, 955 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Association of Public Television Stations, 955 L'Enfant Plaza, S.W. Washington, D.C. 20024.
D. (6) $750. E. (9) $75.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Abbotts Dairies, Division of Fairmont Foods Co., 333 West Loop North, Houston, Tex. 77024.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. ADP Pension Services, Inc., 180 Newport Center Drive, Newport Beach, Calif. 92663.

A. Marshall, Bratter, Greene, Allison & Tucker, 430 Park Avenue, New York, N.Y. 10022.
B. Cadillac Fairview U.S., Inc., c/o The Corporation Trust Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $21,570. E. (9) $545.83.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $6,556.24. E. (9) $172.50.

A. Marshall, Bratter, Greene, Allison & Tucker, 1140 Connecticut Avenue, NW., Washington, D.C. 20036
B. The Institute of Electrical & Electronics Engineers, Inc. 345 East 47th Street, New York, N.Y. 10022
D. (6) $975.

A. C. Travis Marshall, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $167.98.

A. Donald N. Martin, Donald N. Martin & Co., Inc., 488 Madison Avenue, New York, N.Y. 10022

A. J. Paull Marshall, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $24.86. E. (9) $400.89.

A. David O. Martin, Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
B. Kimberly-Clark Corp., North Lake Street, Neenah, Wis. 54956.
D. (6) $50. E. (9) $66.81.

A. John B. Martin, Jr., National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $627.69. E. (9) $44.

A. Katherine E. Martin, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $114.99. E. (9) $61.39.

A. Larry K. Martin, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $225.

A. Steven A. Martindale, 1220 19th Street NW., Washington, D.C. 20036.
B. DGA International Inc., (for Government of Morocco, Rabat, Morocco), 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $200.

A. Joseph J. Martyak, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y., 10017.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $234.94.

A. Mike M. Masaoka, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. Japan Binocular Manufacturers Association, 45-8 Ohyama-Kanai-Cho, Itabashi-ku, Tokyo, Japan.
D. (6) $500.

A. Mike M. Masaoka, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 1809 L Street NW., Suite 703, Washington, D.C. 20036.
D. (6) $750.

A. Mike M. Masaoka, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Scott A. Mason, 6137 East Calle Camelia, Scottsdale, Ariz. 85251.
B. Samaritan Health Service, 1410 North Third, P.O. Box 25489, Phoenix, Ariz. 85002.
E. (9) $5,206.50.

A. W. A. Mason, 442 Ontario, Shreveport, La.
B. Southwestern Electric Power Co., P.O. Box 21106, Shreveport, La. 71156.

A. Cliff Massa III, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Carolyn Massell, Colonial Penn Group, Inc., 5 Penn Center Plaza, Philadelphia, Pa. 19181.
B. Colonial Penn Group, Inc., 5 Penn Center Plaza, Philadelphia, Pa. 19181.

A. William F. Massman, Dr. Pepper Co., P.O. Box 225086, Dallas, Tex. 75265.
B. Dr. Pepper Co., P.O. Box 225086, Dallas, Tex. 75265.

A. Charles D. Matthews, 1100 17th Street NW., No. 410, Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., No. 410, Washington, D.C. 20036.
D. (6) $2,048.20. E. (9) $124.50.

A. Robert A. Matthews, Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $623.80.

A. Joanne E. Mattiace, Sears, Roebuck & Co., 1211 Connecticut Avenue NW., No. 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, ILL. 60684.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C.

A. Anthony F Mauriello, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10176.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Samuel L. Maury, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $209.16. E. (9) $4.

A. Thomas H. Maxedon, Kentucky Petroleum Council, 4010 DuPont Circle, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Albert E. May, Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $3.31.

A. James C. May, Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C.
B. Aerospace Industries of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. The ERISA Industry Committee, Suite 500, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $295. E. (9) $2.75.

A. H. Wesley McAden, 1707 L Street NW., Washington, D.C. 20036.
B. J. G. Boswell Co., Inc., 333 South Hope Street, Los Angeles, Calif. 90017.
D. (6) $7,500. E. (9) $2,540.

A. William J. McAuliffe, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $341.52.

A. John A. McCahill, United States Olympic Committee, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States Olympic Committee, 1750 East Boulder, Colorado Springs, Colo. 80909.

A. Julie P. McCahill, The Mead Corporation, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corporation, Mead World Headquarters, Courthouse Plaza NE., Dayton, Ohio 45463.
D. (6) $275.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $900.

A. John A. McCart, Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,404.76.

A. James W. McCarthy, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,500. E. (9) $515.49.

A. Sean A. McCarthy, 8283 Greensboro Drive, McLean, Va. 22102.
B. Satellite Business Systems, 8283 Greensboro Drive, McLean, Va. 22102.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cigar Association of America, 1120 19th Street NW., Washington, D.C. 20036.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Company, Box 300, Tulsa, Okla. 74102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.
D. (6) $1,737.50. E. (9) $68.29.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Hercules, Inc., 910 Market St., Wilmington, Del. 19899.
D. (6) $270.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $835. E. (9) $126.25.

A. Joel C. McConnell, Jr., Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $8,000. E. (9) $1,000.

A. Richard M. M. McConnell, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. John L. McCormick, 317 Pennsylvania Avenue, Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,499.99.

A. Molly McCormick, Philadelphia Electric Co., 2301 Market Street, S23-1, P.O. Box 8699, Philadelphia, Pa. 19101.
B. Philadelphia Electric Co., 2301 Market Street, P.O. Box 8699, Philadelphia, Pa. 19101.
D. (6) $1,500. E. (9) $753.25.

A. Sally McCormick, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,273.75.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, 819 Railway Labor Building, 400 1st Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $85.20.

A. Rose A. McCullogh, Sierra Club, 715 South 14th Street, Lincoln, Nebr. 68508.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $520. E. (9) $1,269.72.

A. Albert L. McDermott, American Hotel & Motel Association, 1101 Connecticut Avenue NW., Suite 1006, Washington, D.C. 20036.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $1,874.06.

A. Marianne McDermott, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Michael D. McDonald, Maryland Petroleum Association, 60 West Street, Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Patrick J. McDonough, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. Susan K. McDowell, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,625.

A. Paul J. McGeady, 27 Hampton Place, Nutley, N.J. 07110.
B. Morality In Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.
D. (6) $371.26.

A. Jane S. McGhee, 507 Second Street NE., Washington, D.C. 20002.
B. The Confederated Tribes of Warm Springs, Warm Springs, Oreg. 97761.

A. Jane S. McGhee, 507 Second Street NE., Washington, D.C. 20002.
B. The Navajo Nation, Window Rock, Ariz. 86515.

A. P. Anne McGhee, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $15,075. E. (9) $536.10.

A. Gregory E. McGowan, The Firestone Tire & Rubber Company, 1730 K Street NW., Suite 915, Washington, D.C. 20006.
B. The Firestone Tire & Rubber Company, 1200 Firestone Parkway, Akron, Ohio 44317.

A. Jerome J. McGrath, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $500.

A. Walter P. McHugh, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,483.55. E. (9) $76.25.

A. Clarence M. McIntosh, Jr., Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $1,178.29.

A. Lyndley R. McIntosh, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $762.50. E. (9) $19.85.

A. Christine E. McKechnie, RJR Industries, Inc., 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $250. E. (9) $78.91.

A. William F. McKenna, 1800 M Street NW., No. 950N, Washington, D.C. 20036.

B. Silver, Freedman, Housley, Taff & Goldberg, 1800 M Street NW., No. 950N, Washington, D.C. 20036.

A. Janet E. McKenzie, Allied-General Nuclear Services, 1150 Connecticut Avenue NW., Suite 702, Washington, D.C. 20036.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.
D. (6) $500.

A. William Colm McKeveny, Chadbourne, Parke, Whiteside & Wolff, 30 Rockefeller Plaza, New York, N.Y. 10112.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. C. A. Mack McKinney, 110 Maryland Avenue NE., Box 43, Washington, D.C. 20002.
B. Non Commissioned Officers Association of the U.S.A., P.O. Box 33610, San Antonio, Tex. 78233.
D. (6) $6,831.89. E. (9) $13,621.05.

A. Gail H. McLarnon, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Gail H. McLarnon, First National Boston Corporation, 100 Federal Street, Boston, Mass. 02110.
B. First National Boston Corporation, 100 Federal Street, Boston, Mass. 02110.

A. James D. McLaughlin, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $925. E. (9) $93.15.

A. John S. McLees, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $721.80. E. (9) $139.40.

A. William F. McManus, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Company, Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $370.

A. Jane Pierson McMichael, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $12,423.60. E. (9) $20,212.99.

A. C. W. McMillan, National Cattlemen's Association, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203.
D. (6) $1,500.

A. James D. McMillan, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $70.35.

A. William C. McMurtrie, 8150 Leesburg Pike, No. 503, Vienna, Va. 22180.
B. William H. Sullivan, Jr., 1 Federal Street, 29th Floor, Boston, Mass. 02110.
D. (6) $2,000.

A. Laramie F. McNamara, Flexible Packaging Association, 1111 19th Street NW., Washington, D.C. 20036.
B. Flexible Packaging Association, 1111 19th Street NW., Washington, D.C. 20036.

A. James A. McPherson, Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Francis X. Meaney, 1 Center Plaza, Boston, Mass. 02108; 1015 15th Street NW., Washington, D.C. 20005.
B. Mintz, Levin, Cohn, Glovsky & Popeo, 1 Center Plaza, Boston, Mass. 02108 and 1015 15th Street, NW., Washington, D.C. 20005 (for The Claremont Co., Inc., 628 Pleasant Street, P.O. Box E-81, New Bedford, Mass. 02742).

A. Francis X. Meaney, 1 Center Plaza, Boston, Mass. 02108; 1015 15th Street NW., Washington, D.C. 20005.
B. Mintz, Levin, Cohn, Glovsky & Popeo, 1 Center Plaza, Boston, Mass. 02108 and 1015 15th Street, NW., Washington, D.C. 20005 (for Goldman, Sachs & Co., 55 Broad Street, New York, N.Y. 10004).

A. Francis X. Meaney, 1 Center Plaza, Boston, Mass. 02108; 1015 15th Street NW., Washington, D.C. 20005.
B. Mintz, Levin, Cohn, Glovsky & Popeo, 1 Center Plaza, Boston, Mass. 02108 and 1015 15th Street, NW., Washington, D.C. 20005 (for Northern Energy Corporation, 470 Atlanta Avenue, Boston, Mass. 02210).

A. Francis X. Meaney, 1 Center Plaza, Boston, Mass. 02108; 1015 15th Street NW., Washington, D.C. 20005.
B. Mintz, Levin, Cohn, Glovsky & Popeo, 1 Center Plaza, Boston, Mass. 02108 and 1015 15th Street, NW., Washington, D.C. 20005 (for Refuse Fuels, Inc., P.O. Box 83, Bradford, Mass. 08130).

A. Francis X. Meaney, 1 Center Plaza, Boston, Mass. 02108; 1015 15th Street NW., Washington, D.C. 20005.
B. Mintz, Levin, Cohn, Glovsky & Popeo, 1 Center Plaza, Boston, Mass. 02108 and 1015 15th Street, NW., Washington, D.C. 20005 (for Securities Industry Association, 20 Broad Street, New York, N.Y. 10005).
D. (6) $1,500. E. (9) $24.

A. Joseph J. Meder, Interlake, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Interlake, Inc., 2015 Spring Road, Oak Brook, Ill. 60521.
D. (6) $9,000.

A. John Martin Meak, 1730 Pennsylvania Avenue, Suite 460, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.
D. (6) $3,500. E. (9) $211.29.

A. David Olan Meeker, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. William H. Megonnell, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $192.85. E. (9) $18.56.

A. F. A. Meister, Jr., 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $350. E. (9) $15.

A. Edward L. Menning, National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
D. (6) $107.87.

A. Ellis E. Meredith, American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 11109.
E. (9) $14.04.

A. Ted H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

A. Charles L. Merin, National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $10,208. E. (9) $164.

A. Edward A. Merlis, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Tele-Press Associates, Inc., 342 East 79th Street, New York, N.Y. 10021 (for Japan Fisheries Association).

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. Central Gulf Lines, Inc., International Trade Mart, No. 2 Canal Street, New Orleans, La. 70130.
D. (6) $1,250. E. (9) $64.52.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. Coalition of United States Citizen Award-Holders Against Czechoslovakia.
E. (9) $319.09.

A. Edward L. Merrigan, 6000 Connecticut Avenue NW., Washington, D.C. 20015.
B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $6,111.10. E. (9) $444.34.

A. Harold E. Mesirow, Lillick McHose & Charles, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Foss Launch & Tug Co., Foss Alaska Line, 660 West Ewing Street, Seattle, Wash. 98119.
D. (6) $856.50.

A. Harold E. Mesirow, Lillick McHose & Charles, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Rotan Mosle, Inc., 1500 South Tower Pennzoil Place, Houston, Tex. 77002.
E. (9) $212.42.

A. Harold E. Mesirow, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Three R Trust, 702 Moody National Bank Tower, Galveston, Tex. 77550.

A. Metzger, Shadyac & Schwarz, One Farragut Square South, Washington, D.C. 20006.

B. Melex U.S.A., Inc., 1201 Front Street Raleigh, N.C. 27609.

A. M. Barry Meyer, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Aluminum Association, 818 Connecticut Avenue NW., Washington, D.C. 20006.
E. (9) $1,020.

A. James G. Michaux, Federated Department Stores, Inc., 1801 K Street NW., Suite 903, Washington, D.C. 20006.
B. Federated Department Stores, Inc., 7 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Ronald A. Michieli, National Cattlemen's Association, 425 13th Street NW., Suite 1020, Washington, D.C. 20004.
B. National Cattlemen's Association, 1001 Lincoln Street, Denver, CO 80203.
D. (6) $1,000.

A. Michigan Knife Co., 120 Pere Marquette Street, Big Rapids, Mich. 49307.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $33.30. E. (9) $2915.40.

A. Joy Midman, National Association of Private Psychiatric Hospitals, 1701 K Street NW., Washington, D.C. 20006.
B. National Association of Private Psychiatric Hospitals, 1701 K Street NW., Suite 1205, Washington, D.C. 20006.
D. (6) $150.

A. Migrant Legal Action Program, Inc., 806 15th Street NW., Washington, D.C. 20005.
D. (6) $27,502.65. E. (9) $27,502.65.

A. Milbank, Tweed, Hadley & McCloy, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. LaSalle National Bank, 135 South LaSalle Street, Chicago, Ill. 60690.
E. (9) $18.64.

A. Roy H. Millenson, Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Room 480, Washington, D.C. 20036.
D. (6) $2,050. E. (9) $165.28.

A. A. Stanley Miller, 910 16th Street, Room 402, Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $200.

A. Miller Associates, Inc., 2500 Q Street NW., Washington, D.C. 20007.
B. Tosco Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $1,500. E. (9) $42.

A. C. John Miller, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. The Assocation of Private Pension and Welfare Plans, Inc., 1725 K Street NW., Suite 801, Washington, D.C. 20006.
D. (6) $17,593.01.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.
D. (6) $23.75.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
B. Nuclear Fuel Services, Suite 600, 6000 Executive Boulevard, Rockville, Md. 20852.
D. (6) $150.

A. Clinton R. Miller, National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $658.40. E. (9) $1,186.

A. James C. Miller, The National Grange, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $3,062.50

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. O&C Counties Association, 1980 Haydon Road, Roseburg, Oreg. 97470.

A. Linda B. Miller, Suite 405, 2550 M Street NW., Washington, D.C. 20037.
B. Volunteer Trustees of Not-for-Profit Hospitals, 2550 M Street NW., Suite 405, Washington, D.C. 20037.
D. (6) $600. E. (9) $115.72.

A. Robert H. Miller, Tenneco, Inc., 490 L'Enfant Plaza East SW., No. 2202, Washington, D.C. 20024.
B. Tenneco, Inc., P.O. Box 2511, Houston, Tex. 77001.

A. W. Kirk Miller, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.
B. Barley and Malt Institute, 733 North Van Buren Street, Suite 610, Milwaukee, Wis. 53202.
D. (6) $4,000. E. (9) $695.95.

A. Christine Topping Milliken, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
B. National Association of Independent Colleges & Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
D. (6) $7,320. E. (9) $97.18.

A. John C. Milliner, Jr., P.O. Box 1606, Forest Park, Ga. 30050.
B. Southeastern Lumber Manufacturers Association, Forest Park, Ga. 30050.
D. (6) $137.25

A. John F. Mills, 1875 I Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, 1875 I Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $10.

A. Edward J. Milne, Jr., 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $452. E. (9) $251.46.

A. Minnesotans for SALT, 1414 Soo Line Building, Minneapolis Min. 55402.

A. Thomas B. Miranda, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $145.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1875 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 SW Fifth Avenue, Portland, Oreg. 97204.
E. (9) $260.

A. Michael S. Moe, Tenneco Inc., 490 L'Enfant Plaza East, SW., Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

A. Robert M. Moliter, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. John V. Moller, Manchester Associated, Ltd., 1155 15th Street NW., Suite 1010, Washington, D.C. 20005.
B. Manchester Associated, Ltd., 1155 15th Street NW., No. 1010, Washington, D.C. 20005.
D. (6) $705. E. (9) $17.50.

A. Michael J. Molony, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $60.

A. C. Manly Molpus, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007 (1700 North Moore Street, Arlington, Va.)
D. (6) $1,000. E. (9) $17.20.

A. Elizabeth R. Monro, Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.
D. (6) $1,300.

A. Michael Monroney, TRW, Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 1 Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $100.

A. G. Merrill Moody, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $259.36. E. (9) $245.75.

A. Alan J. Moore, The Atchison, Topeka & Santa Fe Railway Co., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,000.

A. Janis E. Moore, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $250.

A. Joy E. Moore, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,750. E. (9) $461.07

A. Moore McCormack Resources, 1 Landmark Square, Stamford, Conn.
E. (9) $685.50.

A. Powell A. Moore, 1155 15th Street NW., No. 424, Washington, D.C. 20005.
B. Rheinmetall GMBH, Ulmmenstrasse 125, 4000 Dusseldorf, FRG.

A. Powell A. Moore, 1155 15th Street NW., No. 424, Washington, D.C. 20005.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Morality in Media, Inc., 475 Riverside Drive, Suite 239, New York, N.Y. 10115.
D. (6) $617.77. E. (9) $617.77.

A. Jo V. Morgan, Jr., American Humane Association, 1828 L Street NW., Washington, D.C. 20036.
B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,000.

A. John Morgan, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $875. E. (9) $22.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800N, Washington, D.C. 20036.
B. Committee for Capital Formation Through Dividend Reinvestment, 1800 M Street NW., Suite 800N, Washington, D.C. 20036.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. Evans Products Co., 1121 Southwest Salmon Street, P.O. Box 3295, Portland, Oreg. 97208.
D. (6) $1,000. E. (9) $1,000.

A. Robert E. Morin, Society of Real Estate Appraisers, 2600 Virginia Avenue NW., Suite 901, Washington, D.C. 20037.
B. Society of Real Estate Appraisers, 645 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,400. E. (9) $6,210.24.

A. Victor G. Morris, Montgomery Ward & Co., Inc., 1100 Connecticut, No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., One Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $50.

A. Helen Dubino Morrison, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Helen Dubino Morrison, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., (for Florists Transworld Delivery Association, P.O Box 2227, Southfield, Mich. 48037), 633 Third Avenue, New York, N.Y. 10017.
D. (6) $1,800.

A. Helen Dubino Morrison, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc. (for the Navajo Nation, Window Rock, Ariz. 86515), 633 Third Avenue, New York, N.Y. 10017.

A. William C. Morrison, Meat Importers Council of America, Inc., 2001 North Adams Street, Arlington, Va. 22201.
B. Meat Importers Council of America, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $875.

A. Sol Mosher, Crown Zellerbach, 1660 L Street NW., Suite 215, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 94119.

A. Lynn E. Mote, InterNorth, 1015 15th Street NW., Suite 900, Washington, D.C. 20005.
B. InterNorth, 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. Motor & Equipment Manufacturers Association, 1120 19th Street NW., Suite 333, Washington, D.C. 20036.
E. (9) $40.

A. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $518. E. (9) $518.

A. William G. Mullen, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Suite 607, Washington, D.C. 20006.
D. (6) $466.66.

A. John P. Mulligan, 1101 17th Street NW., Washington, D.C. 20036.
B. Tuna Research Foundation, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,375.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Albert E. Mullin, Jr., Digital Equipment Corp., 111 Powdermill Road, B79, Maynard, Mass. 01754.
B. Digital Equipment Corp., 111 Powdermill Road, Maynard, Mass. 01754.
D. (6) $3,750.

A. Tracy Mullin, National Retail Merchants Association, 1000 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $15.

A. Robert J. Mullins, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Cooperative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $4,738.44. E. (9) $18.24.

A. Daniel J. Mundy, Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building & Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $14,057.78. E. (9) $8,194.58.

A. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.
D. (6) $34,684. E. (9) $34,684.

A. Richard E. Murphy, 2020 K Street NW., Suite 200, Washington, D.C. 20006.
B. Service Employees International Union, AFL-CIO, CLC, 2020 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $68.15.

A. Richard W. Murphy, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $150.04.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific Railroad, 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $500.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $150.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $200.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Iron Ore Lessors Association, 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $400.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The LTV Corp., P.O. Box 5003, Dallas, Tex. 75222.
D. (6) $250.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Industrial & Office Parks, 1700 N. Moore Street, Suite 1010, Arlington, Va. 22209.
D. (6) $450.

A. D. Michael Murray, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Coal Lessors, Inc., 1150 1 Valley Square, Charleston, W. Va. 25301.
D. (6) $250.

A. William E. Murray, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $179.50.

A. Frank Dominic Musica, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,750.

A. Harold D. Muth, 1600 Wilson Boulevard, No. 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, No. 1101, Arlington, Va. 22209.

D. (6) $300.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $35.

A. Paul J. Myer, 2409 Red Maple Lane, Reston, Va. 22091.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.

A. Gary D. Myers, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $1,706.88.

A. J. Walter Myers, Jr., Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.
B. Forest Farmers Association, P.O. Box 95385, Atlanta, Ga. 30347.

A. Law Office of Timothy D. Naegele, Suite 1280, 1850 K Street NW., Washington, D.C. 20006.
B. BayBanks, Inc., 175 Federal Street, Boston, Mass. 02110.

A. Law Office of Timothy D. Naegele, Suite 1280, 1850 K Street NW., Washington, D.C. 20006.
B. Republic National Bank of New York, Fifth Avenue at 40th Street, New York, N.Y. 10018.

A. Clifford M. Naeve, 2550 M Street NW., Suite 770, Washington, D.C. 20037.
B. RJR Industries, Inc., P.O. Box 2959, Winston-Salem, N.C. 27102.
D. (6) $115.37.

A. Gerald P. Nagy, National Home Furnishings Association, 900 17th Street NW., Suite 514, Washington, D.C. 20006.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill 60654.
D. (6) $1,000.

A. N. Naman, Howell, Smith, Lee & Muldrow, 700 Texas Center, 900 Washington, Waco, Tex. 76703.
B. Cotton Farmers Association, 700 Texas Center, 900 Washington, Waco, Tex. 76703.
E. (9) $6.06.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States., 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. General Electric Co., 3125 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $2,625. E. (9) $20.25.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $8,200. E. (9) $857.60.

A. Hardy L. Nathan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Raymond Nathan, 4242 East-West Highway, Chevy Chase, Md. 20015.
B. American Ethical Union, 2 West 64th Street, New York, N.Y. 10023.
D. (6) $555. E. (9) $436.89.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Air Carrier Association, 1730 M Street NW., Suite 710, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $2,000.

A. National Association for Free Enterprise, 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

A. National Association for Neighborhood Schools, Inc., P.O. Box 14887, Columbus, Ohio 43214.
D. (6) $13,287.10. E. (9) $10,413.37.

A. National Association for Uniformed Services, 903 S. Highland Street, Arlington, Va. 22204.
D. (6) $56,264.25. E. (9) $2,363.99.

A. National Association of Air Traffic Specialists, Suite 415, Wheaton Plaza North, Wheaton, Md. 20920.
D. (6) $119,158.77. E. (9) $8,819.77.

A. National Association of Chain Drug Stores, Inc., 413 North Lee Street, Alexandria, Va. 22314.
E. (9) $3,250.

A. The National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
B. The National Association of Federal Veterinarians, Suite 836, 1522 K Street NW., Washington, D.C. 20005.
E. (9) $258.21.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
D. (6) $59,618.32. E. (9) $121,648.48.

A. The National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $69,930.51. E. (9) $65,930.51.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Companies, 7931 Castleway Drive, Indianapolis, Ind. 46250.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10166.
D. (6) $14,771.57. E. (9) $14,771.57.

A. The National Association of Pension Consultants & Administrators, Inc., 3 Piedmont Center, Suite 300, Atlanta, Ga. 30042.
D. (6) $17,300. E. (9) $376.14.

A. National Association of Personnel Consultants, 1012 14th Street NW., 15th Floor, Washington, D.C. 20005.
D. (6) $568.71. E. (9) $5,867.65.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $300. E. (9) $300.

A. National Association of Private Enterprise (Association Nacional de la Empresa Privada-ANEP), Alameda Roosevelt 2827, San Salvador, El Salvador.
E. (9) $8,128.09.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $1,100. E. (9) $1,076.65.

A. National Association of Wheat Growers, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
D. (6) $5,829.14. E. (9) $38,324.57.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $13,492. E. (9) $4,982.25.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

A. National Business Aircraft Association, 1 Farragut Square South, Washington, D.C. 20006.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $7,843.50. E. (9) $7,843.50.

A. National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80203
E. (9) $3,524.29.

A. National Coalition for Marine Conservation, Inc., P.O. Box 23298, Savannah, Ga. 31403.
D. (6) $12,997. E. (9) $14,586.14.

A. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.
D. (6) $68,492.38. E. (9) $7,003.

A. National Committee on Small Issue Industrial Development Bonds, Box 1, 900 South, 1800 M Street NW., Washington, D.C. 20036

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $10,548.14. E. (9) $10,548.14.

A. National Council of Agricultural Employers, 435 Southern Building, 1425 H Street NW., Washington, D.C. 20005.
D. (6) $501. E. (9) $2,262.65.

A. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., No. 322, Washington, D.C. 20007.
D. (6) $3,000. E. (9) $150.

A. National Council of Health Centers, 2600 Virginia Avenue NW., Suite 915, Washington, D.C. 20037.
D. (6) $3,179.35. E. (9) $2,465.86.

A. National Electrical Manufacturers Association, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $55.16. E. (9) $55.16.

A. National Employee Benefits Institute, 515 National Press Building, Washington, D.C. 20045.
D. (6) $1,125.

A. National Family Farm Coalition, 918 F Street NW., Washington, D.C. 20004.
D. (6) $9,626.22. E. (9) $8,046.35.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036,

D. (6) $11,609.53. E. (9) $11,609.53.

A. The National Federation of Licensed Practical Nurses, Inc., 888 Seventh Avenue, 18th Floor, New York, N.Y. 10106.
D. (6) $1,780. E. (9) $1,780.

A. National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
D. (6) $4,625. E. (9) $2,427.14.

A. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $11,250. E. (9) $9,650.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $143,220.30. E. (9) $746.60.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $2,000.

A. The National Industrial Traffic League, 1909 K Street NW., Suite 410, Washington, D.C. 20006.
D. (6) $3,750. E. (9) $2,974.65.

A. National Leased Housing Association, Suite 400S, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
D. (6) $6,094.38. E. (9) $6,094.38.

A. National Manufactured Housing Federation, 1310 New Hampshire Avenue NW., Suite 1007, Washington, D.C. 20036.
D. (6) $23,913.07.

A. National Maritime Council, 1748 N Street NW., Washington, D.C. 20036.
D. (6) $182,350.82. E. (9) $6,447.57.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $7,013.21. E. (9) $7,013.21.

A. National Motorsports Committee of ACCUS, 1701 K Street NW., No. 1304, Washington, D.C. 20006.

A. National Oil Jobbers Council, 1707 H Street NW., 11th Floor, Washington, D.C. 20006.
D. (6) $176,810.05. E. (9) $17,369.83.

A. National Organization for Women, 425 13th Street NW., No. 1048, Washington, D.C. 20004.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $20,900.95.

A. National Pest Control Association, 8150 Leesburg Pike, No. 1100, Vienna, Va. 22180.

A. National Product Liability Council, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $41,050. E. (9) $5,564.03.

A. National Realty Committee, Inc., 2033 M Street NW., Washington, D.C. 20036.
D. (6) $1,887.80. E. (9) $1,887.80.

A. National Rehabilitation Association, 633 South Washington Street, Alexandria, Va. 22314.
E. (9) $4,500.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $3,785.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $32,500. E. (9) $56,360.

A. National Right to Life Committee, Inc., 529 14th Street NW., No. 341, Washington, D.C. 20045.
D. (6) $221,399.54. E. (9) $6,782.22.

A. National Right to Work Committee, 8001 Braddock Road, Suite 600, Springfield, Va. 22160.
D. (6) $3,435. E. (9) $3,435.

A. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
E. (9) $3,709.88

A. National Rural Letter Carriers' Association, Suite 1204, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $8,558. E. (9) $11,445.

A. National Savings & Loan League, 1101 15th Street NW., No 400, Washington, D.C. 20005.
D. (6) $830,341. E. (9) $70.77.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22151.
D. (6) $2,918.28. E. (9) $2,918.28.

A. National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.
E. (9) $2,208.

A. National Small Business Association, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $806.65.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $15,450.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. National Solid Wastes Management Association, 1120 Connecticut Avenue NW., Suite 930, Washington, D.C. 20036.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $10,769. E. (9) $10,769.

A. National Tour Brokers Association, Inc., 120 Kentucky Avenue, Lexington, Ky. 40502.
D. (6) $25,763. E. (9) $25,763.

A. National Wheel & Rim Association, 4836 Victor Street, Jacksonville, Fla. 32207.

A. Alexander W. Neale, Jr., Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,350.

A. Alan M. Nedry, 1111 19th Street NW., Suite 303, Washington, D.C. 20036.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $100. E. (9) $50.

A. Mary Elizabeth Neese, National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., No. 400, Washington, D.C. 20005.
D. (6) $1,000. E. (9) $70.77.

A. Stanley Nehmer, 1320 19th Street NW., Washington, D.C. 20036.
B. International Leather Goods, Plastics & Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.

A. Elizabeth Colette Nelson, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders & Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $4,125. E. (9) $341.91.

A. Robert W. Nelson, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Sharon L. Nelson, Consumers Union of United States, Inc., Suite 1033, 1511 K Street NW., Washington, D.C. 20005.
B. Consumers Union of United States, Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.
D. (6) $6,375. E. (9) $38.

A. Network, 806 Rhode Island Avenue NE., Washington, D.C. 20018.
D. (6) $40,136.25. E. (9) $27,682.03.

A. E. John Neumann, Baltimore Gas & Electric Co., 1100 Connecticut Avenue, No. 820, Washington, D.C. 20036.
B. Baltimore Gas & Electric Co., Gas & Electric Building, P.O. Box 1475, Baltimore, Md. 21203.
D. (6) $769.22. E. (9) $663.50.

A. Robert B. Neville, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.
D. (6) $2,000. E. (9) $2,000.

A. Bill Newbold, Bill Newbold & Associates, 1901 North Fort Myer Drive, No. 809, Arlington, Va. 22209.
B. Bill Newbold & Associates, (for American Protestant Hospital Association, 1 Woodfield Place, Suite 311, 1701 East Woodfield Drive, Schaumburg, Ill. 60195).
D. (6) $10,000.02.

A. Bill Newbold, Bill Newbold & Associates, 1901 North Fort Myer Drive, No. 809, Arlington, Va. 22209.
B. Bill Newbold & Associates (for Arkansas Hospital Association, 1501 North University, Suite 400, Little Rock, Ark. 72207).
D. (6) $1,500.

A. Bill Newbold, Bill Newbold & Associates, 1901 North Fort Myer Drive, No. 809, Arlington, Va. 22209.
B. Bill Newbold & Associates (for Texas Hospital Association, P.O. Box 15587, Austin, Tex. 78761).
D. (6) $3,000.

A. Kathryn L. Newman, Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Street Corp., Republic Building, Cleveland, Ohio 44101.

A. Thomas E. Newman, National Association of Manufacturers, 1719 Route 10, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. Janet G. Newport, National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.

B. National Oil Jobbers Council, 1707 H Street NW., Washington, D.C. 20006.
D. (6) $3,875. E. (9) $147.23.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

A. New York Shipping Association, Inc., 80 Broad Street, New York, N.Y. 10004.

A. M. Ray Niblack, 1101 15th Street NW., Washington, D.C. 20005.
B. American Bankers Insurance Group, 600 Brickell Avenue, Miami, Fla. 33131.
D. (6) $4,000. E. (9) $171,81.

A. Nicholas John Nichols, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $2,000. E. (9) $10,613.22.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18322.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,800. E. (9) $643.40.

A. John B. Nicholson, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $230.12.

A. Donald R. Niemi, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $700. E. (9) $799.89.

A. Patrick J. Nilan, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $13,451.10. E. (9) $7,254.30.

A. Nissan Motor Co., Ltd., c/o Engineering Office of North America, 560 Sylvan Avenue, P.O. Box 1606, Englewood Cliffs, N.J.

A. NL Industries, Inc., 1230 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $3,865.26.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. H. Christopher Nolde, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Charles M. Noone, 490 L'Enfant Plaza East, Suite 3306, Washington, D.C. 20024.
B. American Medical Technologists, 710 Higgins Road, Park Ridge, Ill. 60068.
D. (6) $343.51. E. (9) $34.35.

A. Charles M. Noone, 490 L'Enfant Plaza East, Suite 3306, Washington, D.C. 20024.
B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $113.89.

A. James O. E. Norell, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $850.

A. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $6,898.94.

A. Richard B. Norment IV, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Julia J. Norrell, American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Council of Life Insurance, Inc., 1850 K Street NW., Washington, D.C. 20006.
D. (6) $207.

A. Richard G. Norris, 8826 Santa Fe Drive, Shawnee Mission, Kans. 66201.
B. Standard Oil Co., (Indiana), 200 East Randolph Drive, Chicago, Ill. 60680.
D. (6) $300.

A. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.
E. (9) $12,782.50.

A. North American Export Grain Assn., Inc., 1800 M Street NW., Suite 610-N, Washington, D.C. 20036.
E. (9) $450.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037.
E. (9) $880.21.

A. Morgan Worval, 1202 South Washington Street, Alexandria, Va. 22314.
B. Citizens Committee for the Right to Keep and Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $300.

A. Nossaman, Krueger & Marsh, 445 South Figueroa Street, Los Angeles, Calif. 90071 and 1140 19th Street NW., Suite 600, Washington, D.C. 20006.
B. Montco, Billings, Mont. 59107, Nance Cattle Co., Birney, Mont. 59012.
D. (6) $2,866.98. E. (9) $54.87.

A. Nossaman, Krueger & Marsh, 445 South Figueroa Street, Los Angeles, Calif. 90071 and 1140 19th Street NW., Suite 600, Washington, D.C. 20036.
B. Ocean Energy Council, 1303 South Michigan Avenue, Chicago, Ill. 60605.

A. Nossaman, Krueger & Marsh, 445 South Figueroa Street, Los Angeles, Calif. 90071 and 1140 19th Street NW., Suite 600, Washington, D.C. 20006.
B. Office of the Governor, Commonwealth of Northern Mariana Islands, Saipan CM 96950.
E. (9) $608.17.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

A. Franklin W. Nutter, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Mark J. Nuzzaco, 7901 Westpark Drive, McLean, Va. 22102.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22102.
D. (6) $3,500.01 E. (9) $250.

A. Donald A. Nyberg, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. George O'Bea, Jr., 815 16th Street NW., No. 304, Washington, D.C. 20006.
B. United Paperworkers International Union, 815 16th Street NW., No. 304, Washington, D.C. 20006.

A. Coleman C. O'Brien, U.S. League of Savings Associations, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $3,325. E. (9) $62.10.

A. John F. O'Brien, Connecticut Petroleum Council, 410 Asylum Street, Room 626, Hartford, Conn. 06103.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. R. V. O'Brien, International Telephone & Telegraph Corp., 1707 L Street NW., Suite 200, Washington, D.C. 20036.
B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.
D. (6) $200 E. (9) $40.

A. Rosemary L. O'Brien, 1850 K Street NW., Suite 550, Washington, D.C. 20006.
B. CF Industries, Inc./Energy Cooperative, Inc., Salem Lake Drive, Long Grove, Ill. 60047.
D. (6) $500.

A. David S. O'Bryon, American Chiropractic Association, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $450. E. (9) $29.90.

A. G. H. Ochenrider, Grumman Aerospace Corp., 1600 Wilson Boulevard, Arlington, Va. 22209.
B. Grumman Aerospace Corp., Bethpage, N.Y. 11714.
D. (6) $2.500. E. (9) $705.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $8,750. E. (9) $1,480.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Family Life Assurance Co., P.O. Box 1459, Columbus, Ga. 31902.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $7,950.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Invsco Corp., 120 South LaSalle, Chicago, Ill. 60603.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Public Transit Association, 1225 Connecticut Avenue NW., No. 200, Washington, D.C. 20036.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Borden, Inc., 277 Park Avenue, New York, N.Y. 10017.
D. (6) $12,224.19.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charles River Breeding Laboratories, Inc., 251 Ballardvale Street, Wilmington, Mass. 01887.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. CKLW Radio Broadcasting, Ltd., 1640 Ouellette Avenue, Windsor, Ontario, Canada.
D. (6) $703.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Commonwealth of Puerto Rico, 734 15th Street NW., Washington, D.C. 20005.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. David Fasken, Hunker-Fedric, Box 1837, Roswell, N. Mex. 88201.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. First National Monetary Corp., 4000 Town Center, 15th Floor, Southfield, Mich. 48075.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hennepin County, 2300 Government Center, Minneapolis, Minn. 55415.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Health Career Schools, 11687 Bellagio Road, Suite 16, Los Angeles, Calif. 90049.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Coal Consumer Alliance, 414 Nicollet Mall, Minneapolis, Minn. 55401.
D. (6) $1,076.25. E. (9) $2,037.40.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Committee for Quality Health Care, New York, N.Y.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Police Association of the District of Columbia, 2701 Pennsylvania Avenue SE., Washington, D.C. 20020.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $3,188.89.

A. Leonard F. O'Connor, The First National Bank of Boston, 99 High Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 880 North Lake Shore Drive, Chicago, Ill. 60611.
B. American Supply Association, 221 North LaSalle Street, Chicago, Ill. 60601.
D. (6) $1,483.28. E. (9) $880.77.

A. Patrick C. O'Connor, Kent & O'Connor, Inc., 880 North Lake Shore Drive, Chicago, Ill. 60611.
B. Senior Centers of America, 2640 Peerless Road NW., Cleveland, Tenn. 37311.

A. Larry A. Oday, Combined Insurance Co. of America, Suite 630, 1819 H Street NW., Washington, D.C. 20006.
B. Combined Insurance Co. of America, 5050 Broadway, Chicago, Ill. 60640.
D. (6) $750.

A. Thomas A. O'Day, Alliance of American Insurers, 1776 F Street NW., Washington, D.C.
B. Alliance of American Insurers, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $560. E. (9) $94.05.

A. T. J. Oden, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $2,250. E. (9) $83.48.

A. Ashton J. O'Donnell, 89 Fair Oaks Lane, Atherton, Calif. 94025.
B. Bechtel Incorporated, 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Bradford C. Oelman, Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.
B. Owens-Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.

A. Robert C. Odle, Jr., International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $75. E. (9) $200.

A. Joseph L. Ogiony, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $20.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $14,550.

A. Barbara E. O'Hara, American Society of Travel Agents, Inc., 1300 19th Street NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $10,467.56.

A. James G. O'Hara, 2550 M Street NW., Suite 800, Washington, D.C. 20037.
B. American Federation of Teachers, 11 Dupont Circle NW., Washington, D.C. 20036.

A. James G. O'Hara, 2550 M Street NW., Suite 800, Washington, D.C. 20037.
B. General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $2,210.

A. Alvin E. Oliver, National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, P.O. Box 28328, Washington, D.C. 20005.

A. Austin P. Olney, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20036.
B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20036.

A. Van R. Olsen, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.

A. Charles E. Olson, National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $1,884.80. E. (9) $103.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue NW., No. 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $400.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20035.
B. Bank of America, Bank of America Center, 10th Floor, San Francisco, Calif. 94104.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20036.
B. Blyth Eastman Paine Webber, Inc., 555 California Street, San Francisco, Calif. 94104.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20036.
B. Citizens For Government Fairness, P.O. Box 269, El Centro, Calif. 92243.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20036.
B. Dean Witter Reynolds, Inc., 45 Montgomery Street, San Francisco, Calif. 94104.

A. O'Melveny & Myers, 1800 M Street NW., Washington, D.C. 20036.
B. Smith Barney, Harris Upham & Co., 350 California Street, San Francisco, Calif. 94104.

A. Donald K. O'Neill, TRW, Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.

B. Allegheny County Commission, 119 Courthouse, Room 101, Pittsburgh, Pa. 15219.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. California Westside Farmers, Security Bank Building, 1060 Fulton Mall, Fresno, Calif.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. CDECO Maritime Dredging Co., P.O. Box 1488, Mansfield, Ohio 44901.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Chicago Board of Trade Clearing Corp., 141 West Jackson, Chicago, Ill. 60604.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Commercial Union Assurance Co., One Beacon Street, Boston, Mass. 02108

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Dorchester Gas Corp., P.O. Box 31049, Dallas, Tex.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Holly Corp., 2001 Bryan Tower, Dallas, Tex. 75201.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Houston Natural Gas Corp., 1700 North Moore Street, Suite 919, Arlington, Va. 22209.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Massachusetts General Hospital, Fruit Street, Moseley Building, Boston, Mass. 02114.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Motorola, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Premiere, 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. O'Neill, Forgotson & Roncalio, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Republic National Bank of New York, Fifth Avenue at 40th Street, New York, N.Y. 10018.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Texas Oil & Gas Corp., Fidelity Union Tower, Dallas, Tex. 75201.

A. O'Neill, Forgotson, Roncalio & Haase, P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Texas Utilities Services, Inc., 2001 Bryan Tower, Dallas, Tex. 75201.

A. O'Neill, Forgotson, & Roncalio P.C., 1333 New Hampshire Avenue NW., Suite 1110, Washington, D.C. 20036.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Philip C. Onstad, Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.
B. Control Data Corp., 500 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $50. E. (9) $560.

A. Michel Orban, American Express Co., 1700 K Street NW., Suite 702, Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. J. Denis O'Toole, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $880.

A. Roland A. Ouellette, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,600. E. (9) $4,421.31.

A. Robert H. Overmyer, 818 C Street SE., Washington, D.C. 20003.
B. Committee for Humane Legislation, 11 West 60th Street, New York, N.Y. 10023.
D. (6) $15,000. E. (9) $448.

A. Joseph A. Overton III, TRW, Inc., 2030 M Street NW., Suite 800, Washington, D.C. 20035.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Thomas J. Owens, 207 Olympic National Building, Seattle, Wash., 98104.
B. Dollar Savings Bank, Fourth and Springfield, Pittsburgh, Pa. 15230; Washington Mutual Savings Bank, P.O. Box 834, Seattle, Wash. 98111.
D. (6) $4,770. E. (9) $2,646.16.

A. William H. Owens, Jr., 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Raymond S. Page, Jr., Campbell Soup Co., Camden, N.J. 08101.
B. Campbell Soup Co., Camden, N.J. 08101.

A. W. D. Page, American Plywood Association, P.O. Box 11700, Tacoma, Wash. 98411.
B. American Plywood Association, P.O. Box 11700, Tacoma, Wash. 98411.

A. Steven J. Paggioli, Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Henry S. Palau, The Retired Officers Association, 201, North Washington Street, Alexandria, Va. 22314.
B. Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $646.

A. Diane M. Palmer, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
B. Northwest Bancorporation, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
D. (6) $375. E. (9) $307.

A. John N. Pannullo, National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
B. National Utility Contractors Association, 815 15th Street NW., Suite 838, Washington, D.C. 20005.
D. (6) $800. E. (9) $500.

A. Fred Panzer, The Tobacco Institute, 1875 I Street NW., Suite 800, Washington, D.C. 20006.
B. The Tobacco Institute, 1875 I Street NW., Suite 800, Washington, D.C. 20006.
D. (6) $125. E. (9) $100.

A. Paperboard Packaging Council, 1800 K Street NW., Suite 600, Washington, D.C. 20006.

A. G. Oliver Papps, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Herschell E. Parent, Arkansas Petroleum Council, 302 Commercial National Bank Building, Little Rock, Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Ann L. Parenteau, National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.
B. National Association of Federal Credit Unions, 1111 North 19th Street, Suite 700, Arlington, Va. 22209.

A. Douglas L. Parker, 600 New Jersey Avenue NW., Washington, D.C. 20001.
B. Institute for Public Representation, 600 New Jersey Avenue, NW., Washington, D.C. 20001.

A. John N. Parker, Mobil Oil Corp., 1100 Connecticut Avenue NW., Suite 620, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $800.

A. Kimberly C. Parker, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,170.10. E. (9) $119.44.

A. Paula Parkinson, Parkinson & Associates, 1640 20th Street NW., Washington, D.C. 20007.
B. Committee for Equitable Crop Insurance Legislation, 1640 30th Street NW., Washington, D.C. 20007.
E. (9) $6,839.05.

A. Ken Parmelee, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
D. (6) $2,000.

A. Tom E. Paro, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $210.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Aerospatiale Helicopter Corp., 2701 Forum Drive, Grand Prarie, Tex. 75051.
D. (6) $10,002. E. (9) $784.15.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.

B. Bangor & Aroostook Railroad, Northern Maine Junction, Bangor, Maine 04401.
D. (6) $3,600. E. (9) $805.95.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Boston & Maine Railroad, Iron Horse Park, North Billerica, Mass. 01862.
D. (6) $4,749.99. E. (9) $784.15.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Chicago & North Western Transportation Co., 400 West Madison, Chicago, Ill. 60606.
D. (6) $17,000. E. (9) $868.80.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Delaware Otsego System, 1 Railroad Avenue, Cooperstown, N.Y. 15825.
D. (6) $2,800. E. (9) $783.45.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005.
D. (6) $8,001. E. (9) $842.96.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Genesee & Wyoming Industries, 71 Lewis Street, Greenwich, Conn. 06830.
D. (6) $3,000. E. (9) $784.15.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Lehigh Valley Estate, 415 Brighton, Bethlehem, Pa. 18015.
D. (6) $7,500. E. (9) $784.15.

A. Parrish & Chambers, Inc., 1011 Arlington Boulevard, Suite W-231, Arlington, Va. 22209.
B. Pittsburg & Shawmut, R.D. No. 2, Middle Street, Brookville, Pa. 15825.
D. (6) $2,100. E. (9) $784.15.

A. Linda K. Parson, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.

A. Jack Partridge, Jr., 1014 Vine Street, Cincinnati, Ohio 45201.
B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.
D. (6) $500. E. (9) $13.75.

A. Robert D. Partridge, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $430.

A. Alan K. Parver, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
B. American Association of Homes for the Aging, 1050 17th Street NW., Suite 770, Washington, D.C. 20036.
D. (6) $840. E. (9) $25.

A. Richard M. Patterson, Dow Chemical Co., 1800 M Street NW., Suite 700S, Washington, D.C. 20036.
B. The Dow Chemical Co., Midland, Mich. 48640.
D. (6) $500. E. (9) $239.50.

A. Thomas Patterson, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $231.

A. William H. Patterson, General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $195.

A. Kenton H. Pattie, National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22031.
D. (6) $2,656.25.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Alaska Housing Financial Corp., P.O. Box 1020, Anchorage, Alaska 99510.
D. (6) $940.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Congress of Surveyors and Mappers, 210 Little Falls Street, Falls Church, Va. 22046.
D. (6) $1,270.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Imported Automobile Dealers Association, 1220 19th Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $111.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Maritime Association, 1612 K Street NW., Washington, D.C.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Movers Conference, 1117 North 19th Street, Arlington, Va. 22209.
D. (6) $170.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Pharmaceutical Association, 2215 Constitution Avenue NW., Washington, D.C. 20037.
D. (6) $150.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.
D. (6) $800.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45052.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Bath Iron Works Corp., 700 Washington Street, Bath, Maine 04530.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Benamy International, Inc., 3937 Oakcliff Industrial Court NE., Atlanta, Ga. 30340.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Bixby Ranch Co., 523 West Sixth Street, Los Angeles, Calif. 90014.
D. (6) $227.50.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Bradford National Corp., 80 Pine Street, New York, N.Y.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. The Business Round Table, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $85.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. California Westside Farmers, 9555 L'Enfant Plaza North, SW., Room 1101, Washington, D.C. 20024.
D. (6) $2,188.75. E. (9) $48.75.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Castle and Cooke, Inc., P.O. Box 3928, San Francisco, Calif.
D. (6) $276.25.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Central American Sugar Council, 2550 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,728.75. E. (9) $281.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48288.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. City of Birmingham, City Hall, Birmingham, Ala. 35203.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Committee of Railroad Shippers, 2550 M Street NW., Washington, D.C. 20037.
E. (9) $60.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Diagnostic Imaging and Therapy Systems Division, 2101 L Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Dillingham Corp., P.O. Box 3288, Honolulu, Hawaii 96801.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. E.G.G. Industries, 2550 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Handicraft Designs, Inc., 87 Commerce Drive, Talford, Pa. 18969.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.

B. Hobby Industry of America, 319 East 54th Street, Elmwood, N.J. 07407.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Institute of Scrap Iron and Steel, Inc., 1627 K Street NW., Washington, D.C. 20006.
D. (6) $440.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. International Cogeneration Society, 1111 19th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Jack Philip and Son, Inc., 724 Dupont Plaza Center, Miami, Fla. 33131.
D. (6) $1,020.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Korf Industries, Inc., 2900 NCNB Plaza, Charlotte, N.C.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. LOOP, Inc., 1010 Common Street, 250 Bank of New Orleans Building, New Orleans, La. 70112.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Louisiana Pacific Corp., 1300 SW Fifth Avenue, Portland, Oreg. 97201.
D. (6) $403.75.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mars, Inc., 1651 Old Meadow Road, McLean, Va. 22101.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. The Merchants National Bank of Mobile, Merchants National Bank Building, P.O. Box 2527, Mobile, Ala. 36622.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Mocatta Metals Corp., 35 Broad Street, New York, N.Y. 10004.
D. (6) $400.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Multi Mineral Corp., 330 North Belt East, Houston, Tex. 77060.
D. (6) $450.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. National Association of Chain Drug Stores, 413 North Lee Street, Alexandria, Va. 22314.
D. (6) $150.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. National Marine Manufacturers Association, 401 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $1,270. E. (9) $7.55.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. National Multi-Housing Council, 1800 M Street NW., Washington, D.C. 20036.
D. (6) $500.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. New Process Co., 220 Hickory Street, Warren, PA. 16366.
D. (6) $1,000.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Northwest Energy Corp., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $10,610.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Ocean Minerals Co., 465 North Bernardo, Mountain View, Calif. 94040.
D. (6) $612.50.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Options Clearing Corp., 233 S. Wacker Drive, Room 5950, Chicago, Ill. 60605.
D. (6) $170.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. OSG Bulk Ships, Inc., 1114 Avenue of the Americas, New York, N.Y. 10036.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Penn Central Corp., 1725 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Pepsico, Inc., Purchase, N.Y. 10577.
D. (6) $710.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $1,000.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Redwood Industry Park Committee, 2750 Sand Hill Road, Menlo Park, Calif. 94025.
D. (6) $1,700. E. (9) $45.25.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Retail Tax Committee, 2550 M Street NW., Washington, D.C. 20037.
D. (6) $600.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. SSIE Council to Protect Earned Employment Rights, Smithsonian Science Information Exchange, 1730 M Street NW., Washington, D.C. 20037.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. State of Alaska, Suite 345, 444 North Capitol Street, Washington, D.C.
D. (6) $910.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Town of Dune Acres, Indiana, 11 South La Salle Street, Chicago, Ill. 60603.
D. (6) $1,041,25. E. (9) $30.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. United Brands Co., 1271 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $340.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. U.S. Industries, Inc., 250 Park Avenue, New York, N.Y. 10017.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Patton, Boggs & Blow, 2550 M Street NW., Washington, D.C. 20037.
B. Wilshire Oil Co. of Texas, 250 Park Avenue, New York, N.Y.
D. (6) $16,180. E. (9) $25.

A. Andrew R. Paul, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Management Co., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
D. (6) $400. E. (9) $163.98.

A. Paul, Hastings, Janofsky & Walker, 11 Dupont Circle NW., Suite 405, Washington, D.C. 20036.
B. BEST Employers Association, 4201 Birch Street, Newport Beach, Calif. 90226.

A. Paul, Hastings, Janofsky & Walker, 11 Dupont Circle NW., Suite 405, Washington, D.C. 20036.
B. Capitol Oil Co., 1100 17th Street NW., Suite 313, Washington, D.C. 20036.

A. Paul, Hastings, Janofsky & Walker, 11 Du Pont Circle NW., Suite 405, Washington, D.C. 20036.
B. Council of Active Independent Oil and Gas Producers, 1100 17th Street, Suite 313, Washington, D.C. 20036.

A. Paul, Hastings, Janofsky & Walker, 11 Du Pont Circle NW., Suite 405, Washington, D.C. 20036.
B. ENSERCH Corp., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Michigan Knife Co., 120 Pere Marquette Street, Big Rapids, Mich. 49307.
D. (6) $220.

A. Beth Peacock, 1707 L Street NW., Suite 950, Washington, D.C. 20036.
B. General Foods, 1707 L Street, Suite 950, Washington, D.C. 20036.
D. (6) $1,765.

A. Frank Pecquex, Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $300.79.

A. James M. Peirce, Jr., 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $1,317.16.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $2,912.96.

A. Dominic V. Pensabene, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron U.S.A. Inc., a subsidiary of Standard Oil Company of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Gregory M. Pensabene, Santa Fe Industries, Inc., Suite 840, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Santa Fe Industries, Inc., 224 South Michigan Avenue, Chicago, Ill. 60604.

D. (6) $1,140.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Coalition of Concerned Charities, 1776 F Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $1,250.

A. Pepsico, Inc., 700 Anderson Hill Road, Purchase, N.Y. 10577.
E. (9) $1,229.50.

A. Barbara K. Pequet, 1922 Kalorama Road NW., No. 103, Washington, D.C. 20009.
B. National Consumers League, 1522 K Street NW., No. 406, Washington, D.C. 20005.
D. (6) $200. E. (9) $30.

A. Elinor Peretsman, 55 Tain Drive, Great Neck, N.Y. 11021.
B. United Action for Animals, Inc., 205 East 42nd Street, New York, N.Y. 10017.
D. (6) $660. E. (9) $809.47.

A. Perito Duerk, Carlson & Pinco, P.C., 1140 Connecticut Avenue NW., Suite 400, Washington, D.C. 20036.
B. Foremost-McKesson, Inc., Crocker Plaza, One Post Street, San Francisco, Calif. 94100.
D. (6) $5,257. E. (9) $21.75.

A. Tony Perkins, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $50.

A. Jeffry L. Perlman, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $2,000. E. (9) $268.55.

A. John P. Perrin, American Osteopathic Association, 499 South Capitol Street SW., Suite 104, Washington, D.C. 20003.
B. American Osteopathic Association, 499 South Capitol Street SW., Suite 104, Washington, D.C. 20003.
D. (6) $2,847.20 E. (9) $43.40.

A. Susan Perry, American Public Transit Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Public Transit Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,350.

A. Tom E. Persky, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $250.

A. John J. Pesch, 1701 North Ft. Myer Drive, Suite 1208, Arlington, Va. 22209.
B. Northrop Corp. 1701 North Ft. Myer Dr., Suite 1208, Arlington, Va. 22209.
D. (6) $400. E. (9) $216.00.

A. Todd A. Peterman, American Movers Conference, 1117 North 19th Street P.O. Box 9204, Arlington Va. 22209.
B. American Movers Conference, 1117 North 19th Street, P.O. Box 9204, Arlington Va. 22209.
D. (6) $380.43.

A. Peterson, Engberg & Peterson, 1730 M Street NW., Washington, D.C. 20036.
B. Federated Research Corp., 421 7th Avenue, Pittsburgh, Pa. 15219.
D. (6) $9,180. E. (9) $334.88.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $15,075. E. (9) $127.33.

A. Michael J. Petrina, Jr., 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $34.75.

A. Paul F. Petrus, Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42nd Street, New York, N.Y. 10017.
D. (6) $1,200.

A. Lorraine Petti, National Committee Against Repressive Legislation, 709 Massachusetts Avenue NE., Suite 1, Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $3,055.

A. John E. Pflieger, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.

A. James R. Phalen, 1100 Connecticut Avenue NW., Suite 820, Washington, D.C. 20036.
B. MAPCO Inc., 1800 South Baltimore Avenue, Tulsa, Okla. 74119.
D. (6) $2,500. E. (9) $307.34.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $18,721.55. E. (9) $18,721.55.

A. Marshall A. Pharr, 6103 Adirondack, Amarillo, Tex. 79106.
B. Southwestern Public Service Co., P.O. Box 1261, Amarillo, Tex. 79170.
D. (6) $1,025. E. (9) $60.

A. Phelps, Dunbar, Marks, Claverie & Sims, 1300 Hibernia Bank Building, New Orleans, La. 70112.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $75.

A. John P. Philbin, Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. John D. Phillips, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
B. National Association of Independent Colleges and Universities, 1717 Massachusetts Avenue NW., Suite 503, Washington, D.C. 20036.
D. (6) $12,960. E. (9) $780.34.

A. Mark W. A. Phillips, 507 Second Street NE., Washington, D.C. 20002.
B. The Confederated Tribes of Warm Springs, Warm Springs, Oreg. 97761.

A. Mark W. A. Phillips, 507 Second Street NE., Washington, D.C. 20002.
B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Phillips, Nizer, Benjamin, Krim & Ballon, 40 West 57th Street, New York, N.Y. 10019.
B. American Bobst Holdings, Inc., 146 Harrison Avenue, Roseland, N.J.
D. (6) $255. E. (9) $21.10.

A. Susan L. Phillips, Industrial Union Department, AFL-CIO, 815 16th Street, NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,591. E. (9) $17.85.

A. Phosphate Chemicals Export Association, Inc., 200 Park Avenue, New York, N.Y. 10017.
E. (9) $20,289.73.

A. Sam Pickard, Monsanto Co., 1101 17th Street NW., Washington, D.C. 20006.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.
D. (6) $500.

A. Bill Pickens, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington D.C. 20036.
D. (6) $526. E. (9) $296.66.

A. Pierce, Atwood, Scribner, Allen, Smith & Lancaster, 1 Monument Square, Portland, Maine 04101.
B. Great Northern Paper Co., et al.
D. (6) $480. E. (9) $48.

A. Mark M. Pierce, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. The Dun & Bradstreet Corp., 299 Park Avenue, New York, N.Y. 10017.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. General Tire & Rubber Co., 1 General Street, Akron, Ohio 44329

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Satellite Business Systems, 8003 Westpark Drive, McLean, Va. 22101.
D. (6) $2,500.

A. Pierson Semmes Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $55. E. (9) $5.73.

A. Pierson Semmes Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Edgington Oil Co., Inc., 2400 East Artesia Boulevard, Long Beach, Calif. 90805.

A. Pillsbury, Madison & Sutro, 1050 17th Street NW., Suite 900, Washington, D.C. 20036.
B. National Venture Capital Association, 2030 M Street NW., Washington, D.C. 20036.

A. Pilots Rights Association, P.O. Box 7000-367, Redondo Beach, Calif. 90277.
D. (6) $4,732.35. E. (9) $4,876.51.

A. Linda Pinegar, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.

D. (6) $875.

A. Pitney Bowes, 69 Wheeler Drive, Stamford, Conn. 06926.

A. Peter K. Pitsch, Montgomery Ward & Co. Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 1 Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $50.

A. Plains Cotton Growers, Inc., P.O. Box 3640, Lubbock, Tex. 79452.

A. Ronald L. Plesser, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Robert Plett Associates, Ltd., 1200 18th Street NW., Suite 700, Washington, D.C. 20036.

A. Ronald L. Plesser, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Richard J. Pollack, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,688.73. E. (9) $491.57.

A. Frances A. Pollak, Goodyear Tire & Rubber Co., 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,000.

A. Richard P. Pollock, Critical Mass Energy Project, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Critical Mass Energy Project.
D. (6) $261.25.

A. Henry E. Poole, 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Raymond K. Pope, 1639 K Street NW., Suite 800, Washington, D.C. 20006.
B. AMFAC, Inc., 50 O'Farrell Street, San Francisco, Calif. 94108.
D. (6) $3,145. E. (9) $409.

A. Joan E. Porte, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,250.

A. Phillip Porte, Phillip Porte & Associates, Inc., 1301 S. Arlington Ridge Road, Arlington, Va. 22202.
B. American Association for Respiratory Therapy, 1720 Regal Row, Dallas, Tex. 75235.
D. (6) $4,800.

A. Phillip Porte, Phillip Porte & Associates, Inc., 1301 S. Arlington Ridge Road, Arlington, Va. 22202.
B. National Association of Medical Directors of Respiratory Care, Box 10832, Chicago, Ill. 60610.
D. (6) $3,000.

A. Porter, Wright, Morris & Arthur, 1776 G Street NW., Suite 501, Washington, D.C. 20006.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $270. E. (9) $10.75.

A. Alonzo M. Poteet, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,500.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Rockwell International, Inc., 600 Grant Street, Pittsburgh, Pa. 15219.
D. (6) $7,500. E. (9) $4,200.

A. Potter International, Inc., 900 17th Street NW., Suite 300, Washington, D.C. 20006.
B. Western Shipbuilding Association, P.O. Box 3976, San Francisco, Calif. 94119.
D. (6) $3,000.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW. (900-S), Washington, D.C. 20036.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. John M. Powderly, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $8,998.44.

A. Robert D. Powell, 734 15th Street NW., Suite 401, Washington, D.C. 20005.
B. National Business Aircraft Association, 1 Farragut Square South, Washington, D.C. 20006.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 28112.
D. (6) $346.50.

A. John (Jay) Power, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $11,733.63.

A. William D. Powers, National Housing Law Project, 1016 16th Street NW., Suite 800, Washington, D.C. 20036.
B. National Housing Law Project, 2150 Shattuck Avenue, Suite 300, Berkeley, Calif. 94704.
D. (6) $7,396.80. E. (9) $60.

A. William C. Prather, United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $750.

A. Richard H. Prendergast, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $231.72.

A. William B. Prendergast, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $500. E. (9) $72.80.

A. Brainard E. Prescott, 670 Main Street, East Aurora, N.Y. 14052.
B. Security New York State Corp., One East Avenue, Rochester, N.Y. 14638.
D. (6) $900. E. (9) $25.

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).

A. Lloyd T. Preslar, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005).

A. Lloyd T. Preslar, DGA International, Inc., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Government of Morocco, Rabat, Morocco).

A. Lloyd T. Preslar, DGA International, Inc., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, 75 rue la Boetie, Paris 8eme, France).

A. Paul F. Preston, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,265. (9) $24.88.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. American Waterways Shipyard Conference, Suite 1101, 1600 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $36.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Bonneville Power Administration, Suite 310, Lloyd Building, 700 Northeast Multromak Street, Portland, Oreg. 97232.
D. (6) $13,188.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.
D. (6) $1,149.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Employers Reinsurance Corp., 21 West 10th Street, Kansas City, Mo. 64105.
D. (6) $656.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Moore McCormack Resources, 1 Landmark Square, Stamford, Conn.
D. (6) $685.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Organization for the Protection & Advancement of Small Telephone Companies, 1104 Gary Court, Wheaton, Ill. 60187.
D. (6) $5,327.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.

B. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Seattle Housing Authority, Seattle, Wash.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. State of Alaska, Juneau, Alaska.
D. (6) $15,825.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
D. (6) $387.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Transportation Institute, 923 13th Street NW., Washington, D.C.
D. (6) $135.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. United States Cruises, Inc., 2200 Sixth Avenue, Seattle, Wash. 98121.
D. (6) $230.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33128.
D. (6) $2,242.50.

A. Preston, Thorgrimson, Ellis & Holman, 1776 G Street NW., Suite 500, Washington, D.C. 20006.
B. Western Resource Alliance, Star Route Box 98, Eastsound, Wash.
D. (6) $34.50.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $756.25.

A. Woodruff M. Price, CSX Corp., 840 Washington Building, 15th Street and New York Avenue, Washington, D.C. 20005.
B. CSX Corp., 3600 West Broad Street, Richmond, Va. 23261
D. (6) $3,000. E. (9) $236.15.

A. Patricia Pride, Financial Accounting Standards Board, 1129 20th Street NW., Washington, D.C. 20036.
B. Financial Accounting Standards Board, High Ridge Park, Stamford, Conn. 06905.

A. Arnold J. Prima, Jr., The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200.

A. Pro Life/Congressional District 11, P.O. Box 727, San Carlos, Calif. 94070.
D. (6) $706. E. (9) $482.

A. Pro-Life Congressional District Action Committee No. 12, P.O. Box 7145, Menlo Park, Calif. 94025.
D. (6) $452. E. (9) $892.56.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $2,343.75.

A. Provident Indemnity Life Insurance Co., 2500 DeKalb Pike, Norristown, Pa.

A. Jerry Z. Pruzan, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $300.

A. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $27,357.75. E. (9) $28,095.16.

A. Puget Sound Power & Light Co., Puget Power Building, Bellevue, Wash. 98009.
E. (9) $7,542.28.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo.
D. (6) $600.

A. Jack Pulley, Dow Corning, Midland, Mich. 48460.
B. Dow Corning, Midland, Mich. 48460.

A. Earle W. Putnam, 5151 Wisconsin Avenue NW.,Washington, D.C. 20016
B. Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016

A. Howard Pyle, 4930 Quebec Street NW., Washington, D.C. 20016.
B. Houston Lighting & Power Co., P.O. Box 1700, Houston, Tex. 77001.
D. (6) $2,678.58.

A. Mark C. Pyle, P.O. Box 3731, Washington, D.C. 20007.
B. Retail Bakers of America, 6525 Belcrest Road, Suite 250, Hyattsville, Md. 20782.
D. (6) $1,000.

A. Robert N. Pyle, P.O. Box 3731, Washington, D.C. 20007.
B. Independent Bakers Association, P.O. Box 3731, Washington, D.C. 20007.
D. (6) $3,000.

A. John R. Quarles, Jr., Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. National Environmental Development Association Clean Air Act Project, 3 National Press Building, Washington, D.C. 20045.

A. Clifford H. Raber, 1 McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., 1 McDonald's Plaza, Oak Brook, Ill. 60521.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $265.36.

A. Robert A. Ragland, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $200.

A. Richard W. Rahn, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $1,370.28. E. (9) $268.64.

A. Railway Labor Executives' Association, 400 First Street NW., Suite 804, Washington, D.C. 20001.
D. (6) $48,250. E. (9) $75,500.52.

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 926, Washington, D.C. 20006.
B. MidAmerica Commodity Exchange, 125 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $195. E. (9) $286.04.

A. W. Vincent Rakestraw, 8 East Broad Street, Columbus, Ohio 43215.
B. North American Telephone Association, 1030 15th Street NW., Suite 360, Washington, D.C. 20005.
D. (6) $3,277.36 E. (9) $822.36

A. Craig J. Rancourt, 5 Washington Street, Biddeford, Maine 04005.
B. American Association of Classified School Employees, 6805 Oak Creek Drive, Columbus, Ohio 43229.
D (6) $3,671.86. E. (9) $3,671.86.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1828 L Street NW., Washington, D.C. 20036.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Donald A. Randall, 1625 K Street NW., Washington, D.C. 20006.
B. Automotive Service Councils, Inc., 188 Industrial Drive, Suite 112, Elmhurst, Ill. 60126.
D. (6) $1,500.

A. Donald A. Randall, 1625 K Street NW., Washington, D.C. 20006.
B. National Association for Milk Marketing Reform, 1625 K Street NW., Washington, D.C. 20006.

A. Gary B. Randall, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $140.

A. Wm. J. Randall, Suite 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.
B. City of Independence Missouri, 103 North Main Street, Independence, Mo. 64050.
D. (6) $1,500. E. (9) $1,552.65.

A. Wm. J. Randall, Suite 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.
B. Soil, Inc., c/o Keith Artman, Orrick, Missouri 64024; and Clifford R. Kerby, 6916 Lake Drive, Raytown, Mo. 64133.

D. (6) $750.

A. Wm. J. Randall, Suite 821, 1515 Jefferson Davis Highway, Arlington, Va. 22202.
B. United States Railway Association, 955 L'Enfant Plaza North SW., Washington, D.C. 20595.
D. (6) $6,000. E. (9) $390.

A. R. Ray Randlett, Allied Chemical Corp., 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000-R, Morristown, N.J. 07960.
D. (6) $150.

A. Arthur G. Randol III, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $200.98.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $1,125. E. (9) $2,984.85.

A. Magda Ratajski, Norfolk & Western Railway Co., P.O. Box 23652 L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $146.16.

A. Carol Raulston, American Paper Institute, Inc., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. G. David Ravencraft, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Eiler C. Ravnholt, Hawaiian Sugar Planters' Association, 723 Investment Bldg., Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Aiea, Hawaii 96701.

A. W. Lee Rawls, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77001.
D. (6) $495.

A. W. Randall Rawson, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. J. Gene Raymond, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $897.

A. Sydney C. Reagan, 10 Duncannon Court, Glen Lakes, Dallas, Tex. 75225.
B. Southwestern Peanut Shellers Association, 10 Duncannon Court, Glen Lakes, Dallas, Tex. 75225.
D. (6) $150.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $44.93.

A. Recreation Vehicle Industry Association, Box 204, 14650 Lee Road, Chantilly, Va. 22021.

A. Robert E. Redding, Shippers National Freight Claim Council, Suite 310, 910 17th Street NW., Washington, D.C. 20006.
B. Shippers National Freight Claim Council, 120 Main Street, Huntington, N.Y. 11743.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. John H. Reed, 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
B. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $8,628. E. (9) $189.67.

A. Charles C. Reely, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. David E. Reeves, 4803 Scarsdale Road, Bethesda, Md. 20016.
B. Alaska Coalition, 530 Seventh Street, SE., Washington, D.C. 20003.
D. (6) $1,744.

A. J. Ronald Reeves, U.S. Air, Inc., Washington National Airport, Washington, D.C. 20001.
B. U.S. Air, Inc., Washington National Airport, Washington, D.C. 20001.
D. (6) $2,000. E. $128.61.

A. Frank D. Register, National Association of Retail Grocers of the U.S., Inc., 11800 Sunrise Valley Drive, Reston, Va. 22091.
B. National Association of Retail Grocers of the United States, Inc., 11800 Sunrise Valley Drive, Reston, Va. 22091.
D. (6) $50.

A. David M. Reicher, Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202.
B. Foley & Lardner, 777 East Wisconsin Avenue, Milwaukee, Wis. 53202. (for Smith Barney, Harris Upham & Co., Inc.).

A. Charlotte T. Reid, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. Northeast Utilities Service Co., P.O. Box 270, Hartford, Conn. 06101.

A. Reid & Priest, 1111 19th Street NW., Washington, D.C. 20036.
B. South Caroline Electric & Gas Co., P.O. Box 764, Columbia, S.C. 29202.

A. Jerry E. Reider, Emerson Electric Co., 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.

A. John A. Reilly, Private, 25th Floor, 530 Fifth Avenue, New York, N.Y. 10036.
B. Estate of Bert N. Adams, et al.
E. (9) $5.

A. Gary B. Reimer, Tiger International, Inc., 1800 K Street NW., Suite 600, Washington, D.C. 20006.
B. Tiger International, Inc., 1888 Century Park East, Los Angeles, Calif. 90067.
D. (6) $303.

A. Thomas K. Reinhard, International Trading Associates Inc., 806 15th Street, NW., Suite 210, Washington, D.C. 20005.
B. International Trading Associates Inc., 806 15th Street NW., Suite 210, Washington, D.C. 20005.
D. (6) $150.

A. Harry O. Reinsch, 1310 Jones Street, Apartment 902, San Francisco, Calif. 94109.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. W. W. Renfroe, 69 Fountain Place, Wilkinson Street, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Wilkinson Street, Frankfort, Ky. 40601.

A. Diane Rennert, 1707 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $3,330. E. (9) $609.82.

A. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $5,899.

A. Forrest I. Rettgers, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. John H. Reurs, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

A. Patricia Blau Reuss, 805 15th Street NW., Suite 822, Washington, D.C. 20005.
B. Women's Equity Action League, 805 15th Street NW., Suite 822, Washington, D.C. 20005.
D. (6) $1,000 E. (9) $1,100.

A. Lynne Revo-Cohen, National Press Building, Room 481, Washington, D.C. 20045.
B. Federally Employed Women, Inc., National Press Building, Room 481, Washington, D.C. 20045.
D. (6) $4,920. E. (9) $420.

A. Allan R. Rexinger, The Proprietary Association, 1700 Pennsylvania Avenue NW., Suite 700, Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $2,218.75. E. (9) $125.

A. Nancy Clark Reynolds, 300 Maryland Avenue NE., Washington, D.C. 20002.
B. The Bendix Corp., 300 Maryland Avenue NE., Washington, D.C. 20002.

A. Austin T. Rhodes, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Edmund B. Rice, American Hospital Association, 444 North Capitol Street NW. Suite 500, Washington, D.C. 20001.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill 60611.
D. (6) $1,667.47.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044 and 3046 Roosevelt, Detroit, Mich. 48216.
E. (9) $169.89.

A. Theron J. Rice, Conoco Inc., 1025 Connecticut Avenue, Suite 1000, Washington, D.C. 20036.
B. Conoco Inc., High Ridge Park, Stamford, Conn. 06904.

A. Alan H. Richardson, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $500.

A. Douglas B. Richardson, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.

A. Bruce Rickerson, American Society of Civil Engineers, 1625 Eye Street NW., Suite 607, Washington, D.C. 20006.
B. American Society of Civil Engineers, 345 East 47 M Street, New York, N.Y. 10017.
D. (6) $3,000.

A. Lowell J. Ridgeway, ND Petroleum Council, Box 1395, Bismarck, N. Dak. 58502.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Mark J. Riedy, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. E. Philip Riggin, National Legislative Commission, 1608 K Street NW., Washington, D.C. 20006.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,306. E. (9) $513.53.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Co., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $687.50 E. (9) $20.

A. Carol A. Risher, Association of American Publishers, Inc.,, 1707 L Street NW., Suite 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $1,200. E. (9) $79.30.

A. Nancy J. Risque, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. James E. Ritchie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. Gaming Industry Association of Nevada, Inc., One East First Street, Suite 1007, Reno, Nev. 89501.
D. (6) $2,800 E. (9) $4,555.48.

A. James E. Ritchie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. National Association of Off-Track Betting Corp., P.O. Box 446, Batavia, N.Y. 14020.

A. James E. Ritchie, 499 South Capitol Street SW., Suite 400, Washington, D.C. 20003.
B. Nevada Resort Association, 1785 East Sahara Avenue, Suite 250, Las Vegas, Nev. 89104.
D. (6) $4,200. E. (9) $910.99.

A. Stark Ritchie, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Robert L. Roach, 12801 River Road, Potomac, Md.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $4,106.25. E. (9) $1,819.60

A. Roadside Business Association, 9001 West Braddock Road, Springfield, Va. 22151.
D. (6) $1,740.37. E. (9) $1,740.37.

A. Perry A. Roberts, 8000 Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.
E. (9) $375.51.

A. Betty S. Robinson, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $9,897.62. E. (9) $93.60.

A. Charles A. Robinson, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $275.

A. Antoinette K. Roche, General Atomic Co., 2012 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $25.

A. Thomas G. Roderick, Consolidated Natural Gas Service Co., Inc., 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $2,500.

A. Rodey, Dickason, Sloan, Akin & Robb, P.A., P.O. Box 1888, Albuquerque, N. Mex. 87103.
B. Navajo Tribe, Window Rock, Ariz. 86515.
D. (6) $312.98.

A. Quincy Rodgers, General Instrument Corp., Suite 320, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. General Instrument Corp., 1775 Broadway, New York, N.Y.
D. (6) $1,250. E. (9) $457.30.

A. Ted V. Rodgers, Nationwide Insurance Co., & Affiliates, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Co., & Affiliates, One Nationwide Plaza, Columbus, Ohio 43216.
D. (6) $2,500.

A. Willi Roelli, Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.
B. Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Bank Holding Co., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500.

James T. Rogers, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $600.

A. Terrence L. Rogers, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,649.60.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Florida West Coast Condominium Group, c/o Albert C. Werly, P.O. Box 40750, St. Petersburg, Fla. 37743.
D. (6) $1,000.

A. Richard A. Rohrbach, Boise Cascade Corp., 1625 I Street NW., Suite 809, Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Suite 809, Washington, D.C. 20006.
D. (6) $17,655.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Teno Roncalio, P.O. Box 1707, Cheyenne, Wyo. 82001.
B. Northwest Alaska Pipeline Co., 1801 K Street NW., Washington, D.C. 20036; Colorado Interstate Gas Co., P.O. Box 1087, Colorado Springs, Colo. 80944.
D. (6) $3,000.

A. Teno Roncalio, P.O. Box 1707, Cheyenne, Wyo. 82001.
B. State of Wyoming, Capitol Building, Cheyenne, Wyo. 82002.
D. (6) $1,500.

A. Tatiana Roodkowsky, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $2,500. E. (9) $17.19.

A. Nicholas Roomy, Jr., Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327.
B. Appalachian Power Co., P.O. Box 1986, Charleston, W. Va. 25327 (subsidiary of the American Electric Power Co., Inc., 180 East Broad Street, Columbus, Ohio 43215).

A. Fred B. Rooney, 1300 19th Street NW., Suite 404, Washington, D.C. 20036.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $200.

A. Fred B. Rooney, 1300 19th Street NW., Suite 404, Washington, D.C. 20036.
B. Mudge Rose Guthrie & Alexander, 20 Broad Street, New York, N.Y. 10005.

A. Fred B. Rooney, 1300 19th Street NW., Suite 404, Washington, D.C. 20036.
B. PACCAR Inc., Business Center Building, P.O. Box 1518, Bellevue, Wash. 98009.
D. (6) $125.

A. Kevin M. Rooney, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,028. E. (9) $411.37.

A. Christine Root, 1532 Swann Street NW., Washington, D.C. 20009.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $5,769.30. E. (9) $239.07.

A. Mark A. Root, 1100 17th Street NW., Suite 302, Washington, D.C. 20036
B. Samuel E. Stavisky & Associaties Inc., 1100 17th Street NW., Washington, D.C. 20036 (for Broadcast Music Inc. (BMI), 320 West 57th Street, New York, NY.).
E. (9) $30.

A. John C. Roots, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200.

A. Rose, Schmidt, Dixon, Hasley, Whyte & Hardesty, 1575 I Street NW., Washington, D.C. 20005.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $74,350. E. (9) $4,068.22.

A. Rose, Schmidt, Dixon, Hasley, Whyte & Hardesty 1575 I Street NW., Washington, D.C. 20006.
B. Institute of Makers of Explosives, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $18,050. E. (9) $1,279.60.

A. Walda W. Roseman, National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
B. National Public Radio, 2025 M Street NW., Washington, D.C. 20036.
D. (6) $13,500. E. (9) $177.96.

A. Burt Rosen, National Association of Independent Insurers, Suite 401, 499 South Capitol Street SW., Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,500. E. (9) $280.

A. Albert B. Rosenbaum III, National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Arthur F. Rosenfeld, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $400.50. E. (9) $8.

A. Harvey Rosenfield, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,540.40

A. Robert W. Ross, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,650.

A. William F. Ross, SC Petroleum Council, American Petroleum Institute, 716 Palmetto State Life Building, Columbia, S.C.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. A. F. Rossberg, 1166 Northwestern Bank Building, Minneapolis, Minn. 55402.
B. Insurance/Financial Affiliates of America, Inc., 1166 Northwestern Bank Building, Minneapolis, Minn. 55402.

A. Alan J. Roth, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. Fort Pierce Utilities Authority of the City of Fort Pierce, Gainesville-Alachua County Regional Electric Water & Sewer Utilities, Sebring Utilities Commission, Cities of Homestead, Kissimmee, Lakeland, Starke, Tallahassee, Fla.

A. Barry N. Roth, The Williams Cos., 1750 K Street NW., Suite 350, Washington, D.C. 20006.
B. The Williams Cos., P.O. Box 2400, Tulsa, Okla. 74101.
D. (6) $100.

A. Edwin Rothschild, Energy Action Educational Foundation, 1615 Anderson Road, Mclean, Va. 22102.
B. Energy Action Educational Foundation, 2000 P Street NW., Suite 310, Washington, D.C. 20036.
D. (6) $87.48.

A. Donald D. Rounds, South Dakota Petroleum Council, P.O. Box 669, Pierre, S. Dak. 57501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William C. Rountree, Standard Oil Co. (Ohio), 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building—Cleveland, Ohio 44115.
D. (6) $50.

A. Rouss & O'Rourke, Lawyers Bldg., 231 E. Vermijo, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C.V., Balderas 36, Mexico, D.F., Mexico.
D. (6) $2,400. E. (9) $3,977.68.

A. Mark Rovner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,400.

A. Eugene F. Rowan, J.C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J.C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. James C. Rowland, Jr., Union Carbide Corp., 1730 Pennsylvania Avenue NW., Suite 1250, Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

A. John W. Rowland, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.

A. George S. Royal, American Movers Conference, 1117 North 19th Street (P.O. Box 9204), Arlington, Va. 22209.
B. American Movers Conference, 1117 North 19th Street (P.O. Box 9204), Arlington, Va. 22209.

A. Kathryn Coe Royce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $35.

A. James S. Rubin, Allied Chemical Corp., 1150 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000-R, Morristown, N.J.

A. Paul M. Ruden, Wilner & Scheiner, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.

A. Gloria Cataneo Rudman, International Longshoremen's Association, 815 16th Street NW., Suite 104, Washington, D.C. 20006.
B. International Longshoremen's Association, 815 16th Street NW., Suite 104, Washington, D.C. 20006.
D. (6) $7,500.

A. Philip E. Ruppe, AMAX Inc., 1101 Connecticut Avenue NW., Suite 605, Washington, D.C. 20036.
B. AMAX Inc., AMAX Center, Greenwich, Conn. 06830.
D. (6) $1,000. E. (9) $50.

A. Leonard H. Ruppert, New Jersey Petroleum Council, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute 2101 L Street NW., Washington, D.C. 20037.

A. Albert R. Russel, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Robert M. Russell, 2170 Piedmont Road NE., Atlanta, Ga. 30324.
B. Orkin Exterminating Co., Inc., 2170 Piedmont Road NE., Atlanta. Ga. 30324.

A. Wally Rustad, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $25.

A. Sheryl P. Rutledge, 1100 H Street NW., Washington, D.C. 20080.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.

A. Ella Marice Ryan, J. C. Penney Co., Inc., 1156 15th Street, NW., Washington, D.C. 20005.
B. J. C. Penny, Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. John F. Ryan, International Telephone & Telegraph Corp., 1707 L Street NW., Washington, D.C. 20036.

B. International Telephone & Telegraph Corp., 320 Park Avenue, New York, N.Y. 10022.

A. Lynn Ryan, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $150. E. (9) $34.

A. Daniel Saltzman, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue, Washington, D.C. 20003.
D. (6) $150.

A. Rohan J. Samaraweera, 1725 K Street NW., Washington, D.C. 20006.
B. The Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $385.08.

A. Samaritan Health Service, 1410 North 3d Street, P.O. Box 25489, Phoenix, Ariz. 85002.
E. (9) $5,206.50.

A. Frank P. Sanders, 1575 I Street NW., Washington, D.C. 20005; The Signal Companies, Inc., 11255 North Torrey Pines Road, La Jolla, Calif. 92037.
B. The Signal Companies, Inc., 11255 North Torrey Pines Road, La Jolla, Calif. 92037.
D. (6) $650.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,000.

A. Peter G. Sandlund, Room 315, 1725 I Street NW., Washington, D.C. 20006.
B. Council of European & Japanese National Shipowners' Associations, 30-32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $300.

A. Albert C. Saunders, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $3.

A. William B. Saxbe, 8 East Broad Street, Columbus, Ohio 43215.
B. North American Telephone Association, 1030 15th Street NW., Suite 360, Washington, D.C. 20005.
D. (6) $2,445.

A. Henry Schacht, California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
B. California Canners & Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $5,000. E. (9) $970.95.

A. Mark Schacht, 807 15th Street NW., Suite 600, Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $5,902.64. E. (9) $1,397.39.

A. Harold A. Schaitberger, International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $10,309.26.

A. Herbert Y. Schandler, Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American League for Exports & Security Assistance, Inc., Suite 4400, 475 L'Enfant Plaza SW., Washington, D.C. 20024.
D. (6) $3,000. E. (9) $220.45.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $720.

A. Jay T. Scheck, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $499.69. E. (9) $296.

A. Jacques T. Schlenger, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland-Savings Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $234.94.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill., 60611.
D. (6) $1,875. E. (9) $20.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Boston University, 147 Bay State Road, Boston, Mass. 02215.
D. (6) $875. E. (9) $15.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. National Frozen Food Association, 1019 19th Street NW., Washington D.C. 20036.
D. (6) $1,500. E. (9) $25.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Ocean Spray Cranberries, Inc., Plymouth, Mass. 02360.
D. (6) $125. E. (9) $3.

A. Schlossberg-Cassidy & Associates, Inc., 955 L'Enfant Plaza SW., Suite 1401, Washington, D.C. 20024.
B. Tufts University, Medford, Mass. 02155.
D. (6) $1,250. E. (9) $20.

A. Allan D. Schlosser, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $400.

A. Rosalie K. Schlosser, Armstrong, Byrd & Associates, Inc., 1606 20th Street NW., Washington, D.C. 20009.
B. Armstrong, Byrd & Associates, Inc. (for Toyota Motor Sales, U.S.A., Inc.), 1606 20th Street NW., Washington, D.C. 20009.
D. (6) $550. E. (9) $75.

A. Richard M. Schmidt, Jr., 1333 New Hampshire Avenue NW., Suite 600, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., Suite 480, Washington, D.C. 20036.
D. (6) $500.

A. Mahlon C. Schneider, The Pillsbury Co., 608 Second Avenue South, Minneapolis, Minn. 55402.
B. The Pillsbury Co., 608 Second Avenue South, Minneapolis, Minn., 55402.
D. (6) $250.

A. Andrew A. Scholtz, Coffee, Sugar & Cocoa Exchange, Inc. Four World Trade Center, New York, N.Y. 10048.
B. Coffee, Sugar & Cocoa Exchange, Inc., Four World Trade Center, New York, N.Y. 10048.

A. Michael M. Schoor, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $2,500.

A. A. Kolbet Schrichte, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street, NW., Washington, D.C. 20001.

A. N. Donald Schroeder, Maryland Petroleum Association, 60 West Street NW., Annapolis, Md. 21401.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Stanley W. Schroeder, Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $75.

A. Robert L. Schulz, Iowa Petroleum Council, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, National Legislative Service, Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,250. E. (9) $205.90.

A. Schwabe, Williamson, Wyatt, Moore & Roberts, 1200 Standard Plaza, Portland, Oreg. 97204.
B. American Greyhound Track Operators Association, 139 Southeast 14th Lane, Miami, Fla. 33131.

A. Schwabe, Williamson, Wyatt, Moore & Roberts, 1200 Standard Plaza, Portland, Oreg. 97204.
B. Clatskanie People's Utility District, P.O. Box 216, Clatskanie, Oreg. 97016.
D. (6) $17,870.50. E. $2,075.45.

A. Schwabe, Williamson, Wyatt, Moore & Roberts, 1200 Standard Plaza, Portland, Oreg. 97204.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $15,000. E. (9) $26.11

A. Schwartz & Connolly, Inc., 1747 Pennsylvania Avenue NW., Suite 650, Washington, D.C. 20006.
B. ASARCO, Inc.
D. (6) $8,900. E. (9) $240.91.

A. Schwartz & Connolly, Inc., 1747 Pennsylvania Avenue NW., Suite 650, Washington, D.C. 20006.
B. Owens-Illinois, Toledo, Ohio.
D. (6) $20,347.50. E. (9) $1,628.74.

A. Harry K. Schwartz, 1800 M Street NW., Suite 400 South, Washington, D.C. 20036.
B. City of Philadelphia, Department of Commerce, 1650 Municipal Services Building, Philadelphia, Pa. 19107.

D. (6) $600.

A. Richard Schwartz, Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $2,500.

A. Tiberio Schwartz, Phillips, Nizer, Benjamin, Krim & Ballon, 40 West 57th Street, New York, N.Y. 10019.
B. American Bobst Holdings, Inc., Harrison Avenue, Roseland, N.J. 07068.
D. (6) $60.

A. Carl F. Schwensen, 415 2d Street NE., Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 2d Street NE., Washington, D.C. 20002.
D. (6) $3,368.63.

A. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $6,798.57. E. (9) $4,679.20.

A. Michael Sciulla, Boat Owners Association of the United States, 880 South Pickett Street, Alexandria, Va. 22304.
D. (6) $2,500.

A. H. B. Scoggins, Jr., 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $7.

A. Deirdre S. Searles, 7900 Callaghan Drive, San Antonio, Tex. 78229.
B. Datapoint Corp., 9725 Datapoint Drive, San Antonio, Tex. 78284.
D. (6) $4,500. E. (9) $1,649.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.
D. (6) $937.50. E. (9) $20.48.

A. Sandra Sedacca, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Steet NW., Washington, D.C. 20036.
D. (6) $3,600.

A. Sadie E. Seeley, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.

A. H. Richard Seibert, Jr., National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $807.46.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $120. E. (9) $3.25.

A. Service Station Dealers of America, Inc., 2021 K Street NW., Suite 303, Washington, D.C. 20006.
E. (9) $10,957.97

A. Sarah Setton, 1511 K Street NW., Washington, D.C. 20005.
B. The Sugar Association, Inc., 1511 K Street NW., Washington, D.C. 20005
D. (6) $103. E. $44.

A. Seven Months Session for Congress, 7201 Wood Hallow Drive, No. 337, Austin, Tex. 78731.
E. (9) $448.

A. Seward & Kissel, 1050 17th Street NW., Washington, D.C. 20036.
B. A. W. Jones Co., 26 Broadway, New York, N.Y; Avalon, 140 Broadway, New York, N.Y; Jubilee, 140 Broadway, New York, N.Y.
D. (6) $6,000.

A. Seward & Kissel, 1050 17th Street NW., Washington, D.C. 20036.
B. Merrill Lynch Money Markets, Inc., 165 Broadway, New York, N.Y. 10080.
D. (6) $18,450. E. (9) $1,284.22.

A. J. Richard Sewell, 1111 19th Street NW., Suite 1102, Washington, D.C. 20036.
B. Florida Power & Light Co., P.O. Box 529100, Miami, Fla. 33152.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1111 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Dresser Industries, Inc., P.O. Box 718 Dallas, Tex. 75221.

A. Seyfarth, Shaw, Fairweather & Geraldson, 1111 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Trans-Union Corporation, 90 Half Day Road, Lincolnshire, Ill. 60015.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $117.59.

A. James M. Shamberger, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., No. 512, Washington, D.C. 20036.

A. Shamrock Foods Co., 2228 North Black Canyon Road, Phoenix, Ariz. 85009.

A. Lloyd D. Shand, 1101 17th Street NW., Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindberg Boulevard, St. Louis, Mo. 63166.
D. (6) $400.

A. David L. Shapiro, 1615 H Street NW., Washington, D.C. 20062.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $234.94

A. Karen Dolmatch Shaw, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., BankAmerica Center, San Francisco, Calif.
D. (6) $48.72. E. (9) $324.74

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Association for the Improvement of the Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., No. 900–S, Washington, D.C. 20036.
B. Atlas Minerals Division, Atlas Corp., P.O. Box 1207, Moab, Utah 84532.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Cayman Turtle Farm, Ltd., P.O. Box 645, Grand Cayman Island, Cayman Islands, British West Indies.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900–S, Washington, D.C. 20036.
B. Consolidated Grain & Barge Co., 5100 Oakland Avenue, St. Louis, Mo. 63110.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Council for American Private Education, 1625 I Street NW., Washington, D.C. 20036.
D. (6) $600.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900–S, Washington, D.C. 20036.
B. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Institute of Foreign Bankers, 200 Park Avenue, Suite 303 East, Room 23, New York, N.Y. 10017.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900–S, Washington, D.C. 20036.
B. Investment Counsel Association of America, Inc., 50 Broad Street, New York, N.Y. 10004.

A. Shaw, Pittman, Potts & Trowbridge, 1800 M Street NW., 900–S, Washington, D.C. 20036.
B. National Committee on Small Issue Industrial Development Bonds, Box 1, 1800 M Street NW., 900–S, Washington, D.C. 20036.

A. Shaw, Pittman Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.

A. Shaw, Pittman Potts & Trowbridge, 1800 M Street NW., Washington, D.C. 20036.
B. Utility Nuclear Waste Management Group, c/o Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,733.

A. Russell H. Shay, Sierra Club, 6014 College Avenue, Oakland, Calif. 94618.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,000.01. E. (9) $612.30.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Allied Chemical, 1250 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Eleanor Clark, c/o J. Reynolds Barnes, 11 American Bank Building, 621 North West Morrison Street, Portland, Oreg. 97205.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. CoaLiquid, Inc., 1215 Citizens Plaza, Louisville, Ky. 40402.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Consumer Solar Electric Power Corp., 5811 Uplander Way, Culver City, Calif. 90230.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.

B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Independent Research Library Association, 185 Salisbury Street, Worchester, Mass. 01609.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Nabisco, 100 DeForest Avenue, East Hanover, N.J. 07936.
E. (9) $48.31.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Norfolk & Western, 8 North Jefferson Street, Roanoke, Va. 24011.
E. (9) $35.13.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Ryder Systems, Inc., 3600 Northwest 82d Avenue NW., Miami, Fla. 33166.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. Tosco Corp., 1919 Pennsylvania Avenue NW., No. 3706, Washington, D.C. 20006.

A. Maureen Shea, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,687.49. E. (9) $180.10.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $11,807.62

A. John P. Sheffey, National Association for Uniformed Services, 903 South Highland Street, Arlington, Va. 22204.
B. National Association for Uniformed Services, 903 South Highland Street, Arlington, Va. 22204.
D. (6) $543.18.

A. Jay P. Sherman, 918 F Street NW., Washington, D.C. 20004.
B. National Family Farm Coalition, 918 F Street NW., Washington, D.C. 20004.
D. (6) $4,249.98. E. (9) $31.99.

A. Harvey A. Shipman, The Penn Central Corp., 1776 G Street NW., Suite 502, Washington, D.C. 20006.
B. The Penn Central Corp., 245 Park Avenue, 44th Floor, New York, N.Y. 10017.

A. Fred B. Shippee, American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, 1611 North Kent Street, Suite 800, Arlington, Va. 22209.

A. Mary Frances Shlagel, Union Oil Co. of California, 1100 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. W. Ray Shockley, American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1101 Connecticut Avenue NW., Suite 300, Washington, D.C. 20036.
D. (6) $2,550. E. (9) $15.

A. Donald S. Shook, 1025 Connecticut Avenue, NW., No. 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $190. E. (9) $35.

A. G. Scott Shotwell, 1619 Massachusetts Avenue, Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20036.
D. (6) $2,475.

A. Richard G. Shoup, Union Pacific Corp., 1120 20th Street NW., Suite 600 South, Washington, D.C. 20036.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154.

A. Barbara A. Shuman, Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
B. Chevron U.S.A. Inc., 1700 K Street NW., Suite 1204, Washington, D.C. 20006.
D. (6) $100.

A. Candice J. Shy, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Enserch Corp., 300 S. St. Paul Street, Dallas, Tex. 75201.
D. (6) $1,300. E. (9) $538.

A. Carlton R. Sickles, 8401 Corporate Drive, Landover, Md. 20785.
B. United Van Bus Delivery Co., 2601 32d Avenue South, Minneapolis, Minn. 55406.
D. (6) $5,350. E. (9) $154.98.

A. Richard H. Siemsen, 8000 Florissant, St. Louis, Mo. 63136.
A. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.
E. (9) $1,078.

A. Bernard H. Sieracki, Illinois Petroleum Council, 79 West Monroe Street, Suite 514, Chicago, Ill. 60603.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $200. E. (9) $90.70.

A. Mark Silbergeld, Consumers Union of U.S., Inc., 1511 K Street NW., Suite 1033, Washington, D.C. 20005.
B. Consumers Union, 256 Washington Street, Mt. Vernon, N.Y. 10550.
D. (6) $2,000.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Silver, Freedman, Housley, Taff & Goldberg, 1800 M Street NW., 950N, Washington, D.C. 20036.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $6,571.75. E. (9) $2,448.92.

A. Barbara A. Silverman, 2500 DeKalb Pike, Norristown, Pa. 19404.
B. Provident Indemnity Life Insurance Co., 2500 DeKalb Pike, Norristown, Pa. 19404.

A. Leslie D. Simon, International Business Machines Corp., 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines Corp., Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $533. E. (9) $9.25.

A. Stanley C. Simon, Simon, Twombly & Terry, 17130 Dallas Parkway, Suite 160, Dallas, Tex. 75248.
B. The Southland Corp., 2828 North Haskell Avenue, Dallas, Tex. 75204.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $300. E. (9) $219.43.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,217.45. E. (9) $51.25.

A. C. Kyle Simpson, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $750. E. (9) $1,189.65.

A. Jean Sindab, 2480 16th Street NW., No. 610, Washington, D.C. 20009.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,466.65. E. (9) $72.93.

A. Robert C. Singer, The Soap & Detergent Association, 475 Park Avenue South, New York, N.Y. 10016.
B. The Soap & Detergent Association, 475 Park Avenue South, New York, N.Y. 10016.

A. Richard L. Sinnott & Co., 2021 K Street NW., Suite 306, Washington, D.C. 20006.
B. Port of Oakland, Oakland, Calif. 94607.
D. (6) $1,250.

A. Donald E. Sinville, 227 North Street, Manchester, N.H. 03104.
B. Public Service Co. of New Hampshire, Manchester, N.H. 03105.
D. (6) $250.

A. William J. Skinner, 815 15th Street NW., Washington, D.C. 20005.
B. United States Pharmacopeial Convention, Inc., 12601 Twinbrook Parkway, Rockville, Md. 20852.
D. (6) $1,125.

A. Richard M. Skutt, 1366 Joliet Place, Detroit, Mich. 48207.
B. Project Advisory Group, 1029 Vermont Avenue NW., Washington, D.C. 20005.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. Matthew B. Slepin, National Association of Housing Cooperatives, 1012 14th Street NW., No. 805, Washington, D.C. 20005.
B. National Association of Housing Cooperatives, 1012 14th Street NW., No. 805, Washington, D.C. 20005.
D. (6) $750.

A. William T. Slider, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $477.50.

A. Small Business Legislative Council, 1604 K Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $1,001.85.

A. Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017.
B. William M. Mercer, Inc., 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Small Producers For Energy Independence, 1000 Sutton Place, Wichita, Kans. 67202.

D. (6) $118,754.68. E. (9) $5,881.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. American Horse Council, Suite 300, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $5,500.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
American Inland Waterway Committee, 7733 Forsyth Boulevard, St. Louis, Mo.
D. (6) $3,500.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. Florida East Coast Railway Co., 1 Malaga Street, St. Augustine, Fla. 32084.
D. (6) $5,000.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. Goldman Sachs, 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. Kansas City, Mo., through Federal Relations Associates, 400 North Capitol Street NW., Suite 368, Washington, D.C. 20001.
D. (6) $666.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. Penzoil Co., Houston, Tex. 77001.
D. (6) $6,000.

A. Smathers, Symington & Herlong, Suite 400, 1700 K Street NW., Washington, D.C. 20006.
B. Republic of South Africa, 3501 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $7,500.

A. Donald E. Smiley, Exxon Corp., 1899 L Street NW., No. 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $73.40.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., No. 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10105.
E. (9) $21,412.

A. Gordon L. Smith, 1425 K Street NW., No. 1000, Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 1425 K Street NW., No. 1000, Washington, D.C. 20005 (for Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48037).

A. J. Kenneth Smith, Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $3,480. E. (9) $74.87.

A. Kathleen Cramp Smith, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.
B. Council of Energy Resource Tribes, 1140 Connecticut Avenue NW., Suite 310, Washington, D.C. 20036.

A. Smith & Pepper, 1776 K Street NW., Washington, D.C. 20006.
B. Southern Satellite Systems, Inc., P.O. Box 45684, Tulsa, Okla. 74145.

A. Robert B. Smith, Jr., 1155 15th Street NW., Washington, D.C. 20005.
Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $4,000. E. (9) $16.80.

A. Robert T. Smith, Weyerhaeuser Co., 1625 I Street NW., No. 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98477.
D. (6) $900 E. (9) $12.95.

A. Susan E. Smith, Distilled Spirits Council of the U.S., Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the U.S. Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.
D. (6) $500. E. (9) $93.40.

A. Suzanne J. Smith, 1660 L Street NW., Suite 201, Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
E. (9) $225.90.

A. Talbott C. Smith, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $3,000. E. (9) $18.60.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $2,750. E. (9) $608.23.

A. Arthur V. Smyth, Weyerhaeuser Co., 1625 I Street NW., No. 902, Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98477.
D. (6) $600. E. (9) $154.65.

A. Frank B. Snodgrass, 1100 17th Street NW., Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,000.47.

A. Snyder & Ball Associates, Inc., Suite 1610, 1700 North Moore Street, Arlington, Va. 22209.
B. Aerojet-General Corp., 9100 East Flair Drive, El Monte, Calif. 91734.

A. Snyder & Ball Association, Inc., 1700 North Moore Street, No. 1610, Arlington, Va., 22209.
B. DSP, Inc., 1700 North Moore Street, Arlington, Va. 22209.
D. (6) $143.

A. Snyder and Ball Associates, Inc., Suite 1610, 1700 North Moore Street, Arlington, Va. 22209.
B. Gould, Inc., 10 Gould Meadows, Rolling Meadows, Ill. 60008.
D. (6) $183.33.

A. J.R. Snyder, United Transportation Union, 400 First Street, NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street, NW., Suite 704, Washington, D.C. 20001.
E. (9) $1,200.

A. John M. Snyder, 600 Pennsylvania Avenue SW., Suite 205, Washington, D.C. 20003.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SW., Suite 151, Bellevue, Wash. 98004.
D. (6) $5,700.

A. Society of Real Estate Appraisers, 2600 Virginia Avenue NW., Suite 901, Washington, D.C. 20037.
B. Society of Real Estate Appraisers, 645 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,400. E. (9) $6,210.24.

A. Michael L. Soloman, 5726 Thomas Edison Court, Alexandria, Va. 22310.
B. National Apartment Association, 1825 K Street NW., Suite 604, Washington, D.C. 20006.
D. (6) $1,750.

A. Frederick P. Somers, Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Seafarers International Union, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $3,000. E. (9) $1,171.27.

A. S. L. Sommer & Associates, Inc., 1701 North Fort Myer Drive., Suite 1208, Arlington, VA. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive., Suite 1208, Arlington, Va., 22209.
D. (6) $3,000. E. (9) $6.688.50.

A. Edmund T. Sommer, Jr., Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C. 20006.

A. Charles B. Sonneborn, American Academy of Ophthalmology, 1750 K Street NW., Suite 370, Washington, D.C. 20006.
B. American Academy of Ophthalmology, 1750 K Street NW., Suite 370, Washington, D.C. 20006.
E. (9) $50.

A. Sonosky, Chamber & Sachse, 2030 M Street NW., Washington, D.C. 20036.
B. Assinniboine and Sioux Tribes, Fort Peck Indian Reservation, Poplar, Mont., 59255.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington D.C. 20036.
B. Confederated Tribes of the Colville Indian Reservation, Nespelem, Wash. 99155.

A. Sonsky, Chambers & Sachse, 2030 M Street NW., Washington D.C. 20036.
B. Houlton Band of Maliseets, P.O. Box 223, Houlton, Maine 04730.

A. Sonsky, Chambers & Sachse, 2030 M Street NW., Washington D.C. 20036.
B. Seminole Indian Tribe of Florida, 6073 Stirling Road, Hollywood, Fla. 33024.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington D.C. 20036.

B. Shoshone Indian Tribe, Wind River Indian Reservation, Fort Washakie, Wyo. 82514.

A. Sonosky, Chambers & Sachse, 2030 M Street NW., Washington D.C. 20036.
B. Standing Rock Sioux Tribe, Fort Yates, N. Dak. 58538.

A. Mary Sophos, National Food Processors Association, 1133 20th Street NW., Washington, D.C. 20036.
B. National Food Processors, Association 1133 20th Street NW., Washington D.C. 20036.
D. (6) $375. E. (9) $12.50.

A. Roberta L. Sorensen, 499 South Capitol Street SW., Suite 104, Washington D.C. 20003.
B. American Osteopathic Association, 499 South Capitol Street SW., Suite 104, Washington D.C. 20003.
D. (6) $760. E. (9) $30.10.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington D.C. 20006.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington D.C. 20036.
D. (6) $1,250. E. (9) $352.56.

A. Southern Satellite Systems, Inc., P.O. Box 45684, Tulsa, Okla. 74145.

A. Southwest Homefurnishings Association, 4313 North Central Expressway, P.O. Box 64545, Dallas, Tex. 75206.

A. Southwestern Peanut Shellers Association, 10 Duncannon Court, Glen Lakes, Dallas, Tex.
D. (6) $50. E. (9) $150.

A. Larry Speakes, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington D.C. 20036.
B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10106.

A. Specialty Equipment Market Association, 11540 East Slauson Avenue, Whittier, Calif. 90606.

A. John F. Speer, Jr., 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. George Spiegel, Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051 (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompac, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, California, and Associate Member, Plumas-Sierra Rural Electric Cooperative).

A. Spiegel & McDiarmid, 2600 Virginia Avenue NW., Washington D.C. 20037.
B. Northern California Power Agency, 770 Kiely Boulevard, Santa Clara, Calif. 95051 (cities of Alameda, Biggs, Gridley, Healdsburg, Lodi, Lompac, Palo Alto, Redding, Roseville, Santa Clara, Ukiah, California, and Associate Member, Plumas-Sierra Rural Electric Cooperative).

A. Larry N. Spiller, 1015 15th Street NW., No. 802, Washington D.C. 20005.
B. American Consulting Engineers Council, 1015 15th Street NW., No. 802, Washington D.C. 20005.
D. (6) $900.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.
D. (6) $200.

A. Frederick C. Spreyer, Pacific Resources, Inc., 2501 M Street NW., Suite 540, Washington, D.C. 20037.
B. Pacific Resources, Inc., 733 Bishop Street, P.O. Box 3379, Honolulu, Hawaii 96813.
D. (6) $500.

A. Ted C. Springer, P.O. Box 1219, Idaho Falls, Idaho 83401.
B. Salmon River Electric Cooperative, Inc., P.O. Box 384, Challis, Idaho 83226.
D. (6) $800. E. (9) $1,088.30.

A. Earl C. Spurrier, Monsanto Co., 1101 17th Street NW., Suite 604, Washington, D.C. 20036.
B. Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, 515 Busse Highway, Park Ridge, Ill. 60068.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.
B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Public Securities Association, 1 World Trade Center, New York, N.Y. 10048.

A. Squire, Sanders & Dempsey, 21 Dupont Circle NW., Washington, D.C. 20036.
B. United States Wrestling Federation, 405 West Hall of Fame Avenue, Stillwater, Okla.
D. (6) $241.50.

A. Elvis J. Stahr, Martin Dale, North, Greenwich, Conn. 06830.
B. National Audubon Society, 950 Third Avenue, New York, N.Y. 10022.
D. (6) $13,650. E. (9) $4,950.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street, Washington, D.C. 20001.
D. (6) $2343.75. E. (9) $50.71.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $1,673.22.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. McDermott, Inc., 1010 Common Street, New Orleans, La. 70160.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. Ocean Minerals Co., P.O. Box 4531, Mountain View, Calif. 94040.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. Fred J. Russell, P.O. Box 54228, Los Angeles, Calif. 94040.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. Superlite Builders Supply, Inc., 4150 West Turney, Phoenix, Ariz. 85019.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. Zapata Corp., 711 Louisiana Avenue, Houston, Tex. 77001.

A. Michael J. Stanton, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 300 New Center Building, Detroit, Mich. 48202.
D. (6) $58.

A. Melvin L. Stark, Suite 321, 1707 L Street NW., Washington, D.C. 20036.
B. Hartford Fire Insurance Co., Hartford Plaza, Hartford, Conn. 06115.
D. (6) $6,000.

A. Walter M. Starke, P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. Charles D. Statton, 2130 Oaks Drive, Hillsborough, Calif. 94010.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Samuel E. Stavisky, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036 (for Brazilian Coffee Institute, 767 Fifth Avenue, New York, N.Y. 10153).
E. (9) $150.

A. Samuel E. Stavisky, 1100 17th Street NW., Suite 302, Washington, D.C. 20036.
B. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036 (for Broadcast Music Inc., 320 W. 57th Street, New York, N.Y.).
E. (9) $60.

A. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036.
B. Brazilian Coffee Institute, 767 Fifth Avenue, New York, N.Y. 10153.
D. (6) $1,500. E. (9) $200.

A. Samuel E. Stavisky & Associates, Inc., 1100 17th Street NW., Washington, D.C. 20036.
B. Broadcast Music Inc., 320 W. 57th Street, New York, N.Y. 10019.
D. (6) $600. E. (9) $90.

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; and Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.
D. (6) $7,632. E. (9) $522.19.

A. Randolph J. Stayin, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202; and Special Committee for Workplace Product Liability Reform, 1800 Massachusetts Avenue NW. No. 708, Washington, D.C. 20036.

A. John L. Steele, Time Inc., 888 16th Street NW., Washington, D.C. 20006.
B. Time Inc., Time & Life Building, Rockefeller Center, New York, N.Y.
D. (6) $2,200.

A. Theodore P. Stein, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,064.

A. Mary E. Stenberg, American Personnel and Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel and Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Nuclear Insurers, 270 Farmington Avenue, Farmington, Conn. 06032.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee for Effective Capital Recovery, 1901 L Street NW., Washington, D.C. 20036.
E. (9) $2,453.18.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Forest Industries Committee on Timber Valuation and Taxation, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $1,449.25.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Pfizer, Inc., Minerals, Pigments & Metals Division, 235 East 42d Street, New York, N.Y. 10017.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Rule of Law Committee, Suite 800, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Richard W. Sternberg, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $120.

A. Stewart Capital Corp., 485 Madison Avenue, New York, N.Y. 10022.
E. (9) $410.

A. John W. Stillwaggon, Coffee, Sugar & Cocoa Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.
B. Coffee, Sugar & Cocoa Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 517, Washington, D.C. 20036.

A. Lisa Stolp, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. Vinson & Elkins, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
D. (6) $680.

A. Adam D. Stolpen, Pitney Bowes, Inc., 1101 30th Street NW., Suite 203, Washington, D.C. 20007.
B. Pitney Bowes, Inc., 69 Wheeler Drive, Stamford, Conn. 06926.

A. George W. Stone, National Farmers Union, Denver, Colo. 80251; National Farmers Union, 1012 14th Street NW., Washington, D.C. 20005.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), Denver, Colo. 80251; 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $250.42.

A. William M. Stover, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $1,000

A. David E. Strachan, National Association of Personnel Consultants, 1012 14th Street NW., 15th Floor, Washington, D.C. 20005.
B. National Association of Personnel Consultants, 1012 14th Street NW., 15th Floor, Washington, D.C. 20005.
D. (6) $4,200. E. (9) $167.65.

A. J. Stephen Street, 1806 Barbee Street, McLean Va.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Suite 420, Washington, D.C. 20037.
D. (6) $10,750. E. (9) $72.31.

A. George W. Strong, Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
D. (6) $487.50. E. (9) $430.65.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. J. Aron & Co., Inc., 160 Water Street, New York, N.Y. 10038.
D. (6) $18,500. E. (9) $24.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Crown Coach Corp., 2428 East 12th Street, Los Angeles, Calif. 90021.
D. (6) $8,000.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Patsy Perry, 70 Glen Cove Road, Roslyn Heights, N.Y.
E. (9) $13.50.

A. Stroock & Stroock & Lavan, 1150 17th Street NW., Washington, D.C. 20036.
B. Puerto Rico Federal Affairs Administration, 734 15th Street NW., Washington, D.C. 20005.

A. Norman Strunk, United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,312.50. E. (9) $561.92.

A. Walter B. Stults, NASBIC, 618 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.
D. (6) $1,500.

A. Eugene F. Sturgeon, 182 Crater Lane, Kensington, Conn. 06037.
B. Northeast Utilities Service Co., Selden Street, Berlin, Conn. 06037.
D. (6) $330.49. E. (9) $549.72.

A. Austin P. Sullivan, Jr., General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.
B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

A. Sullivan & Cromwell, 125 Broad Street, New York, N.Y. 10004; 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. AMAX Inc., AMAX Center, Greenwich, Conn. 06830.

A. Sullivan & Cromwell, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Goldman, Sachs & Co., 55 Broad Street, New York, N.Y. 10004.

A. Sullivan & Cromwell, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. INCO Ltd., Toronto-Dominion Centre, Toronto, Ontario, Canada M5K 1E3.

A. Daniel C. Sullivan, 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.
B. Assure Competitive Transportation, Inc., 10 South LaSalle Street, Suite 1600, Chicago, Ill. 60603.

A. Harold R. Sullivan, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Scott K. Sullivan, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,649.60

A. Sullivan & Worcester, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 9221 Ward Parkway, Kansas City, Mo. 64114.
D. (6) $10,920. E. (9) $52.86.

A. J. Mitchell Summers, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.
B. Armco, 1747 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.
D. (6) $117. E. (9) $185.50.

A. Clyde W. Summerville, The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,749. E. (9) $192.25.

A. Peter B. Summerville, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 3rd Avenue, New York, N.Y. 10017.

A. Duward F. Sumner, Jr., Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
B. Professional Insurance Agents, 400 North Washington Street, Alexandria, Va. 22314.
D. (6) $100. E. (9) $150.

A. Surrey & Morse, 1156 15th Street NW, Washington, D.C. 20005.
B. Government of the Republic of Zaire, Kinshasha, Zaire.
D. (6) $1,572.50. E. (9) $25.

A. Surrey & Morse, 1156 15th Street NW., Washington, D.C. 20005.
B. U.S. Pipe & Foundry Co., 3300 1st Avenue North, Birmingham, Ala. 35202.
D. (6) $707. E. (9) $8.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105.

D. (6) $25,000.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. Midland Enterprises, Inc., 1400 580 Building, Cincinnati, Ohio 45202.
D. (6) $5,750.

A. Susman, Stern, Heifetz, Lurie, Sheehan, Popkin & Chervitz, 7733 Forsyth Boulevard, 22d floor, St. Louis, Mo. 63105; and 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. The Valley Line, 120 South Central Avenue, Clayton, Mo. 63105.
D. (6) $3,750.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Anglo-American Clays Corp., P.O. Box 471, Sandersville, Ga. 31082.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Connecticut Mutual Life Insurance Co., 140 Garden Street, Hartford, Conn. 06115.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $264. E. (9) $3.40.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Engelhard Minerals and Chemicals Corp., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Equifax, Inc., P.O. Box 4081, Atlanta, Ga. 30302.
D. (6) $287. E. (9) $13.40.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Freeport Kaolin Division of Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. J. M. Huber Corp., Thornall Street, Edison, N.Y. 08817.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Kansas Farm Bureau Life Insurance Co., 2321 Anderson Avenue, Manhattan, Kans. 66502; and Farm Bureau Mutual Insurance Co., KFB Insurance Co., Manhattan, Kans. 66502.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Kentucky Farm Bureau Mutual Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207; and FB Insurance Co., 120 South Hubbard Lane, Louisville, Ky. 40207.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Lifetime Communities, Inc., 2740 Beach Boulevard, Suite 202, Jacksonville, Fla. 32207.
D. (6) $1,389. E. (9) $45.58.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01111.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mullite Co. of America, Andersonville, Ga. 31711.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Mutual Benefit Life Insurance Co., 520 Broad Street, Newark, N.J. 07107.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Mutual Life Insurance Co. of New York, 1740 Broadway, New York, N.Y. 10019.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
Mutual of Omaha Insurance Co., Mutual of Omaha Plaza, Omaha, Neb. 68175.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Association of Life Co., Suite 1060, Tower Place, 3340 Peachtree Road ND., Atlanta, Ga. 30326.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. National Home Life Assurance Co., Liberty Park, Frazer, Pa. 19355.
D. (6) $2,148. E. (9) $65.67.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Nord Resources Corp., Ole Town Park, 29 Iron Gate Drive, Dayton, Ohio 45459.
D. (6) $1,894.44. E. (9) $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.

A. Sutherland, Asbill & Brennan, 3100 First National Bank Tower, Atlanta, Ga. 30303; and 1666 K Street NW., Washington, D.C. 20006.
B. Oglethorpe Power Corp., 2888 Woodcock Boulevard, Atlanta, Ga. 30341.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Process Gas Consumers Group, 1666 K Street NW., Suite 800, Washington, D.C. 20006.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006; and 3100 First National Bank Tower, Atlanta, Ga. 30383.
B. Sanderville Railroad Co., P.O. Box 269, Sandersville, Ga. 31082.
D. (6) $3,343.77. E. (9) $422.08.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Southern Farm Bureau Life Insurance Co., P.O. Box 78, Jackson, Miss. 39205; Southern Farm Bureau Casualty Insurance Co., P.O. Box 1985, Jackson, Miss. 39205; Mississippi Farm Bureau Mutual Insurance Co., Jackson, Miss. 39205.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Thiele Kaolin Co., Kaolin Road, Sandersville, Ga.
D. (6) $1,894.44. E. $5.60.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. United Farm Bureau Family Life Insurance Co., 130 East Washington Street, Indianapolis, Ind. 46204.

A. Sutin, Thayer & Browne, P.O. Box 1945, Albuquerque, N. Mex. 87103.
B. Taxation & Revenue Department, P.O. Box 603, Santa Fe, N. Mex. 87509.
D. (6) $490.

A. W. Thomas Suttle, 1741 T Street NW., No. 104, Washington, D.C. 20009.
B. The Institute of Electrical and Electronics Engineers, Inc., IEEE, 1111 19th Street NW., Suite 608, Washington, D.C. 20036.
D. (6) $1,280. E. (9) $1,348.

A. William W. Suttle, American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $442.50. E. (9) $13.40

A. Irving W. Swanson, 11212 Farmland Drive, Rockville, Md. 20852.
B. Harris Corp., 2600 Virginia Avenue NW., Suite 800, Washington, D.C. 20037.
D. (6) $12,412.50. E. (9) $421.89.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $12,879.

A. John Sweeney, 800 Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Rosemarie Sweeney, American Academy of Family Physicians, 475 L'Enfant Plaza West SW., Suite 2970, Washington, D.C. 20024.
B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,645. E. (9) $252.56.

A. Donald R. Sweitzer, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $1,600. E. (9) $1,200.

A. Richard Preston Swigart, 1660 L Street NW., Suite 201, Washington, D.C. 20036.
B. American Can Co., American Lane, Greenwich, Conn. 06830.
E. (9) $419.11.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
E. (9) $199.24.

A. Howard Symons, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $3,249.99.

A. Lewis M. Taffer, American Express Co., 1700 K Street NW., No. 702, Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for American Hospital Association, 444 North Capitol Street, Washington, D.C. 20001).
D. (6) $1,250. E. (9) $5.91.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Cincinnati Stock Exchange, 205 Dixie Terminal Building, Cincinnati, Ohio 45202).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Family Leisure Centers, 1718 Young Street, Cincinnati, Ohio 45210).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Hanna-Barbera Productions, Inc., 3400 Cahuenga Boulevard, Los Angeles, Calif. 90068).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Hanna-Barbera's Marineland, Box 937, Rancho Palos Verdes, Calif. 90274).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910).

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Sisters of Charity of Cincinnati, Ohio, Mount St. Joseph, Ohio).
D. (9) $61.18.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Special Committee for Workplace Product Liability Reform, 1800 Massachusetts Avenue NW., No. 708, Washington, D.C. 20036).
D. (6) $4,500. E. (9) $102.35.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Taft Broadcasting Co., 1718 Young Street, Cincinnati, Ohio 45210).
D. (6) $600.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Washington Magazine, Inc., c/o Frank, Bernstein, Conaway & Goldman, 1300 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201).
D. (6) $5,159.38. E. (9) $108.41.

A. Robert Taft, Jr., 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Taft, Stettinius & Hollister, Dixie Terminal Building, Cincinnati, Ohio 45202 (for Werner Von Clemm, 214 East 17th Street, New York, N.Y. 10003).

A. Joe Tallakson, Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.
B. SENSE, Inc. (for Quinault Indian Nation) Suite 421, 1010 Vermont Avenue NW., Washington, D.C. 20005.
D. (6) $4,092.57. E. (9) $2,266.11.

A. Daniel F. Tandy, 23 Pascack Road, Woodcliff Lake, N.J. 07675.
B. Alaska Coalition, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $2,497.50.

A. Susan Tannenbaum, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,012.50. E. (9) $53.45.

A. Target, Inc., 2411 Old Crow Canyon Road, San Ramon, Calif. 94583.
E. (9) $2,000.

A. William M. Tartikoff, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $160. E. (9) $241.38.

A. Clayton C. Taylor, One McDonald's Plaza, Oak Brook, Ill. 60521.
B. McDonald's Corp., One McDonald's Plaza, Oak Brook, Ill. 60521.

A. Charles A. Taylor III, National Association of Independent Insurers, 499 South Capitol Street SW., No. 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,000. E. (9) $47.43.

A. David K. Taylor, Mobil Oil Corp., 1100 Connecticut Avenue NW., No. 620, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $375.

A. Dennis J. Taylor, 3238 Prospect Street NW., Washington, D.C. 20007.
B. Central States Health & Life Co. of Omaha, Box 34350, Omaha, Nebr. 68134.
D. (6) $1,322.50

A. Dennis J. Taylor, 3238 Prospect Street NW., Washington, D.C. 20007.
B. Committee on Federal Contracting Practices, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,700.

A. Dennis J. Taylor, 3238 Prospect Street NW., Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Peggy Taylor, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $13,680. E. (9) $400.

A. Sid Taylor, National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $2,100. E. (9) $382.

A. B. W. Teague, Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.
B. Central Power & Light Co., P.O. Box 2121, Corpus Christi, Tex. 78403.
D. (6) $50. E. (9) $30.

A. Tele-Press Associates, 342 East 79 Street, New York, N.Y. 10021.
B. Japan Fisheries Association, 9-13 Akasaka 1, Minatoku, Tokyo, Japan.
D. (6) $38,425.80. E. (9) $36,304.86.

A. Paul M. Tendler, 2020 K Street, NW., Suite 420, Washington, D.C. 20006.
B. Paul Tendler Associates (for The National Federation of Licensed Practical Nurses, Inc.), 2020 K Street, NW., Suite 420, Washington, D.C. 20006.
D. (6) $1,600. E. (9) $180.

A. Paul M. Tendler, 2020 K Street, NW., Suite 420, Washington, D.C. 20006.
B. Paul Tendler Associates (for Rasch Elektronik, Albert Einstein-Straeb 18, 6074 Rodermark 2 West Germany). 2020 K Street NW., No. 420, Washington, D.C. 20006.
E. (9) $551.

A. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
E. (9) $421.24.

A. Betty-Grace Terpstra, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $155.32.

A. Textron, Inc., 40 Westminster Street, Providence, R.I. 02903.
E. (9) $10,026.05.

A. Bruce D. Thevenot, 1155 15th Street NW., No. 424, Washington, D.C. 20005.
B. Casson, Calligaro & Mutryn, 2600 Virginia Avenue NW., Washington, D.C. (for Humana, Inc., One Riverfront Plaza, Box 1438, Louisville, Ky. 40201).
D. (6) $4,500.

A. Bruce D. Thevenot, 1155 15th Street NW., No. 424, Washington, D.C. 20005.
B. Oklahoma State Nursing Home Association, 200 Northeast 28th Street, Oklahoma City, Okla. 71305.
D. (6) $2,280.

A. Bruce D. Thevenot, 1155 15th Street NW., No. 424, Washington, D.C. 20005.
B. Spectrum Emergency Care, Inc., 970 Executive Parkway, St. Louis, Mo. 63141.
D. (6) $2,200.

A. E. Wayne Thevenot, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Hallmark Cards, 25th & McGee Streets, Kansas City, Mo. 64108.
D. (6) $300.

A. Thevenot, Murray & Sheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Refiners Association, 1200 18th Street NW., Suite 607, Washington, D.C. 20036.
D. (6) $500.

A. Thevenot, Murray & Sheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Eastern Airlines, 1030 15th Street NW., Washington, D.C. 20005.

D. (6) $600.

A. Thevenot, Murray & Sheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Business Aircraft Association, One Farragut Square South, Washington, D.C. 20006.
D. (6) $250.

A. Thevenot, Murray & Scheer, Suite 1128, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Swaziland Sugar Association, Mbabane, Swaziland.

A. Craig G. Thibaudeau, 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.
B. National Limestone Institute, Inc., 3251 Old Lee Highway, Suite 500, Fairfax, Va. 22030.

A. Barbara Brendes Thies, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
E. (9) $450.

A. Barbara Brendes Thies, 1100 Connecticut Avenue, Suite 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 1100 Connecticut Avenue, Suite 800, Washington, D.C. 20036.
E. (9) $150.

A. 38th Pro-Life Congressional District Action Committee, 8654 Bonview Terrace, Williamsville, N.Y. 14221.

A. 36th Congressional District Action Committee, 129 Belmont Avenue, Buffalo, N.Y. 14223.
E. (9) $29.94.

A. John W. Thomas, 1522 K Street NW., No. 828, Washington, D.C. 20005.
B. Association of American Veterinary Medical Colleges, 1522 K Street NW., No. 828, Washington, D.C. 20005.

A. Lawrence L. Thomas, 1740 Franklin Street, No. 3, San Francisco, Calif. 94109.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Robert L. Thomas, National Association of Private Psychiatric Hospitals, 1701 K Street NW., Washington, D.C. 20006.
B. National Association of Private Psychiatric Hospitals, 1701 K Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Boyd Thompson, American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Potomac, Md. 20854.
B. American Association of Professional Standards Review Organizations, 11325 Seven Locks Road, Potomac, Md. 20854.
E. (9) $67.44.

A. Charles P. Thompson, Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
B. Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
D. (6) $11,875.66. E. (9) $1,547.29.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. Roger G. Thompson, 1701 Central Avenue, Ashland, Ky. 41101.
B. Kentucky Power Co., 1701 Central Avenue, Ashland, Ky. 41101.
D. (6) $875. E. (9) $1,178.29.

A. W. Reid Thompson, Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20068.

A. William D. Thompson, Lear Siegler, Inc., 1001 Connecticut Avenue NW., Suite 601, Washington, D.C. 20036.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.
D. (6) $3,000. E. (9) $197.16.

A. James L. Thorne, Tenneco, Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Tenneco, Inc., P.O. Box 2511, Houston, Tex. 77001.

A. D. Whitney Thornton, II, c/o Sullivan & Beauregard, 1800 M Street NW., No. 925, Washington, D.C. 20036.
B. Flyer Industries Ltd., Box 245, Transcona P.O., Winnipeg, Manitoba, Canada R2C 3T4.
D. (6) $3,500. E. (9) $148.68.

A. Gil Thurm, 925 15th Street NW., Washington, D.C. 20005.
B. The National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $456.78.

A. Samuel Thurm, Association of National Advertisers, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.

A. R. J. Tice, Marathon Oil Co., 1800 M Street NW., Washington, D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Cyrus C. Tichenor, III, 1050 17th Street NW., Suite 1104, Washington, D.C. 20036.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $775. E. (9) $96.50.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. The Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $2,265.45

A. Paul J. Tierney, Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.
B. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Wallace F. Tillman, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
A. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $130.

A. Martin R. Tilson, Jr., P.O. Box 2563, Birmingham, Ala. 35202.
B. Southern Natural Gas Co., P.O. Box 2563, Birmingham, Ala. 35202.

A. C. H. Timberlake, Phillips Petroleum Co., 1825 K Street NW., Suite 1107, Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Inland Waterways Committee, 7733 Forsyth Boulevard, Suite 2201, St. Louis, Mo. 63105.
D. (6) $55.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $375.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1050 31st Street NW., Washington, D.C. 20007.
D. (6) $100.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48288.
D. (6) $187.50.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Filmways, Inc., 2049 Century Park East, Los Angeles, Calif. 90067.
D. (6) $31.25.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. H. J. Heinz Co., P.O. Box 57, Pittsburgh, Pa. 15230.
D. (6) $137.50.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Major League Baseball, 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $275.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $330.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $93.75.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Northrop Corp., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $250.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Office of the Governor of the State of Alaska, 444 North Capitol Street NW., Washington, D.C. 20001.
D. (6) $250.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6) $55.

A. Timmons & Co., Inc., 1850 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $281.25

A. E. Linwood Tipton, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Founda-

tion, 910 17th Street NW., Washington, D.C. 20036.

A. Eben S. Tisdale, Scientific Apparatus Maker Association, 1101 16th Street NW., Washington, D.C. 2006.
B. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,450. E. (9) $23.40.

A. Title Associates, Inc., Route 2, Box 89, Columbia, Tenn. 38401.

A. Tobacco Associates, Inc., Suite 912, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) 1,563.50.

A. Warren D. Toburen, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $186.

A. David G. Todd, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. M. Douglas Todd, 410 First Street SE., Washington, D.C.
B. American Nuclear Energy Council, 410 First Street SE., Washington, D.C.
D. (6) $533.34. E. (9) $18.59.

A. David R. Toll, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. GPU Service Corp., 100 Interpace Parkway, Parsippany, N.Y. 07054.

A. William R. Tolley, Jr., Harris Corp., Melbourne, Fla. 32919.
B. Harris Corp., Melbourne, Fla. 32919.
E. (9) $13.50.

A. Davis J. Tomasin, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

A. Wanda Townsend, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $2,937.50.

A. John P. Tracey, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,000.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $6,000. E. (9) $1,250.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Transportation Institute, 923 13th Street NW., Washington, D.C. 20005.
E. (9) $312.16.

A. Hubert Travaille, 1015 15th Street NW., Suite 801, Washington, D.C. 20005.
B. Potlatch Corp., P.O. Box 3591, San Francisco, Calif. 94119.
D. (6) $400.

A. Paula C. Treat, National Home Furnishings Association, 900 17th Street NW., Suite 514, Washington, D.C. 20006.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $1,000.

A. Richard S. Tribbe, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10158.
D. (6) $285.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. William C. Triplett II, American Honda Motor Co., Inc., 955 L'Enfant Plaza SW., Washington, D.C. 20024.
B. American Honda Motor Co., Inc., 100 West Alondra Boulevard, Gardena, Calif. 90247.
D. (6) $150. E. (9) $96.24.

A. Glenwood S. Troop, Jr., United States League of Savings Associations, 1709 New York Avenue, NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $7,700. E. (9) $53.50.

A. Leonard M. Trosten, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20036.
B. LeBoeuf, Lamb, Leiby & MacRae, 1333 New Hampshire Avenue NW., No. 1100, Washington, D.C. 20036.

A. George G. Troutman, 1901 North Fort Myer, No. 809, Arlington, Va. 22209.
B. General Electric, Northrop Corp.
D. (6) $100.

A. Thomas L. Trueblood, International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,000. E. (9) $655.81.

A. The Trust for Public Land, 82 Second Street, San Francisco, Calif. 94105.
E. (9) $2,148.78.

A. Philip J. Tulimieri, Jr., 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. Tuna Research Foundation, Inc., 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $2,172.44. E. (9) $3,241.82.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.
B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $900.

A. St. Clair J. Tweedie, Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
B. Scientific Apparatus Makers Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $2,100. E. (9) $18.

A. Edgar H. Twine, Atlantic Richfield Co., 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $400.

A. Jerry Udell, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $254.25.

A. E. Carl Uehlein, Jr., 1800 M Street NW., Suite 800N, Washington, D.C. 20036.
B. Morgan, Lewis & Bockius, 1800 M Street NW., Suite 800N, Washington, D.C. 20036. (for Evans Products, 1121 Southwest Salmon Street, Portland, Oreg. 97208).
D. (6) $250.

A. Union Mutual Life Insurance Co., 2211 Congress Street, Portland, Maine.
E. (9) $25.

A. United Action for Animals, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $1,118.62. E. (9) $1,118.62.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington D.C. 20001.
E. (9) $10,270.31

A. United Fresh Fruit & Vegetable Association, North Washington at Madison, Alexandria Va. 22314.
D. (6) $895.13. E. (9) $895.13.

A. United Gas Pipe Line Co., P.O. Box 1478, Houston, Tex. 77001.
E. (9) $2,366.57.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,220. E. (9) $1,220.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Illinois 60601.
E. (9) $117,324.59.

A. U.S. & Overseas Tax Fairness Committee, Inc., 1101 15th Street NW., No. 1000, Washington, D.C. 20005.
D. (6) $78,216. E. (9) $40,463.46.

A. Lloyd N. Unsell, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

A. Updike, Kelly & Spellacy, P.C., 1111 19th Street NW., Washington, D.C. 20036.
B. Danbury Airways, 49 Miry Brook Road, Danbury, Conn. 06810.
E. (9) $9.70.

A. Updike, Kelly & Spellacy, P.C., 1111 19th Street NW., Washington, D.C. 20036.
B. Yellow Cab of Hartford, 8 Jewel Court, Hartford, Conn. 06103.
D. (6) $130. E. (9) $12.05.

A. Utility Nuclear Waste Management Group, c/o Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,733. E. (9) $1,733.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. David T. Van Camp, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron U.S.A., Inc. (a subsidiary of Standard Oil Co. of America), 1700 K Street NW., Washington, D.C. 20006.
D. (6) $450.

A. C.D. Van Houweling, P.O. Box 69, Centreville, Va. 22020.
B. National Pork Producers Council, P.O. Box 10383, Des Moines, Iowa 50306.
D. (6) $154.

A. Nicholas L. Van Nelson, American Paper Institute, Inc., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Allied General Nuclear Services, P.O. Box 847. Barnwell, S.C. 29812.
D. (6) $287.50. E. (9) $36.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. American Institute for Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. American President Lines, Ltd., 1950 Franklin Street, Oakland, Calif. 94612.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Arctic Slope Regional Corp., Barrow, Alaska.
D. (6) $537.50. E. (9) $90.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Basin, Inc., P.O. Box 2297, Midland, Tex. 79702.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Committee on Status and Transition, Seventh Palauan Legislature, P.O. Box 8, Koror, Palau, Western Caroline Islands 96940.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Continental Resources Company, P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $4,062.50. E. (9) $149.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Florida Agriculture Coalition, Inc., 249 Royal Palm Way, Palm Beach, Fla. 33480.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Hawaiian Electric Co., P.O. Box 2750. Honolulu, Hawaii 96840.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Huntington's Disease Coalition, 250 West 57th Street, New York, N.Y. 10019.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. New York Air, La Guardia Airport, Flushing, N.Y. 11317.
D. (6) $2,637.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. North Slope Borough, P.O. Box 69, Barrow, Alaska 99723.
D. (6) $380. E. (9) $16.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Northern Tier Pipeline Co., 1776 Lincoln Street (P.O. Box 5568), Denver, Colo. 80217.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Pacific Gas and Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $1,062.50.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Palm Beach-Broward Farmers Committee for Legislative Action, P.O. Box 396, Boynton Beach, Fla. 33435.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Republic Geothermal, Inc., 11823 East Slauson Avenue, Suite One, Sante Fe Springs, Calif. 96070.
D. (6) $1,412.50. E. (9) $11.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Southwest Winter Vegetable Growers Association, P.O. Box 1670, Immokalle, Fla. 33934.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. South Florida Tomato & Vegetable Growers Association, P.O. Drawer B.B., Homestead, Fla. 33030.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $550. E. (9) $59.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. 25 E Street Associates, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $425. E. (9) $11.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,062.50 E. (9) $8.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Western Crude Oil, Inc., P.O. Box 5568, Denver, Colo. 80217.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Wheelabrator-Frye, Inc., Liberty Lane, Hampton, N.H. 03842.

A. Van Ness, Feldman & Sutcliffe, 1220 19th Street NW., Suite 500, Washington, D.C. 20036.
B. Windfarms, Ltd., 402 Jackson Street, San Francisco, Calif. 94111.

A. Murle L. Vaughan, Beneficial Management Corp. of America, 1700 North Moore Street, 1925 Rosslyn Center Building, Arlington, Va. 22209.
B. Beneficial Management Corporation of America, 1300 Market Street, Wilmington, Del. 19899.

A. A. Randall Vehar, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

A. Velsicol Chemical Corp., 341 East Ohio Street, Chicago, Ill. 60611.
E. (9) $500.

A. Gilda Ventresca, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,567.86. E. (9) $94.70.

A. Jerry T. Verkler, P.O. Box 2521, Houston, Tex. 77001.
B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.

A. C. John Vermilye, United States Steel Corp., 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Coalition of United States Citizen Award-Holders Against Czechoslovakia.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Nissan Motor Corp., Ltd., 17-1 Ginza, 16-Chome, Chuo-Ku, Tokyo, Japan and Nissan Motor Corp. in the U.S.A., 18501 S. Figueroa Street, Carson, Calif. 90248.
E. (9) $2,840.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Pan American World Airways, Inc., Pan American Building, New York, N.Y. 10017.
D. (6) $9,375.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Semiconductor Industry Association, 20380 Town Center Lane, Suite 155, Cupertino, Calif. 95014.
D. (6) $2,927.02 E. (9) $2,927.02.

A. Verner, Liipfert, Bernhard & McPherson, 1660 L Street NW., Suite 1100, Washington, D.C. 20036.
B. The Travelers Corp., One Tower Square, Hartford, Conn. 06115.
D. (6) $1,370. E. (9) $1,370.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., Washington, D.C. 20036.
B. Vinson & Elkins (for city of Houston), 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,143.75.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
B. Vinson & Elkins (for Continental Resources Co.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,450. E. (9) $616.45

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
B. Vinson & Elkins (for First City Bancorporation), 1101 Connecticut Avenue NW., Washington, D.C. 20036.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
B. Vinson & Elkins (for Houston Natural Gas. Corp.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,706.25. E. (9) $10.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
B. Vinson & Elkins (for Slurry Transport Association), 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $622.24.

A. Larry R. Veselka, 1101 Connecticut Avenue NW., No. 900, Washington, D.C. 20036.
B. Vinson & Elkins (for Texas Eastern Transmission Corp.), 1101 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $225.

A. John C. Vickerman, American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.
B. American Society of Association Executives, 1575 I Street NW., Washington, D.C. 20005.

A. David Vienna, 510 C Street NE., Washington, D.C. 20002.
B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $2,470. E. (9) $103.99.

A. R. Eric Vige, Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Suite 207, Washington, D.C. 20036.
D. (6) $40.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.
D. (6) $1,500.

A. Steven A. Villas, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

A. Howard A. Vine, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $400.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Continental Insurance Co., 80 Maiden Lane, New York, N.Y. 10038.
D. (6) $200.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. Hartford Fire Insurance Co., Hartford, Conn. 06115.
D. (6) $500.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. John Nuveen & Co., Inc., 209 South La Salle Street, Chicago, Ill. 60604.

A. Walter D. Vinyard, Jr., Alston, Miller & Gaines, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. St. Paul Fire & Marine Insurance Co., 385 Washington Street, St. Paul, Minn. 55102.
D. (6) $300.

A. Andrew Vitali, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,000.

A. Volkswagen of America, Inc., 888 W. Big Beaver, Troy, Mich. 48084.
E. (9) $923.11.

A. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.
E. (9) $16,719.46.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. Grocery Manufacturers Association of American, Inc., 1010 Wisconsin Avenue NW., Washington, D.C.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. International Agricultural Development Service, 1133 Avenue of the Americas, New York, N.Y. 10036
D. (6) $7,225. E. (9) $1,107.66.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. B. J. Paul McNamara, 88 East Broad Street, Columbus, Ohio.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. National Hockey League, 1221 Avenue of the Americas, 14th floor, New York, N.Y. 10020.
D. (6) $3,720. E. (9) $8.40.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. North American Soccer League, 1133 Avenue of the Americas Suite 3500 New York, N.Y. 10036.
D. (6) $1,965. E. (9) $9.65.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. Ohio Manufacturers Association, 100 East Broad Street, Columbus, Ohio 43215.
D. (6) $75. E. (9) $16.50.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. Virginia State University, Petersburg, Va. 23803.
D. (6) $25. E. (9) $8.01.

A. Vorys, Sater, Seymour & Pease, 1828 L Street NW., Suite 1111, Washington, D.C. 20036.
B. Wagnalls Memorial, 150 East Columbus Street, Lithropolis, Ohio.
D. (6) $115.

A. Donn L. Waage, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
B. Northwest Bancorporation, 1200 Northwestern Bank Building, Minneapolis, Minn. 55480.
D. (6) $500. E. (9) $332.40.

A. Linda Wade, Sierra Club, 2410 Beverly Boulevard, Suite 2, Los Angeles, Calif. 90057.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $458. E. (9) $1,346.

A. Robert J. Wager, Suite 850, 2020 K Street, NW., Washington, D.C. 20006.
B. American Bakers Association, Suite 850, 2020 K Street NW., Washington, D.C. 20006.
D. (6) $437.50. E. (9) $3.85.

A. Howard W. Whal, 240 Barton Shore Drive, Ann Arbor, Mich. 48105.
B. Bechtel Power Corp., 777 East Eisenhower Parkway, P.O. Box 1000, Ann Arbor, Mich. 48106.

A. Herbert R. Waite, First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.
B. First National Boston Corp., 100 Federal Street, Boston, Mass. 02110.

A. Herbert R. Waite, The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
B. The First National Bank of Boston, 100 Federal Street, Boston, Mass. 02110.
D. (6) $2,465. E. (9) $5,750.28.

A. Robert E. Waldron, Associated Petroleum Industries of Michigan, P.O. Box 10070, Lansing, Mich. 48901.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $608.80.

A. E. F. Waldrop, Jr., Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $733.50.

A. Leonard F. Walentynowicz, 4970 Sentinel Drive, Apt. 301, Sumner, Md. 20016.
B. Polish American Congress, 1200 North Ashland Ave., Chicago, Ill. 60622.
D. (6) $3,750. E. (9) $428.49.

A. Charles W. Walker, International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $8,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Airco, Inc., 100 Mountain Avenue, Murray Hill, N.J. 07974.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, 1200 Ring Building, Washington, D.C. 20036.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Airlines, Inc., P.O. Box 61616, Dallas/Fort Worth Regional Airport, Tex. 75261.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Can Co., American Lane 1A9, Greenwich, Conn. 06830.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Telephone & Telegraph Co., 1120 20th Street NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Anheuser-Busch, Inc., 727 North 1st Street, St. Louis, Mo. 63102.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ashland Chemical, P.O. Box 2219, Columbus, Ohio 43216.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. BASF Wyandotte Corp., 100 Cherry Hill Road, Parsippany, N.J. 07054.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bechtel Power Corp., 1620 I Street NW., Washington, D.C. 20006.
D. (6) $1,175.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Board of Trade of the city of Chicago, 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. CF Industries, et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Chicago Mercantile Exchange, 444 West Jackson Boulevard, Chicago, Ill. 60606.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Commodity Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Crown Zellerbach Corp., One Bush Street, San Francisco, Calif. 94119.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dealer Bank Association, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $1,875.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Deere & Co., John Deere Road, Moline, Ill. 61265.
D. (6) $600.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Air Lines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $750.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. First Chicago Corp., One First National Plaza, Chicago, Ill. 60670.
D. (6) $1,250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Telephone & Electronics, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire and Rubber Co., 1800 K Street, Washington, D.C. 20006.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lone Star Steel Co., 2200 W. Mockingbird Lane, Dallas, Tex. 75215.
D. (6) $168.75.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Olin Corp., 120 Lake Ridge Road, Stamford, Conn. 06904.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens Corning Fiberglas Corp., Fiberglas Tower, Toledo, Ohio 43659.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $1,000.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Procter & Gamble Co., Cincinnati, Ohio 45201.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pullman-Kellogg, Division of Pullman, Inc., 1300 Three Greenway Plaza East, Houston, Tex. 77046.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $750.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., 1625 I Street NW., Washington, D.C. 20006.

A. Linda Walker-Hill, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Warren W. Walkley, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. R. Duffy Wall, 1050 17th Street NW., Suite 301, Washington, D.C. 20036.
B. Freeport Minerals Co., 200 Park Avenue, New York, N.Y. 10166.
D. (6) $250.

A. Carl S. Wallace, Purolator, Inc., 1800 K Street NW., No. 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.

A. Don Wallace Associates, Inc., 232 East Capitol Street NE., Washington, D.C. 20003.
B. American Sugar Cane League of the U.S.A., Inc., 416 Whitney Building, New Orleans, La. 70130.
D. (6) $6,000. E. (9) $700.

A. Don Wallace Associates, Inc., 232 East Capitol Street NE., Washington, D.C. 20003.
B. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.

A. Don Wallace Associates, Inc., 232 East Capitol Street NE., Washington, D.C. 20003.
B. Applied Ceramic Technologies, Inc., 418 East Ninth Street, Rochester, Ind. 46975.

A. Don Wallace Associates, Inc., 232 East Capitol Street NE., Washington, D.C. 20003.
B. Cotton Warehouse Association of America, 232 East Capitol Street, Washington, D.C. 20003.
D. (6) $11,000. E. (9) $1,500.

A. Raymond C. Wallace, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5151 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. R. Douglas Wallin, Jr., Emerson Electric Co., 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Emerson Electric Co., 8000 Florissant, St. Louis, Mo. 63136.
E. (9) $292.70.

A. Eleanor Walters, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Environmental Policy Center, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $750.

A. Bonnie B. Wan, Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 1 Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $50.

A. John F. Wanamaker, the Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
B. The Retired Officers Association, 201 North Washington Street, Alexandria, Va. 22314.
D. (6) $1,299.

A. Barbara Wanner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $300.

A. Alan S. Ward, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker & Hostetler, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for Soap and Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016).

A. G. Fletcher Ward, Jr., Montgomery Ward & Co., Inc., 1100 Connecticut Avenue NW., No. 530, Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., 1 Montgomery Ward Plaza, Chicago, Ill. 60671.
E. (9) $50.

A. John E. Ward, 182 Soundview Avenue, White Plains, N.Y. 10606.
B. Meat Importers Council of America, Inc., 1901 North Fort Myer Drive, Arlington, Va. 22209.

A. Richard D. Warden, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1757 N Street NW., Washington, D.C. 20036
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $15,491.17. E. (9) $103.65.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $6,600. E. (9) $263.58.

A. Michael O. Ware, Conoco Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Conoco Inc., High Ridge Park, Stamford, Conn. 06904.
D. (6) $1,000.

A. Peter F. Warker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,250.

A. Ernest R. Warner, Jr., DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Sofreavia, 75 rue la Boetie, Paris, 9eme, France).
D. (6) $98.08. E. (9) $51.99.

A. Ernest R. Warner, Jr., DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France).
D. (6) $128.73. E. (9) $94.48.

A. Betsy R. Warren, 1111 19th Street NW., Washington, D.C. 20036
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $2,571. E. (9) $61.50.

A. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20080.
E. (9) $1,123.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002,
D. (6) $22,107.25. E. (9) $17,144.12.

A. Washington State NARAL, P.O. Box 15549, Seattle, Wash. 98115.
D. (6) $4,569.54. E. (9) $4,845.07.

A. Ralph J. Watson, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
B. Rockwell International, 1745 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $495. E. (9) $171.20.

A. Carolyn Herr Watts, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $75.

A. George B. Watts, National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

A. James L. Watts, NASBIC, 618 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 618 Washington Building, Washington, D.C. 20005.
D. (6) $3,000.

A. Judith G. Waxman, National Health Law Program, 1424 16th Street NW., Suite 304, Washington, D.C. 20036.
B. National Health Law Program, 2639 South La Cienega Boulevard, Los Angeles, Calif. 90034.
D. (6) $2,089.11. E. (9) $4,091.79.

A. William J. Way, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $678.89.

A. Raymond J. Weatherly, 2733 Carter Farm Court, Alexandria, Va. 22306.
B. Manufactured Housing Institute, 1745 Jefferson Davis Highway, Suite 511, Arlington, Va. 22202.
D. (6) $300. E. (9) $25.

A. William H. Weatherspoon, N.C. Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Douglas M. Webb, Kennecott Corp., 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. Kennecott Corp., Ten Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $298.87.

A. Horace S. Webb, P.O. Box 351, Cedar Rapids, Iowa 52406.
B. Iowa Electric Light & Power Co., P.O. Box 351, Cedar Rapids, Iowa 52406.

A. Frederick L. Webber, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $4,221.

A. Jack Weber, 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.
B. Grocery Manufacturers of America, Inc., 1010 Wisconsin Avenue NW., Suite 800, Washington, D.C. 20007.

A. Webster & Chamberlin, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Society of Radiologic Technologists, 55 East Jackson Boulevard, Chicago, Ill. 60604.

A. Webster & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charles Stewart Mott Foundation, Mott Foundation Building, Flint, Mich. 48502.
D. (6) $1,500. E. (9) $54.56.

A. Webster & Chamberlin, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Club Association, 1129 20th Street NW., Washington, D.C. 20036.

A. John F. Webster, International Business Machines, 1801 K Street NW., Washington, D.C. 20006.
B. International Business Machines, Old Orchard Road, Armonk, N.Y. 10504.
D. (6) $310.50. E. (9) $152.72.

A. Webster & Sheffield, 1200 New Hampshire Avenue NW., Suite 350, Washington, D.C. 20036.
B. National Conference of Bankruptcy Judges, c/o Webster & Sheffield, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $10,000. E. (9) $322.19.

A. Webster & Sheffield, One Rockefeller Plaza, New York, N.Y. 10020.
B. Smith, Barney Real Estate Corp., 1345 Avenue of the Americas, New York, N.Y. 10105.
D. (6) $20,340. E. (9) $1,078.

A. Lee Weddig, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $25.

A. Fred Wegner, National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association-American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $426.92. E. (9) $164.31.

A. Lauren C. Weilburg, 499 S. Capitol Street SW., Suite 104, Washington, D.C. 20003.
B. American Osteopathic Association, 499 S. Capitol Street SW., Suite 104, Washington, D.C. 20003.
D. (6) $646. E. (9) $16.15.

A. Donald G. Weinert, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Suite 206, Washington, D.C. 20036.
B. American Optometric Association, 395 Orchard Street, Antioch, Ill. 60002.
D. (6) $70.67. E. (9) $143.47.

A. Michael A. Weiss, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

A. Morton N. Weiss, National Security Traders Association, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $2,208.

A. Judith H. Weitz, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Children's Defense Funds, 1520 New Hampshire Avenue NW., Washington, D.C. 20036
D. (6) $1,771. E. (9) $20.

A. L. H. Wells, Sr., Shell Oil Company, 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Elizabeth S. Weltner Hill & Knowlton, Inc., 1425 K Street NW., No. 1000, Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. W. R. Werner, CertainTeed Corp., 1627 K Street NW., Suite 610, Washington, D.C. 20006.
B. CertainTeed Corp., P.O. Box 860, Valley Forge, Pa. 19482.

A. Fred Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036
D. (6) $10,500 E. (9) $417.

A. Joy C. West, 806 15th Street NW., Suite 600, Washington, D.C. 20005.
B. Migrant Legal Action Program, Inc., 806 15th Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $4,724.61 E. (9) $1,243.84.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. W. P. West Jr., 1629 K Street NW., Room 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $273. E. (9) $119.39.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co. 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,350. E. (9) $650.

A. The Western Co. of North America, P.O. Box 186, Fort Worth, Tex. 76101.
E. (9) $29.80.

A. Western Radiological Group, Suite 2, 2044 Armacost Avenue, Los Angeles, Calif. 90025.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., Suite 1017, Washington, D.C. 20036.
B. Continental Airlines, International Airport, Los Angeles, Calif. 90009.
D. (6) $2,000. E. (9) $1,019.

A. Brian B. Whalen, International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
B. International Harvester Co., 401 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $1,250. E. (9) $73.77.

A. Curtis E. Whalen, P.O. Box 44, Winter park, Fla. 32790.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
D. (6) $2,500. E. (9) $799.84.

A. Clyde A. Wheeler, Jr., Sun Co., Inc., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Co., Inc., 100 Matsonford Road, Radnor, Pa. 19087.
D. (6) $15,000. E. (9) $227.96.

A. Edwin M. Wheeler, The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.00.

A. Thomas E. Wheeler, National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,375.

A. June M. Whelan, 1120 20th Street NW., Suite 600 South, Washington, D.C. 20036.
B. Union Pacific Corp., 345 Park Avenue, New York, N.Y. 10154.
D. (6) $1250. E. (9) $47.99.

A. William Whichard, Jr., Union Oil Co. of California, 1100 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Donald F. White, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $50.

A. John C. White, Private Truck Council of America, Inc., 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $20.

A. John S. White, Marathon Oil Co., 1800 M Street NW., Washington D.C. 20036.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. John Thomas White II, Tenneco Inc., 490 L'Enfant Plaza East SW., Washington D.C. 20024.
B. Tenneco Inc., P.O. Box 2511, Houston, Tex. 77001.

A. Donald W. Whitehead, 1120 Connecticut Avenue NW., Washington D.C. 20036.
B. O'Connor and Hannon, 1919 Pennsylvania Avenue NW., Washington D.C.
D. (6) $3,000. E. (9) $30.45.

A. Alton W. Whitehouse, 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (Ohio), Guildhall Building, Cleveland, Ohio 44115.
D. (6) $123.

A. Whitman and Ransom, 1333 New Hampshire Avenue NW., Suite 650, Washington D.C. 20036.
B. Shimano American Corp., 205 Jefferson Road, Parsippany, N.J. 07054.
D. (6) $2,400. E. (9) $2.02.

A. David E. Whitten, The Fertilizer Institute, 1015 18th Street NW., Washington D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington D.C. 20036.
D. (6) $500. E. (9) $1,464.21.

A. Mr. Gary L. Whittle, North Carolina Petroleum Council, P.O. Box 167, Raleigh, N.C. 27602.

B. American Petroleum Institute, 2101 L Street NW., Washington D.C. 20037.

A. Wickham & Craft, P.C., Suite 1160, 1050 17th Street NW., Washington D.C. 20036.
B. Association of Oil Pipe Lines, Suite 1208, 1725 K Street NW., Washington D.C. 20036.

A. Wickham & Craft, P.C., 1050 17th Street NW., Suite 1160, Washington D.C. 20036.
B. Congaree Limited Partnership, 222 West Adams Street, Suite 1354, Chicago, Ill. 60606.

A. Wickham & Craft, P.C., 1050 17th Street NW., Suite 1160, Washington D.C. 20036.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Wickham & Craft, P.C., 1050 17th Street NW., Suite 1160, Washington D.C. 20036.
B. Ryder System, Inc., 3600 Northwest 82d Avenue, Miami, Fla. 33166.

A. Wickham & Craft, P.C., 1050 17th Street N.W., Suite 1160, Washington D.C. 20036.
B. Trailer Train Co., 101 North Wacker Drive, Chicago, Ill. 60606.

A. Wickwire, Lewis, Goldmark & Schorr, 500 Maynard Building, Seattle, Wash. 98104.
B. Mayor and City Council, City of Seattle, Seattle, Wash. 98104.
D. (6) $12,641.50. E. (9) $1,675.80.

A. Nina Faye Widenmann, Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
B. Arizona Public Service Co., P.O. Box 21666, Phoenix, Ariz. 85036.
D. (6) $6,510. E. (9) $3,466.02.

A. Richard J. Wiechmann, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jerry C. Wilkerson, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Suite 1005, Washington, D.C. 20036.
D. (6) $650. E. (9) $1,749.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 210 Summitt Avenue, Montvale, N.J. 07645.
D. (6) $1,385. E. (9) $12.76

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 36 South State Street, Salt Lake City, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Church of Jesus Christ of Latter-Day Saints, 10 East North Temple, Salt Lake City, Utah.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $4.60.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. European Travel Commission, 488 Madison Avenue, New York, N.Y. 10022.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $58.25.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Data Communications Manufacturers Association, Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,442. E. (9) $48.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $5,241.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 49, Kotzebue, Alaska 99752.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Shee Atica, Inc., P.O. Box 4578, Mount Edgecomb, Ala. 99835.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. State of Hawaii, Department of Regulatory Agencies, P.O. Box 531, Honolulu, Hawaii.
D. (6) $1166.50. E. (9) $4.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank of Oregon, Portland, Oreg., (for the "remaining members" of the Klamath Indian Tribe, Oreg.)
E. (9) $17.50.

A. Sandra L. Willett, 624 C Street SE., Washington, D.C. 20003.
B. National Consumers League, 1522 K Street NW., Suite 406, Washington, D.C. 20005.
D. (6) $325. E. (9) $40.

A. Ralph E. Willham, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Sheet Metal Workers' International Association, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $8,977.50.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. The LTV Corp., LTV Tower, 1525 Elm Street, Dallas, Tex. 75201.

A. Williams & Connolly, 1000 Hill Building, Washington, D.C. 20006.
B. Ralph A. Pari, Rhode Island Housing & Mortgage Finance Corp., Suite 1700, 17th Floor, 40 Westminster Street, Providence, R.I. 02903.
D. (6) $150.

A. Williams & Connolly, 839 17th Street NW., Washington, D.C. 20006.
B. William H. Sullivan, Jr., 500 Neponset Avenue, Dorchester, Mass. 02122.

A. Williams & Ince, 1620 I Street NW., Suite 800, Washington, D,C, 20006.
B. American Netting Manufacturers Organization, c/o Reggie N. Steele, Jr., 7 Vance Avenue, Memphis, Tenn. 38101.
D. (6) $2,000.

A. Lee Williams, American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, Inc., 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,600.

A. Lucinda L. Williams, 1111 19th Street NW., Suite 402, Washington, D.C. 20036.
B. Federation of American Hospitals, 1111 19th Street NW., Suite 402, Washington, D.C. 20036
D. (6) $4,500.

A. Margie R. Williams, 415 Second Street NE., Suite 300, Washington, D.C. 20002.
B. National Association of Wheat Growers, 415 Second Street NE., Washington, D.C. 20002.
D. (6) $1,202.29.

A. Williams, Myers and Quiggle, 888 17th Street NW., Washington, D.C. 20006.
B. Church Alliance for Clarification of ERISA, c/o Mr. Gary S. Nash, 511 North Akard Building, Suite 311, Dallas, Tex. 75201.
D. (6) $23,353.75. E. (9) $1,891.79.

A. Nathaniel Williams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,265.

A. Robert E. Williams, United Airlines, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,500.

A. John C. Williamson, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
B. Mortgage Insurance Cos. of America, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
D. (6) $2,700.

A. Frederick L. Williford, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue NW., Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Betsy Willson-Messer, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $259.61. E. (9) $25.

A. Charlotte Wilmer, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, Washington, D.C. 20036.
D. (6) $50.

A. Wilmer & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 1828 L Street NW., Washington, D.C. 20006.

A. Bjorg Opdahl Wilson, UNICEF Information Service, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. United States Committee for UNICEF, 331 East 38th Street, New York, N.Y. 10016.

D. (6) $500.

A. Charles D. Wilson, 1850 K Street NW., Suite 390, Washington, D.C. 20006.
B. Union Camp Corp., 1850 K Street NW., Suite 390, Washington, D.C. 20006.
E. (9) $1,776.

A. Dena L. Wilson, 1600 Wilson Boulevard, No. 1101, Arlington, Va. 22209.
B. American Waterways Operators, Inc., 1600 Wilson Boulevard, No. 1101, Arlington, Va. 22209.
D. (6) $250. E. (9) $13.

A. Donnie E. Wilson, 1800 M Street NW., Suite 295 North, Washington, D.C. 20036.
B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.
D. (6) $250.

A. James E. Wilson, Jr., 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. Albert Winchester, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,540.

A. Joseph B. Winkelmann, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $926.75.

A. Kathleen J. Winn, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77001.
D. (6) $475.

A. Winner/Wagner & Associates, 1024 10th Street, Sacramento, Calif. 95814.
B. Rockwell International.

A. James R. Winnie, Cities Service Co., P.O. Box 25185, Oklahoma City, Okla. 73125.
B. Cities Service Gas Co., P.O. Box 25128, Oklahoma City, Okla. 73125.

A. Louise V. Winstead, Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,012. E. (9) $118.09.

A. Winston & Strawn, 2550 M Street NW., Suite 500, Washington, D.C. 20037.
B. Building Owners & Managers Association International, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $261.25.

A. Winston & Strawn, 2550 M Street NW., Suite 500, Washington, D.C. 20037.
B. International Council of Shopping Centers, 665 Fifth Avenue, New York, N.Y. 10022.
D. (6) $237.50.

A. Mark E. Winter, American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
B. American Land Title Association, 1828 L Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Richard F. Witherall, Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 420 Denver Club Building, Denver, Colo. 80202.

A. Witkowski, Weiner, McCaffrey and Brodsky, P.C., 1575 I Street NW., Suite 350, Washington, D.C. 20005.
B. Coordinating Council on Manufactured Housing Finance, Suite 350, 1575 I Street NW., Washington, D.C. 20005.
D. (6) $970.

A. Glenn P. Witte, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. H. C. Witthaus, General Motors Corp., 1660 L Street NW., Suite 800, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $1,040.98.

A. Frank R. Wolf, 1901 N, Moore Street, Suite 804, Arlington, Va. 22209.
B. National Farm & Power Equipment Dealers Association, 10877 Waston Road, St. Louis, Mo. 63127.

A. James E. Wolf, The Trane Co., 2020 14th Street, North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis.,
D. (6) $250.

A. Don Womach, 1150 Connecticut Avenue NW., Suite 1013, Washington, D.C. 20036.
B. Texas Utilities Services Inc., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $2,356. E. (9) $96.25.

A. Women's Equity Action League, 805 15th Street NW., Suite 822, Washington, D.C. 20005.
D. (6) $990. E. (9) $6123.08.

A. Burton C. Wood, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $9,150. E. (9) $707.

A. Charles A. Wood, National Fuel Gas Distribution Corp., Room 900, 10 Lafayette Square, Buffalo N.Y. 14203.
B. National Fuel Gas Distribution Corp., National Fuel Gas Supply Co., Penn-York Energy Co., Seneca Resources Co., National Fuel Gas. Co.
D. (6) $476.19. E. (9) $553.64.

A. W. Alan Woodford, Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
B. Chemical Manufacturers Association, 2501 M Street NW., Washington, D.C. 20037.
D. (6) $300.

A. Diane Woodruff, Committee of Urban Program Universities, 1300 19th Street NW., Suite 220, Washington, D.C. 20036.
B. Committee of Urban Program Universities, 1300 19th Street NW., Suite 220, Washington, D.C. 20036.
D. (6) $2,136.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Airbus Industrie, Avenue Lucien Servanty, 31700 Blagnac, France), 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $36.06. E. (9) $27.50.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for European Aerospace Corp., 1101 15th Street NW., Washington, D.C. 20005), 1225 19th Street NW., Washington, D.C. 20036.

A. M. Alan Woods, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., (for Sofreavia, 75 rue la Boetie, Paris, 9eme, France), 1225 19th Street NW., Washington, D.C. 20036.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $9,000. E. (9) $50.

A. Edward A. Woolley, 30 Rockefeller Plaza, Suite 3420, New York, N.Y. 10112.
B. CTI—Container Transport International Inc., et al.
D. (6) $4832. E. (9) $59.37.

A. Linda Anzalone Woolley, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.
D. (6) $500.

A. Ronald L. Wooten, Consolidation Coal Co., 1025 Connecticut Avenue NW., Suite 1000, Washington, D.C. 20036.
B. Consolidation Coal Co., Consol Plaza, 1800 Washington Road, Pittsburgh, Pa. 15241.
D. (6) $450. E. (9) $40.

A. George M. Worden, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. World Federalist Political Education Committee, 600 Valley Road, Wayne, N.J. 07470.
D. (6) $1,544.86. E. (9) $11,048.08.

A. Edward E. Wright, 1819 H Street NW., Suite 1175, Washington, D.C. 20006.
B. G-4 Childrens' Coalition, 7309 Delfield St., Chevy Chase, Md. 20015.
D. (6) $575. E. (9) $24.21.

A. Richard E. Wyckoff, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $498.

A. T. Albert Yamada, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. Toyota Motor Sales, U.S., 1899 L Street NW., Suite 703, Washington, D.C. 20036.
D. (6) $500.

A. T. Albert Yamada, 900 17th Street NW., Suite 520, Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Yardarm Knot Corp., 17221 Palatine Avenue North, Seattle, Wash. 98133.

A. Edward R. Yawn, 1111 19th Street NW., Washington, D.C. 20036.
The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $535.71. E. (9) $304.70.

A. Kim Yelton, 8120 Fenton Street, Silver Spring, Md. 20910.
B. Americans United for Separation of Church and State, 8120 Fenton Street, Silver Spring, Md. 20910.

D. (6) $4,230.37. E. (9) $4,265.11.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. D. Scott Yohe, 1629 K Street NW., Rm. 204, Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta, International Airport, Atlanta, Ga. 30320.
D. (6) $390 E. (9) $82.65.

A. G. Reynolds Young, American Bankers Association, 1120 Connecticut Ave NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Hugh F. Young, Jr., National Paint & Coatings Association, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $3,000.

A. John Andrew Young, Suite 207, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. The Coastal Corp., Nine Greenway Plaza, Houston, Tex. 77046.

A. John Andrew Young, Suite 207, 13333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Nueces County Navigation District No. 1 (Port), 222 Power Street, Corpus Christi, Tex. 78403.

A. Judith A. Young, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $17.30.

A. Stephen T. Young, 158 Hampshire Street, Cambridge, Mass. 02139.
B. National Audubon Society, 950 3rd Avenue, New York, N.Y. 10022.
D. (6) $5,360. E. (9) $1,338.30

A. Betsy Younkins, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $4,000. E. (9) $224.06.

A. Eugene A. Yourch, 50 Broadway, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 50 Broadway, New York, N.Y. 10004.
D. (6) $200.

A. Harry M. Zachem, Ashland Oil, Inc., 1025 Connecticut Avenue NW., Suite 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $2,000.

A. Donald M. Zahn, 8001 Braddock Road, Suite 600, Springfield, Va. 22160.
B. National Right To Work Committee, 8001 Braddock Road, Suite 600, Springfield, Va. 22160.
D. (6) $180. E. (9) $22.

A. Lynn Zakupowsky, General Electric Co., 777 General Electric Co., 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike. Fairfield. Conn. 06431.
D. (6) $500.

A. Steven Zaleznick, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.
D. (6) $266.53. E. (9) $37.

A. Barnaby W. Zall, Federation for American Immigration Reform, 2028 P Street NW., Washington, D.C. 20036.
B. Federation for American Immigration Reform, 2028 P Street NW., Washington, D.C. 20036.
D. (6) $2,389. E. (9) $169.56.

A. Barry W. Zander, 6113 Amhurst, Metairie, La. 70003.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $6,238.02

A. John S. Zapp, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $4,092. E. (9) $167.96.

A. Janice Zarro, 9 West 57th Street, New York, N.Y. 10019.
B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. L. Andrew Zausner, Pennzoil Co., 1155 15th Street NW., Suite 602, Washington, D.C. 20005.
B. Pennzoil Co., Pennzoil Place, P.O. Box 2967, Houston, Tex. 77001.
D. (6) $1,000.

A. Jerome M. Zeifman, National Senior Citizens Law Center, 1424 16th Street NW., Suite 300, Washington, D.C. 20036.
B. National Senior Citizens Law Center, 1424 16th Street NW., Suite 300, Washington, D.C. 20036.
D. (6) $1,750. E. (9) $1,881.

A. Zoological Action Committee, 1320 19th Street NW., Suite 400, Washington, D.C. 20036.

A. John L. Zorack, 11th Floor, 1015 18th Street NW., Washington, D.C. 20036.
B. Federal Express Corp., AMF 727, Memphis, Tenn. 38194.
D. (6) $5,700.

A. Zuckert, Scoutt & Rasenberger, 888 17th Street NW., Washington, D.C. 20006.
B. Harcourt Brace Jovanovich, 757 3rd Avenue, New York, N.Y. 10017.
D. (6) $12,325.25. E. (9) $361.81.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Frances A. Zwenig, Center to Protect Workers' Rights, 815-16th Street NW., Washington, D.C. 20006.
B. Center to Protect Workers' Rights, 815-16th Street NW., Washington, D.C. 20006.
D. (6) $6,000.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the third calendar quarter of 1980 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)

6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year

8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $.....Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor*
	(*"Period"* from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures

9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year

11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Kootznoowoo, Inc., P.O. Box 116, Angoon, Alaska 99820.

A. Abourezk, Shack & Mendenhall, 1129 20th Street NW., Suite 500, Washington, D.C. 20036.
B. Seneca-Cayuga Tribe of Oklahoma, P.O. Box 1283, Miami, Okla. 74354.

A. Albert E. Abrahams, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $5,875. E. (9) $369.87.

A. Action for Children's Television, 46 Austin Street, Newtonville, Mass. 02160
D. (6) $17,128.50. E. (9) $701.13.

A. Charles F. Adams, American Association of Advertising Agencies, 1899 L Street NW., Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $5,000. E. (9) $750.

A. Thomas L. Adams, Jr., Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. The Adherence Group, Inc., 21 West Street, New York, N.Y. 10006.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $5,420. E. (9) $4,796.87.

A. Robert S. Agman, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,217.45. E. (9) $27.

A. Air-Conditioning & Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $21,000. E. (9) $4,870.

A. Air Products and Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
E. (9) $50.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $11,995. E. (9) $11,995.

A. Alaska Coalition, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $112,809.47. E. (9) $127,871.14.

A. David Alberswerth, 1006 Massachusetts Avenue NE., Washington, D.C. 20002.
B. Western Organization of Resource Councils, 317 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $1,032.

A. Jonathan Alter, The Save the Dunes Council, 308 Second Street SE., Washington, D.C. 20003.
B. The Save the Dunes Council, Box 114, Beverly Shores, Ind. 46301.
D. (6) $1,950. E. (9) $1,185.28.

A. AMATEX Corp., 1032 Stanbridge Street, Norristown, Pa. 19404.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $6,767.52. E. (9) $6,767.52.

A. American Association for Respiratory Therapy, 1720 Regal Row, No. 112, Dallas Tex. 75235.
D. (6) $1,916. E. (9) $10,934.37.

A. American Association of Port Authorities, Inc., 1612 K Street NW., Washington, D.C. 20006.
D. (6) $25,000. E. (9) $10,155.09.

A. American Cancer Society, Inc., 777 Third Avenue, New York, N.Y. 10017.
E. (9) $1,813.50.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $20,839.51. E. (9) $20,839.51.

A. American Federation of State, County & Municipal Employees, AFL-CIO, 1625 L Street NW., Washington, D.C. 20036.
E. (9) $66,788.16.

A. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500. E. (9) $2,500.

A. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $23,351. E. (9) $23,351.

A. American Health Planning Association, 1601 Connecticut Avenue NW., Suite 700, Washington, D.C. 20009.
D. (6) $21,666.17. E. (9) $2,881.10.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $18,853.04. E. (9) $18,924.68.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $1,608. E. (9) $1,608.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $45.13.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $75,544.52.

A. The American Wind Energy Association, 1609 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $2,070. E. (9) $2,103.51.

A. Americans for the National Voter Initiative Amendment, 3115 N Street NW., Washington, D.C. 20007.
D. (6) $5,000. E. (9) $8,226.

A. Nancy Amidei, Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $514.48.

A. Scott G. Anderson, Burlington Northern Inc., 413 New Jersey Avenue SE., Washington, D.C. 20003.
B. Burlington Northern Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $1,900. E. (9) $1,612.18.

A. Emmet Andrews, American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $7,836.40.

A. Leonard Appel, Woods, Villalon, Hollengreen & Lindeman 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., & Port Gardner Timber Co., Inc., P.O. Box 1478, Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
D. (6) $6,739.36. E. (9) $177.17.

A. Roy A. Archibald, National Education Association, California Teachers Association, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $953. E. (9) $1,332.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Coordinating Committee for Multiemployer Plans, 816 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $15,000. E. (9) $1,285.

A. Arnold & Porter, 1200 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 490 L'Enfant Plaza, Suite 3112, Washington, D.C.
D. (6) $4,280. E. (9) $10.80.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Builders and Contractors, Inc., 444 North Capitol Street NW., Suite 409, Washington, D.C. 20001.
D. (6) $17,628. E. (9) $159.58.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association of American Railroads, American Railroads Building, 1920 L Street NW., No. 720, Washington, D.C. 20036.
D. (6) $28,424.62. E. (9) $28,424.62.

A. Association of Data Processing Services Organization, Inc, (ADAPSO), 1300 North 17th Street, Suite 300, Arlington, Va. 22209.
E. (9) $15,445.06.

A. The Association of Private Pension and Welfare Plans, Inc., 1725 K Street NW., Suite 801, Washington, D.C. 20006.

A. James A. Austin, 1701 North Fort Myer Drive, Arlington, Va. 22209.
B. American Feed Manufacturers Association, 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $2,500.

A. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019
E. (9) $627.85.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Alvin Nederlander Association, Inc.), 1564 Broadway, New York, N.Y. 10036.
D. (6) $2,500.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Westinghouse), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $2,500.

A. Robert A. Bacha, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

B. The Keefe Co. (for Youngs Drug Products Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $500.

A. Margaretha H. Backers, 5534 Crossrail Court, Burke, Va. 22015.
B. Populations Action Counsel, 2101 L Street NW., Washington, D.C. 20037.

A. Dennis J. Baker, Norton Co., 1 New Bond Street, Worcester, Mass. 01606.
B. Norton Co., 1 New Bond Street, Worcester, Mass. 01606.
D. (6) $6450.

A. Baker & Hostetler, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cleveland Institute of Electronics, 1776 East 17th Street, Cleveland, Ohio 44114.
D. (6) $156.25. E. (9) $4.

A. George C. Baker, 220 S. Clovis Avenue, Fresno, Calif. 93727.
B. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $562.50.

A. Albert L. Baldock, Richardson-Merrell, Inc., 1050 17th Street NW., Washington, D.C. 20036.
B. Richardson-Merrell, Inc., 10 Westport Road, Wilton, Conn. 06897.
D. (6) $140,000. E. (9) $2,500.

A. Donald F. Bale, 7436 Chummley Court, Falls Church, Va. 22043.
B. Center to Protect Workers Rights, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $9,999.99. E. (9) $290.80.

A. Michael Baly III, American Gas Association, 1515 Wilson Boulevard, Arlington, VA 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, VA. 22209
D. (6) $3,481. E. (9) $568.79.

A. Sheila MacDonald Bamberger, 311 First Street NW., Washington, D.C. 20001.
B. National Restaurant Association, 311 First Street NW., Washington, D.C. 20001.
D. (6) $3,000. E. (9) $34.30.

A. Dennis J. Barbour, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.
B. American College of Preventive Medicine, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.

A. Dennis J. Barbour, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.
B. Association of Teachers of Preventive Medicine, 1015 15th Street NW., Suite 403, Washington, D.C. 20005.

A. Larry P. Barnett, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Robert E. Bates, Fr., Mobil Oil Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125. E. (9) $18.64.

A. Batzell, Nunn & Bode, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
B. Emergency Small Independent Refiners Task Force, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
D. (6) $500.

A. Batzell, Nunn & Bode, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1015 15th Street NW., Washington, D.C. 20005.
D. (6) $500.

A. Batzell, Nunn & Bode, 1015 15th Street NW., Suite 1100, Washington, D.C. 20005.
B. Mount Airy Refining Co., International Energy Building, 265 North Belt East, Suite 150, Houston, Tex. 77060.
D. (6) $500.

A. Gary L. Bauer, Direct Mail-Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc., 6 East 43d Street, 12th floor, New York, N.Y. 10017.

A. James R. Baxter, 2033 K Street NW., Suite 200, Washington, D.C. 20006.
B. National Construction Employers Council, 2033 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $475.

A. Michael K. Beard, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. National Coalition To Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $4,485. E. (9) $1,340

A. Hubert Beatty, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Berard, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Peggy Berk, Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017.
B. Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017 (for William M. Mercer, Inc., 1211 Avenue of the Americas, New York, N.Y. 10036).

A. Robert B. Betz, American Hospital Association, 44 North Capitol Street NW., No. 500, Washington D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill, 60611.
D. (6) $1,691.91 E. (9) $315.91.

A. Sarah Massengale Billock, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago. Ill., 60611.
D. (6) $378.53. E. (9) $52.75.

A. Smith Blair, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $414.

A. Helen K. Blank, 1520 New Hampshire Avenue NW., Washington, D.C. 20036
B. Children's Defense Fund, 1520 New Hampshire Avenue NW., Washington, D.C. 20036
D. (6) $615. E. (9) $6.90.

A. Blount International, Ltd., P.O. Box 4577, Montgomery, Ala. 36101.
E. (9) $6,404.65

A. Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $125. E. (9) $8.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. General Electric Co., 3125 Easton Turnpike, Building WS-23, Fairfield, Conn. 06431.
D. (6) $4,750. E. (9) $312.

A. Blum & Nash, 1015 18th Street NW., No. 408, Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $1,250. E. (9) $9.50.

A. Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Boasberg, Hewes, Klores, Feldesman & Tucker, 2101 L Street NW., Suite 906, Washington, D.C. 20037.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $1,791.67.

A. Edward N. Bond, Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,000. E. (9) $800.03.

A. Connie Borken-Hagen, 29 Cambridge Street, London SWI England.
B. American Chamber of Commerce (U.K.), 75 Brook Street, London W.I.

A. The Boston Shipping Association, Inc., 223 Lewis Wharf, Boston, Mass. 02110.
E. (9) $5,434.26.

A. Mary M. Bourdette, 733 15th Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $836.64. E. (9) $35.35.

A. Robert K. Boyd, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $3,200. E. (9) $619.95.

A. Boyden, Kennedy & Romney, 1000 Kennecott Building, 10 East South Temple, Salt Lake City, Utah 84133.
B. Hopi Indian Tribe, New Oraibi, Ariz. 86039.
D. (6) $4,792. E. (9) $1,927.47.

A. Bradley, Arant, Rose & White, 1500 Brown-Marx Building, Birmingham, Ala. 35203.
B. Blount International, Ltd., P.O. Box 4577, Montgomery, Ala. 36101.
D. (6) $5,579.65. E. (9) $793.40.

A. Dan J. Bradley, 733 15th Street NW., Washington, D.C. 20005.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $462.42. E. (9) $7.75.

A. Mitchell H. Bradley, American Society of Mechanical Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. American Society of Mechanical Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. Dennis M. Bradshaw, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Jerry M. Brady, 1000 Potomac Street NW., Washington, D.C. 20007.
B. Thermo-Electron, Inc., 101 First Avenue, Waltham, Mass. 02154.

A. Peter Elliot Braveman, 500 Newport Center Drive, Suite 555, Newport Beach, Calif.
B. Loeb and Loeb, 1 Wilshire Boulevard, 16th floor, Los Angeles, Calif. 90017; (for Joan Irvine Smith).
D. (6) $37,500. E. (9) $2,000.

A. Michael J. Brennan, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Bridge, Structural and Ornamental Iron Workers, AFL-CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $8,580. E. (9) $255.71.

A. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $51,740. E. (9) $51,740.

A. Ellen S. Brown, 1000 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.
B. Council of Energy Research Tribes, 1000 Connecticut Avenue NW., Suite 610, Washington, D.C. 20036.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passiac Avenue, Fairfield, N.J. 07006.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, Inc., 1919 Pennsylvania Avenue NW., Suite 702, Washington, D.C. 20006.

A. John J. Brown, 1125 17th Street NW., Washington, D.C. 20036.
B. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $275.

A. Brown, Todd & Heyburn, 1600 Citizens Plaza, Louisville, Ky. 40202.
B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. 40232.
E. (9) $52.80.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. New York City Housing Development Corp., 42 Broadway, 10th floor, New York, N.Y. 10004.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. New York City Urban Development Corp., 1515 Broadway, New York, N.Y. 10036.

A. Brownstein Zeidman & Schomer, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.
B. New York State Mortgage Loan Enforcement & Administration Corp., 11 West 42d Street, New York, N.Y. 10036.

A. Marguerite E. Bryan, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.
B. Joint Maritime Congress, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $50.48.

A. William J. Burhop, Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,000.

A. B. Kent Burton, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $115.45.

A. John M. Burzio, Hydeman, Mason & Goodell, P.C., 1220 19th Street NW., Washington, D.C. 20036.
B. Magazine Publishers Association, Inc., Magazine Center, 575 Lexington Avenue, New York, N.Y. 10022.
E. (9) $30.25.

A. Busby, Rehm and Leonard, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Automobile Importers of America, Inc., 1735 Jefferson Davis Highway, Arlington, Va. 22202.

A. Busby, Rehm and Leonard, 1629 K Street NW., Suite 1100, Washington, D.C. 20006.
B. Bacardi Imports Inc., 2100 Biscayne Boulevard, Miami, Fla. 33137.
D. (6) $250. E. (9) $10.

A. Christine Bushway, United Egg Producers, 499 South Capitol Street SW., No. 411, Washington, D.C. 20003.
B. United Egg Producers, 3951 Snapfinger Parkway, No. 580, Decatur, Ga. 30035.
D. (6) $4,000.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. City of Philadelphia, 1600 Municipal Services Building, Philadelphia, Pa. 19107.
E. (9) $28,354.89.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Dorchester Sea-3 Products, Inc., 1300 Main Street, Houston, Tex. 77002.

A. Butler, Binion, Rice, Cook & Knapp, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Seatrain Lines, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.
D. (6) $2,910.

A. John W. Byrnes, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006 (for Cabot Corp.).

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Ferro Corp., Cataphote Division, P.O. Box 2369, Jackson, Miss. 39205; General Steel Industries, Inc., Flex-O-Lite Division, P.O. Box 4366, St. Louis, Mo. 63123.
D. (6) $3,000.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $4,000.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Safetran Systems Corp., 7721 National Turnpike, Louisville, Ky. 40214.
D. (6) $3,750.

A. Arthur E. Cameron, 499 South Capitol Street SW., Suite 110, Washington, D.C. 20003.
B. Prismo Universal Corp., 300 Lanidex Plaza, Parsippany, N.J. 07054., et al.
D. (6) $5,499.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. ACLI International, Inc., New York City, N.Y.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Champlin Petroleum Co., 345 Park Avenue, New York, N.Y. 10022.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Chemical Manufacturer's Association, 1825 Connecticut Avenue NW., Suite 401, Washington, D.C. 20009.
D. (6) $1,500.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Committee of Railroad Shippers, 2550 M Street NW., 8th floor, Washington, D.C. 20037.
D. (6) $1,387.50

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Eastern Central Motor Carrier Association, Inc., P.O. Box 3600, Akron, Ohio 44310.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Louisiana Gasification Associates, 1 Gateway Center, Pittsburgh, Pa. 15222.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Mobil Oil Corp.; 150 East 42d Street, 30th floor, New York City, N.Y. 10017.
D. (6) $1,612.50.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Occidental Petroleum Corp., 10889 Wilshire Boulevard, Suite 1500, Los Angeles, Calif.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Offshore Marine Services Association, Suite G, 2701 Houma Boulevard, Metairie, La. 70002.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Pennzoil Co., Suite 602, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $150.

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Rocky Mountain Energy Corp., 345 Park Avenue, New York, N.Y. 10022

A. Camp, Carmouche, Palmer, Barsh & Hunter, 2550 M Street, Suite 695, Washington, D.C. 20037.
B. Union Pacific Railroad, 345 Park Avenue, New York, N.Y. 10022.
D. (6) $150.

A. Camp, Carmouche, Palmer, Barsch & Hunter, 2550 M Street NW., Suite 695, Washington, D.C. 20037.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. Aetna Life & Casualty Co., 151 Farmington, Avenue, Harford, Conn. 06115.
D. (6) $29,500. E. (9) $217.92.

A. Caplin & Drysdale, 1101 17th Street NW., Washington, D.C. 20036.
B. American Family Life Assurance Co. of Georgia, P.O. Box 1459, Columbus, Ga. 31902.

A. Charles T. Carroll, Jr., 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington D.C. 20006.
D. (6) $2,500. E. (9) $500.

A. Joseph L. Carter, Jr., Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington D.C. 20036
D. (6) $560. E. (9) $41.33.

A. John J. Castellani, National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $660. E. (9) $11.50.

A. Catholics for a Free Choice, Inc., 1411 K Street NW., Suite 430, Washington, D.C. 20005.
D. (6) $8,516.

A. Cayman Turtle Farm, Ltd., P.O. Box 645, Grand Cayman Island, Cayman Islands, British West Indies.
E. (9) $250

A. Central Lincoln People's Utility District, 255 SW., Coast Highway, Newport, Oreg. 97365.
E. (9) $1,935.20

A. Steven M. Champlin, Vietnam Veterans of America, Inc., 329 8th Street NE., Washington, D.C. 20002.
B. Vietnam Veterans of America, Inc., 212 Fifth Avenue, Room 703, New York, N.Y. 10010.
D. (6) $1,050. E. (9) $1,218.84.

A. Yvonne Chicoine, American Conservative Union, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Conservative Union, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky. 41101.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Crown Central Petroleum Corp., 1 North Charles, P.O. Box 1168, Baltimore, Md. 21203.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Petroleum Refining & Supply, Sdad., Ltda., 1270 Avenue of the Americas, Suite 2308, New York, N.Y. 10020.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Processors, 4100 One Shell Square, New Orleans, La. 70139.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Seaview Petroleum Co., P.O. Box 231, Blue Bell, Pa. 19422.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif., 90504.

A. Donald D. Clancy, 7403 Greenfarms Drive, Cincinnati, Ohio 45224.
B. Tele-Press Associates, Inc., 341 East 79th Street, New York, N.Y. 10021; (for Japan Fisheries Association).
D. (6) $6,500. E. (9) $2,447.15.

A. Kimball Clark, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $497.64. E. (9) $266.74.

A. Clean Water Action Project, Suite 200, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $102,533. E. (9) $3,076.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Columbia Nitrogen Corp., P.O. Box 1483, Augusta, Ga. 30903; Nipro, Inc., P.O. Box 1483, Augusta, Ga. 30903.
D. (6) $375. E. (9) $29.30.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sporting Arms and Ammunition Manufacturers Institute, 420 Lexington Avenue, New York, N.Y. 10017.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10583.

A. Ronald D. Clements, 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $1,525. E. (9) $425.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Tour Brokers Association, Inc., 120 Kentucky Avenue, Lexington, Ky. 40502.
E. (9) $16.

A. Clifford & Warnke, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Charles M. Clusen, The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,652.91. E. (9) $189.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.
B. Service Station Dealers of America, Inc., 2021 K Street NW., Washington, D.C. 20006.
D. (6) $3,000.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Estate of Sylvia S. Buring, 1837 Harbor Avenue, Memphis, Tenn. 38113.
E. (9) $306.93.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Northwest Energy Co., 315 East 200 South, Salt Lake City, Utah 84111.
D. (6) $17,092.50. E. (9) $722.21.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017
D. (6) $18,600 E. (9) $153.23.

A. Cohen & Uretz, 1775 K Street NW., Washington, D.C. 20006.
B. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33138.
D. (6) $12,515. E. (9) $97.76

A. Timothy A. Colcord, 1620 I Street NW., Washington, D.C. 20006.
B. Visa, U.S.A., Inc., 300 Clearview Way, San Mateo, Calif. 94403.
D. (6) $6,875. E. (9) $4,497.75

A. Collier, Shannon, Rill & Scott, 1055 Thomas Jefferson Street NW., Washington, D.C. 20007.
B. Allegheny Ludlum Industries, Inc., Two Oliver Plaza, Pittsburgh, Pa. 15222.

A. Frank Collins, 1126 16th Street NW., Washington, D.C. 20036
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,000.

A. Paul L. Collins, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. Committee for 806.30 and 807, Inc., 1611 North Kent Street, Suite 800, Arlington, Va. 22209.
D. (6) $8,401.33 E. (9) $11,584.23

A. Stephen R. Conafay, 1700 Pennsylvania Avenue NW., No. 730, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017
D. (6) $450. E. (9) $256.45

A. George A. Conn, Paralyzed Veterans of America, 4350 East-West Highway, Suite 900, Washington, D.C. 20014.
D. (6) $30,000.

A. Stephen N. Conner, Route 1, Box 165, Easton, Md. 21601.
B. Ministry of Foreign Affairs, Kingdom of Saudi Arabia, care of Royal Embassy of

Saudi Arabia, 1520 18th Street NW., Washington, D.C.
D. (6) $10,000 E. (9) $1,236.82.

A. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $82,483.44.

A. Harry N. Cook, 1130 17th Street NW., Washington, D.C. 20036.
B. Waterways Conference.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Aleutian/Pribilof Islands Association Inc., 1689 C Street, Anchorage, Alaska 99501.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $1,800.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Bank of Louisville, 500 West Broadway, Louisville, Ky. 40202.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Citizens Deposit Bank, P.O. Box 8, Vanceburg, Ky. 41179.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Co., Four Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $2,000.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. N.C. Machinery, Box 3562, Seattle, Wash. 98124.
D. (6) $500.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc., 401 Carew Tower, Cincinnati, Ohio 45202.
D. (6) $750.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Roadway Express, Inc., P.O. Box 471, 1077 Gorge Blvd., Akron, Ohio 44309.
D. (6) $1,524.50. E. (9) $50.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. St. George Tanaq Corp.
D. (6) $250.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Texaco, Inc., 2000 Westchester Avenue, White Plains, N.Y. 10650.
D. (6) $1,000.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. Texas Gas Transmission Corp., 3800 Frederica Street, Owensboro, Ky. 42301.
D. (6) $2,000. E. (9) $139.75.

A. Cook, Purcell, Hansen & Henderson, 1015 18th Street NW., Washington, D.C. 20036.
B. The Tobacco Institute, 1875 I Street NW., 8th floor, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $91.57.

A. Edward Cooney, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $7443.53. E. (9) $19.75

A. P. H. Corcoran, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

A. Allan D. Cors, Corning Glass Works, 1800 K Street, Suite 1104, Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $300.

A. William R. Corson, 1707 H Street NW, Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $8,750. E. (9) $6,180.

A. Diane M. Costenoble, 815 16th Street NW., Washington, D.C. 20006.
B. Food and Beverage Trades Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $340.87. E(9) $5.65.

A. Council of Industrial Boiler Owners, 11222 Silverleaf Drive, Fairfax Station, Va. 22039.
E. (9) $300.

A. Roger C. Courtney, American Psychiatric Association, 1333 New Hampshire Avenue NW., Suite 670, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
D. (6) $200.

A. Kenneth A. Cox, 1150 17th Street NW., Washington, D.C. 20036.
B. MCI Communications Corp., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $6,669. E. (9) $42.40.

A. Cramer & Lipsen, 1700 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. Cramer & Lipsen, 1700 Pennsylvania Avenue NW., Suite 550, Washington, D.C. 20006.
B. U.S. and Overseas Employee Tax Fairness Committee, 1101 15th Street NW., Suite 1000, Washington, D.C. 20005.
D. (6) $7,500.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $5,000. E. (9) $500.

A. James H. Cromwell, Sr., 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $3,000. E. (9) $500.

A. Cummins Engine Co., Inc., Columbus, Ind. 47201.

A. William Cunningham, P.O. Box 1184, Helena, Mont. 59601.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $336.89. E. (9) $46.60.

A. Henry G. Curtis, 2121 Fifth Avenue, Seattle, Wash. 98121.
B. Industrial Customers of BPA, 464 Lloyd Building, 700 Northeast Multnomah Street, Portland, Oreg. 97232.
D. (6) $275. E. (9) $797.98.

A. Jay B. Cutler, American Psychiatric Association, 1333 New Hampshire Avenue NW., Suite 670, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $4,257. E. (9) $882,10.

A. Daniels, Houlihan & Palmeter, 1819 H Street NW., No. 340, Washington, D.C. 20006.
B. American Importers Association, 11 West 42d Street, New York, N.Y. 10036.
D. (6) $3,750. E. (9) $634.62.

A. Daniels, Houlihan & Palmeter, P. C., 1819 H Street NW., Washington, D.C. 20006.
B. Korean Traders Association, 10-1, 2-KA Hoehyun-Dong, Chung Ku, Seoul, Korea.

A. John L. Davidson, Jr., The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63101.
B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63101.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Agrico Chemical Co., P.O. Box 3166, Tulsa, Okla. 74101.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Anheuser-Busch, Inc., 721 Pestalozzi Street, St. Louis, Mo. 63118.
D. (6) $1,500.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Beneficial Corp., Wilmington, Del.
D. (6) $5,000.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Dial Finance Corp., 207 Ninth Street, Des Moines, Iowa 50307.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Hormel Foundation, Austin, Minn. 55912.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Ingersoll-Rand Co., Woodcliff Lake, N.J. 07675

D. (6) $1,000.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. International Paper Co., 220 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Kellogg Co., 235 Porter Street, Battle Creek, Mich. 49016.
D. (6) $7,500.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. W.K. Kellogg Foundation, Battle Creek, Mich. 49016.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $1,000.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.
D. (6) $10,950.

A. Dawson, Riddell, Fox, Holroyd & Wilson, 723 Washington Building, Washington, D.C. 20005.
B. The Williams Companies, One Williams Center, Tulsa, Okla. 74101.

A. Brian Deery, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Tania L. Demchuk, 499 South Capitol Street SW., Suite 401, Washington, D.C. 20003.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $100.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Can Co., American Lane, Greenwich, Conn. 06830.

A. Dewey, Ballantine, Bushby, Palmer & Wood, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Edgar Schwaibold, 307 North Harrison Street, Ludington, Mich. 49431.

A. Nancy Dietz, 45 Everett Street, Newton Center, Mass. 02159; and 46 Austin Street, Newtonville, Mass. 02160.
B. Action for Children's Television, 46 Austin Street, Newtonville, Mass. 02160.
D. (6) $500. E. (9) $24.36.

A. Timothy V. A. Dillon, 1850 K Street NW., No. 380, Washington, D.C. 20006.
B. Westlands Water District, P.O. Box 5222, Fresno, Calif. 93755.
D. (6) $3,324.66. E. (9) $199.66.

A. John D. Doherty, Jr., Chase Manhattan Bank, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10081.
D. (6) $106.75. E. (9) $38.37.

A. Julie Domenick, Municipal Labor Committee, 818 18th Street NW., Suite 750, Washington, D.C. 20036.
B. Municipal Labor Committee, 140 Park Place, New York, N.Y. 10007.
D. (6) $9,938.51. E. (9) $1,619.85.

A. Domestic Petroleum Council, 1101 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $25,000. E. (9) $9,796.26.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. H. Eugene Douglas, Memorex Corp., 1970 Chain Bridge Road, McLean Va. 22102.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $5,000.

A. Theodore Douglas, 2501 59th Street, St. Louis, Mo. 63130.
B. Conference of Painters and Allied Trades, 2501 59th Street, St. Louis, Mo. 63130.
E. (9) $571.43.

A. Richard Morgan Downey, Amerian Speech and Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
B. Amerian Speech and Hearing Association, 10801 Rockville Pike, Rockville, Md. 20852.
D. (6) $7,250.

A. Beatrice P. Doyle, 1638 Rose Street, Pittsburgh, Pa. 15218.
B. Alaska Coalition, 530 7th Street SE., Washington, D.C. 20003.
D. (6) $994.73.

A. Jerome L. Dreyer, 1300 North 17th Street, Suite 300, Arlington, Va. 22209.
B. Association of Data Processing Services Organizations, Inc., 1300 North 17th Street, Suite 300, Arlington, Va. 22209.

A. C. R. Duggan, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $800. E. (9) $600.

A. Francis J. Duggan, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $718.61. E. (9) $219.60.

A. Michael V. Durando, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $3,250. E. (9) $43.

A. R. Ken Dyar, 1620 Southeast 127th Avenue, Vancouver, Wash. 98664.
B. Central Lincoln People's Utility District, 255 Southwest Coast Highway, Newport, Oreg. 97365.
D. (6) $452.45. E. (9) $296.44.

A. Harold F. Eberle, Independent Insurance Agents of America, Inc., 1120 19th Street NW., Suite 503, Washington, D.C. 20036.
B. Independent Insurance Agents of America, Inc., 85 John Street, New York, N.Y. 10038.
D. (6) $3,870.20.

A. Ed Edmondson, P.O. Box 11, Muskogee, Okla. 74401.
B. Doss Aviation, Inc., P.O. Box 725, Fort Rucker, Ala. 36360.

A. Phyllis Eisen, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $328. E. (9) $28.

A. Adelaide K. Eisenmann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, 5700 Southwest 59th Court, Miami, Fla. 33143.

A. Richard Eisemann, 607 G Street SW., Washington, D.C. 20024.
B. Panamanian Committee for Human Rights, 5700 Southwest 59th Court, Miami, Fla. 33143.
E. (9) $49.80.

A. Jonathan P. Ela, Sierra Club, 142 W. Gorham Street, Madison, Wisc. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif 94108.
D. (6) $960. E. (9) $3,015.19.

A. Jane E. Elder, Sierra Club, 142 West Gorham Street, Madison, Wis. 53703.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,000.

A. John Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dorothy A. Ellsworth, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,868.85. E. (9) $97.65.

A. Joseph T. Elvove, 54 Surfwatch Drive, Kiawah Island, S.C. 29455.
B. Publicker Industries, Inc., 777 West Putnam Avenue, Greenwich, Conn. 06830.
D. (6) $14,250. E. (9) $8,434.83.

A. Carl F. Emde, Air Products & Chemicals, Inc., 1800 K Street NW., Suite 1016, Washington, D.C. 20006.
B. Air Products & Chemicals, Inc., P.O. Box 538, Allentown, Pa. 18105.
D. (6) $50.

A. Christopher Engquist, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Vickie Erickson, Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $600.

A. John M. Erskine, Jr., 1108 Lavaca, Suite 400, Austin, Tex. 78701.
B. Standard Oil Co. (Indiana), P.O. Box 3092, Houston, Tex. 77001.
D. (6) $769.23. E. (9) $58.59.

A. Thomas E. Esterly, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $45.35.

A. Evans Products Co., 1121 South West Salmon Street, Portland, Oreg. 97205.

A. William J. Evans, 1800 K Street NW., Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., Washington, D.C. 20006.
D. (6) $85.00. E. (9) $93.

A. Dale W. Fallat, First Federal Building, 5740 Southwyck Boulevard, Toledo, Ohio 43614.
B. The Andersons, P.O. Box 119, Maumee, Ohio 43537.
D. (6) $525. E. (9) $180.

A. Michael I. Fanning, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Far West Ski Association, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
E. (9) $1,164.60.

A. Clinton Fawcett, The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.
B. The Coastal Corp., 9 Greenway Plaza, Houston, Tex. 77046.

A. Federal Express Corp., P.O. Box 727, Memphis, Tenn. 38194.
E. (9) $29,079.73.

A. Federation for American Immigration Reform, 2028 P Street NW., Washington, D.C. 20036.
E. (9) $2,399.30.

A. Bradford L. Ferguson, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Chicago Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,350. E. (9) $373.15.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. Alascom, 949 East 36th Avenue, Anchorage, Alaska 99502.
D. (6) $2,600. E. (9) $650.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NW., Washington, D.C. 20002
B. Alaska International Industries, 3201 C Street, Suite 600, Anchorage, Alaska 99503.
D. (6) $1,900. E. (9) $675.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002.
B. Northwest Alaskan Pipeline Co., P.O. Box 1526, Salt Lake City, Utah 84810.
D. (6) $5,100. E. (9) $690.

A. Jack Ferguson Associates, Inc., 203 Maryland Avenue NE., Washington, D.C. 20002
B. U.S. Borax & Chemical Corp., 3075 Wilshire Boulevard, Los Angeles, Calif. 90010.
D. (6) $12,850. E. (9) $810.

A. Theodora Fine, American Psychiatric Association, 1333 New Hampshire Avenue NW., Suite 670, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $1,786. E. (9) $743.08.

A. William C. Finneran, Jr., 60 East 42d Street, Room 3510, New York, N.Y. 10165.

The General Contractors Association of New York, Inc., 60 East 42d Street, New York, N.Y. 10165.

A. First Congressional District Action Committee, 6 Maxfield Court, Barrington, R.I. 02806.
E. (9) $197.01.

A. First Pro-Life Congressional District Action Committee, 10 North 77th Avenue, Pensacola, Fla. 32506.
D. (6) $60.

A. David M. Fitzgerald, 205 The Strand, Alexandria, Va. 22314.
B. Goodyear Aerospace Corporation, 1210 Massillon Road, Akron, Ohio 44315.
D. (6) $1,500.

A. David M. Fitzgerald, 205 The Strand, Alexandria, Va. 22314.
B. Litton Data Systems, P.O. Box 7601, Van Nuys, Calif. 91409.
D. (6) $1,200.

A. Mary Clare Fitzgerald, The Chase Manhattan Bank, 900 17th Street NW., Washington, D.C. 20006.
The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10081.
D. (6) $255. E. (9) $38.37.

A. T. E. Fitzgerald, 18913 Quail Valley Boulevard, Gaithersburg, Md. 20760.
B. Household Finance Corp., HFC International Headquarters, 2700 Sanders Road, Prospect Heights, Ill. 60070.
D. (6) $3,317. E. (9) $1,509.40.

A. Five Freedoms, Inc., P.O. Box 656, Columbia, Md. 21045.

A. Charles D. Fleishman, 2625 Clearbrook Drive, Arlington Heights, Ill. 60005.
B. American Fishing Tackle Manufacturers Association, 2625 Clearbrook Drive, Arlington Heights Ill. 60005.
D. (6) $1,725. E. (9) $1,181.66.

A. Foley, Lardner, Hollabaugh & Jacobs, 1775 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cabot Corporation and Subsidiaries, 125 High Street, Boston, Mass. 02110.

A. Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
E. (9) $24,183.47.

A. Foodservice & Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. David H. Foster, Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
B. Natural Gas Supply Association, 1025 Connecticut Avenue NW., Suite 402, Washington, D.C. 20036.
D. (6) $3,562.51. E. (9) $620.95.

A. Albert A. Fox, Allied Chemical Corp., 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Allied Chemical Corp., P.O. Box 3000-R, Morristown, N.J. 07960.
D. (6) $300. E. (9) $95.33.

A. William C. France, National Motorsports Committee of ACCUS, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.

A. William H. G. France, National Motorsports Committee of ACCUS, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, 1701 K Street NW., Suite 1204, Washington, D.C. 20006.

A. J. Dee Frankfourth, P.O. Box 403, Eagle River, Alaska 99577.
B. Alaska Coalition, 530 7th Street SE., Washington, D.C. 20003.
D. (6) $2,600. E. (9) $174.37.

A. David W. Freer, Western Oil & Gas Association, 2101 L Street NW., Suite 555, Washington, D.C. 20037.
B. Western Oil & Gas Association, 727 West 7th Street, Suite 850, Los Angeles, Calif. 90017.
D. (6) $825.

A. Pamela B. Freer, International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $4,610. E. (9) $493.35.

A. Owen V. Frisby, The Chase Manhattan Bank, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10081.
D. (6) $1,050. E. (9) $132.85.

A. Gustave Fritschie, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $6,000. E. (9) $50.

A. Robert D. Fritz, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $2,560. E. (9) $1,800.

A. Cary F. Fulbright, Hill & Knowlton, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017 (for the Navajo Nation, Window Rock, Ariz. 86515).

A. G-4 Children's Coalition, 9309 Delfield Street, Chevy Chase, Md. 20015.
D. (6) $530.

A. Robert P. Gardner, Standard Brands Food Co., 1899 L Street NW., Washington, D.C. 20036.
B. Standard Brands Food Co., Standard Brands, Inc., 625 Madison Avenue, New York, N.Y. 10022.
D. (6) $700.

A. Theodore J. Garrish, 1607 New Hampshire Avenue NW., Washington, D.C. 20009.
B. American Metal Detectors Manufacturers, Inc., 2814 National Drive, Garland, Tex. 75041.

A. Marie Gavigan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. The General Contractors Association of New York, Inc., 60 East 42d Street, Room 3510, New York, N.Y. 10165.
E. (9) $261.37.

A. General Instrument Corp., 1775 Broadway, New York, N.Y. 10019.
D. (6) $1500. E. (9) $514.19.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Ak-Chin Indian Community Council, Route 2, Box 27, Maricopa, Ariz. 85239.
D. (6) $420.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Colville Business Council, Box 150, Nespelem, Wash. 99155.
D. (6) $2,416. E. (9) $41.32.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Commissioned Officers Association, U.S. Public Health Service, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $464.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Inter-Tribal Council of Arizona, 124 West Thomas Road, Phoenix, Ariz.
D. (6) $150.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. The Minnesota Chippewa Tribe, P.O. Box 217, Cass Lake, Minn. 55633.
D. (6) $478. E. (9) $42.37.

A. Gerard, Byler & Associates, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Papago Tribe of Arizona, Box 837, Sells, Ariz. 85634.
D. (6) $714. E. (9) $4.

A. Gerard, Byler & Associated, Inc., 1100 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. The Tulalip Tribes, 6700 Totem Beach Road, Marysville, Wash. 98270.
D. (6) $1,520. E. (9) $14.25.

A. William G. Giery, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Foodservice and Lodging Institute, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Larry Glantz, National Employment Law Project, 236 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Employment Law Project, 236 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,250. E. $640.

A. Robert G. Glavin, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,144.50.

A. Claude R. Glaze, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $800 E. (9) $600.

A. The Glenmede Trust Co., 229 South 18th Street, Philadelphia, Pa. 19103.

A. Carl Goldfield, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Suite 212, Washington, D.C. 20037.
D. (6) $500.

A. Neil B. Goldstein, Sierra Club, 800 Second Avenue, New York, N.Y. 10017.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,234.97. E. (9) $1,720.88.

A. Alfonso J. Gonzalez, National Association of Social Workers, Inc., 1425 H Street NW., Suite 600, Washington, D.C. 20005.
B. National Association of Social Workers, Inc., 1425 H Street NW., Suite 600, Washington, D.C. 20005.
D. (6) $9,000. E. (9) $670.

A. Michael R. Graul, Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,000.

A. Ruth P. Graves, c/o RIF, Inc., 475 L'Enfant Plaza, Suite 4800, Washington, D.C. 20560.
B. Reading Is Fundamental, Inc., 475 L'Enfant Plaza, Suite 4800, Washington, D.C. 20560.
D. (6) $25. E. (9) $3.40.

A. The Great Atlantic & Pacific Tea Co., Inc., 2 Paragon Drive, Montvale, N.J. 07645.
E. (9) $79.90.

A. Mark Green, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Congress Watch, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. P. Michael Greenwald, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $476.19. E. (9) $23.20.

A. Richard J. Grunewald, 2033 K Street NW., Suite 200, Washington, D.C. 20006.
B. National Construction Employers Council, 2033 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $2,625. E. (9) $1,138.79.

A. John T. Grupenhoff, Science and Health Communications Group, Inc., 1600 Research Boulevard, Suite 105, Rockville, Md. 20850.
B. Mego Corp., 41 Madison Avenue, New York, N.Y. 10010.
D. (6) $2,020.10. E. (9) $2,020.10.

A. David Gusky, National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $7,586.80.

A. Cheryl A. Haley, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $369.66. E. (9) $58.40.

A. Harry L. Hall, National Multiple Sclerosis Society, 1120 20th Street NW., S-520, Washington, D.C. 20036.
B. National Multiple Sclerosis Society, 205 East 42d Street, New York, N.Y. 10017.
D. (6) $4,500.

A. Thomas A. Hammer, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding (for MBPXL Corp.), 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
D. (6) $225.

A. Thomas A. Hammer, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding (for the National Campground Owners Association), Washington, D.C. 20036.

A. Thomas A. Hammer, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding (for Sun-Diamond Growers of California), 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
D. (6) $300.

A. Thomas A. Hammer, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding (for Western Growers Association), 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
D. (6) $500.

A. Handgun Control, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $182,766.77. E. (9) $41,346.41.

A. Erling Hansen, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $375.

A. Harrah's Inc., P.O. Box 10, Reno, Nev. 89504.
E. (9) $750.

A. Thomas R. Hendershot, Obermayer, Rebmann, Maxwell & Hippel, 2011 I Street NW., Suite 500, Washington, D.C. 20006.
B. Petroleum Heat & Power Co., 3000 Peltz Street, Philadelphia, Pa. 19145.
D. (6) $100.13.

A. Hercules, Inc., 910 Market Street, Wilmington, Del. 19899.
E. (9) $10,017.63.

A. Bert Ingalls Hickman, Jr., 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Alvin Nederlander Association Inc.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Bert Ingalls Hickman, Jr., 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for American Family Life Assurance Co.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Bert Ingalls Hickman, Jr., 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for National Coal Consumer Alliance), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Bert Ingalls Hickman, Jr., 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Trans World Airlines), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.

D. (6) $1,250.

A. Bert Ingalls Hickman, Jr., 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Young Drug Products Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Chicago Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,350. E. (9) $373.15.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Commonwealth Edison Co., One First National Plaza, Chicago, Ill. 60603.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. First Chicago Corp. One First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $1,485.

A. Federic W. Hickman, One First National Plaza, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill.
D. (6) $1,100.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago Ill. 60603.
B. Peoples Energy Corp., 122 South Michigan Avenue, Chicago, Ill.
D. (6) $3,100.

A. Frederic W. Hickman, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.

A. E. Joseph Hillings, P.O. Box 44, Winter Park, Fla. 32790.
B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $4,031.99.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
E. (9) $1,200.

A. Howell Corp., 800 Houston Natural Gas Building, Houston, Tex. 77002.

A. Cordell W. Hull, 497 Stockbridge Avenue, Atherton, Calif. 94025.
B. Bechtel Power Corp., 50 Beale Street, P.O. Box 3965, San Francisco, Calif. 94119.

A. Gregory A. Humphrey, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $10,174.08. E. (9) $130.

A. Robert C. Hunt, Cooperative Food Distributors of America, 1910 K Street NW., Suite 700, Washington, D.C. 20006.
B. Cooperative Food Distributors of America, 1910 K Street NW., Suite 700, Washington, D.C. 20006.

A. Hydeman, Mason & Goodell, 1220 19th Street NW., Washington, D.C. 20036.
B. States Line, 320 California Street, San Francisco, Calif. 94101.
D. (6) $21,475. E. (9) $42.05.

A. Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 202, Washington, D.C. 20036.
B. Independent Bankers Association of America, 1168 South Main Street, Sauk Centre, Minn. 56378.
D. (6) $82,889. E. (9) $63,390.01.

A. Independent Data Communications Manufacturer Association Inc., 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $19,592.70. E. (9) $19592.70.

A. Independent Local Newspaper Association, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $7,500.

A. Nancy J. Ingalsbee, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
B. Far West Ski Association, 3325 Wilshire, Suite 1340, Los Angeles, Calif. 90010.
D. (6) $435. E. (9) $729.60.

A. Deborah A. Insley, General Motors Corp., 1660 L Street NW., Suite 800, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $299.34.

A. Institute of Foreign Bankers, 200 Park Avenue, Suite 303 East, Room 23, New York, N.Y. 10017
D. (6) $500. E. (9) $500.

A. International Association of Bridge, Structural, and Ornamental Ironworkers, AFL-CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $8,580.

A. International Association of Machinists, and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $19,931.45.

A. International Communications Association, P.O. Box 10013, Houston, Tex. 77206.
E. (9) $637.50.

A. International Union of Bricklayers and Allied Craftsmen, 815 15th Street NW., Washington, D.C. 20005.
E. (9) $5,075.56.

A. International Union of Operating Engineers, 1125 17th Street NW., Washington, D.C. 20036.
E. (9) $7,875.

A. John D. Isaacs, Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 11 Beacon Street, Boston, Mass. 02108.
D. (6) $4,788.48.

A. Walter K. Jaenicke, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $5,000.

A. E. A. Jaenke & Associates, Inc., 1575 I Street NW., Suite 230, Washington, D.C. 20005.
B. Cooperative League of the USA, 1828 L Street NW., Washington, D.C. 20036
D. (6) $1,000.

A. E. A. Jaenke & Associates, Inc., 1575 I Street NW., Suite 230, Washington, D.C. 20005.
B. Farmland Industries, Kansas City, Mo.
D. (6) $500.

A. E. A. Jaenke & Associates, Inc., 1575 I Street NW., Suite 230, Washington, D.C. 20005.
B. University of Kansas, Lawrence, Kans.
D. (6) $250.

A. Margo L. James, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $3,997.50. E. (9) $195.12.

A. Joseph A. Jeffrey, American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $164.85. E. (9) $42.95.

A. A. W. Jessup, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.
E. (6) $524.79.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.
B. New York Dock Railway & Brooklyn Eastern District Terminal, 334 Furman Street, Brooklyn, N.Y. 11201.
D. (6) $6,975. E. (9) $20.50.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Joint Maritime Congress, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $14,963.21. E. (9) $14,963.21.

A. Allan R. Jones, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $1,194.32.

A. Charlie W. Jones, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036
D. (6) $300.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. H. Richard Kahler, Caterpillar Tractor Co., 1850 K Street NW., Suite 925, Washington, D.C. 20006.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $2,500. E. (9) $3,302.38.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Alvin Nederlander Associates), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for American Family Life Assurance Co.), 1625 Massachusetts

Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for the Cordage Institute), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Knoxville International Energy Exposition (KIEE)), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for National Coal Consumer Alliance), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Trans World Airlines), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Robert J. Keefe, 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
B. The Keefe Co. (for Westinghouse Electric Corp.), 1625 Massachusetts Avenue NW., No. 505, Washington, D.C. 20036.
D. (6) $1,250.

A. Harold V. Kelly, Republic Steel Corp., 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corporation, Republic Building, Cleveland, Ohio 44101.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $7,000. E. (9) $800.

A. Peter B. Kenney, National Broadcasting Company, Inc., 1800 K Street NW., Washington, D.C. 20006.
B. National Broadcasting Company, Inc., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $1,770. E. (9) $182.82.

A. Dennis M. Kies, 2900 Power & Light Building, Kansas City, Mo. 64105.

A. William S. Kies, Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
B. Food Marketing Institute, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Roberta D. Kimball, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James L. Kimble, American Insurance Association, 1025 Connecticut Avenue, Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue, Suite 415, Washington, D.C. 20036.
D. (6) $40. E. (9) $12.

A. John M. Kinnaird, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,000. E. (9) $661.39.

A. Janie A. Kinney, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., the Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. Peter Kirby, the Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $3,155.64. E. (9) $38.

A. Donald R. Kirtley, Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $625. E. (9) $148.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1707 L Street NW., No. 480, Washington, D.C. 20036.
B. Association of American Publishers, Inc., 1707 L Street NW., No. 480, Washington, D.C. 20036.

A. Jerry D. Klepner, National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
B. National Treasury Employees Union, 1730 K Street NW., Suite 1101, Washington, D.C. 20006.
D. (6) $12,000. E. (9) $1,291.13.

A. Peter E. Knight, Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Federal National Mortgage Association, 3900 Wisconsin Avenue NW., Washington, D.C. 20016.
D. (6) $5,200. E. (9) $422.37.

A. Jeanne P. Kowalski, Southern Pacific Communications Co., 1801 K Street NW., Suite 221, Washington, D.C. 20006.
B. Southern Pacific Communications Co., P.O. Box 974, Burlingame, Calif. 94010.
D. (6) $3,120. E. (9) $125.27.

A. Louis C. Kramp and Associates, 1919 Pennsylvania Avenue NW., Suite 301, Washington, D.C. 20006.
B. Harrah's, Inc., P.O. Box 10, Reno, Nev. 89504.
D. (6) $750.

A. Louis C. Kramp & Associates, 1919 Pennsylvania Avenue NW, No. 301, Washington, D.C. 20006.
B. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.
D. (6) $1,200.

A. Louis C. Kramp and Associates, 1919 Pennsylvania Avenue, Suite 301, Washington, D.C. 20006.
B. National Association of Homes for Children, 200 South Tyron Street, Suite 1500, Charlotte, N.C. 28202.
D. (6) $2,700.

A. Louis C. Kramp & Associates, 1919 Pennsylvania Avenue NW, No. 301, Washington, D.C. 20006.
B. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.
D. (6) $4,500.

A. Joseph Kuchler, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,334.64. E. (9) $22.42.

A. Kutak Rock & Huie, 1650 Farnam Street, Omaha, Nebraska 68102.
B. E. F. Hutton & Company Inc., 1 Battery Park Plaza, New York, N.Y. 10004.

A. Peter M. Lafen, 530 Seventh Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $2,530.

A. James H. Lake, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. National Potato Council, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. James H. Lake, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
B. Nelson & Harding, 1101 Connecticut Avenue, Suite 800, Washington, D.C. 20036 (for Western Growers Assn.).

A. A. M. Lampley, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

A. Wayne R. LaPierre, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $100.

A. George H. Lawrence, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $391.

A. Kenneth L. Lay, 641 Lugano, Winter Park, Fla. 32789.
B. Slurry Transport Association.

A. Kenneth A. Lazarus, 1625 K Street NW., Washington, D.C. 20006.
B. Boettcher & Co., Denver, Colo..
D. (6) $100. E. (9) $150.

A. Lead-Zinc Producers Committee, 1320 19th Street NW., Suite 600, Washington, D.C. 20036.
D. (6) $32,000. E. (9) $32,874.55.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Lee, Toomey & Kent, 1200 18th Street NW., Washington, D.C. 20036.
B. Towers, Perrin, Forster & Crosby, Inc., Center Square West, 1500 Market Street, Philadelphia, Pa. 19102.

A. David A. Leff, Joint Maritime Congress, 444 North Capitol Street NW., Suite 801, Washington, D.C. 20001.
B. Joint Maritime Congress, 444 North Capitol Street NW., Suite 800, Washington, D.C. 20001.
D. (6) $389.42.

A. Leighton Conklin, Lemov & Jacobs, 2033 M Street NW., Suite 800, Washington, D.C. 20036.

B. American Psychoanalytic Association.

A. Daniel W. Lenehan, 15 Brook Street, Cohasset, Mass. 02025.
B. The Boston Shipping Association, Inc., 223 Lewis Wharf, Boston, Mass. 02110.
D. (6) $4,620.

A. Kaye C. Leonard, 1015 15th Street NW., Suite 801, Washington, D.C. 20005.
B. Potlatch Corp., P.O. Box 3591, San Francisco, Calif. 94119.
D. (6) $7,500.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for America Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.
D. (6) $400. E. (9) $505.25.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Association of American Railroads, American Railroad Building, Washington, D.C.
D. (6) $2,000.

A. Morris J. Levin, 1050 17th Street NW., Washington, D.C. 20036.
B. Independent Local Newspaper Association, Suite 701, 1050 17th Street NW., Washington, D.C. 20036.
D. (6) $7,500.

A. Charles L. Lewis, American Personnel Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, St. Louis, Mo. 63101.
B. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63101.
D. (6) $134.93. E. (9) $8.46.

A. Lewis, Rice, Tucker, Allen & Chubb, 611 Olive Street, St. Louis, Mo. 63101.
B. Spectrum Emergency Care, Inc., 970 Executive Parkway, St. Louis, Mo. 63141.
D. (6) $4,327.50. E. (9) $299.98.

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Manufacturers Hanover Corp. 350 Park Avenue, New York, N.Y. 10022.
D. (6) $1,000.

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bank of Detroit, P.O. Box 116, Detroit, Mich, 48232.
D. (6) $400.

A. Stuart A. Lewis, Suite 300, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Seattle First National Bank, P.O. Box 3586, Seattle, Wash. 98124.
D. (6) $400.

A. Lillick, McHose & Charles, 1333 New Hampshire Avenue NW., Washington, D.C. 20036 and 2 Embarcadero Center, San Francisco, Calif. 94111.
B. Pacific Maritime Association, 635 Sacramento Street, San Francisco, Calif. 94120.
D. (6) $11,908.30. E. (9) $631.24.

A. Charles B. Lipsen, 1700 Pennsylvania Avenue NW., Suite 550, Washington, D.C. 20006.
B. Hoffman, Hendry, Stoner, Sims & Sawicki, 215 East Central Boulevard, Orlando, Fla. 32801 and Global Exploration & Development Corp., 1414 Collins Avenue, Lakeland, Fla. 33801.

A. Charles B. Lipsen, 1700 Pennsylvania Avenue NW., Suite 550, Washington, D.C. 20006.
B. National Constructors Association, 1101 15th Street NW., Washington, D.C. 20005.

A. Charles B. Lipsen, 1700 Pennsylvania Avenue NW., Suite 550, Washington, D.C. 20006.
B. U.S. & Overseas Employees Tax Fairness Commission, 1101 15th Street NW., No. 1000, Washington, D.C. 20005.
D. (6) $7,500.

A. Janice C. Lipsen, 900 17th Street NW., Suite 504, Washington, D.C. 20006.
B. Counselors for Management, Inc., 900 17th Street NW., Suite 504, Washington, D.C. 20006.
D. (6) $4,000.

A. David A. Litvin, 1111 19th Street NW., Suite 310, Washington, D.C. 20036.
B. Kennecott Corp., 10 Stamford Forum, Stamford, Conn. 06904.
D. (6) $500. E. (9) $58.10.

A. Robert R. Locklin, 1707 H Street NW., Washington, D.C. 20006.
B. California Savings & Loan League, 9800 South Sepulveda Boulevard, Los Angeles, Calif. 90045.
D. (6) $7,500.

A. Law Offices of Sheldon I. London, 1725 DeSales Street NW., Suite 401, Washington, D.C. 20036.
B. American Hardware Manufacturers Association, 117 East Palatine Road, Palatine, Ill. 60067.
D. (6) $1,500.

A. Timothy B. Lovain, New Directions, 305 Massachusetts Avenue NE, Washington, D.C. 20002.
B. New Directions, 305 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $2,749.98.

A. Robert C. Lower, Alston, Miller & Gaines, 1200 C. & S. National Bank Building, Atlanta, Ga. 30335.
B. Board of Trade Clearing Corp., 141 West Jackson Boulevard, Chicago, Ill. 60604.

A. Suellen Lowry, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $4,811.17.

A. Charles Emmet Lucey, McDermott, Will & Emery, 1850 K Street NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 119 North Park Avenue, Rockville Centre, N.Y. 11570.

A. Charles Emmet Lucey, McDermott, Will & Emery, 1850 K Street NW., Suite 500, Washington, D.C. 20006.
B. Food Fair, Inc., 6500 North Andrews Avenue, Fort Lauderdale, Fla. 33309.
D. (6) $1,000. E. (9) $30.

A. Charles Emmet Lucey, McDermott, Will & Emery, 1850 K Street NW., Suite 500, Washington, D.C. 20006.
B. National League for Nursing, 10 Columbus Circle, New York, N.Y. 10019.

A. William F. Ludlam, Sr., P.O. Box 5282, Virginia Beach, Va. 23455.
B. American Revolution Bicentennial Administration Licensees Association, P.O. Box 10, Cocoa Beach, Fla. 32931.
E. (9) $2,639.

A. Samuel A. Mabry, Hercules Inc., 1800 K Street NW., Washington, D.C.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $2,375. E. (9) $1,175.27.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
E. (9) $450.

A. Forbes Mann, 1155 15th Street NW., Suite 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.

A. Richard J. Mannix, Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
E. (9) $210.

A. Allen J. Manzano, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $344.85. E. (9) $94.53.

A. John V. Maraney, 324 East Capitol Street NE., Washington, D.C. 20003.
B. National Star Route Mail Carriers Association, 324 East Capitol Street, Washington, D.C. 20003.

A. Robert V. Mariani, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $2,480. E. (9) $1,800.

A. Marshall, Bratter, Greene, Allison & Tucker, 430 Park Avenue, New York, N.Y. 10022.
B. Cadillac Fairview U.S., Inc., c/o The Corporation Trust Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $5,750. E. (9) $2,170.

A. J. Paull Marshall, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $277.98. E. (9) $286.76.

A. James P. Martin, 60 East 42d Street, Room 3510, New York, N.Y. 10165.
B. The General Contractors Association of New York, Inc., Room 3510, 60 East 42d Street, New York, N.Y. 10165.
D. (6) $154. E. (9) $107.37.

A. Katherine E. Martin, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $205.28. E. (9) $290.21.

A. Larry K. Martin, Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $150.

A. Steven A. Martindale, DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036 (for Government of Morocco, Rabat, Morocco).
D. (6) $200.

A. Anthony F. Mauriello, N.Y.S. Petroleum Council, 551 Fifth Avenue, Room 718, New York, N.Y. 10176.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $954.60. E. (9) $575.49.

A. Arnold Mayer, United Food and Commercial Workers International Union, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. United Food and Commercial Workers International Union, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $14,442.39. E. (9) $268.89.

A. MBPXL Corp., 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
E. (9) $225.

A. McCandless & Barrett, 1707 H Street NW., Washington, D.C. 20006.
B. Energy Consumers & Producers Association, Petroleum Plaza, Seminole, Okla. 74868.
D. (6) $3,600.

A. McCandless & Barrett, 1707 H Street NW., Washington, D.C. 20006.
B. Transamerica Insurance Corp. of Calif., Occidental Center, Hill & Olive at 12th Street, Los Angeles, Calif. 90015.
D. (6) $18,200.50.

A. McCandless & Barrett, 1707 H Street NW., Washington, D.C. 20006.
B. Transamerica Life Insurance and Annuity Co., and Occidental Life Insurance Co., 1150 South Olive Street, Los Angeles, Calif. 90015.
D. (6) $5,039.

A. James W. McCarthy, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,230. E. (9) $558.85.

A. Sean A. McCarthy, 8283 Greensboro Drive, McLean, Va. 22102.
B. Satellite Business Systems, 8283 Greensboro Drive, McLean, Va. 22102.
D. (6) $1,000. E. (9) $85.13.

A. McClure & Trotter, Suite 600, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cigar Association of America, 1120 19th Street NW., Washington, D.C. 20036.

A. Rose A. McCullough, Siera Club, 715 South 14th Street, Lincoln, Nebr. 68508.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $992. E. (9) $2,130.32.

A. James W. McDade, McDade and Lee, 1130 17th Street NW., Washington, D.C. 20036.
B. Stewart Capital Corp., 485 Madison Avenue, New York, N.Y. 10022.

A. Edward T. McDonald, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $1,680. E. (9) $1,400.

A. Patrick J. McDonough, American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.
B. American Personnel & Guidance Association, 5203 Leesburg Pike, Falls Church, Va. 22041.

A. John E. McGill, Alascom, Inc., 949 East 36th Avenue, Anchorage, Alaska 99502.
B. Alascom, Inc., 949 East 36th Avenue, Anchorage, Alaska 99502.

A. Gregory E. McGowan, Firestone Tire & Rubber Co., 1730 K Street NW., Suite 915, Washington, D.C. 20006.
B. The Firestone Tire & Rubber Co., 1200 Firestone Parkway, Akron, Ohio 44317.
D. (6) $3,500. E. (9) $1,152.56.

A. Joseph B. McGrath, National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C.
D. (6) $6,500.

A. Walter P. McHugh, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $844.56. E. (9) $45.21.

A. Robert S. McIntyre, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. Public Citizen Tax Reform Research Group, 215 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. Philip A. McKeaney, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $7,213.38. (9) $120.

A. James D. McMillan, Exxon Corp., 1899 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. William C. McMurtrie, 8150 Leesburg Pike, Vienna, Va. 22180.
B. William H. Sullivan, Jr., 1 Federal Plaza, 29th Floor, Boston, Mass.
D. (6) $1,500.

A. James A. McPherson, Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Memorex Corp. 1970 Chain Bridge Road, McLean, Va. 22102.
D. (6) $9,000.

A. Harold E. Mesirow, Lillick McHose & Charles, 1333 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Foss Launch and Tug Company, Foss Alaska Line, 660 West Ewing Street, Seattle, Wash. 98119.
D. (6) $3,280. E. (9) $37.

A. Sharon Mihnovets, 2809 South Joyce Street, Arlington, Va. 22202.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $610.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Navajo Nation, Window Rock, Ariz. 86515.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Port of Portland, Box 3529, Portland, Oreg. 97208.

A. Joseph S. Miller, 19 Third Street NE., Washington, D.C. 20002.
B. Western Forest Industries Association, 1500 Southwest Taylor, Portland, Oreg. 97205.
D. (6) $3,000. E. (9) $180.

A. Kathleen A. Miller, ACLU, Suite 301, 600 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 132 West 43d Street, New York, N.Y. 10036.
D. (6) $3,750.

A. Richard L. Miller, The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. The Boeing Co., P.O. Box 3707, Seattle Wash. 98124.
D. (6) $150. E. (9) $235.

A. Edward J. Milne, Jr., 1111 19th Street NW., Washington, D.C. 20036.
B. The Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $452. E. (9) $210.05.

A. Thomas B. Miranda, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Rural Electric Cooperative Association, 1800 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $140.

A. Clarence Mitchell, Jr., NAACP, 1025 Vermont Avenue NW., Suite 820, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $3,125.

A. Kurt Mohay, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of American, 1957 E Street NW., Washington, D.C. 20006.

A. Elizabeth R. Monro, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Associaton of America, 1709 New York Avenue NW., Washington D.C. 20006.
D. (6) $1,000.

A. G. Merrill Moody, Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $240.62. E. (9) $50.95.

A. Roy Morgan, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $529. E. (9) $47.

A. Larry E. Moss, Star Route, Box 202, 5277 Ocean View Drive, Trinidad, Calif. 95570.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $254.11. E. (9)$8.85.

A. James T. Mular, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express and Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $800. E. (9) $600.

A. Karen Mulhauser, National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
B. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $403.86.

A. Richard J. Muller, Chrysler Corp., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48288.
D. (6) $2,000. E. (9) $100.

A. William T. Murphy, Jr., American Natural Resources System, 1899 L Street NW., Suite 500, Washington, D.C. 20036.
B. American Natural Service Co., 1 Woodward Avenue, Detroit, Mich. 48226.
D. (6) $2,500.

A. Bernard Nash, Blum & Nash, 1015 18th Street, Suite 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $125. E. (9) $8.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., Washington, D.C. 20036.
B. General Electric Co., 3125 Easton Turnpike, Building WS-23, Fairfield, Conn. 06431.
D. (6) $4,750. E. (9) $312.

A. Bernard Nash, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Merck & Co., Inc., P.O. Box 2000, Rahway, N.J. 07065.
D. (6) $1,250. E. (9) $9.50.

A. National Abortion Rights Action League, 825 15th Street NW., Washington, D.C. 20005.
D. (6) $454,515.81. E. (9) $37,993.97.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Suite 615, Washington, D.C. 20036.
D. (6) $658.50. E. (9) $1,269.85.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $49,694. E. (9) $50,060.

A. National Association of Homes for Children, 200 South Tyron Street, Suite 1500, Charlotte, N.C. 28202.
E. (9) $2,700.

A. National Association of Latino Elected & Appointed Officials (NALEO), 236 Massachusetts Avenue NE., Suite 603, Washington, D.C. 20002.
D. (6) $16,115. E. (9) $18,645.77.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Realtors, 430 North Michigan Avenue, Chicago, Ill. 60611; and 925 15th Street NW., Washington, D.C. 20005.
E. (9) $46,642.83.

A. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
E. (9) $2,027.28.

A. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $24,997.71. E. (9) $1,722.69.

A. National Campground Owners Association, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Coal Consumers' Alliance, 1919 Pennsylvania Avenue NW., Suite 800, Washington, D.C. 20006.
D. (6) $14,905.62. E. (9) $14,905.62.

A. National Coalition to Ban Handguns, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $53,034.23. E. (9) $54,593.45.

A. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
E. (9) $3,000.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $27,291.26. E. (9) $27,291.26.

A. National Family Farm Coalition, 918 F Street NW., Washington, D.C. 20004.
D. (6) $7,279.65. E. (9) $8,566.27.

A. The National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $432,326.50. E. (9) $6,684.30.

A. National Federation of Licensed Practical Nurses, Inc., 888 Seventh Avenue, 18th Floor, New York, N.Y. 10019.
D. (6) $1,775. E. (9) $1,775.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $4,075.

A. National Motorsports Committee of ACCUS, 1701 K. Street NW., Suite 1204, Washington, D.C. 20006.

A. National Organization for Women, 425 13th Street NW., Suite 1048, Washington, D.C. 20004.

A. National Potato Council, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., No. 615, Washington, D.C. 10036.
D. (6) $4,969.60. E. (9) $6,387.32.

A. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $10,003.53. E. (9) $8,152.55.

A. The National Youth Pro-Life Coalition, P.O. Box 67, Newport, Ky. 41072.
D. (6) $2,017.16. E. (9) $7,040.73.

A. Natural Gas Supply Association, 1025 Connecticut Avenue NW., No. 402, Washington, D.C. 20036.
D. (6) $10,957.50. E. (9) $5,992.55.

A. Michael C. Nave, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $396.62. E. (9) $9.85.

A. Stanley Nehmer, Suite 600, 1320 19th Street NW., Washington, D.C. 20036.
B. Lead-Zinc Producers Committee, Suite 600, 1320 19th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $350.

A. Gordon E. Nelson, 12005 Millstream Drive, Bowie, Md. 20715.
B. Farm/Water Alliance, 1707 L Street NW., S-650, Washington, D.C. 20036.
D. (6) $18,000. E. (9) $1,446.82.

A. Jane Nevins, 101 G Street SW., Apt. A508, Washington, D.C. 20024.
B. Friends of New Melones, 343 East Main Street, Suite 810, Stockton, Calif. 95202.
D. (6) $3,000. E. (9) $1,489.34.

A. Kathryn L. Newman, 1101 15th Street NW., Washington, D.C. 20005.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Nicholas John Nichols, American Institute of Certified Public Accountants, 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of Certified Public Accountants (AICPA), 1211 Avenue of the Americas, New York, N.Y. 10036.
D. (6) $6,000. E. (9) $6,541.

A. Norfolk and Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
E. (9) $1,801.52.

A. Julia J. Norrell, 1828 L Street NW., Suite 201, Washington, D.C. 20036.
B. The Business Roundtable, 200 Park Avenue, New York, N.Y. 10166; and 1828 L Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $40.

A. North American Telephone Association, 1030 15th Street NW., Suite 360, Washington, D.C. 20005.
D. (6) $28,791.17. E. (9) $28,791.17

A. J. Hallock Northcott, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55144.
D. (6) $1,000.

A. Mary E. Oakes, Hercules Inc., 1800 K Street NW., Washington, D.C. 20006.
B. Hercules Inc., 910 Market Street, Wilmington, Del. 19899.
D. (6) $260. E. (9) $215.36.

A. Richard O'Brecht, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charles River Breeding Laboratories, Inc., 251 Ballardvale Street, Wilmington, Mass. 01887.
D. (6) $887.50.

A. O'Connor & Hannan, Suite 800, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Deak National Bank, Fleischmanns, N.Y. 12430.
D. (6) $1,000.

A. O'Connor & Hannan, 1919 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Coal Consumers Alliance, 414 Nicollet Mall, Minneapolis, Minn. 55401.

D. (6) $14,905.62. E. (9) $638.35.

A. Law Offices of John F. O'Neal, 600 New Hampshire Avenue NW., Suite 952, Washington, D.C. 20037.
B. Commodity Exchange, Inc., Four World Trade Center, SE., Plaza Building, New York, N.Y. 10048.
D. (6) $2,712.49.

A. Organization for the Protection and Advancement of Small Telephone Companies, 1104 Gary Court, Wheaton, Ill. 60187.
E. (9) $15,454.29.

A. J. Allen Overton, Jr., American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
B. American Mining Congress, 1920 N Street NW., Washington, D.C. 20036.
D. (6) $664.33. E. (9) $28.50.

A. Pacific Northwest Utilities Conference Committee, 1151 Valley Mall Parkway, East Wenatchee, Wash. 98801.
D. (6) $8,332. E. (9) $55,368.86.

A. Judith E. Park, National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $8,468.09. E. (9) $9.75.

A. Sara Lynn Parker, Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $901.32. E. (9) $3.84.

A. Renee Parsons, 530 Seventh Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $2,255.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue NW., Suite 1200, Washington, D.C. 20036.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $789.78. E. (9) $9.26.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue, Suite 1200, Washington, D.C. 20036.
B. International Communications Association, P.O. Box 10013, Houston, Tex. 77206.
D. (6) $637.50.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue, Suite 1200, Washington, D.C. 20036.
B. Japan Fisheries Association, care of Telepress Associates, 340 East 79th Street, New York, N.Y. 10021.
D. (6) $2,054.20 (9) $116.77.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue, Suite 1200, Washington, D.C. 20036.
B. National Mass Retailing Institute, 570 Seventh Avenue, New York, N.Y. 10018.
D. (6) $800. (9) $5.

A. Peabody, Rivlin, Lambert & Meyers, 1150 Connecticut Avenue, Suite 1200, Washington, D.C. 20036.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $408.75. (9) $12.91.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Alcalde, Henderson & O'Bannon, 1901 North Fort Myer Drive, Suite 1204, Rosslyn, Va. 22209.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Amatex Corp., 1032 Stanbridge Street, Box 228, Norristown, Pa. 19404.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. The Glenmede Trust Co., 222 South 18th Street, Philadelphia, Pa. 19103.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Harris Corp., Melbourne, Fla. 32919.
E. (9) $13.50.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. TRAIN, 1776 F Street NW., Washington, D.C. 20006.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., Washington, D.C. 20006.
B. Western Union Corp., One Lake Street, Upper Saddle River, N.J.
D. (6) $1,925.

A. Edmund J. Perret II, American Psychiatric Association, 1333 New Hampshire Avenue NW., Suite 670, Washington, D.C. 20036.
B. American Psychiatric Association, 1700 18th Street NW., Washington, D.C. 20009.
D. (6) $1,426. (9) $735.87.

A. Bert E. Perrigan, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, Three Research Place, Rockville, Md. 20850.

A. John J. Pesch, 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.

A. Linda Pinegar, Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $875.

A. Ronald L. Plesser, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.

A. Ronald L. Plesser, Blum & Nash, 1015 18th Street NW., Suite 408, Washington, D.C. 20036.
B. Twin Coasts Newspaper, Inc., The Journal of Commerce, 110 Wall Street, New York, N.Y. 10005.

A. J. Francis Pohlhaus, Washington Bureau, NAACP, 1025 Vermont Avenue NW., Suite 820, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $3,150.

A. Ronald Pollack, Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $2,296.11. E. (9) $6.

A. Rafe Pomerance, 530 Seventh Street SE., Washington, D.C. 20003.
B. Friends of the Earth, Inc., 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $4,950.

A. John Post, 1828 L Street NW., Washington, D.C. 20036.
B. The Business Roundtable, 200 Park Avenue, New York and 1828 L Street NW., Washington, D.C. 20036.
D. (6) $200. E. (9) $40.

A. Prather, Seeger, Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20036.

A. Prather, Seeger, Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. Bankers' Association for Foreign Trade, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $5,000.

A. Prather, Seeger, Doolittle & Farmer, 1101 16th Street NW., Washington, D.C. 20036.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.
D. (6) $8,000.

A. Project Advisory Group, 1029 Vermont Avenue NW., Suite 860, Washington, D.C.
E. (9) $168.71.

A. Railway Progress Institute, 700 North Fairfax Street, Alexandria, Va. 22314.

A. Law Offices of John V. Rainbolt, 1800 K Street NW., Suite 926, Washington, D.C. 20006.
B. MidAmerica Commodity Exchange, 125 West Jackson Boulevard, Chicago, Ill.,
D. (6) $1,885. E. (9) $211.60.

A. Randall, Bangert & Thelen, 1625 K Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H. Street NW., Washington, D.C. 20006.

A. Donald A. Randall, 1625 K Street NW., Washington, D.C. 20006.
B. National Association for Milk Marketing Reform, 1625 K Street NW., Washington, D.C. 20006.

A. Howard W. Randolph, Jr., Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, Three Research Place, Rockville, Md. 20850.
D. (6) $2,400. E. (9) $1,800.

A. Magda Ratajski, Norfolk & Western Railway Co., P.O. Box 23652, L'Enfant Plaza Station, Washington, D.C. 20024.
B. Norfolk & Western Railway Co., 8 North Jefferson Street, Roanoke, Va. 24042.
D. (6) $219.24. E. (9) $147.50.

A. G. William Ray, 815 15th Street NW., Suite 610, Washington, D.C. 20005.
B. National Community Action Agency, Executive Directors Association, 815 15th Street NW., Suite 610, Washington, D.C. 20005.
D. (6) $11,705. E. (9) $3,863.

A. Reading Is Fundamental, Inc., 475 L'Enfant Plaza, Smithsonian Institution, Washington, D.C. 20560.

E. (9) $105.85.

A. Recreation Vehicle Industry Association, Box 204, 14650 Lee Road., Chantilly, Va. 22021.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.
B. American Savings & Loan Association, 9465 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.
B. Fluor Corp., 1627 K Street NW., Washington, D.C. 20006.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.
B. Great Western Savings & Loan Association, 8484 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.
B. Home Savings & Loan Association, 3731 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Thomas M. Rees, 1101 Connecticut Avenue, Suite 403, Washington, D.C. 20036.
B. Imperial Resources Association, P.O. Box 119, Brawley, Calif. 92227.

A. Robert S. Reese, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $1,155.88.

A. Louis D. Reilly III, Telephone & Data Systems, Inc., 517 North Segoe Road, Madison, Wis. 53705.
B. Telephone & Data Systems, Inc., 517 North Segoe Road, Madison, Wis. 53705.

A. Reserve Officers Association of the United States, 1 Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $2,396.47. E. (9) $6,783.91.

A. Marvin Resnikoff, Sierra Club, Box 64, Station G, Buffalo, N.Y. 14213.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $2,200.96. E. (9) $2,200.96.

A. Edmund B. Rice, American Hospital Association, 444 North Capitol Street NW., Suite 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $1,687.20. E. (9) $176.25.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C., 20044 and 3046 Roosevelt, Detroit, Mich. 48216.
E. (9) $234.41.

A. K. O. Richardson, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $2,560. E. (9) $1,800.

A. Russell W. Richardson, Lear Siegler, Inc., Suite 1002, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Lear Siegler, Inc., 3171 South Bundy Drive, Santa Monica, Calif. 90406.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. Leonard I. Rippa, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $3,125. E. (9) $206.18.

A. RJR Industries, Inc., 1100 Reynolds Boulevard, Winston-Salem, N.C. 27105.
E. (9) $5,050.74.

A. Robinson, Silverman, Pearce, Aronsohn & Berman, 230 Park Avenue, New York, N.Y. 10017.
B. National Realty Committee, Inc., 2033 M Street NW., Washington, D.C. 20036.
D. (6) $12,000. E. (9) $750.

A. Antoinette K. Roche, 2021 K Street NW., Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $500. E. (9) $25.

A. Rodey, Dickason, Sloan, Akin & Robb, P.O. Box 1888, Albuquerque, N. Mex. 87103.
B. Navajo Tribe, Window Rock, Ariz. 86515.
D. (6) $66.09. E. (9) $312.98.

A. Quincy Rodgers, General Instrument Corp., Suite 320, New Hampshire Avenue NW., Washington, D.C. 20036.
B. General Instrument Corp., 1775 Broadway, New York, N.Y.
D. (6) $1,500. E. (9) $514.19.

A. Bruce N. Rogers, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. (9) $2,758.30.

A. Thomas Root, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Gary W. Rossow, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400. E. (9) $10.

A. Michael J. Rourke, 2 Paragon Drive, Montvale, N.J. 07645.
B. Great Atlantic & Pacific Tea Co., Inc., 2 Paragon Drive, Montvale, N.J. 07645.
E. (9) $79.90.

A. Ruder & Finn, 1225 19th Street NW., Washington, D.C. 20036.
B. National Distillers & Chemical Corp., 99 Park Avenue, New York, N.Y. 10016.
D. (6) $640. E. (9) $690.

A. Barry Russell, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $40.

A. The St. Louis Mercantile Library Association, 510 Locust Street, St. Louis, Mo. 63188.
E. (9) $143.39.

A. Samaritan Health Service, 1410 North Third Street, P.O. Box 25489, Phoenix, Ariz. 85002.
E. (9) $5,355.80.

A. Michael Sandifer, Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research & Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.

A. Harold A. Schaitberger, International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $10,183.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55144.
D. (6) $10,000. E. (9) $51.30.

A. Wendy W. Schiller, National Consumer Law Center, 236 Massachusetts Avenue NE., Washington, D.C. 20002.
B. National Consumer Law Center, 11 Beacon Street, Boston, Mass. 02108.
D. (6) $3,517. E. (9) $1,050.

A. Arthur L. Schmuhl, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Frank Schneller, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
E. (9) $200.

A. Anthony Schopp, Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.
B. Machinery Dealers National Association, 1110 Spring Street, Silver Spring, Md. 20910.

A. Marsha Schramm, 1101 Connecticut Avenue, Washington, D.C. 20036.
B. Domestic Petroleum Council Trade Association, 1101 Connecticut Avenue, Washington, D.C. 20036.

A. William B. Schultz, Public Citizen Litigation Group, Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $420. E. (9) $10.

A. Amy Schussheim, 815 16th Street NW., Washington, D.C. 20006.
B. Food and Beverage Trades Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $347.62.

A. Bari Schwartz, Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
B. Food Research and Action Center, 2011 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $4,985.03. E. (9) $13.30.

A. Donald A. Scott, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. William E. Seale, Commodity Exchange, Inc., 1875 I Street NW., Suite 730, Washington, D.C. 20006.
B. Commodity Exchange, Inc., 4 World Trade Center, New York, N.Y. 10048.
D. (6) $400. E. (9) $825.

A. Deirdre S. Searles, 7900 Callaghan Drive, San Antonio, Tex. 78229.
B. Datapoint Corporation, 9725 Datapoint Drive, San Antonio, Tex. 78284.
D. (6) $4,500. E. (9) $512.90.

A. Pamela Sederholm, SMACNA, 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Vienna, Va. 22180.
D. (6) $800.

A. ServiceMaster Industries, Inc., 2300 Warrenville Road, Downers Grove, Ill. 60515.
E. (9) $4,500.

A. Richard N. Sharood, Wilcox & Sharood, 1899 L Street NW., No. 705, Washington, D.C. 20036.
B. National Federation of Fishermen, 915 15th Street NW., No. 600, Washington, D.C. 20005.
E. (9) $207.89.

A. Richard N. Sharood, Wilcox & Sharood, 1899 L Street NW., No. 705, Washington, D.C. 20036.
B. Shipbuilders Council of America, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $1,323. E. (9) $1,592.99.

A. James E. Shaw, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $800. E. (9) $600.

A. Russell H. Shay, Sierra Club 6014 College Avenue, Oakland, Calif. 94618.
B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $1,961.80. E. (9) $904.43.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. CoaLiquid, Inc., 1215 Citizens Plaza, Louisville, Ky 40402.
D. (6) $5,000. E. (9) $1.80.

A. Shea & Gould, 330 Madison Avenue, New York, N.Y. 10017.
B. The General Contractors Association of New York, Inc., 60 East 42d Street, New York, N.Y. 10017.
E. (9) $456.51.

A. Jay P. Sherman, 918 F Street NW., Washington, D.C. 20004.
B. National Family Farm Coalition, 918 F Street NW., Washington, D.C. 20004.
D. (6) $4,249.98. E. (9) $240.30.

A. G. Scott Shotwell, 1619 Massachusetts Avenue, Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, D.C. 20036.
D. (6) $2,475.

A. Mark A. Siegel, 3903 Thornapple Street, Chevy Chase, Maryland 20015.
B. The Couzens Distribution System, 6600 South River Road, Hodgkins, Illinois 60525.
D. (6) $5,500. E. (9) $477.50.

A. Sierra Club, 530 Bush Street, San Francisco, CA 94108.
D. (6) $132,304.17. E. (9) $132,304.17.

A. Althea T. L. Simmons, NAACP, 1025 Vermont Avenue NW., Suite 820, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. Mark Simon, 815 16th Street, Washington, D.C. 20006.
B. Food and Beverage Trades Department, AFL-CIO, 815 16th Street, Washington, D.C. 20006.
D. (6) $379.20

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $240. E. (9) $40.

A. C. Kyle Simpson, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, VA. 22209.
D. (6) $1,500. E. (9) $1,346.52.

A. Stephen L. Skardon, Jr., National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
B. National Association of Retired Federal Employees, 1533 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $7,489.95. E. (9) $24.

A. Peter Small & Associates, Inc., 400 Madison Avenue, New York, N.Y. 10017.
B. William M. Mercer, Inc., 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Catherine Smith, 530 Seventh Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 530 Seventh Street SE., Washington, D.C. 20003.
D. (6) $2,632.

A. Elizabeth M. Smith, Amalgamated Clothing & Textile Workers Union, 815 16th Street, No. 310, Washington, D.C. 20006.
B. Amalgamated Clothing & Textile Workers Union, 15 Union Square, New York, N.Y. 10003.
D. (6) $3,964.48. E. (9) $81.18.

A. Hugh H. Smith, 1700 K Street NW., No. 702, Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.
D. (6) $1,000.

A. Michael P. Smith, New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
B. New York State Bankers Association, 485 Lexington Avenue, New York, N.Y. 10017.
D. (6) $328. E. (9) $285.

A. Randall D. Snodgrass, 3030 Old Decatur Road, No. 201B, Atlanta, Ga. 30305.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $415.97. E. (9) $394.15.

A. Edmund T. Sommer, Jr., Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C. 20006.
B. Council of American-Flag Ship Operators, 1625 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $85.

A. S. L. Sommer & Associates, Inc., 1701 North Fort Myer Drive, No. 1208, Arlington, Va. 22209.
B. Northrop Corp., 1701 North Fort Myer Drive, Suite 1208, Arlington, Va. 22209.
D. (6) $2,500. E. (9) $3,765.05.

A. Wilbur D. Sparks, Air-Conditioning & Refrigeration Institute, 1815 North Fort Meyer Drive, Arlington, Va. 22209.
B. Air-Conditioning & Refrigeration Institute, 1815 North Fort Meyer Drive, Arlington, Va. 22209.
D. (6) $1,600. E. (9) $470.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. David P. Stang, 1629 K Street NW., Washington, D.C. 20006.
B. Ocean Minerals Co., P.O. Box 4531, Mountain View, Calif. 94040.

A. State of South Dakota, Department of Transportation, Division of Railroads, Pierre, S. Dak. 57501.
E. (9) $4,171.43.

A. William N. Steele, The Boeing Co., 1700 North Moore Street, Rosslyn, Va. 22209.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,000. E. (9) $785.96.

A. Elliot Stern, American Health Planning Association, 1601 Connecticut Avenue NW., Washington, D.C. 20009.
B. American Health Planning Association, 1601 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $2,406. E. (9) $175.10.

A. LaVerne Still, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $273.75.

A. Kenneth F. Stinger, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $8,000. E. (9) $279.68.

A. George Stockton, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
E. (9) $200.

A. Norman Strunk, United States League of Savings Accociations, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Association, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,312.50.

A. Roger Sullivan, Hawaiian Sugar Planters Association, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters Association, 723 Investment Building, Washington, D.C. 20005.

A. Sun-Diamond Growers of California, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
E. (9) $600.

A. Donald R. Sweitzer, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $3,600. E. (9) $2,600.

A. Lewis M. Taffer, American Express Co., 1700 K Street NW., Washington, D.C. 20006.
B. American Express Co., American Express Plaza, New York, N.Y. 10004.

A. Teamsters for a Democratic Union, 2000 P Street NW., Suite 612, Washington, D.C. 20036.
D. (6) $400. E. (9) $400.

A. Tele-Press Associates, Inc., 342 East 79th Street, New York, N.Y. 10021.
B. Japan Fisheries Association, 98-13 Akasaka 1, Minato-ku, Tokyo, Japan.
D. (6) $52,363.64. E. (9) $45,742.35.

A. Tennessee Gas Pipeline Co., P.O. Box 2511, Houston, Tex. 77001.
E. (9) $137.50.

A. Bryan Thomas, 1467-A Atkins Avenue, Lancaster, Pa. 17603.
B. National Youth Pro-Life Coalition, P.O. Box 67, Newport, Ky. 41072.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. Michael L. Tiner, United Food & Commercial Workers International Union, 100 Indiana Avenue NW., Washington D.C. 20001.
B. United Food & Commercial Workers International Union, 100 Indiana Avenue NW., Washington D.C. 20001.
D. (6) $9,288.44. E. (9) $147.23.

A. Ronald J. Tipton, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Wilderness Society, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $1,188.02. E. (9) $6.75.

A. Kim T. Tisdale, American Conservative Union, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.
B. American Conservative Union, 316 Pennsylvania Avenue SE., Washington, D.C. 20003.

A. C. Richard Titus, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. William D. Toohey, 1899 L Street NW., Washington, D.C. 20036.
B. Travel Industry Association of America, 1899 L Street NW. Washington, D.C. 20036.
D. (6) $2,000.

A. TRAIN (Transportation by Rail for Agricultural & Industrial Needs) Suite 200, 1776 F Street NW., Washington, D.C.
E. (9) $6,592.

A. Joseph P. Trainor, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $6,000. E. (9) $1,500.

A. Philip John Travaglione, 21 Sixth Street NE., Apt. 1-B, Washington, D.C. 20002.
B. National Community Action Agency Executive Directors Association, 815 15th Street NW., Suite 610, Washington, D.C. 20005.
D. (6) $2,400. E. (9) $989.

A. Travel Industry Association of America, 1899 L Street NW., Washington, D.C. 20036.
D. (6) $2,045. E. (9) $2,045.

A. United Egg Producers, 3951 Snapfinger Parkway, No. 580, Decatur, Ga. 30035.
D. (6) $14,900. E. (9) $14,900.

A. United Food and Commercial Workers, International Union, AFL-CIO, 1775 K Street NW., Washington, D.C.
D. (6) $40,622.61. E. (9) $40,622.61.

A. United Societies of Physiotherapists, Inc., 163 Cold Spring Road, Syosset, N.Y. 11791.
D. (6) $1,060. E. (9) $762.

A. Utility Nuclear Waste Management Group, care of Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $340.64. E. (9) $340.64.

A. Richard F. Vander Veen, 590 Union Bank Building, 200 Ottawa Avenue NW., Grand Rapids, Mich. 49503.
B. American Seating Co., 901 Broadway Avenue NW., Grand Rapids, Mich. 49504.
D. (6) $12,420.32.

A. A. Randall Vehar, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

A. Gilda Ventresca, American Hospital Association, 444 North Capitol Street NW., No. 500, Washington, D.C. 20001.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $2,021.94. E. (9) $239.20.

A. David Vienna, 510 C Street NE., Washington, D.C. 20002.
B. National Association of Credit Management, 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $2,170. E. (9) $109.32.

A. Abe J. Voron, 6204 White Oak Lane, Tamarac, Fla. 33319.
B. National Radio Broadcasters Association, Suite 500, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $1,775.

A. Ingrid A. Voorhees, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $500.

A. E. F. Waldrop, Jr., Association of American Railroads, 412 First Street SE., Suite 200, Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $883.90.

A. Leonard F. Walentynowicz, 4970 Sentinel Drive, Apt. 301, Sumner, Md. 20016.
B. Polish American Congress, 1200 North Ashland Avenue, Chicago, Ill. 60622.
D. (6) $3,750 E. (9) $231.88.

A. Alan S. Ward, 818 Connecticut Avenue NW., Washington, D.C. 20006.
B. Baker & Hostetler, 818 Connecticut Avenue NW., Washington, D.C. 20006 (for The Soap and Detergent Association, 475 Park Avenue South at 32d Street, New York, N.Y. 10016).

A. Gregg Ward, SMACNA, 8224 Old Courthouse Road, Vienna, Va. 22180.
B. Sheet Metal and Air Conditioning Contractors' National Association, 8224 Old Courthouse Road, Vienna, Va. 22180.
D. (6) $800.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $8,200 E. (9) $364.36.

A. Frederick L. Webber, 1111 19th Street NW., Washington, D.C. 20036.
B. Edison Electric Institute, 1111 19th Street NW., Washington, D.C. 20036.
D. (6) $4,221.

A. Lee Weddig, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. National Fisheries Institute, 1101 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
D. (6) $4,000. E. (9) $10.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 317, Washington, D.C. 20036.
B. Canada-France-Hawaii Telescope Corp., P.O. Box 1571, Kamuela, Hawaii 96743.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 317, Washington, D.C. 20036.
B. Council of Creative Artists, Libraries & Museums, 250 West 57th Street, New York, N.Y.
D. (6) $500.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., No. 317, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 317, Washington, D.C. 20036.
B. Trans-Lux Corp., 110 Richards Avenue, Norwalk, Conn. 06854.
D. (6) $1,500.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Western Growers Association, 1101 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.
E. (9) $750.

A. Western Organization of Resource Councils, 317 Pennsylvania Avenue SE., Washington, D.C. 20002.
D. (6) $2,300. E. (9) $1,419.

A. Western Resource Alliance, Star Route Box 98, Eastsound, Wash.
E. (9) $404.

A. Curtis E. Whalen, P.O. Box 44, Winter Park, Fla. 32790.

B. Continental Resources Co., P.O. Box 44, Winter Park, Fla. 32790.
E. (9) $3,618.80.

A. Bryan K. Whitehead, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 3 Research Place, Rockville, Md. 20850.
D. (6) $1,920. E. (9) $1,440.

A. Donald W. Whitehead, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Emergent Technologies, Inc., Drawer 3218, San Jose, Calif. 35156.
E. (9) $12.80.

A. Donald W. Whitehead, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. O'Connor and Hannon, 1919 Pennsylvania Avenue NW., Washington, D.C.
E. (9) $30.45.

A. Bennett C. Whitlock, Jr., American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500 E. (9) $390.

A. Wickwire, Lewis, Goldmark & Schorr, 500 Maynard Building, Seattle, Wash. 98104.
B. Arctic Slope Regional Corporation and Inupiat Community of the Arctic Slope, P.O. Box 129, Barrow, Alaska 99723.
D. (6) $2,700. E. (9) $10,300.53.

A. Perry F. Williams, 225 Main Street, Newington, Conn. 06111.
B. The American Radio Relay League, Inc., 225 Main Street, Newington, Conn. 06111.
D. (6) $6,000. E. (9) $207.83.

A. John C. Williamson, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, 1725 K Street NW., Suite 1402, Washington, D.C. 20006.
D. (6) $2,700. E. (9) $102.16.

A. Alan W. Wills, 1970 Chain Bridge Road, McLean, Va. 22102.
B. Memorex Corp., San Tomas at Central Expressway, Santa Clara, Calif. 95052.
D. (6) $4,000.

A. Peters D. Willson, Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200.

A. Frank R. Wolf, 1901 North Moore Street, No. 604, Arlington, Va. 22209.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

A. Wometco Enterprises, Inc., 306 North Miami Avenue, Miami, Fla. 33128.
E. (9) $3123.

A. William E. Woods, National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Druggists, 1750 K Street NW., Washington, D.C. 20006.
D. (6) $750. E. (9) $150.

A. W. R. Worley, 730 Densley Drive, Decatur, Ga. 30033.
B. Georgia Power Co., 270 Peachtree Street NW., Atlanta, Ga. 30303.
D. (6) $3,890. E. (9) $2,795.86.

A. Wyatt and Saltzstein, 1725 DeSales Street NW., Washington, D.C.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.

A. Thomas K. Zaucha, Cooperative Food Distributors of America, 1910 K Street NW., Suite 700, Washington, D.C. 20006.
B. Cooperative Food Distributors of America, 1910 K Street NW., Suite 700, Washington, D.C. 20006.

A. Kevin B. Zeese, 530 Eighth Street SE., Washington, D.C. 20003.
B. National Organization for the Reform of Marijuana Laws (NORML).

A. Zero Population Growth, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $10,729. E. (9) $4,141.

A. Michael J. Zimmer, Cogeneration Coalition, Inc., Suite 1010, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. ENTEX, Inc., P.O. Box 2628, Houston, Tex. 77001.
D. (6) $3,000.

A. Michael J. Zimmer, Cogeneration Coalition, Inc., Suite 1010, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potlatch Corp., 1015 15th Street NW., Washington, D.C.
D. (6) $1,500.

A. Daniel Zwick, American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

QUARTERLY LOBBY POSTCARD

The following Quarterly Lobby Postcards were filed with the Clerk of the House of Representatives for the fourth calendar quarter of 1980:

A POSTCARD MAY BE USED WHEN A REGISTRANT HAS NOT INCURRED REPORTABLE RECEIPTS AND EXPENDITURES AND HAS NOT ENGAGED IN ANY LOBBYING ACTIVITY DURING THE QUARTER.

NOTE: THE FOLLOWING INFORMATION IS BEING PROVIDED FOR INFORMATIONAL PURPOSES ONLY.

The Postcard has been reproduced below:

HLF3 **QUARTERLY LOBBY POSTCARD**

To be submitted in lieu of a Quarterly Report when registrant has not incurred reportable receipts or expenditures and has not engaged in any lobbying activity during the quarter.

IMPORTANT: File a separate postcard for each employer or client

REGISTRANT_____

Business Address_____
(number, street/P.O. Box)

_____
(city, state, zip code)

Employer_____

(If REGISTRANT is an agent of someone OTHER THAN "EMPLOYER" state below whose interest is represented. If not applicable, state "NONE".)

CLIENT_____

For the period (check one box only): **19**_____

- ☐ **April 10 Report (Jan. 1—Mar. 31)**
- ☐ **July 10 Report (April 1—June 30)**
- ☐ **Oct. 10 (July 1—Sept. 30)**
- ☐ **Jan. 10 (Oct. 1—Dec. 31)**

I certify that the above named registrant did not engage in any lobbying activities or incur reportable receipts or expenditures in connection with previous or future lobbying activities. I am aware that the Act requires a resumption of reporting in the event that activity commences; otherwise I can continue to submit a postcard in lieu of a report.

Executed on_____ _____
(date) *(signature)*

A. Thomas G. Abernethy.
B. U.S. Cane Sugar Refiners' Association.

A. John J. Adams.
B. Ethyl Corporation.

A. Raymond T. Adams.
B. Superior Oil Co. and Superior Farming Co.

A. V. J. Adduci.
B. Motor Vehicle Manufacturers Association of the United States, Inc.

A. Agency for Instructional TV.

A. G. Colburn Aker.
B. Hill and Knowlton, Inc.

A. Akin, Gump, Hauer & Feld.
B. Alaska Interstate Co.

A. Akin, Gump, Hauer & Feld.
B. American Petroleum Partners.

A. Akin, Gump, Hauer & Feld.
B. Brooklyn Industrial Development Corp.

A. Akin, Gump, Hauer & Feld.
B. Contract Carrier Conference.

A. Akin, Gump, Hauer & Feld.
B. Deloitte, Haskins & Sells.

A. Akin, Gump, Hauer & Feld.
B. E & J Gallo Winery.

A. Akin, Gump, Hauer & Feld.
B. Energol Corp., Inc.

A. Akin, Gump, Hauer & Feld.
B. Filmways, Inc.

A. Akin, Gump, Hauer & Feld.
B. FSC Corp.

A. Akin, Gump, Hauer & Feld.
B. General Cryogenics, Inc.

A. Akin, Gump, Hauer & Feld.
B. Leaseway Transportation Corp.

A. Akin, Gump, Hauer & Feld.
B. Louisiana Alcohol Fuel Co.

A. Akin, Gump, Hauer & Feld.
B. MAPCO, Inc.

A. Akin, Gump, Hauer & Feld.
B. National Association of Condominium & Cooperative Housing.

A. Akin, Gump, Hauer & Feld.
B. New Energy Corp. of Indiana.

A. Akin, Gump, Hauer & Feld.
B. Northwest Alaskan Pipeline Co.

A. Akin, Gump, Hauer & Feld.
B. Northwest Pipeline Co.

A. Akin, Gump, Hauer & Feld.
B. Ringling Bros. Barnum & Bailey Combined Shows, Inc.

A. Akin, Gump, Hauer & Feld.
B. Sun Company, Inc.

A. Akin, Gump, Hauer & Feld.
B. Sun Pipe Line Co.

A. Akin, Gump, Hauer & Feld.
B. Texas Bankers Association.

A. Akin, Gump, Hauer & Feld.
B. Texas Instruments Inc.

A. Akin, Gump, Hauer & Feld.
B. Valley View Bank.

A. Akin, Gump, Hauer & Feld.
B. Worldwide Church of God.

A. Anne Genevieve Allen.
B. Rockwell International.

A. Robert D. Allen.
B. Bechtel Power Corp.

A. Alliance to Save Energy.

A. Joseph C. Allwarden.
B. Kollsman Instrument Co.

A. Amalgamated Transit Union, AFL-CIO.

A. Amalgamated Transit Union, National Capital Local 689.

A. American Advertising Federation.

A. American Association of Blood Banks.

A. American Association of Ophthalmology.

A. American Association of University Women.

A. American Associations of Foundations for Medical Care.

A. American Business Council.

A. American Frozen Food Institute.

A. American Hellenic Institute Public Affairs Committee, Inc.

A. American Orthotic and Prosthetic Association.

A. American Pulpwood Association.

A. American Radio Relay League, Inc.

A. American Soybean Association.

A. Americans for Salt.

A. Jane K. Anderson.
B. Kennecott Corp.

A. Steven C. Anderson.
B. American Frozen Food Institute.

A. Jack R. Angell.
B. United Gas Pipe Line Co.

A. Robert E. Ansheles.
B. CITC Industries, Inc.

A. Tobias Anthony.
B. Research-Cottrell, Inc.

A. Associated Employers, Inc.

A. Association of Government Accountants.

A. George J. Aste.
B. United Airlines.

A. Frank M. Ault.
B. Norwich-Eaton Pharmaceuticals.

A. John C Baize.
B. American Soybean Association.

A. Richard L. Baldwin.
B. American Radio Relay League, Inc.

A. John H. Barnard, Jr.
B. Bechtel Power Corp.

A. Barnes, Richardson & Colburn.
B. John W. Thatcher.

A. Neil D. Baron.
B. Standard & Poor's Corp.

A. Richard L. Barr.
B. Iowa Railway Association.

A. Barbara Bassuener.
B. American Paper Institute, Inc.

A. W. H. Bates.
B. Midwest Gas Users Association.

A. Lynne D. Battle.
B. College Placement Council, Inc.

A. John E. Baughman.
B. Pennsylvania State Education Association.

A. Robert J. Baughman.
B. American Orthotic and Prosthetic Association.

A. Howard H. Bell.
B. American Advertising Federation.

A. Douglas P. Bennett.
B. Association of Executive Recruiting Consultants, Inc.

A. James M. Bennett.
B. Joseph Schlitz Brewing Co.

A. Frederick S. Benson III.
B. American Paper Institute, Inc.

A. John B. Benton.
B. Howell Corp.

A. David A. Beren.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation.

A. O. M. Berge.
B. Brotherhood of Maintenance of Way Employes.

A. Peggy Berk.
B. Peter Small & Associates, Inc. (for William M. Mercer, Inc.).

A. Richard B. Berman.
B. Steak and Ale Restaurants of America, Inc.

A. Charles Bernhardt.
B. National Federation of Federal Employees.

A. Max N. Berry.
B. Committee to Assure Availability of Cassein.

A. Berry & Sandstrom.
B. Centre National Interprofessionnel De L'Economic Laitierre France.

A. Berry & Sandstrom.
B. Cheese Importers Association.

A. Berry & Sandstrom.
B. East-West Trade Council.

A. Berry & Sandstrom.
B. Meat Products Group.

A. Walter J. Bierwagen.
B. Amalgamated Transit Union, AFL-CIO.

A. Gerda V. Bikales.
B. National Parks & Conservation Association.

A. Robert J. Bird.
B. Zachry, Inc.

A. Bison & Wenning.
B. National Association of Retail Grocers of the United States.

A. Bison & Wenning.

B. National Food Brokers Association.

A. Tom Black.
B. National Federation of Federal Employees.

A. Richard W. Blake.
B. American Sugarbeet Growers Association.

A. L. H. Blanchard.
B. Credit Union Financial Services, Inc.

A. Robert W. Blanchette.
B. Board of Trade Clearing Corp.

A. Robert W. Blanchette.
B. RCA Global Communications, Inc.

A. Glenn Blitgen.
B. American Mining Congress.

A. Robert Z. Bohan.
B. National Soft Drink Association.

A. M. Warren Bolton.
B. Provident Indemnity Life Insurance Co.

A. Susan A. Boolukos.
B. American Frozen Food Institute.

A. William H. Borghesani, Jr.
B. Private Carrier Conference.

A. Charles E. Boswell.
B. Amalgamated Transit Union, National Capital Local 689.

A. J. Patrick Boyle.
B. United Fresh Fruit & Vegetable Association.

A. Mitchell H. Bradley.
B. American Society of Mechanical Engineers.

A. David C. Branand.
B. American Mining Congress.

A. Gerard M. Brannon
B. American Council of Life Insurance.

A. John Henry Brebbia.
B. Board of Trade Clearing Corporation.

A. Breed, Abbott & Morgan.
B. Associated Hospital Service of New York.

A. Breed, Abbott & Morgan.
B. Lefrak Organization.

A. Breed, Abbott & Morgan.
B. David H. McConnell.

A. Breed, Abbott & Morgan.
B. Panhandle Eastern Pipe Line Co.

A. Miles H. Bresee
B. Bechtel Power Corp.

A. Claude S. Brinegar.
B. Union Oil Co. of California.

A. David W. Broome.
B. Burlington Industries, Inc.

A. Charles T. Brown.
B. Cities Service Co.

A. Ellen S. Brown.
B. Council of Energy Resource Tribes.

A. Howard S. Brown, Jr.
B. Centar Associates.

A. Thomas H. Brownell.
B. Boeing Co.

A. David Brubaker.

B. National Rehabilitation Counseling Association.

A. Harvey F. Brush.
B. Bechtel Inc.

A. Building Owners & Managers Association International.

A. Gerard P. Burke.
B. International Air Leases, Inc.

A. Francis X. Burkhardt.
B. International Brotherhood of Painters & Allied Trades.

A. Burns Public Relations Services, Inc.
B. DeHart Associates.

A. James L. Burridge.
B. FMC Corp.

A. Burr, Pease & Kurtz, Inc.
B. Eklutna, Inc.

A. Butler, Binion, Rice, Cook & Knapp.
B. City of Houston/Department of Aviation.

A. Butler, Binion, Rice, Cook & Knapp.
B. City of Philadelphia.

A. Butler, Binion, Rice, Cook & Knapp.
B. Dorchester Sea 3 Products, Inc.

A. Butler, Binion, Rice, Cook & Knapp.
B. Seatrain Lines, Inc.

A. Thomas D. Byrne.
B. Stone Container Corp.

A. J. Fred Byset.
B. United States Chamber of Commerce.

A. Roy C. Cahoon Associates.
B. National Automatic Merchandising Association.

A. Victoria R. Calvert.
B. National Council of Farmer Cooperatives.

A. Donald L. Calvin.
B. New York Stock Exchange.

A. Jerry L. Campbell.
B. Tennessee Valley Public Power Association.

A. Paul W. Cane.
B. Bechtel Power Corp.

A. W. Dean Cannon, Jr.
B. California Savings and Loan League.

A. Charles E. Capron.

A. Donald Capshaw.
B. Airline Pilots Association.

A. Issac R. Caraco.
B. Bechtel Power Corp.

A. William Carmichael.
B. American Floral Services, Inc.

A. David C. Carter.
B. United States Beet Sugar Association.

A. Danato Caruso.
B. New York Shipping Association, Inc.

A. John L. Casey.
B. Investment Counsel Association of America, Inc.

A. Allen R. Caskie.
B. American Council of Life Insurance.

A. Daniel J. Cassidy.

B. Chemical Specialties Manufacturers Association.

A. Rita L. Castle.
B. Caterpillar Tractor Co.

A. CDAC District No. 7.

A. Henry Chajet.
B. American Mining Congress.

A. David F. Chavkin.
B. National Health Law Program

A. Chemical Specialties Manufacturers Association.

A. Howard P. Chester.
B. Stone, Glass & Clay Coordinating Committee.

A. Children's TV Workshop.

A. Donald T. Chunn.
B. Title Associates, Inc.

A. City of Houston Department of Aviation.

A. Cladouhos & Brashares.
B. Crown Central Petroleum.

A. Cladouhos & Brashares.
B. International Petroleum Refining & Supply.

A. Cladouhos & Brashares.
B. International Processors.

A. Cladouhos & Brashares.
B. Seaview Petroleum Co.

A. Bob Clark & Associates.
B. Ryder Systems, Inc.

A. Gilbert M. Clark.
B. American Association of Blood Banks.

A. Thomas R. Clark.
B. General Electric Co.

A. Joseph J. F. Clarke.
B. Eaton Associates, Inc.

A. William F. Clarken.
B. International Council of airshows.

A. Cleveland Electric Illuminating Co.

A. Clifford & Warnke.
B. Warner-Lambert Co.

A. Coalition of Automotive Associations.

A. Cole Corette & Bradfield.
B. American Express Co.

A. Cole Corette & Bradfield.
B. Chase Manhatten Bank.

A. Calvin J. Collier.
B. Bristol-Myers Co.

A. Calvin J. Collier.
B. Pfizer, Inc.

A. Collier, Shannon, Rill & Scott.
B. American Frozen Food Institute.

A. Collier, Shannon, Rill & Scott.
B. Cylinder Manufacturers Association.

A. Collier, Shannon, Rill & Scott.
B. Ferrous Scrap Consumers Coalition.

A. Collier, Shannon, Rill & Scott.
B. Food Marketing Institute.

A. Collier, Shannon, Rill & Scott.

B. National Broiler Council.

A. Collier, Shannon, Rill & Scott.
B. Society of Independent Gasoline Marketers of America.

A. Collier, Shannon, Rill & Scott.
B. Tool and Stainless Steel Industry Committee.

A. Committee for Limit of Oil Import.

A. James T. Conner.
B. Mobay Chemical Co.

A. Gregory E. Conrad.
B. American Mining Congress.

A. Benjamin Y. Cooper, Jr.
B. Printing Industries of America, Inc.

A. Patrick H. Corcoran.
B. Association of Oil Pipe Lines.

A. Alfred C. Cordon.
B. Buffalo Broadcasting Co., Inc.

A. Samuel C. Corey, Jr.
B. Provident Indemnity Life Insurance Co.

A. Bennett J. Corn.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. Mary Marcotte Corrigan.
B. National Rifle Association of America.

A. Cosmetic, Toiletry & Fragrance Association.

A. Daniel T. Coughlin.
B. Joseph Schlitz Brewing Co.

A. Craig A. Coulter.
B. Cities Service Co.

A. Raymond L. Courage.
B. Carl Byoir & Associates, Inc.

A. William R. Courtney.
B. Tribal Council of the Coushatta Tribe of Louisiana.

A. C. Brayan Cox.
B. Kansas City Life Insurance Co.

A. Charles H. Cromwell, Inc.
B. General Electric.

A. Charles H. Cromwell, Inc.
B. Hughes Helicopters.

A. Charles H. Cromwell, Inc.
B. Motorola.

A. Charles H. Cromwell, Inc.
B. Northrup.

A. Charles H. Cromwell, Inc.
B. Vought.

A. James H. Cromwell, Sr.
B. Med-E-Jet Corp.

A. James H. Cromwell, Sr.
B. Worldgate Office Park, Inc.

A. Bobby E. Crow.
B. Columbia Gulf Transmission Co.

A. Crowell & Moring.
B. Associated Gas Distributors.

A. Cryogenic Vacuum Technology Co.

A. William E. Cumberland.
B. Mortgage Bankers Association of America.

A. Jack Curran.
B. National Coordinating Committee for Multiemployer Plans.

A. Curtis, Mallet-Prevost, Colt & Mosle.
B. United States Trust Company of New York.

A. Everett E. Cutter.
B. Oregon Railroad Association.

A. Fred L. Dahl.
B. Bechtel Power Corp.

A. Damon Corp.

A. John E. Daniel.
B. Johns-Manville Corp.

A. Daniels, Houlihan & Palmeter.
B. Japan Lumber Importer's Association.

A. Michael P. Daniels.
B. Korean Traders Association.

A. David S. Danielson.
B. American Optometric Association.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Government of Antigua.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Japan Atomic Industrial Forum.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Metropolitan Washington Savings & Loan League.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. National Railway Utilization Corporation.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Perpetual Federal Savings & Loan Association.

A. Danzansky, Dickey, Tydings, Quint & Gordon.
B. Potomac Electric Power Co.

A. Stephen I. Danzansky.
B. Danzansky, Dickey, Tydings, Quint & Gordon (for Government of Antigua).

A. Diane Davenny Darneille.
B. Schering-Plough Corp.

A. Drew M. Davis.
B. National Soft Drink Association.

A. Ovid R. Davis.
B. Coca-Cola Co.

A. P. M. Davison, Jr.
B. North Dakota Railway Lines.

A. J. Edward Day.
B. Associated Third Class Mail Users.

A. J. Edward Day.
B. Electronic Industries Association.

A. John Russell Deane III.
B. Coalition of Automotive Associations.

A. John Russell Deane III.
B. Specialty Equipment Market Association.

A. Gaston de Bearn.
B. Hoffmann-La Roche, Inc.

A. Francis R. deBondt.
B. Credit Union Financial Services, Inc.

A. George K. Degnon Associates, Inc.
B. National Association of Children's Hospitals & Related Institutions.

A. Stephen T. Delamater.
B. Halliburton Co.

A. John L. Delano.
B. Montana Railroad Association.

A. O. Mark De Michele.
B. Arizona Public Service Co.

A. Bradford T. Dempsey.

A. Claude J. Desautels.
B. Carl Byoir & Associates, Inc. (for Flavor & Extract Manufacturers Association).

A. Detroit Edge Tool Co.

A. James T. Devine.
B. Bowling Proprietors' Association of America, Inc.

A. Dickstein, Shapiro & Morin.
B. American Fisheries Defense Committee.

A. Dickstein, Shapiro & Morin.
B. Capeway Seafoods, Inc.

A. Dickstein, Shapiro & Morin.
B. Government of Liberia.

A. Dickstein, Shapiro & Morin.
B. International Brotherhood of Teamsters.

A. Dickstein, Shapiro & Morin.
B. Marine Engineers Beneficial Association.

A. Dickstein, Shapiro & Morin.
B. Mitsubishi International Corp.

A. Dickstein, Shapiro & Morin.
B. Tennessee Gas Transmission Co.

A. James F. Doherty.
B. Group Health Association of America, Inc.

A. Hollis M. Dole.
B. Atlantic Richfield Co.

A. John J. D'Onofrio.
B. Ute Mountain Ute Tribe.

A. William D. D'Onofrio.
B. National Association for Neighborhood Schools, Inc.

A. Jack C. Donovan.
B. Cleveland Electric Illuminating Co.

A. James A. Dorsch.
B. Health Insurance Association of America.

A. Robert H. Doyle.
B. Plumbing Manufacturers Institute.

A. Anthony V. Dresden.
B. Hill and Knowlton, Inc.

A. Thomas E. Drumm, Jr.
B. MacMillan, Inc.

A. W. H. Drushel, Jr.
B. Vinson & Elkins (for Quintana Refinery Co.).

A. Michael F. Duffy.
B. American Mining Congress.

A. C. R. Duggan.

B. Brotherhood of Railway & Airline Clerks.

A. Duncan, Weinberg & Miller.
B. Delaware 5.

A. Duncan, Weinberg & Miller.
B. East Bay Regional Park District.

A. Duncan, Weinberg & Miller.
B. Iva May Harvey.

A. Duncan, Weinberg & Miller.
B. Huron-Clinton Metropolitan Authority.

A. Duncan, Weinberg & Miller.
B. Kenai Natives Association, Inc.

A. Duncan, Weinberg & Miller.
B. Adolph Kizas.

A. Duncan, Weinberg & Miller.
B. Koniag, Inc.

A. Duncan, Weinberg & Miller.
B. Mid-West Electric Consumer Association.

A. Duncan, Weinberg & Miller.
B. Western Fuels Association, Inc.

A. Joseph L. Duran.
B. First National Bank of Boston.

A. Henry I. Dworshak.
B. American Mining Congress.

A. Roderick T. Dwyer.
B. American Mining Congress.

A. Dennis J. Earhart.
B. Bonneville Associates, Inc. (for Roncalio & Associates).

A. Dennis J. Earhart.
B. Bonneville Associates, Inc. (for Western Regional Council).

A. Jack D. Early.
B. National Agricultural Chemicals Association.

A. Eaton Associates, Inc.

A. Robert E. L. Eaton.
B. Eaton Associates, Inc.

A. Economic Service Counsel, Inc.

A. Daniel J. Edelman, Inc.
B. Nestle Corp., Inc.

A. Anne Edlund.
B. Motor Vehicle Manufacturers Association.

A. Ed Edmondson.
B. American Inland Waterways Committee.

A. Ed Edmondson.
B. Cherokee Nation.

A. Ed Edmondson.
B. IU International Management Corp.

A. Ed Edmondson.
B. Oklahoma Association of Electric Coops.

A. Ed Edmondson.
B. U.S. Maritime Committee.

A. J. Rodney Edwards.
B. American Paper Institute, Inc.

A. Jonathan P. Ela.
B. Sierra Club.

A. Jane E. Elder.
B. Sierra Club.

A. Timothy L. Elder.
B. Caterpillar Tractor Co.

A. Stephen W. Elliott.
B. Fidelity Union Trust Co.

A. Joseph J. Ely.
B. Squibb Corp.

A. Law Offices of Northcutt Ely.
B. Jasper-Newton Electric Cooperative.

A. Law Offices of Northcutt Ely.
B. Ocean Mining Associates.

A. Law Offices of Northcutt Ely.
B. Outer Banks Civic League.

A. Ralph Engel.
B. Chemical Specialties Manufacturers Association.

A. Steven L. Engelberg.
B. American Association of Marriage and Family Therapy.

A. John R. Englehorn.
B. Texasgulf, Inc.

A. Mary Ann Eriksen.
B. Sierra Club.

A. John M. Erskine, Jr.
B. Standard Oil Co. (Indiana).

A. Donald C. Evans.

A. Joseph O. Evans.

A. Robbie Exley.
B. National Federation of Federal Employees.

A. Dale W. Fallat.
B. The Andersons.

A. George W. Falltrick.
B. Brotherhood of Railway & Airline Clerks.

A. Michael Farrar.
B. American Paper Institute, Inc.

A. Arthur Fefferman.
B. American Council of Life Insurance.

A. John W. Feist.
B. Kaiser Steel Corp.

A. C. W. Fendrich.
B. Research-Cottrell, Inc.

A. John L. Festa.
B. American Paper Institute, Inc.

A. Blaine Fielding.
B. American Paper Institute, Inc.

A. Victor E. Fitzmaurice.
B. Union Oil Co. of California.

A. Five Freedoms, Inc.

A. Aaron I. Fleischman.
B. Cablecom-General, Inc.

A. Aaron I. Fleischman.
B. Warner Amex Cable Communications, Inc.

A. Raymond J. Foley.
B. National Candy Wholesalers Association, Inc.

A. Gordon Forbes.
B. Minnesota Railroads Association.

A. James W. Foristel.
B. American Association of Ophthalmology.

A. Joseph L. Fraites.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. William C. France.
B. National Motorsports Committee of ACCUS.

A. William H. G. France.
B. National Motorsports Committee of ACCUS.

A. Richard H. Francis.
B. National Multi Housing Council.

A. Lewis R. Freeman, Jr.
B. Society of the Plastics Industry, Inc.

A. Robert E. Freer, Jr.
B. Kimberly-Clark Corp.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Cheyenne River Sioux Tribe.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Doyon, Ltd.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Metlakatla Indian Community.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Miccosukee Tribe of Indians of Florida.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. The Nez Perce Tribe.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Oglala Sioux Tribe of the Pine Ridge Reservation.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Rosebud Sioux Tribe.

A. Fried, Frank, Harris, Shriver, & Kampelman.
B. Senaca Nation of Indians.

A. Barry A. Friedman.
B. Wilner & Scheiner (for American Society of Travel Agency, Inc.).

A. Gay H. Fridemann.
B. Southern California Gas Co.

A. R. D. Fritz.
B. Brotherhood of Railway & Airline Clerks.

A. Terry Gabrielson.
B. Transcontinental Gas Pipeline Corp.

A. Gailor, Elias & Matz.
B. National Association of State Savings & Loan Supervisors.

A. Gardner, Carton & Douglas.
B. Council of Industrial Boiler Owners.

A. Gardner, Carton & Douglas.
B. Heizer Corp.

A. Gardner, Carton & Douglas.
B. Marathon Oil Co.

A. Gardner, Carton & Douglas.
B. Peoples Gas Co.

A. Gardner, Carton & Douglas.

B. Sealed Power Corp.

A. Gardner, Carton & Douglas.
B. Zeigler Coal Co.

A. Theodore J. Garrish.
B. American Metal Detector Manufacturers.

A. James J. Garry.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. Morton A. Geller.
B. First National Bank of Boston.

A. George & George.
B. Pepsico, Inc.

A. Thomas W. George.
B. Texas Water Conditioning Association.

A. George W. Gephart.
B. Baltimore Gas & Electric Co.

A. Phyllis H. Gerstell.
B. American Council of Life Insurance.

A. Thomas F. Gibson.
B. Brick Institute of America.

A. Susan Gilbert.
B. National Federation of Federal Employees.

A. Arthur P. Gildea.
B. National Conference Brewery Workers-International.

A. Jonah Gitlitz.
B. American Advertising Federation.

A. Larry L. Glantz.
B. National Employment Law Project.

A. Claude Glaze.
B. Brotherhood of Railway & Airline Clerks.

A. John P. Gleason, Jr.
B. Brick Institute of America.

A. Richard C. Gohla.
B. Retail Bakers of America.

A. Vance V. Goodfellow.
B. Crop Quality Council.

A. Bruce G. Goodman.
B. Damon Corp.

A. Ann M. Gosier.
B. American Mining Congress.

A. John R. Graff.
B. International Association of Amusement Parks and Attractions.

A. Donald Edward Graham.
B. National Council of Farmer Cooperatives.

A. Ruth Graves.
B. Reading Is Fundamental, Inc.

A. Mark E. Grayson.
B. Hill and Knowlton, Inc.

A. Mark E. Grayson.
B. Hill and Knowlton, Inc. (for Health Insurance Association of America).

A. Mark E. Grayson.
B. Hill and Knowlton, Inc. (for Navajo Nation).

A. Mark E. Grayson.
B. Hill and Knowlton, Inc. (for RKO General).

A. Mark E. Grayson.
B. Hill and Knowlton, Inc. (for Seattle First National Bank).

A. Mark E. Grayson.
B. Hill and Knowlton, Inc. (for Uniroyal, Inc.).

A. Great Atlantic & Pacific Tea Co., Inc.

A. Edward M. Green.
B. American Mining Congress.

A. Dale Greenwood.
B. Washington Railroad Association.

A. A. Jack Grimes.
B. National Pest Control Association.

A. Robert J. Grimm.
B. Avon Products, Inc.

A. Chester A. Groseclose, Jr.
B. South Dakota Railroads Association.

A. John T. Grupenhoff.
B. National Association for Hospital Development.

A. Thomas M. Gunn.
B. McDonnell Douglas Corp.

A. Jerome A. Guth.
B. Armco, Inc.

A. Maria Faller Gwaltney.
B. American Hellenic Institute Public Affairs Committee, Inc.

A. C. James Hackett.
B. American Plywood Association.

A. William D. Hager.
B. American Academy of Actuaries.

A. Peter H. Hahn.
B. Chromalloy American Corp.

A. Martin Ryan Haley & Associates.
B. Agri-Business, Inc.

A. Martin Ryan Haley & Associates.
B. American Energy Inc.

A. Martin Ryan Haley & Associates.
B. Central Texas Grain Products Marketing Cooperative.

A. Martin Ryan Haley & Associates.
B. Grain Products Alcohol Cooperatives.

A. Martin Ryan Haley & Associates.
B. M&M/Mars Division of Mars.

A. Martin Ryan Haley & Associates.
B. New England Mutual Life Insurance Co.

A. Martin Ryan Haley & Associates.
B. Operation Independence.

A. Martin Ryan Haley & Associates.
B. Tobacco Tax Council.

A. Floyd D. Hall.
B. International Air Transport Association.

A. Halt, Inc.

A. Hamel, Park, McCabe & Saunders.
B. State of Alaska.

A. Philip W. Hamilton.
B. Hamilton & Associates, Inc. (for National Labor-Management Foundation).

A. George J. Hanks, Jr.
B. Union Carbide Corporation.

A. Erling Hansen.
B. Group Health Association of America, Inc.

A. Ralph R. Harding.
B. AMPCO Foods, Inc.

A. David T. Hardy.
B. National Rifle Association of America.

A. Michael Harrigan.
B. United States Olympic Committee.

A. Robert S. Hartmann.
B. Hill and Knowlton.

A. Edwin H. Harvey.
B. National Federation of Federal Employees.

A. Paul T. Hasse.
B. Halt, Inc.

A. Paul M. Hawkins.
B. Health Insurance Association of America.

A. Heavy Specialized Carriers Conference, Inc.

A. Richard L. Hellwege.
B. Lear Siegler, Inc.

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for American Gas Association).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for American Society of Farm Managers & Rural Appraisers).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for P. Mastrippolito & Sons, Inc.).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for National Custom Brokers & Forwarders of America, Inc.).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for Partnership Placements, Inc.).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for Pennsylvania Food Processors Association).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for Petroleum Heat & Power Co.).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for Philadelphia Gas Works).

A. Thomas R. Hendershot.
B. Barnett, Alagia & Carey (for Slurry Transport Association).

A. C. Dayle Henington.
B. Chicago Mercantile Exchange.

A. Henkel & Lamon.
B. Colonial Life & Accident Insurance Co.

A. Henkel & Lamon.
B. National Association of Pension Consultants & Administrators, Inc.

A. Donald A. Henriksen.
B. Atlantic Richfield Co.

A. Bruce Heppen.

B. National Federation of Federal Employees.

A. Hercules, Inc.

A. William R. Hesse.
B. Fahlgren & Ferriss, Inc.

A. Kevin M. Higgins.
B. Avon Products, Inc.

A. Hill, Christopher & Phillips.
B. Michigan State Housing Development Authority.

A. Hill, Christopher & Phillips.
B. Morgan Guaranty Trust Co. of New York.

A. Hill, Christopher & Phillips.
B. Republic National Bank of New York.

A. Gerald "Jerry" Hill.
B. Standard Oil Co. (Indiana).

A. Beverly Hines.
B. VISA-USA, Inc.

A. Robert J. Hobbs.
B. National Consumer Law Center, Inc.

A. Philip R. Hochberg.
B. Canadian Cablesystems, Ltd.

A. Irvin A. Hoff.
B. United States Cane Sugar Refiners' Association.

A. William H. Hoffman.
B. American Iron & Steel Institute.

A. Hogan & Hartson.
B. Guam Power Authority.

A. Hogan & Hartson.
B. National Rehabilitation Association.

A. Robert L. Holding.
B. Association of Home Appliance Manufacturers.

A. Kelly Holley.
B. American Paper Institute, Inc.

A. Henry W. Holling.
B. Caterpillar Tractor Co.

A. Richard C. Holmquist.
B. American Mining Congress.

A. Holt Cicatiello Neiswanger, Inc.
B. New York Mercantile Exchange.

A. John W. Holton.
B. American Bankers Association.

A. Linwood Holton.
B. American Council of Life Insurance.

A. Michael J. Horowitz.
B. National Association of Coin Laundry Equipment Operators.

A. Thomas B. House.
B. American Frozen Food Institute.

A. Mary Greer Houston.
B. Hamilton & Associates, Inc. (for Farm Labor Research Committee).

A. C. T. Hoversten.
B. National Advertising Co.

A. Howell Corp.

A. Margaret Renken Hudson.
B. Korf Industries, Inc.

A. Gary E. Hughes.
B. American Council of Life Insurance.

A. Robert Hughes.
B. American Association of Foundations for Medical Care.

A. Vester T. Hughes, Jr.
B. Sammons Enterprises, Inc.

A. William E. Hughes, Jr.
B. Northeast Utilities Service Co.

A. Cordell W. Hull.
B. Bechtel Power Corp.

A. Frederick D. Hunt, Jr.
B. Society of Professional Benefit Administrators.

A. Lawrence H. Hunt, Jr.
B. Sidley & Austin (for Heinold Commodities, Inc.).

A. Peter C. Hunt.
B. Brooklyn Union Gas Co.

A. Robert C. Hunt.
B. Cooperative Food Distributors of America.

A. Raymond D. Hurley.
B. Owens-Corning Fiberglas Corp.

A. Robert R. Hurt.
B. Merck & Co., Inc.

A. Bernard J. Imming.
B. United Fresh Fruit & Vegetable Association.

A. Independent United States Tanker Owners Committee.

A. Inter-American Services, Inc.

A. International Brotherhood of Painters & Allied Trades.

A. Investors Diversified Services, Inc.

A. Linda Jenckes.
B. Health Insurance Association of America, Inc.

A. Donald A. Johnson.
B. Plains Cotton Growers, Inc.

A. H. Bradley Johnson.
B. American Mining Congress.

A. Donald W. Jones.
B. Harsh-Rotman & Druck.

A. James E. Jones.
B. Appalachian Power Co.

A. Ardon B. Judd, Jr.
B. Dresser Industries, Inc.

A. Kaiser Steel Corp.

A. Kaye, Scholer, Fierman, Hays & Handler.
B. American Psychoanalytic Association.

A. William J. Keating.
B. National Grain and Feed Association.

A. Vicki R. Keenan.
B. Bechtel Power Corp.

A. Jefferson D. Keith.
B. National Pest Control Association.

A. Donald W. Keller.
B. Quintana Petroleum Corp.

A. John G. Keller.
B. Exxon Corp.

A. Stephen G. Kellison.
B. American Academy of Actuaries.

A. Stephen S. Kellner.
B. Chemical Specialties Manufacturers Association.

A. Robert F. Kelly.
B. E. I. du Pont de Nemours & Co., Inc.

A. William T. Kendall.
B. Alliance for Free Enterprise.

A. Kenyon & Kenyon.
B. Estate of Bert N. Adams, et al.

A. Robert M. Ketchel.
B. General Electric Co.

A. Earline A. Keyser.
B. Bechtel Power Corp.

A. Richard F. Kibben.
B. Business Roundtable.

A. Kies, Dennis M.
B. Midwest Gas Users Association.

A. Edward H. King.
B. Walgreen Co.

A. G. Jack King.
B. U.S. Air, Inc.

A. Francis L. Kinney.
B. Northeast Utilities Service Co.

A. Robert B. Kittredge.
B. Investment Counsel Association of America, Inc.

A. Allie C. Kleinpeter, Jr.
B. Louisiana Bankers Association.

A. William H. Knapp.
B. Chamber of Commerce of the United States.

A. Gary D. Knight.
B. American Mining Congress.

A. Jeffrey W. Knight.
B. Friends of the Earth.

A. Keith R. Knoblock.
B. American Mining Congress.

A. Paul E. Kohl.
B. Archdiocese of New York.

A. Nicholas Kominus.
B. U.S. Cane Sugar Refiners' Association.

A. Charles B. Kornmann.
B. South Dakota Railroads Association.

A. Stephen W. Kraus.
B. American Council of Life Insurance.

A. Philip Kugler.
B. American Federation of Teachers, AFL-CIO.

A. Labor Bureau of Middle West.

A. C. Peter Lambos.
B. New York Shipping Association, Inc.

A. Thomas M. Landin.
B. SmithKline Corp.

A. Bruce A. Landy.

A. Michael S. Lang.
B. American Productivity Center, Inc.

A. Reed E. Larson.
B. National Right to Work Committee.

A. Lawrence C. Laser.
B. Cities Service Co.

A. Louis F. Laun.

B. American Paper Institute, Inc.

A. Linda L. Lawrence.
B. Brown & Root, Inc.

A. Ivan Lawyer.
B. GCC Beverages, Inc.

A. William T. Lehner.
B. Montgomery Ward & Co., Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. City & Regional Magazine Association.

A. Leighton, Conklin, Lemov & Jacobs.
B. Clorox Co.

A. Leighton, Conklin, Lemov & Jacobs.
B. Developmental Healthcare & Wellness, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. Family Practice Life and Health Action Research Institute, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. First Boston Corp.

A. Leighton, Conklin, Lemov & Jacobs.
B. GEM Mailing, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. General Instrument Corp.

A. Leighton, Conklin, Lemov & Jacobs.
B. Greater Boston Real Estate Board.

A. Leighton, Conklin, Lemov & Jacobs.
B. Grocery Manufacturers of America, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. Jet America International, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. National Cable Television Association, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. National Development Services Corp.

A. Leighton, Conklin, Lemov & Jacobs.
B. Oakdale Corp.

A. Leighton, Conklin, Lemov & Jacobs.
B. Professional Air Traffic Controllers Organization.

A. Leighton, Conklin, Lemov & Jacobs.
B. Savings Banks Association of Massachusetts.

A. Leighton, Conklin, Lemov & Jacobs.
B. Security Associates, Inc.

A. Leighton, Conklin, Lemov & Jacobs.
B. Whey Products Institute.

A. Richard L. Lesher.
B. Chamber of Commerce of the United States.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Commerzbank AG.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Consolidated Edison Co. of New York, Inc.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. General Electric Co.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. GK Technologies, Inc.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Glass Packaging Institute.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. National Alliance of Supermarket Shoppers.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Pacific Gas & Electric Co.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. TOSCO.

A. Leva, Hawes, Symington, Martin & Oppenheimer.
B. Union-Investment-GmbH.

A. Robert J. Levering.
B. Direct Selling Association.

A. Caroline A. Lewis.
B. Apartment and Office Building Association.

A. Charles L. Lewis.
B. American Personnel & Guidance Association.

A. James B. Liberman.
B. Public Service Electric and Gas Company, et al.

A. Russell B. Light.
B. Boeing Co.

A. John F. Lillard III.
B. National Insulators Association.

A. Richard A. Lillquist.
B. Flexible Packaging Association.

A. Elena Linthicum.
B. Allied Chemical Corp.

A. Charles B. Lipsen.

A. Charles B. Lipsen.
B. Hoffman, Hendry, et al. (for: Global Exploration & Development Corp.).

A. Charles B. Lipsen.
B. National Constructors Association.

A. Charles B. Lipsen.
B. Norman, Lawrence, et al. (for: Fur Conservation Institute of America).

A. Charles B. Lipsen.
B. Northwest Alaska Pipeline Co.

A. Charles B. Lipsen.
B. U.S. & Overseas Employee Tax Fairness Committee.

A. Zel E. Lipsen.
B. Westinghouse.

A. William F. Little.
B. Ford Motor Co.

A. Theodore M. Littman.
B. Rockwell International.

A. Robert H. Loeffler.
B. State of Alaska.

A. Nira Hardon Long.
B. National Black Media Coalition.

A. John H. Lonnquist, Jr.
B. Johns-Manville Corp.

A. Loomis, Owen, Fellman & Howe.
B. National Water Well Association.

A. Annie B. Lorber.

A. Claudia J. Louis.
B. National Soft Drink Association.

A. Robert C. Lower.
B. Board of Trade Clearing Corp.

A. Judy D. Lynch.
B. Intitute for Public Representation.

A. Timothy C. MacCarthy.
B. Motor Vehicle Manufacturers Association.

A. James E. Mack.
B. National Association of Mirror Manufacturers.

A. Curtis T. Mackey.
B. National Insulation Contractors Association.

A. Marion M. MacRae.
B. BankAmerica Corp.

A. Lee G. Magnussen.
B. Heinold Commodities, Inc.

A. Robert L. Maier.
B. Kaiser Aluminum & Chemical Corp.

A. Richard E. Mallory.
B. California Westside Farmers.

A. Milton C. Mapes, Jr.
B. National Peace Academy Campaign.

A. Philip N. Margolis.
B. Young Woman's Christian Home.

A. Ronald Anthony Marks.

A. D. V. Maroney, Jr.
B. Amalgamated Transit Union, AFL-CIO.

A. Chalmers Marquis.
B. Agency for Instructional TV.

A. Chalmers Marquis.
B. Children's TV Workshop.

A. Larry K. Martin.
B. Man-Made Fiber Producers Association, Inc.

A. E. C. Marty.

A. Judith Marty.

A. Mike M. Masaoka.
B. American Japanese Trade Committee.

A. Mike M. Masaoka.
B. Nisei Lobby.

A. Paul J. Mason.
B. American Council of Life Insurance.

A. Jon G. Massey.
B. Oil Investment Institute.

A. C.V. & R.V. Maudlin.
B. Georgia Power Co.

A. C.V. & R.V. Maudlin.
B. Joint Government Liaison Committee.

A. Douglas E. McAllister.
B. American Mining Congress.

A. William J. McAuliffe, Jr.
B. American Land Title Association.

A. Michael J. McCabe.
B. Allstate Enterprises, Inc.

A. John McCahill.
B. United States Olympic Committee.

A. A. R. McCammon.

B. Tennessee Railroad Association.

A. Robert S. McConnaughey.
B. American Council of Life Insurance.

A. Marianne McDermott.
B. Hill and Knowlton, Inc.

A. Edward McDonald.
B. Brotherhood of Railway & Airline Clerks.

A. Jack McDonald Assoc., Inc.
B. Northrop Corp.

A. James McDonald.
B. Jack McDonald Associates, Inc. (for Northrop Corp.).

A. Patrick J. McDonough.
B. American Personnel & Guidance Association.

A. Robert H. McFadden.
B. Motor Vehicle Manufacturers Association of the United States, Inc.

A. James M. McGarry, Jr.
B. Eaton Associates, Inc.

A. William F. McKenna.
B. Silver, Freedman, Housley, Taff & Goldberg.

A. William Colm McKeveny.
B. American Pulpwood Association.

A. Margaret McNamara.
B. Reading Is Fundamental, Inc.

A. Robert E. McVicker.
B. Kollsman Instrument Co.

A. R. E. McWilliams.
B. Boeing Commercial Airplane Co.

A. George G. Mead.
B. American Trucking Associations, Inc.

A. R. Otto Meletzke.
B. American Council of Life Insurance.

A. Howard N. Menaker.
B. American Optometric Association.

A. Andrice J. Michaels.
B. American Mining Congress.

A. Dale Miller.
B. Gulf Intracoastal Canal Association.

A. Dale Miller.
B. Texasgulf, Inc.

A. Luman G. Miller.
B. Oregon Railroad Association.

A. Paul J. Miller.
B. Investment Counsel Association of America, Inc.

A. Robert H. Miller.
B. Tenneco, Inc.

A. John G. Milliken.
B. LaChoy Food Products.

A. Glenn W. Million.
B. Disabled Officers Association.

A. Richard V. Minck.
B. American Council of Life Insurance.

A. Minerals Exploration Coalition, Inc.

A. Stacey J. Mobley.
B. E. I. du Pont de Nemours & Co.

A. Moery & Co.
B. Surrey & Morse (for Amsterdam-Rotterdam Bank).

A. Moery & Co.
B. Surrey & Morse (for Government of the Republic of Zaire).

A. Robert M. Moliter.
B. General Electric Co.

A. C. Austin Montgomery.
B. Credit Union Financial Services, Inc.

A. Donald L. Mooers.
B. Facts and Comparisons, Inc.

A. Donald L. Mooers.
B. Westinghouse Electric Corp.

A. E. Joyce Morgan.
B. American Mining Congress.

A. Victor G. Morris.
B. Montgomery Ward & Co., Inc.

A. Fareed Abdullah Muhammad.
B. Indiana State Prisoners, et al.

A. J. T. Mular.
B. Brotherhood of Railway & Airline Clerks.

A. Robert M. Mulligan.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation.

A. Law Offices of Timothy D. Naegele.
B. BayBanks, Inc.

A. Law Offices of Timothy D. Naegele.
B. Republic National Bank of New York.

A. National Agricultural Chemicals Association.

A. National Alliance of Teenagers, Inc.

A. National Association of Federally Licensed Firearms.

A. National Broiler Council.

A. National Committee for Citizens in Education.

A. National Consumer Center for Legal Services.

A. National Council for a Responsible Firearms Policy.

A. National Grain and Feed Association.

A. National Motorsports Committee of ACCUS.

A. National Organization for Women.

A. National Peace Academy Campaign.

A. National Pest Control Association.

A. National Railway Utilization Corp.

A. National Resource Center for Consumers of Legal Service.

A. National Small Business Index.

A. National Turkey Federation.

A. National Wheel & Rim Association.

A. National Youth Pro-Life Coalition.

A. Mark D. Nelson.
B. E. I. du Pont de Nemours & Co., Inc.

A. Milton E. Neshek.
B. Kikkoman Foods, Inc.

A. New Directions.

A. New York Committee of International Committee of Passenger Lines.

A. New York Shipping Association, Inc.

A. George O'Bea, Jr.
B. United Paperworkers International Union.

A. M. Eileen O'Brien.
B. Dow Corning Corp.

A. O'Connor & Hannan.
B. American Public Transit Association.

A. O'Connor & Hannan.
B. Commonwealth of Puerto Rico.

A. O'Connor & Hannan.
B. Hennepin County.

A. O'Connor & Hannan.
B. Hospital Financing Study Group.

A. O'Connor & Hannan.
B. National Committee for Quality Health Care.

A. O'Connor & Hannan.
B. Pfizer, Inc.

A. O'Connor & Hannan.
B. Police Association of the District of Columbia.

A. John A. O'Donnell.
B. Philippine Sugar Commission.

A. Oil Investment Institute.

A. Alice O'Leary.
B. Alliance for Cannabis Therapeutics.

A. Robert A. Olexy.
B. Browning-Ferris Industries.

A. Alvin E. Oliver.
B. National Grain and Feed Association.

A. Van R. Olsen.
B. United States Beet Sugar Association.

A. Nancy J. Olson.
B. Johns-Manville Corp.

A. Roy E. Olson.
B. American Paper Institute, Inc.

A. John T. O'Neill.
B. Apartment and Office Building Association.

A. Gerard Paul Panaro.
B. Retail Bakers of America.

A. Douglas L. Parker.
B. Institute for Public Representation.

A. Linda K. Parson.
B. Cities Service Co.

A. David J. Pattison.
B. Health Insurance Association of America.

A. Larry E. Paulick.
B. National Spa & Pool Institute.

A. Peabody, Rivlin, Lambert & Meyers.
B. Association of Media Producers.

A. Peabody, Rivlin, Lambert & Meyers.
B. Tuna Research Foundation.

A. Victor J. Perini, Jr.

B. Highway Users Federation for Safety & Mobility.

A. John E. Pflieger.
B. Time Inc.

A. Pierson, Ball & Dowd.
B. Dun & Bradstreet Corp.

A. Pierson, Ball & Dowd.
B. General Tire & Rubber Co.

A. Stuart F. Pierson.
B. Verner, Liipfert, Bernhard & McPherson (for Pan Am, LTV Corp., Consolidated Freightways, Overnite, Trailways, Airline of Portugal, Finnair, Commonwealth of Puerto Rico, Puyallup Indians, Northwest Indian Fisheries Committee).

A. Rena S. Pies.
B. American Footwear Industries Association.

A. Pineapple Growers Association of Hawaii.

A. Pitney Bowes, Inc.

A. Peter K. Pitsch.
B. Montgomery Ward & Co., Inc.

A. Ronald L. Platt.
B. Burger King Corp.

A. Robert E. Plett.
B. Robert Plett Associates, Ltd.

A. William N. Plymat.
B. American Council on Alcohol Problems.

A. Michael A. Poling.
B. American Mining Congress.

A. Nathaniel Polster.
B. Research to Prevent Blindness, Inc.

A. Robert F. Pontzer.
B. Lear Siegler, Inc.

A. Henry E. Poole.
B. Avon Products, Inc.

A. Potomac Electric Power Co.

A. E. A. Potter.
B. NCR Corp.

A. Janet Power.
B. VISA-USA, Inc.

A. Graydon R. Powers, Jr.
B. Scientific Apparatus Makers Association.

A. Preston, Thorgrimson, Ellis & Holman.
B. Chugach Natives, Inc.

A. Preston, Thorgrimson, Ellis & Holman.
B. City of Juneau.

A. Preston, Thorgrimson, Ellis & Holman.
B. Commercial Union Assurance Companies.

A. Preston, Thorgrimson, Ellis & Holman.
B. Dravo Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Fisheries Development Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Kyokuyo Co., Ltd.

A. Preston, Thorgrimson, Ellis & Holman.
B. National Education Association.

A. Preston, Thorgrimson, Ellis & Holman.
B. Northern Tier Pipeline Co.

A. Preston, Thorgrimson, Ellis & Holman.
B. Port of Seattle.

A. Preston, Thorgrimson, Ellis & Holman.
B. Ronan Telephone Co.

A. Preston, Thorgrimson, Ellis & Holman.
B. St. Louis Ship.

A. Preston, Thorgrimson, Ellis & Holman.
B. Schnitzer Investment Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Seatrain Lines, Inc.

A. Preston, Thorgrimson, Ellis & Holman.
B. Seattle Trust & Savings Bank.

A. Preston, Thorgrimson, Ellis & Holman.
B. 13th Regional Corp.

A. Preston, Thorgrimson, Ellis & Holman.
B. Washington Department of Ecology.

A. Preston, Thorgrimson, Ellis & Holman.
B. Washington Natural Gas.

A. Preston, Thorgrimson, Ellis & Holman.
B. Yardarm Knot Corp.

A. Patricia Pride.
B. Financial Accounting Standards Board.

A. Paul C. Pritchard.
B. National Parks & Conservation Association.

A. Pro-Life Congressional District Action Committee.

A. Provident Indemnity Life Insurance Co.

A. David E. Pullen.
B. Johns-Manville Corp.

A. Earle E. Putnam.
B. Amalgamated Transit Union, AFL-CIO.

A. William A. Quinlan.
B. Retail Bakers of America.

A. Quintana Refinery Co.

A. Clifford H. Raber.
B. McDonald's Corp.

A. Nancy Ramsey.
B. Americans for Salt, Inc.

A. Robert Randall.
B. Alliance for Cannabis Therapeutics.

A. H. W. Randolph.
B. Brotherhood of Railway & Airline Clerks.

A. Carol Raulston.
B. American Paper Institute, Inc.

A. Julian O. Read.
B. Central and South West Corp.

A. Reading Is Fundamental, Inc.

A. Dwight C. Reed.
B. National Soft Drink Association.

A. Paul Reiber.
B. International Air Leases, Inc.

A. Charlotte T. Reid.
B. Volunteer Trustees of Not for Profit Hospitals.

A. Reid & Priest.
B. Shanghai Power Co.

A. W. W. Renfroe.
B. Kentucky Railroad Association.

A. Research-Cottrell, Inc.

A. John H. Reurs.
B. New York Committee of International Committee of Passenger Lines.

A. Austin T. Rhoads.
B. International Association of Ice Cream Mfrs. & Milk Industry Foundation.

A. R. Paul Richard.
B. Association of American Law Schools.

A. K. O. Richardson.
B. Brotherhood of Railway & Airline Clerks.

A. Lloyd C. Richardson, Jr.
B. South Dakota Railroads Association.

A. Mark J. Riedy.
B. Mortgage Bankers Association of America.

A. James E. Ritchie.
B. National Association of Off-Track Betting Corp.

A. Stark Ritchie.
B. American Petroleum Institute.

A. Jerome Robinson.
B. Florida Restaurant Association.

A. Robinson, Silverman, Pearce, Aronsohn & Berman.
B. National Reality Committee, Inc.

A. Lois M. Rodney,
B. Credit Union Financial Services, Inc.

A. Willi Roelli.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. Rogers & Wells.
B. F. & M. Schaefer Corp.

A. Rogers & Wells.
B. A. Johnson & Co., Inc.

A. Rogers & Wells.
B. Merrill Lynch International Inc.

A. Rogers & Wells.
B. Overseas Shipholding Group.

A. Rogers & Wells.
B. Squibb Corp.

A. Rogers & Wells.
B. Teachers Insurance & Annuity Association/CREF.

A. Rogers & Wells.
B. Twentieth Century Fox Film Corp.

A. Kenneth S. Rolston, Jr.
B. American Pulpwood Association.

A. Rose, Schmidt, Dixon, Hasley, Whyte & Hardesty.
B. Edison Electric Institute.

A. Gary W. Rossow.
B. Motor Vehicle Manufacturers Association.

A. Michael J. Rourke.
B. Great Atlantic & Pacific Tea Co., Inc.

A. James C. Rowland, Jr.
B. Union Carbide Corp.

A. John W. Rowland.
B. Amalgamated Transit Union, AFL-CIO.

A. Eric M. Rubin.
B. Meadville Corp.

A. Eric M. Rubin.

B. Outdoor Advertising Association.

A. Paul M. Ruden.
B. Wilner & Scheiner (for: American Society of Travel Agents, Inc.).

A. Ella Marice Ryan.
B. J. C. Penney Co., Inc.

A. Thomas L. Sager.
B. E. I. du Pont de Nemours & Co.

A. Whitney G. Sampson.
B. American Association of Ophthalmology.

A. Dale E. Schell.
B. GATX Corp.

A. Andrew A. Scholtz.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. Robert I. Schramm.
B. Superior Oil Co. and Superior Farming Co.

A. William B. Schultz.
B. Public Citizen, Inc.

A. Walter A. Schumann III.
B. Potomac Overlook Associates, Inc.

A. 2d Congressional District Action Committee, FL.

A. Seyfarth, Shaw, Fairweather & Geraldson.
B. Dresser Industries, Inc.

A. Seyfarth, Shaw, Fairweather & Geraldson.
B. Trans-Union Corp.

A. J. E. Shaw.
B. Brotherhood of Railway & Airline Clerks.

A. Shaw, Pittman, Potts & Trowbridge.
B. Datapoint Corp.

A. Shea & Gould.
B. Allied Chemical.

A. Shea & Gould.
B. Consumer Solar Electric Power Corp.

A. Shea & Gould.
B. Encyclopedia Britannica, Inc.

A. Shea & Gould.
B. Independent Research Library Association.

A. Shea & Gould.
B. Ryder Systems.

A. Allan L. Sher.
B. Merrill Lynch & Co., Inc.

A. Michael S. Sher.
B. National Alliance of Teenagers, Inc.

A. Seymour Sheriff.
B. Man-Made Fiber Producers Association, Inc.

A. Russell L. Shipley, Jr.
B. National Candy Wholesalers Assn., Inc.

A. James K. Shiver.
B. Hughes, Sears & Shiver, Inc.

A. Mary Frances Shlagel.
B. Union Oil Co. of California.

A. Debbie Leilani Shon.
B. National Education Association.

A. Silver, Freedman, Housley, Taff & Goldberg.

A. Barbara A. Silverman.

B. Provident Indemnity Life Insurance Co.

A. Robert C. Singer.
B. Soap and Detergent Association.

A. Ruth L. Sky.
B. Union Mutual Life Insurance Co.

A. Barry S. Slevin.
B. Seifman & Lechner (for United Food & Commercial Workers International Union).

A. Small Business Council of America, Inc.

A. Peter Small & Associates, Inc.
B. William M. Mercer, Inc.

A. Owen Meredith Smaw.

A. Delbert D. Smith.
B. Communications Satellite Corp.

A. M. H. Smith.
B. National Committee to Re-Establish a Strong Defense for America.

A. Smith and Pepper.
B. Southern Satellite Systems, Inc.

A. Robert Wm. Smith.
B. Railway Progress Institute.

A. Snyder & Ball Associates, Inc.
B. Aeroject-General Corp.

A. Edmund T. Sommer, Jr.
B. Council of American-Flag Ship Operators.

A. Charles B. Sonneborn.
B. American Academy of Ophthalmology.

A. Soules, McCamish, Ingram, Martin & Brown, Inc.
B. Datapoint Corp.

A. South Dakota Railroads Association.

A. Southern Satellite Systems, Inc.

A. Larry M. Speakes.
B. Hill and Knowlton, Inc.

A. Specialty Equipment Market Association.

A. John F. Speer, Jr.
B. Int'l. Assn. of Ice Cream Mfrs. & Milk Industry Foundation.

A. William C. Spence.
B. Columbia Gulf Transmission Co.

A. Squire, Sanders & Dempsey.
B. National Collegiate Athletic Association.

A. Squire, Sanders & Dempsey.
B. Public Securities Association.

A. State & Federal Associates, Inc.
B. National Association of Convenience Stores.

A. State & Federal Associates, Inc.
B. Schering-Plough Corp.

A. Charles D. Statton.
B. Bechtel Power Corp.

A. Leon P. Stavrou,
B. American Hellenic Institute Public Affairs Committee, Inc.

A. David J. Steinberg,
B. National Council for a Responsible Firearms Policy.

A. Mary E. Stenberg.

B. American Personnel & Guidance Association.

A. Travis B. Stewart.
B. Hoffmann-La Roche, Inc.

A. John W. Stillwaggon.
B. Coffee, Sugar & Cocoa Exchange, Inc.

A. Adam D. Stolpen.
B. Pitney Bowes, Inc.

A. Roger J. Stroh.
B. United Fresh Fruit & Vegetables Association.

A. Austin B. Sullivan, Jr.
B. General Mills, Inc.

A. Surrey & Morse.
B. Amersterdam-Rotterdam Bank.

A. John R. Sweeney.
B. Bethlehem Steel Corp.

A. A. B. Swindell IV.
B. North Carolina Railroad Association.

A. Clayton C. Taylor.
B. McDonald's Corp.

A. Frank A. Taylor.
B. National Federation of Federal Employees.

A. Teamsters for a Democratic Union.

A. 39th Congressional District Action Committee.

A. John W. Thomas.
B. American Veterinary Medical Association.

A. John W. Thomas.
B. Association of American Veterinary Medical Colleges.

A. Lawrence L. Thomas.
B. Bechtel Power Corp.

A. Boyd Thompson.
B. American Association of Foundations for Medical Care.

A. Thompson, Hine and Flory.
B. Seaboard Allied Milling Corp.; Dixie-Portland Flour Mills; ADM Milling Co.

A. Jerry P. Thompson.
B. International Association of Machinists.

A. W. Reid Thompson.
B. Potomac Electric Power Co.

A. William R. Thornhill.
B. Tennessee Gas Pipeline Co.

A. Paul J. Tierney.
B. Transportation Association of America.

A. E. Linwood Tipton.
B. International Association of Ice Cream Mfrs. & Milk Industry Foundation.

A. Title Associates, Inc.

A. Edward Tonat.
B. Robert Goff & Associates.

A. Transportation Association of America.

A. Robert C. Troup.

A. Rebecca C. True.
B. Browning-Ferris Industries, Inc.

A. Philip J. Tulimieri, Jr.

B. Avon Products, Inc.

A. 22d Congressional District Action Committee.
B. National Committee for a Human Life Amendment.

A. 23d Congressional District Action Committee.

A. Joseph R. Tyler.
B. U.S. Fiber Corp.

A. U.S. Cane Sugar Refiner's Association.

A. Drew A. Upton.
B. Scientific Apparatus Makers Association.

A. Mathew Valencie.
B. Halt, Inc.

A. Richard A. Van Deuren.
B. National Employee Benefits Institute.

A. John P. Venners.
B. Venners & Co. (for Koch Industries).

A. Jerry T. Verkler.
B. Texas Eastern Transmission Corp.

A. Brenda R. Viehe-Naess.
B. American Insurance Association.

A. Marcos Von Goihman.
B. Guyana Airways Corp.

A. Vorys, Sater, Seymour & Pease.
B. Grocery Manufacturers of America.

A. Vorys, Sater, Seymour & Pease.
B. J. Paul McNamara.

A. Catherine Waelder.
B. National Federation of Federal Employees.

A. Howard W. Wahl.
B. Bechtel Power Corp.

A. Linda Walker-Hill.
B. Hill and Knowlton, Inc.

A. Warren W. Walkley.
B. General Electric Co.

A. Carl S. Wallace.
B. Purolator, Inc.

A. R. C. Wallace.
B. Amalgamated Transit Union, AFL-CIO.

A. Lionel L. Wallenrod.
B. American Paper Institute, Inc.

A. Charles S. Walsh.
B. National Cable Television Association.

A. Bonnie B. Wan.
B. Montgomery Ward & Co., Inc.

A. Alan S. Ward.
B. Baker & Hostetler (for Soap and Detergent Association).

A. G. Fletcher Ward, Jr.
B. Montgomery Ward & Co., Inc.

A. Robert B. Washington, Jr.
B. Danzansky, Dickey, Tydings, Quint & Gordon (for Government of Antigua).

A. George B. Watts.
B. National Broiler Council.

A. Webster & Chamberlain.
B. American Society of Radiologic Technologists.

A. Webster & Chamberlain.
B. National Club Association.

A. Jack R. Wehrly.
B. Dow Corning Corp.

A. Robert E. Weigend, Jr.
B. Communications Satellite Corp.

A. William Whichard, Jr.
B. Union Oil Co. of California.

A. B. K. Whitehead.
B. Brotherhood of Railway & Airline Clerks.

A. Bennett C. Whitlock, Jr.
B. American Trucking Associations, Inc.

A. Louis M. Whitlock.
B. Beker Industries Corp.

A. Richard J. Weichmann.
B. American Paper Institute, Inc.

A. Perry F. Williams.
B. American Radio Relay League, Inc.

A. Robert E. Williams.
B. United Airlines.

A. John C. Williamson.
B. National Apartment Association.

A. David K. Willis.
B. Motor Vehicle Manufacturers Association of the United States, Inc.

A. Wilmer & Pickering.
B. Dealer Bank Association.

A. Wilmer & Pickering.
B. Morgan Guaranty Trust Co.

A. Wilmer & Pickering.
B. Motor Vehicle Manufacturers Association of the United States., Inc.

A. Wilmer & Pickering.
B. National Corp. for Housing Partnerships.

A. Dorothy Ruth Wilson.
B. Coalition of Concerned Charities.

A. James E. Wilson, Jr.
B. McDonnell Douglas Corp.

A. Winner/Wagener Associates, Inc.
B. Rockwell International.

A. James R. Winnie.
B. Cities Service Gas Co.

A. Curtin Winsor, Jr.
B. Alliance for Free Enterprise.

A. Winston & Strawn.
B. American Association of Museums.

A. Winston & Strawn.
B. Gould, Inc.

A. Ann R. Wise.
B. Hollingsworth & Vose Co.

A. Witkowski, Weiner, McCaffrey & Brodsky.
B. National Manufactured Housing Finance Association.

A. Witkowski, Weiner, McCaffrey & Brodsky.
B. National Truck Equipment Association.

A. Glenn P. Witte.
B. International Association of Ice Cream Mfrs. & Milk Industry Foundation.

A. Ronald Wolsey.
B. Standard Oil Co. (Indiana).

A. George M. Worden.
B. Hill and Knowlton, Inc.

A. Dee Workman.
B. Mobil Oil Corp.

A. Edward A. Yopp.
B. State National Bank of El Paso.

A. Carmen E. Young.
B. National Federation of Federal Employees.

A. Michael Zagorac, Jr.
B. Jack Eckerd Corp.

A. Janice Zarro.
B. Avon Products, Inc.

A. Thomas K. Zaucha.
B. Cooperative Food Distributors of America.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Confederated Tribes of Colville Reservation.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Lummi Indian Tribe.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Makah Indian Tribe.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Northern Cheyenne Indian Tribe.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Quileute Indian Tribe.

A. Ziontz, Pirtle, Morisset & Ernstoff.
B. Tulalip Indian Tribe.

A. Carl E. Zwisler III.
B. International Franchise Association.

HOUSE OF REPRESENTATIVES—*Monday, February 23, 1981*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, as You have promised to be with us always, even unto the end of the age, we pray that Your Spirit would accompany us in all the moments of life—in our laughter and in our tears, in our times of achievement and in our failures, in our attempts toward righteousness and in our weakness. As You have never forgotten us, may we not try to hide from You, that Your love will continue to light our path and lead us in the way, this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

EL SALVADOR: THE POLITICAL DIMENSION—II

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McHUGH. Mr. Speaker, last week I expressed concern that the Reagan administration appeared to be defining the fundamental issues in El Salvador in a manner that obscures rather than illuminates the choices we face. In particular, by overly dramatizing the military threat to the present Government of El Salvador, the administration seems to be downplaying those internal political issues that should be fundamental in shaping U.S. policy toward that nation.

While I am sure that it is tempting for some in the State Department to attempt to fit the conflict in El Salvador into a larger global context, such an interpretation is inappropriate and appears designed to stampede Congress, the American people, and our allies into an uncritical support of increased levels of U.S. military assistance.

The interpretation is flawed because it does not take into account those internal political factors that are fundamental. As the New York Times noted in an editorial last week:

Conditions inside El Salvador, not arms from Moscow and Havana, are the main causes of this revolution. Blaming the Salvadoran explosion on imported arms is like blaming the Polish explosion on Radio Free Europe.

American global interests are not well served by a definition of the problem that ignores the fundamental political nature of the conflict in El Salvador, and we can only hope that the administration will revise its course and focus attention on the real causes of the crisis in that nation.

Mr. Speaker, for the benefit of those of our colleagues who may not have seen the editorial to which I just referred, I am inserting a copy into the RECORD at this point:

[From the New York Times, Feb. 20, 1981]

WHAT NEEDS CONTAINING IN EL SALVADOR

In its attempt to snuff out the flames of revolution in El Salvador, the Reagan Administration is sounding a global fire alarm. It is serving notice on Communist adversaries, Latin neighbors and European allies that any aid to the Salvadoran guerrillas will disturb a nation's relations with the United States. The Soviet Union and Cuba, in particular, are being warned to stay out of a region of primary American influence.

The obsessive nature of this campaign aside, it is a perfectly reasonable objective in today's world. What is far from clear, however, is whether the new Administration understands that a campaign of military insulation needs to serve a deeper political purpose. Secretary of State Haig is managing the alarm bell but there is no sign of anyone yet commanding hemisphere policy in his department.

The civil war in El Salvador seems to be a standoff. The leftist guerrillas' "final offensive" has failed to topple the junta. Yet the junta has only contained, not eliminated, the insurgency. Militarily, it might now preserve itself in power if Washington pours arms and advisers into this small country of over four million people. But that cannot be the sum total of policy.

Conditions inside El Salvador, not arms from Moscow and Havana, are the main causes of this revolution. Blaming the Salvadoran explosion on imported weapons is like blaming the Polish explosion on Radio Free Europe. Unless the junta can demonstrate independence from the old oligarchs who oppose both land reform and any negotiation with disaffected social democrats, it will not be able to govern peacefully.

The price of support for the junta ought to be very plain: its energetic prosecution of the right-wing "death squads" that have contributed as much as leftists to the murder of 10,000 people in the last year. The apparent complicity of some Government forces in the death of American missionaries and failure to find the killers of land-reform advisers make the junta's sympathies highly suspect.

So far the Reagan team, like the Carter Administration, seems to be trying to shore up a frail "center"—by discouraging rightist coups, promoting land reform and providing low-level military aid to the junta. What is missing in this formula is action against the "death squads" and a genuine political approach to the democrats among the insurgents.

The military deadlock may permit real negotiations in which other nations, notably Mexico, should be welcome. If the opportunities are lost to military exertions, relations with the democratic nations of the Caribbean would be sacrificed for a very minor dividend. Halting aid to the guerrillas can support a political policy that aims to isolate the extreme right as well as the left. It will backfire if it signals only a concern for American global interests without regard for the well-being of the peoples in upheaval.

LEGISLATION TO CHANGE CENSUS ALLOCATION OF SEATS IN THE HOUSE

(Mr. FITHIAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FITHIAN. Mr. Speaker, I would today advise my colleagues that I am introducing a bill on behalf of our delegation and others to change the formula by which the census allocation of seats in the House of Representatives shall be formed. It does two things. First, it makes numerous changes in the technical nature of the census itself. Many of these are very much needed by the House in reporting to the House and many of these are also requested by the Bureau itself.

The second thing it does is to change the formula of distribution of seats in the House to what is known as the Hamilton-Vinton formula. I would point out that the Hamilton-Vinton formula is the longest used, most used formula for allocation of seats to the House. It has many advantages.

First, it is understandable because it is based on simple mathematical concepts.

Second, of all of the known apportionment methods, it honors the concept of quota more often than any others.

Third, the method is absolutely neutral—and I stress this, Mr. Speaker—it is absolutely neutral toward large and small States, a built-in bias that other formulas contain, including the formula of equal proportions which we now use.

Fourth, the method adheres more closely to the spirit of Baker against Carr, one man, one vote, than other formulas.

This method, fifth, has been used more for reapportionment than any other in American history for very good reason: It is more equitable. It

deals more fairly with all of the States, regardless of size.

In the present formula the error rate is very high and in this particular case, the error rate is serious.

DEFENSE SPENDING COMMITMENTS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, today I am introducing a concurrent resolution which requests that the President call on pertinent member nations of the North Atlantic Treaty Alliance and on Japan to meet or exceed their pledges to increase their defense spending.

Defense spending in the United States is escalating by billions and billions of dollars each year. At the same time, some of our NATO allies are making few or no increases, despite the mutual pledge of NATO members in 1977 to increase their respective levels of defense spending in real terms by 3 percent annually.

Several NATO countries did not meet their pledges in 1980. The list includes Belgium, Denmark, Italy, and West Germany. Furthermore, Denmark is projecting no real growth in defense spending over the next 5 years, and Germany is projecting less than a 1-percent real increase. Yet the fiscal year 1982 Carter national defense budget statement discussion of the NATO 3-percent agreement says:

> If we are to maintain a credible capability to oppose the Soviets and their Warsaw Pact allies in the future, such increases will continue to be required. Every effort must be made by the United States and its allies to maintain that commitment, even in the face of economic difficulties.

Japan, although not a NATO ally, has also proved to be very disappointing in its defense commitments. Between 1979 and 1980, Japan decreased its defense expenditures by over a billion dollars. This translates to an 11-percent reduction of its already small base of defense spending.

In spite of enormous economic growth in the past three decades, Japan has continued to rely on the United States for military security. Mr. Robert Komer, former Under Secretary for Policy at the Department of Defense, recently stated:

> The American taxpayer has been paying unconscionably for the defense of Japan. We provide the nuclear umbrella, we provide the high seas capability, we're defending their oil.

In reply to such criticism, Japanese officials lamely cite problems such as the antimilitary attitude of their citizens and the restrictions of their constitution.

The Reagan administration has pledged a reduction in spending which includes proposed drastic reductions in foreign aid. But continued tolerance of negligible defense spending by the Japanese is foreign aid disguised as allied defense moneys.

The Reagan administration has repeatedly forewarned the American people of fiscal conservatism in all areas with the exception of defense. But even in defense, the billions of dollars spent could be significantly reduced or reassigned if international agreements were kept. If our allies had kept their agreements, there would have been almost $2½ billion more available in allied defense moneys in 1980.

I urge my colleagues to support this resolution. The defense and support capabilities of our allies are essential to the world's perception of the United States and what it stands for. The burden of increased military strength cannot rest solely on our shoulders.

NATO MUST DO MORE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am proud to join the gentleman from Ohio in his resolution. This resolution is addressing rhetoric that has been going on for years. This rhetoric must be converted into action.

When my husband was in college, way back in the fifties, research on NATO was his major project. Reading his thesis is very interesting because it says exactly what we are saying now: NATO must do more. The United States has been saying NATO allies must do more for so long and for so many years that I do not think our allies ever hear it. I think they just smile and nod knowing we will keep carrying the load. After all the years of this dog and pony show, last year they finally agreed to increase their share by 3 percent. Before you applaud—they have backed off even that minor increase. They just do not believe we are serious.

I think the time has come to say: Enough is enough. We also must say that to Japan and many other of our other allies. The cost of U.S. support to NATO every year is now more than what we were spending during the height of the Vietnam war. We are asking our citizens to do much more. We must ask NATO allies to do much more also. No tokens. Europe may be our first line of defense, but it is their ultimate line of defense.

So I am pleased that the gentleman from Ohio is introducing the resolution. I join him and I hope we say we are really serious; we cannot tolerate 30 years more of rhetoric.

NEED FOR GREATER ALLIED EFFORT TO COUNTER SOVIET EXPANSIONISM

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LANTOS. Mr. Speaker, as we witness the opening of the 26th Soviet Communist Party Congress, the aggressive and oppressive forces of the Red army are in Afghanistan, direct or indirect Soviet attempts to further infiltrate our own hemisphere are in full swing, and the fate of Poland is hanging in the balance.

In these perilous times, our Government is correct in calling on our friends and allies to carry their fair share of the burden in our common defense. From Japan through the Middle East to Western Europe, it is the umbrella of security provided by the United States which remains the cornerstone of freedom. I am confident that our newly affluent associates and our old allies will want to join with us in assuming their fair share of the burden of the efforts to contain direct and indirect Soviet aggression.

At the same time we must resume at the earliest possible and appropriate moment the search for meaningful, equitable, and verifiable reduction in strategic armaments—a sword of Damocles which so perilously hangs over us all.

Mr. Speaker, I insert here into the RECORD excerpts from our Deputy Defense Secretary's remarks at the allied military policy conference just concluded in Europe:

EXCERPTS FROM ADDRESS TO U.S. ALLIES

WASHINGTON, February 21.—Following are excerpts from remarks prepared for delivery by Frank C. Carlucci, Deputy Secretary of Defense, to a privately sponsored annual military policy conference in Munich, West Germany, and made available by the Defense Department here today:

Some of the challenges that confront us in the 1980's are those that forged our alliance in the 1940's—the menacing and continuing growth of Soviet military power in Europe. Yet, in many ways, the context for even these familiar challenges has changed. The Soviet buildup in Europe clearly exceeds any rational requirement for defense. It bears all the marks of an offensive military capability, consistent with Soviet military doctrine.

This steady and cumulative expansion of conventional chemical and theater nuclear forces has been accompanied by a long-term and major shift in the strategic nuclear balance, from one of unquestioned U.S. superiority to essential equivalence, and the prospect, if appropriate steps are not taken, of possible inferiority. The twin results of this shift are that the United States no longer enjoys a strategic edge to compensate for other deficiencies and that Soviet ability to use the threat of conventional force for political purposes could be significantly en-

hanced. On all levels of military capability, the trends are ominous.

FAILURES OF THE PAST

Neither Europe nor America has devoted the resources necessary to meet our agreed defense goals. Many of the NATO force goals have not been achieved and many long-term defense program measures are far from full implementation. Further, neither we Americans nor Europeans have been sufficiently engaged in the search for ways to protect our common interests in the Persian Gulf and other areas.

All too often in the past we have talked of consultation and acted on our own.

Europe is no longer shattered, impoverished and disunited. Indeed, Western Europe's total G.N.P. exceeds that of the United States. In this situation, the United States cannot be expected to improve and strengthen U.S. forces in Europe unless other Allies increase their own contribution to the combined defense effort. Nor can the United States, unaided, bear the burden of promoting Western interests beyond Europe.

We are unequivocally committed to a major and sustained increase in military capability and therefore in defense spending.

A MORE DURABLE FRAMEWORK

We are equally determined to demonstrate to old allies and to potential friends alike the reliability and value of American friendship. In key areas of the world beyond Europe, we will begin to build a more durable framework of relationships designed to enhance the security of those regions.

We intend to demonstrate a realistic approach to arms control, to ensure that arms control will serve our security needs and that our approach to negotiations is guided by a realistic strategy.

We are confident that our European allies will want to join with us in assuming a fair share of an enhanced effort within Europe itself.

The harsh realities confronting us, however, dictate even greater efforts by all in the future. There is a critical need to strengthen the conventional force structure in Europe. This requires substantial additional resources, rather than more rhetoric or disputes about percentages. We should place more emphasis on specific force increases and defense improvements.

NEED TO SHARE BURDEN

The threat to vital Western interests in key areas, such as the Persian Gulf, can be met only if all concerned share the burden and find new ways to make greater contributions in support of our common interests. Western Europe's stake in the security and stability of the Persian Gulf is enormous and well-recognized. What is perhaps less well understood is the great contribution the Western European members of the alliance could make to help protect the security of this region so vital to them.

Force deployments in Southwest Asia by the European members of the alliance, together with supporting facilities, should be strengthened and coordinated with U.S. military activities in the region.

We want to be able to say that a new awareness has arisen in the alliance, a new consensus to give first priority to the defense of freedom. We will want to explain that, on both sides of the Atlantic, we share a new sense of realism and have mustered the political courage to reverse the downward drift in our common security. We want to demonstrate that our allies and friends are contributing their fair share of the common burden.

□ 1210

INCREASED USE AND FLEXIBILITY OF INDIVIDUAL RETIREMENT ACCOUNTS NEEDED NOW

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, I introduced on January 23, 1981, H.R. 1250 and am circulating a dear colleague letter asking all Members of Congress to cosponsor it with me. This bill is a most needed savings incentive measure increasing the use and flexibility of individual retirement accounts.

One of the organizations working with me, the American Council of Life Insurance, had a telephone survey conducted from January 20 through February 8, 1981, by Roger Seasonwein Associates, Inc., of New Rochelle, N.Y. The survey was of 1,000 American adults all across the country. The survey produced very important attitudinal evidence in support of the concept of H.R. 1250.

Sixty-three percent of those questioned felt that they were saving too little and 72 percent felt their savings were inadequate for retirement. Seventy-two percent of those questioned favored allowing a tax deduction for retirement savings for employees currently covered by pension plans. Such persons cannot now have an individual retirement account according to the current law, but could under H.R. 1250.

Fifty-one percent of those interviewed said they were saving nothing for their retirement years. A substantial number, 44 percent, felt that it was not going to be possible for them to be able to retire at age 65. An impressive 89 percent of those questioned felt that current tax policies are preventing persons from saving money. Based on the results of the poll, it was indicated that 47 percent of working adults who are presently covered by pension plans would avail themselves of an individual retirement account if the law was changed to allow them to do so and would make an average contribution of $617 a year to such a plan. The pollster computed that this represented a potential increase in savings for this country for retirement just from this segment of the population of $11.3 billion per year.

It should be noted that this potential is based on the current $1,500 tax-exempt contribution level whereas H.R. 1250 raises that figure to $2,000. It also does not take into account those persons who are not covered by a private pension plan and who either have an IRA now and will probably increase the contributions from $1,500 to $2,000, or those persons who are not covered by pension plans and do not now have IRA's but might well do so after the passage of this bill due to its increased limits and flexibility. Therefore, the potential would seem to be now well in excess of the $11.3 billion in potential new savings estimated by this poll.

I wanted to share this information with you as I think it is important evidence in support of this concept of savings incentive. I urge you join in cosponsoring this bill with me. Senator JOHN CHAFEE has introduced the same bill on the Senate side (S. 243) and hearings will commence on February 24, 1981, before the Savings, Pension, and Investment Policy Subcommittee, which he chairs, of the Senate Finance Committee.

REAGAN TAX PROGRAM DOES NOT HELP THE RICH AND SOAK THE POOR

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, some critics of the President's economic reform program have contended that it is a program which cannot be passed because it tends to favor the rich as opposed to the poor.

Mr. Speaker, such a contention is a phony. It is a distortion of the facts. Mr. Speaker, some figures that I have developed indicate that under the President's program—if it is allowed to be put into effect as the President has defined it—those making over $50,000 per year will, by the end of the time the program is in effect, be bearing more of the tax burden than they are today; and those who are in the lower income range will be bearing less of the tax burden.

That is precisely the kind of program the American working people have wanted in this country for a long, long time. It is precisely the program the President has sent forward. It is time that we get about enacting that program.

To say that this is a program that favors the rich is to deceive the working people of this country. I think it is time that we stop deceiving them and start working on a tax program that will do them a lot of good.

APPOINTMENT AS MEMBERS OF TEMPORARY COMMISSION ON FINANCIAL OVERSIGHT OF DISTRICT OF COLUMBIA

The SPEAKER. Pursuant to the provisions of section 1(b)(2), Public Law 94-399, the Chair appoints as members of the Temporary Commission on Financial Oversight of the Dis-

trict of Columbia the following Members on the part of the House:

Mr. DELLUMS of California; Mr. DIXON of California; and Mr. MCKINNEY of Connecticut.

APPOINTMENT AS MEMBERS OF BOARD OF TRUSTEES OF HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-642, the Chair appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House:

Mr. SKELTON of Missouri, and Mr. TAYLOR of Missouri.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO U.S. COAST GUARD ACADEMY

The SPEAKER. Pursuant to the provisions of section 194(a), title 14 of the United States Code, the Chair appoints as members of the Board of Visitors to the U.S. Coast Guard Academy the following Members on the part of the House:

Mr. GEJDENSON of Connecticut, and Mr. MCKINNEY of Connecticut.

CUT STAFF BUDGETS

The SPEAKER pro tempore (Mr. DANIELSON). Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 60 minutes.

Mr. COLLINS of Texas. Mr. Speaker, President Reagan has proposed a new economic plan for this country which contains many cuts in spending by the executive branch of Government which are designed to help reduce inflation. Before we consider Mr. Reagan's proposals, it is important that we move to cut waste in our own House. The growth in the funding of congressional committee staffs needs correction immediately. How can we talk of cutting waste in other programs when the worst examples of overspending in the Government are the excess investigative staff members on House committees?

Let me make very clear what I am talking about. I am not speaking about the 18 personal staff that each of us are allowed. Together these employees number up to 7,830 people that may assist us in the preparation of legislation. I am making no proposal to cut these members of our personal staffs. All but 2 of the committees are granted 30 statutory staff to perform committee business. I am not proposing cuts in the 757 statutory staff we now employ. On top of these statutory staff, committees hire investigative staff whose salaries are provided via funding resolutions. The fact that these additional staff are called investigative is misleading. It is not required that they perform investigative work. They are just additional committee staff on the public payroll in positions that should not exist.

The number of staff has exploded in the last few years. In 1973 there were 570 investigative staff and 308 statutory staff. By 1979, the number of statutory staff had grown to 738. This would appear to eliminate the need for any growth in investigative staffing during the same time. On the contrary, investigative staffing ballooned from 570 to 1,221 from 1973 to 1979.

Although committees have had similar workloads in past years, let us look at Federal paperwork. The Federal Register printed 35,572 pages in 1973 but this rose to a staggering 87,012 pages in 1980. The Federal Register contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions, and rulings, delegations of authority, filing of petitions and applications, and agency statements of organization and functions are examples of items published in this record. Overgrown staff created this added Federal activity to justify their staff positions.

Is is also interesting to note that two committees—Appropriations and Budget, which authorize spending for hundreds of agencies and departments, are allowed to have more than 30 statutory staff. The budgets of these committees are not reviewed by the full House. Not surprisingly, these committees are near the top of the list when it comes to staffing and spending.

Last week the Subcommittee on Accounts began reviewing the funding resolutions for the other committees. The early returns are not good. Committees are requesting, and the Subcommittee on Accounts is recommending higher funding levels than before. It is time to take a close look at each committee and determine the proper investigative staff levels and appropriate amounts for each of the funding resolutions.

Only three committees are behaving in a frugal, commonsense manner—Armed Services, Veterans' Affairs, and Standards of Official Conduct. These committees should stick to their 1980 funding amounts.

My own committee, Energy and Commerce is a good place to start looking for possible cuts. Frankly, my committee is vastly overstaffed. In 1974, 58 staff were employed by Energy and Commerce, yet I recall that we were more than adequately staffed at that time. Our latest figures from 1980 show that Energy and Commerce employs 146 total staff at this time.

I propose that 73 investigative staff be cut from my committee. We would still have 73 total staff. We would have a 25 percent increase over the 1974 staffing level.

Two years ago I served on the Oversight Subcommittee in Commerce. Thirty-one staff served the Democrats, while the Republicans had one staff member. It would be much more efficient if these staff were all cut, allowing the members to rely on oversight from their subcommittees.

This year in the Telecommunications Subcommittee, the Democrats have asked for 18 staff. The Republicans requested one person. By reducing the 1980 funding level by an amount proportionate with my proposed staff cuts, $2,359,914 can be saved.

In 1974 the Agriculture Committee had 22 employees on its staff. The investigative expenditures for the full committee in 1974 were but $145,905. Today Agriculture has 3½ times the staff with 70 employees. In 1979 the committee spent over $1,000,000 in investigative expenditures.

Thirty five of the investigative staff must be cut. Expenditures should be reduced accordingly. A move to reduce the number of subcommittees to five would facilitate these cuts.

The staff of the Banking, Finance and Urban Affairs Committee are as prosperous as they are numerous. In November 1980, no less than 35 of the staff of this committee drew salaries over $30,000 per year; 9 commanded over $50,000 annually. The number of staff on the Banking Committee has nearly doubled since 1973—from 51 to 96.

We should cut back three-quarters of this increase, including a proportionate amount of the high-priced talent. This measure would result in a savings of over $1,200,000 from the 1980 funding level.

The District of Columbia Committee is a classic example of overstaffing. Since the District was given home rule in 1974, the Senate has only had a subcommittee dealing with the District of Columbia. Only seven Senate staffers work in this area. Our District of Columbia Committee employed 41 staff in 1980.

This committee should rightfully be only a subcommittee under Government Operations. I endorse the immediate elimination of the 11 investigative staff positions on this committee. This saves $289,670 but it is still over four times the staff which the Senate has in this area.

No committee has had a staff which has been bloated for a longer period of time than Education and Labor. Congressional awareness of this fact was such that the funding resolution for this committee only carried by 26 votes in 1980.

There is no logical reason that this committee should have more staff than Armed Services' total of 50. However, Education and Labor employed 135 total staff in 1980.

A drastic cut is needed to get this committee in line. If 85 investigative staff were cut, the committee would still have 50 staff, yet over $2,000,000 would be saved. It is interesting to note that this committee reported fewer bills in the 96th Congress than did Armed Services although it had nearly triple the staff.

We faced as many problems in Foreign Affairs in 1974 as we do now. Although the war was over, we were still heavily involved in Southeast Asia. However, the Foreign Affairs Committee of the House had only 41 staff in 1974. Today the number is 85, although the committee reported fewer bills in the 96th Congress than it did in the 92d.

The committee could be allowed a 25-percent increase over 1974 while still cutting 34 investigative staff. Such a move would save over $1,100,000 of the committee's 1980 appropriation of over $1,800,000.

Unlike many committees that have shown sharp increases in staff levels in the past few years, the Government Operations Committee has been large for some time. In 1980, the committee employed 67 investigative staff—including 17 who each drew $40,000 or more annually. This figure was an increase over previous years although the number of bills reported by the committee took a sharp dip in the 96th Congress.

In this period of general review, I feel the Committee on Government Operations could eliminate one-third of its total staff—29 investigative staff—and reduce the amount of its funding resolution from over $2,400,000 in 1980 to $1,400,000 in 1981.

Currently, the House Administration Committee runs the House Information Systems. HIS now employs over 200 people, yet its computer services are nearly identical to those offered by the Library of Congress. HIS should be dismantled, while its useful functions are absorbed by the Library of Congress and Office of the Clerk. This would result in a savings of several million dollars.

The workload, in terms of bills reported, for the Interior and Insular Affairs Committee dropped by 50 percent during the 96th Congress. However, its staffing did not follow suit. This committee should be reduced to a level only 25 percent above its staffing level in 1974. This cut of 19 investigative staff would translate into a dollar reduction of over $600,000.

The Judiciary Committee had need for a large staff during the Watergate hearings several years ago. However, this committee never returned to its pre-Watergate staff levels. Currently the committee employs 80 staff compared to only 44 which it found necessary as recently as 1973.

This committee should cut over $550,000 from its investigative budget while cutting staff by 20. This would still allow a 50-percent increase in staffing since 1973.

In 1974, just 7 years ago, the Merchant Marine and Fisheries Committee had only 22 total staff. In 1980, the number was 88. This was 38 more staff than was employed by the Armed Services Committee, which has jurisdiction over the entire defense budget.

I propose that 55 investigative staff be cut from Merchant Marine and Fisheries, and that its funding be reduced proportionally. Over $1,500,000 could be saved while still allowing the committee to increase its staff size by 50 percent since 1974.

Although the Post Office became quasi-independent in 1974, the Post Office and Civil Service Committee has continued to increase its staff. Democrats now have 32 investigative staff on this committee; Republicans have but 4.

Since this committee's workload has been reduced, I feel that it would be proper for the committee to cut from investigative staff the 22 staff added since 1974. This would be but a step toward the efficient way the Senate handles this area, but would save over one-half a million dollars from the 1980 appropriations.

The Public Work and Transportation Committee is currently spending over $2,500,000,000 dollars. This figure has been increasing although the number of bills referred to the committee has dropped from 746 in the 92d Congress to 473 in the 96th Congress. During that period of time, the committee has added 11 new employees.

The Public Works investigative staff should be cut so that the total staff figure is back to the 1974 level—11 must be cut. The investigative budget should be reduced by a proportionate amount.

The Rules Committee is another prime target for cuts. As James Kilpatrick pointed out in his syndicated news column, in 1950 when he came to the Hill the Rules Committee had three employees on its staff. As late as 1973, this committee had seven staff. I suggest this committee eliminate its entire investigative staff. It could quadruple its staff from 1973 without even using up its 30 statutory staff. This would result in a savings of $530,000 from 1980 appropriations.

Science and Technology is another committee which has tripled its total staff in the last 6 years. Total authorizations for "inquiries and investigations" for this committee grew from $790,000 for the entire 92d Congress to $3,496,800 for the 96th Congress.

I propose reducing the investigative staff of this committee from 60 to 15. This would still allow for a 50-percent increase in total staffing from the 1974 figure of 29 to 45 when statutory staffers are considered. This measure would result in a decrease in the funding resolutions of $1,422,600 from 1980 figures.

The Small Business Committee is that in name only. Its expenditures are big business amounting to over $700,000 in 1979. This committee has seen its staff grow from 27 to 55 during the period from 1975 to 1979. However, the committee was referred fewer bills in the 96th Congress than in the 94th—80 compared to 96. This committee only reported 14 bills in the entire 96th Congress.

The Small Business Committee should be reduced back to its 1975 level. All of the investigative staff should be cut. The great majority of the investigative budget can then be eliminated.

Another committee with a high-priced staff is Ways and Means. When Wilbur Mills chaired this committee in 1974, it employed 31 total staff. The latest figures I could obtain from 1980 show a total staff of 90 for Ways and Means. Five of these executive investigative staffers make over $50,000 per year.

Large cuts could be made in this committee if each member was not given his own personal staff member. I favor cutting 51 investigative staff from Ways and Means. More than $1,800,000 could be saved from 1980 appropriations while allowing the staff to increase 33 percent over 1974 figures.

As we consider these important cuts, let us remember that investigative spending has increased by a factor of seven in less than a decade.

During the time that this staff explosion has occurred, let us review the ratio of minority investigative staff/majority investigative staff. In Foreign Affairs there are 3 Republican and 47 Democratic staffers. In House Administration the ratio is 60 Democratic staff to 1 Republican for investigative staff. The figures for District of Columbia, Government Operations, and Judiciary are very similar. These ratios contrast with the 44 percent of the House which are Republican members.

These excess committee staffs are also promoting unnecessary legislation which results in Congress being in session longer, and Americans having to deal with more redtape.

The President is trying to cut areas of the executive branch that are loaded and counterproductive. We must do the same. Let us make these necessary cuts in committee staffs.

COMMITTEE ON AGRICULTURE

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973— 9	1980—40	344
Total	1973—20	1980—70	250
Cost:			
Investigative authorization	$250,000	$2,272,000	809
	1973	1979	
Expenditures:			
Investigative	$108,175	$1,011,711	835
Total	375,027	1,996,218	432
Salaries	104,473	[1] 572,409	448

RECOMMENDATION

Reduce investigative staff by 35 to level of 5.
Reduce budget request by $1,091,300 to level of $155,900.[2]

[1] Includes minority subcommittee.
[2] From 1980 funding level.

COMMITTEE ON BANKING

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—42	1980—67	60
Total	1973—51	1980—96	88
Cost:			
Investigative authorization	$1,518,500	$5,004,887	230
	1973	1979	
Expenditures:			
Investigative	$904,130	$2,190,746	142
Total	1,200,588	2,991,829	149
Salaries	823,529	2,012,732	144

RECOMMENDATION

Reduce investigative staff by 32 to level of 35.
Reduce budget request by $1,222,824 to level of $1,337,463.[1]

[1] From 1980 funding level.

COMMITTEE ON DISTRICT OF COLUMBIA

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—21	1980—11	—91
Total	1973—34	1980—41	21
Cost:			
Authorized investigative funding	$250,000	$604,670	42
	1973	1979	
Expenditures:			
Investigative	$251,942	$251,531	.....
Total	570,546	1,122,659	96
Salaries	244,559	232,586	—5

RECOMMENDATION

Reduce investigative staff by 11 to level of 0.
Reduce budget request by $289,670 to level of 0.

[1] From 1980 funding level.

COMMITTEE ON EDUCATION AND LABOR

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—83	1980—106	28
Total	1973—95	1980—135	42
Cost:			
Investigative authorization	$2,478,000	$4,939,500	99
	1973	1979	
Expenditures:			
Investigative	$1,069,589	$1,921,364	80
Total	1,467,222	2,957,962	101
Salaries	986,067	1,761,222	79

RECOMMENDATION

Reduce investigative staff by 85 to level of 21.
Reduce budget request by $2,022,358 to level of $499,642.[1]

[1] From 1980 funding level.

COMMITTEE ON ENERGY AND COMMERCE

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—40	1980—116	190
Total	1973—56	1980—146	161
Cost:			
Investigative authorization	$1,474,000	$7,458,000	406
	1973	1979	
Expenditures:			
Investigative	$810,267	$3,410,593	321
Total	1,529,719	4,414,099	188
Salaries	740,529	137,122	324

RECOMMENDATION

Reduce investigative staff by 73 to level of 43.
Reduce budget request by $2,359,914 to level of $1,390,086.[1]

[1] From 1980 funding level.

COMMITTEE ON FOREIGN AFFAIRS

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—31	1980—56	81
Total	1973—35	1980—85	143
Cost:			
Investigative authorization	$936,582	$3,620,923	287
	1973	1979	
Expenditures:			
Investigative	$476,985	$1,514,153	217
Total	791,409	2,538,260	220
Salaries	439,324	1,402,634	219

RECOMMENDATION

Reduce investigative staff by 34 to level of 22.
Reduce budget request by $1,138,467 to level of $736,655.[1]

[1] From 1980 funding level.

COMMITTEE ON GOVERNMENT OPERATIONS

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—47	1980—67	43
Total	1973—58	1980—86	48
Cost:			
Investigative authorization	$1,832,600	$3,620,923	99
	1973	1979	
Expenditures:			
Investigative	$147,294	$496,661	237
Total	1,231,077	2,503,073	89
Salaries	861,070	1,669,482	94

RECOMMENDATION

Reduce investigative staff by 29 to level of 38.
Reduce budget request by $1,071,226 to level of $1,403,675.[1]

[1] From 1980 funding level.

COMMITTEE ON INTERIOR

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1974—31	1980—41	32
Total	1974—41	1980—70	71
Cost:			
Investigative authorization	$704,000	$2,516,679	257
	1973	1979	
Expenditures:			
Investigative	$497,993	$1,140,500	129
Total	817,638	2,386,666	189
Salaries	407,668	985,879	142

RECOMMENDATION

Reduce investigative staff by 19 to level of 22.
Reduce budget request by $610,168 to level of $706,511.[1]

[1] From 1980 funding level.

COMMITTEE ON THE JUDICIARY

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—29	1980—51	76
Total	1973—44	1980—80	82
Cost:			
Investigative authorization	$800,000	$2,838,676	255
	1973	1979	
Expenditures:			
Investigative	[1] $370,903	$1,197,935	223
Total	954,810	2,273,668	138
Salaries	[1] 339,634	1,046,591	208

RECOMMENDATION

Reduce investigative staff by 20 to level of 31.
Reduce budget request by $551,638 to level of $855,039.[2]

[1] 1972.
[2] From 1980 funding level.

COMMITTEE ON MERCHANT MARINE

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—12	1980—58	383
Total	1973—22	1980—88	300
Cost:			
Investigative authorization	$519,000	$3,176,245	512
	1973	1979	
Expenditures:			
Investigative	$203,086	$1,467,191	622
Total	442,409	2,959,945	487
Salaries	181,052	1,262,618	597

RECOMMENDATION

Reduce investigative staff by 55 to level of 3.
Reduce budget request by $1,595,162 to level of $87,009.[1]

[1] From 1980 funding level.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—33	1980—36	9
Total	1973—44	1980—55	25
Cost:			
Investigative authorization	$1,056,000	$1,800,00	70
	1973	1979	
Expenditures:			
Investigative	$486,846	$728,424	50
Total	815,716	1,810,949	122
Salaries	411,015	644,704	57

RECOMMENDATION

Reduce investigative staff by 22 to level of 14.
Reduce budget request by $580,556 to level of $369,444.[1]

[1] From 1980 funding level.

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—52	1980—53	2
Total	1973—64	1980—83	30
Cost:			
Investigative authorization	$1,871,560	$3,740,000	100
	1973	1979	
Expenditures:			
Investigative	$1,060,058	$1,613,061	52
Total	1,389,830	2,649,586	90
Salaries	934,295	1,459,887	56

RECOMMENDATION

Reduce investigative staff by 11 to level of 42.
Reduce budget request by $388,113 to level of $1,481,887.[1]

[1] From 1980 funding level.

COMMITTEE ON RULES

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—0	1979—15	.....
Total	1973—7	1979—42	500
Cost:			
Investigative authorization	$5,000	$1,134,000	22,500
	1973	1979	
Expenditures:			
Investigative	[1]$1,744	[2]$779,660	44,605
Total	150,000	1,136,509	658
Salaries	[1]0	[2]465,000	.....

RECOMMENDATION

Reduce investigative staff by 17 to level of 0.
Reduce budget request by $530,000 to level of $0.

[1]92d Congress.
[2]96th Congress.

COMMITTEE ON SCIENCE AND TECHNOLOGY

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—15	1980—60	300
Total	1973—27	1980—90	233
Cost:			
Investigative authorization	$790,000	$3,496,800	343
	1973	1979	
Expenditures:			
Investigative	$328,987	$1,519,806	362
Total	633,500	2,571,117	305
Salaries	284,688	1,318,171	363

RECOMMENDATION

Reduce investigative staff by 45 to level of 15.
Reduce budget request by $1,422,600 to level of $474,200.[1]

[1]From 1980 funding level.

COMMITTEE ON SMALL BUSINESS

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—([1])	1980—24	.....
Total	1973—([1])	1980—55	.....
Cost:			
Investigative authorization	$928,000	$1,528,650	65
	1973	1979	
Expenditures:			
Investigative	[2]$331,360	$734,802	122
Total	611,109	1,231,665	101
Salaries	433,043	622,681	44

RECOMMENDATION

Reduce investigative staff by 24 to level of 0.
Reduce budget request by $676,000 to level of $100,000.[3]

[1]Committee was not a standing committee until 1975.
[2]1975.
[3]From 1980 funding level.

COMMITTEE ON WAYS AND MEANS

	92d Congress	96th Congress	Percent increase
BACKGROUND			
Staff:			
Investigative	1973—74	1980—61	1,425
Total	1973—31	1980—90	190
Cost:			
Investigative authorization	$75,000	$4,252,000	5,569
	1973	1979	
Expenditures:			
Investigative	$69,790	$1,863,051	2,570
Total	666,464	3,038,132	355
Salaries	45,411	1,708,718	3,663

COMMITTEE ON WAYS AND MEANS—Continued

	92d Congress	96th Congress	Percent increase

RECOMMENDATION

Reduce investigative staff by 50 to level of 11.
Reduce budget request by $1,845,902 to level of $406,098.[1]

[1]From 1980 funding level.

□ 1220

AMERICAN PEOPLE LOOKING TO CONGRESS FOR LEADERSHIP

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, I want to say to my colleague, the gentleman from Texas (Mr. COLLINS), that I thought his remarks were well constructed, and the point made is one which I hope everyone takes heed. The American people are indeed looking for this Congress to set the example, and that will offer true leadership. So I wish to commend the gentleman from Texas (Mr. COLLINS) for his very appropriate remarks.

STATEMENT REGARDING INTRODUCTION OF THE YOUTH EDUCATION AND WORK OPPORTUNITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS), is recognized for 5 minutes.

● Mr. JEFFORDS. Mr. Speaker, today I am introducing, with Mr. PERKINS and Mr. GOODLING, the Youth Education and Work Opportunity Act. This essential legislation will extend and consolidate the youth employment programs authorized under title IV-A of the Comprehensive Employment and Training Act, and link these programs with remedial education programs of secondary schools in targeted areas thoughout the country. Except for a few minor changes, this is the bill that overwhelmingly passed the House on a 337-to-51 vote last August, and that had received the unanimous endorsement of the Republican Policy Committee. This bill joins education with employment and training programs for youth in a unique combination that can resolve the problems of youth unemployment.

Youth unemployment is now higher than at any time over the past 4 years. The jobless rate for youth was 19 percent in January. If we let this condition continue, our Nation will pay a heavy economic and social cost by generating a future work force that simply cannot do the job. We will have relegated an entire generation to years of low productivity and dependency on the Government. If people remain largely unemployed for the first 10 years of their working life, it is exceedingly difficult for them to develop stable employment patterns. Alternatively, those who work as teenagers do better as young adults. Likewise, those with training, education, and labor market information have more stable and remunerative employment as adults.

We have retained three titles in the bill. The first title details the employment training programs; the second title establishes remedial education programs at the secondary level; and the third title requires the ultimate linking of the two sides of the issue, a single line item appropriation for titles I and II. Major provisions of the bill include:

Strong links between education and labor programs for youth;

Close involvement with vocational education programs;

Reservation of funds for joint CETA/education programs, starting at 22 percent and increasing to 31 percent;

Forward funding of CETA youth programs;

Planning and decisionmaking at the local level;

Required interaction among the principle actors in joint CETA/education programing, such as lay citizens, private industry, school personnel, and CBO's;

Targeting to the most needy students;

Coordinated recordkeeping and eligibility standards; and

Incentives for youth to return to or to complete high school or its equivalent.

Two specific changes contained in this bill include an expansion of solar energy employment training opportunities for youth and a clarification of incentive activity. The solar energy area is expanded to incorporate the principles contained in H.R. 3532, a bill that had over 40 cosponsors in the 96th Congress. Additionally, rather than mislabel the work activities in title I as entitlement activities, these activities are called incentive projects. The intention is not to create an entitlement program with an associated automatic draw on the Treasury, but rather to design a matching program which is available only to qualified prime sponors and is limited by Federal appropriations.

This legislation is the outcome of a decade's efforts to address youth unemployment. By 1977, the Congress had passed the Youth Employment and Demonstration Projects Act with the expectation that these pilot programs would provide the basis for a national youth policy. The Education and Work Opportunity Act builds on the experience gained through these projects, forming a comprehensive approach.

Through our efforts we have learned that to be truly effective, programs for young people need to address both education and employment needs. It is generally accepted that without basic literacy skills, youth are unable to take advantage of further education or training and will be permanently consigned to the bottom of the economic and social ladder. A recent Wall Street Journal article indicated:

> The lack of literate workers is creating problems for a variety of industries—problems ranging from wasted investment in more efficient equipment to outright safety hazards. More broadly, poorly educated workers are contributing to the U.S.'s productivity difficulties.

The bill I am introducing closely links schools and employment training programs in a combined effort to instill in youth the basic educational and employability skills which they need to become productive members of society. It emphasizes this combination as a total approach to the structural unemployment problems faced by youth.

The Youth Education and Work Opportunity Act seeks to increase the relevance of education to high school youth. By encouraging students to stay in school, joblessness among high school dropouts may be stemmed. Dropouts are three times as likely as graduates to be unemployed. Employment, training and education programs are targeted to the neediest youth and to those who can most benefit from these services. The major design, planning, and initiation of these programs are at the local level where the needs of the youth can best be recognized.

The concern of Members who may question the timeliness of a new domestic issue is understandable. I support the need to cut back on Federal spending, but even though the mood of the country is one of budget austerity, it is not necessarily a time to end, or to cut back on policy development. If we fail to take the initiative on youth unemployment, and we fail to take up the obvious need to blend education and training programs for youth then we place an unfair burden on today's youth who will be the workers and taxpayers of tomorrow. It is more cost effective to break the structural unemployment cycle in the beginning than to pay for supportive services, incarceration, and unemployment insurance later on.

Without this bill, we may not make further progress toward solving the youth unemployment problem. We must continue to discuss, examine and consider carefully all the alternatives. This bill builds upon what has proven to be successful. Youth unemployment is not an issue that will merely disappear.●

ETHYL ALCOHOL DUTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 5 minutes.

● Mr. FRENZEL. Mr. Speaker, I am introducing today a bill to repeal the tariff on imports of ethyl alcohol recently enacted as part of the Omnibus Reconciliation Act of 1980. Although clothed in the popular language of promoting energy self-sufficiency, action to impose such a prohibitive tariff in reality will dampen the development in the United States of efficiently produced alternative fuels.

My bill would return the duty on ethyl alcohol to 1979 levels of 3 percent ad valorem for most-favored-nation entries and 20 percent ad valorem for entries from nonmarket economies. That is in contrast to the recent law which imposes an additional 10 cents per gallon duty beginning January 1, 1981, jumping to 20 cents in 1982 and to 40 cents thereafter through 1992.

I can find little justification, either based on unfair import competition or national energy policy, for enactment of such a prohibitive tariff. It constitutes a unilateral action in violation of international trade agreements, undermines the operation of U.S. trade laws, and runs counter to the national goal of encouraging alternative fuel production and thereby gaining independence from foreign sources of fossil fuel.

The current additional duty was enacted in order to eliminate for importers the benefit of the 40 cents per gallon tax credit given to producers of fuels with an alcohol content. The credit was enacted in the Windfall Profit Tax Act of 1979 and applied to producers of gasohol and other special fuels regardless of whether they used imported or domestic alcohol. Since only one U.S. firm at the present time produces ethyl alcohol for use in gasohol, competitively priced imports were a positive factor for emerging domestic producers of gasohol.

There is, however, a misconception that any foreign content in the production of alternative fuels threatens energy self-sufficiency. Since the first increment of the newly imposed tariff on ethyl alcohol will effectively eliminate imports, all domestic gasohol producers will have to rely on a single domestic source to supply the alcohol—a situation that usually results in high costs all the way around. The resulting economic environment is not one that encourages the development of alternative fuels in this country.

I also would like to reiterate the arguments against this duty increase that I made on the floor of the House when the reconciliation measure was being considered last fall. Specifically, to raise tariffs unilaterally in order to focus a subsidy solely on domestic producers violates two important principles of international trade law. The first is that bound rates of duty are not to be increased except under very limited circumstances and then only after an investigation and other procedures established by law are completed. The second principle is that of "national treatment" whereby the United States and its major trading partners agree to treat importers no less favorably than domestic producers with respect to internal taxes, laws, and regulations.

Basic trade principles have been summarily set aside without any legitimate argument for abandoning our international obligations or for disrupting the free operation of the marketplace. No domestic producer has filed any complaint of unfair trade practices or otherwise exercised the import relief procedures provided in U.S. law. Neither has any investigation of national security implications as they relate to overall energy policy been made as directed by law before duties are raised for the purpose of protecting a vital national security interest.

Although national security concerns associated with energy independence were cited as a principal motive in enacting the tariff on ethyl alcohol, it is hard to believe that imports which peaked in 1980 at 75 million gallons for the entire year and are expected to decrease substantially over the next several years could be a threat to our national security. This is especially true since the use of ethyl alcohol, whether domestic or foreign, to make gasohol encourages the development of alternative fuels in this country and contributes to our overall energy independence from foreign sources of fossil fuel.

Brazil is the principal supplier of ethyl alcohol to the United States. It does not produce alcohol for export, but rather exports residual amounts that were temporarily high last year because the development of gasohol supplies exceeded the demand anticipated by the conversion of various fleets to gasohol use. The Brazilian Government has estimated that in 1981 exports will drop to a minimal level as a result of increased internal demand along with their national commitment to substitute alcohol fuels for 20 percent of overall fuel consumption by 1985.

Brazil also is a member of the General Agreement on Tariffs and Trade (GATT), and, like the United States, accepts certain commitments as a member of the world trading community. Brazil is an important export market for the United States, especially in agricultural products. The duty we have imposed is a serious impairment of benefits for Brazil under negotiated tariff cuts, and that country has already requested consultations

with the United States in an effort to determine the concessions which will have to be paid for our unilateral action. These concessions very likely will come from the agriculture sector.

In short, our action to preserve a market position for a single domestic firm will not be without cost. Other domestic sectors will be adversely affected, the price of ethyl alcohol and subsequently gasohol as the end product will be pushed up artificially, and the manipulation of market forces will hinder the efficient development of alternative fuels industry in this country.

In my view, the consequences cannot be justified on national security, energy policy, or trade policy grounds. Imposition of such a high-duty rate is a costly overreaction to a mild surge in import levels that were never very high to begin with and that are expected to decrease as a result of normal market forces. It is special legislation that should never have become part of U.S. law. I hope it can be repealed in the 97th Congress.●

CALL TO CONSCIENCE VIGIL, 1981

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PORTER) is recognized for 5 minutes.

● Mr. PORTER. Mr. Speaker, I rise today to participate in the Call to Conscience Vigil, 1981.

I applaud the Soviets' recent increase in the number of exit visas issued to Jews and the release last week of Iosef Mendelevich, one of the three remaining defendants in the 1971 Leningrad trials. Although the current emigration figures are nowhere near the 1979 figures of 51,000, the upward swing of the past 2 weeks cannot go unnoticed. This trend could represent a step toward Soviet willingness to comply with previously agreed international accords and could be a hopeful sign for all those concerned with human rights.

Yet our optimism must be cautious. We must not relinquish pressure on the Soviets to end the mistreatment of refuseniks and prisoners of conscience until all human rights violations have been eliminated.

One such violation remains in the case of Vladimir Kislik, a distinguished scientist at the Kiev Institute of Nuclear Research in the 1960's, who has been attempting to emigrate to Israel since 1973.

Since the denial of his visa application, Kislik has held only menial jobs and has not worked in the scientific field in any capacity. Mr. Kislik was forcibly separated from his family when his wife and son were allowed to leave for Israel in 1973—at which time he was given the impression that he would soon be allowed to follow.

Mr. Kislik has been subjected to constant harassment, including threats, KGB surveillance, interrogations, and brutal beatings. Last July, Kislik was committed by Soviet authorities to a state mental institution to prevent any anti-Soviet activity during the Moscow Olympics.

After the resolution I introduced condemning Mr. Kislik's mistreatment passed the House, he was released from the mental institution but remains locked in the Soviet jail denied emigration rights.

Vladimir Kislik's case is not an isolated one, but yet another example of Soviet violations of principles set forth in the Helsinki Final Act. Hundreds of Soviet refuseniks have been subjected to similar persecution. It is time for the Soviets to live up to their commitment and for Congress to reaffirm this Nation's belief in basic human rights and personal freedoms.●

INTRODUCTION OF NUCLEAR WASTE RESEARCH, DEVELOPMENT AND POLICY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LUNDINE) is recognized for 5 minutes.

Mr. LUNDINE. Mr. Speaker, today I am introducing legislation for consideration by the House of Representatives which addresses our long neglected problem of disposal of our high-level radioactive wastes. We have discussed the issue of what to do with our nuclear wastes for a long time, but have not yet been able to arrive at a consensus on fundamental issues surrounding this debate. I am convinced that the long-term management of our high-level nuclear wastes is one of the most formidable environmental problems facing this country. In addition to this, the current stalemate over nuclear energy in this country, in part, can be directly attributed to a failure to deal with this problem.

Last year, largely through the efforts of Mr. FUQUA, chairman of the Science and Technology Committee, Mr. UDALL, chairman of the Interior Committee, and Mr. DINGELL, chairman of the Energy and Commerce Committee, this House made substantial progress in resolving the impasse over nuclear waste management. Although the House was unable to reach final agreement with the Senate on a policy for managing our radioactive wastes, there appeared to be an agreement in principle regarding several important policy aspects. First, there was agreement on the need for a definitive timetable for the development of repositories for ultimate disposal of our radioactive wastes. Second, there was agreement to reject the notion of an absolute State veto over repository siting decisions. But, there was agreement on the need to define a procedural mechanism for resolving disagreements between the individual States and Indian tribes regarding the siting of disposal facilities for our Nation's radioactive wastes. The legislation I am introducing today builds on this consensus, and, I believe, goes even further in addressing problems underlying the nuclear waste dilemma. It offers a truly comprehensive policy approach to radioactive waste management.

My bill calls for the development by January 1, 1982, of a national "mission plan," which is subject to congressional disapproval, to identify the logical research and development steps necessary to implement a successful high-level radioactive waste management program; and to link these steps to site characterization, design, construction, and operation of permanent geologic repositories for the disposal of our high-level radioactive wastes.

Such a planning mechanism is a prerequisite to a successful program. The Department of Energy is in the process of trying to develop a national plan for radioactive waste management. However, I am suggesting that such a planning process be modeled on the project planning guidelines which have been developed by NASA. Such planning procedures successfully places a man on the Moon and have enabled our space program to accomplish many other research and development goals. I believe such an approach is applicable to our long-term radioactive waste disposal program and therefore have set down a planning framework in the legislation I am introducing today.

The Department of Energy plan does not as yet adequately address all of the issues connected to our radioactive waste management problem, or set forth a careful and comprehensive strategy for resolving them. The Department must clearly define the specific task and obstacles before us in the radioactive waste management area; and set forth programmatic and managerial resources and schedules to accomplish these tasks. Furthermore, ways to deal with the implications of implementation of a national program and to provide assurances that the required technology can be made available to accomplish this task must be incorporated into the overall planning process.

The bill recognizes the possibility that as part of the mission plan, the Secretary may find it necessary to utilize a combination of concepts to repository development. It provides the Secretary the authority to proceed with unlicensed research and development repositories, giving preference to existing Department of Energy sites, if such an undertaking can be justified as part of the mission plan. These repositories will not be permanent, but

will rather serve as test facilities for accumulating necessary experimental data. Furthermore, the bill acknowledges the probable need for an interim step in repository development and provides the Secretary the option of interjecting as part of the mission plan the licensed development of retrievable intermediate scale repositories prior to siting, licensing, and emplacement of wastes into a permanent nonretrievable repository.

Fully consistent with the planning process which enabled us to put a man on the Moon within a 10-year time period, my proposal sets time-oriented goals for site characterization, identification, and construction of repositories for high-level radioactive wastes. Under my bill, at the time of submission of the mission plan, the Secretary is required to designate sites for characterization as possible repositories for the disposal of high-level radioactive wastes. By 1985, the Secretary shall have completed site characterization activities which are designated in the mission plan. By 1987, the Secretary shall have completed environmental assessments and engineering design plans and consulted with the States regarding the possible utilization of these sites for repository development. At this time, the Secretary shall designate at least two sites in preparation for application to the Nuclear Regulatory Commission for a construction permit for either a small-scale intermediate, retrievable repository or a permanent repository, depending on the status of our knowledge under the mission plan. Nuclear Regulatory Commission review of this application for a construction permit must be completed within 4 years after the date of application.

The bill sets forth a carefully defined and meaningful role for the States and affected Indian tribes which might possibly be impacted by repository development. This legislation makes permanent and further defines the role of the existing State planning council in working with the States and acting as a liaison between the States and Federal Government. State review boards will be established in the individual States to review site characterization, siting, and development activities of the Secretary. The Secretary is authorized to provide assistance to those States within whose borders there is potential repository development. In addition, an independent review and arbitration board will be created to settle disputes between the individual States or Indian tribes and the Federal Government. The board will be charged specifically with the task of determining whether the site characterization activities, engineering designs, other plans for the facility, and the environmental impact assessments address the concerns of the State and were conducted in accordance with the mission plan.

My proposal recognizes that establishment of a repository within a State's borders will result in restricted use of that site for a lengthy period of time. To provide just compensation for the State contribution to the national program in this regard, the Federal Government shall on a regular basis make payments to the States in the amount which would be paid to the State if the property were subject to taxation by the States.

In a tight Federal budget climate, one major obstacle in moving ahead with implementation of a system for disposal of our high level radioactive wastes will continue to be providing adequate funding levels. To address this, I am proposing the establishment of a trust fund drawn from payments by utilities with title to spent fuel to fund implementation of the mission plan and to make the payments to the States referred to above. The amount of money in this fund will be supplemented by amounts appropriated by Congress for necessary research and development activities and to provide for the disposition of federally owned high level radioactive wastes. The Secretary will have the authority to set the fee and adjust it accordingly as changing economic circumstances demand. Actual title to the spent fuel at the utility will not pass to the Federal Government until the fuel actually reaches the repository for disposal.

A utility fee is fully justified as a mechanism for the private sector to provide the Government timely reimbursement for the service being provided by the Federal Government in designing a system to dispose of their nuclear wastes. Also, timely payment of such a fee will insure that the consumers who benefit from nuclear energy resulting in the creation of given quantities of radioactive wastes are also the ones who bear the economic costs of its ultimate disposal.

I believe that the program I am suggesting for development of repositories for disposal of our high level radioactive wastes can succeed. But, I am also aware that a repository program is only one element of our radioactive waste management problem. My proposal also addresses two other heretofore unaddressed aspects of the picture by establishing Federal policies regarding the interim storage and reprocessing of commercial spent fuel.

The bill states that it is the primary responsibility of the private sector for the interim management of spent fuel. It should be our national goal to minimize the transportation of spent fuel.

There has been considerable discussion to date regarding the possibility of the Federal Government assuming the responsibility for interim storage of utility spent fuel by creating away-from-reactor storage facilities for spent fuel. Not only will this greatly increase the transportation of spent fuel among sites, but more importantly there is no need for the Federal Government to assume this responsibility. Estimates from the Department of Energy and others of the need for such interim storage capacity which cannot be accommodated by existing capacity at reactor sites has steadily declined.

In addition, there are alternative technologies which can be utilized. Rod consolidation, one such technology, involves the dismantling of fuel assemblies and the storage of just the fuel rods in a smaller space within a stainless steel canister. Storage of up to twice the original amount of spent fuel may be possible in some existing storage racks with this technology.

Several other dry storage concepts are also available for onsite expansion of spent fuel storage capacity. Canyon storage, for example, is being used commercially in Great Britain and at nonlicensed Department of Energy facilities in Idaho and Nevada. This technique utilizes air instead of water as a coolant. Caisson storage, another concept, would store spent fuel underground in lined containers holding one or more fuel assemblies. A third dry storage concept, cask storage, which involves storage of spent-fuel assemblies in transport casks with air acting as a coolant, has been certified for use in Germany.

The United States cannot afford to procrastinate regarding these technologies any longer. For the most part, they are not new technologies, but rather for several reasons are technologies particularly appropriate to the situation utilities are facing now as reactor pools fill up. First, they will likely prove more economical than away-from-reactor facilities because they can reduce the need for transportation and will enable the utilities to add storage capacity at reactor sites in an incremental fashion as needed. Second, they will likely prove to be safer and simpler systems requiring less attention and minimizing the chances of a loss of coolant accident which is a concern to us today with wet pool storage.

The Department of Energy has conducted promising research on the dry storage concepts and the Nuclear Regulatory Commission has recently completed the rulemaking procedure necessary to license a dry storage facility. The Tennessee Valley Authority has expressed considerable confidence in dry storage technologies as a promising option to address their interim storage needs. My bill would help us move forward in this area by authorizing the Department of Energy to enter into contracts with private utilities to provide for an onsite demonstration of a licensed facility for

ca ıyon, caisson, and cask storage. Dry st ›rage, combined with the policy statement included in this bill making clear private sector responsibility for interim management of spent fuel, should provide the basis for a resolution of the problem facing some utilities over the next decade with interim spent fuel management.

One other yet unresolved issue which has complicated efforts to reach a national consensus on nuclear waste management is the question of whether or not to permit the commercial reprocessing of spent fuel. In 1977, President Carter acted to halt development of the necessary regulatory mechanisms for reprocessing and to temporarily defer consideration of commercial reprocessing of spent fuel. He took this action primarily to support a broader international effort to coordinate a nonproliferation policy. Unfortunately, the record indicates that this action has not substantially contributed to altering the international climate on nonproliferation.

I believe it is time that a Federal policy be established regarding the commercial reprocessing of spent fuel. My bill would direct the Nuclear Regulatory Commission to proceed with necessary rulemaking procedures to license commercial reprocessing facilities. At the same time, it would declare that it is the policy of the Federal Government not to provide direct subsidies for such activity or to assume the task of Government reprocessing for commercial purposes. This will permit the regulatory framework to be developed and market forces to work their will in regard to the backend of the nuclear fuel cycle.

In summary, I believe this proposal offers a comprehensive policy framework for resolution of our high-level nuclear waste management problems. Development of a national mission plan for the disposal of our radioactive wastes coupled with meaningful procedural mechanisms for State participation in siting decisions, and financing mechanisms to implement the mission plan will move us forward toward a resolution of this difficult problem. Firm policy statements regarding the interim management and reprocessing of spent fuel can provide the necessary climate to make the mission plan work effectively. I look forward to working with my colleagues in the House and Senate to examine these proposals and to develop a comprehensive national nuclear waste management policy.

CHORE SERVICE PROGRAMS NEED SEPARATE TREATMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

Mr. BEDELL. Mr. Speaker, it is not uncommon in the pursuit of worthy public policy goals of a national scope that equally worthy State and local programs come into conflict with those goals and are crippled and sometimes destroyed. I am today introducing legislation that would help resolve one such conflict and preserve an effective and needed community-based program that may be faced with a substantial operating burden next year as a result of an IRS ruling scheduled to become effective in June 1982.

The program, variations of which are in operation in many States across the country, is known in my home State of Iowa as chore services. Administered by the Department of Social Services, chore services is a small-scale neighbor-to-neighbor program through which individuals provide services to the elderly and disabled who, on a limited or temporary basis, need assistance with small chores such as minor household repairs, occasional meal preparation, and yardwork. The providers are often youths or other senior citizens who would like to earn a little extra money and help a neighbor in the process. The Iowa Department of Social Services pays the client, who then reimburses the provider. In conjunction with other in-home services, such as homemaker health and adult day care, the chore services program is intended to keep the elderly in their homes and out of institutions where possible.

Since the program's inception in Iowa, chore services workers have been treated as independent contractors by the State; that is, as self-employed, occasional workers responsible for paying their own social security and income taxes, if applicable. However, the IRS in recent years has undertaken a major effort to reclassify workers as employees or independent contractors, and ruled in 1975 that chore services workers were employees for whom the State must withhold social security taxes. This classification controversy was one of many across the country that were put on hold by section 530 of the Revenue Act of 1978, an interim statute which temporarily forgave such potential tax liabilities until Congress could develop a clear statute governing the classification of workers. This interim statute was extended late last year and is due to expire in June 1982.

I support efforts by the IRS, and the Congress, to develop a rule that insures the prompt, equitable, accurate collection of Federal taxes. However, in my view, the classification of chore services workers as employees of the State is clearly inappropriate, and would inflict a heavy paperwork burden on a small-scale program operating on a limited budget. It does not make sense to me to force States to divert thousands of dollars in potential services moneys to pay FICA for these workers, many of whom are already retired or are youth earning a minimal amount of pocket money after school. Due to an admittedly worthy national goal, a small Iowa neighbor-to-neighbor program and many others like it throughout the country face the prospect of bureaucratization that is potentially crippling.

I am today introducing legislation to provide that chore services performed under certain State programs designed to assist the elderly and the handicapped be exempt from social security and income tax withholding. Chore workers could thus continue to be responsible for paying their own income and social security taxes after June 1982, if any are owed, and States could continue to operate these programs without unnecessary redtape, paperwork, and expenses.

The chore services program in Iowa typifies the strong community spirit on which so many small towns across the country have been built. The need for such programs will increase markedly in future years with the dramatic increase in the number of older Americans. These highly effective programs, designed to keep the elderly and disabled at home by providing for assistance by neighbors where needed, should not be jeopardized by potentially devastating cutbacks caused by undue Federal Government—in this case IRS—interference. I strongly urge my colleagues to give their support to the legislation I am introducing today.

The text of the bill follows:

H.R. 1978

A bill to amend the Internal Revenue Code of 1954 to provide that social security taxes and income tax withholding shall not apply to certain chore service performed under a State program designed to assist the elderly and the handicapped

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) subsection (b) of section 3121 of the Internal Revenue Code of 1954 (defining employment for FICA tax purposes) is amended by striking out "or" at the end of paragraph (19), by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or", and by adding at the end thereof the following new paragraph:

"(21) chore service performed by an individual under an arrangement with a State program if—

"(A) only individuals who have attained age 65 or who are handicapped are eligible to receive such service under the program,

"(B) such service consists only of the performance of housework, yardwork, meal preparation, or minor household repairs at the home of the recipient of the service or errands for food, clothing, medicine, or paying bills, and

"(C) 80 percent or more of the chore services under the program for the calendar year can reasonably be expected to be performed by individuals who perform an average per week of 20 or fewer hours of such service under the program during such year."

(2) Paragraph (2) of section 1402(c) of such code (defining trade or business) is

amended by striking out "and" at the end of subparagraph (E), by striking out the semicolon at the end of subparagraph (F) and inserting in lieu thereof ", and", and by inserting after subparagraph (F) the following new subparagraph:

"(G) service described in section 3121(b)(21);".

(b) Subsection (a) of section 3401 of such Code (defining wages for purposes of income tax withholding) is amended by striking out "or" at the end of paragraph (19), by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or", and by adding after paragraph (20) the following new paragraph:

"(21) for service described in section 3121(b)(21)."

(c)(1) Subsection (a) of section 210 of the Social Security Act is amended by striking out "or," at the end of paragraph (19), by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; or" and by adding after paragraph (20) the following new paragraph:

"(21) Chore service performed by an individual under an arrangement with a State program if—

"(A) only individuals who have attained age 65 or who are handicapped are eligible to receive such service under the program,

"(B) such service consists only of the performance of housework, yardwork, meal preparation, or minor household repairs at the home of the recipient of the service or errands for food, clothing, medicine, or paying bills, and

"(C) 80 percent or more of the chore services under the program for the calendar year can reasonably be expected to be performed by individuals who perform an average per week of 20 or fewer hours of such service under the program during such year."

(2) Paragraph (2) of section 211(c) of such Act is amended by striking out "and" at the end of subparagraph (E), by striking out the semicolon at the end of subparagraph (F), and inserting in lieu thereof ", and" and by inserting after subparagraph (F) the following new subparagraph:

"(G) service described in section 210(a)(21);".

(d)(1) The amendments made by subsection (a)(1) and subsection (c)(1) shall apply to services performed after July 1, 1982.

(2) The amendments made by subsections (a)(2) and (c)(2) shall apply to taxable years ending after December 31, 1980.

(3) The amendments made by subsection (b) shall apply to remuneration paid after July 1, 1982.

□ 1240

ANNUAL REPORT TO THE AMERICAN BAR ASSOCIATION

The SPEAKER pro tempore (Mr. LUNDINE). Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, the Congress and the country owe a great debt of gratitude to our distinguished Chief Justice Warren E. Burger. I want to bring to your attention and to the attention of the Members of Congress a speech which he gave on February 8, 1981, at a meeting of the American Bar Association in Houston, Tex., captioned "Annual Report to the American Bar Association." The speech by our Chief Justice hit the bull's-eye on a matter of greatest concern to many people in our society, the problem of the scope and impact of crime upon our society and upon our economy. He pointed out many of the problems which are involved, but most importantly, he has perceived and he spoke of an ever-present concern of every person whom I meet in my district.

The people of America are afraid, they are frightened. They are scared to death of the possibility of becoming victims of crime. It is my practice when in my district to visit senior citizens' complexes, senior citizens' clubs, and other community groups as well. And I am convinced that the subject uppermost in the minds of most of our peace-abiding citizens is the fact that they have a high probability of becoming the victims of crime.

Now, Chief Justice Burger does not purport to be a law-enforcement officer, and he did not speak from that perspective. But he does head up our judicial system. And inevitably he has an overview of the scope, the spread, the manner of handling violations of the criminal laws within our United States.

In reviewing criminal cases he sees what many of the problems are. I commend to every Member of the Congress a reading of Chief Justice Burger's speech, which will be appended to my remarks and made a part of the RECORD.

I want to point out his saying, accurately, that crime and the fear of crime have permeated the fabric of American life damaging the poor and minorities even more than the affluent. A recent survey shows that 46 percent of all women and 48 percent of all Negroes in our society are significantly frightened by pervasive crime in America.

He points out that the basic purpose of our society is the protection and security of each individual. The basic need is security, security of the person, the family, the home, and property. That is the meaning of civilized society.

The Chief Justice points out that currently in our judicial system there are massive safeguards for accused persons including pretrial freedom for most crimes, defense lawyers at public expense, trials and appeals, retrials and more appeals, almost without end, and that yet this fails to provide elementary protection for its law-abiding citizens.

He points out that for at least 10 years our national leaders and those of other countries have spoken of international terrorism. Yet our own rate of routine day-to-day terrorism in almost any large city in our land exceeds the casualties of all of international terrorism in any given year.

Why do we show such indignation over alien terrorists and yet such tolerance for the domestic variety? He asks: "Must we be hostages within the borders of our own self-styled enlightened civilized country?" Accurate figures on the cost of home burglar alarms, of three locks on every door and, sadly, of handgun sales to householders are not available, but they must run into the hundreds of millions of dollars. We hear people talk of having criminals make restitution and have the State compensate the victims. The first of these suggestions is largely unrealistic. The second is unlikely. Restitution. I am reminded of a saying of my father, "You can't get blood out of a turnip."

Frankly, I think it applies exactly, how do you get a criminal to make restitution to his victims?

The Chief Justice points out that deterrence is a great factor in reducing crime and the greatest deterrent factor is one of swift and certain consequences, swift arrest, prompt trial, certain penalty, and at some point, finality of judgment instead of the endless appeals.

The Chief Justice points out along farther in his speech that we in the United States seem to be reluctant to spend money to help control crime and to provide proper places of confinement for our criminals. Yet we do not seem to find any reluctance in providing money for national defense. As a matter of fact, the two are of equivalent importance. To take care of our criminal problem is as much a part of our national defense as is the Pentagon budget, not as large, but equally as significant.

The Chief Justice then makes a few suggestions as to changes that can be made in the judicial process which will help. And I agree with him, it will help considerably in reducing crime.

First, to restore to all pretrial release laws the critical element of dangerousness to the community;

Second, to provide for trial within weeks of arrest;

Third, review on appeal with 8 weeks of a judgment of guilt; and

Fourth, following appellate review, confine all subsequent judicial review to claims of miscarriage of justice.

Mr. Speaker, I commend Chief Justice Burger's message to you and to all Members. It is essential that we understand the problems of crime and the criminal justice system before they destroy the freedom of our people.

The complete message follows:

ANNUAL REPORT TO THE AMERICAN BAR ASSOCIATION

(Transcript of remarks by Warren E. Burger, Chief Justice of the United States, Houston, Tex., February 8, 1981)

Today, for the twelfth time, you allow me this opportunity to lay before you problems

concerning the administration of justice, as I see them from my chair. For this, Mr. President and Fellow Members of the Association, I thank you.

On previous occasions I have discussed with you a range of needs of our system. Your responses beginning in 1969 were a major factor in bringing into being the Institute for Court Management, The National Center for State Courts, The Provision for Court Administrators in the Federal System, and many other changes. And in light of my subject today, I should also mention the important contributions made beginning in 1970 by your Commission on Correctional Facilities and Services. The value of these improvements is beyond precise calculation. But the value is great. We do not always agree, but our differences are few indeed. All I ask for is equal time.

The new President who has just taken office is confronted with a host of great problems, domestic and worldwide: inflation, unemployment, energy, an overblown government, a breakdown of our educational system, a weakening of family ties, and a vast increase in crime. As he looks beyond our shores, he sees grave, long-range problems, which begin ninety miles off the shores of Florida and extend around the globe.

Today I will focus on a single subject, although one of large content. Crime and the fear of crime have permeated the fabric of American life, damaging the poor and minorities even more than the affluent. A recent survey indicates forty-six percent of women and forty-eight percent of Negroes are "significantly frightened" by pervasive crime in America.

Seventy-five years ago, Roscoe Pound shook this association with his speech on "The Causes of Popular Dissatisfaction with the Administration of Justice." In the 1976 Pound Conference, we reviewed his great critique but also examined criminal justice. My distinguished colleague, Judge Leon Higginbotham, carefully noted the imperative need for balance, in criminal justice, between the legitimate rights of the accused and the right of all others, including the victims. And, of course, we are all victims of every crime.

When I speak of "Crime and Punishment" I embrace the entire spectrum beginning with an individual's first contact with police authority through the stages of arrest, investigation, adjudication and corrective confinement. At every stage the system cries out for change, and I do not exclude the adjudicatory stage. At each step in this process the primary goal, for both the individual and society, is protection and security. This theme runs throughout all history.

When our distant ancestors came out of caves and rude tree dwellings thousands of years ago to form bands and tribes and later towns, villages and cities, they did so to satisfy certain fundamental human needs: Mutual protection, human companionship, and later for trade and commerce. But the basic need was security—security of the person, the family, the home and of property. Taken together, this is the meaning of a civilized society.

Today, the proud American boast that we are the most civilized, most prosperous, most peace-loving people leaves a bitter aftertaste. We have prospered. We are, and have been, peace-loving in our relations with other nations. But, like it or not, today here at home we are approaching the status of an impotent society—a society whose capability of maintaining elementary security on the streets, in schools, and for the homes of our people is in doubt.

I thought of this recently in a visit to the medieval city of Bologna, Italy. There, still standing are walled enclaves of a thousand years ago with a high corner tower where watch was kept for roving hostile street gangs. When the householder left his barricaded enclave he had a company of spearmen and others with cross-bows and battle-axes as guards.

Possibly some of our problem of behavior stems from the fact that we have virtually eliminated from public schools and higher education any effort to teach values of integrity, truth, personal accountability and respect for others' rights. This was recently commented on by a distinguished world statesman, Dr. Charles Malik, former president of the U.N. General Assembly, Speaking to a conference on education, he said:

"I search in vain for any reference to the fact that character, personal integrity, spiritual depth, the highest moral standards, the wonderful living values of the great tradition, have anything to do with the business of the university or with the world of learning."

Perhaps what Dr. Malik said is not irrelevant to what gives most Americans such deep concern in terms of behavior in America today.

I pondered long before deciding to concentrate today on this sensitive subject of crime, and I begin by reminding ourselves that under our enlightened Constitution and Bill of Rights, whose bicentennials we will soon celebrate, we have established a system of criminal justice that provides more protection, more safeguards, more guarantees for those accused of crime than any other nation in all history. The protective armour we give to each individual when the State brings a charge is great indeed. This protection was instituted—and it has expanded steadily since the turn of this century—because of our profound fear of the power of Kings and States developed by an elite class to protect the status quo—their status above all else—and it was done at the expense of the great masses of ordinary people.

Two hundred years ago we changed that. Indeed, in the past 30 or 40 years we have changed it so much that some now question whether the changes have produced a dangerous imbalance.

I put to you this question: Is a society redeemed if it provides massive safeguards for accused persons including pretrial freedom for most crimes, defense lawyers at public expense, trials, and appeals, re-trials and more appeals—almost without end—and yet fails to provide elementary protection for its law-abiding citizens? I ask you to ponder this question as you hear me out.

Time does not allow—nor does my case require—that I burden you with masses of detailed statistics—I assure you the statistics are not merely grim, they are frightening. Let me begin near home: Washington, D.C., the capital of our enlightened country, in 1980 had more criminal homicides than Sweden and Denmark combined with an aggregate population of over twelve million as against 650,000 for Washington, D.C. and Washington is not unique. From New York City, to Los Angeles, to Miami the story on increase in violent crime from 1979 to 1980 is much the same. New York City with about the same population as Sweden has 20 times as many homicides. The United States has one hundred times the rate of burglary as Japan. Overall violent crime in the United States increased sharply from 1979 to 1980, continuing a double-digit rate. More than one-quarter of all the households in this country are victimized by some kind of criminal activity at least once each year.

The New York Times recently reported that one documented study estimated that the chances of any person arrested for a felony in New York City of being punished in any way—apart from the arrest record—were 108 to 1! And it is clear that thousands of felonies go unreported in that city as in all others.

For at least ten years many of our national leaders and those of other countries, have spoken of international terrorism, but our rate of routine, day-by-day terrorism in almost any large city exceeds the casualties of all the reported "international terrorists" in any given year.

Why do we show such indignation over alien terrorists and such tolerance for the domestic variety?

Must we be hostages within the borders of our own selfstyled enlightened, civilized country? Accurate figures on the cost of home burglar alarms, of three locks on each door—and sadly of handgun sales for householders—are not available but they run into hundreds of millions of dollars.

What the American people want is that crime and criminals be brought under control so that we can be safe on the streets and in our homes and for our children to be safe in schools and at play. Today that safety is fragile.

It needs no more recital of the frightening facts and statistics to focus attention of the problem—a problem easier to define than to correct. We talk of having criminals make restitution or have the State compensate the victims. The first is largely unrealistic, the second is unlikely. Neither meets the central problem. Nothing will bring about swift changes in the terror that stalks our streets and endangers our homes, but I will make a few suggestions.

To do this I must go back over some history which may help explain our dilemma.

For a quarter of a century I regularly spent my vacations visiting courts and prisons in other countries, chiefly Western Europe. My mentors in this educational process were two of the outstanding penologist of our time: the late James V. Bennett, Director of the United States Bureau of Prisons and the late Torsten Ericksson, his counterpart in Sweden, where crime rates were once low, poverty was nonexistent, correctional systems enlightened and humane. Each was a vigorous advocate of using prisons for educational and vocational training.

I shared and still share with them the belief that poverty and unemployment are reflected in crime rates—chiefly crimes against property. But if poverty were the principal cause of crime as was the easy explanation given for so many years, crime would have been almost nonexistent in affluent Sweden and very high in Spain and Portugal. But the hard facts simply did not and do not support the easy claims that poverty is the controlling factor; it is just one factor. America's crime rate today exceeds our crime rate during the great depression.

We must not be misled by cliches and slogans that if we but abolish poverty crime

will also disappear. There is more to it than that. A far greater factor is the deterrent effect of swift and certain consequences: swift arrest, prompt trial, certain penalty, and—at some point—finality of judgment.

To speak of crime in America and not mention the drugs and drug-related crime would be an oversight of large dimension. The destruction of lives by drugs is more frightening than all the homicides we suffer. The victims are not just the young who become addicts. Their families and, in turn, their victims and all of society suffer over a lifetime. I am not wise enough to venture a solution. Until we effectively seal our many thousands of miles of borders—which would require five or ten times the present border guard personnel and vastly enlarge the internal drug enforcement staffs, there is little else we can do. Our Fourth and Fifth Amendments and statutes give the same broad protection to drug pushers as they give to you and me, and judges are oath-bound to apply those commands.

It is clear that there is a startling amount of crime committed by persons on release awaiting trail, on parole, and on probation release. It is not uncommon for an accused to finally be brought to trial with two, three or more charges pending. Overburdened prosecutors and courts tend to drop other pending charges when one conviction is obtained.[1] Should we be surprised if the word gets around in the "criminal community" that you can commit two or three crimes for the price of only one and that there is not much risk in committing crimes while awaiting trial?

Deterrence is the primary core of any effective response to the reign of terror in American cities. Deterrence means speedy action by society, but that process runs up against the reality that many large cities have either reduced their police forces or failed to keep them in balance with double-digit crime inflation.

A first step to achieve deterrence is to have larger forces of better trained officers. Thanks to the FBI Academy we have the pattern for such training.

A second step is to re-examine statutes on pre-trial release at every level. This requires that there be a sufficient number of investigators, prosecutors, and defenders—and judges—to bring defendants to trial swiftly. Any study of the statistics will reveal that "bail crime" reflects a great hole in the fabric of our protection against internal terrorism.

To change this melancholy picture will call for spending more money than we have ever before devoted to law enforcement, and even this will be for naught if we do not reexamine our judicial process and philosophy with respect to finality of judgments. The search for "perfect" justice has led us on a course found nowhere else in the world. A true miscarriage of justice, whether 20-, 30- or 40-years old, should always be open to review, but the judicial process becomes a mockery of justice if it is forever open to appeals and retrials for errors in the arrest, the search, or the trial. Traditional appellate review is the cure for errors, but we have forgotten that simple truth.

Our search for true justice must not be twisted into an endless quest for technical errors unrelated to guilt or innocence.

The system has gone so far that Judge Henry Friendly, in proposing to curb abuses of collateral attack, entitled his article, "Is Innocence Irrelevant?"

And Justice Jackson once reminded us that the Constitution should not be read as a "suicide pact."

Each of these men, of course, echoed what another great jurist, Justice Benjamin Cardozo, wrote more than fifty years ago in his essays on "the nature of the judicial process."

I am not advocating a new idea but merely restating an old one that we have ignored. At this point, judicial discretion and judicial restraint require me to stop and simply to repeat that governments were instituted and exist chiefly to protect people. If governments fail in this basic duty they are not excused, they are not redeemed by showing that they have established the most perfect systems to protect the claims of defendants in criminal cases. A government that fails to protect both the rights of accused persons and also all other people has failed in its mission. I leave it to you whether the balance has been fairly struck.

Let me now try to place this in perspective: first, the bail reform statutes of recent years, especially as to non-violent crimes, were desirable and overdue; second, the provisions for a lawyer for every defendant were desirable and overdue; third, statutes to insure speedy trials are desirable but only if the same legislation provides the means to accomplish the objective.

Many enlightened countries succeed in holding criminal trials within four to eight weeks after arrest. First non-violent offenders are generally placed on probation, free to return to a gainful occupation under close supervision. But I hardly need remind this audience that our criminal process often goes on two, three, four or more years before the accused runs out all the options. Even after sentence and confinement, the warfare continues with endless streams of petitions for writs, suits against parole boards, wardens and judges.

So we see a paradox—even while we struggle toward correction, education and rehabilitation of the offender, our system encourages prisoners to continue warfare with society. The result is that whatever may have been the defendant's hostility toward the police, the witnesses, the prosecutors, the judge and jurors—and the public defender who failed to win his case—those hostilities are kept alive. How much chance do you think there is of changing or rehabilitating a person who is encouraged to keep up years of constant warfare with society?

The dismal failure of our system to stem the flood of crime repeaters is reflected in part in the massive number of those who go in and out of prisons. In a Nation that has been thought to be the world leader in so many areas of human activity our system of justice—not simply the prisons—produces the world's highest rate of "recall" for those who are processed through it. How long can we tolerate this rate of recall and the devastation it produces?

What I suggest now—and this association with its hundreds of State and local affiliates can be a powerful force—is a "damage control program." It will be long; it will be controversial; it will be costly—but less costly than the billions in dollars and thousands of blighted lives now hostage to crime.

To do this is as much a part of our national defense as the Pentagon budget.

Sometimes we speak glibly of a "war on crime." A war is indeed being waged but it is a war by a small segment of society against the whole of society. Now a word of caution: That "war" will not be won simply by harsher sentences; not by harsh mandatory minimum sentence statutes; not by abandoning the historic guarantees of the Bill of Rights. And perhaps, above all, it will not be accomplished by self-appointed armed citizen police patrols. At age 200, this country has outgrown the idea of private law and vigilantes. Volunteer community watchman services are quite another matter.

Now let me present the ultimate paradox: After society has spent years and often a modest fortune to put just one person behind bars, we become bored. The media lost interest and the individual is forgotten. Our humanitarian concern evaporates. In all but a minority of the States we confine the person in an overcrowded, understaffed institution with little or no library facilities, little if any educational program or vocational training. I have visited American prisons built more than 100 years ago for 800 prisoners, but with two thousand crowded today inside their ancient walls.

Should you look at the records you will find that the 300,000 persons now confined in penal institutions are heavily weighted with offenders under age thirty. A majority of them cannot meet minimum standards of reading, writing, and arithmetic. Plainly this goes back to our school systems. A sample of this was reflected in a study of pupils in a large city where almost half of the third graders failed reading. This should not surprise us, for today we find some high school graduates who cannot read or write well enough to hold simple jobs.

Now turn with me to a few steps which ought to be considered:

(1) Restore to all pretrial release laws the crucial element of dangerousness to the community based on a combination of the evidence then available and the defendant's past record, to deter crime-while-on-bail;

(2) Provide for trial within weeks of arrest for most cases, except for extraordinary cause as shown;

(3) Priority for review on appeal within eight weeks of a judgment of guilt;

(4) Following exhaustion of appellate review, confine all subsequent judicial review to claims of miscarriage of justice;

And finally:

A. We must accept the reality that to confine offenders behind walls without trying to change them is an expensive folly with short term benefits—a "winning of battles while losing the war";

B. Provide for generous use of probation for first nonviolent offenders, with intensive supervision and counseling and swift revocation if probation terms are violated;

C. A broad scale program of physical rehabilitation of the penal institutions to provide a decent setting for expanded educational and vocational training;

D. Make all vocational and educational programs mandatory with credit against the sentence for educational progress—literally a program to "learn the way out of prison,"

[1] The official D.C. reports show that in the last quarter of 1975, i.e., October, November and December 1975, 569 of all the persons arrested for serious crimes were, at the time of their arrest, awaiting trial on one or more prior indictments. In the same period 402 persons who were arrested were, at the time of arrest, at large either on parole from a penal institution, on probation after a judgment of conviction, or on a conditional release other than the traditional parole. Remarks of Warren E. Burger at the ALI Opening Session, May 18, 1976.

so that no prisoner leaves without at least being able to read, write, do basic arithmetic and have a marketable skill;

E. Generous family visitation in decent surroundings to maintain family ties, with rigid security to exclude drugs or weapons;

F. Counseling services after release paralleling the "after-care" services in Sweden, Holland, Denmark, and Finland. All this should be aimed at developing the prisoner's respect for self, respect for others, accountability for conduct and appreciation of the value of work, of thrift, and of family.

G. Encourage religious groups to give counsel on ethical behavior and occupational adjustment during and after confinement.

The two men I spoke of as my mentors beginning twenty-five years ago—James V. Bennett and Torsten Eriksson of Sweden, were sadly disappointed at the end of their careers, on their great hopes for rehabilitation of offenders. A good many responsible qualified observers are reaching the stage that we must now accept the harsh truth that there may be some incorrigible human beings who cannot be changed except by God's own mercy to that one person. But we cannot yet be certain and in our own interest—in the interest of billions in dollars lost to crime and blighted if not destroyed lives—we must try to deter and try to cure.

This will be costly in the short run and the short run will not be brief. This illness our society suffers has been generations in developing, but we should begin at once to divert the next generation from the dismal paths of the past, to inculcate a sense of personal accountability in each schoolchild to the end that our homes, schools and streets will be safe for all.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SAVAGE (at the request of Mr. WRIGHT), for this week, on account of a death in the family.

Mr. LONG of Louisiana (at the request of Mr. WRIGHT), for an indefinite period, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DAUB) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 5 minutes, today.
Mr. FRENZEL, for 5 minutes, today.
Mr. DAUB, for 10 minutes, today.
Mr. PORTER, for 5 minutes, today.

(The following Members (at the request of Mr. LUNDINE) to revise and extend their remarks and include extraneous material:)

Mr. LUNDINE, for 5 minutes, today.
Mr. BLANCHARD, for 5 minutes, today.
Mr. GONZALEZ, for 15 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. BEDELL, for 5 minutes, today.
Mr. DANIELSON, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DAUB) and to include extraneous matter:)

Mr. CARMAN.
Mr. HANSEN of Utah.
Mr. LEBOUTILLIER.
Mr. JEFFORDS.
Mr. CONABLE.
Mr. MCCLORY.
Mr. COLLINS of Texas in two instances.
Mr. O'BRIEN in two instances.
Mr. FINDLEY.
Mr. MOORHEAD.
Mrs. SCHNEIDER.

(The following Members (at the request of Mr. LUNDINE) and to include extraneous matter:)

Ms. MIKULSKI.
Mr. HALL of Ohio.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. EDWARDS of California in two instances.
Mr. CORRADA in two instances.
Mr. FASCELL in five instances.
Mr. RANGEL.
Mr. BAILEY of Pennsylvania.
Mr. SKELTON in two instances.
Mr. ROSENTHAL.
Mr. GAYDOS.
Mr. ZEFERETTI.
Mr. BARNES.
Mrs. SCHROEDER.
Mr. CONYERS.
Mr. STARK.
Mr. LANTOS.
Mr. PERKINS.

ADJOURNMENT

Mr. DANIELSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 48 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 24, 1981, at 12 o'clock noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees, and delegations traveling under an authorization from the Speaker, concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1980 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent for U.S. currency [2]	Foreign currency	U.S. dollar equivalent for U.S. currency [2]	Foreign currency	U.S. dollar equivalent for U.S. currency [2]	Foreign currency	U.S. dollar equivalent for U.S. currency [2]
Thomas Coleman	11/10	11/12	Belgium	3,865.00	124.05		36.27				
	11/12	11/17	Denmark	1,849.50	336.27			48.13	1.01		
	11/17	11/17	France								
Military transportation per person							2,650.85				
Fred Richmond	11/10	11/12	Belgium	3,865.00	124.05						
	11/12	11/17	Denmark	1,849.50	336.27			48.13	1.01		
	11/17	11/17	France								
Military transportation per person							2,650.85				
William Thomas	11/10	11/12	Belgium	3,865.50	125.05		36.27				
	11/12	11/17	Denmark	1,849.50	336.27			48.13	1.01		
	11/17	11/17	France								
Military transportation per person							2,650.85				
Committee total					1,380.96		8,025.09				

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman.
February 5, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bill Alexander	12/13	12/14	France		110.00						110.00
	12/14	12/21	Egypt		525.00		243.64				768.64
	12/21	12/26	Israel		428.00						428.00
	12/26	12/31	Greece		362.66		376.76				739.42
Transportation by DOD							2,887.00				2,887.00
Joseph McDade	11/22	11/25	England		387.00						387.00
	11/25	11/30	Germany		459.00		1,204.08				1,663.08
Bob Traxler	11/6	11/11	Bahamas		282.00		360.00				642.00
George Allen	10/17	10/19	United Kingdom		258.00						258.00
	10/19	10/21	Germany		210.00						210.00
	10/21	10/22	France		117.00						117.00
	10/23	10/29	Italy		687.00						687.00
	10/29	10/30	Belgium		117.00						117.00
	10/30	10/31	Germany		105.00		1,295.00				1,400.00
	12/7	12/9	Egypt		150.00						150.00
	12/9	12/14	Kenya		375.00						375.00
	12/14	12/15	Djibouti		82.00						82.00
	12/15	12/17	Oman		245.00						245.00
	12/17	12/20	Saudi Arabia		304.00		3,296.00				3,600.00
Robert V. Davis		10/8	United States		75.00						75.00
	10/9	10/12	Egypt		255.00						225.00
	10/12	10/13	Israel		150.00						150.00
	10/13	10/15	Turkey		150.00						150.00
	10/15	10/16	Greece		75.00						75.00
	10/16	10/18	Italy		150.00						150.00
	10/18	10/21	Netherlands		225.00						225.00
	10/21	10/23	Germany		150.00						150.00
	10/23	10/27	Scotland		300.00		2,854.00				3,154.00
Aubrey A. Gunnels	11/1	11/4	Ireland		544.00						544.00
	11/5	11/5	England		129.00						129.00
	11/6	11/6	Germany		105.00						105.00
	11/6	11/8	France		234.00		2,277.09				2,511.09
Richard N. Malow	11/6	11/9	Bahamas		282.00		330.00				612.00
John G. Osthaus	10/9	10/11	Nicaragua		150.00						150.00
	10/11	10/13	Guatemala		150.00						150.00
	10/13	10/15	Mexico		225.00						225.00
	10/15	10/17	United States		100.00		1,031.76				1,131.76
Terry Peel	10/12	10/14	....do		150.00						150.00
	10/14	10/16	Korea		150.00						150.00
	10/16	10/18	Hong Kong		150.00						150.00
	10/18	10/19	Philippines		75.00						75.00
	10/19	10/21	Diego Garcia		150.00						150.00
	10/21	10/24	Australia		225.00						225.00
	10/24	10/26	Thailand		150.00						150.00
	10/26	10/27	Egypt		75.00						75.00
	10/27	10/28	Spain		75.00						75.00
	10/28	10/29	Azores		75.00						75.00
Transportation—Commercial							6,274.08				6,274.08
Transportation—DOD							4,521.75				4,521.75
Edwin F. Powers	10/11	10/13	France		234.00						234.00
	10/13	10/16	Switzerland		300.00						300.00
	10/16	10/19	Italy		273.00						273.00
	10/19	10/23	Turkey		300.00						300.00
	10/23	10/28	Egypt		450.00						450.00
	10/28	10/29	Switzerland		100.00		3,081.40				3,181.40
Austin G. Smith		10/8	United States		75.00						75.00
	10/9	10/12	Egypt		225.00						225.00
	10/12	10/13	Israel		150.00						150.00
	10/13	10/15	Turkey		150.00						150.00
	10/15	10/16	Greece		75.00						75.00
	10/16	10/18	Italy		150.00						150.00
	10/19	10/21	Germany		225.00						225.00
Transportation—DOD							2,564.00				2,564.00
Donald Smith	10/12	10/14	United States		150.00						150.00
	10/14	10/16	Korea		150.00						150.00
	10/16	10/18	Hong Kong		150.00						150.00
	10/18	10/19	Philippines		75.00						75.00
	10/19	10/21	Diego Garcia		150.00						150.00
	10/21	10/24	Australia		225.00						225.00
	10/24	10/26	Thailand		150.00						150.00
	10/26	10/27	Egypt		75.00						75.00
	10/27	10/28	Spain		75.00						75.00
	10/28	10/29	Azores		75.00						75.00
Transportation—Commercial							4,539.75				4,539.75
Transportation—Defense							6,243.08				6,243.08
Derek Vander Schaaf		10/5	United States		50.00						50.00
	10/6	10/7	Greenland		75.00						75.00
	10/8		United States		25.00		136.00				161.00
		10/13	United States		75.00						75.00
	10/14	10/14	United Kingdom		75.00						75.00
	10/15	10/17	Kenya		150.00						150.00
	10/17	10/18	Diego Garcia		75.00						75.00
	10/18	10/20	Indian Ocean Fleet		150.00						150.00
	10/20	10/21	Oman		75.00						75.00
	10/21	10/22	Singapore		75.00						75.00
	10/22	10/24	Japan		150.00						150.00
	10/24	10/27	Philippines		225.00						225.00
	10/27	10/28	Guam		75.00						75.00
	10/28	10/29	Hawaii		100.00						100.00
	10/30		United States		50.00						50.00
Transportation							4,478.31				4,478.31
Committee total					15,304.66		47,983.70				63,288.36

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; U.S. currency is used, enter amount expended.

JAMIE WHITTEN, Chairman.
February 9, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, SURVEYS, AND INVESTIGATIONS STAFF, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1, 1980, AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
C. R. Anderson	11/30	12/4	Mexico		300.00		619.50				919.50
Stuart W. Angevine	11/30	12/4	do		300.00						
	12/4	12/7	Costa Rica		262.50		991.75				1,554.25
Lewis E. Evans	11/30	12/4	Mexico		300.00						
	12/4	12/7	Costa Rica		262.50		991.75				1,554.25
Committee total					1,425.00		2,603.00				4,028.00

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMIE WHITTEN, Chairman.
February 9, 1981.

REPORT OF EXPENDITURES FOR OFFICAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per Diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
G. V. Montgomery	10/5	10/9	Panama		300.00		[3] 896.63				1,196.63
Patricia Schroeder	11/23	12/5	Thailand		825.00		[4] 2,170.00				2,995.00
G. Kim Wincup	12/1	12/5	Germany		375.00		[4] 1,064.00				1,439.00
Committee total					1,500.00		4,130.63				5,630.63

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; If U.S. currency is used, enter amount expended.
[3] Transportation paid by Department of the Army.
[4] Transportation paid by Department of State.

MELVIN PRICE, Chairman.
January 30, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1, 1980, AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Stephen S. Cohen	10/12	10/23	France		1,287.00		[3] 589.00				1,876.00
							[4] 128.26				128.26
James K. Galbraith	10/12	10/20	France		1,053.00		[4] 20.04				1,073.04
	10/20	10/24	West Germany		553.00		[4] 199.00				752.00
	10/24	10/31	England		903.00						903.00
	10/31	11/05	Sweden		856.00		[3] 1,149.00				2,005.00
Richard Medley	10/12	10/25	West Germany		1,136.00		[4] 231.11				1,367.11
							[3] 793.00				793.00
Andrew Martin	10/24	11/10	Sweden				[3] 677.70				2,933.70
John Zysman	10/01	10/08	France		819.00						819.00
	10/08	10/12	England				[1] 255.86				255.86
	10/12	10/18	France				[4] 108.70				108.70
	10/12	10/12	England				[3] 255.86				255.86
	10/12	10/18	France				[5] 542.00				
Catherine Hill	10/26	11/8	England		1,677.00		[4] 59.20				2,278.20
Stephen S. Cohen	11/16	11/22	France		1,521.00		[3] 566.00				2,087.00
							[4] 222.71				222.71
John Zysman	11/15	11/20	France		1,170.00		[3] 412.00				1,582.00
	11/20	11/20	London				[4] 357.95				357.95
	11/21	11/22	France								
J. William Stanton	11/10	11/12	Belgium		228.00		[4] 36.27				264.27
	11/12	11/15	Denmark		[6] 420.00		[5] 977.06				1,397.06
Return							[3] 1,310.00				1,310.00
Bruce Vento	11/10	11/12	Belgium		228.00		[4] 36.27				264.27
	11/12	11/17	Denmark		525.00						525.00
	11/17	11/17	France				[5] 2,650.85				2,650.85
Chalmers Wylie	11/10	11/12	Belgium		228.00		[4] 36.27				264.27
	11/12	11/17	Denmark		525.00						525.00
	11/17	11/17	France				[5] 2,650.85				2,650.85
Norman Shumway	11/10	11/12	Belgium		228.00		[4] 36.27				264.27
	11/12	11/17	Denmark		525.00						525.00
	11/17	11/17	France				[3] 2,650.85				2,650.85
John J. LaFalce	11/22	11/29	Spain		623.00		[5] 3,095.31				3,718.31
Edwin Webber	12/13	12/23	Israel		630.00						2,244.00
1 way							[3] 1,614.00				
Committee total					17,391.00		23,424.39				40,815.39

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended. [3] Transportation—Department of State. [4] Ground transportation.
[5] Transportation—Department of Air Force. [6] Returned $105 unused per diem to Treasury Department.

HENRY S. REUSS, Member.
January 3, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
G. R. Berdes	10/22	10/23	Great Britain		129.00						129.00
	10/23	10/26	Oman		369.00		21.00				390.00
	10/26	10/30	Kenya		300.00						300.00
	10/30	11/2	Somalia		77.00						77.00
	11/2	11/6	Saudi Arabia		646.00		127.66		50.16		823.82
	11/6	11/9	Egypt		225.00						225.00
	11/9	11/12	Israel		239.00		112.00		105.43		456.43
	11/12	11/14	Great Britain		258.00						258.00
Committee transportation							4,108.00				4,108.00
K. P. Brennan	11/22	12/20	Spain		2,492.00						2,492.00
Military transportation, 1 way							1,547.66				1,547.66
Committee transportation, 1 way							647.65				647.65
A. G. Bury	10/23	10/30	Philippines		600.00		61.00				661.00
	10/30	11/5	South Korea		534.00						534.00
	11/5	11/6	Singapore		75.00						75.00
	11/7	11/14	Pakistan		692.00						692.00
	11/14	11/18	West Germany		408.00						408.00
Committee transportation							4,131.00				4,131.00
N. M. Carman	10/26	11/1	Switzerland		639.82						639.82
Committee transportation							982.00				982.00
J. Carson	11/24	11/25	France		117.00						117.00
	11/25	12/1	Mozambique		150.00						150.00
	12/1	12/2	South Africa		75.00						75.00
	12/2	12/2	Namibia			75.00					75.00
	12/3	12/4	South Africa		75.00						75.00
	12/4	12/5	Great Britain		261.00						261.00
Committee transportation							4,250.00				4,250.00
F. M. Chambers	10/19	10/24	Papua New Guinea		460.00						460.00
	10/24	10/30	Philippines		525.00		73.00				598.00
	10/30	11/5	South Korea		534.00						534.00
	11/5	11/6	Singapore		75.00						75.00
	11/6	11/13	Pakistan		588.00						588.00
	11/13	11/14	Great Britain		129.00		48.00				177.00
Committee transportation							5,653.20				5,653.20
J. C. Chester	11/10	11/12	Belgium		133.63		36.27				169.90
	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
E. Daoust	11/10	11/12	Belgium		228.00		36.27				264.27
	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
P. Findley	11/22	11/29	Spain		623.00						623.00
Military transportation							3,095.31				3,095.31
F. Fithian	11/10	11/12	Belgium		288.00		36.27				324.27
	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
A. B. Fortier	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							1,673.79				1,673.79
A. B. Fortier	10/22	10/23	Great Britain		129.00						129.00
	10/23	10/27	Oman		418.89		21.00				439.89
	10/27	10/29	U.A.E.		264.00						264.00
	10/30	10/31	Saudi Arabia								
	11/3	11/6	....do		519.00		496.96		50.16		1,066.12
	10/31	11/3	Yemen		355.43						355.43
	11/6	11/9	Egypt		225.00						225.00
	11/9	11/12	Israel		239.00		112.00		105.43		456.43
	10/29	10/30	Bahrain		123.70						123.70
Committee transportation							3,530.00				3,530.30
D. R. Fortier	11/12	11/17	Denmark		343.00		1.01		48.13		392.14
	11/17	11/17	France								
Military transportation							1,673.79				1,673.79
	10/22	10/23	Great Britain		129.00						129.00
	10/23	10/27	Oman		405.00		21.00				426.00
	10/27	10/29	U.A.E.		264.00						264.00
	10/29	10/30	Bahrain		123.70						123.70
	10/30	10/31	Saudi Arabia								
	11/3	11/6	....do		525.00		682.37		50.16		1,257.53
	10/31	11/13	Yemen		354.44						354.44
	11/6	11/9	Egypt		225.00		112.00		105.43		442.43
	11/9	11/12	Israel		239.00						239.00
Committee transportation							3,530.30				3,530.30
	11/12	11/17	Denmark		343.00		1.01		48.13		392.14
	11/17	11/17	France								
Committee transportation							1,673.79				1,673.79
M. E. Galey	10/27	11/1	Switzerland		639.82						639.82
Committee transportation							982.00				982.00
Benjamin Gilman	11/22	11/29	Spain		612.61						612.61
Military transportation							3,095.31				3,095.31
L. Gulick	10/9	10/10	France		117.00						117.00
	10/11	10/18	Zaire		545.31						545.31
	10/18	10/23	Kenya		298.60						298.60
	10/23	10/26	Somalia		141.56						141.56
	10/26	10/29	Italy		273.00						273.00
Committee transportation							3,228.00				3,228.00
Holstine, J. D.	10/18	10/24	Papua New Guinea		462.00						462.00
	10/24	10/30	Philippines		525.00		61.00				586.00
	10/30	11/5	South Korea		534.00						534.00
	11/5	11/6	Singapore		75.00						75.00
	11/7	11/13	Pakistan		588.00						588.00
	11/13	11/14	Great Britain		129.00						129.00
Committee transportation							5,653.20				5,653.20
Howie, E. C.	11/15	11/22	Belgium		459.00		78.00				537.00
Military transportation							1,255.00				1,255.00
Nelson, S. D.	10/9	10/10	France		117.00						117.00
	10/11	10/17	Zaire		366.79						366.79
	10/18	10/25	Kenya		478.29						478.29
	10/25	10/28	Zimbabwe		225.00						225.00
Committee transportation							3,228.00				3,228.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
D. Pease	11/10	11/12	Belgium		124.05		36.27				160.32
	11/12	11/17	Denmark		336.27		1.01		48.13		385.41
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
G. E. Pitchford	10/8	10/10	France		234.00						234.00
	10/11	10/17	Zaire		418.55						418.55
	10/18	10/25	Kenya		525.00						525.00
	10/25	10/29	Zimbabwe		300.00						300.00
Committee transportation							3,228.00				3,228.00
A. Roberts	11/29	12/6	Great Britain		706.00						706.00
	12/6	12/12	France		770.00		75.00				845.00
Committee transportation							1,267.00				1,267.00
V. Schlundt	11/12	11/13	Great Britain		258.00						258.00
	11/13	11/15	France		234.00						234.00
	11/15	11/17	Switzerland		200.00						200.00
	11/17	11/19	Portugal		176.00						176.00
Committee transportation							2,299.00				2,299.00
Stephen Solarz	10/6	10/19	U.S.S.R.		253.51						253.51
	10/20	10/22	Poland		279.00				97.62		376.62
Committee transportation							1,475.00				1,475.00
R. L. Soriano	11/10	11/12	Belgium		228.00						228.00
	11/12	11/17	Denmark		332.18						332.18
	11/18	11/21	Belgium		235.20		431.61				666.81
	11/17	11/17	France				56.32				56.32
	11/21	11/23	Italy				63.96				63.96
Military transportation							627.50				627.50
I. J. Spalatin	10/22	10/23	Great Britain		129.00						129.00
	10/23	10/26	Oman		369.00		21.00				390.00
	10/26	10/30	Kenya		300.00						300.00
	10/30	11/2	Somalia		77.00						77.00
	11/2	11/6	Saudi Arabia		646.00		127.66				773.66
	11/6	11/9	Egypt		225.00						225.00
	11/9	11/12	Israel		239.00		112.00		105.43		456.43
	11/12	11/13	Great Britain		129.00		6.86				135.86
Committee transportation							4,108.00				4,108.00
M. H. Van Dusen	10/22	10/23	Great Britain								
	11/12	11/13	do		258.00						258.00
	10/23	10/27	Oman		492.00		21.00				513.00
	10/27	10/29	U.A.E.		209.58						209.58
	10/30	10/30	Bahrain		142.00						142.00
	10/30	10/31	Saudi Arabia								
	11/3	11/6	do		634.00		127.66		50.16		811.82
	10/31	11/3	Yemen		414.00						414.00
	11/6	11/9	Egypt		225.00						225.00
	11/9	11/12	Israel		239.00		112.00		105.43		456.43
Committee transportation							3,910.00				3,910.00
S. Willcox	11/10	11/12	Belgium		228.00		36.27				264.27
	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
Larry Winn	11/10	11/12	Belgium		228.00		36.27				264.27
	11/12	11/17	Denmark		525.00		1.01		48.13		574.14
	11/17	11/17	France								
Military transportation							2,650.85				2,650.85
Grand total											129,201.18

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLEMENT J. ZABLOCKI, Chairman.
January 30, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign Currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael F. Barrett	11/29	12/03	England	296.00	706.00	(4)	2,096.30				2,802.30
	12/03	12/06	Germany	(3)							
	12/06	12/12	France	3,426.50	770.00	298.00	54.00			298.00	824.00
Michael J. P. Boland	10/20	10/25	Germany	828.00	450.00		86.11				536.11
David B. Finnegan	10/20	10/25	Germany	828.00	450.00	(4)	2,592.00				2,592.00
David M. Gustafson	12/14	12/15	Canada	181.00	152.00	(4)	2,592.00				3,042.00
Robert M. Howard	10/20	10/25	Germany	828.00	450.00	(4)	851.80				1,004.00
Edward Madigan, M.C	11/10	11/12	Belgium	7,104.00	228.00		2,592.00				3,042.00
	11/12	11/17	Denmark	2,887.50	525.00	(5)	36.27				264.27
Nancy Mathews	10/17	11/08	France	2,012.40	468.00	952.00	2,650.85				3,175.85
	11/08	11/17	England	407.08	979.36	82.00	221.38			952.00	689.38
						(4)	196.00			82.00	1,175.36
Nancy Nord	10/20	10/25	Germany		375.00	(4)	2,536.00				2,536.00
	10/25	10/28	France		351.00	(4)	898.00				1,273.00
Edmond F. Rovner	10/20	10/25	Germany		375.00	(4)	199.29				550.29
	10/25	10/28	France		351.00		955.00				1,330.00
Peter D. H. Stockton	11/29	12/03	England	296.00	706.00	$298.00	54.00			$298.00	351.00
	12/03	12/06	Germany	(3)		(4)	2,096.30				760.00
	12/06	12/12	France	3,426.50	770.00						2,096.30
Michael J. Ward	10/24	10/27	Germany	414.00	225.00	(4)	2,479.00				770.00
	10/28	10/31	Sweden	2,102.80	498.00	858.00	204.28			858.00	2,704.00
	11/01	11/08	France	4,024.80	936.00	269.00	62.55			269.00	702.28
	11/08	11/15	England	364.84	875.00						998.55
Henry A. Waxman, M.C	11/22	11/26	Spain	20,560.00	259.21	(5)	3,095.31				875.00
											3,354.52

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign Currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Kenneth J. Painter	10/20	10/26	Germany		474.00	([4])	2,392.00				2,866.00
Liza Bercovici	10/20	10/26	do		474.00	([4])	894.00				1,368.00
Committee total					11,847.77		29,834.44				41,682.21

[1]Per diem constitutes lodging and meals. [2]If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended. [3]Per diem for Germany received in London, England. [4]Commercial. [5]Military.

JOHN D. DINGELL, Member.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hubbard, Hon. Carroll	10/18	10/23	Republic of Panama		375.00		[3]942.00				1,317.00
Lawson, Janie L.	10/18	10/26	do		600.00		622.00				1,222.00
Oakley, Jana R.	10/18	10/18	do		600.00		622.00				1,222.00
Seifert, Gerald	10/5	10/10	France		[4]702.00		980.00				1,682.00
Wallace, Sidney A.	10/18	11/1	United Kingdom		1,806.00		1,084.00				2,890.00
Committee total					4,083.00		4,250.00				8,333.00

[1]Per diem constitutes lodging and meals.
[2]If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3]Transportation paid by Department of Defense.
[4]Traveler returned $118.78 to Department of State via letter from acting chairman dated October 16, 1980.

WALTER B. JONES, Member.
January 29, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Yeager, Philip B		9/27	United States				704.00				704.00
	9/28	10/1	England	160.58	387.00					160.58	387.00
	10/1	10/5	Norway	1,892.45	388.00					1,892.45	388.00
	10/5	10/8	Sweden	1,759.70	423.00	483.00	116.32			2,242.70	539.32
	10/8	10/12	France	2,427.75	585.00					2,427.75	585.00
	10/12		United States								
Holmfeld, John D.		10/16	do				187.50				187.50
	10/16	10/18	Canada	173.78	150.00					173.78	150.00
	10/18		United States								
Spensley, James W.		11/2	do				2,348.00				2,348.00
	11/3	11/7	Sweden	2,999.78	705.00	407.50	95.38			3,407.28	800.38
	11/7		United States								
Khedouri, Frederick N.		11/2	do				2,348.00				2,348.00
	11/3	11/7	Sweden	2,999.78	705.00	407.50	95.38			3,407.28	800.38
	11/7		United States								
Marceau		11/14	do			1,899.54	2,239.50			1,899.54	2,239.50
	11/15	12/11	Australia					349.17	410.11	349.17	410.11
	12/12		United States								
Maxwell, Paul C.		11/15	do				2,713.90				2,713.90
	11/15	11/20	Venezuela	2,225.60	520.00	2,900.00	677.57			3,125.60	1,197.57
	11/20	11/25	Brazil	30,455.22	498.00	4,260.00	69.66			34,715.22	567.66
	11/26	11/29	Mexico	6,915.00	300.00					6,915.00	300.00
	11/30		United States								
Trippett, Lillian M.		11/25	do				590.00				590.00
	11/25	11/29	Mexico	10,372.50	450.00					10,372.50	450.00
	11/29		United States								
Brown, George E., Jr		11/23	do								
	11/23	11/28	Canada	177.38	150.00					177.38	150.00
	11/28		United States								
Moss		11/23	do								
	11/23	11/28	Canada	88.69	75.00					88.69	75.00
	11/28		United States								
Heitowit, Ezra		11/28	do				1,267.00				1,267.00
	11/29	12/3	United Kingdom	296.00	706.00	176.52	421.01			472.52	1,127.01
	12/3	12/6	Germany								
	12/6	12/12	France	3,426.50	770.00	200.00	43.47			3,626.50	813.47
	12/12		United States								
Chipman		11/28	do				1,267.00				1,267.01
	11/29	12/3	United Kingdom	296.00	706.00	176.52	421.01			472.50	1,127.01
	12/3	12/6	Germany								
	12/6	12/12	France	3,426.50	770.00	509.00	110.65			3,935.50	880.65
	12/12		United States								
Davis, Robert W.		12/10	do								
	12/10	12/12	Canada		150.00		789.00		251.87		1,190.87
	12/12		United States								

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Ertel, Allen E. [3]	11/6	10/80	Bahamas								
Hollenbeck, Harold C. [3]	11/6	10/80	do								
Hanson [3]	11/6	10/80	do								
Committee total					8,438.00		16,504.35		661.98		25,604.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Supplemental report to be filed on this trip as soon as State Department cost information is received.

DON FUQUA, Chairman
January 29, 1981.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1980

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. equivalent or U.S. currency [2]	Foreign currency	U.S. equivalent or U.S. currency [2]
Diane E. La Voy, staff			Central America		150.00						150.00
Martin C. Faga, staff			Europe		1,145.00						1,145.00
Duane P. Andrews, staff			do		1,016.00						1,016.00
James O. Bush, staff			Asia		1,768.00						1,768.00
Committee total					4,079.00						4,079.00

[1] Per diem constitutes lodging and meals. [2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

EDWARD P. BOLAND, Chairman.
January 28, 1981.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

573. A letter from the Secretary of Agriculture, transmitting notice of a delay until January 31, 1982, in the submission of the rural development strategy report required by section 607 of the Rural Development Policy Act of 1980; to the Committee on Agriculture.

574. A letter from the Assistant Secretary of the Air Force (Research, Development and Logistics), transmitting notice of the proposed conversion to contractor performance of the family housing maintenance function at McConnell Air Force Base, Kans., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

575. A letter from the Deputy Assistant Secretary of Defense (Installation and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken by the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

576. A letter from the Acting Director, of ACTION, transmitting notice of proposed final guidelines for applications for minigrants, pursuant to section 420(d) of Public Law 93-113; to the Committee on Education and Labor.

577. A letter from the President, National Railway Passenger Corporation, transmitting the annual report of the Corporation for fiscal year 1980, pursuant to sections 308 and 805 of the Rail Passenger Service Act of 1971, as amended; to the Committee on Energy and Commerce.

578. A letter from the Assistant Attorney General (Antitrust Division), transmitting the semiannual report covering the 6 months ended September 30, 1980, on the voluntary agreement and plan of action to implement the International Energy Program, pursuant to section 252(i) of the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

579. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

580. A letter from the Secretary of the Interior, transmitting notice of the proposed refund of $148,742.32 in excess gas royalties to the Gulf Oil Exploration and Production Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953, as amended; to the Committee on Interior and Insular Affairs.

581. A letter from the Deputy Assistant Secretary of the Interior for Land and Water Resources, transmitting a copy of an application by the Buffalo Rapids project, Irrigation District No. 2, Custer and Prairie Counties, Mont., for a loan under the Small Reclamation Projects Act, pursuant to section 4(c) of the act, as amended; to the Committee on Interior and Insular Affairs.

582. A letter from the Secretary of Transportation, transmitting a report on the utilization of the authority to make payments to officers of the U.S. Coast Guard holding positions of a critical nature during calendar year 1980, pursuant to 37 U.S.C. 306(f); to the Committee on Merchant Marine and Fisheries.

583. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting a quarterly report on the Commission's hiring and promotion of women and minorities, covering the period ended September 30, 1980, pursuant to section 201(h) of Public Law 93-438, as amended; to the Committee on Post Office and Civil Service.

584. A letter from the Joint Chairman, Interagency Task Force on Acid Precipitation, transmitting the draft National Acid Precipitation Assessment plan, pursuant to section 704(c) of Public Law 96-294; jointly, to the Committees on Energy and Commerce, and Science and Technology.

585. A letter from the Comptroller General of the United States, transmitting a report on Federal-Interstate Compact Commissions usefulness, and their effectiveness in managing river basin operations (CED-81-34, Feb. 20, 1981); jointly, to the Committees on Government Operations, and Interior and Insular Affairs.

586. A letter from the Secretary of Energy, transmitting the annual report for fiscal year 1980 on the West Valley Demonstration project, pursuant to section 4 of Public Law 96-368; jointly, to the Committees on Science and Technology, Energy and Commerce, and Interior and Insular Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEDELL:

H.R. 1978. A bill to amend the Internal Revenue Code of 1954 to provide that social security taxes and income tax withholding shall not apply to certain chore service performed under a State program designed to assist the elderly and the handicapped; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 1979. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. PHILLIP BURTON:

H.R. 1980. A bill to amend the Immigration and Nationality Act to permit more persons to immigrate from colonies of foreign states; to the Committee on the Judiciary.

By Mr. GRAMM (for himself and Mr. WRIGHT):

H.R. 1981. A bill to amend the Congres-

sional Budget and Impoundment Control Act of 1974 to require generally that each congressional budget resolution for any fiscal year provide a balanced budget for that year and for the succeeding fiscal year, to provide for midyear corrections and to avoid unanticipated deficits, and for other purposes; jointly, to the Committees on Rules and Government Operations.

By Mr. COELHO:

H.R. 1982. A bill to amend the Internal Revenue Code of 1954 to provide that, in the case of an employee annuity, the employee may elect to exclude from gross income all amounts received by the employee under the annuity until the employee recovers his consideration for the annuity, without regard to whether such consideration is recovered during the first 3 years of the annuity; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mr. ARCHER, Mr. FRENZEL, Mr. JONES of Oklahoma, and Mr. MARTIN of North Carolina):

H.R. 1983. A bill to amend the Internal Revenue Code of 1954 to clarify the extent to which a State, or political subdivision, may tax certain income from sources outside the United States; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 1984. A bill to amend the Administrative Procedure Act to require the performance and publication of economic impact analyses in the Federal Register for all proposed and final rules which are subject to the provisions of that act; to the Committee on the Judiciary.

By Mr. FASCELL:

H.R. 1985. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 1986. A bill to amend section 201 of the Agricultural Act of 1949, as amended, to delete the requirement that the support price of milk be adjusted semiannually; to the Committee on Agriculture.

By Mr. FRENZEL:

H.R. 1987. A bill to amend the Tariff Schedules of the United States to increase from $300 to $600 and from $600 to $1,200, respectively, the valuation limitations relating to the duty-free importation of personal articles by returning U.S. residents; to the Committee on Ways and Means.

H.R. 1988. A bill to suspend the duty on carob flour until December 31, 1984; to the Committee on Ways and Means.

H.R. 1989. A bill to repeal the additional duties imposed until 1993 under the Omnibus Reconciliation Act of 1980 on imported ethyl alcohol; to the Committee on Ways and Means.

By Mr. FITHIAN (for himself, Mr. HAMILTON, Mr. EVANS of Indiana, Mr. BENJAMIN, Mr. SHARP, Mr. JACOBS, Mr. MYERS, Mr. HILLIS, Mr. DECKARD, Mr. HILER, and Mr. COATS):

H.R. 1990. A bill to amend title 13, United States Code, to require the Secretary of Commerce to prepare certain reports with respect to census activities and the decennial census, and for other purposes; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Mr. GRADISON (for himself, Mr. GEPHARDT, Mr. BROWN of Ohio, Mr. ERLENBORN, Mr. FRENZEL, Mr. LAGOMARSINO, Mr. PORTER, Mr. ROE, and Mr. WHITEHURST):

H.R. 1991. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for certain contributions to product liability loss reserve accounts; to the Committee on Ways and Means.

By Mr. JEFFORDS (for himself, Mr. PERKINS, and Mr. GOODLING):

H.R. 1992. A bill to extend the authorization of youth training and employment programs and improve such problems, to authorize intensive and remedial education programs for youth, and for other purposes; to the Committee in Education and Labor.

By Mr. LUNDINE:

H.R. 1993. A bill to provide for the development of a plan for the disposal of radioactive waste and spent nuclear fuel, to require the construction of repositories in accordance with the plan, to establish a Federal policy regarding the interim storage and commercial reprocessing of spent nuclear fuel, to provide for a demonstration program for dry storage of such fuel, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, Rules, and Science and Technology.

By Mr. MOORE:

H.R. 1994. A bill to amend the Internal Revenue Code of 1954 to provide that members of the uniformed services assigned to duty outside the United States shall be eligible for the earned income credit; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 1995. A bill to amend the Federal Reserve Act to provide an 8-year transitional period with respect to reserve requirements for certain depository institutions which withdrew from membership in the Federal Reserve System; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1996. A bill to amend the Railroad Retirement Act of 1974 to provide that certain additional military service shall be deemed part of years of service of an individual for the computation of certain annuities; to the Committee on Energy and Commerce.

H.R. 1997. A bill to amend title 39 of the United States Code to prohibit the Postal Service from limiting regular daily mail delivery to fewer than 6 days each week, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING:

H.R. 1998. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for any contribution, bequest, or gift to the United Nations; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. APPLEGATE, Mr. BENJAMIN, Mr. BONIOR of Michigan, Mr. CROCKETT, Mr. KILDEE, Mr. MITCHELL of Maryland, Mr. MOTTL, Mr. MURPHY, Ms. OAKAR, Mr. PEASE, Mr. PRICE, Mr. REGULA, Mr. ROE, Mr. TRAXLER, Mr. WILLIAMS of Ohio, and Mr. YOUNG of Missouri):

H.R. 1999. A bill to impose quotas on the importation of automobiles during 1981, 1982, and 1983; to the Committee on Ways and Means.

By Mr. BLANCHARD:

H.R. 2000. A bill to create the U.S. Revitalization Bank and to authorize such bank to issue obligations and provide loans and loan guarantees to qualifying business enterprises and local governmental units; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SIMON:

H.R. 2001. A bill to amend the Fair Labor Standards Act of 1938 to authorize a special minimum wage for the limited employment of individuals under the age of 19 and for the employment of full-time students; to the Committee on Education and Labor.

H.R. 2002. A bill to amend the Internal Revenue Code of 1954 to exempt from the windfall profit tax the first 250 barrels a day of crude oil production of independent producers and royalty holders; to the Committee on Ways and Means.

By Mr. TAUKE:

H.R. 2003. A bill to eliminate the retroactive application of the provisions of the Omnibus Reconciliation Act of 1980 which require proration of initial adjustments to civil service annuities; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN:

H.R. 2004. A bill to amend the Public Health Service Act to revise and extend the programs for the National Health Service Corps and to revise and extend the programs of assistance under titles VII and VIII of such act for the education of health professions personnel, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WHITEHURST:

H.R. 2005. A bill to establish an age limit for participation in the school lunch program; to the Committee on Education and Labor.

By Mr. YOUNG of Florida:

H.R. 2006. A bill to amend title 17, United States Code, to authorize the nonprofit use of copyrighted works, and for other purposes; to the Committee on the Judiciary.

H.R. 2007. A bill to amend title 17 of the United States Code to exempt nonprofit veterans' organizations and nonprofit fraternal organizations from the requirement that certain performance royalties be paid to copyright holders; to the Committee on the Judiciary.

H.R. 2008. A bill to amend the Internal Revenue Code of 1954 to increase the exclusion for dividends and interest and to make such exclusion permanent; to the Committee on Ways and Means.

By Mr. ALBOSTA:

H.J. Res. 182. Joint resolution to designate April 26, 1981, as "National Recognition Day for Veterans of the Vietnam Era", to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER:

H.J. Res. 183. Joint resolution designating November 21, 1983, as "Bicentennial of Manned Flight Day"; to the Committee on Post Office and Civil Service.

By Mr. VANDER JAGT:

H.J. Res. 184. Joint resolution to provide for the issuance in the year 1982 of a commemorative postage stamp in honor of the bicentennial anniversary of the establishment of diplomatic relations between the United States and the Government of the Netherlands; to the Committee on Post Office and Civil Service.

By Mr. JEFFORDS (for himself, Mr. BONKER, Mr. D'AMOURS, Mr. DORNAN of California, Mrs. FENWICK, Mr. LONG of Maryland, Mr. WEISS, and Mr. YATES):

H. Con. Res. 72. Concurrent resolution to declare March 1, 1981 as "National Day of the Seal;" to the Committee on Post Office and Civil Service.

By Mr. MARKS (for himself, Mr. DERWINSKI, Mr. WON PAT, Mr. GORE, Mr. LAGOMARSINO, Mr. RITTER, Mr. GINN,

Mr. HILER, Mr. LAFALCE, Mr. VENTO, Mr. DONNELLY, Mr. LOTT, Mr. MCDADE, Mr. ROSE, Mr. PORTER, Mr. WOLPE, Mr. FISH, Mr. COLLINS of Texas, Mr. FORSYTHE, Mr. KOGOVSEK, Mr. ROE, Mr. CORCORAN, Mr. MCDONALD, Mr. MOLLOHAN, Mr. DOUGHERTY, Mr. GUYER, Mr. BARNARD, Mr. MAVROULES, Mr. WILSON, Mr. YATRON, Mr. RAILSBACK, and Mr. CHAPPELL):

H. Con. Res. 73. Concurrent resolution expressing the sense of the Congress that legislation providing for withholding of Federal income tax from dividends and interest should not be enacted; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mrs. SCHROEDER, and Mr. LANTOS):

H. Con. Res. 74. Concurrent resolution requesting the President to call on pertinent member nations of the North Atlantic Treaty Organization and on Japan to meet their respective commitments to increase defense spending in 1981; to the Committee on Foreign Affairs.

By Mr. DELLUMS:

H. Res. 78. Resolution to provide for the expenses of investigations and studies to be conducted by the Committee on the District of Columbia; to the Committee on House Administration.

By Mr. SKELTON:

H. Res. 79. Resolution authorizing the printing as a House document of the publication entitled "Programs and Papers Portraying the Personality, Character, and Achievements of George Washington"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DANIELSON:

H.R. 2009. A bill for the relief of the estate of Dorothy Meserve Kunhardt; to the Committee on the Judiciary.

By Mr. PRITCHARD:

H.R. 2010. A bill for the relief of Kai-Mee Chen; to the Committee on the Judiciary.

H.R. 2011. A bill for the relief of Sun Cha Cho Walker; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 2012. A bill for the relief of Martin R. Goodall, his wife Mary and their son, James; to the Committee on the Judiciary.

H.R. 2013. A bill for the relief of Dennis D. Jones; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 18: Mr. BEREUTER.

H.R. 375: Mr. MITCHELL of Maryland, Mr. FISH, Mr. RICHMOND, Mr. KILDEE, Mr. SCHEUER, Mr. BARNES, Mr. MARKEY, Mr. PEPPER, Mr. CONYERS, Mrs. CHISHOLM, Mr. SOLARZ, Mr. OBERSTAR, Mr. STOKES, Mr. HARKIN, and Mr. CROCKETT.

H.R. 397: Mr. RITTER and Mr. AKAKA.

H.R. 465: Mr. VOLKMER and Mr. VENTO.

H.R. 556: Mr. DELLUMS, Mr. MCKINNEY, Mr. YATRON, Mr. DOWNEY, Mr. AKAKA, and Mr. HOWARD.

H.R. 911: Mr. IRELAND, Mr. MINETA, Mr. VANDER JAGT, Mr. CORCORAN, Mr. BARNARD, Mr. AUCOIN, Mr. JACOBS, and Mr. CHAPPELL.

H.R. 1005: Mr. BLANCHARD.

H.R. 1011: Mr. PEPPER.

H.R. 1339: Mr. RAILSBACK and Mr. CHAPPELL.

H.R. 1340: Mr. RAILSBACK and Mr. CHAPPELL.

H.R. 1598: Mr. HAWKINS, Mr. PHILLIP BURTON, Mr. SOLARZ, Mr. STOKES, AND Mr. FAUNTROY.

H.R. 1644: Mr. RALPH M. HALL.

H.R. 1711: Mr. PRITCHARD, Mr. JACOBS, Mr. MARRIOTT, Mr. PASHAYAN, Mr. PANETTA, Mr. AKAKA, Mr. LOTT, Mr. GUARINI, Mr. JOHNSTON, and Mr. WOLF.

H.R. 1764: Mr. BENEDICT, Mr. RAHALL, and Mr. STATON of West Virginia.

H.R. 1765: Mr. WHITEHURST, Mr. STENHOLM, Mr. ROEMER, Mrs. FENWICK, Mr. THOMAS, Mr. BROOKS, Mr. LOTT, Mr. CHAPPELL, and Mr. JOHNSTON.

H.J. Res. 113: Mr. BENEDICT and Mr. HOPKINS.

H. Con. Res. 52: Mr. BEDELL, Mr. BINGHAM, Mr. PEPPER, Mr. ROE, Mr. DERWINSKI, Mrs. FENWICK, Mr. SOLARZ, Mr. NEAL, Mr. ROSE, Mr. SEIBERLING, Mr. OTTINGER, Mr. DE LUGO, Mr. EDGAR, Mr. FORSYTHE, Mr. VENTO, Mr. HEFNER, Mr. DOWNEY, Mr. HUGHES, Mr. SIMON, Mr. PATTERSON, Mr. BLANCHARD, Mr. GARCIA, Mr. HOWARD, Mr. MINETA, Mr. MURPHY, Mr. LEHMAN, Mr. OBERSTAR, Mr. ROSENTHAL, Mr. ERLENBORN, Mr. CORRADA, and Mr. ECKART.

H. Res. 50: Ms. FERRARO.

H. Res. 51: Mr. OBERSTAR, Mr. ST GERMAIN, Mr. ROSENTHAL, Mrs. COLLINS of Illinois, Mr. STUDDS, Mr. KILDEE, Mr. RATCHFORD, Mr. WASHINGTON, Mr. JEFFORDS, Mr. VENTO, Mr. YATES, Mr. HALL of Ohio, Mr. ATKINSON, Mr. SEIBERLING, Mr. FORD of Michigan, Mr. FRANK, Mr. WEISS, Mr. RANGEL, Mr. SAVAGE, Mr. PHILLIP BURTON, Mr. MITCHELL of Maryland, Mr. YATRON, Mr. MURPHY, Mr. CLAY, Mr. NOWAK, Mrs. CHISHOLM, Mr. GEJDENSON, Mr. BENJAMIN, Ms. MIKULSKI, Mr. WEAVER, Mr. DELLUMS, Mr. CONTE, Mr. ECKART, Mr. DOWNEY, and Mr. SCHUMER.

PETITIONS, ETC.

Under clause 1 of rule XXII,

26. The SPEAKER presented a petition of the Gertrude Stein Democratic Club, Washington, D.C., relative to declaring the birthday of Dr. Martin Luther King, Jr., as a national holiday, which was referred to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

FIVE MYTHS ABOUT THE GOLD STANDARD

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. McDONALD. Mr. Speaker, the United States of America is at a point of decision in its history today. Either we step into the open grave of economic collapse caused by 50 years of criminal economic policy, or start a third century of liberty and prosperity based upon the revitalizing truths of constitutional law and free enterprise. These are the choices we face. This country has seen similar moments of decision before in its history such as when we started this great Nation and at several points during the intervening years. There are, however, no guarantees we will again surmount the insurmountable, choosing the right path of constitutional law and free market economics, and even fewer assurances than ever before because of this Nation's hidden enemies.

My allusion is to the many individuals who have chosen to violate their stewardship as free men at this moment and have advocated the superficial, the dishonest, the criminal as solutions to our problems. This ignorance or malice is historically reprehensible. For the path that we must take and the solutions we must choose are as open and plain as they have been before.

An example of just such a path and one of the men of proper convictions advocating it is Congressman RON PAUL and his bill to reestablish the gold standard. In Representative PAUL's "Freedom Report" dated January 1981, he explodes five myths that have done much to confuse the issue of a gold standard in this country and in the world. In a succinct fashion he points out the fallacy in believing that there is not enough gold, a gold standard would enable Russia and South Africa to hold us hostage, gold causes depression, gold causes inflation or that gold would be speculative. Because it indeed points out the clear and historically proven course we must take, I commend it to the attention of my colleagues. It is about time we started facing the decisions we must make as a nation and doing so immediately if we are to avert a national disaster.

The report follows:

FIVE MYTHS ABOUT THE GOLD STANDARD

(By Congressman RON PAUL)

Thank you very much, Mr. Chairman, for allowing me to appear before your subcommittee this morning to discuss the feasibility of establishing a gold standard.

As you know, I have introduced, and other members have cosponsored, H.R. 7874, which is a comprehensive bill to place the United States on a full gold coin standard within two years of the date of its passage.

I believe such a standard to be not only desirable and feasible, but absolutely necessary if we are to avoid the very real possibility of hyperinflation in the near future, and economic collapse. But in Washington today we have five myths about the gold standard.

The first myth is, "There isn't enough gold." The second myth is, "Since the Soviet Union and South Africa are the world's principal producers of gold, they could hold our economic system hostage and benefit if we were to establish a gold standard." The third myth is, "The gold standard would cause a depression." The fourth myth is, "The gold standard will cause inflation." And the fifth myth is, "The gold standard is subject to undesirable speculative influences."

MYTH NO. 1: THERE ISN'T ENOUGH GOLD

I find it amazing that economists can make statements like this, for it is an elementary principal of economics that if one raises the price of a commodity, one will always have enough of that commodity. What we saw in the runup of gold prices is in fact the raising of the price of gold to match the depreciation of the dollar that has occurred, and still is occurring.

Simply put, there will always be enough gold so long as no one interferes with the free market mechanism.

At $700 an ounce the United States government has enough gold reserves to more than cover all the Federal Reserves notes outstanding. If we were to establish a gold standard by the procedure I have outlined in my bill H.R. 7874, then the world would be fully informed of the gold holdings of the United States government, and the price of gold could adjust accordingly, so that when redemption of our greenbacks—our Federal Reserve notes—began, the price would be the market-clearing price. Quite simply, the statement that there is not enough gold is false. It is a scare tactic used by opponents of the gold standard.

MYTH NO. 2: A GOLD STANDARD WOULD ENABLE RUSSIA AND SOUTH AFRICA TO HOLD US HOSTAGE

The second myth that should be challenged is that the Soviet Union and South Africa could hold us hostage were we to establish the gold standard. It is true that the Soviet Union and South Africa, because they have vast gold deposits, have reaped a windfall in the past decade. Yet we are not today on any sort of gold standard. It is the present inflationary policies of governments the world over that create these windfalls. Rather than giving the U.S.S.R. and South Africa windfalls, we should institute the gold standard.

Stabilization of our monetary system—and perhaps the world monetary system, if the world emulated us—would remove any speculative premium that the Soviet Union and South Africa presently receive. We would see a stabilization of the world price of gold and an end to inflation throughout the world. In such a condition, the Soviet Union and South Africa would no longer be in a position to reap windfall benefits.

During the first several months of this year the Soviet Union has withheld gold from the international gold markets. It has recently been rumored that they have sold hundreds of tons to Saudia Arabia at a premium price. Whether or not that is the case, it is easy to see that the inflationary problems that beset us and the rest of the world create the conditions for Russia and South Africa to reap vast economic benefit. The present inflation causes fear and panic among the world's peoples.

Were we to institute a sound money system—a full 100 percent gold coin standard—the fear and panic would be eliminated. There would be no premium to be reaped by the Soviet Union and South Africa, and they would not receive any windfall from the sale of their bullion and their coins. Nor would Russia and South Africa be able to hold us hostage.

The gold reserves of the United States are immense, but no matter what their size, it is extremely difficult to see how Russia and South Africa, either by restraining their production or by dumping gold, could seriously affect us here in the United States.

When we reach a full gold coin standard and our unit of account is a weight of gold, as I have indicated in my bill, H.R. 7874, the world's entire production for one year would not influence significantly the value of that weight of gold.

MYTH NO. 3: GOLD CAUSES DEPRESSIONS

The third myth is that "a return to the gold standard will cause a depression." Now this statement is a half-truth, for if we improperly institute a gold standard, then we might in fact have a depression. Following World War I, the government of Great Britain returned to a gold standard, but in a deflationary fashion. Britain re-established the link that existed between the pound and gold prior to World War I, not taking into account the increase in the number of pounds that had occurred during the war when Great Britain was off the gold standard. The result was a short depression, because the political experts completely ignored the damage that had been done by their policies during the war.

Were we to establish a gold standard, we would have to pursue a course that would not result in deflation and would not cause a depression. We would redeem at the market price for a period of one year the greenbacks we have printed, and then cease redemption, allowing the gold coins we have put into circulation to function as our money of account.

If we proceed to a gold standard in an orderly fashion, such as I have proposed in my bill H.R. 7874, then there will be no depression. A gold standard cannot be achieved if we do not end our budget deficits as well. The standard must be accompanied by tax cuts, an end to the printing of paper money, and a significant reduction of federal regula

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

tions if we expect a restoration of a sound economy.

Unless we are committed to all these things, even the establishment of 100 percent gold coin standard cannot stop our descent into economic chaos. We must cut the federal government down to constitutional size, and the establishment of a full gold standard is part of that process. The Constitution explicitly forbids any state government, and implicitly the Federal government, from making anything except gold or silver coin a legal tender in payment of debt.

MYTH NO. 4: GOLD CAUSES INFLATION

The fourth myth about the gold standard is that "It will cause inflation." Opponents of the gold standard point out that the world supply of gold increases by about two or three percent per year, and such an increase in supply would result in inflation in any country that adopts a gold standard.

I do not wish to challenge the proposition that the world gold supply increases by 2 to 3 percent per year. For the sake of argument, I will accept that as given. The result of such an increase is that prices might stay stable rather than falling. It is useful in this regard to point out the behavior of prices during our history. For most of the 19th century we had an imperfect gold coin standard. In the 67 years prior to the beginning of the Federal Reserve system in 1913 the consumer price index in this country increased by 10 percent, and in the 67 years subsequent to 1913 the C.P.I. increased 625 percent. This growth has accelerated since 1971 when President Nixon cut our last link to gold by closing the gold window.

In 1833 the index of wholesale commodity prices in the U.S. was 75.3. In 1933, just prior to our going off the gold standard, the index of wholesale commodity prices in the U.S. was 76.2: a change in hundred years of nine-tenths of one percent. The index of wholesale commodity prices in 1976 was 410.2. Today, the index is 612.3. For 100 years on the gold standard wholesale prices rose only nine-tenths of 1 percent. In the last 45 years of paper money they have gone up 536 percent.

The index of wholesale commodity prices emphasizes the stability of these prices during the entire 19th century. This stability was first overturned during the Civil War—the greenback period—then in World War I, and once again in World War II, and with the inflation that has persisted since that war.

Rather than causing inflation, the gold standard has historically been a bulwark against inflation. It is politically-manipulated money such as we have had since 1934 that causes our inflation.

People today have come to expect that prices will continue to rise, and we see the beginnings of a hyperinflationary psychology setting in.

If we are to avoid the horrendous consequences of such a psychology, we must take dramatic action and give our country an historically proven system, a full gold coin standard.

MYTH NO. 5: GOLD WOULD BE SPECULATIVE

The last myth about the gold coin standard that I would like to address is the notion that such a standard would be subject to undesirable speculative influences.

This assertion was most recently made in a letter sent by the Federal Reserve to Chairman William Proxmire of the Senate Banking Committee. The letter argued that because gold is a commodity used in jewelry and in industry, it is subject to speculative influences that are undesirable in setting up a stable monetary system.

I find such an argument amazing, for it is precisely because it is a commodity and not subject to the manipulation of a bureaucracy in Washington or London that it is desirable. If one wishes to speak of undersirable speculative influences, one need only look at the speculation that occurs daily in the U.S. dollar.

A gold standard would eliminate all speculation about the political motivations of the monetary authorities in governing the supply of money. The great virtue of the gold standard is that it removes discretionary power over the money supply from any one agency, thus ending the most fertile source of speculation. A gold standard puts the power of the monetary system into the hands of the people and takes it away from the politicians and bankers, thus removing a potential vehicle for establishing a tyranny.

Gold cannot be mined as cheaply as Federal Reserve notes can be printed. Nor can its supply be manipulated on a daily basis. There is a great dispersion of power in a gold standard system. That is the strength of the system, for it allows the people to check any monetary excesses of their governors and does not allow the governors to exploit the people by debasing the money.

The letter from the Federal Reserve System to Chairman Proxmire closed with a call for more faith in the System and its good intentions. For over 60 years the American people have been exercising such faith and they have suffered the worst depression and the worst inflations in their history. Let us hear no more of faith in men, but bind government with the chains of an honest monetary system—the full gold coin standard.

In the Coinage Act of 1792 the Founders provided the death penalty for any government employee who debased the money. One wonders that if such a penalty were enforced today how may members of the Federal Open Market Committee would survive the month.

GOLD: THE MEASURING ROD

In his "Tract on Monetary Reform" published in 1923, the father of the age of inflation, John Maynard Keynes, wrote: "The individualistic capitalism of today . . . presumes a stable measuring rod of value. It cannot be efficient—perhaps cannot survive—without one."

Lord Keynes was correct. Unless we have a stable measuring rod of value, such as a gold coin standard, capitalism and freedom cannot survive. If not vigilant, we will evolve into the sort of fascism that resulted from the great German inflation following World War I.

The choice before us is simple: Shall we have gold and political freedom or shall we have paper and political tyranny?●

DO CONSERVATIVES CONTROL THE HOUSE?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. GINGRICH. Mr. Speaker, when Nicholas Lemann, of the Washington Post, wrote "People who call themselves conservatives control both Houses of Congress," page 1, February 22, 1981, everyone who is conservative should have been frightened and aroused. The national news media is buying the liberal Democratic argument that TIP O'NEILL is helpless in a House controlled, de facto, by conservatives.

We know better. We lost the fight for a conservative speaker. A liberal now presides over the House. And he recognizes motions, sets the calendar, and dominates the proceedings. He is in control.

Liberals still control most of the committee and subcommittee chairmanships, and most of the staffs.

Liberals preside, in particular, over the Ways and Means, Joint Economic, and Rules Committees. These three committees will have enormous impact on Reagan's program for economic recovery. It is obvious that they have been stacked by the liberals to block that program.

It is vital that we tell the country over and over again that we do not control the House, and that TIP O'NEILL and the liberals do. It is essential that the country knows who to blame if economic recovery is blocked by the Democratic leadership.●

WATT HAS FUNNY IDEA OF "NEIGHBORLY"

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. EDWARDS of California. Mr. Speaker, I would like to share with my colleagues an editorial which appeared in the San Jose Mercury on February 16, 1981.

The editorial examines Interior Secretary James G. Watt's announcement that he is considering reopening four basins off the coast of California and Oregon for oil and gas development. As the author points out, this announcement has enraged not only environmentalists, but Government officials at all levels, chambers of commerce, fishing and tourist industries, and other businesspeople.

None of these groups, including those of us here in the House who have spoken out against Secretary Watt's decision, fails to recognize the need for some offshore drilling to develop offshore energy resources. However, in this instance, the small amount of oil and gas resources in these four basins hardly warrants development; especially when one considers the adverse effects this development could have on a variety of different things, including the fishing industry, wildlife habitats, water supplies to a number of counties, the San Francisco Bay delta system recreational and scenic beaches, property values, as well as several seismic faults.

I commend the article to the attention of my colleagues.

WATT HAS FUNNY IDEA OF "NEIGHBORLY"

On the lovability scale, environmentalists rank James G. Watt somewhere between the Boston Strangler and Ming the Merciless, and his first acts as Secretary of Interior are doing nothing to improve his rating.

Watt announced last Wednesday that he's planning to allow oil and gas development in four tracts off the California coast from Eureka south to Santa Cruz.

A day later, it was learned that Watt is reviewing the Carter administration's decision to include California's five North Coast rivers in the wild and scenic rivers system, thereby protecting them from development.

In a letter to the governors of California and Oregon, Watt declared that he has made "no final decision" on allowing oil companies to bid for leases in the four offshore basins, but added, "The president has instructed me to take the necessary steps to increase the domestic production of oil and gas, and I firmly intend to take those steps."

Last October Watt's predecessor, Cecil Andrus, refused to allow oil and gas development in those basins, correctly reasoning that their limited fuel potential wasn't worth the risk of severe damage to some of the most beautiful coastline in the world.

Watt says the U.S. Geological Survey's latest estimate puts the oil potential of Lease Sale 53—the four North Coast tracts plus a fifth one off Santa Barbara in which Andrus already has approved leasing—at 982 million barrels and the gas potential at 1.2 trillion cubic feet. But that may be an over-optimistic guess. As of last fall, the U.S.G.S.'s median estimate for all five tracts was only 540 million barrels of oil—about a 30-day supply for the United States.

The Friends of the Earth, the Sierra Club and other environmental groups are, of course, loudly protesting Watt's move. But the opposition isn't confined to hard-core nature buffs. Even people who couldn't tell a bowfin whale from a black-footed ferret understand what oil spills and industrial blight could do to the North Coast's multimillion-dollar tourism and fishing industries.

Eleven California congressmen, including local representatives Don Edwards, Norman Mineta and Leon Panetta, as well as Donald Clausen of Santa Rosa, the ranking California Republican in the House and the senior GOP member of the House Interior and Insular Affairs Committee, have sent Watt a stiff letter of protest. The point out that "every local unit of government in the central and northern California coastal area, including the state and its various agencies, has opposed" drilling in the four basins. Gov. Jerry Brown has denounced Watt's move, and the head of the California Coastal Commission has promised a court battle and a "snarl of red tape" if the leases go through.

In his letter to Brown, Watt affirmed his intention "that the federal government establish a 'good neighbor' policy with the states." Good neighbors don't put drilling rigs and oil slicks in other people's front yards. If Secretary Watt wants to be neighborly, he'll stick with Andrus' decisions and leave our coast and our rivers alone.●

HONORING JOHN RALSTON

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. MURTHA. Mr. Speaker, it was a pleasure for me to tour the Elderton/Plumcreek Area Park which is a magnificent example of what a community can achieve by working together.

The Elderton/Plumcreek Area Recreation Commission started their work back in 1976. The project includes a baseball diamond, tennis courts, handball courts, park shelters, a large picnic area, and a two-level playground area.

It is particularly rewarding because of the work of Mr. John Ralston. Mr. Ralston is a retired civil engineer who volunteered his services for the planning, designing, and supervising of the construction at the park. He received no wages for his work but did it as a volunteer. In addition, he contributed financially to the project, and has paid for materials out of his own pocket so the project could continue and CETA workers would have materials with which to work.

Who can say what family might be pulled closer together by an afternoon spent at that park, or what child might stay out of trouble because he or she has an opportunity at constructive recreation? I can say the community is better for the contribution of this park, and to that contribution we all say thank you to John Ralston.●

THE NATO SACRED COW: STILL ROAMING THE RANGE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mrs. SCHROEDER. Mr. Speaker, among the sacred cows still roaming the range after President Reagan's much ballyhooed Wednesday night roundup is NATO.

The U.S. taxpayer annually spends between $35 and $81 billion on NATO defense, depending on whose figures you care to believe.

At House Armed Services Committee hearings this week on European defense posture, Gen. Bernard W. Rogers, commander in chief of the U.S. European Command, testified that the United States pays two-thirds of all NATO defense costs.

There is a great deal of hand wringing on both sides of the ocean these days on how much our NATO allies ought to increase their defense spending. According to our so-called allies the answer falls somewhere between very little and not at all. A summary of the debate appeared in the February 18 Wall Street Journal.

Yet the assumption, the incredible assumption, is rarely questioned: Why must the U.S. taxpayer bear the brunt of European defense costs?

The Journal article follows:

U.S. ALLIES DEBATE DEFENSE BOOSTS

Even as President Ronald Reagan seeks to add at least $20 billion to his predecessor's $196 billion defense budget for the coming fiscal year, the U.S. allies are searching their souls and treasuries to determine their proper share of the common defense effort.

There is a consensus to do more, but there are problems.

Where spirits are willing, economies are often weak. And where economic muscle may be sufficient, ghosts of history and politics are troubling.

The Carter administration pressed the members of the North Atlantic Treaty Organization to live up their pledge to boost their individual defense budgets by a real, or inflation-adjusted, 3% a year. But Mr. Reagan's top national-security advisors backed away from the 3% target even before he took office. While they indicated that they wanted the allies to do more to bolster Western defenses in Europe, they declared that a fixed percentage increase isn't a valid measure of strengthened security.

Whatever Washington's expectations turn out to be, West Germany isn't likely to meet its NATO pledge this year. That's because of the looming economic slowdown, a desire to restrain the federal budget's expansion, and what Defense Minister Hans Apel calls a "growing pacificism" in the country.

Late last month, 24 parliamentarians from the Social Democratic Party called for the equivalent of $466.2 million to be removed from the defense budget and transferred to development aid, arguing that such aid represented a better use of the funds. Though that call was rejected by the Social Democratic caucus, it is indicative of the current pacifist mood.

REAL RISE OF 2.8%

The German government increased defense outlays last year to about $22.61 billion, converting at current exchange rates. That amounted to a real rise of about 2.8% and to about 3.2% of gross national product, or total output of goods and services. Final figures aren't in for 1981, but German officials reckon that defense spending will show a real increase of about 2.2%, though some supplements could raise that figure.

In neighboring France, military expenditures have risen considerably in recent years, now amounting to almost 4% of GNP, and cutbacks aren't expected no matter who wins the presidential election in the spring. Of the total $21.13 billion budgeted this year, about a third will be spent on nuclear weapons.

While France hasn't been part of NATO's integrated military command since 1966, the Pentagon calculates that France's real 3.5% defense-spending increase last year outdistanced that of any country within the integrated command.

Britain's defense-spending plans are complicated by the sagging economy. It is committed to spend more in real terms, but it must stay within the limits imposed by the British treasury. Even so, a British defense spokesman contends that the nation's defense outlays will continue to grow by a real 3% annually.

In the fiscal year ended April 1, 1980, spending was $20.05 billion, or 4.9% of GNP. Proportionally, that put Britain second only to the U.S. among NATO members. Fiscal 1981 outlays are budgeted at $26.12 billion. But that is $585.6 million above the treasury's cash limits, which will mean big cuts in the fiscal 1982 defense budget.

Other European NATO countries where defense spending has been a major issue in the past year present a mixed picture—with Italy going beyond the NATO target and both Denmark and the Netherlands falling short.

Italy's spending for 1981 is expected to show a 6% real rise from 1980, compared with zero growth last year and a 3% real increase in 1979. Though this is the biggest increase planned by any NATO nation, Italy is starting from a low base. Its per-capita defense spending is less than a third of that in all NATO countries.

But military observers credit Italy with making great strides in its weapons procurement and modernization program.

The Danes, by contrast, have always been reluctant to make the sacrifice entailed in increased defense spending. Their military budget showed a real increase of only 6% for the four years beginning April 1977, and fiscal 1980 saw a real drop of 0.6%. Defense spending in fiscal 1982 will increase to $1.25 billion, for a real increase of less than 1%. But a diplomat in Copenhagen observes that "growth could be somewhat larger" thereafter.

The Netherlands' defense budget has been close to the 3% target in the past two years. But this year, the Ministry of Finance won a battle with the Ministry of Defense, and the real 1981 increase will be closer to 2%.

Politics played a key role in this decision. Dutch elections will be held on May 26, and the unilateral nuclear disarmament lobby has been gathering momentum. According to a diplomat in The Hague, however, "the betting is that defense spending will go up again next year."

BUILT INTO POLICY

Across the Atlantic, Canada holds rigidly to the NATO target. The 3% real growth has been built into federal policy and is assured regardless of other budget demands or the inflation rate.

On the other hand, Canada's defense outlays, at about 1.8% of GNP for the fiscal year ending March 31, are at the bottom of the NATO scale. "We seem to run neck and neck with Luxembourg," says a senior defense planner.

Spending will rise to about $6 billion (Canadian) next year from $5.07 billion in the current fiscal year. While that is a sharp nominal (or unadjusted) increase of 18%, it doesn't represent much change relative to GNP. A boost to a more aggressive 4% of GNP would more than double Canadian military outlays and eat up a major portion of the relatively small discretionary portion of the national budget. "Politically and financially, that kind of jump isn't possible," says a Canadian official.

Japan, though it isn't a member of NATO, has also come under pressure from the U.S. to boost its defense spending. The prime minister, Zenko Suzuki, is known in political circles as Mr. Fish because he hails from a fishing prefecture and has been Japan's chief negotiator in fishing talks with the Russians.

Several weeks ago, Mr. Suzuki used a fishing allegory to explain to some visiting U.S. Government officials why Japan is increasing its defense budget only 7.6% in the fiscal year beginning April 1, rather than the nominal 9.7% the U.S. had expected.

"YOU PULL GRADUALLY"

"When you are a deep-sea fisherman trying to pull in a big fish, you don't pull on the line too suddenly or the line will snap and you'll lose the catch," Mr. Suzuki said. "You pull gradually, gradually, gradually."

The "big fish" to which Mr. Suzuki alludes is Japanese public opinion, which is only slowly losing the pacifist strain that has marked it since World War II.

Partly because of this political restraint, the $12 billion (U.S.) in spending in the coming fiscal year will constitute only 0.9% of GNP, unchanged from the current year. But Japanese officials note that spending on new weapons will rise more than 17%. And while the 1981 budget doesn't legally commit Japan to do anything beyond 1981, the award of contracts for new weapons "necessarily presumes" that more of these weapons be bought in future years, a Japanese official suggests.

Even with the higher defense spending being proposed by Mr. Reagan, the U.S. is likely to devote to the military only about half the 12% to 14% share of GNP that the Soviet Union earmarks for defense. But most of the major U.S. allies spend even smaller shares of their GNP on defense, so the new administration will still press them to step up spending.

Defense Secretary Caspar Weinberger and Secretary of State Alexander Haig explain that their disavowal of the 3% NATO target isn't intended to de-emphasize the urgent need for a greater defense effort by U.S. allies. But they insist privately that the allies are likely to do more if the U.S. recognizes their contributions rather than criticizing their deficiencies, as the Carter administration often did.

Some defense experts in Washington and in Europe worry that the Reagan administration may have dropped the 3% goal prematurely. That figure was the only measure of defense effort agreed on by all members of the alliance. And, without a common goal, it is feared that some nations facing economic difficulties may seize the opportunity to relax their defense efforts.●

THE 250TH BIRTHDAY OF GEORGE WASHINGTON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. SKELTON. Mr. Speaker, February 22 of next year will mark the 250th birthday of this Nation's most famous, and probably most revered, citizen—George Washington. Washington served his country both as a heroic military man and as a great leader. He served as Commander in Chief of the Continental Army in the American Revolutionary War, presided over the Constitutional Convention in 1787, and was unanimously chosen to be the first President of the United States of America. The story of Washington's life reveals the courage, dedication, perseverance, and action that make for a model citizen.

Because I believe that all Americans, and our young citizens in particular, would benefit from a knowledge of the life and times of George Washington, I am today introducing a bill to authorize the reprinting of a document called the "Programs and Papers Portraying the Personality, Character, and Achievements of George Washington." This document was published by the George Washington Bicentennial Commission in 1932. It is my hope that this document will be available by February 1982 as a fitting tribute to the 250th birthday of this truly great American—George Washington.●

MY FRIEND PETE MILLIGAN OF ILLINOIS BELL

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. McCLORY. Mr. Speaker, in the course of our experiences here in the Congress, we come in contact with many individuals who represent large private corporate and professional interests. One of the most effective, persuasive, and also likable of such representatives or legislative advisers has been C. G. "Pete" Milligan, who has represented the interests of Illinois Bell Telephone Co., an affiliate of American Telephone & Telegraph Co.

Pete Milligan as a legislative adviser or lobbyist, and more particularly as a dedicated and effective representative of Illinois Bell and the Bell Telephone System, has become one of my good friends both during my service here in the U.S. House of Representatives and before that time when I was a State senator in the Illinois General Assembly.

Mr. Speaker, Pete Milligan possesses a personality which engenders a friendly and generally favorable response from those with whom he has contact. In his presentation of legislative issues, he has always been completely fair and understanding. Naturally, he has never failed to present Illinois Bell and the Bell System in their most favorable light. However, when differences have arisen, he has responded with reasonable explanations and never with rancor or impatience.

Mr. Speaker, may I say that Pete Milligan has been a good contact for me whenever any disputes or questions have arisen regarding my personal or official contacts with the telephone company. He has cooperated fully in supplying me and my office with telephone directories and other useful information enabling me to maintain close communications with my Illinois constituents.

More recently in the hotly contested issues surrounding the competition between the Bell System and competitors on so-called long lines, as well as

in the more intense rivalry involving communications equipment, systems, and related technology in which various other Illinois interests have been pitted against the huge Bell System, Pete Milligan, in behalf of Illinois Bell and the parent and affiliate companies, has advanced arguments compatible with our private enterprise system while recognizing the unique and dominant role which the Bell System occupies in our Nation.

Mr. Speaker, as Pete Milligan takes his well-deserved retirement, I join with other Members of this body in wishing him well. Recognizing that Pete Milligan will not indeed retire from an active and productive life, I suspect that he will be turning his interests toward other useful activities from which society will continue to benefit.

Mr. Speaker, in behalf of my wife Doris and myself, as well as my entire congressional staff, both here in our Nation's Capital and in my congressional district in Illinois, I extend to Pete Milligan and to his wife Patty my best wishes for good health and satisfying lives in their years of active retirement.●

MEDICAL DIRECTION IN NURSING HOMES

HON. NEWT GINGRICH
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. GINGRICH. Mr. Speaker, the high cost of medical care for elderly citizens in our Nation's nursing homes should concern us all.

The greatest problem we face is how to cut medical costs while maintaining the highest standards we can for medical care.

Dr. George Artress, from Smyrna, Ga., is working on a project with me on ways to improve health care in this country. I would like to share with you Dr. Artress' essay that he presented to the Georgia Joint Legislative Committee on Aging in the fall of 1980.

About five years ago, a group of physicians in Georgia started an organization to improve the medical care of nursing homes. It is now a national organization operating in many states—New York, Texas, Minnesota, California, and all the Southeastern states. My remarks here will deal with the pressures to improve nursing homes and not increase red tape or government support.

I have personally spent my entire professional career trying to upgrade medical care of all types. I started out in Nicaragua 24 years ago and later spent nine years in Asia. The Cambodians tried to destroy my clinic by government-inspired riots years ago, but the Afghans were the greatest while I was there 4½ years. I say this to emphasize the need for pragmatism, to get the most bang for the buck.

In Afghanistan my young assistant was drafted into the army and was assigned to a 100-bed hospital. He reported the equipment and supplies consisted of a dozen bottles of pills, two syringes to give penicillin shots, and regular string to do suturing—without any anesthetic.

In contrast, in Manila in 1966 we prepared for President Johnson and the Asian Summit Meeting and sort of overdid things. I had a private telephone hookup direct to the White House doctor. We arranged for a private hospital in the Embassy. While the President was traveling we had a helicopter with paramedics and complete resuscitation equipment, a little maneuver that cost $3,000,000 over four days.

A nursing home in Georgia is supposed to completely care for an intermediate patient for $24 a day, but the hospital averages $175 per patient admitted. The nursing home has to pay the same tax, insurance, food, and utilities as well as to have most of the same committees and regulations. So obviously, something has to give.

Since at present, the government health care costs are approaching the defense budget and the taxpayers are at their limit, there is no remote or feasible way to upgrade nursing home care to hospital status. I hate to say this, but like it or not, there is going to be a two-tier system. Pragmatism comes into play, and we need some old-fashioned horse trading.

My classic example is an elderly gentleman who was at the end stage of lung disease. He told us he was ready to die, but somehow he got to the intensive care unit at the hospital, and one specialist after another did heroic things until he had been in I.C.U. with breathing tubes, pacemaker, and so forth for 73 days before he died. His hospital bill was $86,000. I often think if we had let this man "go in peace" and could have had this money to spend to improve the care of maybe a thousand people for a couple of months, it would be better.

There is a need to be realistic with what is available. However, I am not satisfied that the same patient that we care for for $24 per day in Georgia, if moved into South Carolina, has $36 per day for his or her care. With the present state of our society, we have to upgrade things in Georgia to be fair to our chronically disabled people. Since mostly I am talking about "a home," as well as adequate medical care, the task is more complex. We have to come to grips with a major unsolved problem in nursing homes.

With common sense and good faith, the nursing home situation can be changed commensurate with reality. A primary consideration is that in this era of taxpayer revolt governments can't increase costs overall. There has to be rearranging of priorities. Figuring out how to do this can be complicated, time-consuming operation.

Three or four years ago my nursing home administrator had budget cuts, so he had to reduce this staff from 80 people to 50 people. In spite of that, it was actually costing him more a day for each Medicaid patient than he was getting. Care has to go down in such circumstances. Let's get it back up.

My broad recommendations to the legislative committee are to (1) horse trade with doctors, and this is one of the reasons for the Medical Directors Association. Contact through me or the Georgia Health Care Association. Hopefully, we could save great sums of money on hopsital related care and upgrade nursing home care generally; (2) Have selective increase in staffing—for example, allow three hours of nursing home care per patient in place of two, etc.; (3) Push a Grant Program to interest and train more nurses interested in long term care, then budget to pay on par with the hospitals for select personnel; (4) Figure some way to increase the prestige of the nurse's aides, since they will likely never make the wage of the clerks at Kroger's; (5) Sweeten the financial return of the physician, so they will at least listen to the medical directors who are trying to entice them into nursing homes.

Let me expand on the last point. As an example, in my solo practice office, the cost for my staff wages averages $60 per hour (or a dollar a minute). Before paying any bills or taxes or whatever, this has to come in. Notwithstanding, the Medicaid reimbursement to a doctor for a month's care of a nursing home patient is about $8-12. That means that counting travel and time checking the chart, seeing the patient, talking to the relatives, can't average much more than four minutes a month—unless he is doing charity work. Now, all doctors believe in charity work, but they cannot do more than so much because there is practically no creditor who will let a doctor go long without paying his bills. Until this can be rectified, doctors, out of necessity, will continue to send the sick patients to the emergency room or hospital at perhaps ten times the cost of caring for them at the nursing home.

This last discussion will be confusing if one doesn't separate the medical director's postition from the fact he is a physician—he or she wears two hats at the same time. A medical director is an employee (consultant) of a nursing home paid for by government funds. Most medical directors are also attending physicians along with other doctors in the community. So as a medical director, I want my nursing home to be the best place attainable for "physicians" to care medically for patients. But we have problems because the nursing home cannot ever be like a hospital, even though the regulations are set up on the basis of the hosptial model, although the funding is $300 less.

Let me suggest ways to rearrange funds:

(1) A requirement that those in government who propose rules and regulations get with funding people to be sure there is a way to pay for the regulation and that the benefit justifies the cost. More and more the personnel have to spend so much time on documenting regulations that they cannot care for the patients;

(2) A requirement that new nursing homes be built near to hospitals so doctors would incorporate nursing home rounds with hospital rounds;

(3) More licensed personnel in the nursing home so physician instructions can physically and safely be carried out without always going the route of the $300 emergency room visit for a $30 cause;

(4) Arrange physician reimbursement so they can physically afford to care for more patients in the nursing home. Country doctors are paid about one-half as much as city doctors. We recently asked Prudential why. Several logical reasons were given, but this process costs the state and federal governments millions of dollars, and has to be changed;

(5) Vigorously push the use of physician's assistants in nursing homes. There are a lot of red-neck doctors left in Georgia who believe P.A.'s are a tool of the devil, but I couldn't afford to take care of more than 25 patients without a P.A. The P.A. can spend four times as much time, cost accounted, as I can. There is no way that this does not produce better care. Yes, those who want to

do charity work can perhaps do better, but they usually don't go to a nursing home. We are lucky if we get one out of ten physicians in a community to ever go to a nursing home. With the economic realities of today, the P.A. is a must in long term care settings;

(6) Do away with at least half of the regulators and the regulations. There is just no sense in the massive duplication of verification procedures. There have at times been three separate survey teams in my nursing homes. Let's sit down and do away with the unnecessary duplication and cost. Patient care could be immensely improved.

One way of implementing the above reduction would be to send all nursing home medical directors in the state to a yearly convention and go over problems and solutions for which the medical director would be responsible. As basic humanitarians, there would be no better way to get a bunch of birds with one stone.

I could go on, but here is a start on ways to upgrade medical care and suggestions on rearranging funds with no overall hikes in cost.●

WELFARE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. HUBBARD. Mr. Speaker, last Wednesday evening the President presented to the Congress his proposed spending reductions for this fiscal year and fiscal 1982. In this same vein, I would like to share with my colleagues the views of my constituent, Mr. J. E. Rhoades, of Central City, Ky., about welfare and social programs and the role of the Federal Government. Mr. Speaker, I submit Mr. Rhoades' letter:

I am 52 years old and have kept my mouth shut all these years, but the time has come that I have to let you know how a few of us working people feel. To start off with I have heard Welfare, Food Stamps, Black Lung, Workmen's Compensation and Senior Citizens until I am sick and tired of it. It appears that our nation promotes the no work attitude, get something for nothing and the country owes me a living. That is a bunch of bolony. The good Lord didn't intend for man to live off his neighbor. Every man should provide for himself. I will admit that there are a few cases that need help, but only a few and that is the responsibility of the churches not the State.

I could write pages to substantiate my complaints, but I don't have the time. I do want to say it is time that the dead beat get off his can and do something eight hours a day for his hand-out, if is nothing but count cars. About everybody can do something, like picking up trash, this would at least keep them out of the house which would in turn eliminate a few Welfare babies. That is another thing our nation is promoting is illegitimate children, which naturally lowers the class of people and in turn decays the overall intelligence of our country. At the rate we're going our country will be a bunch of idiots in the next five or six generations.

No, I know I have exaggerated some, but seriously I definitely believe in the simple old rule: Don't work, don't eat.

I know I covered a lot of territory when I mentioned Welfare, Food Stamps, Black Lung and Senior Citizens, but these are the categories that are killing us in this area. I know there are thousands of other items and maybe the next time I write I will stick to only one category, but I wanted you to know how I felt, and that I want to help better this country and I think to do so everybody must learn to carry his own load, but the Government is going to have to stop feeding them for nothing in order to do so.

Thanks.

Respectfully yours,

J. E. RHOADES.●

MIAMI REGION OF HADASSAH COMMEMORATES 120TH ANNIVERSARY OF BIRTH OF FOUNDER, HENRIETTA SZOLD

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. FASCELL. Mr. Speaker, I would like to take this opportunity to bring to the attention of our colleagues, a very special occasion that must not go unnoticed. The largest women's Zionest organization in the world, Hadassah, is celebrating the 120th anniversary of the birth of its founder, Henrietta Szold. The Miami region of Hadassah is commemorating this event in honor of Miss Szold who should be a symbol of hope and inspiration to all the people of the world. This great woman must be remembered for her devotion to humanity. Her accomplishments—as an American, as a friend of the State of Israel, and as a woman—are worthy of our attention and admiration.

Henrietta Szold was born in 1860 in Baltimore, Md. She was the daughter of an abolitionist rabbi, a well respected teacher and scholar in the Jewish community there. As a child, Henrietta observed the funeral of Abraham Lincoln from the shoulders of her father. An extremely bright and curious child, Henrietta was an avid learner and an exceptional student. During this period of our history, it was unusual for a woman to pursue such an interest in education; however, with an obvious zeal for learning and eager for the attention of her scholarly father, she far outshone her sisters and many of the learned men who studied with her father.

After Miss Szold finished her formal education, she herself became a teacher in a girls school. However, her real energies were devoted to writing for various Jewish publications. Early on, Miss Szold earned the reputation of being one of the leading Jewish essayists in America. She also became a well known Biblical scholar and, in the 1890's, she became the editor and translator of the Jewish Publication Society of America.

Henrietta Szold's life is remarkable in that she can be considerd a "first" in a number of areas. While still living in Baltimore, she founded night schools for immigrants. In the late 1800's and early 1900's, many immigrants were coming to America from Europe and Miss Szold recognized the need for education and training programs for these people.

Her true passion lay in pursuing Jewish study and thought and, after her father died, she felt she could fulfill her scholarly aspirations by studying Jewish law. She approached Rabbi Solomon Schechter of the Jewish Theological Seminary in New York to see if there were some way for her to study there. In 1902, it was unheard of for any woman to study at a rabbinical seminary but, because Rabbi Schechter had been a colleague of her father's and because Rabbi Schechter was also impressed with Miss Szold's scholarly reputation, she was admitted to the seminary as a special student early in 1903.

At the age of 50, Miss Szold traveled to Jewish Palestine. She recognized the urgent need there for a variety of human and health services and when she returned to the United States she was able to secure funds to send the first American trained public health nurses to Palestine. Miss Szold returned there herself and began a career in health administration that is yet to be equaled. First she established a program to set up "well baby" stations. The public health nurses taught mothers about hygiene and nutrition, and about the basics in child care, such as how to clean milk, boil water for health purposes, and to put drops in their babies' eyes.

In 1912, Henrietta Szold founded Hadassah, an organization dedicated to activities to improve the living conditions of Jews in Palestine. During World War I, she brought medical volunteers to Palestine, and out of this medical unit grew the Hadassah Medical Organization. Miss Szold ostensibly became the first secretary for health, education and welfare for the Jewish community of Palestine at the same time that she was president of Hadassah. In addition, Miss Szold was busy building the famous Hadassah Hospital in Jerusalem. Miss Szold was responsible for bringing medicine, social services, and health care to that part of the world. In addition, under her direction, the first recreation programs were brought to Palestine. Until this time, no one had recognized any need for children's recreation programs.

In 1934, when Henrietta Szold was 74 and preparing to return to Baltimore, she was asked to become the Director of Youth Aliyah * * * an offshoot organization of Hadassah, established to rescue children from Nazi Germany and other countries and resettle them in Palestine. Miss Szold accepted the position and, during the period from 1934 and 1945 when she

died, thousands of children were brought to Palestine and saved from the horrors of the Holocaust. Miss Szold set up scores of children's villages and those who were not sent to such villages were placed in Kibbutzim around the country. Her work served as a model for the rehabilitation and education of children. Miss Szold's efforts combine the dignity of labor with educational training and culture. Under her direction, the peer group was encouraged to develop with an emphasis on social values. Early in the 1940's, Miss Szold opened a high school for girls because, in those days, career training was not considered important for young women. Originally, the school only offered programs in foods and clothing, but it has grown enormously and now maintains a curriculum of the most sophisticated medical and scientific technologies.

As deeply religious as she was, Miss Szold never cut herself off from the common person. In addition, she was devoted to the idea of cultivating an understanding between Arabs and Jews. Although she came from an educated and fairly affluent family, she never thought of immigrants as less than equals. She told her father when she was opening the night schools for immigrants in Baltimore that there was something to learn from every group or culture. She viewed her work then, and later with other immigrant groups in Palestine, as a learning experience. To Henrietta Szold, it was more important to learn about people and derive an understanding from various groups of people than for them to learn about her.

Henrietta Szold was respected and admired as a humanitarian by many prominent people including Eleanor Roosevelt and Frances Perkins. David Ben Gurion called her the greatest Jewish woman in 400 years. She has also been called the first modern Jewish woman. Among her accomplishments is her admittance to the Jewish Theological Seminary at a time when even the secretarial staff at the seminary was all male (women are still not admitted to the seminary for formal rabbinical study); she was the first woman on the Bible Translation Commission; she was the only woman and the only American to serve on the Vad Leumi, the governing council of Jewish Palestine; and she was Israel's first Minister of Health, Education and Welfare. Her efforts were certainly innovative. She combined scholarship with a great expertise as a standard setter and philosopher.

Today, the women of Hadassah consider themselves to be disciples of Henrietta Szold. The organization boasts over 370,000 members. Hadassah raises money to send to various projects in Israel, many of which originated under Miss Szold. Most of the funds go to the Hadassah Hebrew University Medical Center in Jerusalem, a very modern, highly sophisticated and technological hospital, serving Jews and Arabs alike. Hadassah also supports various educational, community and vocational guidance services. Hadassah provides counseling in 15 different languages and administers tests of skill and knowledge to newly-arrived immigrants. The organization is also a major contributor to Youth Aliyah and the Jewish National Fund and is instrumental in underwriting land redevelopment projects.

The outstanding activities of Hadassah are a monument to Henrietta Szold's achievements during her lifetime. In closing, I would like to commend the Miami Region of Hadassah for its efforts in honoring this great woman, the founder of their organization, and for carrying on her work.●

THE STEEL INDUSTRY AND AIR POLLUTION LAWS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. MURTHA. Mr. Speaker, I was pleased to join last week with House steel caucus chairman JOSEPH GAYDOS in sponsoring legislation to provide a 3-year stretchout on steel industry air pollution control expenditures.

This is the legislation to implement the agreement reached last fall by the steel industry, United Steelworkers, Environmental Protection Agency, and environmental groups. It was endorsed in principle by President Reagan during the Presidental campaign.

Basically, the approach realizes the need to revitalize the steel industry and provides additional time to meet air standards. This, in turn, will free money for needed modernization of production facilities, which will help us to compete with foreign industries and provide jobs for American steelworkers.

The bill insures no air quality problems will result from the delay, and does not change the requirements, only extends the time for meeting them.

While this will not directly affect the situation at the Bethlehem plant in Johnstown, I believe it will be a significant step in strengthening the economic position of the industry which will have a very strong impact on improving the entire American steel industry.

As a member of the executive committee of the steel caucus, I will work diligently for this bill, which I believe is extremely important to the steel industry and steelworkers.●

THE SILVER SCAM—HOW THE HUNTS WERE OUTFOXED—PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. McDONALD. Mr. Speaker, there was a great deal of speculation some months ago by our usually misinformed press that the Hunt brothers, together with some Members of Congress, had conspired to drive up the price of silver. This inspired many misleading articles in the popular press written along very simplistic lines. However, the truth was otherwise. Completely overlooked were the machinations of those serving on the Commodities Futures Trading Commission (CFTC). Actually, the Hunt brothers lost a lot of money due to some sudden changes in the rules. And after a long bounce downward, the price of silver is working its way up again in accordance with the law of supply and demand as it always will. This situation was very astutely reported in Atlantic Monthly magazine for September 1980 by Mr. Alan Trustman. In this article he explodes most of the myths written about by the popular press on the Hunts and the silver market. I commend the first part of the article to the attention of my colleagues.

THE SILVER SCAM—HOW THE HUNTS WERE OUTFOXED

When the Hunt brothers lost upwards of a billion dollars in the silver market, much of the world felt that it couldn't have happened to two nicer guys. After all, the Texans were out to "corner the market" and cheat the small investor . . . Or were they? The author, himself a speculator in precious metals, has a different view. And he casts a cold eye on the methods and motives of those members of the financial establishment who brought the Hunts' empire crashing down.

Two greedy Texas speculators got too big for their britches and tried to corner silver. They were defeated by the free market and got their just deserts; they lost more than a billion dollars, and ended up in hock up to their eyeballs. It is a good story, a populist morality tale, and by now everybody knows it.

But is it true?

Nelson Bunker Hunt and William Herbert Hunt were good ol' boys from deep in the heart of. Quiet, intensely private, they took care of themselves, and minded their own business. No one accused them of being lovable. They were rich by inheritance and made their money grow. They had a history of aggressive speculation in art, in horses, in soybeans. They lived hard, worked hard, took big risks, and knew how to count. Which is where it all started.

They counted the annual world consumption of silver. It exceeded the annual world production of silver. The rest was coming from above-ground stocks, so Nelson Bunker and William Herbert tried to count those. It was difficult. As near as they could figure,

there were approximately 600 million ounces, but a third of it adorned the wrists of Indian ladies and export from India was prohibited. That left an available supply of 400 million ounces.

Not much. With the market price $4 an ounce, somebody could buy all of it for $1.6 billion. It seemed to Nelson Bunker and William Herbert that the price should be much higher, or someone would buy much of it up. What would happen if they did?

Well, that depended. If they tried to buy too much, too fast, the price would likely go way up. But that was all right; they were willing to pay considerably more. Maybe they should buy a little at a time, and spread the buy over a couple of years until they had half of the 400 million ounces. If they started buying at $4 an ounce, and bought at prices up to say, $36, their average price for the 200 million ounces would be $20 an ounce, a total investment of $4 billion. A good deal, exciting, big.

They started to buy. The price went up. What they were doing was no secret. They told everyone. News travels fast in the commodity markets. They say they operate independently. The constant use of both names here doesn't imply they act in concert. Maybe they do, maybe they don't. They do operate out of adjoining offices in Dallas. The point is they were both in the market, everyone knew it, and that probably did affect the price.

"Fair market value" is usually defined as the price willing buyers pay willing sellers, neither being under any pressure. In the case of silver, it depended on supply and demand, which itself depended on a number of economic and political factors and rumors: What would industrial demand be? What would be the new supply? Would there be a commodity boom? Would the OPEC countries invest more petrodollars in gold? Would they invest in silver? How far up would they drive the gold price? Would silver move from its recent 1:37 relationship to the gold price to the 1:20 relationship which had usually prevailed over the ages? And would there be a silver "corner"?

Corner? A pause for explanations. Silver is traded on numerous markets, principally physical bullion "spot," and "forward" markets overseas, and "futures" markets on the exchanges here. "Spot" trades are cash on delivery, now. "Forward" and "Futures" trades are agreements to buy and sell on set future date specified quantities which are sometimes but not always, on deposit with banks or warehouses approved by the markets. By way of analogy, banks customarily lend more money than they have on deposit—on the reasonable assumptions that most transactions will be settled by offsetting debits and credits, that only certain depositors will demand their funds at any one time, and that in the event of a run, the government and bank will shut operations down, and liquidate in an orderly and fair manner. In very much the same way, commodity markets customarily deal in forward and future contracts for more of the commodity than the approved banks and warehouses have on deposit—on the similar reasonable assumptions that most transactions will be settled by offsetting debits and credits, that only certain contract holders will demand delivery at any one time, and that in the event of a run, the government and "exchange" will shut the market down, and liquidate in an orderly and fair manner. The "exchange" is the more or less formal association of member firms operating a market.

"Forward" and "futures" sales may be "long" or "short": "long" if the seller has the commodity on deposit, "short" if the seller does not own it. The short seller thinks the price will go down, and plans to buy the commodity cheaper later, on or before the date he has to deliver. In all cases, the functioning of the "forward" and "futures" markets depends on the right to require or the obligation to make physical delivery against payment on the due date. "Leverage" is the ratio of the total value of the commodity bought or sold to the required cash down payment in a "forward" or "future" contract. The leverage available in the U.S. futures markets was impressive: 20-30: 1 on silver and most other commodities; as much as 666:1 ($1500 for $1 million face amount) on three-month U.S. Treasury bills. The banks and exchange members executing customer orders guarantee the credit of their customers, making certain customer debts are adequately collateralized by sufficient initial and additional cash margin, and the exchanges usually guarantee the credit of their members, making certain that member debts are adequately collateralized by sufficient cash margin. Most of the time, the system works well, efficiently and fairly.

What do we mean by "corner"? A corner exists when one party or group owns substantially the entire available supply of a commodity and "squeezes" people who have sold short by demanding delivery and forcing the shorts to buy from the cornerer the quantity they are short at higher and higher and ever more unfair prices.

There have been a number of more or less effective commodity corners over the years, but they have been increasingly rare recently because of the internationalization of markets, the proliferation of exchanges, government regulation of the exchanges, more effective management of the exchanges, new and improved communications, technological advances in the production of most commodities, and the like. On the other hand, a corner remains an exciting conception, and as Nelson Bunker and William Herbert enlarged their investment in silver, the possibility of a corner became a major factor affecting the silver price.

Why? Not because a corner was likely. And not really because of what the Hunt brothers said or did. But the corner story was being told by brokers, whose business it was to sell commodities to their customers, and tell it the brokers did, enthusiastically. Pretty soon, when people bought or sold silver, they were speculating not in silver but on the possibility of a corner. When they bought, they were betting on the corner. When they sold, they were betting against it. And lots of people did bet, on it or against it, including not only the professionals, super-rich, and multinationals but also some little people.

The little people were in the game because of the enormous leverage available in the U.S. futures markets. You could put down $1000 and buy or sell a 5000-ounce silver future worth $20,000 at $4 an ounce, $25,000 as the price went to $5.

Both of the relevant U.S. futures markets, the Commodities Exchange (Comex) in New York and the Chicago Board of Trade (CBOT), are operated by exchanges, much like the stock exchanges, governed by their members, and making markets in commodities, originally agricultural commodities such as wheat, sugar, soybeans, and pork bellies, and more recently foreign currencies, precious metals, and financial instruments, all of which are also traded as commodities. These markets exist, at least in theory, so that makers and users of the commodities can hedge against the risk of price fluctuations in the future. You can make a small "initial margin" down payment and agree that at a specified date in the future you will buy or sell a specific quantity of the commodity at a price which is, in general, the "spot" price the day the future is bought or sold, adjusted up or down according to the cost of borrowing money until the day set for payment and delivery.

If you buy, you are betting that the price will go up; if you sell, you are betting that the price will go down. If the price goes up or down in your favor, you can wait until the delivery date and then pay the balance of the purchase price and take delivery if you are "long" the commodity, or buy the specified quantity, deliver it, and collect the balance of the purchase price if you are "short" the commodity.

Or you need not wait until the delivery date. If the price goes up or down in your favor, you can borrow a portion of your paper winnings "equity," in effect getting a portion of your profits before you have earned them by completing your trade. If the price goes up or down against you, you will be "called" for "additional margin," and if you fail to post it promptly, your broker will close out your position by selling your future at the market price, holding you liable for any deficiency. To illustrate the impact of leverage on the stakes: at 10:00 a.m. you buy a one-month 5000-ounce silver future for $4.10—and post initial margin of $1000 on the $20,500 purchase price. At 11:00 a.m. the price rises to $4.30 and you promptly sell—for $21,500: a profit of $1000 less commissions on your $1000 investment, doubling your money in one hour. For much of 1978 and 1979 you doubled your margin investment or lost it all on any 20-cent move. And your $1000 margin investment wasn't even due your broker until the next day.

It is a wild and risky game, and there are those who love it. The principal players are the exchange members, who make the markets, the makers and users of the commodities, and the "speculators." That appellation in this context is free from any derogatory taint; they are respectable and necessary parties whose willingness to gamble is essential to a properly functioning market.

Another class of player, the investor, has started to emerge recently. Speculators are by definition short-term players. People buy and sell pork bellies to make money, and virtually no one invests in pork bellies long-term. People do, however, invest long-term in the financial-instrument, currency, and precious-metal commodities. Many long-term holders are genuine investors there.●

RECENT HEATING OIL PRICE INCREASES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. ROSENTHAL. Mr. Speaker, last year I released a study showing that price increases for middle distillate fuels—primarily home heating oil and diesel fuel—were totally unjustified. The study identified the major oil companies' role in the huge price

increases of middle distillate during September 1978 through September 1979. Since October 1980, we have witnessed another huge and unjustifiable price increase in home heating oil. As Mr. Bruce Rothwell's editorial in the February 6, 1981, edition of the New York Post indicates, the major oil companies are into the consumer again. Again the price increases are unjustified by recent crude oil price increases.

The editorial follows:

RIPOFFS ON HEATING OIL

The scandalous increases in the price of heating oil week after week throughout this cold winter are being explained away as a result of the usual greed on the part of the OPEC sheiks and President Reagan's recent decontrol of oil.

Poppycock.

Reagan lifted the controls only a couple of days ago and the home heating oil now being distributed is from stocks produced at much lower crude oil acquisition costs.

The attempt to place the blame on OPEC is also phony.

Let us compare the $1.27 a gallon retail price today with the price of 98.8 cents last October.

To justify this increase there would have to have been an increase in the price of crude oil on the world market of $11.80 per barrel: as there are 42 gallons to a barrel, you multiply the price difference of 28.1 cents by 42.

But the price of OPEC oil during this period did not go up by $11.80 a barrel. It went up by between $2 and $4 a barrel, depending on whether the crude was purchased from the Saudis or from other price gouging Arab states.

What happened to the big oil companies and their refineries—even allowing for maximum labor cost increases during all of last year—to cause them to rip us off by a further $7.80 per barrel?

When it comes to avarice, they clearly need no lessons from OPEC.●

PERSPECTIVE OF CITIZENS STEERING COMMITTEE OF THE EPA CHESAPEAKE BAY PROGRAM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. BARNES. Mr. Speaker, the Chesapeake Bay is one of our Nation's most magnificent natural resources. As the States of Maryland and Virginia, and the Federal Government reflect on the continuing challenge of how to best protect and preserve this resource, I insert in the RECORD a paper which expresses the views of the steering committee of the Citizens Program for the Chesapeake Bay, Inc. I look forward to working with my colleagues in the Maryland and Virginia congressional delegations, along with all Members of Congress who share an appreciation for the bay and a commitment to its preservation, toward a Federal policy that will nurture the bay's health through this decade and beyond.

The material follows:

THE CHESAPEAKE BAY PROGRAM: ACCOMPLISHMENTS AND FUTURE NEEDS

STATEMENT OF THE CITIZENS STEERING COMMITTEE OF THE EPA CHESAPEAKE BAY PROGRAM, APPROVED FEBRUARY 1981

The Chesapeake Bay is a resource of national importance. Congress recognized this when, in 1976, it created the Chesapeake Bay Program and gave the Environmental Protection Agency $25 million to carry out that program. Conceived as a five-year program, this study has reached a critical phase. As it begins the process of assembling and analyzing millions of dollars worth of data, and preparing management options based on that data, it is important to reflect on what has been accomplished and to form recommendations on what should happen when the five-year program ends.

The Chesapeake Bay Program has been a unique effort to look at a valuable resource as an entity, make some assessment of its health, and lay out a series of options with regard to future uses. This is the first time that water quality studies have been undertaken on a Bay-wide scale. When the data are computerized, the Bay Program will have prepared a good and accessible set of information on circulation patterns in the Bay, sediment distribution, dissolved oxygen, trace metals, organic pollutants, nutrients, and salinity. It will also have information on the distribution and ecological value of submerged grasses. The Bay Program will have quantified the pollutant loads being delivered to the Bay by the major tributaries and the relative contributions of land sources to those loads. All this information, when combined with historical data, will enable the Chesapeake Bay Program to assess the current "state of the Bay," make some predictions about water quality under various population and land use projections, and offer alternative solutions for attaining the desired goals. These are significant accomplishments.

The technical information has been developed by a cadre of competent scientists working in research institutions around the Bay. The Bay community is grateful to have this corps of talented people working on the Bay and recognizes the value of their collective knowledge and experience. Continuity in research and the maintenance of a good data bank are fundamental to improved management. If the Chesapeake Bay Research Coordination Act is implemented, it should be closely coordinated with the Chesapeake Bay Program so that the momentum the Bay Program has created in the research community will not be stifled.

The accomplishments of the Chesapeake Bay Program are much broader, however, than merely the acquisition of technical information. The Bay Program has created a state-federal partnership which has successfully focused on the complex nature of managing a resource which is under multiple jurisdiction. This partnership will foster identification of the alternative solutions and participation in their implementation. The Bay Program's management committee has been an interesting experiment in voluntary joint decision-making, and there is strong sentiment among that group for continuing an informal structure.

In addition, the Bay Program has developed a method, called segmentation, to organize technical data in a format that can enhance management capabilities for state and local governments. Based on previous work done on the Bay and on similar approaches which have been successfully applied to other water bodies, segmentation appears promising. The Citizens Steering Committee is encouraging further development of the segmentation concept.

Another major accomplishment of the Bay Program has been the increased level of public awareness of and concern for the future of the Bay. EPA's commitment to public involvement in the Bay Program is unmatched in other research efforts. The involvement of interest groups including industry, maritime trade, agriculture, commercial fisheries, recreation, and conservation has produced a broad base of support for intelligent resource management based on adequate and accurate scientific assessments of causes and effects.

Politically, the Bay Program appears to have been responsible, at least in part, for two significant recent developments. In 1978, the Maryland and Virginia legislatures created a bi-state legislative commission to look at the Bay; in 1980 this temporary commission was given a ten-year life and is currently in the process of hiring an executive director. In 1979, the governors of the two states signed an agreement creating a bi-state working committee which brings together the agencies in both states having jurisdiction over the Bay. This committee has reached agreement on a number of bi-state issues. Both of these developments bode well for continued informal cooperation on Chesapeake Bay affairs.

In the future, the Bay is going to need the same kind of attention that the Chesapeake Bay Program has focused on it for the past four years. It is necessary that a specific plan of action be developed now so that the efforts currently underway will not lapse at the end of 1981. The Citizens Steering Committee of the EPA Chesapeake Bay Program has determined that, at a minimum, the following actions are needed to secure the future of the Bay:

The Bay ought to be recognized in the Clean Water Act as a national resource, the kind of recognition already given the Great Lakes.

Continued federal presence on the Bay is vital. Federal funding of research and management programs and oversight of state planning, construction, and enforcement actions will continue to be necessary.

The Bay community needs to develop a clearly articulated set of objectives for the Bay. Present pollution control actions are likely to be inadequate to maintain the status quo, given the expected growth in the area. The public needs to decide how clean it wants the Bay, and what actions it will support to achieve that.

A mechanism, perhaps informal, for bi- or tri-state decision making is needed. The lack of success of most Title II Commissions would suggest that the Bay states need to create something that will work for them, allowing the necessary flexibility for state and local decision making. The segmentation concept now in the developmental stages ought to be considered a decision making tool.

Public access to information about the Bay and a means to be involved in decision making need to be continued.

The ability of the states to monitor and enforce existing water quality regulations needs to be strengthened. It is suggested

that monitoring and enforcement be priorities in federal grants to the states.●

WOMEN OF ACHIEVEMENT

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. LEE. Mr. Speaker, in the most recent years, America has matured to a point where recognition long-overdue is being afforded to a segment of our population whose work was often taken for granted, overlooked, or placed in a lesser priority than those they worked beside. I am speaking of the healthy and exciting recognition afforded to women in America who provide business and industrial acumen equal to their male coworkers yet frequently unmentioned.

I take great pleasure each year to remind Americans that long ago in my congressional district's largest city, Syracuse, N.Y., a most progressive newspaper and the city's primary women's organization have teamed up to select the community's outstanding female figures. I am honored again this year to present this list of central New York's Women of Achievement, selected by the Syracuse Post-Standard and the Syracuse Federation of Women's Clubs.

Mr. Speaker, of all the traditional celebrations in this central New York city, announcement of the annual Women of Achievement awards captures more of the imagination and spirit of the new America than any other. They represent the uniquely American capacity to recognize hard work, dedication to community, and willingness to help others that created this Nation's bedrock foundation. Each of these recipients, in her own way, could be held before the entire Nation as an example of the individual efforts which our new President would like for each of us.

My heartiest congratulations are extended to each honored community resident today, just as, I am sure, the congratulations of my colleagues here in the Congress are extended. I proudly present this list of central New York's Women of Achievement:

Ida Benderson, All-Time recipient.

Orletta Vadeboncoeur, All-Time recipient.

Patricia Gonzales, Business/Industry recipient.

Arpena Mesrobian, Career recipient.

Lois Stuber Spitzer, Citizenship recipient.

Patricia Howard, Education recipient.

Eunice Aikman, Good Neighbor recipient.

Ann Biesemeyer, International Friendship recipient.

Dr. Marie S. Blackman, Medicine recipient.

Gladys McElroy, Volunteer Leadership recipient.●

WOMEN IN AMERICA

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Ms. MIKULSKI. Mr. Speaker, on February 4, 1981, as 3,000 women convened on the Hill to observe Women's Rights Day in Congress, I reintroduced a bill which would designate the week beginning March 8, 1981, as National Women's History Week. The new bill, House Joint Resolution 162, now has 127 cosponsors as we near the designated week.

The very existence of such proposed legislation has stimulated a flurry of activities around the Nation celebrating the achievements and contributions of women in America. My own great State of Maryland is planning an exciting week of events in the public schools and libraries around the State. Our Maryland Commission for Women has been working with our State department of education to provide every public school with an excellent resource packet, an 8-page list of knowledgeable speakers who are willing to travel anywhere in the State to talk about historical Maryland women, and posters, brochures, and profiles of Maryland women for public displays.

Recently, I came across an article in the New York Times which clearly shows that women's history is here to stay, that recent discovery of women's letters and diaries stashed in collections throughout the Nation represent a rich treasure of information to be shared with our people. I am happy to insert the article in today's CONGRESSIONAL RECORD:

[From the New York Times, Jan. 5, 1981]

LIBRARIES ON HISTORY OF WOMEN BUSY AND GROWING

(By Nan Robertson)

Spurred by the feminist movement of the last decade, libraries and collections on the history of women have opened their doors across the United States and are expanding as never before.

The giants among them, notably the Elizabeth and Arthur Schlesinger Library on the History of Women in America, at Radcliffe College in Cambridge, Mass., and the Sophia Smith Collection, at Smith College in Northampton, Mass., both founded in the early 1940's, are being showered with donations and students' and authors' requests for access. Research visits at the Schlesinger—considered the foremost repository in the country devoted solely to the history of women—shot up from 247 in 1970 to more than 4,000 in 1980. The 20,000 volumes in the library, including 3,000 cookbooks, grew from 8,000 in 1968.

The great collections at the Schlesinger range from those of Betty Friedan and the National Organization for Women to "the French chef," Julia Child; from the records of the Lydia Pinkham Company, maker of "little pink pills," to those of the suffragists, the abolitionists and the Female Bible Society of Boston and Vicinity. The Sophia Smith Collection is famous above all for the papers of Margaret Sanger and the birth control movement; its lesser-known photo collection is choice and historic.

Carl Degler, a historian at Stanford University in California, was asked what changes he saw in women's history collections. He replied, "If you went to an ordinary library 20 years ago, they'd say, 'We don't have anything on women here. We have papers on this man and that family, but nothing on women.' It was discouraging and time consuming to pick out the material you knew was there. Now, the rise of the specialized libraries focuses in one place the sources dealing with the history of women. I call it exciting."

RIPPLE EFFECT SEEN

A ripple effect of the big libraries' popularity and visibility shows in much smaller and very new collections opened in the late 1970's and 1960's. They include the National Black Women's History Archives in Washington and Jane Addams and Midwest Women's History collections, both at the University of Illinois Chicago Circle Campus. A magnificent private collection built over a lifetime, that of the late Miriam Y. Holden, was donated to the Princeton University library only in 1979, after her death.

How did these and other libraries come into being? What motivated them? Why have a women's history library anyway?

One answer came from the historian Gerda Lerner, among the most forceful and articulate scholars on the history of women. The president-elect of the Organization of American Historians, Mrs. Lerner, who taught for years at Sarah Lawrence College and is now going to the University of Wisconsin, said in a recent interview: "Women's history was neglected and ignored by the men who made the culture—and who recorded only their own experiences. If you want to find out the truth about women's role in society, you have to restore women's history. You can't restore women's history if you don't collect the sources." She and others believe the biggest single impetus in the last decade came from the feminist movement.

Jill Conway, the President of Smith and a specialist in women's history, said that until recent years, "women's history scholars continually had to rediscover the past."

HEART-RENDING LETTERS

The history of American women, as told in these libraries, is recounted not only in the papers of reformist, heroines such as Jane Addams, Susan B. Anthony and Margaret Sanger, or in the sagas of prominent families such as the Garrisons. It is told in the turn-of-the-century journals of Maimie, a reformed Philadelphia prostitute, and in the thousands of heart-rending letters from anonymous housewives that overwhelmed Betty Friedan after the publication of her watershed book, "The Feminine Mystique," in 1963. Here is one response:

"This book will do for American women what the Emancipation Proclamation did for the slaves. I have felt this way for years and have thought that there was something wrong with me." It was signed: "Enlightened."

The most important recent event in women's history archives, opening a new era of research into women's lives, is not the opening of a library or the expansion of a collection or the donation of a spectacular set of a woman's papers. It is the debut of a book, now known familiarly as "The Hinding Book," which was published by the R.R.

Bowker Company a year ago. It proved what many women's history scholars had suspected or believed—that women's history could be found not just in a few specialized libraries, but in thousands of treasure troves everywhere.

Titled simply, "Women's History Sources: A Guide to Archives and Manuscript Collections in the United States," this groundbreaking 2,505-page two-volume tome was edited by Andrea Hinding, a librarian at the University of Minnesota, and represents the labor of 2,000 historians, librarians and scouts over seven years. What they found were 18,026 women's history collections across the length and breadth of the United States, many of them buried or "lost" in 1,586 locations, muffled in general archives such as the colossal Library of Congress and modest state historical societies or gathering dust in attics and basements. The Hinding team identified and described each of its finds, arranging them geographically by state and city in a typographically handsome and easy-to-read format. The "Hinding Book" (the first syllable is pronounced like "din") costs $175.

The "grand manuscripts search," as the Duke University historian Anne Firor Scott characterized the survey, was financed by the National Endowment for the Humanities and the University of Minnesota. The preface notes that in addition to serving as a traditional reference work, the book is "a compendium of women's experience in the United States."

"It describes women who were arsonists, astronomers, attorneys, botanists, legislators, madams, paleobotanists, physicians and stagecoach drivers," along with wives and mothers, "those who promoted suffrage while opposing birth control," and "others who did the reverse," those who were conventional and those who were eccentric.

Meantime, the specialized women's history libraries continue to open their doors, grow and prosper. Mrs. Lerner points out that the principal reason for this is the contemporary feminist movement, which dates from Betty Friedan's "The Feminine Mystique" in 1963 but took hold only in the early 1970's. There were precursors, earlier collectors of women's sources, but these are little known today.

The first collectors of women's sources were early 19th-century feminists. They compiled books, biographies of famous women, volumes assembling their great deeds. The next big effort was made by feminists in the 19th-century women's rights movement. It included Elizabeth Cady Stanton, Susan B. Anthony and Mathilda Gage.

They edited a six-volume history of the women's suffrage movement, published in the 1880's, that was out of the same motivation, recognizing that their current movement would be part of history some day. That generation of feminists worked for the 19th Amendment—women's suffrage.

Mrs. Lerner took up the thread: "Then there was a second generation of college-trained women. This group included Elizabeth Schlesinger, wife of Arthur Sr. and mother of Arthur Jr.; Miriam Holden and Mary Beard, wife of Charles, the historian. Elizabeth Schlesinger was totally neglected. She wrote 14 books, seven co-authored and always ascribed to her husband, and seven herself. The seven she wrote herself were largely ignored. She wrote, most importantly, 'Women as Force in History,' very badly reviewed by historians. It was the single most significant work written on the theory of women's history until the 1960's, and has been only recently revived. With Eugenia Leonard, these four women tried to create a women's archives from 1929 to 1940. It came to nothing. When the group gave up, Mrs. Schlesinger helped to found the Radcliffe Library. Holden continued to collect and after her death, her husband gave her collection to Princeton, The Mary Beard collection went to Columbia University."

The next step was the World Center for Women's Archives, created in 1936. The sponsors included Eleanor Roosevelt, Ida Tarbell, Margaret Sanger, Mrs. Vincent Astor, Mrs. Louis D. Brandeis, Frances Perkins, Oswald Garrison Villard, Alice Paul, Pearl Buck and Mary McLeod Bethune (the founder in 1935 and driving force behind the National Council of Negro Women, whose papers form the core of the newly activated National Black Women's History Archives). The World Center lasted only five years before financial and other problems caused its dissolution.

"In each case," said Mrs. Lerner, "we have an archive as a result of a feminist movement."

The origins of few collections are more eccentric, more original or more single-minded than the archives of the woman in Berkeley, Calif., who calls herself "Laura X." It began when she was 29 years old, grew and flourished in her hillside home from 1969 to 1974, overflowing at one point into a nonfunctional shower. Then, pressed for funds in the mid-1970's, she dispersed her collection to the University of Wyoming at Laramie and Northwestern University in Evanston, Ill. Important chunks were microfilmed and are now available at the Women's History Research Center in Berkeley. The Laura X collection, although scattered, is considered by experts such as Patricia King, director of the Schlesinger Library, to be an offbeat and fascinating record of the modern feminist movement, "with echoes of the student left and radicalism."●

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. ZEFERETTI. Mr. Speaker, last week the Rules Committee favorably reported out House Resolution 13 to establish the Select Committee on Narcotics Abuse and Control. I commend my colleagues on the Rules Committee for recognizing that the problem of drug abuse remains critical and that the important work of the select committee must continue.

Additional Members of the House have joined with me and 14 of my colleagues from the select committee in cosponsoring House Resolution 13.

The following Members are currently cosponsoring House Resolution 13:

LIST OF COSPONSORS

Mr. Zeferetti, Mr. Beard, Mrs. Collins of Illinois, Mr. Coughlin, Mr. de la Garza, Mr. Dornan of California, Mr. English, Mr. Evans of Georgia, Mr. Gilman, Mr. Guyer, Mr. Neal, Mr. Railsback, Mr. Rangel, Mr. Rodino, Mr. Scheuer, Mr. McDonald, Mr. Richmond, Mr. Levitas, Mr. Akaka, Mr. Fish.

Mr. Barnes, Mr. Nowak, Mr. DeNardis, Mr. Atkinson, Mr. Hertel, Mr. Howard, Mr. Grisham, Mr. Mineta, Mr. Lowry of Washington, Mr. Shaw, Mr. Yatron, Mr. Hightower, Mr. Erdahl, Mr. Mavroules, Mr. Pepper, Mr. Pritchard, Mr. Downey, Mr. Fauntroy, Mr. Chappell, Mr. Won Pat.

Mr. Dougherty, Mr. Anderson, Mr. Brown of California, Mr. Dixon, Mr. Stratton, Mr. Daub, Mr. Garcia, Mr. Nichols, Mr. Young of Alaska, Mr. Lagomarsino, Mr. Addabbo, Mr. Roe, Mr. Barnard, Mr. Hyde, Mr. Conyers, Mr. Corrada, Mr. Andrews, Mr. Schumer, Mr. Winn, Mr. James K. Coyne.

Mr. Solarz, Mr. Sunia, Mr. Biaggi, Ms. Ferraro, Mr. Carman, Mr. Rosenthal, Mr. Stokes, Mr. Dyson, Mr. Bingham, Mr. de Lugo, Mr. Lent, Mr. Mica, Mr. Kemp, Mr. Dellums, Mrs. Chisholm, Ms. Fiedler, Mr. Porter, Mr. Anthony, Mrs. Schneider, Mr. Ottinger.

Mr. Roybal, Mr. Green, Mr. Jones of North Carolina, Mr. Solomon, Mr. Foglietta, Mr. McCollum, Mr. Peyser, Mr. Gray, Mr. Guarini, Mr. Dwyer, Mr. Hubbard, Mr. Gonzalez, Mr. Young of Florida.●

SO MUCH FOR CAMPAIGN PROMISES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. STARK. Mr. Speaker, I would like to commend to my colleagues the following editorial from the Oakland Tribune regarding the Reagan administration's imminent review and expected repeal of Federal standards affecting the hiring of minorities by Federal contractors.

There is a lot of talk by the advocates of supply-side economics about the expected benefits of abolishing such regulations. The claim is that if business is untethered from these restrictions, the job of providing and creating employment opportunities will be handled more efficiently and that more jobs will result.

I would like to see some evidence of the private sector's dedication to providing not just jobs, but jobs to those who need them most. As long as 10,000 of my constituents line up in Oakland looking for work, there is no reason for employers to complain they can not find enough willing labor. And there is no reason to cease Federal efforts to get those with jobs and those out of work together.

The editorial follows:

[From the Oakland Tribune, Monday, Jan. 26, 1981]

LOCKING IN DISCRIMINATION

On Wednesday an estimated 10,000 job-seekers showed up at a job fair in Oakland, waiting in line up to two hours for a chance to talk to prospective employers.

The turnout was so much higher than sponsors expected that some job-seekers never got in the door. Of those who did,

more than half appeared to be members of minority groups.

That same day in Washington, D.C., two prominent Republicans from the San Francisco Peninsula renewed their efforts to modify requirements for federal contractors to hire minorities—because they say they cannot find enough.

At issue is a 1967 executive order by Lyndon B. Johnson which requires that the workforce of federal contractors reflect the racial makeup of the communities in which they are located.

Since Johnson set up the regulations by executive order, Reagan could wipe them out just as easily. No congressional approval is necessary.

The industries want regulations allowing their workforces to reflect the percentages of minority workers already in a particular field, rather than their percentage in the general population, according to Peninsula Rep. Paul N. McCloskey.

In return for McCloskey's endorsement in his presidential campaign, Reagan promised that, if elected, he would take a hard look at the affirmative action program.

Also spearheading the move to change the requirements is David Packard, multi-millionaire partner in the Hewlett-Packard electronics firm, a former deputy secretary of defense, and Northern California chairman for Richard Nixon in 1972.

With such supporters, it seems likely that the proposal will be considered seriously.

But to see the effect of setting goals based on past practice, one need only look at the old immigration quotas, based on patterns set when most immigrants came from Northern Europe. They effectively discriminated against immigrants from Asia and Mexico, as well as the Italians, Greeks and Eastern Europeans who made up the second wave of newcomers to this country.

Linking requirements for hiring to the available workforce would do the same, locking in the effects of the discrimination that has kept women and minorities out of technical and professional jobs for so many years.

It would take away incentives for industry to work with government and education to find ways to bring women and minorities into nontraditional fields.

It is hard to be sympathetic to McCloskey's claim that, at any given time, 4,000 jobs are vacant because employers cannot find workers, considering that only two small electronics firms showed up at the job fair in Oakland, a city with substantial unemployment, less than 50 miles away.

Yet many of these same companies have been willing to go to the developing nations of Asia to find workers, even in cases where it has meant helping workers move from scattered villages to company-provided housing near their factories.

If electronics companies can find the ways to train workers across the Pacific Ocean, one would think they could find ways to train workers from across the Bay. While prospective employees may need help in finding adequate transportation to the Peninsula, this would seem to be a relatively simple obstacle to overcome. McCloskey said he can make a good argument that the cost of affirmative action adds 5 percent to the inflation rate. We find that hard to believe.

But even if it were true, the cost of refusing to offer equal opportunities to all of this country's population is far greater.

It is a sad commentary on our values when congressional representatives and corporate chieftains would rather work to change the laws than work to solve the very real social problems which made the laws necessary in the first place.●

MY COMMITMENT TO MY COUNTRY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. GINGRICH. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct a voice of democracy contest. This year, I am happy to say that the winner for the State of Georgia, Miss Karen Kay Martin, is from Griffin, one of the cities in my district.

I would like to share with you her patriotic essay. I hope you'll find it as inspiring as I did.

AN OLD-FASHIONED AMERICAN

I want to be an old-fashioned American. You may call me cornball if you wish, but I want to be a flag-waving, tear-shedding, apple pie-eatin', red-white-and-blue American. I am committed to preserving those proven ideals of patriotism, participation and pride in my country.

Thinking back, I have always been filled with intense feelings of patriotism. In grade school, one of my favorite parts of the day was reciting the pledge of allegiance and singing a patriotic song. I never grew tired of reading about Betsy Ross, Abraham Lincoln, or the American Revolution. Now, as in the past, on the Fourth of July, you can always find me waving sparklers or watching the local fireworks display. As I "ooh" and "aah" at the POP! and BANG! of the fireworks, I am remembering those battles long ago in which men and women died to gain independence for America. While I enjoy a Fourth of July picnic lunch at the park with my family and others, I thank God not only for the delicious food and fellowship, but also for the brave men and women who fought the elements and a hostile, unbroken land to establish a free America. As I watch parades, I wait impatiently for the color guard to approach, bearing America's symbol of independence—the flag; then, as my hand proudly goes to my heart, I feel the tears of love for this land of mine.

Through my example of a patriotic American, I am fulfilling my commitment to love my country. Even though I am only one young adult, I will always fight to preserve my old-fashioned ideals. Edward Everett Hale wrote, "I am only one, but still I am one. I cannot do everything, but still I can do something, and because I cannot do everything, I will not refuse to do the something that I can do."

Along with my commitment to patriotism comes my responsibility of participation. I must fulfill my duties as an American citizen. Voting for the officials who are to lead me, getting involved in local government, and working for civic groups are a few of the privileges that I am responsible for maintaining. My support of programs such as the United Way, Salvation Army, Goodwill, March of Dimes, and other service and charity organizations will help preserve American friendliness and concern for all people's welfare.

Another area of my commitment to preserving American values lies in my participation in the defense of my country. I am humbled when I think of our American soldiers huddled in the breastworks of Bunker Hill, crawling on the beaches of Anzio, crouched in the foxholes of Korea, and wading in the rice paddies of Viet Nam. I am responsible for continuing this defense of my country at home and abroad, in back of the lines or in front.

Through my strong feelings of patriotism and through my enthusiastic participation in my citizenship activities, I hope to exhibit a pride which will stand as a worthy example for future young Americans to follow.

Yes, I am a proud, old-fashioned American. I am committed to preserving those values which unified our country in the past and can bring together our broad diversities today and tomorrow.

Through my example of a caring young adult, I hope to fulfill my commitment to my country—my commitment to those time-honored ideals of patriotism, participation, and pride in the United States of America.●

YOUNG INTRODUCES TAX INCENTIVES FOR SAVERS

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. YOUNG of Florida. Mr. Speaker, we all realize the need to provide a real growth on the supply side of our economy, as opposed to a growing Federal bureaucracy. In order to promote that real growth we need to provide incentives to Americans for investment in the private sector. For many years now, the Federal Government has been establishing a false sense of financial security by printing money that we really do not have. This practice has fueled inflation, which makes it increasingly more difficult for the American people to utilize financial and savings institutions, because they need that money just to keep up with the cost of living. The alternative is to provide incentives to the American people to save their money, to create a money supply for capital creation and productivity, and thereby create jobs by promoting the expansion of industry.

The Federal thirst for deficit spending drives it into the money market to borrow enough funds to stay afloat. The Government competes with the private sector for scarce investment dollars, and pays high interest rates in order to attract investors. If someone can afford to invest money, he will certainly seek the highest return possible, and the subsidized Federal borrowers can easily outbid the money-starved private sector for capital. We need to reverse this trend and instead encourage investments in the private sector if we are to create more jobs and enjoy real economic growth.

The 96th Congress realized this, and was successful in enacting a temporary remedy in the windfall profits tax law, which provides individuals $200 and married couples $400 in free interest and dividend income for calendar years 1981 and 1982. I supported that action and believe it will help reduce the strain on the available money supply, since it encourages Americans to utilize savings accounts. However, I do not believe those provisions go far enough. We must provide permanent incentives to the taxpayers of our Nation, and today I am introducing just such legislation.

My bill provides a $1,500 tax exclusion for individuals on interest and dividend income, and a $3,000 exclusion for persons who are married and file joint tax returns. I believe this legislation is a good step in providing permanent saving incentives to those who prefer to follow a sound savings program, while at the same time creating more capital for investment and productivity in the private sector.

Mr. Speaker, the American people are fed up with the Federal Government's economic policies. This legislation will help alleviate the problem and I hope we can consider it at the earliest possible date.●

ADDRESS BY ORVILLE K. SWEET

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. SKELTON. Mr. Speaker, the executive vice president of the National Pork Producers Council, Orville K. Sweet, addressed the Annual Pork Producers and Legislators Banquet here in Washington on the evening of February 4. His talk was most interesting and thought provoking. I commend it to Members of this body.

AGENDA FOR THE 80'S

Pork producers gather here tonight for a unique purpose. We are here not to be hosted but to be hosts, not for a handout but to help out.

We are here not to complain and criticize but to encourage and support.

We are concerned that the average American does not comprehend the greatest threat to world peace and security. That threat is the increasing probability of world food shortages.

Fate has placed the greatest burden in human history on the American farmer.

He bears that burden for two reasons. First, because of all the great industries throughout the world, American agriculture is the most efficient. And second, because America lies in that narrow band around the earth known as the temperate zone. This rare combination of rich soil and optimum climate makes it possible to produce more food than any other nation on earth.

But today's food producer is caught in a cost squeeze from which many will not survive. In 1950, a dozen eggs cost the consumer 72¢, today eggs are 70¢.

The cost of producing pork today is 54¢ while the price received is about 40¢. A new pickup costs $1,500 in 1950 and today it costs $9,500 and fuel costs have gone up 16 times. Keep in mind we are not talking about an expendable product. Food is not optional. There are no substitutes.

What if I were to tell you—a time bomb will explode in this room at any minute? The doors to the room are all locked. We have to act quickly. What could we do to prevent the bomb from going off? Suppose you suggest I call the bomb squad; so I do. But I get a recorded message: "Sorry, due to lack of funding, the bomb squad has been disbanded." Then what? Ultimately, we would all have to join together in a concerted effort to find that bomb and somehow deactivate it.

There *is* a time bomb scheduled to go off at any minute—not in this room, but throughout the entire world. That time bomb is world hunger and it's just as deadly as any bomb we've ever known.

It's hard to think about hunger when we're wax fat and full. Most Americans rarely think about real hunger because we're so well fed. Even our poorest have access to food stamps. But hunger is a very real threat in the future. This time bomb keeps ticking.

But what are we going to do when bacon and hamburger costs twenty dollars a pound? What are we going to do when our source of protein is as costly and precious as an ounce of caviar?

We must increase our food supply, not only to keep prices affordable, but also to keep up with population growth. World population is increasing at a rate of five persons a second. There are eighty (80) million more people to feed each year. The United Nations' World Food Council estimates conservatively there are more than one-half billion people in underdeveloped countries who literally are starving right this minute. Their diets lack protein—the scientific definition of malnutrition is lack of protein. The time bomb keeps ticking.

A lot of hungry people clamored onto America's shores during 1980—more than a million aliens. They didn't leave Cuba, Haiti and Cambodia simply because they didn't like the politics there. They came to the United States because they were hungry. The time bomb keeps ticking.

The United Nations' World Food Council has labeled the turbulent 1980's the "food-crisis prone decade". We're suffering from a variety of shocks to our food supply—climate change, OPEC enbargoes, Middle East conflicts and rampant inflation. Our time bomb of hunger keeps on ticking—and we must learn how to deactivate it—NOW!

We can't plan for future shocks from a state of ignorance. We need research to help us solve our food problems—and we have only a slender time margin to work with. Anson Bertrand, the United States Department of Agriculture's research director has said—if research efforts are not increased, our fundamental knowledge of food production will have been picked bare long before the year 2000. He has warned us that the general public does not have the slightest idea of how precarious our position is.

Let's take a look at some of the ways research can help us.

Our productivity has plateaued because there haven't been any recent breakthroughs in technology to increase our efficiency. Besides that, our resources are dwindling. We're being asked to do more with less—provide more meat, more milk and more eggs with less energy, less land and less water.

The amount of land available for agricultural use is shrinking. Our land is being transferred to urban and industrial use at a rate of one million acres a year. We're going to have to grow more food on less acreage.

Of all the wonderful things about democracy, it has one serious flaw. It's simply those of us who enjoy it don't understand it. The dynamics of democracy is catastrophe.

In 1939 we passed the draft law by only one vote. In the 30's we passed the insurance savings plan after we were bankrupt. We fund research for airline safety but only after the greatest tragedy.

A great number of the world's population is starving today, what can we, what should we do before the crisis hits the U.S.? How do we de-activate the time bomb?

Research can make our jobs as pork producers much easier in ways other than increasing the reproductive efficiency of sows. We have much more to learn about feed efficiency, swine nutrient requirements and better utilization of feed additives. Genetic improvements can help us improve economic performance of our animals through the development of superior germ plasm. And we all know how important disease control is to our operations. Research in marketing is the only solution to the gross inequalities between a farmer's cost of production and the prices received. We score much higher on production efficiency than we do on marketing.

Research on food safety and nutrition can give us information we need to deal with consumer issues. The diet-heart controversy isn't going to go away unless more facts can be established. We need also to resolve issues of food contamination and spoilage, the nitrite problem and the question of toxic chemicals in food.

With all of those issues to face, what are we doing about them? Very little. This year, only 2.2 percent of our national research budget will be spent on agriculture. Food supply has dropped drastically on America's list of priorities. During 1949, 39 percent of all U.S. research funds were allocated to projects aimed at improved food production. During 1950, agricultural funding had slipped to 6 percent. We have many more people to feed now than we did then. And yet, our only means of increasing food supply—research—has diminished substantially. The time bomb keeps ticking.

Where are our priorities? This year, the U.S. will spend more than 161 billion dollars for defense; five and one-half billion for space; 5 billion for energy; 4 billion for human health. Agriculture will get only $600 million. Secretary Block assured us today that he is equally concerned.

Priorities need to be re-arranged within the realm of agricultural research. Less than one-half of our total agricultural research budget goes to animal research. Although animal food provides more than 40 percent of our food supply, only one-half percent of the value of those products is spent on research.

Funding for research is a very good investment. In the swine industry, return on research investment is about 52 percent higher than any other type of livestock and much higher than most manufacturing industries.

Because agricultural research is such an important investment in our future, I ask all of you to support me in waking up America to the need for increased research. Be an activist yourself. Get the facts. Become a

spokes nan in your community on the need for animal agricultural research. The National Pork Producers Council is working in tandem with the newly formed Forum for Animal Agriculture to obtain research funding. We're going to present our case to the American public. And we need all the support we can get.

Through research, we can act now to avert food crises and necessary profit for the producer. And through that research we can and we will deactivate that time bomb that threatens our industry.

People who are challenged by a higher purpose are those who not only achieve great things for others but they accomplish more for themselves. There is an old cliche among hog men that hogs don't bed up together to keep each other warm but to keep themselves warm.

An attitude and a mind set for serving others is the key to happiness and success. So often our immediate goal is economic but when our goal is serving others, the economics seem to always fall in place. For tens of thousands of years, man has dreamed of a world free of hunger and oppression. We still hold that dream.

Freedom. Freedom—do we really know what it means? Just this past week, 52 people returned home. Church bells rang. Anthems were sung. Bands played. Parades marched. Yellow ribbons were strung and last Thursday was a day of Thanksgiving.

What was your reaction? What have we learned from this experience? Do we really know what it is to be free? If we have never been without air, do we really know how sweet it is? To be free is the greatest gift on earth.

But there are other kinds of bondage. There is the bondage of hunger, poverty and ignorance. To be enslaved by any of these captors is a horrible thing.

New Year's morning 1981, a select group of celebrities who were also naturalized citizens were guests on the early morning Today Show. They each told their story and related their own opinion as to what contributed the most to their rise to fame. Without exception, each said the greatest factor contributing to their success was the opportunity America provided. Henry Kissinger said the most difficult problem for him to understand as Secretary of State was the period of time when America, through internal strife, seemed to be bent on self-destruction while millions around the world would swim oceans just to be part of her and to enjoy her bounty.

My father lies tonight under the grassy sod and the starlight skies of central Oklahoma. His grave is marked by a small granite stone, with this simple inscription: "He is a good man." He left me neither gold nor silver, but he left me something far more precious. He left me the memory of an honest, Christian father who loved America and the soil. He also left me this moral philosophy, "It is far more important what a man is than what he has or what he does."

May God grant us the privilege of passing this philosophy on to our children and their children, because that is not only the basis for Christianity, but is the foundation upon which this country was built and our only hope for its future.

CONCLUSION

We share a magnificent obsession, an achieveable dream. We can feed the world without bankrupting America and selling the future of our children and grandchildren. We must, however, think big, plan big, and perform efficiently. We need not prostitute America by exporting her non-replaceable natural resources. Above all, we must protect and reserve the soil.

There is a special relationship between God, man and the soil. You can recognize a true farmer by the way he cherishes the soil.

The solution is in replenishing our bank of technology through research and sharing the technology with the Third World. Not a new idea but still a good one.

Feed a man a fish and he will enjoy a meal—teach him how to fish and he will eat for the rest of his life and those who come after him. That's the way we deactivate the time bomb.

Edna Saint Vincent Millay wrote a poem entitled "Renaissance" about a man who returned to earth and had a beautiful perspective about life and success. I give you only the last verse—

The world stands out on either side
No wider than the heart is wide
Above the world is stretched the sky
No higher than the soul is high
The heart can push the sea and land
Farther away on either hand
The soul can split the sky in two
And let the face of God shine through
But East and West can pinch the heart
That cannot keep them pushed apart
And he whose soul is flat—the sky
Will cave in on him—by and by.

We are delighted you are here tonight. Where else but in America can farmers come to their nation's capital and converse with the highest levels of government. Where else but in America can we meet on social terms and break bread together and discuss our country's problems and challenges. I think you all agree it is worth saving.●

VIOLA GRACE CROSTHWAITE

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. PERKINS. Mr. Speaker, the Nation owes a great debt to the individuals who render service in classrooms. These dedicated professionals are one of the Nation's greatest resources. Most often their services to their community continue long after retirement from educational systems.

I would like to share with my colleagues the outstanding achievements of Viola Grace Crosthwaite, who has taught almost 50 years in Rowan County, Ky., one of the counties I am privileged to represent in the Congress. Recently the Kentucky Retired Teachers Association newsletter commended her service with the following commentary, which I insert in the RECORD at this point:

Miss Grace Crosthwaite is a native Kentuckian. She was born and reared in Rowan County.

She received her elementary education in a one-room rural school called Charity Branch School. She got her high school diploma in Morehead, Kentucky. She received her BS Degree from Morehead State University in 1934 and her MA Degree in 1953.

Grace taught 49.1 years in Rowan County—10.1 years in the rural school which she attended, 5 years in the Morehead Grade School, and 34 years teaching Mathematics in the Rowan County High School. She was also senior sponsor most of those years, and she also sponsored the yearbook and the school paper.

In 1934–44 she was president of the Morehead State University Alumni Association and has served on the Alumni Executive Council for several years. She is a member of the Farmers Rebekah Lodge #23, the Kentucky Federation of Homemakers, the Rowan County and Licking River Extension Council, the American Legion Auxiliary, the Historical Society, and the St. Claire Ladies Auxiliary of which she was president for three years.

Since she retired she has been active in the retired teachers groups in Eastern Kentucky. She has been the secretary of the Eastern District of retired teachers since 1975.

In 1975 she helped organize the Rowan County Retired Teachers Association and has served as its secretary and treasurer since it was organized. She has also helped Mildred McLain, NRTA Assistant State Director, organize retired teacher units in Morgan, Martin, Magoffin, Fleming, and Robertson Counties.

In 1975 the Lions Club presented her with an award as the Outstanding Woman of the Year for Outstanding Community Work. In 1976 the Farmers Rebekah Lodge #23 chose her for the Rebekah of the Year. The Editorial Board of the American Biographical Institute, a Division of Historical Preservation, presented her with an award. She was selected to appear in the 1979–80 edition of Community Leaders and Noteworthy Americans. The honor comes in recognition of her outstanding service to her community, state, and nation.●

NATIONAL DAY OF THE SEAL

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. JEFFORDS. Mr. Speaker, today I am introducing a resolution to proclaim March 1, 1981, the National Day of the Seal. This resolution is meant to celebrate the birth of the seal rather than its often brutal death, which has frequently been noted in the past. March 1 has been proclaimed the International Day of the Seal in many nations. In the United States, the focus of the festivities is New York City, where the Paul Winter Consort will give two benefit concerts in the Cathedral of St. John the Divine.

March 1 is a particularly significant day in the eternal cycle of the harp seal. Each year around this time, about 400,000 harp seal pups are born off the coast of Newfoundland and in the Gulf of St. Lawrence. In the first 2 months of their lives, approximately 180,000 of them will be killed before their bright white coat begins to molt and turns to the gray adult coat.

Much has been made of the often brutal and inhumane method of killing these animals. The hunt is con-

ducted by Canadian and Norwegian nationals under the supervision of the Canadian Government, which justifies the "harvest" on the grounds of herd management techniques that are supposed to allow the herd to increase. However, a recent study by two population dynamics experts concluded that the methods used to determine quotas contained biases that led to underestimations of both the decline of the stock and the natural mortality rate. Nevertheless, the quotas remain unchanged and will be filled in the next 2 months.

Many U.S. citizens have expressed outrage over the clubbing that is used to kill the seal pups. On March 1, however, we can project a more positive, upbeat feeling about the seal by celebrating its birth. I urge my colleagues to support this resoulution and observe the International Day of the Seal in any manner they see fit.

The resolution follows:

H. CON. RES. 72

Concurrent resolution to declare March 1, 1981, as National Day of the Seal

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas the seal is an essential and inseparable part of the marine ecosystem, and

Whereas the seal, of which there are some 33 species, is a land mammal that returned to the oceans 20 to 30 million years ago, and

Whereas the presence of the seal helps maintain the health and balance of this environment, and

Whereas the presence of the seal is an indication of a whole and healthy ecosystem, and

Whereas the seal is a social carnivore with a highly evolved nervous system and physiology especially adapted to its marine environment, and

Whereas the seal epitomizes the freedom and the mystique of the oceans and in many cultures is revered as a spiritual embodiment of the mind in the waters, and

Whereas March is the month of the year when the harp seals pup, renewing their eternal cycle, and

Whereas the growing worldwide awareness of the ecological and esthetic value of the seal has led to a desire to designate a special day of recognition: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress proclaims March 1, 1981, as the National Day of the Seal and urges all citizens to join in this celebration of life with appropriate activity.●

VOICE OF DEMOCRACY CONTEST WINNER

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. HANSEN. Mr. Speaker, it is with great pride that I share with my colleagues, today, a noteworthy essay on patriotism written by a high school student in my district, David Terry Warner of Provo, Utah. David is a winning contestant in the voice of democracy contest conducted by the Veterans of Foreign Wars of the United States, and its ladies auxiliary.

I congratulate this fine young man on this outstanding achievement, and wish him continued success in the coming years. The essay follows:

A dawn mist rose from Lexington Green, and Concord welcomed the clear, April morning. The young men and their fathers gathered in anticipation, and their sparse numbers grew. This was a moment of decision. Each colonist had to make a choice. Was a war that would last over seven hard years worth their freedom?

There has seldom been such patriotic fervor as there was in those early days, but the United States is no longer young. American society has reached a point that marks a people in middle passage. We have lost the innocence of youth and we seek the wisdom of maturity. Like the revolutionist of Lexington, we stand in a clearing; we stand on a green. Our path has been paved with sacrifices we did not make. By birth we inherit freedoms we haven't fought for. In living we adopt an ideal of a generation long gone by. As heirs of our history we are given our past and it gives us our future. Just as those of Concord, we must make that decision, for we will fight for today's freedom now, or relinquish tomorrow's hope in the future.

For me, it is not easy. Manhood spreads hopeful ambition, and I embrace my future with great anticipation. But like the boys of Lexington, I must consider a future without the niceties of my past. History echoes with the voices of those who have made that choice. The stories of over one million Americans who died in combat must be heard, and to the wounded we must listen, and for their families we must care. These too were young people on the threshold of adult life. And as adults the decision is ours. Is the American ideal worth our future?

For every ambitious American who like me has ever reaped a beneift from this society, I would suggest a debt, one paid by one million young lives and yet still owed. It is a personal deficit that must be cleared by every individual. To this society we owe a commitment: a commitment to past efforts, a commitment to tomorrow's attempts, a commitment to defend America in whatever capacity our abilities will afford—and defending America does not mean going to war. The majority of our citizens have never been in battle. We can't think less of them because they were not friends of Paul Revere or field scouts for MacArthur. Though I may never fight on a battlefield, my war for independence must never cease. For those like me, we fight a silent war, a muted foe. It is the cynicism, the ignorance, the apathy we battle. And perhaps it would be easier to fight a concrete opposition, but this deterioration of the American ideal is a relentless and destructive enemy. Americans must defend America with their personal attitudes and with their individual actions. It is the quiet things that win a quiet war: a conscientious vote, a constructive criticism, a supportive voice. It is the quality of caring and the caring for the quality. That is the voice of Democracy. These are our responsibilities, for we are the agents of our future. And if America ever rises as the standard it will not be because of an army but because of a unity: a unity in commitment, a unity in personal attitude, a unity in individual action.

My commitment to my country is a pledge to defend it, whether on the battlefront or on the homefront, whether in war or in peace. The dream of those at Lexington and Concord is mine, and I will pay my price for dreaming. Nothing is free, and freedom is no exception. Let my commitment to my country give my children and their children the opportunity to make such a choice. Let my integrity find me loyal in that moment when I must choose between my own future and the future of this nation. Let history number me among the patriots of that April morning, for together we stand in a clearing.

On this green of decision, let me contribute to a nation that survives only because my commitment to defend America in attitude as well as action, does not stand alone.●

BRAZILIAN MODEL FOR REAGAN TO STUDY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. GINGRICH. Mr. Speaker, it seems as if our neighbors down in Brazil have mastered the art of cutting federal bureaucracy. I think it is time our country took some lessons from Brazil's 10-member Ministry of Debureaucratization.

In a recent Washington Post article, Jim Brooke reported how, in just 18 months, the ministry has abolished over 500 obligatory documents and streamlined paperwork for Brazil's citizens. This saved Brazilians from having to fill out and send in almost 400 million forms in a year.

I would like to share this amazing article with my colleagues. Maybe cutting the bureaucracy will not be as harmful as some make it out to be.

[From the Washington Post, Feb. 15, 1981]

"CHAMPION MINISTER" SKEWERS BUREAUCRACY AS BRAZIL CHEERS

(By Jim Brooke)

RIO DE JANEIRO.—President Reagan's apprentice red-tape cutters could take a look at the shining record of Brazil's 10-member Ministry of Debureaucratization.

Since birth 18 months ago, it has abolished in excess of 500 formerly obligatory documents and streamlined paperwork for passports, wills, drivers' licenses, export licenses and voter registration—sparing Brazil's 119 million citizens the chore of filling out, having stamped, sealing, notarizing or authenticating roughly 400 million forms annually.

Last year, the ministry introduced legislation to exempt most small businesses from filing income taxes, cutting the number of returns by 60 percent but reducing revenue by only 1 percent. The ministry has unveiled new rules exempting small farmers and other low-income groups from paying income tax, a reform expected to reduce the number of returns by 20 percent and save 340 million sheets of paper.

This partial list of accomplishments is why Hélio Beltrão, "extraordinary minister for debureaucratization," has become a hero

to Brazilians, wealthy and poor. He receives more than 100 letters daily, some addressed to "Mr. Champion Minister," making his office a few doors from the president's a national suggestion box for ways to attack bureaucratic excesses.

Beltrão, 62, a former New York University law student, modestly attributes his popularity to the fact that "no one in Brazil likes bureaucracy." In an interview, he described Brazil as a nation where "officials believe more in death certificates than in cadavers."

Bureaucratic horror stories abound. A woman applying for retirement benefits patiently stood in line for several hours, clutching her bundle of papers. When her turn arrived, a conscientious official scrutinized her forms, page by page. Then he pounced. She had forgotton to obtain an *atestado de vida*—a document proving she was alive.

In his first proclamation, Beltrão abolished that and five similar forms that he said "made life hell for the poor."

The heart of his program was unveiled a few months later in a startling presidential decree: "Until proved in the contrary, people are telling the truth."

To get the word out, Beltrão ordered that 750,000 posters bearing these and later measures be tacked up in Brazil's 50,000 federal offices. Today in post offices and police stations across the 27 states and territories, clerks work under such slogans as "Excessive control does not stop the dishonest, it just makes life difficult for the honest," or "Your word is worth more than a lot of documents."

At the bottom of these posters and at the end of a series of television spots appears Beltrão's mailing address in Brasilia and the message: "Complain to the minister."

Few complain about his crusade.

In Congress, Beltrão's programs have enjoyed bipartisan backing, some passing unanimously. But a bill to release automatically federal revenues owed to states and cities ruffled a few feathers.

One government deputy was overhead grousing, "Now my mayors aren't going to need me to free their highway funds."

While Beltrão's reforms remain largely noncontroversial in Brazil's increasingly peppery politicial climate, the minister's work is carving into the livelihood of despachantes, or professional middlemen.

For a fee, these despachantes will cut through the bureaucracy that has grown corpulent, cushioned from public displeasure, in almost 17 years of uninterrupted military rule. Although they learn the trade in a school, serve an apprenticeship, and register with a union, one of their primary skills is knowing where and when to drop a generous "tip" to a public functionary.

Rio's yellow pages list about 500 despachantes and even government offices have resorted to using them to conduct business with each other. But Beltrão has eliminated much of their work and union officials complain that they do not foresee offering new courses within the next few years.

In addition to simplifying life for the ordinary Brazilian, Beltrão aims to reduce the state's role in the economy.

In a country where 60 percent of industrial production comes out of state-controlled factories, private business leaders hail Beltrão as their savior. He was honored as "man of the year" by Visão magazine, the leading business weekly. In a speech kicking off a small-business conference, the minister estimated that Brazilian businesses, large and small, must keep up with 500 bureaucratic forms and obligations each year.

Beltrão also keeps at his fingertips statistics for the U.S. bureaucratic burden—"41,000 regulations for your hamburger"—and he says the United States is ripe for debureaucratization.

Looking back on his first 18 months of running Brazil's pioneer program, his advice to the Reagan administration is: vigorous presidential support, a tight nucleus of advisers, dramatic, eye-catching measures at the outset, and a leader with the prestige and personal qualities to capture public and congressional support.

Beltrão has the qualities to win respect. He served for two years as planning minister and until his present post was one of Brazil's highest paid executives.

He also has a sense of humor.

A lifelong guitar player, he has composed a "Samba of Debureaucratization." The refrain translates roughly as: "In the nest of the bureaucrat, there are millions of little bureaucrats—plenty of work for the simplifying cat."●

VOICE OF DEMOCRACY CONTEST WINNER

HON. GREGORY W. CARMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. CARMAN. Mr. Speaker, one of our Long Island young people has distinguished herself by winning the New York State honors in the voice of democracy contest, conducted every year by the Veterans of Foreign Wars. I think the winning speech from my State should be an inspiration to all. It was written by Miss Tara Marie Kazak, 33 Polly Drive, Huntington, N.Y.

The essay follows:

In 1941, Franklin Delano Roosevelt declared that the world was founded upon four freedoms: freedom of speech, freedom of religion, freedom from want, and freedom from fear. It is these words that have helped me to understand my commitment to my country. Without these freedoms democracy would cease to exist. These freedoms are basic to man's nature. Since these freedoms are so important to me as a person, it is my responsibility to safeguard them. This is the basis for my commitment to my country.

A presidential election year dramatizes the role of the electorate in a representative democracy. Our government requires the consent and active participation of informed citizens. As a prospective voter it is my duty to learn as much as I can about the nation's problems and the proposed solutions to these problems. This will help me to become a more effective citizen. A democracy can never succeed if everyone passes the burden on to someone else. Thomas Paine, during the Revolutionary War, described a real patriot as one who comes to the aid of his country during any emergency. A loyal citizen is not a sunshine patriot. A sunshine patriot is one who shrinks away from the service of his country in times of crisis. The hostages in Iran and their families are true patriots. I can learn a great deal from their example about commitment to my country.

How much sacrifice would I be willing to make for my country? Would I be willing to interrupt my education in order to stop aggression? Would I be willing to conserve energy to prevent the United States from becoming dependent on the oil-producing nations? I answer yes to these questions. To me the preservation of democratic principles stands above everything else.

In a few years I shall vote and take an active part in government affairs. By choosing government officials wisely, I will be assured of having my interests represented in both the local and federal levels of government. By participating in community affairs, I will continue to increase my knowledge of government problems.

Franklin Roosevelt's statement of the four freedoms has given me insight into my responsibilities as a United States citizen. With every benefit comes a responsibility. One responsibility is to keep informed about public issues and government actions. Another is to take part in community affairs and elections. Finally, my duty includes the willingness to serve my country. Eleanor Roosevelt recognized the importance of the individual in a democracy. She stated, "A democratic government represents the sum total of the courage and the integrity of its individuals. It cannot be better than they are."●

RESTRICTING IMPORTS OF FOREIGN AUTOMOBILES

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. SEIBERLING. Mr. Speaker, the 96th Congress considered and enacted a number of resolutions dealing with the problem of automobile imports. I cosponsored several of them, as well as legislation to provide tax credits for the purchase of American cars.

I have long supported the concept of lowering both tariff and nontariff barriers to global trade. In the long run we and our trading partners benefit from the free flow of international trade. However, the continued import penetration of foreign cars, and the serious effects of the penetration on the U.S. auto industry, leads me to conclude that Congress must take strong steps to prevent the irretrievable decline of the domestic auto industry. One of the options available to us is to impose some type of temporary auto import restrictions.

In January, the Department of Transportation released a profoundly disturbing study of the future of the U.S. auto industry. The study indicates that the current trend in job loss in the domestic auto industry is not likely to be halted in the near future. In fact, the study predicts the loss of half a million manufacturing jobs over the next 10 years, principally in the aready hard-hit Northeast-Midwest industrial area. Furthermore, the U.S. auto industry may have to spend as

much as $70 billion over the next 5 years if the industry wishes to overcome its current trade disadvantage with foreign car manufacturers.

The DOT study calls for a new spirit of cooperation between the auto industry, the Federal Government, and labor unions, in order to create the climate best suited for aiding the industry. The study calls on the Government to provide for a refundable investment tax credit to help the industry acquire the capital it needs for retooling, as well as for an accelerated depreciation schedule. The study also calls for the Government to provide increased programs for worker retraining and community redevelopment. Finally, the study calls for the Government to negotiate an orderly marketing agreement with Japan in order to restrict imports of Japanese cars to reflect the time needed for the U.S. auto industry to retool and meet the import challenge.

I am the author of legislation to provide a refundable investment tax credit, and I support legislation to accelerate the depreciation schedule. I have also introduced legislation amending and broadening the provisions of the Trade Act of 1974 governing trade adjustment assistance benefits to workers and firms. Today I am introducing legislation to establish a mandatory limit on imported automobiles for 3 years.

I am not suggesting that the only cause of rising auto industry unemployment is the high rate of import sales. With few exceptions, the management of America's great auto corporations failed to accommodate their production plans to meet the clear need for improved fuel efficiency after the great OPEC price squeeze that started in 1974. Congress was also slow to react, though in 1977 Congress finally mandated a gradually rising scale of fuel efficiency in successive model years.

Moreover, U.S. automakers have frequently failed to price their fuel-efficient cars to compete effectively with imports. Nor have U.S.-made economy cars always been as competitive, in terms of quality and reliability, although U.S. cars have been found to be considerably safer in crashes than imports. Fortunately, the new generation of fuel-efficient U.S. cars appears to be considerably improved in quality over previous efforts.

As Members of the House of Representatives, we simply cannot sit back and watch the U.S. auto industry collapse. We must help the industry buy the time to retool and obtain sufficient income to pay for retooling and to survive in the meantime. The DOT auto industry study indicates that Japanese auto manufacturers benefit from a government-industry-labor relationship designed to maximize efficiency of production and minimize its cost. Furthermore, foreign auto manufacturers benefit from tax structures which encourage auto exports by "rebating" certain indirect taxes, thus, in effect, subsidizing their exports. While not the subject of the bill I am introducing, I believe Congress should look at the general question of how Federal tax policies may indirectly benefit foreign car manufacturers.

It is my hope that our trading partners will take serious note of the increasing pressure for a permanent limit on auto imports. We have passed resolutions which ought to persuade our allies that we are deeply concerned about the high level of auto and truck exports to the United States. However, thus far it does not appear that foreign car manufacturers are willing voluntarily to limit exports to the United States. Indeed, Toyota Motor Sales U.S.A. recently filed suit in the U.S. Court of International Trade challenging a decision by U.S. customs officials to increase the tariff on imported small pickup trucks from 4 percent to 25 percent. This has led me to conclude that we must provide for a mandatory temporary limit on auto imports if we are to prevent the collapse of the U.S. auto industry.

The legislation I am introducing today sets an import limit of 1.7 million units for each of 3 years, 1981, 1982, and 1983. Each individual foreign car manufacturer would be allowed to retain its 1979 market share ratio. In other words, if a foreign car manufacturer held a 20-percent share of the U.S. import market in 1979, that manufacturer would be entitled to a share of the U.S. import market no larger than 340,000 cars in each of the quota years. My bill does give the President authority to waive the import restrictions for 6 months if it is determined that such a waiver is in the national interest and would not harm the U.S. auto industry. Congress would have 30 days in which to disapprove the waiver by concurrent resolution.

Industry studies indicate that U.S. auto manufacturers already have sufficient productive capacity to satisfy the probable demand for fuel-efficient cars to the extent that it exceeds the number of cars that could be imported under the proposed quota.

There is a risk that mandatory import restrictions may strain our relationships with our allies in Europe and Japan. However, our trading partners must also realize that declining U.S. auto industry employment seriously strains the good will Americans hold for them. If our trading partners will not take steps to reduce this strain, then we must do so ourselves.●

ONE HUNDREDTH BIRTHDAY TRIBUTE TO MARY AGNES KELLEY

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mrs. SCHNEIDER. Mr. Speaker, it gives me great pleasure today to pay tribute to Mary Agnes Kelley of Smithfield, R.I., who will celebrate her 100th birthday on March 6, 1981. Miss Kelley is the oldest living graduate of St. Xavier Academy in Providence, where she worked as a bookkeeper before her retirement. I am sure my colleagues will join me in wishing Miss Kelley a happy birthday on this auspicious occasion.●

HUAC? IN 1981? TODAY?

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. LANTOS. Mr. Speaker, my distinguished colleague and neighbor from California, Mr. EDWARDS, with his penetrating sense of history, cautioned us all not to slip into repeating some of the least distinguished episodes in our recent history in an article in the New York Times. I am pleased and proud to introduce into the RECORD his thoughtful and perceptive comments on the possible restoration of the so-called House Un-American Activities Committee.

[From the New York Times, Feb. 19, 1981]

WASHINGTON.—Most Americans probably have little or no recollection of the dark decades of the House Un-American Activities Committee. For them, it must be difficult to understand the dread many of us feel when we learned of the re-establishment in the Senate Judiciary Committee of an internal security subcommittee and of possible action in the House of Representatives to reconstitute HUAC.

From 1938 to 1975, HAUC, later called the House Committee on Internal Security, traveled like a carnival throughout the country.

House rule No. 11 defined HUAC's duties as the investigation of "un-American activities" and of "the extent, character and objects of un-American propaganda activities." What the committee actually did was break up families, turn friends into enemies, and destroy reputations and lives, while demonstrating that the United States Government could take on characteristics that are usually associated with our totalitarian adversaries.

When I was elected to Congress, in November 1962, votes against appropriations for HUAC would trigger reams of protesting letters from constituents as well as attacks on one's patriotism. That in January 1975, the House voted to eliminate HUAC and assign its jurisdiction to the Judiciary Committee was a tribute to years of devoted op-

position of constitutional experts—members of Congress such as the late William Fitz Ryan, the Rev. Robert F. Drinan, Robert W. Kastenmeier, Benjamin S. Rosenthal, Bella S. Abzug, and Phillip Burton.

Today, a Republican majority controls the senate and a bipartisan conservative coalition is feeling its muscle in the house. Keeping an eye on "subversives" appears to be a major item on the agenda of the new Senate majority, at least in the Judiciary Committee.

Citizens who see nothing wrong with keeping "suspicious" people under the surveillance of a committee of elected legislators do not understand the implications of establishing Congressional internal-security committees.

The Constitution wisely provides a system of checks and balances for the distribution of power among the three branches of Government. The legitimate functions of the Congress are to enact laws and to oversee their execution by the executive department. If a person or an organization is suspected of violating laws, it is the responsibility of the executive branch to investigate the alleged violation and of the judiciary to conduct the trial.

But what HUAC did—and would do again if reconstituted—was usurp the investigative powers of the executive department and the adjudicatory authority of the judiciary.

As a committee in Congress, HUAC would have might and power without equal. When it leveled its guns at a "suspicious" or "oddball" or "possibly subversive" citizen, the damage could well be irreparable.

It is because of guarantees of procedure (the right to be informed of the nature and cause of the accusation, the right to a lawyer, the right to public trial by jury, the right to confront and cross-examine witnesses, the compulsory process for obtaining witnesses in one's favor), not because of the goodness of our leaders, that people's rights are safeguarded.

Few of these safeguards apply in a Congressional hearing where the entire procedure, which might be televised, would amount to a trial in which the nation sat as a jury. In the glare of Klieg lights, legislative functions are forgotten: the Committee sits as a kangaroo court and tries the victims for their loyalty, their political beliefs, or their different life styles.

The irony of this rush to turn back the clock is that the issue itself is such a fraud. Terrorism is decreasing, not increasing, in the United States. The Federal Bureau of Investigation has requested steadily decreasing funding for its antiterrorism program, attributing this "to the continuing downward trend in domestic terrorist activity which [requires] a decreased level of investigative effort."

The few organizations engaged in sporadic terrorism are under investigation by the F.B.I., and espionage and sabotage are being dealt with properly in accordance with Federal laws and the Constitution.

Sadly—alarmingly—momentum appears to be on the side of those who savor the bad old days. The Senate Judiciary Committee has already created a new Subcommittee on Security and Terrorism. In the House, a vote to resurrect HUAC could occur in March or April.

In the spring of 1976, Congress sent several rooms full of House Un-American Activities Committee/House Committee on Internal Security files to the National Archives, to be sealed for at least 50 years. In the spring of 1981, will we move those miles of records—rumor, gossip, innuendo, yellowing clippings—back to Capitol Hill? ●

REV. ORA B. WASHINGTON

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. CONYERS. Mr. Speaker, the citizens and city of Detroit this Sunday, February 22, will honor and show their appreciation to Rev. Ora B. Washington for her outstanding work in the community.

Ora and William Washington moved with their family from Mississippi to Detroit over 25 years ago, overcoming formidable obstacles. As a citizen and active member of the Vernon Chapel A.M.E. Church, Ora Washington has reached out to help others, working with the elderly, the sick, and the needy. She now serves as assistant pastor of the Free Worship House of God. Her effective and unselfish service has both benefited and been a great source of pride to the city of Detroit.

Ora B. Washington's example of service and commitment should be a model for all of us. I commend her for her efforts and achievements.

DOES THE UNITED STATES WANT WAR IN EL SALVADOR?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. BROWN of California. Mr. Speaker, the question of the U.S. role in El Salvador must include the question of how far is our Government prepared to go in propping up the current regime? Are we, to put it bluntly, prepared to go to war in El Salvador?

This question will undoubtedly be considered provocative by many, who would similarly reject any analogies of El Salvador to the U.S. involvement in Vietnam. I find the analogies disturbing—and valid.

Mr. Speaker, those of us who recall the Vietnam war debates will also recall that one of the most prescient and most accurate chroniclers of the time was journalist I. F. Stone. Since his semiretirement a few years ago, I. F. Stone has written less frequently on current foreign policy matters, although he has continued to follow them closely. His views on current U.S. policy in El Salvador were recently published in the Los Angeles Times. Coincidentally, the Los Angeles Times has published their own editorial, making much the same point. I highly commend the following articles to my colleagues, who will be called upon to support, modify or oppose U.S. policy in El Salvador.

The articles follow:

[Los Angeles Times, Feb. 18, 1981]

AMERICA'S WAR-PRONE MOOD

WOUNDED PRIDE CRIES OUT, BUT COOL REFLECTION IS IN ORDER

(By I. F. Stone)

WASHINGTON.—There is a smell of blood in the air. Nobody wants war. But there seems to be a craving in the national psyche to bash someone around. If we could be stretched out on a psychoanalyst's couch, the doctor would warn us to watch out. We are in a war-prone mood.

The roots of the trouble go far back. Until the Korean War, we had always won. That was a stalemate. Vietnam was a defeat. The Iranian hostage affair seemed to advertise American impotence: We are wounded in our machismo.

War and the feeling of virility are closely related. The words for manliness and bravery are linked in most languages. "Virtue" itself goes back to manliness in battle. Its ethical connotations came much later. There are familiar colloquial obscenities for what a man seeks to prove in a fight.

El Salvador seems to be the No. 1 choice for an easy place to prove that "we've got what it takes." On Tuesday, Secretary of State Alexander M. Haig Jr. urged increased military aid to the junta in El Salvador. And Charles H. Percy (R-Ill.), chairman of the State Foreign Relations Committee, said that "this nation will do whatever is necessary to prevent a Communist takeover." But the clash may occur unexpectedly at half a dozen other places, like an accident when one begins to drive a little giddily. It's an unstable world, and we're in a mood where any upheaval may seem to cast doubt on our national ego or, better still, id: This new Administration seems to have a lot of id.

A few cooling reflections, before meals and at bedtime, may be helpful. One is to keep in mind something that President Reagan left out of his speech the other day on all the terrible things that have happened to us since the 1960s.

What he left out was what one of those "little wars" did to the federal budget and the public debt in that period. It was Vietnam that sparked the Great Inflation. The cost of the Vietnam War was the major factor that almost doubled the national debt from $284 billion in 1960 to $533 billion in 1975, when it finally ended. The value of the dollar was cut in half before we finally got that little war off our back.

That war too started as a test of macho—John F. Kennedy's. And it began with just a few advisers and a little military aid to put down "terrorism" against a government that, while of course a dictatorship and a little gory around the edges, was, after all "on our side," though similarly stubborn in refusing to heed our advice to clean up its act.

We're sending a high-level team to Western Europe this week to line up support for the coming crusade to make El Salvador safe again for its "super rich," the notorious Fourteen Families, which still hope to turn the clock back.

That mission and our growing intervention, which began in President Carter's last days and is now No. 1 on Reagan's foreign-policy agenda, are not going to increase the confidence of our European allies in our good sense and in our leadership.

Few Americans realize that the chief support of the El Salvadoran revolution—like that of Nicaragua—has come from the social democrats and the Christian Democrats in Western Europe. They see the fall of the Fourteen Families, like that of Nicaragua's former dictator, Gen. Anastasio Somoza, as long overdue.

That is how Mexico and Panama and most of Latin America see it, too. The whole operation will be seen as a reversion to classic Yankee imperialism, and just plain stupid, expecially when we're trying to muster worldwide pressure against a similar Humpty-Dumpty operation by the Russians in Afghanistan.

The silliest part of the whole spectacle will be our new propaganda line for the new crusade. It's against "terrorism." But how do you line up support for a regime that is itself the most terroristic in Latin America? A regime whose terror squads are allowed to shoot down an archbishop at Mass, to rape and murder American nuns, and to assassinate Americans who had the temerity to work on plans for land reform?

Will Reagan's ideologists ask Western Europe to distinguish between "good" terrorism and "bad"? To approve even the rape and murder of American nuns when, in the subtle casuistry of our new U.N. representative, Jeanne Kirkpatrick, they turn "activist"?

[Los Angeles Times, Feb. 20, 1981]

SALES PITCH FOR A QUAGMIRE?

The Reagan Administration is waging a strong public-relations campaign to build up domestic and international support for a new U.S. policy toward war-torn El Salvador.

The Administration has decided to make that Central American nation a test case for its new get-tough policy with the Soviet Union. The State Department has sent diplomatic missions to Europe and Latin America with detailed evidence to break up U.S. allegations that Soviet-bloc countries like Cuba and Vietnam are shipping arms to leftist guerrillas in El Salvador. Secretary of State Alexander M. Haig Jr. earlier this week briefed members of Congress on the same information.

Haig and others argue that this outside aid to the guerrillas justifies an increase in U.S. military assistance to the military-civilian junta ruling El Salvador. The United States provided $10 million worth of aid last year, along with about 20 military advisers. The type of assistance now being sought by the Salvadoran military—patrol boats, helicopters and radar equipment—would require about 100 U.S. military advisers for training and maintenance.

A diplomatic sales pitch like this has not been tried by the United States since John F. Kennedy won allied support for U.S. actions before the 1962 Cuban missile crisis. The Reagan Administration is making its case with such fervor because our allies abroad, and many decision-makers in this country, fear that El Salvador could become another Vietnam-like quagmire.

While Republican senators like Charles H. Percy of Illinois and Howard H. Baker Jr. of Tennessee were impressed by Haig's briefing, many Democrats remain unconvinced. More than 46 members of the House are cosponsoring a resolution to cut off all military aid to the Salvadoran junta, arguing that the situation in El Salvador is more complex than Haig's "Cold War rhetoric" makes it appear.

Reaction among allies to the State Department briefings has been noncommittal at best. The French and the West Germans were particularly cool, and the Latin American reaction could be even colder, considering the strong feelings there toward U.S. military involvement anywhere in the region. Top Mexican officials are already warning that, evidence or no evidence, they are unlikely to support the United States in El Salvador because of a fundamental disagreement with this country as to what precisely is happening there. While the United States sees the junta as a centrist government besieged by left- and right-wing terrorists, Mexico sees the junta as a regime without popular support, besieged by its own people.

The Reagan Administration seems determined to increase military aid to El Salvador regardless of the reaction that its selling job gets. But it will face a tough, delicate and dangerous balancing act in that country.

Supporting the junta militarily would strengthen the military elements of the Salvadoran government, but could also weaken the civilians who are pressing for social reforms. It might also encourage the right-wing forces, whose death squads, although responsible for a large part of the bloodshed in El Salvador, have not faced the same government repression that the leftist guerrillas have met.

A similar balancing act—to prop up a government waging a protracted guerrilla war while trying to also win the "hearts and minds" of a civilian population—failed in Vietnam. One hopes the United States is not destined to repeat that sad experience in El Salvador.●

A $147 MILLION SAVED IS $147 MILLION EARNED

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. FINDLEY. Mr. Speaker, in a letter to you as Speaker of the House, Secretary of Agriculture John R. Block last week urged passage of legislation to delete the requirement that the support price of milk be adjusted semiannually. The administration recommends prompt action on the proposed bill so that it may be enacted before April 1 when the support price of milk is scheduled for yet another increase under the present, rigid milk price support program.

I am introducing today the legislation which Secretary Block seeks because I believe action needs to be taken even though time is short. Avoiding the April 1 increase actually will help the position of diary farmers and it will save the U.S. Treasury $147 million. That is only a very small part of the larger cost picture. Figures I have just obtained from the U.S. Department of Agriculture predict that the dairy support program this year will cost in excess of $1.8 billion.

That is the cost to the Government of buying 11.3 billion pounds—milk equivalent—of butter, cheese, and nonfat dry milk to support the farm price of milk.

Add this year's cost to the $1.28 billion price tag of the program last year and you have a total Government cost of over $3 billion to support milk prices over a 2-year period.

As my colleagues know, I endeavored a year ago to amend the present rigid dairy program of 80 percent of parity support with semiannual adjustments because I believed then, and still do, that the program should have some flexibility to take account of changing supply and demand factors.

My efforts to maintain a degree of flexibility in the dairy price support program were just as much on behalf of dairy farmers as for taxpayers. My position is something like that of the farmer who sprays his apple orchard with insecticide to ward off worms. It is not that he is against worms, he is for apples. The apples in this case is my belief that any farm price support program ought to serve as an economic storm cellar for farmers without being too costly for the public benefits derived. What I was attempting to do was to get rid of the "worms" of inflexibility in order to preserve the "apples" of a responsive dairy program.

My amendment to the dairy price support bill in November 1979 was overwhelmingly defeated and the Congress and President Carter mandated the present 80 percent of parity price floor with semiannual adjustments—regardless of the increased level of milk production it would stimulate. When it became apparent that the Treasury costs of the dairy program would become considerably more burdersome than even I had anticipated, I introduced a bill in July 1980 to give the Secretary of Agriculture the authority to maintain the support level at 80 percent of parity or to adjust or forgo any scheduled semiannual increase in supports, conditional on a double-trigger-level formula based on Government acquisitions of dairy products. The bill was the same as the earlier amendment I had offered. Like that amendment, the bill offering a flexibile approach found its way into legislative oblivion.

Those legislative efforts were made to call congressional attention to the danger—to dairy farmers as well as consumers—of maintaining an open-ended program of increasing levels of price supports without regard to the consumer demand for dairy products.

We are now seeing the unfortunate effects of that mandated, inflexible support program enacted in November 1979—a program cost of $1.28 billion to acquire a mountainous 8.2 billion pounds of dairy products—milk equivalent basis—in the 1979-80 fiscal year and a projected added cost this year of more than $1.8 billion to buy an even

larger mountain of 11.3 billion pounds of dairy products. Small wonder that record milk production has far outpaced consumer demand.

Maintaining the current milk support level without adjustment on April 1 would save the Government an estimated $147 million in this fiscal year—certainly a paltry sum when compared to the $1.8 billion cost if the program is left unchanged. But, to paraphrase Poor Richard's observation, I must point out to my colleagues that $147 million saved is $147 million earned.●

TAX DEDUCTIONS FOR CONTRIBUTIONS TO THE UNITED NATIONS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. SEIBERLING. Mr. Speaker, I am again reintroducing legislation that would authorize tax-deductible contributions to the United Nations and other specialized agencies of which the United States is a member.

Recent news accounts suggest that the current administration may seek to cut our already small foreign aid program. The desire in Congress to balance the budget and reduce Federal spending puts a premium on encouraging the spirit of voluntarism which is prevalent in this country. Frankly, if we are going to cut back Federal subsidies, we are going to have to encourage people to support vital organizations like the United Nations on a voluntary basis.

The United Nations has recurring problems in its effort to stay financially solvent—problems which could be substantially alleviated if American foundations and individual taxpayers were permitted to take a tax deduction for making contributions to the United Nations and its agencies. At the present time, deductions for such contributions are not permitted under the provisions of the U.S. Internal Revenue Code.

Congress is likely to find itself under increasing pressure to reduce our annual commitment to foreign economic assistance of all kinds, including our annual contribution to the United Nations. It seems to me that one way to retain the good will of the developing nations of the world, and to impress upon them the sincerity of our commitment toward the peaceful resolution of global problems is to permit foundations and private citizens to make tax-deductible contributions to the United Nations.

Since this bill provides for a tax deduction, not a tax credit, for contributions made to the United Nations, the total amount contributed by private taxpayers will be much more than the revenue loss to the Treasury. For example, a $100 contribution from a taxpayer in the 35 percent marginal tax bracket would result in only a $35 loss to the Treasury. Contributions by tax-exempt charitable foundations would result in no loss to the Treasury. If U.S. Government contributions to the United Nations were to be reduced as a result of private contributions, the Treasury could actually show a net gain from the effect of my legislation.

The text of the bill, and a list of agencies which would be eligible for tax-deductible contributions follows these remarks:

I. U.N. AGENCIES

U.N. Headquarters.
U.N. Office at Geneva.
Economic Commission for Europe (ECE).
Economic and Social Commission for Asia and the Pacific (ESCAP).
Economic Commission for Latin America (ECLA).
United Nations Conference on Trade and Development (UNCTAD).
United Nations Environment Programme (UNEP).
World Food Council (WFC).
United Nations Children's Fund (UNICEF).
United Nations Development Program (UNDP).
Office of the United Nations High Commissioner for Refugees (UNHCR).
United Nations Institute for Training and Research (UNITAR).
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).
United Nations Research Institute for Social Development (UNRISD).

II. SPECIALIZED AGENCIES

United Nations Development Organization (UNIDO)
International Labour Organization (ILO).
Food and Agriculture Organization of the United Nations (FAO).
United Nations Educational, Scientific and Cultural Organization (UNESCO).
World Health Organization (WHO).
International Bank for Reconstruction and Development (IBRD).
International Finance Corporation (IFC).
International Development Association (IDA).
International Monetary Fund (IMF).
International Civil Aviation Organization (ICAO).
Universal Postal Union (UPU).
International Telecommunication Union (ITU).
World Meteorological Organization (WMO).
Inter-Governmental Maritime Consultative Organization (IMCO).
World Intellectual Property Organization (WIPO).
International Atomic Energy Agency (IAEA). (This was established "under the aegis of the United Nations"; it reports annually to the General Assembly.)

H.R. 1998

A bill to amend the Internal Revenue Code of 1954 to allow a deduction for any contribution, bequest, or gift to the United Nations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (c) of section 170 of the Internal Revenue Code of 1954 (defining charitable contribution) is amended by inserting after paragraph (5) the following new paragraph:

"(6) The United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Section 170(b)(1)(A) of such Code (relating to percentage limitations for individuals) is amended by striking out "or" at the end of clause (vii), by inserting "or" at the end of clause (viii), and by inserting after clause (viii) the following new clause:

"(ix) an organization referred to in subsection (c)(6),".

"SEC. 2. (a) Section 2055(a) of the Internal Revenue Code of 1954 (relating to transfers for public, charitable, and religious uses) is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and by inserting after paragraph (4) the following new paragraph:

"(5) to or for the use of the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Section 2006(a)(2)(A) of such code (relating to transfers for public, charitable, and religious uses) is amended by striking out "or" at the end of the clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof "; or", and by inserting after clause (iii) the following new clause:

"(iv) to or for the use of the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

SEC. 3. (a) Subsection (a) of section 2522 of the Internal Revenue Code of 1954 (relating to charitable and similar gifts) is amended by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and by inserting after paragraph (4) the following new paragraph:

"(5) the United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established."

(b) Subsection (b) of such section 2522 is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and by inserting after paragraph (5) the following new paragraph:

"(6) The United Nations or an instrumentality or agency thereof of which the United States is a member, but only if the contribution or gift is to be used exclusively for the purposes for which such organization is established.

SEC. 4. The amendments made by the first section of this Act shall apply with respect to any gift or contribution payment of which is made after the date of the enactment of this Act, in taxable years ending after such date. The amendments made by section 2 of this Act shall apply with respect to the estates of decedents dying after such date. The amendments made by section 2 of this Act shall apply with respect to gifts and transfers made after such date.●

LITHUANIAN INDEPENDENCE

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. CORRADA. Mr. Speaker, I am pleased to join my colleagues today in commemorating the 63d anniversary of the Lithuanian independence.

It is sad that because Lithuania as a nation has been swallowed up by Soviet expansionism and is not independent at this time that we can only commemorate rather than celebrate this day.

Nor should we forget the rest of the captive nations, some of which have basically disappeared through Soviet annexation, and others which, although still maintaining a semblance of independence, are so completely dominated in their political and economic life as to preclude any independent action by their governments.

At this time Mr. Speaker, one of those nations, Poland, is undergoing severe internal difficulties due to an effort by its people to assert themselves as a people. Congress, the administration, and the American people as a whole should send a message to the Soviet leaders that we will not tolerate Soviet repression and intervention in the internal affairs of Poland. That we will not tolerate another Hungary or another Czechoslovakia. And that any act of military intervention against their right of self-determination, will result in serious international sanctions.●

HERBERT CREECH, WINNER OF FIRST AMENDMENT ESSAY CONTEST

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. HALL of Ohio. Mr. Speaker, the first amendment to the Constitution guarantees us the most important freedom in any democracy: freedom of speech.

To recognize the importance of the first amendment, every year the Dayton Journal Herald conducts an essay contest on the subject. This year's winner is Dayton lawyer Herbert Creech, Jr.

In his unique style, Mr. Creech tells what the first amendment means to him, and how it has touched him personally. I commend him for his unusual approach to a subject on which much has been written.

The publication of the essay, first in the Journal Herald, and now in the CONGRESSIONAL RECORD, is testimony to the power of freedom of speech granted under the first amendment. I herewith offer it to my colleagues for their enlightenment.

WHAT THE FIRST AMENDMENT MEANS TO ME (Us)

(By Herbert Creech, Jr.)

The First Amendment does not lurk timidly amid the leaves of some ferny silent forest as if it were an outcast, a "bigfoot monster," unwilling to face the light of day.

The First Amendment leaps from the pages of the Constitution with a roar of cannon and the crack of musketry. Yorktown, Trenton and Valley Forge were its borning places. Its coming sprayed the streets of Boston with wildfire; its impetus forever carved in the minds of men "by a rude bridge that arched a flood."

Its birth pangs were apocalyptic and violent. It was worth dying for and the principle preceded the deed. So born, in an atmosphere of raging thunder, no wonder it abhors the "sounds of silence" and stands instead at one with the free, the robust, the uninhibited and, yes, even the wild.

And it belongs to us: a birthright. Our fathers having suffered and died for it, we need to make no other plea. It is ours. Inviolable. "Unalienable." Like a dearly beloved, it is important to us and is surfeit with meaning.

The First Amendment is important to our psychological well-being, essential to our mental health.

No matter how humble, we have our thoughts, our say. No matter how slow, we have opportunity and time. We are unalienably human with intrinsic worth because we speak equal.

He may be intelligent, but our right also has its silver; she may be superior, but our claim is of the same pure gold.

They have power, but we have our questions. Our self-respect, self-esteem, our fundamental worth is affirmed. We are deemed by the Constitution good enough to talk with "the best of them." If we do not like it, we can talk about it, talk about it, talk about it.

Politically, we need not choose in darkness, need not go to the polling places blind. Ignorant or brilliant, we hear them out; sane or crazy, they have their say; skilled or ridiculous, they debate. We debate. They listen. We listen. And it all comes out "in the wash."

We bathe in information, revel in facts. The fewer the secrets, the wiser the ballot. The more we hear, the better we think. The more ideas exposed, the wider selection for a grander civilization.

With no limits on our speech, there are no limits on our thoughts. With no limits on our thoughts, there are no limits on our potential. We can go all the way, the limit. We can fearlessly become more than we are. Our children can become more than we were.

The First Amendment gives us the right to unshackle thought, the freedom to harness ideas. We can talk about it, talk about it, talk about it.

We know how cruel the teacher experience. To need learn all thereby condemns me to a laborious agony, slow death with nothing to show finally but a few dried kernels of obsolescent quackery. But, I can read. I can see. I have a right to know, a claim on data.

I attend speakers and judge the worth of their thought for myself. If the thought has content, it becomes my own. I decide. The government abstains. In the cavern of my opinion, no regulation may enter. More personal than anything, my thoughts and words are mine. The only risk I run is to be thought a fool—small price for the full expansion of my fantastic possibilities.

Vicariously, I experience events in the news. I master a mountain on television; fight a shark at the movie. I study the machinations of the insane and murderous and, if I wish, curiously indulge the strange delights of pornography.

And for this I suffer not—because of the First Amendment. Indeed, the suffering, I am sure, would be more if I had to experience all these things "first hand."

The First Amendment expands my mind without pain or danger; increases my reach by the least exertion; doubles my pleasure while keeping me "on the right side of the law."

The First Amendment says in language which we are free to hear and, with God's grace, able to comprehend: "Come to the future."

Chains placed on minds by the backward and fearful are outlawed by the Constitution. The superstitious and the wicked are given no rein. Words and concepts may not be "burned at the stake" in America.

It is better to think than to carry dumbweight upon shoulders; better to experiment than to sulk grudgingly behind the proscriptions of petty tyrants; better to shout with fury than to be a timid jack rabbit of the mind ceaselessly fleeing the hounds of controversy, malice and mischief.

We need to talk about educators who are afraid of books. We need to talk about politicians who are afraid of ideas. We need to explore suspect places where the public may not gather.

Greatness of thought, clarity of speech and harmony of expression are not the wards of the First Amendment. These charlatans will fend for themselves; they have their own rewards.

Rather, the First Amendment says that if I need curse the king, I may. If I wish to damn the government, throw it down, complain about my boss, set up a committee, mock religion, envy the rich, despise the poor, slander the mighty, all in words common, I may exhale my grudges and talk about it, talk about it, spoiling myself with impunity.

No ticket is necessary, no permission required. The only bounds are the range of my capacity and my opinion of myself.

Surely, I realize that freedom of speech is the key that unlocks a wealth of untold thought and frees ideas of unspeakable brilliance in the minds of free persons everywhere, third planet voyagers to a great destiny.●

CAMBRIA COUNTY ALL SPORTS BANQUET

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. MURTHA. Mr. Speaker, recently the eighth all-sports banquet and Cambria County War Memorial Sports Hall of Fame inductions were held, saluting a number of outstanding athletes from the Johnstown area.

Sports serves the dual purpose of developing the talents and characters of the individuals involved, and of devel-

oping community pride and success. All these athletes exemplified both of those goals, and I would like to mention briefly their names and accomplishments.

The individuals inducted into the Sports Hall of Fame were:

Mr. Pete Vuckovich: A 1970 graduate of Conemaugh Valley High School, he starred in local baseball and then was selected in the 1974 draft by the Chicago White Sox. He now has a major league record of 53-43 and was St. Louis' leading pitcher last season.

Mr. Al Gionfriddo: A graduate of Cresson High School, his baseball career spanned a decade, and he will live forever in baseball memories for his catch off Joe DiMaggio in the 1947 World Series.

Mr. Gary Hrivnak: A football star at Greater Johnstown High, he was an all star at Purdue and played as a defensive tackle with the Chicago Bears.

Mr. Jeff Richardson: A member of the historic New York Jets team that won Super Bowl III, he started his football career at Greater Johnstown High School and also starred at Michigan State.

Mr. Norm Van Lier: He came to our area as an outstanding guard for the St. Francis College Red Flash and went on to a distinguished pro career. He still ranks as the fourth alltime scoring leader at St. Francis.

Two men were inducted posthumously. They were John Hubbard, an outstanding race car driver who died in 1976 while qualifying for a race, and George S. "Jock" Phenicie, a boxer early in this century who lost only twice in some 80 bouts.

The banquet also gave contemporary awards to a number of outstanding young athletes. Those individuals are:

Lisa Britt: She gained all-American status as a guard for the University of Pittsburgh at Johnstown women's basketball team, and has excelled in professional basketball.

Todd Thiele: Most recently, he won the Pennsylvania Junior Amateur Golf Tournament to cap a long list of golfing victories.

Artrell Hawkins: A running back at the University of Pittsburgh who started in the recent Gator Bowl game and helped lead the Panthers to a convincing victory over South Carolina.

Mike Chobany: Another running back at Pitt, he was part of the team's outstanding depth which was a key factor in their No. 2 national ranking.

Sam Medile: Played for 4 years as a defensive back with the University of Maryland during which time the Terps compiled a 35-11 winning record.

Mike Sewak: A 2-year starter on the Virginia Cavaliers offensive line was a key in rebuilding the Virginia football program.

Ted Helsel: Playing for St. Francis College, he set records and earned numerous honors as a running back for the Red Flash.

It should also be noted that two very special families were honored at the banquet. The Norman Hostetler family of Jerome has produced football-playing brothers, Ron, Doug, and Jeff, who have excelled on the college gridiron. Another son, Todd, starred in college baseball. Meanwhile, their daughters, Gloria, Cheryl, and Lori have starred in a wide range of sports activities. Meanwhile, the Samuel M. Bradley family of Johnstown has seven athletic children. Three sons, Jim, Tom, and Matt, have played excellent college football, while three daughters, Kitty, Patty, and Cassie, have been outstanding basketball players, and a fourth daughter, Betsy, participates regularly in the Special Olympics.

May I extend my congratulations to all these outstanding athletes and honor them on the awards they received at this banquet.●

DO WE HAVE THE RIGHT INFORMATION TO MAP OUR ECONOMIC RECOVERY?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. BROWN of California. Mr. Speaker, everyone shares in the desire for economic recovery and hopes the Reagan administration has a good program for accomplishing that recovery. Like most important issues, the program the new administration has put forward is complicated and the choice of policy options is based on a set of assumptions that are considered fact, but may be considerably less than that. The question we must ask before we accept the entire package is how do we know it is actually working, and how will we measure progress?

This may seem obvious to most people, but the truth is that we have a very poor understanding of the state of the economy today and how one major factor interacts with another. The fact that the economic theories of the last several years did not prove to be very useful does not mean that the new theories will be any more useful.

Mr. Speaker, for at least three administrations I have been advocating the improvement of our economic accounting system and a revamping of our system of economic indicators. Recently there has been discussion of the imprecision of the Consumer Product Index (CPI) in estimating inflation. At other times, there has been discussion of the limited utility of productivity figures of even unemployment figures. The debate over the use of the gross national product (GNP) as a sign of progress has raged for years with occasional efforts made to develop a quality of life index.

The new administration not only seems dedicated to acting on unproven theories and imprecise data, but they also seem determined to introduce economic cost-benefit analysis to governmental decisions that were not intended to be decided by a price tag, such as those which save lives. There should be no confusion between cost-effective analysis, where the most economically efficient means to accomplishing a goal is considered, and cost-benefit analysis, where the goal itself has a pricetag placed on it. If this new use, or abuse, of economics does not take place, there will be an even greater need for better economic data and some means to put a pricetag on good health, clean air, safe neighborhoods, peace of mind and human life, to name only a few of the items which must be considered.

Mr. Speaker, I raise these issues not to be difficult, but to suggest that now is the time to set up the economic research and information gathering program which will enable us to discuss these subjects with greater certainty. I know that most economists share this view, although as advocates of various programs most economists are reluctant to discuss how little they actually know. One economist who has been quite outspoken on this need is Nobel Laureate Wassily Leontief, who recently expressed his concern in an editorial. The two points Dr. Leontief makes are the need for better information and the need for a strategic plan on how to accomplish our goals. I commend this editorial to my colleagues:

[From the New York Times, Feb. 22, 1981]

IF MR. REAGAN'S POLICIES FLOP, THEN WHAT?

President Reagan has four years to demonstrate that tax cuts, accompanied by a spectacular increase in the military budget, but balanced by sharp reductions in social and other nonmilitary spending, can put the badly listing economy on an even keel. He must prove that the engine of private enterprise, freed from the shackles of environmental laws and other restrictive regulations, will propel it full speed ahead.

Let's hope he succeeds—that the inflation rate falls to 5 percent and the unemployment rate to 4 percent, while the average family's real income will resume what was considered its normal rate of growth: at least 3 percent.

But what if the new policies do not work? What if inflation continues unabated, if unemployment is not substantially cut, and the economy does not resume its prior growth rate? After new elections, the present team of supply-side economists likely will be sent back to their corporate offices, and the old team of Keynesian demand-side experts will be called in with their familiar tool kit of fine-tuning devices to regulate fiscal and monetary policies, and precision gauges to measure full-employment gaps. They might even start by imposing a general price-and-wage freeze that would bring us back to where we were in the fall of 1971.

If the supply-siders fail, not only the politicians but even the general public might finally realize that something is fundamentally wrong with the entire process by which the United States designs, implements, and monitors its national economic policies.

Fundamentally, there can be two approaches to formulation and implementation of national economic policies: A trial-and-error, hit-or-miss approach, or a strategic—corporate management calls it "planning"—approach.

The first consists in putting together a conventional package of policy measures, usually chosen on the basis of theoretical or doctrinal considerations; then introducing another package if the first fails; and if that fails as well, inaugurating a third. Sometimes, however, there is a tendency to stick by the original policy, even if it is obviously not working and threatens to bring the country to economic collapse.

Strategic planning, less simplistic, is more ambitious and thus more complex. To put it into practice, it is not enough to have a theoretical understanding of the principles on which the economic system works and to be possessed by a strong determination to attain certain national goals.

Trail-and-error is bound to fail because policies directed at one particular area—taxation, spending, industry, labor, the environment, foreign trade—will affect not only the areas to which they are addressed, but they are bound to have mostly unintentional and often negative repercussions in all the other fields. A modern economy is a complex body, all parts and functions of which are interdependent.

Strategic planning, on the other hand, is aimed at producing an internally consistent description of different states in which the national economy would find itself after the application of alternatives combinations of economic-policy measures.

Effective implementation of such an approach is hindered by a lack of necessary factual information. The continuous unwillingness of academic economists to give up their traditional reliance on abstract mathematical formulas—linked to reality only by a very fragile bridge of indirect statistical inference—is to a large extent responsible for this. Engaged in constructing elegant theories, they fail to press for creation of a reliable systematically organized data base, which is indispensable for any empirical science.

Creation and maintenance of a comprehensive data base that would permit a marked reduction of the amount of guessing now involved in policy making is a major task that could be easily carried out by the coordinated efforts of all elements of our statistical establishment. The example of Japan demonstrates that this is not impossible.

Japan is as much ahead of America in compiling the so-called input-output tables describing in detail the structure of national economies as it is in manufacturing efficient cars. The construction of the most recent American input-output table was assigned to a small team in one of the Commerce Department's bureaus. But in Japan, it was carried out by the combined efforts of 13 different ministries under the general supervision of a special Cabinet committee. The amount of detailed information in the Japanese tables is about four times as great as in ours; its compilation took only about half as much time.

Having entered what is proudly called The Information Age, neither the Government nor the private sector can afford to make crucial decisions while groping in the dark. It will take our automobile industry four years to tool up to produce an up-to-date car. It will take America at least as much time and effort to close the economic-information gap. Let us not postpone that task any longer.●

ELLA GRASSO

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1981

● Mr. CORRADA. Mr. Speaker, I would like to join my colleagues today in paying tribute to Ella Tambussi Grasso.

Governor Grasso's life was marked by both a distinguised public career as a State legislator, a Member of Congress, and finally Governor of the great State of Connecticut, and also by her dedicated service to the people of that State.

I never had the pleasure of serving with Mrs. Grasso in the House of Representatives, but I am aware of her record here and particularly as Governor, where she showed great compassion and understanding of the very real problems encountered by the large Hispanic population of Connecticut, many of whom are Puerto Ricans.

Many times I have met with Puerto Ricans residing in that great State and without exception they always spoke very warmly of Governor Grasso and of her involvement with the Hispanic community.

Mr. Speaker, I would also like to take this opportunity to extend my condolences, and those of the people of Puerto Rico, to Mr. Grasso and the rest of the family.●

DR. WLADISLAW KOLAKOWSKI: FIRST AMERICAN KNIGHTS OF MALTA GRAND CHANCELLOR

HON. JOHN LeBOUTILLIER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. LeBOUTILLIER. Mr. Speaker, today I would like to bring to the attention of this body the achievements and unique person of one Dr. Wladislaw Kolakowski. Dr. Kolakowski is a longtime resident of the Long Island community of Great Neck. On May 8, 1973, Dr. Kolakowski was given deserved tribute in this body when he received the Grand Cross of the Eloy Alfaro International Foundation of the Republic of Panama. He was awarded this because of his publication that year of the world renowned "Copernicus Portfolio," which celebrated the 500th anniversary of that great scientist's birth.

Now is a special time for Dr. Kolakowski. In January of 1980 he became the first American Knight of Malta to hold the position of International Grand Chancellor of the Knights of Malta Hospitallers—the third highest office in this ancient and respected order.

I would like to bring to the attention of this body, Mr. Speaker, an article that appeared in the January 10, 1980, issue of the Long Island Catholic. But before I submit this article, Mr. Speaker, I would like to offer a brief explanation of the Knights of Malta that will give the greater, historical overview of the organization that Dr. Kolakowski is such an important member of.

The brief explanation and the article follow:

A BRIEF EXPLANATION OF THE KNIGHTS OF MALTA

THE COMMON MAN FOR UNCOMMON ACHIEVEMENTS

This organization is a unique international organization. While it is primarily a charitable public foundation, it is also a sovereign international entity. The history dates back to 1048 and the time of the crusades. As time has passed the military aspects of the order have been reduced to ceremonial in nature and emphasis has been placed upon the hospitaller functions. Distinguished men and women of all races and creeds are eligible for the honor of investiture as Knights or Dames of the Order.

The Knights of Malta is a hospitaller, dynastic, lay order of universal brotherhood and knighthood. As regards the sovereignty, the Order is a juridical person, subject to inalienable and inviolable international rights, engaging in legislation, administration and jurisprudence. The Order is organized in territories of the states where it is constituted publicly in prior federal corporate consulates. This form merely facilitates doing business within those states and does not constitute forfeiture of the sovereignty of the Order, as established by the Supreme Court of the United States of America in 1794 and 1821 and by the approvals of Popes Gregory XII in 1581, Pius VII in 1818, Leo XIII in 1879, 1893, 1896, and John Paul II in 1978 and 1979.

The Knights of Malta has as issue and supreme purposes the hospitaller assistance, asylum and charity, relief of the suffering of humanity and continuing the traditions which have stood for centuries: science, faith, moral justice, social order and peace.

A large number of countries recognize the Knights of Malta Hospitallers Order, and between these and the Order, exist full diplomatic relations.

GRAND CHANCELLOR OF KNIGHTS OF MALTA

GREAT NECK.—Dr. Wladislaw Koscisza-Kolakowski, who lives here with his wife, is the first American ever to hold the position of International Grand Chancellor of the Knights of Malta Hospitallers—the third highest office in the ancient order.

Dr. Kolakowski (whose doctorate is in business administration) has been a member of the Knights of Malta since 1948.

The history of the Knights of Malta dates back to 1048 and the time of the crusades. It was originally founded as the Order of St. John of Jerusalem to care for the needs of

pilgrims to the Holy Land who fell ill in foreign lands. Later, more military aspects developed.

Dr. Kolakowski proudly notes that he is associated with "the oldest section—the hospitallers" and has nothing to do with the military tradition.

He explained that the order is currently involved with charitable works in many countries, particularly those which have to do with health care and education.

Selection of members, which he described as "difficult but possible," is based on the individual candidate's history of philanthropy or contributions to humanity.

"When candidates come to us and want to belong to us, we look at what they represent," he said. Substantial donations are generally also required.

Traditionally candidates were also required to submit evidence of nobility in their family trees, at least to attain certain ranks within the order. Dr. Kolakowski said such distinctions still remain within the military tradition of the order, but not among the hospitallers.

"With us, it is helpful (to be of noble heritage)," he said. "Why not?" His own family coat of arms is proudly displayed. "But we have some very nice people" who do not boast noble lineage, he said, and there is no discrimination against them.

Nor, he said, does the order discriminate because of sex (there are Dames as well as Knights of Malta, whose candidacies are considered on their own merits), race, or creed, despite historically close ties with the Catholic Church.

"We are very cooperative with any one who does good," Dr. Kolakowski said.

The Knights of Malta have special status as a sovereign international entity, recognized as such by many countries. Dr. Kolakowski has a diplomatic passport; the order is organized into consulates in the various territories where it is established. There are currently between 8,000 and 9,000 members, with offices in 14 countries.

Dr. Kolakowski, who has been grand chancellor for just over one year, holds his appointment for life.

Membership in the Knights of Malta has been traditional in his family for generations, he said, brushing aside the assumption that the appointment was the result of his own years of service to the order.

He said he's just beginning to find his way around the job, and in the process of moving the grand chancellory to the U.S. from Rome. Coincidentally the grand master has also moved to California, so the base for the international order will be in the U.S.

Knights and Dames of Malta are recognizable at official Church functions by their choir dress, which consists of a black cape emblazoned with the eight-pointed cross of Malta. White capes are worn at other functions; ceremonial swords are also used.●

H.R. 1817

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. O'BRIEN. Mr. Speaker, the steel industry of the United States is in a struggle for its very existence. It faces stiff competition from foreign firms which enjoy significant support from their own governments. Its most crucial problem now is productivity. Due to layers upon layers of costly regulations and redtape, the American steel industry has been unable to fully modernize its plants. To help them modernize their plants and thus improve their productivity, Mr. BENJAMIN and I have introduced H.R. 1817, the Steel Industry Compliance Extension Act of 1981, which has the backing of both labor and management.

The Steel Tripartite Committee was formed several years ago as part of a program designed to assist in the revitalization of the steel industry. The Tripartite Committee studied various steel industry problems and made recommendations for potential areas of relief. One of those areas of concern had to do with environmental regulations. It is felt that additional time should be provided for the steel industry to comply with the Clean Air Act deadline. After meetings among representatives from industry, EPA, the United Steel Workers, and environmental groups, the conditions and limitations for a 3-year stretchout on steel industry air pollution control expenditures were agreed upon. Subsequently, H.R. 1817 would allow for full compliance no later than December 31, 1985.

The principle behind the 3-year stretchout amendment is to insure steel industry compliance with the Clean Air Act in a manner that would also provide for needed modernization of production facilities. This would result from financing such improvements with funds that otherwise would have to be spent on construction necessary to meet the December 31, 1982, Clean Air Act deadline.

Under present rules a company must initiate construction plans now because construction of facilities usually takes about 1½ to 2 years. Money must be committed soon in order to meet the 1982 compliance date. Thus, any money that could be utilized for modernization will be lost if this amendment is not adopted.

Because of the limited time available to the steel industry to meet the present Clean Air Act deadlines, it is essential that immediate action be taken on this bill. Timing is of the utmost importance.

H.R. 1817 addresses the concerns of the steelworker, EPA, and environmentalists. Among these are the following:

First, the company will be granted relief only at the discretion of the EPA Administrator.

Second, there must be an enforceable consent decree in all cases in which relief is granted covering control facilities as well as production facilities scheduled for modernization.

Third, safeguards to insure no air quality degradation problems will result from the stretchout, will be signed by agreeing parties—EPA and the steel plant owners.

Fourth, assurances that the company has the capability to meet the conditions of the agreement, thereby avoiding the potential of any delays beyond 1985, will also be made.

This bill is an important step in the revitalization of an industry that is the economic backbone of our Nation. The benefit of this proposal has been recognized by all parties and specifically enforced by the previous administration. During the Presidential campaign, President Reagan announced a four-point plan to revitalize the steel industry which specifically included stretching out the time period for further air pollution cleanup.

I urge my colleagues to join us in helping this battered industry get back on its feet. Improved modernization, productivity, employment, and energy savings will be the result.●

ACLU LIES ABOUT THE MORAL MAJORITY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. McDONALD. Mr. Speaker, with a "Big Lie" technique that might have brought a blush of embarrassment to even the muckslingers of Hitler's Third Reich, the American Civil Liberties Union has launched smear attacks on the Moral Majority organization in hopes of raising money.

The Moral Majority opposes exposing our children to corrupting pornography, supports allowing voluntary prayer in public schools, and opposes laws and policies that attack the integrity of the family. That is sufficient for the ACLU to throw about scare words like "nightmare," "dangerously deceptive," "alarming," and to assert that the Moral Majority's "kind of 'patriotism' violates every principle of liberty that underlies the American system of government."

The truth is that the framers of the Constitution would feel very much at home with the members of the Moral Majority and aghast at the extremist, anarchistic excesses of the campaign launched by the ACLU attackers. The ACLU for some 60 years has fought to banish the mechanisms of representative government designed to protect the United States from its foreign and domestic enemies. And ACLU has been a consistent opponent of public expressions of traditional American moral, ethical, and religious values in the education of children.

Cal Thomas, the Moral Majority's vice president of communications, answered the ACLU smears in the December 15, 1980, issue of "The Moral Majority Report." His response to 19

charges and allegations by the ACLU appear below, so that those of us in this Congress can judge the relative merits of the two positions on the issues.

The article follows:

ACLU 1. The Moral Majority—and other groups like them—think that children should pray in school. Not just their children. Your children.

MM 1. We have never said children should be forced to pray in school. We do believe children should not be prohibited from praying corporately. We also believe children who do not wish to pray should be excused from doing so, much as the Jehovah's Witnesses are exempted from pledging allegiance to the flag.

ACLU 2. They want their religious doctrines enacted into law and imposed on everyone.

MM 2. That is not true. We believe in the separation of church and state, but we also believe that cuts both ways. The free exercise of religion means God cannot be discriminated against because he happens to be God.

ACLU 3. If they believe that birth control is a sin, then you should not be allowed to use contraceptives.

MM 3. Moral Majority has never taken a position on birth control.

ACLU 4. If they believe that abortion is wrong, then you should not be allowed to have one.

MM 4. Yes, we do believe abortion is the taking of innocent human life and there is no such thing as a "safe" abortion. It is never safe for the child and sometimes not safe for the reluctant mother. We favor abortions only to save the mother's life.

ACLU 5. If they believe that the Bible condemns homosexuality, then the law should punish homosexuals.

MM 5. That is false. We favor civil rights for homosexuals but oppose those who choose to live a homosexual lifestyle from receiving treatment as a minority group, as if they were members of a legitimate minority such as black persons.

ACLU 6. If they believe that a man should be the breadwinner and the divinely appointed head of the family, then the law should keep women in their place.

MM 6. That is grade A baloney and the ACLU knows it. We support full equal rights for women, though we believe ERA is the wrong way to bring it about.

ACLU 7. If they are offended by the ideas in certain books, then the law should ban those books from your libraries and schools.

MM 7. Why is it that moral persons are attacked for opposing the secular humanism, evolution and situational ethics taught in many textbooks, yet those who would tear down our values are defended in the name of "academic freedom"?

ACLU 8. And like Joe McCarthy, they believe that anyone who disagrees with them should be barred from teaching in the public schools.

MM 8. Joe McCarthy? C'mon now, ACLU. Aren't you guilty of using the fear tactic here which you think we use and for which you condemn us? We have never suggested barring teachers who disagree with us from schools. Who is your reseacher? He/she is over paid.

ACLU 9. These new groups are on the march and growing stronger each day. Their agenda is clear and frightening: they mean to capture the power of government and use it to establish a nightmare of religious and political orthodoxy.

MM 9. We have always opposed a theocracy and seek no power for ourselves. We are just addressing principles and will continue to do so.

ACLU 10. And they are dangerously deceptive. They appear to represent American patriotism because they wrap themselves in the American flag and use words like "family" and "life" and "tradition".

MM 10. We are deceptive? And what is the ACLU? They say the words we use, "family", "life" and "tradition", are deceptive. No pro-moral person thinks so. What about the pro-abortionists (such as the ACLU) who use deceptive words such as "pro-choice", "product of conception" and "postpregnancy contraception" to obscure the killing of the unborn?

ACLU 11. In fact, their kind of "patriotism" violates every principle of liberty that underlies the American system of government. It is intolerant. It stands against the First Amendment guarantees of freedom of expression and separation of church and state. It threatens academic freedom. And it denies to whole groups of people the equal protection of the laws.

MM 11. We violate no principles of liberty and seek only to exercise the rights that are ours under the Constitution. The ACLU's real problem is they don't like our agenda.

ACLU 12. Make no mistake about it: the new evangelicals are not a conservative movement. True conservatives place great value on the Bill of Rights—a time-tested document designed to guarantee individual rights by limiting the powers of government.

MM 12. So we're not true conservatives, huh? Thank goodness we don't have to rely on the ACLU for a definitive word on the meaning of a "true" conservative. Certainly it wouldn't be a person who agrees with the ACLU!

ACLU 13. In fact, the new evangelicals are a radical anti-Bill-of-Rights movement. They seek not to conserve traditional American values, but to overthrow them. Their agenda represents massive government intrusion. And conservatives as well as liberals should stand up against them.

MM 13. Baloney!

ACLU 14. These groups have already had alarming success. They have been pivotal in blocking passage of the E.R.A. in fifteen states. Public school boards all over the country have banned books and imposed prayer and other religious ceremonies. State legislatures have begun placing increasingly severe restrictions on a women's right to have an abortion. And there is mounting pressure to pass laws requiring the teaching of the Biblical account of creation as an alternative to evolution.

MM 14. What is alarming about success? Public school boards have not imposed prayer and other religious ceremonies, and the ACLU knows it. Why shouldn't Biblical creation be taught as a valid "theory"? Why the prejudices against Creation when the scientists can't even prove their own theories scientifically?

ACLU 15. They have grown into a rich and powerful force in this country.

How rich? In a week, the Moral Majority raises a million dollars with its television program.

MM 15. MM raised a little more than $2.2 million this entire year (1980). We wish we did take in $1 million a week. We could do more. We do not have a Moral Majority TV program.

ACLU 16. How powerful? In the last election, key members of Congress were successfully targeted by them for defeat, because of their positions on abortion, E.R.A., and other civil liberties issues.

MM 16. We have never and will not target individuals for election or defeat.

ACLU 17. And the head of the Moral Majority promises more of the same. At a press conference a week after the election, he warned elected officials, both Republican and Democrat, to "get in step" or "be prepared to be unemployed."

MM 17. The ACLU is confusing us with Paul Weyrich of the Committee for the Survival of a Free Congress, who made this statement. We did not even have a representative at the press conference.

ACLU 18. For 60 years, the American Civil Liberties Union has been the organization that protects the Bill of Rights. As former Chief Justice Earl Warren wrote:

"The ACLU has stood foursquare against the recurring tides of hysteria that from time to time threatened freedoms everywhere . . . Indeed, it is difficult to appreciate how far our freedoms might have eroded had it not been for the Union's valiant representation in the courts of the constitutional rights of people of all persuasions, no matter how unpopular or even despised by the majority they were at the time."

We've been there in the past and we'll be there in the days ahead. We will meet the anti-Bill-of-Rights forces in the Congress, in the courts, before state and local legislatures, at school board hearings. Wherever they threaten, we will be there—with lawyers lobbyists, staff and volunteers—to resist their attempts to deprive you of your liberty and violate your rights.

MM 18. The arrogance of ACLU is incredible. One might as easily be "frightened" and "alarmed" by ACLU views.

ACLU 19. The ACLU, like the Moral Majority, depends on individual contributions. But they raise more money in a few weeks than we raise in a year.

Already there is talk of constitutional amendments that would impose prayer in the public schools and outlaw all abortions. And legislation has been introduced that would strip federal courts of their authority even to hear constitutional cases.

In the Senate, Strom Thurmond will now chair the Judiciary Committee, which controls most legislation affecting the courts and the Constitution. Senator Thurmond favors repeal of the Voting Rights Act of 1965, and has announced his support of much of the Moral Majority's program. He has actively opposed civil rights and civil liberties for thirty years. Now he may prevail.

We are facing a major struggle over the Bill of Rights. This struggle does not involve the question of whether the Moral Majority and other groups like them have the right to speak. They do, and we would defend that right. Even those who oppose the Bill of Rights are protected by the First Amendment. The danger lies in the content of their views, not in their right to express them.

Nor is it a question of partisan politics. There have been shifts of power from one party to another before. That is not what concerns us. The American Civil Liberties Union is non-partisan and does not endorse or oppose candidates for public office. But we will make certain that, whatever other changes may occur in the political arena, the Constitution does not become a casualty of the new order.

We can only be as strong as the number of people who support us. Ultimately, the pro-

tection of your rights depends not on legislatures, not on who gets elected President, not even on the courts. It depends on individual citizens, aware of the fragility of liberty, alert to the forces that imperil it, and are prepared to give of themselves in order to preserve it.

In the past, when the Bill of Rights was in danger, enough people recognized the threat, and came together in time to repel it. Such a time has come again.

It is up to you to assure that the Bill of Rights will be passed on intact to the next generation.

Please send us your contribution before another day passes. Without your help, we don't have a prayer.

MM 19. Why does MM raise more money than the ACLU? Why do people buy one product over another? Because it performs better. They believe in the product on which they spend their money. Americans have proved their dislike for dirty tricks, lies and misrepresentation of facts, so the intent of ACLU's money-raising ad will be crystal clear to all who read it. The ACLU is hurting financially because it is out of step with the rest of the country.

If the ACLU has been a champion of minority rights, they should have supported us when we were under-represented in our government. Now they are suggesting that the majority should rule. They think they are the majority. But the real majority is pro-moral, and the real majority voted out those whose programs and platforms have nearly run the country into the ground.

We hope the ACLU raises enough money to survive. It would be a shame to deprive newspapers of the income from such full-page ads.●

THE CAPTIVE STATUS OF LITHUANIA

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. MOORHEAD. Mr. Speaker, I would like to take a moment, as many of my colleagues have done this month, to recognize the captive status of Lithuania and the campaign of the Lithuanian American community to change that status.

At the beginning of World War II, the Soviet Union, exercising its flawed penchant for geographical greed, imposed forced occupation on Lithuania.

It was a classic demonstration of a large nation unjustly and immorally stealing the freedom and independence of a small nation. It was a nation of might, lacking the restraints of civilized entities, crushing a weak nation.

But if Lithuania lacked military might, the nation and its people have since demonstrated uncommon courage and determination in their quest for freedom.

I urge the new administration to pursue with renewed vigor a policy that continues to recognize the diplomatic corps of an independent Lithuania and to continue its policy of nonrecognition of the Soviet's annexation of the Baltic State.

We cannot and will not forget these brave people and their equally valiant quest for liberty and independence.●

PROBLEMS OF PUBLIC HOSPITALS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. RANGEL. Mr. Speaker, the operational difficulties of hospitals have changed drastically in the past decade. Health care costs have been rising before medicare, medicaid, and peoples ability to pay. This has created a difficult situation for many hospitals because it has forced them to rely on other revenues, such as charitable contributions and endowment funds to stay afloat. This problem of hospital revenues is of grave concern to me because I have seen needed facilities threatened by lack of adequate resources, endangering the health of the people served by these institutions. I encourage my colleagues to read the remarks which I insert into the RECORD, of Joseph V. Terenzio, president of the United Hospital Fund of New York, where he discusses these issues:

REMARKS OF JOSEPH V. TERENZIO

The environment in which hospitals in New York City operate has undergone profound change in the last ten years, and they have had to cope with powerful and sometimes conflicting forces within the environment. The beginning of the decade saw full impact of Federal programs for financing the health care of the aged and the poor, programs that had been enacted near the end of the previous decade. However, many of the limitations and problems of these programs with which we are now familiar became apparent only after they had been underway for several years. Mandated health planning (administered by the Health Systems Agencies and the State Health Planning and Development Agencies) and utilization review (administered by the Professional Standards Review Organizations), were put into place in part to address the unforeseen escalation in the Federal health care budget. Both of these have directly affected hospitals' daily operations.

The changing role of medicine in our society has also had an important impact upon the environment which I describe. Progress in biomedical research and the development of new technology and treatment forms have been accompanied by increased awareness of the limitations of medicine. A legacy of success in medical and surgical intervention has been met with an intensified discussion of biomedical ethics. New cures have raised the expectations of patients, but other methods, some unorthodox and unproven, are also receiving a great deal of our attention. Within the medical community itself, many surgical and diagnostic procedures are being reviewed and reevaluated. Medical manpower issues are also being subjected to a rigorous reevaluation. We began the decade with medical schools expanding rapidly to reduce a perceived shortage of physicians, and it closes amidst dire forecasts of an impending oversupply.

Most significant for the hospitals, however, has been the austere economic climate that has evolved. Health care costs had been rising before Medicare and Medicaid, but these programs seem to have both exacerbated the trend and transformed what had previously been largely a private sector matter into an issue of government policy. The costs of the programs are being felt in different ways. Although Medicare and Medicaid provided a promise of care for those least able to pay, their escalating expenditures have engendered limitations on coverage and stringent reimbursement methods for the providers of services.

Therefore, it is becoming clear that the rapidly rising costs of medical care, on the one hand, and limitations on society's ability or willingness to pay for this care, on the other, have created a difficult situation for many hospitals, particularly those in New York City. In an effort to curb public expenditures for the Medicaid program, eligibility standards have been tightened and the cost of treating the "medically indigent" has been shifted, by default, to the individual hospitals.

Concurrently, methods for reimbursing hospitals were changed from a method of cost-based retrospective reimbursement to a new reimbursement system which sets rates prospectively. These changes were coupled with peer group ceilings for similar hospitals established to further restrict reimbursement rates, penalties for occupancy rates that fell below specified standards, and limitations imposed on reimbursement for ambulatory care services.

All of these developments have combined to result in substantial financial difficulty for hospitals in New York City, as evidenced by increasing operating deficits and many closures. According to a recent study by Alpert and Krasner, "in 1974, at least 26 voluntary hospitals experienced deficits totaling $39 million. By 1978, the number of hospitals with deficits had grown to 38, and the aggregate value of deficits had reached $77 million." Among the voluntary hospitals that are members of the United Hospital Fund, over 95 percent suffered operating deficits in 1979, and a third of all the member hospitals had deficits of eight percent or more. As a former hospital administrator and Commissioner of Hospitals for the City of New York, I find these trends especially disturbing, because these facilities are survivors of a period during which many other hospitals closed their doors.

Equally distressing to me are the various ways many of these hospitals are surviving despite continuing operating deficits. All too often, in my opinion, they have relied upon other revenues, such as charitable contributions, endowment funds, and depreciation funds, to supplement operating revenues. Obviously, dependence on these sources of revenue is merely a desperate short-term solution with ominous long-term ramifications. We are using the system's future to pay for its daily costs. Although philanthropy can help to mitigate hospital deficits, its role has declined substantially in recent years. Despite increases in the dollar measure of contributions, philanthropy now provides less than one percent of hospital revenues in New York City. Similarly, the value of endowment funds has decreased almost 60 percent over the past decade, when adjusted for inflation. In addition to resorting to the use of endowment funds, many hospitals have had to survive in the short run by diverting funds earmarked for the replacement of depreciating plant and

equipment. The effects of these activities are not always immediately apparent; however, I can assure you that indefinite continuation of this kind of financing seriously threatens the viability of our hospital system in New York City.

The publication which you have been given today, "A Decade of Change in New York City Hospital Services," is a compendium of information which describes hospital operations in New York City in recent years. These data are presented in a series of graphs, maps, and tables, and are accompanied by concise narrative. Together, these data reflect some of the problems which have confronted hospitals during this period, as well as trends toward improving the efficiency of health care delivery.

I would like to highlight for you a few of the findings of this study which I find to be particularly interesting:

Thirty-three hospitals in New York City have closed since 1969.—This dramatic 27 percent rate of closure undoubtedly has created hardships for communities, hospital employees and physicians. However, the 10 percent reduction in the number of hospital beds in the same period was generally consistent with national health planning objectives and guidelines. These guidelines were intended to reduce health care expenditures by tightening the supply of hospital beds and encouraging alternative and less expensive forms of treatment.

The average length of stay in New York City hospitals over the past ten years has declined.—As the number of hospital beds decreases, the alternative forms of care increase, and as reimbursement ceilings are imposed, hospitals are encouraged to handle increasingly difficult episodes of illness expeditiously, by more efficient scheduling of diagnostic and therapeutic procedures. Increased occupancy rates, also experienced in New York City since 1969, were similarly fostered by the reduction of beds and may also imply a more efficient use of resources.

The number of patient visits to hospital outpatient departments in New York City has increased by nearly a third from 1969 to 1979.—One reason for this increased dependency on hospital-based ambulatory care has been the 45.5 percent decrease in the local supply of general practitioners in office-based practices in New York City over the same period.

Emergency room visits in New York City hospitals also increased significantly in number during this same ten-year period, adding further to the role our hospitals have been called upon to play in providing ambulatory care for their communities.

Since 1969, the proportion of New York City's hospitals under voluntary auspices rose to fully two-thirds of all hospitals, and to an even larger percentage of total hospital beds available.

The report from which these observations arise provides information not only for general care hospitals aggregated into New York City as a whole, but also features chapters which provide information on each borough within the City and the individual hospitals serving those communities, as well as for two Congressional Districts which extend beyond the City's boundaries. Included in the Appendix to the report are the data upon which the graphics and narrative throughout the report are based.

This report clearly illustrates the substantial changes in hospital services that have occurred over the past decade. Unfortunately, the impact of these changes cannot be fully documented in a report such as this. What is apparent, however, is that because of the dynamic nature of the health care environment and the potential for social and policy changes to have unforeseen consequences, careful and continuous monitoring of the situation is necessary. The intent of this report is to provide a basis for evaluating the effects of programs introduced in the past and to serve as a foundation and stimulus for informed consideration and discussion of health care policies for the future.

It is for this reason that I am pleased to present you with "A Decade of Change in New York City Hospital Services." This document will add to your resources of information on New York City hospitals and health care environment. It represents another example of the United Hospital Fund's expanding portfolio of data and publications which, I believe, can provide information of special interest to you. If you have any comments or suggestions for future special studies or reports that would make our services more useful to you, please feel free to contact me or my staff.●

HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE AND NURSE TRAINING AMENDMENTS OF 1981

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. WAXMAN. Mr. Speaker, today I am introducing H.R. 2004, the Health Professions Educational Assistance and Nurse Training Amendments of 1981.

I am especially pleased to introduce this bill since it is virtually identical to the health professions education bill—H.R. 7203—passed by the House in September by a vote of 368 to 8. Although the Senate also passed a health professions bill last year, it was not possible to reach agreement on all of the many provisions during the postelection session. As a result, health professions legislation is again on our agenda.

In introducing this bill, I want to stress that this bill was the product of extensive deliberations last year. Those considerations produced a consensus that this bill provided a sound and balanced health professions policy for the Nation. But while I believe this is a good bill, I do not expect the 97th Congress to endorse all of its provisions without revision. I anticipate further review of the student assistance, project support, nurse training, and National Health Service Corps programs, and the many other provisions in the bill. Many individuals and organizations will have suggestions on how to improve the bill. New members of the Subcommittee on Health and the Environment will bring their own views on how to shape these important programs. Thus, the introduction of this bill is only the beginning of a process that I hope will lead to the enactment of strong health professions legislation later this year.

H.R. 2004 reauthorizes the Federal health professions and nurse training programs for fiscal years 1982 through 1984. It revises the health professions authorities for the first time since 1976. Since 1976, the Nation's health professions priorities have changed and Federal budget constraints have tightened. H.R. 2004 tailors our health training programs to fit the new priorities and constraints.

H.R. 2004 includes major provisions in six areas:

First, the bill extends the nurse training authorities for 3 years. This extension insures that the Federal Government will do its share to alleviate the shortage of nurses that we have heard so much about. In particular, the bill supports nurse training by: Continuing direct support for schools of nursing with increased emphasis on assistance to the 2- and 3-year schools which train bedside nurses; authorizing special project grants to communities with the greatest shortage of nurses; and assisting working nurses to return to school to upgrade their skills and improve their professional status.

Second, the legislation provides financial assistance to health professions students. Student assistance is especially important at a time when the cost of education continues to increase. The bill extends the health professions student loan program, the exceptional financial need scholarship program, and the health education assistance loan—or HEAL—program. Together with the guaranteed student loan program, these programs assure that adequate funds will be available to health students in coming years.

Third, the bill phases out capitation grants to health professions schools over the next 2 years. This reduction responds to concerns about the continued need for institutional support. Federal expenditures are reduced in an orderly manner while the schools are provided adequate time to make necessary financial adjustments.

Fourth, the bill maintains the current efforts to develop area health education centers and the National Health Service Corps. The geographic distribution of physicians and other health professionals continues to be an important problem as many rural communities and inner-city neighborhoods do not have adequate numbers of health care providers.

In revising the statutory authority for the Corps, the bill assigns a greater role to physicians entering the private practice of medicine and allows professionals to be directly employed by local service programs. These provisions will both reduce direct Federal costs and increase the retention of professionals by these communities.

Fifth, the bill extends and revises assistance for primary care training. The number of family practice and other primary care residency programs has increased significantly over the past decade. Federal assistance has played a major role in this development. The bill continues the Nation's commitment to this important trend.

Sixth, the bill extends and strengthens the program of educational assistance to students from disadvantaged backgrounds. The number of these students enrolled in the health professions schools has not increased over the past 5 years. Goals set in early years have not been met. The bill encourages further efforts in this area. It continues assistance to Meharry Medical College and other minority health professions schools.

H.R. 2004 also revises and extends assistance to physician assistant, public health, health administration, and allied health training programs.

An important issue associated with this bill is the appropriate level for the authorizations for the health professions and nurse training programs for the next 3 years. The amounts provided in this bill are an attempt to set a reasonable balance between the sums necessary to maintain important existing programs and budget constraints. They are substantially less than authorizations for fiscal year 1980.

In conclusion, I would reiterate my hope that this bill can serve as the basis for subcommittee reconsideration of health professions training legislation. It is the product of extensive consideration last year. It can serve as a starting point for further deliberations this year.

The Subcommittee on Health and the Environment will initiate its consideration of the renewal of the health professions education and nurse training authorities with hearings on H.R. 2004 and all similar bills at 9:30 a.m., on Monday, March 2, in room 2322 of the Rayburn Building. At that time the subcommittee will hear from many of the organizations and individuals with special interest and expertise in health professions education and nurse training. Further information on these hearings, and other subcommittee activities, is available at the subcommittee office, 2415 Rayburn House Office Building, or by phone at 225-4952. Information on last year's deliberations on health professions education is available in the record of last year's hearings: "Health Professions Educational Assistance and Nurse Training Act of 1980" (Committee on Interstate and Foreign Commerce; serial No. 96-148) and in the committee report on H.R. 7203 (H. Rept. 96-978).●

A TRIBUTE TO AMBASSADOR AMORY HOUGHTON

HON. GARY A. LEE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. LEE. Mr. Speaker, colleagues, I am deeply saddened today to bring news of the passing of a great American, Ambassador Amory Houghton, a lifelong resident and a moving force of Corning, N.Y., the city where I grew up and the city where today many of my constituents make their living.

Ambassador Houghton may best be remembered by American and international figures for his contributions to world stability and betterment as President Dwight Eisenhower's U.S. Ambassador to France during the years 1956-61. His service in France led the Government of that nation to award him the Grand Cross of the Legion of Honor. Yet his contributions were broad and meaningful beyond diplomatic circles.

During the years of World War II, Ambassador Houghton added to his role of the leader of a growing industrial giant—the Corning Glass Works—the many jobs of a selfless public servant. He used his expertise in industrial matters to help America and its Allies win that war by serving on the War Production Board and as Chairman from 1943 to 1945 of the U.S. Mission for Economic Affairs in London. Ambassador Houghton virtually never refused his country either his time or his talents. He was the very image of a statesman and world mover.

The Corning Glass Works was by no means a cottage industry when Ambassador Houghton joined the family in its employ in 1921. The Ambassador's great-grandfather, also named Amory, founded the business in 1851 and it was moving well when the Ambassador took the helm as president in 1930. He become chairman of the board of directors in 1941, chief of the firm's executive committee in 1961, and honorary board member in 1964 and, in 1971, received the title of chairman emeritous, the position he held until his death Saturday at the age of 81.

From the moment Ambassador Houghton assumed the leadership of his firm, its performance bedazzled the American industrial scene. During the period of his direction, the Corning Glass Works grew into a multibillion dollar enterprise and a multinational economic force. While America's gross national product multiplied six times—in the years of the greatest productivity growth this country has ever known—the Corning Glass Works multiplied its sales worldwide 32 times. Employment multiplied within the glass works family tenfold.

Mr. Speaker, when I call the glass works' employees a family, that is exactly what I mean. We hear much today in national economic circles of the need for improved relations between employers and those who work for them, yet the Corning Glass Works has always exemplified the perfection of an employer-employee relationship because of the Ambassador's influence. While the firm grew from a few hundred persons to many thousands, the Ambassador could be counted on to walk frequently through its plants and call each employee by his or her first name, to be familiar with their families and sincerely interested in their well-being. The same was true of the community which the Houghton family chose to hold its industry, Corning, N.Y.

The Corning Glass Works virtually rebuilt the city of Corning following a devastating flood in that community in June of 1972. It provided homes, community-use buildings and badly needed funds for both company and noncompany families following that disaster, even while suffering millions upon millions of dollars loss itself. The force of the Ambassador, and the sense of service and dedication to community and its family of employees which he instilled upon his family which still maintains the helm at the Corning Glass Works, was responsible for the profile which is held in the highest esteem there.

Finally, Mr. Speaker, I note that the Corning Glass Works of the late Ambassador has continued to be a contributor to this Nation's advancement. In the form of the Sullivan Park Research Center in Corning—the world's largest and most advanced glass and ceramics research facility—the work for America continues. Every American space probe has been fitted with highly specialized window glass from Corning and countless national security measures utilizing this most versatile substance continue to come from Corning. Its new, bright, museum of glass draws travelers from around the world. The family the Ambassador gave such attention to thrives in Corning and in facilities around the world.

Today I add my symphathies on the loss of this great American to those of the Houghton family and the larger family of employees of the Corning Glass Works and the city which he loved. This Nation has lost an important and very great citizen with the passing of Ambassador Amory Houghton.●

INTERSTATE TAXATION

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. CONABLE. Mr. Speaker, on several occasions Congress has attempted to wrestle with the subject of interstate taxation. In the last Congress Mr. JONES of Oklahoma and I introduced legislation which addressed the two aspects in that area which have become the leading edge of complaints and abuses. H.R. 5076 would have limited the use of that method of corporate tax assessment used by only a few individual States known as the worldwide combined reporting system. It also would have conformed the State rules for taxation of dividends received by domestic corporations from foreign subsidiaries to those of the Federal Government as to the quantity of the foreign source dividends which are taxed by the States. An identical bill, S. 1688, was introduced in the Senate by Senator MATHIAS.

Very complete hearings were held in both Houses of Congress. The records of the March 31, 1980, hearings of the Committee on Ways and Means on H.R. 5076 and of the hearings of the Senate Committee on Finance, Subcommittee on Taxation and Debt Management Generally, of June 24, 1980, on S. 1688 provide voluminous support for this type of legislation.

I am today introducing a bill for myself and Mr. JONES which is the same as H.R. 5076 except that minor revisions have been made to take into account technical comments of the Treasury Department and the Joint Committee on Taxation made during last year's hearings.

This legislation is consistent with principles of international taxation. The U.S. Government and virtually all other governments in the world determine taxable income on the basis of what are arm's-length transactions between related companies. The Organization for Economic Cooperation and Development, of which the United States is a member, has included the arm's-length standard in its Model Income Tax Convention. The "1974 Guidelines for Tax Treaties Between Developed and Undeveloped Countries," prepared under the auspices of the United Nations, and approved by this country, adopts the same principle.

The passage of this legislation will assure that the United States speaks with one voice regarding taxation of foreign source income and will relieve both United States and foreign-based businesses of the unfair and unjustified tax burden imposed by a small minority of States.

This legislation will increase corporate, commercial, and industrial investment in the United States by removing the obstacle of the worldwide combined reporting system which exposes worldwide and unrelated lines of business of corporate affiliates to the threat of such unfair methods of taxation. Increased job opportunities will result. It would also remove the threat of multiple taxation and retaliatory taxing methods by other governments that could place U.S. corporations at a disadvantage when competing in worldwide markets.

The purpose of the section of the bill regarding dividends paid to U.S. corporations by their affiliates overseas is to provide that a State may not tax a greater portion of the dividend than the Federal Government effectively taxes. Under general principles of State taxation, a State is only entitled to tax that part of a corporation's income which has been generated by that State's economy. Thus, properly States should not tax foreign source business profits or dividends paid from those profits of a corporation not doing business in those States. This legislation does not go that far, but imposes only a reasonable limitation parallel to the Federal system. It would permit States to tax foreign source dividends to the extent that the Federal Government effectively taxes those dividends after taking into account the foreign tax credit.

I urge all my colleagues to closely examine this bill and to review the record established last Congress in support of it. I am hopeful that we can move expeditiously to provide the uniformity in this one area of international taxation that is so badly needed. I ask unanimous consent that the text of the bill be reprinted in the RECORD.

H.R. 1983

A bill to amend the Internal Revenue Code of 1954 to clarify the extent to which a State, or political subdivision, may tax certain income from sources outside the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 77 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 7518. INCOME OF CORPORATIONS ATTRIBUTABLE TO FOREIGN CORPORATIONS.

"(a) IN GENERAL.—Where two or more corporations are members of the same affiliated group of corporations—

(1) for purposes of imposing an income tax on any corporation which is a member of such group, no State, or political subdivision thereof, may take into account, or include in income subject to such tax, any amount of income of, or attributable to,

(2) any other corporation which is a member of such group and which is a foreign corporation, unless such amount is includable in the gross income of the corporation described in paragraph (1) for purposes of chapter 1 (including any amount includable in gross income under subpart F of part III of subchapter N of chapter 1) for the taxable year in which or with which the taxable period (for purposes of State or local law) ends.

"(b) INCOME TAX DEFINED.—For purposes of this section, the term 'income tax' means any tax which is imposed on, according to, or measured by income.

"(c) AFFILIATED GROUP DEFINED.—For purposes of subsection (a), the term 'affiliated group' means a common parent corporation and one or more chains of corporations connected through stock ownership with such common parent corporation.

"(d) CERTAIN CORPORATIONS TREATED AS FOREIGN CORPORATIONS.—For the purpose of this section, a domestic corporation shall be treated as a foreign corporation if under section 861(a)(2)(A) a dividend received from such corporation in the taxable year referred to in subsection (a) would not be treated as income from sources within the United States.

"(e) CERTAIN DIVIDENDS PAID OR DEEMED PAID.—

"(1) DIVIDENDS EXCLUDED FROM TAX.—If a corporation receives in any taxable year a dividend from a foreign corporation (of is by application of section 951 treated as having received such a dividend), in imposing an income tax on such corporation no State, or political subdivision thereof, may tax, or otherwise take into account—

"(A) in the case of a dividend received from a corporation with respect to which an election under section 936 is in effect for the taxable year in which such dividends are paid, the amount of deduction allowed by section 243,

"(B) in the case of a dividend received from a corporation described in subsection (d) which is not described in paragraph (A), more than the lesser of—

"(i) the amount of the dividend exclusive of any amount of dividend determined under paragraph (3), or

"(ii) the amount by which the dividend plus any amount of dividend determined under paragraph (3) exceeds the excluded portion of the dividend determined in accordance with paragraph (2).

"(C) in the case of a dividend received from any other foreign corporation more than the lesser of—

"(i) the amount of the dividend (exclusive of any amount determined under section 78), or

"(ii) the amount by which the dividend plus any amount determined under section 78 exceeds the excluded portion of the dividend determined in accordance with paragraph (2).

"(2) EXCLUDED PORTION OF A DIVIDEND.—The excluded portion of any dividend shall be determined by multiplying the amount of the dividend (including any amount of dividend determined under section 78 or paragraph (3)) by a fraction—

"(A) the numerator of the fraction shall be the sum of—

"(i) the total amount of tax withheld from all such dividends at the source.

"(ii) the total amount of tax which by application of section 902 or section 960 to all such dividends, the domestic corporation is deemed to have paid, and

"(iii) the total amount of tax deemed paid by application of paragraph (3).

"(B) The denominator of the fraction shall be 46 percent of all such dividends.

"(3) SPECIAL RULE WITH RESPECT TO DIVIDENDS RECEIVED FROM DOMESTIC CORPORATIONS TREATED AS FOREIGN UNDER SUBSECTION (d).—A corporation that receives a dividend

which is described in subparagraph (B) of paragraph (1) shall—

"(A) treat as a dividend for purposes of subparagraph (B) of paragraph (1), and

"(B) treat as a tax deemed paid for purposes of subparagraph (A) of paragraph (2), foreign income taxes which such other corporation has paid or deemed paid in the same proportion on or with respect to the accumulated profits of such corporation from which such dividend was paid, which the amount of such dividend bears to the amount of such accumulated profits in excess of all income taxes (other than those deemed paid).

For purposes of this section, only a tax for which a credit against tax would be allowable under section 901 (determined without regard to the limitations in section 904 and 907) shall be taken into account."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable periods (for purposes of State or local law) beginning after December 31, 1980.

(c) AMENDMENT OF THE TABLE OF SECTIONS.—The table of sections for chapter 77 of such Code is amended by adding at the end thereof the following new items.

"Sec. 7518. Income of corporations attributable to foreign corporations."●

LITHUANIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. GILMAN. Mr. Speaker, the 63d anniversary of the Lithuanian Independence Day is certainly an occasion which warrants the attention of all of us who cherish individual freedom and national sovereignty. This month we once again acknowledge and support the Lithuanian people as a symbol of that struggle.

It was in February of 1918, the newly formed Lithuanian Council, which came about as the direct result of the end of World War I, issued its declaration of independence and eventually formalized a new government on November 11, 1918. When German troops evacuated Vilnius, the city was entered by Bolshevik forces that immediately installed a pro-Soviet Lithuanian regime in January 1919. However, it was with complete determination and sacrifice that the Lithuanians managed to drive the Bolsheviks out of Lithuania and a peace treaty recognizing Lithuania's independence was signed by Soviet Russia in July 1920. Lithuania enjoyed its hard won independence until 1939, which marked the outbreak of World War II.

In October 1939, after the start of World War II, the Soviet Union stationed troops in Lithuania. In return, the Russians transferred to Lithuania the city of Vilnius and its surrounding territory, which had just been seized from Poland. In June 1940, using the military alliance, the Soviet Government demanded that Lithuania form a government acceptable to Moscow. The start of this new Soviet annexation was halted only temporarily by the German invasion of Eastern Europe which, in turn, incorporated all conquered countries into the Third Reich's protectorate.

After the recapture of Lithuania from the Germans by the Red army, the sovietization was resumed in the economy through nationalization of industry and collectivization of agriculture. Political opposition to Soviet rule was completely wiped out.

Nevertheless, Lithuania's short-lived independence has been fruitful in a number of ways. Having experienced the freedom that we, as Americans have, only served to magnify the desire of Lithuanians to permanently acquire national sovereignty and to be recognized as a country that seeks to promote and protect the concept of human rights. It is this month that we acknowledge and admire the courage and resiliency of a small nation which has yet to turn away in the face of danger and persecution.

Mr. Speaker, I would urge my colleagues to join me in speaking out for a free Lithuania. In the name of the Helsinki accords, to which the Soviets are cosignatory, and for those who have dedicated their lives to this just cause, it is imperative that our country shoulder some of the responsibility of aiding those nations still seeking their independence.●

INTERVIEW WITH REV. JERRY FALWELL—PART I

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. McDONALD. Mr. Speaker, for many decades American society in general and the American political scene in particular have been influenced by a number of church related or religious groups. The Federal Council of Churches and the successor National Council of Churches are two examples of such religious forces. For many decades those same driving religious forces have been based upon a social gospel very closely linked to secular humanism.

More recently there has been a growing realization of the danger of secular humanism as a basis of morality. Accompanying this realization has been a rapidly growing appreciation for Biblical morality as a basis for law and society.

The most active force promoting a return to Biblical morality and rejection of secular humanism is the organization known as the Moral Majority whose founder is Rev. Jerry Falwell of the Thomas Road Baptist Church of Lynchburg, Va.

Recently two writers approached Reverend Falwell with the idea of doing an interview for a forthcoming book. As it turned out, there was misrepresentation because the interview appeared in Penthouse magazine.

While the interview has been an understandable embarrassment to Reverend Falwell, Penthouse being a pornographic, vulgar, and salacious magazine, the substance of the interview will be helpful to my colleagues in the Congress.

The first part of the March 1981, Penthouse interview follows:

PENTHOUSE INTERVIEW: REVEREND JERRY FALWELL

This Penthouse interview with the Reverend Falwell incorporates two taped conversations, conducted by two independent journalists, Sasthi Brata and Andrew Duncan, at two different times. Although the interviews were cut for space reasons (these cuts are indicated by ellipses in the text), neither the questions nor the answers have been altered in any respect.

Penthouse: . . . Your message seems to be . . . a very simple message. . . . One has to wonder why it needs such an expense—$50 million a year?

Falwell: Well, the gospel of Christ, which is a very simple message—that is, the death, burial, and resurrection of Christ—is as old as the Bible is. . . . Now the difference, however, in this generation, this age, than, for example, the first generation after Christ, is that there were about 250 million people on the earth during the days of Christ. There are about 18 times that many now. And we've long since passed the 4 billion mark, and we're moving on in a population explosion.

The commission that the Lord gave to the church was to "preach the gospel to every creature," meaning every living person. Well, if we were to do it as it was done in early New Testament, apostolic days, of two by two knocking on doors—house-to-house evangelism—by pure numerics we would never even keep up with the population explosion. And so, the ultimate answer is, as I see it, God gave you in the past 100 years most of the media that distinguished our world from Paul's world. The exception is the printed press. I think it's significant that the first major thing printed on the printing press, 500 years ago, was the English Bible. I think God gave the medium, including the printing press, to the church to make the great commission of preaching the gospel to every creature a possibility.

God is not unreasonable. God does not give commandments that cannot be kept. And so, if we're going to reach everybody, television, radio, the printed page, automation, computerization, et cetera, et cetera, all of this is essential—particularly to those of us who are living in the last quarter of the twentieth century. If the population of the world goes on to 7 billion, as some say it will by the turn of the century, I see a very real possibility that we can have preached the gospel to every one of them by that time, many times, by simply using what God has made available to us and to industry.

So in order to do that, it costs us this year (1980) $56 million to do it. Next year it will cost more like $75 million to do it. We have to decide whether or not the cost, or the end, justifies the means. If it is worth it—if really obeying God and preaching the

gospel to every creature is important, and I feel it's all-important—then cost should not stand in the way. . . .

Penthouse: What about the show business aspects of your presentation? Doesn't this tend to diminish and make facile the points you're putting across?

Falwell: Well, I don't know if you have watched the "Old Time Gospel Hour" or not, but we are a church service; that is, we actually videotape the 11:00 a.m.-to-noon Thomas Road Baptist Church worship service. . . . If we were not televising the service, we would probably conduct it just as we do. As a matter of fact, Sundays when we do not tape we don't make any changes. So we don't have a television production with the congregation or studio audience. Rather, just the reverse. We have a church service, a traditional church service, with the television cameras allowed to look on. So I don't look on that as show business, as some do . . .

Penthouse: I'm thinking more of the rallies . . .

Falwell: Okay. We are right now on a tour of all 50 states. And it's going to be next spring before we finish it, because we have a lot of other things going. This morning at 11:00 (in Montgomery, Ala.) the governor and the lieutenant governor, the attorney general, many of the legislators, will join us on the state steps. There's a purpose for that. We'll have thousands of Christian school students here. We'll have Christian educators. We'll have several hundred pastors here. And just thousands of Alabamians will join us.

And we're trying to accomplish a number of things. First of all, there is a phenomenon happening in America: it's the Christian school movement. So far the media hasn't picked up on it, but it's probably the most significant phenomenon of this era. . . . Local churches everywhere . . . feel that the public school system has completely adopted humanism as its philosophy, which is anti-Christ, as we see it, and antibiblical. The churches have been forced into starting an alternate school system. . . . By a federal U.S. Supreme Court mandate, the public schools cannot teach these children what we want to teach them: cannot teach them the Bible, cannot teach them morality, cannot teach them character-building traits, etc. But we do. So we are developing our own and accepting no tax monies, so that we really are involved in double taxation. We Christian parents—I have three children in a Christian school—pay our regular taxes that would enable us to get free education in the public school system, and then we go pay tuition in a Christian school. . . .

Now we've grown from 1,400 schools in 1961 to 16,000. We're adding a new school every seven hours. We want kids to see government not as their enemy but as their ally. And the imagery, the symbolism of that state capitol, provides for them that setting.

Penthouse: When you say the state schools don't provide character-building, surely that's a bit simplistic, because they do provide what they assume is character-building. What you mean is they don't provide what you see as character-building?

Falwell: Well, if the total vacuum of discipline, if the drug epidemic, if the amoral position of the National Education Association and the teaching profession of this day is building character, that's the kind of character we don't want built in our young people.

Penthouse: . . . You've said the goal of humanism was world socialism. . . . Where is the evidence for that?

Falwell: Well, I think that secular humanism has one thing in mind. First of all, it's based upon—and there's no way to question this premise—atheism. Now that doesn't mean that it automatically becomes equated with communism, et cetera. But it does mean that it has no absolute values. It has an amoral philosophy: nothing is absolutely right or wrong. We used to call it situation ethics, but it's really worse than that, because it develops a total society based upon what the Book of Judges in the Old Testament describes, during the most horrible time in Israel's history; Judges 21:25 says, "In those days there was no king in Israel"— that is, no authority—"and every man did that which was right in his own eyes." And, of course, that is chaos. And that is exactly, as I see it, where the public school system is today. . . . The ultimate end of promoting amorality, atheism, and developing a permissive society where there is no authority for right or wrong is, of course, ultimately going to be the wipeout of the family, the wipeout of all the traditional values that have made the United States, in my opinion, the greatest free society in the world for many years . . .

The ultimate goal [of humanism] is internationalism. I'm not an isolationist. I don't think that we should not be aware of the rest of the world. I preach very strongly that we have an obligation, that America's only importance to God is as we minister to the world. But I do see that one-world socialism, one-world government—internationalism—is just the opposite of what freedom is all about, what the world is all about. I think the futility of the United Nations at this moment in dealing with, for example, the Iranian situation, is an indication of how totally impotent and helpless and useless they are.

Penthouse: . . . Surely what you're advocating is a slight contradiction, because it's freedom for people who believe in what you believe. Abortion, for instance—your position seems to be absolutely certain and sure, which would not allow freedom to other people who don't feel the same way as you.

Falwell: Rules and regulations, standards of behavior, are absolutely essential in any civilized society. For example, I believe in freedom of speech, but that does not permit me to stand up in this restaurant and yell "Fire!" when there is no fire, because my freedom of speech is now infringing upon the rights and benefits and well-being of the people in this room. And I have no right to use my freedom of speech to libel or slander someone's character. My freedom of speech ends where someone else's well-being begins.

Now that is likewise true in the matter of abortion. . . . It has always been the position of the Bible that life has dignity; life begins with conception, not birth. And it's not a Roman Catholic position; abortion is not a Roman Catholic issue, as the politicians try to make it. It's a moral issue. And it's to our discredit, who are not Catholics, that we've allowed the Roman Catholics to carry that ball. Now the idea of "freedom of choice," which is what they prefer to use, rather than "freedom to kill," to me is an obnoxious statement and a ridiculous statement. It's like a bank robber saying, "I have freedom to break safes, and I want my freedom."

Well, we believe that rules, standard regulations—and this is regardless of what anyone thinks about America; it was, indeed, founded upon the Judeo-Christian ethnic. Our founding fathers were not all committed Christians or committed Jews, but they were committed to biblical principles, which are found written right through the documents—the Constitution, the Declaration, the Bill of Rights, et cetera—on which the nation is founded.

Penthouse: . . . It's quite okay for you to have your opinions . . . but other people may not share those. And yet you are trying to impose, are you not, your attitudes on them? Based on the Bible, which they may not believe in?

Falwell: Well, they can say the same thing about "Thou shall not steal." If we tell folks, if we write it down and say, "You're not going to break in this restaurant at nighttime and steal—" "Well, where did you get that?" "I got that from the Bible: 'Thou shall not steal.'" "Well, I don't believe the Bible." That doesn't matter! It's the matter of law! For example, in this country, homosexuality. . . . There are those who are saying, "Well, that's an alternate life-style." At this present moment, in all 50 states, and that's been the case since the days of the beginning of this country, is a violation not only of God's law, of written man's law. And yet we are trying to make it something other than that when, in fact, it is not.

Penthouse: Some people would call that progress, of course. Allowing people to live as they want to.

Falwell: Yes, I think it's perverse, too.

Penthouse: Some people would think it's progress.

Falwell: Oh, I'm sorry. I misunderstood you. Well, I suppose you could use the word progress to validate almost anything, but I look on it as regression instead.

Penthouse: . . . Don't people make the criticism . . . that it's a very simplistic doctrine which you're putting forward which makes people think there are easy answers to very complicated questions? Do you not feel that's a valid criticism?

Falwell: I really don't. I think that you could say that science is simplistic because it's exact. I was studying mechanical engineering before I even became a Christian. . . . You come to exact, simplistic answers if you follow the proper equations and the proper processes . . . Theology, to me, is an exact science. God is God. The Bible is the inspired, inherent word of God. And if everyone accepts the same theses and the same equations, they will arrive at the same answer.

Penthouse: Yes, but what if everybody doesn't? And there's no reason why they should. Are you not . . . steamrolling, with the money that you generate from television . . . to push forward a message which, in its way, is . . . repressive?

Falwell: Well, it is easy for people today who are violating God's law and man's law to ridicule those who oppose them by simply saying, "That fellow's repressive; he is suggesting a return to where America was fifty years ago, morally." That is exactly what I am proposing, morally. Not technologically. I certainly am very much a progressive person. If you come to our ministry and visit our complex and see the kind of innovative and up-to-date procedures we use in everything we do, you'd never accuse me of being against progress. But there's a vast difference between technology and theology. And whereas we are progressing in our world today, the science book I used in college is obsolete today. But I use the same Bible I used then.

Penthouse: . . . I understand that you are against the Equal Rights Amendment. Are you against the whole concept of feminism?

Falwell: Oh, no, just the opposite. I am more for equal rights for women than the true feminists are. What the true feminists are doing is advocating a unisexual society, which I think is demeaning to womanhood. Now in all fairness, many of the persons involved in the effort to pass or ratify the Equal Rights Amendment are very well-meaning, very well-intentioned people who, in my opinion, are misled as to what the ultimate results of that amendment would be.

The reason I oppose the amendment is this: the language is very ambiguous. I'm sure you've read it. It simply says that there shall be no discrimination on account of sex, period. . . . If it had been ratified and ever were ratified, it would do a number of things. It would leave open to every jurist, every judge, before whom some singular case appears in the future the right to determine what those words mean. It would put sex in the Constitution, not women. It would say that when, for example, two men applied for a marriage license, or two women applied for a marriage license, and a clerk of the court denied them on the basis one of them was of the wrong sex, somebody in court could prove that's discrimination on account of sex.

And I think another problem is that women in America, who have never been forced in combat, would, at some point in time, be forced into combat, because some man out there is going to court and say, "This is discrimination. . . ." Even financially, men have to support women when they desert them in this country. I think that's right. I don't think women should have to support men. There are benefits that women need to have. I think we need to discriminate in favor of women.

During the 1980s, what I plan to work on, and what Governor Reagan has said, and I approve of it, we've got to work through the states in every possible way to guarantee that women do, in fact, earn the same dollar for the same work that a man does. That's not true today. That they have the same opportunity for development and achievement of position in that job as a man. That is not true today. That they lose none of what they have gained. And the amendment, I fear, would do that. So I'm simply saying that we want to lead the vanguard of equal rights for women in this decade, but oppose this amendment.●

IN HONOR OF LITHUANIAN INDEPENDENCE

HON. DON BAILEY

OF PENNSYLVANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1981

● Mr. BAILEY of Pennsylvania. Mr. Speaker, it gives me great pleasure to take part in the commemoration of Lithuanian independence. In my district, the 21st Congressional District of Pennsylvania, there are many persons of Lithuanian descent.

The people of this Baltic nation truly aspire for freedom and independence. This country's support of their efforts, I feel, is evidenced in our refusal to accept the forcible incorporation of their nation into the Soviet Union.

On February 16, 1918, the Lithuanian nation declared its independence. This was a goal for which the Lithuanian people had been striving during a period of Russian domination, 1795 to 1915, followed by German occupation during the First World War. After 20 years, Lithuania fell under Russian domination when it was occupied by the Red army in the Second World War. It was declared a constituent Republic of the U.S.S.R. on August 3, 1940. Following the German attack on the Soviet Union 10 months later, Lithuania was in German hands until it was reoccupied by the Soviet Army in 1944. Since then, it has been considered by Russia as a component republic.

However, the United States has never recognized the Soviet incorporation of Lithuania or the other two Baltic States, Estonia and Latvia. It is my hope that persons all over this country share my feelings of concern for these people. Equally important is the strength of the Lithuanians themselves to hold fast to their principles—that their self-determination will ultimately prevail.

I commend Congressman ANNUNZIO for sponsoring this special order. It certainly is an occasion worthy of recognition. I am proud to extend my best wishes and sincere support of the Lithuanians here and abroad.●

EVENTS IN EAST TIMOR

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 23, 1981

● Mr. EDWARDS of California. Mr. Speaker, I would like to recommend to my colleagues the article, "The Silent Suffering of East Timor," which appeared in New York Times Magazine, February 15, 1981. Although there are some areas of disagreements between my understanding of events in East Timor and those characterized in the article, I welcome the extensive coverage presented in this article. Due to the Indonesian-imposed blackout on news coverage of East Timor, very little is known about the events in East Timor. However, certain frightening facts are certain.

Through the use of American supplied arms, and with the foreknowledge of top American officials, Indonesia invaded the island of East Timor in 1975. Since the date of that invasion, at least 100,000 of the population of about 600,000 have perished. The conditions on the island remain dismal.

East Timor is an ironic problem for our Government. It is one in which we have supplied not only the vast majority of the weapons of destruction visited upon the East Timorese by the Indonesians, but also the majority of the aid which has helped maintain the remaining Timorese on the fringe of survival.

By reading the article, one could get the impression that the civil war subsequent to the Portuguese departure from East Timor was long and bloody. In fact, it has been documented that the actual civil war occurred during the late summer and early fall of 1975. It is the Timorese resistance to the Indonesian invasion which has been long and bloody.

East Timor has become a source of embarrassment for our Government, the Indonesians, and the Portuguese. Many nations fail to understand our acquiescence in the Indonesian annexation of East Timor in the light of our outcry against Soviet aggression in Afghanistan and Vietnamese aggression in Cambodia.

I would like to suggest that the political problem which East Timor poses for our Government is not an insolvable one. As the article expresses, Indonesia's annexation of East Timor has not been recognized by the United Nations. The Portuguese have begun to recognize their responsibilities in the area and have indicated a willingness to enter discussions with the Indonesians. Our close relations with both Portugal and Indonesia, and our past involvement with East Timor, present the United States with an opportunity, and indeed, a responsibility, to encourage the involved parties to work toward a Zimbabweanlike solution to the problems plaguing East Timor.

The article follows:

THE SILENT SUFFERING OF EAST TIMOR

(By Henry Kamm)

No doubt there are more remote places, particularly on Timor, an island on the eastern fringe of the far-flung Indonesian archipelago [see map below], but on a Sunday morning last year, the village of Uatolare, inland from East Timor's southern coast, could have served as a metaphor for the end of the world.

I walked among thousands of people huddled together, from the outskirts of the village to its ravaged center. Men, women, children—all shared the look and scent of deprivation to the limits of human endurance: frail bodies clothed in rags, gaunt faces uttering mute pleas. The bloated bellies of children protruded over waists so scrawny that the smallest ones had to hold up their shorts or lose them.

Through the open doors of the village church, the chants of prayer could be heard. Recently patched holes showed how heavily the church had been hit by naval shellfire during the Indonesian invasion of December 1975. Inside, a large congregation sat on the bare floor, singing in Portuguese the Roman Catholic liturgy. But no priest officiated; the fervent prayers were offered in the face of an empty altar. Standing at an open side door, a girl as emaciated as the others, no older than 12 years, intoned a

new chant whenever the chorus thinned and faltered.

The deserted school house, also marked by the bombardment, stood across the square. On one wall, someone had scrawled, "Death to the traitors," also in Portuguese. By now, however, after years of civil war among East Timorese and war against Indonesia, no one recalled which faction the words applied to.

The war was over at the time of my visit in January 1980, despite sporadic guerrilla action against the Indonesian occupiers that continues to this day. Dismal and melancholy as the scenes I saw were, it was really not the end of the world. Those whom I saw were survivors, those who had graduated from starvation to malnutrition. The great dying was ending. Indonesia's belated call to the world community for help had been answered, largely by the United States, which had also furnished most of the weapons that Indonesia used for its invasion—although the United States intended that these weapons be used only for Indonesia's self-defense.

Indonesia's hold on East Timor is secure, but its annexation of the former Portuguese colony has not been recognized by a majority of members of the United Nations. In last year's voting on the annual question in the United Nations General Assembly, only 35 countries, including the United States, sided with Jakarta. But there is no fire in the annual debate; East Timor is too remote, it seems, to deserve serious attention. It was a backwater even of the Portuguese empire that collapsed after the Lisbon revolution of 1974. An island divided when the Portuguese and Dutch clashed there in the 17th century, Timor had remained colonized—if not pacified—more from force of habit than for any benefit it offered to its conquerors. West Timor became part of independent Indonesia with the rest of the Dutch East Indies in 1949.

Indonesia's invasion of East Timor, occurring in the same year as the Communist victories in Indochina, never became a major issue in the world, but in the United States and Australia small groups centered in universities continue to protest their Governments' acquiescence in the act of force.

There is substance to these protests, even if, at their most extreme, they degenerate into hyperbole—accusations of "genocide" rather than mass deaths from cruel warfare and the starvation that accompanied it on this historically foodshort island, of American complicity rather than acquiescence. True, President Gerald R. Ford and Secretary of State Henry A. Kissinger visited President Suharto in Jakarta on the eve of the airborne and naval invasion, but there is no evidence that they discussed with him the impending attack. Indonesia, vast, populous, rich in petroleum and strategic minerals, and emphatically anti-Communist, is deemed too valuable a friend by the West to risk offending it for having committed aggression and Anschluss against so minor a land and people.

The progress toward oblivion has been advanced by East Timor's isolation from the world, and by the primitive condition in which Portugal left it, with only a minute fraction of its preannexation population of about 650,000 educated in the colonizer's language and fewer still in any other. Little is known about events in East Timor since the invasion, because Indonesia has reinforced its newest province's isolation, and the bulk of the testimony has come from highly partisan members or supporters of Fretilin, the Revolutionary Front of East Timor, which governed for four months until the Indonesian onslaught and whose armed resistance lingers on. The vast majority of East Timorese have suffered mutely and passively.

East Timor's descent into the abyss began on Aug. 11, 1975, when the people of Dili awoke to the sight of armed men patrolling the streets of their torpid colonial capital. The Timorese Democratic Union (U.D.T.) had staged a coup against the colonial Government. Four days later, the Central Committee of Fretilin, U.D.T.'s principal rival, announced from the mountains behind Dili, to which most of its members had fled, "a general armed insurrection against all traitors and enemies of the people."

In the final act of futility that had marked more than four centuries of Portuguese rule, the Governor and his administration abandoned the East Timorese to chaos and civil war and embarked, under the cover of the waning night of Aug. 26-27, for the safety of the offshore island of Atauro. Their arms remained to fuel the battle—most of the army's weapons going to Fretilin, the most left-wing of the three parties formed in the heady aftermath of Portugal's revolution, and those of the police to U.D.T., the gradualists who ostensibly favored slow progress to independence under Portugal's aegis.

What followed U.D.T.'s disastrous "whiff of grapeshot" can be summarized: Fretilin made good its armed insurrection. By the end of August it had gained control of Dili. Before September ended, it had driven most of the U.D.T. forces into Indonesian West Timor in disarray. Indonesia made clear its unwillingness to accept Fretilin rule by early October, striking with full military force to seize three towns across the international border. But except for this strip, Fretilin controlled East Timor insofar as any central force can exercise a hold over the forbiddingly mountainous and largely roadless interior.

In mid-November, Indonesian forces once more began to edge eastward. Late on the afternoon of Nov. 28, when the sea breeze usually lightens the humid air that lies heavy over the plaza between the Governor's palace and Dili's waterfront, Fretilin brought down for the last time the Portuguese flag that it had left flying despite the Government's desertion, and proclaimed the Democratic Republic of East Timor.

Two days later, on the Indonesian side of the border, leaders of U.D.T. and Apodeti—the third major party that sprang up after the revolution in Portugal, and which espoused joining Indonesia—presented Adam Malik, then Jakarta's Foreign Minister, with a declaration of integration. On the morning of Dec. 7, Indonesian paratroopers landed in Dili and Baucau, the territory's second largest town, landing craft discharged waves of soldiers on the beaches and troops poured across the frontier. Fretilin resistance was heavy, and on Christmas day, Indonesia, a nation of 135 million, brought ashore massive reinforcements.

When 1975 ended, Fretilin had been driven into the interior with much of the civilian population, but it had salvaged much of its fighting strength and leadership. A new phase of warfare began, witnessed only by those who did battle and by their victims. Indonesia banned the press—this continues with rare and closely shadowed exceptions to this day—as it proceeded with the task of "pacifying" its new possession. Word filtered back to Jakarta that fighting and casualties were heavy, that much of the population remained in the mountains with Fretilin and that the East Timorese were suffering.

Early in 1978, reports began to circulate in the Indonesian capital that a possibly decisive turn had occurred and large numbers of East Timorese were fleeing to Indonesian-held areas, telling of waning Fretilin control and, more importantly, critical shortages of food and medicines. Their physical appearance bore witness to this.

By September of that year, Indonesia felt the tide had turned sufficiently in its favor to invite a large party of ambassadors and journalists to visit Dili and nearby sites where recent refugees from the mountains had been gathered. What the group saw and heard convinced most of its members that famine and illness of frightening proportions were abroad in East Timor.

Fully a year later, the first international aid shipments reached the island. Tens of thousands had died, before and during that wasted year. How many? Figures as frightful as 200,000 have been advanced. An Indonesian census, recently completed but not made public, puts the population at 552,000. This would be more than 100,000 fewer East Timorese than the last published Portuguese statistics, dating to 1974, showed.

The belated relief effort, by all accounts, has been effective, and East Timorese are no longer dying of hunger or untreated ills. Indonesia ordered the two international relief groups that it allowed to work in East Timor to wind up their emergency operations at the end of last year.

Those are the bare bones of the East Timor story—but crucial questions remain unanswered. Why did the East Timorese elite, whatever its political differences, drive the colony so quickly into murderous civil war? Why did Portugal abandon East Timor before any pressure had been exerted on its administration and forces? Why did Indonesia intervene so heavy-handedly?

On my first visit to East Timor, during the final week of peace before the coup in August 1975, Dili and its surroundings presented an aspect reminiscent of the other Portuguese colonies in the aftermath of the Lisbon revolution. I saw in Dili, as I had in Mozambique, Angola, Guinea-Bissau and Cape Verde, gross underdevelopment, unrelieved as it was in Angola and Mozambique by glossy capital cities with huge slums. The paved roads of the capital petered out into dirt tracks even closer to the dusty town than in the larger African possessions. Instead of slums, there were clusters of flimsy shacks, grafted onto the edges of Dili, that housed the indigenous population.

When I visited one of these at midday, families were eating their meal, a mash of boiled tubers topped with some greens and spiced with chilies. What had they eaten in the morning? The same, they said through my interpreter. And what would the next meal be? The same. On the Indonesian side of the island, I had been told by a West German doctor who had been there for two years that the population was chronically malnourished, living on a diet very short on proteins, although on both sides of the border cattle were plentiful and the unfished ocean swarmed with protein-rich seafood. It is a measure of Dutch and Portugese colonial neglect that the East Timorese were never taught to take advantage, in any systematic way, of the food sources available. Even in times of peace, with the populations pursuing their generally seminomadic way of life, Timor and the other islands of

the Lesser Sunda group are victims of frequent crop failures and spells of hunger.

The Portuguese Governor of East Timor, Col. Mario Lemos Pires, received me graciously in a comfortable corner of his huge office, guarded by two East Timorese in glistening white uniforms and feathered headdresses who flashed swords and smiles. He was of the new breed, a military man sent after the revolution to oversee decolonization. It would not be easy here, he said. In East Timor, there was not just one liberation movement to which Portugal could hand over its authority, but three relatively large ones and two minor groups, all newly formed.

East Timor had three options and would have to exercise a choice, Colonel Pires's assistant for political affairs, Maj. Francisco Mota, said. They were immediate independence, gradual progression toward freedom under Portuguese guidance or integration with Indonesia. He did not think the last had much support. The Portugese Army's last remaining task was to maintain order and educate the East Timorese to exercise their choice before many more months.

I was directed to Fretilin headquarters to look for some of its leaders. They were in the countryside educating villagers, I was informed by a group of friendly youths in their teens and 20's, milling about a hut under a big tree at the edge of town. The boys inquired about my nationality and expressed admiration for the United States based largely on Muhammad Ali and blue jeans, which some were proudly wearing. They sheepishly sang a song when asked about Fretilin, and my interpreter, a man sympathetic to the Portuguese revolution, said he could not follow its meaning. One teen-ager had the names of Marx and Lenin tattooed on his forearm. He and his friends giggled when asked about their significance, and giggled again when asked why they were giggling.

I had met the U.D.T. leadership at the airport in Kupang, the capital of West Timor, awaiting the plane that took them and me to Dili. Surprisingly, for an independence movement committed to a residual Portuguese role until East Timor eventually gained its freedom, the three leaders seemed in close harmony with the senior, uniformed Indonesian officials seeing them off. They had been to Jakarta, they told me on the plane, and had been cordially received by a number of ministers. They had also visited Macao, Taiwan, Japan and Australia. The 34-year-old U.D.T. president, Francisco Xavier Lopes da Cruz, a grave and heavily bearded man, asked me to dinner at his house the following night.

His house was simple, befitting a minor customs official. He explained his movement and the others, discounting Apodeti because, he said, integration, although he would accept it if it were the people's choice, was unpopular. He described Fretilin as a divided movement. The established leaders, Francisco Xavier do Amaral (his senior in the customs department, who had completed his education for the priesthood and whom he described as a friend) and Nicolau Lobato, were Roman Catholics, but others, students who had returned from Lisbon after the revolution, were full of Communist, even Maoist, ideas and rhetoric. A coalition between Fretilin and U.D.T. had broken apart, said Mr. Lopes, and Fretilin people in the hills had taken to beating up U.D.T. members and breaking up their rallies. "Maybe we'll have to teach them a lesson," he said as a parting remark.

Two days later, Mr. Lopes staged his futile coup, providing the impulse for the Fretilin countercoup and the Indonesian intervention. In November, Mr. Lopes was among those petitioning Indonesia to accept East Timor into its republic. When I visited Dili last year, Mr. Lopes was Deputy Governor, living in a luxurious house, and the new owner of a 20-acre coffee plantation. I wondered, after the fact, whether he had struck a deal with Jakarta to create the conditions for annexation.

The recent publication in Australia of a series of secret diplomatic documents—later suppressed by the Government—sheds some light on this question. In a situation summary for the Australian Foreign Minister, senior aides wrote: "Other very delicate sources (which are being brought to your attention separately) suggest that U.D.T. acted with at least some fore-knowledge of the [Indonesian] state intelligence coordination body."

The summary continues by noting that the Dili radio under U.D.T. control was appealing to Southeast Asian nations to send help, including armed forces, and it concludes: "The broadcasts provide the pretext for Indonesian intervention in Portuguese Timor. All this stops well short of proof of Indonesian collusion with U.D.T. But if the Indonesians were intending to intervene, they could have hardly stage-managed the scene any better."

The presumption of a link between Indonesian military intelligence and U.D.T. is paralleled by the persistent allegation, made by East Timorese hostile to Indonesia but not affiliated with Fretilin, that Major Mota and a colleague from the Portuguese Armed Forces Movement, Maj. Silverio Jonatas, collaborated with Fretilin in order to bring about immediate independence, thus freeing Lisbon from costly further responsibility in the decolonization process. Friends of Fretilin do not deny the closeness between the most radical Fretilin leaders and the two Portuguese majors, and Fretilin's quick access to most of the arms and munitions stores of the Portuguese military provides additional evidence.

Dispatches from Australia's Ambassador in Jakarta, Richard A. Woolcott, provide the most revealing insights into the American position as Indonesian intervention drew near. Reporting on Aug. 17, the envoy cabled: "[United States Ambassador to Indonesia David D.] Newsom told me last night that he is under instructions from Kissinger personally not to involve himself with the Indonesians on the grounds that the United States is involved in enough problems of greater importance overseas at present. The State Department has, we understand, instructed the embassy to cut down its reporting on Timor.

"I will be seeing Newsom on Monday but his present attitude is that the United States should keep out of the Portuguese Timor situation and allow events to take their course. His somewhat cynical comment to me was that if Indonesia were to intervene the United States would hope they would do so 'effectively, quickly and not use our equipment.'"

The Australian dispatches also illustrate what was probably Indonesia's principal motivation for intervention: the fear of President Suharto, and the military officers around him, of Communism. The cables report conversations with Ambassador Newsom, in which Gen. Yoga Sugama, director of state intelligence, suggested that U.D.T. was pro-Moscow and Fretilin pro-Peking. Mr. Newsom tried, and failed, to persuade General Sugama that Portuguese socialism, with which the general linked U.D.T., was strongly anti-Communist.

The cables also report that Ambassador Newsom warned General Sugama that the use of American arms in East Timor could endanger future military assistance, and that he hinted it would provoke a negative reaction in Congress. Mr. Newsom's analysis proved correct. Such criticism of the invasion as was heard from the United States arose in Congress, where committee hearings continue to provide a forum for views critical of Indonesia. From the outset, the Administration of President Ford declared its acceptance of the Indonesian action, while conceding that the East Timorese had not been given an opportunity for an act of self-determination.

Officials at the American Embassy in Jakarta, now headed by Ambassador Edward E. Masters, profess not to remember or never to have known what their predecessors reported in 1975. Explaining the American position, which was limited to halting the weapons flow for six months, embassy officials cite reasons of state. Indonesia, they point out, is a valued ally, a third-world country that takes pro-Western positions, a founder-member of the nonaligned movement that is sternly anti-Communist, and an important petroleum producer (accounting for 5 percent of American imports) that does not, they say, use the commodity as a political weapon. Indonesia is also described as a Moslem nation that is not hostile, a reliable supplier of several raw materials, a country in which American investment exceeds $4 billion and which is strategically situated athwart vital air and sea routes between the Indian and Pacific Oceans.

American officials show signs of embarrassment when asked why the United States takes so lenient a view of the annexation of East Timor when Vietnam's invasion of Cambodia and creation of puppet government, stopping short of outright annexation, have met with such strong American opposition on the ground of violation of principles of international conduct.

As in Vietnamese-occupied Cambodia, the East Timorese use every possible occasion to make a foreigner aware of their unhappiness over foreign occupation. In the more than four years since my previous visit, East Timor had become a country broken in body and spirit. The 1978 Indonesian offensive—in which American-supplied aircraft played a major role—had reduced Fretilin to a handful of guerrillas and brought the people down from the hills to the coast, famished, sick, naked or in rags.

Indonesia initially turned a deaf ear to Western requests to be allowed to bring in aid. Finally, in January 1979, Adam Malik, now Indonesia's Vice President, told Bishop Edwin Broderick, executive director of the American organization, Catholic Relief Services, that it could begin a program of food and medical assistance.

But bureaucratic delays, typical in Indonesia, put off the first survey of needs by Francis X. Carlin, Catholic Relief's director in that country, until May. What he saw continues to haunt Mr. Carlin, a Philadelphian with long experience in Asia.

"The first group I saw . . . about 120 of them . . . were just down on the floor with all that they owned, which didn't amount to anything. The military had given them some corn. Their bellies were bloated, their eyes huge and empty, their limbs scrawny.

Their skin was dry and scaly, and they were unbelievably dirty.

"Hunger was killing not just the very young or the very old, but it was so bad there it was killing those in the prime of life. Many of that first group were definitely beyond recovery. Wherever we went afterward, people were skeletal and totally deprived of food and clothing. The Indonesian colonel with me said, 'Move fast.' I couldn't move fast enough."

The Moslem fasting month, when many services cease functioning in Indonesia, and what Mr. Carlin termed "internal delays" between Catholic Relief and the United States Government (which underwrote most of the assistance), kept aid from arriving until September, a year after the ambassadors, including Mr. Masters, had seen the first victims.

The ill and the starved were on their way to recovery when I saw them because, Mr. Carlin said, those who could not be saved had died by then. But their spirits seemed permanently wounded. The faces of those in the large resettlement areas, where perhaps half of East Timor's population has been gathered—to provide necessary services, say the Indonesian authorities, to keep the people under control, say others—reflect the horrors of war, famine and military occupation.

The stories of some East Timorese who oppose Indonesian rule but are not affiliated with any of the East Timorese parties suggest a typical Southeast Asian war—in which cruelty knew few bounds and both sides pushed and pulled a largely unpolitical people in order to deny them to the "enemy." Eventually, the superior numbers and equipment of the invader suceeded in reducing Fretilin to perhaps 600 guerrillas who are still in the mountains—and still capable of sporadic attacks and thus of provoking Indonesian reprisals, arrests and mistreatment of innocent East Timorese.

"Above all, the people want more justice," a Timorese priest said recently. "They feel the moral injustice. Their rights are not respected. No one can talk. And they are worried about food. There is not enough land in the villages where they have to stay, and they haven't the health or the strength to make new fields. You have to eat to have strength."

The priest hesitated, then sadly resumed. "I think it is a situation beyond our force. I think it is the destiny of small countries. We have to accept."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, February 24, 1981, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 25

8:30 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed authorizations for fiscal year 1982 for land-based deterrent programs of the Department of Defense.
212 Russell Building

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain museum services, and Indian education programs.
1224 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings on proposed recommendations of the Advisory Commission on Intergovernmental Relations and of the General Accounting Office on Intergovernmental Matters.
2228 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To continue hearings on S. 508, authorizing funds through fiscal year 1985 for the airport development aid program.
235 Russell Building

Governmental Affairs
Permanent subcommittee on Investigations
To resume hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

Labor and Human Resources
Business meeting, to consider its rules of procedure for the 97th Congress.
4232 Dirksen Building

10:00 a.m.
Banking, Housing and Urban Affairs
To hold hearings on the conduct of monetary policy.
5302 Dirksen Building

Environment and Public Works
Transportation Subcommittee
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the Federal Highway Administration.
4200 Dirksen Building

Foreign Relations
International Economic Policy Subcommittee
To hold hearings to examine current U.S. interests in developing countries and alternative strategies to advance U.S. interests.
4221 Dirksen Building

Joint Economic
To resume hearings on the scope of monetary policy.
6226 Dirksen Building

11:00 a.m.
Select on Intelligence
To meet in closed session to receive an intelligence briefing.
S-407, Capitol

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management programs of the Department of Health and Human Services.
1114 Dirksen Building

Joint on Printing
To hold an organizational business meeting.
S-151, Capitol

FEBRUARY 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Woodrow Wilson International Center For Scholars; the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
1224 Dirksen Building

Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the Nuclear Regulatory Commission.
4200 Dirksen Building

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3110 Dirksen Building

9:30 a.m.
Banking, Housing and Urban Affairs
Business meeting, to mark up S. 414, permitting merchants to offer unlimited discounts to cash-paying customers, and providing a 3-year extension of law prohibiting merchants from penalizing credit card customers by imposing surcharges made by credit cards.
4232 Dirksen Building

Governmental Affairs
Intergovernmental Relations Subcommittee
To continue hearings on proposed recommendations of the Advisory Commission on Intergovernmental Relations and of the General Accounting Office on intergovernmental matters.
357 Russell Building

Special on Aging
Organizational business meeting, to consider its rules of procedure for the 97th Congress, and other pending committee business.
457 Russell Building

10:00 a.m.
Appropriations
*Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Transportation Safety Board, and the Research and Special Programs Administration, Department of Transportation.
1318 Dirksen Building
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building
Joint Economic
To hold hearings on the scope of energy policy.
6226 Dirksen Building

2:00 p.m.
Select on Ethics
To further discuss proposed revisions to the Senate Code of Official Conduct.
6228 Dirksen Building

FEBRUARY 27

8:30 a.m.
Armed Services
Strategic and Theater Nuclear Forces Subcommittee
To resume closed hearings on proposed authorizations for fiscal year 1982 for land-based deterrent programs of the Department of Defense.
224 Russell Building

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings on alleged corruption in the International Longshoremen's Association's influence and control over the waterfront industry along the east and gulf coasts.
3302 Dirksen Building

10:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To continue hearings on S. 270, to provide for the deregulation of the radio broadcasting industry.
235 Russell Building
Environment and Public Works
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the Public Buildings Service.
4200 Dirksen Building
Foreign Relations
International Economic Policy Subcommittee
To resume hearings to examine current U.S. interests in developing countries and alternative strategies to advance U.S. interests.
4221 Dirksen Building

10:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Human Development Services, and for certain departmental management programs and the Office for Civil Rights of the Department of Education.
1114 Dirksen Building

MARCH 2

9:30 a.m.
Commerce, Science, and Transportation
*Science, Technology, and Space Subcommittee
To hold hearings to assess the Nation's critical shortages of strategic materials and minerals and evaluate the impact of the National Materials and Minerals Policy, Research and Development Act.
235 Russell Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for elementary and secondary educational programs of the Department of Education.
1114 Dirksen Building

MARCH 3

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the American Battle Monuments Commission, Army Cemeterial Expenses, the Office of Consumer Affairs, and the Consumer Information Center.
1224 Dirksen Building
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Fish and Wildlife Service, Department of the Interior.
1318 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for impact aid programs, and emergency school aid programs of the Department of Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Inspector General of the Department of Transportation; and the National Transportation Safety Board.
S-126, Capitol

11:30 a.m.
Veterans' Affairs
To hold hearings to receive the Veterans of Foreign Wars legislative recommendations for fiscal year 1982.
318 Russell Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for library and learning resource programs and vocational and adult education programs of the Department of Education.
1114 Dirksen Building

MARCH 4

8:30 a.m.
*Governmental Affairs
Oversight of Government Management Subcommittee
To hold hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Water Research and Technology, Department of the Interior, the Holocaust Memorial Commission, and the Advisory Council on Historic Preservation.
1318 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on S. 234, to encourage the establishment of home health programs and to provide expanded coverage of home health services under the medicare and medicaid programs.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for educational, rehabilitation, and research programs for the handicapped of the Department of Education.
1114 Dirksen Building
Banking, Housing and Urban Affairs
To resume hearings on the conduct of monetary policy.
5302 Dirksen Building
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for the U.S. Fire Administration of the Federal Emergency Management Agency.
235 Russell Building
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the Environmental Protection Agency.
4200 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain student financial assistance programs of the Department of Education.
1114 Dirksen Building

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the U.S. Fish and Wildlife Service.
4200 Dirksen Building

MARCH 5

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings to review Governmentwide debarment and suspension practices.
3302 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for certain school improvement programs, special institutions, and Howard University of the Department of Education.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Highway Traffic Safety Administration of the Department of Transportation.
1224 Dirksen Building

Environment and Public Works
Regional and Community Development Subcommittee
To hold hearings to review those items in the President's budget for fiscal year 1982 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, receiving testimony from officials of the Economic Development Administration, Appalachian Regional Commission (title V), and the Federal Emergency Management Agency.
4200 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Education, fund for the improvement of postsecondary education, educational statistics, educational research and training activities overseas of the Department of Education.
1114 Dirksen Building

MARCH 6

10:00 a.m.
Environment and Public Works
To hold hearings on proposed legislation establishing public buildings policies for the Federal Government, permanently establishing the Public Buildings Services in the General Services Administration, authorizing funds for fiscal year 1982 for the construction, renovation, and maintenance of public buildings and related activities of the Public Buildings Service.
4200 Dirksen Building

MARCH 9

10:00 a.m.
Environment and Public Works
To resume hearings on proposed legislation establishing public buildings policies for the Federal Government, permanently establishing the Public Buildings Services in the General Services Administration authorizing funds for fiscal year 1982 for the construction, renovation, and maintenance of public buildings and related activities of the Public Buildings Service.
4200 Dirksen Building

MARCH 10

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Institute of Building Science, Federal Home Loan Bank Board, National Credit Union Administration, and the Office of Revenue Sharing (NYC).
1224 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Indian health service programs, and the Bureau of Land Management, Department of the Interior.
1318 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Community Services Administration.
1114 Dirksen Building

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Administration, Research and Special Programs and the Office of the Secretary of the Department of Transportation.
S-126, Capitol

Environment and Public Works
Business meeting, to consider those matters and programs which fall within the Committee's jurisdiction with a view to submitting its views and budgetary recommendations to the Committee on the Budget by March 15.
4200 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Federal Mediation and Conciliation Service, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, and the Federal Mine Safety and Health Review Commission.
1114 Dirksen Building

MARCH 11

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Railroad Retirement Board, domestic operations programs of ACTION, and the Soldiers' and Airmen's Home.
1114 Dirksen Building

Environment and Public Works
Business meeting, to continue consideration of those matters and programs which fall within the Committee's jurisdiction with a view to submitting its views and budgetary recommendations to the Committee on the Budget by March 15.
4200 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Corporation for Public Broadcasting, the National Commission on Libraries and Information Science, and the President's Commission on Ethical Problems in Medicine.
1114 Dirksen Building

MARCH 12

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Heritage Conservation and Recreation Service, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Civil Aeronautics Board, Interstate Commerce Commission, and the Washington Metropolitan Area Transit Authority (Metro).
1318 Dirksen Building

Environment and Public Works
To mark up proposed legislation establishing public buildings policies for the Federal Government, permanently es-

tablishing the Public Buildings Services in the General Services Administration, authorizing funds for fiscal year 1982 for the construction, renovation, and maintenance of public buildings and related activities of the Public Buildings Services.
4200 Dirksen Building

MARCH 16

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 17

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1981 for the Veterans' Administration.
1224 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearing on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Urban Mass Transportation Administration of the Department of Transportation.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 18

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 19

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Railroad Passenger Corporation (Amtrak).
1318 Dirksen Building

2:00 p.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 20

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Departments of Labor, Health and Human Services, and Education.
1114 Dirksen Building

MARCH 23

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for national centers for health statistics of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 24

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 25

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for alternative fuel programs and the Economic Regulatory Administration, Department of Energy
1114 Dirksen Building

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1982 for the National Aeronautics and Space Administration.
235 Russell Building
Labor and Human Resources
Labor Subcommittee
To continue hearings on S. 348, to increase job opportunity by allowing employers to pay young people the minimum wage at a reduced rate.
4232 Dirksen Building

MARCH 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of the Interior and certain related agencies.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain public health professional education and nurse training programs of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 27

9:30 a.m.
Labor and Human Resources
To resume hearings on proposed legislation authorizing funds for certain public health categorical programs of the Department of Health and Human Services.
4232 Dirksen Building

MARCH 31

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Management and Budget.
S-146, Capitol

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the White House Office, Office of Administration, official residence of the Vice President, executive residence, special assistance to the President, compensation of the President, and other unanticipated needs.
S-146, Capitol

APRIL 1

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 and for the Federal Emergency Management Agency and the Selective Service System.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Bureau of Indian Affairs, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain adolescent pregnancy programs of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Secretary of the Treasury.
1224 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary, international affairs programs, Bureau of the Mint, Bureau of Engraving and Printing, and Bureau of Government Financial Operations of the Department of the Treasury.
1224 Dirksen Building

APRIL 2

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Surface Mining Reclamation and Enforcement, Department of the Interior; and the Smithsonian Institution.
1114 Dirksen Building

9:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from officials of Paralyzed Veterans of America, Blinded Veterans Association, Military Order of the Purple Heart, and Veterans of World War I.
412 Russell Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Postal Service.
S-146, Capitol

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1982 from AMVETS.
412 Russell Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the U.S. Customs Service, U.S. Secret Service, Federal Law Enforcement Training Center, and the Bureau of Alcohol, Tobacco and Firearms.
S-146, Capitol

APRIL 7

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the General Services Administration.
1318 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Personnel Management, Merit Systems Protection Board and Special Counsel, Federal Labor Relations Authority, Advisory Commission on Intergovernmental Relations, Advisory Committee on Federal Pay, Commission on Executive, Legislative and Judicial Salaries, and the President's Commission on Pension Policy.
1318 Dirksen Building

APRIL 8

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Science and Technology Policy, Council on Environmental Quality, and the National Regulatory Council.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain health maintenance organizations of the Department of Health and Human Services.
4232 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Administrative Conference of the United States, Federal Elections Commission, Office of Federal Procurement Policy, Domestic Policy Staff, U.S. Tax Court, and the Committee for Purchase from the Blind and Other Severely Handicapped.
1318 Dirksen Building

APRIL 9

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for strategic petroleum reserve programs, the Energy Information Administration, and naval petroleum reserve programs, Department of Energy.
1114 Dirksen Building

10:00 a.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Internal Revenue Service, and the savings bond division of the Bureau of the Public Debt.
1318 Dirksen Building

2:00 p.m.
Appropriations
Treasury, Postal Service and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Council of Economic Advisers, National Security Council, and the Council on Wage and Price Stability.
1318 Dirksen Building

APRIL 21

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for Forest Service programs, the Office of the Federal Inspector for the Alaska Natural Gas Transportation System, and the Pennsylvania Avenue Development Corporation.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To resume hearings on alleged sex discrimination in the workplace.
4232 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 22

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Environmental Protection Agency.
1318 Dirksen Building

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of the Secretary of Energy.
1114 Dirksen Building

9:30 a.m.
Labor and Human Resources
To hold hearings on proposed legislation authorizing funds for certain community/migrant health centers and the National Health Service Corps of the Department of Health and Human Services.
4232 Dirksen Building

APRIL 23

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 28

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Endowment for the Arts and the National Endowment for the Humanities.
1114 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

APRIL 29

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Consumer Cooperative Bank, and the Consumer Product Safety Commission.
1318 Dirksen Building

APRIL 30

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Science Foundation.
1318 Dirksen Building
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Park Service, Department of the Interior.
1114 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1224 Dirksen Building

MAY 5

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 6

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Geological Survey, Department of the Interior.
1223 Dirksen Building

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for conservation and fossil energy programs.
1223 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 12

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the National Aeronautics and Space Administration.
1224 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 13

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Commission of Fine Arts, the National Gallery of Art, and the Bureau of Mines, Department of the Interior.
1223 Dirksen Building

MAY 14

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Office of Territorial Affairs, Department of the Interior.
1223 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 19

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

MAY 20

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development.
1224 Dirksen Building

MAY 21

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and the Neighborhood Reinvestment Corporation.
1224 Dirksen Building

10:00 a.m.
Appropriations
District of Columbia Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1982 for the government of the District of Columbia.
1114 Dirksen Building

JUNE 2

9:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Department of Housing and Urban Development, and certain independent agencies.
1224 Dirksen Building

CANCELLATIONS

FEBRUARY 25

10:00 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1982 for the Social Security Administration of the Department of Health and Human Services.
1114 Dirksen Building
Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building

FEBRUARY 26

10:00 a.m.
Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building

FEBRUARY 27

10:00 a.m.
Budget
Business meeting, to continue markup of proposed revisions to the Second Concurrent Budget Resolution for fiscal year 1981.
6202 Dirksen Building